# CITY OF JACKSON, GEORGIA

## FINANCIAL STATEMENTS AS OF DECEMBER 31, 2015 AND INDEPENDENT AUDITOR'S REPORT

**CITY OF JACKSON, GEORGIA**

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June 29, 2016

**INDEPENDENT AUDITOR'S REPORT**

Honorable Mayor and Council
City of Jackson, Georgia

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the remaining fund information of the **City of Jackson, Georgia**, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

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

**Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City'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 City'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, each major fund, and the remaining fund information of the City as of December 31, 2015 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Change in Accounting Principle**

As described in Note 15 to the financial statements, in 2015, the City adopted new accounting guidance GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*. Our opinion is not modified with respect to this matter.

**Other Matters**

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the required supplementary information on pages 33 through 37 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.

Management has omitted the management discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The schedule of projects constructed with special sales tax proceeds is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The schedule of projects constructed with special sales tax proceeds is the responsibility of management and was derived from and relates 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 schedule of projects constructed with special sales tax proceeds is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2016, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

McNair, McLemore, Middlebrooks & Co., LLC

McNAIR, McLEMORE, MIDDLEBROOKS & CO., LLC

# BASIC FINANCIAL STATEMENTS

**CITY OF JACKSON, GEORGIA**
**STATEMENT OF NET POSITION**
**DECEMBER 31, 2015**

| | Primary Government | | |
|---|---|---|---|
| | Governmental Activities | Business-Type Activities | Total |
| **Assets** | | | |
| Cash and Cash Equivalents | $ 202,114 | $ 4,673,997 | $ 4,876,111 |
| Investments | 614,433 | 6,779,845 | 7,394,278 |
| Accounts Receivable, Net | 84,992 | 457,145 | 542,137 |
| Intergovernmental Receivables | 102,556 | | 102,556 |
| Internal Balances | 181,391 | (181,391) | - |
| Inventories | | 277,225 | 277,225 |
| Other Receivables | 30,787 | 35,880 | 66,667 |
| Restricted Assets | | | |
| Cash and Cash Equivalents | 1,740,649 | 375,836 | 2,116,485 |
| Capital Assets, Net of Accumulated Depreciation | | | |
| Land | 1,536,629 | 3,713,633 | 5,250,262 |
| Land Improvements | 398,697 | 31,647 | 430,344 |
| Infrastructure | 288,837 | | 288,837 |
| Buildings and Improvements | 1,054,163 | | 1,054,163 |
| Machinery and Equipment | 579,749 | | 579,749 |
| Structures, Equipment and Lines | | 4,316,715 | 4,316,715 |
| Construction in Progress | | 12,720 | 12,720 |
| **Total Assets** | 6,814,997 | 20,493,252 | 27,308,249 |
| **Deferred Outflows of Resources** | | | |
| Related to Pensions | 21,983 | 11,730 | 33,713 |
| **Liabilities** | | | |
| Accounts Payable | 12,089 | 372,356 | 384,445 |
| Other Accrued Liabilities | 6,122 | 19,010 | 25,132 |
| Customers' Deposits | | 301,955 | 301,955 |
| Capital Leases | 57,902 | 18,250 | 76,152 |
| Compensated Absences | 28,942 | 7,910 | 36,852 |
| Long-Term Liabilities | | | |
| Net Pension Liabilities | 942,585 | 507,546 | 1,450,131 |
| Capital Leases | 23,291 | 28,397 | 51,688 |
| Compensated Absences | 86,824 | 23,729 | 110,553 |
| **Total Liabilities** | 1,157,755 | 1,279,153 | 2,436,908 |
| **Deferred Inflows of Resources** | | | |
| Related to Pensions | 159,900 | 86,100 | 246,000 |
| **Net Position** | | | |
| Net Investment in Capital Assets | 3,776,882 | 8,028,068 | 11,804,950 |
| Restricted for Capital Projects | 1,740,797 | | 1,740,797 |
| Unrestricted | 1,646 | 11,111,661 | 11,113,307 |
| **Total Net Position** | $5,519,325 | $19,139,729 | $24,659,054 |

See accompanying notes which are an integral part of these financial statements.

# CITY OF JACKSON, GEORGIA
# STATEMENT OF ACTIVITIES
# FOR THE YEAR ENDED DECEMBER 31, 2015

| Functions/Programs | Expenses | Indirect Expense Allocation | Program Revenue: Charges for Services | Program Revenue: Capital Grants and Contributions | Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities | Net (Expense) Revenue and Changes in Net Position: Primary Government: Business-Type Activities | Net (Expense) Revenue and Changes in Net Position: Primary Government: Total |
|---|---|---|---|---|---|---|---|
| **Primary Government** | | | | | | | |
| Governmental Activities | | | | | | | |
| General Government | $ 816,666 | | $ 138,778 | $699,625 | $ 21,737 | | $ 21,737 |
| Law Enforcement | 1,126,220 | $ 2,572 | 144,376 | | (984,416) | | (984,416) |
| Fire | 483,644 | 1,856 | 151,819 | | (333,681) | | (333,681) |
| Street | 726,644 | 333 | 22,069 | | (704,908) | | (704,908) |
| Cemetery | 37,236 | | 45,550 | | 8,314 | | 8,314 |
| Municipal Court | 66,050 | | | | (66,050) | | (66,050) |
| Veterans Memorial Park | 17,699 | | 4,356 | | (13,343) | | (13,343) |
| Interest on Long-Term Debt | 4,761 | (4,761) | | | | | |
| Total Governmental Activities | 3,278,920 | - | 506,948 | 699,625 | (2,072,347) | $ - | (2,072,347) |
| Business-Type Activities | | | | | | | |
| Water and Sewerage System | 986,884 | | 1,459,727 | | | 472,843 | 472,843 |
| Sanitation System | 195,614 | | 236,666 | | | 41,052 | 41,052 |
| Electric System | 4,564,844 | | 4,968,947 | | | 404,103 | 404,103 |
| Total Business-Type Activities | 5,747,342 | - | 6,665,340 | - | - | 917,998 | 917,998 |
| **Total Primary Government** | $9,026,262 | $ - | $7,172,288 | $699,625 | (2,072,347) | 917,998 | (1,154,349) |
| | **General Revenues** | | | | | | |
| | Taxes | | | | | | |
| | Property | | | | 53,559 | | 53,559 |
| | Local Option Sales | | | | 1,002,617 | | 1,002,617 |
| | Franchise | | | | 67,819 | | 67,819 |
| | Beer, Wine and Distilled Spirits | | | | 131,335 | | 131,335 |
| | Insurance Premium | | | | 290,810 | | 290,810 |
| | Real Estate Transfer | | | | 8,020 | | 8,020 |
| | Municipal Licenses | | | | 29,529 | | 29,529 |
| | Hotel/Motel | | | | 14,778 | | 14,778 |
| | Unrestricted Investment Earnings | | | | 4,706 | 105,903 | 110,609 |
| | **Transfers** | | | | 970,334 | (970,334) | - |
| | **Total General Revenues and Transfers** | | | | 2,573,507 | (864,431) | 1,709,076 |
| | **Change in Net Position** | | | | 501,160 | 53,567 | 554,727 |
| | **Net Position-Beginning** | | | | 6,289,285 | 19,771,940 | 26,061,225 |
| | **Cumulative Effect of Change in Accounting Principle** | | | | (1,271,120) | (685,778) | (1,956,898) |
| | **Net Position-Ending** | | | | $ 5,519,325 | $19,139,729 | $24,659,054 |

See accompanying notes which are an integral part of these financial statements.

