

MACON-BIBB COUNTY, GEORGIA



FINANCIAL REPORT

For the six months ended June 30, 2014

MACON-BIBB COUNTY, GEORGIA

FINANCIAL REPORT

FOR THE SIX MONTHS ENDED
JUNE 30, 2014

MACON-BIBB COUNTY, GEORGIA

FINANCIAL REPORT
FOR THE SIX MONTHS ENDED JUNE 30, 2014

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FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

**To the Board of Commissioners
of Macon-Bibb County, Georgia
Macon, Georgia**

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of **Macon-Bibb County, Georgia** as of and for the six months ended June 30, 2014, and the related notes to the financial statements, which collectively comprise Macon-Bibb County, Georgia's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Macon-Bibb County Industrial Authority, the Middle Georgia Regional Library, the Macon-Bibb County Transit Authority, the Macon-Bibb County Board of Health, the Macon-Bibb County Urban Development Authority, the Macon-Bibb County Convention and Visitors Bureau, the Macon-Bibb County Planning and Zoning Commission, or the Development Authority of Bibb County which represent 97.8% of the assets, 97.4% of net position, and 98.5% of revenues of Macon-Bibb County, Georgia's component units as of and for the year ended June 30, 2014. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Macon-Bibb County Industrial Authority, the Middle Georgia Regional Library, the Macon-Bibb County Transit Authority, the Macon-Bibb County Board of Health, the Macon-Bibb County Urban Development Authority, the Macon-Bibb County Convention and Visitors Bureau, the Macon-Bibb County Planning and Zoning Commission, and the Development Authority of Bibb County is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 entity's internal control. Accordingly, we express no such opinion.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, based on our report and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Macon-Bibb County, Georgia, as of June 30, 2014, and the respective changes in financial position, and, where applicable, cash flows thereof and the budgetary comparison information for the General Fund and the Grants Fund for the six months then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the voters of Bibb County, Georgia and the City of Macon, Georgia approved Act 625 which created and incorporated a new consolidated government under the name Macon-Bibb County. The consolidation became effective January 1, 2014. As such, this financial report for the six months ended June 30, 2014 serves as the first financial report of Macon-Bibb County, Georgia.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the schedules of funding progress, changes in net pension liabilities and related ratios, and contributions for the respective pension plans and other postemployment benefit plans on pages 85 through 95, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Macon-Bibb County, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedules of expenditures of special purpose local option sales tax proceeds are presented for purposes of additional analysis as required by the Official Code of Georgia 48-8-121, and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and are also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules, the schedules of expenditures of special purpose local option sales tax proceeds, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules, the schedules of expenditures of special purpose local option sales tax proceeds, and the schedule of expenditures of federal awards 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 23, 2013, on our consideration of Macon-Bibb County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Macon-Bibb County, Georgia's internal control over financial reporting and compliance.

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MACON-BIBB COUNTY, GEORGIA

STATEMENT OF NET POSITION JUNE 30, 2014

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Cash and cash equivalents	\$ 29,457,905	\$ 2,941,026	\$ 32,398,931	\$ 7,371,810
Investments	76,185,316	243,232	76,428,548	2,356,827
Receivables, net of allowance				
Taxes	5,097,177	-	5,097,177	-
Special assessments	166,412	-	166,412	-
Accounts	1,802,516	4,094,504	5,897,020	5,551,105
Accrued interest	78,844	-	78,844	11
Lease receivable	-	-	-	1,867,854
Loan receivable	-	-	-	1,455,000
Due from other governments	8,313,072	106,388	8,419,460	849,383
Internal balances	(8,161,155)	8,161,155	-	-
Inventories	56,331	-	56,331	963,679
Prepaid items	322,242	18,766	341,008	347,734
Deferred charges	-	-	-	1,060
Restricted cash	-	-	-	428,733
Long-term loans receivable	2,301,441	-	2,301,441	-
Net pension asset	12,061,347	-	12,061,347	-
Fair market value of interest-rate swap	3,254,052	-	3,254,052	-
Capital assets, non-depreciable	86,636,942	12,902,014	99,538,956	25,176,937
Capital assets, depreciable (net of accumulated depreciation)	202,293,856	23,745,602	226,039,458	11,175,873
Total assets	419,866,298	52,212,687	472,078,985	57,546,006
LIABILITIES				
Accounts payable	9,467,320	846,697	10,314,017	659,971
Retainage payable	1,143,025	-	1,143,025	-
Accrued liabilities	2,258,137	105,355	2,363,492	386,767
Accrued interest payable	599,735	45,557	645,292	-
Unearned revenue	479,213	15,164	494,377	418,314
Noncurrent liabilities				
Due within one year				
Claims payable	1,338,979	-	1,338,979	-
Capital leases payable	1,181,107	584,436	1,765,543	-
Bonds payable	10,740,000	555,000	11,295,000	-
Notes payable	-	107,603	107,603	343,304
Workers compensation claims	3,431,393	-	3,431,393	-
Compensated absences	4,752,813	235,436	4,988,249	237,192
Due in more than one year				
Capital leases payable	1,962,783	603,230	2,566,013	-
Certificates of participation	13,452,000	-	13,452,000	-
Bonds payable	87,113,721	1,838,610	88,952,331	5,000,000
Notes payable	-	107,604	107,604	2,904,707
Landfill closure/postclosure	-	15,460,000	15,460,000	-
Workers compensation claims	6,078,572	-	6,078,572	-
Postemployment benefit obligation	37,235,937	-	37,235,937	719,977
Compensated absences	2,403,895	-	2,403,895	173,521
Total liabilities	183,638,630	20,504,692	204,143,322	10,843,753
DEFERRED INFLOWS OF RESOURCES				
Fair value of effective hedge	3,254,052	-	3,254,052	-
Total deferred inflows of resources	3,254,052	-	3,254,052	-
NET POSITION				
Net investment in capital assets	217,915,531	32,851,133	250,766,664	35,322,461
Restricted for:				
Debt service	13,409,597	-	13,409,597	-
Capital projects	36,348,906	-	36,348,906	2,645,486
Community development	2,370,966	-	2,370,966	-
Culture and recreation	-	-	-	103,232
Health and welfare	-	-	-	1,623,388
Other purposes	1,233,376	-	1,233,376	503,733
Unrestricted	(38,304,760)	(1,143,138)	(39,447,898)	6,503,953
Total net position	\$ 232,973,616	\$ 31,707,995	\$ 264,681,611	\$ 46,702,253

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

MACON-BIBB COUNTY, GEORGIA

STATEMENT OF ACTIVITIES FOR THE SIX MONTHS ENDED JUNE 30, 2014

<u>Functions/Programs</u>	<u>Expenses</u>	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities				
General government	\$ 46,550,218	\$ 3,950,412	\$ 844,315	\$ 144,431
Judicial	8,386,452	1,342,030	555,447	186,526
Public safety	38,854,375	3,619,631	273,151	146,625
Public works	16,296,784	400,061	731,032	1,566,618
Housing and development	4,908,395	884,296	1,562,079	-
Health and welfare	4,620,532	-	-	-
Culture and recreation	4,547,797	179,639	83,128	168,277
Interest on long-term debt	1,633,976	-	-	-
Total governmental activities	\$ 125,798,529	\$ 10,376,069	\$ 4,049,152	\$ 2,212,477
Business-type activities				
Tobesofkee Fund	\$ 922,238	\$ 406,548	\$ -	\$ -
Solid Waste Fund City	7,532,998	3,449,593	-	-
Airport Fund	883,468	928,211	-	201,650
Coliseum Fund	1,207,086	44,442	-	2,409,598
Solid Waste Fund County	1,393,567	1,635,231	-	-
Mulberry Street Parking Garage Fund	82,427	80,563	-	-
Bowden Golf Course Fund	384,571	182,428	-	-
Total business-type activities	\$ 12,406,355	\$ 6,727,016	\$ -	\$ 2,611,248
Component units:				
Macon-Bibb County Industrial Authority	\$ 1,456,553	\$ 268,255	\$ -	\$ 1,466,020
Middle Georgia Regional Library	4,001,268	118,896	972,782	14,000
Macon-Bibb County Transit Authority	8,046,902	1,180,466	3,134,895	766,073
Macon-Bibb County Board of Health	4,654,730	1,753,520	2,315,399	-
Macon-Bibb County Urban Development Authority	944,212	632,240	121,478	445,277
Macon-Bibb Convention and Visitors Bureau	1,788,296	59,946	6,329	-
Macon-Bibb Planning and Zoning Commission	1,630,442	403,370	297,005	-
Macon-Bibb County Land Bank Authority	333,349	-	403,697	-
Development Authority of Bibb County	2,351,896	25,885	2,403,691	-
Total component units	\$ 25,207,648	\$ 4,442,578	\$ 9,655,276	\$ 2,691,370
General revenues:				
Property taxes				
Sales taxes				
Hotel/motel taxes				
Alcoholic beverage taxes				
Recording intangible taxes				
Real estate transfer tax				
Franchise taxes				
Financial institution taxes				
Payments in lieu of taxes				
Interest and penalties on delinquent taxes				
Unrestricted investment earnings				
Payment from Bibb County				
Other revenues				
Gain on sale of capital assets				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position, beginning of year, as restated				
Net position, end of year				

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

Net (Expenses) Revenues and Changes in Net Position

Primary Government			
Governmental Activities	Business-type Activities	Total	Component Units
\$ (41,611,060)	\$ -	\$ (41,611,060)	\$ -
(6,302,449)	-	(6,302,449)	-
(34,814,968)	-	(34,814,968)	-
(13,599,073)	-	(13,599,073)	-
(2,462,020)	-	(2,462,020)	-
(4,620,532)	-	(4,620,532)	-
(4,116,753)	-	(4,116,753)	-
(1,633,976)	-	(1,633,976)	-
<u>(109,160,831)</u>	<u>-</u>	<u>(109,160,831)</u>	<u>-</u>
\$ -	\$ (515,690)	\$ (515,690)	\$ -
-	(4,083,405)	(4,083,405)	-
-	246,393	246,393	-
-	1,246,954	1,246,954	-
-	241,664	241,664	-
-	(1,864)	(1,864)	-
-	(202,143)	(202,143)	-
<u>\$ -</u>	<u>\$ (3,068,091)</u>	<u>\$ (3,068,091)</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ 277,722
-	-	-	(2,895,590)
-	-	-	(2,965,468)
-	-	-	(585,811)
-	-	-	254,783
-	-	-	(1,722,021)
-	-	-	(930,067)
-	-	-	70,348
-	-	-	77,680
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (8,418,424)</u>
\$ 4,543,329	\$ -	\$ 4,543,329	\$ -
28,612,265	-	28,612,265	-
1,677,910	-	1,677,910	-
1,307,973	-	1,307,973	-
379,231	-	379,231	-
111,330	-	111,330	-
6,436,771	-	6,436,771	-
660,164	-	660,164	-
108,252	-	108,252	-
1,293,691	-	1,293,691	-
-	123,109	123,109	73,126
-	-	-	9,748,442
23,904	-	23,904	198,738
-	-	-	466,659
<u>(2,132,029)</u>	<u>2,132,029</u>	<u>-</u>	<u>-</u>
<u>43,022,791</u>	<u>2,255,138</u>	<u>45,277,929</u>	<u>10,641,331</u>
<u>(66,138,040)</u>	<u>(812,953)</u>	<u>(66,950,993)</u>	<u>2,222,907</u>
<u>299,111,656</u>	<u>32,520,948</u>	<u>331,632,604</u>	<u>44,479,346</u>
<u>\$ 232,973,616</u>	<u>\$ 31,707,995</u>	<u>\$ 264,681,611</u>	<u>\$ 46,702,253</u>

MACON-BIBB COUNTY, GEORGIA

BALANCE SHEET GOVERNMENTAL FUNDS JUNE 30, 2014

ASSETS	General	SPLOST 2012 Fund City	SPLOST 2012 Fund County	Grants Fund	Other Governmental Funds	Total
Cash and cash equivalents	\$ 4,125,618	\$ 11,663,883	\$ 3,424,077	\$ -	\$ 4,694,198	\$ 23,907,776
Investments	37,278,626	-	15,712,993	-	22,118,086	75,109,705
Receivables, net of allowance:						
Taxes	4,829,975	-	-	-	267,202	5,097,177
Special assessments	166,412	-	-	-	-	166,412
Accounts	1,108,104	-	-	55,285	542,418	1,705,807
Accrued interest	78,844	-	-	-	-	78,844
Due from other governments	2,915,857	810,756	1,609,410	2,516,655	460,394	8,313,072
Due from other funds	3,602,524	-	-	-	788,676	4,391,200
Prepaid items	147,566	168,361	-	-	6,315	322,242
Long-term receivable, net of allowance	-	-	-	-	2,301,441	2,301,441
Inventory	56,331	-	-	-	-	56,331
Total assets	\$ 54,309,857	\$ 12,643,000	\$ 20,746,480	\$ 2,571,940	\$ 31,178,730	\$ 121,450,007
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$ 3,970,253	\$ 814,746	\$ 1,265,727	781,183	\$ 1,672,039	\$ 8,503,948
Retainage payable	1,700	206,095	651,113	253,845	30,272	1,143,025
Deposits payable	215,231	-	-	-	-	215,231
Accrued payroll deductions	1,666,457	-	-	-	86,382	1,752,839
Due to other governments	22,146	-	-	-	25,397	47,543
Due to component unit	-	-	-	-	-	-
Due to other funds	1,433,755	16,309	28,055	533,238	1,976,844	3,988,201
Advances from other funds	8,000,000	-	-	-	-	8,000,000
Unearned revenues	14,601	-	-	135,269	329,343	479,213
Total liabilities	15,324,143	1,037,150	1,944,895	1,703,535	4,120,277	24,130,000
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - taxes	4,394,802	-	-	-	6,262	4,401,064
Unavailable revenue - housing and development loans	-	-	-	-	2,301,441	2,301,441
Unavailable revenue - grants	307,472	-	-	1,702,479	170,660	2,180,611
Unavailable revenue - special assessments	166,412	-	-	-	83,795	250,207
Unavailable revenue - other	217,964	-	-	-	7,593	225,557
Total deferred inflows of resources	5,086,650	-	-	1,702,479	2,569,751	9,358,880
FUND BALANCES						
Nonspendable						
Inventories and prepaid items	203,897	168,361	-	-	6,315	378,573
Restricted for						
Debt service	311,308	3,624,375	4,084,840	-	5,389,074	13,409,597
Capital outlay	695,004	7,813,114	14,716,745	-	13,124,043	36,348,906
Law enforcement	-	-	-	-	522,051	522,051
Street light district	-	-	-	-	277,305	277,305
Victim assistance	-	-	-	-	56,872	56,872
Court programs	-	-	-	-	377,148	377,148
Community development	-	-	-	-	2,370,966	2,370,966
Committed for						
Law enforcement	-	-	-	-	531,227	531,227
Assigned for						
Capital outlay	-	-	-	-	1,898,348	1,898,348
Working capital	19,605,016	-	-	-	-	19,605,016
Risk management	4,425,783	-	-	-	-	4,425,783
Recreation	249,800	-	-	-	-	249,800
Purchases on order	760,431	-	-	-	-	760,431
Unassigned	7,647,825	-	-	(834,074)	(64,647)	6,749,104
Total fund balances	33,899,064	11,605,850	18,801,585	(834,074)	24,488,702	87,961,127
Total liabilities, deferred inflows of resources and fund balances	\$ 54,309,857	\$ 12,643,000	\$ 20,746,480	\$ 2,571,940	\$ 31,178,730	\$ 121,450,007

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

MACON-BIBB COUNTY, GEORGIA
RECONCILIATION OF THE BALANCE SHEET
OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET POSITION
JUNE 30, 2014

Total fund equity per balance sheet of governmental funds	\$	87,961,127
<p>Amounts reported for governmental activities in the statement of net position are different from amounts reported in the balance sheet of governmental funds due to the following:</p>		
<p>Net pension asset and net OPEB obligation</p>		
<p style="padding-left: 20px;">To recognize asset (liability) resulting from contributions in excess of (under) the annual required contribution.</p>		
Pension		12,061,347
OPEB		(37,235,937)
<p>Capital assets</p>		
<p style="padding-left: 20px;">Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.</p>		
Cost of the assets		723,744,756
Accumulated depreciation		(435,073,726)
<p>Revenues</p>		
<p style="padding-left: 20px;">Some of the government's revenues will be collected after year-end, but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds.</p>		
		9,358,880
<p>Internal service funds</p>		
<p style="padding-left: 20px;">Internal service funds are used by management to charge the costs of risk management and health insurance services to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position.</p>		
Total net position of internal service funds		3,794,788
Minus amount attributable to business-type activities		(50,255)
<p>Long-term liabilities</p>		
<p style="padding-left: 20px;">Long-term liabilities are not due and payable in the current period and therefore are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities both current and long-term are reported in the Statement of Net Position. Long-term liabilities at year end consist of the following:</p>		
Bonds payable		(97,853,721)
Certificates of participation		(13,452,000)
Capital leases payable		(3,084,540)
Workers' compensation payable		(9,509,965)
Compensated absences		(7,089,214)
Accrued interest payable		(597,924)
		145,012,489
Total Adjustments		145,012,489
Total Net Position of Governmental Activities	\$	232,973,616

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

MACON-BIBB COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE SIX MONTHS ENDED JUNE 30, 2014

	General	SPLOST 2012 Fund City	SPLOST 2012 Fund County	Grants Fund	Other Governmental Funds	Totals
REVENUES						
Taxes						
Property taxes	\$ 8,389,587	\$ -	\$ -	\$ -	\$ 4,650	\$ 8,394,237
Sales taxes	14,472,592	4,736,849	9,402,824	-	-	28,612,265
Hotel/Motel taxes	-	-	-	-	1,677,910	1,677,910
Alcoholic beverage taxes	1,307,973	-	-	-	-	1,307,973
Intangible taxes	379,231	-	-	-	-	379,231
Real estate transfer tax	111,330	-	-	-	-	111,330
Franchise taxes	6,436,771	-	-	-	-	6,436,771
Financial gross receipts tax	660,164	-	-	-	-	660,164
Payments in lieu of taxes	108,252	-	-	-	-	108,252
Interest and penalties	1,293,691	-	-	-	-	1,293,691
Licenses and permits	2,517,639	-	-	-	-	2,517,639
Intergovernmental	644,795	-	-	1,766,680	840,875	3,252,350
Charges for services	2,557,538	-	-	-	1,798,822	4,356,360
Fines and forfeitures	1,313,680	-	-	-	480,567	1,794,247
Investment earnings	231,983	2,443	321	158	419,564	654,469
Rent	1,295,822	-	-	-	234,577	1,530,399
Other revenue	81,831	-	433	61,294	274,671	418,229
Total revenues	<u>41,802,879</u>	<u>4,739,292</u>	<u>9,403,578</u>	<u>1,828,132</u>	<u>5,731,636</u>	<u>63,505,517</u>
EXPENDITURES						
Current:						
General government	12,926,474	-	-	14,961	222	12,941,657
Judicial	7,909,699	-	-	-	463,899	8,373,598
Public safety	35,683,119	-	-	148,329	1,868,759	37,700,207
Public works	6,493,814	-	-	45,833	163,840	6,703,487
Housing and development	2,403,543	-	-	-	1,342,366	3,745,909
Health and welfare	4,467,310	-	-	-	153,222	4,620,532
Culture and recreation	3,612,902	-	-	-	1,209,442	4,822,344
Capital outlay	-	1,886,913	7,218,540	2,430,698	2,238,554	13,774,705
Debt service:						
Principal	531,815	-	255,000	-	-	786,815
Interest and other charges	435,956	480,219	609,331	-	346,389	1,871,895
Total expenditures	<u>74,464,632</u>	<u>2,367,132</u>	<u>8,082,871</u>	<u>2,639,821</u>	<u>7,786,693</u>	<u>95,341,149</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(32,661,753)</u>	<u>2,372,160</u>	<u>1,320,707</u>	<u>(811,689)</u>	<u>(2,055,057)</u>	<u>(31,835,632)</u>
OTHER FINANCING SOURCES (USES)						
Proceeds from sale of capital assets	80,155	-	-	-	-	80,155
Insurance recoveries	23,904	-	-	-	-	23,904
Transfers from other funds	845,022	-	-	-	489,721	1,334,743
Transfers to other funds	(1,790,773)	(621,405)	-	(10,282)	(1,209,232)	(3,631,692)
Total other financing sources (uses)	<u>(841,692)</u>	<u>(621,405)</u>	<u>-</u>	<u>(10,282)</u>	<u>(719,511)</u>	<u>(2,192,890)</u>
Net change in fund balances	(33,503,445)	1,750,755	1,320,707	(821,971)	(2,774,568)	(34,028,522)
FUND BALANCES, beginning of year	<u>67,402,509</u>	<u>9,855,095</u>	<u>17,480,878</u>	<u>(12,103)</u>	<u>27,263,270</u>	<u>121,989,649</u>
FUND BALANCES, end of year	<u>\$ 33,899,064</u>	<u>\$ 11,605,850</u>	<u>\$ 18,801,585</u>	<u>\$ (834,074)</u>	<u>\$ 24,488,702</u>	<u>\$ 87,961,127</u>

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

MACON-BIBB COUNTY, GEORGIA

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE SIX MONTHS ENDED JUNE 30, 2014**

Net change in fund balances, total governmental funds	\$ (34,028,522)
<p>Amounts reported for governmental activities in the Statement of Activities differ from amounts reported in the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances due to the following:</p>	
<p>Net Pension Asset and Net OPEB Obligation</p>	
To recognize change in asset (liability) resulting from contributions in excess of (under) the annual required contribution.	(3,426,749)
<p>Capital Assets</p>	
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.</p>	
Total capital outlays	11,240,747
Total depreciation	(10,941,770)
Net capital asset transfers	(2,611,252)
<p>In the Statement of Activities, only the gain on the sale/disposal of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the capital assets sold or disposed, net of accumulated depreciation.</p>	
Total proceeds from the disposal	(80,155)
Total loss on asset disposals and loss recognized due to change in capitalization policy	(28,249,246)
<p>Long-term Debt</p>	
<p>The issuance of bonds and similar long-term debt provides current financial resources to governmental funds, and thus contributes to the change in fund balance. In the Statement of Net Position, however, issuing debt increases long-term liabilities and does not affect the Statement of Activities. Similarly, repayment of principal is an expenditure in the governmental funds, but reduces the liability in the Statement of Net Position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. The amount of the items that make up these differences in the treatment of long-term debt and related items are as follows:</p>	
<p>Principal repayments:</p>	
Leases payable	467,063
Notes payable	391,784
Bonds payable	255,000
Claims and judgments	706,320
<p>Under the modified accrual basis of accounting used in governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the Statement of Activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. The adjustments for these items are as follows:</p>	
Compensated absences	(106,531)
Workers' compensation	187,377
Accrued interest on debt	(32,949)
Amortization of bond premium	270,868
<p>Revenues</p>	
<p>Because some revenues will not be collected for several months after the County's fiscal year end, they are not considered available revenues and are deferred in the governmental funds. Deferred inflows increased by this amount during the fiscal period.</p>	
	(2,444,912)
<p>Internal service funds</p>	
<p>Internal service funds are used by management to charge the cost of risk management and health insurance services to individual funds. The net revenue is reported with governmental activities.</p>	
Net revenue of internal service funds	2,315,142
Portion of net revenue allocated to business-type activities	(50,255)
Total Adjustments	(32,109,518)
Change in Net Position of Governmental Activities	\$ (66,138,040)

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

MACON-BIBB COUNTY, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE SIX MONTHS ENDED JUNE 30, 2014**

	Budget		Actual	Variance
	Original	Final		with Final Budget
REVENUES				
Taxes:				
Property taxes	\$ 9,315,760	\$ 9,315,760	\$ 8,389,587	\$ (926,173)
Sales taxes	16,926,000	16,926,000	14,472,592	(2,453,408)
Alcoholic beverage taxes	1,248,500	1,248,500	1,307,973	59,473
Intangible taxes	382,500	382,500	379,231	(3,269)
Real estate transfer tax	76,750	76,750	111,330	34,580
Franchise taxes	7,500,800	7,500,800	6,436,771	(1,064,029)
Financial gross receipts tax	716,500	716,500	660,164	(56,336)
Payments in lieu of taxes	52,750	52,750	108,252	55,502
Interest and penalties	1,082,499	1,082,499	1,293,691	211,192
Licenses and permits	2,332,053	2,332,053	2,517,639	185,586
Intergovernmental	530,279	530,279	644,795	114,516
Charges for services	2,449,806	2,492,314	2,557,538	65,224
Fines and forfeitures	1,843,224	1,829,224	1,313,680	(515,544)
Interest earned on investments	28,650	28,650	231,983	203,333
Rent	1,296,383	1,296,383	1,295,822	(561)
Other revenue	272,900	272,900	81,831	(191,069)
Total revenues	46,055,354	46,083,862	41,802,879	(4,280,983)
EXPENDITURES				
Current:				
General government:				
Board of commissioners	\$ 541,126	\$ 515,092	\$ 491,664	\$ 23,428
Mayor's office	615,021	823,021	820,866	2,155
Clerk of commission	245,659	182,911	157,386	25,525
Board of elections	329,583	464,358	464,039	319
General services	45,960	45,960	27,364	18,596
Finance office	1,190,805	1,153,527	1,035,013	118,514
Risk management	265,000	344,925	344,921	4
Internal audit	97,320	105,537	105,537	-
Tax assessors	1,055,988	1,056,051	995,621	60,430
Tax commissioner	1,395,673	1,471,396	1,394,705	76,691
Purchasing	313,170	313,577	214,637	98,940
Records management	-	35,124	22,328	12,796
County attorney	784,849	784,849	687,638	97,211
Human resources	922,834	937,359	656,576	280,783
Facilities management	2,943,680	2,967,379	2,813,476	153,903
Information and technology	1,795,059	2,566,595	2,144,084	422,511
Small business affairs	-	25,000	18,082	6,918

(Continued)

MACON-BIBB COUNTY, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE SIX MONTHS ENDED JUNE 30, 2014**

	Budget		Actual	Variance with Final Budget
	Original	Final		
EXPENDITURES				
Current (continued):				
General government (continued):				
Other general government	\$ 520,790	\$ 600,827	\$ 532,537	\$ 68,290
Total general government	13,062,517	14,393,488	12,926,474	1,467,014
Judicial:				
Superior Court	614,988	626,093	510,657	115,436
Public defender	1,188,057	1,189,957	1,170,585	19,372
Clerk of Superior Court	1,002,412	1,027,565	889,617	137,948
District attorney	1,469,691	1,479,874	1,415,138	64,736
DA victim witness program	46,370	46,370	22,066	24,304
Grand jury	19,550	19,550	11,004	8,546
Juvenile Court	568,011	568,159	536,789	31,370
State Court victim witness	26,980	26,980	23,911	3,069
State Court judge	614,099	615,074	581,094	33,980
State Court probation	479,324	479,324	401,963	77,361
State Court solicitor	432,416	467,668	451,747	15,921
Civil Court	1,055,055	1,055,055	938,451	116,604
Probate Court	515,911	547,089	496,834	50,255
Municipal Court	445,000	459,900	459,843	57
Total judicial	8,477,864	8,608,658	7,909,699	698,959
Public safety:				
Sheriff	24,882,488	25,503,002	23,350,455	2,152,547
Fire	11,909,390	11,958,261	11,600,516	357,745
Coroner	153,772	156,772	154,391	2,381
Animal welfare	461,575	463,775	379,549	84,226
Emergency management	197,400	198,208	198,208	-
Total public safety	37,604,625	38,280,018	35,683,119	2,596,899
Public works:				
Public works	5,179,443	4,972,966	4,298,261	674,705
Engineering	2,174,336	2,462,532	2,195,553	266,979
Total public works	7,353,779	7,435,498	6,493,814	941,684
Health and welfare:				
Health	779,409	779,409	779,409	-
Welfare	1,988,856	1,988,856	1,979,058	9,798
Community service	2,011,831	1,709,602	1,708,843	759
Total health and welfare	4,780,096	4,477,867	4,467,310	10,557
Culture and recreation:				
Recreation	2,675,024	3,665,317	3,612,902	52,415
Total culture and recreation	2,675,024	3,665,317	3,612,902	52,415

(Continued)

MACON-BIBB COUNTY, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE SIX MONTHS ENDED JUNE 30, 2014**

	Budget		Actual	Variance with Final Budget
	Original	Final		
EXPENDITURES				
Current (continued):				
Housing and development:				
Extension service	\$ 133,442	\$ 133,442	\$ 122,349	\$ 11,093
Business development services	695,992	734,280	703,992	30,288
Industrial and urban development	918,394	918,394	917,394	1,000
Economic and community development	787,400	787,400	659,808	127,592
Total housing and development	<u>2,535,228</u>	<u>2,573,516</u>	<u>2,403,543</u>	<u>169,973</u>
Total current expenditures	<u>76,489,133</u>	<u>79,434,362</u>	<u>73,496,861</u>	<u>5,937,501</u>
Debt service:				
Principal	721,241	531,815	531,815	-
Interest and other charges	276,517	435,960	435,956	4
Total debt service	<u>997,758</u>	<u>967,775</u>	<u>967,771</u>	<u>4</u>
Total expenditures	<u>77,486,891</u>	<u>80,402,137</u>	<u>74,464,632</u>	<u>5,937,505</u>
Deficiencies of revenues under expenditures	<u>(31,431,537)</u>	<u>(34,318,275)</u>	<u>(32,661,753)</u>	<u>1,656,522</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	117,500	117,500	80,155	(37,345)
Insurance recoveries	-	-	23,904	23,904
Transfers from other funds	944,606	944,606	845,022	(99,584)
Transfers to other funds	(1,954,610)	(2,776,691)	(1,790,773)	985,918
Total other financing sources (uses)	<u>(892,504)</u>	<u>(1,714,585)</u>	<u>(841,692)</u>	<u>872,893</u>
Net change in fund balances	(32,324,041)	(36,032,860)	(33,503,445)	2,529,415
FUND BALANCES, beginning of year, as restated	<u>67,402,509</u>	<u>67,402,509</u>	<u>67,402,509</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 35,078,468</u>	<u>\$ 31,369,649</u>	<u>\$ 33,899,064</u>	<u>\$ 2,529,415</u>

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

MACON-BIBB COUNTY, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GRANTS FUND
FOR THE SIX MONTHS ENDED JUNE 30, 2014**

	Budget		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 8,000,589	\$ 8,000,589	\$ 1,766,680	\$ (6,233,909)
Interest earned on investments	-	-	158	158
Other revenue	230,631	230,631	61,294	(169,337)
Total revenues	<u>8,231,220</u>	<u>8,231,220</u>	<u>1,828,132</u>	<u>(6,403,088)</u>
EXPENDITURES				
Current:				
General government	36,700	36,700	14,961	21,739
Public safety	230,458	230,458	148,329	82,129
Public works	61,717	61,717	45,833	15,884
Capital outlay	7,937,750	7,937,750	2,430,698	5,507,052
Total expenditures	<u>8,266,625</u>	<u>8,266,625</u>	<u>2,639,821</u>	<u>5,626,804</u>
Deficiency of revenues under expenditures	<u>(35,405)</u>	<u>(35,405)</u>	<u>(811,689)</u>	<u>(776,284)</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	45,687	45,687	-	(45,687)
Transfers to other funds	(10,282)	(10,282)	(10,282)	-
Total other financing sources (uses)	<u>35,405</u>	<u>35,405</u>	<u>(10,282)</u>	<u>(45,687)</u>
Net change in fund balances	-	-	(821,971)	(821,971)
FUND BALANCES, beginning of year	<u>(12,103)</u>	<u>(12,103)</u>	<u>(12,103)</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ (12,103)</u>	<u>\$ (12,103)</u>	<u>\$ (834,074)</u>	<u>\$ (821,971)</u>

