

City of Barnesville, Georgia
Annual Financial Report
For The Year Ended September 30, 2015
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Independent Auditor's Report

J. Robyn Underwood, CPA

Member of American Institute of Certified Public Accountants

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Independent Auditor's Report

Honorable Mayor and
Members of the Council
City of Barnesville, 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 aggregate remaining fund information as of and for the fiscal year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the City of Barnesville, Georgia's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 aggregate remaining fund information of the City of Barnesville as of September 30, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, beginning on page three, Georgia Members Employees Benefit System Schedule of Net Pension Liability and Contributions on page 38, the Georgia Firefighters Pension Fund's Schedule of the Proportionate Share of Net Liability on page 39 and the budgetary comparisons beginning on page 40 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Auditing 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.

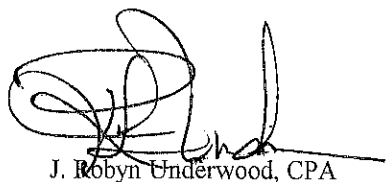
Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of the City of Barnesville. The combining and individual fund statements, budgetary schedules, SPLOST schedule, other schedules, and Schedule of Expenditures of Federal and State Awards, as required by U.S. Office and Management and Budget Circular A-133, *Audits of State and Local Governments and Non-Profit Organizations* and the State Single Audit Implementation Act, are presented for purposes of additional analysis and are not a required part of the basic Financial statements.

The combining and individual fund statements, budgetary schedules, SPLOST schedule, other schedules, and the Schedule of Expenditures of Federal and State Awards are the responsibility of management and were 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 by us. In our opinion, based on our audit, the procedures performed as described above, the combining and individual fund statements, budgetary schedules, Schedule of Expenditures of Federal and State Awards, and other schedules are 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 December 22, 2015 on our consideration of the City of Barnesville'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 City of Barnesville's internal control over financial reporting and compliance.



J. Robyn Underwood, CPA
Barnesville, Georgia
December 22, 2015

Management's Discussion and Analysis

City of Barnesville
Management's Discussion and Analysis
For the fiscal year ended September 30, 2015

As management of City of Barnesville, Georgia, we offer readers of our financial statements this narrative overview and analysis of the financial activities of City of Barnesville for the fiscal year ended September 30, 2015. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the City's financial statements, which follow this narrative.

Financial Highlights

Key financial highlights for FYE 2015 are as follows:

The City's combined net positions totaled \$29.5 million. Of this amount, unrestricted net positions amounted to \$1.4 million.

Combined revenue totaled \$18.09 million.

Overall expenses totaled \$16 million.

Overall the net change in fund balance was a decrease of \$313,331 which was caused by an increase in capital outlay projects.

The net change in the General Fund balance was a decrease of \$319,300 due to an increase in Public Work expenditures and an increase in capital outlay.

As of September 30, 2015, the City's General Fund reported an unassigned fund balance of \$440,921.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to City of Barnesville, Georgia's basic financial statements. The City's basic financial statements consist of the following elements:

Government-wide Financial Statements

Government-wide financial statements provide both long-term and short-term information about the City's overall financial condition. Changes in the City's financial position may be measured over time by increases and decreases in the Statement of Net Positions. Information on how the City's net positions changed during the fiscal year is presented in the Statement of Activities.

Fund Financial Statements

Fund financial statements focus on individual parts of the City, reporting the City's operations in more detail than the government-wide financial statements. Fund financial statements include the statements for governmental and proprietary funds.

City of Barnesville
Management's Discussion and Analysis
For the fiscal year ended September 30, 2015

Notes to the Financial Statements

Notes to the financial statements provide additional information that is essential to the full understanding of the data provided in the government-wide and fund financial statements.

Refer to Note 1 to the financial statements for more detailed information on the elements of the financial statements. Table 1 (shown below) summarizes the major features of the basic financial statements.

Table 1: Major Features of the Basic Financial Statements

	Government-wide Financial Statements	Fund Financial Statements	
		Governmental Funds	Proprietary Funds
Scope	Entire State government (except fiduciary funds) and the City's component units	<ul style="list-style-type: none"> Activities of the City that are not proprietary or fiduciary 	Activities of the City that are operated similar to private business
Required Financial Statements	<ul style="list-style-type: none"> Statement of Net Positions Statement of Activities 	<ul style="list-style-type: none"> Balance Sheet Statement of Revenues, Expenditures, and Changes in Fund Balances 	<ul style="list-style-type: none"> Statement of Net Positions Statement of Revenues, Expenditures, and Changes in Net Positions Statement of Cash Flows
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid	<ul style="list-style-type: none"> Revenues for which cash is received during or soon after the end of the year Expenditures when goods or services have been received and payment is due during the year or soon thereafter 	All revenues and expenses during the year, regardless of when cash is received or paid

City of Barnesville
Management's Discussion and Analysis
For the fiscal year ended September 30, 2015

Government-wide Financial Analysis

Condensed Statement of Net Positions

Table 2 (shown below) presents the City's condensed statement of net positions as of September 30, 2015 and 2014.

Table 2: Condensed Statement of Net Positions

	Governmental Activities	
	2015	2014
Assets		
Current and Other Assets	\$ 775,907	\$ 1,423,932
Capital Assets	9,144,477	6,898,150
Total Assets	\$ 9,920,384	\$ 8,322,082
Deferred Outflows of Resources	\$ 175,532	\$ -----
Liabilities		
Other Liabilities	\$ 583,709	\$ 248,772
Long-term Liabilities	977,424	4,078
Total Liabilities	\$ 1,561,133	\$ 252,850
Deferred Inflows of Resources	\$ 394,295	\$ -----
Net Positions		
Net Investment in Capital Assets	\$ 8,726,079	\$ 6,838,150
Restricted	60,296	59,051
Unrestricted	< 645,887 >	1,172,031
Total Net Positions	\$ 8,140,488	\$ 8,069,232

The largest component of the City's net positions is its investment in capital assets (e.g. land, infrastructure, buildings, equipment, and others), less any related debt outstanding that was needed to acquire or construct the assets. The City uses these capital assets to provide services to the citizens and businesses in the City; consequently, these net positions are not available for future spending. Restricted net positions represent resources that are subject to external restrictions, constitutional provisions, or enabling legislation on how they can be used. The remaining portion of net positions is unrestricted, which can be used to finance government operations. Also, the City implemented GASB Statement 68 in the current year. With new reporting change, the City allocated its net pension liability deferred outflows of resources, deferred inflows of resources, and pension expense. A restatement to record the effects of the new reporting guidance decreased beginning net position by \$1,181,104. Decisions regarding the allocations are made by the administrators of the pension plan, not by the City's management.

	Business-Type Activities	
	2015	2014
Assets		
Current and Other Assets	\$ 6,587,113	\$ 9,104,310
Capital Assets	43,766,516	41,438,308
Total Assets	\$ 50,353,629	\$ 50,542,618
Deferred Outflows	\$ 67,384	\$ -----
Liabilities		
Other Liabilities	\$ 1,203,589	\$ 1,319,294
Long-term Liabilities	27,882,449	28,368,292
Total Liabilities	\$ 29,086,038	\$ 29,687,586
Net Positions		
Net Investment in Capital Assets	\$ 15,642,016	\$ 12,869,540
Restricted	3,634,129	6,420,694
Unrestricted	2,058,830	1,564,798
Total Net Positions	\$ 21,334,975	\$ 20,855,032

City of Barnesville
Management's Discussion and Analysis
For the fiscal year ended September 30, 2015

Condensed Statement of Activities

Table 3 (shown below) presents the City's condensed statement of activities for the year ended September 30, 2015 and 2014. Over time, increases and decreases in net positions measure whether the City's financial position is improving or deteriorating.

Table 3: Condensed Statement of Activities
(Expressed in thousands of dollars)

	Governmental Activities	Business Activities	Total	Governmental Activities	Business Activities
Revenues:					
Program:					
Charges for Services	\$ 361	\$ 13,246	\$ 13,607	\$ 416	\$ 12,213
Operating Grants & Contributions	73	-----	73	11	-----
Capital Grants & Contributions	1,725	279	2,004	691	1,495
General:					
Property Taxes	608	-----	608	634	-----
Sales Taxes	603	-----	603	597	-----
Other Taxes	894.5	-----	894.5	849	-----
Interest	.5	8	8.5	.5	12
Other	295	-----	295	334	-----
Total Revenues	\$ 4,560	\$ 13,533	\$ 18,093	\$ 3,532.5	\$ 13,720
Program Expenses:					
General Government	\$ 1,168	\$ -----	\$ 1,168	\$ 1,175	\$ -----
Police	1,339	-----	1,339	1,494	-----
Fire	390	-----	390	389	-----
Street and Right of Way	713	-----	713	585	-----
Cemetery	55	-----	55	50	-----
Culture and Recreation	334	-----	334	262.5	-----
Interest on Debt	2	-----	2	2	-----
Industrial Development	-----	21	21	-----	15
Water and Sewer	-----	3,970	3,970	-----	3,934
Electric	-----	7,247	7,247	-----	7,292
Sanitation	-----	810	810	-----	706
Total Expenses	\$ 4,001	\$ 12,048	\$ 16,049	\$ 3,957.5	\$ 11,947
Excess (deficiency)	\$ 559	\$ 1,483	\$ 2,044	\$ < 425 >	\$ 1,773
Special Items	-----	-----	-----	-----	-----
Transfers	1,074	< 1,075 >	< 1 >	< 534 >	< 901 >
Change in Net Positions	\$ 1,633	\$ 410	\$ 2,043	\$ < 959 >	\$ 872
Beginning Net Positions	\$ 8,069	\$ 20,855	\$ 28,924	\$ 9,028	\$ 19,983
Restatement	< 1,562 >	70	< 1,492 >	-----	-----
Ending Net Positions	\$ 8,140	\$ 21,335	\$ 29,475	\$ 8,069	\$ 20,855

During the year ending September 30, 2015, the net positions of the government activities increased \$1,633,263 or 20.06%. Total revenues for FYE 2015 increased by \$1,027,807 or 29.09%. The increase was due increase in grants received. Charges for services decreased \$53,839 or 12.98% was mainly due to a decrease in police fines. Total expenses for FYE 2015 increased by \$42,927 or 1.08%. The main reason for the increase in expenses in FYE 2015 was due to the increase in public works personnel and operating expenses.

City of Barnesville
Management's Discussion and Analysis
For the fiscal year ended September 30, 2015

The other governmental functions that experienced a slight increase in expenses over the prior year were mainly contributed to an increase in depreciation expense. Approximately 13.33% of the City's governmental revenues came from property taxes and approximately 32.8% came from other taxes. Approximately 11.8% of the City's revenues came from charges for services and approximately 45.91% came from grants and other revenues. Although a majority of the City's expenses are financed by property taxes and other taxes, the City continues to rely heavily on revenues from charges for services to fund its budget. The City's expenses cover a range of services with 33.46% related to public safety, 17.82% related to public works, 29.19% related to general governmental activities. Although total expenses have increased slightly there has only been a minor shift in the allocation of resources.

Program Expenses and Charges for Services for Governmental Activities

Table 4 (shown below) presents program expenses and charges for services for governmental activities for the year ended September 30, 2015 and 2014.

Table 4: Program Expenses and Charges for Services for Governmental Activities

2015		
Programs	Program Expenses	*Net Program Expenses (Charges for Services)
General Government	\$ 1,168	\$ 1,073
Public Safety	1,729	1,549
Public Works	713	707
Culture and Recreation	334	279
Cemetery	55	31
Interest on Debt	1.5	1.5
Totals	<u>\$ 4,000.5</u>	<u>\$ 3,640.5</u>
2014		
Programs	Program Expenses	*Net Program Expenses (Charges for Services)
General Government	\$ 1,175	\$ 512
Public Safety	1,883	1,640
Public Works	635	518
Culture and Recreation	263	168
Interest on Debt	2	2
Totals	<u>\$ 3,958</u>	<u>\$ 2,840</u>

* Net program expenses are mainly supported by taxes.

The cost of all proprietary (business-type) activities this year was \$12,047,615 and additionally the business-type activities earned \$7,480 in interest from idle cash and investments. Within the total business-type activities of the City, these activities reported a \$1,477,347 operating gain.

City of Barnesville
Management's Discussion and Analysis
For the fiscal year ended September 30, 2015

Financial Analysis of the City's Funds

The focus of the City's governmental funds is to provide information on near-term inflows and outflows and the balance of resources available for spending. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the close of the year, the City's governmental funds reported a combined ending fund balance of \$610,596 with \$60,296 reported as restricted, \$109,379 reported as assigned, and \$440,921 as unassigned fund balance.

The General Fund is the operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$440,921 and total fund balance was \$545,576. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance to total fund expenditures. Unassigned fund balance represents 10.77% of total General Fund expenditures, while total fund balance represents 13.33%. The net change in the General Fund's fund balance for the year ended September 30, 2015, was a decrease of \$319,300 or 27.14%. The reason for the decrease in the fund balance was mainly due to increases in capital outlay and public works operations.

General Fund Budgetary Highlights

During the year, the City revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; 3) increases in appropriations that become necessary to maintain services. The year ended September 30, 2015 budget was amended.

The actual operating revenues of the General Fund did not exceed the final budgeted amounts.

The actual operating expenditures of the General Fund did not exceed the final budgeted amounts.

Capital Asset and Long-term Debt Activity

At September 30, 2015, the City reported \$9,144,477 in capital assets for governmental activities and \$43,766,516 for business-type activities. Major capital asset transactions during the year were plant construction, landfill construction, water line installation, street paving and completion of Summer's Field Park. Also, equipment and vehicles were purchased for the police department. Refer to Note 3-D to the financial statements for additional information on capital assets.

