

City of Elberton, Georgia

Comprehensive Annual Financial Report

For the fiscal year ended
June 30, 2015

Prepared by:

Department of Finance

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Part I

Introductory Section

CITY OF ELBERTON, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the fiscal year ended June 30, 2015

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Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Elberton

Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

Executive Director/CEO

CITY OF ELBERTON, GEORGIA

CITY OFFICIALS

June 30, 2015

MAYOR
Larry L. Guest

CITY COUNCIL
Joel Seymour, Mayor Pro Tempore
Carey Butler
Troy Colquitt
Bobby G. Hunt
Rick Prince

CITY MANAGER
Lanier W. Dunn, CPA

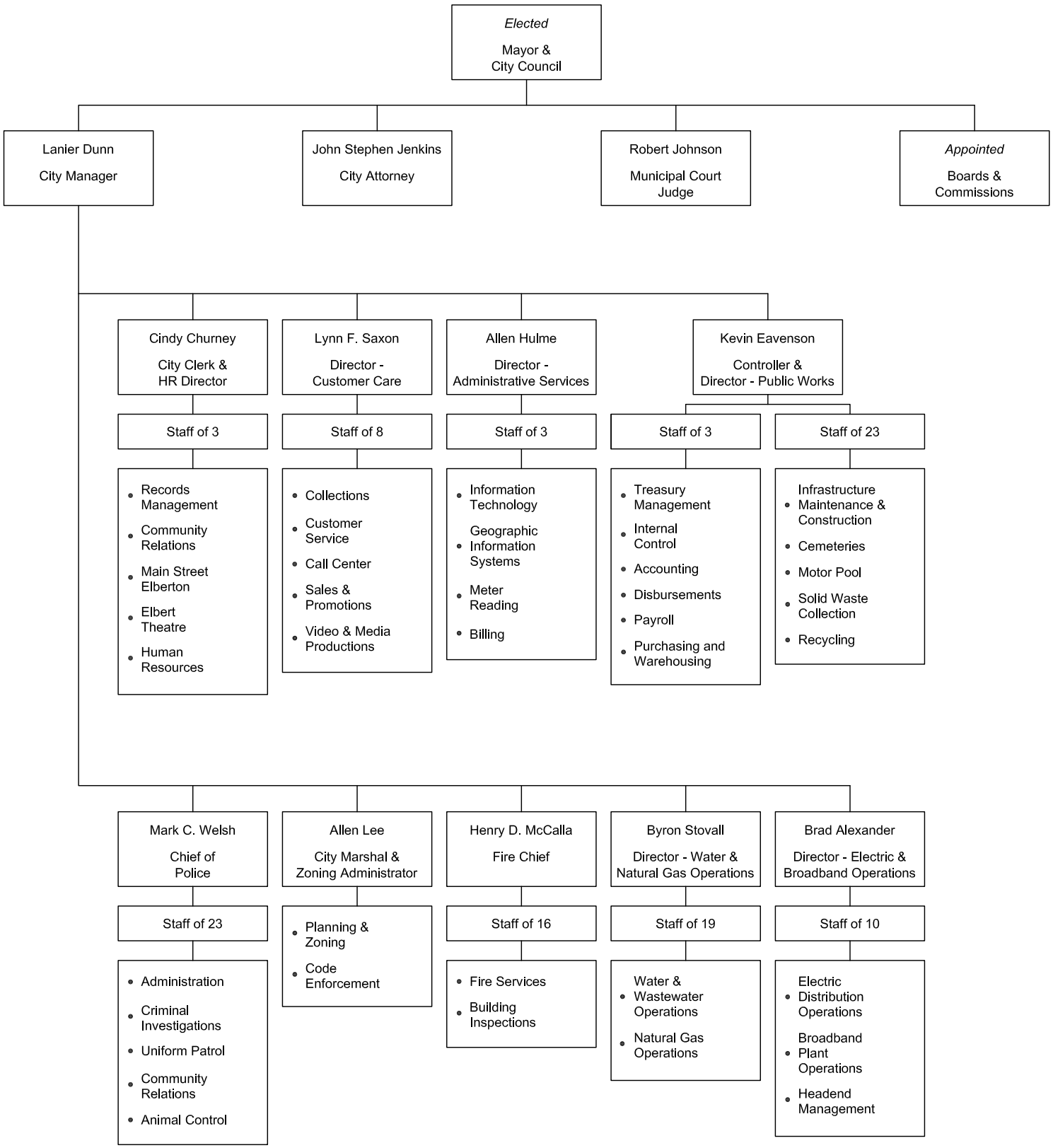
CITY ATTORNEY
John Stephen Jenkins, Sr.

MUNICIPAL COURT JUDGE
Robert A. Johnson

City of Elberton, Ga.

Organizational Chart

as of June 30, 2015



CITY OF ELBERTON
P. O. Box 70
230 N. McIntosh Street
ELBERTON, GA 30635
Phone: 706-213-3100
Fax: 706-213-3125

November 23, 2015

The Honorable Larry L. Guest, Mayor
Members of the City Council, and
Citizens of the City of Elberton

Ladies and Gentlemen:

The Comprehensive Annual Financial Report of the City of Elberton, Georgia, for the fiscal year ended June 30, 2015, is submitted for review as mandated by both local ordinance and state statutes. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

To provide a reasonable basis for making these representations concerning the finances of the City, the City of Elberton has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Elberton's financial statements in conformity with generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement.

In the Financial Section immediately after the independent auditor's report is a management's discussion and analysis which provides a narrative introduction, overview, and analysis of the basic financial statements. Management's discussion and analysis begins on page 4. The Elberton Code of Ordinances and the Official Code of Georgia, annotated, require an annual audit of the books of account, financial records and transactions of all funds and activities of the City by independent certified public accountants selected by the Mayor and Council. This requirement has been met, and the independent auditor's report has been included in the Financial Section of this report.

This report has been prepared with the guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA), in accordance with generally accepted accounting principles and current financial reporting standards as set forth by the Governmental Accounting Standards Board (GASB).

PROFILE OF THE GOVERNMENT

The City of Elberton is located in the northeast part of the State of Georgia, within the boundaries of Elbert County. According to the 2010 U.S. Census, Elberton has a population of 4,653 while Elbert County has 20,166. Elberton is approximately 35 miles east of Athens, Georgia, and about 100 miles east of Atlanta. Elberton was chartered by the State of Georgia in 1803. The governing authority of the City is composed of a Mayor and five Council Members, who appoint a Manager to administer the daily operations of the City.

The City of Elberton provides a full range of governmental and utility services. These include general government administration, police and fire protection, sanitation and recycling services, animal control, streets and public works, cemetery services, parks and recreation, planning and zoning, and a municipal court system. Elberton Utilities, a department of the City of Elberton, provides electric, natural gas, water and wastewater services to customers in the City as well as a large portion of Elbert County. ElbertonNET Technology Services, a department of the City, provides telecommunications, cable television, and Internet, and voice-over-IP phone services to customers in the City and parts of Elbert County.

The annual budget serves as the foundation for the City of Elberton's financial planning and control. All agencies of the City of Elberton are required to submit requests for appropriation to the City Manager in April of each year. The City Manager uses these requests as a starting point for developing a proposed budget. The City Manager then presents this proposed budget to the council for review during the month of May. The council is required to hold public hearings on the proposed budget and to adopt a final budget by no later than June 30, the close of the City of Elberton's fiscal year. The appropriated budget is prepared by fund, function, and department. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted.

This report includes all the funds of the City of Elberton. Following standards established by the Governmental Accounting Standards Board and others, the City of Elberton has reviewed the relationship between itself and other local agencies to determine the amount of control or dependency on the City. The procedures to determine the amount of control or dependency have been outlined in the notes in the Financial Section. As stated in the notes to the basic financial statements, the City of Elberton Housing Authority has not been included in the City's financial statements. The City has included the Downtown Development Authority in this financial report as a discretely presented component unit because that legally separate entity has a high level of financial dependency from the City, and the authority board members are appointed by the Mayor of the City and confirmed by a majority vote of the Council.

ECONOMIC CONDITION AND OUTLOOK

The City's economy continues to be based on the granite industry, which began operation in 1898. In 1951 the Elberton Granite Association, Inc., was formed to encourage cooperation between quarries and manufacturers. A total of 130 separate firms and quarries are operating businesses in granite production or its allied services in Elbert County. Approximately 1,800 persons are employed in the granite industry, with an annual payroll of $57 million. Statistics indicate that Georgia's stone industry, centered in the Elberton granite district, continues to lead the nation in total production. The financial well-being of Elberton is heavily dependent on a stable granite industry.

The City's purchase of and continuing investment in the Elberton Industrial Park underscores the City's commitment to economic growth in the area. The City works closely with, and continues to assist in funding, the Chamber of Commerce and the Development Authority of Elbert County, Elberton and Bowman to attract new industry to the community. Elberton Utilities and ElbertonNET will continue to work closely with local industry to provide needed infrastructure for expansion at local plants. Elberton's Industrial Park is home to the nationally famous "Bubba Burger." "Bubba Burgers," made in Elberton, are shipped all over the eastern seaboard and Midwestern U.S.

The Downtown Development Authority has operated the Main Street Elberton organization for nearly twenty years. The City employs a full time director to manage the Main Street program and to work with businesses in the historic downtown area to plan and promote events that attract commerce to the downtown area. Main Street also recruits small businesses to occupy vacant commercial spaces in the area. Annually, Main Street Elberton is recognized as an "Accredited National Main Street Program" by the National Trust for Historic Preservation.

MAJOR EVENTS OR INITIATIVES

The City continued to provide daily services to 5,000 citizens in the City as well as over 6,100 utility accounts in the City and Elbert County. The impact the City has on this community is evident on a daily basis in the majority of homes, businesses, and organizations in the area. Following are highlights of major projects or events in fiscal year 2015.

The City of Elberton began receiving proceeds from the 2011 special purpose local option sales tax in fiscal year 2012. This special sales tax, approved by Elbert County voters, was budgeted to fund $3.8 million of capital projects over the next six years in the City of Elberton. The proceeds from the 2011 special purpose local option sales tax are scheduled to conclude in June of 2017. Several capital projects during fiscal year 2015 were funded by the 2011 sales tax. Included in these projects was the completion of the renovation of the Elberton Arts Center. Additionally, the sales tax funded the construction of five picnic pavilions which are located in three of the City parks.

The divisions of Elberton Utilities initiated several projects in fiscal year 2015 that are part of long term renewal plans. The electric division continues working on a system protection and coordination project to increase the safety, longevity and reliability of the city's electric grid. This rehabilitation also included the replacement of electric lines north of Cecchini Road on Hartwell Highway and electric lines on Brewers Bridge Road. The water division in 2015 made significant upgrades and renovations at the water filter plant. These upgrades included new turbidimeters, new filter plant instrumentation and controls, and general renovations. The water division also had new variable frequency drives installed at the pumps at the raw water intake station. New water mains were installed on a section of Hartwell Highway and Martin Luther King, Jr. Blvd. in 2015. The Mill Village water replacement project was also initiated in 2015. The natural gas division began phase one of the natural gas bare steel main replacement project in 2015 to rid the system of all the original bare steel lines installed in the 1950s to meet current safety and operating standards.

ElbertonNET continued to expand the current network by extending service to several areas of the county. Extensions of the current network included the area of Athens Highway,

Nickville Road, and Dewy Rose areas. Additionally, ElbertonNET added new headend equipment during the fiscal year to accommodate higher bandwidth needs and Internet usage growth.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Elberton for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2014, for the twelfth consecutive year. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized CAFR, the contents of which conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA for review.

We would like to thank the Mayor and the members of the City Council for their interest and support in this report on the financial condition of the City. The Mayor and Council should also be acknowledged for their valuable contributions in the planning and conducting of the financial affairs of the City in a responsible and progressive manner.

Respectfully submitted,

Lanier W. Dunn, CPA
City Manager

Kevin Eavenson
Controller

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Part II

Financial Section

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RUSHTON & COMPANY

Independent Auditor's Report

Honorable Mayor and Members
of the City Council
City of Elberton, 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 Elberton, Georgia, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Elberton, Georgia, as of June 30, 2015, and the respective changes in the financial position and, where applicable, cash flows thereof, and the budgetary comparison of the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information on pages 4 through 15 and 72 through 75, respectively 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 Elberton, Georgia's basic financial statements. The combining and individual fund financial statements and schedules, and the special purpose local option sales tax report are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements.

The combining and individual fund financial statements and schedules, the special purpose local option sales tax report, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules, the special purpose local option sales tax report, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the financial statements as a whole.

We also have previously audited, in accordance with auditing standards generally accepted in the United States, the City of Elberton, Georgia's basic financial statements for the year ended June 30, 2014, which are not presented with the accompanying financial statements. In our report dated November 6, 2014, we expressed unqualified opinions on the respective financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Elberton's basic financial statements as a whole. The individual fund financial statements and schedules related to the 2014 financial statements are presented for the purposes of additional analysis and are not a required part of the financial statements.

The individual fund financial statements and schedules related to the 2014 financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 2014 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those 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 2014 individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 23, 2015, on our consideration of the City of Elberton, Georgia's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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 results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Elberton's internal control over financial reporting.

Rushton & Company, LLC

Certified Public Accountants

Gainesville, Georgia
November 23, 2015

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230 N. McIntosh Street
ELBERTON, GA 30635
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MANAGEMENT'S DISCUSSION AND ANALYSIS

Management of the City of Elberton is pleased to provide this narrative discussion and analysis of the City's financial activities for the fiscal year ended June 30, 2015. The City's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

FINANCIAL HIGHLIGHTS

- The assets of the City of Elberton exceeded its liabilities at the close of the fiscal year by $36.2 million (reported as "*net position*"). Of this amount, $8.9 million (*unrestricted net position*) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by $2,717,098 as a result of this year's activities.
- The City's governmental funds report combined ending fund balances of $1,673,762. Approximately 42% of this amount, $696,935, is available for spending at the City's discretion (*unassigned fund balance*), within the purposes of the funds.
- The City's proprietary funds report net position of $30.5 million at the end of the fiscal year, an increase of $2,173,950 as a result of the current year's operations.
- The City's liabilities totaled $14.4 million on June 30, 2015. Most of these liabilities (73% or $10.6 million) consist of revenue bonds, notes payable, capital leases, or interest on those obligations to finance improvements or extensions of the City's utility systems.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City of Elberton's basic financial statements. The City of Elberton'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* include the *statement of net position* and the *statement of activities*. One of the most important questions asked about the City's finances is "Is the City as a whole better off or worse off as a result of the year's activities?" The *statement of net position* and the *statement of activities* report information about the City as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. Accrual of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The *statement of net position* presents information on all of the City's assets and liabilities, with the difference between the two reported as *net position*. The City's *net position*, which is the difference between assets, what the citizens own, and liabilities, what the citizens owe, is one way to measure the City's *financial 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. Other non-financial factors, however, such as changes in the City's property tax base and the condition of the City's capital assets (roads, buildings, and utility systems) must be considered to assess the *overall health* of the City.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal 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 flows in future fiscal periods.

Both of the government-wide financial statements divide the City into two kinds of activities:

- Governmental activities: most of the City's basic services are reported here, including police, fire, infrastructure maintenance, parks and recreation, cemetery, and general administration. Taxes, grants, and interfund transfers from the utility system finance most of these activities.
- Business-type activities: the City charges a fee to customers to cover all or most of the cost of certain services it provides. The City's utility and solid waste services are reported here.

The government-wide financial statements can be found on pages 16-18 of this report.

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. Some funds are required to be established by state law. The City of Elberton uses three categories of funds: governmental funds, proprietary funds, and a fiduciary fund.

In fund financial statements, information is presented in separate columns for each of the major funds. Data from non-major funds are combined into a single, aggregated column for presentation. Individual fund data for each of these non-major funds is provided in the form of combining statements elsewhere in this report.

Governmental funds. Most of the City's basic *governmental activities* reported in the government-wide statements are accounted for in *governmental funds*, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. The relationship (or differences) between *governmental activities* (reported in the *statement of net position* and the *statement of activities*) and *governmental funds* is described in a reconciliation following the fund financial statements. The City uses four governmental funds, of which the general fund is considered a major fund, whose basic financial statements can be found on pages 19-24 of this report.

Proprietary funds. When the City charges customers for the full or partial cost of the services it provides whether to outside customers or to other units of the City, these services are reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the *statement of net position* and the *statement of activities* using the accrual basis of accounting. *Enterprise funds* are a type of proprietary fund used to account for functions reported as *business-type activities* in the government-wide statements. The City uses four enterprise funds to account for separate business-type activities. The combined public utility fund and the ElbertonNET technology services fund are considered the major enterprise funds and are reported in the basic proprietary fund financial statements on pages 25-29 of this report.

Fiduciary fund. The City is a trustee, or fiduciary, for the municipal court agency fund. The City's fiduciary activity is reported in a separate Statement of Fiduciary Assets and Liabilities on page 30. This activity is excluded from the City's other financial statements because the City cannot use these assets to finance its operations.

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 31-71 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information including combining financial statements for non-major funds referred to earlier. Individual fund statements and schedules are presented following the required supplementary information. These statements and schedules contain much more detailed financial information about individual services or divisions of the City.

This report includes two schedules (pages 20 and 22) that reconcile the amounts reported on the governmental fund financial statements (modified accrual basis of accounting) with the governmental activities reported on the government-wide financial statements (accrual basis of accounting). The following summarizes the impact of transitioning from modified accrual to accrual accounting:

- Capital assets used in governmental activities on the government-wide statements are not reported on the fund financial statements.
- Unless due and payable, long-term liabilities appear only in the government-wide statements.
- Capital outlay spending results in capital assets on the government-wide statements but is reported as expenditures on the governmental fund financial statements.
- Some expenses reported in the government-wide statements represent increases in liabilities on the government-wide statements but are not reported as expenditures in governmental funds because they do not require the use of current financial resources.

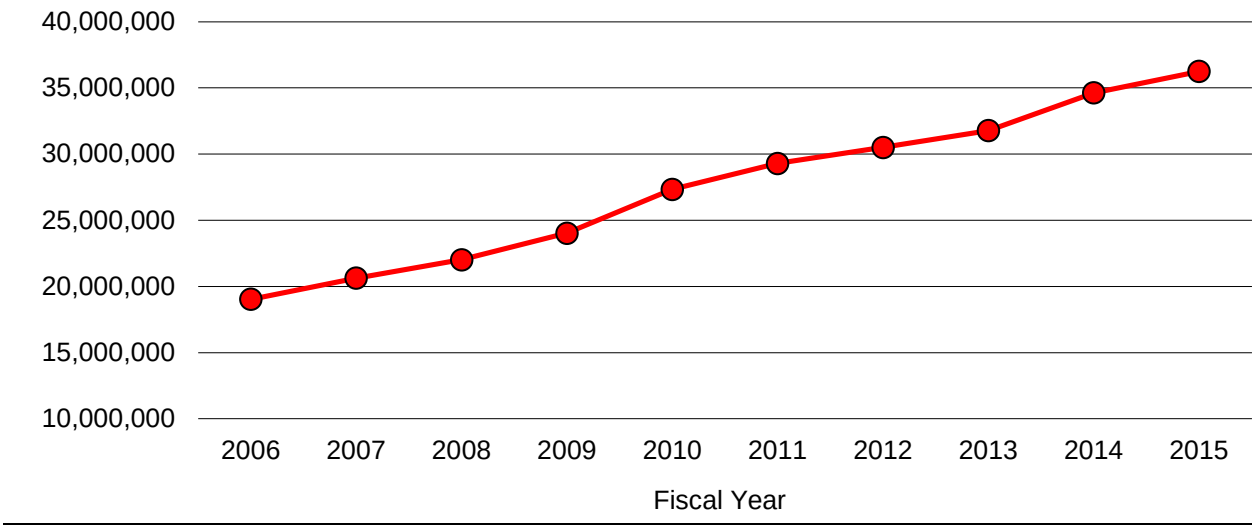
GOVERNMENT-WIDE FINANCIAL ANALYSIS

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 of Elberton, assets exceeded liabilities by $36,248,498 at the close of the most recent fiscal year.

City of Elberton
Net Position as of June 30, 2015 and 2014
(in Thousands)

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Current and Other Assets	$ 2,116	$ 2,138	$ 16,640	$ 13,511	$ 18,756	$ 15,649
Net Capital Assets	5,246	4,746	27,774	26,723	33,020	31,469
Total Assets	7,362	6,884	44,414	40,234	51,776	47,118
Long-term Liabilities	692	753	9,361	7,449	10,053	8,202
Other Liabilities	354	365	4,008	3,924	4,362	4,289
Total Liabilities	1,046	1,118	13,369	11,373	14,415	12,491
Net investment in capital assets	4,794	4,230	18,677	17,878	23,471	22,108
Restricted Net Position	826	1,067	2,958	2,743	3,784	3,810
Unrestricted Net Position	108	469	8,886	8,241	8,994	8,710
Total Net Position	$ 5,728	$ 5,766	$ 30,521	$ 28,862	$ 36,249	$ 34,628

Total Net Position – Ten Fiscal Years



The largest portion of the City's net position (65%) reflects its investment in capital assets (e.g. land, buildings, machinery and equipment), less any related debt used to acquire those assets that are 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.

Restricted net position totaling $3,783,220 is constrained by legal requirements and is not available for day-to-day operations of the City. The remaining balance of *unrestricted net position* ($8,994,497) may be used to meet the City's ongoing obligations to citizens and creditors. The portion of unrestricted net position from business-type activities was $8,886,182 at the end of the fiscal year. The portion of unrestricted net position resulting from the City's governmental activities was $108,315 at the close of the fiscal year.

The City's net position increased by $2,717,098 during the current fiscal year. Governmental activities resulted in an increase in net position of $543,148 while business-type activities resulted in an increase of net position of $2,173,950. The following table was derived from the government-wide Statement of Activities and reflects how the City's net position changed during the fiscal year.

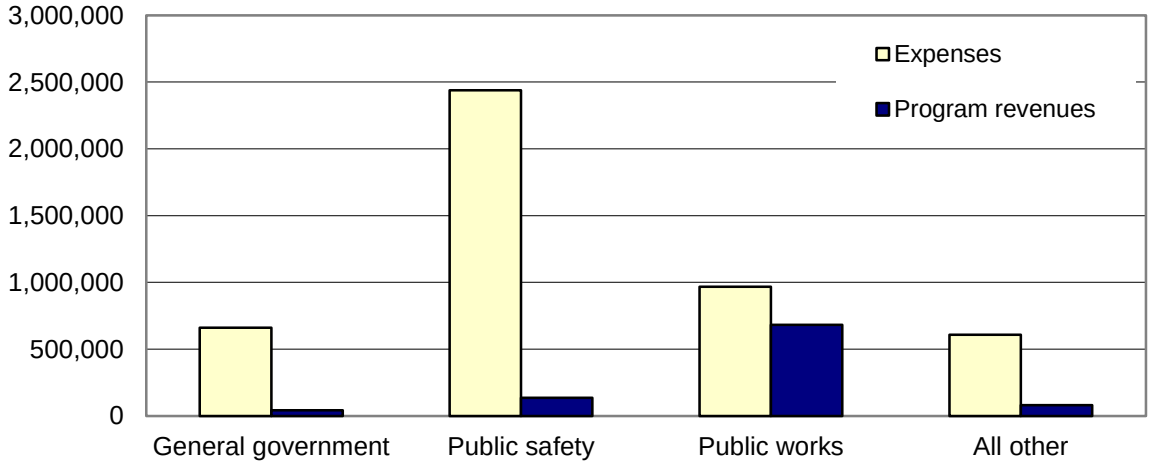
During fiscal year, the City implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, this accounting pronouncement required the City to record its total net position liability and the deferred inflows and deferred outflows related to the net pension liability. This required a restatement of beginning balances which decreased net position in the amount of $1,097,398.

City of Elberton
Changes in Net Position for the Fiscal Years ended June 30, 2015 and 2014
(in Thousands)

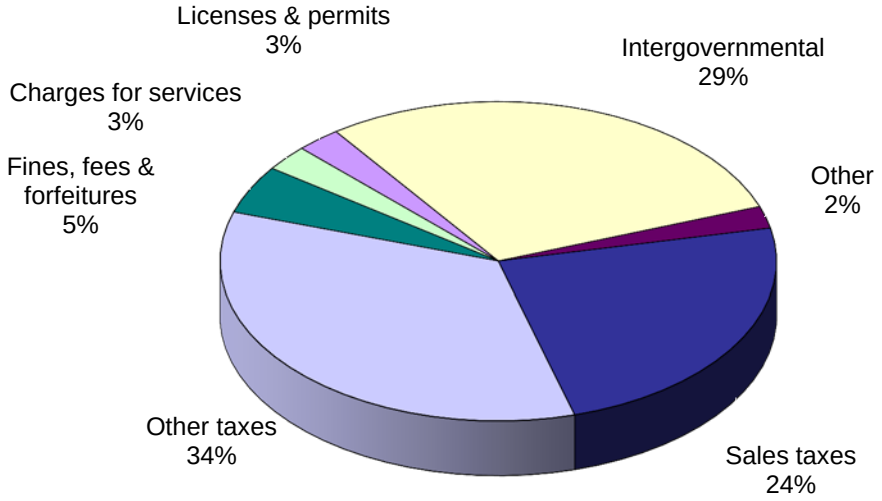
	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues:						
Program Revenues:						
Charges for Services	$ 223	$ 312	$ 27,164	$ 27,943	$ 27,387	$ 28,255
Operating Grants and Contributions	0	0	1,171	0	1,171	0
Capital Grants and Contributions	715	602	254	138	969	740
General Revenues:						
Taxes	1,291	1,304	0	0	1,291	1,304
Interest and Investment Earnings	2	2	119	135	121	137
Net change in the value of investments	0	0	6	74	6	74
Miscellaneous	47	24	37	14	84	38
Total Revenues	2,278	2,244	28,751	28,304	31,029	30,548
Expenses:						
General Government	661	674	0	0	661	674
Judicial	63	106	0	0	63	106
Public Safety	2,439	2,537	0	0	2,439	2,537
Public Works	966	1,067	0	0	966	1,067
Health and Welfare	60	58	0	0	60	58
Culture and Recreation	222	175	0	0	222	175
Housing and Development	252	259	0	0	252	259
Interest on long-term debt	10	11	0	0	10	11
Combined Public Utilities	0	0	19,415	18,925	19,415	18,925
ElbertonNET Technology Services	0	0	3,363	3,041	3,363	3,041
Industrial Park	0	0	0	0	0	0
Solid Waste	0	0	817	837	817	837
Elbert Theatre	0	0	45	0	45	0
Total Expenses	4,673	4,887	23,640	22,803	28,313	27,690
Indirect Cost Allocation	(593)	(619)	593	619	0	0
Increase (Dec) in Net Position Before Transfers	(1,802)	(2,024)	4,518	4,882	2,716	2,858
Transfers	2,345	2,206	(2,345)	(2,206)	0	0
Change in Net Position	543	182	2,173	2,676	2,716	2,858
Net Position - July 1	5,767	5,584	28,862	26,186	34,629	31,770
Prior Period Adjustments	(582)	0	(515)	0	(1,097)	0
Net Position - June 30	$ 5,728	$ 5,766	$ 30,520	$ 28,862	$ 36,248	$ 34,628

Governmental Activities. Governmental activities increased the net position of the City by $543,148. Revenues for the City's governmental activities increased by 1.6% ($34,746) over fiscal year 2014. Expenses for governmental activities decreased by 4.4% ($213,256) during fiscal year 2015.

Expenses and Program Revenues – Governmental Activities



Revenues by Source – Governmental Activities



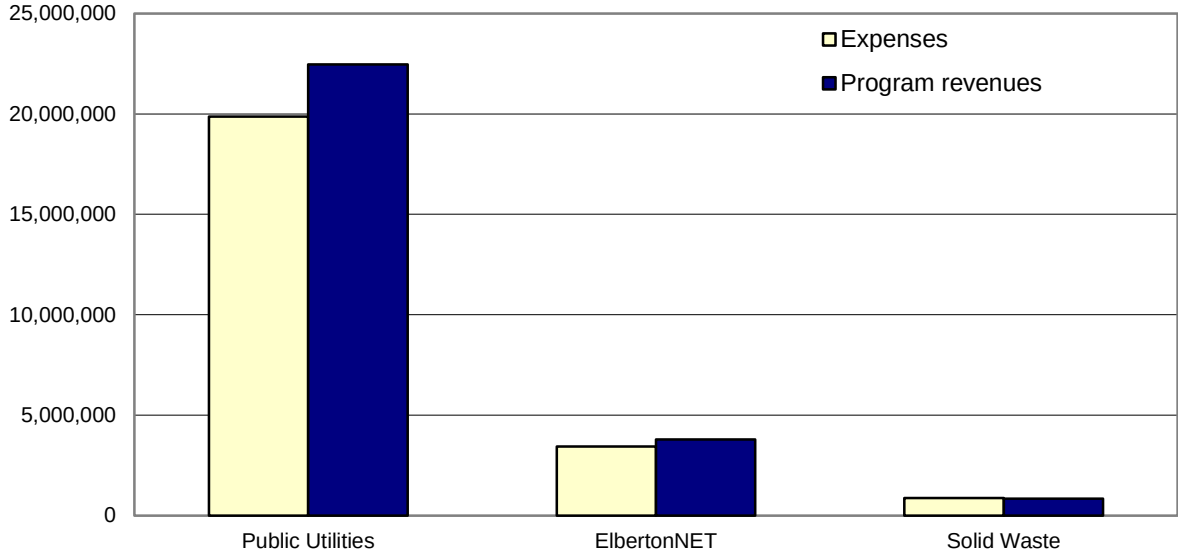
Business-type activities. Business-type activities increased the City's net position by $2,173,950. Key elements of this increase are as follows:

- Sales for business-type activities were $27.1 million, which was a decrease of $835,691 from the prior fiscal year sales.
- Sales in the combined public utility fund for electric, water, sewer, and natural gas services decreased by $1,328,760 or 5.6% from last fiscal year. Electric sales decreased 4.3%, natural gas sales decreased by 17.1%, and water/sewer sales increased by 6.8%. Electric sales decreased primarily due to a decrease in consumption from Pilgrim's Pride. Natural gas

sales decreased due to a 12% decrease in units sold compared to the previous year. This decrease in natural gas units sold for 2015 follows two consecutive years of increased consumption due to colder winters.

