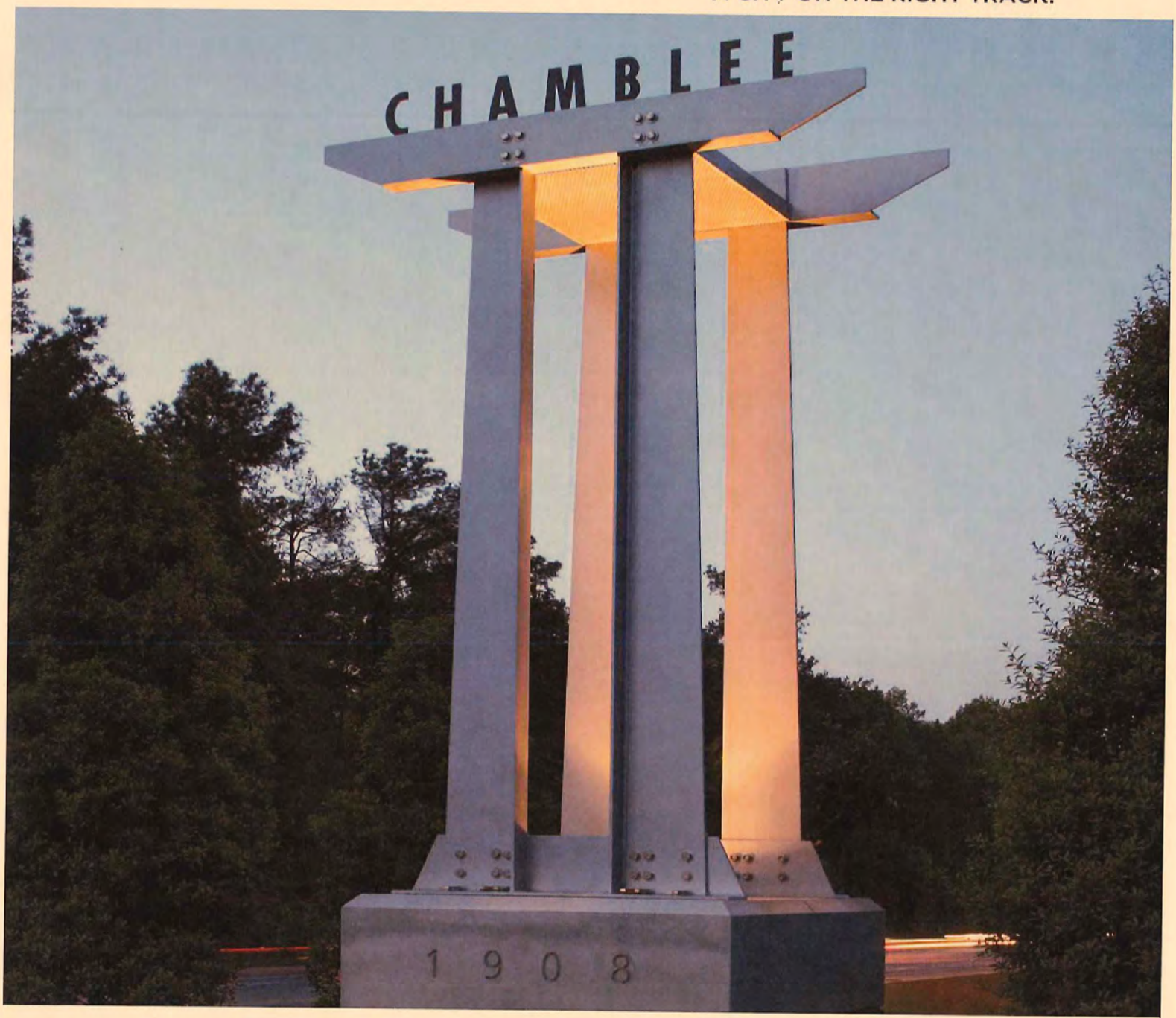
CHAMBLEE
Georgia

A CITY ON THE RIGHT TRACK!



Comprehensive Annual Financial Report

For the Year Ended December 31, 2015

CITY OF CHAMBLEE, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2015



Prepared By:
City of Chamblee
Finance Department

CITY OF CHAMBLEE, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
DECEMBER 31, 2015

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CITY OF CHAMBLEE, GEORGIA

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CITY OF CHAMBLEE, GEORGIA

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CHAMBLEE
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INTRODUCTORY SECTION
(Unaudited)

- Letter of Transmittal
- Certificate of Achievement for Excellence in Financial Reporting
- Organizational Chart
- List of Principal Officials



CITY OF CHAMBLEE

5468 PEACHTREE ROAD CHAMBLEE, GA 30341

August 24, 2016

Honorable Eric Clarkson, Mayor
Members of the City Council, and
Citizens of Chamblee, Georgia

Ladies and Gentlemen:

The comprehensive annual financial report of the City of Chamblee, Georgia (the "City") for the fiscal year ended December 31, 2015 is hereby submitted. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based on a comprehensive framework of internal controls established for this purpose. Because the cost of internal controls 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. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and reported in a manner designed to present fairly the financial position and results of operations of the City.

The City's financial statements have been audited by Mauldin & Jenkins, LLC, a firm of licensed certified public accountants. The independent auditors have issued an unmodified or "clean" opinion on the City of Chamblee's financial statements for the year ended December 31, 2015. The independent auditor's report is presented as the first component 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. The basic audited financial statements with combining and individual fund statements and schedules along with required supplementary information follow the MD&A.

The statistical section contains selected historical financial data, debt statistics, and the miscellaneous social and economic data generally presented on a multi-year basis.

History-City of Chamblee

Chamblee is located in Northern DeKalb County and is bordered by Dunwoody to the northwest, Doraville to the east and Brookhaven to the southwest. The heart of what is known today as the City of Chamblee was originally a small community known as the Roswell Junction. In 1881, the Roswell Railroad completed its line with a stop in the Roswell Junction community. The rail stop spurred growth in the area and due to postal confusion with Roswell, Roswell Junction became known as Chamblee. Chamblee was

officially incorporated as a City by the State of Georgia on August 17, 1908. The City was defined as an area radiating one-half mile in every direction from the rail depot.

Since its incorporation in 1908, the City of Chamblee has undergone several annexations. The most recent of which became effective on December 30, 2013 and grew the City to a total of 7.85 square miles and more than 27,000 citizens.

Form of Government

The City of Chamblee operates under a mayor and council-city manager form of government. The Chamblee City Council is comprised of a mayor and five council members. The City is divided into three council districts and two at-large districts. One council member is elected from each of the three districts and two council members are elected from the city at large. The council members who are elected for the three districts must live in the district that they represent but all five council members are elected by a city-wide vote.

The Council enacts ordinances, establishes policy, adopts the annual budget, and establishes the ad valorem tax rate for each year. The City Manager is responsible for implementing the policies set forth by the Council, overseeing all City employees, and managing the day to day operations of the City.

Services Provided

The services provided by the City under general governmental functions include police protection, planning and development, sidewalk and curb maintenance, and parks operation and maintenance. These services are primarily funded by property taxes, franchise fees, and occupational licenses.

In addition, the City provides stormwater, solid waste, and criminal history background checks under the enterprise fund concept. These services are provided for a fee that is set forth by the City Council.

Economic Outlook

Located just 14 miles from downtown Atlanta, the City of Chamblee is positioned for significant economic growth as the economy continues to recover. Two major interstate highways that border the City, I-285 to the north and I-85 to the southeast, provide easy roadway access to and from the City. For commuters, the roadway access is complimented by a MARTA (Metropolitan Atlanta Rapid Transit Authority) rail station and several MARTA bus stops throughout the City. The City is also home to DeKalb Peachtree Airport (PDK), which is the second busiest airport in the State.

At the time of the 2010 census, the City of Chamblee ranked 37th in population out of 68 incorporated municipalities that were in the 10 counties that make up the Atlanta Regional Commission (ARC) with 9,892 citizens. Today, because of two annexations since the last census, Chamblee's 27,981 citizens would rank 15th in the same region.

The City of Chamblee's median household income in 2012 was $49,505. This is in line with the State of Georgia's median household income of $49,604 but slightly below DeKalb County's median household income of $51,252. Persons living below the poverty level in the City of Chamblee were at 21.2% while DeKalb County and the State of Georgia levels were at 18.6% and 17.4%, respectively. These figures combined with the median household income figures, show that there is a greater disparity between the households at the top income levels and the households at the bottom income levels than there is throughout the State.

Chamblee has benefited from the migration of the film and TV industry to the metro Atlanta area. Studio production companies constantly visit the wide variety of antiques shops that Chamblee has to offer as they search for valuable additions to their sets.

Building materials spent on new residential construction grew from $6.3 million in 2014 to more than $8.2 million in 2015. This residential growth has sparked more than $35.7 million in spending on new commercial construction in 2015. This is nearly 3 times the amount spent on commercial construction in 2014. This explosive growth has continued into 2016 with already more than $104 million spent on new commercial construction.

As previously mentioned, Chamblee annexed an area of approximately 7.5 square miles on December 30, 2013. When the City was approached by the citizens of the affected area about annexation, it was believed that the private and commercial mix of property would generate enough revenue to bring the City's high level of service to the area. However, the owners of Century Center, a nearly 100 acre commercial development, filed a lawsuit to be excluded from the annexation. In April of 2015, this lawsuit was resolved in the City of Chamblee's favor. This insures that the annexed area will provide enough revenues to pay for additional personnel and capital equipment that was added to the budget directly relating to the annexation.

Budget

The budget is the City's annual financial operating plan. The annual budget includes the operating departments of the general fund, special revenue funds, capital project funds, and enterprise funds. The budget encompasses a fiscal year that begins on January 1 and ends on December 31.

The City Manager is responsible for presenting a proposed budget to the Mayor and Council. This budget must be balanced within each fund. The budget must generally be approved prior to the start of the new fiscal year, although local statute does allow the city to operate for a period of no more than 30 days without an approved budget under certain circumstances.

Long-term Financial Planning

The City's policy is to maintain a minimum General Fund balance reserve equal to 33% of operating expenditures. As of December 31, 2015, the General Fund balance was 60.8% of annual operating expenditures. Excess fund balances over reserve requirements and fund balance from the Criminal History Fund will be used to fund non-recurring expenditures. The City is in the process of developing a rolling 5 year capital plan to help dictate how to best use these excess funds. In addition, the City expects to receive more than $1 million annually in Homestead Option Sales Tax (HOST). This revenue is restricted to the use of capital expenditures.

Awards

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report for the fiscal year ended December 31, 2014. This was the City's second consecutive award. To be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized comprehensive annual financial report. The report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA for consideration.

Acknowledgments

I would like to thank the Mayor, City Council, and City Manager for their support and guidance in preparation of this report. I would also like to express my appreciation to the City's staff for their assistance and cooperation in the preparation of this report.

Respectfully submitted,

Travis Sims

Travis Sims
Finance Director

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Chamblee

Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

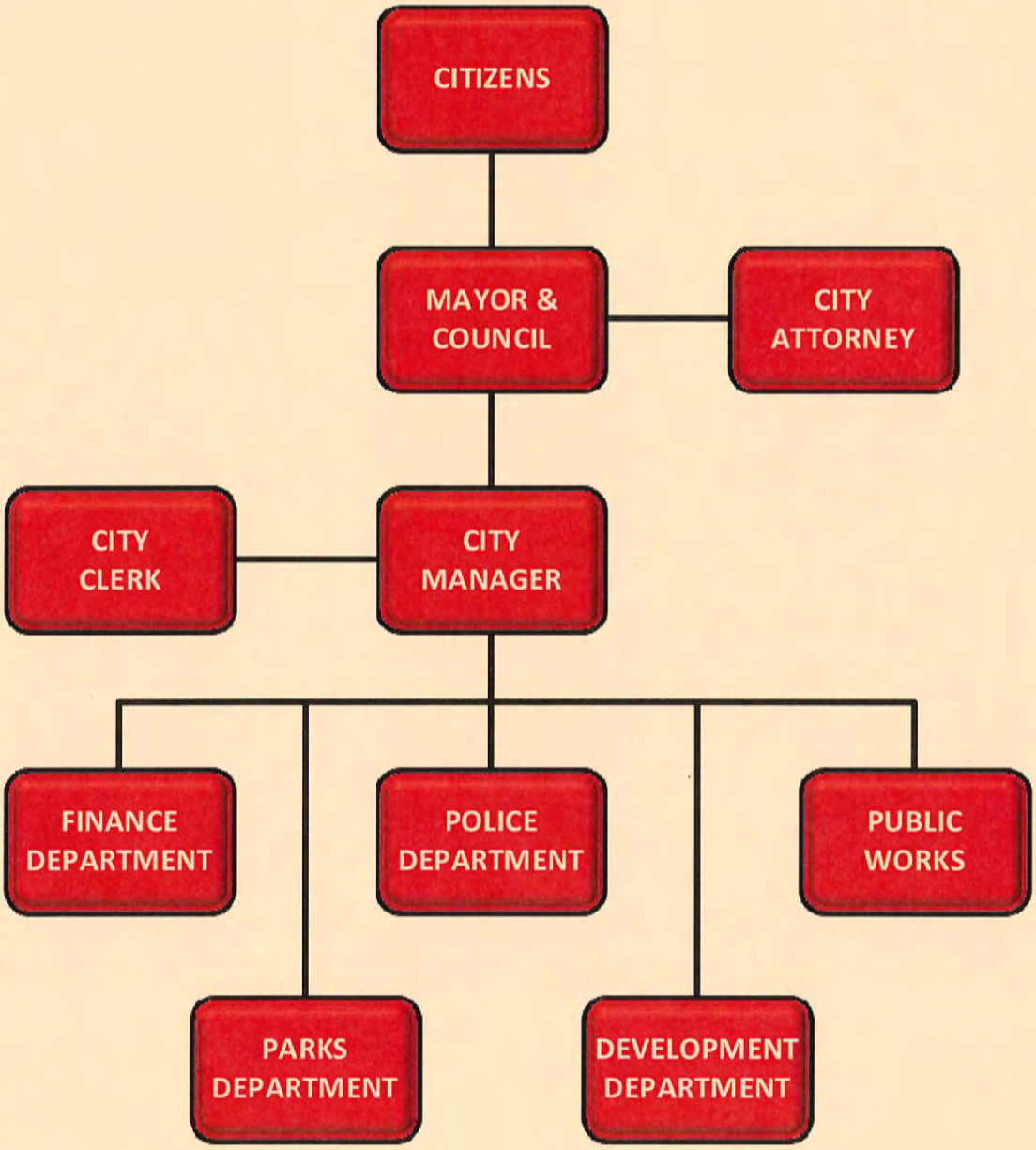
December 31, 2014

Executive Director/CEO

CITY OF CHAMBLEE, GEORGIA

ORGANIZATIONAL CHART

DECEMBER 31, 2015



CITY OF CHAMBLEE, GEORGIA

LIST OF PRINCIPAL OFFICIALS
DECEMBER 31, 2015

Legislative Branch

Mayor	R. Eric Clarkson
Council Member	Dan Zanger
Council Member	Thomas S. Hogan, II
Council Member	Leslie C. Robson
Council Member	John Mesa
Council Member	Brian Mock

Management Staff

City Manager	Marc Johnson
Director of Finance	Travis Sims
Director of Public Works	Reginald Anderson
Director of Development	Gary Cornell
City Clerk	Emmie Niethammer
Director of Parks & Recreation	Jennifer Rackley
Police Chief	Donny Williams
Economic Development Manager	Adam Causey
City Attorney	Loren Fowler

CHAMBLEE
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FINANCIAL SECTION

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements
  - Government-Wide Financial Statements
  - Fund Financial Statements
- Notes to the Financial Statements
- Required Supplementary Information
- Combining, Individual Fund Statements and Schedules



MAULDIN & JENKINS

INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and Members
of City Council of the
City of Chamblee, 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 Chamblee, Georgia**, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City of Chamblee, 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 did not audit the financial statements of the Chamblee Downtown Development Authority. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Chamblee Downtown Development Authority, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit 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 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, based on our report and the report of other auditors, 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 Chamblee, Georgia as of December 31, 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.

Emphasis of Matter

As discussed in Notes 9 and 16, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB No. 27*, as well as Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment for GASB No. 68*, as of January 1, 2015. These standards significantly changed the accounting for the County's net pension liability and related disclosures. Our opinions are not modified with respect to this matter.

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 4 through 14 and the Schedule of Changes in the City's Net Pension Liability and Related Ratios and Schedule of City Contributions on pages 53-54, as listed in the table of contents, 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 Chamblee, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements and schedules as well as the introductory and the statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules 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 nonmajor fund financial statements and schedules 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 August 24, 2016, on our consideration of the City of Chamblee, 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 Chamblee's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Atlanta, Georgia
August 24, 2016

As management of the City of Chamblee, Georgia (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City of Chamblee for the year ended December 31, 2015.

FINANCIAL HIGHLIGHTS

- The City's total assets and deferred outflows of resources exceed liabilities and deferred inflows of resources by $28,566,831 at the end of the year. Of this amount, unrestricted net position of $9,913,966 may be used to meet the City's ongoing obligations to citizens and creditors.

- As a whole, the City's financial position improved during the year 2015. The City's net position increased by $3,544,496 or 14.2%. Of this amount, an increase of $2,859,853 was associated with governmental activities and an increase of $684,643 was associated with business-type activities.

- As of the close of the current year, the City's governmental funds reported combined ending fund balances of $13,466,064, an increase of $2,553,284 in comparison to the prior year. Of this amount, $8,589,239 is unassigned and available for spending.

- At the end of the current year, unassigned fund balance for the General Fund was $8,590,739, or 60.3% of total General Fund expenditures.

- The General Fund reported a net increase in fund balance of $1,522,151 compared to an increase of $2,442,519 in the prior year.

- The City's total debt obligations with beginning balances restated (including accrued compensated absences and net pension liabilities) decreased by $737,763 or (18.7)% during the current year due the new reporting of net pension liability which is now required under GASB Statement No. 68 and 71.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between these items

being 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 is improving or deteriorating.

The statement of activities presents information showing how the City's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flow in future periods.

The government-wide financial statements of the City are divided into two (2) categories:

- **Governmental activities** – These include the basic services provided by the City that are principally supported by taxes and intergovernmental revenues. These include police, culture and recreation, public works and general administration.

- **Business-type activities** – These include services for which the City charges specific fees which are meant to recover all or a significant portion of the cost of providing the services. Fees collected under this type of activity include sanitation (solid waste collection), stormwater fees, and criminal history background checks.

Governmental activities and business-type activities are consolidated and added to the total for the primary government.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other State and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between the two.

The City maintains nine (9) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and the Homestead Option Sales Tax Fund which are considered to be a major fund. Data from the other seven (7) governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts annual appropriated budgets for its governmental funds. Budgetary comparison statements and schedules have been provided for these funds to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 17 through 20 of this report.