City of Barnesville
Management's Discussion and Analysis
For the fiscal year ended September 30, 2015

Economic Factors and Next Year's Budget and Rates

During the year, the City completed three major capital projects of long term significance.

In April of 2013, the City began the Goggins Road Waste Excavation and Reclamation Plan (WERP). This was an environmental cleanup of the closed Goggins Road landfill. The project was performed by City Public Works staff over the periods of April/2013-October/2013 and April/2014-December/2014. The site was listed on the Department of Natural Resources, Environmental Protection Division, Hazardous Site Inventory. This designation allows for reimbursement of a portion of the expense associated with the remediation.

In February, 2015, the City initiated the start-up process of the James A. King Waste Water Treatment Plant. This major construction project was the culmination of 6 years of planning, design, programming, and construction at a cost of \$15,000,000.00. It is the largest single construction project ever undertaken by the City. The new facility provides excess capacity to meet the needs of the City for the next 20-30 years as well as positioning the City extremely well for future economic development projects thereby boosting the local economy.

In November, 2014, the City began construction of the Summer's Field Park Project. This project was first envisioned more than 10 years ago. The construction contract was awarded to Earth-Scapes, Inc. on November 6, 2014 in the amount of \$2,035,169. At the close of the fiscal year, the debt associated with the Summer's Field Project was \$418,398 and was subsequently satisfied shortly after year end. The City Electrical Department, Water and Sewer Department, and the Public Works Department participated in and contributed to the construction in addition to the private contractor. This facility is a premier public park that will protect/provide public greenspace and a quality of life venue for generations to come.

The effect of the referenced projects is reflected in the financial statements as increased capital outlay, decreased cash equivalents and reduced fund balance. However, both General Fund and proprietary fund revenues are performing as projected. Total business-type activities indicate a \$1,477,347 operating gain. The Water and Sewer Fund maintains a 1.67% debt service coverage ratio and 167 day Operating cash on hand. The Water and Sewer Fund has maintained and/or improved its credit position with regard to its bond obligations.

Contacting the City's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. Questions about this report or requests for additional financial information may be addressed to:

City of Barnesville
109 Forsyth Street
Barnesville, Georgia 30204
Telephone: (770) 358 – 0181
Website: www.cityofbarnesville.com

Basic Financial Statements

Government-wide Financial Statements

City of Barnesville
STATEMENT OF NET POSITIONS
September 30, 2015

	PRIMARY GOVERNMENT		
	GOVERNMENTAL ACTIVITIES	BUSINESS TYPE ACTIVITIES	TOTAL
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 140,334	\$ 1,028,728	\$ 1,169,062
Temporary Cash Investments	-----	131,516	131,516
Receivables (Net)	867,329	1,479,402	2,346,731
Inventories	-----	247,512	247,512
Total Current Assets	<u>\$ 1,007,663</u>	<u>\$ 2,887,158</u>	<u>\$ 3,894,821</u>
NonCurrent Assets			
Restricted Cash and Cash Equivalents	\$ 5,606	\$ 526,329	\$ 531,935
Investments	-----	2,936,264	2,936,264
Internal Balances	< 237,362 >	237,362	-----
Capital Assets			
Land	1,246,681	931,474	2,178,155
Construction in Progress	208,977	278,286	487,263
Depreciable Buildings, Property, and Equipment (Net)	7,688,819	42,556,756	50,245,575
Total NonCurrent Assets	<u>\$ 8,912,721</u>	<u>\$ 47,466,471</u>	<u>\$ 56,379,192</u>
TOTAL ASSETS	<u>\$ 9,920,384</u>	<u>\$ 50,353,629</u>	<u>\$ 60,274,013</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension Costs	\$ 28,482	\$ -----	\$ 28,482
Current Year Pension Contributions	147,050	67,384	214,434
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 175,532</u>	<u>\$ 67,384</u>	<u>\$ 242,916</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 35,721	\$ 631,188	\$ 666,909
Employee Christmas Fund	129,590	-----	129,590
Current Portion of Long-Term Obligations	418,398	495,836	914,234
Accrued Interest Payable	-----	76,565	76,565
Total Current Liabilities	<u>\$ 583,709</u>	<u>\$ 1,203,589</u>	<u>\$ 1,787,298</u>
NonCurrent Liabilities			
Deposits-Utilities	\$ -----	\$ 330,350	\$ 330,350
NonCurrent Portion of Long-Term Obligations	-----	27,552,099	27,552,099
Net Pension Liability	977,424	-----	977,424
Total NonCurrent Liabilities	<u>\$ 977,424</u>	<u>\$ 27,882,449</u>	<u>\$ 28,859,873</u>
TOTAL LIABILITIES	<u>\$ 1,561,133</u>	<u>\$ 29,086,038</u>	<u>\$ 30,647,171</u>
DEFERRED INFLOWS OF RESOURCES			
Pensions Cost	<u>\$ 394,295</u>	<u>\$ -----</u>	<u>\$ 394,295</u>
NET POSITIONS			
Net Investment in Capital Assets	\$ 8,726,079	\$ 15,642,016	\$ 24,368,095
Restricted For:			
Operating Reserves	-----	1,492,509	1,492,509
Debt Service	-----	1,639,943	1,639,943
Capital Projects	60,296	-----	60,296
Plant Construction	-----	501,677	501,677
Unrestricted	< 645,887 >	2,058,830	1,412,943
Total Net Position	<u>\$ 8,140,488</u>	<u>\$ 21,334,975</u>	<u>\$ 29,475,463</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 9,701,621</u>	<u>\$ 50,421,013</u>	<u>\$ 60,122,634</u>

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

City of Barnesville

STATEMENT OF ACTIVITIES

September 30, 2015Net (Expense) Revenue and Changes in Net Positions

The accompanying notes are an integral part of the financial statements

Fund Financial Statements

Governmental Funds

City of Barnesville
BALANCE SHEET
Governmental Funds
September 30, 2015

	GOVERNMENTAL FUND TYPES			
	MAJOR FUNDS			
	CAPITAL PROJECTS			
	GENERAL	SPLOST 2011	SUMMER'S FIELD	TOTAL GOVERNMENTAL FUNDS
ASSETS				
Cash and Cash Equivalents (Note 2)	\$ 135,610	\$ -----	\$ 4,724	\$ 140,334
Receivables				
Taxes	50,746	-----	-----	50,746
Fines	272,356	-----	-----	272,356
Other	485,737	-----	-----	485,737
Due from other Funds	19,600	-----	-----	19,600
Intergovernmental	-----	58,490	-----	58,490
Restricted Assets				
Cash and Cash Equivalents	-----	5,606	-----	5,606
TOTAL ASSETS	\$ 964,049	\$ 64,096	\$ 4,724	\$ 1,032,869
LIABILITIES				
Accounts Payable	\$ 25,976	\$ -----	-----	\$ 25,976
Christmas Fund	129,590	-----	-----	129,590
Accrued Liabilities	9,745	-----	-----	9,745
Due to Other Funds	253,162	3,800	-----	256,962
TOTAL LIABILITIES	\$ 418,473	\$ 3,800	\$ -----	\$ 422,273
FUND BALANCES				
Restricted for Capital Projects	\$ -----	\$ 60,296	\$ -----	\$ 60,296
Assigned - Cemetery	104,655	-----	-----	104,655
Assigned - Summer's Field	-----	-----	4,724	4,724
Unassigned	440,921	-----	-----	440,921
TOTAL FUND BALANCES	\$ 545,576	\$ 60,296	\$ 4,724	\$ 610,596
TOTAL LIABILITIES AND FUND BALANCES	\$ 964,049	\$ 64,096	\$ 4,724	\$ 1,032,869

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

City of Barnesville
Reconciliation of the Balance Sheet of
Governmental Funds to the Statement of Net Positions
September 30, 2015

Amounts Reported for Governmental Activities in the Statement of Net Positions are Different Because:

Total Fund Balances – Governmental Funds – Restated	\$ 610,596
Capital Assets used in Governmental Activities are not Financial Resources and therefore are not Reported in the Funds	9,144,477
Long-Term Liabilities are not due and payable in the current period and accordingly are not Reported in the Funds:	
Net Pension Liability	< 977,424>
Note Payable	< 418,398>
Deferred Inflows Related to Pension Costs	< 394,295>
Deferred Outflows Related to Pension Costs	28,482
Deferred Outflows of Current Year Pension Contributions	<u>147,050</u>
Net Positions (Deficit) of Governmental Activities	\$ 8,140,488 =====

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

City of Barnesville
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
Governmental Funds
September 30, 2015

	MAJOR FUNDS	CAPITAL SUMMER'S FIELD	PROJECTS SPLIST 2011	NON MAJOR FUND OTHER FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES	GENERAL				
Taxes	\$ 2,090,842	\$	\$	\$ 14,942	\$ 2,105,784
Licenses and Permits	95,562				95,562
Departmental	349,187				349,187
Intergovernmental		1,030,708	634,351		1,665,059
Other	338,566	70	77		338,713
Total Revenues	\$ 2,874,157	\$ 1,030,778	\$ 634,428	\$ 14,942	\$ 4,554,305
EXPENDITURES					
Current-Operations					
Administrative and General	\$ 1,173,667	\$ 66	\$		\$ 1,173,733
Police	1,260,027				1,260,027
Fire	387,813				387,813
Street and Right of Way	612,785				612,785
Cemetery	54,295				54,295
Civic Center - Cultural	174,701			14,942	189,643
Swimming Pool - Recreation	42,056				42,056
Capital Outlay					
Current Operations	324,311	1,621,034	633,183		2,578,528
Debt Service					
Principal Retirement	60,000				60,000
Interest	1,708				1,708
Total Expenditures	\$ 4,021,362	\$ 1,621,100	\$ 633,183	\$ 14,942	\$ 6,360,588
EXCESS REVENUES OVER <UNDER>	\$ <1,217,206>	\$ < 590,322>	\$ 1,245		\$ <1,806,283>
OTHER FINANCING SOURCES (USES)					
Transfers In	\$ 1,074,554	\$ 176,648	\$		\$ 1,251,202
Transfers Out	< 176,648>				< 176,648>
Loan Proceeds		418,398			418,398
Total Other Financing Sources (Uses)	\$ 897,906	\$ 595,046	\$		\$ 1,492,952
NET CHANGE IN FUND BALANCES	\$ < 319,300>	\$ 4,724	\$ 1,245	\$	\$ < 313,331>
FUND BALANCES- BEGINNING OF YEAR - RESTATED	864,876		59,051		923,927
FUND BALANCES- END OF YEAR	\$ 545,576	\$ 4,724	\$ 60,296	\$	\$ 610,596

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

City of Barnesville

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities September 30, 2015

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:

Net Change in Fund Balances- Total Governmental Funds		\$< 313,331>
Government Funds Report Capital Outlays as Expenditures. However, in the Statement of Activities the cost of these Assets is Allocated over their estimated Useful Lives and Reported as Depreciation Expense. This is the Amount by which Capital Outlays exceeded Depreciation in the Current Period.		
Purchases of Fixed Assets	\$ 2,578,528	
Depreciation Expense	<u>331,341</u>	2,247,187
The Net Effect of Various Miscellaneous Transactions involving Capital Assets and other (i.e. Sales, Trade-ins, and Donations) is to Decrease Net Assets.		
Transfer of Completed Capital Projects to Proprietary Funds		< 860>
Payment of the Current Pension Contribution is an expenditure in The governmental funds, but is considered a deferred outflow on The Statement of Net Position and is not reported on the Statement of Activities		147,050
The Issuance of Long-Term Debt (e.g. Bonds, Leases) Provides Current Financial Resources to Governmental Funds, while the Repayment of the Principal Long-Term Debt consumes the Current Financial Resources of the Governmental Funds. Neither Transaction, however, has any effect on Net Positions. This Amount is the Net Effect of these Differences in the Treatment of Long-Term Debt and Related Items.		< 358,398>
Some Expenses Reported in the Statement of Activities do not require the use of Current Financial Resources and therefore, are not Reported as Expenditures in Governmental Funds.		
Decrease in Net Pension Obligation		4,079
Pension Expense		< 92,464>
Revenues in the Statement of Activities that do not Provide Current Financial Resources are not Reported as Revenues in the Funds.		-----
Change in Net Position- Governmental Activities		\$ 1,633,263 =====

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

Proprietary Funds

City of Barnesville
STATEMENT OF NET POSITION
Proprietary Funds
September 30, 2015