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

MACON-BIBB COUNTY, GEORGIA

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2014**

Assets	Tobesofkee	Solid Waste	Airport	Coliseum	Other	Total	Governmental
	Fund	Fund	Fund	Fund	Enterprise		Activities -
	Fund	City	Fund	Fund	Funds		Internal Service
							Funds
Current assets							
Cash and cash equivalents	\$ 252,184	\$ 2,197,043	\$ 60,326	\$ 44,442	\$ 387,031	\$ 2,941,026	\$ 5,550,129
Investments	323	-	-	-	242,909	243,232	1,075,611
Receivables, net of allowance for uncollectibles accounts	1,856	3,506,180	46,008	-	540,460	4,094,504	96,709
Due from other governments	96,344	-	10,044	-	-	106,388	-
Due from other funds	-	-	-	156,137	259,588	415,725	392,444
Prepaid expenses	6,433	-	12,333	-	-	18,766	-
Total current assets	357,140	5,703,223	128,711	200,579	1,429,988	7,819,641	7,114,893
Noncurrent assets							
Advances from other funds	-	8,000,000	-	-	-	8,000,000	-
Capital assets							
Land	418,891	73,126	6,301,663	72,260	773,621	7,639,561	80,132
Construction in progress	-	-	465,007	2,172,152	-	2,637,159	-
Earthen dam	2,625,294	-	-	-	-	2,625,294	-
Land improvements	1,271,383	-	2,848,402	712,301	-	4,832,086	-
Dam improvements	1,944,834	-	-	-	-	1,944,834	-
Buildings	724,554	133,131	10,926,106	9,855,638	1,262,209	22,901,638	808,943
Building improvements	941,458	-	-	-	-	941,458	-
Machinery, equipment and furniture	373,450	216,132	870,435	3,653,363	140,400	5,253,780	200,908
Vehicles	193,397	7,184,906	319,347	141,756	219,681	8,059,087	64,936
Infrastructure & roads	356,307	2,097,678	4,266,636	-	-	6,720,621	-
	8,849,568	9,704,973	25,997,596	16,607,470	2,395,911	63,555,518	1,154,919
Less accumulated depreciation	(3,917,208)	(6,352,939)	(7,094,159)	(8,473,342)	(1,070,254)	(26,907,902)	(895,151)
	4,932,360	3,352,034	18,903,437	8,134,128	1,325,657	36,647,616	259,768
Total noncurrent assets	4,932,360	11,352,034	18,903,437	8,134,128	1,325,657	44,647,616	259,768
Total assets	\$ 5,289,500	\$ 17,055,257	\$ 19,032,148	\$ 8,334,707	\$ 2,755,645	\$ 52,467,257	\$ 7,374,661

(Continued)

MACON-BIBB COUNTY, GEORGIA

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2014**

Liabilities and Net Position	Tobesofkee	Solid Waste	Airport	Coliseum	Other	Total	Governmental
	Fund	Fund City	Fund	Fund	Enterprise Funds		Activities - Internal Service Funds
Liabilities							
Current liabilities							
Current liabilities payable from current assets							
Accounts payable	\$ 33,010	\$ 269,982	\$ 56,534	\$ 1,931	\$ 485,240	\$ 846,697	\$ 748,141
Accrued payroll deductions	25,682	70,509	-	-	9,164	105,355	28,869
Accrued benefits payable	-	-	-	-	-	-	428,886
Accrued interest payable	-	17,878	27,204	-	475	45,557	1,811
Unearned revenue	15,164	-	-	-	-	15,164	-
Capital leases payable	-	553,380	-	-	31,056	584,436	14,459
Notes payable	-	107,603	-	-	-	107,603	-
Revenue bonds payable	-	-	555,000	-	-	555,000	-
Claims payable	-	-	-	-	-	-	1,338,979
Compensated absences payable	84,528	132,633	-	-	18,275	235,436	67,494
Due to other funds	171,640	-	26,232	106,953	-	304,825	906,343
Total current liabilities	330,024	1,151,985	664,970	108,884	544,210	2,800,073	3,534,982
Noncurrent liabilities							
Capital leases payable	-	603,230	-	-	-	603,230	44,891
Notes payable	-	107,604	-	-	-	107,604	-
Landfill closure/postclosure	-	15,460,000	-	-	-	15,460,000	-
Revenue bonds payable	-	-	1,838,610	-	-	1,838,610	-
Total noncurrent liabilities	-	16,170,834	1,838,610	-	-	18,009,444	44,891
Total liabilities	330,024	17,322,819	2,503,580	108,884	544,210	20,809,517	3,579,873
Net Position (Deficit)							
Net investment in capital assets	4,932,360	1,980,217	16,509,827	8,134,128	1,294,601	32,851,133	200,418
Unrestricted	27,116	(2,247,779)	18,741	91,695	916,834	(1,193,393)	3,594,370
Total net position (deficit)	4,959,476	(267,562)	16,528,568	8,225,823	2,211,435	31,657,740	3,794,788
Total liabilities and net position	\$ 5,289,500	\$ 17,055,257	\$ 19,032,148	\$ 8,334,707	\$ 2,755,645		\$ 7,374,661
						50,255	
						<u>\$ 31,707,995</u>	

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds

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

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MACON-BIBB COUNTY, GEORGIA

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE SIX MONTHS ENDED JUNE 30, 2014**

	Tobesofkee Fund	Solid Waste Fund City	Airport Fund	Coliseum Fund	Other Enterprise Funds	Total	Governmental Activities - Internal Service Funds
Operating revenues							
Charges for sales and services	\$ 406,548	\$ 3,439,190	\$ 928,211	\$ -	\$ 1,897,799	\$ 6,671,748	\$ 999,205
Insurance premiums	-	-	-	-	-	-	10,783,106
Other revenues	-	10,403	-	44,442	423	55,268	-
Total operating revenues	<u>406,548</u>	<u>3,449,593</u>	<u>928,211</u>	<u>44,442</u>	<u>1,898,222</u>	<u>6,727,016</u>	<u>11,782,311</u>
Operating expenses							
Administration and other costs	620,030	3,501,636	512,765	860,149	1,766,864	7,261,444	2,110,632
Depreciation	114,751	364,089	246,564	212,966	42,910	981,280	16,360
Claims and judgments	-	-	-	-	-	-	7,489,336
Total operating expenses	<u>734,781</u>	<u>3,865,725</u>	<u>759,329</u>	<u>1,073,115</u>	<u>1,809,774</u>	<u>8,242,724</u>	<u>9,616,328</u>
Operating income (loss)	<u>(328,233)</u>	<u>(416,132)</u>	<u>168,882</u>	<u>(1,028,673)</u>	<u>88,448</u>	<u>(1,515,708)</u>	<u>2,165,983</u>
Nonoperating revenues (expenses)							
Interest earned on investments	68	122,845	-	-	196	123,109	1,689
Loss on change in capitalization policy	(206,698)	(26,022)	(47,484)	(133,971)	(58,274)	(472,449)	(15,744)
Landfill closure/postclosure costs	-	(3,650,000)	-	-	-	(3,650,000)	-
Interest expense	-	(15,398)	(75,564)	-	(475)	(91,437)	(1,706)
Total nonoperating revenues (expenses)	<u>(206,630)</u>	<u>(3,568,575)</u>	<u>(123,048)</u>	<u>(133,971)</u>	<u>(58,553)</u>	<u>(4,090,777)</u>	<u>(15,761)</u>
Income (loss) before contributions and transfers	<u>(534,863)</u>	<u>(3,984,707)</u>	<u>45,834</u>	<u>(1,162,644)</u>	<u>29,895</u>	<u>(5,606,485)</u>	<u>2,150,222</u>
Capital contribution	<u>-</u>	<u>-</u>	<u>201,650</u>	<u>2,409,598</u>	<u>-</u>	<u>2,611,248</u>	<u>-</u>
Transfers in	<u>363,626</u>	<u>-</u>	<u>225,000</u>	<u>1,481,555</u>	<u>139,625</u>	<u>2,209,806</u>	<u>164,920</u>
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(77,777)</u>	<u>(77,777)</u>	<u>-</u>
Total transfers	<u>363,626</u>	<u>-</u>	<u>225,000</u>	<u>1,481,555</u>	<u>61,848</u>	<u>2,132,029</u>	<u>164,920</u>
Change in net position	<u>(171,237)</u>	<u>(3,984,707)</u>	<u>472,484</u>	<u>2,728,509</u>	<u>91,743</u>	<u>(863,208)</u>	<u>2,315,142</u>
Net position, beginning of year, as restated	<u>5,130,713</u>	<u>3,717,145</u>	<u>16,056,084</u>	<u>5,497,314</u>	<u>2,119,692</u>	<u>-</u>	<u>1,479,646</u>
Net position, end of year	<u>\$ 4,959,476</u>	<u>\$ (267,562)</u>	<u>\$ 16,528,568</u>	<u>\$ 8,225,823</u>	<u>\$ 2,211,435</u>	<u>-</u>	<u>\$ 3,794,788</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.						<u>50,255</u>	
						<u>\$ (812,953)</u>	

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

MACON-BIBB COUNTY, GEORGIA

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE SIX MONTHS ENDED JUNE 30, 2014**

	<u>Tobesofkee Fund</u>	<u>Solid Waste Fund City</u>	<u>Airport Fund</u>	<u>Coliseum Fund</u>	<u>Other Enterprise Funds</u>	<u>Total</u>	<u>Governmental Activities - Internal Service Funds</u>
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts from customers	\$ 406,993	\$ 3,591,800	\$ 990,055	\$ 44,442	\$ 1,820,930	\$ 6,854,220	\$ 1,202,458
Receipts from other funds	-	-	-	-	-	-	13,797,554
Payments for claims and services	-	-	-	-	-	-	(9,161,072)
Payments to employees	(448,381)	(1,670,102)	-	-	(182,831)	(2,301,314)	(573,860)
Payments to suppliers	(187,759)	(1,869,360)	(526,743)	(860,149)	(1,349,451)	(4,793,462)	(306,505)
Net cash provided by (used in) operating activities	<u>(229,147)</u>	<u>52,338</u>	<u>463,312</u>	<u>(815,707)</u>	<u>288,648</u>	<u>(240,556)</u>	<u>4,958,575</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
Transfers from other funds	363,626	-	225,000	1,481,555	139,625	2,209,806	164,920
Transfers to other funds	-	-	-	-	(77,777)	(77,777)	-
Change in intergovernmental receivabl	40,058	-	-	-	-	40,058	-
Change in advances to other funds	-	680,679	-	-	-	680,679	-
Change in due to/from other funds	(36,506)	-	(210,457)	-	12,642	(234,321)	-
Net cash provided by noncapital financing activities	<u>367,178</u>	<u>680,679</u>	<u>14,543</u>	<u>1,481,555</u>	<u>74,490</u>	<u>2,618,445</u>	<u>164,920</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Purchase of capital assets	(22,144)	-	(17,659)	(621,406)	-	(661,209)	-
Principal payments on bonds payable	-	-	(528,482)	-	-	(528,482)	-
Interest payments on bonds/leases payable	-	(128)	(78,877)	-	-	(79,005)	-
Net cash used in capital and related financing activities	<u>(22,144)</u>	<u>(128)</u>	<u>(625,018)</u>	<u>(621,406)</u>	<u>-</u>	<u>(1,268,696)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of investments	-	-	-	-	(75,348)	(75,348)	-
Proceeds from sale of investments	-	-	-	-	-	-	155,350
Interest on investments	68	122,845	-	-	196	123,109	1,689
Net cash provided by (used in) investing activities	<u>68</u>	<u>122,845</u>	<u>-</u>	<u>-</u>	<u>(75,152)</u>	<u>47,761</u>	<u>157,039</u>
Net increase (decrease) in cash and cash equivalents	115,955	855,734	(147,163)	44,442	287,986	1,156,954	5,280,534
Cash and cash equivalents, beginning of year	136,229	1,341,309	207,489	-	99,045	1,784,072	269,595
Cash and cash equivalents, end of year	<u>\$ 252,184</u>	<u>\$ 2,197,043</u>	<u>\$ 60,326</u>	<u>\$ 44,442</u>	<u>\$ 387,031</u>	<u>\$ 2,941,026</u>	<u>\$ 5,550,129</u>

(Continued)

MACON-BIBB COUNTY, GEORGIA

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE SIX MONTHS ENDED JUNE 30, 2014**

	Tobesofkee Fund	Solid Waste Fund City	Airport Fund	Coliseum Fund	Other Enterprise Funds	Total	Governmental Activities - Internal Service Funds
Reconciliation of operating income							
(loss) to net cash provided by							
(used in) operating activities:							
Operating income (loss)	\$ (328,233)	\$ (416,132)	\$ 168,882	\$ (1,028,673)	\$ 88,448	\$ (1,515,708)	\$ 2,165,983
Adjustments to reconcile operating							
income (loss) to net cash provided							
by (used in) operating activities:							
Depreciation expense	114,751	364,089	246,564	212,966	42,910	981,280	16,360
Decrease (increase) in accounts receivable	445	142,207	65,977	-	(77,182)	131,447	919,916
Decrease in inventories	-	-	-	-	-	-	532
Decrease in due from other funds	-	-	-	-	-	-	1,631,395
Increase in prepaid expenses	-	-	(12,333)	-	-	(12,333)	-
Increase (decrease) in accounts payable	(12,999)	(70,149)	(3,735)	-	231,150	144,267	339,333
Decrease in claims payable	-	-	-	-	-	-	(914,551)
Increase in accrued payroll deductions	8,501	2,573	-	-	582	11,656	133,749
Increase (decrease) in accrued benefits payable	(4,112)	29,750	-	-	2,850	28,488	-
Increase in due to other funds	-	-	-	-	-	-	665,858
Decrease in unearned revenue	(7,500)	-	(2,043)	-	(110)	(9,653)	-
Net cash provided by (used in) operating activities	<u>\$ (229,147)</u>	<u>\$ 52,338</u>	<u>\$ 463,312</u>	<u>\$ (815,707)</u>	<u>\$ 288,648</u>	<u>\$ (240,556)</u>	<u>\$ 4,958,575</u>
Schedule of Non-cash Capital and Related Financing Activities							
Change in landfill closure/ postclosure liability	\$ -	\$ 3,650,000	\$ -	\$ -	\$ -	\$ 3,650,000	\$ -
Loss on change in capitalization policy	206,698	26,022	47,484	133,971	58,274	472,449	15,744
Contributions of capital assets from other funds	-	-	201,650	2,409,598	-	2,611,248	-

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

MACON-BIBB COUNTY, GEORGIA

STATEMENT OF FIDUCIARY NET POSITION FIDUCIARY FUNDS JUNE 30, 2014

	Employee Benefit Trust Funds	Agency Funds
Assets		
Cash and cash equivalents	\$ 22,203,063	\$ 5,360,119
Investments:		
Local government investment pool	2,113	-
Corporate bonds	54,339,436	-
Common stock	271,579,064	-
U.S. Treasury bills and government bonds	39,087,374	-
Asset backed securities	30,321,055	-
Mutual funds	13,503,543	-
Taxes receivable	-	8,106,533
Accounts receivable	120,084	2,780
Accrued interest receivable	781,976	-
Due from brokers for unsettled trades	329,552	-
Prepaid expenses	13,050	-
Note receivable	-	9,930
	432,280,310	13,479,362
Liabilities		
Accounts payable	149,033	-
Due to brokers for unsettled trades	1,909,282	-
Due to other governments	-	9,884,331
Due to others	-	3,595,031
	2,058,315	13,479,362
Net Position		
Restricted for:		
Pension benefits	408,019,246	-
Other postemployment benefits	22,202,749	-
Total net position	\$ 430,221,995	\$ -

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

MACON-BIBB COUNTY, GEORGIA

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE SIX MONTHS ENDED JUNE 30, 2014**

	<u>Employee Benefit Trust Funds</u>
Additions:	
Contributions - employer	\$ 6,329,508
	<u>6,329,508</u>
Investment income:	
Net appreciation in fair value of plan investments	17,202,580
Interest earned on investments	1,916,972
Dividends	2,070,869
Other investment earnings	11,192
	<u>21,201,613</u>
Less investment expense	
Trustee fees and commissions	<u>607,954</u>
Net investment income	<u>20,593,659</u>
Total additions	<u>26,923,167</u>
Deductions:	
Benefits paid retirees	13,684,629
Administrative expense	<u>70,882</u>
Total deductions	<u>13,755,511</u>
Change in net position	13,167,656
Net Position	
Beginning of year	<u>417,054,339</u>
End of year	<u>\$ 430,221,995</u>

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

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NOTES TO FINANCIAL STATEMENTS

MACON-BIBB COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2014

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. The Reporting Entity

On April 20, 2012, Act 625 was signed into law by the Governor of Georgia to create and incorporate a new consolidated government under the name of Macon-Bibb County, subject to the approval by the voters of both the City of Macon and Bibb County Georgia. The referendum was held on July 31, 2012, and the Act was approved by both the voters of the City of Macon and Bibb County. The consolidation was effective January 1, 2014. The new government consolidates the governments of the City of Macon, Georgia and Bibb County, Georgia. This financial report is for the six months ended June 30, 2014 and serves as the first financial report of Macon-Bibb County, Georgia (the "County").

The accompanying financial statements present the County and its component units, entities for which the County is considered to be financially accountable. The component unit's column in the government-wide financial statements includes the financial data for the County's discretely presented component units as reflected in their most recent audited financial statements. This is reported in a separate column in the government-wide financial statements to emphasize that the component units are legally separate from the County.

Macon-Bibb County Industrial Authority

The Macon-Bibb County Industrial Authority (the "Authority") is charged with promoting and expanding industry and trade within Macon-Bibb County. The Authority is governed by a six (6) member board consisting of the Mayor of Macon-Bibb County, four (4) Macon-Bibb County appointees and one (1) appointment by the other appointed members. The Authority receives appropriations from the County, with the County paying 100% of the annual budget request. Annual budget request must be submitted to Macon-Bibb County for approval of the appropriation amount, with an annual audit required to monitor performance. The Authority issues separate financial statements with a June 30 fiscal year end. A complete copy of these statements may be obtained from the Macon-Bibb County Industrial Authority, 305 Coliseum Drive, Macon, Georgia 31217.

Middle Georgia Regional Library

The Middle Georgia Regional Library (the "Library") provides complete library services with the main facility in Macon-Bibb County, branch libraries located in the six surrounding counties, and a bookmobile service. The Library is governed by a Board of Trustees appointed by the County. The County contributes significant funding to the Library and exercises control over expenditures. An annual budget must be submitted for approval, with an annual audit required to monitor performance. The Library issues separate financial statements with a June 30 fiscal year end. A complete copy of these statements may be obtained from the Middle Georgia Regional Library, 1180 Washington Avenue, Macon, Georgia 31201.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. The Reporting Entity (Continued)

Macon-Bibb County Board of Health

The governing board of the Macon-Bibb County Board of Health (the "Board of Health") consists of seven members appointed by the County. The County, by virtue of its appointments, controls a majority of the governing body positions. The County contributes significant funding to the Board of Health. An annual budget must be submitted for approval, with annual audits required to monitor performance. The Board of Health issues separate financial statements with a June 30 fiscal year end. A complete copy of these statements may be obtained from the Macon-Bibb County Board of Health, 171 Emery Highway, Macon, Georgia 31217.

Macon-Bibb County Convention and Visitors Bureau

The Macon-Bibb County Convention and Visitors Bureau (the "CVB") is a nonprofit 501 (c)(6) organization, organized and existing under the laws of the State of Georgia, whose purpose is to promote tourism and conventions in the Macon-Bibb County area. The Mayor of Macon-Bibb County is a member of the Board of Directors. Through contract with the County, the CVB receives hotel-motel tax proceeds. The CVB is required to submit a detailed budget to the County reflecting performance against budget. Any unexpended hotel-motel tax funds are required to be returned to the County at termination of the contract. The CVB issues separate financial statements with a June 30 fiscal year end. A complete copy of these statements may be obtained from the Macon-Bibb County Convention and Visitors Bureau, 450 Martin Luther King, Jr. Blvd., Macon, Georgia 31201.

Macon-Bibb County Planning and Zoning Commission

The Macon-Bibb County Planning and Zoning Commission (the "Commission") is responsible for community planning, establishing and enforcing zoning regulations, and administration of certain grant programs. The Mayor and County Commissioners appoint members to the Board of the Commission. The County provides significant funding for the operating costs of the Commission. Excess revenue over expenditures or excess working capital is returned to the County. The Commission submits annual budget requests to the County for approval and reports on performance against budget with the submission of an annual audit. The Commission issues separate financial statements with a June 30 fiscal year end. A complete copy of these statements may be obtained from the Macon-Bibb County Planning and Zoning Commission, 682 Cherry Street, Suite 100, Macon, Georgia 31201.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. The Reporting Entity (Continued)

Development Authority of Bibb County

The governing board of the Development Authority of Bibb County (the "Development Authority") consists of seven members appointed by the County. Macon-Bibb County, by virtue of its appointments, controls a majority of the governing body positions. If the Development Authority is dissolved, all assets and debts and rights and obligations of the Development Authority shall devolve to the County. Annual audits are required to monitor performance. Complete financial statements may be obtained from the Development Authority of Macon-Bibb County, 305 Coliseum Drive, Macon, Georgia 31202.

Macon-Bibb County Urban Development Authority

The Macon-Bibb County Urban Development Authority (the "Urban Development Authority") is responsible for the revitalization and redevelopment of the downtown areas of Macon-Bibb County. The County Commissioners nominate board members. The Urban Development Authority submits annual budget requests to the County for approval. Annual audits are required to monitor performance. Complete financial statements may be obtained from the Macon-Bibb County Urban Development Authority, P.O. Box 169, Macon, Georgia 31298.

Macon-Bibb County Land Bank Authority

The Macon-Bibb County Land Bank Authority (the "Land Bank Authority") is a nonprofit organization, whose purpose is to allow Macon-Bibb County to provide housing, new industry and jobs for the citizens of the Middle Georgia area by effectively utilizing property previously in a non-revenue generating, non-tax producing status. The County Commissioners appoint four members of the Land Bank Authority Board, and participate in the operating costs of the Land Bank Authority. The Land Bank Authority submits annual budget requests to the County for approval of appropriation. Annual audits must be submitted to the County. Complete financial statements may be obtained from the Macon-Bibb County Land Bank Authority, P.O. Box 4298, Macon, Georgia 31208.

Macon-Bibb County Transit Authority

The governing board of the Macon-Bibb County Transit Authority (the "Transit Authority") consists of five members. The Mayor and County Commissioners nominate five individuals to serve as board members. Initial and final approval of a board member is made by the Mayor and County Commissioners. The County, by virtue of its appointments, controls a majority of the governing body positions. The Transit Authority and Macon-Bibb County have entered into an agreement under which the County provides support to the Transit Authority from the annual tax digest. The Transit Authority submits an annual operating budget each year to the County. Annual audits must also be submitted to the County. Complete financial statements may be obtained from the Macon-Bibb County Transit Authority, 200 Cherry Street, Macon, Georgia 31202.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. The Reporting Entity (Continued)

Under Georgia law, the County, in conjunction with other cities and counties in the middle Georgia area, is a member of the **Middle Georgia Regional Commission** (the "MGRC") and is required to pay annual dues thereto. During the six months ended June 30, 2014, the County paid \$78,110 in such dues. Membership in the MGRC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the MGRC in Georgia. The MGRC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of a regional development center. Separate financial statements may be obtained from the Middle Georgia Regional Commission, 175-C Emery Highway, Macon, Georgia 31217.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and the fiduciary fund financial statements, although the agency funds have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 30 days of the end of the current fiscal period for property taxes and 60 days for most other revenues. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes and licenses associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source. Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source. All other revenue items are considered to be measurable and available only when cash is received by the County.

The County reports the following major governmental funds:

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

The **SPLOST 2012 Fund City** is used to account for the expenditures on the former City of Macon projects to be paid from the 1 cent special purpose local option sales tax approved by the voters of the former City of Macon on November 8, 2011.

The **SPLOST 2012 Fund County** is used to account for the expenditures on the former Bibb County projects to be paid from the 1 cent special purpose local option sales tax approved by the voters of Bibb County on November 8, 2011.

The **Grants Fund** is used to account for the various federal and state grant programs administered by Macon-Bibb County.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The County reports the following major proprietary fund:

The ***Tobesofkee Recreation Fund*** accounts for the operations and maintenance of a recreation facility on Lake Tobesofkee in Macon-Bibb County. All activities necessary to provide such services are accounted for in this fund.

The ***Solid Waste Fund City*** accounts for the operations and activities of the landfill and activities associated with solid waste pickup within the former City of Macon.

The ***Airport Fund*** accounts for the activities of a municipal airport in Macon-Bibb County.

The ***Coliseum Fund*** accounts for the activities of the Macon Coliseum and the Macon Auditorium.

Additionally, the County reports the following fund types:

The ***internal service funds*** are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other governmental units, on a cost reimbursement basis. The following activities are reported in internal service funds: maintenance of group health and maintenance of the motor-vehicle fleet.

The ***employee benefit trust funds*** account for the activities of the Employee Pension Trust Fund, the General Employees' Pension Trust Fund, the Fire and Police Pension Trust Fund and Other Post Employment Benefits Trust Fund, which accumulates resources for pension and other post employment benefit payments to qualified employees of the County.

The ***agency funds*** are used to account for the collection and disbursement of monies by the County on behalf of other governments and individuals, such as cash bonds, traffic fines, support payments and property taxes.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. However, interfund services provided and used are not eliminated in the process of consolidation.

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds and of the County's internal service funds are charges to customers for sales and services provided. Operating expenses for the enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets.

All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

D. Deposits and Investments

The County's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments for the County are reported at fair value, which is generally based on quoted market prices. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. Investments that do not have an established market are reported at estimated fair values.

State statutes authorize the County to invest in obligations of the U.S. Treasury, other U.S. Government agencies, State of Georgia, other states, prime bankers' acceptances, repurchase agreements, other political subdivisions of the State of Georgia, and the Local Government Investment Pool.

The State of Georgia Local Government Investment Pool (Georgia Fund 1) is a special investment pool operated by the Georgia Department of Administrative Services for Georgia local governments. Georgia Fund 1 was created under OCGA 36-83-8 and operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal (\$1 per share value). Net asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participants' shares sold and redeemed based on \$1 per share. The fair value of the County's position in the pool is the same as the value of pool shares (\$1 per share value). The pool is regulated by the Georgia Office of Treasury and Fiscal Services.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Deposits and Investments (Continued)

In accordance with authorized investment laws, the County employee benefit trusts invest in various asset-backed securities, such as mortgage-backed securities. These securities represent an ownership interest in a pool of residential mortgage loans, the interest in which is, in most cases, issued and guaranteed by an agency or instrumentality of the U.S. government. These securities are reported at fair value in the balance sheet.

E. Receivables

“Due from other governments” represents funds to be received from other local governments, state grant-in-aid, state contracts, or federal funds. No allowance is deemed necessary for these receivables.

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

All trade and property tax receivables have been reduced to their estimated net realizable value, and are shown net of an allowance for uncollectible accounts. Estimated uncollectible accounts are based upon historical experience rates.

F. Inventory and Prepaid Items

Inventories are valued at cost using the first-in/first-out (FIFO) method and consist of certain supplies which are recorded as assets at the time of purchase. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased. Inventories of other expendable supplies are not considered material and the cost of such items is recorded as expenditures/expenses, when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditure/expense when consumed rather than when purchased.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Capital Assets

Capital assets include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) and are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an estimated useful life in excess of one year and costs exceeding the following:

- \$25,000 for furniture, fixtures and equipment
- \$75,000 for infrastructure
- \$5,000 for capital assets purchased with federal grant funds
- All land and vehicles are capitalized, regardless of cost

As the County constructs or acquires capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation. In the case of the initial capitalization of general infrastructure items (i.e., those reported by governmental activities), the County chose to include all such items regardless of their acquisition date. The County was able to estimate the historical cost for the initial reporting of these assets through backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year).

Normal maintenance and repairs, which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life, are expensed as incurred.

Major outlays for capital assets and major improvements are capitalized as projects are constructed. Interest incurred during the construction period of capital assets of the business-type activities is included as part of the capitalized value of the assets constructed. During the six months ended June 30, 2014, interest expense incurred by the County's business-type activities was \$91,437. Of this amount, none was applicable to construction of capital assets.

Land and construction in progress are not depreciated. The other property, plant, equipment, and infrastructure of the primary government are depreciated using the straight-line method over the following estimated useful lives:

Land improvements	10 - 30 years
Dam improvements	15 - 20 years
Buildings	20 - 50 years
Building improvements	7 - 30 years
Machinery, equipment and furniture and fixtures	5 - 20 years
Vehicles	5 - 15 years
Infrastructure	20 - 60 years

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Capital Assets (Continued)

In accordance with generally accepted accounting principles, depreciation is not provided for on the earthen dam reported in the Tobesofkee Recreation Fund. The earthen dam has no determinable depreciable life.

H. Compensated Absences

The County's policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment upon separation from government service. The liability for such leave is reported as incurred in the government-wide, proprietary and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The liability for compensated absences includes salary-related benefits, where applicable.

There is no liability for unpaid accumulated sick leave. Accumulated sick leave lapses when employees leave the employ of the County and, upon separation from service, no monetary obligation exists.

I. Long-Term Obligations

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

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

J. Deferred Outflows / Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense / expenditure) until then. The County does not currently have any items that qualify for reporting in this category.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Deferred Outflows / Inflows of Resources (Continued)

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of fund balance that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has only one type of these items, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue* is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from five sources: taxes, housing and development loans, grants, special assessments and other. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

In addition, the County had one type of item under the full-accrual basis of accounting that qualifies for reporting in this category. An *effective hedge* is reported in the government-wide statement of net position. The effective hedge results from the change in market value of a swap agreement related to the certificates of participation. The amount is deferred and will mature on June 1, 2028, at the same time as the certificates of participation.

K. Fund Equity

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

Fund Balance

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through either a commitment or an assignment. Fund balances are classified as follows:

Nonspendable: Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.

Restricted: Fund balances are reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by the County 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 County Board of Commissioners through the adoption of a resolution prior to the end of the fiscal year. Once adopted, the limitation imposed remains in place until a similar action is taken to remove or revise the limitation. Only the Board of Commissioners may modify or rescind the commitment.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Fund Equity (Continued)

Assigned: Fund balances are reported as assigned when amounts are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the Board of Commissioners has authorized the County's Finance Director to assign fund balances. The Board of Commissioners may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. An additional action does not normally have to be taken for the removal of an assignment.

Unassigned: Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. Positive unassigned fund balance may be reported only in the General Fund. Negative unassigned fund balances may be reported in all governmental funds.

Net Position

Net position represents the difference between assets and liabilities in reporting which utilizes the economic resources measurement focus. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the County has spent) for the acquisition, construction or improvement of those assets. Net position is reported as restricted using the same definition as used for restricted fund balance as described in the section above. The residual amount of equity not classified as net investment in capital assets or net position restricted is reported as net position unrestricted.

Flow Assumptions – Fund Balance

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Fund Equity (Continued)

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

L. Management Estimates

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

NOTE 2. BUDGETS AND BUDGETARY ACCOUNTING

Budget Process

The County prepares a separately issued budget report. The annual budget document is the financial plan for the operation of Macon-Bibb County. The budget process exists for the purpose of providing a professional management approach to the establishment of priorities and the implementation of work programs while providing an orderly means for control and evaluation of the financial posture of the County.

The department and agency heads begin budget preparation in February. The County's Budget and Strategic Planning Office conducts budget hearings with all departments and agencies. The County's Budget and Strategic Planning Office then formulates and remits the budget to the Mayor. After a review by the Mayor, the budget is presented to the Board of Commissioners. After review by the Board of Commissioners and a public hearing, a final budget is approved when the budget resolution is adopted.

Budgetary Basis of Accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles. An annual operating budget is prepared for the general, special revenue and debt service funds.