Proprietary funds. The City maintains three (3) proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its sanitation, stormwater, and criminal history background functions. Sanitation, Stormwater, and Criminal History Funds are considered to be major funds of the City.

The basic proprietary fund financial statements can be found on pages 21 through 23 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 24 through 52 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information such as the City's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 53 and 54 this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $28,566,831 at the close of the most recent year.

By far the largest portion of the City's net position (49.8%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to

repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position ($4,437,932) represents resources that are subject to external usage restrictions. The remaining balance of unrestricted net position ($9,913,966) may be used to meet the City's ongoing obligations to citizens and creditors.

At the end of the current year, the City is able to report positive balances in all three categories of net position, both for the City as a whole, as well as for its separate governmental and business-type activities.

City of Chamblee, Georgia's Net Position

	Governmental Activities		Business-type Activities		Total	
	2015	2014 (restated)	2015	2014 (restated)	2015	2014 (restated)
Assets:						
Current and other assets	$ 15,524,707	$ 12,564,698	$ 3,657,133	$ 3,612,143	$ 19,181,840	$ 16,176,841
Capital assets	11,633,053	11,594,691	3,233,049	2,669,526	14,866,102	14,264,217
Total Assets	27,157,760	24,159,389	6,890,182	6,281,669	34,047,942	30,441,058
Deferred outflows of resources	$ 304,106	$ 208,472	$ 35,259	$ 24,171	$ 339,365	$ 232,643
Liabilities:						
Current and other liabilities	2,018,582	1,601,915	72,767	102,541	2,091,349	1,704,456
Long term debt outstanding	2,983,228	3,631,697	225,919	315,213	3,209,147	3,946,910
Total Liabilities	5,001,810	5,233,612	298,686	417,754	5,300,496	5,651,366
Deferred inflows of resources	$ 465,954	$ -	$ 54,026	$ -	$ 519,980	$ -
Net position:						
Net investment in capital assets	10,990,044	10,683,425	3,224,889	2,629,383	14,214,933	13,312,808
Restricted	4,437,932	3,744,041	-	-	4,437,932	3,744,041
Unrestricted	6,566,126	4,706,783	3,347,840	3,258,703	9,913,966	7,965,486
Total Net Position	$ 21,994,102	$ 19,134,249	$ 6,572,729	$ 5,888,086	$ 28,566,831	$ 25,022,335

Governmental Activities. Governmental activities increased the City of Chamblee's net position by $2,859,853, thereby accounting for 80.7% of the total increase in the net position of the City. Key elements of this increase are as follows:

- Occupational tax revenue increased by $867,654 or 75.2% due to updating occupational tax tables.

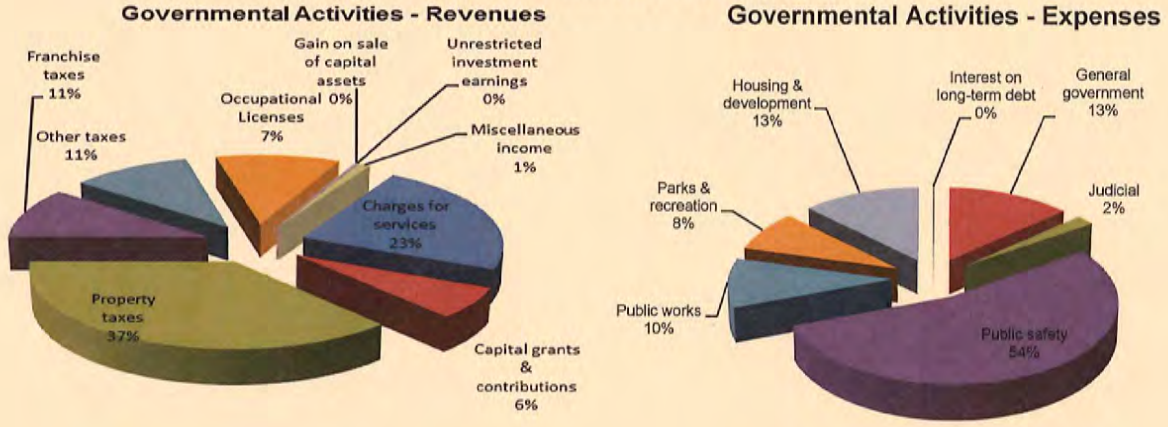
- Property tax collections increased by $897,428 or $15.1% due to increased property values and the resolution, in the City's favor, of an ongoing lawsuit regarding certain Century Center parcels.

City of Chamblee, Georgia's Change in Net Position

	Governmental Activities		Business-type Activities		Total	
	2015	2014 (restated)	2015	2014 (restated)	2015	2014 (restated)
Revenues:						
Program Revenues						
Charges for services	$ 4,282,860	$ 3,658,441	$ 2,406,255	$ 2,342,204	$ 6,689,115	$ 6,000,645
Capital grants and contributions	1,197,701	1,285,974	-	-	1,197,701	1,285,974
General revenues:						
Property taxes	6,829,110	5,931,682	-	-	6,829,110	5,931,682
Other taxes	5,918,056	4,869,364	-	-	5,918,056	4,869,364
Investment income	5,400	2,942	-	-	5,400	2,942
Miscelleneous	228,570	79,577	10,400	750	238,970	80,327
Total Revenues	18,461,697	15,827,980	2,416,655	2,342,954	20,878,352	18,170,934
Expenses:						
General government	2,023,765	1,947,348	-	-	2,023,765	1,947,348
Judicial	306,565	278,743	-	-	306,565	278,743
Public safety	8,202,652	8,135,258	-	-	8,202,652	8,135,258
Public works	1,509,538	1,435,724	-	-	1,509,538	1,435,724
Parks and recreation	1,249,850	929,319	-	-	1,249,850	929,319
Housing and development	1,925,243	1,367,963	-	-	1,925,243	1,367,963
Interest on long-term debt	13,963	18,727	-	-	13,963	18,727
Storm water	-	-	780,900	516,683	780,900	516,683
Sanitation	-	-	1,105,695	833,208	1,105,695	833,208
Criminal history	-	-	215,685	182,801	215,685	182,801
Total Expenses	15,231,576	14,113,082	2,102,280	1,532,692	17,333,856	15,645,774
Excess before Transfers	3,230,121	1,714,898	314,375	810,262	3,544,496	2,525,160
Transfers	(370,268)	157,141	370,268	(157,141)	-	-
Increase (Decrease) in Net position	2,859,853	1,872,039	684,643	653,121	3,544,496	2,525,160
Net position, beginning of year, as previously reported	19,134,249	19,901,742	5,888,086	5,457,246	25,022,335	25,358,988
Restatement - see footnote 16	-	(2,639,532)	-	(222,281)	-	(2,861,813)
Net position, end of year	$ 21,994,102	$ 19,134,249	$ 6,572,729	$ 5,888,086	$ 28,566,831	$ 25,022,335

See page 16 of the financial statements for the net cost (total cost less revenues generated by the activities) of these programs or functions. The following charts show the source of the City's governmental revenues and expenses:

Governmental Activities



Business-type Activities. Business-type activities increased the City's net position by $684,643 thereby accounting for 19.3% of the total increase in the net position of the City. The primary reason for this increase was the Criminal History Fund. Revenues in the Criminal History Fund are derived from running background checks. The City Council has committed income from this fund to be used for capital purchases.

Business-type Activities

	Program Revenues		Program Expenses		Program Income (Loss)	
	2015	2014	2015	2014	2015	2014
Fund:						
Stormwater	$ 1,087,113	$ 1,087,547	$ 780,900	$ 516,683	$ 306,213	$ 570,864
Sanitation	698,612	725,115	1,105,695	833,208	(407,083)	(108,093)
Criminal History	620,530	529,542	215,685	182,801	404,845	346,741
Total	$ 2,406,255	$ 2,342,204	$ 2,102,280	$ 1,532,692	$ 303,975	$ 809,512

Criminal History Fund's program revenue increased by $90,988 in 2015. This fund was used to support $426,647 in capital purchases for the year. While Stormwater revenues were flat in 2015 compared to 2014, expenses grew by $264,217 mainly due to an increase in depreciation expense and personnel costs. As previously planned, the City took over sanitation services for the previously annexed "DECA" in mid-year 2015.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the City of Chamblee uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds. The purpose of the City's governmental fund financial statements is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's new resources available for spending at the end of the year.

As of December 31, 2015, the City's governmental funds reported combined ending balances of $13,466,064, an increase of $2,553,284 in comparison to the prior year. Of this amount, $8,589,239 is unassigned fund balance, which is available for spending at the City's discretion. The remainder of the fund balance is not available for new spending because it is either restricted or committed for other purposes or nonspendable.

The restricted funds include $3,982,774 in Homestead Option Sales Tax (HOST) funds that can be used only for capital projects, $200,602 restricted for public safety, and $24,575 restricted for debt service payments. The committed funds consist of $271,691 which is to be spent for police and municipal court technology expenditures and $96,134 to be spent on downtown beautification projects.

General Fund. The General Fund is the City's chief operating fund. At the end of the current year, unassigned fund balance of the General Fund was $8,590,739 while total fund balance was $8,652,732. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 60.3% of the total General Fund expenditures for 2015, while total fund balance represents 60.8% of that same amount.

During the current year, the fund balance of the City's General Fund increased by $1,522,151. The revenues increased by $1,564,708 or 10.8%, and the expenditures increased by $1,254,846 or 9.7% resulting in an excess of revenues over expenditures of $1,880,873 for 2015. In addition, the General Fund transferred a net of $403,915 to other funds.

Proprietary funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The combined unrestricted net positions of the three proprietary funds were $3,347,840 at the end of the year. Of this amount, $2,651,164 was from the Stormwater Fund while the Sanitation Fund showed a deficit of ($85,780). The remaining $782,456 belongs to the Criminal History Fund.

Profits from this fund will be transferred to the General Fund to pay for capital purchases as approved by the Mayor and City Council.

GENERAL FUND BUDGETARY HIGHLIGHTS

For year 2015, the City's General Fund had a favorable budget variance of $3,623,628 due in part to the resolution of a lawsuit in the City's favor over whether or not parcels in the Century Center office park where in the City's latest annexation. The inclusion of those properties allowed the City to collect property taxes for the current year as well as a negotiated amount for the previous year.

On the expenditure side, there were several ongoing capital improvement projects that required some level of General Fund funding were fully budgeted in 2015. The uncompleted portion of those projects will carry over into future years. The ongoing capital improvements along with vacant positions were the major factors in expenditures being $2,215,600 less than what was budgeted.

CAPITAL ASSETS

The City's investment in capital assets for its governmental activities as of December 31, 2015, amounts to $11,633,053 (net of accumulated depreciation). These assets primarily reflect land, buildings, infrastructure, vehicles, furniture and equipment and park improvements. The City's investment in net capital assets for its business-type activities as of December 31, 2015, amounts to $3,233,049.

The total increase in the City's investment in capital assets for the current year was $601,885 or 4.2%. For more detailed information concerning capital assets, see Note 6 to the financial statements.

Some of the major capital asset additions in year 2015 included the purchase of a new street sweeper, an additional leaf machine, and a makeover of Keswick Park.

Capital Assets
(net of depreciation)

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Land	$ 1,525,278	$ 1,525,278	$ -	$ -	$ 1,525,278	$ 1,525,278
Construction in progress	740,702	556,781	-	-	740,702	556,781
Buildings and improvements	3,273,763	3,407,891	81,826	86,003	3,355,589	3,493,894
Infrastructure	2,072,261	2,177,959	1,730,590	1,870,163	3,802,851	4,048,122
Furniture, machinery, and equipment	899,810	989,377	387,197	42,743	1,287,007	1,032,120
Park improvements	2,251,721	2,185,106	-	-	2,251,721	2,185,106
Vehicles	869,518	752,299	1,033,436	670,617	1,902,954	1,422,916
Total	$11,633,053	$ 11,594,691	$ 3,233,049	$ 2,669,526	$ 14,866,102	$ 14,264,217

LONG-TERM DEBT AND OBLIGATIONS

At the end of 2015 year, the City had $3,209,147 in outstanding long-term debt and obligations. This is a net decrease of ($737,763) compared to last year's restated total. As previously stated, prior year outstanding debt and obligations was restated to include the net pension liability as required under GASB statement No. 68/71. More detailed information about the City's long-term liabilities is included in Note 7 to the financial statements.

Outstanding Debt at December 31

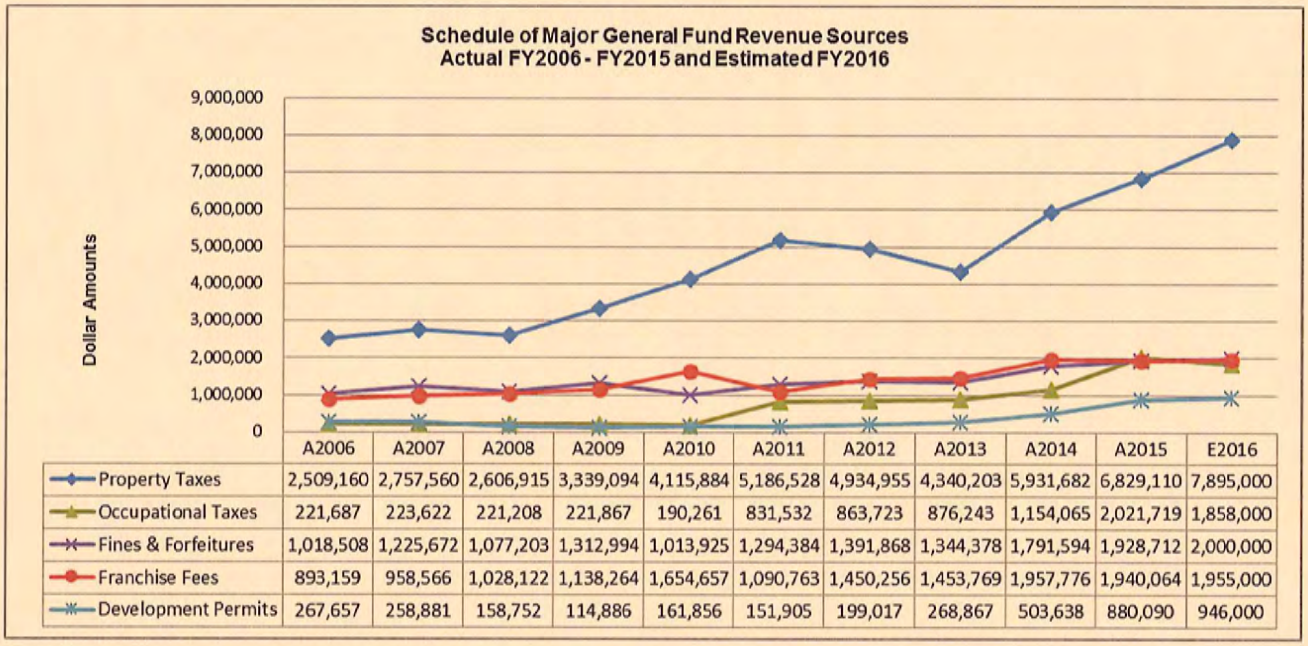
	Governmental Activities		Business-type Activities		Total	
	2015	2014 (restated)	2015	2014 (restated)	2015	2014 (restated)
Capital leases payable	$ 643,009	$ 911,266	$ 8,160	$ 40,143	$ 651,169	$ 951,409
Net pension liability	1,626,157	2,125,557	188,548	246,452	1,814,705	2,372,009
Compensated absences	714,062	594,874	29,211	28,618	743,273	623,492
Total	$ 2,983,228	$ 3,631,697	$ 225,919	$ 315,213	$ 3,209,147	$ 3,946,910

ECONOMIC AND NEXT YEAR'S BUDGET AND RATES

Funding for the City's governmental activities is derived from property tax, other taxes, and fees. During the calendar year 2016 budget process, the City considered projections on the State and local economy to estimate tax revenues for the proposed budget. The City's budget for 2016 was prepared using the 2015 millage rate of 6.4 mills.

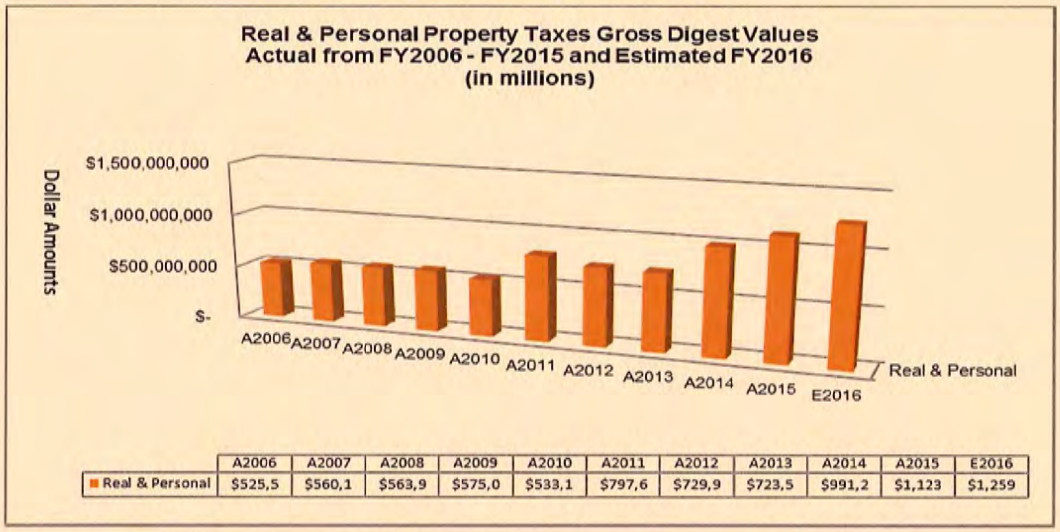
Property taxes, fines and forfeitures, franchise fees, and occupational licenses have been the City's main sources of revenue that support the general governmental operations. In 2015, the City adjusted the tables that are used in the calculation of occupational taxes. This adjustment along with rising property values helped Governmental revenues to increase by $2,633,717. Although revenues are expected to flatten out in 2016, there are several redevelopment projects underway that should, once completed, increase the tax base for the coming years.