	UTILITIES MAJOR FUNDS			NON-MAJOR FUND	
	ELECTRIC	SANITATION	WATER AND SEWERAGE	INDUSTRIAL DEVELOPMENT	TOTALS
ASSETS					
Current Assets					
Cash and Cash Equivalents	\$ 90,331	\$ -----	\$ 741,452	\$ 196,945	\$ 1,028,728
Temporary Cash Investments	-----	-----	131,516	-----	131,516
Receivables-Accounts	205,059	-----	239,753	-----	444,812
Other Receivable	6,975	-----	1,027,615	-----	1,034,590
Inventories of Supplies at Cost	191,976	-----	55,536	-----	247,512
Total Current Assets	<u>\$ 494,341</u>	<u>\$ -----</u>	<u>\$ 2,195,872</u>	<u>\$ 196,945</u>	<u>\$ 2,887,158</u>
Non-Current Assets					
Restricted Assets					
Cash and Cash Equivalents	\$ 526,329	\$ -----	\$ -----	\$ -----	\$ 526,329
Investments	-----	-----	2,936,264	-----	2,936,264
Interfund	414,929	-----	202,648	-----	617,577
Property					
Electrical and Sanitation Systems, Net of Accumulated Depreciation	401,571	1,206,570	-----	-----	1,608,141
Water and Sewerage Systems, Net of Accumulated Depreciation	-----	-----	40,236,535	-----	40,236,535
Industrial Facilities, Net of Accumulated Depreciation	-----	-----	-----	712,080	712,080
Land	-----	94,240	427,488	409,746	931,474
Construction in Progress	-----	-----	278,286	-----	278,286
Total Non-Current Assets	<u>\$ 1,342,829</u>	<u>\$ 1,300,810</u>	<u>\$ 44,081,221</u>	<u>\$ 1,121,826</u>	<u>\$ 47,846,686</u>
TOTAL ASSETS	<u>\$ 1,837,170</u>	<u>\$ 1,300,810</u>	<u>\$ 46,277,093</u>	<u>\$ 1,318,771</u>	<u>\$ 50,733,844</u>
Deferred Outflows of Resources					
Pension Contributions in Current Fiscal Year	<u>\$ 28,293</u>	<u>\$ 8,177</u>	<u>\$ 30,914</u>	<u>\$ -----</u>	<u>\$ 67,384</u>
LIABILITIES					
Current Liabilities					
Accounts Payable	\$ 565,096	\$ 44,653	\$ 11,439	\$ 10,000	\$ 631,188
Current Portion of Bonds Payable	-----	-----	140,000	-----	140,000
Current Portion of Notes Payable	-----	-----	355,836	-----	355,836
Accrued Interest Payable	-----	-----	76,565	-----	76,565
Total Current Liabilities	<u>\$ 565,096</u>	<u>\$ 44,653</u>	<u>\$ 583,840</u>	<u>\$ 10,000</u>	<u>\$ 1,203,589</u>
Long-Term Liabilities					
Bonds Payable	\$ -----	\$ -----	\$ 23,625,000	\$ -----	\$ 23,625,000
Deposits- Utilities	316,800	-----	13,550	-----	330,350
Due to Other Funds	-----	1,335	114,719	264,161	380,215
Notes Payable	-----	-----	3,927,099	-----	3,927,099
Total Long-Term Liabilities	<u>\$ 316,800</u>	<u>\$ 1,335</u>	<u>\$ 27,680,368</u>	<u>\$ 264,161</u>	<u>\$ 28,262,664</u>
TOTAL LIABILITIES	<u>\$ 881,896</u>	<u>\$ 45,988</u>	<u>\$ 28,264,208</u>	<u>\$ 274,161</u>	<u>\$ 29,466,253</u>
NET POSITION					
Net Investment in Capital Assets	\$ 401,571	\$ 1,300,810	\$ 12,817,809	\$ 1,121,826	\$ 15,642,016
Restricted For:					
Plant Construction	-----	-----	501,677	-----	501,677
Debt Retirement	-----	-----	1,639,943	-----	1,639,943
Operating Reserves	-----	-----	1,492,509	-----	1,492,509
Unrestricted	<u>581,996</u>	<u>< 37,811></u>	<u>1,591,861</u>	<u>< 77,216></u>	<u>2,058,830</u>
TOTAL NET POSITION	<u>\$ 983,567</u>	<u>\$ 1,262,999</u>	<u>\$ 18,043,799</u>	<u>\$ 1,044,610</u>	<u>\$ 21,334,975</u>

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

City of Barnesville
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITIONS
Proprietary Funds
September 30, 2015

	UTILITIES MAJOR FUNDS			NON-MAJOR FUND	TOTALS
	ELECTRIC	SANITATION	WATER AND SEWERAGE	INDUSTRIAL DEVELOPMENT	
OPERATING REVENUES					
Charges for Service	\$ 8,056,672	\$ 651,476	\$ 3,914,512	\$ -----	\$ 12,622,660
Miscellaneous	612,506	-----	10,650	-----	623,156
TOTAL OPERATING REVENUES	\$ 8,669,178	\$ 651,476	\$ 3,925,162	\$ -----	\$ 13,245,816
OPERATING EXPENSES					
Personal Services	\$ 682,096	\$ 138,704	\$ 694,151	\$ -----	\$ 1,514,951
Contractual Services	6,455,578	433,403	842,940	-----	7,731,921
Supplies and Other Services	87,402	189,288	353,704	-----	630,394
Utilities	5,069	1,555	8,505	-----	15,129
Depreciation	17,464	1,558	1,149,389	20,700	1,189,111
Landfill Postclosure	-----	45,144	-----	-----	45,144
TOTAL OPERATING EXPENSES	\$ 7,247,609	\$ 809,652	\$ 3,048,689	\$ 20,700	\$ 11,126,650
OPERATING INCOME <LOSS>	\$ 1,421,569	\$< 158,176>	\$ 1,154,759	\$< 20,700>	\$ 2,397,452
NONOPERATING REVENUES <EXPENSES>					
Interest Revenue	\$ 516	\$ -----	\$ 6,509	\$ 455	\$ 7,480
Interest Expense	-----	-----	< 920,965>	-----	< 920,965>
Intergovernmental Grants	-----	-----	278,286	-----	278,286
TOTAL NONOPERATING REVENUE <EXPENSES>	\$ 516	\$ -----	\$< 636,170>	\$ 455	\$< 635,199>
NET INCOME <LOSS> BEFORE OUTFLOWS, TRANSFERS AND CAPITAL CONTRIBUTIONS	\$ 1,422,085	\$< 158,176>	\$ 240,303	\$< 20,245>	\$ 1,483,967
TRANSFERS					
Transfers In (Out)	\$< 1,234,074>	\$ 159,520	\$ -----	\$ -----	\$< 1,074,554>
Capital Contributions	\$ -----	\$ 860	\$ -----	\$ -----	\$ 860
CHANGE IN NET POSITIONS	\$ 188,011	\$ 2,204	\$ 240,303	< 20,245>	\$ 410,273
NET POSITIONS - BEGINNING OF YEAR - Restated	795,556	1,260,795	17,803,496	1,064,855	20,924,702
NET POSITIONS - END OF YEAR	\$ 983,567	\$ 1,262,999	\$ 18,043,799	\$ 1,044,610	\$ 21,334,975

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

City of Barnesville
STATEMENT OF CASH FLOWS
Proprietary Funds
September 30, 2015

	UTILITIES			NON-MAJOR	
	MAJOR FUNDS			FUND	
	ELECTRIC	SANITATION	WATER AND SEWERAGE	INDUSTRIAL DEVELOPMENT	TOTALS
CASH FLOW FROM OPERATING ACTIVITIES					
Receipts from Customers	\$ 8,060,613	\$ 651,476	\$ 3,354,391	\$	\$ 12,066,480
Payments to Suppliers	< 6,604,126>	< 672,572>	< 1,212,622>	-----	< 8,489,320>
Payments to Employees	< 681,137>	< 138,424>	< 693,103>	-----	< 1,512,664>
Other Receipts (Payments)	612,506	-----	10,650	-----	623,156
Net Cash provided by Operating Activities	\$ 1,387,856	\$< 159,520>	\$ 1,459,316	\$	\$ 2,687,652
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCIAL ACTIVITIES					
Deposits	\$ 9,990	-----	\$	\$	\$ 9,990
Loans <To>/From Other Funds	-----	-----	< 52,068>	37,459	< 14,609>
Transfers <To>/From Other Funds	< 1,234,074>	159,520	-----	-----	< 1,074,554>
Net Cash Provided(Used) by Non Capital and Related Financial Activities	\$< 1,224,084>	\$ 159,520	\$< 52,068>	\$ 37,459	\$< 1,079,173>
CASH FLOW FROM CAPITAL AND RELATED FINANCIAL ACTIVITIES					
Purchases of Capital Assets (Net)	\$< 156,475>	-----	\$< 3,222,970>	\$< 137,015>	\$< 3,516,460>
Principal Paid on Capital Debt	-----	-----	< 520,836>	-----	< 520,836>
Interest Paid on Capital Debt	-----	-----	< 920,965>	-----	< 920,965>
Intergovernmental Grants	-----	-----	278,286	-----	278,286
Net Cash Provided (Used) by Capital and Related Financing Activities	\$< 156,475>	-----	\$< 4,386,485>	\$< 137,015>	\$< 4,679,975>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest	\$ 516	-----	\$ 6,509	\$ 455	\$ 7,480
Net Change in Temporary Cash Investments	-----	-----	2,857,372	-----	2,857,372
Net Cash Provided by Investing Activities	\$ 516	-----	\$ 2,863,881	\$ 455	\$ 2,864,852
Net Increase (Decrease) in Cash and Cash Equivalents	\$ 7,813	-----	\$< 115,356>	\$< 99,101>	\$< 206,644>
Balance of Cash- Beginning of Year	608,847	-----	856,808	296,046	1,761,701
Balance of Cash- End of Year	\$ 616,660	-----	\$ 741,452	\$ 196,945	\$ 1,555,057

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

City of Barnesville
STATEMENT OF CASH FLOWS (Continued)
Proprietary Funds
September 30, 2015

	UTILITIES				TOTALS
	MAJOR FUNDS			NON-MAJOR FUND	
	ELECTRIC	SANITATION	WATER AND SEWERAGE	INDUSTRIAL DEVELOPMENT	
Balance of Cash - End of Year	\$ 616,660	\$ -----	\$ 741,452	\$ 196,945	\$ 1,555,507
Reconciliation of Operating Income (Loss)					
To Net Cash Provided by Operating Activities					
Operating Income	\$ 1,421,569	\$< 158,176>	\$ 876,473	\$< 20,700>	\$ 2,119,166
Adjustments to Reconcile Operating Income					
to Net Cash Provided by Operating Activities	17,464	1,558	1,149,389	20,700	1,189,111
Depreciation Expense	29,252	8,457	31,962	-----	69,671
Pension Expense					
Change in Assets and Liabilities					
Receivables, Net	3,941	-----	< 560,121>	-----	< 556,180>
Inventories	20,760	< 3,182>	3,210	-----	20,788
Accounts Payable	< 76,837>	-----	< 10,233>	-----	< 87,070>
Accrued Interest	-----	-----	< 450>	-----	< 450>
Deferred Outflows of Resources for Pensions	< 28,293>	< 8,177>	< 30,914>	-----	< 67,384>
Net Cash Provided by Operating Activities	\$ 1,387,856	\$< 159,520>	\$ 1,459,316	\$ -----	\$ 2,687,652
Non-Cash Capital Financing Activities					
Landfill Postclosure Improvements		\$ 860	-----	-----	-----

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

Notes to the Basic Financial Statements

City of Barnesville
Notes to the Basic Financial Statements
For the year ended September 30, 2015

The City of Barnesville, Georgia (the "City"), which was founded in 1852, has a population of 6,300 living within an area of 6.2 square miles. The City is a Georgia municipal corporation and operates under a charter adopted April 1995, and is a City Manager/Mayor and Council form of government.

Note 1 – Summary of Significant Accounting Policies

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

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

1-A. Reporting Entity

The reporting entity is comprised of the primary government, and component units and other organizations that are included to ensure that the financial statements are not misleading.

The component unit is a legally separate organization for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organizations; (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; the City is obligated for the debt of the organization.

The discretely presented component unit generally is reported only at the government-wide financial reporting level.

The component unit columns included on the government-wide financial statements identifies the financial data of the City's discretely presented component unit. It is reported separately to emphasize that it is legally separate from the City.

The following component unit is discretely presented in the reporting entity:

Barnesville Downtown Development Authority – The DDA operates under a Board Member form of government and will provide the following services: promotion of downtown merchants and downtown enhancements. The authority is dormant at present with no assets or liabilities.

1-B. Basis of Presentation

The City's basic financial statements consist of government-wide statements, including a statement of net positions and a statement of activities and fund financial statements, which provide a more detailed level of financial information.

Government-wide Financial Statements – The government-wide financial statements include a statement of net positions and a statement of activities. These statements report financial information for the City as a whole. All funds other than fiduciary activities are included at the government-wide reporting level. Individual funds are not displayed at this reporting level, but the statements distinguish governmental activities, generally supported by taxes and City general revenues, from business-type activities, generally financed in whole or in part with fees charged to external customers.

The statement of net positions presents the financial position of the governmental and business-type activities of the City.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the City's governmental activities and for each identifiable activity of the business-type activities of the City. Direct expenses are those that are specifically associated with a function and therefore clearly identifiable to that particular function. The City does not allocate indirect expenses to functions in the statement of activities.

City of Barnesville
Notes to the Basic Financial Statements
For the year ended September 30, 2015

The statement of activities reports the expenses of a given function offset by program revenues directly related to the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees and other charges to users of the City's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. For identifying to which function program revenue pertains, the determining factor for charges for services is which function generates the revenue. For grants and contributions, the determining factor is to which function the revenues are restricted.

Taxes and other revenue sources not properly included with program revenues are reported as general revenues of the City. The comparison of direct expenses with program revenues identifies the extent to which each governmental function and each identifiable business activity is self-financing or draws from the general revenues of the City.

Fund Financial Statements – During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. Fund financial statements are provided for governmental, proprietary, and fiduciary funds.

Major individual governmental and enterprise funds are reported in separate columns with composite columns for non-major funds. The fiduciary funds are reported by type.

Fund Accounting – The City uses funds to maintain its financial records during the year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The City uses two categories of funds: governmental and proprietary.

Governmental Funds – Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Fund liabilities are assigned to the fund from which they will be liquidated. The City reports the difference between governmental fund assets and liabilities as fund balance. The following are the City's governmental funds:

General Fund – Major Fund - The general fund accounts for all financial resources except those required to be accounted for in other funds. The general fund's fund balance is available to the City for any purpose provided it is expended or transferred according to the general laws of Georgia.