The appropriated budget is prepared by fund, function and department. The legal level of budgetary control is the department level.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. BUDGETS AND BUDGETARY ACCOUNTING (CONTINUED)

Budgetary Basis of Accounting (Continued)

The Assistant to the County Manager for Budget and Strategic Planning is delegated the authority to transfer funds up to \$10,000 from one budget line item to another within a department, provided the line items are within the same budget category and department. Transfers from one budget category to another cannot be made without approval of the appropriate committee. No increase in the overall budget can be made without the approval of the Board of Commissioners and amendment to the budget.

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods or services (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at year end, valid outstanding encumbrances (those for which performance under the executor contract is expected in the next year) are re-appropriated and become part of the subsequent year's budget.

Capital Improvements Budget

Major capital facilities and improvements, which are accounted for by the County within the capital projects funds, are appropriated on a project-length basis. The budget is prepared based upon architectural and engineering estimates and other factors. Appropriations covering capital projects are normally approved by the Board of Commissioners at the time the annual operating budgets are approved. The Assistant to the County Manager for Budget and Strategic Planning is delegated the authority, upon the direction of and approval by unanimous vote of the buildings and properties committee, to transfer sums from one project to another. No increase in the overall capital projects budget can be made without the approval of the Board of Commissioners and amendments to the budget. Appropriations for a specific project do not lapse until completion of the project. During the six months ended June 30, 2014, the County's expenditures for capital improvement projects were within the authorization provided in the budget.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. BUDGETS AND BUDGETARY ACCOUNTING (CONTINUED)

Excess of Expenditures Over Appropriations in Individual Funds

For the six months ended June 30, 2014, expenditures exceeded budget as follows:

	<u>Excess</u>
Emergency 911 Fund	\$ 208,748
Law Library Fund	1,172
ECD CDBG Fund	381,286

These over expenditures were funded by available fund balance in the funds.

Deficit Fund Equity

For the period ended June 30, 2014, the following funds had deficit fund balances:

	<u>Fund Deficit</u>
Special Revenue Funds:	
Drug Abuse Treatment and Education	\$ 4,289
Sponsored Program	60,358
Grants Fund	834,074

The deficit in each of these funds will be eliminated through recognition of unearned revenue or deferred inflows of resources in future periods.

NOTES TO FINANCIAL STATEMENTS

NOTE 3. DEPOSITS AND INVESTMENTS

At June 30, 2014, the County had the following investments (in thousands):

Investment Type	Rating	Fair Value	Investment Maturities (in Years)			
			Less than 1	1 - 5	6 - 10	11 - 15
Mutual funds	NA	\$ 169,215	\$ 169,215	\$ -	\$ -	\$ -
Common stock	NA	115,867	115,867	-	-	-
Corporate bonds	A	11,694	-	6,899	4,146	390
Corporate bonds	A-	5,498	-	3,436	1,952	-
Corporate bonds	A+	4,616	-	3,684	932	-
Corporate bonds	A1	3,245	341	1,108	1,375	-
Corporate bonds	A2	3,626	943	803	1,880	-
Corporate bonds	A3	4,234	662	1,027	2,074	-
Corporate bonds	AA	4,820	-	2,327	2,493	-
Corporate bonds	AA-	3,936	-	2,610	1,326	-
Corporate bonds	AA+	2,857	-	1,325	1,532	-
Corporate bonds	AA1	1,027	-	599	-	-
Corporate bonds	AA2	1,385	135	453	461	-
Corporate bonds	AA3	2,245	612	139	72	-
Corporate bonds	AAA	120	-	-	120	-
Corporate bonds	BAA1	4,221	131	1,327	2,360	-
Corporate bonds	BAA2	4,144	205	766	2,516	-
Corporate bonds	BAA3	1,450	-	566	288	-
Corporate bonds	BBB+	1,151	-	1,151	-	-
Corporate bonds	NR	723	-	163	560	-
Government bonds	A+	220	-	220	-	-
Government bonds	A3	245	-	-	245	-
Government bonds	AA	1,636	-	1,636	-	-
Government bonds	AA1	298	-	-	-	-
Government bonds	AA2	409	-	131	-	-
Government bonds	AA3	604	-	-	604	-
Government bonds	AAA	26,751	4,110	13,466	7,196	1,953
Government bonds	NR	40,345	10,834	897	7,813	6,338
Mortgage & asset backed securities	A	1,845	-	-	356	1,208
Mortgage & asset backed securities	A-	1,858	-	-	391	251
Mortgage & asset backed securities	A+	1,265	-	-	-	-
Mortgage & asset backed securities	A2	629	-	-	-	-
Mortgage & asset backed securities	A3	31	-	-	-	-
Mortgage & asset backed securities	AAA	1,221	-	-	-	-
Mortgage & asset backed securities	BA1	541	-	-	-	-
Mortgage & asset backed securities	BAA1	1,960	-	-	1,960	-
Mortgage & asset backed securities	BAA2	1,094	-	-	784	-
Mortgage & asset backed securities	BAA3	4,069	-	-	-	-
Mortgage & asset backed securities	BBB	3,807	-	-	1,754	958
Mortgage & asset backed securities	BBB-	540	-	-	-	540
Mortgage & asset backed securities	BBB+	1,040	-	-	1,040	-
Mortgage & asset backed securities	NR	2,406	-	431	-	-
Guaranteed investment contract	NA	5,514	5,514	-	-	-
Georgia fund one	NA	40,859	40,859	-	-	-
Total Fair Value		\$ 485,261	\$ 349,428	\$ 45,164	\$ 46,230	\$ 11,638

NOTES TO FINANCIAL STATEMENTS

NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

Investment Type	Investment Maturities (in Years)						
	16 - 20	21 - 25	26 - 30	31 - 35	41 - 45	46 - 50	51 - 55
Mutual funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Common Stock	-	-	-	-	-	-	-
Corporate bonds	-	-	-	259	-	-	-
Corporate bonds	-	-	-	110	-	-	-
Corporate bonds	-	-	-	-	-	-	-
Corporate bonds	-	110	311	-	-	-	-
Corporate bonds	-	-	-	-	-	-	-
Corporate bonds	-	-	471	-	-	-	-
Corporate bonds	-	-	-	-	-	-	-
Corporate bonds	-	-	-	-	-	-	-
Corporate bonds	-	-	428	-	-	-	-
Corporate bonds	-	-	336	-	-	-	-
Corporate bonds	-	-	1,422	-	-	-	-
Corporate bonds	-	-	-	-	-	-	-
Corporate bonds	-	-	403	-	-	-	-
Corporate bonds	469	-	188	-	-	-	-
Corporate bonds	-	-	596	-	-	-	-
Corporate bonds	-	-	-	-	-	-	-
Corporate bonds	-	-	-	-	-	-	-
Government bonds	-	-	-	-	-	-	-
Government bonds	-	-	-	-	-	-	-
Government bonds	-	-	-	-	-	-	-
Government bonds	-	-	298	-	-	-	-
Government bonds	-	-	278	-	-	-	-
Government bonds	-	-	-	-	-	-	-
Government bonds	-	-	26	-	-	-	-
Government bonds	2,459	2,205	9,799	-	-	-	-
Mortgage & asset backed securities	-	-	281	-	-	-	-
Mortgage & asset backed securities	190	-	-	381	293	352	-
Mortgage & asset backed securities	-	-	-	411	228	286	340
Mortgage & asset backed securities	-	-	-	629	-	-	-
Mortgage & asset backed securities	-	31	-	-	-	-	-
Mortgage & asset backed securities	-	-	1,221	-	-	-	-
Mortgage & asset backed securities	-	-	541	-	-	-	-
Mortgage & asset backed securities	-	-	-	-	-	-	-
Mortgage & asset backed securities	310	-	-	-	-	-	-
Mortgage & asset backed securities	-	-	892	3,177	-	-	-
Mortgage & asset backed securities	1,095	-	-	-	-	-	-
Mortgage & asset backed securities	-	-	-	-	-	-	-
Mortgage & asset backed securities	-	-	-	-	-	-	-
Mortgage & asset backed securities	-	-	-	1,975	-	-	-
Guaranteed investment contract	-	-	-	-	-	-	-
Georgia fund one	-	-	-	-	-	-	-
Total Fair Value	\$ 4,523	\$ 2,346	\$ 17,491	\$ 6,942	\$ 521	\$ 638	\$ 340

NOTES TO FINANCIAL STATEMENTS

NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

Interest Rate Risk. In accordance with its investment policy, the County manages its exposure to declines in fair values by diversifying its use of investment instruments to avoid unreasonable risks inherent in over investing in specific instruments, individual institutions, or maturities.

Credit Risk. It is the policy of Macon-Bibb County to invest public funds in accordance with state and local statutes. State statutes authorize the County to invest in obligations of the State of Georgia or other states; obligations issued by the U.S. government; obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime bankers' acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia.

Custodial Credit Risk – Deposits. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the County will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of June 30, 2014, the County had no uncollateralized deposits. Additionally, with the exception of the Macon-Bibb County Convention and Visitors Bureau, none of the component units of the County had uncollateralized deposits. At June 30, 2014, the Macon-Bibb County Convention and Visitors Bureau had uncollateralized deposits of \$173,695.

Custodial Credit Risk – Investments. Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require all investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities.

NOTES TO FINANCIAL STATEMENTS

NOTE 4. TAX REVENUE

Property Tax

State law requires that property taxes be based on assessed value, which is 40% of market value. All real and personal property (including motor vehicles) are valued as of January 1 of each year and must be returned for tax purposes by March 1. With the exception of motor vehicles and the property of public utilities, which are valued by the State Revenue Department, all assessments are made by a joint Board of Tax Assessors of Macon and Bibb County. This board has five members appointed by the Bibb County Board of Commissioners for staggered six-year terms.

Upon completion of all assessments and tax returns, the information is turned over to the Macon-Bibb County Tax Commissioner for compilation of the tax digest. The completed tax digest must be submitted to the State Revenue Commissioner for approval. The State Revenue Commissioner must ascertain that real property on the tax digest has been assessed at the state mandated forty percent (40%) of fair market value. The State Revenue Commissioner has the option to withhold certain state funding if the mandated 40% level is not reached.

The Macon-Bibb County Tax Commissioner distributes tax notices and collects tax payments. Motor vehicle taxes are due based upon the birthday of the owner. Property taxes are usually billed in August of each year. Real and personal property taxes may be paid in two installments – the first payment is due 30 days following the mailing of the bills and the final payment is due 60 days following the mailing of the bills. Tax executions are issued for delinquent taxes approximately 90 days following the due date of the second installment.

The property tax calendar for the most recent digest is as follows:

	Real/Personal Property (Excluding Vehicles)	Motor Vehicles
Assessment date	January 1, 2013	January 1
Levy date	August 21, 2013	January 1
Due date and collection date	October 15, 2013 and November 15, 2013	Staggered
Tax execution date/lien date	April 1, 2014	N/A

Hotel/Motel Excise Tax

A summary of the hotel/motel excise tax expenditures and receipts for the six months ended June 30, 2014, is as follows:

<u>Expenditure by Purpose</u>	<u>Amount</u>	<u>Tax Receipts</u>	<u>Percentage</u>
Culture and recreation	\$ 1,677,958	\$ 1,677,958	100 %

NOTES TO FINANCIAL STATEMENTS

NOTE 5. OTHER RECEIVABLES

All trade and property tax receivables have been reduced to their estimated net realizable value, and are shown net of an allowance for uncollectible accounts. Estimated uncollectible accounts are based upon historical experience rates.

Receivables as of the period end for the County's individual major funds, and nonmajor, and internal service in the aggregate are as follows:

	General Fund	Grants Fund	Tobesofkee Fund	Solid Waste Fund City	Airport Fund	Nonmajor Other Funds
Receivables:						
Taxes	\$ 9,101,915	\$ -	\$ -	\$ -	\$ -	\$ 292,060
Special assessments	166,412	-	-	-	-	-
Accounts	1,108,104	55,285	1,856	4,978,371	49,526	2,046,726
Accrued interest	78,844	-	-	-	-	-
Gross receivable	<u>10,455,275</u>	<u>55,285</u>	<u>1,856</u>	<u>4,978,371</u>	<u>49,526</u>	<u>2,338,786</u>
Less: allowance for uncollectibles	(4,271,940)	-	-	(1,472,191)	(3,518)	(891,997)
Net total receivables	<u>\$ 6,183,335</u>	<u>\$ 55,285</u>	<u>\$ 1,856</u>	<u>\$ 3,506,180</u>	<u>\$ 46,008</u>	<u>\$ 1,446,789</u>

NOTE 6. DUE FROM OTHER GOVERNMENTS

The principal amounts due from other governments represent a) federal government - grant program reimbursements and b) state government - project reimbursements. No allowance is deemed necessary for these receivables. Amounts receivable from other governments as of period end for the County's individual major funds and non-major funds in the aggregate are as follows:

	General Fund	SPLOST 2012 Fund City	SPOST 2012 Fund County	Grants Fund	Tobesofkee Fund	Airport Fund	Nonmajor Other Funds
Federal	\$ 266,179	\$ -	\$ -	\$ 249,836	\$ 81,411	\$ 10,044	\$ 377,785
State	2,470,702	810,756	1,609,410	2,191,819	14,933	-	82,609
Other	178,976	-	-	75,000	-	-	-
Net receivables	<u>\$ 2,915,857</u>	<u>\$ 810,756</u>	<u>\$ 1,609,410</u>	<u>\$ 2,516,655</u>	<u>\$ 96,344</u>	<u>\$ 10,044</u>	<u>\$ 460,394</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. CAPITAL ASSETS

Capital asset activity for the primary government for the six months ended June 30, 2014, was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities					
Capital Assets, not being depreciated:					
Land	\$ 60,309,343	\$ -	\$ (16,554,382)	\$ -	\$ 43,754,961
Construction in progress	51,226,068	9,069,475	(4,088,869)	(13,324,693)	42,881,981
Total capital assets, not being depreciated	<u>111,535,411</u>	<u>9,069,475</u>	<u>(20,643,251)</u>	<u>(13,324,693)</u>	<u>86,636,942</u>
Capital assets, being depreciated:					
Buildings	130,359,939	110,393	(437,522)	8,263,858	138,296,668
Building improvements	13,261,437	432,545	(858,367)	978,761	13,814,376
Land improvements	4,780,860	236,336	(651,488)	651,838	5,017,546
Machinery and equipment	21,124,820	624,170	(6,979,563)	818,985	15,588,412
Vehicles	42,562,975	767,828	(1,154,277)	261,874	42,438,400
Furnitures and fixtures	187,389	-	(145,804)	-	41,585
Bridges	970,385	-	-	-	970,385
Infrastructure	439,204,597	-	(17,109,236)	-	422,095,361
Total capital assets, being depreciated	<u>652,452,402</u>	<u>2,171,272</u>	<u>(27,336,257)</u>	<u>10,975,316</u>	<u>638,262,733</u>
Less accumulated depreciation for:					
Buildings	(59,571,377)	(1,529,337)	321,258	-	(60,779,456)
Building improvements	(8,949,207)	(324,187)	547,550	-	(8,725,844)
Land improvements	(955,889)	(131,574)	126,425	-	(961,038)
Machinery and equipment	(13,997,059)	(808,355)	5,532,940	-	(9,272,474)
Vehicles	(30,113,948)	(1,518,580)	1,143,633	(261,874)	(30,750,769)
Furnitures and fixtures	(180,154)	-	138,568	-	(41,586)
Bridges	(970,385)	-	-	-	(970,385)
Drainage	(8,600,068)	(82,708)	-	-	(8,682,776)
Roads	(311,082,283)	(6,278,340)	11,823,988	-	(305,536,635)
Infrastructure	(9,962,865)	(285,049)	-	-	(10,247,914)
Total accumulated depreciation	<u>(444,383,235)</u>	<u>(10,958,130)</u>	<u>19,634,362</u>	<u>(261,874)</u>	<u>(435,968,877)</u>
Total capital assets, being depreciated, net	<u>208,069,167</u>	<u>(8,786,858)</u>	<u>(7,701,895)</u>	<u>10,713,442</u>	<u>202,293,856</u>
Governmental activities capital assets, net	<u>\$ 319,604,578</u>	<u>\$ 282,617</u>	<u>\$ (28,345,146)</u>	<u>\$ (2,611,251)</u>	<u>\$ 288,930,798</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. CAPITAL ASSETS (CONTINUED)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
Business-type activities					
Capital Assets, not being depreciated:					
Land	\$ 7,639,561	\$ -	\$ -	\$ -	\$ 7,639,561
Earthen Dam	2,625,294	-	-	-	2,625,294
Construction in progress	2,041,420	621,405	(8,614)	(17,052)	2,637,159
Total capital assets, not being depreciated	<u>12,306,275</u>	<u>621,405</u>	<u>(8,614)</u>	<u>(17,052)</u>	<u>12,902,014</u>
Capital assets, being depreciated:					
Land improvements	4,600,951	-	(176,446)	407,581	4,832,086
Dam improvements	1,964,282	-	(19,448)	-	1,944,834
Buildings	21,195,328	-	(295,707)	2,002,017	22,901,638
Building improvements	1,081,819	-	(140,361)	-	941,458
Infrastructure	6,521,187	-	(19,271)	218,705	6,720,621
Machinery and equipment	4,628,665	-	(1,687,964)	-	2,940,701
Vehicles	8,281,163	39,798	-	(261,874)	8,059,087
Furnitures and fixtures	2,631,460	-	(318,381)	-	2,313,079
Total capital assets, being depreciated	<u>50,904,855</u>	<u>39,798</u>	<u>(2,657,578)</u>	<u>2,366,429</u>	<u>50,653,504</u>
Less accumulated depreciation for:					
Land improvements	(1,968,691)	(65,361)	108,870	-	(1,925,182)
Dam improvements	(992,041)	(54,679)	19,447	-	(1,027,273)
Buildings	(12,380,610)	(203,217)	289,431	-	(12,294,396)
Building improvements	(384,901)	(34,702)	61,206	-	(358,397)
Infrastructure	(1,116,767)	(127,056)	1,927	-	(1,241,896)
Machinery and equipment	(3,880,991)	(58,844)	1,409,300	-	(2,530,535)
Vehicles	(6,242,315)	(337,289)	-	261,874	(6,317,730)
Furnitures and fixtures	(1,415,926)	(100,132)	303,565	-	(1,212,493)
Total accumulated depreciation	<u>(28,382,242)</u>	<u>(981,280)</u>	<u>2,193,746</u>	<u>261,874</u>	<u>(26,907,902)</u>
Total capital assets, being depreciated, net	<u>22,522,613</u>	<u>(941,482)</u>	<u>(463,832)</u>	<u>2,628,303</u>	<u>23,745,602</u>
Business-type activities capital assets, net	<u>\$ 34,828,888</u>	<u>\$ (320,077)</u>	<u>\$ (472,446)</u>	<u>\$ 2,611,251</u>	<u>\$ 36,647,616</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. CAPITAL ASSETS (CONTINUED)

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

Governmental activities:	
General government	\$ 1,379,873
Judicial	29,072
Public safety	1,902,279
Public works	7,174,726
Culture and recreation	438,530
Housing and development	17,290
Internal service funds	16,360
Total depreciation expense - governmental activities	\$ 10,958,130
Business-type activities:	
Tobesofkee Fund	\$ 114,751
Solid Waste City Fund	364,089
Airport Fund	246,564
Coliseum Fund	212,966
Mulberry Street Parking Garage Fund	4,396
Bowden Golf Course Fund	38,514
Total depreciation expense - business-type activities	\$ 981,280

NOTE 8. LONG-TERM DEBT

A. General Obligation Bonds

The County periodically issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the government. These bonds generally are issued as 20-year serial bonds with equal amounts of principal maturing each year. The general obligation bonds outstanding at period end are as follows:

Governmental activities:

Payable from SPLOST 2012 Fund County

\$20,000,000 2012 Bibb County General Obligation Sales Tax Bonds due in annual principal installments of \$275,000 to \$4,175,000 beginning December 1, 2013. Interest at 2.0% to 4.0% to be paid each June 1 and December 1, commencing December 1, 2012. \$ 19,725,000

Payable from SPLOST 2012 Fund City

\$18,000,000 Series 2012 General Obligation Bonds due in annual principal installments of \$250,000 to 3,700,000 beginning December 1, 2013. Interest at 2.0% to 3.0% is to be paid each June 1 and December 1, commencing June 1, 2012. 17,750,000

Total General Obligation Bonds - governmental activities \$ 37,475,000

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

A. General Obligation Bonds (Continued)

Proceeds from the Bibb County Series 2012 (General Obligation Sales Tax Bonds) were used to provide funds for various capital outlay projects included in the special 1 percent sales and use tax referendum approved by Bibb County voters in November 2011.

Proceeds from the Series 2012 General Obligation Bonds were used to finance the costs of acquiring, constructing, and equipping certain capital outlay projects of the former City of Macon included in the special 1 percent sales and use tax referendum approved by City of Macon voters in 2011.

Annual debt service to maturity requirements for governmental activity general obligation bonds (excluding unamortized bond premium of \$1,107,766 and \$734,855, respectively) are as follows:

<u>Fiscal Year</u>	<u>Total Debt Service</u>	<u>Principal</u>	<u>Interest</u>
2015	\$ 8,196,750	\$ 7,125,000	\$ 1,071,750
2016	8,206,725	7,335,000	871,725
2017	8,159,050	7,510,000	649,050
2018	8,031,950	7,630,000	401,950
2019	8,008,750	7,875,000	133,750
	<u>\$ 40,603,225</u>	<u>\$ 37,475,000</u>	<u>\$ 3,128,225</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

B. Revenue Bonds

The County also issues bonds where the County pledges income derived from the acquired or constructed assets to pay debt service. Revenue bonds outstanding at period end are as follows:

Governmental activities:

Payable from General Fund

\$11,500,000 2009 Macon-Bibb County Industrial Authority Revenue Bond Issue (Bass Pro & Sofkee Park Project) due in annual principal installments of \$300,000 to \$1,330,000 commencing October 1, 2009. Variable interest rates to be paid the first business day of each quarter.	\$ 9,400,000
\$1,210,000 2002B Macon-Bibb County Urban Development Authority (Riverside Drive Project). \$200,000 term bonds due August 1, 2020. \$1,010,000 term bonds due August 1, 2024. Interest at 5.5% to 6.0% to be paid each February 1 and August 1, commencing February 1, 2003.	855,000
\$4,995,000 2006 Macon-Bibb County Urban Development Authority Bond Issue (Public Projects) due in annual principal installments of \$300,000 to \$475,000 commencing April 1, 2007. Interest to be paid each April 1 and October 1 at 3.75%.	3,355,000
\$6,240,000 2009 Macon-Bibb County Urban Development Authority Bond Issue (Public Projects) due in annual principal installments of \$235,000 to \$460,000 commencing May 1, 2010. Interest at 3.0% to 4.625% to be paid each May 1 and November 1.	5,265,000

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

B. Revenue Bonds (Continued)

Governmental activities:

Payable from General Fund (Continued)

<p>\$11,175,000 2010 Macon-Bibb County Urban Development Authority Bond Issue (Revenue Refunding) due in annual principal installments of \$310,000 to \$1,130,000 commencing October 1, 2011. Interest at 2.0% to 3.0% to be paid each April 1 and October 1.</p>	<p>\$ 8,155,000</p>
<p>\$10,000,000 2013A Macon-Bibb County Urban Development Authority Bond Issue (Public Projects) due in annual principal installments of \$500,000 from 2016 to 2017 and annual principal installments of \$715,000 to \$930,000 commencing June 1, 2023. Interest at 2.65% to be paid each June 1 and December 1.</p>	<p>10,000,000</p>
<p>\$3,225,000 2013B Macon-Bibb County Urban Development Authority Bond Issue (Public Projects) due in annual principal installments of \$605,000 to \$690,000 commencing June 1, 2018. Interest at 3.0% to 4.0% to be paid each June 1 and December 1.</p>	<p>3,225,000</p>
<p>\$7,860,000 2002A Macon-Bibb County Urban Development Authority Revenue Bond Issue (City Projects) due in annual principal installments of \$285,000 to \$615,000 commencing August 1, 2006. Interest at 4.0% to 5.25% to be paid each August 1 and February 1.</p>	<p>5,310,000</p>
<p>\$4,165,000 2002B Macon-Bibb County Urban Development Authority Revenue Bond Issue (City Projects) due in annual principal installments of \$150,000 to \$375,000 commencing August 1, 2008. Interest at 6.0% to be paid each August 1 and February 1.</p>	<p>3,135,000</p>
<p>\$10,945,000 Series 2007 Hotel Revenue Bond issue due in annual principal installments of \$285,000 to \$580,000 commencing October 1, 2010. Interest at 4.0% to 4.625% to be paid each October 1 and April 1.</p>	<p>9,665,000</p>
<p>Total Revenue Bonds - governmental activities</p>	<p><u>\$ 58,365,000</u></p>

The \$11,500,000 Series 2009 Macon-Bibb County Industrial Authority Revenue Bond Issue (Bass Pro & Sofkee Park Projects) was used to refund and redeem the Series 2005 Macon-Bibb County Industrial Authority Bass Pro bonds and to assist in the acquisition of land and improvements for the development of facilities in Sofkee Industrial Park. The County is contractually obligated to make the necessary payment of principal and interest on this issue. The bonds initially bear interest at a weekly rate and will continue such until adjusted at the option of the Authority to a monthly rate, semi-annual rate, money market rate, medium term rate or fixed rate. The weekly rate is determined by the remarketing agent subject to a maximum of 12 percent per annum.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

B. Revenue Bonds (Continued)

The \$1,210,000 2002B Macon-Bibb County Urban Development Authority Bond Issues were used to finance improvements to the Department of Family and Children Services facilities, redeem a 1992 Bond Issue, and finance expenses for acquisition and construction of park improvements. The County is contractually obligated to make the necessary payment of principal and interest on these issues.

The \$4,995,000 Series 2006 Macon-Bibb County Urban Development Authority Revenue Bond Issue (Public Building Projects) was used for promoting and expanding public facilities of urban, central city, and downtown areas of Bibb County. The County is contractually obligated to make the necessary payment of principal and interest on this issue.

The \$6,240,000 Series 2009 Macon-Bibb County Urban Development Authority Revenue Bond Issue (Public Projects) was used to finance renovations to the Bibb County courthouse and reimburse costs for the acquisition of land and to pay architectural and other fees and expenses related to the location and development of a new Justice Center. The County is contractually obligated to make the necessary payment of principal and interest on this issue.

The \$11,175,000 Series 2010 Macon-Bibb County Urban Development Authority Revenue Bond Issue (Revenue Refunding) was used to refund and redeem Macon-Bibb County Urban Development Authority Bond Issues Series 1993, Series 1996 and Series 2000. The County is contractually obligated to make the necessary payment of principal and interest on this issue.

The \$10,000,000 Series 2013A and \$3,225,000 Series 2013B Macon-Bibb County Urban Development Authority Revenue Bond Issue (Public Projects) were used to finance the costs of the acquisition of land and the construction and equipping of certain capital outlay projects of the County and the Macon-Bibb County Urban Development Authority. The County is contractually obligated to make the necessary payment of principal and interest on this issue.

The \$7,860,000 Series 2002A and \$4,165,000 Series 2002B Macon-Bibb County Urban Development Authority Revenue Bond Issue (City Projects) were used to aid in redevelopment projects within the central business district of Macon, Georgia. The County is contractually obligated to make the necessary payment of principal and interest on this issue.

The \$10,945,000 Series 2007 Hotel Revenue Bond Issue was used to aid in construction of a new hotel and convention center within the City of Macon. The County is contractually obligated to make the necessary payment of principal and interest on this issue.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

B. Revenue Bonds (Continued)

Annual debt service requirements to maturity for governmental activity revenue bonds (excluding unamortized bond premiums and discounts totaling \$171,100) are as follows:

<u>Fiscal Year</u>	<u>Total Debt Service</u>	<u>Principal</u>	<u>Interest</u>
2015	\$ 5,393,707	\$ 3,615,000	\$ 1,778,707
2016	5,862,314	4,170,000	1,692,314
2017	5,856,061	4,270,000	1,586,061
2018	6,027,512	4,555,000	1,472,512
2019	6,171,150	4,820,000	1,351,150
2020-2024	22,711,842	17,940,000	4,771,842
2025-2029	13,847,723	11,665,000	2,182,723
2030-2034	7,449,522	6,750,000	699,522
2035	593,413	580,000	13,413
	<u>\$ 73,913,244</u>	<u>\$ 58,365,000</u>	<u>\$ 15,548,244</u>

C. Notes Payable

During fiscal year 2007, the County incurred debt in the amount of \$168,394 to the Georgia Environmental Facilities Authority for the purchase of greenspace property. Payments are due in monthly installments of \$1,626 including interest at 3.0%. The County paid this debt off in full during the six months ended June 30, 2014.

D. Certificates of Participation

In June 1998, the County entered into a lease pool agreement with the Georgia Municipal Association (Association). The funding of the lease pool was provided by the issuance of \$150,126,000 Certificates of Participation by the Association. The Association passed the net proceeds through to the participating governments with the County's participation totaling \$13,452,000. The lease pool agreement with the Association provides that the County owns their portion of the assets invested by the pool and is responsible for the payment of their portion of the principal and interest of the Certificates of Participation. The principal is due in a lump sum payment on June 1, 2028. Interest is payable at a rate of 4.75% each year. The County draws from the investment to lease equipment from the Association. The lease pool agreement requires the County to make lease pool payments back into its investment account to fund the principal and interest requirements of the 1998 Georgia Municipal Association Certificates of Participation.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

D. Certificates of Participation (Continued)

As part of the issuance of the certificates of participation, the County entered into an interest rate swap agreement. Under the Swap Agreement, the County is required to pay (1) a semi-annual (and beginning July 1, 2003, a monthly) floating rate of interest based on the Securities Industry and Financial Markets Association (SIFMA) Municipal Swap Index (plus a 31 basis points spread) to, or on behalf of, the Swap Counterparty (the "Swap Payment"); and the Swap Counterparty will pay to, or on behalf of, the County a semi-annual payment based on a rate equal to the fixed rate on the certificates of participation (4.75%) times a notional amount specified in the Swap Agreement, but generally equal to the outstanding unpaid principal portion of such Contract, less the amount originally deposited in the Reserve Fund relating to the Contract, and (ii) a one-time Swap Premium to be paid on the effective date of the Swap Agreement. The semi-annual payments from the Swap Counterparty with respect to the County are structured, and expected, to be sufficient to make all interest payments due under the Contract, and related distributions of interest on the Certificates. Monthly interest payments between the County, the holders of the Certificates of Participation, and the Swap Counterparty can be made in net settlement form as part of this agreement. Under the Swap Agreement, the County's obligation to pay floating payments to the Swap Counterparty in any calendar year may not exceed an amount equal to the SIFMA Municipal Swap Index plus 5% to be determined on the first business day of December in the preceding year. This agreement matures on June 1, 2028, at the same time of the certificates of participation. This derivative qualifies as a fair market hedge.

In the unlikely event that the Swap Counterparty becomes insolvent, or fails to make payments as specified in the Swap Agreement, the County would be exposed to credit risk in the amount of the Swap's fair value. To minimize this risk, the County executed this agreement with counterparties of appropriate credit strength, with the counterparty being rated Aa1 by Moody's. At June 30, 2014, the floating rate being paid by the County is 0.49% and the market value of this agreement is \$3,254,052, an increase of \$855,289 from the market value at December 31, 2013. The market value of the hedge was determined using settlement prices at the end of the day on June 30, 2014 based on the derivative contract. This market value is reported as an asset in the statement of net position. As this derivative is an effective hedge, qualifying for hedge accounting, the inflow from the hedge (any change in fair value from inception until fiscal period end) is deferred and reported as deferred inflows in the statement of net position.

