CITY OF NICHOLLS, GEORGIA

ANNUAL FINANCIAL REPORT

For the Year Ended June 30, 2013

City of Nicholls, Georgia
Annual Financial Report
For the Year Ended June 30, 2013

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INDEPENDENT AUDITOR'S REPORT

To the City Council
City of Nicholls, Georgia

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Nicholls, Georgia, as of and for the year ended June 30, 2013 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 Unites States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issues by the Comptroller General of the United States; 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

My responsibility is to express opinions on these financial statements based on my audit. I conducted my 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 I 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 my 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, I consider internal control relevant to the City of Nicholls, Georgia'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 of Nicholls, Georgia's internal control. Accordingly, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinions.

Opinions

In my opinion, based on my audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Nicholls, Georgia as of June 30, 2013, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

The City of Nicholls, Georgia has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America requires 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. My opinion on the basic financial statements is not affected by the missing information.

Accounting principles generally accepted in the United State of America require that the budgetary comparison information on pages 30 through 32 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. I 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 inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquires, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Nicholls, Georgia basic financial statements. The combining and individual major and nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining, individual major and nonmajor fund financial statements and schedules listed in the table of contents 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 my opinion, the schedule of projects undertaken with special sales tax proceeds on page 50, the combining, individual major and nonmajor fund financial statements and schedules listed in the table of contents are fairly states 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*, I have also issued my report dated December 31, 2013, on my consideration of the City of Nicholls, Georgia's internal control over financial reporting and my 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 my testing of internal control over financial reporting and compliance and the 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* and important for assessing the results of my audit.

Robert W. Goodman CPA

Alma, Georgia
December 31, 2013

BASIC FINANCIAL STATEMENTS

City of Nicholls, Georgia
Statement of Net Position
June 30, 2013

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Current Assets			
Cash and cash equivalents (Note 3-A)	$ 499,540	$ 622,622	$ 1,122,162
Receivables:			
Accounts	47,630	41,252	88,882
Property taxes	10,616	-	10,616
Interfund	108,945	(108,945)	-
Intergovernmental	38,348	-	38,348
Prepaid items	6,149	4,246	10,395
Total Current Assets	711,228	559,175	1,270,403
Non-current Assets			
Capital assets (Note 3-D)			
Nondepreciable	67,862	-	67,862
Depreciable, net	1,605,839	9,021,670	10,627,509
Total Non-current Assets	1,673,701	9,021,670	10,695,371
Total Assets	2,384,929	9,580,845	11,965,774
Liabilities			
Current Liabilities			
Accounts payable	18,609	11,295	29,904
Other payables	41,225	1,765	42,990
Payable from restricted assets:			
Accrued interest	-	4,887	4,887
Revenue bonds payable, current	-	68,899	68,899
Customer deposits	-	20,615	20,615
Notes payable due within one year	-	50,489	50,489
Total Current Liabilities	59,834	157,950	217,784
Long-Term Liabilities (Note 3-G) (net of current portion)			
Notes payable	-	366,752	366,752
Revenue bonds payable	-	2,909,500	2,909,500
Total Long-Term Liabilities	-	3,276,252	3,276,252
Total Liabilities	59,834	3,434,202	3,494,036
Net Position			
Net investment in capital assets (Note 3-H)	1,673,701	5,626,030	7,299,731
Restricted for:			
Capital projects	17,899	-	17,899
Debt service		293,595	293,595
Unrestricted:			
Assigned:			
Housing and Development	6,293	-	6,293
Public Safety	8,235	-	8,235
Public Works	14,134	-	14,134
Unassigned	604,833	227,018	831,851
Total Net Position	$ 2,325,095	$ 6,146,643	$ 8,471,738

See accompanying notes to the basic financial statements.

City of Nicholls, Georgia
Statement of Activities
For the Year Ended June 30, 2013

Functions/Programs	Expenses	Program Revenues: Charges for Services and Fines	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Net (Expenses) Revenue and Changes in Net Position: Primary Government: Business-Type Activities	Net (Expenses) Revenue and Changes in Net Position: Primary Government: Total
Primary Government:							
Governmental activities:							
General government	$ 119,373	$ 12,325	$ -	$ -	$ (107,048)	$ -	$ (107,048)
Judiciary	15,969	-	-	-	(15,969)	-	(15,969)
Public safety	368,888	46,854	-	-	(322,034)	-	(322,034)
Public works	290,003	116,496	1,000	248,801	76,294	-	76,294
Culture and recreation	35,890	-	-	-	(35,890)	-	(35,890)
Housing and development	5,496	-	-	-	(5,496)	-	(5,496)
Total governmental activities	835,619	175,675	1,000	248,801	(410,143)	-	(410,143)
Business-type activities:							
Water and Sewer	886,556	828,489	-	-	-	(58,067)	(58,067)
Total business-type activities	886,556	828,489	-	-	-	(58,067)	(58,067)
Total primary government	$ 1,722,175	$ 1,004,164	$ 1,000	$ 248,801	(410,143)	(58,067)	(468,210)
General revenues:							
Taxes:							
Property taxes					233,785	-	233,785
Sales taxes					242,198	-	242,198
Insurance premium tax					139,397	-	139,397
Other taxes					23,606	-	23,606
Investment earnings					1,761	2,005	3,766
Miscellaneous					12,450	-	12,450
Total general revenues					653,197	2,005	655,202
Change in Net Position					243,054	(56,062)	186,992
Net Position - Beginning of Year					2,082,041	6,202,705	8,284,746
Net Position - End of Year					$ 2,325,095	$ 6,146,643	$ 8,471,738

See accompanying notes to the basic financial statements.

City of Nicholls, Georgia
Balance Sheet
Governmental Funds
June 30, 2013

	General	SPLOST 2012	Other Governmental Funds	Total Governmental Funds
Assets				
Cash and cash equivalents	$ 474,628	$ 10,189	$ 14,723	$ 499,540
Receivables:				
Accounts	47,630	-	-	47,630
Property taxes	10,616	-	-	10,616
Intergovernmental	38,348	-	-	38,348
Interfund	109,665	-	-	109,665
Prepaid items	6,149	-	-	6,149
Total Assets	$ 687,036	$ 10,189	$ 14,723	$ 711,948
Liabilities and Fund Balances				
Liabilities				
Accounts payable	18,609	$ -	$ -	$ 18,609
Other payables	41,225	-	-	41,225
Interfund payables	-	-	720	720
Deferred revenue	10,200	-	-	10,200
Total Liabilities	70,034	-	720	70,754
Fund Balances				
Nonspendable	6,149	-	-	6,149
Restricted for:				
Capital projects	-	10,189	7,710	17,899
Unrestricted:				
Assigned:				
Housing and Development	-	-	6,293	6,293
Public Safety	8,235	-	-	8,235
Public Works	14,134	-	-	14,134
Unassigned	588,484	-	-	588,484
Total Fund Balances	617,002	10,189	14,003	641,194
Total Liabilities and Fund Balances	$ 687,036	$ 10,189	$ 14,723	$ 711,948

See accompanying notes to the basic financial statements.

City of Nicholls, Georgia
Reconciliation of the Governmental Funds Balance Sheet
to the Government-Wide Statement of Net Position
June 30, 2013

Total Governmental Fund Balances		$ 641,194
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.		
Cost of capital assets	$ 2,427,416	
Less accumulated depreciation	(753,715)	1,673,701
Other assets are not available to pay for current period expenditures and therefore are deferred in the funds.		10,200
Net Position of Governmental Activities		$ 2,325,095

See accompanying notes to the basic financial statements.