Special Revenue – Non Major Fund (Hotel/Motel Tax) – This fund is used to account for the hotel/motel tax collected and to disburse forty percent to the chamber of commerce for tourism. Per state law forty percent of the tax collected is to be expended on tourism.

Capital Projects–Major Fund – This fund's purpose is to administer the Special Purpose Local Option Sales Tax projects for the 2011 SPLOST, presented individually.

– Major Fund – This fund's purpose is to administer the Intergovernmental grants and local revenue sources for the Summer's Field Park Project, presented individually.

Proprietary Funds – Proprietary fund reporting focuses on the determination of operating income, changes in net positions, financial position and cash flows. Proprietary funds are classified as enterprise funds.

Electric Fund – Major Fund – This fund is used to account for the operations of the City's electric.

Sanitation Fund – Major Fund – This fund is used to account for the operations of the City's sanitation.

Water and Sewer System Fund – Major Fund - This fund is used for the operation of the City's water and sewer system which renders services to the residents and businesses located within the City and water services to the residents of the county of Lamar.

Industrial Development Fund – This fund is used for the operation of the City's industrial residents' and potential industrial residents' needs.

City of Barnesville
Notes to the Basic Financial Statements
For the year ended September 30, 2015

1-C. Measurement Focus

Government-wide Financial Statements – The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the City are included on the statement of net positions. The statement of activities reports revenues and expenses, including depreciation.

Fund Financial Statements – All governmental funds are accounted for using a flow of current financial resources measurement focus in these financial statements. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus on both financial reporting levels. All assets and all liabilities associated with the operation of these funds are included on the statements of net positions. The statements of changes in fund net positions present increases (i.e., revenues) and decreases (i.e., expenses) in net total positions. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

1-D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, governmental funds use the modified accrual basis of accounting and fiduciary funds use the accrual basis of accounting. Proprietary funds use the accrual basis of accounting on both reporting levels. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues – Exchange Transactions – Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the City, the phrase “available for exchange transactions” means expected to be received within twelve months of year-end.

Revenues – Non-exchange Transactions – Non-exchange transactions in which the City receives value without directly giving equal value in return, include sales taxes, property taxes, grants, and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place and on the modified accrual basis, it is recognized in the year received (i.e., when considered available). Revenue from property taxes is recognized in the fiscal year for which the taxes are levied (Note 3-C). Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions also must be available (i.e., collected within 60 days) before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be susceptible to accrual: property taxes, sales taxes, franchise fees, interest and federal and state grants.

Deferred Revenue – Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

On governmental fund financial statements (i.e., on the modified accrual basis), receivables that will not be collected within the available period have been reported as deferred revenue (i.e., they are measurable but not available) rather than as revenue.

Grants and entitlements received before the eligibility requirements are met (e.g., cash advances) are recorded as deferred revenue.

Expenses/Expenditures – On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

City of Barnesville
Notes to the Basic Financial Statements
For the year ended September 30, 2015

Deferred Inflow/Outflow of Resources – Deferred inflow and outflow of resources are certain items that were previously classified as Assets or Liabilities but do not meet the criteria for an asset or liability; such as deferred revenue defined above, deferred gains and losses on bond debt refunding, and the implementation of GASB Statement 68 resulting in pension expense deferrals and current year pension contributions.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Georgia Municipal Employees' Benefit System (GMEBS) and additions to/deductions from (GMEBS) fiduciary net position have been determined on the same basis as they are reported by GMEBS. The City of Barnesville's employer contributions are recognized when due and the City of Barnesville has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of GMEBS. Investments are reported at fair value.

For purposes of measuring the net pension expense, information about the fiduciary net position of the Firefighters' Pension Fund and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by Firefighter's Pension Fund. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

1-E. Assets, Liabilities and Fund Equity

1-E-1. Cash, Cash Equivalents, and Investments

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the City.

Investments are stated at fair value based on quoted market prices.

Georgia law authorizes the City to invest in the following type of obligations:

- Obligations of the State of Georgia or of any other states
- Obligations of the United States Government
- Obligations fully insured or guaranteed by the government or governmental agency
- Obligations of any corporation of the government
- Prime bankers' acceptances
- The State of Georgia local government investment pool (i.e., Georgia Fund I)
- Repurchase agreements
- Obligations of the other political subdivisions of the State of Georgia

Any investment or deposit in excess of the Federal Deposit Insurance Corporation (FDIC) insured amount must be secured by 110% of an equivalent amount of State or U.S. obligations

1-E-2. Receivables

All trade and property tax receivables are reported net of an allowance for uncollectibles, where applicable.

1-E-3. Interfund Balances

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables." These amounts are eliminated in the governmental and business-type activities columns of the government-wide statement of net positions, except for any net residual amounts due between governmental and business-type activities, which are reclassified and presented as internal balances.

1-E-4. Consumable Inventories

On the government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used (i.e., the consumption method).

On the fund financial statements, inventories of governmental funds are stated at cost. For all funds, cost is determined on a first-in, first-out basis. The cost of inventory items is recorded as expenditure in the governmental fund types when consumed.

City of Barnesville
Notes to the Basic Financial Statements
For the year ended September 30, 2015

1-E-5. Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in governmental funds. The City reports these assets in the governmental activities column of the government-wide statement of net positions but does not report these assets in the governmental fund financial statements. Capital assets utilized by enterprise funds are reported both in the business-type activities column of the government-wide statement of net positions and in the enterprise funds' statement of net positions.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of two thousand five hundred dollars. The City's infrastructure consists of roads, bridges and water and sewer lines. Improvements (i.e., betterments) to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed. Interest incurred during the construction of capital assets utilized by the enterprise funds is capitalized. Infrastructure acquired prior to the implementation of statement 34 are not reported in some instances.

All reported capital assets are depreciated except for land, and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Land Improvements	20 years	20 years
Buildings and Plant* *Includes Water and Sewer lines.	40 years	40 – 50 years
Machinery and Equipment	5 – 10 years	5 – 30 years
Vehicles	5 – 7 years	5 – 7 years
Infrastructure	10 – 65 years	40 – 50 years

1-E-6. Compensated Absences

Sick leave benefits are not paid at termination neither does the unused vacation rollover to the subsequent year. Therefore, compensated absences are not accrued.

1-E-7. Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of these funds.

1-E-8. Bond Premiums, Discounts and Issuance Costs

On the government-wide statement of positions and the proprietary fund type statement of net positions, bond premiums and discounts are netted against bonds payable and bond issuance costs are reported as current charges. On the government-wide and proprietary fund type statement of activities, bond premiums and discounts and bond issuance costs are not deferred.

At government fund reporting level, bond premiums and discounts are reported as other financing sources and uses, separately from the face amount of the bonds issued. Bond issuance costs are reported as an expenditure.

1-E-9. 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 positions."

City of Barnesville
Notes to the Basic Financial Statements
For the year ended September 30, 2015

Fund Balance – Generally, fund balance represents the difference between the assets and liabilities under the current financial resources measurement focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

- **Nonspendable** – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.
- **Restricted** – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- **Committed** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the City Council through the adoption of a resolution. Only the City Council may modify or rescind the commitment.
- **Assigned** – Fund balances are reported as assigned when amounts are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the City Council has authorized the City Manager to assign fund balances.
- **Unassigned** – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The City reports positive unassigned fund balance only in the general fund. Negative unassigned fund balances may be reported in all funds.

Flow Assumptions – When both restricted and unrestricted amounts of fund balances are available for use for expenditures incurred, it is the City's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the City's policy to use fund balance in the following order: 1) committed, 2) assigned, and 3) unassigned.

Net Positions – Net positions represent the difference between assets and liabilities in reporting which utilizes the economic resources measurement focus. Investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the City has spent) for the acquisition, construction or improvement of those assets. Net positions are reported as restricted using the same definition as used for restricted fund balance as described in the section above. All other net positions are reported as unrestricted.

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

1-E-10. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for water, sewer, electric and sanitation programs. Operating expenses are necessary costs incurred to provide the good or service that are the primary activity of each program.

1-E-11. Non-Operating Revenues and Expenses

Non-operating revenues are those revenues not generated directly from the primary activity of the proprietary funds. For the City, these revenues are interest revenues generated from cash holdings. Non-operating expenses are not considered necessary costs incurred to provide the good or service related to the primary activity of each program. The City's proprietary non-operating expenses are interest expense incurred on the related debt and amortization of a deferred loss.

1-E-12. Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets, tap-in fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction.

City of Barnesville
Notes to the Basic Financial Statements
For the year ended September 30, 2015

1-E-13. Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and the after non-operating revenues/expenses section in proprietary funds. Repayments from fund responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements (i.e., they are netted).

Transfers between governmental and business-type activities on the government-wide statement of activities are reported as general revenues. Transfers between funds reported in the governmental activities column are eliminated. Transfers between funds reported in the business-type activities column are eliminated.

1-E-14. Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

1-E-15. Comparative Data

Comparative total data for the prior year have been presented only for individual funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year data have been reclassified to be consistent with the current year's presentation.

Note 2 – Stewardship, Compliance and Accountability

2-A. Budgetary Information

The City adopts an annual operating budget for the general fund, each special revenue fund and each enterprise fund. A project budget is adopted for each projects fund. The budget resolution reflects the total of each department's appropriation in each fund.

The governmental funds' budgets are adopted on a basis consistent with GAAP, except that outstanding encumbrances at year-end are reported as budgetary expenditures. Enterprise fund budgets are adopted on a basis consistent with GAAP, except that outstanding encumbrances at year-end are reported as budgetary expenses.

The level of legal budgetary control (the level at which expenditures may not exceed appropriations) is the department level with the following provisions:

- The City Manager may transfer funds from one object or purpose to another within the same department.
- The City Council may amend the budget by motion during the fiscal year.

Formal budgetary integration is employed as management control device during the year for all budgeted funds.

2-B. Excess of Expenditures Over Appropriations

The following funds reported expenditures/expenses over appropriations:

Fund	Appropriation	Encumbrances/Expenditures	Over-Appropriation
NONE			

City of Barnesville
Notes to the Basic Financial Statements
For the year ended September 30, 2015

Note 3 – Detailed Notes on All Funds

3-A. Deposits and Investments

Deposits – The bank balance is classified into three categories of credit risk: 1) cash that is insured or collateralized with securities held by the City or by its agent in its name, 2) cash collateralized with securities held by the pledging financial institution's trust department or agent in the City's name, and 3) uncollateralized bank accounts including any bank balance that is collateralized with securities held by the pledging institution's trust department or agent but not in the City's name. The Georgia Fund one is sponsored by the State of Georgia (Oversight Agency) for the investment of local government funds.

The City's deposits are classified as follows at September 30, 2015:

(Amounts Expressed in Thousands)	Category			Bank Balance	Carrying Amount
	1	2	3		
Primary Government	\$ 254	\$ -----	\$ 1,490	\$ 1,744	\$ 1,701
	=====	=====	=====	=====	=====

Custodial Credit Risk – Deposits Primary Government – The City has deposits that are not completely collateralized as in the bank has pledged the securities but the pledged securities are not in the City's name. In this case, the City does not need to address this issue in the corrective action plan. The credit risks the City could face with uncollateralized deposits are critical financial stress on the depositor financial institution or in the event of the failure of a depository financial institution, the City will not be able to recover its deposits or the collateral securities that are in possession of an outside party. The Financial institution is in good standing, no fear of risk of loss is present. The City's deposit policy is in conjunction with the State deposit policies; the City does not have a separate custodial credit risk policy.

Investments – Primary Government – Investments of the City are categorized below to give an indication of the level of risk assumed by the City at year-end. Category 1 includes investments that are insured or registered or for which the City's agent in the City's name holds the securities. Category 2 includes uninsured and unregistered investments for which the counterparty's trust department or agent in the City's name holds the securities. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty or by its trust department or agent but not in the City's name.

The City also participates in the Georgia Fund I, the office of Treasury and Fiscal Services is the oversight of the agency. The interest rate risk for the Georgia One Fund is 5.32 annually and the credit rating is AAAf/S1.

(Amounts Expressed in Thousands)	Category			Carrying Amount/ Fair Value
Investment Instrument	1	2	3	
Georgia Fund One	\$ 1.7	\$ -----	\$ -----	\$ 1.7
City of Barnesville				
Certificates of deposit	132	-----	-----	132
Money Market	2,934.3	-----	-----	2,934.3
	=====	=====	=====	=====
Grand Total	\$ 3,068	\$ -----	\$ -----	\$ 3,068
	=====	=====	=====	=====

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Cash and Cash Equivalents Reconciliation:

	Primary Government
Fund Reporting Level:	
Governmental Funds – Balance Sheet	\$ 145,940
Proprietary Fund Type Statement of Net Positions	1,555,057
	=====
Total Carrying Amount	\$ 1,700,997
	=====

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City of Barnesville
Notes to the Basic Financial Statements
For the year ended September 30, 2015

3-B. Receivables

Receivables at September 30, 2015, consisted of taxes, fines, and accounts (billings for user charges). Receivables and payables are recorded on the City's financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and in the case of receivables, collectability.

3-C. Property Taxes

Normally, property tax levies are set by the City Council in September of each year for collection in the following fiscal year beginning September 1. Lamar County spreads all levies over assessable property. Taxes are levied annually by the City and for the year ended September 30, 2014, the levy occurred on October 24, 2014 real and personal property taxes were due on December 31, 2014. Property taxes receivable become a lien on January 23, 2015, and are recorded in the General Fund usually in October or November of each fiscal year.