The following table shows the ten year revenue trends for the City's major revenue sources and the calendar year 2015 estimated revenue budget amount:

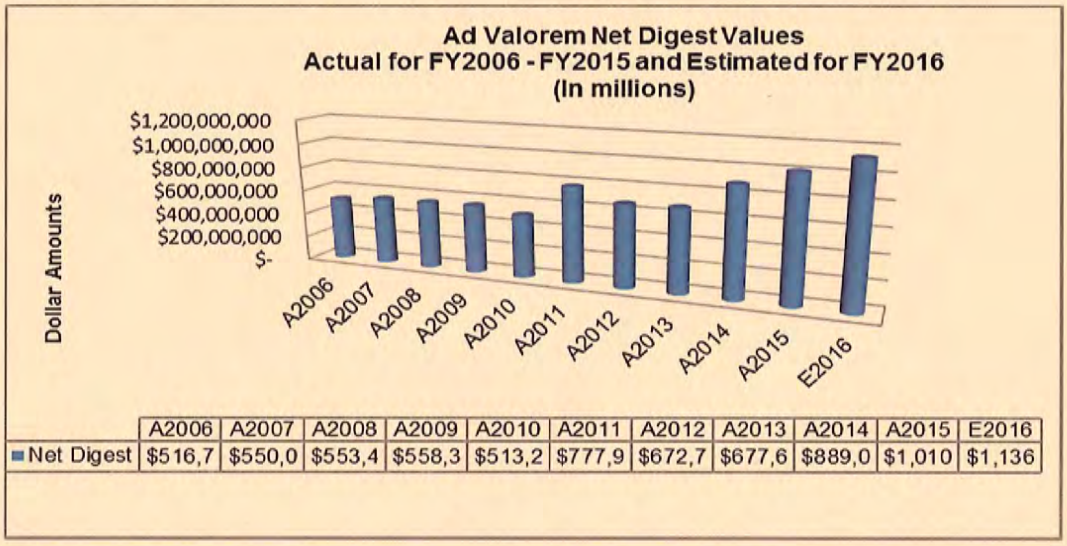


	A2006	A2007	A2008	A2009	A2010	A2011	A2012	A2013	A2014	A2015	E2016
Property Taxes	2,509,160	2,757,560	2,606,915	3,339,094	4,115,884	5,186,528	4,934,955	4,340,203	5,931,682	6,829,110	7,895,000
Occupational Taxes	221,687	223,622	221,208	221,867	190,261	831,532	863,723	876,243	1,154,065	2,021,719	1,858,000
Fines & Forfeitures	1,018,508	1,225,672	1,077,203	1,312,994	1,013,925	1,294,384	1,391,868	1,344,378	1,791,594	1,928,712	2,000,000
Franchise Fees	893,159	958,566	1,028,122	1,138,264	1,654,657	1,090,763	1,450,256	1,453,769	1,957,776	1,940,064	1,955,000
Development Permits	267,657	258,881	158,752	114,886	161,856	151,905	199,017	268,867	503,638	880,090	946,000

The following two tables show the ten year trends for the real and personal property tax gross digest values and the net tax digest values:



	A2006	A2007	A2008	A2009	A2010	A2011	A2012	A2013	A2014	A2015	E2016
Real & Personal	$525,5	$560,1	$563,9	$575,0	$533,1	$797,6	$729,9	$723,5	$991,2	$1,123	$1,259



	A2006	A2007	A2008	A2009	A2010	A2011	A2012	A2013	A2014	A2015	E2016
Net Digest	$516,7	$550,0	$553,4	$558,3	$513,2	$777,9	$672,7	$677,6	$889,0	$1,010	$1,136

Financial Contact

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. Questions concerning any of the information provided in this report or requests for additional information should be directed to the Finance Department at 5468 Peachtree Road, Chamblee, Georgia, 30341.

CITY OF CHAMBLEE, GEORGIA

STATEMENT OF NET POSITION
DECEMBER 31, 2015

	Primary Government			Component Unit
ASSETS	Governmental Activities	Business-type Activities	Total	Downtown Development Authority
Cash and cash equivalents	$ 12,755,732	$ 3,512,994	$ 16,268,726	$ 81,924
Restricted cash and cash equivalents	-	-	-	39,457
Taxes receivable, net of allowance	2,631,189	-	2,631,189	-
Accounts receivable, net of allowance	60,718	125,244	185,962	62,500
Due from other governments	6,000	1,684	7,684	-
Prepaid items	71,068	17,211	88,279	1,458
Capital assets:				
Non-depreciable	2,265,980	-	2,265,980	867,672
Depreciable, net of accumulated depreciation	9,367,073	3,233,049	12,600,122	569,963
Total assets	27,157,760	6,890,182	34,047,942	1,622,974
DEFERRED OUTFLOWS OF RESOURCES				
Pension related items	304,106	35,259	339,365	-
Total deferred outflows of resources	304,106	35,259	339,365	-
LIABILITIES				
Accounts payable	895,968	42,663	938,631	1,239
Accrued liabilities	451,342	19,552	470,894	4,404
Unearned revenue	346,790	-	346,790	-
Due to other governments	320,129	-	320,129	-
Deposits payable	2,500	10,552	13,052	-
Accrued interest payable	1,853	-	1,853	-
Compensated absences, due within one year	606,952	4,382	611,334	-
Compensated absences, due in more than one year	107,110	24,829	131,939	-
Capital leases, due within one year	210,498	8,160	218,658	-
Capital leases, due in more than one year	432,511	-	432,511	-
Revenue bonds payable, due in more than one year	-	-	-	1,509,858
Net pension liability, due in more than one year	1,626,157	188,548	1,814,705	-
Total liabilities	5,001,810	298,686	5,300,496	1,515,501
DEFERRED INFLOWS OF RESOURCES				
Pension related items	465,954	54,026	519,980	-
Total deferred inflows of resources	465,954	54,026	519,980	-
NET POSITION				
Net investment in capital assets	10,990,044	3,224,889	14,214,933	(72,223)
Restricted for:				
Public safety	200,602	-	200,602	-
Culture and recreation	229,981	-	229,981	-
Capital projects	3,982,774	-	3,982,774	-
Debt service	24,575	-	24,575	39,457
Unrestricted	6,566,126	3,347,840	9,913,966	140,239
Total net position	$ 21,994,102	$ 6,572,729	$ 28,566,831	$ 107,473

The accompanying notes are an integral part of these financial statements.

CHAMBLEE Georgia
A CITY ON THE RIGHT TRACK

CITY OF CHAMBLEE, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2015

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total	Component Unit: Downtown Development Authority
Primary government:							
Governmental activities:							
General government	$ 2,023,765	$ 682,943	$ 1,044,109	$ (296,713)	$ -	$ (296,713)	$ -
Judicial	306,565	1,928,712	-	1,622,147	-	1,622,147	-
Public safety	8,202,652	662,783	-	(7,539,869)	-	(7,539,869)	-
Public works	1,509,538	-	-	(1,509,538)	-	(1,509,538)	-
Parks and recreation	1,249,850	128,332	-	(1,121,518)	-	(1,121,518)	-
Housing and development	1,925,243	880,090	153,592	(891,561)	-	(891,561)	-
Interest on long-term debt	13,963	-	-	(13,963)	-	(13,963)	-
Total governmental activities	15,231,576	4,282,860	1,197,701	(9,751,015)	-	(9,751,015)	-
Business-type activities:							
Stormwater	780,900	1,087,113	-	-	306,213	306,213	-
Sanitation	1,105,695	698,612	-	-	(407,083)	(407,083)	-
Criminal history	215,685	620,530	-	-	404,845	404,845	-
Total business-type activities	2,102,280	2,406,255	-	-	303,975	303,975	-
Total primary government	$ 17,333,856	$ 6,689,115	$ 1,197,701	$ (9,751,015)	$ 303,975	$ (9,447,040)	$ -
Component Unit:							
Downtown Development Authority	$ 169,637	$ 152,177	$ -	$ -	$ -	$ -	$ (17,460)
General revenues:							
Property taxes				6,829,110	-	6,829,110	-
Franchise taxes				1,940,064	-	1,940,064	-
Excise taxes				228,086	-	228,086	-
Insurance premium taxes				893,924	-	893,924	-
Business taxes				2,021,719	-	2,021,719	-
Other taxes				110,434	-	110,434	-
Hotel / motel taxes				408,587	-	408,587	-
Alcohol taxes				315,242	-	315,242	-
Unrestricted investment earnings				5,400	-	5,400	3
Gain on sale of capital assets				45,193	10,400	55,593	-
Miscellaneous				183,377	-	183,377	-
Transfers				(370,268)	370,268	-	-
Total general revenues and transfers				12,610,868	380,668	12,991,536	3
Change in net position				2,859,853	684,643	3,544,496	(17,457)
Net position, beginning of year, as restated (see Note 16)				19,134,249	5,888,086	25,022,335	124,930
Net position, end of year				$ 21,994,102	$ 6,572,729	$ 28,566,831	$ 107,473

The accompanying notes are an integral part of these financial statements.

CHAMBLEE Georgia
A CITY ON THE RIGHT TRACK!

CITY OF CHAMBLEE, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2015

ASSETS	General Fund	Homestead Option Sales Tax Fund	Nonmajor Governmental Funds	Total Governmental Funds
Cash and cash equivalents	$ 8,239,670	$ 3,615,897	$ 900,165	$ 12,755,732
Taxes receivable, net of related allowance	2,216,504	366,877	47,808	2,631,189
Accounts receivable, net of related allowance	10,705	-	50,013	60,718
Due from other governments	-	-	6,000	6,000
Due from other funds	-	-	58,468	58,468
Prepaid items	61,993	-	9,075	71,068
Total assets	$ 10,528,872	$ 3,982,774	$ 1,071,529	$ 15,583,175
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ 666,235	$ -	$ 229,733	$ 895,968
Accrued liabilities	440,104	-	11,238	451,342
Unearned revenue - licenses and permits	346,790	-	-	346,790
Deposits payable	2,500	-	-	2,500
Due to other governments	320,129	-	-	320,129
Due to other funds	58,468	-	-	58,468
Total liabilities	1,834,226	-	240,971	2,075,197
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - occupational taxes	1,600	-	-	1,600
Unavailable revenue - property taxes	40,314	-	-	40,314
Total deferred inflows of resources	41,914	-	-	41,914
FUND BALANCES				
Fund Balances:				
Nonspendable:				
Prepaid items	61,993	-	9,075	71,068
Restricted:				
Public safety	-	-	200,602	200,602
Culture and recreation	-	-	229,981	229,981
Capital projects	-	3,982,774	-	3,982,774
Debt service	-	-	24,575	24,575
Committed:				
Police technology resources	-	-	271,691	271,691
Downtown construction	-	-	96,134	96,134
Unassigned (deficit)	8,590,739	-	(1,500)	8,589,239
Total fund balances	8,652,732	3,982,774	830,558	13,466,064
Total liabilities, deferred inflows of resources, and fund balances	$ 10,528,872	$ 3,982,774	$ 1,071,529	

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 governmental funds.	11,633,053
Some receivables are not available to pay for current-period expenditures and, therefore, are unavailable (deferred inflows of resources) in the governmental funds.	41,914
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.	(1,358,924)
Net pension liability is not due and payable in the current period and, therefore, not reported in governmental funds, along with related amounts	(1,788,005)
Net position of governmental activities	$ 21,994,102

The accompanying notes are an integral part of these financial statements.

CHAMBLEE Georgia
A CITY ON THE RIGHT TRACK!

CITY OF CHAMBLEE, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

	General Fund	Homestead Option Sales Tax Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues				
Taxes	$ 12,121,305	$ -	$ 636,673	$ 12,757,978
Licenses and permits	1,378,754	-	-	1,378,754
Intergovernmental	120,152	1,044,109	33,440	1,197,701
Fines and forfeitures	1,928,712	-	27,210	1,955,922
Charges for services	384,550	-	563,634	948,184
Interest income	5,400	-	-	5,400
Other revenues	183,377	-	-	183,377
Total revenues	16,122,250	1,044,109	1,260,957	18,427,316
Expenditures				
Current:				
General government	1,883,447	-	4,666	1,888,113
Judicial	305,157	-	-	305,157
Public safety	7,080,938	-	925,129	8,006,067
Public works	1,616,339	-	-	1,616,339
Parks and recreation	1,176,823	-	152,064	1,328,887
Housing and development	1,895,583	-	225,721	2,121,304
Debt service:				
Principal retirements	268,257	-	-	268,257
Interest and fiscal charges	14,833	-	-	14,833
Total expenditures	14,241,377	-	1,307,580	15,548,957
Excess (deficiency) of revenues over (under) expenditures	1,880,873	1,044,109	(46,623)	2,878,359
Other financing sources (uses):				
Proceeds from sale of capital assets	45,193	-	-	45,193
Transfers in	940,283	-	814,113	1,754,396
Transfers out	(1,344,198)	(183,921)	(596,545)	(2,124,664)
Total other financing sources (uses)	(358,722)	(183,921)	217,568	(325,075)
Net change in fund balance	1,522,151	860,188	170,945	2,553,284
Fund balances, beginning of year, as restated	7,130,581	3,122,586	659,613	10,912,780
Fund balances, end of year	$ 8,652,732	$ 3,982,774	$ 830,558	$ 13,466,064

The accompanying notes are an integral part of these financial statements.

CHAMBLEE Georgia
A CITY ON THE RIGHT TRACK!

CITY OF CHAMBLEE, GEORGIA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2015

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds	$	2,553,284
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeds depreciation in the current period.		38,362
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(10,812)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items:		
Principal payments		268,257
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.		10,762
Change in net position - governmental activities	$	2,859,853

The accompanying notes are an integral part of these financial statements.

CHAMBLEE Georgia
A CITY ON THE RIGHT TRACK!

CITY OF CHAMBLEE, GEORGIA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2015

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues				
Taxes	$ 10,965,222	$ 10,965,222	$ 12,121,305	$ 1,156,083
Intergovernmental	120,152	120,152	120,152	-
Licenses and permits	1,021,000	1,021,000	1,378,754	357,754
Fines and forfeitures	2,000,000	2,000,000	1,928,712	(71,288)
Charges for services	351,980	351,980	384,550	32,570
Interest income	2,400	2,400	5,400	3,000
Other revenues	94,000	94,000	183,377	89,377
Total revenues	14,554,754	14,554,754	16,122,250	1,567,496
Expenditures				
Current:				
General government	2,098,071	2,214,783	1,883,447	331,336
Judicial	339,162	339,162	305,157	34,005
Public safety	7,693,635	7,751,694	7,080,938	670,756
Public works	2,027,998	2,124,373	1,616,339	508,034
Parks and recreation	1,302,552	1,719,812	1,176,823	542,989
Housing and development	1,562,021	1,991,067	1,895,583	95,484
Total current expenditures	15,023,439	16,140,891	13,958,287	2,182,604
Debt service:				
Principal retirements	296,791	296,791	268,257	28,534
Interest and fiscal charges	19,295	19,295	14,833	4,462
Total debt service	316,086	316,086	283,090	32,996
Total expenditures	15,339,525	16,456,977	14,241,377	2,215,600
Excess (deficiency) of revenues over (under) expenditures	(784,771)	(1,902,223)	1,880,873	3,783,096
Other financing sources (uses)				
Proceeds from sale of capital assets	-	-	45,193	45,193
Transfers in	935,050	935,050	940,283	5,233
Transfers out	(990,856)	(1,134,304)	(1,344,198)	(209,894)
Total other financing sources (uses)	(55,806)	(199,254)	(358,722)	(159,468)
Net change in fund balances	(840,577)	(2,101,477)	1,522,151	3,623,628
Fund balances, beginning of year, as restated	7,130,581	7,130,581	7,130,581	-
Fund balances, end of year	$ 6,290,004	$ 5,029,104	$ 8,652,732	$ 3,623,628

The accompanying notes are an integral part of these financial statements.

CHAMBLEE Georgia
A CITY ON THE RIGHT TRACK!

CITY OF CHAMBLEE, GEORGIA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2015

	Business-type Activities - Enterprise Funds			
ASSETS	Stormwater Fund	Sanitation Fund	Criminal History Fund	Totals
CURRENT ASSETS				
Cash and cash equivalents	$ 2,774,789	$ -	$ 738,205	$ 3,512,994
Accounts receivable, net of allowances	18,656	17,837	88,751	125,244
Due from other governments	1,684	-	-	1,684
Prepaid items	4,000	13,211	-	17,211
Total current assets	2,799,129	31,048	826,956	3,657,133
CAPITAL ASSETS				
Depreciable assets	8,541,508	1,907,450	-	10,448,958
Accumulated depreciation	(6,412,395)	(803,514)	-	(7,215,909)
Capital assets, net	2,129,113	1,103,936	-	3,233,049
Total assets	4,928,242	1,134,984	826,956	6,890,182
DEFERRED OUTFLOWS OF RESOURCES				
Pension related items	21,391	8,608	5,260	35,259
Total deferred outflows of resources	21,391	8,608	5,260	35,259
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable	8,559	34,044	60	42,663
Accrued liabilities	4,757	11,835	2,960	19,552
Deposits payable	-	-	10,552	10,552
Compensated absences payable , due in one year	1,332	3,050	-	4,382
Capital lease, due within one year	-	8,160	-	8,160
Total current liabilities	14,648	57,089	13,572	85,309
LONG TERM LIABILITIES				
Compensated absences payable, due in more than one year	7,544	17,285	-	24,829
Net pension liability	114,388	46,032	28,128	188,548
Total noncurrent liabilities	121,932	63,317	28,128	213,377
Total liabilities	136,580	120,406	41,700	298,686
DEFERRED INFLOWS OF RESOURCES				
Pension related items	32,776	13,190	8,060	54,026
Total deferred inflows of resources	32,776	13,190	8,060	54,026
NET POSITION				
Net investment in capital assets	2,129,113	1,095,776	-	3,224,889
Unrestricted (deficit)	2,651,164	(85,780)	782,456	3,347,840
Total net position	$ 4,780,277	$ 1,009,996	$ 782,456	$ 6,572,729

The accompanying notes are an integral part of these financial statements.

CHAMBLEE Georgia
A CITY ON THE RIGHT TRACK!

CITY OF CHAMBLEE, GEORGIA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

	Business-type Activities - Enterprise Funds			
	Stormwater Fund	Sanitation Fund	Criminal History Fund	Totals
OPERATING REVENUES				
Charges for sales and services	$ 1,087,113	$ 698,612	$ 620,530	$ 2,406,255
Total operating revenues	1,087,113	698,612	620,530	2,406,255
OPERATING EXPENSES				
Cost of sales and services	178,166	293,760	14,500	486,426
Personnel costs	390,106	655,916	201,185	1,247,207
Administration costs	20,736	38,796	-	59,532
Depreciation	191,892	116,297	-	308,189
Total operating expenses	780,900	1,104,769	215,685	2,101,354
Operating income (loss)	306,213	(406,157)	404,845	304,901
NON-OPERATING REVENUES (EXPENSES)				
Interest expense	-	(926)	-	(926)
Gain on sale of capital assets	-	10,400	-	10,400
Total non-operating revenues (expenses)	-	9,474	-	9,474
Income (loss) before transfers	306,213	(396,683)	404,845	314,375
Transfers in	-	796,915	-	796,915
Transfers out	-	-	(426,647)	(426,647)
Total transfers	-	796,915	(426,647)	370,268
Change in net position	306,213	400,232	(21,802)	684,643
Total net position, beginning of year, as restated	4,474,064	609,764	804,258	5,888,086
Total net position, end of year	$ 4,780,277	$ 1,009,996	$ 782,456	$ 6,572,729

The accompanying notes are an integral part of these financial statements.