City of Nicholls, Georgia
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2013

	General	SPLOST 2012	Other Governmental Funds	Total Governmental Funds
Revenues				
Taxes	$ 396,470	$ -	$ -	$ 396,470
Licenses and permits	11,506	-	-	11,506
Intergovernmental	263,928	206,492	21,328	491,748
Charges for services	117,506	-	-	117,506
Fines and forfeitures	46,663	-	-	46,663
Investment earnings	1,749	251	12	2,012
Miscellaneous	9,412	-	2,245	11,657
Total Revenues	847,234	206,743	23,585	1,077,562
Expenditures:				
Current:				
General government	114,228	-	1,146	115,374
Judiciary	15,969	-	-	15,969
Public safety	337,689	-	-	337,689
Public works	289,782	-	-	289,782
Culture and recreation	12,144	-	-	12,144
Housing and development	5,496	-	-	5,496
Capital outlay	-	212,340	6,178	218,518
Total Expenditures	775,308	212,340	7,324	994,972
Net Change in Fund Balances	71,926	(5,597)	16,261	82,590
Fund Balances, Beginning of Year	545,076	15,786	(2,258)	558,604
Fund Balances, End of Year	$ 617,002	$ 10,189	$ 14,003	$ 641,194

See accompanying notes to the basic financial statements.

City of Nicholls, Georgia
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
of Governmental Funds to the Government-Wide Statement of Activities
For the Year Ended June 30, 2013

Net Change in Fund Balances - Total Governmental Funds			$ 82,590
Amounts reported for governmental activities in the statement of activities are different because:			
Governmental funds report capital outlays as expenditures on the governmental fund type operating statement. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which the capitalized capital outlays exceeded depreciation expense in the current period.			
	Depreciation expense	$ (68,902)	
	Capital outlay	228,255	159,353
Revenues reported in the statement of activities that do not provide current financial resources are not reported as revenues at the fund financial reporting level.			
	Property taxes:		
	Deferred at 06/30/12	$ (9,089)	
	Deferred at 06/30/13	10,200	1,111
Change in Net Position of Governmental Activities			$ 243,054

See accompanying notes to the basic financial statements.

City of Nicholls, Georgia
Proprietary Funds
Statement of Net Position
June 30, 2013

	Business-Type Activities - Enterprise Funds	
	Water and Sewer	Total
Assets		
Current Assets:		
Cash and cash equivalents	$ 303,525	$ 303,525
Accounts receivable, net	41,252	41,252
Restricted assets:		
Bond contingency - cash	298,482	298,482
Customer deposits	20,615	20,615
Prepaid items	4,246	4,246
Total Current Assets	668,120	668,120
Capital Assets:		
Depreciable	9,021,670	9,021,670
Total Assets	9,689,790	9,689,790
Liabilities		
Current Liabilities:		
Accounts payable	11,295	11,295
Accrued expenses	1,765	1,765
Interfund payable	108,945	108,945
Payable from restricted assets:		
Accrued interest	4,887	4,887
Note payable, current	50,489	50,489
Revenue bonds payable, current	68,899	68,899
Customer deposits	20,615	20,615
Total Current Liabilities	266,895	266,895
Long-term Liabilities:		
Note payable, net of current portion	366,752	366,752
Revenue bonds, net of current portion	2,909,500	2,909,500
Total Long-term Liabilities	3,276,252	3,276,252
Total Liabilities	3,543,147	3,543,147
Net Position		
Net investment in capital assets	5,626,030	5,626,030
Restricted for debt service	293,595	293,595
Unrestricted	227,018	227,018
Total Net Position	$ 6,146,643	$ 6,146,643

See accompanying notes to the basic financial statements.

City of Nicholls, Georgia
Proprietary Funds
Statement of Revenues, Expenses and Changes in Fund Net Position
For the Year Ended June 30, 2013

	Business-Type Activities - Enterprise Funds	
	Water and Sewer	Total
Operating Revenues		
Water billings	$ 329,227	$ 329,227
Sewer billings	499,262	499,262
Total Operating Revenues	828,489	828,489
Operating Expenses		
Salaries and wages	145,397	145,397
Group insurance	42,052	42,052
Payroll taxes	9,656	9,656
Retirement contributions	14,653	14,653
Workers compensation	5,421	5,421
Employee Benefits	1,250	1,250
Professional services	12,250	12,250
Repairs and maintenance	20,978	20,978
Insurance	9,775	9,775
Advertising	561	561
Dues & Subscriptions	350	350
Water testing and fees	22,294	22,294
Operating supplies	20,651	20,651
Utilities	73,307	73,307
Vehicle Operations	11,588	11,588
Bad debts	4,734	4,734
Depreciation	337,113	337,113
Total Operating Expenses	732,030	732,030
Operating Income (Loss)	96,459	96,459
Non-operating Revenues (Expenses):		
Interest expense	(154,526)	(154,526)
Interest income	2,005	2,005
Total Non-operating Revenues (Expenses)	(152,521)	(152,521)
Change in Net Position	(56,062)	(56,062)
Net Position, Beginning of Year	6,202,705	6,202,705
Net Position, End of Year	$ 6,146,643	$ 6,146,643

See accompanying notes to the basic financial statements.

City of Nicholls, Georgia
Proprietary Funds
Statement of Cash Flows
For the Year Ended June 30, 2013

	Business-Type Activities - Enterprise Funds	
	Water and Sewer	Total
Cash Flows from Operating Activities		
Cash received from customers	$ 835,563	$ 835,563
Cash payments to suppliers for goods and services	(173,271)	(173,271)
Cash payments to employees for services	(218,036)	(218,036)
Payment of customer deposits, net	2,425	2,425
Net Cash Provided (Used) by Operating Activities	446,681	446,681
Cash Flows from Non-capital Financing Activities		
Increase in interfund loan payable	17,382	17,382
Net Cash Provided (Used) by Non-capital Financing Activities	17,382	17,382
Cash Flows from Capital and Related Financing Activities		
Principal paid on capital debt	(114,972)	(114,972)
Acquisition of capital assets	(8,500)	(8,500)
Interest paid on capital debt	(155,039)	(155,039)
Net Cash Used by Capital and Related Financing Activities	(278,511)	(278,511)
Cash Flows from Investing Activities		
Interest on cash and cash equivalents	2,005	2,005
Net Cash Provided by Investing Activities	2,005	2,005
Net Increase (Decrease) in Cash and Cash Equivalents	187,557	187,557
Cash and Cash Equivalents, Beginning of Year	435,065	435,065
Cash and Cash Equivalents, End of Year	$ 622,622	$ 622,622
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Operating income (loss)	$ 96,459	$ 96,459
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation expense	337,113	337,113
Changes in assets and liabilities:		
Receivables, net	11,808	11,808
Prepaid items	(2,107)	(2,107)
Accounts payable	590	590
Accrued expenses	393	393
Customer deposits payable	2,425	2,425
Net Cash Provided by (Used in) Operating Activities	$ 446,681	$ 446,681

See accompanying notes to the basic financial statements.

City of Nicholls, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2013

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Nicholls, Georgia was incorporated under the laws of the State of Georgia, and operates under a mayor-council form of government. The Mayor and a five member council govern the City and are elected to four-year terms.

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting. The City also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental activities at the government-wide financial reporting level and to its enterprise fund, provided they do not conflict with or contradict GASB pronouncements. The City does not follow subsequent private-sector guidance.

