

# **City of Calhoun, Georgia**

## **Comprehensive Annual Financial Report**

**For the Fiscal Year Ended June 30, 2019**

Prepared by:

Department of Finance

**City of Calhoun, Georgia**  
**Comprehensive Annual Financial Report**  
**For The Fiscal Year Ended June 30, 2019**

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**(Unaudited)**

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# *City of Calhoun, Georgia*

*Site of New Echota in the Land of the Cherokee*

**December 9, 2019**

***To the Honorable Mayor, Members of the City Council and  
the Citizens of the City of Calhoun, Georgia:***

The **Comprehensive Annual Financial Report** (CAFR) of the City of Calhoun for the fiscal year ended June 30, 2019, is submitted herewith. This report was prepared by the City's finance department and is intended to fulfill the requirements for audit prescribed by state laws for general-purpose local governments and to fulfill Single Audit requirements of Federal and State governments. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based on a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

R. M. Dobbs & Company, Certified Public Accountants, has issued an unmodified ("clean") opinion of the City of Calhoun's financial statements for the fiscal year ended June 30, 2019. The independent auditor's report is located at the front of the financial section of this report. Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

This report includes all funds of the City. The City provides a full range of services. These services include public safety (police, fire, and animal control), construction and maintenance of roads and infrastructure, recreational and park activities. This report includes two component units: the Calhoun Board of Education and the Downtown Development Authority both of which meet the component unit criteria as set forth in GAAP. The City is financially accountable for the local support required for the City's independent school system. The activity of the Downtown Development Authority is immaterial and is, therefore, not presented on the face of the statements.

Also included in this report are the following enterprise funds: the water and sewer system fund, the electric system fund, the telecommunications fund, the Fields Ferry Golf Course fund, and the solid waste fund. In addition, the City provides economic development support through the revolving loan fund and the hotel-motel tax fund.

## ***PROFILE OF THE GOVERNMENT***

The City of Calhoun, incorporated in January 1852, is located in the northern portion of the state on I-75. The City of Calhoun occupies a land area of approximately 12 square miles and serves a residential population of approximately 15,650 and a service delivery population of approximately 55,000. The City of Calhoun is empowered to levy a property tax on both real and personal properties located within its boundaries. It is also empowered by state statute to extend its corporate limits by annexation, as deemed appropriate by the Mayor and Council.

The City of Calhoun operates under a Mayor, Council, City Administrator and Utilities Administrator form of government. Policy making and legislative authority are vested in the Mayor and Council, consisting of five members. The Mayor and Council are responsible for, among other things, passing of ordinances, zoning, adopting the budget, appointing committees, hiring the City Administrator, Utilities Administrator, and City Attorney, and for appointing the heads of various departments of the City government. The City Administrator and Utilities Administrator are responsible for carrying out the policies and ordinances adopted by the Mayor and Council and overseeing the day-to-day operations of the government. The Mayor and Council are elected on a non-partisan basis; they serve four-year, staggered terms, with two Council members elected every two years and the Mayor elected every four years. The Mayor and Council members are elected at large. However, the Council members are elected for specific Council posts; therefore, candidates seeking office declare a post number when qualifying.

The annual budget serves as the foundation for the City of Calhoun's financial planning and governmental control. All departments and agencies of the City of Calhoun are required to submit requests for appropriation to the Administrators by the deadline established in the budget calendar approved by the Mayor and Council. The City Administrator and the Utilities Administrator use these requests as the starting point for developing a proposed budget. They present the first budget draft to the Mayor and Council at a work session in April of each year. A public hearing on the refined first draft is held in early May of each year. Following the hearing, a second draft is prepared, if necessary, and is reviewed by the Mayor and Council in a second work session. The second public hearing on the final draft is held in early June and is adopted by the Mayor and Council in late June of each year. The appropriated budget is prepared by fund, function and department. Department heads may make transfers of appropriations within divisions of a department, as approved by the Administrators. However, transfers from department to department and fund to fund require approval of the Mayor and Council. The annual budget also includes the City's long-term financial planning efforts in the form of a five year capital plan for each department.