**CITY OF JACKSON, GEORGIA**
**BALANCE SHEET**
**GOVERNMENTAL FUNDS**
**DECEMBER 31, 2015**

| | General Fund | Capital Projects Fund | Special Revenue Fund (Nonmajor) | Total Governmental Funds |
|---|---|---|---|---|
| **Assets** | | | | |
| Cash and Cash Equivalents | $ 202,114 | $1,740,649 | | $1,942,763 |
| Investments | 614,433 | | | 614,433 |
| Accounts Receivable | 84,992 | | | 84,992 |
| Intergovernmental Receivables | 102,556 | | | 102,556 |
| Due from Other Funds | 233,953 | 1,985 | | 235,938 |
| Other Receivables | 30,787 | | | 30,787 |
| **Total Assets** | $1,268,835 | $1,742,634 | $ - | $3,011,469 |
| **Liabilities and Fund Balances** | | | | |
| Liabilities | | | | |
| Accounts Payable | $ 12,089 | | | $ 12,089 |
| Due to Other Funds | 52,710 | $ 1,837 | | 54,547 |
| Other Accrued Liabilities | 6,122 | | | 6,122 |
| Total Liabilities | 70,921 | 1,837 | $ - | 72,758 |
| Fund Balances | | | | |
| Restricted for Capital Projects | | 1,740,797 | | 1,740,797 |
| Unassigned | 1,197,914 | | | 1,197,914 |
| Total Fund Balances | 1,197,914 | 1,740,797 | - | 2,938,711 |
| **Total Liabilities and Fund Balances** | $1,268,835 | $1,742,634 | $ - | $3,011,469 |

See accompanying notes which are an integral part of these financial statements.

**CITY OF JACKSON, GEORGIA**
**RECONCILIATION OF THE BALANCE SHEET-GOVERNMENTAL FUNDS**
**TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION**
**FOR THE YEAR ENDED DECEMBER 31, 2015**

| | |
|---|---|
| **Total Fund Balances-Governmental Funds** | $2,938,711 |
| Amounts reported for governmental activities in the statement of net position are different because: | |
| Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds. | 3,858,075 |
| Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds. | |
| Deferred Outflows of Resources Related to Pensions | 21,983 |
| Compensated Absences | (115,766) |
| Capital Lease Payable | (81,193) |
| Net Pension Liabilities | (942,585) |
| Deferred Inflows of Resources Related to Pensions | (159,900) |
| **Net Position of Governmental Activities** | $5,519,325 |

See accompanying notes which are an integral part of these financial statements.

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

| | General Fund | Capital Projects Fund | Special Revenue Fund (Nonmajor) | Total Governmental Funds |
|---|---|---|---|---|
| **Revenues** | | | | |
| Taxes | | | | |
| Property | $ 53,559 | | | $ 53,559 |
| Local Option Sales | 1,002,617 | | | 1,002,617 |
| Franchise | 67,819 | | | 67,819 |
| Beer, Wine and Distilled Spirits | 131,335 | | | 131,335 |
| Insurance Premium | 290,810 | | | 290,810 |
| Real Estate Transfer | 8,020 | | | 8,020 |
| Municipal Licenses | 29,529 | | | 29,529 |
| Hotel/Motel | | | $ 14,778 | 14,778 |
| Fines and Forfeitures | 82,439 | | | 82,439 |
| Licenses and Permits | 117,830 | | | 117,830 |
| Contributions | 5,390 | | | 5,390 |
| Intergovernmental | 204,040 | $ 693,307 | | 897,347 |
| Investment Earnings | 4,706 | 926 | | 5,632 |
| Miscellaneous | 102,639 | | | 102,639 |
| | 2,100,733 | 694,233 | 14,778 | 2,809,744 |
| **Expenditures** | | | | |
| Current | | | | |
| General Government | 661,872 | | | 661,872 |
| Law Enforcement | 1,165,751 | | | 1,165,751 |
| Fire | 509,175 | | | 509,175 |
| Street | 650,284 | 101,332 | | 751,616 |
| Cemetery | 31,568 | | | 31,568 |
| Municipal Court | 58,468 | | | 58,468 |
| Veterans Memorial Park | 8,140 | | | 8,140 |
| Debt Service | | | | |
| Principal | 91,688 | | | 91,688 |
| Interest and Other Charges | 4,761 | | | 4,761 |
| Capital Outlay | | | | |
| General Government | 15,146 | | | 15,146 |
| Law Enforcement | 17,990 | | | 17,990 |
| Street | 73,629 | 6,500 | | 80,129 |
| Municipal Court | 6,530 | | | 6,530 |
| | 3,295,002 | 107,832 | - | 3,402,834 |
| **Excess Revenues (Expenditures)** | (1,194,269) | 586,401 | 14,778 | (593,090) |
| **Other Financing Sources (Uses)** | | | | |
| Transfers In (Out) | 1,085,912 | (100,800) | (14,778) | 970,334 |
| Sale of Capital Assets | 4,000 | | | 4,000 |
| | 1,089,912 | (100,800) | (14,778) | 974,334 |
| **Net Change in Fund Balances** | (104,357) | 485,601 | - | 381,244 |
| **Fund Balances-Beginning** | 1,302,271 | 1,255,196 | - | 2,557,467 |
| **Fund Balances-Ending** | $ 1,197,914 | $1,740,797 | $ - | $ 2,938,711 |

See accompanying notes which are an integral part of these financial statements.

**CITY OF JACKSON GEORGIA**
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-GOVERNMENTAL FUNDS TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES**
**FOR THE YEAR ENDED DECEMBER 31, 2015**

| | | |
|---|---|---|
| **Net Change in Fund Balances-Governmental Funds** | | $ 381,244 |
| Amounts reported for governmental activities in the statement of activities are different because: | | |
| Governmental funds report capital outlay as expenditures. However, in the government-wide statement of activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount of capital outlay recorded in the current period. | | |
| General Government | $15,146 | |
| Law Enforcement | 17,990 | |
| Street | 80,129 | |
| Municipal Court | 6,530 | 119,795 |
| Depreciation expense on capital assets is reported in the government-wide statement of activities but does not require the use of current financial resources; therefore, depreciation expense is not reported as an expenditure in governmental funds. This is the amount of depreciation expense recorded in the current period. | | (274,363) |
| Repayment of the principal of long-term debt is an expenditure in the governmental funds but reduces long-term liabilities in the government-wide statement of net position. This is the amount of debt repaid in the current period. | | 91,688 |
| In the government-wide statement of activities, the gain (loss) on the sale of capital assets is reported. However, in the governmental funds, only the sales proceeds are reported as an increase in financial resources; therefore, the change in net assets differs from the change in fund balance by the carrying value of the capital assets disposed. | | (57,376) |
| Compensated absences are not accrued in governmental funds; however, they are reported as long-term liabilities in the government-wide statement of net position. This amount represents the increase in the amount of compensated absences. | | (13,329) |
| Net pension obligations and pension related deferred outflows and deferred inflows are not accrued in governmental funds; however, they are reported in the government-wide statement of net assets. | | 253,501 |
| **Change in Net Position of Governmental Activities** | | $ 501,160 |

See accompanying notes which are an integral part of these financial statements.