CHAMBLEE Georgia
A CITY ON THE RIGHT TRACK!

CITY OF CHAMBLEE, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

	Business-type Activities - Enterprise Funds			
	Stormwater Fund	Sanitation Fund	Criminal History Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	$ 1,085,766	$ 700,319	$ 582,630	$ 2,368,715
Payments to suppliers	(192,918)	(374,329)	(14,526)	(581,773)
Payments to employees	(393,534)	(657,741)	(202,390)	(1,253,665)
Net cash provided by (used in) operating activities	499,314	(331,751)	365,714	533,277
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Transfers in from other funds	-	796,915	-	796,915
Transfers out to other funds	-	-	(426,647)	(426,647)
Net cash provided by (used in) non-capital financing activities	-	796,915	(426,647)	370,268
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of capital assets	(212,123)	(659,589)	-	(871,712)
Proceeds from sale of capital assets	-	10,400	-	10,400
Principal payments on capital leases	-	(31,983)	-	(31,983)
Interest paid	-	(926)	-	(926)
Net cash used in capital and related financing activities	(212,123)	(682,098)	-	(894,221)
Net increase (decrease) in cash	287,191	(216,934)	(60,933)	9,324
Cash, beginning of year	2,487,598	216,934	799,138	3,503,670
Cash, end of year	$ 2,774,789	$ -	$ 738,205	$ 3,512,994
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Operating income (loss)	$ 306,213	$ (406,157)	$ 404,845	$ 304,901
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	191,892	116,297	-	308,189
Change in assets and liabilities:				
(Increase) decrease in accounts receivable	(1,347)	1,707	(34,935)	(34,575)
(Increase) in prepaid items	(254)	(837)	-	(1,091)
(Increase) in deferred outflows from pension related items	(6,727)	(2,707)	(1,654)	(11,088)
Increase (decrease) in accounts payable	6,238	(40,936)	(26)	(34,724)
Increase in accrued liabilities	656	6,232	1,027	7,915
Decrease in deposits payable	-	-	(2,965)	(2,965)
Increase (decrease) in compensated absences payable	4,996	(4,403)	-	593
Decrease in net pension liability	(35,129)	(14,137)	(8,638)	(57,904)
Increase in deferred inflows from pension related items	32,776	13,190	8,060	54,026
Net cash provided by (used in) operating activities	$ 499,314	$ (331,751)	$ 365,714	$ 533,277

The accompanying notes are an integral part of these financial statements.

CHAMBLEE Georgia
A CITY ON THE RIGHT TRACK!

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Chamblee, Georgia (the "City"), which was incorporated on August 17, 1908 under the laws of the State of Georgia, is governed by a six member Mayor/Council – City Manager form of government. The Mayor is elected to a four-year term and council members are elected to staggered four-year terms. The City provides such services to its citizens as public safety, public works, development and permits, parks and recreation, and general and administrative services. The financial statements of the City of Chamblee, Georgia (the "City") have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the City are described below.

The City, for financial reporting purposes, includes all of the funds relevant to the operations of the City. The Governmental Accounting Standards Board has set forth criteria to determine if legally separate organizations are considered to be component units in which the City is considered to be financially accountable or other organizations whose nature and significant relationship with the City is such that exclusion would cause the City's financial statements to be incomplete or misleading. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the City to impose its will on that organization, or (2) the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the City.

As required by accounting principles generally accepted in the United States of America, the financial statements of the reporting entity include those of the City (the primary government) and its component unit. The component unit discussed below is included in the City's reporting entity because of the significance of its operational or financial relationship with the City.

Discretely Presented Component Unit - In conformity with generally accepted accounting principles, the financial statements of the Downtown Development Authority of the City of Chamblee (the "DDA") are presented as a discretely presented component unit. The DDA was created in 2013 by the City Council pursuant to the Georgia Downtown Development Authorities Law. It operates through a Board of Directors consisting of seven (7) members appointed by the City Council and Mayor and they may also be removed by the Mayor and City Council. The purpose of the DDA is to promote, to preserve, and to enhance a safe and economically viable central business district by focusing both public and private resources on maximizing the potential of both the historic downtown and Peachtree Boulevard corridor to benefit the entire community. The DDA's financial information may be obtained from the Economic Development Manager of the City of Chamblee at 5468 Peachtree Road, Chamblee Georgia 30341 or by calling 470-395-2308.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on activities of the primary government and its component unit. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The statement of net position will include non-current assets and non-current liabilities. In addition, the government-wide statement of activities reflects depreciation expense on the City's capital assets. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. However, interfund services that are provided and used are not eliminated in the process of consolidation.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not considered among program revenues are reported instead as general revenues. Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the grantor have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current period, with the exception of grant revenues which are considered to be available when all eligibility requirements have been met and if they are collected within one year of the end of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Property taxes, sales taxes, franchise taxes, licenses, intergovernmental grants, and interest associated with the current period are all considered to be susceptible to accrual. All other revenue items are considered to be measurable and available only when cash is received by the City.

In accordance with GASB Statement No. 33, "Accounting and Financial Reporting for Non-exchange Transactions," the corresponding assets (receivables) in non-exchange transactions are recognized in the period in which the underlying exchange occurs, when an enforceable legal claim has arisen, when all eligibility requirements have been met, or when resources are received, depending on the revenue source. In accordance with GASB Statement No. 34, major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

The **General Fund** is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The **Homestead Option Sales Tax Fund** accounts for locally funded acquisition and construction of major capital projects financed by restricted homestead option sales tax funds.

The City reports the following major enterprise funds:

The **Stormwater Fund** accounts for the receipt of ad valorem stormwater assessments to support capital improvement and administration costs of the City's stormwater system. The **Sanitation Fund** accounts for the City's solid waste management operations. The **Criminal History Fund** accounts for the City's receipt of fees by providing criminal history information/background checks to employers.

Additionally, the City reports the following fund types:

Special Revenue Funds are used to account for specific revenues that are either legally restricted or committed to expenditures for particular purposes.

The ***Capital Projects Fund*** accounts for the acquisition and construction of capital assets, other than those accounted for in specific funds, which are not financed by the proprietary funds.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

In accounting and reporting for its proprietary operations, the City applies all Governmental Accounting Standards Board (GASB) pronouncements. The City applies GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Statement No. 62 incorporated into the GASB's authoritative literature certain accounting and financial reporting guidance issued on or before November 30, 1989.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* 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. The principal operating revenues of the enterprise funds are charges for goods and services provided. Operating expenses of the enterprise funds include the cost of these goods and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Budgets

Annual appropriated budgets are adopted for all funds. The budgets for the proprietary funds are for management control purposes and are not required to be reported. Budgets are adopted on a modified accrual basis, which is consistent with generally accepted accounting principles for governmental funds. Annual operating budgets are adopted each year through passage of an annual budget ordinance and amended as required for all governmental funds. During the year ended December 31, 2015, the original budget was amended through supplemental appropriations. These changes are reflected in the budgetary comparison schedules. All unencumbered budget appropriations lapse at the end of each year.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Deposits and Investments

Georgia statutes authorize the City to invest in the following: (1) obligations of Georgia or any other State; (2) obligations of the United States; (3) obligations fully insured or guaranteed by the United States Government or one of its agencies; (4) obligations of any corporation of the United States Government; (5) prime bankers' acceptances; (6) the State of Georgia local government investment pool; (7) repurchase agreements; and (8) obligations of any other political subdivisions of the State of Georgia. Any investment or deposit in excess of the federal depository insured amounts must be collateralized by an equivalent amount of State or U.S. obligations. For purposes of the statement of cash flows, all highly liquid investments with an original maturity of less than 90 days are considered to be cash equivalents. Investments are reported at fair value as determined by quoted market prices.

F. Receivables and Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the year as well as all other outstanding balances between funds is reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

G. Prepaid Items and Inventory

Payments made to vendors for services that will benefit periods beyond December 31, 2015 are recorded as prepaid items in both government-wide and fund financial statements. Inventories are valued at lower of cost or market using the first-in, first out method. The cost of governmental fund type inventory is recorded as an expenditure when consumed rather than when purchased. Prepaid items are accounted for using the consumption method by recording as asset for the prepaid amount when acquired and subsequently reflecting the expenditure/expense in the fiscal year in which the 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.

H. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The City has reported infrastructure consistent with the retroactive infrastructure reporting requirements of GASB Statement 34.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Capital Assets (Continued)

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

Capital assets of the primary government are depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Infrastructure	30-50
Buildings and improvements	10-40
Park improvements	10-40
Furniture, machinery, and equipment	3-20
Vehicles	3-10

I. Deferred Outflows/Inflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City's unavailable revenue, which arises under a modified accrual basis of accounting and, therefore, qualifies for reporting in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes and occupational taxes as these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available.

The City also has deferred inflows of resources and deferred outflows of resources related to the recording of changes in its net pension liability. Certain changes in the net pension liability are recognized as pension expense over time instead of all being recognized in the year of occurrence. Experience gains or losses result from periodic studies by the City's actuary which adjust the net pension liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of plan members. These experience gains or losses are recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of Plan members. Changes in actuarial assumptions which adjust the net pension liability are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of Plan members. The difference between projected investment return on pension investments and actual return on those investments is also deferred and amortized against pension expense over a five year period. Additionally, any contributions made by the City to the pension plan before year end but subsequent to the measurement date of the City's net pension liability are reported as deferred outflows of resources.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is only a liability for non-vesting accumulated rights to receive sick pay benefits when an employee has accrued in excess of 160 hours as the City does not have a policy to pay any amounts when employees separate from service with the City unless the above condition is met. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

K. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the term of the bonds using the effective interest method. Bonds payable are reported net of the applicable discount or premium. Bond issuance costs are expensed when incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

L. Fund Equity and Net Position

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 assets, deferred inflows of resources, and liabilities under the current financial resources measurement focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in those funds can be spent.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Fund Equity and Net Position (Continued)

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 enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, 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 a formal vote of the Mayor and City Council (passage of a resolution). Only the Mayor and the City Council may modify or rescind the commitment through a majority vote (passage of a resolution).

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. The City Council has expressly delegated to the City Manager the authority to assign funds for particular purposes. Such assignments cannot exceed the available (spendable, unrestricted, uncommitted) fund balance in any particular fund.

Unassigned – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The City reports positive unassigned fund balance only in the General Fund. Negative unassigned fund balance may be reported in other governmental 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: (1) Committed, (2) Assigned, and (3) Unassigned.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Fund Equity and Net Position (Continued)

Net Position – Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources in reporting which utilizes the economic resources measurement focus. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the City has spent) for the acquisition, construction or improvement of those assets. Net position is reported as restricted using the same definition as used for restricted fund balance as described in the previous section. All other net position is reported as unrestricted.

M. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City of Chamblee Retirement Plan (the "Plan") and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

N. Management Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets, deferred outflows of resources, deferred inflows of resources, and liabilities and disclosure of contingent assets, deferred inflows of resources, and liabilities at the date of the financial statements and the reported amount of revenues and expenditures/expenses during the period. Actual results could differ from those estimates.

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that "long-term liabilities are not due and payable in the current period and therefore are not reported in the funds." The details of this $1,358,924 difference are as follows:

Capital leases payable	$	(643,009)
Accrued interest payable		(1,853)
Compensated absences		(714,062)
Net adjustment to reduce *fund balance - total governmental funds* to arrive at *net position - governmental activities*	$	(1,358,924)

Another element of that reconciliation states that the "net pension liability is not due and payable in the current period and is therefore not reported in governmental funds, along with related amounts." The details of this $1,788,005 difference are as follows:

Net pension liability	$	(1,626,157)
Deferred outflows of resources		304,106
Deferred inflows of resources		(465,954)
Net adjustment to reduce *fund balance- total governmental funds* to arrive at *net position - governmental activities*	$	(1,788,005)

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS (CONTINUED)

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this $38,362 difference are as follows:

Capital outlay	$	853,678
Depreciation expense		(815,316)
Net adjustment to increase *net changes in fund balances - total governmental funds* to arrive at *changes in net position of governmental activities*	$	38,362

Another element of that reconciliation explains that "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 details of this $10,762 difference are as follows:

Changes in:		
Accrued interest payable	$	870
Compensated absences		(119,188)
Pension expense		129,080
Net adjustment to increase *net changes in fund balances - total governmental funds* to arrive at *changes in net position of governmental activities*	$	10,762

NOTE 3. LEGAL COMPLIANCE - BUDGETS

The City of Chamblee, Georgia employs the following procedures in establishing its annual budget:

1. The initial budget is prepared based on revenues and expenditures of the prior year.
2. Work sessions are held to amend the amounts based on expected revenues.
3. The proposed budget is presented to the Mayor and City Council in a regular Council meeting.
4. The Council sets a date for a public hearing on the proposed budget.
5. After the hearing, the Council adopts the budget.
6. Over or under expended appropriations are not carried forward to the next year.
7. The legal level of budgetary control for the City of Chamblee, Georgia is at the departmental level. Budget revisions that alter the total expenditures of any department must be approved by the Mayor and City Council. Budget amounts are as originally adopted or as amended by the Mayor and City Council.

For the year ended December 31, 2015, no departments had an excess of actual expenditures over appropriations; however, transfers out exceeded appropriations by $209,894.

As of December 31, 2015, the City's Multiple Grants Fund had a deficit fund balance of $1,500 which will be eliminated through future revenues and transfers in from the General Fund.

NOTE 4. DEPOSITS AND INVESTMENTS

Custodial Credit Risk – Deposits: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes, and City policy, require all deposits and investments (other than Federal or State government instruments) to be collateralized by depository insurance, obligations of the U.S. Government, or bonds of public authorities, counties, or municipalities. As of December 31, 2015, the City's bank balances were properly collateralized as defined by State Statutes.

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

Credit Risk – Investments: The investment in the Georgia Fund 1 represents the City's portion of a pooled investment account operated by the Office of the State Treasurer. The pool consists of U.S. Treasury obligations, securities issued or guaranteed by the U.S. Government or any of its agencies or instrumentalities, banker's acceptances, overnight and term repurchase agreements with highly rated counterparties, and collateralized bank accounts. The investment in Georgia Fund 1 is valued at fair market value. The City has classified the Georgia Fund 1 funds as cash and cash equivalents; therefore, cash includes $3,248,873 in Georgia Fund 1. As of December 31, 2015, the Georgia Fund 1 had a weighted average maturity of 36 days and a credit rating of AAAf.

Interest Rate Risk: The City does not have a formal policy that addresses interest rate risk. At December 31, 2015, the above investments were subject to interest rate risk. Interest rate risk is the risk that a government may face should changes in interest rates affect the fair value of its investments.

Credit Risk Policy: State statutes authorize the City to invest in obligations of the State of Georgia or other States; obligations issued by the U.S. Government; obligations fully insured or guaranteed by the U.S. Government or by a government agency of the United States; obligations of any corporation of the U.S. Government; prime bankers' acceptances; the State of Georgia's Local Government Investment Pool (Georgia Fund 1) established by State law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia. As of December 31, 2015, the City's only investments were in the local government pool established by State law.

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NOTE 5. RECEIVABLES

DeKalb County bills and collects real and personal property taxes for the City. Property taxes attach as an enforceable lien on property as of January 1, and are based on property values assessed as of January 1. Tax bills were levied in July 2015. The billings are considered due upon receipt by the taxpayer; however, they are considered late after November 15. After this date, the bill becomes delinquent and penalties and interest may be assessed by the City.

In the governmental funds, the City's property tax revenues are recognized when levied to the extent that they result in current receivables. Receivables outstanding more than 60 days after year-end are recorded as deferred inflows of resources - unavailable property taxes in the City's governmental funds and are recognized as revenue in the government-wide financial statements for governmental activities.

In the enterprise funds, storm water fees (for residential customers) are billed annually in July along with the property taxes and are due and payable in two installments. The first installment was due on August 15, 2015 and the second installment is due on November 15, 2015. After these dates, the bill becomes delinquent and penalties and interest may be assessed by the City.

Receivables at December 31, 2015, for the City's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts are as follows:

	General	Homestead Option Sales Tax	Nonmajor Governmental
Receivables:			
Taxes	$ 2,417,504	$ 366,877	$ 47,808
Accounts	10,705	-	50,013
Due from other governments	-	-	-
Less allowance for uncollectible	(201,000)	-	-
Net total receivable	$ 2,227,209	$ 366,877	$ 97,821

	Stormwater	Sanitation	Criminal History
Receivables:			
Taxes	$ -	$ -	$ -
Accounts	126,656	21,837	95,973
Due from other governments	1,684	-	-
Less allowance for uncollectible	(108,000)	(4,000)	(7,222)
Net total receivable	$ 20,340	$ 17,837	$ 88,751

NOTE 6. CAPITAL ASSETS

Primary Government:

Capital asset activity for the year ended December 31, 2015, is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	$ 1,525,278	$ -	$ -	$ 1,525,278
Construction in progress	556,781	183,921	-	740,702
Total	2,082,059	183,921	-	2,265,980
Capital assets, being depreciated:				
Buildings and improvements	5,365,105	-	-	5,365,105
Infrastructure	2,980,961	-	-	2,980,961
Furniture and equipment	2,153,326	139,926	-	2,293,252
Park improvements	3,430,773	151,002	-	3,581,775
Vehicles	2,197,503	378,829	(197,775)	2,378,557
Total	16,127,668	669,757	(197,775)	16,599,650
Less accumulated depreciation for:				
Buildings and improvements	(1,957,214)	(134,128)	-	(2,091,342)
Infrastructure	(803,002)	(105,698)	-	(908,700)
Furniture and equipment	(1,163,949)	(229,493)	-	(1,393,442)
Park improvements	(1,245,667)	(84,387)	-	(1,330,054)
Vehicles	(1,445,204)	(261,610)	197,775	(1,509,039)
Total	(6,615,036)	(815,316)	197,775	(7,232,577)
Total capital assets, being depreciated, net	9,512,632	(145,559)	-	9,367,073
Governmental activities capital assets, net	$ 11,594,691	$ 38,362	$ -	$ 11,633,053

NOTE 6. CAPITAL ASSETS (CONTINUED)

Primary Government (Continued):

Business-type activities:	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, being depreciated:				
Infrastructure	$ 7,879,735	$ -	$ -	$ 7,879,735
Buildings	125,305	-	-	125,305
Machinery and equipment	162,669	369,797	-	532,466
Vehicles	1,486,406	501,915	(76,869)	1,911,452
Total	9,654,115	871,712	(76,869)	10,448,958
Less accumulated depreciation for:				
Infrastructure	(6,009,572)	(139,573)	-	(6,149,145)
Buildings	(39,302)	(4,177)	-	(43,479)
Machinery and equipment	(119,926)	(25,343)	-	(145,269)
Vehicles	(815,789)	(139,096)	76,869	(878,016)
Total	(6,984,589)	(308,189)	76,869	(7,215,909)
Total capital assets, being depreciated, net	2,669,526	563,523	-	3,233,049
Business-type activities capital assets, net	$ 2,669,526	$ 563,523	$ -	$ 3,233,049

Discretely Presented Component Unit:

Downtown Development Authority:	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	$ -	$ 867,672	$ -	$ 867,672
Total	-	867,672	-	867,672
Capital assets, being depreciated:				
Buildings	-	578,448	-	578,448
Furniture and equipment	6,000	-	-	6,000
Total	6,000	578,448	-	584,448
Less accumulated depreciation for:				
Buildings	-	-	-	-
Furniture and equipment	(325)	(14,160)	-	(14,485)
Total	(325)	(14,160)	-	(14,485)
Total capital assets, being depreciated, net	5,675	564,288	-	569,963
Downtown Development Authority capital assets, net	$ 5,675	$ 1,431,960	$ -	$ 1,437,635

NOTE 6. CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to functions/programs of the primary government and its component unit as follows:

Governmental activities:	
General government	$ 175,440
Public safety	458,406
Public works	66,518
Culture and recreation	114,952
Total depreciation expense - governmental activities	$ 815,316
Business-type activities:	
Stormwater	$ 191,892
Sanitation	116,297
Total depreciation expense - business-type activities	$ 308,189
Discretely presented component unit:	
Downtown Development Authority	$ 14,160

NOTE 7. LONG-TERM DEBT

Primary Government

Long-term liability activity for the year ended December 31, 2015, was as follows (beginning balances have been restated due to the implementation of GASB Statements 68 and 71 (See Note 16):

	Restated Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Primary Government					
Governmental activities:					
Capital leases	$ 911,266	$ -	$ (268,257)	$ 643,009	$ 210,498
Compensated absences	594,874	544,065	(424,877)	714,062	606,952
Net pension liability	2,125,557	1,411,093	(1,910,493)	1,626,157	-
Governmental activities Long-term liabilities	$ 3,631,697	$ 1,955,158	$ (2,603,627)	$ 2,983,228	$ 817,450

For governmental activities, capital leases, compensated absences, and the net pension liability are liquidated by the General Fund.