### ***MAJOR INITIATIVES***

#### ***Utility division:***

The Water and Wastewater fund has several construction projection ongoing. Pittman Road 12" Transmission Main and Tank are under construction and being funded from restricted cash accounts. Peters Street Phase II Utility relocation is being funded from SPLOST funds. The South Sewer extension has begun as well.

The Telecommunications department owns and operates a fiber optic network to provide City government network and commercial internet and point-to-point Ethernet services. Research continues on new technologies that will increase efficiency, reduce cost and increase customer satisfaction. As a result, additional services may be offered and service areas expanded. During fiscal 2019, fiber expansion to Brittany Drive Water Plant was completed, allowing service to that location.

Started in 2007, the Geographic Information System (GIS) department has developed one of the state's best GIS systems. All utility services have converted from paper and CAD drawings to electronic versions which are available online to operations personnel in the field and the public. Data from many other City departments, such as police and fire, is collected to visually represent services, trends and make information available during emergencies.

The City of Calhoun Electric fund performed work on major projects for fiscal year 2019 of approximately \$155,000. The City has voted and signed contracts obligating the City to participate in the expansion of two additional generating units at Plant Vogtle. Our allotted capacity will secure a future power resource in 2021. This transaction should accommodate the community's power needs for the next 30 to 35 years.

#### ***General Government Division:***

##### ***Public Safety:***

###### ***Police:***

The City of Calhoun Police Department case load remains average to last year with various types of property crimes, domestic disturbances, false alarms, and traffic related incidents being the highest in numbers. Violent crime statistics are similar to other southeastern municipalities which range in 1% from the past year. The DUI arrests are up this year due to the concentrated efforts of our department in conjunction with the Governor's Office of Highway Safety.

The police department continued to work as a partner with the Federal Bureau of Investigation's (F.B.I.) Safe Streets Program that provides Calhoun with assets such as manpower, vehicle and fuel, equipment, technical, and legal expertise for operations primarily associated with gang activity, drugs, illegal immigration, and forgery. Successful cases through this agency have also provided shared funds to assist the department without using City budget funds.

###### ***Fire:***

The Calhoun Fire Department has an ISO Class 3 rating for property and casualty insurance purposes. The Fire Department has purchased property on Mauldin Road for the proposed 4<sup>th</sup> fire station as recommended in the last ISO review.

The Fire Department has a total of 41 employees, with 5 being administration, training and code enforcement and 36 being on shift in fire suppression.

The number of structure fires within the City of Calhoun has increased this year and the total number of calls continues to increase due to increased medical call requests and mutual aid requests from Gordon County Fire and other surrounding agencies. Calhoun Fire responded to 2121 calls in calendar year 2018 resulting in an estimated \$910,000 in loss and the department is on track to respond to over 2200 calls this year with an estimated \$4,350,000 in property loss. While the fire department's primary mission is life safety through fire prevention and suppression, they also service other emergency areas. The Fire Department hosts GSAR (Georgia Search And Rescue) Task Force 6, which is one of the State of Georgia sponsored Search and Rescue Teams. The department annually

receives grant funding from State and Federal sources to maintain Task Force 6 apparatus and equipment. Situations involving search and rescue, EMS/medical calls, vehicle accidents, industrial accidents, hazardous materials incidents and conditions (leaks, spills, toxic materials, and hazardous materials), severe weather and other incidents have caused the department to broaden its scope of operations, response, and expertise.

**Public Works:**

LMIG funds provided for paving and milling for the Street Department during fiscal year 2019 for three streets that included Pisgah Way, Curtis Parkway (from Dewspond Road to Kent Lane), and Meadow Lane. Gordon County paved Pine Street, Short Street, Brianwood Drive, Mount Vernon Drive, Elm Street (from Park Avenue to Oak Street), Mauldin Road, Barrett Road, Marine Drive and Beamer Road in a joint agreement with the City of Calhoun.