The more significant of the City's accounting policies are described below.

1-A. Reporting Entity

The financial reporting entity consists of (a) 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 or incomplete. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (a) it is able to impose its will on that organization or (b) there is a potential for the organization to provide specific financial benefits to, or impose specific restrictions on, the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government regardless of whether the organization has (a) a separately elected governing board, (b) a governing body appointed by a higher level of government, or (c) a jointly appointed board.

Based upon the above criteria for component units, the City has no component units that should be discretely presented.

1-B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates the degree to which direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. The City does not allocate indirect expenses to functions in the statement of activities

Major individual governmental funds are reported as separate columns in the fund financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of 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.

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 year. 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.

Property taxes, sales taxes, licenses, water and sewer charges and interest associated with the current year are all considered to be susceptible to accrual and so have been recognized as revenues of the current year. All other revenue items are considered to be measurable and available only when cash is received by the government.

Governmental funds are those funds through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses and balance of current financial resources. The City has presented the following major governmental funds:

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

2012 SPLOST Fund – The 2012 SPLOST Fund is used to account for the collection and disbursement of the 2012 1% Special Local Option Sales Tax (SPLOST) funds to be used for the acquisition of equipment or construction of major capital facilities or infrastructure and other projects.

Proprietary Funds are accounted for using economic resources measurement focus and the accrual basis of accounting. The accounting objectives are determinations of net income, financial position and cash flow. All assets and liabilities are included on the Statement of Net Position. The City has presented the following major proprietary fund:

Water and Sewer Fund – The Water and Sewer Fund is used to account for the provision of water and sewer services to the residents of the City. Activities of the fund include administration, operations and maintenance of the water and sewer system and billing and collection activities. The fund also accounts for the accumulation of resources for, and the payment of principal and interest for water and sewer debt. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary to ensure integrity of the fund.

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. Operating expenses for the proprietary funds include the cost of personnel and contractual services, supplies and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Non-current governmental assets/liabilities:

GASB Statement 34 eliminates the presentation of account groups, but provides for these reports to be maintained and incorporates the information into the governmental column in the government-wide statement of net position.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. An exception of this general rule is payments-in-lieu of taxes. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

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

1-D. Assets, Liabilities, and Net Position or Equity

1-D-1. Deposits

The City has defined cash and cash equivalents to include cash on hand, demand deposits, amounts with fiscal agents and investments with an original maturity of three months or less. Time deposits are classified as cash and cash equivalents without regard to maturity date.

Statutes authorize the City to invest in obligations of the U.S. Treasury, other U.S. Government agencies, the State of Georgia, other counties, municipal corporations and political subdivisions of the State of Georgia and pooled investment programs sponsored by the State of Georgia for the investment of local government funds.

The City, during the year, invested funds in demand deposits of local banks. Investments are stated at cost.

1-D-2. Receivables

In the fund financial statements, material receivables in governmental funds include revenue accounts such as property taxes, grants and other similar intergovernmental revenues since they are both measurable and available. Non-exchange transactions collectible but not available are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the government-wide financial statements in accordance with the accrual basis of accounting. Accounts receivable represent the majority of proprietary fund receivables. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. All trade and property tax receivables are shown net of an allowance for uncollectibles, where applicable.

1-D-3. Inventories and Prepaid Items

The costs of inventories are recorded as expenditures when purchased in all funds. The costs of inventories at year end, if any, are not considered material to the financial statements.

Payments made to vendors for services that will benefit future accounting periods are recorded as prepaid items in both the government-wide and fund financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1-D-4. Restricted Assets

Proceeds from certain revenues and other resources in the Water and Sewer Fund, Special Revenue Funds and Capital Project Funds are classified as restricted assets on the balance sheet because their use is limited by applicable statutes or agreements. When an expense is incurred for which both restricted and unrestricted net position are available, restricted resources are applied first.

1-D-5. Capital Assets

Capital assets purchased by the government fund types are recorded as expenditures at the time of purchase. Such assets are capitalized at cost if a unit cost is $5,000 or more in the general capital assets. The City's policy is to capitalize significant interest costs incurred during construction as a part of the cost of capital assets. Gifts or contributions are recorded at their estimated fair market value on the date donated.

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

Depreciation on all assets is provided using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	25-50
Water and sewer system	10-40
Improvements	25
Equipment, vehicles and furniture	7-10
Infrastructure	25-50

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

1-D-6. Compensated Absences

Full-time, permanent employees are granted vacation benefits to specified maximums depending on tenure with the City. Sick leave accrues to full-time, permanent employees to specified maximums. Generally, after one year of service, employees are entitled to a percentage of their sick leave balance and all accrued vacation leave upon termination.

The estimated current portion of the liability for vested vacation and sick leave benefits attributable to the City's governmental funds is recorded as an expenditure and liability in the respective funds. The amounts attributable to the proprietary fund are charged to expense and a corresponding liability.

1-D-7. 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, as well as issuance costs, are deferred and amortized over the useful life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing resources while discounts on debt issuances are reported as other financing uses. Issuance costs are reported as debt service expenditures.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1-D-8. Fund Equity

Fund equity at the governmental fund financial reporting level is classified as "fund balance." Fund equity for all other reporting is classified as "net position."

Fund Balance – Generally, fund balance represents the difference between the current assets and current liabilities. Amounts are classified as nonspendable, restricted, committed, assigned, or unassigned. Fund considered to be nonspendable are items that are not available to fund expenditures, such as fund balance associated with inventories or prepaid expenses. The City's nonspendable fund balance totaled $6,149 and is comprised of prepaid expenses. The restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, and external resource provider, or through enabling legislation. The committed fund balance classification includes amounts that can be used only for the specific purpose pursuant to constraints imposed by formal action of the City Council through the adoption of a resolution prior to the end of the fiscal year. In order to modify or rescind the commitment, the City Council must adopt another resolution. Amounts in the assigned fund balance classification are intended to be used by the government for specific purposed but do not meet the criteria to be classified as restricted or committed. Assigned fund balance may be assigned by the City Council or a designee to whom the Council delegates authority. Assigned fund balance is established by the Council through adoption or amendment of the budget as intended for a specific purpose. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed.

Unassigned fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classification should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned. The City applies restricted fund balance first when an expense is incurred for purposes for which both restricted and unrestricted fund balances are available. Additionally, the City would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are incurred.

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriations or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

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

a. Net investment in capital assets consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
b. Restricted net position consist of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
c. Unrestricted net position consists of all other assets that do not meet the definition of "restricted" or "net investment in capital assets".

The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1-D-9. Revenues, Expenditures, and Expenses

a. Operating and non-operating revenues and expenses

Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods or services. Also included are all revenues and expenses not related to capital and related financing, non-capital financing, or investing activities. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. When both restricted and unrestricted resources are available for use, the City's policy is to use restricted resources first, then unrestricted resources as needed.

b. Expenditures/expenses

In the government-wide financial statements, expenses are classified by function for governmental activities. Administrative overhead charges are made to various functions and are included in direct expenses. In the fund financial statements, governmental fund expenditures are classified by character i.e. current (further classified by function), debt service, and capital outlay. Proprietary fund expenses are classified as operating and non-operating.

In the fund financial statements, governmental funds report expenditures of current financial resources. Proprietary funds report expenses relating to use of economic resources.