# CITY OF JACKSON, GEORGIA
# STATEMENT OF NET POSITION
# PROPRIETARY FUNDS
# DECEMBER 31, 2015

| | Electric System | Sanitation System | Water and Sewerage System | Total |
|---|---|---|---|---|
| **Assets** | | | | |
| Current Assets | | | | |
| Cash and Cash Equivalents | $ 2,801,926 | | $ 1,872,071 | $ 4,673,997 |
| Investments | 4,823,886 | | 1,955,959 | 6,779,845 |
| Accounts Receivable, Net | 332,555 | $18,771 | 105,819 | 457,145 |
| Other Receivables | 28,762 | | 7,118 | 35,880 |
| Due from Other Funds | 223,547 | | 44,027 | 267,574 |
| Inventories | 196,028 | | 81,197 | 277,225 |
| | 8,406,704 | 18,771 | 4,066,191 | 12,491,666 |
| Noncurrent Assets | | | | |
| Restricted Assets | | | | |
| Cash and Cash Equivalents | 250,638 | | 125,198 | 375,836 |
| Capital Assets | | | | |
| Land | 4,065 | | 3,709,568 | 3,713,633 |
| Land Improvements | | | 105,349 | 105,349 |
| Construction in Progress | | | 12,720 | 12,720 |
| Structures, Equipment and Lines | 2,748,090 | | 9,352,348 | 12,100,438 |
| Accumulated Depreciation | (2,345,793) | | (5,511,632) | (7,857,425) |
| | 657,000 | - | 7,793,551 | 8,450,551 |
| **Total Assets** | 9,063,704 | 18,771 | 11,859,742 | 20,942,217 |
| **Deferred Outflows of Resources** | | | | |
| Related to Pensions | 3,372 | - | 8,358 | 11,730 |
| **Total Assets and Deferred Outflows of Resources** | 9,067,076 | 18,771 | 11,868,100 | 20,953,947 |
| **Liabilities** | | | | |
| Current Liabilities | | | | |
| Accounts Payable | 314,941 | | 57,415 | 372,356 |
| Due to Other Funds | 228,118 | | 220,847 | 448,965 |
| Compensated Absences | 1,838 | | 6,071 | 7,909 |
| Capital Lease Obligations | 18,250 | | | 18,250 |
| Sales Tax Payable | 18,858 | | | 18,858 |
| Customers' Deposits | 198,175 | | 103,780 | 301,955 |
| Other | 152 | | | 152 |
| Noncurrent Liabilities | | | | |
| Net Pension Liabilities | 145,013 | | 362,533 | 507,546 |
| Compensated Absences | 5,515 | | 18,215 | 23,730 |
| Capital Lease Obligations | 28,397 | | | 28,397 |
| **Total Liabilities** | 959,257 | - | 768,861 | 1,728,118 |
| **Deferred Inflows of Resources** | | | | |
| Related to Pensions | 24,600 | - | 61,500 | 86,100 |
| **Total Liabilities and Deferred Inflows of Resources** | 983,857 | - | 830,361 | 1,814,218 |
| **Net Position** | | | | |
| Net Investment in Capital Assets | 359,715 | | 7,668,353 | 8,028,068 |
| Unrestricted | 7,723,504 | 18,771 | 3,369,386 | 11,111,661 |
| **Total Net Position** | $ 8,083,219 | $18,771 | $11,037,739 | $19,139,729 |

See accompanying notes which are an integral part of these financial statements.

**CITY OF JACKSON, GEORGIA**
**STATEMENT OF REVENUES, EXPENSES AND**
**CHANGES IN NET POSITION**
**PROPRIETARY FUNDS**
**FOR THE YEAR ENDED DECEMBER 31, 2015**

| | Electric System | Sanitation System | Water and Sewerage System | Total |
|---|---|---|---|---|
| **Operating Revenues** | | | | |
| Charges for Sales and Services | $4,885,942 | $236,666 | $ 1,454,478 | $ 6,577,086 |
| Miscellaneous | 83,005 | | 5,249 | 88,254 |
| | 4,968,947 | 236,666 | 1,459,727 | 6,665,340 |
| **Operating Expenses** | | | | |
| Costs of Sales and Services | 3,868,062 | | | 3,868,062 |
| Administration | 538,503 | 195,614 | 488,601 | 1,222,718 |
| Supplies | 99,449 | | 253,174 | 352,623 |
| Utilities | 1,511 | | 22,065 | 23,576 |
| Depreciation | 55,621 | | 223,044 | 278,665 |
| | 4,563,146 | 195,614 | 986,884 | 5,745,644 |
| **Net Operating Income** | 405,801 | 41,052 | 472,843 | 919,696 |
| **Nonoperating Revenues (Expenses)** | | | | |
| Interest Income | 74,713 | | 31,190 | 105,903 |
| Interest Expense | (1,698) | | | (1,698) |
| | 73,015 | - | 31,190 | 104,205 |
| **Income Before Transfers** | 478,816 | 41,052 | 504,033 | 1,023,901 |
| **Transfers In** | - | - | 100,800 | 100,800 |
| **Transfers Out** | (514,093) | (42,097) | (514,944) | (1,071,134) |
| **Change in Net Position** | (35,277) | (1,045) | 89,889 | 53,567 |
| **Net Position-Beginning** | 8,314,160 | 19,816 | 11,437,964 | 19,771,940 |
| **Cumulative Effect of Change in Accounting Principle** | (195,664) | - | (490,114) | (685,778) |
| **Net Position-Ending** | $8,083,219 | $ 18,771 | $11,037,739 | $19,139,729 |

See accompanying notes which are an integral part of these financial statements.

**CITY OF JACKSON, GEORGIA**
**STATEMENT OF CASH FLOWS**
**PROPRIETARY FUNDS**
**FOR THE YEAR ENDED DECEMBER 31, 2015**

| | Electric System | Sanitation System | Water and Sewerage System | Total |
|---|---|---|---|---|
| **Cash Flows From (To) Operating Activities** | | | | |
| Receipts from Customers for Goods and Services | $ 5,042,243 | $ 237,711 | $1,445,549 | $ 6,725,503 |
| Payments to Vendors for Goods and Services | (4,229,791) | (195,614) | (459,519) | (4,884,924) |
| Payments to Employees for Services | (286,309) | | (386,618) | (672,927) |
| | 526,143 | 42,097 | 599,412 | 1,167,652 |
| **Cash Flows To Noncapital Financing Activities** | | | | |
| Transfers to Other Funds | (514,093) | (42,097) | (514,944) | (1,071,134) |
| Increase in Due from Other Funds | | | (1,837) | (1,837) |
| | (514,093) | (42,097) | (516,781) | (1,072,971) |
| **Cash Flows From (To) Capital and Related Financing Activities** | | | | |
| Transfers from Other Funds | | | 100,800 | 100,800 |
| Principal Payments on Debt | (17,723) | | | (17,723) |
| Interest Payments on Debt | (1,698) | | | (1,698) |
| Purchases of Capital Assets | | | (100,800) | (100,800) |
| | (19,421) | - | - | (19,421) |
| **Cash Flows From Investing Activities** | | | | |
| Interest on Investments | 74,713 | | 31,190 | 105,903 |
| Sale of Temporary Cash Investments | (48,832) | | (19,675) | (68,507) |
| | 25,881 | - | 11,515 | 37,396 |
| **Net Increase in Cash and Cash Equivalents** | 18,510 | - | 94,146 | 112,656 |
| **Cash and Cash Equivalents-Beginning** | 3,034,054 | - | 1,903,123 | 4,937,177 |
| **Cash and Cash Equivalents-Ending** | $ 3,052,564 | $ - | $1,997,269 | $ 5,049,833 |
| **Classified As** | | | | |
| Current Assets | $ 2,801,926 | | $1,872,071 | $ 4,673,997 |
| Restricted Assets | 250,638 | | 125,198 | 375,836 |
| | $ 3,052,564 | $ - | $1,997,269 | $ 5,049,833 |

See accompanying notes which are an integral part of these financial statements.

**CITY OF JACKSON, GEORGIA**
**STATEMENT OF CASH FLOWS**
**PROPRIETARY FUNDS**
**FOR THE YEAR ENDED DECEMBER 31, 2015**

| | Electric System | Sanitation System | Water and Sewerage System | Total |
|---|---|---|---|---|
| **Reconciliation of Operating Income to Net Cash Provided by Operating Activities** | | | | |
| Net Operating Income | $405,801 | $41,052 | $472,843 | $ 919,696 |
| Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities | | | | |
| Depreciation | 55,621 | | 223,044 | 278,665 |
| *Change in* | | | | |
| Accounts Receivable | 46,395 | 1,045 | (11,444) | 35,996 |
| Other Receivables | 20,652 | | (5,209) | 15,443 |
| Inventories | 33,832 | | (10,300) | 23,532 |
| Prepaid Expenses | 9,124 | | 9,124 | 18,248 |
| Accounts Payable | (13,922) | | 13,322 | (600) |
| Net Pension Liabilities | (38,991) | | (97,402) | (136,393) |
| Compensated Absences Payable | 1,381 | | 2,959 | 4,340 |
| Sales Tax Payable | (1,040) | | | (1,040) |
| Customers' Deposits | 7,290 | | 2,475 | 9,765 |
| | 120,342 | 1,045 | 126,569 | 247,956 |
| **Net Cash Provided by Operating Activities** | $526,143 | $42,097 | $599,412 | $1,167,652 |

See accompanying notes which are an integral part of these financial statements.