The first phase of the Peters Street project (from Gordon Hills Shopping Center to the roundabout at May St.) was completed in 2019. The engineering on Phase II (from the roundabout to Richardson Road) was completed and work began in 2019.

New equipment purchases were made available with SPLOST funds.

**Recreation:**

In 2019 the trail expansion was completed in September adding an additional mile to the park trail. The Land and Water Conservation Fund grant assisted in the purchase of the land to develop the extension. Construction on the City Bark dog park will be started in early fall of 2019. This is a SPLOST project and should be completed in late winter. New recreation programs are continuing to be added along with the established programs the department offers. Tournaments for soccer, softball, football, and basketball were also held throughout the year continuing to assist the economic impact to Calhoun and Gordon County.

The City's public golf course, Fields Ferry, saw increased play this year and continued to offer an eighteen-hole championship course to the surrounding population. Strong internal management and maintenance of the course allows them to provide an outstanding facility. The City maintained a Golf Advisory Commission, composed of businessmen active in the sport that met with Golf Management quarterly to review activity and to make recommendations on rates, budget projections, and to review financial reports. The Advisory Commission, established in 1991, continues to advise the Mayor and Council.

**FINANCIAL INFORMATION**

**Budgeting Controls:** Budgets have been adopted and appropriated at the fund level for each City governmental fund. Budgetary control is maintained by continued review of the budget-to-actual reports by the Finance department and each department head and full fund reports to the Mayor and Council quarterly. Budget amendments were made after presentation to the Mayor and Council for consideration for governmental funds. The City's budgetary accounting basis for proprietary funds is modified accrual, with all revenues and expenditures budgeted on an accrual basis except for line items for capital outlay and debt payments. The City's budgetary accounting basis for governmental funds is modified accrual. All encumbrances are cancelled at the fiscal year end. Unexpended appropriations lapse at year-end for budgetary purposes and are subject to re-appropriation in the following year.

**Long-term Financial Planning:**

Each year the City adopts a five-year Capital Improvement Program. This plan helps identify projects that should be undertaken in the next five years. This long-range planning is essential in addressing the future development and growth of the City. The City of Calhoun has continually funded its capital requirements aggressively and maintains a pay as you go funding for most of its capital needs, which limits its borrowing requests.

**Awards:** The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the City of Calhoun for its comprehensive annual financial report for the fiscal year ended June 30, 2018. The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management. In order to be awarded this achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report that satisfies both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe the current CAFR continues to meet the program requirement.

**Acknowledgments:** We wish to express our gratitude and appreciation to the members of the Finance department and the Director of Finance of the City of Calhoun for their diligent work on this year's CAFR. We would also like to acknowledge the interest and support of the Mayor and Council in the financial affairs of the City of Calhoun.

Respectfully Submitted,



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Eddie Peterson  
City Administrator



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Larry Vickery  
Utilities Administrator