Annual debt service requirements to maturity for the certificates of participation are as follows:

Fiscal Year	Total Debt Service	Principal	Interest
2015	\$ 638,970	\$ -	\$ 638,970
2016	638,970	-	638,970
2017	638,970	-	638,970
2018	638,970	-	638,970
2019	638,970	-	638,970
2020-2024	3,194,850	-	3,194,850
2025-2028	15,688,395	13,452,000	2,236,395
	<u>\$ 22,078,095</u>	<u>\$ 13,452,000</u>	<u>\$ 8,626,095</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

E. Capital Leases

The County has entered into lease agreements as lessee for financing the acquisition of various buildings and equipment. The lease agreements qualify as capital leases for accounting purposes (titles transfer at the end of the lease terms) and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception. Amortization of these assets is included in the depreciation expense recorded in the respective governmental activities. The following is an analysis of leased assets under capital leases as of June 30, 2014:

Buildings	\$ 8,958,310
Less: Accumulated depreciation	(3,392,831)
	\$ 5,565,479

A lease purchase agreement entered into in 1999 in the amount of \$8,958,310 is due in varying monthly installments of \$65,313 to \$81,626 through October 1, 2014, and has an interest rate of 5.16%. This lease purchase agreement is serviced by rentals from the Georgia Secretary of State.

The following is a schedule of future minimum lease payments for the Georgia Secretary of State lease together with the present value of net minimum lease payments as of June 30, 2014:

	Governmental Activities
2015	\$ 326,434
Less amount representing interest	(3,237)
Present value of future minimum lease payments	\$ 323,197

The County has obtained several leases through a local financial institution to finance the acquisition of various equipment. The leasing arrangement is structured in a way that requires the County to first expend the money for purchase of the assets. The lease proceeds are then remitted to the County by the financial institution and the lease agreement begins.

The following is a schedule of future minimum lease payments for the financial institution leases together with the present value of net minimum lease payments as of June 30, 2014 (governmental activities; Solid Waste Management Fund and Bowden Golf Course Fund - proprietary funds):

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

E. Capital Leases (Continued)

	Governmental Activities
2015	\$ 835,950
2016	835,950
2017	565,145
2018	302,362
2019	189,504
2020-2023	336,216
Total minimum lease payments	3,065,127
Less amount representing interest	(244,433)
Present value of future minimum lease payments	\$ 2,820,694

	Business-Type Activities
2015	\$ 610,515
2016	378,372
2017	205,825
2018	35,826
Total minimum lease payments	1,230,538
Less amount representing interest	(42,872)
Present value of future minimum lease payments	\$ 1,187,666

The following is an analysis of leased assets under capital lease purchased with lease proceeds as of June 30, 2014, and amortization of these assets is included in the depreciation expense recorded in the respective governmental and business-type activities:

	Governmental Activities	Business-type Activities
Vehicles	\$ 2,945,769	\$ 2,547,619
Less: Accumulated depreciation	(846,472)	(1,489,037)
	\$ 2,099,297	\$ 1,058,582
Machinery & Equipment	\$ 506,710	\$ 70,945
Less: Accumulated depreciation	(261,709)	(21,284)
	\$ 245,001	\$ 49,661

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

F. Pension Plan Note Agreements

In June 2011, the County entered into agreements with the Fire and Police and General Employees' Pension Plans in order to make up required contributions that were not made in previous years. The City paid in full the note due to the Fire and Police Pension fund in June 2012. Payments are due to General Employees' Pension Plan in monthly installments of \$12,855, with a lump sum payment of \$100,000 due on September 1, 2011, through June 1, 2015, interest at 8%. The County paid in full the note due to the General Employees' Pension fund during the six months ended June 30, 2014.

G. Business-Type Activities Note Payable

The following notes payable are included in the Solid Waste Management Fund:

\$215,207 note payable to the Macon Water Authority due in annual principal installments of \$107,603 and \$107,604 in fiscal years 2015 and 2016, respectively. No provision for interest is considered required due to the immateriality of such amounts bearing interest at approximately .15%. These funds were obtained to assist the former City of Macon in addressing certain matters at the landfill.

H. Business-Type Activities Revenue Bonds

The following revenue bonds are included in the Airport Enterprise Fund:

\$4,500,000 1993 Macon-Bibb County Industrial Authority Airport Improvement Revenue Bonds are due in annual installments of \$257,208 to \$355,435 through May 1, 2018, interest at 3.9% to 6.1%. These Bonds were to assist in the financing of the acquisition, construction, and installation of a new maintenance hangar at the Middle Georgia Regional Airport in Bibb County, Georgia.

\$3,600,000 2002 Macon-Bibb County Industrial Authority (Airport Improvement – Atlantic Southeastern Airlines Project) due in annual installments of \$325,500 to \$337,250 through April 1, 2018, interest at 4% to 5%. The Bonds were used to finance the acquisition, construction, and installation of a 7,500 square foot training and storage facility and an aircraft wash facility. Both improvements are located at the Middle Georgia Regional Airport in Bibb County, Georgia.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

H. Business-Type Activities Revenue Bonds (Continued)

Airport Enterprise Fund revenue bonds debt service requirements to maturity excluding amortization of bond discounts are as follows as of June 30, 2014:

	Principal	Interest	Total
2015	\$ 555,000	\$ 133,725	\$ 688,725
2016	585,000	102,895	687,895
2017	620,000	70,400	690,400
2018	645,000	35,935	680,935
	\$ 2,405,000	\$ 342,955	\$ 2,747,955

I. Closure/Post-Closure Care Costs

The County owns and operates a landfill site located in Macon-Bibb County, Georgia. State and federal laws will require the County to close the landfill once its capacity is reached and to monitor and maintain the site for 30 subsequent years. The County recognizes a prorated portion of the closure and post-closure care costs in each operating period even though actual payouts will not occur until the landfill is closed. The amount recognized each year to date is based on the landfill capacity used as of the balance sheet date. As of June 30, 2014, the City has determined that it has used approximately 3,854,581 cubic yards out of a total available capacity of approximately 4,700,000 cubic yards which approximates 82% capacity used. Further, estimated costs of closure and post-closure care costs as determined at June 30, 2014 amount to approximately \$20,280,000. Based on the above facts and estimated amounts, the City has recorded a liability of \$15,460,000 which represents the amount of costs reported to date based on 82% of landfill capacity used to date as of June 30, 2014. The estimated costs of closure and post-closure care are subject to changes such as the effects of inflation, revision of laws and other variables. The estimated remaining life of the landfill is approximately 6.5 years.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM DEBT (CONTINUED)

J. Changes in Long-Term Liabilities for Primary Government

Long-term liability activity for the year ended June 30, 2014 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Governmental Activities:					
Bonds Payable					
General Obligation Bonds	\$ 37,475,000	\$ -	\$ -	\$ 37,475,000	\$ 7,125,000
Premium	2,102,644	-	(260,023)	1,842,621	-
Revenue Bonds	58,620,000	-	(255,000)	58,365,000	3,615,000
Premium/Discount	181,944	-	(10,844)	171,100	-
Certificates of Participation	13,452,000	-	-	13,452,000	-
Notes Payable	391,784	-	(391,784)	-	-
Lease Purchase Agreements:					
Secretary of State	790,260	-	(467,064)	323,196	323,197
Capital Leases	2,820,694	-	-	2,820,694	857,910
Judgements Payable	706,320	-	(706,320)	-	-
Compensated Absences	7,031,210	2,309,133	(2,183,635)	7,156,708	4,752,813
Postemployment benefit obligation	34,022,203	3,213,734	-	37,235,937	-
Claims Payable	11,950,872	6,924,269	(8,026,197)	10,848,944	4,770,372
Governmental activity long-term liabilities	<u>\$ 169,544,931</u>	<u>\$ 12,447,136</u>	<u>\$ (12,300,867)</u>	<u>\$ 169,691,200</u>	<u>\$ 21,444,292</u>
Business-type Activities:					
Bonds payable					
Revenue bonds	\$ 2,935,000	\$ -	\$ (530,000)	\$ 2,405,000	\$ 555,000
Discount	(12,908)	-	1,518	(11,390)	-
Capital leases	1,187,666	-	-	1,187,666	584,436
Notes payable	215,207	-	-	215,207	107,603
Compensated absences	118,308	179,476	(62,348)	235,436	235,436
Landfill closure/postclosure care costs	11,810,000	3,650,000	-	15,460,000	-
Business-type activities Long-term Liabilities	<u>\$ 16,253,273</u>	<u>\$ 3,829,476</u>	<u>\$ (590,830)</u>	<u>\$ 19,491,919</u>	<u>\$ 1,482,475</u>

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. Claims payable totaling \$1,338,979 are reported in the internal service funds and will be liquidated by those funds. Also, for the governmental activities, compensated absences are generally liquidated by the General Fund. The net postemployment benefit obligation is expected to be liquidated by the General Fund.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund receivable and payable balances as of June 30, 2014, are as follows:

	Due From				
	General Fund	2012 SPLOST City	2012 SPLOST County	Grants Fund	Tobesofkee Fund
Due To					
General Fund	\$ -	\$ 16,309	\$ 28,055	\$ 533,238	\$ 171,640
Coliseum Fund	-	-	-	-	-
Non-Major Governmental	781,723	-	-	-	-
Non-Major Enterprise	259,588	-	-	-	-
Internal Service	392,444	-	-	-	-
	<u>\$ 1,433,755</u>	<u>\$ 16,309</u>	<u>\$ 28,055</u>	<u>\$ 533,238</u>	<u>\$ 171,640</u>

	Airport Fund	Coliseum Fund	Nonmajor Governmental	Internal Service	Total
	Due To				
General Fund	\$ 26,232	\$ 100,000	\$ 1,820,707	\$ 906,343	\$ 3,602,524
Coliseum Fund	-	-	156,137	-	156,137
Non-Major Governmental	-	6,953	-	-	788,676
Non-Major Enterprise	-	-	-	-	259,588
Internal Service	-	-	-	-	392,444
	<u>\$ 26,232</u>	<u>\$ 106,953</u>	<u>\$ 1,976,844</u>	<u>\$ 906,343</u>	<u>\$ 5,199,369</u>

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. These balances normally clear within one to two months.

Any amounts payable to a governmental fund that relates to working capital loans that are deemed to be entirely collectible which are not scheduled to be collected in the subsequent year are considered to be advances. Advances as of June 30, 2014 are as follows:

Advances Receivable Fund	Advances Payable Fund	Amount
Solid Waste	General	\$ 8,000,000

NOTES TO FINANCIAL STATEMENTS

NOTE 9. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

Interfund transfers for the six months ended June 30, 2014 consisted of the following:

<u>Transfer To</u>	<u>Transfer From</u>					<u>Total</u>
	<u>General Fund</u>	<u>2012 SPLOST City</u>	<u>Grants Fund</u>	<u>Nonmajor Governmental</u>	<u>Nonmajor Enterprise</u>	
General Fund	\$ -	\$ -	\$ -	\$ 767,245	\$ 77,777	\$ 845,022
Coliseum Fund	637,789	621,405	-	222,361	-	1,481,555
Airport	225,000	-	-	-	-	225,000
Tobesofkee	144,000	-	-	219,626	-	363,626
Non-Major Governmental	479,439	-	10,282	-	-	489,721
Non-Major Enterprise	139,625	-	-	-	-	139,625
Internal Service	164,920	-	-	-	-	164,920
	<u>\$ 1,790,773</u>	<u>\$ 621,405</u>	<u>\$ 10,282</u>	<u>\$ 1,209,232</u>	<u>\$ 77,777</u>	<u>\$ 3,709,469</u>

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

The transfers out of the 2012 SPLOST Fund – City are for approved SPLOST projects paid and accounted for in Enterprise Funds.

NOTES TO FINANCIAL STATEMENTS

NOTE 10. FUND EQUITY

Fund Balance

Restricted fund balance represents amounts subject to externally enforceable limitations on use. The most significant amounts reported include the following:

- Amounts legally restricted for debt service by the terms of the original debt instruments.
- Amounts restricted for capital outlay by state law and by debt instruments.

Committed fund balance represents amounts that can be used only for the specific purposes determined by the Macon-Bibb County Board of Commissioners.

- The budget resolution commits the resources of the Law Enforcement Commissary Fund to Macon-Bibb County Law Enforcement.

NOTE 11. POST EMPLOYMENT HEALTH CARE BENEFITS

As of June 30, 2014, Macon-Bibb County administers two single-employer, defined benefit, other post employment benefit plans (OPEB). Both the former City of Macon and Bibb County administered OPEB plans. The plans do not issue separate stand-alone reports and are not included in the report of another entity. Plan assets may be used only for the payment of benefits to the members of the plan, in accordance with the terms of the plan.

Former Bibb County Government Health Care Plan

A. Plan Description

In accordance with a resolution, Macon-Bibb County provides certain post employment benefits for retired employees. Substantially all full-time employees employed prior to May 1, 2011 become eligible for the benefits if they reach normal retirement age while working for the County. The Plan provides health care and life insurance benefits to plan members and their beneficiaries. Life insurance is provided at the rate of two times the employee's ending salary up to a maximum death benefit of \$50,000. The benefit is reduced by 35% upon reaching age 65, and a further reduction of 20% is applied upon reaching age 70. The Macon-Bibb County Board of Commissioners is authorized to establish and amend all Plan provisions.

B. Basis of Accounting

The financial statements of the Plan are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the Plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

NOTES TO FINANCIAL STATEMENTS

NOTE 11. POST EMPLOYMENT HEALTH CARE BENEFITS (CONTINUED)

C. Method Used to Value Investment

Investments are reported at fair value, which is determined using selected bases. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value, and the carrying amount of cash deposits reasonably estimates fair value.

	Fair Value
Cash and cash equivalents	\$ 11,813,064
Common stock	10,396,984
Georgia Fund 1	1,201
Total investments	\$ 22,211,249

D. Membership

Membership data as of December 31, 2013, the date of the latest actuarial valuation:

Active participants	533
Retired participants and beneficiaries currently receiving benefits	374
Terminated participants and beneficiaries entitled to, but not yet receiving benefits	-
Total	907

E. Funding Policies

The contribution requirements of plan members and the County are established and may be amended by the Board. Retired plan members and beneficiaries currently receiving benefits are required to contribute specified amounts toward the cost of insurance premiums. Plan member contributions are based upon coverage elections. Retiree health coverage is \$69-\$199 per month; dependent coverage is an additional \$203-\$401 per month. The premiums are included as revenues in the Group Insurance Internal Service Fund. Current retiree health care expenses are reflected as expenditures of the Group Insurance Internal Service Fund and are included in the calculation of benefits as contributions toward the County's ARC when not reimbursed to the Group Insurance Fund from the OPEB Trust Fund. Retiree life insurance premiums for the six month period ending June 30, 2014 were paid from the OPEB Trust Fund.

NOTES TO FINANCIAL STATEMENTS

NOTE 11. POST EMPLOYMENT HEALTH CARE BENEFITS (CONTINUED)

E. Funding Policies (Continued)

The County may contribute additional amounts to prefund benefits as determined annually by the Board of Commissioners. Such amounts are contributed to the OPEB Trust. Administrative costs of the plan are financed through investment earnings.

As of the most recent valuation date, December 31, 2013, the funded status of the Plan was as follows (dollars are in thousands):

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	AAL as a Percentage of Covered Payroll
12/31/2013	\$ 22,924	\$ 44,639	\$ 21,715	51.4%	\$ 22,463	96.7%

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

F. Annual OPEB Cost and Net OPEB Obligation

The County's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the County's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the County's net OPEB obligation:

Annual required contribution	\$ 1,423,476
Interest on net other postemployment benefit obligation	-
Adjustment to annual required contribution	-
Annual OPEB cost (expense)	<u>1,423,476</u>
Employer contributions for period ended June 30, 2014	-
Increase/decrease in net other postemployment benefit obligation	<u>1,423,476</u>
Net other postemployment benefit obligation (asset) beginning	<u>3,151,083</u>
Net other postemployment benefit obligation (asset) ending	<u><u>\$ 4,574,559</u></u>

NOTES TO FINANCIAL STATEMENTS

NOTE 11. POST EMPLOYMENT HEALTH CARE BENEFITS (CONTINUED)

F. Annual OPEB Cost and Net OPEB Obligation (Continued)

The schedule of employer contributions presents trend information about the amounts contributed to the plan by the County in comparison to the ARC. Information is presented beginning with the year of transition.

Period Ending	Annual OPEB Cost	Contribution to OPEB Trust	Net Retiree Benefits Paid	Total Contributions	Percentage Contributed	Net OPEB Obligation (Asset)
6/30/2013	\$ 5,794,719	\$ -	\$ 2,541,505	\$ 2,541,505	44%	\$ 3,151,083

The annual required contribution (ARC) was determined as part of the December 31, 2013, actuarial valuation using the Projected Unit Credit Cost Method. The actuarial assumptions included (a) 6.0% investment rate of return (including inflation at 4.0%); and (b) healthcare cost trend rate of 5 - 7.75% (initial) and 5% (ultimate) per year. The actuarial value of assets was determined using market value of assets. The Plan's unfunded actuarial accrued liability is being amortized as a level dollar method on a closed basis. The remaining amortization period was 27.5 years.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

NOTES TO FINANCIAL STATEMENTS

NOTE 11. POST EMPLOYMENT HEALTH CARE BENEFITS (CONTINUED)

G. Reserves

There are no assets legally reserved for purposes other than the payment of plan member benefits. The Plan held no individual investments whose market value exceeds 5% or more of net assets available for benefits. There are no long-term contracts for contributions.

H. Financial Statement

Statement of Net Position	Statement of Changes in Plan Net Position
Assets	Additions
Cash and cash equivalents	Investment earnings
\$ 11,813,064	Net increase in fair value of investments
Investments	\$ 682,508
22,211,249	Interest, dividends, and other
Total Assets	235,999
	Total investment earnings
	918,507
	Less investment expense
	(58,618)
	Net investment earnings
	859,889
Liabilities	Total Additions
Accounts payable	859,889
8,500	
Total Liabilities	Deductions
8,500	Benefits paid to retirees
	1,567,762
	Administrative expenses
	13,388
	Total Deductions
	1,581,150
Net Position	
Restricted for other postemployment benefits	Change in Net Position
22,202,749	(721,261)
\$ 22,202,749	Net Position, Beginning
	22,924,010
	Net Position, Ending
	\$ 22,202,749

Former City of Macon Other Post-Employment Benefits

A. Plan Description

The former City of Macon, and now Macon-Bibb County, provides post-retirement health care benefits through its Other Post-Employment Benefits (OPEB's) plan, as per the requirements of a resolution, for certain retirees under a single employer defined benefit plan. The provision and obligations to contribute are established and may be amended by the Mayor and County Commissioners. Police officers and firefighters are eligible for benefits if they retire after at least 25 years of service and have attained the age of 45. All other employees must have attained age 55 and have at least five years of service. After reaching Medicare eligibility (age 65), Macon-Bibb County becomes secondary payer and the premium charged for retiree coverage is reduced.

NOTES TO FINANCIAL STATEMENTS

NOTE 11. POST EMPLOYMENT HEALTH CARE BENEFITS (CONTINUED)

B. Membership

Membership data as of July 1, 2012, the date of the most recent actuarial valuation:

Active members	926
Retired members	151
	1,077

C. Funding Policies

As of the most recent valuation date, plan members are required to contribute 50% of monthly premium rates. Premium rates per month for retiree only coverage are \$69-\$199 and dependent coverage is an additional \$203 to \$401 per month.

As of the most recent valuation date, July 1, 2012, the funded status of the post-retirement benefit plan was as follows:

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Annual Covered Payroll	Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll
7/1/08	\$ -	\$ 173,529,118	\$ 173,529,118	- %	\$ 40,905,813	424.22 %
7/1/10	-	41,156,182	41,156,182	-	37,224,235	110.56
7/1/12	-	37,646,442	37,646,442	-	32,734,501	115.01

This schedule of funding progress presents multiyear trend information about whether the actuarial value of plan net assets is increasing or decreasing over time relative to the actuarial accrued liability.

D. Annual OPEB Cost and Net OPEB Obligation

The annual other post employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the annual OPEB cost for the period, the amount actually contributed to the plan, and changes in the net OPEB obligation:

NOTES TO FINANCIAL STATEMENTS

NOTE 11. POST EMPLOYMENT HEALTH CARE BENEFITS (CONTINUED)

D. Annual OPEB Cost and Net OPEB Obligation (Continued)

Annual required contribution	\$ 1,790,258
Interest on net benefit obligation	-
Adjustments to annual required contribution	-
Annual benefit cost	1,790,258
Employer contributions	-
Increase in net benefit obligation	1,790,258
Net OPEB obligation, beginning of year	30,871,120
Net OPEB obligation, end of year	\$ 32,661,378

The schedule of employer contributions presents trend information about the amounts contributed to the plan in comparison to the ARC.

Schedule of Employer Costs and Contributions				
Fiscal Year Ending	Annual Required Contribution/ Annual OPEB Cost	Actual City Contribution	Percentage of AOC Contributed	Net OPEB Obligation
6/30/12	\$ 3,847,291	\$ 1,839,214	47.81 %	\$ 28,164,983
6/30/13	3,470,494	1,631,212	47.00	30,004,265
12/31/13	1,790,258	923,403	51.58	30,871,120
6/30/14	1,790,258	-	0.00	32,661,378

The annual required contribution (ARC) was determined as part of the July 1, 2012 actuarial valuation using the Entry Age Normal Cost Method. The actuarial assumptions included (a) 6.50% investment rate of return (including inflation at 3.0%); and (b) healthcare cost trend rate of 8.5% (initial) and 5% (ultimate) per year. The method used to determine the actuarial value of assets is not applicable. The plan's unfunded actuarial accrued liability is being amortized as a level percent of payroll on a closed basis. The remaining amortization period is 26 years.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

NOTES TO FINANCIAL STATEMENTS

NOTE 12. PENSION PLANS

Employee Pension Trust

The County administers a single-employer, defined benefit, public employee retirement system. This plan does not issue a separate stand-alone report and is not included in the report of a public employee retirement system or another entity. Assets are held separately and may be used only for the payment of benefits to the members of the plan.

A. Plan Description

The County Employee's Pension Plan (the "Plan") provides retirement benefits for substantially all full-time employees except certain employees in the State Court, Agriculture Agent's Office, and the Tax Commissioner. The Plan provides retirement, disability, and death benefits to Plan members and their beneficiaries. The County has authorized the Employees' Pension Plan Board (the "Board") to establish and amend all Plan provisions.

At June 30, 2014, Plan membership consisted of the following:

	General	Law Enforcement	Total
Active participants	523	278	801
Retired participants and beneficiaries current receiving benefits	281	138	419
Terminated participants and beneficiaries entitled to, but not yet receiving benefits	57	11	68
Total	861	427	1,288

The Plan formerly included only Bibb County employees. Upon consolidation of the former City of Macon and Bibb County, all new Macon-Bibb County employees will be included in the Plan.

Retirement benefits for Plan members are calculated as 2% of final average monthly base earnings multiplied by years of service (for employees hired prior to May 1, 2011). For employees hired after May 1, 2011, but before January 1, 2014, the formula is 1.5% of final average monthly base earnings multiplied by years of service. For members hired on or after January 1, 2014, the formula is 1.5% of final average monthly base earnings multiplied by years of service with a maximum benefit of 50% of final average monthly base earnings. Early retirement reduces the monthly benefit by 2% per year for each year the early retirement precedes the normal retirement date. In the line of duty disability benefits for law enforcement officers is equal to two thirds of the final average monthly base earnings less actual Social Security payments. For all other retirements due to disability, the benefit is based on the final average monthly earnings and years of service at the date of disability reduced by the amount of workers compensation or Social Security disability benefit received. Death benefits equal 50% of basic pension formula.

NOTES TO FINANCIAL STATEMENTS

NOTE 12. PENSION PLANS (CONTINUED)

Employee Pension Trust (Continued)

Benefit terms provide for annual cost-of-living adjustments to each member's retirement allowance as of each January 1 at least one year after retirement, if approved by the Macon-Bibb County Board of Commissioners.

A resolution by the Board of Commissioners grants the authority to establish and amend the contribution requirements of the County to the Pension Plan Board, subject to Board of Commissioners approval. The Board establishes rates based on an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by Plan members during the year, with an additional amount to finance any unfunded accrued liability. For the six months ended June 30, 2014, the County's contribution rate was 16.85% of annual payroll.

B. Plan Disclosures

Effective January 1, 2014, the Plan implemented the provisions of GASB Statement No. 67, *Financial Reporting for Pension Plans – an amendment of GASB Statement No. 25*, which significantly changed the disclosures related to the Plan.

The information discussed below is presented in accordance with this new standard. The Plan does not issue separate financial statements.

Net Pension Liability of the County

The components of the net pension liability of the County at June 30, 2014, were as follows:

Total pension liability	\$ 146,431
Plan fiduciary net position	(112,696)
Net pension liability	<u>\$ 33,735</u>

Plan fiduciary net position as a percentage of the total pension liability	77.0%
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The required schedule of changes in the net pension liability and related ratios immediately following the notes to the financial statements presents multiyear trend information about whether the value of Plan assets is increasing or decreasing over time relative to the total pension liability.

The total pension liability was determined by an actuarial valuation as of July 1, 2014. The actuarial assumptions, applied to all periods included in the measurement, are (a) 4.0% for inflation (b) 4.25% salary increases (including inflation), and (c) an investment rate of return of 7.50% of net pension plan investment expense, including inflation.

NOTES TO FINANCIAL STATEMENTS

NOTE 12. PENSION PLANS (CONTINUED)

Employee Pension Trust (Continued)

Mortality rates were based on the 1994 Group Annuity Mortality Table set forward two years for the period after service retirement and for dependent beneficiaries as well as for deaths in active service. The RP-2000 Disability Mortality Table set forward three years is used for the period after disability retirement.

The long-term expected rate of return on Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2014 are 7.5% per year.

The discount rate used to measure the total pension liability was 7.50%. The Plan's fiduciary net position is projected to be sufficient to cover all future benefit payments when due.

The following presents the net pension liability of the County, calculated using the discount rate of 7.5 percent, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50 percent) or 1-percentage-point higher (8.50 percent) than the current rate (in thousands):

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net pension liability	\$ 49,216	\$ 33,735	\$ 20,561

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect long-term perspective. Calculations are based on the substantive plan in effect as of July 1, 2014.

NOTES TO FINANCIAL STATEMENTS

NOTE 12. PENSION PLANS (CONTINUED)

Employee Pension Trust (Continued)

C. Employer Disclosures

Until the County implements the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, effective July 1, 2014, the provisions of GASB Statement No. 27 continue to be followed in the financial statements from the employer perspective. The information disclosed below is presented in accordance with GASB Statement No. 27 and these measures and disclosed amounts differ from those used by the Plan under GASB Statement No. 67 as previously discussed.

The annual required contribution, annual pension cost, and net pension asset for the period ending June 30, 2014 was determined as part of the July 1, 2014 actuarial valuation. The chart below shows the components of the annual pension cost for the current period along with the percentage actually contributed by the County.

Required contribution	\$ 5,167,519
Interest on net pension obligation	(237,287)
Adjustment to annual required contribution	<u>234,288</u>
Annual pension cost	5,164,520
Employer contributions for period ended June 30, 2014	<u>5,167,519</u>
Increase in net pension asset	(2,999)
Net pension obligation (asset) beginning of period	<u>(3,163,831)</u>
Net pension obligation (asset) end of period	<u><u>\$ (3,166,830)</u></u>

The County's Annual Pension Cost (APC), percentage of APC contributed, and NPA for the plan for the current year and each of the two preceding years were as follows:

<u>Period Ending</u>	<u>Annual Pension Cost</u>	<u>Actual County Contribution</u>	<u>Percentage Contributed</u>	<u>Net Pension Obligation (Asset)</u>
June 30, 2012	\$ 4,591,118	\$ 4,579,437	100%	\$ (3,160,834)
June 30, 2013	5,136,927	5,139,924	100%	(3,160,834)
June 30, 2014	5,164,520	5,167,519	100%	(3,166,830)

As of the most recent valuation date, June 30, 2014, the funded status of the Plan was as follows: (Dollars are in thousands.)

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability</u>	<u>Unfunded Actuarial Accrued Liability</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
6/30/2014	\$ 105,245	\$ 146,431	\$ 41,186	71.9%	\$ 31,127	132.3%

NOTES TO FINANCIAL STATEMENTS

NOTE 12. PENSION PLANS (CONTINUED)

Employee Pension Trust (Continued)

The required schedule of funding progress immediately following the notes to the financial statements presents multiyear trend information about whether the actuarial value of Plan assets is increasing or decreasing over time relative to the actuarial accrued liability.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect long-term perspective. Calculations are based on the substantive plan in effect as of June 30, 2014.

D. Financial Statement

Statement of Net Position		Statement of Changes in Plan Net Position	
Assets		Additions	
Cash and cash equivalents	\$ 3,817,734	Employer contributions	\$ 2,477,745
Investments	108,301,126	Investment earnings	
Accounts receivable	120,084	Net increase in fair value of investments	4,094,099
Accrued interest	319,833	Interest, dividends, and other	1,209,635
Due from brokers	329,552	Total investment earnings	5,303,734
Total Assets	112,888,329	Less investment expense	(287,520)
		Net investment earnings	5,016,214
Liabilities		Total Additions	7,493,959
Accounts payable	46,618	Deductions	
Due to brokers	145,901	Benefits paid to retirees	4,782,156
Total Liabilities	192,519	Administrative expenses	16,000
		Total Deductions	4,798,156
Net Position		Change in Net Position	2,695,803
Restricted for pension benefits	112,695,810	Net Position, Beginning	110,000,007
Total Net Position	\$ 112,695,810	Net Position, Ending	\$ 112,695,810

General Employees' Pension Plan (Former City of Macon)

The General Employees' Pension Plan was administered by the former City of Macon, Georgia. Upon consolidation of the City of Macon, Georgia and Bibb County, Georgia on January 1, 2014, this plan was frozen.

A. Plan Description

The General Employees' Pension Plan – a single-employer defined benefit pension plan – provides retirement benefits for substantially all full-time employees of the former City of Macon, Georgia other than former City of Macon, Georgia sworn fire and police officers. The Plan provides retirement, disability, and death benefits to plan members and their beneficiaries. The County has authorized the Pension Plan Board (the "Board") to establish and amend all Plan provisions.

NOTES TO FINANCIAL STATEMENTS

NOTE 12. PENSION PLANS (CONTINUED)

General Employees' Pension Plan (Continued)

At June 30, 2014, Plan membership consisted of the following:

	<u>Total</u>
Active participants	443
Retired participants and beneficiaries current receiving benefits	414
Terminated participants and beneficiaries entitled to, but not yet receiving benefits	260
Total	<u>1,117</u>

Due to consolidation of the former City of Macon and Bibb County, Georgia, the General Employees' Pension Plan has been closed to new entrants effective January 1, 2014.

The Plan provides retirement, disability, and death benefits. Retirement benefits for plan members are calculated as the greater of (i) 2% of the average monthly earnings times service minus 1.50% of primary social security benefit times up to 33 1/3 years of service, or (ii) 1.52% of average monthly earnings up to \$1,250 times service plus 1.90% of average monthly earnings above \$1,250 times service (for employees as of June 30, 1984). For employees hired after June 30, 1984, the formula is 1.52% of average monthly earnings up to \$1,250 times service plus 1.90% of average monthly earnings above \$1,250 times service. Disability benefits are determined as the greater of (i) 50% of average monthly earnings minus 50% of social security disability benefits plus 0.50% of average monthly earnings for each completed year of service in excess of five years, or (ii) basic pension formula. The disability pension requires five years of service. Death benefits equal 50% of basic pension formula.

Benefit terms provide for annual cost-of-living adjustments to each member's retirement allowance as of each January 1 at least one year after retirement, unless suspended by the Macon-Bibb County Board of Commissioners.

A resolution by the Board of Commissioners grants the authority to establish and amend the contribution requirements of the County to the Pension Plan Board, subject to Board of Commissioners approval. The Board establishes rates based on an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. For the six months ended June 30, 2014, the County's contribution rate was 27.88% of annual payroll.