	Restated Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Primary Government					
Business-type activities:					
Capital leases	$ 40,143	$ -	$ (31,983)	$ 8,160	$ 8,160
Compensated absences	28,618	47,551	(46,958)	29,211	4,382
Net pension liability	246,452	156,788	(214,692)	188,548	-
Business-type activities Long-term liabilities	$ 315,213	$ 204,339	$ (293,633)	$ 225,919	$ 12,542

NOTE 7. LONG-TERM DEBT (CONTINUED)

Primary Government (Continued):

Capital Leases – Public Safety Building and Equipment. The City has entered into lease agreements as lessee for financing the acquisition of equipment (cameras) and a public safety facility and vehicles used in general governmental activities. The lease agreements qualify as capital leases for accounting purposes (titles transfer at the end of the lease terms) and, therefore, have been recorded at the present values of the future minimum lease payments as of the date of their inceptions. As of December 31, 2015, the City had a net book value of $687,594 ($1,089,572 acquisition cost, current year depreciation of $191,505, and accumulated depreciation of $401,978) for governmental activities of assets under capital leases.

Capital Leases – Sanitation Vehicle. The City has entered into lease agreements as lessee for financing the acquisition of a sanitation vehicle used in business-type activities. The lease agreements qualify as capital leases for accounting purposes (titles transfer at the end of the lease terms) and, therefore, have been recorded at the present values of the future minimum lease payments as of the date of their inceptions. As of December 31, 2015, the City had a net book value of $100,700 ($152,000 acquisition cost, current year depreciation of $15,200, and accumulated depreciation of $51,300) for business-type activities of assets under capital leases.

The City's total capital lease debt service requirements to maturity are as follows:

	Governmental Activities
Year Ending December 31,	
2016	$ 220,253
2017	220,253
2018	220,253
Total minimum lease payments	660,759
Less amount representing interest	17,750
Present value of future minimum lease payments	$ 643,009

	Business-type Activities
Year Ending December 31,	
2016	$ 8,227
Total minimum lease payments	8,227
Less amount representing interest	67
Present value of future minimum lease payments	$ 8,160

NOTE 7. LONG-TERM DEBT (CONTINUED)

Discretely Presented Component Unit:

Downtown Development Authority

Long-term liability activity for the year ended December 31, 2015, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Downtown Development Authority:					
Revenue bonds	$ -	$ 1,509,858	$ -	$ 1,509,858	$ -
Downtown development authority Long-term liabilities	$ -	$ 1,509,858	$ -	$ 1,509,858	$ -

Taxable Industrial Development Revenue Bonds – Economic Development Project. The Downtown Development Authority issued $1,550,000 Taxable Industrial Development Revenue Bonds, Series 2015 for the purpose of financing the purchase of property located in the Authority's development area designated by the City of Chamblee. The bonds carry an interest rate of 3.50% through February 1, 2018 and a variable rate thereafter. The Authority will make interest payments monthly with principal payments beginning February 1, 2019 through February 1, 2029. The bonds are secured by the property and in part by a pledge of rental payments paid to the Authority by a company which is currently leasing the property. Additionally, the Authority entered into an intergovernmental agreement with the City to provide security for the payment of the bond in the event the Authority is unable to meet the annual debt service obligation. Under the agreement, the City has the authority to tax property in the City at a three mill limit to the extent necessary to pay the debt service on the bonds, and that such payments be pledged by the Authority to the holders of the bonds.

The Downtown Development Authority revenue bonds currently outstanding as of December 31, 2015 mature as follows:

Year Ending December 31,	Principal	Interest	Total
2016	$ -	$ 52,845	$ 52,845
2017	-	82,845	82,845
2018	-	52,845	52,845
2019	133,333	48,567	181,900
2020	133,333	43,901	177,234
2021-2025	666,667	149,503	816,170
2026-2030	576,525	28,038	604,563
Total	$ 1,509,858	$ 458,544	$ 1,968,402

NOTE 8. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of December 31, 2015, is as follows:

Due to / from other funds:

Receivable Fund	Payable Fund	Amount
Nonmajor Governmental Funds	General Fund	$ 58,468

All interfund balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures/expenses occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Interfund transfers:

Transfers In	Transfers Out	Amount
General Fund	Nonmajor governmental funds	$ 546,545
General Fund	Criminal History Fund	393,738
Nonmajor governmental funds	Homestead Option Sales Tax Fund	183,921
Nonmajor governmental funds	Nonmajor governmental funds	50,000
Nonmajor governmental funds	General Fund	580,192
Sanitation Fund	General Fund	764,006
Sanitation Fund	Criminal History Fund	32,909

Transfers are used to (1) move revenues from the fund that statute or budget requires collecting them to the fund that statute or budget requires to expend them and (2) use unrestricted revenues collected in the General Fund to finance various programs accounts for in other funds in accordance with budgetary authorizations.

NOTE 9. DEFINED BENEFIT PENSION PLAN

Plan Description

The City, as authorized by the Mayor and City Council, has established a defined benefit pension plan (the "City of Chamblee Retirement Plan") covering all full-time employees. The City Council in its role as the Plan Sponsor, has the sole authority to amend the provisions, including specific benefit provisions and contribution requirements of the Plan as provided by the Plan document. The City's Pension Plan is affiliated with the Georgia Municipal Employee Benefit System (GMEBS), an agent multiple-employer pension plan administered by the Georgia Municipal Association. Contributions made by the City are commingled with contributions made by other members of GMEBS for investment purposes. The City does not own any securities on its own. Investment income from the securities is allocated on a pro rata basis. The Georgia Municipal Association issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS. That report may be obtained by writing to Georgia Municipal Association, Risk Management and Employee Benefit Services, 201 Pryor Street, NW, Atlanta, Georgia 30303 or by calling (404) 688-0472 or on the internet at www.gmanet.com.

NOTE 9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Plan Description (Continued)

As provided by State law, benefit provisions for participants in GMEBS are established by the respective employers. As authorized by the Mayor and City Council, the Plan provides pension benefits and death and disability benefits for Plan members and beneficiaries. All employees who work at least thirty (30) hours a week are eligible to participate after one (1) year. Elected officials have no waiting period for eligibility. Benefits vest after ten years of service. A City employee who retires at age 65 with five (5) years of service is entitled to benefits of 2.0% of final average earnings in excess of covered compensation. An employee may elect early retirement at age 55 provided he or she has a minimum of ten (10) years total credited service to receive full benefits. Elected officials are entitled to $30 for each year of service after reaching normal retirement age not to exceed twenty (20) years. Employees of the City are not required to make contributions to this Plan.

At July 1, 2015, the date of the most recent actuarial valuation, there were 132 participants consisting of the following:

Retirees and beneficiaries currently receiving benefits	51
Terminated vested participants not yet receiving benefits	31
Active participants - vested	37
Active participants - nonvested	13
Total	132

Contributions

The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of GMEBS has adopted a recommended actuarial funding policy for the Plan which meets State minimum requirements and will accumulate sufficient funds to provide the benefits under the Plan. The funding policy for the Plan is to contribute an amount equal to or greater than the recommended contribution described below. For year 2015, the actuarially determined contribution rate was 12.83% of covered payroll. The City makes all contributions to the Plan. For 2015, the City's contribution to the Plan was $317,218.

Net Pension Liability of the City

Effective January 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*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68* which significantly changed the City's accounting for pension amounts. The information disclosed below is presented in accordance with this new standard.

The City's net pension liability was measured as of March 31, 2015. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015 with update procedures performed by the actuary to roll forward to the total pension liability measured as of March 31, 2015.

NOTE 9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Net Pension Liability of the City (Continued)

Actuarial assumptions. The total pension liability in the July 1, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.25%
Salary increases	3.75% - 8%, including inflation
Investment rate of return	7.75%, net of pension plan investment expense, including inflation

Mortality rates for the July 1, 2015 valuation 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 July 1, 2015 valuation were based on the results of an actuarial experience study for the period January 1, 2010–June 30, 2014.

Cost of living adjustments were assumed to be 3.25%.

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 weighting 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 March 31, 2015 are summarized in the table below:

Asset class	Target allocation	Long-term expected real rate of return*
Domestic equity	50%	5.95%
International equity	15%	6.45
Fixed income	25%	1.55
Real estate	10%	3.75
Cash	—%	
Total	100%	

* Rates shown are net of the 3.25% assumed rate of inflation

NOTE 9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Net Pension Liability of the City (Continued)

Discount rate. The discount rate used to measure the total pension liability was 7.75%. The projection of cash flows used to determine the discount rate assumed that Plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all of the projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability of the City. The changes in the components of the net pension liability of the City for the fiscal year ended December 31, 2015 were as follows:

Primary Government:	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 12/31/14	$ 16,566,168	$ 14,194,159	$ 2,372,009
Changes for the year:			
Service cost	168,056	-	168,056
Interest	1,254,839	-	1,254,839
Differences between expected and actual experience	128,462	-	128,462
Assumption Changes	(451,992)	-	(451,992)
Contributions—employer	-	317,218	(317,218)
Net investment income	-	1,355,975	(1,355,975)
Benefit payments, including refunds of employee contributions	(749,401)	(749,401)	-
Administrative expense	-	(16,524)	16,524
Net changes	349,964	907,268	(557,304)
Balances at 12/31/15	$ 16,916,132	$ 15,101,427	$ 1,814,705

The required schedule of changes in the City's net pension liability and related ratios 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.

NOTE 9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Net Pension Liability of the City (Continued)

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the City, calculated using the discount rate of 7.75 percent, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75 percent) or 1-percentage-point higher (8.75 percent) than the current rate:

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
City's net pension liability	$ 4,026,907	$ 1,814,705	$ 21,759

Changes in the Net Pension Liability of the City. Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of December 31, 2015 and the current sharing pattern of costs between employer and employee.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2015, the City recognized pension expense of $194,252. At December 31, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 85,642	$ -
Changes in assumptions	-	301,328
Net difference between projected and actual earnings on pension plan investments	-	218,652
City contributions subsequent to the measurement date	253,723	-
Total	$ 339,365	$ 519,980

NOTE 9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Net Pension Liability of the City (Continued)

City contributions subsequent to the measurement date of $253,723 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ending December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending December 31:		
2016	$	162,506
2017		162,506
2018		54,663
2019		54,663
Total	$	434,338

NOTE 10. DEFERRED COMPENSATION PLANS

457 (b) - Plan Description

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code 457. The Plan, available to all City employees, permits them to defer a portion of their salary until future years. Participation in the Plan is optional. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergencies.

In accordance with Section 457 of the Internal Revenue Code, Plan assets are held in trust for the exclusive benefit of participants and beneficiaries and administered by a third party. Accordingly, the assets and liabilities of the deferred compensation plan are not included in the accompanying basic financial statements.

457 (b) - Plan Contributions

Under the Plan authorized by the Mayor and City Council, the City has elected not to make contributions to the Plan. The Plan is entirely employee funded. Employees can either have a percentage of their pay deducted or a specific dollar amount deducted and paid into this Plan. Employees contributed $199,745 during the year ended December 31, 2015. At the end of the year, there were 47 participants in the Plan. Total value of the deferred compensation plan as of year-end was $1,293,698 which results in an average participant balance of $27,525.

401 (a) - Plan Description

The City offers full-time employees who are employed by the City on or after January 1, 2010; and two (2) employees initially employed prior to this date a Deferred Compensation Plan (the "Plan") created in accordance with Internal Revenue Code Section 401 (a). The Deferred Compensation Plan for the City is available to all employees and is a defined contribution plan and permits employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. As required by Federal regulations, these Plan assets are held in a trust for the exclusive benefit of participants and their beneficiaries. The Plan is administered by a third party administrator, Georgia Municipal Association, who also serves as the trustee of the Plan.

NOTE 10. DEFERRED COMPENSATION PLANS (CONTINUED)

401 (a) - Plan Description

The City has no fiduciary relationship with the trust. Accordingly, the Plan assets are not reported in the City's financial statements.

401 (a) - Plan Contributions

Under the Plan authorized by the Mayor and City Council, the City has elected to make contributions to the Plan and the contributions and related investment earnings allocated to an employee's account are fully vested after the employee's probation period has ended, in accordance with the City's current personnel policy. The Plan is entirely employer funded as Participants are not allowed to contribute to the Plan. City contributions and interest forfeited by employees who leave employment before becoming vested are held in the Plan and are distributed to remaining participants. The City contributed $418,195 during the year ended December 31, 2015. The City's contribution rate is 10% of the employees' gross salary. At the end of the year, there were 103 participants in the Plan. Total value of the deferred compensation plan as of year-end was $1,210,228 which results in an average participant balance of $11,750.

NOTE 11. JOINT VENTURE

Under Georgia law, the City, in conjunction with other cities and counties in the Atlanta, Georgia area, is a member of the Atlanta Regional Commission (ARC). Dues to the ARC are assessed at the County level and are, accordingly, paid by DeKalb County. Membership in the ARC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the ARC in Georgia. The ARC Board membership includes the chief elected official of each county and various municipalities of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of the ARC. Separate financial statements may be obtained from ARC, 40 Courtland Street, NE, Atlanta, Georgia 30303.

NOTE 12. RISK MANAGEMENT

The City is exposed to various risks of losses related to: torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has purchased insurance for all other risks of loss, including workers compensation. The City uses Georgia Interlocal Risk Management Agency (GIRMA) and Worker's Compensation Self-Insurance Fund (WCSIF), public entity risk pools currently operating as common risk management and insurance programs for member local governments, as their property/liability insurance and workers compensation insurance providers.

NOTE 12. RISK MANAGEMENT (CONTINUED)

As part of these risk pools, the City is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pools' agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the funds being required to pay any claim of loss. The City is also to allow the pool's agents and attorneys to represent the City in investigation, settlement discussions and all levels of litigation arising out of any claim made against the City within the scope of loss protection furnished by the funds.

The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the workers' compensation law of Georgia. The funds are to pay all cost taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

Settled claims have not exceeded the coverages in the last three (3) years.

NOTE 13. COMMITMENTS AND CONTINGENCIES

Litigation:

The City is a defendant in certain legal actions in the nature of claims for alleged damages to persons and property and other similar types of actions rising in the course of City operations. Liability, if any, which might result from these proceedings, would not, in the opinion of management and legal counsel, have a material adverse effect on the financial position of the City.

Grant Contingencies:

The City has received Federal and State grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to the disallowance of certain expenditures previously reimbursed by those agencies. Based upon prior experience, management of the City believes such disallowances, if any, will not be significant.

NOTE 14. HOTEL/MOTEL LODGING AND MOTOR VEHICLE RENTAL TAXES

The City imposes a hotel/motel tax on lodging facilities within the City. The tax was assessed at 5% in which 40% of the revenue is restricted and the remaining 60% is not restricted under State law. Revenues were $408,587 for the year ended December 31, 2015. Of this amount, 97%, or $397,216, was expended to promote tourism, conventions, and cultural events as required by O.C.G.A. 48-13-51 while, 3%, or $11,371, was left in the Hotel/Motel Tax Fund to be spent to promote tourism, conventions, and cultural events in year 2016.

NOTE 14. HOTEL/MOTEL LODGING AND MOTOR VEHICLE RENTAL TAXES (CONTINUED)

A 3% excise tax on all rental motor vehicles within the City of Chamblee, Georgia was adopted through City ordinance on June 18, 1996. This car rental tax is intended to be used for public safety facility building capital lease. Revenues were $228,086 for the year ended December 31, 2015. During the year, $220,143 was transferred out to the General Fund to reimburse the General Fund for debt service payments made on the capital lease.

NOTE 15. CHANGE IN REPORTING ENTITY

The City has determined that a restatement to beginning fund balance of the General Fund was required to recognize the activity related to the Homestead Option Sales Tax in a separate fund rather than include it in the General Fund. For fiscal year 2015, the Homestead Option Sale Tax activity is reported in a separate special revenue fund. This restatement resulted in changes to beginning fund balance of the General Fund as reflected in the table below. The beginning fund balance of the Homestead Option Sales Tax Fund is the $3,122,586 which was moved out of the General Fund.