- Income in the combined public utility fund before transfers to the general fund was $4.2 million, or 13% lower than last year's income of $4.8 million. Again, this decrease is primarily attributed to fewer units of electricity and natural gas sold in 2015 due to less consumption.
- The ElbertonNET technology services enterprise fund experienced sales of $3,790,767, an increase of 13.9% over the prior year sales of $3,329,343. This was primarily due to an increase in the customer base from a continued effort in recruitment of customers in existing service territory and small expansions into unserved areas of Elbert County.
- Sales for the Solid Waste operations increased by $31,645 a 3.9% increase from last fiscal year.

Expenses and Program Revenues – Business-type Activities



FINANCIAL ANALYSIS OF THE GOVERNMENT'S INDIVIDUAL FUNDS

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

Governmental funds. The City uses governmental funds 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 net resources available for spending at the end of the fiscal year. The City of Elberton uses four governmental funds: the general fund, the 2011 special purpose local option sales tax (SPLOST) capital projects fund, the hotel/motel tax special revenue fund, and the revolving loan special revenue fund.

At the end of the current fiscal year, the City's general fund reported an ending fund balance of $843,946, a decrease of $9,071 or 1.1% in comparison with the prior year. Approximately 83% of this amount ($696,935) constitutes *unassigned fund balance*, which is available for spending at the City's discretion. The remainder of fund balance is either (a) *nonspendable* to indicate that these amounts cannot be spent because they are either not in a spendable form such as inventory

and prepaid insurance, (b) are legally or contractually *restricted* for a particular purpose such as special purpose sales tax proceeds, or (c) are *assigned* for a particular purpose or project by management.

As a measure of the general fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 15.4% of total general fund expenditures for the current fiscal year.

As in previous fiscal years, the City of Elberton levied no property tax to finance current operations. Therefore, the City's general fund relied heavily on operating transfers from the proprietary funds (or business-type activities) to finance the governmental activities of the City such as public safety and public works. The transfer from the combined public utility enterprise fund was $2,414,260 which is $31,760 more than the transfer in fiscal year 2014.

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 change in net position in the proprietary funds is depicted in the following table. Factors concerning the performance of the proprietary funds have already been addressed in the discussion of the City of Elberton's business-type activities.

	Combined Public Utility System	ElbertonNET Tech Services	Nonmajor Proprietary	Total
Operating Revenues	$ 22,476,103	$ 3,790,767	$ 906,773	$ 27,173,643
Operating Expenses	19,643,825	3,415,899	926,083	23,985,807
Operating income (loss)	2,832,278	374,868	(19,310)	3,187,836
Non-operating income (loss)	1,080,458	(28,942)	25,130	1,076,646
Capital Contributions	254,181	0	9,500	263,681
Transfers in (out)	(2,370,213)	0	16,000	(2,354,213)
Change in net position	1,796,704	345,926	31,320	2,173,950
Net Position, July 1	28,229,143	623,569	9,509	28,862,221
Prior Period Adjustments	(379,429)	(53,483)	(82,735)	(515,647)
Net Position, Restated	27,849,714	570,086	(73,226)	28,346,574
Net Position, June 30	$ 29,646,418	$ 916,012	$ (41,906)	$ 30,520,524

GENERAL FUND BUDGETARY HIGHLIGHTS

There was one budget amendment approved during the fiscal year to account for revenues and expenditures that were not planned in the original budget. Total appropriations increased by $51,000 between the original budget and the final amended budget. This was to account for a one-time transfer of $16,000 from the general fund to the solid waste fund and for grant revenues received and expended in the fiscal year but not originally budgeted.

General fund revenues ended the year at 4.5%, or $96,022, below budget. Additionally, expenditures in the general fund were $53,701, or 1.2%, under budget for the fiscal year.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. The City of Elberton's investment in capital assets for its governmental and business-type activities as of June 30, 2015, totals $33,019,832 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, infrastructure, and distribution systems for electricity, natural gas, water, sewer, and broadband services. This total also includes $377,692 in intangible assets, primarily for the City's raw water storage rights at Lake Richard B. Russell. More detailed information about the city's capital assets is presented in the notes to the basic financial statements.

During the fiscal year, the City invested $3,479,662 in new capital assets. Investment for business-type activities totaled $2,559,243 while $920,419 was for governmental activities. Major capital asset events during the current fiscal year included the following:

Governmental Activities – $920,419 total

- $1,651 for the purchase of a vacant lot at 119 South Thomas Street
- $45,000 for the purchase of the old Stevens School site at Tate and Carey Streets
- $73,932 for the purchase of two new police cruisers for the police department
- $9,129 for the purchase of a new live scan fingerprint machine for the police department
- $69,500 for the purchase of a used tandem dump truck for the public works department
- $5,890 for the purchase of a new tilt bed trailer for the public works department
- $10,600 for the purchase a new zero turn lawn mower for the public works department
- $7,739 for the purchase and installation of a new security camera system for the public works compound
- $413,630 on completion of the Elberton Arts Center renovation project
- A donation valued at $32,806 was received for a new sound system for the Elberton Arts Center
- A donation valued at $23,200 was received for a new stage lighting system for the Elberton Arts Center
- A donation valued at $9,828 was received for a new stage curtain for the Elberton Arts Center
- $41,810 for the purchase of a new digital cinema projection system for the Elbert Theatre
- $175,703 for architectural and construction documents and specifications on the Elbert Hotel renovation project

Business-type Activities – $2,559,243 total

- $52,412 for new variable frequency drives on pumps at the raw water station
- $36,853 for new turbidimeters at the water filter plant
- $517,976 for renovations and improvements on the water filter plant
- $72,420 for new water filter plant instrumentation and universal controls
- $493,599 to complete water system improvement projects including a water main replacement on Hartwell Highway and a water main addition on Martin Luther King, Jr. Blvd.
- $96,031 to complete the water meter replacement project
- $10,600 for the purchase of a new zero turn lawn mower for the water department
- $4,135 to continue construction on the Mill Street sewer rehabilitation project
- $73,051 to begin sewer plant improvements at Falling Creek and Fortson Creek plants
- $38,955 to begin construction on the Mill Village galvanized water main replacement project

- $8,649 for construction of the electric system rehabilitation project on Hartwell Highway north of Cecchini Road
- $19,903 for construction of the electric system rehabilitation project on Brewers Bridge Road
- $21,950 for electric system improvements including line coordination and equipment protection of substation #2 circuits
- $57,726 for the purchase of new repeaters for the Itron Fixed Network automated meter reading system
- $13,500 for the installation of a new TPO roof on the Elberton Utilities building
- $502,161 to begin phase 1 of the natural gas bare steel main replacement project
- $84,212 for the purchase of a new bucket truck for ElbertonNET
- $52,898 for the installation of new headend equipment for ElbertonNET
- $52,243 to complete ElbertonNET expansion projects into the Athens Highway, Nickville Road, and Dewy Rose communities
- $22,791 for an ElbertonNET extension to Node 6 the Hartwell Highway north of Plantation Road
- $12,293 for the development on the new inert landfill site
- $29,890 for the purchase of a new limb chipper for the solid waste division
- $284,994 for the purchase to two new Peterbilt garbage trucks for the solid waste division

Additional information on the City's capital assets can be found in Note 8 on pages 51-52 of this report.

Debt Administration. At the end of the current fiscal year, the City had total bonded debt outstanding of $5,995,000. This entire amount was for the Series 2011 Combined Public Utility System Revenue Bonds secured solely by the specified revenue sources of the water and sewer, electric, and natural gas systems. There was no outstanding general obligation debt backed by the full faith and credit of the City.

In addition to revenue bonds, the City has entered into several capital lease-purchase agreements to finance the construction of a broadband and cable television distribution system and to purchase vehicles. The balance of these leases at June 30, 2015 was $3,493,102. The City has an outstanding note payable with the Georgia Environmental Facilities Authority for water system improvements. The balance of this note at June 30, 2015 was $1,568,991.

Other long-term obligations of the City include accrued vacation pay and contractual liability for the Elberton-Elbert County landfill post-closure care. More detailed information about the City's long-term liabilities is presented in the notes to the basic financial statements.

Additional information on the City's long-term debt can be found in Note 10 on pages 54-57 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The local economy remained stable in fiscal year 2015 with little to no growth over the prior year. Sales taxes for fiscal year 2015 declined as in the prior five years. However, the local unemployment rate decreased to 8.2% in 2015 from 9.2% in 2014.

During 2015 the City's utility system did not experience any losses of its top customers. The businesses located in the Elberton Industrial Park continue to provide stable employment and are vital utility customers of the City. The City along with the Development Authority of Elbert

County, Elberton, and Bowman will continue a vigorous recruitment of prospective industry for the industrial park.

Lack of economic growth in the area continues to affect the operations of the City. Stagnant population growth and no or slow real growth in utility sales are two key economic indicators that underscore the difficulty in maintaining the City's current level of service. The City's annual budget has been approximately the same amount for seven fiscal periods including fiscal year 2015 and the new fiscal year 2016.

The overall City budget for fiscal year 2016 decreased by 0.3% under fiscal year 2015. Some fee changes were included for cemetery operations the general fund, but all other fees remained unchanged. All other rates for City utilities and services will remain unchanged.

Other than the rate changes outlined above and certain capital grant revenues and expenditures that might be included, the overall policy of next year's budget will remain the same as this year. Property taxes will not be levied, and the general fund will operate on transfers from business-type operations.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City of Elberton's finances for all of its citizens, taxpayers, customers, and investors and creditors. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Office of the City Manager, Post Office Box 70, 203 Elbert Street, Elberton, Georgia 30635-0070.

BASIC FINANCIAL STATEMENTS

CITY OF ELBERTON, GEORGIA
STATEMENT OF NET POSITION
June 30, 2015

	Primary Government			Component Unit Downtown Development Authority
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Current assets				
Cash	$ 1,043,632	$ 1,650,535	$ 2,694,167	$ 12,210
Certificates of deposit	0	120,000	120,000	0
Investments	0	6,365,898	6,365,898	0
Restricted assets				
Cash	25	2,078,361	2,078,386	0
Investments	0	3,266,823	3,266,823	0
Receivables (net)				
Accounts	3,538	2,413,790	2,417,328	0
Taxes	73,360	0	73,360	0
Intergovernmental	93,022	0	93,022	0
Interest	0	215	215	0
Notes	50,575	0	50,575	0
Prepaid items	123,626	0	123,626	0
Inventories	23,360	552,462	575,822	0
Internal balances	66,470	(66,470)	0	0
Other current assets	0	21,914	21,914	0
Total current assets	1,477,608	16,403,528	17,881,136	12,210
Noncurrent assets				
Notes receivable	376,000	0	376,000	0
Net pension asset	262,746	236,402	499,148	0
Capital assets				
Non-depreciable	877,986	1,857,052	2,735,038	40,000
Depreciable (net)	4,368,161	25,916,633	30,284,794	500,551
Total noncurrent assets	5,884,893	28,010,087	33,894,980	540,551
Total assets	7,362,501	44,413,615	51,776,116	552,761
DEFERRED OUTFLOWS OF RESOURCES				
Pension contributions subsequent to measurement date	144,466	136,820	281,286	0
LIABILITIES				
Current liabilities				
Payables				
Accounts	83,270	1,550,498	1,633,768	1,150
Intergovernmental	0	25,597	25,597	0
Retainages	0	88,499	88,499	0
Sales tax	0	58,165	58,165	0
Interest	0	902	902	0
Accrued salaries and expenses	81,975	51,388	133,363	0
Compensated absences	115,678	117,028	232,706	0
Customer deposits payable	0	1,933	1,933	0
Other current liabilities	14,601	29,781	44,382	0
Notes payable	0	0	0	86,271
Capital lease payable	58,256	509,231	567,487	0
Liabilities payable from restricted assets				
Customer deposits payable	0	707,603	707,603	0
Interest payable	0	83,373	83,373	0
Bonds payable	0	785,000	785,000	0
Total current liabilities	353,780	4,008,998	4,362,778	87,421

CITY OF ELBERTON, GEORGIA
STATEMENT OF NET POSITION
June 30, 2015

	Primary Government			Component Unit Downtown Development Authority
	Governmental Activities	Business-type Activities	Total	
Noncurrent liabilities				
Compensated absences	$ 49,576	50,154	$ 99,730	$ 0
Contractual liability	248,372	0	248,372	0
Notes payable	0	1,568,991	1,568,991	460,269
Capital lease payable	393,785	2,531,830	2,925,615	0
Bonds payable	0	5,210,000	5,210,000	0
Total noncurrent liabilities	691,733	9,360,975	10,052,708	460,269
Total liabilities	1,045,513	13,369,973	14,415,486	547,690
DEFERRED INFLOWS OF RESOURCES				
Pension experience differences	141,616	127,419	269,035	0
Pension assumption changes	334,578	301,030	635,608	0
Pension investment return differences	257,286	231,489	488,775	0
Total deferred inflows of resources	733,480	659,938	1,393,418	0
NET POSITION				
Net investment in capital assets	4,794,106	18,676,675	23,470,781	(5,989)
Restricted for:				
MEAG Generation Trust	0	2,559,220	2,559,220	0
Public Safety	25		25	0
Housing and development	480,000	0	480,000	0
Capital outlay	345,528	0	345,528	0
Debt service	0	398,447	398,447	0
Unrestricted	108,315	8,886,182	8,994,497	11,060
Total net position	$ 5,727,974	$ 30,520,524	$ 36,248,498	$ 5,071

See accompanying notes to the financial statements.

CITY OF ELBERTON, GEORGIA
STATEMENT OF ACTIVITIES
For the fiscal year ended June 30, 2015

FUNCTIONS/PROGRAMS	Expenses	Indirect Costs	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue
Primary government						
Governmental activities						
General Government	$ 661,068	$ (473,292)	$ 41,775	$ 0	$ 0	$ (146,001)
Judicial	63,335	0	0	0	0	(63,335)
Public Safety	2,439,366	0	124,749	420	9,999	(2,184,776)
Public Works	966,313	(119,422)	41,394	0	639,391	(285,528)
Health and Welfare	60,275	0	0	0	0	(60,275)
Culture and Recreation	221,761	0	0	0	65,835	(155,926)
Housing and Development	251,937	0	15,428	0	0	(236,509)
Interest on long-term debt	10,097	0	0	0	0	(10,097)
Total governmental activities	4,674,152	(592,714)	223,346	420	715,225	(3,142,447)
Business-type activities						
Combined Public Utilities						
Electric	14,281,293	221,039	15,320,274	1,170,756	0	1,988,698
Water and Sewer	2,716,278	119,743	3,082,577	0	254,181	500,737
Natural Gas	2,417,895	103,448	4,063,544	0	0	1,542,201
ElbertonNET Technology Services	3,362,855	81,986	3,790,730	0	0	345,889
Solid Waste	816,844	66,498	853,822	0	0	(29,520)
Elbert Theatre	44,895	0	52,951	0	0	8,056
Total business-type activities	23,640,060	592,714	27,163,898	1,170,756	254,181	4,356,061
Total primary government	28,314,212	0	27,387,244	1,171,176	969,406	1,213,614
Component Unit						
Downtown Development Authority	106,834	0	16,148	0	0	(90,686)

	Governmental Activities	Business-Type Activities	Total	Component Unit
Change in net position				
Net (expense) revenue	$ (3,142,447)	$ 4,356,061	$ 1,213,614	$ (90,686)
General revenues				
Taxes				
Title ad valorem	102,458	0	102,458	0
Sales	529,378	0	529,378	0
Franchise	90,654	0	90,654	0
Occupational	117,607	0	117,607	0
Insurance premium	246,913	0	246,913	0
Alcoholic beverage	151,413	0	151,413	0
Hotel/Motel	49,138	0	49,138	0
Other	3,739	0	3,739	0
Interest and investment earnings	2,095	119,388	121,483	0
Net increase (decrease) in the fair value of investments	0	6,185	6,185	0
Payments from City of Elberton	0	0	0	68,675
Gain on sale of assets	38,113	27,284	65,397	0
Miscellaneous	9,374	9,745	19,119	21,208
Transfers	2,344,713	(2,344,713)	0	0
Total general revenues and transfers	3,685,595	(2,182,111)	1,503,484	89,883
Change in net position	543,148	2,173,950	2,717,098	(803)
Net position - beginning (original)	5,766,577	28,862,221	34,628,798	5,874
Prior period adjustment	(581,751)	(515,647)	(1,097,398)	0
Net position - beginning (restated)	5,184,826	28,346,574	33,531,400	5,874
Net position - ending	$ 5,727,974	$ 30,520,524	$ 36,248,498	$ 5,071

CITY OF ELBERTON, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2015

	General	Nonmajor Governmental Funds	Totals
ASSETS			
Cash	$ 667,095	$ 376,537	$ 1,043,632
Restricted assets			
Cash	25	0	25
Receivables (net)			
Accounts	3,538	0	3,538
Taxes	69,072	4,288	73,360
Intergovernmental	0	93,022	93,022
Notes	50,575	376,000	426,575
Prepaid items	123,626	0	123,626
Inventories	23,360	0	23,360
Due from other funds	82,470	0	82,470
Total assets	$ 1,019,761	$ 849,847	$ 1,869,608
LIABILITIES			
Accounts payable	$ 63,239	$ 20,031	$ 83,270
Accrued salaries and payroll liabilities	81,975	0	81,975
Due to other funds	16,000	0	16,000
Other liabilities	14,601	0	14,601
Total liabilities	175,815	20,031	195,846
FUND BALANCES			
Nonspendable:			
Inventory	23,360	0	23,360
Prepaid items	123,626	0	123,626
Restricted for:			
Public Safety	25	0	25
Housing and Development	0	480,000	480,000
Capital projects	0	345,528	345,528
Assigned for:			
Housing and Development	0	4,288	4,288
Unassigned	696,935	0	696,935
Total fund balances	843,946	829,816	1,673,762
Total liabilities and fund balances	$ 1,019,761	$ 849,847	$ 1,869,608

CITY OF ELBERTON, GEORGIA
RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET POSITION
June 30, 2015

Total fund balance - total governmental funds			$ 1,673,762
Some assets are not financial resources and, therefore, are not reported in the funds. These are:			
Capital assets, net of accumulated depreciation			5,246,147
Net pension asset			262,746
Long-term liabilities are not due and payable in the current period and are not reported in the funds. These are:			
Compensated absences	$ (165,254)		
Capital leases payable	(452,041)		
Contractual liability	(248,372)		(865,667)
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds. These are:			
Deferred outflows of resources:			
Pension contributions subsequent to measurement date	144,466		
Deferred inflows of resources:			
Pension experience differences	(141,616)		
Pension assumption changes	(334,578)		
Pension investment return differences	(257,286)		(589,014)
Net position of governmental activities			$ 5,727,974

CITY OF ELBERTON, GEORGIA
STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2015

	General	Nonmajor Governmental Funds	Totals
REVENUES			
Taxes	$ 1,242,162	$ 49,138	$ 1,291,300
Licenses and permits	57,350	0	57,350
Fines, fees and forfeitures	108,590	0	108,590
Charges for services	650,708	0	650,708
Intergovernmental	9,999	639,239	649,238
Interest	2,095	154	2,249
Contributions	420	0	420
Other	9,368	3,818	13,186
Total revenues	2,080,692	692,349	2,773,041
EXPENDITURES			
Current			
General Government	672,278	0	672,278
Judicial	66,599	0	66,599
Public Safety	2,437,382	0	2,437,382
Public Works	915,303	0	915,303
Health and Welfare	60,275	0	60,275
Culture and Recreation	154,024	0	154,024
Housing and Development	242,567	25,427	267,994
Capital outlay	0	783,372	783,372
Debt service	0	67,248	67,248
Total expenditures	4,548,428	876,047	5,424,475
Excess (deficiency) of revenues over (under) expenditures	(2,467,736)	(183,698)	(2,651,434)
Other financing sources (uses)			
Transfers in	2,436,552	0	2,436,552
Transfers out	(16,000)	(66,339)	(82,339)
Sale of capital assets	38,113	0	38,113
Total other financing sources (uses)	2,458,665	(66,339)	2,392,326
Net change in fund balance	(9,071)	(250,037)	(259,108)
Fund balances, July 1	853,017	1,079,853	1,932,870
Fund balances, June 30	$ 843,946	$ 829,816	$ 1,673,762

See accompanying notes to the financial statements.

CITY OF ELBERTON, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the fiscal year ended June 30, 2015

Net change in fund balances - total governmental funds			$ (259,108)
Amounts reported for governmental activities in the statement of activities are different because:			
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.			
Capital outlays	$ 854,584		
Depreciation	(411,159)		443,425
Contributions of capital assets increase net position in the statement of activites, but do not appear in the governmental funds because they are not financial resources.			
Individual contributors			65,835
Distributions of capital assets decrease net position in the statement of activities, but do not appear in the governmental funds because they are not financial resources.			
Business-type activities			(9,500)
Governmental funds report pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.			
Pension contributions	$ 196,713		
Cost of benefits earned net of employee contributions	58,771		255,484
The proceeds of debt issuance provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term			
Proceeds from debt issuance	$ 0		
Debt repayments	57,151		57,151
Payments of contractual liabilities are an expenditure in the governmental funds, but the payments reduce long-term liabilities in the statements of net position.			
Payment of contractual liabilities			8,730
Some expenses reported in the statements of activities do not require the use of current finanacial resources and are not reported as expenditures in the governmental funds.			
Change in compensated absences			(18,869)
Change in net position of governmental activities			$ 543,148

CITY OF ELBERTON, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET (GAAP) AND ACTUAL
For the fiscal year ended June 30, 2015

	Budget			Variance with Final Budget
	Original	Final	Actual	
REVENUES				
Taxes	$ 1,169,100	$ 1,259,100	$ 1,242,162	$ (16,938)
Licenses and permits	149,000	59,000	57,350	(1,650)
Fines, fees and forfeitures	160,400	158,800	108,590	(50,210)
Charges for services	663,474	675,214	650,708	(24,506)
Intergovernmental	2,500	10,000	9,999	(1)
Interest	2,500	2,500	2,095	(405)
Contributions	0	0	420	420
Other	5,500	12,100	9,368	(2,732)
Total revenues	2,152,474	2,176,714	2,080,692	(96,022)
EXPENDITURES				
Current				
General Government				
Mayor and Council	151,418	141,418	140,820	598
City Manager's Office	139,922	137,422	135,905	1,517
Finance	192,726	194,026	193,590	436
Human Resources	58,868	58,868	58,285	583
City Clerk	88,657	88,657	88,226	431
Elections	175	175	55	120
City Attorney	18,905	17,605	14,936	2,669
City Hall Maintenance	41,755	41,755	40,461	1,294
Judicial				
Municipal Court	65,174	66,774	66,599	175
Public Safety				
Police - Administration	352,913	363,913	363,080	833
Police - Uniform Division	912,529	920,529	918,102	2,427
Police - Criminal Investigations	140,403	125,403	124,618	785
Police - Community Relations	58,395	54,395	53,623	772
Police - Detention	31,500	34,000	33,886	114
Fire	867,244	898,244	895,717	2,527
Animal Control	56,046	56,046	48,356	7,690
Public Works				
Administrative	106,146	124,746	111,563	13,183
Infrastructure Maintenance	407,971	422,971	421,222	1,749
Parks and Rights-of-Way	60,900	55,900	53,207	2,693
Motor Pool	161,818	179,818	179,540	278
Street Lighting	18,000	21,800	21,760	40
Street Sweeper	0	0	0	0
Cemetery	129,108	129,108	128,011	1,097
Health and Welfare				
Agency allocations	63,500	63,500	60,275	3,225
Culture and Recreation				
Elbert Theatre	83,672	83,672	83,524	148
Agency allocations	70,500	70,500	70,500	0
Housing and Development				
Zoning/Special Projects	64,705	64,705	62,464	2,241
Code Enforcement	55,439	117,203	111,588	5,615
Economic Development	131,740	68,976	68,515	461
Total expenditures	4,530,129	4,602,129	4,548,428	53,701

CITY OF ELBERTON, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET (GAAP) AND ACTUAL
For the fiscal year ended June 30, 2015

	Budget			Variance with Final
	Original	Final	Actual	Budget
Excess (deficiency) of revenues over (under) expenditures	$ (2,377,655)	$ (2,425,415)	$ (2,467,736)	$ (42,321)
Other financing sources (uses)				
Transfers in (out)				
Transfers in	2,412,500	2,439,260	2,436,552	(2,708)
Transfers out	0	(16,000)	(16,000)	0
Sales of capital assets	10,000	10,000	38,113	28,113
Contingency	(44,845)	(7,845)	0	7,845
Total other financing sources (uses)	2,377,655	2,425,415	2,458,665	33,250
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	0	(9,071)	(9,071)
Fund balances, July 1	0	0	853,017	853,017
Fund balances, June 30	$ 0	$ 0	$ 843,946	$ 843,946

CITY OF ELBERTON, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2015

	Combined Public Utilities	ElbertonNET Technology Services	Nonmajor Proprietary Funds	Totals
ASSETS				
Current assets				
Cash	$ 1,642,702	$ 0	$ 7,833	$ 1,650,535
Certificates of deposit	120,000	0	0	120,000
Investments	6,365,898	0	0	6,365,898
Restricted assets				
Cash	2,078,361	0	0	2,078,361
Investments	3,266,823	0	0	3,266,823
Receivables (net)				
Accounts	1,956,823	368,034	88,933	2,413,790
Interest	215	0	0	215
Inventories	479,671	71,980	811	552,462
Due from other funds	113,365	0	17,508	130,873
Other current assets	21,914	0	0	21,914
Total current assets	16,045,772	440,014	115,085	16,600,871
Noncurrent assets				
Other assets				
Net pension asset	174,844	24,328	37,230	236,402
Advances to other funds	4,650,438	0	0	4,650,438
Capital assets				
Non-depreciable	1,826,252	6,900	23,900	1,857,052
Depreciable (net)	19,279,169	6,243,698	393,766	25,916,633
Total noncurrent assets	25,930,703	6,274,926	454,896	32,660,525
Total assets	41,976,475	6,714,940	569,981	49,261,396
DEFERRED OUTFLOWS OF RESOURCES				
Pension contributions subsequent to measurement date	96,133	13,376	27,311	136,820
LIABILITIES				
Current liabilities				
Payables				
Accounts	1,357,921	166,800	25,777	1,550,498
Intergovernmental	0	25,597	0	25,597
Retainages	88,499	0	0	88,499
Sales tax	58,165	0	0	58,165
Interest	0	702	200	902
Accrued salaries	35,359	6,664	9,365	51,388
Compensated absences	93,500	11,781	11,747	117,028
Customer deposits payable	0	1,933	0	1,933
Other current liabilities	29,781	0	0	29,781
Due to other funds	16,310	0	181,033	197,343
Capital leases payable	221,506	237,567	50,158	509,231
Liabilities payable from restricted assets:				
Customer deposits payable	707,603	0	0	707,603
Interest payable	83,373	0	0	83,373
Bonds payable	785,000	0	0	785,000
Total current liabilities	3,477,017	451,044	278,280	4,206,341

CITY OF ELBERTON, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2015

	Combined Public Utilities	ElbertonNET Technology Services	Nonmajor Proprietary Funds	Totals
Noncurrent liabilities				
Compensated absences	$ 40,071	$ 5,049	$ 5,034	$ 50,154
Advances from other funds	0	4,650,438	0	4,650,438
Notes payable	1,568,991	0	0	1,568,991
Bonds payable	5,210,000	0	0	5,210,000
Capital lease payable	1,642,018	637,859	251,953	2,531,830
Total noncurrent liabilities	8,461,080	5,293,346	256,987	14,011,413
Total liabilities	11,938,097	5,744,390	535,267	18,217,754
DEFERRED INFLOWS OF RESOURCES				
Pension experience differences	94,238	13,114	20,067	127,419
Pension assumption changes	222,644	30,978	47,408	301,030
Pension investment return differences	171,211	23,822	36,456	231,489
Total deferred inflows of resources	488,093	67,914	103,931	659,938
NET POSITION				
Net investment in capital assets	13,185,948	5,375,172	115,555	18,676,675
Restricted for:				
Debt service	398,447	0	0	398,447
MEAG Generation Trust	2,559,220	0	0	2,559,220
Unrestricted	13,502,803	(4,459,160)	(157,461)	8,886,182
Total net position	$ 29,646,418	$ 916,012	$ (41,906)	$ 30,520,524

See accompanying notes to the financial statements.

Exhibit A-8, continued

CITY OF ELBERTON, GEORGIA
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2015

	Combined Public Utilities	ElbertonNET Technology Services	Nonmajor Proprietary Funds	Totals
OPERATING REVENUES				
Charges for sales and services	$ 22,466,395	$ 3,790,730	$ 906,773	$ 27,163,898
Miscellaneous revenues	9,708	37	0	9,745
	0			
Total operating revenues	22,476,103	3,790,767	906,773	27,173,643
	0			
OPERATING EXPENSES	0			
Costs of sales and services	16,343,497	2,767,570	465,142	19,576,209
Personal services	2,062,204	315,391	432,892	2,810,487
Depreciation	1,183,754	306,958	28,049	1,518,761
Other	54,370	25,980	0	80,350
	0			
Total operating expenses	19,643,825	3,415,899	926,083	23,985,807
	0			
Operating income (loss)	2,832,278	374,868	(19,310)	3,187,836
Non-operating revenues (expenses)				
Interest revenue	119,388	0	0	119,388
Intergovernmental revenue	1,170,756	0	0	1,170,756
Net increase (decrease) in the fair value of investments	6,185	0	0	6,185
Interest expense	(195,038)	(28,942)	(2,154)	(226,134)
Debt issue costs	(20,833)	0	0	(20,833)
Gain (loss) on sales of capital assets	0	0	27,284	27,284
Total non-operating revenues (expenses)	1,080,458	(28,942)	25,130	1,076,646
Net income (loss) before capital contributions and transfers	3,912,736	345,926	5,820	4,264,482
Capital contributions				
Capital contributions	0	0	9,500	9,500
Intergovernmental	254,181	0	0	254,181
Total capital contributions	254,181	0	9,500	263,681
Net income (loss) before transfers	4,166,917	345,926	15,320	4,528,163
Transfers in (out)				
Transfers in	44,047	0	16,000	60,047
Transfers out	(2,414,260)	0	0	(2,414,260)
Total transfers	(2,370,213)	0	16,000	(2,354,213)
Change in net position	1,796,704	345,926	31,320	2,173,950
Net position, July 1 (original)	28,229,143	623,569	9,509	28,862,221
Prior period adjustment	(379,429)	(53,483)	(82,735)	(515,647)
Net position, July 1 (restated)	27,849,714	570,086	(73,226)	28,346,574
Net position, June 30	$ 29,646,418	$ 916,012	$ (41,906)	$ 30,520,524

See accompanying notes to the financial statements.