## (1) Summary of Significant Accounting Policies

*The Financial Reporting Entity*

The City of Jackson, Georgia (hereinafter the City) was incorporated by the General Assembly of Georgia by the enactment of a charter effective December 26, 1826.

City government is conducted by a nonpartisan mayor and council. The council is composed of five elected members. Council members serve staggered four-year terms.

The City provides numerous municipal services authorized by its charter and operates the following major utilities: water and sewer and electric and sanitation.

The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading.

For financial reporting purposes, the City includes all funds and account groups over which it exercises financial accountability.

The following entities are controlled by the City:

- Downtown Development Authority
- Board of Appeals
- Tree Board

However, none of the entities maintain financial statements, and financial activity is immaterial and included within the general fund, as applicable. Accordingly, they are not separately presented in the accompanying financial statements.

*Measurement Focus and Basis of Accounting*

Measurement focus is a term used to describe "what" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

**(1) Summary of Significant Accounting Policies (Continued)**

*Measurement Focus and Basis of Accounting (Continued)*

On the government-wide statement of net position and the statement of activities, both governmental and business-type activities are presented using the economic resources measurement focus. However, in the fund financial statements, the measurement focus differs by fund types as follows:

All governmental funds are accounted for using a current financial resources measurement focus. Within this measurement focus, only current assets and liabilities generally are included on the balance sheet. Operating statements of these funds present sources/increases (i.e., revenues and other financing sources) and uses/decreases (i.e., expenditures and other financing uses) of available spendable financial resources during a given period. These funds use fund balances as their measurements of available spendable financial resources at the end of the period.

All proprietary funds utilize a flow of economic resources measurement focus. Within this measurement focus, all assets and liabilities associated with the operation of these funds are included on the balance sheet. The accounting objectives of this measurement focus are the determination of operating income, changes in net position, financial positions, and cash flows. Proprietary fund equity is classified as net position. Proprietary fund type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total position.

In the government-wide statement of net position and statement of activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized as soon as they are earned, and expenses are recognized when the liability is incurred or the economic asset is used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange occurs.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized in the accounting period when they become "measurable and available." Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within 60 days after the year-end and available to pay obligations of the current period. Expenditures, including capital outlay, are recognized in the accounting period in which the related fund liability is incurred.

Intergovernmental revenues, such as local option sales tax, and police fines and assessments imposed by the courts and associated with the current fiscal period are both considered to be susceptible to accrual and have been recognized as revenues in the current fiscal period. The City does not assess property taxes. Interest from various investments is substantially reported on a monthly basis as received. All other revenue items are considered to be measurable and available only when cash is received by the City.

All proprietary funds are accounted for on the accrual basis of accounting. Revenues are recognized when earned, and expenses are recognized when incurred.

Differences exist between the governmental activities columns reported in the government-wide statements and the corresponding total columns reported in the fund financial statements. The differences are the result of the use of different measurement focuses between the respective statements. As stated above, the government-wide financial statements present governmental activities on the economic resources measurement focus while the fund financial statements present governmental funds on the current financial resources measurement focus. Additional detailed information about the reconciling items can be found on pages 6 and 8.

**(1) Summary of Significant Accounting Policies (Continued)**

*Basis of Presentation*

The government-wide financial statements (i.e., the statement of net position and statement of activities) display information about the reporting government as a whole. They include all funds of the reporting entity. These statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees and charges to external parties for goods or services.

The fund financial statements reflect the activities of the City's individual funds. Funds are organized into two categories: governmental and proprietary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City (i.e., the general fund). Other funds must be reported as major funds if they meet both of the criteria listed below. In addition, the City may report as major funds whatever other individual funds they believe to be of particular importance to the financial statement users (i.e., public interest).

Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and

Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

As a general rule, the effects of internal activity have been eliminated from the government-wide financial statements. Exceptions to this general rule are administrative charges between the City's general fund and proprietary funds. Eliminations of these charges would distort the direct costs and program revenues for the various functions concerned.

Program revenues are derived directly from a particular program or from parties other than the City's taxpayers. Amounts reported as program revenues include charges to customers or applicants for goods, services or privileges provided as well as capital grants and contributions. All taxes are included in general revenues.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. Operating expenses include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses and typically include interest revenue, sewer bond fees and interest expense. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

**(1) Summary of Significant Accounting Policies (Continued)**

*Description of Funds*

The City uses funds to report financial position and the results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

The City reports the following major governmental funds:

General Fund - The general fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Capital Projects Fund - The capital projects fund is the fund in which the City accounts for the proceeds of special purpose sales tax revenue to be used primarily for construction and improvement of the City's utility systems and construction and repair of the City's roads, streets and bridges.

The City reports the following major proprietary funds:

Water and Sewerage Fund - accounts for the operations and maintenance of the City's water and wastewater services to the residents and businesses of the City.

Electric Fund - accounts for the operations and maintenance of the City's electricity services to the residents and businesses of the City.

Sanitation Fund - accounts for the operations of the City's sanitation services to the residents and businesses of the City.

The City has one nonmajor fund, a special revenue fund, that is used to account for hotel/motel taxes collected and paid.

*Cash*

Cash is considered to include all cash and cash equivalents, including restricted amounts. Cash equivalents are highly liquid instruments which, at the time of purchase, mature in three months or less.

*Investments*

Investments consist of various certificates of deposit and U. S. Government obligations. In accordance with Governmental Accounting Standards Board (GASB) 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, certificates of deposit are recorded at amortized cost and government obligations are recorded at fair market value, which approximates cost.

**(1) Summary of Significant Accounting Policies (Continued)**

*Investments (Continued)*

Georgia laws (O.C.G.A. 36-83-4 and 36-82-7) authorize investments in the following:

- Obligations of states.
- Obligations issued by the U.S. government.
- Obligations fully insured or guaranteed by the U.S. government or by an agency of the United States government.
- Obligations of any corporation of the U. S. government.
- Prime bankers' acceptances.
- A local government investment pool established by Georgia law (O.C.G.A. 36-83-8).
- Repurchase agreements.
- Obligations of other political subdivisions of Georgia.
- Certificates of deposit.
- Certain mutual funds whose investments are limited to bonds or other obligations of the U. S. government or of subsidiary corporations of the U.S. government which are fully guaranteed by such government.
- SEC registered mutual funds.

*Inventories*

In the general fund, inventories are considered immaterial. Accordingly, expendable supplies have been recorded as expenditures at the time individual items were purchased with no provision being made to record inventories on the balance sheet for informational purposes. Inventories for the proprietary funds are stated at cost using the first-in, first-out method of valuation.

*Accounts Receivable*

In the government-wide financial statements, accounts receivable consist of all revenues earned at year-end and not yet received. Within business-type activities, receivables consist of amounts due from residents and businesses of the City for utility and sanitation usage.

*Interfund Receivables, Payables and Transfers*

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

**(1) Summary of Significant Accounting Policies (Continued)**

*Bad Debts*

An allowance for doubtful accounts is maintained within the general and proprietary funds as a percentage of accounts receivable based on prior years' experience. As of December 31, 2015, the allowance is reported as follows:

| | |
|---|---|
| General Fund | $ 42,976 |
| Proprietary Funds | 77,991 |
| | $120,967 |

*Property Tax*

For 2015, the City did not assess any property taxes against the various properties located within its boundaries. The last year of property tax assessment by the City was 1976.

*Restricted Assets and Reserves*

Primary Government

Certain resources set aside in the governmental funds are classified as restricted assets because their use is limited by special purpose local option sales tax agreements to construction projects.

*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 column in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than $5,000. Capital assets are valued at historical cost or estimated historical cost if actual cost is not available. Donated capital assets are valued at their fair market value when donated. Interest costs on debt incurred for the construction of capital assets are capitalized net of interest earned on the invested proceeds of construction debt over the same period. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Preliminary and interim costs incurred by governmental and proprietary funds for capital projects are reported as "construction in progress." Costs related to abandoned projects are expensed when the project is abandoned.