	General Fund	Homestead Option Sales Tax Fund
Fund balance, as previously reported	$ 10,253,167	$ -
Adjustment to move Homestead Option Sales Tax activity	(3,122,586)	3,122,586
Fund balance, as restated	$ 7,130,581	$ 3,122,586

NOTE 16. CHANGE IN ACCOUNTING PRINCIPLES

As discussed in Note 9 above, 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 Statement No. 68*, effective January 1, 2015. The new standards significantly changed the City's accounting for pension amounts. As a result of this change in accounting principle, the City was required to restate beginning net position for the following:

Governmental activities:	
Net position, as previously reported	$ 21,773,781
Restatement for implementation of GASB Statement No. 68/71:	
Removal of net pension asset as previously reported	(722,447)
Net pension liability, beginning balance	(2,125,557)
Deferred outflows of resources, pension related items, beginning balance	208,472
Net position, as restated	$ 19,134,249

NOTE 16. CHANGE IN ACCOUNTING PRINCIPLES (CONTINUED)

Business-type activities:		
Net position, as previously reported	$	6,110,367
Restatement for implementation of GASB Statement No. 68/71:		
Net pension liability, beginning balance		(246,452)
Deferred outflows of resources, pension related items, beginning balance		24,171
Net position, as restated	$	5,888,086

Stormwater Fund		
Net position, as previously reported	$	4,608,917
Restatement for implementation of GASB Statement No. 68/71:		
Net pension liability, beginning balance		(149,517)
Deferred outflows of resources, pension related items, beginning balance		14,664
Net position, as restated	$	4,474,064

Sanitation Fund		
Net position, as previously reported	$	664,032
Restatement for implementation of GASB Statement No. 68/71:		
Net pension liability, beginning balance		(60,169)
Deferred outflows of resources, pension related items, beginning balance		5,901
Net position, as restated	$	609,764

Criminal History Fund		
Net position, as previously reported	$	837,418
Restatement for implementation of GASB Statement No. 68/71:		
Net pension liability, beginning balance		(36,766)
Deferred outflows of resources, pension related items, beginning balance		3,606
Net position, as restated	$	804,258

CHAMBLEE
Georgia
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REQUIRED SUPPLEMENTARY INFORMATION



CITY OF CHAMBLEE, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
RETIREMENT PLAN
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS

	2015
Total pension liability	
Service cost	$ 168,056
Interest on total pension liability	1,254,839
Differences between expected and actual experience	128,462
Assumption changes	(451,992)
Benefit payments, including refunds of employee contributions	(749,401)
Net change in total pension liability	349,964
Total pension liability - beginning	16,566,168
Total pension liability - ending (a)	$ 16,916,132
Plan fiduciary net position	
Contributions - employer	$ 317,218
Net investment income	1,355,975
Benefit payments, including refunds of member contributions	(749,401)
Administrative expenses	(16,524)
Net change in plan fiduciary net position	907,268
Plan fiduciary net position - beginning	14,194,159
Plan fiduciary net position - ending (b)	$ 15,101,427
City's net pension liability - ending (a) - (b)	$ 1,814,705
Plan fiduciary net position as a percentage of the total pension liability	89.27%
Covered-employee payroll	$ 2,452,427
City's net pension liability as a percentage of covered-employee payroll	74.00%

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

CHAMBLEE Georgia
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CITY OF CHAMBLEE, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
RETIREMENT PLAN
SCHEDULE OF CITY CONTRIBUTIONS

	2015
Actuarially determined contribution	$ 338,298
Contributions in relation to the actuarially determined contribution	317,218
Contribution deficiency (excess)	$ 21,080
Covered-employee payroll	$ 2,452,427
Contributions as a percentage of covered-employee payroll	12.93%

Notes to the Schedule:

(1) Actuarial Assumptions:

Valuation Date	January 1, 2015
Cost Method	Projected Unit Credit
Actuarial 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 amounts 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.
Assumed Rate of Return on Investments	7.75%, net of pension plan investment expenses, including inflation
Projected Salary Increases	3.75% - 8%, including inflation
Cost-of-living Adjustment	3.25%
Amortization Method	Closed level dollar for unfunded liability
Remaining Amortization Period	Varies for the bases, with a net effective period of 10 years

(2) The schedule will present 10 years of information once it is accumulated.

CHAMBLEE
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CITY OF CHAMBLEE, GEORGIA

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds are used to account and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt services and capital projects.

Rental Motor Vehicle Excise Tax Fund – This fund is used to account for the collection and expenditures of an excise tax levied on motor vehicles in the City. The proceeds of this tax are restricted by State law for public safety facility building capital lease.

E911 Fund – To account for the E911 fees collected that are required to be spent on the costs of operating a 911 emergency call center as restricted by State law.

Confiscated Assets Fund – This fund is used to account for the City's share of monies that have been forfeited through the court system and are restricted for law enforcement purposes.

Multiple Grants Fund – This fund is used to account for governmental grants received and the related expenditures. These grant funds are restricted by Federal and State grantor agencies

Hotel/Motel Fund – To account for the 5% lodging tax levied in the City. Forty percent of the proceeds of this tax are restricted by State law to promote tourism, conventions, and cultural events within the City.

Police Technology Fund – To account for the technology fees on fines and forfeitures that are committed to be spent on police technology enhancement costs.

Capital Projects Fund

Capital Projects Funds are used to account for the acquisition and construction of major items, such as buildings, infrastructure, parks, streets, and other major capital facilities.

Main Street Improvement Fund – This fund was created to have money dedicated to improve the City's designated Main Street area.

CITY OF CHAMBLEE, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2015

	Special Revenue Funds						Capital Projects Fund	
ASSETS	Rental Motor Vehicle Excise Tax Fund	E911 Fund	Confiscated Assets Fund	Multiple Grants Fund	Hotel/Motel Tax Fund	Police Technology Fund	Main Street Improvement Fund	Total Nonmajor Governmental Funds
Cash and cash equivalents	$ 5,194	$ 48,749	$ 311,820	$ 8,887	$ 213,708	$ 215,673	$ 96,134	$ 900,165
Taxes receivable, net of related allowance	19,381	-	-	-	28,427	-	-	47,808
Accounts receivable, net of related allowance	-	50,013	-	-	-	-	-	50,013
Due from other governments	-	-	-	6,000	-	-	-	6,000
Due from other funds	-	-	2,450	-	-	56,018	-	58,468
Prepaid items	-	9,075	-	-	-	-	-	9,075
Total assets	$ 24,575	$ 107,837	$ 314,270	$ 14,887	$ 242,135	$ 271,691	$ 96,134	$ 1,071,529
LIABILITIES AND FUND BALANCES								
LIABILITIES								
Accounts payable	$ -	$ 5,240	$ 195,952	$ 16,387	$ 12,154	$ -	$ -	$ 229,733
Accrued liabilities	-	11,238	-	-	-	-	-	11,238
Total liabilities	-	16,478	195,952	16,387	12,154	-	-	240,971
FUND BALANCES								
Fund Balances:								
Nonspendable:								
Prepaid items	-	9,075	-	-	-	-	-	9,075
Restricted:								
Public safety	-	82,284	118,318	-	-	-	-	200,602
Culture and recreation	-	-	-	-	229,981	-	-	229,981
Debt service	24,575	-	-	-	-	-	-	24,575
Committed for:								
Police technology resources	-	-	-	-	-	271,691	-	271,691
Downtown construction	-	-	-	-	-	-	96,134	96,134
Unassigned (deficit)	-	-	-	(1,500)	-	-	-	(1,500)
Total fund balances (deficit)	24,575	91,359	118,318	(1,500)	229,981	271,691	96,134	830,558
Total liabilities and fund balances	$ 24,575	$ 107,837	$ 314,270	$ 14,887	$ 242,135	$ 271,691	$ 96,134	$ 1,071,529

CHAMBLEE Georgia
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CITY OF CHAMBLEE, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

	Special Revenue Funds						Capital Projects Fund	
	Rental Motor Vehicle Excise Tax Fund	E911 Fund	Confiscated Assets Fund	Multiple Grants Fund	Hotel/Motel Tax Fund	Police Technology Fund	Main Street Improvement Fund	Total Nonmajor Governmental Funds
REVENUES								
Taxes	$ 228,086	$ -	$ -	$ -	$ 408,587	$ -	$ -	$ 636,673
Intergovernmental	-	-	-	33,440	-	-	-	33,440
Fines and forefeitures	-	-	27,210	-	-	-	-	27,210
Charges for services	-	385,996	-	-	-	176,838	800	563,634
Total revenues	228,086	385,996	27,210	33,440	408,587	176,838	800	1,260,957
EXPENDITURES								
Current:								
General government	-	-	-	-	-	-	4,666	4,666
Public safety	-	862,080	63,049	-	-	-	-	925,129
Parks and recreation	-	-	-	-	152,084	-	-	152,084
Housing and development	-	-	-	225,721	-	-	-	225,721
Total expenditures	-	862,080	63,049	225,721	152,084	-	4,666	1,307,580
Excess (deficiency) of revenues over (under) expenditures	228,086	(476,084)	(35,839)	(192,281)	256,523	176,838	(3,866)	(46,623)
Other financing sources (uses)								
Transfers in	-	517,541	-	196,572	-	-	100,000	814,113
Transfers out	(220,143)	-	-	-	(245,152)	(131,250)	-	(596,545)
Total other financing sources (uses)	(220,143)	517,541	-	196,572	(245,152)	(131,250)	100,000	217,568
Net change in fund balances	7,943	41,457	(35,839)	4,291	11,371	45,588	96,134	170,945
FUND BALANCES (DEFICIT), beginning of year	16,632	49,902	154,157	(5,791)	218,610	226,103	-	659,613
FUND BALANCES (DEFICIT), end of year	$ 24,575	$ 91,359	$ 118,318	$ (1,500)	$ 229,981	$ 271,691	$ 96,134	$ 830,558

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CITY OF CHAMBLEE, GEORGIA
RENTAL MOTOR VEHICLE EXCISE TAX SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2015

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	$ 240,000	$ 240,000	$ 228,086	$ (11,914)
Total revenues	240,000	240,000	228,086	(11,914)
OTHER FINANCING USES				
Transfers out	(215,000)	(221,000)	(220,143)	857
Net change in fund balances	25,000	19,000	7,943	(11,057)
FUND BALANCES, beginning of year	16,632	16,632	16,632	-
FUND BALANCES, end of year	$ 41,632	$ 35,632	$ 24,575	$ (11,057)

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CITY OF CHAMBLEE, GEORGIA
E911 SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2015

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Charges for services	$ 315,000	$ 315,000	$ 385,996	$ 70,996
Total revenues	315,000	315,000	385,996	70,996
EXPENDITURES				
Public safety	1,066,311	1,066,311	862,080	204,231
Deficiency of revenues under expenditures	(751,311)	(751,311)	(476,084)	275,227
OTHER FINANCING SOURCES				
Transfers in	751,311	751,311	517,541	(233,770)
Net change in fund balances	-	-	41,457	41,457
FUND BALANCES, beginning of year	49,902	49,902	49,902	-
FUND BALANCES, end of year	$ 49,902	$ 49,902	$ 91,359	$ 41,457

CHAMBLEE Georgia
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CITY OF CHAMBLEE, GEORGIA
CONFISCATED ASSETS SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2015

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Fines and forfeitures	$ 75,000	$ 75,000	$ 27,210	$ (47,790)
Total revenues	75,000	75,000	27,210	(47,790)
EXPENDITURES				
Public safety	50,000	90,278	63,049	27,229
Net change in fund balances	25,000	(15,278)	(35,839)	(20,561)
FUND BALANCES, beginning of year	154,157	154,157	154,157	-
FUND BALANCES, end of year	$ 179,157	$ 138,879	$ 118,318	$ (20,561)

CHAMBLEE Georgia
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CITY OF CHAMBLEE, GEORGIA
MULTIPLE GRANTS SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2015

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental	$ 1,904,000	$ 1,904,000	$ 33,440	$ (1,870,560)
Total revenues	1,904,000	1,904,000	33,440	(1,870,560)
EXPENDITURES				
Housing and development	2,240,000	2,960,000	225,721	2,734,279
Deficiency of revenues under expenditures	(336,000)	(1,056,000)	(192,281)	863,719
OTHER FINANCING SOURCES				
Transfers in	397,000	1,117,000	196,572	(920,428)
Net change in fund balances	61,000	61,000	4,291	(56,709)
FUND BALANCES (DEFICIT), beginning of year	(5,791)	(5,791)	(5,791)	-
FUND BALANCES (DEFICIT), end of year	$ 55,209	$ 55,209	$ (1,500)	$ (56,709)

CHAMBLEE Georgia
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CITY OF CHAMBLEE, GEORGIA
HOTEL/MOTEL TAX SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2015

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	$ 338,000	$ 434,000	$ 408,587	$ (25,413)
Total revenues	338,000	434,000	408,587	(25,413)
EXPENDITURES				
Culture and recreation	135,200	173,600	152,064	21,536
Total expenditures	135,200	173,600	152,064	21,536
Excess of revenues over expenditures	202,800	260,400	256,523	(3,877)
OTHER FINANCING USES				
Transfers out	(202,800)	(260,400)	(245,152)	15,248
Net change in fund balances	-	-	11,371	11,371
FUND BALANCES, beginning of year	218,610	218,610	218,610	-
FUND BALANCES, end of year	$ 218,610	$ 218,610	$ 229,981	$ 11,371

CHAMBLEE Georgia
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CITY OF CHAMBLEE, GEORGIA
POLICE TECHNOLOGY SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2015

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Charges for services	$ 200,000	$ 200,000	$ 176,838	$ (23,162)
Total revenues	200,000	200,000	176,838	(23,162)
OTHER FINANCING USES				
Transfers out	(131,250)	(131,250)	(131,250)	-
Net change in fund balances	68,750	68,750	45,588	(23,162)
FUND BALANCES, beginning of year	226,103	226,103	226,103	-
FUND BALANCES, end of year	$ 294,853	$ 294,853	$ 271,691	$ (23,162)

CHAMBLEE Georgia
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CITY OF CHAMBLEE, GEORGIA
MAIN STREET IMPROVEMENT CAPITAL PROJECTS FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2015

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Charges for services	$ -	$ -	$ 800	$ 800
Total revenues	-	-	800	800
EXPENDITURES				
General government	-	100,000	4,666	95,334
Deficiency of revenues under expenditures	-	(100,000)	(3,866)	96,134
OTHER FINANCING SOURCES				
Transfers in	-	100,000	100,000	-
Net change in fund balances	-	-	96,134	96,134
FUND BALANCES, beginning of year	-	-	-	-
FUND BALANCES, end of year	$ -	$ -	$ 96,134	$ 96,134

CHAMBLEE Georgia
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CITY OF CHAMBLEE, GEORGIA
HOMESTEAD OPTION SALES TAX CAPITAL PROJECTS FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2015

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental revenue	$ 1,200,000	$ 1,200,000	$ 1,044,109	$ (155,891)
Total revenues	1,200,000	1,200,000	1,044,109	(155,891)
OTHER FINANCING USES				
Transfers out	(345,000)	(1,065,000)	(183,921)	881,079
Net change in fund balances	855,000	135,000	860,188	725,188
FUND BALANCES, beginning of year, as resated	3,122,586	3,122,586	3,122,586	-
FUND BALANCES, end of year	$ 3,977,586	$ 3,257,586	$ 3,982,774	$ 725,188

CHAMBLEE Georgia
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CITY OF CHAMBLEE, GEORGIA
STATISTICAL SECTION

This part of the City of Chamblee Georgia's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

	Page
Financial Trends	65
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
Revenue Capacity	70
These schedules contain information to help the reader assess the City's most significant local revenue source and property tax.	
Debt Capacity	75
These schedules present information to help the reader assess 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	78
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	
Operating Information	81
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the City's financial report for the relevant year. The City implemented GASB 54 in Year 2011; fund balance for governmental funds under the categories nonspendable, restricted, committed, assigned, and unassigned will be reflected in Year 2011 and subsequent periods. The City implemented GASB 63; Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position in Year 2012 and GASB 68 and 71 relating to pension plans in Year 2015.

CITY OF CHAMBLEE, GEORGIA

SCHEDULE 1

NET POSITION BY COMPONENT

LAST TEN YEARS

(accrual basis of accounting)

	2015	2014 (restated)	2013	2012	2011	2010	2009	2008	2007	2006
Governmental activities										
Net investment in capital assets	$ 10,990,044	$ 10,683,425	$ 11,337,688	$ 11,182,359	$ 10,849,537	$ 10,967,745	$ 11,599,248	$ 12,294,025	$ 10,258,965	$ 9,781,140
Restricted	4,437,932	3,744,041	2,430,168	2,012,227	520,846	251,228	15,420	17,249	17,980	11,754
Unrestricted	6,566,126	4,706,783	6,133,886	5,856,520	5,436,273	3,413,854	2,009,283	754,919	3,504,527	3,255,790
Total governmental activities net position	$ 21,994,102	$ 19,134,249	$ 19,901,742	$ 19,051,106	$ 16,806,656	$ 14,632,827	$ 13,623,951	$ 13,066,193	$ 13,781,472	$ 13,048,684
Business-type activities										
Net investment in capital assets	$ 3,224,889	$ 2,629,383	$ 2,799,327	$ 1,251,288	$ 1,079,642	$ 882,258	$ 838,594	$ 940,200	$ 521,450	$ 222,075
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	3,347,840	3,258,703	2,657,919	2,566,552	2,200,523	1,723,854	963,802	660,709	113,402	64,892
Total business-type activities net position	$ 6,572,729	$ 5,888,086	$ 5,457,246	$ 3,817,840	$ 3,280,165	$ 2,606,112	$ 1,802,396	$ 1,600,909	634,852	286,967
Primary government										
Net investment in capital assets	$ 14,214,933	$ 13,312,808	$ 14,137,015	$ 12,433,647	$ 11,929,179	$ 11,850,003	$ 12,437,842	$ 13,234,225	$ 10,780,415	$ 10,003,215
Restricted	4,437,932	3,744,041	2,430,168	2,012,227	520,846	251,228	15,420	17,249	17,980	11,754
Unrestricted	9,913,966	7,965,486	8,791,805	8,423,072	7,636,796	5,137,708	2,973,085	1,415,628	3,617,929	3,320,682
Total primary government net position	$ 28,566,831	$ 25,022,335	$ 25,358,988	$ 22,868,946	$ 20,086,821	$ 17,238,939	$ 15,426,347	$ 14,667,102	14,416,324	13,335,651

Souce: Current year and prior year financial statements of the City of Chamblee, Georgia

Note: The 2014 column has been restated for governmental and business-type activities. See Note 16 for more information on the restatements.

CHAMBLEE Georgia

A CITY ON THE RIGHT TRACK!