B. Plan Disclosures

Effective January 1, 2014, the Plan implemented the provisions of GASB Statement No. 67, *Financial Reporting for Pension Plans – an amendment of GASB Statement No. 25*, which significantly changed the disclosures related to the Plan.

NOTES TO FINANCIAL STATEMENTS

NOTE 12. PENSION PLANS (CONTINUED)

General Employees' Pension Plan (Continued)

The information discussed below is presented in accordance with this new standard. The Plan does not issue separate financial statements.

Net Pension Liability of the County

The components of the net pension liability of the County at June 30, 2014, were as follows:

Total pension liability	\$ 97,024,024
Plan fiduciary net position	(76,404,373)
Net pension liability	<u>\$ 20,619,651</u>

Plan fiduciary net position as a percentage of the total pension liability	78.7%
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The required schedule of changes in the net pension liability and related ratios immediately following the notes to the financial statements presents multiyear trend information about whether the value of Plan assets is increasing or decreasing over time relative to the total pension liability.

The total pension liability was determined by an actuarial valuation as of July 1, 2014. The actuarial assumptions, applied to all periods included in the measurement, are (a) 1.50% cost of living increases, (b) 3.00% salary increases, and (c) 6.54% discount rate with 2.00% attributable to long-term inflation.

Mortality rates were based on the gender-distinct rates set forth in the RP-2000 Mortality Table, projected to 2007 by Scale AA, as published by the Internal Revenue Service (IRS) for purposes of Internal Revenue Code (IRC) section 430.

The long-term expected rate of return on Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2014 are: Equity Securities – 6.00% and Fixed Income Securities – 2.00%.

The discount rate used to measure the total pension liability was 6.54%. The Plan's fiduciary net position is projected to be sufficient to cover all future benefit payments when due. A 6.00% average investment rate of return per year is required to avoid a crossover date. This projection does not reflect future new entrants into the Plan.

NOTES TO FINANCIAL STATEMENTS

NOTE 12. PENSION PLANS (CONTINUED)

General Employees' Pension Plan (Continued)

The following presents the net pension liability of the County, calculated using the discount rate of 6.54 percent, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.54 percent) or 1-percentage-point higher (7.54 percent) than the current rate:

	1% Decrease (5.54%)	Current Discount Rate (6.54%)	1% Increase (7.54%)
Net pension liability	\$ 32,144,094	\$ 20,619,651	\$ 10,974,728

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect long-term perspective. Calculations are based on the substantive plan in effect as of July 1, 2014.

C. Employer Disclosures

Until the County implements the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, effective July 1, 2014, the provisions of GASB Statement No. 27 continue to be followed in the financial statements from the employer perspective. The information disclosed below is presented in accordance with GASB Statement No. 27 and these measures and disclosed amounts differ from those used by the Plan under GASB Statement No. 67 as previously discussed.

The annual required contribution, annual pension cost, and net pension asset for period ending June 30, 2014 was determined as part of the July 1, 2014 actuarial valuation. The chart below shows the components of the annual pension cost for the current period along with the percentage actually contributed by the County.

Required contribution	\$ 3,873,408
Interest on net pension obligation	(24,204)
Adjustment to annual required contribution	18,459
Annual pension cost	3,867,663
Employer contributions for period ended June 30, 2014	3,712,060
Decrease in net pension asset	155,603
Net pension obligation (asset) beginning of period	(302,544)
Net pension obligation (asset) end of period	\$ (146,941)

NOTES TO FINANCIAL STATEMENTS

NOTE 12. PENSION PLANS (CONTINUED)

General Employees' Pension Plan (Continued)

The County's Annual Pension Cost (APC), percentage of APC contributed, and NPA for the plan for the current year and each of the two preceding years were as follows:

<u>Period Ending</u>	<u>Annual Pension Cost</u>	<u>Actual County Contribution</u>	<u>Percentage Contributed</u>	<u>Net Pension Obligation (Asset)</u>
June 30, 2013	\$ 3,046,795	\$ 2,990,995	98%	\$ (302,544)
December 31, 2013	1,933,832	1,890,409	98%	(259,121)
June 30, 2014	1,933,831	1,821,651	94%	(146,941)

As of the most recent valuation date, July 1, 2014, the funded status of the Plan was as follows:
(Dollars are in thousands.)

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability</u>	<u>Unfunded Actuarial Accrued Liability</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>AAL as a Percentage of Covered Payroll</u>
7/1/2014	\$ 73,937	\$ 88,240	\$ 14,303	83.8%	\$ 16,361	87.4%

The required schedule of funding progress immediately following the notes to the financial statements presents multiyear trend information about whether the actuarial value of Plan assets is increasing or decreasing over time relative to the actuarial accrued liability.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect long-term perspective. Calculations are based on the substantive plan in effect as of June 30, 2014.

NOTES TO FINANCIAL STATEMENTS

NOTE 12. PENSION PLANS (CONTINUED)

General Employees' Pension Plan (Continued)

H. Plan Financial Statement

Statement of Net Position	Statement of Changes in Plan Net Position
Assets	Additions
Cash and cash equivalents	Employer contributions
\$ 3,382,061	\$ 1,821,651
Investments	Investment earnings
73,188,393	Net increase in fair value
Accrued interest	of investments
103,830	1,974,494
Prepaid expenses	Interest, dividends, and other
3,543	630,616
Total Assets	Total investment earnings
76,677,827	2,605,110
	Less investment expense
	(114,168)
	Net investment earnings
	2,490,942
	Total Additions
	4,312,593
Liabilities	Deductions
Accounts payable	Benefits paid to retirees
9,536	2,228,332
Due to brokers	Administrative expenses
263,918	22,619
Total Liabilities	Total Deductions
273,454	2,250,951
Net Position	Change in Net Position
Restricted for pension benefits	2,061,642
76,404,373	Net Position, Beginning
\$ 76,404,373	74,342,731
	Net Position, Ending
	\$ 76,404,373

NOTES TO FINANCIAL STATEMENTS

NOTE 12. PENSION PLANS (CONTINUED)

Fire and Police Pension Plan (Former City of Macon)

A. Plan Description

The Fire and Police Pension Plan – a single-employer defined benefit pension plan – provides retirement benefits for substantially all full-time sworn police and fire officers of the former City of Macon, Georgia. The Plan provides retirement, disability, and death benefits to plan members and their beneficiaries. The County has authorized the Pension Plan Board (the “Board”) to establish and amend all plan provisions.

At June 30, 2014, Plan membership consisted of the following:

	<u>Total</u>
Active participants	633
Retired participants and beneficiaries current receiving benefits	466
Terminated participants and beneficiaries entitled to, but not yet receiving benefits	<u>239</u>
Total	<u><u>1,338</u></u>

Due to consolidation the former City of Macon and Bibb County, Georgia, the General Employees’ Pension Plan has been closed to new entrants effective January 1, 2014.

The Plan provides retirement, disability, and death benefits. Retirement benefits for Plan members are calculated as 2.00% of average monthly earnings times up to 35 years of service; minimum normal retirement benefit is \$500 per month. Retirement benefit is reduced by 2.50% for each year by which the participant’s early retirement age precedes 50. Disability benefits are determined as 40%, 45%, 50%, 55%, 60%, or 65% of the basic pension formula for 15, 16, 17, 18, 19 or 20 to 25 years of service, respectively. Death benefits are 50% of the basic pension formula immediately for life to the spouse, plus 15% (for one minor child), 20% (for two minor children), or 25% (for three or more minor children) for married employees who die in the line of duty; 50% of basic pension formula (for one minor child), plus 5% (for two minor children), or 10% (for three or more minor children) for unmarried employees who die in the line of duty; 50% of the non-service-connected disability pension payable immediately for life to the spouse, plus 15% (for one minor child), 20% (for two minor children), or 25% (for three or more minor children) for married employees who die other than in the line of duty and who have earned at least 15 years of service; 50% of the non-service-connected disability pension (for one minor child), plus 5% (for two minor children), or 10% (for three or more minor children) for unmarried employees who die other than in the line of duty and who have earned at least 15 years of service.

Benefit terms provide for annual cost-of-living adjustments to each member’s retirement allowance as of each January 1 at least one year after retirement, unless suspended by the Macon-Bibb County Board of Commissioners.

NOTES TO FINANCIAL STATEMENTS

NOTE 12. PENSION PLANS (CONTINUED)

Fire and Police Pension Plan (Continued)

A resolution by the Board of Commissioners grants the authority to establish and amend the contribution requirements of the County to the Pension Plan Board, subject to Board of Commissioners approval. The Board establishes rates based on an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. For the six months ended June 30, 2014, the County's contribution rate was 6.10% of annual payroll.

B. Plan Disclosures

Effective January 1, 2014, the Plan implemented the provisions of GASB Statement No. 67, *Financial Reporting for Pension Plans – an amendment of GASB Statement No. 25*, which significantly changed the disclosures related to the Plan.

The information discussed below is presented in accordance with this new standard. The Plan does not issue separate financial statements.

Net Pension Liability of the County

The components of the net pension liability of the County at June 30, 2014, were as follows:

Total pension liability	\$	228,582,463
Plan fiduciary net position		(218,919,063)
Net pension liability	\$	<u>9,663,400</u>

Plan fiduciary net position as a percentage of the total pension liability	95.8%
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The required schedule of changes in the net pension liability and related ratios immediately following the notes to the financial statements presents multiyear trend information about whether the value of Plan assets is increasing or decreasing over time relative to the total pension liability.

The total pension liability was determined by an actuarial valuation as of July 1, 2014. The actuarial assumptions, applied to all periods included in the measurement, are (a) 1.50% cost of living increases, (b) 3.00% salary increases, and (c) 6.54% discount rate with 2.00% attributable to long-term inflation.

Mortality rates were based on the gender-distinct rates set forth in the RP-2000 Mortality Table, projected to 2007 by Scale AA, as published by the Internal Revenue Service (IRS) for purposes of Internal Revenue Code (IRC) section 430.

NOTES TO FINANCIAL STATEMENTS

NOTE 12. PENSION PLANS (CONTINUED)

Fire and Police Pension Plan (Continued)

The long-term expected rate of return on Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2014 are: Equity Securities – 6.00% and Fixed Income Securities – 2.00%.

The discount rate used to measure the total pension liability was 6.54%. The Plan's fiduciary net position is projected to be sufficient to cover all future benefit payments when due. A 6.54% average investment rate of return per year is required to avoid a crossover date. This projection does not reflect future new entrants into the Plan.

The following presents the net pension liability of the County, calculated using the discount rate of 6.54 percent, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.54 percent) or 1-percentage-point higher (7.54 percent) than the current rate:

	1% Decrease (5.54%)	Current Discount Rate (6.54%)	1% Increase (7.54%)
Net pension liability	\$ 39,616,613	\$ 9,663,400	\$ (14,938,035)

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect long-term perspective. Calculations are based on the substantive plan in effect as of July 1, 2014.

C. Employer Disclosures

Until the County implements the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, effective July 1, 2014, the provisions of GASB Statement No. 27 continue to be followed in the financial statements from the employer perspective. The information disclosed below is presented in accordance with GASB Statement No. 27 and these measures and disclosed amounts differ from those used by the Plan under GASB Statement No. 67 as previously discussed.

NOTES TO FINANCIAL STATEMENTS

NOTE 12. PENSION PLANS (CONTINUED)

Fire and Police Pension Plan (Continued)

The annual required contribution, annual pension cost, and net pension asset for the period ending June 30, 2014 was determined as part of the July 1, 2014 actuarial valuation. The chart below shows the components of the annual pension cost for the current period along with the percentage actually contributed by the County.

Required contribution	\$ 4,417,904
Interest on net pension obligation	(658,640)
Adjustment to annual required contribution	508,626
Annual pension cost	4,267,890
Employer contributions for period ended June 30, 2014	4,233,620
Decrease in net pension obligation	34,270
Net pension obligation (asset) beginning of period	(8,781,847)
Net pension obligation (asset) end of period	\$ (8,747,577)

The County's Annual Pension Cost (APC), percentage of APC contributed, and NPA for the Plan for the current year and each of the two preceding years were as follows:

Period Ending	Annual Pension Cost	Actual County Contribution	Percentage Contributed	Net Pension Obligation (Asset)
June 30, 2013	\$ 4,413,611	\$ 3,586,837	81%	\$ (8,781,847)
December 31, 2013	2,133,945	2,203,508	103%	(8,851,410)
June 30, 2014	2,133,945	2,030,112	95%	(8,747,577)

As of the most recent valuation date, July 1, 2014, the funded status of the Plan was as follows: (Dollars are in thousands.)

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	AAL as a Percentage of Covered Payroll
7/1/2014	\$ 218,919	\$ 202,524	\$ -	108.1%	\$ 24,440	0.0%

The required schedule of funding progress immediately following the notes to the financial statements presents multiyear trend information about whether the actuarial value of Plan assets is increasing or decreasing over time relative to the actuarial accrued liability.

NOTES TO FINANCIAL STATEMENTS

NOTE 12. PENSION PLANS (CONTINUED)

Fire and Police Pension Plan (Continued)

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect long-term perspective. Calculations are based on the substantive plan in effect as of June 30, 2014.

D. Financial Statement

Statement of Net Position	Statement of Changes in Plan Net Position
Assets	Additions
Cash and cash equivalents	Employer contributions
\$ 3,190,204	\$ 2,030,112
Investments	Investment earnings
216,944,881	Net increase in fair value
Accrued interest	10,451,479
358,313	Interest, dividends, and other
Prepaid expenses	1,922,783
9,507	Total investment earnings
220,502,905	12,374,262
	Less investment expense
	(147,648)
	Net investment earnings
	12,226,614
	14,256,726
	Total Additions
Liabilities	Deductions
Accounts payable	Benefits paid to retirees
84,379	5,106,379
Due to brokers	Administrative expenses
1,499,463	18,875
1,583,842	5,125,254
	Total Deductions
Net Position	Change in Net Position
Restricted for pension benefits	9,131,472
218,919,063	Net Position, Beginning
\$ 218,919,063	209,787,591
	Net Position, Ending
	\$ 218,919,063

NOTE 13. ACCG DEFINED CONTRIBUTION PLAN

The ACCG Defined Contribution Plan for Senior Management of the County is a defined contribution pension plan established by the County to provide retirement benefits for certain eligible County employees. Eligible employees must be designated by County resolution or other written record. The County has designated ACCG to administer the plan. During the current period, there were 2 Plan members from the government. Plan members are required to make contributions to the Plan. County resolution requires the County to contribute 8 percent of compensation of Plan participants. Plan provisions and contribution requirements are established by County resolution and may be amended by the County. Total contributions for the period ended June 30, 2014 were \$5,188 by the employees and \$5,188 by the County.

NOTES TO FINANCIAL STATEMENTS

NOTE 14. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; natural disasters; and losses resulting from providing accident and health benefits to employees, retirees, and their dependents. The County purchases commercial insurance for most types of risk. For these risks, settlements have not exceeded coverage.

The County established an internal service fund for group health insurance which is funded by charges to the County's other funds. Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of payouts), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expense related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, for example from salvage or subrogation, are another component of the claims liability estimate.

The County has entered into a self-funded group insurance plan with major medical coverage. The County currently utilizes Blue Cross Blue Shield as the Third Party Administrator. A stop loss carrier is in place to cover claims in excess of \$250,000. Management continues to monitor the performance of this fund to ensure that premiums charged to the funds and agencies of the County are adequate.

Changes in the respective claims liability amount in the six months ended June 30, 2014 were:

Fiscal period ended June 30, 2014

	<u>Beginning</u>	<u>Claim estimates</u>	<u>Claims paid</u>	<u>Ending</u>
Workers' Compensation	\$ 9,697,342	\$ 1,483,394	\$ 1,670,771	\$ 9,509,965
Group Health	\$ 2,253,530	\$ 5,440,875	\$ 6,355,426	\$ 1,338,979

NOTES TO FINANCIAL STATEMENTS

NOTE 15. COMMITMENTS AND CONTINGENCIES

A. Construction Commitments

The County has active construction projects as of June 30, 2014. The projects include street construction, building renovations, and construction of a new Juvenile Justice Facility and a new fire station. As of June 30, 2014, the County has contractual commitments on uncompleted construction contracts of approximately \$5,509,000.

The remaining commitment amounts were encumbered at the end of the fiscal year. The encumbrances and related appropriation lapse at the end of the year, but are re-appropriated and become part of the subsequent year's budget because performance under the executor contract is expected in the next year.

B. Litigation

Macon-Bibb County, Georgia is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of Macon-Bibb County's legal counsel, the resolution of these matters will not have a materially adverse effect on the financial condition of Macon-Bibb County.

C. Grant Funds

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

D. Contracts with Macon-Bibb County Industrial Authority

Macon-Bibb County entered into a contract with the Macon-Bibb County Industrial Authority to provide \$350,000 annually for 20 years, with payments beginning October 31, 2008. The funds are to be used for the purpose of land acquisition, infrastructure development, transaction costs and other industrial development services.

Macon-Bibb County entered into a contract with the Macon-Bibb County Industrial Authority to provide \$202,245 monthly for 18 months, with payments beginning August 1, 2013. The funds will be paid from the SPLOST 2012 Project Fund and will repay advances to the Macon-Bibb County Industrial Authority from the Macon Water Authority's 704 Project Fund. The advances were used to acquire and improve the Macon-Bibb County Industrial Authority's I-75 Business Park.

NOTES TO FINANCIAL STATEMENTS

NOTE 15. COMMITMENTS AND CONTINGENCIES (CONTINUED)

E. Macon-Bibb County Industrial Authority Employee Incentive Program Grant

The Georgia Department of Community Affairs (DCA) through its Community Development Block Grant (CDBG) Employment Incentive Program (EIP) entered into an Economic Development and Construction Agreement with Macon - Bibb County, Macon-Bibb County Industrial Authority, and Kumho Tire Georgia, Inc. for an EIP grant, awarded September 2, 2009. The grant award was \$500,000, and draws on the grant totaled \$496,240. Macon-Bibb County and the Industrial Authority guaranteed the funds in the EIP grant. Project Kumho failed to meet performance standards provided in the grant. As a result, DCA issued a letter of sanction to Macon-Bibb County in February 2012. The County, Industrial Authority and DCA agreed in March 2012 to enter into a repayment agreement requiring minimum annual payments of \$70,891 over seven years. The first payment was made by the Industrial Authority in August 2012. Sanctions shall remain lifted as long as payments under the agreement are made as provided. The liability for the repayment of this grant is shown in the financial statements of the Macon-Bibb County Industrial Authority.

F. Development Authority of Bibb County Intergovernmental Contract

The Development Authority of Bibb County issued \$5 million Series 2012 Taxable Revenue Bonds in June 2012. Funds will be used by the Authority to provide loans to developers and nonprofit organizations for various downtown housing and commercial development projects. The bonds are obligations of the Authority and are secured by rental or loan payments received by Urban Development Concepts, LLC under a Management Agreement with the Authority. An Intergovernmental Contract between the Development Authority and Macon-Bibb County obligates the County to pay debt service to the extent not paid from the revenues of the projects. The bonds bear interest at the fixed rate of 3.04% per annum until June 2016. Semiannual interest payments are required each December and June, beginning December 2012. Principal payments are due June 2017 through 2030. The liability for the bonds is shown in the financial statements of the Development Authority of Bibb County, which is also a component unit of the County.

NOTES TO FINANCIAL STATEMENTS

NOTE 16. GOVERNMENT MERGER

On April 20, 2012, Act 625 was signed into law by the Governor of Georgia to create and incorporate a new consolidated government under the name of Macon-Bibb County, subject to the approval by the voters of both the City of Macon and Bibb County, Georgia. The referendum was held on July 31, 2012, and the Act was approved by both the voters of the City of Macon and Bibb County. The initial opening balances of Macon-Bibb County's assets, liabilities, deferred inflows of resources, and net position, as of the beginning of the period, were determined on the basis of the carrying values reported in the separate financial statements of the City of Macon, Georgia and Bibb County, Georgia as of December 31, 2013, as follows:

	Statement of Net Position			Adjustments		Total
	City of Macon	Bibb County	Total	Debit	Credit	
Current assets	\$ 45,474,002	\$ 120,466,894	\$ 165,940,896	\$ -	\$ -	\$ 165,940,896
Capital assets	117,341,328	237,092,138	354,433,466	-	-	354,433,466
Other assets	18,532,100	8,203,071	26,735,171	-	7,527,789	19,207,382
Total assets	181,347,430	365,762,103	547,109,533	-	7,527,789	539,581,744
Current liabilities	8,634,450	12,127,126	20,761,576	1,603,380	593,978	19,752,174
Noncurrent liabilities						
Due within one year	14,282,224	10,247,226	24,529,450	404,330	1,603,380	25,728,500
Due in more than one year	88,547,421	71,522,283	160,069,704	-	-	160,069,704
Total liabilities	111,464,095	93,896,635	205,360,730	2,007,710	2,197,358	205,550,378
Deferred inflows of resources	1,123,417	1,275,346	2,398,763	-	-	2,398,763
Net position						
Net investment in capital assets	70,049,074	202,994,827	273,043,901	-	-	273,043,901
Restricted	11,335,524	46,828,038	58,163,562	-	-	58,163,562
Unrestricted	(12,624,680)	20,767,257	8,142,577	7,717,436	-	425,141
Total net position	\$ 68,759,918	\$ 270,590,122	\$ 339,350,040	\$ 7,717,436	\$ -	\$ 331,632,604

In determination of the beginning net position of Macon-Bibb County as of January 1, 2014, the following adjustments were made which resulted in a total decrease of \$7,717,436 to beginning net position of Macon-Bibb County:

- Write-off of equity interest in former joint ventures totaling \$7,527,789 (former joint ventures are now included as discretely presented component units).
- Decrease in the amount of \$189,648 due to policy change related to expense recognition.

NOTES TO FINANCIAL STATEMENTS

NOTE 17. PRIOR PERIOD ADJUSTMENT

Component Unit – Macon-Bibb County Board of Health

Audit procedures related to the audit of the Macon-Bibb County Board of Health detected that Community Health client fees of approximately \$113,000 collected over a five year period had not been reported by cashiers and deposited into the Board's bank account. Local law enforcement is handling the criminal investigation. A fidelity bond claim of \$100,000 was recorded for the year ended June 30, 2014. Management has recorded a prior period adjustment of \$84,120 to account for the misappropriation as of June 30, 2013. The effects of this adjustment are as follows:

	<u>Governmental Activities</u>
Net position, June 30, 2013, as previously reported	\$ 2,024,526
Prior period adjustment - client fees	84,120
Net position, June 30, 2013, restated	<u>\$ 2,108,646</u>

NOTE 18. SUBSEQUENT EVENT

Tax Allocation Bonds

On December 23, 2014, the County issued \$3,300,000 Tax Allocation Bonds. The bonds were issued to provide for costs of constructing certain improvements within the Second Street TAD-2, the Bibb Mill Center TAD-4, and the Renaissance TAD-3 areas and to pay for the costs of issuance associated with the bonds. Interest is due in semi-annual payments beginning June 2015 through December 2017. The interest rate is fixed at 2.25%. Bond principal is due December 15, 2017.

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MACON-BIBB COUNTY, GEORGIA

**REQUIRED SUPPLEMENTARY INFORMATION
EMPLOYEE PENSION PLAN**

JUNE 30, 2014

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS

	2014
Total pension liability	
Service cost	\$ 2,093
Interest on total pension liability	10,382
Benefit payments and refunds	<u>(8,937)</u>
Net change in total pension liability	3,538
Total pension liability - beginning	142,893
Total pension liability - ending (a)	<u>\$ 146,431</u>
Plan fiduciary net position	
Contributions - employer	5,168
Net investment income	14,553
Benefit payments and refunds	(8,937)
Administrative expenses	<u>(17)</u>
Net change in plan fiduciary net position	10,767
Plan fiduciary net position - beginning	101,929
Plan fiduciary net position - ending (b)	<u>\$ 112,696</u>
Net pension liability - ending (a) - (b)	<u>\$ 33,735</u>
Plan fiduciary net position as a percentage of the total pension liability	76.96%
Covered-employee payroll	\$ 31,127
Net pension liability as a percentage of covered-employee payroll	108.38%

Notes to the Schedule

The schedule will present 10 years of information once it is accumulated.
Numbers presented in thousands

MACON-BIBB COUNTY, GEORGIA

**REQUIRED SUPPLEMENTARY INFORMATION
EMPLOYEE PENSION PLAN**

JUNE 30, 2014

SCHEDULE OF CONTRIBUTIONS

	<u>2014</u>
Actuarially determined contribution	\$ 5,168
Contributions in relation to the actuarially determined contribution	5,168
Contribution deficiency (excess)	<u>\$ -</u>
 Covered-employee payroll	 31,127
 Contributions as a percentage of Covered-employee payroll	 16.60%

Notes to the Schedule

Valuation Date	July 1, 2013
Cost Method	Entry Age Normal
Actuarial Asset Valuation Method	Five-year smoothed market
Assumed Rate of Return on Investments	7.50%
Projected Salary Increases	4.25%
Amortization Method	Level percent of pay, open
Remaining Amortization Period	18 years

The schedule will present 10 years of information once it is accumulated.
Numbers presented are in thousands

SCHEDULE OF PENSION INVESTMENT RETURNS

	<u>2014</u>
Annual money-weighted rate of return, net of investment expenses for the pension plan	7.50%

Note to the Schedule

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

MACON-BIBB COUNTY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
EMPLOYEE PENSION PLAN

JUNE 30, 2014

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Valuation of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	AAL as a Percentage of Covered Payroll
2012	\$ 94,348	\$ 131,193	\$ 36,845	71.9%	\$ 28,432	129.6%
2013	101,961	143,964	42,003	70.8%	29,187	143.9%
2014	105,245	146,431	41,186	71.9%	31,127	132.3%

Notes to the Schedule:

Numbers are presented in thousands.

The above schedule was prepared in accordance with GASB Statement No. 27.

The actuarial assumptions used for the schedule are detailed in Note 12 of the financial statements-employer disclosure section

MACON-BIBB COUNTY, GEORGIA

**REQUIRED SUPPLEMENTARY INFORMATION
GENERAL EMPLOYEES' PENSION PLAN**

JUNE 30, 2014

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS

	<u>2014</u>
Total pension liability	
Service cost	\$ 2,011
Interest on total pension liability	6,086
Benefit payments and refunds	<u>(4,164)</u>
Net change in total pension liability	3,933
Total pension liability - beginning	93,091
Total pension liability - ending (a)	<u><u>\$ 97,024</u></u>
Plan fiduciary net position	
Contributions - employer	3,712
Net investment income	9,532
Benefit payments and refunds	(4,366)
Administrative expenses	<u>(137)</u>
Net change in plan fiduciary net position	8,741
Plan fiduciary net position - beginning	67,663
Plan fiduciary net position - ending (b)	<u><u>\$ 76,404</u></u>
Net pension liability - ending (a) - (b)	<u><u>\$ 20,620</u></u>
Plan fiduciary net position as a percentage of the total pension liability	78.75%
Covered-employee payroll	\$ 17,377
Net pension liability as a percentage of covered-employee payroll	118.66%

Notes to the Schedule

The schedule will present 10 years of information once it is accumulated.
Numbers presented in thousands

MACON-BIBB COUNTY, GEORGIA

**REQUIRED SUPPLEMENTARY INFORMATION
GENERAL EMPLOYEES' PENSION PLAN**

JUNE 30, 2014

SCHEDULE OF CONTRIBUTIONS

	<u>2014</u>
Actuarially determined contribution	\$ 3,712
Contributions in relation to the actuarially determined contribution	3,712
Contribution deficiency (excess)	<u>\$ -</u>
 Covered-employee payroll	 17,377
 Contributions as a percentage of Covered-employee payroll	 21.36%

Notes to the Schedule

Valuation Date	July 1, 2013
Cost Method	Aggregate
Actuarial Asset Valuation Method	Five-year smoothed market
Assumed Rate of Return on Investments	6.54%
Projected Salary Increases	3.00%
Cost-of-living Adjustment	1.50%
Amortization Method	Level percentage, open
Remaining Amortization Period	30 years

The schedule will present 10 years of information once it is accumulated.
Numbers presented are in thousands

SCHEDULE OF PENSION INVESTMENT RETURNS

	<u>2014</u>
Annual money-weighted rate of return, net of investment expenses for the pension plan	4.54%

Note to the Schedule

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

MACON-BIBB COUNTY, GEORGIA

**REQUIRED SUPPLEMENTARY INFORMATION
GENERAL EMPLOYEES' PENSION PLAN**

JUNE 30, 2014

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Valuation of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	AAL as a Percentage of Covered Payroll
2012	\$ 66,155	\$ 78,011	\$ 11,856	84.8%	\$ 17,449	67.9%
2013	67,470	80,012	12,542	84.3%	17,377	72.2%
2014	73,937	88,240	14,303	83.8%	16,361	87.4%

Notes to the Schedule:

Numbers are presented in thousands.

The above schedule was prepared in accordance with GASB Statement No. 27.

The actuarial assumptions used for the schedule are detailed in Note 12 of the financial statements-employer disclosure section

MACON-BIBB COUNTY, GEORGIA

**REQUIRED SUPPLEMENTARY INFORMATION
FIRE AND POLICE PENSION PLAN**

JUNE 30, 2014

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS

	<u>2014</u>
Total pension liability	
Service cost	\$ 4,516
Interest on total pension liability	14,342
Benefit payments and refunds	<u>(9,941)</u>
Net change in total pension liability	8,917
Total pension liability - beginning	219,666
Total pension liability - ending (a)	<u>\$ 228,583</u>
Plan fiduciary net position	
Contributions - employer	4,234
Net investment income	33,488
Benefit payments and refunds	(10,062)
Administrative expenses	<u>(153)</u>
Net change in plan fiduciary net position	27,507
Plan fiduciary net position - beginning	191,413
Plan fiduciary net position - ending (b)	<u>\$ 218,920</u>
Net pension liability - ending (a) - (b)	<u>\$ 9,663</u>
Plan fiduciary net position as a percentage of the total pension liability	95.77%
Covered-employee payroll	\$ 26,250
Net pension liability as a percentage of covered-employee payroll	36.81%

Notes to the Schedule

The schedule will present 10 years of information once it is accumulated.
Numbers presented in thousands

MACON-BIBB COUNTY, GEORGIA

**REQUIRED SUPPLEMENTARY INFORMATION
FIRE AND POLICE PENSION PLAN**

JUNE 30, 2014

SCHEDULE OF CONTRIBUTIONS

	<u>2014</u>
Actuarially determined contribution	\$ 4,234
Contributions in relation to the actuarially determined contribution	4,234
Contribution deficiency (excess)	<u>\$ -</u>
 Covered-employee payroll	 26,250
 Contributions as a percentage of Covered-employee payroll	 16.13%

Notes to the Schedule

Valuation Date	July 1, 2013
Cost Method	Aggregate
Actuarial Asset Valuation Method	Five-year smoothed market
Assumed Rate of Return on Investments	6.54%
Projected Salary Increases	3.00%
Cost-of-living Adjustment	1.50%
Amortization Method	Level percentage, open
Remaining Amortization Period	30 years

The schedule will present 10 years of information once it is accumulated.
Numbers presented are in thousands

SCHEDULE OF PENSION INVESTMENT RETURNS

	<u>2014</u>
Annual money-weighted rate of return, net of investment expenses for the pension plan	4.54%

Note to the Schedule

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

MACON-BIBB COUNTY, GEORGIA

**REQUIRED SUPPLEMENTARY INFORMATION
FIRE AND POLICE PENSION PLAN**

JUNE 30, 2014

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Valuation of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	AAL as a Percentage of Covered Payroll
2012	\$ 177,557	\$ 185,016	\$ 7,459	96.0%	\$ 26,252	28.4%
2013	191,413	196,654	5,241	97.3%	26,250	20.0%
2014	218,919	202,524	-	108.1%	24,440	0.0%

Notes to the Schedule:

Numbers are presented in thousands.

The above schedule was prepared in accordance with GASB Statement No. 27.