CITY OF ELBERTON, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2015

	Combined Public Utilities	ElbertonNET Technology Services	Nonmajor Proprietary Funds	Totals
Cash flows from operating activities:				
Receipts from customers	$ 22,682,650	$ 3,739,435	$ 886,789	$ 27,308,874
Payments to suppliers	(16,300,101)	(2,695,231)	(464,264)	(19,459,596)
Payments to employees	(2,202,044)	(333,899)	(472,691)	(3,008,634)
Other receipts	9,708	37	0	9,745
Other payments	(54,370)	(25,980)	0	(80,350)
Net cash provided (used) by operating activities	4,135,843	684,362	(50,166)	4,770,039
Cash flows from non-capital financing activities:				
Receipts from other funds	1,170,756	166,767	115,000	1,452,523
Payments to other funds	(2,749,423)	0	(19,126)	(2,768,549)
Net cash provided (used) by non-capital financing activities	(1,578,667)	166,767	95,874	(1,316,026)
Cash flows from capital and related financing activities:				
Receipts from other governments	265,373	0	0	265,373
Receipts from other funds	44,047	0	0	44,047
Payment of capital related accounts payable	(55,959)	0	0	(55,959)
Acquisition of capital assets	(1,874,702)	(212,145)	(327,177)	(2,414,024)
Debt issue costs	(20,833)	0	0	(20,833)
Interest paid	(203,770)	(30,164)	(1,954)	(235,888)
Issuance of notes payable	1,061,491	0	0	1,061,491
Issuance of capital lease	1,900,000	0	284,994	2,184,994
Principal payments - bonds	(765,000)	0	0	(765,000)
Principal payments - capital leases	(36,476)	(649,422)	(21,022)	(706,920)
Receipts from sale of assets	0	0	27,284	27,284
Net cash provided (used) by capital and related financing activities	314,171	(891,731)	(37,875)	(615,435)
Cash flows from investing activities:				
Interest received	119,479	0	0	119,479
Proceeds from sale of investments	120,000	0	0	120,000
Purchase of investments	(1,474,451)	0	0	(1,474,451)
Net cash provided (used) by investing activities	(1,234,972)	0	0	(1,234,972)
Net increase (decrease) in cash	1,636,375	(40,602)	7,833	1,603,606
Cash, July 1	2,084,688	40,602	0	2,125,290
Cash, June 30	$ 3,721,063	$ 0	$ 7,833	$ 3,728,896

CITY OF ELBERTON, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2015

	Combined Public Utilities	ElbertonNET Technology Services	Nonmajor Proprietary Funds	Totals
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	$ 2,832,278	$ 374,868	$ (19,310)	$ 3,187,836
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation expense	1,183,754	306,958	28,049	1,518,761
(Increase) decrease in accounts receivable	187,459	(51,395)	(19,984)	116,080
(Increase) decrease in inventories	4,720	28,739	(811)	32,648
(Increase) decrease in other current assets	263	0	0	263
(Increase) decrease in net pension asset/liability	(554,273)	(77,811)	(119,965)	(752,049)
(Increase) decrease in pension contributions made after measurement date	(96,133)	(13,376)	(27,311)	(136,820)
Increase (decrease) in accounts payable	40,172	39,043	1,689	80,904
Increase (decrease) in intergovernmental payable	0	4,557	0	4,557
Increase (decrease) in sales tax payable	(6,461)	0	0	(6,461)
Increase (decrease) in other current liabilities	3,440	0	0	3,440
Increase (decrease) in accrued salaries	6,220	1,125	1,482	8,827
Increase (decrease) in pension experience differences	94,238	13,114	20,067	127,419
Increase (decrease) in pension assumption differences	222,644	30,978	47,408	301,030
Increase (decrease) in pension investment return differences	171,211	23,822	36,456	231,489
Increase (decrease) in compensated absences payable	14,494	3,640	2,064	20,198
Increase (decrease) in customer deposits payable	31,817	100	0	31,917
Total adjustments	1,303,565	309,494	(30,856)	1,582,203
Net cash provided (used) by operating activities	$ 4,135,843	$ 684,362	$ (50,166)	$ 4,770,039
Cash reconciliation:				
Cash	$ 1,642,702	$ 0	$ 7,833	$ 1,650,535
Restricted assets Cash	2,078,361	0	0	2,078,361
Total cash	$ 3,721,063	$ 0	$ 7,833	$ 3,728,896

Noncash investing, capital, and financing activities:

The net increase (decrease) in the fair value of investments totaled $6,185.

Acquistion of capital assets through accounts payable totaled $56,718.

CITY OF ELBERTON, GEORGIA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
June 30, 2015

	Municipal Court Agency Fund
ASSETS	
Cash and cash equivalents	$ 10,733
LIABILITIES	
Due to other agencies	$ 10,733

See accompanying notes to the financial statements.

1. Description of Government Unit

The City of Elberton was incorporated under the laws of the State of Georgia in 1803 and operates under an elected Mayor-Council form of government. The City provides a full range of governmental services, including public safety, highways and streets, public improvements, recreation, planning and zoning, and general administrative services, as well as electric, water and sewerage, natural gas, telecommunications, and sanitation services provided through enterprise funds.

2. Summary of Significant Accounting Policies

A. Description of Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business- type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

B. Reporting Entity

The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

2. Summary of Significant Accounting Policies (continued)

B. Reporting Entity, continued

Elberton Downtown Development Authority

The Elberton Downtown Development Authority was established as a legally separate entity, which operates pursuant to the Official Code of Georgia Annotated. The Authority consists of seven members, who are appointed by the Mayor and Council, and an executive director. The Downtown Development Authority provides for the vitalization of the downtown area of the City of Elberton. In many respects, the Authority functions similar to a City department through regular participation in department director meetings, accounting, payroll, etc. The Authority is included in the reporting entity due to the nature and significance of its relationship, which constitutes a financial burden, with the City of Elberton.

The Elberton Downtown Development Authority is reported in a separate column to emphasize that it is legally separate from the City. Individual financial statements are presented as part of the City's Annual Financial Report in the sections labeled "Component Unit" (See Exhibit H). The Elberton Downtown Development Authority has a June 30th year-end. Individual financial statements may be obtained by contacting the Elberton Downtown Development Authority, PO Box 70, Elberton, GA 30635.

C. Basis of Presentation – Government-wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds, while business-type activities incorporate data from the government's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As discussed earlier, the government has one discretely presented component unit. While the Downtown Development Authority is not considered to be a major component unit, it is nevertheless shown in a separate column in the government-wide financial statements.

2. Summary of Significant Accounting Policies (continued)

C. Basis of Presentation – Government-wide Financial Statements, continued

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's Combined Public Utilities and ElbertonNET Technology Services Enterprise Funds and the other functions of the government. Elimination of these charges would distort the direct costs of program revenues reported for the various functions concerned.

D. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the government's funds, including its fiduciary funds and blended component units. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental fund:

General Fund - The general operating fund of the City is used to account for all financial resources not accounted for and reported in another fund.

The City reports the following major proprietary funds:

Combined Public Utility System Enterprise Fund - This fund is used to account for activities connected with the development, operation, and maintenance of the City's Electric, Water and Sewer, and Natural Gas Systems pursuant to requirements of the revenue bond ordinance.

ElbertonNET Technology Services Enterprise Fund - This fund is used to account for the activities connected with the development, operation, and maintenance of the City's cable television, high-speed Internet, Voice-over-Internet Protocol phone, and fiber optic-based telecommunications services.

2. Summary of Significant Accounting Policies (continued)

D. Basis of Presentation – Fund Financial Statements, continued

Additionally, the City reports the following fund types:

Governmental Fund Types

Special Revenue Funds - These funds are used to account for the proceeds of specific revenue sources that are legally or donor restricted to expenditures for specific purposes.

Capital Projects Funds - These funds are used to account for financial resources to be used for the acquisition or construction of capital facilities (other than those financed by the proprietary funds).

Proprietary Fund Types

Enterprise Funds - These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The funds are self-supporting in nature where the costs, including depreciation, of providing goods or services to the general public on a continuing basis are financed or recovered primarily through user charges.

Fiduciary Fund Types

Agency Funds - Agency funds are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that are held either for the City or for others. The City has the Municipal Court Agency Fund.

Component Units

The Elberton Downtown Development Authority is accounted for using a current financial resources measurement focus and uses the modified accrual basis of accounting. Under this method, revenues are recognized when susceptible to accrual.

2. Summary of Significant Accounting Policies (continued)

D. Basis of Presentation – Fund Financial Statements, continued

During the course of operations the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

E. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues 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 provider have been met.

2. Summary of Significant Accounting Policies (continued)

E. Measurement Focus and Basis of Accounting, continued

The 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 government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end).

Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

The proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The agency fund has no measurement focus but utilizes the accrual basis of accounting for reporting its assets and liabilities.

2. Summary of Significant Accounting Policies (continued)

F. Revenues and Expenditures/Expenses

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. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Certain indirect costs have been included as part of program expenses reported for the various functional activities.

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 Water and Sewer and Solid Waste Funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal services funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

G. Budgets and Budgetary Accounting

The City Council adopts an annual operating budget for all governmental fund types, prior to July 1, except for the Capital Projects Funds. The Capital Projects Funds are budgeted by the City Council when capital projects are approved. The operating budget includes proposed expenditures and the means of financing them. The budget is legally enacted by the passage of a resolution.

2. Summary of Significant Accounting Policies (continued)

G. Budgets and Budgetary Accounting, continued

In mid April each year, the departments submit their budget requests to the Finance Director. The Finance Department compiles a complete citywide budget and submits the proposed budget to the City Manager for review. Meetings are held between the City Manager, Finance Director, and department heads in May to review the proposed budget. City ordinance requires the City Manager to submit the proposed budget to the City Council forty days prior to the beginning of the next fiscal year. The proposed budget is made available to the public for review during this period. During June, the Mayor and Council conduct two public hearings to discuss the proposed budget and to obtain input from the citizens of the City of Elberton. These hearings are publicized in the local newspaper at least one week before each hearing. The final proposed budget is then adopted by the City Council on or before June 30 during a regular Council meeting, which is also open to the public.

The level of legal budgetary control (the level at which expenditures may not exceed appropriations) is the department level. All operating budget transfers between departments must be approved by City Council. Formal budgetary integration is employed as a management control device during the year.

Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) at the legal level of budgetary control, which is the department level. Expenditures may not exceed the appropriations within a fund. Budgets, as reported in the financial statements, are as originally passed by ordinance and subsequently amended. During the year, several supplementary appropriations are made as needed. The results are increases and decreases to the appropriations within the funds. All annual appropriations lapse at year-end. The City does not use the encumbrance system of accounting.

H. Cash and Investments

Cash and cash equivalents, as reported in the statement of cash flows, includes amounts in demand deposits, amounts with fiscal agents and investments with an original maturity at three months or less. Investments are reported at fair value with accrued interest shown under a separate caption on the balance sheet. Reinvested interest on certain debt service and capital project investments is included in the investment accounts.

2. Summary of Significant Accounting Policies (continued)

I. Property Taxes

Amounts received from the local option sales tax which are required to be used to roll back property taxes exceeded the City's normal tax levy resulting in no property tax levy during fiscal year 2015.

J. Intergovernmental Receivables

Receivables for state and federal grants are recorded as revenue for the period of the allocation or as earned based on expenditures made for which reimbursement is due.

K. Inventories

Inventories for the General Fund are valued at average cost and recorded as expenditures when consumed. Inventories of the Combined Public Utility System Enterprise Fund are valued at cost on the first-in, first-out method.

L. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2015, are recorded as prepaid items. Prepaid items in the governmental funds are accounted for using the consumption method.

M. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (i.e., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements

2. Summary of Significant Accounting Policies (continued)

M. Capital Assets, continued

GASB Statement No. 34 required the City to report and depreciate new infrastructure assets effective with the fiscal year ended June 30, 2003. Infrastructure assets include roads, bridges, underground pipe (other than related to utilities), traffic signals, etc. These infrastructure assets are likely to be the largest asset class of the City. Neither their historical costs nor related depreciation has historically been reported in the financial statements. The City implemented the requirements for retroactive reporting of major general infrastructure assets during the fiscal year ended June 30, 2007. The City elected not to report general infrastructure assets placed into service prior to July 1, 1980.

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair value on the date donated.

Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets ranging as follows:

	Useful Life in Years	Capitalization Threshold
Utility distribution system	10 to 50	$ 10,000 – 20,000
Land improvements	5 to 50	10,000
Buildings	30 to 50	10,000
Equipment	2 to 10	5,000
Vehicles	5 to 10	5,000
Infrastructure	10 to 50	10,000 – 30,000
Land	N/A	1
Nondepreciable intangibles	N/A	5,000

The costs of normal maintenance and repairs that do not add value or materially extend the life of the asset are charged to operations as incurred. Costs of major additions and improvements are capitalized.

2. Summary of Significant Accounting Policies (continued)

N. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The City reports deferred out flows of resources related to their defined benefit pension plans.

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 a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City reports deferred inflows of resources related to their defined benefit pension plans.

O. Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

2. Summary of Significant Accounting Policies (continued)

P. Fund Balance Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Q. Restricted Assets and Restricted Net Position

Restricted assets for bond redemption of the Combined Utility System Enterprise Fund represent resources set aside for the repayment of revenue bonds outstanding. The assets are maintained in a separate bank account and their use is limited by application of bond covenants. Restricted assets for the MEAG Generation Trust represent resources held in separate investment accounts for future MEAG construction projects. See Note 3 for further discussion.

Restricted net position is equal to the excess of the restricted assets funded from operations over the liabilities to be paid with restricted assets which are due in one year or less. Restricted assets exclude bond proceeds for calculation of restricted net position.

R. Fund Balances – Governmental Funds

The City of Elberton implemented GASB No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, in fiscal year 2012. In the fund financial statements, governmental funds report the following classifications of fund balance:

2. Summary of Significant Accounting Policies (continued)

R. Fund Balances – Governmental Funds, continued

Nonspendable – includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact. All amounts reported as nonspendable, by the City are nonspendable in form. The City has not reported any amounts that are legally or contractually required to be maintained intact.

Restricted – includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.

Committed – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the City Council, the City of Elberton's highest level of decision making authority, which include the language "committed for the purpose of". Commitments may be modified or rescinded only through adoption of a subsequent resolution, which shall refer to the original resolution by its number, title, and date of original adoption. A resolution committing amounts must be adopted prior to the end of the fiscal year; however, the amount to be committed may be determined within 90 days of fiscal year-end.

Assigned – includes amounts that the City intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the City's adopted policy, amounts may be assigned by the City Manager, under the authorization of the City Council, through a written memorandum. Amounts appropriated to eliminate a projected deficit in the subsequent fiscal year's budget shall constitute assignments and are documented by adoption of the City's annual operating budget. The City Manager has determined that all equity amounts reported in special revenue funds, capital project funds, debt service funds, or permanent funds not otherwise classified as nonspendable, restricted, or committed shall constitute assignments of fund balance.

Unassigned – includes amounts that do not fall into one of the above four categories. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund is the only fund that should report positive amounts this category of fund balance.

2. Summary of Significant Accounting Policies (continued)

S. 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 life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

In the fund financial statements, governmental fund types, bond premiums and discounts are recognized during the current period. The face amount of debt issued is reported as an other financing source. Premiums received on debt issuances are reported as other financial sources while discounts on debt issuances are reported as other financing uses. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

T. Compensation for Future Absences

It is the City's policy to permit employees to accumulate earned but unused vacation benefits which will be paid to the employees upon separation from City service. Accumulated unpaid vacation pay amounts are accrued when incurred by the City in the government-wide, proprietary, and fiduciary fund financial statements. The liability of the proprietary funds is recorded as an expense and a liability of those funds as the benefits accrue to the employees. In governmental fund types, a liability is recorded only if the benefit has matured and is expected to be liquidated with expendable available financial resources.

U. Capital Contributions

Federal, state and local government assistance in the form of grants that are permanent in nature and restricted for the construction or acquisition of specific property and equipment is recorded as an asset and as non-operating revenue.

2. Summary of Significant Accounting Policies (continued)

V. Comparative Data and Reclassifications

Comparative total data of the prior period has been presented in the accompanying individual fund financial statements in order to provide an understanding of changes in the City's financial position and operations. Certain 2014 amounts have been reclassified to conform with the 2015 presentation.

W. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Georgia Municipal Employees Benefit System (GMEBS) plan (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by GMEBS. 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.

3. Deposit and Investment Risk

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that, in the event of a financial institution failure, the City's deposits may not be returned. The City investment policies require that all deposits be federally insured or fully collateralized.

Interest Rate Risk

The City's investment policies place no limits on the maximum maturity of investments as a means of managing its exposure to fair value losses arising from increasing interest rates.

3. Deposit and Investment Risk (continued)

Credit Risk

The City's investment policies authorize investment in the following securities approved by the State of Georgia for local governments. Authorized investments include certificates of deposit, repurchase agreements, direct and agency obligations of the United States, obligations of the State of Georgia or other states, and pooled investment programs of the State of Georgia. The City's policies do not establish a minimum credit rating for investments. Investments are reported at fair value.

Concentration of Credit Risk

City's policies place no limits on the amount the may invest in any one issuer, but require that the investment portfolio be diversified.

Foreign Currency Risk

The City's investment policies do not allow for investments denominated in a foreign currency.

The City participates in the State of Georgia Local Government Investment Pool. Assets in this pool are invested in Georgia Fund 1, created by OCGA 36-83-8, which is a stable net asset investment pool that follows Standard and Poor's criteria for AAAf rated money market funds. Georgia Fund 1 is managed by the Georgia Office of the State Treasurer. The investment policies of Georgia Fund 1 are established by the Georgia State Depository Board. However, Georgia Fund 1 operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. The pool is not registered with the SEC as an investment company.

The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal ($1.00 per share value). Net asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participant's shares sold and redeemed based on $1.00 per share. Georgia Fund 1 is managed by the Georgia Office of the State Treasurer. The investment policies of Georgia Fund 1 are established by the Georgia State Depository Board.

3. Deposit and Investment Risk (continued)

Georgia Fund 1 is rated AAAf by Standard & Poor's. The weighted average maturity at June 30, 2015 was 56 days. At June 30, 2015, the City's balance in Georgia Fund 1 was $1,386,057.

The City is a participant in the Municipal Electric Authority of Georgia (MEAG). The MEAG board approves an annual system budget from which MEAG bills its participants. At the end of the year, adjustments are made by MEAG to each participant's billings to agree with actual cost. Whenever MEAG recovers funds from the City in excess of its actual costs to serve the City, the City may elect to have their funds deposited in MEAG's Voluntary Flexible Operating Account or Generation Trust Account fund in lieu of receiving a refund. The voluntary stabilization fund is used to reduce future costs of the City at its discretion while also earning interest. The City is authorized to direct MEAG to retain or use the discretionary funds. The generation trust account is used to offset the City's share of future MEAG generation projects.

The Municipal Competitive Trust accounts are held in the Intermediate, Intermediate Extended Maturity, and Short-term Portfolios; these portfolios are not rated. At June 30, 2015, the average weighted maturity of the Intermediate, Intermediate Extended Maturity, and Short-term Portfolios were 18.4, 56.4, and 3.1 months, respectively. At June 30, 2015, the City's balances in the Voluntary Flexible Operating Accounts were $7,073,501, and in the Generation Trust Accounts were $2,559,220.

4. Accounts Receivable

Net accounts receivable at June 30, 2015 consist of the following:

Major Funds		
General	$ 5,621	
Less: Allowance for Uncollectibles	(2,083)	$ 3,538
Enterprise funds		
Combined Public Utilities	2,357,703	
Less: Allowance for Uncollectibles	(400,880)	
ElbertonNET Technology Services	509,424	
Less: Allowance for Uncollectibles	(141,390)	2,324,857
Nonmajor Funds		
Solid Waste	106,453	
Less: Allowance for Uncollectibles	(17,520)	88,933
Total primary government		$ 2,417,328

5. Intergovernmental Receivables

Intergovernmental receivables at June 30, 2015 consist of the following:

Nonmajor Funds	
2011 SPLOST Capital Projects	
Elbert County	$ 93,022

6. Interfund Receivables, Payables, and Transfers

A summary of interfund receivables and payables as of June 30, 2015 is as follows:

Receivable Fund	Payable Fund	Amount
General	Combined Public Utilities	$ 14,802
	Nonmajor Enterprise	67,668
Combined Public Utilities	ElbertonNET	4,650,438
	Nonmajor Enterprise	113,365
Nonmajor enterprise	General	16,000
	Combined Public Utilities	1,508
Subtotal		$ 4,863,781

The balance reported as Due to/Due from represent loans between the borrower fund and the lender fund. The balance between the Combined Public Utility System Fund and the ElbertonNET Technology Services Fund resulted from transactions to fund operations and is reported as an advance to other fund in the Combined Utilities Fund and an advance from other fund in the ElbertonNET Technology Services Fund and it is not expected to be repaid within one year. All other balances are expected to be repaid within one year.

Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as “internal balances”.

A summary of interfund transfers is as follows:

Transfer out Fund	Transfer in Fund	Amount
General	Nonmajor Enterprise	$ 16,000
Combined Public Utilities	General	2,414,260
Nonmajor Governmental	General	22,292
	Combined Public Utilities	44,047
		$ 2,496,599

6. Interfund Receivables, Payables, and Transfers (continued)

Interfund transfers were 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 to finance various programs accounted for in other funds in accordance with budgetary authorizations. Transfers are eliminated in the government-wide financial statements if the interfund transfer is within the governmental fund group or business-type fund group.

7. Intradepartmental Billings

Total operating revenues and total operating expenses in the Combined Public Utilities Enterprise Fund includes $57,975, $16,426, and $572,823 of intradepartmental billings for water and sewer, natural gas, and electric usage, respectively. Total operating revenues and total operating expenses in the ElbertonNET Technology Services Enterprise Fund include $74,396 of intradepartmental billings for cable television and high-speed internet usage.

8. Capital Assets

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

	Balance June 30, 2014	Increases	Decreases	Balance June 30, 2015
Governmental activities				
Non-depreciable assets				
Land	$ 660,132	$ 46,651	$ (9,500)	$ 697,283
Construction in progress	152,527	175,703	(147,527)	180,703
Total non-depreciable assets	812,659	222,354	(157,027)	877,986
Depreciable assets				
Buildings	1,857,983	456,306	0	2,314,289
Land improvements	1,141,279	0	0	1,141,279
Vehicles and equipment	2,922,837	284,434	(199,779)	3,007,492
Infrastructure	2,645,622	104,855	0	2,750,477
Total depreciable assets	8,567,721	845,595	(199,779)	9,213,537
Accumulated depreciation				
Buildings	(951,738)	(70,173)	0	(1,021,911)
Land improvements	(785,056)	(37,563)	0	(822,619)
Vehicles and equipment	(1,891,722)	(225,277)	199,779	(1,917,220)
Infrastructure	(1,005,478)	(78,148)	0	(1,083,626)
Total accumulated depreciation	(4,633,994)	(411,161)	199,779	(4,845,376)
Total depreciable assets, net	3,933,727	434,434	0	4,368,161
Governmental activities capital assets, net	$ 4,746,386	$ 656,788	$ (157,027)	$ 5,246,147
Business-type activities				
Non-depreciable assets				
Land	$ 268,335	$ 9,500	$ 0	$ 277,835
Construction in progress	966,684	1,164,830	(929,989)	1,201,525
Intangible assets	377,692	0	0	377,692
Total non-depreciable assets	1,612,711	1,174,330	(929,989)	1,857,052
Depreciable assets				
Buildings	1,090,492	13,500	0	1,103,992
Land improvements	54,739	12,293	0	67,032
Distribution system	43,972,745	1,831,187	(165,831)	45,638,101
Vehicles and equipment	3,248,286	467,422	(458,024)	3,257,684
Total depreciable assets	48,366,262	2,324,402	(623,855)	50,066,809
Accumulated depreciation				
Buildings	(537,621)	(50,342)	0	(587,963)
Land improvements	(43,027)	(2,190)	0	(45,217)
Distribution system	(19,813,814)	(1,299,815)	165,831	(20,947,798)
Vehicles and equipment	(2,860,808)	(166,414)	458,024	(2,569,198)
Total accumulated depreciation	(23,255,270)	(1,518,761)	623,855	(24,150,176)
Total depreciable assets, net	25,110,992	805,641	0	25,916,633
Business-type activities capital assets, net	$ 26,723,703	$ 1,979,971	$ (929,989)	$ 27,773,685

8. Capital Assets (continued)

Capital asset activity for the Downtown Development Authority Component Unit for the fiscal year ended June 30, 2015 was as follows:

	June 30, 2014	Increases	Decreases	June 30, 2015
Downtown Development Authority Component Unit				
Non-depreciable assets				
Land	$ 40,000	$ 0	$ 0	$ 40,000
Depreciable assets				
Buildings	784,693	0	0	784,693
Less accumulated depreciation				
Buildings	(245,862)	(38,280)	0	(284,142)
Total depreciable assets, net	538,831	(38,280)	0	500,551
Downtown Development Authority Component Unit capital assets, net	$ 578,831	$ (38,280)	$ 0	$ 540,551

Depreciation expense was charged to functions/programs as follows:

Primary Government	
Governmental activities	
General Government	$ 23,594
Public Safety	150,368
Public Works	149,754
Culture and Recreation	77,914
Housing and Development	9,531
Total depreciation expense for governmental activities	$ 411,161
Business-type activities	
Combined Public Utilities	
Electric Department	$ 270,873
Water and Sewer Department	777,590
Natural Gas Department	135,291
ElbertonNet Technology Services	306,958
Solid Waste	28,049
Total depreciation expense for business-type activities	$ 1,518,761
Downtown Development Authority Component Unit	$ 38,280

9. Capital and Operating Leases Agreements

The City has entered into lease-purchase agreements to finance the purchase of equipment and to finance the construction of broadband, gas line replacement, and cable television distribution systems in Elberton. The terms of the agreements meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, which defines a capital lease generally as one which transfers benefits and risk of ownership to the lessee. The balances of these leases at June 30, 2015 are $452,041 and $3,041,061 for the governmental and business-type activities, respectively.

The following is a schedule of the future minimum lease payments together with the present value of the net minimum lease payments as of June 30, 2015:

Year Ending June 30,	Governmental Activities	Business-type Activities
2016	$ 67,248	$ 568,489
2017	67,248	$ 568,489
2018	67,248	491,980
2019	67,248	381,755
2020	67,248	381,755
2021-2025	151,307	867,146
Total minimum lease payments	487,547	3,259,614
Less amounts representing interest	(35,506)	(218,553)
Present value of minimum lease payments	$ 452,041	$ 3,041,061

Total assets leased under capital leases are $569,774 and $8,897,777 for governmental and business-type activities, respectively, and are classified as follows:

	Governmental Activities		Business-type Activities	
	Cost	Accumulated Depreciation	Cost	Accumulated Depreciation
Distribution system	$ 0	$ 0	$ 8,054,722	$ 3,227,161
Construction in progress	0	0	502,161	0
Vehicles and equipment	569,774	82,301	340,894	20,294
Total assets under capital leases	$ 569,774	$ 82,301	$ 8,897,777	$ 3,247,455

Amortization of leased equipment under capital assets is included with depreciation expense.

The City's lease agreements, other than such agreements described above, are relatively minor commitments (generally for office machines) and are in compliance with state law.

10. Long-Term Debt

Revenue Bonds

Revenue bonds issued for business-type activities are comprised of the following individual issues at June 30, 2015:

$8,355,000 2011 Combined Utility System Refunding Revenue series bonds due in annual installments of $740,000 to $930,000 through January 1, 2022; interest at 2.725% ($5,995,000 outstanding).

Annual debt service requirements to maturity for revenue bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2016	$ 785,000	$ 163,724	$ 948,724
2017	815,000	141,973	956,973
2018	835,000	119,764	954,764
2019	855,000	97,010	952,010
2020	875,000	73,711	948,711
2020-2024	1,830,000	75,210	1,905,210
Totals	$ 5,995,000	$ 671,392	$ 6,666,392

Notes Payable

Business-type Activities

The City entered into an agreement the Georgia Environmental Finance Authority (GEFA) in the amount of $2,500,000 for improvements to the City's water system. GEFA agrees to forgive $500,000 of the loan if all funds are drawn. The City has drawn $1,695,865 on this agreement and recognized $381,056 in principal forgiveness. Monthly installments of principal and interest are due beginning on the first day of the calendar month following the date that the loan is fully disbursed (the Amortization Commencement Date) for 240 months; interest at 1.11%. Monthly installments are expected to commence on January 1, 2017 ($1,568,991 outstanding).

10. Long-Term Debt (continued)

Notes Payable, continued

Annual debt service requirements for notes payable are as follows:

Year Ending June 30,	Principal	Interest	Total
2016	$ 0	$ 17,416	$ 17,416
2017	81,261	17,003	98,264
2018	82,166	16,097	98,263
2019	83,084	15,180	98,264
2020	84,010	14,253	98,263
2021-2025	434,324	56,996	491,320
2026-2030	459,101	32,219	491,320
2031-2035	345,045	7,067	352,112
2036-2037	0	370	370
Totals	$ 1,568,991	$ 176,601	$ 1,745,592

Elberton Downtown Development Authority Component Unit

The Elberton Downtown Development Authority has entered into a lending agreement with the City of Elberton to refinance a lending agreement with Pinnacle Bank in the original amount of $65,000. At June 30, 2015, the balance of this note is $50,575. Monthly installments of $138 interest are due through May 31, 2016, unpaid principal and interest are due June 30, 2016; interest at 3.00%.

The Elberton Downtown Development Authority has entered into a lending agreement with the Georgia Department of Community Affairs to refinance a lending agreement with Pinnacle Bank in the original amount of $180,854. At June 30, 2015, the balance of this note is $119,965.77. Monthly installments of $1,164 principal and interest are due through September 1, 2020, unpaid principal and interest are due October 1, 2020; interest at 2.00%.

10. Long-Term Debt (continued)

Notes Payable, continued

The Elberton Downtown Development Authority has also entered into a lending agreement with the City of Elberton for improvements to the William O. Jones Building in the original amount of $480,000. At June 30, 2015, the balance of this note is $376,000. Monthly installments of $2,000 are due through February 28, 2031; interest at 0.00%.