3-D. Capital Assets

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

(Amounts Expressed in Thousands)

	Balance 10/1/14	Additions	Transfers In <Out>	Balance 9/30/15
Governmental Activities:				
Capital Assets not being Depreciated:				
Land	\$ 1,247	\$ -----	\$ -----	\$ 1,247
Construction in Progress	209	633	< 633>	209
Total Non-Depreciable Capital Assets:	\$ 1,456	\$ 633	\$ < 633>	\$ 1,456
Depreciable Capital Assets:				
Land Improvements	\$ 171	\$ -----	\$ -----	\$ 171
Buildings and Plant	2,468	-----	-----	2,468
Machinery and Equipment	1,603	13	-----	1,616
Vehicles	561	70	-----	631
Infrastructure	4,665	2,495	-----	7,160
Total Depreciable Capital Assets	\$ 9,468	\$ 2,578	\$ -----	\$ 12,046
Total Non and Depreciable Capital Assets	\$ 10,924	\$ 3,211	\$ < 633>	\$ 13,502
Accumulated Depreciation				
Land Improvements	\$ 45	\$ -----	\$ -----	\$ 45
Buildings and Plant	860	55	-----	915
Machinery and Equipment	1,181	42	-----	1,223
Vehicles	555	25	-----	580
Infrastructure	1,385	209	-----	1,594
Total Accumulated Depreciation	\$ 4,026	\$ 331	\$ -----	\$ 4,357
Governmental Activities Capital Assets, Net	\$ 6,898	\$ 2,880	\$ < 633>	\$ 9,145
	=====	=====	=====	=====
Governmental Activities Depreciation Expense				
General Government		\$ 15		
Police		105		
Fire		2		
Street and Right of Way		104		
Cemetery		.5		
Culture and Recreation		104.5		
Total Governmental Activities Depreciation Expense		\$ 331		
		=====		

City of Barnesville
Notes to the Basic Financial Statements
For the year ended September 30, 2015

(Amounts Expressed in Thousands)

	Balance 10/1/14	Additions	Transfers In <Out>	Balance 9/30/15
Business-Type Activities:				
Capital Assets not being Depreciated:				
Land	\$ 932	\$ -----	\$ -----	\$ 932
Construction in Progress	-----	278	-----	278
Total Non-Depreciable Capital Assets	\$ 932	278	\$ -----	\$ 1,210
Depreciable Capital Assets:				
Buildings and Plant	\$ 30,270	\$ 2,727	\$ -----	\$ 32,997
Machinery and Equipment	1,493	11	-----	1,504
Vehicles	269	-----	-----	269
Infrastructure	23,406	500.5	1	23,907.5
Total Depreciable Capital Assets	\$ 55,438	\$ 3,238.5	\$ 1	\$ 58,677.5
Total Non and Depreciable Capital Assets	\$ 56,370	\$ 3,516.5	\$ 1	\$ 59,887.5
Accumulated Depreciation				
Buildings and Plant	\$ 9,539	\$ 641	\$ -----	\$ 10,180
Machinery and Equipment	624	21	-----	645
Vehicles	209	7	-----	216
Infrastructure	4,560	520	-----	5,080
Total Accumulated Depreciation	\$ <14,932>	\$ 1,189	\$ -----	\$ 16,121
Business-Type Activities Capital Assets, Net	\$ 41,438	\$ 2,327.5	\$ 1	\$ 43,766.5
	=====	=====	=====	=====

3-E. Interfund Balances and Transfers

Interfund balances at September 30, 2015, consisted of the following amounts. The interfund balances are not expected to be paid in one year from the date of the financial statements and have existed for more than one year and the original purpose of the interfund balances were to finance capital acquisitions in other funds.

(Amounts expressed In thousands)	Payable From:					
	Splost 2011	General Fund	Non-Major Fund	Water & Sewer	Sanitation	Total
Payable To:						
General Fund	\$ 4	\$ -----	\$ 16	\$ -----	\$ -----	\$ 20
Electric Fund	-----	170	129	115	1	415
Water & Sewer Fund	-----	83	119.5	-----	-----	202.5
Total	\$ 4	\$ 253	\$ 264.5	\$ 115	\$ 1	\$ 637.5
	=====	=====	=====	=====	=====	=====

Interfund transfers for the year ended September 30, 2015, consisted of the following:

(Amounts Expressed in Thousands)	Transfers From:
Transfers To:	Electric Fund
General Fund	\$ 1,074
Sanitation Fund	160
	\$ 1,234

Transfers are used to report revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; and to return money to the fund from which it was originally provided, once a project is completed.

All City transfers either occur on a regular basis or are consistent with the purpose of the fund making the transfer.

City of Barnesville
Notes to the Basic Financial Statements
For the year ended September 30, 2015

3-F. Revenue Bonds Payable

The City issued refunding Revenue and Improvement Bond Series 2011-A, 2011-B and 2011-C on December 28, 2011. The refunding bonds extinguished the Series 1998 and 2003 Bonds debt of \$3,240,000 and the GEFA 2004-L31WS loan of \$237,988. Also the Refunding Revenue and Improvement Bonds of 2011 extinguished GEFA 2001 L87-WS loan and USDA Bonds Payable of \$3,460,050 in the aggregate. The GEFA 2001 L87-WS loan and USDA Bonds Payable were assumed by the City due to the transfer of assets, liabilities and operations of the Lamar County Water and Sewer Authority. The City is in compliance with Bond ordinance in regards to Article 5, Section 502(1) which requires retaining six months of aggregated operating expenses to meet the working capital needs of the system.

The following is a summary of revenue bond transactions of the City for the year ended September 30, 2015.

Name	Interest Rate	Balance Beginning of Year	Additions (Reductions) in Indebtedness	Balance End of Year
*2011-A Series	2.50% to 4.25%	\$19,935,000	\$ -----	\$ 19,935,000
^2011-B Series	0.65% to 1.60%	165,000	< 165,000 >	-----
^^2011-C Series	2.50% to 4.25%	3,830,000	-----	3,830,000
		<u>\$23,930,000</u>	<u>\$ < 165,000 ></u>	<u>\$ 23,765,000</u>

*Original issue amount \$19,935,000 - Purpose to Construct Water and Sewer Treatment Plant and refund debt.

^Original issue amount \$ 645,000 - Purpose to refund debt.

^^Original issue amount \$ 3,830,000 - Purpose to purchase additional water lines and other assets of Lamar County Water and Sewerage Authority

The annual principal maturities of the debt during the years following 2015 are as follows:

Year	2011-A	2011-C
2016	\$ 70,000	\$ 70,000
2017	75,000	75,000
2018	125,000	75,000
2019	275,000	80,000
2020	285,000	80,000
2021-2025	1,555,000	445,000
2026-2030	2,350,000	510,000
2031-2035	3,580,000	625,000
2036-2040	4,655,000	750,000
2041-2045	5,680,000	915,000
2046	1,285,000	205,000
	<u>\$19,935,000</u>	<u>\$ 3,830,000</u>

Year	2011-A	2011-C Interest
2016	\$ 775,281	\$ 143,494
2017	773,531	141,744
2018	771,656	139,869
2019	768,531	137,994
2020	760,281	135,594
2021-2025	3,668,055	640,020
2026-2030	3,393,243	568,169
2031-2035	2,853,000	462,875
2036-2040	2,040,000	327,875
2041-2045	1,014,205	161,987
2046	54,613	8,713
	<u>\$16,872,396</u>	<u>\$ 2,868,334</u>

Interest expense for 2015 amounted to \$920,965 for the above and has been expended within the accompanying financial statements.

City of Barnesville
Notes to the Basic Financial Statements
For the year ended September 30, 2015

Mandatory Redemption – The 2011-A Bonds maturing on September 1, 2033 are term bonds subject to the scheduled mandatory redemption prior to maturity in part (the actual Term Bonds to be redeemed to be selected by lot in such manner as may be designated by the Bond Registrar) at a redemption price equal of 100 percent of the principal amount thereof, plus accrued interest to the redemption date, in the following principal amounts and on the dates as set forth below (the September 1, 2033, 2036, 2039, 2041, 2043, and 2046 amounts to be paid rather than redeemed):

<u>Dates</u>	<u>Principal Amount</u>
September 1, 2030	\$ 570,000
September 1, 2031	595,000
September 1, 2032	620,000
September 1, 2033	745,000
September 1, 2034	795,000
September 1, 2035-2039	4,475,000
September 1, 2040-2044	5,455,000
September 1, 2045-2046	2,515,000
	<u>\$ 15,770,000</u>
	=====

The 2011-C Bonds maturing on September 1, 2033 are term bonds subject to scheduled mandatory redemption prior to maturity in part (the actual Term Bonds to be redeemed to be selected by lot in such manner as may be designated by the City) at a redemption price equal to 100 percent of the principal amount thereof, plus accrued interest to the redemption date, in the following principal amounts and on the dates as set forth below (the September 1, 2033, 2039, 2041, 2043, and 2046 amounts to be paid rather than redeemed):

<u>Dates</u>	<u>Principal Amount</u>
September 1, 2030	\$ 110,000
September 1, 2031	115,000
September 1, 2032	120,000
September 1, 2033	125,000
September 1, 2034	130,000
September 1, 2035-2039	725,000
September 1, 2040-2044	875,000
September 1, 2045-2046	405,000
	<u>\$ 2,605,000</u>
	=====

3-G. Notes Payable

General Obligation Debt – The General obligation debt currently outstanding as of September 30, 2015, is as follows:

United Bank (Short Term Loan) - \$418,398

Annual Principal maturity for debt for years following 2015:

	<u>Principal</u>	<u>Interest</u>
2016	\$ 418,398	\$ 1,395

*Completion of the Summer's Field Park Project

General Long-Term Interfund Debt

<u>Balance Beginning of Year</u>	<u>Addition (Reduction)</u>	<u>Balance End of Year</u>
\$ 222,753	\$ 14,609	\$ 237,362

Enterprise Funds – The following is a summary of the notes payable of the City as of September 30, 2015:

Note payable to Georgia Environmental Facilities Authority (GEFA)
with interest at 0% per annum. Original debt amount of \$2,772,728
Purpose to construct Water Lines

\$ 2,122,869

City of Barnesville
Notes to the Basic Financial Statements
For the year ended September 30, 2015

The annual principal maturities of the above debt during the years following 2015 are as follows:

	GEFA
2016	\$ 173,296
2017	\$ 173,296
2018	\$ 173,296
2019	\$ 173,296
2020	\$ 173,296
2021-2025	\$ 866,480
2026-2028	\$ 389,909
	<u>\$ 2,122,869</u>

Handwritten calculations:
 $43323.89 \times 4 = 173,295.56$
 $10141.14 \times 12 = 121,693.68$
294,989.24

Note payable to Georgia Environmental Facilities Authority (GEFA)
with interest at 0% per annum. Original debt amount of \$2,433,874.
Purpose to construct water lines (amount drawn to date)

\$ 2,160,066

Handwritten: 260,847

Handwritten: 2220910.06

	GEFA
2016	\$ 182,540
2017	182,540
2018	182,540
2019	182,540
2020	182,540
2021-2025	912,700
2026-2029	334,666
	<u>\$ 2,160,066</u>

Handwritten: 121,694

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

	Outstanding 10/1/2014	Additions	Reductions	Outstanding 9/30/2015	Amounts Due in One Year
Governmental Activities					
United Bank	\$ 60,000	\$ 418,398	\$ 60,000	\$ 418,398	\$ 418,398
Business-Type Activities					
Water & Sewer Revenue Bonds (Waterline extension and plants)	23,930,000	-----	165,000	23,765,000	140,000
Water and Sewer Customer Deposits (Net)	13,550	-----	-----	13,550	Not Known
GEFA Debt (Water line extension)	4,638,771	-----	355,836	<u>4,282,935</u>	355,836
Electric and Sanitation Customer Deposits (Net)	306,810	9,990	-----	316,800	Not known
Total Business-Type Activities	<u>\$28,949,131</u>	<u>\$ 428,388</u>	<u>\$ 580,836</u>	<u>\$28,796,683</u>	<u>\$ 914,234</u>

City of Barnesville
Notes to the Basic Financial Statements
For the year ended September 30, 2015

3-H. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Plan Description – The City's defined benefit pension plan, the City of Barnesville Retirement Plan, provides retirement, disability, and death benefits to plan members and beneficiaries. The City of Barnesville Retirement Plan is affiliated with the Georgia Municipal Employees Benefit System (GMEBS), an agent multiple-employer pension plan administered by the Georgia Municipal Association. The benefit provisions and all other requirements are established by City ordinance. GMEBS issues a publicly available financial report that includes financial statements and required supplementary information for the City of Barnesville Retirement Plan. That report may be obtained by writing to Georgia Municipal Association, Employee Benefit Section, 201 Pryor Street, SW, Atlanta, Georgia 30303-3606.

At September 30, 2015, the City reported a liability of \$977,425 for its net pension liability. The net pension liability was measured as of September 30, 2014. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2015. The total pension liability was then rolled forward to the measurement date of September 30, 2014 utilizing update procedures in incorporating the actuarial assumptions. The City's net pension liability was based on a projection of the City's long-term future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan, actuarially determined.