General infrastructure assets acquired prior to October 1, 2003 are not reported in the basic financial statements. General infrastructure assets include all roads and bridges and other infrastructure assets acquired subsequent to October 1, 2003.

**(1) Summary of Significant Accounting Policies (Continued)**

*Capital Assets (Continued)*

Capital assets are depreciated over their estimated useful lives using the straight-line method. These estimated useful lives are as follows:

| Asset Class | Years |
|---|---|
| Furniture and Fixtures | 5 to 7 |
| Machinery and Equipment | 3 to 10 |
| Lines and Mains | 50 |
| Buildings | 10 to 50 |
| Infrastructure | 20 |
| Land Improvements | 20 |

*Deferred Outflows/Inflows of Resources*

In addition to assets, the statement of net 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 (expenses/expenditure) until then. The City only has one item that qualifies for reporting in this category. It is resources related to pensions reported at the government-wide level for governmental and business-type activities and at the fund level for proprietary funds.

In addition to liabilities, the statement of net 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 has only one item that qualifies for reporting in this category. It is resources related to its pension plan reported at the government-wide level for governmental and business-type activities and at the fund level for proprietary funds.

*Compensated Absences*

Annual leave is earned by all permanent City employees at varying rates depending on length of shift. Leave may be accumulated and carried over to a maximum of 240 hours for employees who work 8-hour shifts, 360 hours for those who work 12-hour shifts and up to 720 hours for those who work 24-hour shifts. In accordance with GASB Statement 16, *Accounting for Compensated Absences*, the City records the cost of annual leave when the leave is earned. This cost is accrued in the government-wide and proprietary fund financial statements.

Sick leave is earned by all full-time City employees at the rate of 10 hours per month regardless of length of shift. All employees can accumulate up to 360 hours. Any accumulation over this amount is forfeited. Employees leaving the City are not entitled to payment for accumulated sick leave. In accordance with GASB Statement 16, the City does not accrue sick leave because employees do not receive “termination payments” upon leaving the City.

**(1) Summary of Significant Accounting Policies (Continued)**

*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 statement of net position.

*Fund Equity-Classifications*

In the government-wide financial statements, equity is classified as net position and displayed in three components:

Net investment in capital assets, which consists of capital assets net of accumulated depreciation and reduced by the outstanding balance of any bonds, mortgages, notes or other debt attributable to the acquisition, construction or improvement of these assets.

Restricted net position, which consists of net assets with constraints on their use either by external groups such as creditors, grantors, contributors, or laws or regulations of other governments.

Unrestricted net position is total net position less net investment in capital assets and restricted net position.

In the fund financial statements, fund balances are classified as follows:

Nonspendable - Amounts that cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained.

Restricted - Amounts that can be spent only for specific purposes because of the City charter, the City code, state or federal laws or externally imposed conditions by grantors or creditors.

Committed - Amounts that can be used only for specific purposes determined by a formal action by City council ordinance or resolution.

Assigned - Amounts that are designed for a particular purpose but are not spendable until a budget ordinance is passed or there is a majority vote approval by the City council.

Unassigned - All amounts not included in other spendable classifications.

The City's policy with respect to the use of restricted and unrestricted net position is to first apply available restricted resources toward expenses. In governmental funds, the policy is to first apply available restricted fund balances toward expenditures and then use committed and assigned fund balances before using unassigned fund balances.

*Use of Estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures. Actual results could differ from those estimates.

## (1) Summary of Significant Accounting Policies (Continued)

*Indirect Expense Allocation*

Interest on long-term debt within the governmental activities of the City is allocated based upon the primary use of the asset which is being financed.

## (2) Stewardship, Compliance and Accountability

Generally accepted accounting principles require certain disclosures as part of the notes to the financial statements. The disclosures include the following:

Excess of expenditures over appropriations in individual funds for which budgets were adopted. For the year ended December 31, 2015, an excess existed in capital outlay for the general fund in the amount of $25,965. This overexpenditure was funded by decreasing actual expenditures within other areas of City government and transfers from other funds.

## (3) Cash and Investments

As of December 31, 2015, cash and investments were comprised of the following:

| | |
|---|---|
| Cash and Cash Equivalents | $ 4,876,111 |
| Restricted Cash Assets and Equivalents | 2,116,485 |
| Investments | |
| Certificates of Deposit | 7,394,278 |
| | $14,386,874 |

## (4) Custodial Credit Risk-Deposits

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may be lost. The City's policy with respect to custodial credit risk is to comply with Georgia Law (O.C.G.A. 45-8-12) by requiring the custodian to provide collateral of not less than 110 percent of the public funds on deposit less the amount of deposit insurance. Amounts secured by collateral held by the pledging financial institution's agent but not held in the City's name are considered to be at risk. As of December 31, 2015, all of the City's bank balances were either covered by federally insured deposit insurance or were collateralized with securities pledged by the financial institutions.

**(5) Capital Assets**

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

*Primary Government*

| | Beginning Balances | Increases | Decreases | Ending Balances |
|---|---|---|---|---|
| Governmental Activities | | | | |
| Capital Assets Not Being Depreciated | | | | |
| Land | $ 1,548,219 | $ - | $(11,590) | $ 1,536,629 |
| Capital Assets Being Depreciated | | | | |
| Land Improvements | 596,397 | | | 596,397 |
| Infrastructure | 321,620 | 64,629 | | 386,249 |
| Buildings and Improvements | 1,782,378 | 24,520 | (46,960) | 1,759,938 |
| Machinery and Equipment | 2,464,244 | 30,646 | | 2,494,890 |
| Total Capital Assets Being Depreciated | 5,164,639 | 119,795 | (46,960) | 5,237,474 |
| Less Accumulated Depreciation for | | | | |
| Land Improvements | (170,563) | (27,137) | | (197,700) |
| Infrastructure | (83,901) | (13,511) | | (97,412) |
| Buildings and Improvements | (654,126) | (52,823) | 1,174 | (705,775) |
| Machinery and Equipment | (1,734,249) | (180,892) | | (1,915,141) |
| Total Accumulated Depreciation | (2,642,839) | (274,363) | 1,174 | (2,916,028) |
| Total Capital Assets Being Depreciated, Net | 2,521,800 | (154,568) | (45,786) | 2,321,446 |
| Governmental Activities Capital Assets, Net | $ 4,070,019 | $(154,568) | $(57,376) | $ 3,858,075 |
| Business-Type Activities | | | | |
| Capital Assets Not Being Depreciated | | | | |
| Land | $ 3,713,633 | | | $ 3,713,633 |
| Construction in Progress | 12,720 | | | 12,720 |
| Total Capital Assets Not Being Depreciated | 3,726,353 | $ - | $ - | 3,726,353 |
| Capital Assets Being Depreciated | | | | |
| Land Improvements | 105,349 | | | 105,349 |
| Structures, Equipment and Lines | 11,999,638 | 100,800 | | 12,100,438 |
| Total Capital Assets Being Depreciated | 12,104,987 | 100,800 | - | 12,205,787 |
| Less Accumulated Depreciation for | | | | |
| Land Improvements | (71,908) | (1,794) | | (73,702) |
| Structures, Equipment and Lines | (7,506,852) | (276,871) | | (7,783,723) |
| Total Accumulated Depreciation | (7,578,760) | (278,665) | - | (7,857,425) |
| Total Capital Assets Being Depreciated, Net | 4,526,227 | (177,865) | - | 4,348,362 |
| Business-Type Activities Capital Assets, Net | $ 8,252,580 | $(177,865) | $ - | $ 8,074,715 |

**(5) Capital Assets**

Depreciation expense was charged to functions/programs of the primary government as follows:

| | |
|---|---|
| Governmental Activities | |
| General Government | $ 33,877 |
| Law Enforcement | 63,164 |
| Fire | 17,858 |
| Street | 130,760 |
| Cemetery | 5,668 |
| Municipal Court | 13,477 |
| Veterans Memorial Park | 9,559 |
| | $274,363 |
| Business-Type Activities | |
| Water and Sewerage System | $223,044 |
| Electric System | 55,621 |
| | $278,665 |

**(6) Interfund Receivables, Payables and Transfers**

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

*Due From/To Other Funds*

| Receivable Fund | Payable Fund | Amount |
|---|---|---|
| General Fund | Water and Sewerage System | $ 7,368 |
| | Electric Fund | 226,585 |
| Water and Sewerage System | Electric Fund | 1,533 |
| | General Fund | 40,657 |
| | Capital Projects | 1,837 |
| Electric System | General Fund | 10,068 |
| | Water and Sewerage System | 213,479 |
| Capital Projects | General Fund | 1,985 |
| | | $503,512 |

These balances resulted from short-term loans between funds.