1-D-10. Interfund Transactions

Interfund transactions are reflected as loans, services provided, reimbursements or transfers. Loans are reported as receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transfers are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide columnar presentation.

1-D-11. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that may affect the amounts reported in the financial statements and the related notes. Accordingly, actual results could differ from those estimates.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

2-A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund and the Community Building Fund. All annual appropriations lapse at year end.

The appropriated budget is prepared by fund, function, and department. The Mayor may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the council. The legal level of budgetary control (i.e., the level at which expenditures may not exceed appropriations) is the department level. The council did make supplementary budget appropriations during the year.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

The following departments overspent the final 2013 budget:

General Fund:

Legislative	196
General Administration	5,132
Solid Waste	1,428
Library	2,573

NOTE 3 - DETAILED NOTES ON ALL FUNDS

3-A. Deposits

Deposits – The City's cash and investment policy limits deposits to demand and money market accounts and time deposits at local banks. The City's deposits shall be secured by Federal Depositary Insurance Corporation (FDIC) coverage and/or bank pledges. State statutes require banks holding public funds to secure these funds by FDIC insurance, securities pledged at par value, and surety bonds at face value in combined aggregate totaling not less than 110 percent of the public funds held.

Custodial Credit Risk – Deposits - The custodial credit risk for deposits is the risk that, in the event of bank failure, the City's deposits may not be recovered.

As of June 30, 2013, all of the City's deposits were covered either by FDIC coverage or collateralized by the financial institution or a combination of the two. At year-end the bank balances of the City's demand and time deposits were $1,128,174 and the carrying amount was $1,122,162.

Cash and cash equivalents reconciliation:

	Cash and Cash Equivalents
Fund Reporting Level:	
Governmental Funds - Balance Sheet	$ 499,540
Proprietary Fund Type Statement of Net Assets	622,622
Total	$ 1,122,162

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

3-B. Receivables

Receivables as of year-end for the government's individual major funds and nonmajor funds in the aggregate including the applicable allowance for uncollectible accounts are as follows:

	Taxes	Accounts	Inter-governmental	Gross Receivables	Less: Allowance for Uncollectibles	Net Receivables
General	$ 10,616	$ 61,822	$ 38,348	$ 110,786	$ (14,192)	$ 96,594
Water and sewer	-	67,465	-	67,465	(26,213)	41,252
Total	10,616	129,287	38,348	178,251	$ (40,405)	$ 137,846
Less allowance for uncollectibles	-	(40,405)	-	(40,405)		
Net receivables	$ 10,616	$ 88,882	$ 38,348	$ 137,846		

3-C. Property Taxes

The major receivable of the County is property taxes receivable. Property is appraised and a lien on such property becomes enforceable 60 days after the final notification of delinquency of property taxes. Property tax millage rates are usually adopted in September and tax bill are rendered in October.

The City's property tax calendar for 2012 was as follows:
Property taxes attached as an enforceable lien on property as of January 1, 2012. The tax levy was approved on August 29, 2012. Taxes became due on December 20, 2012 and became delinquent on January 15, 2013.

III. DETAILED NOTES ON ALL FUNDS (Continued)

3-D. Capital Assets

Governmental Activities:

	Balance 6/30/2012	Additions	Deductions	Balance 6/30/2013
Capital assets, not being depreciated				
Land	$ 67,862	-	-	$ 67,862
Construction in Progress	-	-	-	-
Total capital assets, not being depreciated	67,862	-	-	67,862
Depreciable capital assets				
Buildings and improvements	1,386,864	-	-	1,386,864
Machinery and equipment	245,166	191,060	-	436,226
Infrastructure	499,268	37,195	-	536,463
Total depreciable capital assets	2,131,298	228,255	-	2,359,553
Total capital assets	2,199,160	228,255	-	2,427,415
Less accumulated depreciation:				
Buildings and improvements	423,123	35,428	-	458,551
Machinery and equipment	193,453	20,717	-	214,170
Infrastructure	68,236	12,757	-	80,993
Total accumulated depreciation	684,812	68,902	-	753,714
Governmental activities capital assets, net	$ 1,514,348	$ 159,353	$ -	$ 1,673,701

Depreciation expense was charged to governmental activities as follows:

Governmental activities depreciation expense:

General government	$ 3,999
Public safety	20,206
Public works	20,951
Culture and recreation	23,746
Total	$ 68,902

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

3-D. Capital Assets (Continued)

Business Type Activities:

	Balance 6/30/2012	Additions	Deductions	Balance 6/30/2013
Depreciable capital assets:				
Machinery and equipment	$ 13,524,277	$ 8,500	$ -	$ 13,532,777
Total capital assets, being depreciated	13,524,277	8,500	-	13,532,777
Less accumulated depreciation:				
Machinery and equipment	4,173,994	337,113	-	4,511,107
Total accumulated depreciation	4,173,994	337,113	-	4,511,001
Business-type activities capital assets, net	$ 9,350,283	$ (328,613)	$ -	$ 9,021,670

3-E. Interfund Receivables, Payables and Transfers

Interfund Balances – Interfund balances at June 30, 2013, consisted of the following amounts and represent charges for services or reimbursable expenses. These remaining balances resulted from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenses occur, (2) transactions are recorded in the accounting period, and (3) payments between funds are made.

	Payable from:		
Payable to:	Water and sewer fund	2000 Splost fund	Total
General fund	$ 108,945	$ 720	$ 109,665

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

3-F. Short-term Debt

The City did not incur any short-term debt during the year.

3-G. Long-term Debt

Business-type Activities – The City has two Water and Sewer revenue bonds outstanding and a note payable outstanding at June 30, 2013 for its business-type activities.

Water and Sewer Revenue Bonds:

1981 Series:
On October 9, 1981, Water Revenue bonds were issued in the amount of $359,000 for the purpose of financing the cost of acquiring and constructing additions, extensions and improvements to its water system. The bonds are secured by a lien on and a pledge of the net revenues derived from its water and sewer system.

The bonds are being amortized with an annual installment of principal and interest, ranging in amounts from $20,200 to $24,150, at an interest rate of 5.0% per annum. Payments began December 1, 1981 and will end on December 1, 2020.

The revenue bond ordinance requires that certain funds or accounts be maintained. These accounts are the water revenue fund and water sinking fund. The revenue fund is to be used to deposit all revenues arising from the operations of the system. The water sinking fund is to be used for the annual accumulation of monies for the purpose of creating and maintaining a reserve equal to one annual principal and interest payment. At June 30, 2013 the water sinking fund account had a balance of $50,287.

There are several restrictions contained in the bond ordinance of the City's Water Bonds. The City is in general compliance with all significant limitations and restrictions.

2000 Series:
On August 28, 2000, Water and Sewer Revenue bonds were issued in the amount of $3,333,000. The purposes of the bonds are to provide for the acquisition, construction and installation of additions and improvements to the existing water and sewerage system of the City.

The bonds are to be amortized with a monthly installment of principal and interest in the amount of $15,132 at an interest rate of 4.5% per annum. Payments began August 28, 2001 and will end on August 28, 2040.

The bond ordinance provides for prescribing and revising rates and for collecting fees and charges for the services, facilities and commodities to be furnished by the system and all additions, extensions and improvements thereto, sufficient to provide funds (a) to pay the cost of maintaining, repairing, operating and insuring the System, (b) to pay the principal and interest on the City of Nicholls Water and Sewerage Revenue Bonds, Series 2000, including the reserves therefore, as the same become due and payable, (c) to pay the principal of and interest on this bond as the same become due and payable in the current sinking fund year, and to create and maintain a reserve to pay the same, (d) to maintain the Renewal and Extension Fund, and (e) to create a reserve for extensions and improvements to the System if one is desired and approved in accordance with the Ordinance.