For the year ended September 30, 2015, the City recognized pension expense of \$92,464. At September 30, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Differences between expected and actual experience	\$ 28,482	\$ -----
Changes of assumptions	-----	189,387
Net difference between projected and actual earnings on pension plan investments	-----	204,908
City contributions subsequent to the measurement date	214,434	-----
Total	<u>\$ 242,916</u>	<u>\$ 394,295</u>

\$214,434 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ended September 30, 2016. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended September 30:

2016	\$< 104,862>
2017	< 104,862>
2018	< 104,862>
2019	< 51,227>
2020	-----
Thereafter	-----

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

Inflation	3.25 percent
Salary increases	3.25 percent plus service based merit increases
Investment rate of return	7.75 percent, net of pension plan investment expense, including inflation

The plan currently uses mortality tables that vary by age, gender, employee group (i.e. general, law enforcement officer) and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

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

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and

City of Barnesville
Notes to the Basic Financial Statements
For the year ended September 30, 2015

interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies* return projections reflect the foregoing and historical data analysis. These projections 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. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of September 30 2014 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	25%	1.55%
International Equity	15%	6.45%
Real Estate	10%	3.75%
Domestic Equity	50%	5.95%
Total	100%	

The information above is based on 30 year expectations developed with the consulting actuary for the 2013 asset liability and investment policy study for the Georgia Retirement Systems including GMEBS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.35%. All rates of return and inflation are annualized.

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

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

	<u>1% Decrease (6.75%)</u>	<u>Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
City's net pension liability (asset)	\$ 1,911,788	\$ 977,425	\$ 184,892

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Actuarial Valuation and Review Report from the Georgia Municipal Association, 201 Pryor Street, SW, Atlanta, Georgia 30303-3606.

3-I. Equity

Net Positions— Net positions on the government-wide statement of net positions as of September 30, 2015 are as follows:

	(Amounts Expressed in Thousands)	
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Net Investment in capital assets:		
Cost of Capital Assets	\$ 13,501.5	\$ 59,887.5
Less Accumulated Depreciation	< 4,357>	< 16,121>
Book Value	\$ 9,144.5	\$ 43,766.5
Less Capital Related Debt	418.5	<*28,124.5>
Net Investment in capital assets	\$ 8,726	\$ 15,642

*Capital Debt \$28,048 plus accrued interest of \$76.5.

City of Barnesville
Notes to the Basic Financial Statements
For the year ended September 30, 2015

Fund Balances – Fund balance assignments at the fund reporting level as of September 30, 2015 are as follows:

Assigned Fund Balances:

<u>Nature and Purpose of Assignments</u>	<u>General</u>
Cemetery Perpetual Care	\$ 104,655
Summer's Field Project	4,724

3-J. Contracts

The City entered into contract with Dependable Waste, Inc. to provide the City with waste disposal. The cost of the service is passed on to the residents. The contract will continue until September 30, 2017. The City at present provides the recycling services to residents.

3-K. Compliance with Legal Provisions

Grants – In the year ended September 30, 2015, the City received payments from the State of Georgia as follows: None

Expenditures from the capital outlay grant funds were for acquisition and maintenance of capital outlay items as required by law. The general purpose funds are to be expended for general purposes and none of the general purpose grant funds will be used to pay salaries of elected officials.

Federal Laws – Grants – The City received federal grant funds from the Department of Community Affairs in the amount of \$278,286. The grant funds are for street improvements, flood drainage, water facilities and urban housing improvements. The City received \$12,000 in grant funds from the Justice Department for purchase of police vests. A Department of Transportation Grant was received in the amount of \$750,000 and a Local Maintenance Improvement Grant of \$60,010. The City also received a Health and Wellness Transformation Grant in the amount of \$280,707 from Community Health a division of the Centers for Disease Control.

Hotel/Motel Tax – The City was in compliance with the provisions of OCGA-48-13-51 which require the City to meet the expenditures requirement for the levying and collecting of hotel/motel tax. The amount of funds expended as provided within the Code Section 36-81-7 during the fiscal year is \$14,942. The percentage of expenditures to collections is 100%. The City has a contractual agreement with the Barnesville-Lamar County Chamber of Commerce to remit forty percent of the hotel/motel tax collections. The City remitted \$5,977 in hotel/motel tax collections during the fiscal year to the Barnesville-Lamar County Chamber of Commerce. The Barnesville-Lamar County Chamber of Commerce provides the City with annual audited financial statements as verification of the expenditure of the hotel/motel collections. The amount owed in hotel/motel tax by the City to the Barnesville-Lamar County Chamber of Commerce at September 30, 2015 is \$0.

3-L. Other Required Individual Fund Disclosures

The General Fund has a deficit of \$319,300 for the fiscal year ending September 30, 2015. The fund has a \$545,576 surplus to offset future deficits. The Nonmajor fund, Industrial Development had a deficit of \$20,245 for the fiscal year ending September 30, 2015. The fund has a surplus of \$1,045,610 to offset future deficits.

The General Fund was restated due to a prior period adjustment of \$311,233 for uncollectible police fines. The police fines were written off, converted to community service or time served. The fines were assessed in a prior period.

3-M. Commitment and Contingencies

Agreements with Municipal Electric Authority of Georgia

During 1976, the City, along with 45 other cities and one county, all political subdivisions of the State of Georgia, entered into a Power Sales Contract with the Municipal Electric Authority of Georgia, a public corporation and instrumentality of the State of Georgia.

Under the terms of the agreement, the Authority agrees to provide, and the Cities are obligated to purchase, all of the Cities' bulk power supply requirements for a period not to exceed 50 years. The Cities have agreed to purchase all their future power and energy requirements in excess of that received by the Cities through the Southeastern Power Administration at prices intended to cover the operating costs of the systems and to retire any debt incurred by the Authority. In the event that revenues are insufficient to cover all costs and retire the outstanding debt, each City has guaranteed a portion of the unpaid debt based on their individual entitlement shares of the output and services of generating units acquired or constructed by the Authority. In addition, in the event of discontinued service to a participant in default, the City would be obligated to purchase additional power subject to contractual limitations.

City of Barnesville
Notes to the Basic Financial Statements
For the year ended September 30, 2015

At September 30, 2014, the outstanding debt of the Authority was approximately \$6.33 billion. The City's guarantee varies by individual projects undertaken by the Authority.

On January 1, 1999, the City approved a resolution adopting the provisions of the Municipal Competitive Trust (the "Trust"), which was created by MEAG for the mutual benefit of MEAG and its wholesale customers which have elected to become beneficiaries. The Trust was established to provide MEAG and the Trust's beneficiaries a means to mitigate the expected differential between market rates for power and the costs of power generated by MEAG facilities, after deregulation of the electric industry.

The Trust created two types of funds, which are held by MEAG in the name of the City. The first type represents amounts that are available to the City for withdrawal without restriction. The second type represents amounts that are available to the City in the form of a loan or as off-set to billings from MEAG for power usage if certain criteria related to the difference between the cost of power generated by MEAG facilities and the market rates for power are met.

Note 4 – Other Notes

4-A. Closure and Postclosure Care Requirements

GASB Statement No. 18, "Accounting for Municipal Solid Waste Landfill Closure and Postclosure Care Costs", require certain disclosures be reported relating to the closure and postclosure care.

The current estimated cost of postclosure is \$0.

*** The amount of post closure costs actually paid in the current year is \$45,144.*

The City owned and operated the city landfill until 1992. The landfill was closed in 1992 in order to meet the State of Georgia Solid Waste Reduction requirements. The solid waste disposal has been contracted with an outside source (see Note 3-J).

The estimated costs of postclosure are based on the landfill capacity used to date. The landfill capacity used to date is 100 percent. The estimated remaining landfill life is zero years. The current estimated postclosure costs recognized for the year ending are \$0. The nature of the estimates and the potential for changes are due to inflation or deflation, technology or applicable laws or regulations.

The source of the estimated cost of postclosure care requirements are regulated by the Environmental Protection Division of the Environmental Protection Agency. The nature of the postclosure care requirements consist of well monitoring, laboratory analysis, and inspections. The estimated cost of postclosure decreased due to environmental changes and requirements stipulated by the Environmental Protection Division. Requirements for post closure are being fulfilled.

*The postclosure costs vary from year to year based on the EPD's requirements for well testing.

4-B. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City is a member of the Georgia Interlocal Risk Management Agency (GIRMA). This membership allows the City to share liability, crime, motor vehicle, and property damage risks.

The City participates in the Georgia Municipal Association Workers' Compensation Self Insurance Fund. The fund was established to insure members for liabilities imposed under workers' compensation and employers' liability laws. The fund is obligated to provide for the cost of claims and related interest incurred by the City under the Workers' Compensation Law of Georgia along with the cost of investigating, negotiation, and defending such claims. The fund is intended to be self-sustaining through member premiums. Accordingly, the City is required to pay an annual premium to the fund.

Chapter 85 of Title 36 of the Official Code of Georgia Annotated authorizes Georgia municipalities to form interlocal risk management agencies. GIRMA is a municipal interlocal risk management agency to function as an unincorporated nonprofit instrumentality of its member municipalities – GIRMA establishes and administers one or more group self insurance funds and a risk management services to prevent or lessen the incidence and severity of casualty and property losses occurring in the operation of municipal government. GIRMA is to defend and protect in accordance with the member government contract and related coverage descriptions any member of GIRMA against liability or loss.

The City must participate at all times in at least one fund, which is established by GIRMA. Other responsibilities of the City are as follows:

- To pay all contributions, assessments or other sums due to GIRMA at such times and in such amounts as shall be established by GIRMA.
- To select a person to serve as a Member representative

City of Barnesville
Notes to the Basic Financial Statements
For the year ended September 30, 2015

- To allow GIRMA and its agent's reasonable access to all facilities of the City and all records, including but not limited to financial records, which relate to the purposes of GIRMA.
- To allow attorneys appointed by GIRMA 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 Fund or Funds established by GIRMA.
- To assist and cooperate in the defense and settlement of claims against the City.
- To furnish full cooperation to GIRMA's attorneys claim adjusters, Service Company, and any agent, employee, officer, or independent contractor of GIRMA relating to the purposes of GIRMA.
- To furnish to GIRMA such budget, operating and underwriting information as may be requested.
- To report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in GIRMA or any fund established by GIRMA being required to pay claim for loss or injuries to municipal property when such loss or injury is within the scope of the protection of a fund or funds in which the City participates.
- The City retains the first \$1,000 of each risk of loss in the form of a deductible. The City files all claims with GIRMA. GIRMA bills the City for any risk of loss up to \$1,000 deductible.

The Fund is to defend, in the name of and on behalf of the members, any suits or other proceedings which may at time be instituted against them on account of injuries or death within the preview of the Workers' Compensation Law of Georgia, or on the basis of employer's liability, including suits or other proceedings alleging such injuries and demanding for compensation therefore, although such suits, other proceedings, allegations or demands be wholly groundless, false, or fraudulent. The Fund is to pay all costs taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation, or defense.

There were no significant reductions in insurance coverage from prior year, and there have been no settlements that exceed the City's insurance coverage during the past three years.

4-C. Contingent Liabilities

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. These audits could result in a request for reimbursement to the grantor agency for costs disallowed under terms of the grant. Based on prior experience, the City believes such disallowances, if any, will be immaterial.

4-D. Joint Venture

Under Georgia law, the City, in conjunction with other municipalities and counties in the five county Central Georgia area, is a member of the McIntosh Trail Regional Development (RDC). Membership in the RDC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organizational structure of the RDC in Georgia. The RDC Board membership includes representation from each county and municipality of the area, as well as representatives from the private sector and other governmental entities. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RDC. Separate financial statements for the RDC are available from:

McIntosh Trail Regional Development
Hill Street
Griffin, Ga 30223

4-E. Related Organizations

The Barnesville Housing Authority, Conventional, and Section 8 are deemed to be related organizations of the City. The financial statements of the related organization are not included in the City of Barnesville's audited financial statements.

4-F. Change in Accounting Principles/Restatement

The City implemented Governmental Accounting Standards Board (GASB) statement 68, Accounting and Financial Reporting for Pensions (an amendment to GASB Statement No. 27) in the fiscal year ending September 30, 2015. The implementation of the statement required the City to record beginning net position liability and the effects on net position of contributions made by the City during the measurement period (fiscal year ending September 30, 2014). As a result, net position for the governmental and business type activities decreased by \$1,250,774 and increased by \$69,670 respectively.