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Calhoun**  
**Georgia**

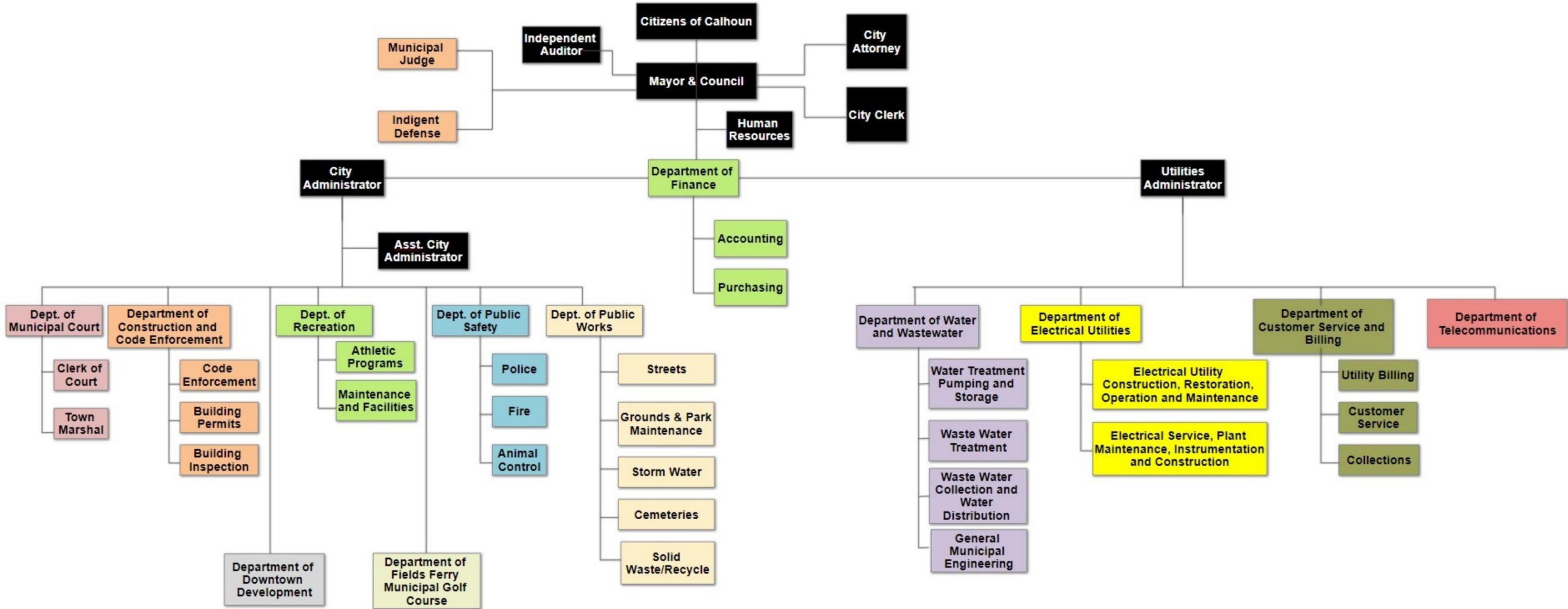
For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2018**

*Christopher P. Morrill*

Executive Director/CEO

# 2019 City of Calhoun Organizational Chart



**City of Calhoun, Georgia**  
**Officials, Management and Appointed Professionals**  
**June 30, 2019**

**Elected Officials:**

Mayor ..... James F. Palmer  
 Mayor Pro Tempore..... George Crowley  
 Councilperson..... Al Edwards  
 Councilperson..... Ray Denmon  
 Councilperson.....Jackie Palazzolo

**City Officials and Management Related to General Government:**

Administrator .....F. Eddie Peterson  
 Assistant City Administrator ..... Paul Worley  
 Director of Finance ..... Andrea K. Bramlett  
 Police Chief ..... Tony Pyle  
 Fire Chief ..... Lenny Nesbitt  
 Superintendent of Street Department..... Kevin McEntire  
 Town Marshal .....Randy Jackson  
 Code Enforcement.....Don McGinnis  
 Downtown Development .....Suzanne Roberts  
 Recreation Director.....Kim Townsend  
 Golf Professional ..... Eric Stewart  
 Superintendent of Golf Maintenance..... David Locke  
 Human Resource..... Linda Brookshire  
 City Clerk.....Sharon Nelson