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

3-G. Long-term Debt (continued)

Annual debt service requirements for the two Water and Sewer revenue bonds as of June 30, 2013 are as follows:

Year Ending June 30,	Principal	Interest	Total
2014	68,899	133,585	202,484
2015	71,421	130,363	201,784
2016	77,059	127,025	204,084
2017	79,818	123,416	203,234
2018	83,704	118,830	202,534
2019-2023	434,667	538,253	972,920
2024-2028	471,511	436,409	907,920
2029-2033	590,235	317,685	907,920
2034-2038	738,854	169,066	907,920
2039-2040	362,230	38,237	400,467
	$ 2,978,399	$ 2,132,868	$ 5,111,267

Note Payable – Georgia Environmental Facilities Authority

The City obtained a loan from the Georgia Environmental Facilities Authority on March 01, 2002 in the amount of $870,918. The note proceeds were used for water system improvements. The note carries a 4.1% interest rate and is due in quarterly installments of $16,707 with the final installment due on September 1, 2020 in the amount of $16,661. Annual debt service requirements for this note payable as of June 30, 2013 are as follows:

Year Ending June 30,	Principal	Interest	Total
2014	50,488	16,339	66,827
2015	52,591	14,236	66,827
2016	54,761	12,066	66,827
2017	57,077	9,750	66,827
2018	59,437	7,390	66,827
2019-2022	142,887	7,427	150,314
	$ 417,241	$ 67,208	$ 484,449

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

3-G. Long-term Debt (Continued)

Changes in Long-term Debt - Changes in the City's long-term obligations consisted of the following for the year ended June 30, 2013:

	Outstanding 6/30/2012	Additions	Reductions	Outstanding 6/30/2013	Amounts Due Within One Year
Business-type Activities:					
Major Enterprise Fund					
Water and Sewer Fund:					
1981 Series	$ 152,000	$ -	$ (14,000)	$ 138,000	$ 14,000
2000 Series	2,892,871	-	(52,472)	2,840,399	54,899
Note Payable	465,741	-	(48,500)	417,241	50,489
Total Water and Sewer Fund	$ 3,510,612	$ -	$ (114,972)	$ 3,395,640	$ 119,388

3-H. Net Investment in Capital Assets

The "net investment in capital assets" reported on the government-wide statement of net position as of June 30, 2013 are as follows:

	Governmental Activities	Business-type Activities
Cost of capital assets	$ 2,427,415	$ 13,532,777
Less accumulated depreciation	753,714	4,511,107
Book value	1,673,701	9,021,670
Less capital related debt	-	3,395,640
Net investment in capital assets	$ 1,673,701	$ 5,626,030

NOTE 4 - OTHER INFORMATION

4-A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and the destruction of assets; errors and omissions; injuries to employees; and natural disasters. Significant losses are covered by commercial insurance. The City maintains property, liability, automobile and fidelity coverage.

There have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

For its workers compensation coverage, the City is a member of the Georgia Municipal Association of Workers' Compensation Self Insurance Fund. The fund operates under the authority of O.C.G.A. 34-9-150 et Seq. The City pays into the fund its share of the fund's projected obligation for workers' compensation liability, administrative expenses, and other costs incurred by the fund. The City's share is adjusted by the board of the fund according to the claims experience of each participating member in accordance with criteria set forth in the bylaws of the fund. The fund makes payments to the employees of the members for workers compensation benefits pursuant to and in accordance with the claims procedures set forth in title 34, chapter 9 of O.C.G.A. The City is jointly and severally liable for all legal obligations of the fund, including, but not limited to, any obligations of the fund to pay claims against the fund arising out of any occurrence, incident, or accident covered under title 34, chapter 9 of O.C.G.A.

NOTE 4 - OTHER INFORMATION (Continued)

4-B. Commitments and Contingencies

2006 SPLOST Agreement – A Special 1% Local Option Sales Tax was passed in Coffee County in 2005, known as the 2006 SPLOST. As part of the 2006 SPLOST, the City has $1,053,000 in projects which had begun as of year-end. The City of Nicholls, Coffee County and all other municipalities in Coffee County entered into an intergovernmental agreement that the County Detention Center is the sole priority one project associated with this SPLOST. In this regard, all SPLOST revenue received in the first fourteen months that the SPLOST is in effect shall be allocated to this project. After the first fourteen months, any SPLOST revenue received shall first be allocated to the county on a monthly basis in an amount sufficient to service this project cost. At year end, the priority one project was completed and City of Nicholls had received $30,755.

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

The City is a defendant in various legal proceedings and litigations arising in the normal course of operations. Although the outcome of these proceedings is not presently determinable, in the opinion of the city attorney, the resolution of these matters will not have a material adverse effect of the financial condition of the City.

4-C. Joint Ventures

The City of Nicholls, Georgia, in conjunction with cities and counties in the eighteen county South Georgia area are members of the Southern Georgia Regional Commission (SGRC). Membership in a regional commission (RC) is automatic for each municipality and county in the state. The Official Code of Georgia Annotated Section 50-8-34 (Georgia Planning Act of 1989) provides for the organizational structure of the RCs. Each county and municipality in the state is required by law to pay minimum annual dues to the RC. The City paid annual dues in the amount of $3484 to the SGRC for the year ended June 30, 2013. The SGRC council membership includes the chief elected official of each county and the chief elected official of one municipality in each county. Additional council members are appointed from the region by the Governor, Lieutenant Governor and the Speaker of the House of Representatives. Separate financial statements are available at the following address: Southern Georgia Regional Commission. 327 West Savannah Avenue, Valdosta, GA 31503, or by calling 229-333-5277.

O.C.G.A. 50-8-32 defines regional commissions "public agencies and instrumentalities of their members". Georgia law also provides that member governments are liable for any debts or obligations of an RC beyond its resources (O.C.G.A. 50-8-39).

4-D. Pension and Employee Benefit Plan

The City of Nicholls, Georgia provides pension benefits for all of its full-time employees through a noncontributory, defined benefit plan in the state-wide Georgia Municipal Employees Benefit System (GMEBS), an agent multiple-employer public retirement system. Benefit provisions and all other requirements are established by state statute and local ordinance. Elected officials are not covered by the plan. The City has the right to establish and amend the benefit provisions of the plan. These amendments become effective once approved by the Board of Trustees of GMEBS. The Georgia Municipal Employees Benefit System issues a plan financial report and a copy of this report can be obtained from the Georgia Municipal Association, 21 Pryor Street, S.W., Atlanta, Georgia 30303.

All full time employees of the City participate in the plan after one year of full-time service. The plan defines a full-time employee as one working at least 35 hours per week. Employees are fully vested after 5 years of service. Retirement benefits are 1.5% of final average earnings. Final average earnings are an average of the 5 highest consecutive years' earnings. Normal retirement is age 65 with 5 years of credited service.

NOTE 4 - OTHER INFORMATION (Continued)

4-D. Pension and Employee Benefit Plan (Continued)

Early retirement with reduced benefits is permitted between the ages of 55 and 65 with 10 years of credited service.