CITY OF CHAMBLEE, GEORGIA
SCHEDULE 2
CHANGES IN NET POSITION
LAST TEN YEARS
(accrual basis of accounting)

	2015	2014(9)	2013(8)	2012	2011(6),(7)	2010	2009(2)(3)(4),(5)	2008	2007(1)	2006
Expenses										
Governmental activities:										
General government	$ 2,023,765	$ 1,947,348	$ 1,718,753	$ 1,390,498	$ 1,357,621	$ 1,291,718	$ 1,128,643	$ 1,397,804	$ 1,156,311	$ 1,024,869
Judicial	306,565	278,743	245,170	226,005	205,951	190,617	97,000	-	-	-
Public safety	8,202,652	8,135,258	5,741,808	5,469,687	5,307,569	4,250,043	4,278,893	3,752,432	3,432,825	3,279,217
Public works	1,509,538	1,435,724	1,316,389	1,258,183	1,034,529	871,680	1,124,299	1,827,141	1,651,774	1,534,782
Permitting and inspection	-	-	-	-	-	-	-	-	-	291,134
Parks and recreation	1,249,850	929,319	896,655	805,707	676,861	713,080	717,953	606,506	708,043	684,098
Housing and development	1,925,243	1,367,963	681,563	399,986	500,936	411,499	341,582	-	-	-
Development and permits	-	-	-	-	-	-	-	479,695	480,057	-
Community Development	-	-	-	-	-	-	-	-	-	73,486
Court	-	-	-	-	-	-	-	181,189	167,125	135,166
911 System	-	-	-	-	-	-	-	641,321	552,663	498,057
Interest on long-term debt	13,963	18,727	4,678	9,881	14,899	39,765	16,906	16,295	19,171	22,045
Total governmental activities expenses	15,231,576	14,113,082	10,605,016	9,559,947	9,098,366	7,768,402	7,705,276	8,902,383	8,167,969	7,542,854
Business-type activities:										
Stormwater	780,900	516,683	423,412	376,708	386,321	299,816	340,026	623,614	210,027	327,186
Sanitation	1,105,695	833,208	656,705	575,099	564,986	574,562	585,655	-	-	-
Criminal History	215,685	182,801	235,327	180,752	171,681	123,897	-	-	-	-
Total business-type activities expenses	2,102,280	1,532,692	1,315,444	1,132,559	1,122,988	998,275	925,681	623,614	210,027	327,186
Total primary government expenses	$ 17,333,856	$ 15,645,774	$ 11,920,460	$ 10,692,506	$ 10,221,354	$ 8,766,677	$ 8,630,957	$ 9,525,997	$ 8,377,996	$ 7,870,040
Program Revenues										
Governmental activities:										
Charges for services	$ 4,282,860	$ 3,658,441	$ 2,634,063	$ 2,490,942	$ 2,327,563	$ 2,042,447	$ 2,877,340	$ 2,929,965	$ 3,595,462	$ 3,457,222
Capital grants and contributions	1,197,701	1,285,974	840,699	254,166	64,365	19,515	67,869	493,845	200,836	238,054
Total governmental activities program revenues	5,480,561	4,944,415	3,474,762	2,745,108	2,391,928	2,061,962	2,945,209	3,423,810	3,796,298	3,695,276
Business-type activities:										
Charges for services	2,406,255	2,342,204	1,755,412	1,790,316	1,729,437	1,519,716	848,326	527,861	557,912	477,723
Capital grants and contributions	-	-	1,268,656	-	-	-	-	-	-	-
Total business-type activities program revenues	2,406,255	2,342,204	3,024,068	1,790,316	1,729,437	1,519,716	848,326	527,861	557,912	477,723
Total primary government program revenues	$ 7,886,816	$ 7,286,619	$ 6,498,830	$ 4,535,424	$ 4,121,365	$ 3,581,678	$ 3,793,535	$ 3,951,671	$ 4,354,210	$ 4,172,999

(Continued)

CHAMBLEE Georgia
A CITY ON THE RIGHT TRACK!

CITY OF CHAMBLEE, GEORGIA
SCHEDULE 2
CHANGES IN NET POSITION
LAST TEN YEARS

	2015	2014(9)	2013(8)	2012	2011(6),(7)	2010	2009(2)(3)(4),(5)	2008	2007(1)	2006
Net (expense)/revenue										
Governmental activities	$ (9,751,015)	$ (9,168,667)	$ (7,130,254)	$ (6,814,839)	$ (6,706,438)	$ (5,706,440)	$ (4,760,067)	$ (5,478,573)	$ (4,371,671)	$ (3,847,578)
Business-type activities	303,975	809,512	1,706,624	657,757	606,449	521,441	(77,355)	(95,753)	347,885	150,537
Total primary government net (expense) revenue	$ (9,447,040)	$ (8,359,155)	$ (5,421,630)	$ (6,157,082)	$ (6,099,989)	$ (5,184,999)	$ (4,837,422)	$ (5,574,326)	$ (4,023,786)	$ (3,697,041)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes	$ 6,829,110	$ 5,931,682	$ 4,340,202	$ 4,934,955	$ 5,186,528	$ 4,115,844	$ 3,382,942	$ 2,642,734	$ 2,551,520	$ 2,399,791
Franchise taxes	1,940,064	1,957,776	1,453,769	1,450,256	1,090,763	1,654,657	1,085,876	1,028,123	958,567	893,160
Excise taxes	228,086	217,161	186,408	149,002	143,188	95,036	89,097	-	-	-
Insurance premium taxes	893,924	836,960	510,269	492,821	463,976	514,201	529,593	534,608	522,102	500,523
Business taxes	2,021,719	1,154,065	876,243	863,723	831,532	190,261	51,895	-	-	-
Other taxes	110,434	125,756	137,207	25,572	156,177	51,484	67,401	137,369	229,488	232,764
Hotel/motel taxes	408,587	364,928	195,000	185,041	143,759	55,757	47,994	-	-	-
Alcohol taxes	315,242	212,718	160,119	159,073	165,245	293,982	305,540	321,814	339,135	313,931
Sanitation	-	-	-	-	-	-	-	197,308	153,124	145,250
Rental motor vehicle excise	-	-	-	-	-	-	-	88,976	109,493	121,203
Sales taxes	-	-	-	661,602	712,230	-	-	-	-	-
Unrestricted investment earnings	5,400	2,942	1,794	1,161	6,843	7,898	6,235	66,922	178,681	134,055
Gain on Sale of Assets	45,193	51,650	6,225	3,425	22,242	-	-	-	27,078	-
Miscellaneous	183,377	27,927	33,192	12,576	25,388	16,073	29,970	66,824	35,271	65,882
Transfers	(370,268)	157,141	80,462	120,082	(67,604)	(279,877)	(278,718)	-	-	-
Total governmental activities	12,610,868	11,040,706	7,980,890	9,059,289	8,880,267	6,715,316	5,317,825	5,084,678	5,104,459	4,806,559
Business-type activities:										
Unrestricted investment earnings	-	-	-	-	-	2,398	124	-	-	-
Gain on Sale of Assets	10,400	750	11,244	-	-	-	-	-	-	-
Transfers	370,268	(157,141)	(80,462)	(120,082)	67,604	279,877	278,718	-	-	-
Total business-type activities	380,668	(156,391)	(69,218)	(120,082)	67,604	282,275	278,842	-	-	-
Total primary government	$ 12,991,536	$ 10,884,315	$ 7,911,672	$ 8,939,207	$ 8,947,871	$ 6,997,591	$ 5,596,667	$ 5,084,678	$ 5,104,459	$ 4,806,559
Change in Net Position										
Governmental activities	$ 2,859,853	$ 1,872,039	$ 850,636	$ 2,244,450	$ 2,173,829	$ 1,008,876	$ 557,758	$ (393,895)	$ 732,788	$ 958,981
Business-type activities	684,643	653,121	1,639,406	537,675	674,053	803,716	201,487	(95,753)	347,885	150,537
Total primary government	$ 3,544,496	$ 2,525,160	$ 2,490,042	$ 2,782,125	$ 2,847,882	$ 1,812,592	$ 759,245	$ (489,648)	$ 1,080,673	$ 1,109,518

Source: Current year and prior year financial statements of the City of Chamblee, Georgia

Notes:

(1) In 2007, Permitting and Inspection & Community Development were consolidated to Development and Permits

(2) In 2009, Court was moved to the Judicial function

(3) During 2009, the City stopped reporting E911 as a separate function and started reporting it as a nonmajor governmental fund

(4) In 2009, Rental Motor Vehicle Excise taxes were moved under the heading of Excise taxes

(5) In 2009, Business taxes and Hotel/Motel taxes became major revenue categories

(6) On January 1, 2011, the City annexed an area of 1.5 square miles that included 6,000 residences

(7) In 2011, the City changed the way it calculated Occupation Licenses from a flat fee to a formula to include gross sales and number of employees

(8) In 2013, H.O.S.T. revenue, which had been accounted for as Sales taxes the previous two years, is now accounted for under operating grants and contributions

(9) On December 30, 2013, the City annexed an area of 3.04 miles that included 11,750 residents

CHAMBLEE Georgia
A CITY ON THE RIGHT TRACK!

CITY OF CHAMBLEE, GEORGIA
SCHEDULE 3
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN YEARS
(modified accrual basis of accounting)

	2015	2014	2013	2012	2011 *	2010	2009	2008	2007	2006
General fund										
Nonspendable	$ 61,993	$ 228,835	$ 163,396	$ 35,197	$ 45,160	$ 61,236	$ 156,496	$ 207,692	$ 127,277	$ 75,504
Restricted	-	3,313,815	2,129,920	1,655,052	271,781	205,908	48,804	60,393	1,566,324	1,529,817
Committed	-	-	-	-	-	-	-	-	-	-
Unassigned	8,590,739	6,710,517	5,517,332	5,417,043	4,805,343	2,891,930	1,629,521	1,501,617	2,892,495	2,597,853
Total general fund	**$ 8,652,732**	**$ 10,253,167**	**$ 7,810,648**	**$ 7,107,292**	**$ 5,122,284**	**$ 3,159,074**	**$ 1,834,821**	**$ 1,769,702**	**$ 4,586,096**	**$ 4,203,174**
All other governmental funds										
Nonspendable	$ 9,075	$ 9,075	$ 9,075	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Restricted	4,437,932	430,226	300,248	357,175	249,065	105,310	15,420	17,249	17,980	-
Committed	367,825	226,103	188,757	124,016	172,803	-	-	-	-	-
Unassigned (deficit)	(1,500)	(5,791)	-	-	-	-	8,058	(597,147)	(1,100,124)	(826,713)
Total all other governmental funds	**$ 4,813,332**	**$ 659,613**	**$ 498,080**	**$ 481,191**	**$ 421,868**	**$ 105,310**	**$ 23,478**	**$ (579,898)**	**$ (1,082,144)**	**$ (826,713)**

Source: Current year and prior year financial statements of the City of Chamblee, Georgia

* For 2011, the City implemented GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. This new standard changed the overall definitions and classifications of governmental fund balances.

CHAMBLEE Georgia
A CITY ON THE RIGHT TRACK!

CITY OF CHAMBLEE, GEORGIA
SCHEDULE 4
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN YEARS
(modified accrual basis of accounting)

	2015	2014	2013	2012	2011	2010	2009(2),(3)	2008	2007(1)	2006
Revenues										
Taxes	$ 12,757,978	$ 10,782,270	$ 7,918,650	$ 9,009,498	$ 8,864,082	$ 6,971,531	$ 5,561,788	$ 4,915,114	$ 4,842,777	$ 4,548,686
Licenses and permits	1,378,754	925,514	498,998	436,793	383,522	310,301	474,396	485,280	592,906	607,032
Intergovernmental	1,197,701	1,285,974	840,699	254,166	64,365	19,515	67,869	493,845	200,836	238,054
Fines and forfeitures	1,955,922	1,907,823	1,398,211	1,425,339	1,320,659	1,105,326	1,345,888	1,082,447	1,266,577	944,515
Charges for services	948,184	825,104	736,854	628,810	623,382	626,820	1,057,056	1,362,238	1,735,979	1,905,675
Interest income	5,400	2,942	1,794	1,161	6,843	7,898	6,235	66,922	178,681	134,055
Other Revenues	183,377	27,927	33,192	12,576	25,388	16,073	29,970	66,824	35,271	65,882
Total revenues	18,427,316	15,757,554	11,428,398	11,768,343	11,288,241	9,057,464	8,543,202	8,472,670	8,853,027	8,443,899
Expenditures										
General government	1,888,113	1,816,050	1,664,070	1,265,867	1,204,491	1,137,216	1,102,861	1,369,975	1,096,897	1,094,676
Judicial	305,157	275,754	244,498	224,126	205,194	193,770	179,730	-	-	-
Public safety	8,006,067	8,169,090	6,153,372	5,556,891	5,243,827	4,324,951	4,045,773	3,792,921	3,612,795	3,236,448
Public works	1,616,339	1,426,002	1,296,605	1,329,472	975,700	831,768	962,525	1,864,161	1,694,265	1,469,091
Permitting and inspection	-	-	-	-	-	-	-	-	-	291,801
Development and permits	-	-	-	-	-	-	-	462,514	481,671	-
Parks and recreation	1,328,887	829,546	727,841	632,688	632,273	606,145	929,542	1,410,749	745,916	616,491
Community Development	-	-	-	-	-	-	-	-	-	65,828
Court	-	-	-	-	-	-	-	180,782	167,514	135,157
911 system	-	-	-	-	-	-	-	765,547	540,966	447,981
Capital outlay	-	-	-	-	-	-	-	926,778	305,404	83,562
Housing and development	2,121,304	1,371,204	709,861	649,714	520,550	419,277	343,970	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Principal	268,257	266,544	139,658	177,529	172,319	112,703	109,006	105,303	108,498	108,520
Interest	14,833	16,545	5,565	11,232	16,444	39,254	16,915	-	-	-
Total expenditures	15,548,957	14,170,735	10,941,470	9,847,519	8,970,798	7,665,084	7,690,322	10,878,730	8,753,926	7,549,555
Excess of revenues over (under) expenditures	2,878,359	1,586,819	486,928	1,920,824	2,317,443	1,392,380	852,880	(2,406,060)	99,101	894,344
Other financing sources (uses)										
Capital leases	-	909,174	146,630	-	-	293,582	-	91,912	-	-
Proceeds from sale of capital assets	45,193	51,650	6,225	3,425	29,929	-	-	-	28,390	-
Transfers in	1,754,396	1,515,326	1,059,132	1,105,252	735,791	240,916	160,531	-	-	-
Transfers out	(2,124,664)	(1,458,917)	(978,670)	(985,170)	(803,395)	(520,793)	(439,249)	-	-	-
Total other financing sources (uses)	(325,075)	1,017,233	233,317	123,507	(37,675)	13,705	(278,718)	91,912	28,390	-
Net change in fund balances	$ 2,553,284	$ 2,604,052	$ 720,245	$ 2,044,331	$ 2,279,768	$ 1,406,085	$ 574,162	$ (2,314,148)	$ 127,491	$ 894,344
Debt Service as a Percentage of noncapital expenditures	**1.93%**	**1.89%**	**1.35%**	**1.95%**	**2.15%**	**2.02%**	**1.66%**	**1.07%**	**1.30%**	**1.47%**

Source: Current year and prior year financial statements of the City of Chamblee, Georgia

Note: Prior to 2009, principal and interest were indistiguishable for debt service.

(1) In 2007, Community development became Development and permits.

(2) In 2009, the Court & Development and permits functions became the Judicial & Housing and development functions respectively.

(3) In 2009, 911 system became an nonmajor governmental fund.

CHAMBLEE Georgia
A CITY ON THE RIGHT TRACK!

CITY OF CHAMBLEE, GEORGIA
SCHEDULE 5
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN YEARS
(accrual basis of accounting)

Fiscal Year	Property Tax	Franchise Tax	Excise Tax	Insurance Premium Tax	Business Tax	Other Tax	Hotel Motel Tax	Sanitation Tax	Rental Motor Vehicle Excise Tax	Alcohol Tax	Sales Taxes	Total
2006	2,399,791	893,160	-	500,523	-	232,764	-	145,250	121,203	313,931	-	9,313,405
2007	2,551,520	958,567	-	522,102	-	229,488	-	153,124	109,493	339,135	-	4,863,429
2008	2,642,734	1,028,123	-	534,608	-	137,369	-	197,308	88,976	321,814	-	4,950,932
2009(1),(2)	3,382,942	1,085,876	89,097	529,593	51,895	67,401	47,994	-	-	305,540	-	5,560,338
2010	4,115,844	1,654,657	95,036	514,201	190,261	51,484	55,757	-	-	293,982	-	9,600,605
2011	5,186,528	1,090,763	143,188	463,976	831,532	156,177	143,759	-	-	165,245	712,230	8,893,398
2012(3)	4,934,955	1,450,256	149,002	492,821	863,723	25,572	185,041	-	-	159,073	661,602	12,180,748
2013(4)	4,340,202	1,453,769	186,408	510,269	876,243	137,207	195,000	-	-	160,119	-	7,859,217
2014	5,931,682	1,957,776	217,161	836,960	1,154,065	125,756	364,928	-	-	212,718	-	10,801,046
2015	6,829,110	1,940,064	228,086	893,924	2,021,719	110,434	408,587	-	-	315,242	-	12,747,166

Source: Current year and prior year financial statements of the City of Chamblee, Georgia

(1) In 2009, Hotel/Motel and Business taxes were broken out as major revenue sources.
(2) In 2009, Sanitation Tax became a separate fund and Rental Motor Vehicle Excise Tax became Excise Tax.
(3) In 2012, the City started receiving sales taxes in the form of H.O.S.T. revenue.
(4) In 2013, H.O.S.T. revenue, which had been accounted for under Sales the previous two years, is now accounted for under Intergovenmental Grants & Contributions.

CHAMBLEE Georgia
A CITY ON THE RIGHT TRACK!

CITY OF CHAMBLEE, GEORGIA
SCHEDULE 6
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE
ALL TAXABLE PROPERTY
LAST TEN YEARS
(accrual basis of accounting)

	Real Property		Personal Property		Public Utility		Motor Vehicle		Total Property					
Year	Assessed Value	Estimated True Value	Assessed Value	Estimated True Value	Assessed Value	Estimated True Value	Assessed Value	Estimated True Value	Assessed Value		Estimated True Value	Total Direct Tax Rate	Ratio of Total Assessed to Total Estimated Actual Value	Percent Increase in Estimated Actual Value Over Prior Year
2006	373,254,354	933,135,885	152,341,395	380,853,488	12,872,794	32,181,985	13,940,100	34,850,250	552,408,643		1,381,021,608	5.00	40%	22.15%
2007	385,554,122	963,885,305	141,003,340	352,508,350	13,544,670	33,861,675	15,280,060	38,200,150	555,382,192		1,388,455,480	5.00	40%	0.54%
2008	386,100,564	965,251,410	179,606,067	449,015,168	12,389,798	30,974,495	15,561,050	38,902,625	593,657,479		1,484,143,698	5.00	40%	6.89%
2009	397,861,328	994,653,320	166,457,935	416,144,838	10,769,822	26,924,555	16,118,770	40,296,925	591,207,855		1,478,019,638	6.31	40%	-0.41%
2010	388,248,161	970,620,403	144,949,798	362,374,495	9,563,181	23,907,953	14,546,770	36,366,925	557,307,910		1,393,269,775	7.95	40%	-5.73%
2011	611,126,366	1,527,815,915	193,372,547	483,431,368	11,087,937	27,719,843	14,131,410	35,328,525	829,718,260	(1)	2,074,295,650	7.40	40%	48.88%
2012	562,328,458	1,405,821,145	167,649,642	419,124,105	9,128,386	22,820,965	22,076,110	55,190,275	761,182,596		1,902,956,490	7.40	40%	-8.26%
2013	568,117,263	1,420,293,158	155,457,702	388,644,255	9,726,659	24,316,648	27,471,830	68,679,575	760,773,454		1,901,933,635	6.40	40%	-0.05%
2014	854,534,277	2,136,335,693	134,567,554	336,418,885	10,289,198	25,722,995	23,807,070	59,517,675	1,023,198,099	(2)	2,557,995,248	6.40	40%	34.49%
2015	811,118,697	2,027,796,743	164,295,251	410,738,128	15,151,224	37,878,060	20,050,020	50,125,050	1,010,615,192		2,526,537,980	6.40	40%	-1.23%

Source: City of Chamblee Finance Department

(1) - Assessed values increased from 2010 to 2011 due to an annexation.