Annual debt service requirements for notes payable are as follows:

Year Ending June 30,	Principal	Interest	Total
2016	$ 86,271	$ 3,934	$ 90,205
2017	35,932	2,033	37,965
2018	36,173	1,792	37,965
2019	36,419	1,547	37,966
2020	95,745	460	96,205
2021-2025	120,000	0	120,000
2026-2030	120,000	0	120,000
2031-2032	16,000	0	16,000
Totals	$ 546,540	$ 9,766	$ 556,306

Total interest incurred and expensed in the governmental activities and the business-type activities for the fiscal ended June 30, 2015 was $10,096 and $226,134, respectively.

10. Long-Term Debt (continued)

Changes in Long-Term Debt

The following is a summary of changes in long-term debt of the City for fiscal year ended June 30, 2015:

	Balance 6/30/2014	Additions	Deductions	Balance 6/30/2015	Due Within One Year
Governmental Activities					
Contractual liability	$ 257,102	$ 0	$ (8,730)	$ 248,372	$ 0
Capital lease obligations	509,192	0	(57,151)	452,041	58,256
Compensated absences	146,385	121,341	(102,472)	165,254	115,678
Total Governmental Activities	$ 912,679	$ 121,341	$ (168,353)	$ 865,667	$ 173,934
Business-type Activities					
Revenue bonds	$ 6,760,000	$ 0	$ (765,000)	$ 5,995,000	$ 785,000
Notes payable	507,499	1,061,491	0	1,568,990	0
Capital lease obligations	1,562,987	2,184,994	(706,920)	3,041,061	509,231
Compensated absences	146,984	123,087	(102,889)	167,182	117,028
Total Business-type Activities	$ 8,977,470	$ 3,369,572	$ (1,574,809)	$ 10,772,233	$ 1,411,259
Downtown Development Authority Component Unit					
Notes payable	$ 585,777	$ 0	$ (39,237)	$ 546,540	$ 86,271

Revenue bond discounts/premiums are amortized over the life of the related debt using the straight-line method. Compensated absences are liquidated by those funds that have salary and wage expenditures. In prior years, long-term liabilities, such as compensated absences, of the governmental activities were liquidated in the General Fund.

11. Deficit Equity Balances

At June 30, 2015, the Solid Waste Enterprise Fund had negative net position of $49,962. This is due to the implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. The City plans to liquidate the deficit fund equity through the amortization of deferred inflows of resources over the next 4 years.

12. Nonspendable, Restricted, Committed, and Assigned Fund Balances

The following is a summary of restricted, committed, and assigned fund balances of the governmental funds for fiscal year ended June 30, 2015:

	General	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:			
Prepaid items	$ 123,626	$ 0	$ 123,626
Inventory	23,360	0	23,360
	146,986	0	146,986
Restricted for:			
Public Safety			
Police facilities and equipment	25	0	25
Housing and Development			
Downtown development	0	480,000	480,000
Capital projects	0	345,528	345,528
	25	825,528	825,553
Assigned for:			
Housing and Development			
Tourism and City promotion	0	4,288	4,288

13. Landfill Closure and Post-Closure Care Costs

At June 30, 1995, the City owned and operated a landfill site located on approximately 200 acres of land north of Elberton. The landfill had been operated at the site since 1990. State and federal laws and regulations require the operator to close the landfill once its capacity is reached and to monitor and maintain the site for thirty subsequent years. The City recognized a portion of the closure and post closure care costs in each operating period even though actual payouts would not occur until the landfill was closed. The amount recognized each year was based on the landfill capacity used as of the balance sheet date.

13. Landfill Closure and Post-Closure Care Costs (continued)

Effective July 1, 1995, Elbert County, Georgia, became the owner and operator of the sanitary landfill. All assets of the landfill and related capital leases were transferred to the County as of that date.

The agreement with Elbert County calls for the City and the County to each assume one-half of the closure and post closure care costs of the landfill cells (cells 1 - 8) existing on July 1, 1995, for future years. The City has recorded a contractual obligation to Elbert County of $248,372. The obligation will be adjusted annually based upon current data and engineering studies. The landfill is closed and has no estimated remaining life. This liability is reported as a non-current contractual liability in the Governmental Activities on the Statement of Net Position.

14. Risk Management and Self-Insurance

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. As of May 1, 2003, the City has elected to manage its risk financing activities through the purchase of commercial insurance.

The City has joined the Georgia Municipal Association (GMA) Group Self-Insurance Workers' Compensation Fund, a group self-insured program authorized by state statute and administered by GMA. The fund provides workers' compensation statutory coverage to local government entities in Georgia as an alternative to the standard commercial insurance market. The membership owns and controls the fund, resulting in dividends (or renewal credits) returned to the fund members, significantly reducing the cost of coverage for the membership. The cost of coverage is based on individual loss experience and underwriting.

Membership includes proactive safety and risk control service which includes loss control field service, individual member problem analysis, and on-site and regional training. Workers' compensation claims are reported to and administered by GMA employees.

The City's deductible for workers' compensation claims is $500,000. At June 30, 2015, the City has no losses that are probable or estimable and accordingly has not recognized any liability.

15. Pension Plan

Plan Description. The City is a participating member of the Georgia Municipal Employees Benefit System (GMEBS), a state-wide agent, multiple-employer retirement system, administered by the Georgia Municipal Association. This is a defined benefit pension plan, which provides retirement, disability and death benefits to plan members and beneficiaries. The Commission has established provisions, which assign the authority to the Commission council members to establish and amend the benefit provisions of the plan.

Control over the operation and administration of the plan is vested with GMEBS along with custody of the plan assets. The plan provides that the City has no liability with respect to payments or benefits or otherwise under the plan except to pay over to GMEBS such actuarially determined contributions as are required to meet minimum funding standards of the Public Retirement Systems Standards Law and provide benefits thereunder. If terminated, the plan provides that if there are funds remaining after the satisfaction of all liabilities, such funds shall not revert to the City but shall be allocated to employees. All employees are eligible for immediate participation. Officials are covered under the plan and are eligible for immediate participation.

There are no loans to any of the City officials or other "party-in-interest," and there are no prohibited transactions. The plan assets do not include any securities or investments in the City of Elberton. The funds are managed by independent money managers.

The annual report and more detailed information regarding the plan can be obtained from the Plan Administrator, the Georgia Municipal Employees Benefit System.

At January 1, 2015, the date of the most recent actuarial valuation, there were 224 participants consisting of the following:

Retirees and beneficiaries currently receiving benefits	84
Terminated vested participants entitled to but not yet receiving benefits	28
Active participants	112
Total number of participants	224

15. Pension Plan (continued)

Benefits Provided. The plan provides retirement and death benefits. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 65 with no reduction in benefit. Members with thirty years of total service are eligible to retire at age 62 with no reduction in benefit. Officals are eligible to retire at age 65 with no reduction of benefits. Members are eligible for early retirement with reduced benefits based on the early retirement reduction table at age 55 after 10 years of service. The benefit formula is 1.25% - 1.75% with a ten year vesting schedule for terminations on or after January 1, 2001. The benefit formula is 1.00% - 1.75% with a ten year vesting schedule for terminations prior to January 1, 2001.

Contributions. Employees make no contributions to the plan. The City is required to contribute the remaining amounts necessary to fund the plan in compliance with the minimum funding standards of the Public Retirement Systems Standards Law. This funding policy, as specified by ordinance, has been the same since the inception of the plan.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions. At June 30, 2015, the City reported a net pension asset of $499,148. The net pension asset was measured as of September 30, 2014, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2015. For the fiscal year ended June 30, 2015, the City recognized pension income of $111,649.

At June 30, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to the plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 0	$ (269,035)
Changes of assumptions	0	(635,608)
Net difference between projected and actual earnings on pension plan investments	0	(488,775)
City contributions subsequent to the measurement date	281,286	0
Totals	$ 281,286	$ (1,393,418)

15. Pension Plan (continued)

The $281,286 of deferred outflows of resources resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net position liability in the fiscal year ending June 30, 2016. Other amounts reported as deferred outflows and deferred inflows of resources will be recognized in pension expense as follows:

Year Ending June 30	
2016	$ (423,741)
2017	(423,741)
2018	(423,741)
2019	(122,195)
Totals	$ (1,393,418)

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

Inflation	3.25%
Projected salary increases	3.25% plus service based merit increases
Cost of living adjustments	3.25%
Net investment rate of return	7.75%

Healthy mortality rates were based on the RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forward two years for males and on year for females. Disabled mortality rates were based on the RP-2000 Disabled Retiree Mortality Table with sex-distinct rates.

The mortality and economic actuarial assumptions used in the January 1, 2015 valuation were based on the results of an actuarial experience study for the period of January 1, 2010 through June 30, 2014.

15. Pension Plan (continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2014 are summarized in the following table:

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

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

15. Pension Plan (continued)

Changes in Net Pension Liabilty (Asset)

	Total Pension Liability (Asset) (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at 9/30/13	$ 17,825,632	$ 16,471,335	$ 1,354,297
Changes for the year:			
Service cost	200,459	0	200,459
Interest	1,345,099	0	1,345,099
Differences between expected and actual experience	(358,709)	0	0 (358,709)
Changes of assumptions		0	0
Changes of benefits	0		0
Contributions—employer	0	348,379	(348,379)
Contributions—employee	0	0	0
Net investment income	0	1,863,860	(1,863,860)
Benefit payments, including refunds of employee contributions	(939,024)	(939,024)	0 0
Administrative expense	0	(19,423)	19,423
Other changes	(847,478)	0	(847,478)
Net changes	(599,653)	1,253,792	(1,853,445)
Balances at 9/30/14	$ 17,225,979	$ 17,725,127	$ (499,148)

Sensitivity of the Net Pension Asset/Liability to Changes in the Discount Rate. The following presents what the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.75 percent) or one percentage-point higher (8.75 percent) than the current rate:

	Discount Rate	Net Pension Liabilty (Asset)
1% decrease	6.75%	$ 1,554,483
Current discount rate	7.75%	(499,148)
1% increase	8.75%	(2,211,105)

Plan Fiduciary Net Position. Detailed information about the Plan's fiduciary net position is available in the separately issued Georgia Municipal Employees Benefit System financial report

15. Pension Plan (continued)

Other Plans. In addition to the plan above, various City employees are covered under the Peace Officers' Annuity and Benefit Fund of Georgia. Further information regarding this plan can be obtained from the plan's annual report.

16. Deferred Compensation Plan

The City also provides retirement benefits for its employees through a deferred compensation, defined contribution plan. The Plan was created under Internal Revenue Code Sections 457 and 401(a). The Plan is administered by the Georgia Municipal Association (GMA), an independent third party. The City began participation in the plan during fiscal year 2004. All employees who work at least 30 hours per week are eligible to participate in the Plan. The City Council provides for the benefits and funding policy through a City ordinance and maintains the authority to change the policy.

Under the terms of the Plan, employees may defer a portion of their salary through voluntary contributions to the Plan. Employees may defer a maximum of 25% of their salary, up to the maximum allowable by federal law. After completing 30 days of service, the City will contribute 100% of the employee's contributions for the first 2% of compensation, then 50% of the employee's contributions for the next 4% of compensation, per year.

There is a cap of 4% of total compensation per eligible employee for City contributions. Employee contributions are vested 100% at the time of contribution. Employer contributions are vested on a schedule of 20% after the first year of service and an additional 20% each year thereafter; employer contributions are fully vested after 5 years of service. Amounts held in the Plan are not available to the employees until termination, retirement, death, or unforeseeable emergency.

During the fiscal year, the City contributed $105,182 to the plan based on covered salaries of $3,151,712. Plan members made voluntary contributions of $160,589 to the plan. Total payroll was $4,722,116.

The City has no fiduciary relationship with the plans, and plan assets are not available to the City or its general creditors. The Plans assets are held in trust by the administrator for the exclusive benefit of the participants of the Plans.

17. Post Employment Health Care Benefits

The City does not provide post-employment benefits other than pensions and those mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA).

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured on or before the 10th day of the month for the actual month covered. This program is offered for the duration of 18 months after the employee's termination date. There is no associated cost to the City under this program.

18. Hotel/Motel Lodging Tax

The City has levied a 6% lodging tax, in accordance with Official Code of Georgia Annotated (OCGA) Section 48-13-51(3.7). The City is require to spend an amount equal to the amount by which the total taxes collected under the Code section exceed the taxes which would be collected at a rate of 3 percent for the purpose of promoting tourism, conventions, and trade shows, or for facilities used for these purposes. A summary of the transactions for the year ending June 30, 2015, follows:

Lodging tax receipts	$ 49,138	
Disbursements to Chamber of Commerce, for Elbert Theatre, and for other tourism and visitor programs	$ 47,719	97% of tax receipts

19. Joint Ventures

Under Georgia law, the City, in conjunction with other cities and counties in the northeast Georgia area, is a member of the Northeast Georgia Regional Commission and is required to pay annual dues thereto. During fiscal year 2015, the city paid $4,617 in such dues. Membership in an RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organizational structure of the RC in Georgia. The RC Board membership includes the chief elected official in each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC. A copy of the NEGRC financial statements can be obtained from the Northeast Georgia Regional Commission, 305 Research Drive, Athens, Georgia 30605.

19. Joint Ventures (continued)

The City of Elberton participates with various other cities and counties in the Northern Piedmont Multi-Agency Narcotics Squad (MANS) to facilitate the investigation, arrest, prosecution and conviction of those residents and non-residents involved in the manufacture, use, distribution, and sale of illicit drugs. The City has an ongoing financial responsibility of funding for this unit. This funding is determined each year from a budget of grant monies and individual municipalities participation. The MANS unit is funded primarily through grant monies and operates on a balanced budget determined by revenue. The financial records of the MANS unit are maintained by Franklin County, Georgia, and reported in their audit report. During fiscal year 2015, the City contributed $16,000 in cash financing. A copy of the MANS unit financial statements can be obtained from Franklin County, Georgia, 141 Athens Street, Carnesville, Georgia 30521.

20. Related Organizations

The City of Elberton Housing Authority is considered a related organization to the City of Elberton. The City appoints members to the Authority, but does not have the ability to impose its will or create a financial benefit or burden for the Authority. The Authority provides low-income housing for the individuals in the City of Elberton. The City received no payments for services provided during fiscal year 2015.

21. Commitments and Contingencies

Commitments

The City has entered into Power Sales Contracts with the Municipal Electric Authority of Georgia (MEAG). The contracts require the City to purchase from MEAG all of the City's bulk power supply, other than power supplied by Federally-owned generation projects. MEAG is authorized to establish rates and charges so as to produce revenues sufficient to cover its costs. The City's payment obligations are general obligations to the payment of which the City's full faith and credit and taxing powers are pledged. The City purchased bulk power totaling $12,135,224 from MEAG during the fiscal year ended June 30, 2015. The City's future minimum payment obligations to the Authority will be based on the Authority's costs and the City's yearly demand for bulk power supply.

21. Commitments and Contingencies (continued)

Commitments, continued

The City has adopted the provisions of a Municipal Competitive Trust agreement between the City and MEAG. MEAG established the Trust for the mutual benefit of MEAG and its wholesale customers who elect to become participants. The Trust was created to provide a means to mitigate the expected differential between "after deregulation" market rates for power and the associated costs of generating that power.

The Trust created four types of accounts that are held by MEAG in the name of the City. The flexible operating trust account includes funds that are available to the City for operating costs and rate stabilization. As of June 30, 2015, the balance in this account was $7,073,500. This amount is included in unrestricted investments in the Combined Public Utilities Fund. The generation trust account is used to offset the City's share of future MEAG generation projects. As of June 30, 2015, the balance in this account was $2,559,220. This amount is included in restricted investments in the Combined Public Utilities Fund.

The two additional accounts created were the credit support operating and the reserve funded debt account. The funds in the credit support operating account are restricted for use to offset rate increases exceeding certain criteria and for loans for capital improvements that will reduce future operating costs. The funds in the reserve funded debt account can only be applied to charges related to MEAG's bond obligations. The balances of these accounts at June 30, 2015, were $2,818 and $2,257,764 respectively. Due to the restricted nature of these funds, neither is shown in the Combined Public Utilities Fund.

The City has active construction projects as of June 30, 2015. At year-end, the City's commitments with contractors are as follows:

Projects	Amount Expended To Date	Remaining Commitment
Water plant renovations and improvements	$ 550,661	$ 30,345
Bare steel gasline replacement project	502,161	501,591
Total	$ 1,052,822	$ 531,936

21. Commitments and Contingencies (continued)

Contingencies

The City has extended a nonexchange financial guarantee to the Development Authority of Elbert County, Elberton, and Bowman through an intergovernmental agreement dated July 1, 2010 whereby the City along with Elbert County Board of Commissioners agrees to provide credit support for the Authority to issue a taxable revenue bond in the amount of $2,000,000 for the purpose of purchasing a manufacturing facility to be leased to MollerTech South, LLC. Pursuant to O.C.G.A. Section 48-5-350, the City has the power to levy and collect three mills per dollar on the assessed value of the taxable property in the City to provide for financial assistance to the Authority, which is the legal authority for extending the guarantee. The City and County have agreed to make payments to the Authority in amounts sufficient to enable the Authority to pay debt service on the bond in the event both the Company and its guarantor, MollerTech North America, Inc., default on their obligations to make lease payments. The City and County are each required to make one-half of such payments. The length of time of the guarantee is the later of (a) the final maturity date of the Bond or (b) the date that all amounts owing under the Bond have been paid. The final maturity date of the Bond is October 30, 2020. The intergovernmental contract provides that the City, or any defaulting party, may take whatever action at law or in equity may appear necessary or desirable to collect the contract payments then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the County, the City or the Authority under the intergovernmental contract.The balance on the bond at June 30, 2015, was $1,402,790, interest at 5.00% per annum. The Company was current on all lease payments at June 30, 2015, and the Authority was current on all bond payments at June 30, 2015. The City has a contingent liability at June 30, 2015, of $701,395. A contingent liability is a possible obligation that arises from past events, and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the City. The City does not recognize this potential obligation on its balance sheet because it is not probable that an outflow of resources will be required to settle the obligation.

21. Commitments and Contingencies (continued)

Contingencies, continued

The City has extended a nonexchange financial guarantee to the Development Authority of Elbert County, Elberton, and Bowman through an intergovernmental agreement dated December 1, 2011 whereby the City agrees to provide credit support for the Authority to issue a taxable revenue bond in the amount of $932,500 and a tax-exempt bond in the amount of $1,818,750, both for the purpose of purchasing equipment to be used in a manufacturing facility to be leased to Hailo, LLC. Pursuant to O.C.G.A. Section 48-5-350, the City has the power to levy and collect three mills per dollar on the assessed value of the taxable property in the City to provide for financial assistance to the Authority, which is the legal authority for extending the guarantee. The City has agreed to make payments to the Authority in amounts sufficient to enable the Authority to pay debt service on the bonds in the event the Company defaults on its obligations to make lease payments. The length of time of the guarantee is the later of (a) the final maturity date of the Bonds or (b) the date that all amounts owing under the Bonds have been paid. The final maturity date of the Bonds are December 1, 2019. The intergovernmental contract provides that the City, or any defaulting party, may take whatever action at law or in equity may appear necessary or desirable to collect the contract payments then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the City or the Authority under the intergovernmental contract. The balance on the taxable bond at June 30, 2015, was $1,200,668, interest at 4.75% per annum. The balance on the tax-exempt bond at June 30, 2015, was $633,233 interest at 3.60%. The Company was current on all lease payments at June 30, 2015, and the Authority was current on all bond payments at June 30, 2015. The City has a contingent liability at June 30, 2015, of $1,833,901.

At June 30, 2015, the City's total contingent liabilities under nonexchange financial guarantees is $2,535,296.

The City's legal counsel has stated that there are presently no determinable lawsuits.

22. Changes in Beginning Balances

Governmental Activities

A prior period adjustment has been made to record a net pension liability and deferred outflows of resources at June 30, 2014. This adjustment was required with the implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. This adjustment decreased beginning net position by $581,751.

Business Type Activities

A prior period adjustment has been made to record a net pension liability and deferred outflows of resources at June 30, 2014. This adjustment was required with the implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. This adjustment decreased beginning net position by $515,647.

23. Subsequent Events

Subsequent to the current fiscal year, the City entered into a loan agreement with the Georgia Environmental Finance Authority in the amount of $1,400,000, monthly payments, 20 years, and interest at 1.63%. The proceeds of the loan will be used to finance the “2015 Sewer System Improvements” project. GEFA agrees to forgive $280,000 of the loan if all funds are drawn. The City entered into an agreement with the contractor to perform the improvements on July 6, 2015.

Subsequent to the current fiscal year, the City entered into an agreement with a local construction contractor to complete the Samuel Elbert Hotel Project in downtown Elberton. The total contract value for the renovations is $4,007,174. The project will be financed by revenue bonds issued by the Downtown Development Authority. The City has agreed to make payments sufficient to cover the debt service should there be any shortfall in the net income from the project once the hotel is opened. At the date of this report, the bonds have not closed.

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Required Supplementary Information



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CITY OF ELBERTON, GEORGIA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
LAST TEN FISCAL YEARS
June 30, 2015
(Unaudited)

	Fiscal Year End 2015
Total pension liability	
Service cost	$ 200,459
Interest	1,345,099
Differences between expected and actual experience	(358,709)
Changes of assumptions	(847,478)
Changes of benefit terms	0
Benefit payments, including refunds of employee contributions	(939,024)
Net change in total pension liability	(599,653)
Total pension liability - beginning	17,825,632
Total pension liability - ending (a)	$ 17,225,979
Plan fiduciary net position	
Contributions - employer	$ 348,379
Contributions - employee	0
Net investment income	1,863,860
Benefit payments, including refunds of employee contributions	(939,024)
Administrative expense	(19,423)
Other	0
Net change in total pension liability	1,253,792
Plan fiduciary net position - beginning	16,471,335
Plan fiduciary net position - ending (b)	$ 17,725,127
Net pension liability (asset) - ending : (a) - (b)	$ (499,148)
Plan's fiduciary net position as a percentage of the total pension liability	102.90%
Covered-employee payroll	$ 4,106,595
Net pension liabilty as a percentage of covered-employee payroll	-12.15%

Note: Fiscal year 2015 was the first year of implementation. Therefore, only one year is shown.

CITY OF ELBERTON, GEORGIA
SCHEDULE OF CONTRIBUTIONS
LAST TEN FISCAL YEARS
June 30, 2015
(Unaudited)

	Fiscal Year End 2015
Actuarially determined contribution	$ 365,924
Contributions in relation to the actuarially determined contribution	(365,924)
Contribution deficiency (excess)	$ 0
Covered-employee payroll	$ 4,220,611
Contributions as a percentage of covered-employee payroll	8.67%

Note: Fiscal year 2015 was the first year of implementation. Therefore, only one year is shown.

1. Valuation Date

The actuarially determined contribution rate was determined as of January 1, 2015, with an interest adjustment to the fiscal year. Contributions in relation to this actuarially determined contribution rate will be reported for the fiscal year ending June 30, 2016.

2. Methods and Assumptions Used to Determine Contribution Rates

Actuarial cost method = Projected unit credit

Amortization method = Closed level dollar for remaining unfunded liability

Remaining amortization period = Remaining amortization period varies for the bases, with a net effective amortization period of 12 years

Asset valuation method = Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value.

Net investment rate of return = 7.75%

Projected salary increases = 3.25% plus service based merit increases

Cost of living adjustments = 3.25%

Retirement age for inactive vested participants = 65

Mortality = Healthy mortality rates were based on the RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forward two years for males and on year for females. Disabled mortality rates were based on the RP-2000 Disabled Retiree Mortality Table with sex-distinct rates.

3. Changes in Benefits

Effective January 1, 2015, the Plan was amended to provide for immediate participation for employees. This change has no impact on service credited under the Plan and has no impact on benefits.

4. Changes of Assumptions

Amounts reported for the fiscal year ending in 2016 and later reflect the following assumption changes based on the results of an actuarial experience study covering the period of January 1, 2010 to June 30, 2014:

The mortality table for disabled participants was changed to remove the two-year set-forward for males and the one-year set-forward for females.

The turnover rates were updated to introduce select rates for service less than five years and to reduce the ultimate rate by 15% and to assume no turnover on and after age 55. The select period rates were further constrained to not be less than the ultimate rates.

The retirement rates where normal retirement is only available on or after age 65 were changed from the prior assumption of 100% at age 65 to the new assumption of 60% at ages 65 to 69 and 100% at age 70. Where normal retirement is available prior to age 65, the rates were changed from the prior assumption of 100% at earliest unreduced age, but not below age 60, to the new assumption of 10% at ages 55 to 59, 20% at age 60, 25% at age 61, 35% at age 62, 40% at age 63, 45% at age 64, 50% at ages 65 to 69, and 100% at age 70.

The inflation and cost-of-living adjustment assumptions were decreased from 3.50% to 3.25%.

The salary increase assumption was changed from select period rates during the first five years of service, followed by age-related rates to an assumption based on new service-related rates. Under the prior assumption, the salary increases range from 3.75% to 8.00% and include an inflation assumption of 3.25%.

Supplementary Information

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COMBINING STATEMENTS

Nonmajor Governmental Funds

Nonmajor Enterprise Funds

CITY OF ELBERTON, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2015

	Special Revenue		Capital Projects	Total
	Hotel/ Motel Tax	Revolving Loan	2011 SPLOST	Nonmajor Funds
ASSETS				
Cash	$ 0	$ 104,000	$ 272,537	$ 376,537
Receivables				
Taxes	4,288	0	0	4,288
Intergovernmental	0	0	93,022	93,022
Notes	0	376,000	0	376,000
Total assets	$ 4,288	$ 480,000	$ 365,559	$ 849,847
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	$ 0	0	$ 20,031	$ 20,031
Fund balances				
Restricted for:				
Housing and Development	0	480,000	0	480,000
Capital projects	0	0	345,528	345,528
Assigned for Housing and Development	4,288	0	0	4,288
Total fund balances	4,288	480,000	345,528	829,816
Total liabilities and fund balances	$ 4,288	$ 480,000	$ 365,559	$ 849,847

CITY OF ELBERTON, GEORGIA
COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2015

	Special Revenue		Capital Projects	Total
	Hotel/ Motel Tax	Revolving Loan	2011 SPLOST	Nonmajor Funds
REVENUES				
Taxes	$ 49,138	$ 0	$ 0	$ 49,138
Intergovernmental	0	0	639,239	639,239
Interest	0	0	154	154
Other	0	0	3,818	3,818
Total revenues	49,138	0	643,211	692,349
EXPENDITURES				
Current				
Housing and Development	25,427	0	0	25,427
Capital outlay	0	0	783,372	783,372
Debt service	0	0	67,248	67,248
Total expenditures	25,427	0	850,620	876,047
Excess (deficiency) of revenues over (under) expenditures	23,711	0	(207,409)	(183,698)
Other financing sources (uses)				
Transfers out	(22,292)	0	(44,047)	(66,339)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	1,419	0	(251,456)	(250,037)
Fund balances, July 1	2,869	480,000	596,984	1,079,853
Fund balances, June 30	$ 4,288	$ 480,000	$ 345,528	$ 829,816

CITY OF ELBERTON, GEORGIA
COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY FUNDS
June 30, 2015

	Solid Waste	Elbert Theatre	Total Nonmajor Proprietary Funds
ASSETS			
Current assets			
Cash	$ 0	$ 7,833	$ 7,833
Receivables (net)			
Accounts	88,933	0	88,933
Inventories	0	811	811
Due from other funds	16,000	1,508	17,508
Total current assets	104,933	10,152	115,085
Noncurrent assets			
Capital assets			
Non-depreciable	23,900	0	23,900
Depreciable (net)	393,766	0	393,766
Other assets			
Net pension asset	37,230	0	37,230
Total noncurrent assets	454,896	0	454,896
Total assets	559,829	10,152	569,981
DEFERRED OUTFLOWS OF RESOURCES			
Pension contributions subsequent to measurement date	27,311	0	27,311
LIABILITIES			
Current liabilities			
Payables			
Accounts	23,681	2,096	25,777
Interest	200	0	200
Accrued salaries	9,365	0	9,365
Compensated absences	11,747	0	11,747
Due to other funds	181,033	0	181,033
Capital leases payable	50,158	0	50,158
Total current liabilities	276,184	2,096	278,280

CITY OF ELBERTON, GEORGIA
COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY FUNDS
June 30, 2015

	Solid Waste	Elbert Theatre	Total Nonmajor Proprietary Funds
Noncurrent liabilities			
Compensated absences	$ 5,034	$ 0	$ 5,034
Capital lease payable	251,953	0	251,953
Total noncurrent liabilities	256,987	0	256,987
Total liabilities	533,171	2,096	535,267
DEFERRED INFLOWS OF RESOURCES			
Pension experience differences	20,067	0	20,067
Pension assumption changes	47,408	0	47,408
Pension investment return differences	36,456	0	36,456
Total deferred inflows of resources	103,931	0	103,931
NET POSITION			
Net investment in capital assets	115,555	0	115,555
Unrestricted	(165,517)	8,056	(157,461)
Total net position	$ (49,962)	$ 8,056	$ (41,906)

CITY OF ELBERTON, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
NONMAJOR PROPRIETARY FUNDS
For the fiscal year ended June 30, 2015

	Solid Waste	Elbert Theatre	Total Nonmajor Proprietary Funds
OPERATING REVENUES			
Charges for sales and services	$ 853,822	$ 52,951	$ 906,773
OPERATING EXPENSES			
Costs of sales and services	430,479	34,663	465,142
Personal services	422,660	10,232	432,892
Depreciation	28,049	0	28,049
Total operating expenses	881,188	44,895	926,083
Operating income (loss)	(27,366)	8,056	(19,310)
Non-operating revenues (expenses)			
Interest expense	(2,154)	0	(2,154)
Gain (loss) on sales of capital assets	27,284	0	27,284
Total non-operating revenues (expenses)	25,130	0	25,130
Net income (loss) before capital contributions and transfers	(2,236)	8,056	5,820
Capital contributions	9,500	0	9,500
Net income (loss) before transfers	7,264	8,056	15,320
Transfers in (out)			
Transfers in	16,000	0	16,000
Change in net position	23,264	8,056	31,320
Net position, July 1 (original)	9,509	0	9,509
Prior period adjustment	(82,735)	0	(82,735)
Net position, July 1 (restated)	(73,226)	0	(73,226)
Net position, June 30	$ (49,962)	$ 8,056	$ (41,906)

CITY OF ELBERTON, GEORGIA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
For the fiscal year ended June 30, 2015

	Solid Waste	Elbert Theatre	Total Nonmajor Proprietary Funds
Cash flows from operating activities:			
Receipts from customers	$ 833,838	$ 52,951	$ 886,789
Payments to suppliers	(430,886)	(33,378)	(464,264)
Payments to employees	(462,459)	(10,232)	(472,691)
Net cash provided (used) by operating activities	(59,507)	9,341	(50,166)
Cash flows from non-capital financing activities:			
Receipts from other funds	115,000	0	115,000
Payments to other funds	(17,618)	(1,508)	(19,126)
Net cash provided (used) by non-capital financing activities	97,382	(1,508)	95,874
Cash flows from capital and related financing activities:			
Receipts sale of assets	27,284	0	27,284
Interest paid	(1,954)	0	(1,954)
Proceeds from capital leases	284,994	0	284,994
Acquisition of capital assets	(327,177)	0	(327,177)
Principal payments - capital leases	(21,022)	0	(21,022)
Net cash provided (used) by capital and related financing activities	(37,875)	0	(37,875)
Net increase (decrease) in cash	0	7,833	7,833
Cash, July 1	0	0	0
Cash, June 30	$ 0	$ 7,833	$ 7,833

CITY OF ELBERTON, GEORGIA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
For the fiscal year ended June 30, 2015

	Solid Waste	Elbert Theatre	Total Nonmajor Proprietary Funds
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	$ (27,366)	$ 8,056	$ (19,310)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation expense	28,049	0	28,049
(Increase) decrease in accounts receivable	(19,984)	0	(19,984)
(Increase) decrease in inventories	0	(811)	(811)
(Increase) decrease in net pension asset/liability	(119,965)	0	(119,965)
(Increase) decrease in pension contributions made after measurement date	(27,311)		(27,311)
Increase (decrease) in accounts payable	(407)	2,096	1,689
Increase (decrease) in accrued salaries	1,482	0	1,482
Increase (decrease) in pension experience differences	20,067	0	20,067
Increase (decrease) in pension assumption differences	47,408	0	47,408
Increase (decrease) in pension investment return differences	36,456	0	36,456
Increase (decrease) in compensated absences payable	2,064	0	2,064
Total adjustments	(32,141)	1,285	(30,856)
Net cash provided (used) by operating activities	$ (59,507)	$ 9,341	$ (50,166)

GENERAL FUND

The general operating fund of the City is used to account for all financial resources except those required to be accounted for in another fund.