## (6) Interfund Receivables, Payables and Transfers (Continued)

Interfund transfers in (out) for the year ended December 31, 2015 are as follows:

| | General Fund | Capital Projects Fund | Special Revenue Fund | Electric System | Sanitation System | Water and Sewerage System |
|---|---|---|---|---|---|---|
| General Fund | | | $(14,778) | $(556,190) | | $(514,944) |
| Special Revenue Fund | $ 14,778 | | | | | |
| Capital Projects Fund | | | | | | 100,800 |
| Electric System | 556,190 | | | | $(42,097) | |
| Water and Sewerage System | 514,944 | $(100,800) | | | | |
| Sanitation System | | | | 42,097 | | |
| | $1,085,912 | $(100,800) | $(14,778) | $(514,093) | $(42,097) | $(414,144) |

Transfers between the electric, sanitary, special revenue, water and sewerage and the general fund were primarily made to fund operations. Transfers from the capital projects fund to the water and sewerage fund were made to record additions and improvements to various infrastructure.

## (7) Capital Leases and Long-Term Debt

*Capital Leases*

The City has entered into a master lease agreement with the Georgia Municipal Association, Inc. which allows the City to lease various equipment for periods ranging from 36 to 120 months. The leases provide for renewal and/or purchase options and are recorded as capital leases. Renewals occurring after the initial lease period are generally for no more than one year. Purchase options allow for the purchase of the leased property at any time during the lease term for an amount which approximates the fair market value at the date the purchase option is exercised. Should a lease continue until expiration, the City has an option to purchase the equipment for the sum of $1. Equipment acquired under these leases has been capitalized at the present value of the future minimum lease payments. Interest rates for all leases average approximately five percent. Annual depreciation of these assets is included in depreciation expense.

As of December 31, 2015, the assets acquired through capital leases are as follows:

| | Total Government Activities | Total Business-Type Activities |
|---|---|---|
| Machinery and Equipment | $1,071,485 | $ 194,836 |
| Accumulated Depreciation | (830,737) | (122,526) |
| | $ 240,748 | $ 72,310 |

## (7) Capital Leases and Long-Term Debt (Continued)

*Primary Government*

Debt Service Requirements

The following summarizes the debt service requirements for long-term debt as of December 31, 2015:

| | Maturities | | | |
|---|---|---|---|---|
| | **2016** | **2017** | **2018** | **Total** |
| Principal Maturities | | | | |
| Governmental Activities | | | | |
| Capital Lease Agreements | $57,902 | $23,291 | | $ 81,193 |
| Business-Type Activities | | | | |
| Capital Lease Improvements | 18,250 | 18,792 | $9,605 | 46,647 |
| Total Principal Maturities | 76,152 | 42,083 | 9,605 | 127,840 |
| Interest Requirements | | | | |
| Governmental Activities | | | | |
| Capital Lease Agreements | 2,143 | 320 | | 2,463 |
| Business-Type Activities | | | | |
| Capital Lease Improvements | 1,171 | 629 | 106 | 1,906 |
| Total Interest Requirements | 3,314 | 949 | 106 | 4,369 |
| Total Primary Government Requirements | $79,466 | $43,032 | $9,711 | $132,209 |

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

| | **Beginning Balance** | **Additions** | **Reductions** | **Ending Balance** | **Due Within One Year** |
|---|---|---|---|---|---|
| Governmental Activities | | | | | |
| Capital Leases Payable | $172,881 | | $(91,688) | $ 81,193 | $57,902 |
| Compensated Absences | 102,437 | $18,319 | (4,990) | 115,766 | 28,942 |
| Total Governmental Activities | $275,318 | $18,319 | $(96,678) | $196,959 | $86,844 |
| Business-Type Activities | | | | | |
| Capital Lease Payable | $ 64,370 | | $(17,723) | $ 46,647 | $18,250 |
| Compensated Absences | 27,299 | $ 4,866 | (526) | 31,639 | 7,910 |
| Total Business-Type Activities | $ 91,669 | $ 4,866 | $(18,249) | $ 78,286 | $26,160 |

For the governmental activities, compensated absences are generally liquidated by the general fund.

## (8) Risk Management

There are various claims pending against the City for which damages are sought. Although the ultimate disposition of these proceedings is not presently determinable, management does not believe that adverse determinations in any or all of such proceedings will have a material adverse effect upon the financial condition of the City.

The City is exposed to various risks of loss relative to torts, personal property (e.g., theft, damage and destruction) and injury to employees for which the City carries commercial insurance coverage. Loss relative to these risks is limited to the $1,000 per occurrence deductible provided for in the insurance contracts. No material losses have been experienced by the City within the last three years.

The City is exposed to various risks of losses related to torts, thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has joined together with other municipalities in the state as part of the Georgia Interlocal Risk Management Agency Property and Liability Insurance Fund and the Georgia Municipal Association Group Self-Insurance Workers' Compensation Fund, a public entity risk pool currently operating as a common risk management and insurance program for member local governments.

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

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

Settled claims in the past three years have not exceeded the coverages.

## (9) Pension Plan

*Plan Description*

The City of Jackson Retirement Plan (the Plan) is affiliated with the Georgia Municipal Employees Benefit System (GMEBS), an agent multiple-employer pension plan administered by the Georgia Municipal Association. The authority for establishing and amending benefits rests with the City's mayor and council members.

**(9) Pension Plan Continued)**

*Plan Description (Continued)*

Eligibility requirements are one year of service for all employees. The Plan allows for early retirement at age 55 if the employee has ten years of service. Normal retirement is age 65 with five years of service or age 55 with thirty years of service. Benefits are dependent upon factors such as the number of years of credited service to the City and the employee's final average earnings. Beginning January 1, 2003, employee benefits vested at 50 percent after five years, and 10 percent of additional vesting takes place each year thereafter until reaching 100 percent after ten years of service. These benefit provisions were established by a City ordinance dated July 1, 1972.

At December 31, 2015, the Plan had 47 active employees, 11 vested former employees, 52 retired participants or beneficiaries currently receiving benefits, and 6 active elected officials.

*Contributions*

Required contributions are determined by the GMEBS based on actuarial calculations performed by an independent actuary. The actuarially-determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City's recommended contribution rate for the year ended December 31, 2015 was 12.34 percent of covered payroll. The City's contribution to the Plan for the year ended December 31, 2015 was $256,914. Participants in the Plan are not required to contribute.

*Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions*

At December 31, 2015, the City reported a net pension liability of $1,450,131. The net pension liability was measured as of March 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

At December 31, 2015, the City had deferred outflows of resources related to pensions to the following sources:

| | |
|---|---|
| Differences Between Expected and Actual Experience | $26,750 |
| Payments Made by the City After Measurement Date | 6,963 |
| | $33,713 |

**(9) Pension Plan (Continued)**

*Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)*

At December 31, 2015, the City had deferred inflows of resources related to pensions from the following sources:

| | |
|---|---|
| Changes in Assumptions | $ 91,808 |
| Net Differences Between Projected and Actual Earnings on Pension Plan Investments | 154,192 |
| | $246,000 |

Amounts reported as deferred outflows and inflows of resources will be recognized in pension expense as follows for the years ending December 31:

| | **Outflows** | **Inflows** |
|---|---|---|
| 2016 | $20,338 | $100,048 |
| 2017 | 13,375 | 100,048 |
| 2018 | - | 22,952 |
| 2019 | - | 22,952 |
| | $33,713 | $246,000 |

*Actuarial Assumptions*

The total pension liability in the December 31, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---|---|
| Inflation | 3.25 Percent |
| Salary Increases | 3.25 Percent, Including Inflation |
| Net Investment Rate of Return | 7.75 Percent |

Mortality rates were based on the following:

| | |
|---|---|
| Healthy | RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forward two years for males and one year for females |
| Disabled | RP-2000 Disabled Retiree Mortality Table with sex-distinct rates |
| Plan Termination Basis (All Lives) | 1994 Group Annuity Reserving Unisex Table |

**(9) Pension Plan (Continued)**

*Actuarial Assumptions (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 weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2015 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 |
| | 100% | | |

*Discount Rate*

The discount rate used to measure the total pension liability was 7.75 percent.