Required Supplementary Information

City of Barnesville
City of Barnesville Contributions
Required Supplementary Information
September 30, 2015 and 2014

**A Participating Member of the Georgia Municipal Employees Benefit System
(Local Government Employee's Retirement System)**

Contractually required contribution	\$ 214,434	\$ 221,705
Contributions in relation to the contractually required contribution	<u>214,434</u>	<u>221,705</u>
Contribution deficiency (excess)	<u>\$ -----</u>	<u>\$ -----</u>
City's covered-employee payroll	\$ 2,413,654	\$ 2,094,501
Contributions as a percentage of covered-employee payroll	8.33%	9.98%

City of Barnesville
City of Barnesville's Proportionate Share of Net
Pension Liability
Required Supplementary Information
September 30, 2015

Georgia Firefighter's Pension Fund

	<u>2015</u>
City's proportionate share of the net pension liability %	0.00%
City's proportionate share of the net pension liability \$	\$ -----
City's covered-employee payroll	\$ 234,469
State's proportionate share of the net pension liability as a percentage of its covered employee payroll	.053066%
Plan fiduciary net position as a percentage of the total pension liability	89.72%
State's proportionate share of the net pension liability associated with City of Barnesville	\$ 46,273

City of Barnesville
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
 Budget and Actual-General Fund Types
For the Year Ended September 30, 2015

	GENERAL FUND (MAJOR FUND)			VARIANCE POSITIVE (NEGATIVE)
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
REVENUES				
Taxes				
2015 Property	\$ 623,060	\$ 607,512 ✓	\$ 607,512	\$ -----
Sales	600,000	602,539 ✓	602,539	-----
Intangible and Transfer	2,700	2,719 ✓	2,719	-----
Motor Vehicle	90,000	174,127 ✓	174,127	-----
Public Utilities Franchise	138,100	136,764 ✓	136,764	-----
Insurance Premium	335,000	389,111 ✓	389,111	-----
Malt Beverage	150,000	152,675 ✓	152,675	-----
Liquor	28,300	25,395 ✓	25,395	-----
	<u>\$ 1,967,160</u>	<u>\$ 2,090,842</u>	<u>\$ 2,090,842</u>	<u>\$ -----</u>
Business License and Permits	\$ 100,148	\$ 95,562	\$ 95,562	\$ -----
Departmental Revenues				
Police	\$ 376,250	\$ 204,213	\$ 204,213	\$ -----
Fire	-----	-----	-----	-----
Street and Right of Way	2,200	66,056	66,056	-----
Cemetery	21,000	23,625	23,625	-----
Civic Center	43,500	51,330	51,330	-----
Swimming Facilities	2,150	3,963	3,963	-----
	<u>\$ 445,100</u>	<u>\$ 349,187</u>	<u>\$ 349,187</u>	<u>\$ -----</u>
Other Revenues				
Intergovernmental	\$ -----	\$ 43,303	\$ 43,303	\$ -----
Rental Income	280,156	278,756	278,756	-----
Tax Interest	6,000	6,885	6,885	-----
Miscellaneous	2,550	9,185	9,185	-----
Interest Earned	200	437	437	-----
	<u>\$ 288,906</u>	<u>\$ 338,566</u>	<u>\$ 338,566</u>	<u>\$ -----</u>
TOTAL REVENUE-CARRIED FORWARD	<u>\$ 2,801,314</u>	<u>\$ 2,874,157</u>	<u>\$ 2,874,157</u>	<u>\$ -----</u>

City of Barnesville
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
 Budget and Actual-General Fund Types
For the Year Ended September 30, 2015
 (Continued)

	GENERAL FUND (MAJOR FUND)			VARIANCE POSITIVE (NEGATIVE)
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
TOTAL REVENUES- BROUGHT FORWARD	\$ 2,801,314	\$ 2,874,157	\$ 2,874,157	\$ -----
EXPENDITURES				
Current Operations				
Administrative and General	\$ 1,075,696	\$ 1,173,667	\$ 1,173,667	\$ -----
Police	1,470,203	1,260,027	1,260,027	-----
Fire	362,656	387,813	387,813	-----
Street and Right of Way	546,061	612,785	612,785	-----
Cemetery	45,800	54,295	54,295	-----
Civic Center	156,711	174,701	174,701	-----
Swimming Facilities	40,274	42,056	42,056	-----
Capital Outlay				
Current Operations	78,000	324,311	324,311	-----
Debt Service				
Principle	60,000	60,000	60,000	-----
Interest	1,673	1,708	1,708	-----
Total Expenditures	\$ 3,837,074	\$ 4,091,363	\$ 4,091,363	\$ -----
EXCESS REVENUE OVER <UNDER> EXPENDITURES	\$ <1,035,760>	\$ <1,217,206>	\$ <1,217,206>	\$ -----
OTHER FINANCING SOURCES (USES)				
Transfers In	\$ 1,035,760	\$ 1,074,554	\$ 1,074,554	\$ -----
Transfers Out	-----	< 176,648>	< 176,648>	-----
Total Other Financing Sources (Uses)	\$ 1,035,760	\$ 897,906	\$ 897,906	\$ -----
NET CHANGE IN FUND BALANCES	\$ -----	\$ < 319,300>	\$ < 319,300>	\$ -----
FUND BALANCE- BEGINNING OF YEAR	-----	864,876	864,876	-----
FUND BALANCE- END OF YEAR	\$ -----	\$ 545,576	\$ 545,576	\$ -----

City of Barnesville
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
 Budget and Actual-Capital Project Fund Types
 (Does Not Include Trust Fund Data)
For the Year Ended September 30, 2015

	SPLOST 2011		(MAJOR FUND)	
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Intergovernmental	\$ 600,000	\$ 634,351 ✓	\$ 634,351	-----
Interest	-----	77	77	\$ -----
TOTAL REVENUES	\$ 600,000	\$ 634,428	\$ 634,428	\$ -----
EXPENDITURES				
Current				
Miscellaneous	\$ -----	\$ -----	\$ -----	\$ -----
Capital Outlay				
Current Operations	600,000	633,183	633,183	-----
Total Expenditures	\$ 600,000	\$ 633,183	\$ 633,183	\$ -----
EXCESS REVENUES OVER <UNDER> EXPENDITURES	\$ -----	\$ 1,245	\$ 1,245	\$ -----
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	\$ -----	\$ -----	\$ -----	\$ -----
Transfers In	\$ -----	\$ -----	\$ -----	\$ -----
Total Other Financing Sources (Uses)	\$ -----	\$ -----	\$ -----	\$ -----
NET CHANGE IN FUND BALANCES	\$ -----	\$ 1,245	\$ 1,245	\$ -----
FUND BALANCE- BEGINNING OF YEAR	-----	59,051	59,051	-----
FUND BALANCE- END OF YEAR	\$ -----	\$ 60,296	\$ 60,296	\$ -----
	=====	=====	=====	=====

City of Barnesville
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
 Budget and Actual-Capital Project Fund Types
 (Does Not Include Trust Fund Data)
For the Year Ended September 30, 2015

	SUMMER'S FIELD CONSTRUCTION (MAJOR FUND)			VARIANCE
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	POSITIVE (NEGATIVE)
REVENUES				
Intergovernmental	\$ 1,000,000	\$ 1,030,707	\$ 1,030,707	-----
Interest	-----	70	70	\$ -----
TOTAL REVENUES	<u>\$ 1,000,000</u>	<u>\$ 1,030,777</u>	<u>\$ 1,030,777</u>	<u>\$ -----</u>
EXPENDITURES				
Current				
Miscellaneous	\$ -----	\$ 135	\$ 135	\$ -----
Capital Outlay				
Current Operations	<u>1,000,000</u>	<u>1,621,034</u>	<u>1,621,034</u>	-----
Total Expenditures	<u>\$ 1,000,000</u>	<u>\$ 1,621,169</u>	<u>\$ 1,621,169</u>	<u>\$ -----</u>
EXCESS REVENUES OVER <UNDER> EXPENDITURES	<u>\$ -----</u>	<u>\$ < 590,392 ></u>	<u>\$ < 590,392 ></u>	<u>\$ -----</u>
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	\$ -----	\$ 418,398	\$ 418,398	\$ -----
Transfers In	<u>\$ -----</u>	<u>\$ 176,718</u>	<u>\$ 176,718</u>	<u>\$ -----</u>
Total Other Financing Sources (Uses)	<u>\$ -----</u>	<u>\$ 595,116</u>	<u>\$ 595,116</u>	<u>\$ -----</u>
NET CHANGE IN FUND BALANCES	<u>\$ -----</u>	<u>\$ 4,724</u>	<u>\$ 4,724</u>	<u>\$ -----</u>
FUND BALANCE- BEGINNING OF YEAR	-----	-----	-----	-----
FUND BALANCE- END OF YEAR	<u>\$ -----</u>	<u>\$ 4,724</u>	<u>\$ 4,724</u>	<u>\$ -----</u>

Supplementary Information

Governmental Funds

City of Barnesville
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
 Budget and Actual-Special Revenue Fund Types
 (Does Not Include Trust Fund Data)
For the Year Ended September 30, 2015

HOTEL / MOTEL TAX (NON-MAJOR FUND)

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Hotel-Motel Tax	\$ 12,000	\$ 14,942 ✓	\$ 14,942	\$ -----
TOTAL REVENUES	\$ 12,000	\$ 14,942	\$ 14,942	\$ -----
EXPENDITURES				
Current				
Cultural and Recreation (Tourism)	\$ 12,000	\$ 14,942	\$ 14,942	\$ -----
Total Expenditures	\$ 12,000	\$ 14,942	\$ 14,942	\$ -----
EXCESS REVENUES OVER <UNDER> EXPENDITURES	\$ -----	\$ -----	\$ -----	\$ -----
NET CHANGE IN FUND BALANCES	\$ -----	\$ -----	\$ -----	\$ -----
FUND BALANCE- BEGINNING OF YEAR	-----	-----	-----	-----
FUND BALANCE- END OF YEAR	\$ ----- =====	\$ ----- =====	\$ ----- =====	\$ ----- =====

City of Barnesville
General Fund
**SCHEDULE OF ADMINISTRATIVE
AND GENERAL EXPENDITURES**
For the Year Ended September 30, 2015

	2015	2014
Salaries	✓ \$ 221,523	\$ 213,786
Employee Benefits	✓ 68,203	73,266
Contract Labor	66,223	53,704
Legal and Professional Fees	80,385 ✓	55,556
Dues and Subscriptions	3,351	3,351
Advertising	848	1,246
Industrial Development Authority-Donation	75,000 ✓	75,000
E.P. Roberts Center	55,223 ✓	73,231
Office Supplies	21,888	17,881
Travel	3,600 ✓	3,600
Training Courses	3,513 ✓	3,269
Postage	27,362	30,009
Insurance	298,931 ✓	255,353
Utilities and Telephone	14,668	19,393
Public Property Expenditure	22,243 ✓	15,116
Maintenance Agreement	24,948	31,589
Repairs and Maintenance	7,728	7,499
Miscellaneous	16,100	15,322
McIntosh Trail RDC	6,512 ✓	6,537
Lamar County Health Clinic	500 ✓	500
Debt Service	61,708	61,825
Barnesville-Lamar County Library	-----	50,333
Total Expenditures	<u>\$1,080,457</u>	<u>\$1,067,366</u>

563,650

*Audit 26,500
59,213*

City of Barnesville
General Fund
**SCHEDULE OF ADMINISTRATIVE
AND GENERAL EXPENDITURES
MAYOR AND COUNCIL**
For the Year Ended September 30, 2015

✓ 10,200 Sal
✓ 91,351 Bene

	2015	2014
Mayor and Council Salaries / Benefits	\$ 101,551	\$ 106,139
Mayor and Council Travel	20,100	20,100
Mayor and Council School and Training	28,306 ✓	22,145
Mayor and Council Supplies	3,134	4,359
Mayor and Council Telephone	1,827	933
	<hr/>	<hr/>
Total Expenditures	\$ 154,918	\$ 153,676
	<hr/>	<hr/>

City of Barnesville
General Fund
SCHEDULE OF REVENUES AND EXPENDITURES
POLICE DEPARTMENT
For the Year Ended September 30, 2015

	2015	2014
REVENUES		
Fines	\$ 176,128	\$ 204,847
Accident Reports	601	252
Miscellaneous	3,436	18,571
Parking Violations	170	1,005
Interest	-----	4
Intergovernmental Revenues	23,878	22,603
Total Revenues	\$ 204,213	\$ 247,282
EXPENDITURES		
Salaries	\$ ✓ 838,848	\$ 865,942
Employee Benefits	✓ 226,909	294,580
Supplies	43,233	45,079
Repairs and Maintenance	13,508	31,662
Maintenance of Prisoners	534	6,307
Utilities	21,543	13,247
Gas and Oil	40,666	64,599
Tires and Tire Repairs	2,994	2,837
Uniforms	6,204	7,761
Dues and Subscriptions (Computer)	8,133	6,898
Travel and Training Courses	5,788	6,515
Miscellaneous	328	73
Traffic Court Judge, Indigent Defense & Solicitor	27,750 ✓	27,700
Peace Officers and Prosecutions	11,591	13,914
Peace Officers' Annuity Benefits	4,472	5,007
GA Crime Victims Emergency Fund	3,336	3,550
Drug Testing	185	792
Jr. Police/Community Projects	931	-----
New Equipment*	82,846	117,513
Crime Lab and Brain and Spinal Injury Funds	363	653
County Drug Abuse Treatment	1,518	1,879
Driver Education and Training Fund	1,193	1,118
Total Expenditures	\$ 1,342,873	\$ 1,517,626
EXCESS EXPENDITURES OVER REVENUES	\$ <1,138,660> =====	\$ <1,270,344> =====

*Reported under Capital Outlay on other Statements and Schedules

1314589
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City of Barnesville
General Fund
SCHEDULE OF REVENUES AND EXPENDITURES
FIRE DEPARTMENT
For the Year Ended September 30, 2015

	2015	2014
REVENUES		
Miscellaneous	\$ -----	\$ -----
Total Revenues	\$ -----	\$ -----
EXPENDITURES		
Salaries	\$ ✓ 248,150	\$ 234,469
Employee Benefits	✓ 91,589	87,203
Contract Labor	1,233	-----
Supplies	8,696	9,938
Fire Calls and Drills	10,134	7,618
Gas and Oil	1,581	1,874
Radio Contract	2,790	2,558
Uniforms	1,729	6,635
Utilities	6,021	8,730
Retirement- Voluntary Firemen	3,600	3,960
Repairs and Maintenance	883	22,523
Drug Testing	310	143
Miscellaneous	-----	1,324
Equipment Testing	2,794	-----
Equipment	8,303	-----
Total Expenditures	\$ 387,813 /	\$ 386,975
EXCESS EXPENDITURES OVER REVENUES	\$< 387,813> =====	\$< 386,975> =====

City of Barnesville
General Fund
SCHEDULE OF REVENUES AND EXPENDITURES
STREET AND RIGHT OF WAY DEPARTMENT
For the Year Ended September 30, 2015

	2015	2014
REVENUES		
Intergovernmental	\$ 60,010	\$ 59,301
Miscellaneous (Surplus)	2,989	9,852
Animal Control	3,057	1,733
	<hr/>	<hr/>
Total Revenues	\$ 66,056	\$ 70,886
EXPENDITURES		
Salaries	\$ ✓ 151,458	\$ 80,222
Contract Labor	181,641	135,191
Employee Benefits	✓ 65,731	52,131
Supplies	67,495	40,650
Tires and Tire Repairs	1,892	1,193
Radio Contract	8,370	7,673
Gas and Oil	11,821	23,593
Utilities	3,755	2,541
Miscellaneous	5,730	7,543
Repairs (Including Service Agreements)	12,519	14,767
Street Mowing Contract	64,620	64,620
State Contract	21,396	18,104
Animal Control	16,357 ✓	30,732
Street Paving*	166,518	78,063
Summer's Field Project*	63,394	-----
	<hr/>	<hr/>
Total Expenditures	\$ 842,697	\$ 557,023
EXCESS EXPENDITURES OVER REVENUES	\$< 776,641>	\$< 486,137>
	=====	=====

*Reported under capital outlay on other statements and schedules.