**Officials and Management Related to Calhoun Utilities:**

Utilities Administrator.....Larry Vickery  
 Director of Finance.....Andrea K. Bramlett  
 Director of Water & Sewer.....Jerry Crawford  
 Brittany Drive Water Plant Superintendent.....Ben Hall  
 Mauldin Rd. Water Plant Superintendent.....Jeremy King  
 Sewer Plant Superintendent.....John Banks  
 Water & Sewer Construction Superintendent .....Mark Williamson  
 Water and Sewer Maintenance Superintendent.....Bobby Robertson  
 Superintendent of Electric Department.....Jeff Defoor  
 Superintendent of Telecommunications.....Brad Carrick

**Appointed Professionals**

Municipal Court Judge ..... Suzanne Hutchinson Smith  
 Municipal Court Prosecutor..... George Govignon  
 Municipal Court Indigent Defense Attorney..... Giles Jones  
 City Attorney..... George Govignon

# R.M. DOBBS & COMPANY

JERRY L. CLEMENTS, C.P.A.  
LOUISE MCGOWAN, C.P.A.  
JUDY M. FAGAN, C.P.A.  
MITZI B. POWELL, C.P.A.

CERTIFIED PUBLIC ACCOUNTANTS  
P.O. BOX 423  
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MEMBER OF  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
AND  
GEORGIA SOCIETY OF  
CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITOR'S REPORT

To the Honorable James F. Palmer, Mayor  
and the City Council  
Calhoun, Georgia

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Calhoun, Georgia, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City of Calhoun, 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 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, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Calhoun, Georgia, as of June 30, 2019, and the respective changes in financial position, and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedules of pension amounts on pages 10-18 and 64-67 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Calhoun, Georgia's basic financial statements. The introductory section, combining and individual fund financial statements, budgetary comparison schedules, statistical section, and the project costs schedule for projects constructed with special purpose local options sales tax are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual fund financial statements, budgetary comparison schedules, statistical section, the project costs schedule for projects constructed with special purpose local options sales tax, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements, budgetary comparison schedules, statistical section, project costs schedule for projects constructed with special purpose local option sales tax, 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.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2019, on our consideration of the City of Calhoun, 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 solely 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 the effectiveness of the City of Calhoun, Georgia's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Calhoun, Georgia's internal control over financial reporting and compliance.

*R. M. Dahls & Company*

Calhoun, Georgia  
December 9, 2019

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## **MANAGEMENT'S DISCUSSION & ANALYSIS**

## MANAGEMENT'S DISCUSSION AND ANALYSIS

Within this section of the City of Calhoun, Georgia (the City) annual financial report, the City's management is pleased to provide this narrative discussion and analysis of the financial activities of the City for the fiscal year ended June 30, 2019. The City's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

### Financial Highlights

- The City's assets exceeded its liabilities by \$279,636,032 (net position) for the fiscal year reported. Deferred outflows of resources exceeded deferred inflows of resources by \$1,140,556.
- Total net position is comprised of the following:
  - (1) Net investment in capital assets of \$190,003,488 includes property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets.
  - (2) Net position of \$20,044,436 is restricted by constraints imposed from outside the City such as debt covenants, grantors, laws, or regulations.
  - (3) Unrestricted net position of \$69,588,108 represents the portion available to maintain the City's continuing obligations to citizens and creditors.
- The City's governmental funds reported total ending fund balance of \$30,810,277 this year. This compares to the prior year ending fund balance of \$25,135,921 showing an increase of \$5,674,356 during the current year. Unassigned and committed fund balance of \$10,604,364 for fiscal year 2019 shows a \$1,164,849 increase from the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$6,561,821 or 49% of total general fund expenditures.
- Overall, the City continues to maintain a strong financial position, as the economy continues to recover.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

### Overview of the Financial Statements

This Management Discussion and Analysis document introduces the City's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The City also includes in this report additional information to supplement the basic financial statements.

#### *Government-wide Financial Statements*

The City's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the City's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government-wide statements is the *Statement of Net Position*. This is the government-wide statement of position presenting information that includes all of the City's assets and liabilities, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City as a whole is improving or deteriorating. Evaluation of the overall health of the City would extend to other nonfinancial factors such as diversification of the taxpayer base or the condition of City infrastructure, in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities*, which reports how the City's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash

was received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the City's distinct activities or functions on revenues provided by the City's taxpayers.