**(9) Pension Plan (Continued)**

*Changes in Net Pension Liability*

Changes in the City's net pension liability for the year ended March 31, 2015 were as follows:

| | Total Pension Liability (a) | Fiduciary Net Position (b) | Net Pension Liability (a) - (b) |
|---|---|---|---|
| **Balances-April 1, 2014** | $7,680,588 | $5,934,196 | $1,746,392 |
| Changes for the Year | | | |
| Service Costs | 136,150 | | 136,150 |
| Interest | 579,023 | | 579,023 |
| Differences Between Expected and Actual Experience | 40,124 | | 40,124 |
| Contributions-Employer | | 264,046 | (264,046) |
| Contributions-Employee | | | - |
| Net Investment Income | | 568,203 | (568,203) |
| Benefit Payments, Including Refunds of Employee Contributions | (418,648) | (418,648) | - |
| Administrative Expense | | (11,978) | 11,978 |
| Changes in Assumptions | (231,287) | | (231,287) |
| Net Changes | 105,362 | 401,623 | (296,261) |
| **Balances-March 31, 2015** | $7,785,950 | $6,335,819 | $1,450,131 |

*Sensitivity of the Net Pension Liability to Changes in the Discount Rate*

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

| | Discount Rate | Net Pension Liability |
|---|---|---|
| One Percent Decrease | 6.75% | $2,407,107 |
| Current Discount Rate | 7.75 | 1,450,131 |
| One Percent Increase | 8.75 | 654,163 |

*Plan Fiduciary Net Position*

Detailed information about the Plan's fiduciary net position is available in the separately issued GMEBS financial report. That report may be obtained by writing to the Georgia Municipal Association or by calling (404) 688-0472.

## (10) Special Purpose Local Option Sales Tax

*Series 2001*

The City has received all available funds related to the 2001 special purpose sales tax. Remaining funds will be used for construction and improvement of the City's combined utility system (water, sewer and electrical) and for construction and repair of the City's roads, streets and bridges. Expenditures for the year ended December 31, 2015 totaled $180,532. As of December 31, 2015, funds totaling $65,255 have been received and not disbursed. These funds are part of the City's capital projects fund.

*Series 2012*

The City is entitled to receive 25 percent of certain special purpose local option sales tax proceeds collected by Butts County, Georgia, after certain debt service requirements have been satisfied. Funds will be used for improvements to the City's water, sewer and electrical systems and certain municipal infrastructure. As of December 31, 2015, funds totaling $1,640,087 have been received. Expenditures for the year ended December 31, 2015 totaled $28,100. These funds are accounted for within the capital projects fund.

## (11) Hotel/Motel Tax

During the year ended December 31, 2015, the City collected $14,778 in hotel/motel tax revenue. The City complied with the requirements of O.C.G.A. 48-13-51 by expending 90 percent of the hotel/motel tax revenue collected to promote tourism, conventions and trade shows.

## (12) Joint Venture

Under Georgia law, the City, in conjunction with other cities and counties in the six county McIntosh Trail area, is a member of the Three Rivers Regional Commission and is required to pay annual dues thereto. A separately issued financial report is available and may be obtained from the Three Rivers Regional Commission.

O.C.G.A. 50-8-34 sets forth the organizational structure of RCs, and O.C.G.A. 50-8-39-1 provides that the member governments are liable for any debts or obligation of an RC. Each member government is represented on the RC board. The City is a member of the RC.

## (13) Related Organizations

Related organizations are excluded from the financial reporting entity because the City's accountability does not extend beyond making appointments. As of December 31, 2015, the City of Jackson Housing Authority is deemed to be a related organization. The Authority operates to improve the housing conditions within the City. The City assists in the appointment of one of the members of the governing body of the Authority but has no significant influence over the management, budget or policies of the Authority. The Authority reports independently, and audited financial statements are available from the Authority.

## (14) Joint Membership

The City is a member of the Municipal Electrical Authority of Georgia (MEAG) and purchases all the electricity sold by its electric department through this entity. Part of the purchase price of the electricity includes funding for various reserves. MEAG maintains separate balances of all participants and, accordingly, the City has been allocated various reserved amounts. Following is a summary of the reserved balances as of December 31, 2015:

| | |
|---|---|
| Flexible Operating Reserves | |
| Unrestricted Funds to be Allocated for Rebates Due to the City | $2,187,164 |
| Debt Service Reserves | |
| Restricted for City's Share of MEAG Bond Indebtedness. Amount is Held in Escrow and Being Returned to the City by 2018 | 537,526 |
| Restricted for City's Share of Indebtedness Related to Plant Vogle Which is Scheduled to Begin Operations in 2036 | 963,556 |

Due to the uncertainty of the City's future share of indebtedness, the above amounts have not been recorded within the accompanying financial statements.

## (15) Cumulative Effect of Adoption of Accounting Principle

Effective January 1, 2014, the City adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions* - an amendment of GASB Statement No. 27 and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date* - an amendment of GASB Statement No. 68. The City has recorded the cumulative effect of the decrease to beginning net position of implementing this change of $1,956,898 as of January 1, 2014, which is to record the net pension liability and deferred outflows of resources related to pensions as of that date.

## (16) Subsequent Events

In preparing the financial statements, the City has evaluated events and transactions for potential recognition or disclosure through June 29, 2016, the date the financial statements were available to be issued.

# REQUIRED SUPPLEMENTARY INFORMATION

# CITY OF JACKSON, GEORGIA
# SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
# BUDGET AND ACTUAL
# GENERAL FUND
# FOR THE YEAR ENDED DECEMBER 31, 2015

| | Budgeted Amounts | | Actual | Variance with Final Budget- |
|---|---|---|---|---|
| | Original | Final | Amounts | Positive (Negative) |
| **Revenues** | | | | |
| Taxes | | | | |
| Property | $ 50,000 | $ 50,000 | $ 53,559 | $ 3,559 |
| Local Option Sales | 1,000,000 | 1,000,000 | 1,002,617 | 2,617 |
| Franchise | 65,000 | 65,000 | 67,819 | 2,819 |
| Beer, Wine and Distilled Spirits | 113,000 | 113,000 | 131,335 | 18,335 |
| Insurance Premium | 270,000 | 270,000 | 290,810 | 20,810 |
| Real Estate Transfer | 5,000 | 5,000 | 8,020 | 3,020 |
| Municipal Licenses | 20,000 | 5,000 | 29,529 | 24,529 |
| Fines and Forfeitures | 140,000 | 140,000 | 82,439 | (57,561) |
| Licenses and Permits | 117,000 | 116,300 | 117,830 | 1,530 |
| Contributions | 8,000 | 6,000 | 5,390 | (610) |
| Intergovernmental | 361,757 | 187,936 | 204,040 | 16,104 |
| Investment Earnings | 16,000 | 5,000 | 4,706 | (294) |
| Miscellaneous | 63,000 | 61,750 | 102,639 | 40,889 |
| | 2,228,757 | 2,024,986 | 2,100,733 | 75,747 |
| **Expenditures** | | | | |
| Current | | | | |
| General Government | 730,083 | 845,075 | 661,872 | 183,203 |
| Law Enforcement | 1,366,569 | 1,286,036 | 1,165,751 | 120,285 |
| Fire | 542,976 | 525,310 | 509,175 | 16,135 |
| Street | 726,846 | 680,208 | 650,284 | 29,924 |
| Cemetery | 32,500 | 32,500 | 31,568 | 932 |
| Municipal Court | 76,056 | 77,071 | 58,468 | 18,603 |
| Veterans Memorial Park | 15,000 | 15,000 | 8,140 | 6,860 |
| Debt Service | | | | |
| Principal | 106,000 | 106,000 | 91,688 | 14,312 |
| Interest and Other Charges | 6,000 | 6,000 | 4,761 | 1,239 |
| Capital Outlay | | | | |
| General Government | | 64,630 | 15,146 | 49,484 |
| Law Enforcement | 6,000 | 2,200 | 17,990 | (15,790) |
| Fire | 14,000 | 14,000 | | 14,000 |
| Street | 10,000 | 13,000 | 73,629 | (60,629) |
| Municipal Court | | | 6,530 | (6,530) |
| | 3,632,030 | 3,667,030 | 3,295,002 | 372,028 |
| **Excess Revenues (Expenditures)** | (1,403,273) | (1,642,044) | (1,194,269) | 447,775 |
| **Other Financing Sources** | | | | |
| Transfers In | 1,402,773 | 1,641,544 | 1,085,912 | (555,632) |
| Sale of Capital Assets | 500 | 500 | 4,000 | 3,500 |
| | 1,403,273 | 1,642,044 | 1,089,912 | (552,132) |
| **Net Change in Fund Balances** | - | - | (104,357) | (104,357) |
| **Fund Balances-Beginning** | 1,302,271 | 1,302,271 | 1,302,271 | - |
| **Fund Balances-Ending** | $ 1,302,271 | $ 1,302,271 | $ 1,197,914 | $ (104,357) |