The actuarial assumptions used for the schedule are detailed in Note 12 of the financial statements-employer disclosure section

MACON-BIBB COUNTY, GEORGIA

**REQUIRED SUPPLEMENTARY INFORMATION
OTHER POST EMPLOYMENT BENEFIT PLAN**

JUNE 30, 2014

Former Bibb County OPEB Plan

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Valuation of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	AAL as a Percentage of Covered Payroll
6/30/2006	\$ -	\$ 75,971	\$ 75,971	0.0%	\$ 26,232	289.6%
6/30/2007	-	80,566	80,566	0.0%	26,428	304.9%
6/30/2009	9,645	75,040	65,395	12.9%	27,702	236.1%
6/30/2011	18,351	65,206	46,855	28.1%	26,215	178.7%
12/31/2013	22,924	44,639	21,715	51.4%	22,462	96.7%

Numbers presented in thousands.

Period Ending	Annual OPEB Cost	Contribution to OPEB Trust	Net Retiree Benefits Paid	Total Contributions	Percentage Contributed	Net OPEB Obligation (Asset)
6/30/2008	\$ 6,446	\$ 4,000	\$ 2,569	\$ 6,569	102%	\$ (123)
6/30/2009	7,180	5,500	2,726	8,226	115%	(1,169)
6/30/2010	7,182	4,000	1,970	5,970	83%	25
6/30/2011	5,635	3,100	2,630	5,730	102%	(70)
6/30/2012	5,634	2,350	3,317	5,667	101%	(102)
6/30/2013	5,795	-	2,542	2,542	44%	3,151

The assumptions used in the preparation of the above schedule are disclosed in Note 11 in the Notes to the Financial Statements.

MACON-BIBB COUNTY, GEORGIA

**REQUIRED SUPPLEMENTARY INFORMATION
OTHER POST EMPLOYMENT BENEFIT PLAN**

JUNE 30, 2014

Former City of Macon OPEB Plan

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Annual Covered Payroll	Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll
7/1/08	\$ -	\$ 173,529	\$ 173,529	- %	\$ 40,906	424.22 %
7/1/10	-	41,156	41,156,182	-	37,224	110.56
7/1/12	-	37,646	37,646	-	32,735	115.01

Numbers presented in thousands.

Schedule of Employer Costs and Contributions

Fiscal Year Ending	Annual Required Contribution/ Annual OPEB Cost	Actual City Contribution	Percentage of AOC Contributed	Net OPEB Obligation
6/30/12	\$ 3,847	\$ 1,839	47.81 %	\$ 28,165
6/30/13	3,470	1,631	47.00	30,004
12/31/13	1,790	923	51.58	30,871
6/30/14	1,790	-	0.00	32,661

The assumptions used in the preparation of the above schedule are disclosed in Note 11 in the Notes to the Financial Statements.

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**NONMAJOR
GOVERNMENTAL FUNDS**

Special Revenue Funds

The **Emergency 911 Fund** is used to account for the operations and activities of the emergency telephone system.

The **Hotel Motel Tax Fund** accounts for hotel/motel tax funds received. The resources are restricted by state law and County code for tourism and tourism product development.

The **Special Street Light District Fund** accounts for the collection of charges from street light districts. The resources are restricted by County Code to provide for expenditures in the special districts of Macon-Bibb County.

The **Law Enforcement Commissary Fund** accounts for certain funds collected at the Macon-Bibb County Law Enforcement Center commissary. The resources are committed by County resolution for Macon-Bibb County law enforcement expenditures.

The **Law Enforcement Confiscation Fund** accounts for condemned funds received that are restricted by state law for law enforcement expenditures.

The **Drug Abuse Treatment and Education Fund** accounts for certain fines received from the various courts of Macon-Bibb County. The resources are restricted by state law for drug abuse treatment and educational purposes.

The **Alternative Dispute Resolution Fund** accounts for certain fines received from various courts of Macon-Bibb County and other participating counties in the Middle Georgia area. The resources are restricted by state law for programs that resolve disputes by methods other than litigation.

The **Crime Victims Assistance Fund** accounts for certain fines received from various courts in Macon-Bibb County. The resources are restricted by state law for assistance to victims of crime.

The **Juvenile Court Supervision Fund** accounts for certain fees received from the Juvenile Court of Macon-Bibb County. The resources are restricted by state law for alternative juvenile programs.

The **Law Library Fund** accounts for certain fees received from the various courts of Macon-Bibb County. The resources are restricted by state law for the support of a centralized law library.

The **Sponsored Program Fund** accounts for special programs funded through grant revenue, intergovernmental contracts and transfers from other funds. The resources are restricted by the grantors.

The **Macon-Bibb County Jail Fund** accounts for certain fees received from the various courts of Macon-Bibb County. The resources are restricted by state law for expenditures of the Macon-Bibb County Law Enforcement Center.

The **DFACS MIL Fund** accounts for certain payments received from the Macon-Bibb County Department of Family and Children Services. The resources are restricted by contract with the Georgia Department of Human Resources for maintenance, operations and capital outlay at the DFACS public facility building.

The **ECD CDBG Fund** is used to account for the Community Development Block Grant program.

Special Revenue Funds (Continued)

The **ECD HOME Grant Fund** is used to account for the Home Investment Partnership grant program.

The **TAD Second Street Corridor Fund** is used to account for the Second Street tax allocation district.

Capital Projects Funds

The **Capital Improvements Fund** accounts for the purchase or construction of major capital facilities within the County.

The **Special Local Option Sales Tax Transportation Fund** accounts for the Macon-Bibb County Road Project Program expenditures based on the 1 cent special local option sales tax approved by the voters of Macon-Bibb County.

The **Ocmulgee Greenway Trail Fund** accounts for expenditures for the development of Gateway Park.

The **2013 MBCUDA Project Fund** accounts for expenditures to be funded with proceeds from the Macon-Bibb County Urban Development Authority, Series 2013 Revenue Bonds.

Debt Service Funds

The **General Debt Service Fund** accounts for accumulation of resources for the payment of general long-term debt principal and interest of the County.

MACON-BIBB COUNTY, GEORGIA

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2014**

	Special Revenue Funds						
	Emergency 911 Fund	Hotel/ Motel Tax	Special Street Light District	Law Enforcement Commissary	Law Enforcement Confiscation	Drug Abuse Treatment and Education	Alternative Dispute Resolution
ASSETS							
Cash and cash equivalents	\$ 91,145	\$ 215,613	\$ 45,564	\$ 108,849	\$ 559,835	\$ 14,320	\$ 8,561
Investments	-	-	243,951	473,511	190,744	-	271,033
Receivables, net of allowance							
Taxes	-	264,937	-	-	-	-	-
Accounts	404,479	-	99,417	-	-	-	11,865
Due from other governments	-	-	-	-	-	50,791	-
Due from other funds	-	156,139	-	-	992	-	-
Prepaid items	-	-	-	-	-	-	-
Long-term receivable, net of allowance	-	-	-	-	-	-	-
Total assets	\$ 495,624	\$ 636,689	\$ 388,932	\$ 582,360	\$ 751,571	\$ 65,111	\$ 291,459
LIABILITIES							
Accounts payable	\$ 81,577	\$ 474,290	\$ 27,832	\$ 51,133	\$ 5,744	\$ 23,995	\$ 1,315
Retainage payable	-	-	-	-	-	-	-
Accrued payroll deductions	63,778	-	-	-	-	-	3,479
Due to other governments	9,233	-	-	-	7,367	-	-
Due to other funds	333,123	156,137	-	-	-	7,291	25,568
Unearned revenues	-	-	-	-	279,818	13,840	-
Total liabilities	487,711	630,427	27,832	51,133	292,929	45,126	30,362
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - taxes	-	6,262	-	-	-	-	-
Unavailable revenue - housing and development loans	-	-	-	-	-	-	-
Unavailable revenue - grants	-	-	-	-	-	24,274	-
Unavailable revenue - special assessments	-	-	83,795	-	-	-	-
Unavailable revenue - other	7,593	-	-	-	-	-	-
Total deferred inflows of resources	7,593	6,262	83,795	-	-	24,274	-
FUND BALANCES							
Nonspendable:							
Prepaid items	-	-	-	-	-	-	-
Restricted for:							
Debt service	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Public safety	320	-	-	-	458,642	-	-
Street light district	-	-	277,305	-	-	-	-
Victim assistance	-	-	-	-	-	-	-
Court programs	-	-	-	-	-	-	261,097
Community development	-	-	-	-	-	-	-
Committed:							
Law enforcement	-	-	-	531,227	-	-	-
Assigned:							
Capital outlay	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	(4,289)	-
Total fund balances	320	-	277,305	531,227	458,642	(4,289)	261,097
Total liabilities, deferred inflows of resources and fund balances	\$ 495,624	\$ 636,689	\$ 388,932	\$ 582,360	\$ 751,571	\$ 65,111	\$ 291,459

	Crime Victims Assistance	Juvenile Court Supervision	Law Library	Sponsored Program	Macon-Bibb County Jail Fund	DFACS MIL	ECD CDBG Fund	ECD Home Grant Fund	TAD Second Street Corridor	Total Special Revenue
\$	51,382	\$ 2,850	\$ 35,254	\$ -	\$ 67,500	\$ 660,282	\$ 1,689,546	\$ 830,127	\$ 82,886	\$ 4,463,714
	42,478	97,266	-	-	29,001	1,506,849	-	-	-	2,854,833
	-	-	-	-	-	-	-	-	2,265	267,202
	-	-	-	-	-	-	12,527	14,130	-	542,418
	-	-	-	108,195	-	-	116,987	98,961	-	374,934
	-	-	-	-	-	38,237	-	-	743	196,111
	-	-	-	-	-	-	6,315	-	-	6,315
	-	-	-	-	-	-	619,416	1,682,025	-	2,301,441
\$	93,860	\$ 100,116	\$ 35,254	\$ 108,195	\$ 96,501	\$ 2,205,368	\$ 2,444,791	\$ 2,625,243	\$ 85,894	\$ 11,006,968
\$	-	\$ 135	\$ 1,917	\$ 40,231	\$ -	\$ 9,415	\$ 165,225	\$ 102	\$ -	\$ 882,911
	-	-	-	-	-	-	-	-	-	-
	-	-	-	2,918	-	-	16,207	-	-	86,382
	-	-	-	-	-	-	722	8,075	-	25,397
	36,988	-	17,267	29,360	33,412	-	104,068	10,886	-	754,100
	-	-	-	35,685	-	-	-	-	-	329,343
	36,988	135	19,184	108,194	33,412	9,415	286,222	19,063	-	2,078,133
	-	-	-	-	-	-	-	-	-	6,262
	-	-	-	-	-	-	619,416	1,682,025	-	2,301,441
	-	-	-	60,359	-	-	6,985	79,042	-	170,660
	-	-	-	-	-	-	-	-	-	83,795
	-	-	-	-	-	-	-	-	-	7,593
	-	-	-	60,359	-	-	626,401	1,761,067	-	2,569,751
	-	-	-	-	-	-	6,315	-	-	6,315
	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	2,195,953	-	-	85,894	2,281,847
	-	-	-	-	63,089	-	-	-	-	522,051
	-	-	-	-	-	-	-	-	-	277,305
	56,872	-	-	-	-	-	-	-	-	56,872
	-	99,981	16,070	-	-	-	-	-	-	377,148
	-	-	-	-	-	-	1,525,853	845,113	-	2,370,966
	-	-	-	-	-	-	-	-	-	531,227
	-	-	-	-	-	-	-	-	-	-
	-	-	-	(60,358)	-	-	-	-	-	(64,647)
	56,872	99,981	16,070	(60,358)	63,089	2,195,953	1,532,168	845,113	85,894	6,359,084
\$	93,860	\$ 100,116	\$ 35,254	\$ 108,195	\$ 96,501	\$ 2,205,368	\$ 2,444,791	\$ 2,625,243	\$ 85,894	\$ 11,006,968

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MACON-BIBB COUNTY, GEORGIA

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2014**

	Capital Projects Funds				Total Capital Projects	Debt Service	Total Nonmajor Funds
	Capital Improvements	Special Purpose Local Option Sales Tax Transportation	Ocmulgee Greenway Trail	2013 MBCUDA Project		General Debt Service	
ASSETS							
Cash and cash equivalents	\$ 26,598	\$ 11	\$ -	\$ -	\$ 26,609	\$ 203,875	\$ 4,694,198
Investments	3,223,201	1,333,100	5,910	10,937,211	15,499,422	3,763,831	22,118,086
Receivables, net of allowance							
Taxes	-	-	-	-	-	-	267,202
Accounts	-	-	-	-	-	-	542,418
Due from other governments	-	-	85,460	-	85,460	-	460,394
Due from other funds	592,565	-	-	-	592,565	-	788,676
Prepaid items	-	-	-	-	-	-	6,315
Long-term receivable, net of allowance	-	-	-	-	-	-	2,301,441
Total assets	\$ 3,842,364	\$ 1,333,111	\$ 91,370	\$ 10,937,211	\$ 16,204,056	\$ 3,967,706	\$ 31,178,730
LIABILITIES							
Accounts payable	\$ 218,243	\$ 86,326	\$ 35,611	\$ 448,948	\$ 789,128	\$ -	\$ 1,672,039
Retainage payable	-	30,272	-	-	30,272	-	30,272
Accrued payroll deductions	-	-	-	-	-	-	86,382
Due to other governments	-	-	-	-	-	-	25,397
Due to other funds	-	413,861	-	448,719	862,580	360,164	1,976,844
Unearned revenues	-	-	-	-	-	-	329,343
Total liabilities	218,243	530,459	35,611	897,667	1,681,980	360,164	4,120,277
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - taxes	-	-	-	-	-	-	6,262
Unavailable revenue - housing and development loans	-	-	-	-	-	-	2,301,441
Unavailable revenue - grants	-	-	-	-	-	-	170,660
Unavailable revenue - special assessments	-	-	-	-	-	-	83,795
Unavailable revenue - other	-	-	-	-	-	-	7,593
Total deferred inflows of resources	-	-	-	-	-	-	2,569,751
FUND BALANCES							
Nonspendable:							
Prepaid items	-	-	-	-	-	-	6,315
Restricted for:							
Debt service	1,781,532	-	-	-	1,781,532	3,607,542	5,389,074
Capital outlay	-	802,652	-	10,039,544	10,842,196	-	13,124,043
Public safety	-	-	-	-	-	-	522,051
Street light district	-	-	-	-	-	-	277,305
Victim assistance	-	-	-	-	-	-	56,872
Court programs	-	-	-	-	-	-	377,148
Community development	-	-	-	-	-	-	2,370,966
Committed:							
Law enforcement	-	-	-	-	-	-	531,227
Assigned:							
Capital outlay	1,842,589	-	55,759	-	1,898,348	-	1,898,348
Unassigned	-	-	-	-	-	-	(64,647)
Total fund balances	3,624,121	802,652	55,759	10,039,544	14,522,076	3,607,542	24,488,702
Total liabilities, deferred inflows of resources and fund balances	\$ 3,842,364	\$ 1,333,111	\$ 91,370	\$ 10,937,211	\$ 16,204,056	\$ 3,967,706	\$ 31,178,730

MACON-BIBB COUNTY, GEORGIA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE SIX MONTHS ENDED JUNE 30, 2014**

	Special Revenue Funds						
	Emergency 911 Fund	Hotel/ Motel Tax	Special Street Light District	Law Enforcement Commissary	Law Enforcement Confiscation	Drug Abuse Treatment and Education	Alternative Dispute Resolution
REVENUES							
Taxes:							
Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hotel/Motel	-	1,677,910	-	-	-	-	-
Intergovernmental	-	-	-	-	-	26,517	-
Charges for services	1,332,128	-	197,189	269,505	-	-	-
Fines and forfeitures	-	-	-	-	208,733	47,953	90,272
Interest earned on investments	47	48	148	380	151	-	154
Rent	-	-	-	-	-	-	1,538
Other revenue	-	-	-	-	-	-	-
Total revenues	<u>1,332,175</u>	<u>1,677,958</u>	<u>197,337</u>	<u>269,885</u>	<u>208,884</u>	<u>74,470</u>	<u>91,964</u>
EXPENDITURES							
Current							
General government	-	-	-	-	-	-	-
Judicial	-	-	-	-	-	126,855	98,039
Public safety	1,723,333	-	-	57,084	6,433	-	-
Public works	-	-	163,840	-	-	-	-
Housing and development	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	1,200,314	-	-	-	-	-
Capital outlay	-	-	-	29,975	15,770	-	-
Debt service	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Total expenditures	<u>1,723,333</u>	<u>1,200,314</u>	<u>163,840</u>	<u>87,059</u>	<u>22,203</u>	<u>126,855</u>	<u>98,039</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(391,158)</u>	<u>477,644</u>	<u>33,497</u>	<u>182,826</u>	<u>186,681</u>	<u>(52,385)</u>	<u>(6,075)</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	391,478	-	-	-	-	28,111	-
Transfers out	-	(477,644)	-	(150,000)	(13,319)	-	-
Total other financing sources (uses)	<u>391,478</u>	<u>(477,644)</u>	<u>-</u>	<u>(150,000)</u>	<u>(13,319)</u>	<u>28,111</u>	<u>-</u>
Net change in fund balances	320	-	33,497	32,826	173,362	(24,274)	(6,075)
FUND BALANCES, beginning of year, as restated	<u>-</u>	<u>-</u>	<u>243,808</u>	<u>498,401</u>	<u>285,280</u>	<u>19,985</u>	<u>267,172</u>
FUND BALANCES, end of year	<u>\$ 320</u>	<u>\$ -</u>	<u>\$ 277,305</u>	<u>\$ 531,227</u>	<u>\$ 458,642</u>	<u>\$ (4,289)</u>	<u>\$ 261,097</u>

Crime Victims Assistance	Juvenile Court Supervision	Law Library	Sponsored Program	Macon-Bibb County Jail Fund	DFACS MIL	ECD CDBG Fund	ECD Home Grant Fund	TAD Second Street Corridor	Total Special Revenue
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,306	\$ 4,306
-	-	-	-	-	-	-	-	-	1,677,910
-	-	-	167,840	-	-	535,654	110,864	-	840,875
-	-	-	-	-	-	-	-	-	1,798,822
51,374	2,715	16,960	-	62,560	-	-	-	-	480,567
22	54	10	-	45	1,200	18,796	21,601	4	42,660
-	-	-	-	-	233,039	-	-	-	234,577
-	-	-	16,389	-	-	172,369	84,140	-	272,898
<u>51,396</u>	<u>2,769</u>	<u>16,970</u>	<u>184,229</u>	<u>62,605</u>	<u>234,239</u>	<u>726,819</u>	<u>216,605</u>	<u>4,310</u>	<u>5,352,615</u>
-	-	-	222	-	-	-	-	-	222
-	-	15,545	223,460	-	-	-	-	-	463,899
-	-	-	81,909	-	-	-	-	-	1,868,759
-	-	-	-	-	-	-	-	-	163,840
-	-	-	-	-	-	1,213,838	128,528	-	1,342,366
-	-	-	-	-	153,222	-	-	-	153,222
-	-	-	9,128	-	-	-	-	-	1,209,442
-	-	-	-	-	-	-	-	-	45,745
-	-	-	-	-	-	-	-	-	-
-	-	15,545	314,719	-	153,222	1,213,838	128,528	-	5,247,495
<u>51,396</u>	<u>2,769</u>	<u>1,425</u>	<u>(130,490)</u>	<u>62,605</u>	<u>81,017</u>	<u>(487,019)</u>	<u>88,077</u>	<u>4,310</u>	<u>105,120</u>
-	-	-	70,132	-	-	-	-	-	489,721
(36,988)	-	-	-	(57,500)	-	-	-	-	(735,451)
<u>(36,988)</u>	<u>-</u>	<u>-</u>	<u>70,132</u>	<u>(57,500)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(245,730)</u>
14,408	2,769	1,425	(60,358)	5,105	81,017	(487,019)	88,077	4,310	(140,610)
<u>42,464</u>	<u>97,212</u>	<u>14,645</u>	<u>-</u>	<u>57,984</u>	<u>2,114,936</u>	<u>2,019,187</u>	<u>757,036</u>	<u>81,584</u>	<u>6,499,694</u>
<u>\$ 56,872</u>	<u>\$ 99,981</u>	<u>\$ 16,070</u>	<u>\$ (60,358)</u>	<u>\$ 63,089</u>	<u>\$ 2,195,953</u>	<u>\$ 1,532,168</u>	<u>\$ 845,113</u>	<u>\$ 85,894</u>	<u>\$ 6,359,084</u>

MACON-BIBB COUNTY, GEORGIA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE SIX MONTHS ENDED JUNE 30, 2014**

ASSETS	Capital Projects Funds					Debt Service Fund	Total Nonmajor Funds
	Capital Improvements	Special Purpose		2013 MBCUDA Project	Total Capital Projects	General Debt Service	
		Local Option Sales Tax Transporation	Ocmulgee Greenway Trail				
REVENUES							
Taxes:							
Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 344	\$ 4,650
Hotel/Motel	-	-	-	-	-	-	1,677,910
Intergovernmental	-	-	-	-	-	-	840,875
Charges for services	-	-	-	-	-	-	1,798,822
Fines and forfeitures	-	-	-	-	-	-	480,567
Interest earned on investments	164,601	805	-	6,832	172,238	204,666	419,564
Rent	-	-	-	-	-	-	234,577
Other revenue	1,773	-	-	-	1,773	-	274,671
Total revenues	<u>166,374</u>	<u>805</u>	<u>-</u>	<u>6,832</u>	<u>174,011</u>	<u>205,010</u>	<u>5,731,636</u>
EXPENDITURES							
Current							
General government	-	-	-	-	-	-	222
Judicial	-	-	-	-	-	-	463,899
Public safety	-	-	-	-	-	-	1,868,759
Public works	-	-	-	-	-	-	163,840
Housing and development	-	-	-	-	-	-	1,342,366
Health and welfare	-	-	-	-	-	-	153,222
Culture and recreation	-	-	-	-	-	-	1,209,442
Capital outlay	628,538	400,629	-	1,163,642	2,192,809	-	2,238,554
Debt service							
Interest and fees	162,225	-	-	-	162,225	184,164	346,389
Total expenditures	<u>790,763</u>	<u>400,629</u>	<u>-</u>	<u>1,163,642</u>	<u>2,355,034</u>	<u>184,164</u>	<u>7,786,693</u>
Excess (deficiency) of revenues over (under) expenditures	(624,389)	(399,824)	-	(1,156,810)	(2,181,023)	20,846	(2,055,057)
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	-	-	-	-	489,721
Transfers out	-	-	-	-	-	(473,781)	(1,209,232)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(473,781)</u>	<u>(719,511)</u>
Net change in fund balances	(624,389)	(399,824)	-	(1,156,810)	(2,181,023)	(452,935)	(2,774,568)
FUND BALANCES, beginning of year, as restated	<u>4,248,510</u>	<u>1,202,476</u>	<u>55,759</u>	<u>11,196,354</u>	<u>16,703,099</u>	<u>4,060,477</u>	<u>27,263,270</u>
FUND BALANCES, end of year	<u>\$ 3,624,121</u>	<u>\$ 802,652</u>	<u>\$ 55,759</u>	<u>\$ 10,039,544</u>	<u>\$ 14,522,076</u>	<u>\$ 3,607,542</u>	<u>\$ 24,488,702</u>

MACON-BIBB COUNTY, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
EMERGENCY 911 FUND
FOR THE SIX MONTHS ENDED JUNE 30, 2014**

	<u>Final Budget Amounts</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES			
Charges for services	\$ 1,525,000	\$ 1,332,128	\$ (192,872)
Interest earned on investments	50	47	(3)
Total revenues	<u>1,525,050</u>	<u>1,332,175</u>	<u>(192,875)</u>
EXPENDITURES			
Current:			
Public safety	1,514,585	1,723,333	(208,748)
Total expenditures	<u>1,514,585</u>	<u>1,723,333</u>	<u>(208,748)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>10,465</u>	<u>(391,158)</u>	<u>(401,623)</u>
OTHER FINANCING SOURCES			
Transfers from other funds	391,479	391,478	(1)
Total other financing sources	<u>391,479</u>	<u>391,478</u>	<u>(1)</u>
Net change in fund balances	401,944	320	(401,624)
FUND BALANCES, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 401,944</u>	<u>\$ 320</u>	<u>\$ (401,624)</u>

MACON-BIBB COUNTY, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
HOTEL/MOTEL TAX
FOR THE SIX MONTHS ENDED JUNE 30, 2014**

	<u>Final Budget Amounts</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES			
Hotel/motel taxes	\$ 1,678,000	\$ 1,677,910	\$ (90)
Interest earned on investments	-	48	48
Total revenues	<u>1,678,000</u>	<u>1,677,958</u>	<u>(42)</u>
EXPENDITURES			
Current:			
Culture and recreation	1,200,350	1,200,314	36
Total expenditures	<u>1,200,350</u>	<u>1,200,314</u>	<u>36</u>
Excess of revenues over expenditures	<u>477,650</u>	<u>477,644</u>	<u>(6)</u>
OTHER FINANCING USES			
Transfers to other funds	(477,968)	(477,644)	324
Total other financing uses	<u>(477,968)</u>	<u>(477,644)</u>	<u>324</u>
Net change in fund balances	(318)	-	318
FUND BALANCES, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ (318)</u>	<u>\$ -</u>	<u>\$ 318</u>

MACON-BIBB COUNTY, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
SPECIAL STREET LIGHT DISTRICT
FOR THE SIX MONTHS ENDED JUNE 30, 2014**

	Final Budget Amounts	Actual	Variance with Final Budget
REVENUES			
Charges for services	\$ 185,020	\$ 197,189	\$ 12,169
Interest earned on investments	-	148	148
Total revenues	<u>185,020</u>	<u>197,337</u>	<u>12,317</u>
EXPENDITURES			
Current:			
Public works	167,959	163,840	4,119
Total expenditures	<u>167,959</u>	<u>163,840</u>	<u>4,119</u>
Excess of revenues over expenditures	<u>17,061</u>	<u>33,497</u>	<u>16,436</u>
OTHER FINANCING USES			
Transfers to other funds	(24,478)	-	24,478
Total other financing uses	<u>(24,478)</u>	<u>-</u>	<u>24,478</u>
Net change in fund balances	(7,417)	33,497	40,914
FUND BALANCES, beginning of year	<u>243,808</u>	<u>243,808</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 236,391</u>	<u>\$ 277,305</u>	<u>\$ 40,914</u>

MACON-BIBB COUNTY, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
LAW ENFORCEMENT COMMISSARY
FOR THE SIX MONTHS ENDED JUNE 30, 2014**

	Final Budget Amounts	Actual	Variance with Final Budget
REVENUES			
Charges for services	\$ 257,500	\$ 269,505	\$ 12,005
Interest earned on investments	650	380	(270)
Total revenues	<u>258,150</u>	<u>269,885</u>	<u>11,735</u>
EXPENDITURES			
Current:			
Public safety	123,597	57,084	66,513
Capital outlay	229,523	29,975	199,548
Total expenditures	<u>353,120</u>	<u>87,059</u>	<u>266,061</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(94,970)</u>	<u>182,826</u>	<u>277,796</u>
OTHER FINANCING USES			
Transfers to other funds	<u>(150,000)</u>	<u>(150,000)</u>	-
Total other financing uses	<u>(150,000)</u>	<u>(150,000)</u>	-
Net change in fund balances	(244,970)	32,826	277,796
FUND BALANCES, beginning of year	<u>498,401</u>	<u>498,401</u>	-
FUND BALANCES, end of year	<u>\$ 253,431</u>	<u>\$ 531,227</u>	<u>\$ 277,796</u>

MACON-BIBB COUNTY, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
LAW ENFORCEMENT CONFISCATION
FOR THE SIX MONTHS ENDED JUNE 30, 2014**

	Final Budget Amounts	Actual	Variance with Final Budget
REVENUES			
Fines and forfeitures	\$ 40,922	\$ 208,733	\$ 167,811
Interest earned on investments	175	151	(24)
Total revenues	<u>41,097</u>	<u>208,884</u>	<u>167,787</u>
EXPENDITURES			
Current:			
Public safety	41,922	6,433	35,489
Capital outlay	38,729	15,770	22,959
Total expenditures	<u>80,651</u>	<u>22,203</u>	<u>58,448</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(39,554)</u>	<u>186,681</u>	<u>226,235</u>
OTHER FINANCING USES			
Transfers to other funds	(3,500)	(13,319)	(9,819)
Total other financing uses	<u>(3,500)</u>	<u>(13,319)</u>	<u>(9,819)</u>
Net change in fund balances	(43,054)	173,362	216,416
FUND BALANCES, beginning of year	<u>285,280</u>	<u>285,280</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 242,226</u>	<u>\$ 458,642</u>	<u>\$ 216,416</u>

MACON-BIBB COUNTY, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
DRUG ABUSE TREATMENT AND EDUCATION
FOR THE SIX MONTHS ENDED JUNE 30, 2014**

	Final Budget Amounts	Actual	Variance with Final Budget
REVENUES			
Intergovernmental	\$ 75,964	\$ 26,517	\$ (49,447)
Fines and forfeitures	28,500	47,953	19,453
Total revenues	<u>104,464</u>	<u>74,470</u>	<u>(29,994)</u>
EXPENDITURES			
Current:			
Judicial	141,849	126,855	14,994
Total expenditures	<u>141,849</u>	<u>126,855</u>	<u>14,994</u>
Deficiency of revenues under expenditures	<u>(37,385)</u>	<u>(52,385)</u>	<u>(15,000)</u>
OTHER FINANCING SOURCES			
Transfers from other funds	37,385	28,111	(9,274)
Total other financing sources	<u>37,385</u>	<u>28,111</u>	<u>(9,274)</u>
Net change in fund balances	-	(24,274)	(24,274)
FUND BALANCES, beginning of year	<u>19,985</u>	<u>19,985</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 19,985</u>	<u>\$ (4,289)</u>	<u>\$ (24,274)</u>

MACON-BIBB COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
ALTERNATIVE DISPUTE RESOLUTION
FOR THE SIX MONTHS ENDED JUNE 30, 2014

	Final Budget Amounts	Actual	Variance with Final Budget
REVENUES			
Fines and forfeitures	\$ 73,650	\$ 90,272	\$ 16,622
Interest earned on investments	-	154	154
Rent	2,300	1,538	(762)
Total revenues	<u>75,950</u>	<u>91,964</u>	<u>16,014</u>
EXPENDITURES			
Current:			
Judicial	106,698	98,039	8,659
Total expenditures	<u>106,698</u>	<u>98,039</u>	<u>8,659</u>
Deficiency of revenues under expenditures	<u>(30,748)</u>	<u>(6,075)</u>	<u>24,673</u>
OTHER FINANCING USES			
Transfers to other funds	(4,124)	-	4,124
Total other financing uses	<u>(4,124)</u>	<u>-</u>	<u>4,124</u>
Net change in fund balances	(34,872)	(6,075)	28,797
FUND BALANCES, beginning of year	<u>267,172</u>	<u>267,172</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 232,300</u>	<u>\$ 261,097</u>	<u>\$ 28,797</u>

MACON-BIBB COUNTY, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
CRIME VICTIMS ASSISTANCE
FOR THE SIX MONTHS ENDED JUNE 30, 2014**

	<u>Final Budget Amounts</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES			
Fines and forfeitures	\$ 69,275	\$ 51,374	\$ (17,901)
Interest earned on investments	-	22	22
Total revenues	<u>69,275</u>	<u>51,396</u>	<u>(17,879)</u>
Excess of revenues over expenditures	<u>69,275</u>	<u>51,396</u>	<u>(17,879)</u>
OTHER FINANCING USES			
Transfers to other funds	<u>(61,727)</u>	<u>(36,988)</u>	<u>24,739</u>
Total other financing uses	<u>(61,727)</u>	<u>(36,988)</u>	<u>24,739</u>
Net change in fund balances	7,548	14,408	6,860
FUND BALANCES, beginning of year	<u>42,464</u>	<u>42,464</u>	<u>-</u>
FUND BALANCES, end of year	<u><u>\$ 50,012</u></u>	<u><u>\$ 56,872</u></u>	<u><u>\$ 6,860</u></u>