CITY OF ELBERTON, GEORGIA
GENERAL FUND
COMPARATIVE BALANCE SHEETS
June 30, 2015 and 2014

	2015	2014
ASSETS		
Cash	$ 667,095	$ 563,972
Restricted assets		
Cash	25	25
Receivables (net)		
Accounts	3,538	7,622
Taxes	69,072	53,271
Notes	50,575	55,500
Interest	0	833
Prepaid items	123,626	121,701
Inventory, at cost	23,360	24,533
Due from other funds	82,470	283,421
Total assets	$ 1,019,761	$ 1,110,878
LIABILITIES		
Accounts payable	$ 63,239	$ 66,160
Accrued salaries and payroll liabilities	81,975	60,600
Due to other funds	16,000	115,000
Other liabilities	14,601	16,101
Total liabilities	175,815	257,861
FUND BALANCES		
Nonspendable:		
Inventory	23,360	24,533
Prepaid items	123,626	121,701
Restricted for public safety	25	25
Unassigned	696,935	706,758
Total fund balances	843,946	853,017
Total liabilities and fund balances	$ 1,019,761	$ 1,110,878

CITY OF ELBERTON, GEORGIA
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the fiscal years ended June 30, 2015 and 2014

	2015	2014
REVENUES		
Taxes	$ 1,242,162	$ 1,257,982
Licenses and permits	57,350	54,238
Fines, fees and forfeitures	108,590	169,016
Charges for services	650,708	708,204
Intergovernmental	9,999	15,928
Interest	2,095	2,117
Contributions	420	352
Other	9,368	13,968
Total revenues	2,080,692	2,221,805
EXPENDITURES		
Current		
General Government	672,278	651,547
Judicial	66,599	105,292
Public Safety	2,437,382	2,364,581
Public Works	915,303	982,393
Health and Welfare	60,275	58,144
Culture and Recreation	154,024	123,278
Housing and Development	242,567	222,203
Total expenditures	4,548,428	4,507,438
Excess (deficiency) of revenues over (under) expenditures	(2,467,736)	(2,285,633)
Other financing sources (uses)		
Transfers in (out)		
Hotel/Motel Fund	22,292	25,170
Combined Public Utility System Fund	2,414,260	2,382,500
Solid Waste Fund	(16,000)	(115,000)
Sale of capital assets	38,113	9,806
Total other financing sources (uses)	2,458,665	2,302,476
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(9,071)	16,843
Fund balances, July 1	853,017	836,174
Fund balances, June 30	$ 843,946	$ 853,017

CITY OF ELBERTON, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
REVENUES				
Taxes				
Intangibles tax	$ 6,000	$ 3,739	$ (2,261)	$ 4,096
Franchise tax	90,000	90,654	654	89,389
Occupational tax	116,100	117,607	1,507	125,781
Insurance premium tax	245,000	246,913	1,913	240,020
Title ad valorem tax	90,000	102,458	12,458	105,085
Liquor tax	22,000	19,366	(2,634)	16,647
Beer and wine tax	130,000	132,047	2,047	125,992
Local option sales tax	560,000	529,378	(30,622)	550,972
Total taxes	1,259,100	1,242,162	(16,938)	1,257,982
Licenses and permits				
Building permits	15,000	15,278	278	10,195
Alcoholic beverage licenses	40,000	37,250	(2,750)	41,000
Other permits	4,000	4,822	822	3,043
Total licenses and permits	59,000	57,350	(1,650)	54,238
Fines, fees and forfeitures				
Parking fines	200	15	(185)	25
Court and DUI fines	155,600	105,575	(50,025)	123,608
Probation fees	3,000	3,000	0	45,383
Total fines, fees, and forfeitures	158,800	108,590	(50,210)	169,016
Charges for services				
Reimbursement of joint expenses	592,714	592,714	0	619,098
Cemetery sales and services	60,000	37,279	(22,721)	65,062
Public safety	18,500	14,866	(3,634)	20,380
Other	4,000	5,849	1,849	3,664
Total charges for services	675,214	650,708	(24,506)	708,204
Intergovernmental				
Grants	10,000	9,999	(1)	15,928
Interest	2,500	2,095	(405)	2,117
Contributions	0	420	420	352
Other				
Miscellaneous	12,100	9,368	(2,732)	13,968
Total revenues	$ 2,176,714	$ 2,080,692	$ (96,022)	$ 2,221,805

CITY OF ELBERTON, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
EXPENDITURES				
Current				
General Government				
Mayor and Council				
Personal services	$ 98,634	$ 98,922	$ (288)	$ 78,013
Contractual services	42,284	41,836	448	49,782
Materials and supplies	500	62	438	280
Total Mayor and Council	141,418	140,820	598	128,075
City Manager's Office				
Personal services	132,552	132,618	(66)	127,029
Contractual services	3,870	2,861	1,009	3,176
Materials and supplies	1,000	426	574	1,079
Total City Manager's Office	137,422	135,905	1,517	131,284
Finance				
Personal services	141,664	144,769	(3,105)	143,561
Contractual services	51,262	47,854	3,408	49,123
Materials and supplies	1,100	967	133	601
Total Finance	194,026	193,590	436	193,285
Human Resources				
Personal services	50,962	50,279	683	48,664
Contractual services	7,406	6,354	1,052	3,580
Materials and supplies	500	1,652	(1,152)	1,579
Total Human Resources	58,868	58,285	583	53,823
City Clerk				
Personal services	83,257	83,803	(546)	79,977
Contractual services	800	525	275	455
Materials and supplies	4,600	3,898	702	4,351
Total City Clerk	88,657	88,226	431	84,783
Elections				
Personal services	0	0	0	390
Contractual services	175	55	120	499
Materials and supplies	0	0	0	40
Total Elections	175	55	120	929
City Attorney				
Personal services	6,905	4,808	2,097	6,998
Contractual services	10,700	10,128	572	7,026
Total City Attorney	17,605	14,936	2,669	14,024

CITY OF ELBERTON, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
General Government - continued				
City Hall Maintenance				
Contractual services	$ 30,755	$ 29,029	$ 1,726	$ 34,317
Materials and supplies	11,000	11,432	(432)	11,027
Total City Hall Maintenance	41,755	40,461	1,294	45,344
Total General Government	679,926	672,278	7,648	651,547
Judicial				
Municipal Court				
Personal services	59,586	59,707	(121)	58,515
Contractual services	7,188	6,892	296	46,778
Total Judicial	66,774	66,599	175	105,293
Public Safety				
Police - Administration				
Personal services	146,326	143,256	3,070	138,478
Contractual services	168,968	171,470	(2,502)	175,823
Materials and supplies	23,490	23,225	265	22,963
Capital outlay	9,129	9,129	0	0
Payments to others	16,000	16,000	0	23,000
Total Police - Administration	363,913	363,080	833	360,264
Police - Uniform Division				
Personal services	838,152	841,434	(3,282)	808,232
Contractual services	20,000	24,575	(4,575)	19,876
Materials and supplies	62,377	52,093	10,284	65,285
Total Police - Uniform Division	920,529	918,102	2,427	893,393
Police - Criminal Investigations				
Personal services	118,057	119,113	(1,056)	118,336
Contractual services	3,062	2,341	721	637
Materials and supplies	4,284	3,164	1,120	8,172
Total Police - Criminal Investigations	125,403	124,618	785	127,145
Police - Community Relations				
Personal services	50,895	52,306	(1,411)	50,425
Contractual services	250	0	250	390
Materials and supplies	3,250	1,317	1,933	2,682
Total Police - Community Relations	54,395	53,623	772	53,497

CITY OF ELBERTON, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
Public Safety - continued				
Police - Detention				
Contractual services	$ 34,000	$ 33,886	$ 114	$ 23,374
Fire				
Personal services	825,997	830,396	(4,399)	798,471
Contractual services	44,652	41,774	2,878	28,127
Materials and supplies	27,595	23,547	4,048	27,460
Total Fire	898,244	895,717	2,527	854,058
Animal Control				
Personal services	45,464	42,137	3,327	44,265
Contractual services	6,232	2,756	3,476	5,979
Materials and supplies	4,350	3,463	887	2,606
Total Animal Control	56,046	48,356	7,690	52,850
Total Public Safety	2,452,530	2,437,382	15,148	2,364,581
Public Works				
Administrative				
Personal services	61,284	60,889	395	84,268
Contractual services	29,317	31,566	(2,249)	33,889
Materials and supplies	21,145	19,108	2,037	23,341
Payments to others	13,000	0	13,000	8,775
Total Administration	124,746	111,563	13,183	150,273
Infrastructure Maintenance				
Personal services	373,158	263,672	109,486	259,443
Contractual services	12,426	11,883	543	11,185
Materials and supplies	37,387	36,321	1,066	50,606
Capital outlay	0	109,346	(109,346)	66,249
Total Infrastructure Maintenance	422,971	421,222	1,749	387,483
Parks and Rights-of-Way				
Contractual services	50,400	50,191	209	54,355
Materials and supplies	5,500	3,016	2,484	3,446
Total Parks and Rights of Way	55,900	53,207	2,693	57,801

CITY OF ELBERTON, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
Public Works - continued				
Motor Pool				
Personal services	$ 95,409	$ 97,401	$ (1,992)	$ 92,274
Contractual services	52,953	49,925	3,028	39,171
Materials and supplies	25,856	26,324	(468)	22,106
Capital outlay	5,600	5,890	(290)	0
Total Motor Pool	179,818	179,540	278	153,551
Street Lighting				
Contractual services	7,800	8,494	(694)	0
Materials and supplies	14,000	13,266	734	14,663
Total Street Lighting	21,800	21,760	40	14,663
Street Sweeper				
Personal services	0	0	0	5,792
Materials and supplies	0	0	0	9
Capital outlay	0	0	0	28,367
Total Street Sweeper	0	0	0	34,168
Cemetery				
Personal services	94,759	81,758	13,001	136,392
Contractual services	22,744	35,560	(12,816)	35,569
Materials and supplies	11,605	10,693	912	12,493
Total Cemetery	129,108	128,011	1,097	184,454
Total Public Works	934,343	915,303	19,040	982,393
Health and Welfare				
Agency allocations				
Elbert County Hospital Authority	56,000	52,775	3,225	50,644
Community Partnership	1,500	1,500	0	1,500
Elbert County Aging Program	6,000	6,000	0	6,000
Total Health and Welfare	63,500	60,275	3,225	58,144
Culture and Recreation				
Elbert Theatre				
Personal services	56,473	53,255	3,218	34,374
Contract services	8,899	13,654	(4,755)	8,851
Materials and supplies	18,300	16,615	1,685	12,553
Total Elbert Theatre	83,672	83,524	148	55,778

CITY OF ELBERTON, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
Culture and Recreation - continued				
Agency allocations				
Library	$ 63,000	$ 63,000	$ 0	$ 60,000
Sister City Program	7,500	7,500	0	7,500
Total agency allocations	70,500	70,500	0	67,500
Total Culture and Recreation	154,172	154,024	148	123,278
Housing and Development				
Zoning/City Marshal				
Personal services	58,815	58,207	608	56,119
Contractual services	2,260	1,947	313	2,045
Materials and supplies	3,130	2,310	820	3,782
Payments to others	500	0	500	0
Total Zoning/Special Projects	64,705	62,464	2,241	61,946
Code Enforcement				
Personal services	51,395	49,610	1,785	47,752
Contractual services	63,875	59,256	4,619	20,850
Materials and supplies	1,933	1,071	862	1,965
Capital outlay	0	1,651	(1,651)	3,290
Total Code Enforcement	117,203	111,588	5,615	73,857
Economic Development				
Mainstreet Elberton	68,976	68,515	461	86,400
Total Housing and Development	250,884	242,567	8,317	222,203
Total expenditures	$ 4,602,129	$ 4,548,428	$ 53,701	$ 4,507,439

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SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally or donor restricted to expenditure for specified purposes.

***Hotel/Motel Tax Fund** - This fund is used to collect Hotel/Motel taxes which are used to help support trade and tourism in the City of Elberton.*

***Revolving Loan Fund** – This fund is used to record activities connected with US Department of Housing and Urban Development Community Development Block Grant. The objective of the grant is to develop employment opportunities, principally to persons of low and moderate income.*

CITY OF ELBERTON, GEORGIA
HOTEL/MOTEL TAX SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2015 and 2014

	2015	2014
ASSETS		
Taxes receivable	$ 4,288	$ 2,869
FUND BALANCES		
Assigned for Housing and Development	$ 4,288	$ 2,869

CITY OF ELBERTON, GEORGIA
HOTEL/MOTEL TAX SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
REVENUES				
Hotel/motel taxes	$ 50,000	$ 49,138	$ (862)	$ 46,282
Total revenues	50,000	49,138	(862)	46,282
EXPENDITURES				
Current				
Housing and Development				
Elbert Theatre				
Contract services	5,000	5,427	(427)	2,650
Chamber of Commerce				
Payments to other agencies	20,000	20,000	0	20,000
Total expenditures	25,000	25,427	(427)	22,650
Excess (deficiency) of revenues over (under) expenditures	25,000	23,711	(1,289)	23,632
Other financing sources (uses)				
Transfers in (out)				
General Fund	(25,000)	(22,292)	2,708	(25,170)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	1,419	1,419	(1,538)
Fund balances, July 1	0	2,869	2,869	4,407
Fund balances, June 30	$ 0	$ 4,288	$ 4,288	$ 2,869

CITY OF ELBERTON, GEORGIA
REVOLVING LOAN SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2015 and 2014

	2015	2014
ASSETS		
Cash	$ 104,000	$ 80,000
Notes receivable	376,000	400,000
Total assets	$ 480,000	$ 480,000
FUND BALANCES		
Restricted for Housing and Development	$ 480,000	$ 480,000

CITY OF ELBERTON, GEORGIA
REVOLVING LOAN SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
REVENUES				
Charges for services	$ 24,000	$ 0	$ (24,000)	$ 0
Total revenues	24,000	0	(24,000)	0
EXPENDITURES				
Current				
Housing and Development	24,000	0	24,000	0
Total expenditures	24,000	0	24,000	0
Excess (deficiency) of revenues over (under) expenditures	0	0	0	0
Fund balances, July 1	0	480,000	480,000	480,000
Fund balances, June 30	$ 0	$ 480,000	$ 480,000	$ 480,000

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CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of specifically planned projects (other than those financed by the proprietary or fiduciary funds).

***2006 Special Purpose Local Option Sales Tax Fund** - This fund is used to account for long-term projects financed by the passage of the 2006 special purpose local option sales tax.*

***2011 Special Purpose Local Option Sales Tax Fund** - This fund is used to account for long-term projects financed by the passage of the 2011 special purpose local option sales tax.*

CITY OF ELBERTON, GEORGIA
2006 SPECIAL PURPOSE LOCAL OPTION SALES TAX
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
June 30, 2015 and 2014

	2015	2014
ASSETS		
Cash	$ 0	$ 0
Intergovernmental receivable	0	0
Total assets	$ 0	$ 0
LIABILITIES		
Accounts payable	$ 0	$ 0
FUND BALANCES		
Restricted for capital projects	0	0
Total liabilities and fund balances	$ 0	$ 0

CITY OF ELBERTON, GEORGIA
2006 SPECIAL PURPOSE LOCAL OPTION SALES TAX
CAPITAL PROJECTS FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the fiscal years ended June 30, 2015 and 2014

	2015	2014
REVENUES		
Interest	$ 0	$ 11
Total revenues	0	11
EXPENDITURES		
Capital Outlay		
Public Works	0	0
Culture and Recreation	0	0
Total expenditures	0	0
Excess (deficiency) of revenues over (under) expenditures	0	11
Other financing sources (uses)		
Transfers in (out)		
Combined Public Utility System Fund	0	(63,329)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	(63,318)
Fund balances, July 1	0	63,318
Fund balances, June 30	$ 0	$ 0

CITY OF ELBERTON, GEORGIA
2011 SPECIAL PURPOSE LOCAL OPTION SALES TAX
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
June 30, 2015 and 2014

	2015	2014
ASSETS		
Cash	$ 272,537	$ 581,278
Intergovernmental receivable	93,022	91,391
Total assets	$ 365,559	$ 672,669
LIABILITIES		
Accounts payable	$ 20,031	$ 7,157
Unearned revenue	0	55,100
Due to other funds	0	13,428
Total liabilities	20,031	75,685
FUND BALANCES		
Restricted for capital projects	345,528	586,984
Assigned for capital projects	0	10,000
Total fund balances	345,528	596,984
Total liabilities and fund balances	$ 365,559	$ 672,669

CITY OF ELBERTON, GEORGIA
2011 SPECIAL PURPOSE LOCAL OPTION SALES TAX
CAPITAL PROJECTS FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the fiscal years ended June 30, 2015 and 2014

	2015	2014
REVENUES		
Intergovernmental	$ 639,239	$ 588,600
Other	3,818	0
Interest	154	221
Total revenues	643,211	588,821
EXPENDITURES		
Capital outlay		
Public Safety	77,868	25,416
Public Works	149,006	66,927
Culture and Recreation	556,498	173,005
Debt service		
Public Safety	67,248	67,248
Total expenditures	850,620	332,596
Excess (deficiency) of revenues over (under) expenditures	(207,409)	256,225
Other financing sources (uses)		
Transfers in (out)		
Combined Utilities Fund	(44,047)	0
Combined Utilities Fund	0	1,319
Total other financing sources (uses)	(44,047)	1,319
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(251,456)	257,544
Fund balances, July 1	596,984	339,440
Fund balances, June 30	$ 345,528	$ 596,984

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ENTERPRISE FUNDS

Enterprise Funds account for City operations which are financed and operated in a manner similar to private business enterprises.

Combined Public Utility System Fund *- This fund is used to account for the operations of the City's Electric, Water and Sewer, and Natural Gas Systems pursuant to requirements of the revenue bond ordinance.*

Solid Waste Fund *- This fund is used to account for the operation of the City's residential and commercial sanitation services and recycling operations.*

ElbertonNET Technology Services Fund *- This fund is used to account for the operation of the City's cable television service and high-speed internet service systems.*

Elbert Theatre Fund *- This fund is used to account for the operation of the City's historic theatre.*

CITY OF ELBERTON, GEORGIA
COMBINED PUBLIC UTILITY SYSTEM ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2015 and 2014

ASSETS	**2015**	**2014**
Current assets		
Cash	$ 1,642,702	$ 1,602,852
Certificates of deposit	120,000	120,000
Investments	6,365,898	5,283,160
Receivables		
Accounts (net)	1,956,823	2,144,282
Intergovernmental	0	11,192
Interest	215	306
Inventories	479,671	484,391
Due from other funds	113,365	198,651
Other current assets	21,914	22,177
Total current assets	10,700,588	9,867,011
Restricted assets		
MEAG Generation Trust		
Investments	2,559,220	2,313,140
Construction Fund		
Cash	1,596,541	0
Bond Redemption		
Cash	481,820	481,836
Customer Deposits		
Investments	707,603	675,786
Total restricted assets	5,345,184	3,470,762
Capital assets		
Land	247,035	247,035
Intangible assets	377,692	377,692
Buildings	503,721	490,221
Distribution system	37,153,241	35,863,952
Vehicles and equipment	2,064,945	2,037,401
Construction in progress	1,201,525	702,289
Accumulated depreciation	(20,442,738)	(19,449,336)
Total capital assets (net of accumulated depreciation)	21,105,421	20,269,254
Other assets		
Net pension asset	174,844	0
Advances to other funds	4,650,438	4,483,671
Total other assets	4,825,282	4,483,671
Total assets	41,976,475	38,090,698
DEFERRED OUTFLOWS OF RESOURCES		
Pension contributions subsequent to measurement date	96,133	0

CITY OF ELBERTON, GEORGIA
COMBINED PUBLIC UTILITY SYSTEM ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2015 and 2014

LIABILITIES	**2015**	**2014**
Current liabilities		
Payables		
Accounts	$ 1,357,921	$ 1,261,031
Retainages	88,499	55,959
Sales tax	58,165	64,626
Accrued salaries	35,359	29,139
Compensated absences	93,500	83,354
Other current liabilities	29,781	26,341
Due to other funds	16,310	269,992
Capital lease payable	221,506	0
Total current liabilities	1,901,041	1,790,442
Current liabilities payable from restricted assets		
Customer deposits payable	707,603	675,786
Interest payable	83,373	92,105
Bonds payable	785,000	765,000
Total liabilities payable from restricted assets	1,575,976	1,532,891
Noncurrent liabilities		
Compensated absences	40,071	35,723
Capital lease payable	1,642,018	0
Notes payable	1,568,991	507,499
Bonds payable	5,210,000	5,995,000
Total noncurrent liabilities	8,461,080	6,538,222
Total liabilities	11,938,097	9,861,555
DEFERRED INFLOWS OF RESOURCES		
Pension experience differences	94,238	0
Pension assumption changes	222,644	0
Pension investment return differences	171,211	0
Total deferred inflows of resources	488,093	0
NET POSITION		
Net investment in capital assets	13,185,948	12,945,796
Restricted for:		
Debt service	398,447	389,731
MEAG Generation Trust	2,559,220	2,313,140
Unrestricted	13,502,803	12,580,476
Total net position	$ 29,646,418	$ 28,229,143

CITY OF ELBERTON, GEORGIA
COMBINED PUBLIC UTILITY SYSTEM ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the fiscal years ended June 30, 2015 and 2014

	2015	2014
OPERATING REVENUES		
Charges for sales and services	$ 22,466,395	$ 23,791,771
Miscellaneous revenues	9,708	13,092
Total operating revenues	22,476,103	23,804,863
OPERATING EXPENSES		
Costs of sales and services	16,343,497	17,145,270
Personal services	2,062,204	2,068,612
Depreciation	1,183,754	1,181,550
Miscellaneous expenses	54,370	45,760
Total operating expenses	19,643,825	20,441,192
Operating income (loss)	2,832,278	3,363,671
Non-operating revenues (expenses)		
Intergovernmental revenue	1,170,756	1,282,656
Interest revenue	119,388	135,422
Net increase (decrease) in the fair value of investments	6,185	73,896
Interest expense	(195,038)	(197,598)
Debt issue costs	(20,833)	(4,167)
Total non-operating revenues (expenses)	1,080,458	1,290,209
Net income (loss) before capital contributions and transfers	3,912,736	4,653,880
Capital contributions		
Intergovernmental	254,181	138,067
Net income (loss) before transfers	4,166,917	4,791,947
Transfers in (out)		
General Fund	(2,414,260)	(2,382,500)
2006 SPLOST Fund	0	63,329
2011 SPLOST Fund	44,047	(1,319)
ElbertonNET Technology Services Fund	0	(300,000)
Total transfers	(2,370,213)	(2,620,490)
Change in net position	1,796,704	2,171,457
Net position, July 1 (original)	28,229,143	26,057,686
Prior period adjustments	(379,429)	0
Net position, July 1 (restated)	27,849,714	26,057,686
Net position, June 30	$ 29,646,418	$ 28,229,143

CITY OF ELBERTON, GEORGIA
COMBINED PUBLIC UTILITY SYSTEM ENTERPRISE FUND
ELECTRIC UTILITY DEPARTMENT
COMPARATIVE SCHEDULES OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the fiscal years ended June 30, 2015 and 2014

	2015	2014
OPERATING REVENUES		
Charges for sales and services	$ 15,320,274	$ 16,005,007
Miscellaneous revenues	3,899	6,675
Total operating revenues	15,324,173	16,011,682
OPERATING EXPENSES		
Costs of sales and services	13,173,851	13,021,411
Personal services	1,018,418	1,149,369
Depreciation	270,873	282,275
Miscellaneous expenses	39,190	34,030
Total operating expenses	14,502,332	14,487,085
Operating income (loss)	821,841	1,524,597
Non-operating revenues (expenses)		
Intergovernmental revenue	1,170,756	1,282,656
Interest revenue	119,101	135,113
Net increase (decrease) in the fair value of investments	6,185	73,896
Total non-operating revenues (expenses)	1,296,042	1,491,665
Net income (loss) before transfers	2,117,883	3,016,262
Transfers in (out)		
General Fund	(1,625,000)	(1,625,000)
ElbertonNET Technology Services Fund	0	(300,000)
Total transfers	(1,625,000)	(1,925,000)
Change in net position	$ 492,883	$ 1,091,262

CITY OF ELBERTON, GEORGIA
COMBINED PUBLIC UTILITY SYSTEM ENTERPRISE FUND
WATER AND SEWER UTILITY DEPARTMENT
COMPARATIVE SCHEDULES OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the fiscal years ended June 30, 2015 and 2014

	2015	2014
OPERATING REVENUES		
Charges for sales and services	$ 3,082,577	$ 2,887,595
Miscellaneous revenues	410	725
Total operating revenues	3,082,987	2,888,320
OPERATING EXPENSES		
Costs of sales and services	1,072,415	1,240,959
Personal services	763,665	648,252
Depreciation	777,590	763,332
Miscellaneous expenses	6,480	4,340
Total operating expenses	2,620,150	2,656,883
Operating income (loss)	462,837	231,437
Non-operating revenues (expenses)		
Interest revenue	287	309
Interest expense	(195,038)	(197,598)
Debt issue costs	(20,833)	(4,167)
Total non-operating revenues (expenses)	(215,584)	(201,456)
Net income (loss) before capital contributions and transfers	247,253	29,981
Capital contributions		
Intergovernmental	254,181	138,067
Net income (loss) before transfers	501,434	168,048
Transfers in (out)		
General Fund	(12,500)	(7,500)
2006 SPLOST Fund	0	63,329
2011 SPLOST Fund	44,047	(1,319)
Total transfers	31,547	54,510
Change in net position	$ 532,981	$ 222,558

CITY OF ELBERTON, GEORGIA
COMBINED PUBLIC UTILITY SYSTEM ENTERPRISE FUND
NATURAL GAS UTILITY DEPARTMENT
COMPARATIVE SCHEDULES OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the fiscal years ended June 30, 2015 and 2014

	2015	2014
OPERATING REVENUES		
Charges for sales and services	$ 4,063,544	$ 4,899,169
Miscellaneous revenues	5,399	5,692
Total operating revenues	4,068,943	4,904,861
OPERATING EXPENSES		
Costs of sales and services	2,097,231	2,882,900
Personal services	280,121	270,991
Depreciation	135,291	135,943
Miscellaneous expenses	8,700	7,390
Total operating expenses	2,521,343	3,297,224
Operating income (loss)	1,547,600	1,607,637
Transfers in (out)		
General Fund	(776,760)	(750,000)
Change in net position	$ 770,840	$ 857,637

CITY OF ELBERTON, GEORGIA
COMBINED PUBLIC UTILITIES ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2015 and 2014

	2015	2014
Cash flows from operating activities:		
Receipts from customers	$ 22,682,650	$ 23,612,332
Payments to suppliers	(16,300,101)	(17,033,120)
Payments to employees	(2,202,044)	(2,084,424)
Other receipts	9,708	13,092
Other payments	(54,370)	(45,760)
Net cash provided (used) by operating activities	4,135,843	4,462,120
Cash flows from non-capital financing activities:		
Receipts from other governments	1,170,756	1,282,656
Payments to other funds	(2,749,423)	(2,660,512)
Net cash provided (used) from non-capital financing activities	(1,578,667)	(1,377,856)
Cash flows from capital and related financing activities:		
Receipts from other governments	265,373	126,875
Receipts from other funds	44,047	69,510
Payment of capital related accounts payable	(55,959)	(65,500)
Acquisition of capital assets	(1,874,702)	(800,037)
Debt issue costs	(20,833)	(4,167)
Interest paid	(203,770)	(207,681)
Issuance of notes payable	1,061,491	507,499
Issuance of capital leases	1,900,000	0
Principal payments - leases	(36,476)	0
Principal payments - bonds	(765,000)	(740,000)
Net cash provided (used) by capital and related financing activities	314,171	(1,113,501)
Cash flows from investing activities:		
Interest received	119,479	136,301
Proceeds from sale of investments	120,000	947,619
Purchase of investments	(1,474,451)	(1,618,540)
Net cash provided (used) by investing activities	(1,234,972)	(534,620)
Net increase (decrease) in cash	1,636,375	1,436,143
Cash, July 1	2,084,688	648,545
Cash, June 30	$ 3,721,063	$ 2,084,688

CITY OF ELBERTON, GEORGIA
COMBINED PUBLIC UTILITIES ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2015 and 2014

	2015	2014
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	$ 2,832,278	$ 3,363,671
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation expense	1,183,754	1,181,550
(Increase) decrease in accounts receivable	187,459	(191,153)
(Increase) decrease in inventories	4,720	(23,404)
(Increase) decrease in prepaid items	0	20,829
(Increase) decrease in other current assets	263	5,247
(Increase) decrease in net pension asset/liability	(554,273)	0
(Increase) decrease in pension contributions made after measurement date	(96,133)	0
Increase (decrease) in accounts payable	40,172	109,478
Increase (decrease) in sales tax payable	(6,461)	(249)
Increase (decrease) in accrued salaries	6,220	7,279
Increase (decrease) in compensated absences payable	14,494	(23,091)
Increase (decrease) in pension experience differences	94,238	0
Increase (decrease) in pension assumption differences	222,644	0
Increase (decrease) in pension investment return differences	171,211	0
Increase (decrease) in deposits payable	31,817	17,826
Increase (decrease) in other current liabilities	3,440	(5,863)
Total adjustments	1,303,565	1,098,449
Net cash provided (used) by operating activities	$ 4,135,843	$ 4,462,120
Cash reconciliation:		
Cash	$ 1,642,702	$ 1,602,852
Construction Fund Cash	1,596,541	0
Bond Redemption Cash	481,820	481,836
Total cash	$ 3,721,063	$ 2,084,688

Noncash investing, capital, and financing activities:

The net increase (decrease) in the fair value of investments totaled $6,185 and $73,896 for the fiscal years ended June 30, 2015 and 2014, respectively.