Membership of the plan is as follows:

Retirees and beneficiaries currently receiving benefits	1
Terminated vested participants not yet receiving benefits	1
Active vested participants	6
Nonvested participants	5
Total participants	13

Contributions from the City of Nicholls, Georgia to the plan are determined under the projected unit credit actuarial cost method. The period and related method for amortizing the initial unfunded actuarial accrued liability is 30 years from 2004 and the current changes in the unfunded actuarial accrued liability over 15 years for actuarial gains and losses, 20 years for plan provisions and 30 years for actuarial assumptions and cost methods as a closed level dollar amount. The remaining amortization period varies for the bases. The method used to determine the actuarial value of assets utilizes a smoothing method to allow fluctuations in the market value of assets to be recognized over a number of years. The required contribution for the City of Nicholls, Georgia for the actuarial period ended January 1, 2013 was $29,928, which was 8.42% of covered payroll. Active plan members do not contribute to the plan. The City pays 100% of the required contribution.

Three Year Trend Information

Fiscal Year Ended	Annual Pension Cost APC)	Percentage of APC Contributed	Net Pension Obligation
06/30/11	$41,939	100%	$0
06/30/12	$37,748	100%	$0
06/30/13	$29,928	100%	$0

Plan Funded Status – The City's funding status based upon the most recent actuarial valuation follows:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b - a) / c)
1/1/2011	284,461	476,694	192,233	59.67%	384,234	50.03%
1/1/2012	326,784	472,657	145,873	69.14%	420,351	34.70%
1/1/2013	373,109	453,770	80,661	82.22%	349,337	23.09%

The significant actuarial assumptions used to compute the actuarial accrued liability and the annual recommended contribution are as follows:

Rate of Return on Investment	7.75% per year
Projected Salary Increases	4 to 11% based on years of service or age
Expected annual inflation	3.5% per year

NOTE 4 - OTHER INFORMATION (Continued)

4-E. Special Purpose Local Option Sales Tax (SPLOST)

On November 7, 2000, Coffee County voters approved a referendum imposing a special one percent retail sales and use tax for a limited period of time not to exceed five years or the collection of $17,675,640, whichever comes first, from the imposition date of April 1, 2001. The City of Nicholls was to be allocated 3.18% of the sales tax collected. This revenue is reported in the 2000 SPLOST special revenue fund. The purpose is to fund various capital projects of the City of Nicholls. A total of $806,160 has been collected. Of this amount, 99.9% has been expended.

In 2005, Coffee County voters approved a referendum imposing a special one percent retail sales and use tax for a limited period of time of six years to collect an estimated $40,600,000 from the imposition date of April 1, 2006 The purpose is to fund various capital projects of the County, the City of Nicholls, the City of Broxton and the City of Ambrose. As mentioned in Note 4-B, the City entered into an intergovernmental agreement with the County.

On March 15, 2011, Coffee County voters approved a referendum imposing a special one percent retail sales and use tax for a limited period of time of six years to collect an estimated $33,000,000 from the imposition date of April 1, 2012. The City of Nicholls was to be allocated 3.41% of the sales tax collected. This revenue is reported in the 2012 SPLOST special revenue fund. The purpose is to fund various capital projects of the City of Nicholls. A total of $222,278 has been collected as of June 30, 2013. Of this amount, 95.5% has been expended.

4-F Other Post-Employment Benefits

The City provides funding for continued healthcare benefits to retired employees. The Healthcare Plan, administered by Georgia Municipal Association, provides medical and prescription drug benefits to those who qualify. Continued healthcare benefits in the form of single coverage will be paid at 75% of the premium. All city employees may become eligible for post employment health care benefits if they retire with 20 or more years of service and are 55 years of age. This benefit is limited to a period until the employee reaches age 65, becomes eligible for a health insurance plan or becomes Medicare eligible, at which time the benefit terminates. Nonworking spouses of retirees who are eligible dependents of the retiring employee may be included in the health insurance plan. The City has the authority to amend or terminate this benefit. The Healthcare Plan was established by City Council and it may be amended by the same Council.

The Healthcare Plan is a single-employer defined benefit post-retirement healthcare. The City has not elected to advance fund the Plan, but rather maintains the Plan on a "pay as you go" basis. As of June 30, 2013, early retiree health insurance had no participants.

REQUIRED SUPPLEMENTARY INFORMATION

City of Nicholls, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts			Variance with Final Budget Over (Under)
	Original	Final	Actual	
Revenues				
Property taxes	$ 222,000	$ 222,000	$ 232,674	$ 10,674
Local option sales & use taxes	250,000	250,000	242,198	(7,802)
Alcoholic beverage excise taxes	20,000	22,000	23,606	1,606
Insurance premium taxes	130,000	139,400	139,397	(3)
Penalties and interest on delinquent taxes	-	-	793	793
Licenses and permits	14,500	12,500	11,506	(994)
Fines and forfeitures	50,000	46,000	46,663	663
Charges for services	100,000	100,000	117,506	17,506
Investment earnings	1,000	1,100	1,749	649
Intergovernmental	-	-	21,730	21,730
Miscellaneous	5,500	-	9,412	9,412
Total Revenues	793,000	793,000	847,234	54,234
Expenditures				
Current				
General government:				
Legislative	7,000	13,900	14,096	196
Elections	2,000	-	-	-
General administration	130,000	95,000	100,132	5,132
Total general government	139,000	108,900	114,228	5,328
Judiciary:				
Municipal court	28,000	20,000	15,969	(4,031)
Total judiciary	28,000	20,000	15,969	(4,031)
Public safety:				
Police	295,000	320,000	314,434	(5,566)
Jail	10,000	4,000	3,474	(526)
Fire department	13,000	14,000	12,760	(1,240)
Clinic	-	-	-	-
E-911	7,100	7,100	7,021	(79)
Total public safety	325,100	345,100	337,689	(7,411)
Public works:				
Solid waste	113,500	113,500	114,928	1,428
Streets	169,400	187,000	174,854	(12,146)
Total public works	282,900	300,500	289,782	(10,718)

City of Nicholls, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts			Variance with Final Budget Over (Under)
	Original	Final	Actual	
Culture and recreation:				
Recreation	-	4,500	2,571	(1,929)
Library	8,500	7,000	9,573	2,573
Total culture and recreation	8,500	11,500	12,144	644
Housing and development:				
Founders Day	9,500	7,000	5,496	(1,504)
Total housing and development	9,500	7,000	5,496	(1,504)
Total Expenditures	793,000	793,000	775,308	(17,692)
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ -	$ -	$ 71,926	$ 71,926
Fund Balances - Beginning		545,076	545,076	
Fund Balances - Ending		$ 545,076	$ 617,002	

Note 1 - *Budgetary Information*

Budgets for the general fund are adopted on a basis that is consistent with accounting principles generally accepted in the United States as applied to governments.