MACON-BIBB COUNTY, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
JUVENILE COURT SUPERVISION
FOR THE SIX MONTHS ENDED JUNE 30, 2014**

	<u>Final Budget Amounts</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES			
Fines and forfeitures	\$ 6,000	\$ 2,715	\$ (3,285)
Interest earned on investments	-	54	54
Total revenues	<u>6,000</u>	<u>2,769</u>	<u>(3,231)</u>
Excess of revenues over expenditures	<u>6,000</u>	<u>2,769</u>	<u>(3,231)</u>
OTHER FINANCING USES			
Transfers to other funds	<u>(7,750)</u>	-	<u>7,750</u>
Total other financing uses	<u>(7,750)</u>	<u>-</u>	<u>7,750</u>
Net change in fund balances	(1,750)	2,769	4,519
FUND BALANCES, beginning of year	<u>97,212</u>	<u>97,212</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 95,462</u>	<u>\$ 99,981</u>	<u>\$ 4,519</u>

MACON-BIBB COUNTY, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
LAW LIBRARY
FOR THE SIX MONTHS ENDED JUNE 30, 2014**

	Final Budget Amounts	Actual	Variance with Final Budget
REVENUES			
Fines and forfeitures	\$ 18,150	\$ 16,960	\$ (1,190)
Interest earned on investments	-	10	10
Total revenues	<u>18,150</u>	<u>16,970</u>	<u>(1,180)</u>
EXPENDITURES			
Current:			
Judicial	14,373	15,545	(1,172)
Total expenditures	<u>14,373</u>	<u>15,545</u>	<u>(1,172)</u>
Net change in fund balances	3,777	1,425	(2,352)
FUND BALANCES, beginning of year	<u>14,645</u>	<u>14,645</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 18,422</u>	<u>\$ 16,070</u>	<u>\$ (2,352)</u>

MACON-BIBB COUNTY, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
SPONSORED PROGRAMS
FOR THE SIX MONTHS ENDED JUNE 30, 2014**

	Final Budget Amounts	Actual	Variance with Final Budget
REVENUES			
Intergovernmental	\$ 411,052	\$ 167,840	\$ (243,212)
Other revenue	61,846	16,389	(45,457)
Total revenues	<u>472,898</u>	<u>184,229</u>	<u>(288,669)</u>
EXPENDITURES			
Current:			
General government	7,423	222	7,201
Judicial	373,430	223,460	149,970
Public safety	138,955	81,909	57,046
Culture and recreation	12,500	9,128	3,372
Capital outlay	12,000	-	12,000
Total expenditures	<u>544,308</u>	<u>314,719</u>	<u>229,589</u>
Deficiency of revenues under expenditures	<u>(71,410)</u>	<u>(130,490)</u>	<u>(59,080)</u>
OTHER FINANCING SOURCES			
Transfers from other funds	71,410	70,132	(1,278)
Total other financing sources	<u>71,410</u>	<u>70,132</u>	<u>(1,278)</u>
Net change in fund balances	-	(60,358)	(60,358)
FUND BALANCES, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES, end of year	<u><u>\$ -</u></u>	<u><u>\$ (60,358)</u></u>	<u><u>\$ (60,358)</u></u>

MACON-BIBB COUNTY, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
MACON-BIBB COUNTY JAIL FUND
FOR THE SIX MONTHS ENDED JUNE 30, 2014**

	<u>Final Budget Amounts</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES			
Fines and forfeitures	\$ 65,600	\$ 62,560	\$ (3,040)
Interest earned on investments	-	45	45
Total revenues	<u>65,600</u>	<u>62,605</u>	<u>(2,995)</u>
Excess of revenues over expenditures	<u>65,600</u>	<u>62,605</u>	<u>(2,995)</u>
OTHER FINANCING USES			
Transfers to other funds	<u>(57,500)</u>	<u>(57,500)</u>	-
Total other financing uses	<u>(57,500)</u>	<u>(57,500)</u>	-
Net change in fund balances	8,100	5,105	(2,995)
FUND BALANCES, beginning of year	<u>57,984</u>	<u>57,984</u>	-
FUND BALANCES, end of year	<u><u>\$ 66,084</u></u>	<u><u>\$ 63,089</u></u>	<u><u>\$ (2,995)</u></u>

MACON-BIBB COUNTY, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
DFACS MIL
FOR THE SIX MONTHS ENDED JUNE 30, 2014**

	<u>Final Budget Amounts</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES			
Interest earned on investments	\$ -	\$ 1,200	\$ 1,200
Rent	233,039	233,039	-
Total revenues	<u>233,039</u>	<u>234,239</u>	<u>1,200</u>
EXPENDITURES			
Current:			
Health and welfare	166,529	153,222	13,307
Total expenditures	<u>166,529</u>	<u>153,222</u>	<u>13,307</u>
Excess of revenues over expenditures	<u>66,510</u>	<u>81,017</u>	<u>14,507</u>
Net change in fund balances	66,510	81,017	14,507
FUND BALANCES, beginning of year	<u>2,114,936</u>	<u>2,114,936</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 2,181,446</u>	<u>\$ 2,195,953</u>	<u>\$ 14,507</u>

MACON-BIBB COUNTY, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
ECD CDBG FUND
FOR THE SIX MONTHS ENDED JUNE 30, 2014**

	Final Budget Amounts	Actual	Variance with Final Budget
REVENUES			
Intergovernmental	\$ 582,552	\$ 535,654	\$ (46,898)
Interest earned on investments	-	18,796	18,796
Other revenue	250,000	172,369	(77,631)
Total revenues	<u>832,552</u>	<u>726,819</u>	<u>(105,733)</u>
EXPENDITURES			
Current:			
Housing and development	832,552	1,213,838	(381,286)
Total expenditures	<u>832,552</u>	<u>1,213,838</u>	<u>(381,286)</u>
Deficiency of revenues under expenditures	-	(487,019)	(487,019)
Net change in fund balances	-	(487,019)	(487,019)
FUND BALANCES, beginning of year	<u>2,019,187</u>	<u>2,019,187</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 2,019,187</u>	<u>\$ 1,532,168</u>	<u>\$ (487,019)</u>

MACON-BIBB COUNTY, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
ECD HOME GRANT FUND
FOR THE SIX MONTHS ENDED JUNE 30, 2014**

	<u>Final Budget Amounts</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES			
Intergovernmental	\$ 265,242	\$ 110,864	\$ (154,378)
Interest earned on investments	-	21,601	21,601
Other revenue	100,000	84,140	(15,860)
Total revenues	<u>365,242</u>	<u>216,605</u>	<u>(148,637)</u>
EXPENDITURES			
Current:			
Housing and development	365,242	128,528	236,714
Total expenditures	<u>365,242</u>	<u>128,528</u>	<u>236,714</u>
Excess of revenues over expenditures	-	88,077	88,077
Net change in fund balances	-	88,077	88,077
FUND BALANCES, beginning of year	<u>757,036</u>	<u>757,036</u>	-
FUND BALANCES, end of year	<u>\$ 757,036</u>	<u>\$ 845,113</u>	<u>\$ 88,077</u>

MACON-BIBB COUNTY, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
TAD SECOND STREET CORRIDOR
FOR THE SIX MONTHS ENDED JUNE 30, 2014**

	<u>Final Budget Amounts</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES			
Property taxes	\$ 4,306	\$ 4,306	\$ -
Interest earned on investments	-	4	4
Total revenues	<u>4,306</u>	<u>4,310</u>	<u>4</u>
 Net change in fund balances	 4,306	 4,310	 4
FUND BALANCES, beginning of year	<u>81,584</u>	<u>81,584</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 85,890</u>	<u>\$ 85,894</u>	<u>\$ 4</u>

MACON-BIBB COUNTY, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
DEBT SERVICE FUND
FOR THE SIX MONTHS ENDED JUNE 30, 2014**

	Final Budget Amounts	Actual	Variance with Final Budget
REVENUES			
Property taxes	\$ -	\$ 344	\$ 344
Interest earned on investments	184,164	204,666	20,502
Total revenues	<u>184,164</u>	<u>205,010</u>	<u>20,846</u>
EXPENDITURES			
Debt service:			
Interest and fees	184,164	184,164	-
Total expenditures	<u>184,164</u>	<u>184,164</u>	<u>-</u>
Excess of revenues over expenditures	<u>-</u>	<u>20,846</u>	<u>20,846</u>
OTHER FINANCING USES			
Transfers to other funds	(503,500)	(473,781)	29,719
Total other financing uses	<u>(503,500)</u>	<u>(473,781)</u>	<u>29,719</u>
Net change in fund balances	(503,500)	(452,935)	50,565
FUND BALANCES, beginning of year	<u>4,060,477</u>	<u>4,060,477</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 3,556,977</u>	<u>\$ 3,607,542</u>	<u>\$ 50,565</u>

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Nonmajor Enterprise Funds

The **Solid Waste Fund County** is used to account for the operations and activities associated with solid waste pick up for former Bibb County residents.

The **Mulberry Street Parking Garage** is used to account for the activities of the downtown parking garage.

The **Bowden Golf Course Fund** is used to account for the operations and maintenance of a municipal golf course in Macon-Bibb County.

MACON-BIBB COUNTY, GEORGIA

**COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
JUNE 30, 2014**

	Solid Waste Fund County	Mulberry Street Parking Garage Fund	Bowden Golf Course Fund	Total
Assets				
Current assets				
Cash and cash equivalents	\$ 376,544	\$ 9,902	\$ 585	\$ 387,031
Investments	242,909	-	-	242,909
Receivables, net of allowance for uncollectibles accounts	529,194	6,695	4,571	540,460
Due from other funds	-	36,357	223,231	259,588
Total current assets	<u>1,148,647</u>	<u>52,954</u>	<u>228,387</u>	<u>1,429,988</u>
Noncurrent assets				
Capital assets				
Land	-	-	773,621	773,621
Buildings	-	175,830	1,086,379	1,262,209
Machinery, equipment and furniture	-	-	140,400	140,400
Vehicles	-	-	219,681	219,681
	-	175,830	2,220,081	2,395,911
Less accumulated depreciation	-	(52,749)	(1,017,505)	(1,070,254)
	-	123,081	1,202,576	1,325,657
Total noncurrent assets	<u>-</u>	<u>123,081</u>	<u>1,202,576</u>	<u>1,325,657</u>
Total assets	<u>\$ 1,148,647</u>	<u>\$ 176,035</u>	<u>\$ 1,430,963</u>	<u>\$ 2,755,645</u>
Liabilities and Net Position				
Liabilities				
Current liabilities				
Current liabilities payable from current assets				
Accounts payable	\$ 460,902	\$ 7,562	\$ 16,776	\$ 485,240
Accrued payroll deductions	-	-	9,164	9,164
Accrued interest payable	-	-	475	475
Capital leases payable	-	-	31,056	31,056
Compensated absences payable	-	-	18,275	18,275
Total current liabilities	<u>460,902</u>	<u>7,562</u>	<u>75,746</u>	<u>544,210</u>
Total liabilities	<u>460,902</u>	<u>7,562</u>	<u>75,746</u>	<u>544,210</u>
Net Position				
Net investment in capital assets	-	123,081	1,171,520	1,294,601
Unrestricted	687,745	45,392	183,697	916,834
Total net position	<u>687,745</u>	<u>168,473</u>	<u>1,355,217</u>	<u>2,211,435</u>
Total liabilities and net position	<u>\$ 1,148,647</u>	<u>\$ 176,035</u>	<u>\$ 1,430,963</u>	<u>\$ 2,755,645</u>

MACON-BIBB COUNTY, GEORGIA

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE SIX MONTHS ENDED JUNE 30, 2014**

	Solid Waste Fund County	Mulberry Street Parking Garage Fund	Bowden Golf Course Fund	Total
Operating revenues				
Charges for sales and services	\$ 1,635,231	\$ 80,563	\$ 182,005	\$ 1,897,799
Other revenues	-	-	423	423
Total operating revenues	<u>1,635,231</u>	<u>80,563</u>	<u>182,428</u>	<u>1,898,222</u>
Operating expenses				
Administration	1,393,567	78,031	295,266	1,766,864
Depreciation	-	4,396	38,514	42,910
Total operating expenses	<u>1,393,567</u>	<u>82,427</u>	<u>333,780</u>	<u>1,809,774</u>
Operating income (loss)	<u>241,664</u>	<u>(1,864)</u>	<u>(151,352)</u>	<u>88,448</u>
Nonoperating revenues (expenses)				
Interest earned on investments	193	3	-	196
Loss on change in capitalization policy	-	-	(58,274)	(58,274)
Interest expense	-	-	(475)	(475)
Total nonoperating revenues (expenses)	<u>193</u>	<u>3</u>	<u>(58,749)</u>	<u>(58,553)</u>
Income (loss) before transfers	<u>241,857</u>	<u>(1,861)</u>	<u>(210,101)</u>	<u>29,895</u>
Transfers in	14,525	-	125,100	139,625
Transfers out	<u>(77,777)</u>	-	-	<u>(77,777)</u>
Total transfers	<u>(63,252)</u>	-	<u>125,100</u>	<u>61,848</u>
Change in net position	178,605	(1,861)	(85,001)	91,743
Net position, beginning of year, as restated	<u>509,140</u>	<u>170,334</u>	<u>1,440,218</u>	<u>2,119,692</u>
Net position, end of year	<u>\$ 687,745</u>	<u>\$ 168,473</u>	<u>\$ 1,355,217</u>	<u>\$ 2,211,435</u>

MACON-BIBB COUNTY, GEORGIA

COMBINING STATEMENT OF CASH FLOWS NONMAJOR ENTERPRISE FUNDS FOR THE SIX MONTHS ENDED JUNE 30, 2014

	Solid Waste Fund County	Mulberry Street Parking Garage Fund	Bowden Golf Course Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 1,561,249	\$ 73,868	\$ 185,813	\$ 1,820,930
Payments to employees	-	-	(182,831)	(182,831)
Payments to suppliers	(1,159,917)	(81,058)	(108,476)	(1,349,451)
Net cash provided by (used in) operating activities	401,332	(7,190)	(105,494)	288,648
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers from other funds	14,525	-	125,100	139,625
Transfers to other funds	(77,777)	-	-	(77,777)
Change in due to/from other funds	15,027	17,089	(19,474)	12,642
Net cash provided by (used in) noncapital financing activities	(48,225)	17,089	105,626	74,490
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of investments	(75,348)	-	-	(75,348)
Interest on investments	193	3	-	196
Net cash provided by (used in) investing activities	(75,155)	3	-	(75,152)
Net increase in cash and cash equivalents	277,952	9,902	132	287,986
Cash and cash equivalents, beginning of year	98,592	-	453	99,045
Cash and cash equivalents, end of year	\$ 376,544	\$ 9,902	\$ 585	\$ 387,031
Classified as:				
Cash and cash equivalents	\$ 376,544	\$ 9,902	\$ 585	\$ 387,031
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities				
Operating income (loss)	\$ 241,664	\$ (1,864)	\$ (151,352)	\$ 88,448
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation expense	-	4,396	38,514	42,910
Decrease (increase) in accounts receivable	(73,982)	(6,695)	3,495	(77,182)
Increase (decrease) in accounts payable	233,650	(3,027)	527	231,150
Increase in accrued payroll deductions	-	-	582	582
Increase in accrued benefits payable	-	-	2,850	2,850
Decrease in unearned revenue	-	-	(110)	(110)
Net cash provided by (used in) operating activities	\$ 401,332	\$ (7,190)	\$ (105,494)	\$ 288,648
Schedule of Non-cash Capital and Related Financing Activities				
Loss on change in capitalization policy	\$ -	\$ -	\$ 58,274	\$ 58,274

Internal Service Funds

The **Vehicle Maintenance Fund** accounts for servicing of certain personal property of Macon-Bibb County primarily related to transportation equipment.

The **Group Insurance Fund** accounts for the self-funded group insurance plan for the benefit of the employees of Macon-Bibb County, Georgia.

MACON-BIBB COUNTY, GEORGIA

**COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2014**

	<u>Vehicle Maintenance Fund</u>	<u>Group Insurance Fund</u>	<u>Total</u>
Assets			
Current assets			
Cash and cash equivalents	\$ 551,704	\$ 4,998,425	\$ 5,550,129
Investments	-	1,075,611	1,075,611
Receivables, net of allowance accounts	2,781	93,928	96,709
Due from other funds	392,444	-	392,444
Total current assets	<u>\$ 946,929</u>	<u>\$ 6,167,964</u>	<u>\$ 7,114,893</u>
Noncurrent assets			
Capital assets			
Land	80,132	-	80,132
Buildings	808,943	-	808,943
Machinery, equipment and furniture	200,908	-	200,908
Vehicles	64,936	-	64,936
	1,154,919	-	1,154,919
Less accumulated depreciation	(895,151)	-	(895,151)
	<u>259,768</u>	<u>-</u>	<u>259,768</u>
Total noncurrent assets	<u>259,768</u>	<u>-</u>	<u>259,768</u>
Total assets	<u>\$ 1,206,697</u>	<u>\$ 6,167,964</u>	<u>\$ 7,374,661</u>
Liabilities			
Current liabilities			
Accounts payable	\$ 433,932	\$ 314,209	\$ 748,141
Accrued payroll deductions	28,869	-	28,869
Accrued interest payable	1,811	-	1,811
Accrued expenses - other	-	428,886	428,886
Claims payable	-	1,338,979	1,338,979
Capital lease payable	14,459	-	14,459
Compensated absences payable	67,494	-	67,494
Due to other funds	-	906,343	906,343
Total current liabilities	<u>546,565</u>	<u>2,988,417</u>	<u>3,534,982</u>
Noncurrent liabilities			
Capital lease payable	44,891	-	44,891
Total noncurrent liabilities	<u>44,891</u>	<u>-</u>	<u>44,891</u>
Total liabilities	<u>591,456</u>	<u>2,988,417</u>	<u>3,579,873</u>
Net Position			
Net investment in capital assets	200,418	-	200,418
Unrestricted	414,823	3,179,547	3,594,370
Total net position	<u>615,241</u>	<u>3,179,547</u>	<u>3,794,788</u>
Total liabilities and net position	<u>\$ 1,206,697</u>	<u>\$ 6,167,964</u>	<u>\$ 7,374,661</u>

MACON-BIBB COUNTY, GEORGIA

**COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE SIX MONTHS ENDED JUNE 30, 2014**

	Vehicle Maintenance Fund	Group Insurance Fund	Total
Operating revenues			
Insurance premiums	\$ -	\$ 10,783,106	\$ 10,783,106
Charges for sales and services	999,205	-	999,205
Total operating revenues	<u>999,205</u>	<u>10,783,106</u>	<u>11,782,311</u>
Operating expenses			
Claims and judgments	-	7,489,336	7,489,336
Administration and other costs	1,084,236	1,026,396	2,110,632
Depreciation	16,360	-	16,360
Total operating expenses	<u>1,100,596</u>	<u>8,515,732</u>	<u>9,616,328</u>
Operating income (loss)	<u>(101,391)</u>	<u>2,267,374</u>	<u>2,165,983</u>
Nonoperating revenues (expenses)			
Interest earned on investments	71	1,618	1,689
Interest expense	(1,706)	-	(1,706)
Loss on change in capitalization policy	(15,744)	-	(15,744)
Total nonoperating revenues (expenses)	<u>(17,379)</u>	<u>1,618</u>	<u>(15,761)</u>
Income (loss) before transfers	<u>(118,770)</u>	<u>2,268,992</u>	<u>2,150,222</u>
Transfers in	<u>164,920</u>	<u>-</u>	<u>164,920</u>
Change in net position	46,150	2,268,992	2,315,142
Net position, beginning of year	<u>569,091</u>	<u>910,555</u>	<u>1,479,646</u>
Net position, end of year	<u>\$ 615,241</u>	<u>\$ 3,179,547</u>	<u>\$ 3,794,788</u>

MACON-BIBB COUNTY, GEORGIA

**COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE SIX MONTHS ENDED JUNE 30, 2014**

	Vehicle Maintenance Fund	Group Insurance Fund	Total
Cash flows from operating activities			
Receipts from customers	\$ 1,202,458	\$ -	\$ 1,202,458
Receipts from other funds	-	13,797,554	13,797,554
Payments to employees	(573,860)	-	(573,860)
Payments to suppliers	(306,505)	-	(306,505)
Payments for claims and services	-	(9,161,072)	(9,161,072)
Net cash provided by operating activities	<u>322,093</u>	<u>4,636,482</u>	<u>4,958,575</u>
Cash flows from noncapital financing activities:			
Transfers from other funds	<u>164,920</u>	-	<u>164,920</u>
Net cash provided by noncapital financing activities	<u>164,920</u>	-	<u>164,920</u>
Cash flows from investing activities			
Proceeds from sale of investments	-	155,350	155,350
Interest on investments	<u>71</u>	<u>1,618</u>	<u>1,689</u>
Net cash provided by investing activities	<u>71</u>	<u>156,968</u>	<u>157,039</u>
Net increase in cash and cash equivalents	487,084	4,793,450	5,280,534
Cash and cash equivalents, beginning of year	<u>64,620</u>	<u>204,975</u>	<u>269,595</u>
Cash and cash equivalents, end of year	<u>\$ 551,704</u>	<u>\$ 4,998,425</u>	<u>\$ 5,550,129</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	\$ (101,391)	\$ 2,267,374	\$ 2,165,983
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation expense	16,360	-	16,360
Decrease (increase) in accounts receivable	(575)	920,491	919,916
Decrease in inventories	532	-	532
Decrease in due from other funds	203,296	1,428,099	1,631,395
Increase in accounts payable	182,504	156,829	339,333
Increase in accrued liabilities	21,367	112,382	133,749
Decrease in claims payable	-	(914,551)	(914,551)
Increase in due to other funds	-	665,858	665,858
Net cash provided by operating activities	<u>\$ 322,093</u>	<u>\$ 4,636,482</u>	<u>\$ 4,958,575</u>
Schedule of Non-cash Capital and Related Financing Activities			
Loss on change in capitalization policy	<u>\$ 15,744</u>	<u>\$ -</u>	<u>\$ 15,744</u>

Employee Benefit Trust Funds

The **General Employees' Pension Trust Fund** is used to account for the pension plan assets, liabilities, additions and deductions relative to eligible employees and retired personnel of the former City of Macon serving outside of the public safety functions of fire and police.

The **Fire and Police Pension Trust Fund** is used to account for the pension plan assets, liabilities, additions and deductions relative to eligible employees and retired personnel of the former City of Macon serving in the public safety functions of fire and police.

The **Employee Pension Trust Fund** accounts for a single employer public employee retirement system administered by Macon-Bibb County, Georgia for all eligible employees of the County.

The **Other Post Employment Benefits Trust Fund** accounts for the accumulation of resources for other post employment benefit payments to qualified employees of the County.

MACON-BIBB COUNTY, GEORGIA

COMBINING STATEMENT OF NET POSITION EMPLOYEE BENEFIT TRUST FUNDS JUNE 30, 2014

	General Employees' Pension Trust	Fire and Police Pension Trust	Employee Pension Trust	Other Post Employment Benefits Trust	Total
Assets					
Cash and cash equivalents	\$ 3,382,061	\$ 3,190,204	\$ 3,817,734	\$ 11,813,064	\$ 22,203,063
Investments:					
Corporate bonds	-	20,355,477	33,983,959	-	54,339,436
Common stock	36,410,032	155,711,968	69,060,080	10,396,984	271,579,064
U.S. Treasury bills and government bonds	23,274,818	12,150,599	3,661,957	-	39,087,374
Asset backed securities	-	28,726,837	1,594,218	-	30,321,055
Mutual funds	13,503,543	-	-	-	13,503,543
Local government investment pool	-	-	912	1,201	2,113
Accounts receivable	-	-	120,084	-	120,084
Due from brokers for unsettled trades	-	-	329,552	-	329,552
Accrued interest receivable	103,830	358,313	319,833	-	781,976
Prepaid expenses	3,543	9,507	-	-	13,050
Total assets	<u>76,677,827</u>	<u>220,502,905</u>	<u>112,888,329</u>	<u>22,211,249</u>	<u>432,280,310</u>
Liabilities					
Accounts payable	9,536	84,379	46,618	8,500	149,033
Due to brokers for unsettled trades	263,918	1,499,463	145,901	-	1,909,282
Total liabilities	<u>273,454</u>	<u>1,583,842</u>	<u>192,519</u>	<u>8,500</u>	<u>2,058,315</u>
Net Position					
Restricted for other postemployment benefits	-	-	-	22,202,749	22,202,749
Restricted for pension benefits	76,404,373	218,919,063	112,695,810	-	408,019,246
Total net position	<u>\$ 76,404,373</u>	<u>\$ 218,919,063</u>	<u>\$ 112,695,810</u>	<u>\$ 22,202,749</u>	<u>\$ 430,221,995</u>

MACON-BIBB COUNTY, GEORGIA

COMBINING STATEMENT OF CHANGES IN FUND NET POSITION EMPLOYEE BENEFIT TRUST FUNDS FOR THE SIX MONTHS ENDED JUNE 30, 2014

	General Employees' Pension Trust	Fire and Police Pension Trust	Employee Pension Trust	Other Post Employment Benefits Trust	Total
Additions:					
Contributions - employer	\$ 1,821,651	\$ 2,030,112	\$ 2,477,745	\$ -	\$ 6,329,508
Investment income:					
Net appreciation in fair value of plan investments	1,974,494	10,451,479	4,094,099	682,508	17,202,580
Interest earned on investments	280,437	996,519	577,597	62,419	1,916,972
Dividends	339,141	926,264	631,884	173,580	2,070,869
Other investment earnings	11,038	-	154	-	11,192
	<u>2,605,110</u>	<u>12,374,262</u>	<u>5,303,734</u>	<u>918,507</u>	<u>21,201,613</u>
Less investment expense	<u>114,168</u>	<u>147,648</u>	<u>287,520</u>	<u>58,618</u>	<u>607,954</u>
Net investment income	<u>2,490,942</u>	<u>12,226,614</u>	<u>5,016,214</u>	<u>859,889</u>	<u>20,593,659</u>
Total additions	<u>4,312,593</u>	<u>14,256,726</u>	<u>7,493,959</u>	<u>859,889</u>	<u>26,923,167</u>
Deductions:					
Benefits paid to retirees	2,228,332	5,106,379	4,782,156	1,567,762	13,684,629
Administrative expense	<u>22,619</u>	<u>18,875</u>	<u>16,000</u>	<u>13,388</u>	<u>70,882</u>
Total deductions	<u>2,250,951</u>	<u>5,125,254</u>	<u>4,798,156</u>	<u>1,581,150</u>	<u>13,755,511</u>
Change in net position	2,061,642	9,131,472	2,695,803	(721,261)	13,167,656
Net Position					
Beginning of year	<u>74,342,731</u>	<u>209,787,591</u>	<u>110,000,007</u>	<u>22,924,010</u>	<u>417,054,339</u>
End of year	<u>\$ 76,404,373</u>	<u>\$ 218,919,063</u>	<u>\$ 112,695,810</u>	<u>\$ 22,202,749</u>	<u>\$ 430,221,995</u>

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Agency Funds

The **Agency Funds** are used to account for the receipt and disbursement of fines, fees and taxes by the appropriate offices of Macon-Bibb County.

MACON-BIBB COUNTY, GEORGIA

COMBINING STATEMENT OF ASSETS AND LIABILITIES AGENCY FUNDS JUNE 30, 2014

	<u>Tax Commissioner</u>	<u>Juvenile Court</u>	<u>Probate Court</u>	<u>Civil Court</u>
Assets				
Cash	\$ 2,679,977	\$ 5,757	\$ 86,627	\$ 98,515
Taxes receivable	8,106,533	-	-	-
Accounts receivable	2,780	-	-	-
Due from other governments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Total assets	 <u>\$ 10,789,290</u>	 <u>\$ 5,757</u>	 <u>\$ 86,627</u>	 <u>\$ 98,515</u>
Liabilities				
Due to other governments	\$ 9,884,331	\$ -	\$ -	\$ -
Due to others	<u>904,959</u>	<u>5,757</u>	<u>86,627</u>	<u>98,515</u>
 Total liabilities	 <u>\$ 10,789,290</u>	 <u>\$ 5,757</u>	 <u>\$ 86,627</u>	 <u>\$ 98,515</u>

<u>Clerk of Superior Court</u>	<u>State Probation</u>	<u>State Court</u>	<u>Superior Court Receiver</u>	<u>Sheriff's Office</u>	<u>Total</u>
\$ 1,435,408	\$ 8,137	\$ 65,428	\$ 128,305	\$ 851,965	\$ 5,360,119
-	-	-	-	-	8,106,533
-	-	-	-	-	2,780
-	-	-	-	9,930	9,930
<u>\$ 1,435,408</u>	<u>\$ 8,137</u>	<u>\$ 65,428</u>	<u>\$ 128,305</u>	<u>\$ 861,895</u>	<u>\$ 13,479,362</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,884,331
1,435,408	8,137	65,428	128,305	861,895	3,595,031
<u>\$ 1,435,408</u>	<u>\$ 8,137</u>	<u>\$ 65,428</u>	<u>\$ 128,305</u>	<u>\$ 861,895</u>	<u>\$ 13,479,362</u>

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Component Units

The **Component Units** are legally separate entities included in the County's reporting entity because of the significance of their operational and financial relationship with the County.