Acquistion of capital assets through accounts payable totaled $145,217 and $55,959 for the fiscal years ended June 30, 2015 and 2014, respectively.

CITY OF ELBERTON, GEORGIA
SOLID WASTE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2015 and 2014

ASSETS	**2015**	**2014**
Current assets		
Accounts receivable (net)	$ 88,933	$ 68,949
Due from other funds	16,000	115,000
Total current assets	104,933	183,949
Capital assets		
Land	23,900	14,400
Land improvements	67,031	54,739
Buildings	86,886	86,886
Vehicles and equipment	620,575	610,002
Accumulated depreciation	(380,726)	(656,989)
Total capital assets (net of accumulated depreciation)	417,666	109,038
Other assets		
Net pension asset	37,230	0
Total assets	559,829	292,987
DEFERRED OUTFLOWS OF RESOURCES		
Pension contributions subsequent to measurement date	27,311	0
LIABILITIES		
Current liabilities		
Accounts payable	23,681	24,088
Accrued salaries	9,365	7,883
Compensated absences	11,747	10,302
Capital leases payable	50,158	11,529
Interest payable	200	0
Due to other funds	181,033	198,651
Total current liabilities	276,184	252,453
Noncurrent liabilities		
Compensated absences	5,034	4,415
Capital leases payable	251,953	26,610
Total noncurrent liabilities	256,987	31,025
Total liabilities	533,171	283,478
DEFERRED INFLOWS OF RESOURCES		
Pension experience differences	20,067	0
Pension assumption changes	47,408	0
Pension investment return differences	36,456	0
Total deferred inflows of resources	103,931	0
NET POSITION		
Net investment in capital assets	115,555	70,899
Unrestricted	(165,517)	(61,390)
Total net position	$ (49,962)	$ 9,509

CITY OF ELBERTON, GEORGIA
SOLID WASTE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the fiscal years ended June 30, 2015 and 2014

OPERATING REVENUES	**2015**	**2014**
Charges for sales and services		
Residential service	$ 448,338	$ 413,974
Commercial service	322,425	316,439
Sale of recyclables	73,206	82,871
Garbage container sales	9,853	8,893
Total operating revenues	853,822	822,177
OPERATING EXPENSES		
Costs of sales and services	430,479	454,635
Personal services	422,660	465,519
Depreciation	28,049	19,840
Total operating expenses	881,188	939,994
Operating income (loss)	(27,366)	(117,817)
Non-operating revenues (expenses)		
Interest expense	(2,154)	(696)
Gain (loss) on sale of capital assets	27,284	0
Total non-operating revenues (expenses)	25,130	(696)
Net income (loss) before capital contributions and transfers	(2,236)	(118,513)
Capital contributions	9,500	0
Net income (loss) before transfers	7,264	(118,513)
Transfers in (out)		
General Fund	16,000	115,000
Change in net position	23,264	(3,513)
Net position, July 1 (original)	9,509	13,022
Prior period adjustments	(82,735)	0
Net position, July 1 (restated)	(73,226)	13,022
Net position, June 30	$ (49,962)	$ 9,509

CITY OF ELBERTON, GEORGIA
SOLID WASTE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2015 and 2014

	2015	2014
Cash flows from operating activities:		
Receipts from customers	$ 833,838	$ 820,392
Payments to suppliers	(430,886)	(446,845)
Payments to employees	(462,459)	(461,025)
Other payments	0	(3,210)
Net cash provided (used) by operating activities	(59,507)	(90,688)
Cash flows from non-capital financing activities:		
Payments to other funds	(17,618)	0
Receipts from other funds	115,000	102,733
Net cash provided (used) from non-capital financing activities	97,382	102,733
Cash flows from capital and related financing activities:		
Receipts from sale of assets	27,284	0
Acquisition of capital assets	(327,177)	0
Interest paid	(1,954)	(696)
Proceeds - capital leases	284,994	0
Principal payments - capital leases	(21,022)	(11,349)
Net cash provided (used) by capital and related financing activities	(37,875)	(12,045)
Net increase (decrease) in cash	0	0
Cash, July 1	0	0
Cash, June 30	$ 0	$ 0

CITY OF ELBERTON, GEORGIA
SOLID WASTE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2015 and 2014

	2015	2014
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	$ (27,366)	$ (117,817)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:		
Depreciation expense	28,049	19,840
(Increase) decrease in accounts receivable	(19,984)	(1,785)
(Increase) decrease in prepaid items	0	2,999
(Increase) decrease in net pension asset/liability	(119,965)	0
(Increase) decrease in pension contributions made after measurement date	(27,311)	0
Increase (decrease) in accounts payable	(407)	1,581
Increase (decrease) in pension experience differences	20,067	0
Increase (decrease) in pension assumption differences	47,408	0
Increase (decrease) in pension investment return differences	36,456	0
Increase (decrease) in accrued salaries	1,482	2,559
Increase (decrease) in compensated absences payable	2,064	1,935
Total adjustments	(32,141)	27,129
Net cash provided (used) by operating activities	$ (59,507)	$ (90,688)

CITY OF ELBERTON, GEORGIA
ELBERTONNET TECHNOLOGY SERVICES ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2015 and 2014

ASSETS	**2015**	**2014**
Current assets		
Accounts receivable (net)	$ 368,034	$ 316,639
Inventories	71,980	100,719
Total current assets	440,014	417,358
Restricted assets		
Construction Fund		
Cash	0	40,602
Capital assets		
Land	6,900	6,900
Buildings	513,385	513,385
Vehicles and equipment	572,165	600,883
Distribution system	8,484,858	8,108,793
Construction in progress	0	264,395
Accumulated depreciation	(3,326,710)	(3,148,945)
Total capital assets (net of accumulated depreciation)	6,250,598	6,345,411
Other assets		
Net pension asset	24,328	0
Total assets	6,714,940	6,803,371
DEFERRED OUTFLOWS OF RESOURCES		
Pension contributions subsequent to measurement date	13,376	0
LIABILITIES		
Current liabilities		
Payables		
Accounts	166,800	127,757
Intergovernmental	25,597	21,040
Interest	702	1,924
Accrued salaries	6,664	5,539
Compensated absences	11,781	9,233
Customer deposits	1,933	1,833
Capital lease payable	237,567	649,422
Total current liabilities	451,044	816,748
Noncurrent liabilities		
Compensated absences	5,049	3,957
Advances from other funds	4,650,438	4,483,671
Capital lease payable	637,859	875,426
Total noncurrent liabilities	5,293,346	5,363,054
Total liabilities	5,744,390	6,179,802

CITY OF ELBERTON, GEORGIA
ELBERTONNET TECHNOLOGY SERVICES ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2015 and 2014

	2015	2014
DEFERRED INFLOWS OF RESOURCES		
Pension experience differences	$ 13,114	$ 0
Pension assumption changes	30,978	0
Pension investment return differences	23,822	0
Total deferred inflows of resources	67,914	0
NET POSITION		
Net investment in capital assets	5,375,172	4,861,165
Unrestricted	(4,459,160)	(4,237,596)
Total net position	$ 916,012	$ 623,569

CITY OF ELBERTON, GEORGIA
ELBERTONNET TECHNOLOGY SERVICES ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the fiscal years ended June 30, 2015 and 2014

	2015	2014
OPERATING REVENUES		
Charges for sales and services	$ 3,790,730	$ 3,328,687
Miscellaneous revenues	37	656
Total operating revenues	3,790,767	3,329,343
OPERATING EXPENSES		
Costs of sales and services	2,767,570	2,420,286
Personal services	315,391	331,301
Depreciation	306,958	282,404
Miscellaneous expenses	25,980	25,320
Total operating expenses	3,415,899	3,059,311
Operating income (loss)	374,868	270,032
Non-operating revenues (expenses)		
Interest revenue	0	43
Interest expense	(28,942)	(61,991)
Total non-operating revenues (expenses)	(28,942)	(61,948)
Net income (loss) before transfers	345,926	208,084
Transfers in (out)		
Combined Utilities Fund	0	300,000
Change in net position	345,926	508,084
Net position, July 1 (original)	623,569	115,485
Prior period adjustments	(53,483)	0
Net position, July 1 (restated)	570,086	115,485
Net position, June 30	$ 916,012	$ 623,569

CITY OF ELBERTON, GEORGIA
ELBERTONNET TECHNOLOGY SERVICES ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2015 and 2014

	2015	2014
Cash flows from operating activities:		
Receipts from customers	$ 3,739,435	$ 3,327,890
Payments to suppliers	(2,695,231)	(2,433,856)
Payments to employees	(333,899)	(338,117)
Other receipts	37	656
Other payments	(25,980)	(25,320)
Net cash provided (used) by operating activities	684,362	531,253
Cash flows from non-capital financing activities:		
Receipts from other funds	166,767	445,910
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(212,145)	(529,953)
Interest paid	(30,164)	(63,618)
Issuance of capital lease	0	520,000
Principal payments - capital lease obligations	(649,422)	(863,033)
Net cash provided (used) by capital and related financing activities	(891,731)	(936,604)
Cash flows from investing activities:		
Interest received	0	43
Net increase (decrease) in cash	(40,602)	40,602
Cash, July 1	40,602	0
Cash, June 30	$ 0	$ 40,602
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	$ 374,868	$ 270,032
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:		
Depreciation expense	306,958	282,404
(Increase) decrease in accounts receivable	(51,395)	(336)
(Increase) decrease in inventories	28,739	(32,846)
(Increase) decrease in prepaid items	0	2,908
(Increase) decrease in net pension asset/liability	(77,811)	0
(Increase) decrease in pension contributions made after measurement date	(13,376)	0
Increase (decrease) in accounts payable	39,043	14,474
Increase (decrease) in intergovernmental payable	4,557	1,894
Increase (decrease) in customer deposits	100	(461)
Increase (decrease) in accrued salaries	1,125	2,334
Increase (decrease) in pension experience differences	13,114	0
Increase (decrease) in pension assumption differences	30,978	0
Increase (decrease) in pension investment return differences	23,822	0
Increase (decrease) in compensated absences payable	3,640	(9,150)
Total adjustments	309,494	261,221
Net cash provided (used) by operating activities	$ 684,362	$ 531,253

CITY OF ELBERTON, GEORGIA
ELBERT THEATRE ENTERPRISE FUND
STATEMENT OF NET POSITION
For the fiscal year ended June 30, 2015

ASSETS	
Current assets	
Cash	$ 7,833
Due from other fund	1,508
Inventories	811
Total current assets	10,152
LIABILITIES	
Current liabilities	
Payables	
Accounts	2,096
NET POSITION	
Unrestricted	$ 8,056

CITY OF ELBERTON, GEORGIA
ELBERT THEATRE ENTERPRISE FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the fiscal year ended June 30, 2015

OPERATING REVENUES	
Charges for sales and services	$ 52,951
Total operating revenues	52,951
OPERATING EXPENSES	
Costs of sales and services	34,663
Personal services	10,232
Total operating expenses	44,895
Change in net position	8,056
Net position, July 1	0
Net position, June 30	$ 8,056

CITY OF ELBERTON, GEORGIA
ELBERT THEATRE ENTERPRISE FUND
STATEMENT OF CASH FLOWS
For the fiscal year ended June 30, 2015

Cash flows from operating activities:		
Receipts from customers	$	52,951
Payments to suppliers		(33,378)
Payments to employees		(10,232)
Net cash provided (used) by operating activities		9,341
Cash flows from non-capital financing activities:		
Payments to other funds		(1,508)
Net increase (decrease) in cash		7,833
Cash, July 1		0
Cash, June 30	$	7,833
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	$	8,056
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:		
(Increase) decrease in inventories		(811)
Increase (decrease) in accounts payable		2,096
Total adjustments		1,285
Net cash provided (used) by operating activities	$	9,341

AGENCY FUNDS

These funds are used to account for assets held by the City as an agent to be expended or invested in accordance with the conditions of its agency capacity.

Municipal Court Fund – *This fund is used to account, on a temporary basis, for fines collected by the Municipal Court that ultimately are transmitted to the General Fund or another agency.*

CITY OF ELBERTON, GEORGIA
MUNICIPAL COURT AGENCY FUND
COMPARATIVE STATEMENTS OF ASSETS AND LIABILITIES
June 30, 2015 and 2014

	2015	2014
ASSETS		
Cash	$ 10,733	$ 11,215
LIABILITIES		
Due to other agencies	$ 10,733	$ 11,215

CITY OF ELBERTON, GEORGIA
MUNICIPAL COURT AGENCY FUND
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
For the fiscal year ended June 30, 2015

	Balance July 1	Additions	Deletions	Balance June 30
ASSETS				
Cash	$ 11,215	$ 146,960	(147,442)	$ 10,733
LIABILITIES				
Due to other agencies	$ 11,215	$ 146,960	(147,442)	$ 10,733

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COMPONENT UNIT

Downtown Development Authority *- This component unit is used to account for governmental revenues and contributions reserved for City business development.*

CITY OF ELBERTON, GEORGIA
DOWNTOWN DEVELOPMENT AUTHORITY (A COMPONENT UNIT)
COMPARATIVE BALANCE SHEETS
June 30, 2015 and 2014

	2015	2014
ASSETS		
Cash	$ 12,210	$ 12,553
Prepaid items	0	2,250
Total assets	$ 12,210	$ 14,803
LIABILITIES		
Accounts payable	$ 1,150	$ 1,150
FUND BALANCES		
Nonspendable prepaid items	0	2,250
Assigned for Housing and Development	11,060	11,403
Total fund balances	11,060	13,653
Total liabilities and fund balances	$ 12,210	$ 14,803

CITY OF ELBERTON, GEORGIA
DOWNTOWN DEVELOPMENT AUTHORITY (A COMPONENT UNIT)
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
REVENUES				
Intergovernmental	$ 44,976	$ 73,675	$ 28,699	$ 90,400
Rents	25,800	16,208	(9,592)	16,864
Event revenue	10,570	16,148	5,578	10,893
Contributions	1,400	0	(1,400)	0
Total revenues	82,746	106,031	23,285	118,157
EXPENDITURES				
Current				
Economic Development				
Personnel services	37,073	39,356	(2,283)	51,744
Contract services	22,762	20,948	1,814	14,510
Materials and supplies	4,280	3,024	1,256	8,017
Debt service	18,631	45,296	(26,665)	39,665
Total expenditures	82,746	108,624	(25,878)	113,936
Excess (deficiency) of revenues over (under) expenditures	0	(2,593)	(2,593)	4,221
Fund balances, July 1	0	13,653	13,653	9,432
Fund balances, June 30	$ 0	$ 11,060	$ 11,060	$ 13,653

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Part III

Statistical Section

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City of Elberton
Statistical Section
(Unaudited)

This section of the City of Elberton's comprehensive annual financial report presents detailed information as a context for understanding this year's financial statements, note disclosures, and supplementary information. This section includes data for the City (i.e. the primary government) only and does not include the City's discretely presented component unit. This information has not been audited by the independent auditor.

Contents

	Page
Financial Trends These tables contain trend information that may assist the reader in assessing the City's current financial performance by placing it in historical perspective.	**122-136**
Revenue Capacity These tables contain information that may assist the reader in assessing the viability of the City's most significant "own-source" revenue sources and trends of these sources. Property taxes are not a source of revenue for the City; however, property tax valuation and tax rate information is included as an indicator of the City's growth and overall economic condition.	**137-140**
Debt Capacity These tables present information which may assist the reader in analyzing the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	**141-146**
Demographic and Economic Information These tables offer demographic and economic indicators that can be used for financial analysis and to provide a better understanding of the City's present and ongoing financial status.	**147-148**
Operating Information These tables contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	**149-154**
Other Information	**155-156**

Source: Unless otherwise noted, the information in these tables is derived from the annual financial reports for the corresponding years.

City of Elberton

Net Assets by Component

Last Ten Fiscal Years

	FISCAL YEAR		
	2015	2014	2013
Governmental Activities			
Net investment in capital assets	$ 4,794,106	$ 4,230,037	$ 4,289,328
Restricted	825,553	1,067,009	882,783
Unrestricted	108,315	469,531	412,159
Total Governmental Activities Net Position	5,727,974	5,766,577	5,584,270
Business-type Activities			
Net investment in capital assets	18,676,675	17,877,860	17,350,028
Restricted	2,957,667	2,702,871	2,317,674
Unrestricted	8,886,182	8,281,490	6,518,491
Total Business-Type Activities Net Position	30,520,524	28,862,221	26,186,193
Primary Government			
Net investment in capital assets	23,470,781	22,107,897	21,639,356
Restricted	3,783,220	3,769,880	3,200,457
Unrestricted	8,994,497	8,751,021	6,930,650
Total Primary Government Net Position	$ 36,248,498	$ 34,628,798	$ 31,770,463

FISCAL YEAR							
2012	2011	2010	2009	2008	2007	2006
$ 4,474,881	$ 4,138,536	$ 3,924,223	$ 3,935,047	$ 3,624,359	$ 3,471,430	$ 2,909,989
940,916	1,214,456	851,529	730,810	419,048	369,936	275,544
374,476	483,631	517,319	447,389	224,861	36,620	(137,068)
5,790,273	5,836,623	5,293,071	5,113,246	4,268,268	3,877,986	3,048,465
16,525,113	15,555,835	15,262,590	14,315,837	13,384,786	12,175,380	12,350,686
2,020,369	1,383,145	504,668	305,477	289,907	523,595	525,970
6,170,317	6,516,711	6,280,127	4,288,720	4,077,359	4,052,857	3,104,570
24,715,799	23,455,691	22,047,385	18,910,034	17,752,052	16,751,832	15,981,226
20,999,994	19,694,371	19,186,813	18,250,884	17,009,145	15,646,810	15,260,675
2,961,285	2,597,601	1,356,197	1,036,287	708,955	893,531	801,514
6,544,793	7,000,342	6,797,446	4,736,109	4,302,220	4,089,477	2,967,502
$ 30,506,072	$ 29,292,314	$ 27,340,456	$ 24,023,280	$ 22,020,320	$ 20,629,818	$ 19,029,691

City of Elberton
Changes in Net Position
Last Ten Fiscal Years

	FISCAL YEAR		
Expenses	**2015**	**2014**	**2013**
Governmental Activities:			
General Government	$ 661,068	$ 673,908	$ 657,516
Judicial	63,335	106,386	107,728
Public Safety	2,439,366	2,539,885	2,476,946
Public Works	966,313	1,067,150	1,151,627
Health and Welfare	60,275	58,144	67,100
Culture and Recreation	221,761	174,478	186,059
Housing and Development	251,937	259,179	249,642
Non-departmental	0	0	0
Interest on Long-term Debt	10,097	11,278	8,667
Total Governmental Activities	4,674,152	4,890,408	4,905,285
Business-type Activities:			
Combined Public Utilities			
Electric	14,281,293	12,991,858	13,179,039
Water and Sewer	2,716,278	2,740,178	2,734,886
Natural Gas	2,417,895	3,193,275	2,861,258
Telecommunications	0	0	0
ElbertonNET Technology Services	3,362,855	3,040,601	2,855,925
Industrial Park	0	0	0
Solid Waste	816,844	837,283	778,294
Elbert Theatre	44,895	0	0
Total Business-type Activities	23,640,060	22,803,195	22,409,402
Total Primary Government Expenses	28,314,212	27,693,603	27,314,687
Indirect Costs			
Governmental Activities:			
General Government	(473,292)	(477,578)	(451,965)
Public Works	(119,422)	(141,520)	(227,844)
Total Governmental Activities Indirect Cost	(592,714)	(619,098)	(679,809)
Business-type Activities:			
Combined Public Utilities			
Electric	221,039	212,571	220,989
Water and Sewer	119,743	118,470	124,911
Natural Gas	103,448	103,949	123,707
Telecommunications	0	0	0
ElbertonNET Technology Services	81,986	80,701	129,713
Solid Waste	66,498	103,407	80,489
Elbert Theatre	0	0	0
Total Business-type Activities Indirect Cost	592,714	619,098	679,809
Total Primary Government Indirect Cost	0	0	0
Program Revenues			
Governmental Activities:			
Charges for Services:			
General Government	41,775	45,358	45,815
Public Safety	124,749	191,337	204,784
Public Works	41,394	65,170	51,235
Housing and Development	15,428	10,495	11,443
Operating Grants and Contributions	420	2,852	34,276
Capital Grants and Contributions	715,225	602,260	580,179
Total Governmental Activities Program Revenues	938,991	917,472	927,732
Business-type Activities:			
Charges for Services:			
Electric	15,320,274	16,005,007	15,839,368
Water and Sewer	3,082,577	2,887,595	2,843,066
Natural Gas	4,063,544	4,899,169	4,189,304
Telecommunications	0	0	0
ElbertonNET Technology Services	3,790,730	3,328,687	3,121,582
Solid Waste	853,822	822,177	727,591
Elbert Theatre	52,951	0	0
Operating Grants and Contributions	1,170,756	0	0
Capital Grants and Contributions	254,181	138,067	0
Total Business-type Activities Program Revenues	28,588,835	28,080,702	26,720,911
Total Primary Government Program Revenues	29,527,826	28,998,174	27,648,643

Exhibit J-2, continued

FISCAL YEAR						
2012	2011	2010	2009	2008	2007	2006
$ 697,793	$ 782,934	$ 776,304	$ 758,352	$ 734,895	$ 761,879	$ 865,142
104,279	99,901	101,982	100,939	103,965	98,082	98,881
2,395,267	2,509,964	2,442,237	2,355,213	2,293,427	2,213,641	2,064,532
1,166,098	1,155,171	1,178,530	1,315,287	1,310,736	1,216,164	1,342,388
9,000	11,900	9,900	9,900	5,900	9,249	1,300
167,465	163,831	161,416	151,363	157,287	82,588	66,164
247,896	205,442	246,774	415,226	263,260	286,226	225,903
0	0	0	0	0	0	0
92	437	2,716	5,485	5,922	5,239	2,907
4,787,890	4,929,580	4,919,859	5,111,765	4,875,392	4,673,068	4,667,217
13,064,053	12,136,219	11,302,256	11,840,875	12,518,339	11,903,757	11,034,964
2,816,229	2,797,193	2,808,412	2,840,855	2,691,386	3,095,123	2,590,337
2,734,236	3,075,133	3,329,597	3,923,296	4,022,390	4,465,284	4,912,460
0	0	0	0	0	0	40,261
2,623,765	2,435,188	2,166,187	1,945,176	2,251,378	1,818,099	1,672,512
0	459,399	7,047	7,048	7,047	7,048	7,262
768,886	757,211	774,633	737,010	692,069	655,667	579,156
0	0	0	0	0	0	0
22,007,169	21,660,343	20,388,132	21,294,260	22,182,609	21,944,978	20,836,952
26,795,059	26,589,923	25,307,991	26,406,025	27,058,001	26,618,046	25,504,169
(464,060)	(546,280)	(456,853)	(450,154)	(431,896)	(411,379)	(649,151)
(204,846)	(202,378)	(225,423)	(221,872)	(217,936)	(167,910)	(240,056)
(668,906)	(748,658)	(682,276)	(672,026)	(649,832)	(579,289)	(889,207)
244,671	294,516	263,319	259,899	250,461	228,156	297,849
143,042	147,294	137,540	135,338	131,349	97,122	194,293
174,494	196,945	180,607	178,075	172,194	140,551	278,517
0	0	0	0	0	0	0
50,756	54,817	48,630	47,642	46,096	40,866	17,793
55,943	55,086	52,180	51,072	49,732	72,594	100,755
0	0	0	0	0	0	0
668,906	748,658	682,276	672,026	649,832	579,289	889,207
0	0	0	0	0	0	0
53,823	55,109	60,476	55,965	57,784	62,241	63,572
178,550	227,569	235,767	232,192	242,567	214,756	225,841
52,891	72,514	64,151	59,175	62,405	58,637	71,253
17,933	12,393	45,249	44,145	37,504	37,130	19,235
62,948	44,386	100,177	72,158	842	8,722	39,969
797,939	714,791	22,584	877,058	99,514	231,841	200,000
1,164,084	1,126,762	528,404	1,340,693	500,616	613,327	619,870
15,566,693	15,721,112	15,570,785	14,462,334	14,505,101	13,769,282	12,886,623
2,817,914	2,778,123	2,854,234	2,878,146	2,881,331	2,916,737	2,654,050
3,440,528	4,331,615	4,803,798	5,279,518	5,632,829	5,387,505	6,227,798
0	0	0	0	0	0	0
2,740,805	2,401,396	1,954,681	1,675,254	1,559,185	1,336,275	1,058,866
769,818	801,319	789,409	739,446	763,511	697,416	670,577
0	0	0	0	0	0	0
0	0	0	0	41,324	750,039	16,030
258,408	38,833	11,167	0	0	398,258	248,737
25,594,166	26,072,398	25,984,074	25,034,698	25,383,281	25,255,512	23,762,681
26,758,250	27,199,160	26,512,478	26,375,391	25,883,897	25,868,839	24,382,551

Exhibit J-2, continued

City of Elberton
Changes in Net Position
Last Ten Fiscal Years

	FISCAL YEAR		
	2015	2014	2013
Change in Net Position			
Net (expense) Revenue -			
Governmental Activities	$ (3,142,447)	$ (3,353,838)	$ (3,297,744)
Net (expense) Revenue -			
Business-type Activities	4,356,061	4,658,409	3,631,700
Total Primary Government			
Net (Expense) Revenue	1,213,614	1,304,571	333,956
General Revenues and			
Other Changes in Net Position			
Governmental Activities			
Taxes:			
Title ad valorem	102,458	105,085	31,875
Sales	529,378	550,972	577,225
Franchise	90,654	89,389	91,243
Occupational (1)	117,607	125,781	110,828
Insurance Premium	246,913	240,020	231,813
Alcoholic Beverages	151,413	142,639	149,169
Hotel/Motel	49,138	46,283	51,865
Other	3,739	4,096	7,061
Interest and Investment Earnings	2,095	2,117	2,317
Gain on Sale of Assets	38,113	0	0
Miscellaneous	9,374	23,773	19,415
Transfers	2,344,713	2,205,490	1,818,930
Total Government Activities	3,685,595	3,535,645	3,091,741
Business-type Activities			
Interest and Investment Earnings	119,388	135,465	86,101
Net increase (decrease) in the fair value of investments	6,185	73,896	(128,447)
Gain on Sale of Assets	27,284	0	17,213
Miscellaneous	9,745	13,748	16,140
Transfers	(2,344,713)	(2,205,490)	(1,818,930)
Total Business-type Activities	(2,182,111)	(1,982,381)	(1,827,923)
Total Primary Government General Revenues	1,503,484	1,553,264	1,263,818
Change in Net Position			
Governmental Activities	543,148	181,807	(206,003)
Business-type Activities	2,173,950	2,676,028	1,803,777
Total Primary Government			
Change in Net Position	2,717,098	2,857,835	1,597,774
Net Position - beginning (original)			
Governmental Activities	5,766,577	5,584,270	5,790,273
Business-type Activities	28,862,221	26,186,193	24,715,799
Total Primary Government			
Beginning Net Position (original)	34,628,798	31,770,463	30,506,072
Prior Period Adjustments			
Governmental Activities	(581,751)	0	0
Business-type Activities	(515,647)	0	(333,383)
Total Primary Government			
Prior Period Adjustments	(1,097,398)	0	(333,383)
Net Position - beginning (restated)			
Governmental Activities	5,184,826	5,584,270	5,790,273
Business-type Activities	28,346,574	26,186,193	24,382,416
Total Primary Government			
Beginning Net Position (restated)	33,531,400	31,770,463	30,172,689
Change in Net Position - ending			
Governmental Activities	5,727,974	5,766,077	5,584,270
Business-type Activities	30,520,524	28,862,221	26,186,193
Total Primary Government			
Ending Net Position	$ 36,248,498	$ 34,628,298	$ 31,770,463

(1) In fiscal year 2006, occupational taxes were recategorized from charges for services to tax revenue.