(2) - Assessed values increased from 2013 to 2014 due to a second annexation.

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CITY OF CHAMBLEE, GEORGIA
SCHEDULE 7
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN TAX DIGEST YEARS
(Rate per $1,000 of assessed value)

	Direct Rates			Overlapping Rates			Total
	City of Chamblee						Direct and
Tax Digest Year	Operating Millage	Debt Service	Total	State of Georgia	DeKalb County	County School System	Overlapping Millage Rate
2006	5.00	-	5.00	0.25	13.33	22.98	41.56
2007	5.00	-	5.00	0.25	12.52	22.90	40.67
2008	5.00	-	5.00	0.25	12.73	22.98	40.96
2009	6.31	-	6.31	0.25	12.85	22.98	42.39
2010	7.95	-	7.95	0.25	12.85	22.98	44.03
2011	7.40	-	7.40	0.25	15.18	22.98	45.81
2012	7.40	-	7.40	0.20	15.65	23.98	47.23
2013	6.40	-	6.40	0.15	14.76	23.98	45.29
2014	6.40	-	6.40	0.10	12.36	23.98	42.84
2015	6.40	-	6.40	0.50	14.57	23.73	45.20

Source: City of Chamblee Finance Department and DeKalb County Financial Statements

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CITY OF CHAMBLEE, GEORGIA
SCHEDULE 8
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND EIGHT YEARS AGO

	2015			2007(1)		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Taxable Assessed Value
Clairmont Apartments ATL LLC	$ 19,700,000	1	2.11%			
Johnson Ferry Apartment	18,033,762	2	1.93%	-		-
LG Century Center LLC	16,447,500	3	1.76%	-		-
AP Chatsworth LLC	14,996,171	4	1.60%	-		-
Morgaurd Savoy Apartments LLC	13,398,536	5	1.43%	-		-
Perimeter Park 230 LLC	10,680,148	6	1.14%	-		-
JBE Realty Holdings LLP	10,641,866	7	1.14%	-		-
SG Miller Station LLC	10,030,270	8	1.07%			
Camden Creekstone LLC	9,600,000	9	1.03%	-		-
Interstone Atlanta	9,569,480	10	1.02%	-		-
EQR-Peachtree A LLC	-		-	$ 15,600,000	1	4.18%
McKesson Corp	-		-	9,025,800	2	2.42%
Lowes Home Centers INC	-		-	8,556,520	3	2.29%
Southern Company Services	-		-	8,243,682	4	2.21%
Fleet Capital Corporation	-		-	7,800,000	5	2.09%
SE Leasing LLC	-		-	7,518,755	6	2.01%
5300 Peachtree LP	-		-	7,395,720	7	1.98%
Global Aviation	-		-	7,200,000	8	1.93%
Spectrum Brands	-		-	6,520,000	9	1.75%
Spanos Corporation	-		-	6,460,120	10	1.73%
All Others	801,261,541		85.76%	288,836,215		77.40%
Totals	$ 934,359,274		100.00%	$ 373,156,812		100.00%

Source: City of Chamblee Finance Department

(1) Information prior to Fiscal Year 2007 is not readily available

CHAMBLEE Georgia
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CITY OF CHAMBLEE, GEORGIA
SCHEDULE 9
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year	Total Tax Levy	Collected Within The Fiscal Year of the Levy		Collections In Subsequent Years	Total Collections To Date	
		Amount	Percentage of Levy		Amount	Percentage Of Levy
2006	2,291,661	2,203,077	96.13%	84,933	2,288,010	99.84%
2007	2,457,960	2,342,630	95.31%	111,325	2,453,955	99.84%
2008	2,533,753	2,356,612	93.01%	165,700	2,522,312	99.55%
2009	3,238,048	3,043,576	93.99%	173,906	3,217,482	99.36%
2010	4,110,733	3,819,012	92.90%	264,122	4,083,134	99.33%
2011	4,944,549	4,709,627	95.25%	214,720	4,924,347	99.59%
2012	4,613,784	4,326,902	93.78%	273,078	4,599,980	99.70%
2013	3,964,807	3,841,910	96.90%	90,977	3,932,887	99.19%
2014	5,502,466	5,360,867	97.43%	167,385	5,528,252	100.47%
2015	6,120,374	5,958,900	97.36%	-	5,958,900	97.36%

Source: City of Chamblee Finance Department

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CITY OF CHAMBLEE, GEORGIA
SCHEDULE 10
RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS

	Governmental Activities				Business-type Activities					
Fiscal Year	General Obligation Bonds	Capital Leases	Percentage of Estimated Actual Value of Taxable Property	Per Capita	Stormwater	Sanitation	Capital Leases	Total Primary Government	Percent of Personal Income	Per Capita
2006	-	645,709	0.05%	66	-	-	-	645,709	0.33%	66
2007	-	556,382	0.04%	57	-	-	-	556,382	0.29%	57
2008	-	539,639	0.04%	55	-	-	-	539,639	0.28%	55
2009	-	430,633	0.03%	44	-	-	-	430,633	0.22%	44
2010	-	611,512	0.04%	62	-	-	-	611,512	0.24%	62
2011	-	439,193	0.02%	28	-	-	130,055	569,248	0.14%	37
2012	-	261,664	0.01%	17	-	-	101,058	362,722	0.09%	23
2013	-	268,636	0.01%	10	-	-	71,098	339,734	0.05%	12
2014	-	911,266	0.04%	33	-	-	40,143	951,409	0.13%	34
2015	**-**	**643,009**	**0.03%**	**23**	**-**	**-**	**8,160**	**651,169**	**0.09%**	**23**

Source: City of Chamblee Finance Department

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CITY OF CHAMBLEE, GEORGIA
SCHEDULE 11
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
December 31, 2015

	Net General Obligation Bonded Debt Outstanding	Percentage Applicable to City of Chamblee (1)	Amount Applicable to City of Chamblee
DeKalb County	$ 224,757	4.38%	$ 9,842
Fulton-DeKalb Hospital Authority(Dekalb portion)	41,380	4.38%	1,812
DeKalb County Board of Education	76,630	4.38%	3,356
Total overlapping debt	342,767		15,010
City Direct Debt:			
Capital Leases	643,009	100.00%	643,009
Total Direct and Overlapping Debt	$ 985,776		$ 658,019

Source: Assessed value data used to estimate applicable percentages provided by the DeKalb County Tax Assessor and the DeKalb County Financial Statements

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Chamblee, Georgia. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

(1) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the County's taxable assessed value that is within the City's boundaries and dividing it by the County's total taxable assessed value.

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CITY OF CHAMBLEE, GEORGIA
SCHEDULE 12
LEGAL DEBT MARGIN INFORMATION
LAST TEN YEARS

Year	Assessed Value	Percent	Debt Limit	Amount Applicable (1)	Legal Debt Margin
2006	$ 552,408,643	10%	$ 55,240,864	-	$ 55,240,864
2007	555,382,192	10%	55,538,219	-	55,538,219
2008	593,657,479	10%	59,365,748	-	59,365,748
2009	591,207,855	10%	59,120,786	-	59,120,786
2010	557,307,910	10%	55,730,791	-	55,730,791
2011	829,718,260	10%	82,971,826	-	82,971,826
2012	761,182,596	10%	76,118,260	-	76,118,260
2013	760,773,454	10%	76,077,345	-	76,077,345
2014	1,023,198,099	10%	102,319,810	-	102,319,810
2015	1,010,615,192	10%	101,061,519	-	101,061,519

Source: City of Chamblee Finance Department

Notes:

(1) The City of Chamblee has had no general obligation bonds outstanding during the last ten years.

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CITY OF CHAMBLEE, GEORGIA
SCHEDULE 13
DEMOGRPAHIC AND ECONOMIC STATISTICS INFORMATION
LAST TEN FISCAL YEARS

Fiscal Year	Population (1)	Personal Income (1)	Per Capita Income (1)	Median Age (2)	Median Education Level in Years of Formal Schooling (2)	School Enrollment (4),(5)	Unemployment Rate (3)
2006	9,757	194,466,767	19,931	27.6	12	-	5.1%
2007	9,791	195,144,421	19,931	27.6	12	-	4.9%
2008	9,825	195,822,075	19,931	27.6	12	-	6.4%
2009	9,858	196,479,798	19,931	27.6	12	-	9.9%
2010	9,892	259,724,352	26,256	29.0	12	-	10.5%
2011	15,491	406,731,696	26,256	29.0	12	2,824	10.2%
2012	15,790	414,582,240	26,256	29.0	12	2,656	9.3%
2013	27,300	716,788,800	26,256	29.0	12	2,620	8.3%
2014	27,639	725,676,981	26,256	29.0	12	4,993	7.3%
2015	27,981	734,675,376	26,256	29.0	12	5,114	5.9%

Notes:

(1) City of Chamblee Development Department

(2) Source: U.S. Census

(3) Source: Georgia Department of Labor

(4) Includes: Chamblee Charter High School, Chamblee Middle School, Huntley Hills Elementary School, Sophia Academy, Dresden Elementary School, and St. Pius X Catholic High School. Information prior to Fiscal Year 2011 is not readily available

(5) Enrollment numbers increased in 2014 because of the addition of three schools due to annexation

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CITY OF CHAMBLEE, GEORGIA
SCHEDULE 14
PRINCIPAL EMPLOYERS
Current Year and Four Years Previous (Earliest Available)

	2015			2011(1)		
Employer	Employees	Rank	Percentage of Total Employees	Employees	Rank	Percentage of Total Employees
Wal-Mart Supercenter	348	1	3.2%	319	1	3.8%
Jim Ellis Volkswagen, Inc.	293	2	2.7%	318	2	3.8%
RR Donnelley	213	3	2.0%	178	3	2.1%
UniHealth Post-Acute Care of Brookhaven	195	4	1.8%	145	8	1.7%
Jim Ellis Atlanta, Inc	192	5	1.8%	171	4	2.0%
Curry Cars, LLC	189	6	1.7%	154	6	1.8%
Sam's Club	165	7	1.5%			
World Toyota	157	8	1.4%	135	10	1.6%
Epps Air Service	136	9	1.3%	145	7	1.7%
Lowe's Home Centers,LLC	133	10	1.2%	140	9	1.7%
Austin Outdoor, LLC				164	5	1.9%
All Others	8,856			6,601		
Totals	10,877			8,470		

Source: City of Chamblee Finance Department

Notes:

(1) Prior to 2011, the City did not include the number of employees in it's calculation of Occupational Tax

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CITY OF CHAMBLEE, GEORGIA
SCHEDULE 15
FULL TIME EQUIVALENT CITY GOVERNMENT EMPLOYESS BY FUNCTION/PROGRAM
LAST NINE FISCAL YEARS(1)

Function	2006	2007	2008	2009	2010	2011(1)	2012	2013	2014(1)	2015(1)
Administrative	12	12	12	12	12	18	18	19	19	19
Police	32	32	32	32	32	44	44	44	68	68
Public Works	6	6	6	6	6	9	9	9	15	19
Parks and Recreation	6	6	6	6	6	6	6	6	6	10
E-911	8	8	8	8	8	12	13	13	15	15
Stormwater	4	4	4	4	4	4	4	4	5	6
Sanitation	11	11	11	11	11	11	11	11	13	17
	79	79	79	79	79	104	105	106	141	154

Source: City of Chamblee Finance Department

Notes:

(1) Total employee count increased due to annexation

CHAMBLEE Georgia
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CITY OF CHAMBLEE, GEORGIA
SCHEDULE 16
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function	2006	2007	2008	2009	2010	2011	2012	2013	2014(1)	2015
Police										
Physical Arrests	789	870	1,000	925	803	912	858	854	2,478	2,807
Traffic Violations	10,161	13,219	9,970	10,508	9,458	12,754	12,257	12,211	10,208	10,954
Sanitation										
Refuse Collected (tons/year)	2,421	2,473	2,340	2,336	2,272	2,173	2,195	2,231	3,510	3,590
Recyclables Collected (tons/year)	894	872	880	996	960	1,297	1,251	1,346	2,925	2,050
Public Safety										
Police Patrol Units	19	19	19	19	19	23	23	23	33	33

Source: City of Chamblee Finance Department

Notes:

(1) The City started police patrols for the area added to the City in the 2013 annexation while adding sanitation services for the 2010 annexation. The City took over over sanitation services for the area 2013 annexation in mid-year 2014.

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CITY OF CHAMBLEE, GEORGIA
SCHEDULE 17
CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
City Hall										
Buildings	1	1	1	1	1	1	1	1	1	1
Vehicles	1	1	1	1	1	1	2	2	2	3
Public Safety										
Police Stations	1	1	1	1	1	1	1	1	1	1
Vehicles	29	29	29	33	36	39	46	46	56	61
Public Works										
Buildings	1	1	1	1	1	1	1	1	1	1
Vehicles	7	7 #	10	12	11	11	12	12	12	14
Culture and recreation										
Parks acreage	49.7	49.7	49.7	49.7	49.7	49.7	49.7	49.7	49.7	75.1
Parks	7	7	7	7	7	7	7	7	7	8
Tennis courts	2	2	2	2	2	2	2	2	2	2
Community centers	1	1	1	1	1	1	1	1	1	1
Vehicles	3	3	3	3	3	3	3	3	5	5
Sanitation										
Vehicles	10	11	11	11	12	14	18	18	14	16
Stormwater										
Vehicles	2	2	4	4	4	4	5	5	7	7

Source: City of Chamblee Finance Department

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COMPLIANCE SECTION



MAULDIN & JENKINS

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*

The Honorable Mayor and Members
of City Council
City of Chamblee, Georgia

We have audited in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the **City of Chamblee, Georgia** (the "City") as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated August 24, 2016. Our report includes a reference to other auditors who audited the financial statements of the Chamblee Downtown Development Authority, as described in our report on the City's financial statements. This report does not included the results of the other auditors testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. Our report also includes a reference to the change in accounting principles resulting from the implementation of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pension – an amendment of GASB Statement No. 27*, as well as GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68,* as of January 1, 2015.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City'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's internal control. Accordingly, we do not express an opinion on the effectiveness of the City'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a deficiency in internal control, described in the accompanying schedule of findings and responses, as item 2015-001, that we consider to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City'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.*

City of Chamblee, Georgia's Response to Finding

The City of Chamblee, Georgia's response to the finding identified in our audit is described in the accompanying schedule of findings and responses. The City of Chamblee, Georgia's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mauldin & Jenkins, LLC

Atlanta, Georgia
August 24, 2016

CITY OF CHAMBLEE, GEORGIA

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2015

SECTION I
SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weaknesses identified?	X yes ___ no
Significant deficiencies identified?	___ yes X none reported
Noncompliance material to financial statements noted?	___ yes X no

Federal Awards

There was not an audit of major federal award programs for the year ended December 31, 2015 due to the City not expending federal awards of $750,000 or more during the year ended December 31, 2015.

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

2015-001: Segregation of Duties (Repeat Finding)

Criteria: Internal controls should be in place which provide reasonable assurance that an individual cannot misappropriate funds without such actions being detected during the normal course of business.

Condition: The size of the City's accounting and administrative staff precluded certain internal controls that would be preferred if the office staff were large enough to provide optimum segregation of duties. A significant number of duties relative to the receipt and disbursement process, payroll, and general ledger functions are handled by one individual. The most significant issues noted are as follows:

- Individuals who post cash receipts to the accounting records can perform other functions which should typically be segregated, such as the write-off of delinquent accounts, editing the master receivable file, and reviewing the receivables aging trial balance.
- Those responsible for review, authorization, or signing of checks are also responsible for the reconciliation of bank accounts.
- Those responsible for approval of rates and fees can prepare bills, collect accounts receivable, post cash receipts, investigate receivable discrepancies and are also responsible for reviewing the receivable trial balance.
- Check signing (including control of mechanical check signers and signature plates) is not independent of the initiator of purchases, approver of purchases, preparer of checks, cash receipts, accounts payable, and cash bookkeeping.

CITY OF CHAMBLEE, GEORGIA

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2015

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

2015-001: Segregation of Duties (Repeat Finding) (Continued)

- Individuals who have access to edit the vendor master file can initiate purchase orders, prepare or issue debit memos, investigate account discrepancies, and maintain custody of assets.
- IT personnel have the responsibility for transaction and accounting duties. IT personnel administering security have responsibilities for programming, database management, and computer operations. IT programmers also have access to modify the software code.
- Responsibilities for payroll accounting and payroll deposits are not separated from the general ledger function.
- Individuals who prepare payroll checks are also authorized to sign payroll checks and edit the payroll mater files.

Context/Cause: We addressed this matter with City officials who understand that the size of the City's accounting and administrative staff precluded certain internal controls, that would be preferred if the office staff were large enough, to provide optimum segregation of duties.

Effects/Possible Effects: Failure to properly segregate duties between recording, distribution, and reconciliation of accounts may allow for errors or irregularities to occur and not be detected in a timely manner by employees in the normal course of performing their assigned functions.

Recommendation: We understand the staffing limitations which result in these overlapping duties; however, we recommend the City's management implement additional controls that would reduce the risk of fraudulent activity and the risk that such activities go unnoticed by management and the Mayor and City Council. No one employee should have access to both physical assets and the related accounting records, or to all phases of a transaction.

Auditee's Response: We concur with the finding. We will take necessary steps in the future to ensure that proper controls are implemented to mitigate the risks described above.

SECTION III
FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

Not applicable

CITY OF CHAMBLEE, GEORGIA

STATUS OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2015

SECTION IV
PRIOR YEAR FINDINGS AND QUESTIONED COSTS

There was not an audit of major federal award programs as of the prior year (December 31, 2014) due to the total amount expended being less than $500,000; therefore, no prior year findings related to Federal awards.

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