The following departments overspent the final general fund 2013 annual budget

General Fund:

Legislative	196
General Administation	5,132
Solid Waste	1,428
Library	2,573

SUPPLEMENTARY INFORMATION

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

City of Nicholls, Georgia
2012 SPLOST Fund
Comparative Balance Sheet
June 30, 2013 and 2012

	June 30, 2013	June 30, 2012
ASSETS		
Cash and cash equivalents	$ 10,189	$ 15,786
Total Assets	$ 10,189	$ 15,786
FUND BALANCE		
Restricted for capital projects	10,189	15,786
Total Fund Balance	$ 10,189	$ 15,786

City of Nicholls, Georgia
2012 SPLOST Fund
Project Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Project Period Ended June 30, 2013

	Project Length Budget	Current Year	Prior Years	Project Length Total	Variance With Project Budget
Revenues					
Intergovernmental	$ 1,125,220	$ 206,492	$ 15,786	$ 222,278	$ (902,942)
Interest Income	-	251	-	251	251
Total Revenues	1,125,220	206,743	-	222,529	(902,691)
Expenditures					
Capital Outlay					
Public Safety Facilities	250,000	185,675	-	185,675	64,325
Public Works Facilities	50,000	10,200	-	10,200	39,800
Recreation Facilities	300,000	-	-	-	300,000
Municipal Buildings	160,220	-	-	-	160,220
Road, Streets and Bridge Improvements	265,000	16,465	-	16,465	248,535
Water/Sewer Improvements	100,000	-	-	-	100,000
Total Expenditures	1,125,220	212,340	-	212,340	912,880
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ -	(5,597)	15,786	$ 10,189	$ 10,189
Fund Balances - Beginning		15,786	-		
Fund Balances - Ending		$ 10,189	$ 15,786		

City of Nicholls, Georgia
Combining Balance Sheet
Nonmajor Governmental Funds - By Fund Type
June 30, 2013

	Nonmajor Capital Projects Funds	Nonmajor Special Revenue Funds	Total
Assets			
Cash and cash equivalents	$ 8,430	$ 6,293	$ 14,723
Total Assets	$ 8,430	$ 6,293	$ 14,723
Liabilities and Fund Balances			
Liabilities			
Interfund Payable	$ 720	$ -	$ 720
Total Liabilities	720	-	720
Fund Balances:			
Restricted for:			
Capital projects	7,710	-	7,710
Unrestricted for:			
Assigned:			
Housing and Development	-	6,293	6,293
Total Fund Balances	7,710	6,293	14,003
Total Liabilities and Fund Balances	$ 8,430	$ 6,293	$ 14,723

City of Nicholls, Georgia
Combining Statement of Revenues, Expenditures and Changes In Fund Balances
Nonmajor Governmental Funds - By Fund Type
For the Year Ended June 30, 2013

	Nonmajor Capital Projects Funds	Nonmajor Special Revenue Funds	Total
Revenues			
Intergovernmental	$ 21,328	$ -	$ 21,328
Investment Earnings	-	12	12
Rent	-	2,245	2,245
Total Revenues	21,328	2,257	23,585
Expenditures			
Current:			
General Government	-	1,146	1,146
Capital outlay	6,178	-	6,178
Total Expenditures	6,178	1,146	7,324
Excess (Deficiency) of Revenues Over (Under) Expenditures	15,150	1,111	16,261
Fund Balances - Beginning	(7,440)	5,182	(2,258)
Fund Balances - Ending	$ 7,710	$ 6,293	$ 14,003

City of Nicholls, Georgia
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2013

	2000 SPLOST Fund	2006 SPLOST Fund	Total
Assets			
Cash and cash equivalents	$ 1,060	$ 7,370	$ 8,430
Total Assets	$ 1,060	$ 7,370	$ 8,430
Liabilities and Fund Balances			
Liabilities:			
Interfund Payable	$ 720	$ -	$ 720
Total Liabilities	720	-	720
Fund Balances			
Restricted for Capital projects	340	7,370	7,710
Total Fund Balances	340	7,370	7,710
Total Liabilities and Fund Balances	$ 1,060	$ 7,370	$ 8,430

City of Nicholls, Georgia
Combining Statement of Revenues, Expenditures and Changes In Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended June 30, 2013

	2000 SPLOST Fund	2006 SPLOST Fund	Total
Revenues			
Intergovernmental	$ -	$ 21,328	$ 21,328
Interest Income	-	-	-
Total Revenues	-	21,328	21,328
Expenditures			
Capital outlay	720	5,458	6,178
Total Expenditures	720	5,458	6,178
Excess (Deficiency) of Revenues Over (Under) Expenditures	(720)	15,870	15,150
Fund Balances - Beginning	1,060	(8,500)	(7,440)
Fund Balances - Ending	$ 340	$ 7,370	$ 7,710

City of Nicholls, Georgia
2000 SPLOST Fund
Comparative Balance Sheet
June 30, 2013 and 2012

	June 30, 2013	June 30, 2012
ASSETS		
Cash and cash equivalents	$ 1,060	$ 1,060
Total Assets	$ 1,060	$ 1,060
LIABILITIES		
Payable:		
Interfund	$ 720	$ -
Total Liabilities	720	-
FUND BALANCE		
Restricted for capital projects	340	1,060
Total Fund Balance	340	1,060
Total Liabilities & Fund Balance	$ 1,060	$ 1,060

City of Nicholls, Georgia
2000 SPLOST Fund
Project Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Project Period Ended June 30, 2013

	Project Length Budget	Current Year	Prior Years	Project Length Total	Variance With Project Budget
Revenues					
Intergovernmental	$ 806,160	$ -	$ 805,380	$ 805,380	$ (780)
Total Revenues	806,160	-	805,380	805,380	(780)
Expenditures					
Capital Outlay					
Public Safety Facilities	104,879	720	103,039	103,759	1,120
Public Safety Equipment	107,893	-	107,893	107,893	-
Road Improvements	301,530	-	301,530	301,530	-
Recreation Facilities	85,905	-	85,905	85,905	-
Administrative Buildings	48,202	-	48,202	48,202	-
Community Center	-	-	-	-	-
Library	67,975	-	67,975	67,975	-
Water/Sewer Utilities	19,908	-	19,908	19,908	-
Total Expenditures	736,292	720	734,452	735,172	1,120
Excess (Deficiency) of Revenues Over (Under) Expenditures	69,868	(720)	70,928	70,208	340
Other Financing Sources (Uses):					
Transfers out	(69,868)	-	(69,868)	(69,868)	-
Total Other Financing Sources (Uses)	(69,868)	-	(69,868)	(69,868)	-
Net Changes in Fund Balances	$ -	(720)	1,060	$ 340	$ 340
Fund Balances - Beginning		1,060	-		
Fund Balances - Ending		$ 340	$ 1,060		

City of Nicholls, Georgia
2006 SPLOST Fund
Comparative Balance Sheet
June 30, 2013 and 2012

	June 30, 2013	June 30, 2012
ASSETS		
Cash and cash equivalents	$ 7,370	$ -
Total Assets	$ 7,370	$ -
LIABILITIES		
Payable:		
Interfund	$ -	$ 8,500
Total Liabilities	-	8,500
FUND BALANCE		
Restricted for capital projects	7,370	(8,500)
Total Fund Balance	7,370	(8,500)
Total Liabilities & Fund Balance	$ 7,370	$ -

City of Nicholls, Georgia
2006 SPLOST Fund
Project Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Project Period Ended June 30, 2013

	Project Length Budget	Current Year	Prior Years	Project Length Total	Variance With Project Budget
Revenues					
Intergovernmental	$ 1,053,000	$ 21,328	$ 30,755	$ 52,083	$ (1,000,917)
Total Revenues	1,053,000	21,328	30,755	52,083	(1,000,917)
Expenditures					
Capital Outlay					
Public Safety Facilities	353,000	5,458	30,755	36,213	316,787
Road Improvements	250,000	-	8,500	8,500	241,500
Recreation Facilities	350,000	-	-	-	350,000
Water/Sewer Utilities	100,000	-	-	-	100,000
Total Expenditures	1,053,000	5,458	39,255	44,713	1,008,287
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	15,870	(8,500)	7,370	7,370
Net Changes in Fund Balances	$ -	15,870	(8,500)	$ 7,370	$ 7,370
Fund Balances - Beginning		(8,500)	-		
Fund Balances - Ending		$ 7,370	$ (8,500)		