**CITY OF JACKSON, GEORGIA**
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**
**FOR THE CITY OF JACKSON RETIREMENT PLAN**
**FOR THE FISCAL YEAR ENDED MARCH 31, 2015**

| | |
|---|---|
| **Total Pension Liability** | |
| Service Cost | $ 136,150 |
| Interest | 579,023 |
| Differences Between Expected and Actual Experience | 40,124 |
| Changes in Assumptions | (231,287) |
| Benefit Payments | (418,648) |
| Net Change in Total Pension Liability | 105,362 |
| Total Pension Liability-Beginning | 7,680,588 |
| Total Pension Liability-Ending | $7,785,950 |
| **Plan Fiduciary Net Position** | |
| Contributions-Employer | $ 264,046 |
| Contributions-Employee | - |
| Net Investment Income | 568,203 |
| Benefit Payments | (418,648) |
| Administrative Expense | (11,978) |
| Net Change in Total Pension Liability | 401,623 |
| Total Pension Liability-Beginning | 5,934,196 |
| Total Pension Liability-Ending | $6,335,819 |
| **Net Pension Liability** | |
| Net Pension Liability-Ending | $1,450,131 |
| Plan's Fiduciary Net Position as a Percentage of the Total Pension Liability | 81.38% |
| Covered-Employee Payroll | 2,048,975 |
| Net Pension Liability as a Percentage of Covered-Employee Payroll | 70.77% |

**CITY OF JACKSON, GEORGIA**
**SCHEDULE OF CONTRIBUTIONS**
**FOR THE CITY OF JACKSON RETIREMENT PLAN**
**FOR THE FISCAL YEAR ENDED MARCH 31, 2015**

*Actuarially-Determined Contribution
*Contributions in Relation to the Actuarially-Determined Contribution
*Contribution Deficiency (Excess)
*Covered-Employee Payroll
*Contributions as a Percentage of Covered-Employee Payroll

*2015 information will be determined after fiscal year-end and will be included in the 2016 valuation report. This information is not available in the current actuarial report.

## (1) Budgetary Information

Annual appropriated budgets are adopted for the general, special revenue and enterprise funds. Project length budgets are adopted for the capital projects fund. Governmental fund and proprietary fund budgets are prepared on the modified accrual and accrual basis, respectively, and are consistent with the requirements of generally accepted accounting principles. All annual appropriations lapse at the end of the fiscal year.

Appropriated budgets are compiled by the mayor and department heads and are approved by City council. Budgetary control is maintained at the department level.

Department heads, with the approval of the mayor, may transfer appropriations within their department. Interdepartmental transfers require the approval of City council.

The City council may, by a majority vote, amend the annual budget(s).

## (2) Nonmajor Funds

In the notes to the financial statements, the City has described its major funds. As of December 31, 2015, the only nonmajor governmental fund maintained by the City is the special revenue fund. This fund accounts for the hotel/motel taxes collected.

## (3) Pension Plan

| | |
|---|---|
| Valuation Date | The actuarially-determined contribution rate was determined as of July 1, 2015, with an interest adjustment to the fiscal year. Contributions in relation to this actuarially-determined contribution rate will be reported for the year ending December 31, 2016. |
| Actuarial Cost Method | Projected Unit Credit |
| Amortization Method | Closed Level Dollar for Remaining Unfunded Liability |
| Remaining Amortization Period | Remaining amortization period varies for the bases, with a net effective amortization period of 10 years |
| Asset Valuation Method | Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10 percent 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 percent of market value. |

**(3) Pension Plan (Continued)**

Actuarial Assumptions

| | |
|---|---|
| Net Investment Rate of Return | 7.75 Percent |
| Projected Salary Increases | 3.25 Percent plus service-based merit increases |
| Cost of Living Adjustments | 3.25 Percent |
| Retirement Age (Normal) | 65 with five years of service |
| Mortality | Mortality rates are based on the RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forward two years for males and one year for females |
| Other Information | The eligibility assumption has changed from one year to immediate. The inflation assumption decreased from 3.5 percent to 3.25 percent. The salary increase assumption previously ranged from 4.00 percent to 11.00 percent and included an inflation assumption of 3.50 percent, but changed to 3.75 percent to 8.00 percent and includes an inflation assumption of 3.25 percent. |
| Benefit Changes | Effective January 1, 2015, the Plan was amended to provide for immediate participation for employees. The change had no impact on service credited under the Plan and had no impact on benefits. |

The accompanying schedules of the City's net pension liability and contributions to the Plan are required supplementary information to be presented for 10 years. However, until a full 10-year trend is compiled, information is presented in the schedules for those years for which information is available.

# SPECIAL PURPOSE LOCAL OPTION SALES TAX-2001 AND 2012

**CITY OF JACKSON, GEORGIA**
**SCHEDULE OF PROJECTS CONSTRUCTED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS-2001 AND 2012**
**FOR THE YEAR ENDED DECEMBER 31, 2015**

| Projects | Original Estimated Cost | Expenditures: Prior Years | Expenditures: Current Year | Expenditures: Total | Estimated Percentage of Completion |
|---|---|---|---|---|---|
| **Butts County General Obligation Sales Tax Bonds, Series 2001, (Total $5,910,000), City of Jackson Proportionate Share** | | | | | |
| Initially Funded by Bond Proceeds | | | | | |
| Construction and Improvements to Combined Utility System (Water, Sewer and Electrical) | $1,600,000 | $1,354,213 | $180,532 | $1,534,745 | 95.92% |
| From Sales Tax Proceeds After Payment of Debt Service | | | | | |
| Construction and Repair of Roads, Streets and Bridges | 300,000 | 300,000 | | 300,000 | 100% |
| | $1,900,000 | $1,654,213 | $180,532 | $1,834,745 | |
| **Butts County Special Local Option Sales Tax, Series 2012, City of Jackson Proportionate Share** | | | | | |
| Improvements to | | | | | |
| Water, Sewer and Electrical System | $1,500,000 | | | $ - | 0% |
| Road, Street and Sidewalk | 1,061,843 | $ 14,539 | $ 19,617 | 34,156 | 3.22% |
| Park Improvements | 100,000 | | | - | 0% |
| Parking Lot Improvements | 250,000 | | | - | 0% |
| Fire Department Improvements | 300,000 | | | - | 0% |
| Cemetery Improvements | 150,000 | | 8,483 | 8,483 | 1.06% |
| | $3,361,843 | $ 14,539 | $ 28,100 | $ 42,639 | |