FISCAL YEAR						
2012	**2011**	**2010**	**2009**	**2008**	**2007**	**2006**
$ (2,954,900)	$ (3,054,160)	$ (3,709,179)	$ (3,099,046)	$ (3,724,944)	$ (3,480,452)	$ (3,158,140)
2,918,091	3,663,397	4,913,666	3,068,412	2,550,840	2,731,245	2,036,522
(36,809)	609,237	1,204,487	(30,634)	(1,174,104)	(749,207)	(1,121,618)
0	0	0	0	0	0	0
592,734	633,998	1,345,161	1,182,430	1,399,514	1,285,913	640,156
90,041	84,338	86,620	88,790	87,815	83,545	82,846
74,804	73,352	79,349	85,706	85,683	90,545	80,697
218,245	255,324	262,968	265,457	259,247	248,533	237,546
153,664	143,118	141,394	158,225	158,789	152,952	152,254
45,344	58,650	72,661	66,655	69,510	66,505	71,052
5,294	3,160	3,829	5,888	8,847	12,786	7,593
2,646	2,500	4,092	3,172	51,770	79,361	37,785
0	10,123	1,800	0	26,355	5,972	0
9,288	17,953	17,034	49,716	38,341	20,451	460,627
1,716,490	2,315,196	1,874,096	2,037,985	1,929,355	2,102,559	1,626,340
2,908,550	3,597,712	3,889,004	3,944,024	4,115,226	4,149,122	3,396,896
38,738	33,603	66,891	91,420	133,186	124,201	131,765
0	0	0	0	0	0	0
2,404	1,220	5,225	2,510	15,916	5,769	0
17,365	25,282	25,665	33,625	229,633	11,950	53,835
(1,716,490)	(2,315,196)	(1,874,096)	(2,037,985)	(1,929,355)	(2,102,559)	(1,626,340)
(1,657,983)	(2,255,091)	(1,776,315)	(1,910,430)	(1,550,620)	(1,960,639)	(1,440,740)
1,250,567	1,342,621	2,112,689	2,033,594	2,564,606	2,188,483	1,956,156
(46,350)	543,552	179,825	844,978	390,282	668,670	238,756
1,260,108	1,408,306	3,137,351	1,157,982	1,000,220	770,606	595,782
1,213,758	1,951,858	3,317,176	2,002,960	1,390,502	1,439,276	834,538
5,836,623	5,293,071	5,113,246	4,268,268	3,877,986	3,048,465	2,655,412
23,455,691	22,047,385	18,910,034	17,752,052	16,751,832	15,981,226	15,385,444
29,292,314	27,340,456	24,023,280	22,020,320	20,629,818	19,029,691	18,040,856
0	0	0	0	0	160,851	154,297
0	0	0	0	0	0	0
0	0	0	0	0	160,851	154,297
5,836,623	5,293,071	5,113,246	4,268,268	3,877,986	3,209,316	2,809,709
23,455,691	22,047,385	18,910,034	17,752,052	16,751,832	15,981,226	15,385,444
29,292,314	27,340,456	24,023,280	22,020,320	20,629,818	19,190,542	18,195,153
5,790,273	5,836,623	5,293,071	5,113,246	4,268,268	3,877,986	3,048,465
24,715,799	23,455,691	22,047,385	18,910,034	17,752,052	16,751,832	15,981,226
$ 30,506,072	$ 29,292,314	$ 27,340,456	$ 24,023,280	$ 22,020,320	$ 20,629,818	$ 19,029,691

City of Elberton

Fund Balances of Governmental Funds

Last Ten Fiscal Years

	FISCAL YEAR			
	2015	2014	2013	2012
General Fund				
Reserved				
Unreserved				
Nonspendable (1)	$ 146,986	$ 146,234	$ 190,731	$ 158,855
Restricted (1)	25	25	25	50
Unassigned (1)	696,935	706,758	645,418	663,004
Total General Fund	843,946	853,017	836,174	821,909
All Other Governmental Funds				
Unreserved, Reported in:				
Special Revenue Fund				
Capital Project Funds				
Nonspendable (1)				
Restricted (1)	825,528	1,066,984	882,758	940,866
Assigned (1)	4,288	12,869	4,407	3,061
Total All Other Governmental Funds	829,816	1,079,853	887,165	943,927
Total Governmental Fund Balances	$ 1,673,762	$ 1,932,870	$ 1,723,339	$ 1,765,836

Note 1: The City adopted GASB 54 for reporting of fund balance classifications in 2011.

FISCAL YEAR					
2011	2010	2009	2008	2007	2006
	$ 144,344	$ 393,228	$ 439,843	$ 147,922	$ 149,041
	865,048	569,642	307,883	413,512	323,490
$ 170,860					
50					
801,597					
972,507	1,009,392	962,870	747,726	561,434	472,531
	485,210	485,210	6,885	8,972	13,798
	366,319	245,600	412,163	360,964	198,646
448,000					
766,455					
4,068					
1,218,523	851,529	730,810	419,048	369,936	212,444
$ 2,191,030	$ 1,860,921	$ 1,693,680	$ 1,166,774	$ 931,370	$ 684,975

City of Elberton

Changes in Fund Balances - Governmental Funds (1)

Last Ten Fiscal Years

	FISCAL YEAR		
	2015	2014	2013
Revenues			
Taxes	$ 1,291,300	$ 1,304,264	$ 1,251,079
Licenses and permits (2)	57,350	54,238	57,725
Fines, fees and forfeitures	108,590	169,016	191,822
Charges for services	650,708	708,204	743,539
Intergovernmental	649,238	604,528	613,827
Interest	2,249	2,349	2,660
Contributions	420	352	285
Other	13,186	13,968	6,203
Total Revenues	2,773,041	2,856,919	2,867,140
Expenditures			
General Government	672,278	651,547	633,371
Judicial	66,599	105,292	106,007
Public Safety	2,437,382	2,364,581	2,354,039
Public Works	915,303	982,393	1,016,610
Health and Welfare	60,275	58,144	67,100
Culture and Recreation	154,024	123,278	146,973
Housing and Development	267,994	244,853	243,343
Non-Departmental	0	0	0
Debt Service - Principal	57,151	55,970	4,612
Debt Service - Interest	10,097	11,278	8,667
Capital Outlay	783,372	265,348	730,831
Total Expenditures	5,424,475	4,862,684	5,311,553
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,651,434)	(2,005,765)	(2,444,413)
Other Financing Sources (Uses)			
Transfers In	2,436,552	2,408,989	2,303,819
Transfers Out	(82,339)	(203,499)	(484,889)
Sale of Capital Assets	38,113	9,806	13,212
Issuance of Capital Leases	0	0	569,774
Total Other Financing Sources (Uses)	2,392,326	2,215,296	2,401,916
Net Change in Fund Balances	(259,108)	209,531	(42,497)
Fund Balances, July 1	1,932,870	1,723,339	1,765,836
Prior Period Adjustment	0	0	0
Fund Balances, June 30	$ 1,673,762	$ 1,932,870	$ 1,723,339
Debt service as a percentage of noncapital expenditures	1.47%	1.48%	0.29%

Note (1): Includes general, special revenue, and capital projects funds.
Note (2): In fiscal year 2006, occupational taxes were recategorized from licenses and permits to taxes.

FISCAL YEAR						
2012	2011	2010	2009	2008	2007	2006
$ 1,180,126	$ 1,251,941	$ 1,317,624	$ 1,264,618	$ 1,375,542	$ 1,300,551	$ 1,191,447
70,936	67,553	103,994	100,084	94,654	99,693	161,855
161,225	195,234	202,828	203,387	223,968	202,083	211,142
739,942	853,456	781,097	760,032	731,470	650,277	976,808
860,372	747,837	796,805	1,406,679	794,204	788,416	239,969
2,996	3,695	4,092	3,172	51,770	79,361	37,785
0	0	0	0	0	0	0
9,453	28,097	17,348	49,786	38,357	112,826	56,356
3,025,050	3,147,813	3,223,788	3,787,758	3,309,965	3,233,207	2,875,362
688,978	872,270	795,652	739,722	717,350	725,386	848,845
104,845	100,857	102,716	100,616	103,447	97,015	97,358
2,285,569	2,390,993	2,309,661	2,234,428	2,171,102	2,122,180	2,064,065
1,083,913	1,091,821	1,117,742	1,281,083	1,208,520	1,079,879	1,227,280
9,000	11,900	9,900	9,900	5,900	5,000	1,300
143,053	139,290	146,215	142,491	186,597	155,888	60,000
239,926	195,955	242,834	412,796	234,047	192,520	229,786
0	0	0	0	0	0	0
7,300	10,650	86,590	45,538	58,298	64,794	46,118
92	437	2,716	5,485	5,922	5,239	2,907
604,058	152,138	118,417	457,778	380,548	807,331	88178
5,166,734	4,966,311	4,932,443	5,429,837	5,071,731	5,255,232	4,665,837
(2,141,684)	(1,818,498)	(1,708,655)	(1,642,079)	(1,761,766)	(2,022,025)	(1,790,475)
2,168,581	2,289,493	2,304,843	2,344,502	2,259,913	2,196,666	1,705,864
(452,091)	(151,009)	(430,747)	(306,517)	(330,558)	(94,107)	(79,524)
0	10,123	1,800	131,000	26,355	5,972	527,088
0	0	0	0	41,460	159,889	0
1,716,490	2,148,607	1,875,896	2,168,985	1,997,170	2,268,420	2,153,428
(425,194)	330,109	167,241	526,906	235,404	246,395	362,953
2,191,030	1,860,921	1,693,680	1,166,774	931,370	684,975	322,022
0	0	0	0	0	0	0
$ 1,765,836	$ 2,191,030	$ 1,860,921	$ 1,693,680	$ 1,166,774	$ 931,370	$ 684,975
0.16%	0.24%	1.90%	1.06%	1.40%	1.59%	1.11%

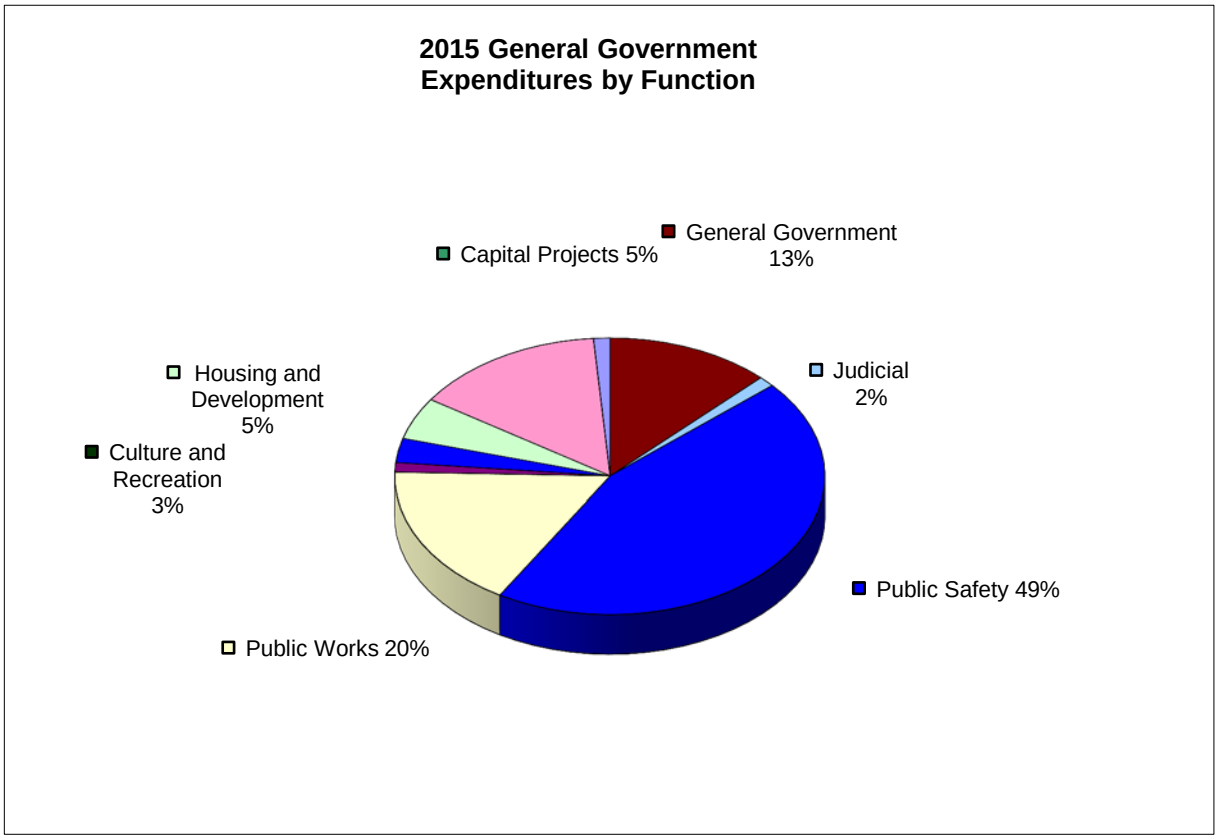
City of Elberton, Georgia

General Government Expenditures by Function (1)

Last Ten Fiscal Years

Fiscal Year	General Government	Judicial	Public Safety	Public Works	Health and Welfare
2006	848,845	97,358	2,025,601	1,227,280	1,300
2007	725,386	97,015	2,122,180	1,079,879	5,000
2008	717,350	103,447	2,171,102	1,208,520	5,900
2009	739,722	100,616	2,234,428	1,281,083	9,900
2010	795,652	102,716	2,309,661	1,117,742	9,900
2011	872,270	100,857	2,390,993	1,091,821	11,900
2012	688,978	104,845	2,285,569	1,083,913	9,000
2013	633,371	106,007	2,354,039	1,016,610	67,100
2014	651,547	105,292	2,364,581	982,393	58,144
2015	672,278	66,599	2,437,382	915,303	60,275

Note (1): Includes general, special revenue, and capital projects funds.



Culture and Recreation	Housing and Development	Capital Projects	Debt Service	Total
118,920	170,866	88,178	49,025	4,627,373
155,888	192,520	807,331	70,033	5,255,232
186,597	234,047	380,548	64,220	5,071,731
142,491	412,796	457,778	51,023	5,429,837
146,215	242,834	118,417	89,306	4,932,443
139,290	195,955	152,138	11,087	4,966,311
143,053	239,926	604,058	7,392	5,166,734
146,973	243,343	730,831	13,279	5,311,553
123,278	244,853	265,348	67,248	4,862,684
154,024	267,994	783,372	67,248	5,424,475

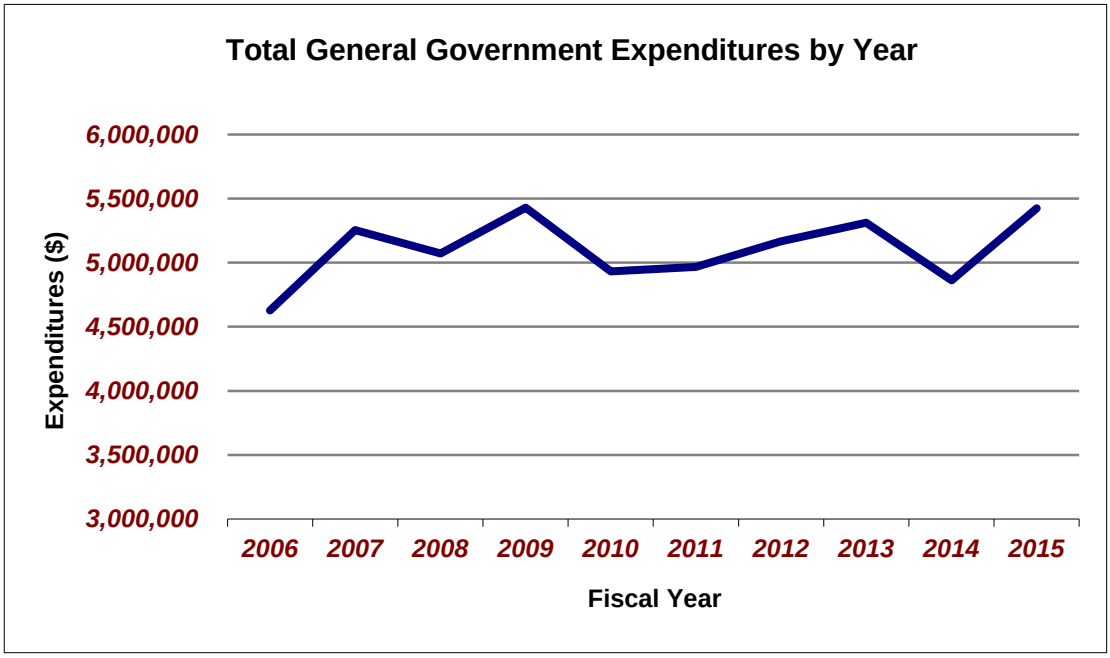


Exhibit J-5, continued

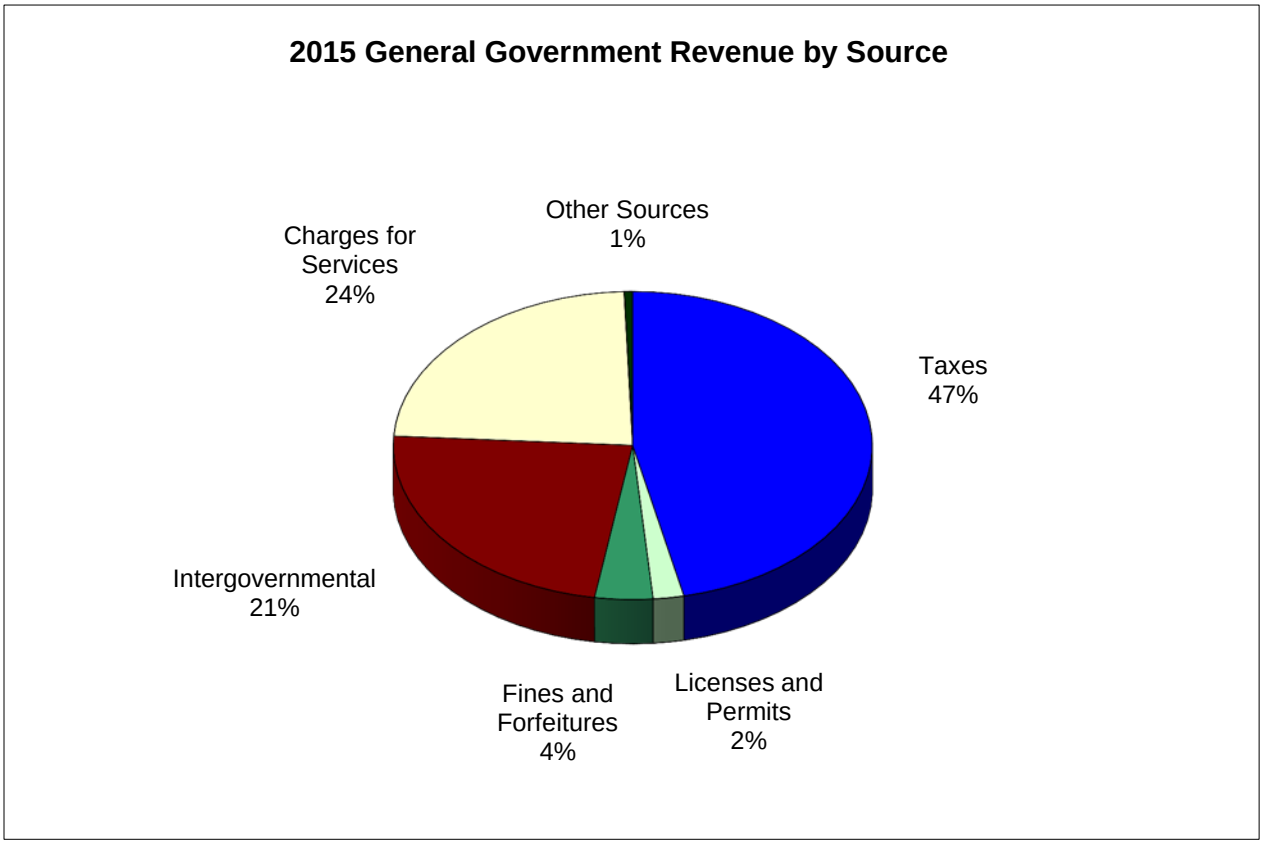
City of Elberton, Georgia

General Government Revenue by Source (1)

Last Ten Fiscal Years

Fiscal Year	Taxes	Licenses and Permits	Fines and Forfeitures	Intergovernmental	Charges for Services	Other Sources	Total
2006	1,191,447	161,855	211,142	239,969	976,808	94,141	2,875,362
2007	1,300,551	99,693	202,083	788,416	650,277	192,187	3,233,207
2008	1,375,542	94,654	223,968	794,204	731,470	90,127	3,309,965
2009	1,264,618	100,084	203,387	1,406,679	760,032	52,958	3,787,758
2010	1,317,624	103,994	202,828	796,805	781,097	21,440	3,223,788
2011	1,251,941	67,553	195,234	747,837	853,456	31,792	3,147,813
2012	1,180,126	70,936	161,225	860,372	739,942	12,449	3,025,050
2013	1,251,079	57,725	191,822	613,827	743,539	9,148	2,867,140
2014	1,304,264	54,238	169,016	604,528	708,204	16,669	2,856,919
2015	1,291,300	57,350	108,590	649,238	650,708	15,855	2,773,041

Note (1): Includes general, special revenue, and capital projects funds.
Note: In fiscal year 2006, occupational taxes were recategorized from licenses and permits to tax revenues.

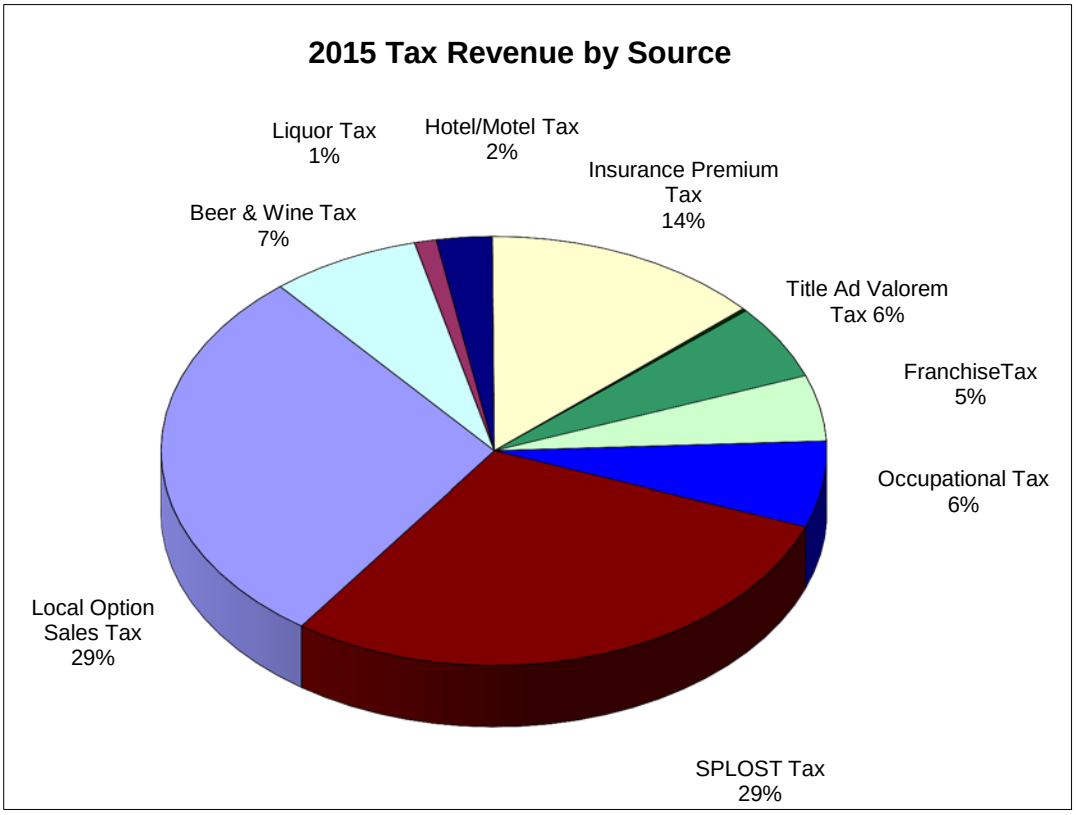


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City of Elberton, Georgia
General Government Tax Revenues by Source
Last Ten Fiscal Years

Fiscal Year	Beer & Wine Tax	Liquor Tax	Hotel/Motel Tax (1)	Insurance Premium Tax	Intangible Tax
2006	122,343	29,911	71,052	237,546	7,593
2007	131,161	21,791	66,505	248,533	12,786
2008	139,457	19,332	69,510	259,247	8,847
2009	136,964	21,261	66,655	265,457	5,888
2010	120,035	21,359	72,661	262,968	3,829
2011	121,973	21,145	58,651	255,324	3,160
2012	129,709	23,955	45,344	218,245	5,294
2013	129,775	19,394	51,865	231,813	7,061
2014	125,992	16,647	46,282	240,020	4,096
2015	132,047	19,366	49,138	246,913	3,739

Note (1): Reported in the Hotel/Motel Tax Special Revenue Fund.
Note (2): In fiscal year 2006, occupational taxes were recategorized from licenses and permits to tax revenues.
Note (3): Reported as intergovernmental revenue in the SPLOST Capital Projects Funds.
Note (4): In fiscal year 2013, the title ad valorem tax on motor vehicles became effective March 2013.



Title Ad Valorem Tax (4)	Franchise Tax	Occupational Tax (2)	SPLOST Tax (3)	Local Option Sales Tax	Total
0	82,846	80,697	200,000	640,156	1,472,144
0	83,545	90,545	693,843	645,685	1,994,394
0	87,815	85,683	743,377	705,651	2,118,919
0	88,790	85,706	588,533	593,897	1,853,151
0	86,620	79,349	696,942	670,803	2,014,566
0	84,338	73,352	634,095	633,998	1,886,036
0	90,041	74,804	763,629	592,734	1,943,755
31,875	91,243	110,828	579,455	577,225	1,830,534
105,085	89,389	125,781	550,972	550,972	1,855,236
102,458	90,654	117,607	529,253	529,378	1,820,553

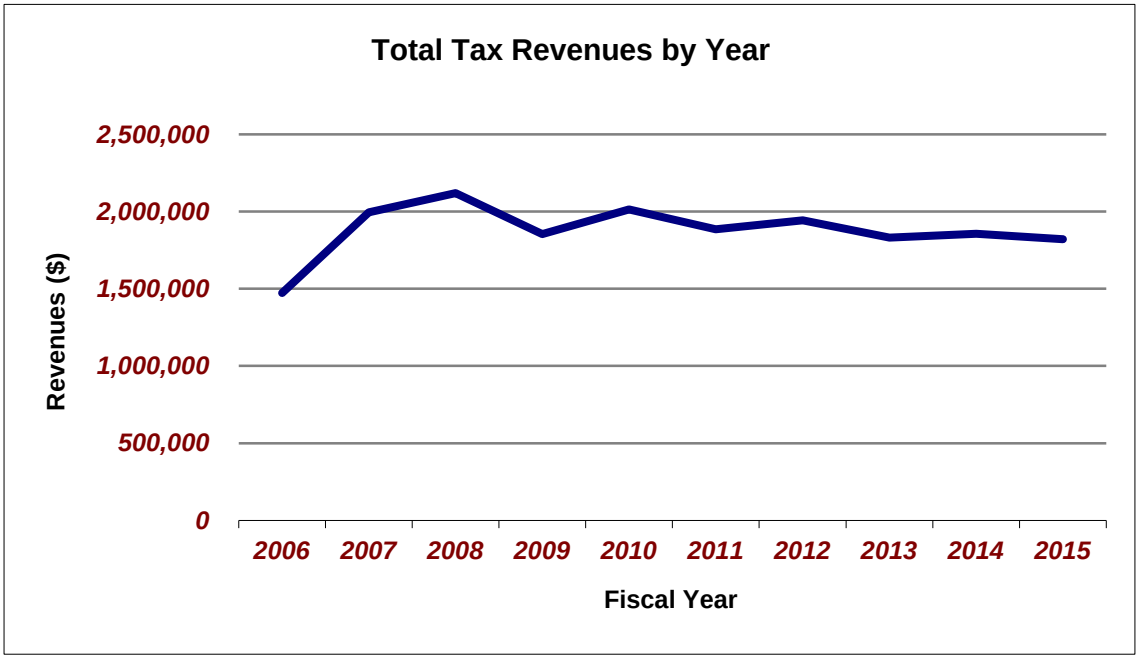


Exhibit J-7, continued

City of Elberton, Georgia

Assessed and Estimated Actual Value of Taxable Property

Digest Years 2006 - 2015

Calendar Year of Digest	Real Property	Motor Vehicles	Mobile Homes	Public Utilities
2006	100,688,999	8,769,030	399,757	3,298,572
2007	104,047,358	9,171,830	350,700	3,208,144
2008	107,376,047	9,413,060	336,820	3,207,627
2009	108,796,885	9,682,470	329,556	3,207,627
2010	109,001,131	8,183,060	332,583	2,697,887
2011	115,566,725	8,075,750	208,676	2,697,887
2012	107,168,885	7,840,330	205,713	5,963,813
2013	107,293,014	7,888,040	172,078	5,991,509
2014	108,348,155	6,913,940	156,160	5,991,509
2015	117,102,330	5,114,940	174,615	6,390,465