MACON - BIBB COUNTY, GEORGIA

COMBINING STATEMENT OF NET POSITION NONMAJOR COMPONENT UNITS JUNE 30, 2014

	Macon-Bibb County Industrial Authority	Middle Georgia Regional Library	Macon-Bibb County Transit Authority	Macon-Bibb County Board of Health	Macon-Bibb County Urban Development Authority	Macon-Bibb County Convention and Visitors Bureau
Assets						
Cash and cash equivalents	\$ 1,602,325	\$ 697,746	\$ 75,265	\$ 2,114,168	\$ 1,423,722	\$ 562,959
Investments	1,463,351	758,253		-	-	-
Receivables, net of allowance						
Accounts receivable	6,094	30,779	-	105,063	2,200	310,182
Accrued interest	-	-	-	-	-	-
Lease receivable	-	-	-	-	1,867,854	-
Loan receivable	-	-	-	-	1,455,000	-
Due from other governments	51,445	-	763,789	28,926	-	-
Due from primary government	-	-	-	-	-	-
Inventory	-	-	296,055	-	-	-
Prepaid items	-	45,834	276,130	-	3,119	-
Deferred charges	-	-	-	-	1,060	-
Restricted assets, cash and cash equivalents	-	-	428,733	-	-	-
Capital assets - nondepreciable	20,731,007	-	-	-	4,445,930	-
Capital assets - depreciable, net of accumulated depreciation	3,656,684	355,037	4,514,410	119,850	32,814	2,383,494
Total assets	<u>27,510,906</u>	<u>1,887,649</u>	<u>6,354,382</u>	<u>2,368,007</u>	<u>9,231,699</u>	<u>3,256,635</u>
Liabilities and net assets						
Liabilities						
Accounts payable	55,818	63,448	369,806	3,010	104,572	54,199
Accrued liabilities	26,293	59,609	230,834	-	15,000	-
Unearned revenue	-	-	-	-	418,314	-
Noncurrent liabilities						
Due within one year						
Compensated absences	11,139	70,368	33,455	122,230	-	-
Notes payable	196,063	-	-	-	146,454	787
Due in more than one year						
Compensated absences	-	14,051	-	81,487	-	4,698
Postemployment benefits obligation	-	213,615	506,362	-	-	-
Notes payable	1,178,177	-	-	-	1,718,200	8,330
Bonds payable	-	-	-	-	-	-
Total liabilities	<u>1,467,490</u>	<u>421,091</u>	<u>1,140,457</u>	<u>206,727</u>	<u>2,402,540</u>	<u>68,014</u>
Net Position						
Net investment in capital assets	23,367,909	355,037	4,514,410	119,850	4,478,744	2,374,377
Restricted for:						
Capital projects	2,629,650	-	-	-	15,836	-
Health and welfare	-	-	-	1,623,388	-	-
Culture and recreation	-	103,232	-	-	-	-
Other purposes	-	-	428,733	-	75,000	-
Unrestricted	45,857	1,008,289	270,782	418,042	2,259,579	814,244
Total net position	<u>\$ 26,043,416</u>	<u>\$ 1,466,558</u>	<u>\$ 5,213,925</u>	<u>\$ 2,161,280</u>	<u>\$ 6,829,159</u>	<u>\$ 3,188,621</u>

Macon-Bibb County Planning & Zoning Commission	Development Authority of Bibb County	Macon-Bibb County Land Bank Authority	Total Nonmajor Component Units
\$ 386,389	\$ 37,199 135,223	\$ 472,037 -	\$ 7,371,810 2,356,827
	5,000,000 11	96,787 -	5,551,105 11
-	-	-	1,867,854
-	-	-	1,455,000
3,978	-	1,245	849,383
	-	-	-
		667,624	963,679
19,782	-	2,869	347,734
-	-	-	1,060
-	-	-	428,733
-	-	-	25,176,937
112,134	-	1,450	11,175,873
<u>522,283</u>	<u>5,172,433</u>	<u>1,242,012</u>	<u>57,546,006</u>
4,600	-	4,518	659,971
44,474	-	10,557	386,767
-	-	-	418,314
	-	-	237,192
	-	-	343,304
73,285	-	-	173,521
	-	-	719,977
	-	-	2,904,707
	5,000,000	-	5,000,000
<u>122,359</u>	<u>5,000,000</u>	<u>15,075</u>	<u>10,843,753</u>
112,134	-	-	35,322,461
-	-	-	2,645,486
-	-	-	1,623,388
-	-	-	103,232
-	-	-	503,733
287,790	172,433	1,226,937	6,503,953
<u>\$ 399,924</u>	<u>\$ 172,433</u>	<u>\$ 1,226,937</u>	<u>\$ 46,702,253</u>

MACON-BIBB COUNTY, GEORGIA

**COMBINING STATEMENT OF ACTIVITIES
NONMAJOR COMPONENT UNITS
FOR THE SIX MONTHS ENDED JUNE 30, 2014**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Component units:				
Macon-Bibb County Industrial Authority	\$ 1,456,553	\$ 268,255	\$ -	\$ 1,466,020
Middle Georgia Regional Library	4,001,268	118,896	972,782	14,000
Macon-Bibb County Transit Authority	8,046,902	1,180,466	3,134,895	766,073
Macon-Bibb County Board of Health	4,654,730	1,753,520	2,315,399	-
Macon-Bibb County Urban Development Authority	944,212	632,240	121,478	445,277
Macon-Bibb County Convention and Visitors Bureau	1,788,296	59,946	6,329	-
Macon-Bibb County Planning and Zoning Commission	1,630,442	403,370	297,005	-
Macon-Bibb County Land Bank Authority	333,349		403,697	-
Development Authority of Bibb County	2,351,896	25,885	2,403,691	-
Total component units	<u>\$ 25,207,648</u>	<u>\$ 4,442,578</u>	<u>\$ 9,655,276</u>	<u>\$ 2,691,370</u>

General revenues:

Payments from Macon-Bibb County
 Grants and contributions, not restricted to specific programs
 Insurance reimbursements
 Gain on sale of capital assets
 Investment earnings
 Miscellaneous revenue
 Total general revenues
 Change in net position
 Net position, beginning of year, restated
 Net position, end of year

Net (Expenses) Revenues and Changes in Net Position									
Macon-Bibb County Industrial Authority	Middle Georgia Regional Library	Macon-Bibb County Transit Authority	Macon-Bibb County Board of Health	Macon-Bibb County Urban Development Authority	Macon-Bibb County Convention and Visitors Bureau	Macon-Bibb County Planning & Zoning Commission	Macon-Bibb County Land Bank Authority	Development Authority of Bibb County	Total Nonmajor Component Units
\$ 277,722	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 277,722
-	(2,895,590)	-	-	-	-	-	-	-	(2,895,590)
-	-	(2,965,468)	-	-	-	-	-	-	(2,965,468)
-	-	-	(585,811)	-	-	-	-	-	(585,811)
-	-	-	-	254,783	-	-	-	-	254,783
-	-	-	-	-	(1,722,021)	-	-	-	(1,722,021)
-	-	-	-	-	-	(930,067)	-	-	(930,067)
-	-	-	-	-	-	-	70,348	-	70,348
-	-	-	-	-	-	-	-	77,680	77,680
<u>277,722</u>	<u>(2,895,590)</u>	<u>(2,965,468)</u>	<u>(585,811)</u>	<u>254,783</u>	<u>(1,722,021)</u>	<u>(930,067)</u>	<u>70,348</u>	<u>77,680</u>	<u>(8,418,424)</u>
424,538	2,770,662	3,205,949	633,818	-	1,832,625	880,850	-	-	9,748,442
-	154,366	-	-	-	-	-	-	-	154,366
1,313	-	-	-	-	-	-	-	-	1,313
229,921	-	-	-	236,738	-	-	-	-	466,659
2,715	60,894	234	4,197	2,226	650	1,384	-	826	73,126
11,119	138,672	-	430	34,560	1,027	11,617	-	-	197,425
<u>669,606</u>	<u>3,124,594</u>	<u>3,206,183</u>	<u>638,445</u>	<u>273,524</u>	<u>1,834,302</u>	<u>893,851</u>	<u>-</u>	<u>826</u>	<u>10,641,331</u>
947,328	229,004	240,715	52,634	528,307	112,281	(36,216)	70,348	78,506	2,222,907
25,096,088	1,237,554	4,973,210	2,108,646	6,300,852	3,076,340	436,140	1,156,589	93,927	44,479,346
<u>\$ 26,043,416</u>	<u>\$ 1,466,558</u>	<u>\$ 5,213,925</u>	<u>\$ 2,161,280</u>	<u>\$ 6,829,159</u>	<u>\$ 3,188,621</u>	<u>\$ 399,924</u>	<u>\$ 1,226,937</u>	<u>\$ 172,433</u>	<u>\$ 46,702,253</u>

MACON-BIBB COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS - 1995 ISSUE FOR THE SIX MONTHS ENDED JUNE 30, 2014

Description	Original Estimated Cost	Amended Budget	Prior Year Expenditures	Current Year Expenditures	Cumulative Expenditures
Construction					
Eisenhower Parkway Extension	\$ 500,000	\$ 18,200	\$ 18,200	\$ -	\$ 18,200
Edgewood Avenue	996,000	87,000	86,988	-	86,988
South Downtown Connector	1,156,000	142,786	142,786	-	142,786
Vineville Avenue	445,000	-	-	-	-
Civic Square	2,363,000	4,148,669	4,148,669	-	4,148,669
Lower Poplar Street	4,720,000	304,007	304,006	-	304,006
Forsyth-Poplar Connector	3,417,000	4,849,794	4,849,783	-	4,849,783
Jeffersonville Road Emery Hwy to Walnut Creek	3,041,000	866,778	853,170	52,674	905,844
Jeffersonville Road Recreation Road to FL Freeway	2,242,000	1,135,846	819,126	17,275	836,401
Forest Hill Road Wimbish Rd to Northside Dr	1,366,000	2,252,594	1,771,515	-	1,771,515
Forest Hill Road Forsyth Rd to Wimbish Rd	866,000	1,410,000	1,374,096	4,933	1,379,029
Northwest Parkway	4,811,000	664,924	651,586	-	651,586
Log Cabin Drive Mercer Unv Dr to Hollingsworth Rd	4,299,000	424,459	423,778	-	423,778
Log Cabin Drive Eisenhower Pkwy to Mercer Univ Dr	2,373,000	528,489	528,489	-	528,489
Bloomfield Rd/Log Cabin Drive	2,286,000	2,160,637	2,160,636	-	2,160,636
Mercer University Drive	239,000	239,000	238,994	-	238,994
Zebulon Rd-Interchange	30,000	26,616	26,617	-	26,617
Zebulon Rd I475 to Bass Rd	3,630,000	3,951,404	3,951,403	-	3,951,403
Zebulon Rd Bass Rd to Forsyth Rd	3,630,000	2,916,576	2,916,577	-	2,916,577
Northside Drive Riverside Dr to Forest Hill Rd	2,703,000	3,801,252	3,801,252	-	3,801,252
Northside Drive Forest Hill Rd to Wesleyan Dr	1,603,000	1,568,886	1,568,885	-	1,568,885
Northside Drive Wesleyan Dr to Rivoli Dr	389,000	954,851	954,851	-	954,851
Wesleyan Drive	744,000	298,011	298,010	-	298,010
Riverside Drive	538,000	6,000	5,935	-	5,935
Western Loop	2,351,000	2,058,007	2,056,529	-	2,056,529
Tucker Road	884,000	3,064,310	3,064,310	-	3,064,310
Napier Avenue	1,525,000	953,532	953,531	-	953,531
Log Cabin Drive	2,406,000	2,053,082	2,053,076	-	2,053,076
Edna Place	1,625,000	2,214,826	2,214,826	-	2,214,826
Burton Avenue	1,802,000	2,618,335	2,618,284	-	2,618,284
Anthony Road	911,000	1,491,338	1,491,338	-	1,491,338
Jeff Davis/Telfair Street	1,133,000	309,583	309,583	-	309,583
Montpelier-Stadium Connector	250,000	888,207	888,207	-	888,207
Hazel St Bridge Reconstruction	777,000	1,261,429	1,261,429	-	1,261,429
Douglas Avenue	443,000	827,089	827,064	-	827,064
Forest Avenue	761,000	2,074,133	2,074,068	-	2,074,068
Ingleside Avenue	1,549,000	1,221,632	1,221,632	-	1,221,632
MLK Blvd Cherry St to Oglethorpe St	2,522,500	5,427,105	5,427,105	-	5,427,105
Houston Avenue	6,238,000	13,538,734	13,538,516	-	13,538,516
Newberg Avenue	1,237,000	1,599,670	1,599,373	-	1,599,373
Rocky Creek Road	1,071,000	870,454	870,453	-	870,453
Pio Nono Avenue	263,000	-	-	-	-
Eisenhower Parkway & Pio Nono Ave	345,000	868,017	868,017	-	868,017
Oglesby Place Extension	970,000	2,056,400	2,056,337	-	2,056,337
Williamson Road	1,188,500	3,374,400	3,374,540	-	3,374,540
Bloomfield Drive	790,500	3,528,810	3,528,733	-	3,528,733
Hartley Bridge Rd I75 Interchange Imp	-	128,037	128,036	-	128,036
Hartley Bridge Rd Mt Pleasant Church Rd to Houston Rd	1,219,000	876,380	876,321	-	876,321
Houston Road Allen Rd to SR 247	2,900,000	2,704,618	2,704,618	-	2,704,618
Houston Road Walden Rd to Allen Rd	1,664,000	1,663,190	1,663,191	-	1,663,191
Sardis Church Road I75 Interchange	70,000	1,851,573	1,850,061	5,109	1,855,170

(Continued)

MACON-BIBB COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS - 1995 ISSUE FOR THE SIX MONTHS ENDED JUNE 30, 2014

Description	Original Estimated Cost	Amended Budget	Prior Year Expenditures	Current Year Expenditures	Cumulative Expenditures
Bethel Church Rd	\$ 608,500	\$ 1,021,786	\$ 1,021,786	\$ -	\$ 1,021,786
Upper River Rd	348,500	530,441	530,411	-	530,411
Clinton Rd	817,000	1,673,636	1,673,635	-	1,673,635
Gray Hwy & Shurling Dr	106,000	1,486,600	1,486,572	-	1,486,572
Fort Hill St	541,000	120,825	120,825	-	120,825
Maynard St	441,000	196,829	196,829	-	196,829
Millerfield Rd at Jeffersonville Rd	1,724,000	998,739	957,604	80,088	1,037,692
Millerfield Rd Briston Dr to Shurling Dr	371,000	2,164,500	2,164,456	-	2,164,456
New Clinton Rd	1,496,000	2,584,600	2,584,517	-	2,584,517
Downtown Traffic Signalization	168,000	4,303,271	4,303,271	-	4,303,271
Intersection Improvements	6,161,500	8,530,539	8,530,538	-	8,530,538
Resurfacing City	4,500,000	4,979,293	4,978,033	-	4,978,033
Resurfacing County	4,500,000	5,732,708	5,732,555	-	5,732,555
Transit Authority Capital Needs	2,000,000	2,416,000	2,416,000	-	2,416,000
Additional Sidewalks	2,317,000	4,106,148	4,106,149	-	4,106,149
Aerial Photography	150,000	29,089	29,089	-	29,089
Intown Historic Sidewalks	-	2,391,333	2,391,363	-	2,391,363
Macon State College Entrances	-	916,700	916,622	-	916,622
SR 247 Welcome Sign & Landscaping	-	23,600	23,530	-	23,530
Traffic Calming Policy Development	-	89,018	89,018	-	89,018
Ocmulgee East Boulevard	-	343,117	343,118	-	343,118
Gateway Restrooms	-	83,000	82,903	-	82,903
Coleman Avenue Enhancements	-	500,000	500,000	-	500,000
Total Road Project Construction	<u>111,532,000</u>	<u>137,501,442</u>	<u>136,593,354</u>	<u>160,079</u>	<u>136,753,433</u>
Other Operating Expenditures					
Program Management	2,718,000	7,780,385	7,712,496	83,692	7,796,188
Operating Expenditures	750,000	4,000,279	3,956,626	2,179	3,958,805
GA Power Lawsuit	-	1,715,000	1,502,847	154,679	1,657,526
Total Other Operating Expenditures	<u>3,468,000</u>	<u>13,495,664</u>	<u>13,171,969</u>	<u>240,550</u>	<u>13,412,519</u>
Total Local Expenditures	<u>115,000,000</u>	<u>150,997,106</u>	<u>149,765,323</u>	<u>400,629</u>	<u>150,165,952</u>
Department of Transportation Projects	-	-	18,432,985	-	18,432,985
Other State Projects	-	-	163,000	-	163,000
Enhancement Trust Fund	-	-	1,000,000	-	1,000,000
Total Expenditures	<u>\$115,000,000</u>	<u>\$150,997,106</u>	<u>\$ 169,361,308</u>	<u>\$ 400,629</u>	<u>\$169,761,937</u>

NOTE: Changes have been made to beginning balances to reflect reclassifications.

MACON-BIBB COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS - 2012 ISSUE FOR THE SIX MONTHS ENDED JUNE 30, 2014

Description	Original Estimated Cost	Amended Budget	Prior Year Expenditures	Current Year Expenditures	Cumulative Expenditures
COUNTY PROJECTS					
GENERAL GOVERNMENT					
Project Administration	\$ -	\$ 556,683	\$ 294,599	\$ 46,250	\$ 340,849
Courthouse/County Building Improvements	5,000,000	4,957,795	1,019,742	250,667	1,270,409
Total General Government	<u>5,000,000</u>	<u>5,514,478</u>	<u>1,314,341</u>	<u>296,917</u>	<u>1,611,258</u>
JUDICIAL					
Juvenile Justice Center	7,000,000	6,940,913	4,748,541	2,052,016	6,800,557
Total Judicial	<u>7,000,000</u>	<u>6,940,913</u>	<u>4,748,541</u>	<u>2,052,016</u>	<u>6,800,557</u>
PUBLIC SAFETY					
Animal Welfare Center	3,000,000	2,974,677	572,196	319,165	891,361
Sheriff Vehicles and Equipment	2,500,000	2,500,000	1,138,850	425,144	1,563,994
Fire Stations (3)	12,000,000	11,898,708	2,287,511	868,740	3,156,251
Total Public Safety	<u>17,500,000</u>	<u>17,373,385</u>	<u>3,998,557</u>	<u>1,613,049</u>	<u>5,611,606</u>
PUBLIC WORKS INFRASTRUCTURE					
Storm Drainage	7,000,000	7,000,000	1,114,249	33,775	1,148,024
Street Resurface and Repair	5,000,000	5,000,000	1,027,185	158,058	1,185,243
Total Public Safety	<u>12,000,000</u>	<u>12,000,000</u>	<u>2,141,434</u>	<u>191,833</u>	<u>2,333,267</u>
RECREATION					
Recreation	38,950,000	38,621,224	4,438,665	1,851,253	6,289,918
Total Recreation	<u>38,950,000</u>	<u>38,621,224</u>	<u>4,438,665</u>	<u>1,851,253</u>	<u>6,289,918</u>
ECONOMIC DEVELOPMENT					
Acquisition of Property for BRAC	6,000,000	6,000,000	6,000,000	-	6,000,000
Acquisition of Land & Improvements	5,900,000	5,900,000	1,177,126	1,213,472	2,390,598
Total Economic Development	<u>11,900,000</u>	<u>11,900,000</u>	<u>7,177,126</u>	<u>1,213,472</u>	<u>8,390,598</u>
CAPITAL OUTLAY					
Leased Equipment	3,325,170	3,325,170	1,887,532	-	1,887,532
Total Capital Outlay	<u>3,325,170</u>	<u>3,325,170</u>	<u>1,887,532</u>	<u>-</u>	<u>1,887,532</u>
PREVIOUSLY INCURRED DEBT					
MBUCDA 2002A	7,525,000	7,525,000	7,525,000	-	7,525,000
MBUCDA 2002B	960,000	960,000	105,000	-	105,000
MBUCDA 2006	4,050,000	4,050,000	695,000	-	695,000
MBUCDA 2009	6,005,000	6,005,000	485,000	255,000	740,000
MBUCDA 2010	10,045,000	10,045,000	1,890,000	-	1,890,000
INTEREST	2,089,830	2,089,830	1,435,071	277,831	1,712,902
Total Current Debt	<u>30,674,830</u>	<u>30,674,830</u>	<u>12,135,071</u>	<u>532,831</u>	<u>12,667,902</u>
Total County Project Expenditures	<u>126,350,000</u>	<u>126,350,000</u>	<u>37,841,267</u>	<u>7,751,371</u>	<u>45,592,638</u>
FORMER CITY OF MACON					
	63,650,000	63,650,000	17,669,759	-	17,669,759
Total Expenditures of Special Purpose Local Option Sales Tax Proceeds-2012 Issue	<u>\$ 190,000,000</u>	<u>\$ 190,000,000</u>	<u>\$ 55,511,026</u>	<u>\$ 7,751,371</u>	<u>\$ 63,262,397</u>
OTHER EXPENDITURES					
Series 2012 SPLOST Bonds - Principal	-	-	275,000	-	275,000
Series 2012 SPLOST Bonds - Interest	-	-	1,108,596	331,500	1,440,096
Series 2012 SPLOST Bonds - Issuance Costs	-	-	289,025	-	289,025
Total Other Expenditures	<u>-</u>	<u>-</u>	<u>1,672,621</u>	<u>331,500</u>	<u>2,004,121</u>
Total Expenditures	<u>\$ 190,000,000</u>	<u>\$ 190,000,000</u>	<u>\$ 57,183,647</u>	<u>\$ 8,082,871</u>	<u>\$ 65,266,518</u>

MACON-BIBB COUNTY, GEORGIA

**SCHEDULE OF EXPENDITURES OF
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS - 2012 ISSUE
FOR THE SIX MONTHS ENDED JUNE 30, 2014**

Description	Original Estimated Cost	Amended Budget	Prior Year Expenditures	Current Year Expenditures	Cumulative Expenditures
CITY OF MACON PROJECTS					
ECONOMIC DEVELOPMENT					
Second Street Downtown Corridor	\$ 8,000,000	\$ 8,000,000	\$ 639,543	\$ 225,314	\$ 864,857
Total Economic Development	<u>8,000,000</u>	<u>8,000,000</u>	<u>639,543</u>	<u>225,314</u>	<u>864,857</u>
PUBLIC SAFETY					
Emergency Communications System	8,000,000	8,122,681	7,648,236	337,871	7,986,107
Total Public Safety	<u>8,000,000</u>	<u>8,122,681</u>	<u>7,648,236</u>	<u>337,871</u>	<u>7,986,107</u>
PUBLIC WORKS INFRASTRUCTURE					
Storm Water Management and Drainage	7,000,000	7,000,000	356,077	333,311	689,388
Total Public Works Infrastructure	<u>7,000,000</u>	<u>7,000,000</u>	<u>356,077</u>	<u>333,311</u>	<u>689,388</u>
CULTURE AND RECREATION					
Macon Centreplex	5,000,000	5,000,000	3,319,689	621,405	3,941,094
Total Culture and Recreation	<u>5,000,000</u>	<u>5,000,000</u>	<u>3,319,689</u>	<u>621,405</u>	<u>3,941,094</u>
PUBLIC WORKS INFRASTRUCTURE					
Street Resurface and Repair	5,000,000	5,000,000	1,799,944	88,996	1,888,940
Total Public Works Infrastructure	<u>5,000,000</u>	<u>5,000,000</u>	<u>1,799,944</u>	<u>88,996</u>	<u>1,888,940</u>
CULTURE AND RECREATION					
Fort Hawkins	750,000	750,000	750,000	-	750,000
Rose Hill Cemetery	300,000	300,000	124,244	80,123	204,367
Bowden Golf Course	600,000	625,393	570,770	-	570,770
Harriett Tubman Museum	2,500,000	2,500,000	2,500,000	-	2,500,000
Total Culture and Recreation	<u>4,150,000</u>	<u>4,175,393</u>	<u>3,945,014</u>	<u>80,123</u>	<u>4,025,137</u>
PUBLIC SAFETY					
Public Safety Vehicles and Equipment	2,500,000	2,538,269	2,538,269	-	2,538,269
Total Public Safety	<u>2,500,000</u>	<u>2,538,269</u>	<u>2,538,269</u>	<u>-</u>	<u>2,538,269</u>
PUBLIC SAFETY					
Public Safety and Other Equipment	10,000,000	9,813,657	746,189	821,298	1,567,487
Total Public Safety	<u>10,000,000</u>	<u>9,813,657</u>	<u>746,189</u>	<u>821,298</u>	<u>1,567,487</u>
PREVIOUSLY INCURRED DEBT					
Total Current Debt	<u>14,000,000</u>	<u>14,000,000</u>	<u>4,843,077</u>	<u>229,644</u>	<u>5,072,721</u>
Total City Project Expenditures	<u>63,650,000</u>	<u>63,650,000</u>	<u>25,836,038</u>	<u>2,737,962</u>	<u>28,574,000</u>
Total Expenditures of Special Purpose Local Option Sales Tax Proceeds-2012 Issue	<u>\$ 63,650,000</u>	<u>\$ 63,650,000</u>	<u>\$ 25,836,038</u>	<u>\$ 2,737,962</u>	<u>\$ 28,574,000</u>
OTHER EXPENDITURES					
Series 2012 SPLOST Bonds - Principal	-	-	250,000	-	250,000
Series 2012 SPLOST Bonds - Interest	-	-	871,767	249,375	1,121,142
Series 2012 SPLOST Bonds - Issuance Costs	-	-	207,816	1,200	209,016
Total Other Expenditures	<u>-</u>	<u>-</u>	<u>1,329,583</u>	<u>250,575</u>	<u>1,580,158</u>
Total Expenditures	<u>\$ 63,650,000</u>	<u>\$ 63,650,000</u>	<u>\$ 27,165,621</u>	<u>\$ 2,988,537</u>	<u>\$ 30,154,158</u>

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COMPLIANCE SECTION



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT
AUDITING STANDARDS**

**To the Board of Commissioners
of Macon-Bibb County, Georgia
Macon, Georgia**

We have audited, 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, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Macon-Bibb County, Georgia (the "County"), as of and for the six months ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated December 23, 2014. Our report includes a reference to other auditors. Other auditors audited the component unit financial statements of the Macon-Bibb County Industrial Authority, the Middle Georgia Regional Library, the Macon-Bibb County Transit Authority, the Macon-Bibb County Board of Health, the Macon-Bibb County Urban Development Authority, the Macon-Bibb County Convention and Visitors Bureau, the Macon-Bibb County Planning and Zoning Commission, and the Development Authority of Bibb County as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Macon-Bibb County, Georgia's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Macon-Bibb County, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of Macon-Bibb County, Georgia's internal control.

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

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mauldin & Jenkins, LLC

Macon, Georgia
December 23, 2014



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

To the Board of Commissioners of
Macon-Bibb County, Georgia
Macon, Georgia

Report on Compliance For Each Major Federal Program

We have audited Macon-Bibb County, Georgia's (hereinafter referred to as the "County") compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the six months ended June 30, 2014. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

The County's basic financial statements include the operations of the Macon-Bibb County Transit Authority as of June 30, 2014, which received \$3,629,158 in federal awards which are not included in the schedule of expenditures of federal awards of the County for the six months ended June 30, 2014. Our audit, described below, did not include the operations of the Macon-Bibb County Transit Authority as the component unit engaged other auditors to perform an audit in accordance with OMB Circular A-133.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the County complied in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the six months ended June 30, 2014.

Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program, and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

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

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

Mauldin & Jenkins, LLC

Macon, Georgia
December 23, 2014

MACON-BIBB COUNTY, GEORGIA

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE SIX MONTHS ENDED JUNE 30, 2014**

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Grant Identification Number	Expenditures
<u>U.S. Department of Housing and Urban Development</u>			
Community Development Block Grant Program Entitlement Grant	14.218	B10-MC-13-0005, B11-MC-13-0005, B12-MC-13-0005	\$ 1,135,385
Neighborhood Stabilization Program #3	14.218	B-11-NM-13-0005	74,507
Total Community Development Block Grant (CDBG) Entitlement Grants Cluster			<u>1,209,892</u>
Home Investment Partnership Program Affordable Housing	14.239	M06-MC-13-0204, M07-MC-13-0202	<u>128,426</u>
(Passed through the Georgia Department of Community Affairs)			
Neighborhood Stabilization Program	14.228	08-NS-5066	<u>3,864</u>
Total U.S. Department of Housing and Urban Development			<u><u>1,342,182</u></u>
<u>U.S. Department of Transportation</u>			
(Passed through Georgia Department of Transportation)			
Airport Improvement Program			
Middle GA Regional - Airport Master Plan Update	20.106	AP012-9019-31(021)	29,957
Downtown - Fuel Farm, Safety Area, Design Threshold	20.106	AP013-9019-31(021)	68,280
Middle GA Regional Airport - Crack and Seal/Road Ramp Rehab Relocation	20.106	AP013-9019-32(021)	4,795
FY 14 Runway 5 Safety Area & Taxiway Bravo	20.106	AP014-9022-34(021)	71,718
Total Airport Improvement Program			<u>174,750</u>
Parks and Streets Improvement			
Amerson Waterworks	20.205	PI 0007636 CSHPP-0007-00 (636)	1,548,748
College Street	20.205	PI 0010667	464,050
Total Parks and Streets Improvement Program			<u>2,012,798</u>
(Passed through Governor's Office of Highway Safety)			
Alcohol Impaired Driving Countermeasures H.E.A.T. Grant	20.600	GA-2014-000-00469	<u>31,818</u>
Total U.S. Department of Transportation			<u><u>2,219,366</u></u>
<u>U.S. Department of Natural Resources</u>			
Trails Improvement Lee Camellia Gardens	20.219	NRT-10 (24)	<u>250</u>
Total U.S. Department of Natural Resources			<u><u>250</u></u>

(continued)

MACON-BIBB COUNTY, GEORGIA

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE SIX MONTHS ENDED JUNE 30, 2014**

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Grant Identification Number	Expenditures
<u>U.S. Department of Homeland Security</u>			
(Passed through Georgia Emergency Management Agency)			
Homeland Security Grant Program			
GEMA Hazmat 2011	97.067	2011-SS-00081-S01 BW #2823	\$ 13,507
GEMA GSAR 2011	97.067	2011-SS-00081-S01 BW #2822	3,479
GEMA K-9 2011	97.067	2011-SS-00081-S01(04) BW #2745	2,524
GEMA K-9 2012	97.067	2012-SS-00063-S01 BW #3037	2,000
GEMA 12 Homeland Security	97.067	2012-SS-00063-S01 BW #3012	13,795
GEMA 13 Homeland Security Vehicle	97.067	2013-SS-00054-S01 BW #3144	43,281
GEMA K-9 2013	97.067	2013-SS-00054-S01 BW #3102	533
2013 GEMA Citizens Corps Program	97.067	2013-SS-00054-S01 BW #3122	2,393
Total Homeland Security Grant Program Cluster			<u>81,512</u>
Emergency Management Performance Grants			
GEMA Response & Recovery	97.042	OEM 13-011 EMPG	25,000
Emergency Management Performance Partnership	97.042	OEM 13-011 PPA	44,708
Total Homeland Security - EMA Performance Grant			<u>69,708</u>
Law Enforcement Officer Reimbursement Program			
Law Enforcement Officer Reimbursement Agreement	97.090	HSTS0213HSLR032	2,744
Total Law Enforcement Officer Reimbursement Program			<u>2,744</u>
Total U.S. Department of Homeland Security			<u><u>153,964</u></u>
<u>U.S. Department of Justice</u>			
Justice Assistance Grant (JAG) Program			
JAG Enhancement 2011	16.738	2011-DJ-BX-3011	10,470
JAG Technical Equipment 2012	16.738	2012-DJ-BX-0479	25,060
Total Justice Assistance Grant (JAG) Program			<u>35,530</u>
Bulletproof Vest Partnership Program			
Bulletproof Vest Grant 2011-2013	16.607	2012	1,792
Total Bulletproof Vest Partnership Program			<u>1,792</u>
Project Safe Neighborhood Program			
2010 Project Safe Neighborhood Grant	16.609	M10-8-006	13,352
Total Project Safe Neighborhood Program			<u>13,352</u>
Crime Victim Compensation Program			
Victim Witness Assistance - DA	16.576	C13-8-048	26,679
Victim Witness Assistance - Solicitor	16.576	C13-8-048	18,170
Total Crime Victim Compensation Program			<u>44,849</u>
Total U.S. Department of Justice			<u><u>95,523</u></u>
Total All Federal Funding			<u><u>\$ 3,811,285</u></u>

MACON-BIBB COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE SIX MONTHS ENDED JUNE 30, 2014

Note 1 - Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Macon-Bibb County, Georgia, and is presented on the accrual basis of accounting.

The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of State and Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements.

Note 2 - Subrecipients

For the six months ending June 30, 2014, Macon-Bibb County provided funds to the following subrecipients from the Community Development Block Entitlement Grant (CFDA #14.218): approximately \$3,518 to Rivers Edge, \$3,170 to Loaves and Fishes, \$83,427 to Rebuilding Macon, \$21,912 to Homefirst, \$7,158 to Family Counseling Center, \$1,762 to Family Advancement Ministries, \$3,111 to Mentors Project, \$18,070 to Macon-Bibb County Economic Opportunity Council, Inc., \$5,714 to Crisis Line, \$6,000 to Motivating Youth, \$947 to Macon Area Habitat for Humanity.

**MACON-BIBB COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE SIX MONTHS ENDED JUNE 30, 2014**

**SECTION I
SUMMARY OF AUDIT RESULTS**

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting: Material weaknesses identified?	None
Significant deficiencies identified not considered to be material weaknesses?	None
Noncompliance material to financial statements noted?	None

Federal Awards

Internal Control over major programs:

Material weaknesses identified?	None
Significant deficiencies identified not considered to be material weaknesses?	None
Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133, Section 501(a)?	None

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
14.218	Community Development Block Entitlement Grant Cluster
20.205	Parks and Streets Improvement Program

Dollar threshold used to distinguish between Type A and Type B programs:	\$300,000
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**SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES**

None reported

**SECTION III
FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS**

None reported

**MACON-BIBB COUNTY, GEORGIA
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE SIX MONTHS ENDED JUNE 30, 2014**

None reported

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