1786,340

Animal Control
56,357

City of Barnesville
General Fund
SCHEDULE OF REVENUES AND EXPENDITURES
CEMETERY DEPARTMENT
For the Year Ended September 30, 2015

	<u>2015</u>	<u>2014</u>
REVENUES		
Sale of Cemetery Lots	\$ 9,900	\$ 9,600
Opening Graves	<u>13,725</u>	<u>12,300</u>
Total Revenues	\$ <u>23,625</u>	\$ <u>21,900</u>
EXPENDITURES		
Contract Labor	\$ 16,175	\$ 11,625
Miscellaneous	3,770	4,524
Mowing Contract	34,350	34,000
Capital Improvements	<u>11,553</u>	<u>-----</u>
Total Expenditures	\$ <u>65,848</u> ✓	\$ <u>50,149</u>
EXCESS EXPENDITURES OVER REVENUES	\$< <u>42,223</u> > =====	\$< <u>28,249</u> > =====

City of Barnesville
General Fund
SCHEDULE OF REVENUES AND EXPENDITURES
CIVIC CENTER
For the Year Ended September 30, 2015

	2015	2014
REVENUES		
Miscellaneous-Rentals	\$ 25,077	\$ 19,204
Membership Fees	<u>26,253</u>	<u>25,717</u>
Total Revenues	\$ 51,330 ✓	\$ 44,921
EXPENDITURES		
Salaries	\$ ✓ 96,993	\$ 91,739
Supplies	15,794	10,299
Employee Benefits	✓ 31,085	25,814
Utilities	2,047	651
Miscellaneous	1,136	-----
Uniforms	60	1,592
Repairs	1,374	9,043
Drug Testing	63	-----
Contract Labor	<u>26,149</u>	<u>22,900</u>
Total Expenditures	\$ 174,701	\$ 162,038
EXCESS EXPENDITURES OVER REVENUES	\$< 123,371> =====	\$< 117,117> =====

City of Barnesville
General Fund
SCHEDULE OF REVENUES AND EXPENDITURES
SWIMMING FACILITIES
For the Year Ended September 30, 2015

	2015	2014
REVENUES		
Fees	\$ 3,963	\$ 3,459
Total Revenues	\$ 3,963 ✓	\$ 3,459
EXPENDITURES		
Salaries	\$ ✓ 30,635	\$ 28,781
Supplies	5,996	6,473
Employee Benefits	✓ 2,344	2,202
Utilities	896	862
Drug Testing	760	315
Repairs	1,425	-----
Total Expenditures	\$ 42,056	\$ 38,633
EXCESS EXPENDITURES OVER REVENUES	\$< 38,093> =====	\$< 35,174> =====

City of Barnesville
General Fund
SCHEDULE OF TAX DIGEST FOR YEAR 2014
AND TAX COLLECTIONS
For the Year Ended September 30, 2015

	DIGEST VALUATIONS	TAXES ON VALUATIONS	AMOUNT OF TAXES ON DIGEST
SUMMARY OF AD VALOREM TAXES			
Digest of Taxpayers	\$149,829,292	\$ 623,447	
NODS	-----	-----	
Public Utilities	<u>2,442,485</u>	<u>10,162</u> ✓	
TOTAL ASSESSMENT	<u>\$152,271,777</u>	<u>\$ 633,609</u>	\$ 633,609
Net Charge-Ons/Charge Offs			<u>< 26,097 ></u>
TOTAL TAX DIGEST			\$ 607,512
Collection of 2014 Taxes			<u>< 586,155 ></u>
TOTAL 2014 TAXES RECEIVABLE			\$ 21,357
TOTAL PRIOR YEAR'S TAXES RECEIVABLE			<u>29,389</u>
TOTAL TAXES RECEIVABLE			<u>\$ 50,746</u>

Proprietary Funds

City of Barnesville

Proprietary Funds

DEPARTMENT OF SCHEDULE OF REVENUES AND EXPENDITURES ELECTRIC, SANITATION, AND INDUSTRIAL DEVELOPMENT FUND

For the Year Ended September 30, 2015

	ELECTRIC	SANITATION	INDUSTRIAL DEVELOPMENT	TOTALS
OPERATING REVENUES				
Charges for Service	\$ 8,056,672	\$ 651,476	\$ -----	\$ 8,708,148
Miscellaneous (MEAG)	612,506	-----	-----	612,506
Total Operating Revenues	\$ 8,669,178 ✓	\$ 651,476 ✓	\$ -----	\$ 9,320,654
OPERATING EXPENSES				
Personal Services				
Salaries	\$ ✓ 525,786	\$ ✓ 73,216	\$ -----	\$ 599,002
Employee Benefits	✓ 156,310	✓ 65,488	-----	221,798
Total Personal Services	\$ 682,096	\$ 138,704	\$ -----	\$ 820,800
Operating Expenses				
Contractual Services	\$ 6,455,578	\$ 433,403	\$ -----	\$ 6,888,981
Supplies	25,552	3,172	-----	28,724
Gas and Oil	18,344	18,806	-----	37,150
Repairs and Maintenance	11,654	8,004	-----	19,658
Waste Disposal Fees	-----	138,941 ✓	-----	138,941
Landfill Postclosure	-----	45,144	-----	45,144
Miscellaneous	31,852	20,365	-----	52,217
Utilities	5,069	1,555	-----	6,624
Depreciation	17,464	1,558	20,700	39,722
Total Operating Expenses	\$ 6,565,513	\$ 670,948 ✓	\$ 20,700	\$ 7,257,161
Total Expenses	\$ 7,247,609 ✓	\$ 809,652 ✓	\$ 20,700	\$ 8,077,961
OPERATING INCOME <LOSS>	\$ 1,421,569	\$ < 158,176 >	\$ < 20,700 >	\$ 1,242,693
NONOPERATING REVENUE <EXPENSE>				
Interest Revenue	\$ 516	\$ -----	\$ 455	\$ 971
Contributed Capital				
SPLOST Project	\$ -----	\$ 860	\$ -----	\$ 860
NET INCOME <LOSS>	\$ 1,422,085	\$ < 157,316 >	\$ < 20,245 >	\$ 1,244,524

City of Barnesville

Proprietary Funds

DEPARTMENT OF SCHEDULE OF REVENUES AND EXPENDITURES

WATER AND SEWERAGE FUND

For the Year Ended September 30, 2015

	WATER	SEWERAGE	TOTALS
OPERATING REVENUES			
Charges for Service	\$ 1,988,816	\$ 1,925,696	\$ 3,914,512
Miscellaneous	2,800	7,850	10,650
Total Operating Revenues	\$ 1,991,616	\$ 1,933,546	\$ 3,925,162 ✓
OPERATING EXPENSES			
Personal Services			
Salaries	\$ ✓ 531,780	\$ -----	\$ 531,780
Employee Benefits	✓ 162,371	-----	162,371
Total Personal Services	\$ 694,151	\$ -----	\$ 694,151
Operating Expenses			
Contractual Services	\$ 429,868	\$ 413,072	\$ 842,940
Contract Labor	7,150	-----	7,150
Supplies and Materials	165,598	84,738	250,336
Utilities	8,505	-----	8,505
Depreciation	715,174	434,215	1,149,389
Equipment Repairs	11,107	11,107	22,214
Miscellaneous and other operating	58,304	15,700	74,004
Total Operating Expenses	\$ 1,395,706	\$ 958,832	\$ 2,354,538
Total Expenses	\$ 2,089,857	\$ 958,832	\$ 3,048,689 ✓
OPERATING INCOME <LOSS>	\$< 98,241>	\$ 974,714	\$ 876,473
NONOPERATING REVENUE <EXPENSE>			
Interest Revenue	\$ 3,254	\$ 3,255	\$ 6,509
Interest Expense	< 460,483>	< 460,482>	< 920,965> ✓
Intergovernmental	-----	278,286	278,286
TOTAL NONOPERATING REVENUE <EXPENSE>	\$< 457,229>	\$< 178,941>	\$< 636,170>
NET INCOME <LOSS>	\$< 555,470>	\$ 795,773	\$ 240,303
	=====	=====	=====

City of Barnesville
Proprietary Funds
COMBINED SCHEDULE OF CHANGES IN RESERVED FUND NET POSITIONS
WATER AND SEWERAGE DEBT RETIREMENT FUND
All Enterprise Funds
For the Year Ended September 30, 2015

	2011 A, B & C BOND SERIES			TOTALS
	DEBT SERVICE	DEBT SERVICE RESERVE	RENEWAL & EXTENSION FUND	WATER AND SEWAGE DEBT RETIREMENT FUND
REVENUES				
Interest Income	\$ 343	\$ 2,595	\$ 1,317	\$ 4,255
EXPENSES				
Interest Expense	\$ 921,415	\$ -----	\$ -----	\$ 921,415
TOTAL EXPENSES	\$ 921,415	\$ -----	\$ -----	\$ 921,415
INCOME (LOSS) BEFORE TRANSFERS	\$< 921,072>	\$ 2,595	\$ 1,317	\$< 917,160>
TRANSFERS				
To General & Renewal Fund	\$ -----	\$ -----	\$ -----	\$ -----
From Water and Sewerage Fund	1,086,152	-----	-----	1,086,152
From Debt Service Reserve	-----	-----	-----	-----
TOTAL TRANSFERS	\$ 1,086,152	\$ -----	\$ -----	\$ 1,086,152
NET INCOME	\$* 165,080	\$ 2,595	\$ 1,317	\$ 168,992
	=====	=====	=====	=====

* Not including Principal Reduction of \$165,000.

Grant Information

COMMUNITY DEVELOPMENT BLOCK GRANT
Source & Applicable of Funds Schedule

City of Barnesville
14P-X-085-2-5643
For the Period Ending September 30, 2015

Total Program Year 2014 Funds Allocated to Recipient	\$ 500,000
Less: Total Program Year 2014 Funds Drawn by Recipient	278,286
Less: Total Program Year 2014 Funds Deobligated by Recipient	-----
Funds still available from Program Year 2014 Resources	221,714
Total Program Year 2014 Funds Drawn and Received by Recipient	278,286
Less: Funds Applied and Expended to Program Year 2014 Costs	<u>278,286</u>
Total Program Year 2014 Funds held by Recipient	\$ ----- =====

STATEMENT OF SOURCE AND USE OF FUNDS

Community Development Block Grant
14P-X-085-2-5643
City of Barnesville

Year Ended
September 30, 2015

P-03J-02

Funds Draw Down Prior Years	\$ -----
Funds Draw Down Current Year	<u>278,286</u>
Total Funds Draw Down	\$ <u>278,286</u>
Funds Disbursed Prior Years	\$ -----
Funds Disbursed Current Year	<u>278,286</u>
Total Funds Disbursed	\$ <u>278,286</u>
Cash on Hand September 30, 2015	\$ ----- =====

SPLOST Schedule

J. Robyn Underwood, CPA

Member of American Institute of Certified Public Accountants

302-A Taylor Street • Barnesville, GA 30204

Phone: (770) 358 - 3737 • Fax: (770) 358 - 3787 • UnderwoodCPA@aol.com

***Independent Auditor's Report on Special County
1 Percent Sales and Use Tax Approved in special Election***

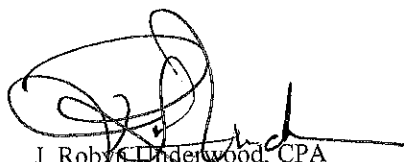
Honorable Mayor and
Members of the Council
City of Barnesville, Georgia

We have audited the accompanying Schedule of Special Purpose Local Option Sales Tax for the City of Barnesville, Georgia for the fiscal year ended September 30, 2015. This schedule is the responsibility of the City of Barnesville's management. Our responsibility is to express an opinion on the Schedule of Special Purpose Local Option Sales Tax 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 Schedule of Special Purpose Local Option Sales Tax is free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Schedule of Special Purpose Local Option Sales Tax. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the Schedule of Special Purpose Local Option Sales Tax. We believe that our audit provides a reasonable basis for our opinion.

The accompanying Schedule of Special Purpose Local Option Sales Tax was prepared for the purpose of complying with the Official Code of Georgia Annotated, 48-8-121, on the accrual basis of accounting and is not intended to be a complete presentation of the City of Barnesville's revenues and expenditures.

In our opinion, the Schedule of Special Purpose of Local Option Sales Tax referred to above presents fairly, in all material respects, the original estimated cost, the current estimated costs, and the current and prior year expenditures for each project in the City of Barnesville's resolution or ordinance called for the tax for the fiscal year ended September 30, 2015, in conformity with accounting principles generally accepted in the United States of America.



J. Robyn Underwood, CPA
December 22, 2015