Source: Elbert County Tax Digest

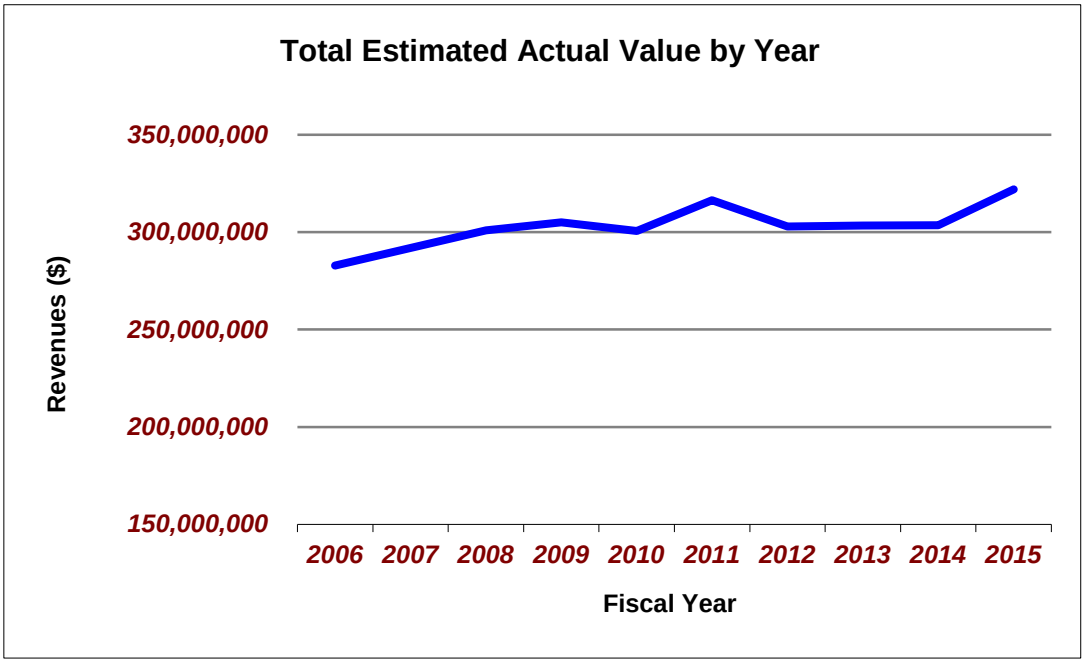


Exhibit J-8, continued

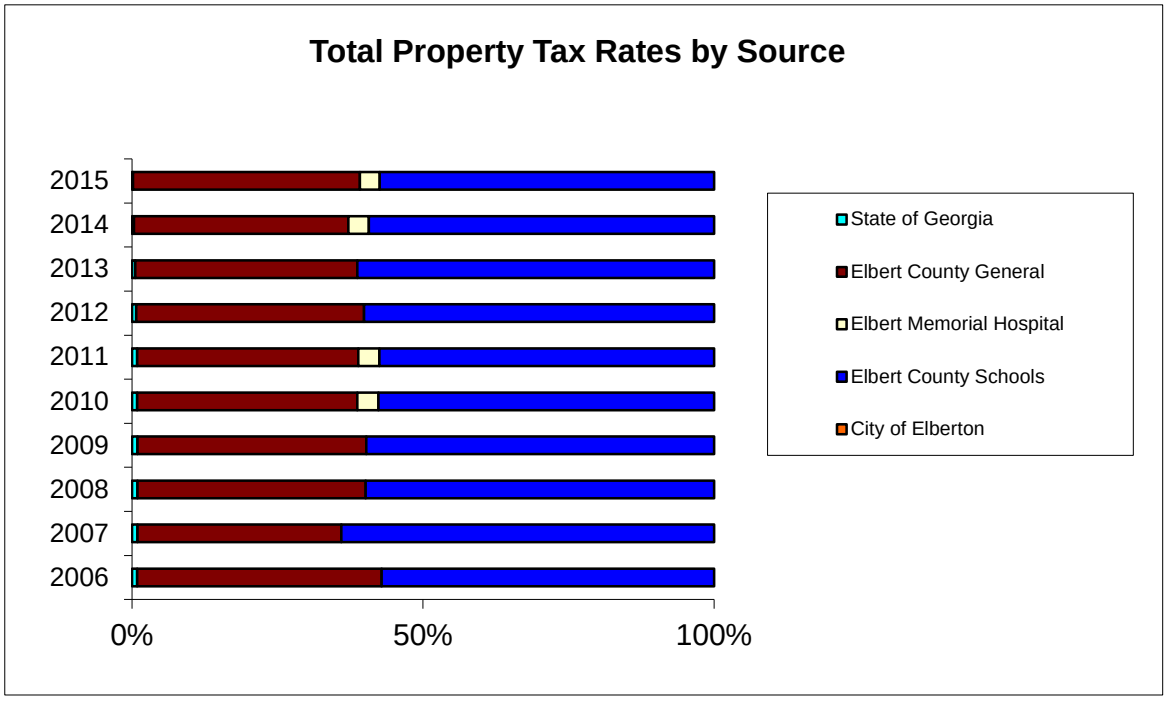
Total Property	Less: Exemptions	Total Taxable Property	Total Estimated Actual Value	Total Direct Tax Rate
113,156,358	(6,001,710)	107,154,648	282,890,895	0.00
116,778,032	(6,925,246)	109,852,786	291,945,080	0.00
120,333,554	(3,749,436)	116,584,118	300,833,885	0.00
122,016,538	(4,873,097)	117,143,441	305,041,345	0.00
120,214,661	(3,839,856)	116,374,805	300,536,653	0.00
126,549,038	(8,162,096)	118,386,942	316,372,595	0.00
121,178,741	(4,334,640)	116,844,101	302,946,853	0.00
121,344,641	(5,205,734)	116,138,907	303,361,603	0.00
121,409,764	(6,261,621)	115,148,143	303,524,410	0.00
128,782,350	(7,982,703)	120,799,647	321,955,875	0.00

City of Elberton, Georgia
Property Tax Rates
(per $1,000 of Assessed Value)
Digest Years 2006 - 2015

Calendar Year of Digest	State of Georgia	Elbert County (Incorporated area) Elbert County General	Elbert Memorial Hospital	Total County Tax Rate	Elbert County Schools	City of Elberton	Total Tax Rate
2006	0.25	11.94	0.00	11.94	16.23	0.00	28.42
2007	0.25	9.02	0.00	9.02	16.50	0.00	25.77
2008	0.25	10.50	0.00	10.50	16.01	0.00	26.76
2009	0.25	10.50	0.00	10.50	15.95	0.00	26.70
2010	0.25	10.50	1.00	11.50	16.00	0.00	27.74
2011	0.25	10.57	1.00	11.57	16.00	0.00	27.81
2012	0.20	10.44	0.00	10.44	16.06	0.00	26.70
2013	0.15	10.41	0.00	10.41	16.72	0.00	27.28
2014	0.10	10.43	1.00	11.43	16.80	0.00	28.33
2015	0.05	11.44	1.00	12.44	16.86	0.00	29.35

Source: Elbert County Tax Digest

Note (1): Tax rates are expressed in rate per $1,000.

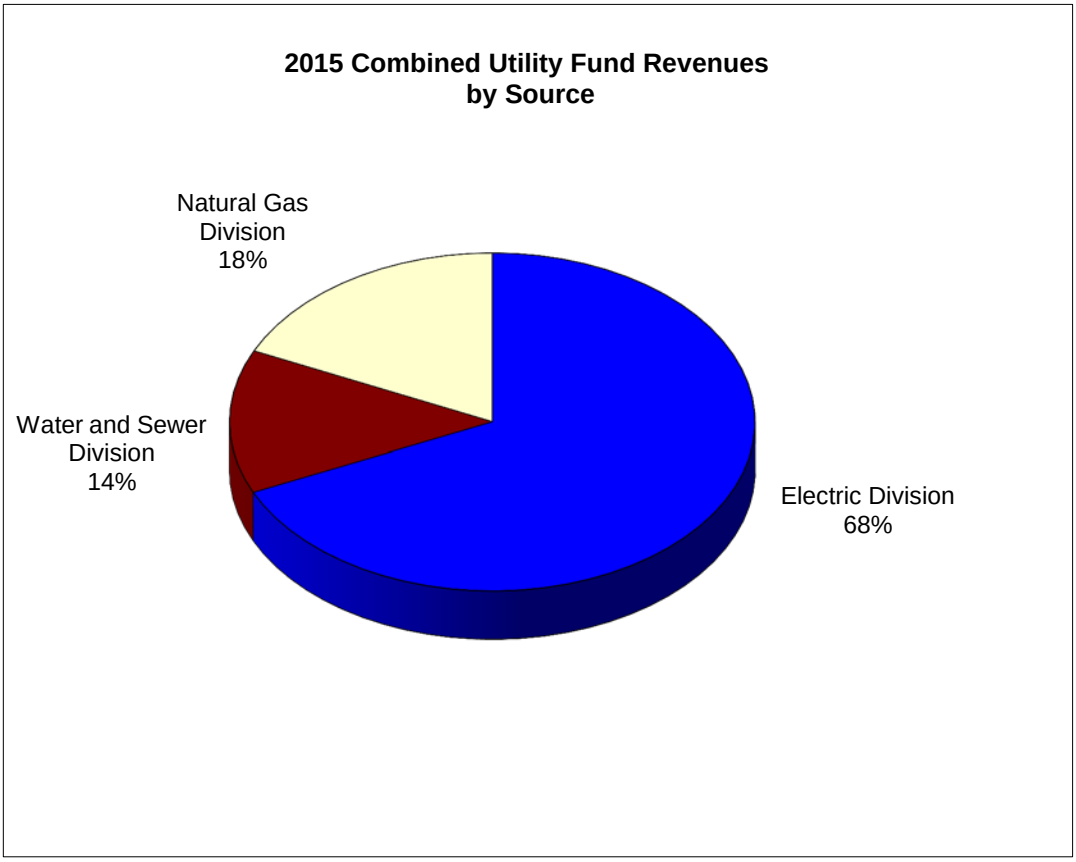


City of Elberton, Georgia

Combined Utility Fund Operating Revenue by Source

Last Ten Fiscal Years

Fiscal Year	Electric Division	Water and Sewer Division	Natural Gas Utility Division	Total
2006	12,913,109	2,655,824	6,236,693	21,805,626
2007	13,771,411	2,919,135	5,394,928	22,085,474
2008	14,542,456	2,899,814	5,637,193	23,079,463
2009	14,469,316	2,885,781	5,288,635	22,643,732
2010	15,577,263	2,861,000	4,806,629	23,244,892
2011	15,737,432	2,783,284	4,335,416	22,856,132
2012	15,573,869	2,823,743	3,444,888	21,842,500
2013	15,845,922	2,845,625	4,196,331	22,887,878
2014	16,011,682	2,888,320	4,904,861	23,804,863
2015	15,324,173	3,082,987	4,068,943	22,476,103



City of Elberton, Georgia

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

Fiscal Year	Governmental Activities: Capital Leases	Business-type Activities: Water & Sewer Bonds	Business-type Activities: Notes Payable	Business-type Activities: Capital Leases	Total Primary Government	Percentage of Personal Income[1]	Per Capita [1]
2006	71,821	11,195,000	0	6,203,501	17,470,322	3.33%	3,709
2007	166,916 [4]	10,705,000	0	5,504,241	16,376,153	2.92%	3,509
2008	150,078	10,195,000	0	4,781,435	15,126,513	2.60%	3,311
2009	104,540	9,665,000	0	3,774,468	13,544,008	2.38%	2,979
2010	17,950	9,110,000	0	4,082,771 [2]	13,210,721	2.37%	2,839
2011	7,300	8,535,000	0	3,329,935	11,872,235	2.08%	2,598
2012	0	8,220,000	0	2,565,299	10,785,299	1.82%	2,392
2013	565,162 [5]	7,500,000	0	1,917,369	9,982,531	N/A	2,219
2014	509,192	6,760,000	507,499 [6]	1,562,987	8,832,179	N/A	1,957
2015	452,041	5,995,000	1,568,991 [7]	3,041,061	9,488,102	N/A	2,116

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

Note (1): See the Demographic Statistics on exhibit I-14 for personal income and population information.

Note (2): Capital leases to finance the expansion of the broadband and cable television distribution system.

Note (3): Capital lease to purchase a new street sweeper for the public works department.

Note (4): Increase to capital leases due to two new leases through Georgia Municipal Association for vehicle purchases.

Note (5): Capital lease to purchase a new fire ladder truck for the fire department.

Note (6): Note payable through Georgia Environmental Finance Authority for improvements to water system.

Note (7): Capital lease to finance the replacement of natural gas bare steel lines.

City of Elberton, Georgia
Computation of Legal Debt Margin
June 30, 2015

Net assessed value	$	120,799,647
Debt limit - 10% of total assessed value		12,079,965
Total General Obligation bonds outstanding		0
Legal debt margin	$	12,079,965
Ratio of Legal Debt Margin to Debt Limit		100.00%

Direct General Obligation and Guaranteed Revenue Debt Outstanding

			Debt per Capita	
General Obligation Debt	$	0	$	0
Guaranteed Revenue Debt:				
Series 2011 Combined Public Utility System Revenue Bonds		5,995,000		1,337
Total General Obligation and Guaranteed Revenue Debt	$	5,995,000	$	1,337

City of Elberton
Legal Debt Margin Information
Last Ten Fiscal Years

	FISCAL YEAR		
	2015	2014	2013
Debt Limit	$ 12,079,965	$ 11,514,814	$ 11,613,891
Total Net Debt applicable to limit	0	0	0
Legal debt margin	12,079,965	11,514,814	11,613,891
Ratio of Legal Debt Margin to Debt Limit	100%	100%	100%

FISCAL YEAR						
2012	2011	2010	2009	2008	2007	2006
$ 11,684,410	$ 11,838,694	$ 11,637,481	$ 11,714,344	$ 11,658,412	$ 10,985,279	$ 10,715,465
0	0	0	0	0	0	0
11,684,410	11,838,694	11,637,481	11,714,344	11,658,412	10,985,279	10,715,465
100%	100%	100%	100%	100%	100%	100%

City of Elberton, Georgia

Revenue Bond Coverage

2001 Series Bonds for Water & Sewer Division

2011 Series Bonds for Water & Sewer Division

Combined Public Utility System Fund

Last Ten Fiscal Years

Fiscal Years	Debt Service			Water & Sewer Division			
	Principal	Interest	Total	Gross Revenue	Operating Expense	Net Revenue	Debt Coverage
2006	475,000	536,839	1,011,839	2,655,824	2,230,100	425,724	0.42
2007	490,000	522,683	1,012,683	2,919,135	2,651,871	267,264	0.26
2008	510,000	504,532	1,014,532	2,899,814	2,300,512	599,302	0.59
2009	530,000	483,680	1,013,680	2,885,781	2,474,822	410,959	0.41
2010	555,000	459,515	1,014,515	2,861,000	2,468,746	392,254	0.39
2011	575,000	434,714	1,009,714	2,783,284	2,492,082	291,202	0.29
2012	605,000	364,467	969,467	2,823,743	2,569,179	254,564	0.26
2013	720,000	215,635	935,635	2,845,625	2,644,162	201,463	0.22
2014	740,000	197,598	937,598	2,888,320	2,656,883	231,437	0.25
2015	765,000	195,038	960,038	3,082,987	2,620,150	462,837	0.48

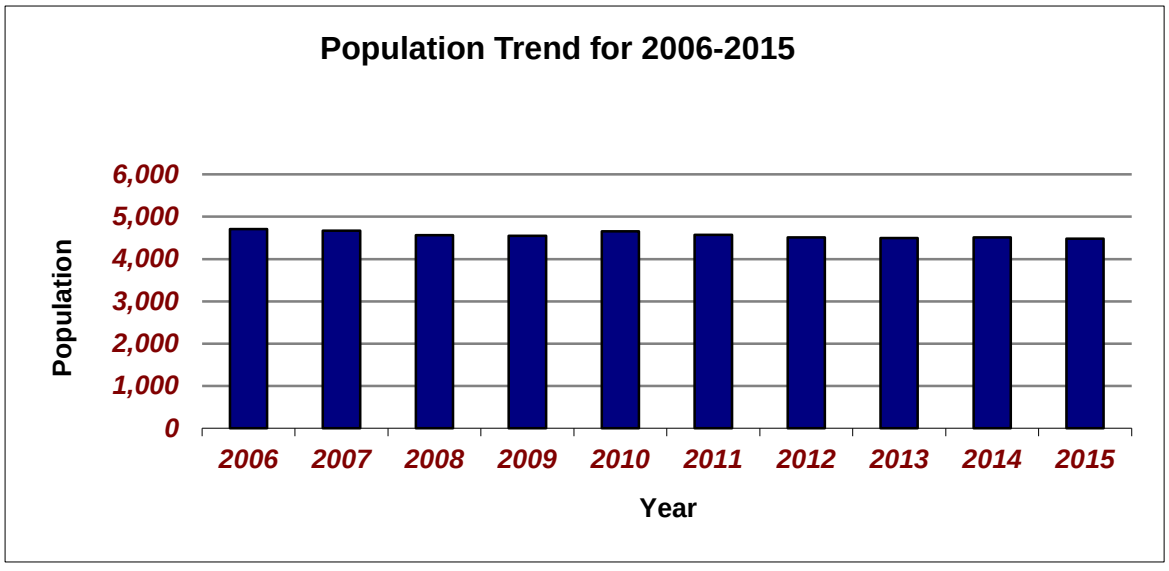
Combined Public Utility System Fund			
Gross Revenue	Operating Expense	Net Revenue	Debt Coverage
21,805,626	18,753,890	3,051,736	3.02
22,085,474	19,389,273	2,696,201	2.66
23,079,463	19,259,740	3,819,723	3.77
22,643,732	18,673,234	3,970,498	3.92
23,244,892	17,542,823	5,702,069	5.62
22,856,132	18,194,895	4,661,237	4.62
21,842,500	18,786,633	3,055,867	3.15
22,887,878	19,029,155	3,858,723	4.12
23,804,863	19,158,536	4,646,327	4.96
22,476,103	19,643,825	2,832,278	2.95

City of Elberton, Georgia
Demographic Statistics
Last Ten Fiscal Years

Fiscal Year	Population (1)	Unemployment Rate (2)	Median Household Income (3)	Per Capita Income (4)	Total Personal Income (4) (amounts in thousands)	School Enrollment (5)
2006	4,710	7.1%	32,287	25,396	523,946	3,481
2007	4,667	6.5%	33,344	27,281	560,650	3,437
2008	4,568	5.8%	34,986	28,375	581,038	3,358
2009	4,546	11.7%	32,865	28,008	569,548	3,424
2010	4,653	12.4%	30,543	27,754	558,390	3,341
2011	4,570	14.6%	32,046	28,713	570,984	3,278
2012	4,509	13.1%	35,053	30,099	592,472	3,220
2013	4,499	11.4%	35,817	N/A	N/A	3,105
2014	4,512	9.2%	N/A	N/A	N/A	3,049
2015	4,484	8.2%	N/A	N/A	N/A	3,009

(1) U. S. Census Bureau
(2) Georgia Department of Labor, for entire Elbert County
(3) U. S. Census Bureau, for entire Elbert County
(4) University of Georgia, Georgia Statistics System
(5) Elbert County Board of Education, for entire Elbert County

N/A = information not available



City of Elberton, Georgia

Principal Employers

For the Current Year and Nine Years Ago

Employer	2015 Number of Employees (1)	2015 Rank	2015 Percentage of Total for Principal Employers	2006 Number of Employees (2)	2006 Rank	2006 Percentage of Total for Principal Employers
Pilgrims Pride Corp	339	1	24.89%	550	1	28.75%
Star Granite Company	181	2	13.29%			
MollerTech South LLC	148	3	10.87%			
Bubba Foods	126	4	9.25%			
Eagle Granite Company	118	5	8.66%			
Elbert Memorial Hospital	96	6	7.05%	230	3	12.02%
Pinnacle Bank	95	7	6.98%	93	6	4.86%
Everlasting Granite	92	8	6.75%			
Keystone Memorials	89	9	6.53%			
Whitlow Electric	78	10	5.73%	60	10	3.14%
Honeywell				427	2	22.32%
Glen Raven Mills				166	5	8.68%
Siegel Roberts, Inc				187	4	9.78%
Carlise Coating				70	7	3.66%
Turner Concrete				70	8	3.66%
Elberton Manufacturing						
Imex				60	9	3.14%
Total for Principal Employers	1,362		100%	1,913		100%

Source:
(1) City of Elberton
(2) Elbert County Chamber of Commerce
Note: Governmental employers are not included in the ranking

City of Elberton

Full-time Equivalent Employees by Function

Last Ten Fiscal Years

	Full-time Equivalent Employees as of June 30				
	2015	2014	2013	2012	2011
Function					
Primary government					
General Government	5	5	5	5	6
Judicial	1	1	1	1	1
Public Safety					
Animal Control	1	1	1	1	1
Police	22	22	22	22	22
Fire	16	16	16	16	16
Public Works	11	11	12	14	14
Culture and Recreation	1	1	1	1	1
Housing and Development	2	2	2	2	2
Combined Public Utilities	41	40	46	47	48
ElbertonNET Technology Services	6	6	6	6	6
Solid Waste	12	12	12	11	11
Total primary government	118	117	124	126	128
Component unit					
Downtown Development Authority	1	1	1	1	1
Total employees	119	118	125	127	129

Source: City of Elberton Annual Budget

Full-time Equivalent Employees as of June 30				
2010	**2009**	**2008**	**2007**	**2006**
7	8	8	8	13
1	1	1	1	1
1	1	1	1	1
23	22	22	22	22
19	19	19	19	19
14	15	16	16	15
1	1	1	1	0
2	2	2	1	2
48	48	48	48	44
6	7	7	7	4
11	11	11	11	11
133	135	136	135	132
1	1	1	1	1
134	136	137	136	133

City of Elberton, Georgia
Operating Indicators by Function
Last Ten Fiscal Years

Function	FISCAL YEAR 2015	2014	2013
Police			
Number of Citations	1,398	1,599	2,660
Number of Calls for Service	7,774	6,323	6,750
Fire			
Number of Calls Answered	244	263	238
Number of Inspections Conducted	514	418	465
Electrical Service:			
Number of customers	4,384	4,372	4,432
Kilowatt hours sold	135,569,236	142,837,883	150,210,061
Water & Sewer Service:			
Number of water customers	3,458	3,444	3,464
Gallons of water sold	439,992,472	418,102,962	440,791,336
Natural Gas Service:			
Number of customers	3,931	3,928	3,973
Cubic feet sold	395,448,001	439,296,494	394,789,619

Source: Various City Departments

FISCAL YEAR						
2012	2011	2010	2009	2008	2007	2006
2,081	2,529	2,095	2,203	2,510	1,998	2,013
7,535	8,542	4,852	5,218	4,125	4,227	4,199
204	295	299	255	307	280	266
212	288	316	534	407	252	220
4,477	4,484	4,508	4,554	4,571	4,593	4,616
150,187,217	149,315,808	149,630,117	151,699,419	155,845,065	158,921,697	161,500,250
3,508	3,524	3,521	3,553	3,553	3,561	3,510
460,021,368	451,648,930	469,613,481	478,893,842	503,882,368	536,608,535	515,502,430
4,045	4,036	4,069	4,091	4,133	4,181	4,239
331,140,000	374,576,000	428,663,000	397,483,000	408,918,410	405,554,000	395,059,000

City of Elberton
Capital Asset Statistics by Function
Last Ten Fiscal Years

	FISCAL YEAR		
	2015	2014	2013 [3]
Function			
Public safety			
Number of police stations	1	1	1
Number of fire stations	1	1	1
Highways and streets			
Miles of streets	53	53	53
Culture and Recreation			
Parks	4	4	4
Park acreage	29.42	29.42	29.42
Baseball/Softball fields	4	4	4
Tennis courts	6	6	6
Community Playgrounds	4	4	4
Electrical System			
# of Substations	3	3	3
# of Circuits	12	12	12
Miles of Distribution Line	164	164	163
Water and Sewerage System			
(MGD - Millions of Gallons per Day)			
Water System:			
Miles of water mains	124	124	124
Number of water treatment plants	1	1	1
Maximum daily capacity of treatment plants in gallons	3MGD	3MGD	3MGD
Sewer System:			
Miles of sanitary sewers	69	69	69
Number of wastewater treatment plants	2	2	2
Maximum daily capacity of treatment plant in gallons	1.5MGD	1.5MGD	1.5MGD
Natural Gas System			
Number of regulator stations	7	7	7
Miles of natural gas lines	195	195	195
Broadband System			
Miles of fiber optics	145	145	110
Miles of coaxial cable	188	186	184
Number of active nodes	33	31	27

Source: Various City Departments.

Note 1: No capital asset indicators are available for the general government function.

Note 2: Miles of gas, water and santiary sewer mains were verified and updated in 2011 utilizing new GIS software. Actual extensions did not occur in 2011.

Note 3: Miles of city streets were verified and updated in 2013 utilizing new GIS software. Actual extensions did not occur in 2013.

FISCAL YEAR						
2012	2011 [2]	2010	2009	2008	2007	2006
1	1	1	1	1	1	1
1	1	1	1	1	1	1
35	35	35	35	35	35	35
4	4	4	4	4	4	4
29.42	29.42	29.42	29.42	29.42	29.42	29.42
4	4	4	4	4	4	4
6	6	6	6	6	6	6
4	4	3	3	3	3	2
3	3	3	3	3	3	3
12	12	12	12	11	11	11
163	163	163	163	162	162	162
121	121	107	107	107	107	104
1	1	1	1	1	1	1
3MGD	3MGD	3MGD	3MGD	3MGD	3MGD	3MGD
68	68	62	62	62	62	62
2	2	2	2	2	2	2
1.5MGD	1.5MGD	1.5MGD	1.5MGD	1.5MGD	1.5MGD	1.5MGD
7	7	7	7	7	7	7
192	192	182	181	181	181	169
104	99	95	70	65	65	65
165	151	151	106	96	92	92
25	24	22	15	14	14	14

City of Elberton, Georgia
Property Value - Construction
Last Ten Fiscal Years

Fiscal Year	Number of Permits	Estimated Construction Costs
2006	210	2,802,569
2007	289	3,973,644
2008	411	3,077,483
2009	450	3,398,222
2010	197	7,445,351
2011	188	1,419,547
2012	122	2,916,596
2013	92	1,770,712
2014	100	3,056,851
2015	108	1,633,134

Source: City of Elberton Building Inspection Office

City of Elberton, Georgia
Miscellaneous Statistics
June 30, 2015

Date of incorporation	December 10, 1803
Form of government	Mayor--Council--Manager
Population (Census 2010)	4,653
Area	3.5 square miles
Fire protection:	
Number of certified firefighters	17
Police protection:	
Number of sworn police officers	22
Education:	
Elementary schools (PreK - 5)	2
Number of teachers	54
Number of students	846
Middle schools (6 - 8)	1
Number of teachers	59
Number of students	851
High schools (9 - 12)	1
Number of teachers	53
Number of students	780
Schools of post-secondary education	1
Recreation and Culture:	
Libraries	1
Recreation centers	4
Municipal cemeteries	2
Total acreage	24.10
Number of employees:	
Full-time	119
Part-time	8

Source: Various city departments and local institutions

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Part IV

Other Reporting Section

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SINGLE AUDIT SECTION

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Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed In Accordance with *Government Auditing Standards*

Honorable Mayor and Members
of the City Council
City of Elberton, 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 Elberton, Georgia, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the City of Elberton, Georgia's basic financial statements and have issued our report thereon dated November 23, 2015.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Elberton, Georgia's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Elberton's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Elberton'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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City'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 over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Elberton, Georgia's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants 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 is required to be reported under *Government Auditing Standards*.

Purpose of this Report

This report is intended 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 of Elberton, Georgia's internal control over 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.

Rushton & Company, LLC

Certified Public Accountants

Gainesville, Georgia
November 23, 2015

Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by OMB Circular A-133

Honorable Mayor and Members
of the City Council
City of Elberton, Georgia

Report on Compliance for Each Major Federal Program

We have audited the City of Elberton, Georgia's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City of Elberton's major federal programs for the year ended June 30, 2015. The City of Elberton's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Elberton, Georgia's major programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations.* Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Elberton's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the City of Elberton, Georgia, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major programs for the year ended June 30, 2015.

Report on Internal Control over Compliance

Management of the City of Elberton, Georgia, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Elberton's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major program and to test and report on internal

control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Elberton's internal control over compliance.

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

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

Purpose of this Report

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

Rushton & Company, LLC

Certified Public Accountants

Gainesville, Georgia
November 23, 2015

CITY OF ELBERTON, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the fiscal year ended June 30, 2015

Federal Grant/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Number	Expenditures
U.S. Department of Transportation			
Passed through:			
Georgia Governor's Office of Highway Safety			
State and Community Highway Safety	20.600	20215-000-00255	$ 9,999
U.S. Environmental Protection Agency			
Passed through:			
Georgia Environmental Finance Authority			
Capitalization Grants for Drinking Water State Revolving Funds	66.468	DWSRF 13008	
Loans			1,061,491
Grants			254,181
Total U.S. Environmental Protection Agency			1,315,672
Total Federal Awards			$ 1,325,671

See accompanying notes to the schedule of expenditures of federal awards and the schedule of findings and questioned costs.

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the SEFA) includes the federal grant activity of the City of Elberton, Georgia, under programs for the federal government for the year ended June 30, 2014. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because this schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position or cash flows of the City.

2. Summary of Significant Accounting Policies

Expenditures reported on the SEFA are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

CITY OF ELBERTON, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the fiscal year ended June 30, 2015

1. Summary of the Auditor's Results

A. Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	None reported
Significant deficiencies identified Not considered material weaknesses?	None reported
Noncompliance material to financial statements noted?	None reported

B. Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	None reported
Significant deficiencies identified not considered material weaknesses?	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510(a)?	None reported

Identification of major programs:

66.648 Capitalization Grants for Drinking Water State Revolving Funds

Dollar threshold used to distinguish Between Type A and Type B programs:	$300,000
Auditee qualified as low-risk auditee?	No

2. Financial Statement Findings

A. Current Year Audit Findings

None reported

B. *Prior Year Audit Findings Follow-Ups*

None reported

3. Federal Award Findings and Questioned Costs

The audit of our basic financial statements and schedule of expenditures of federal awards disclosed no audit findings or questioned costs which are required to be reported under Section .510(a) of OMB A-133.

STATE REPORTING SECTION

CITY OF ELBERTON, GEORGIA
SCHEDULE OF PROJECTS FINANCED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX
For the fiscal year ended June 30, 2015

Project	Estimated Cost *		Expenditures		
	Original	Current	Prior Years	Current Year	Total
2006 SPLOST					
Infrastructure Improvements	$ 830,000	$ 908,001	$ 908,001	$ 0	$ 908,001
Elbert Theatre Improvements	145,000	286,431	286,431	0	286,431
Public Safety Building Improvements and Equipment	525,000	844,516	844,516	0	844,516
Water and Sewer Distribution System Improvements	1,400,000	1,615,288	1,615,288	0	1,615,288
Total	$ 2,900,000	$ 3,654,236	$ 3,654,236	$ 0	$ 3,654,236
2011 SPLOST					
Infrastructure Improvements	$ 358,000	$ 358,000	$ 27,207	$ 0	$ 27,207
Recreation Facilities and Equipment	595,000	595,000	214,491	556,498	770,989
Downtown Elberton Revitalization	300,000	300,000	204,548	0	204,548
Public Safety Equipment	750,000	750,000	230,744	145,116	375,860
Public Works Equipment	125,000	125,000	60,999	145,188	206,187
Broadband Distribution System Improvements	350,000	350,000	324,856	0	324,856
Water and Sewer Distribution System Improvements	1,350,000	1,350,000	69,181	44,047	113,228
Total	$ 3,828,000	$ 3,828,000	$ 1,132,026	$ 890,849	$ 2,022,875
Current year expenditures				$ 890,849	
Expenditures financed through other revenues, financing sources, and transfers from other funds				3,818	
				$ 894,667	

* Estimated cost represents the portion of these projects to be financed with Special Purpose Option Sales Tax. Actual costs that are in excess of these amounts have been financed through alternative funds.