City of Nicholls, Georgia
Community Building Fund
Comparative Balance Sheet
June 30, 2013 and 2012

	June 30, 2013	June 30, 2012
ASSETS		
Cash and cash equivalents	$ 6,293	$ 5,182
Total Assets	$ 6,293	$ 5,182
FUND BALANCE		
Unrestricted:		
Assigned for Housing and Development	6,293	5,182
Total Fund Balance	$ 6,293	$ 5,182

City of Nicholls, Georgia
Community Building Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Rent	$ 1,600	$ 1,600	$ 2,245	$ 645
Investment earnings	-	-	12	12
Total Revenues	1,600	1,600	2,257	657
Expenditures				
Current:				
General government	1,600	1,600	1,146	454
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	1,111	1,111
Fund Balance - Beginning of Year		5,182	5,182	
Fund Balance - End of Year		$ 5,182	$ 6,293	

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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*

City Council
City of Nicholls, Georgia

I have audited, in accordance with the auditing standards general accepted in the United State of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comtroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Nicholls, Georgia as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the City of Nicholls, Georgia's basic financial statements and have issued my report thereon dated December 31, 2013.

Internal Control over Financial Reporting

In planning and performing my audit, I considered the City of Nicholls, 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 my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Nicholls, Georgia's internal control. Accordingly, I do not express an opinion on the effectiveness of the City of Nicholls, Georgia's internal control.

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

My 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weakness may exist that have not been identified. I did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses that I consider to be significant deficiencies. (2012-1, 2008-1, 2008-2, 2008-3).

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Nicholls, Georgia's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City of Nicholls, Georgia's Response to Findings

City of Nicholls, Georgia's response to the findings identified in my audit is described in the accompanying schedule of findings and responses. City of Nicholls, Georgia's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, I express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of my 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 Nicholls, Georgia's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Nicholls, Georgia's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Robert W Goodman CPA

Alma, Georgia
December 31, 2013

COMPLIANCE SECTION

City of Nicholls, Georgia
Schedule of Findings and Responses
For the Year Ended June 30, 2013

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	*Unmodified*			
Internal control over financial reporting:				
Material weakness(es) identified?		yes	x	no
Significant deficiency(es) identified not considered to be material weakness(es)	x	yes		no
Noncompliance material to financial statements noted?		yes	x	no

City of Nicholls, Georgia
Schedule of Findings and Responses
For the Year Ended June 30, 2013

Section II - Findings Related to the Audit of the Financial Statements

Significant Deficiency

2012-1

Condition: In the General Fund actual expenditures exceeded budget appropriations at the legal level of control for some departments.

Criteria: Controls are not in place to prevent excess appropriation of funds and maintaining operations under a balanced budget.

Effect: Failure to periodically review and amend appropriations throughout the year places an adverse effect on management's ability to meet cash flow requirements during the course of the year.

Recommendation: The City should amend the budget to prevent budgetary deficiencies at the department level.

Views of officials: Management concurs with the above finding, Management will take the necessary steps to ensure that expenditures do not exceed appropriations at the legal level of control.

Significant Deficiency

2008-1

Condition: At present, management is not preparing the financial statements, They are being assisted by auditors. The intent of SAS 112 is not to prevent auditors from preparing the client's financial statements. Instead the issue to be considered when determining if a significant deficiency or material weakness exists is whether the client is capable of preparing the financial statements and has the skills and competencies necessary to prevent, detect and correct a material misstatement.

Criteria: Management is responsible for the financial statements, including the preparation of such statements. A system of internal controls over financial reporting does not stop at the general ledger. It includes controls over financial statement preparation, including footnote disclosure.

Effect: A control deficiency exists when the City does not have controls over the preparation of the financial statements that could prevent or detect a misstatement in the financial statements.

Cause: The size of the City's accounting staff prevents them from having the time to prepare the financial statements. As a matter of convenience and efficiency, the auditor is preparing the statements.

Recommendation: I recommend the City provide additional training to provide the skills to set up proper controls to review, prevent and detect material misstatements.

Views of officials: Management concurs with the above finding, and is continuing to strive for proper education and training of accounting staff.

Significant Deficiency

Section II - Findings Related to the Audit of the Financial Statements(Continued)

2008-2

Condition: In the General, SPLOST and Water and Sewer Funds there were adjusting entries required to correct assets, liabilities, revenues and expenditures balances at year end.

Criteria: Management is responsible for the inclusion of all items that could have a material effect on the financial statements of the City.

Effect: A control deficiency exists when the City does not have controls over the preparation of the financial statements that could prevent or detect a misstatement in the financial statements.

Cause: Controls were not in place to capture all necessary year end adjustments.

Recommendation: I recommend the City provide additional training to provide the skills to set up proper controls to review, prevent and detect material misstatements.

Views of officials: Management concurs with the above finding, and is in the process of completing a corrective action plan.

Significant Deficiency

2008-3

Condition: There is not an appropriate segregation of duties between recording, distribution, reconciliation of cash accounts and other operational functions within various City departments.

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

Effect: The failure to segregate out the accounting duties among multiple persons presents the opportunity for misappropriation of assets, mainly cash.

Recommendation: The duties of recording, distribution, reconciliation of cash accounts and other operational functions should be segregated between employees.

Views of officials: Management concurs with the above finding, and is working toward developing better internal controls over the accounting functions with the limited number personnel available.

City of Nicholls, Georgia
Schedule of Projects Undertaken
With Special Sales Tax Proceeds
For the Year Ended June 30, 2013

Project	Original Estimated Cost	Current Estimated Cost	Expenditures		
			Prior Years	Current Year	Total To Date
2000 SPLOST:					
Public Safety Facilities	$ 125,000	$ 104,879	$ 103,039	$ 720	$ 103,759
Public Safety Equipment	125,000	107,893	107,893	-	107,893
Road Improvements	323,290	301,530	301,530	-	301,530
Recreation Facilities	50,000	85,905	85,905	-	85,905
Cultural Facilities	50,000	-	-	-	-
Administrative Buildings	76,400	48,202	48,202	-	48,202
Community Center	100,000	-	-	-	-
Library	105,210	67,975	67,975	-	67,975
Water/Sewer Utility Improvements	127,100	89,776	89,776	-	89,776
Total	$ 1,082,000	$ 806,160	$ 804,320	$ 720	$ 805,040
2006 SPLOST:					
Public Safety Facilities	$ 353,000	$ 36,213	$ 30,755	$ 5,458	$ 36,213
Roads, Streets and Bridges	250,000	8,500	8,500	-	8,500
Recreation	350,000	-	-	-	-
Water Tank Improvements	100,000	7,370	-	-	-
Total	$ 1,053,000	$ 52,083	$ 39,255	$ 5,458	$ 44,713
2012 SPLOST:					
Public Safety Facilities	$ 250,000	$ 250,000	$ -	$ 185,675	$ 185,675
Public Works Facilities	50,000	50,000	-	10,200	10,200
Recreation Facilities	300,000	300,000	-	-	-
Municipal Buildings	160,220	160,220	-	-	-
Roads, Streets and Bridges	265,000	265,000	-	16,465	16,465
Water/Sewer Improvements	100,000	100,000	-	-	-
Total	$ 1,125,220	$ 1,125,220	$ -	$ 212,340	$ 212,340