Both government-wide financial statements distinguish governmental activities of the City that are principally supported by taxes from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, judicial, public safety, public works, health and welfare, culture and recreation, housing and development and education. Business-type activities include the electric and water and sewer systems, the golf course, telecommunications and solid waste.

The government-wide financial statements are presented on pages 20-21 of this report.

### ***Fund Financial Statements***

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The City uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the City's most significant funds rather than the City as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the form of combining statements in a later section of this report.

The City has three kinds of funds:

*Governmental funds* are reported in the fund financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the City's governmental funds. These statements report short-term fiscal year accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives. The budgetary comparison statement for the general fund is included in the basic financial statements also.

The basic governmental fund financial statements are presented on pages 23-27 of this report.

Individual fund information for nonmajor governmental funds is found in combining statements and the individual fund statements in a later section of this report.

*Proprietary funds* are reported in the fund financial statements and generally report services for which the City charges customers a fee. The five City proprietary funds are classified as enterprise funds. Enterprise funds essentially encompass the same functions reported as business-type activities in the government-wide statements. Services are provided to customers external to the City organization for electric, water and sewer utilities, the golf course, telecommunications and solid waste management.

The basic enterprise fund financial statements are presented on pages 28-31 of this report.

*Fiduciary funds* are reported only in the basic financial statements on pages 32-33 and in the supplementary financial statements. This category reports an agency fund to account for flow of resources through the municipal court, a cemetery trust fund, and a trust fund for the City's pension fund.

*Notes to the Basic Financial Statements*

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 35 of this report.

*Other Supplementary Information*

In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information concerning the City's budget presentations. Budgetary comparison schedules are included as supplementary information for special revenue funds, debt service funds, and capital project funds, where applicable. These schedules demonstrate compliance with the City's adopted and final revised budget. As discussed, the City reports major funds in the basic financial statements. Combining and individual statements and schedules for non-major funds are presented in a subsequent section of this report beginning on page 69.

**Financial Analysis of the City as a Whole**

The City's net position at fiscal year end is \$279,636,032. The following table provides a summary of the City's net position:

Summary of Net Position

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Assets						
Current assets	\$ 25,841,260	\$ 20,140,443	\$ 48,698,836	\$ 46,043,745	\$ 74,540,096	\$ 66,184,188
Other assets	7,853,427	7,492,929	40,348,609	34,710,790	48,202,036	42,203,719
Capital assets	126,630,689	127,311,959	115,590,495	117,047,140	242,221,184	244,359,099
Total assets	160,325,376	154,945,331	204,637,940	197,801,675	364,963,316	352,747,006
Deferred Outflows of Resources	1,062,470	627,508	1,011,641	625,460	2,074,111	1,252,968
Liabilities						
Current liabilities	2,480,218	2,226,170	8,072,132	7,901,009	10,552,350	10,127,179
Long-term liabilities	35,509,890	34,939,569	40,405,601	40,881,201	75,915,491	75,820,770
Total liabilities	37,990,108	37,165,739	48,477,733	48,782,210	86,467,841	85,947,949
Deferred Inflows of Resources	509,276	583,668	424,279	527,358	933,555	1,111,026
Net position						
Net investment in capital assets	93,080,112	93,726,195	96,923,376	96,583,853	190,003,488	190,310,048
Restricted	20,044,436	15,830,227	-	-	20,044,436	15,830,227
Unrestricted	9,763,915	8,267,010	59,824,193	52,533,714	69,588,108	60,800,724
Total net position	\$ 122,888,463	\$ 117,823,432	\$ 156,747,569	\$ 149,117,567	\$ 279,636,032	\$ 266,940,999

The City reported positive balances in net position for both governmental and business-type activities. Net position increased \$5,065,031 for governmental activities and by \$7,630,002 for business-type activities.

**MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)**  
**For the Fiscal Year Ended June 30, 2019**

**City of Calhoun, Georgia**

Approximately 76% of the governmental activities' net position are invested in capital assets at June 30, 2019, as compared with 79% the previous year. The City uses these capital assets to provide services to its citizens. With business-type activities, the City has invested 62% of its net position in capital assets in this fiscal year as compared to 64% in fiscal year 2018. Capital assets in the business-type activities provide utility services, but they also generate revenues for these funds.

The following table provides a summary of the City's changes in net position:

	Summary of Changes in Net Position					
	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues						
Program						
Charges for services and fines	\$ 1,363,917	\$ 1,027,306	\$ 57,213,062	\$ 57,962,078	\$ 58,576,979	\$ 58,989,384
Operating grants	5,753,208	4,961,599	205,233	141,180	5,958,441	5,102,779
Capital grants	2,996,032	5,847,072	-	-	2,996,032	5,847,072
General						
Taxes	10,759,077	9,824,572	-	-	10,759,077	9,824,572
Other	426,946	253,813	2,516,597	918,972	2,943,543	1,172,785
Total revenues	<u>21,299,180</u>	<u>21,914,362</u>	<u>59,934,892</u>	<u>59,022,230</u>	<u>81,234,072</u>	<u>80,936,592</u>
Program expenses						
General government	1,174,664	953,158	-	-	1,174,664	953,158
Judicial	320,902	484,429	-	-	320,902	484,429
Public safety	8,077,431	7,871,922	-	-	8,077,431	7,871,922
Public works	3,418,118	3,276,997	-	-	3,418,118	3,276,997
Health and welfare	56,812	53,872	-	-	56,812	53,872
Culture and recreation	1,769,418	1,732,168	-	-	1,769,418	1,732,168
Housing and economic development	1,190,456	1,287,917	-	-	1,190,456	1,287,917
Education	1,491,092	2,129,460	-	-	1,491,092	2,129,460
Interest	1,494,300	1,499,261	-	-	1,494,300	1,499,261
Electric	-	-	32,209,366	32,955,590	32,209,366	32,955,590
Water and sewer	-	-	14,617,739	14,052,206	14,617,739	14,052,206
Golf course	-	-	845,050	821,372	845,050	821,372
Telecommunications	-	-	893,327	992,770	893,327	992,770
Solid waste	-	-	980,364	829,125	980,364	829,125
Total expenses	<u>18,993,193</u>	<u>19,289,184</u>	<u>49,545,846</u>	<u>49,651,063</u>	<u>68,539,039</u>	<u>68,940,247</u>
Excess	2,305,987	2,625,178	10,389,046	9,371,167	12,695,033	11,996,345
Transfers	<u>2,759,044</u>	<u>1,101,774</u>	<u>(2,759,044)</u>	<u>(1,101,774)</u>	<u>-</u>	<u>-</u>
Change in net position	5,065,031	3,726,952	7,630,002	8,269,393	12,695,033	11,996,345
Net position beginning of year	<u>117,823,432</u>	<u>114,096,480</u>	<u>149,117,567</u>	<u>140,848,174</u>	<u>266,940,999</u>	<u>254,944,654</u>
Ending net position	<u>\$ 122,888,463</u>	<u>\$ 117,823,432</u>	<u>\$ 156,747,569</u>	<u>\$ 149,117,567</u>	<u>\$ 279,636,032</u>	<u>\$ 266,940,999</u>

**GOVERNMENTAL REVENUES**

The City is heavily reliant on business and franchise taxes and local option sales taxes to support governmental operations. Business license and franchise taxes provided 14% of the City’s total governmental revenues which was comparable to the prior year. Sales taxes provided 14% of total governmental revenues versus 12% in fiscal year 2018. This includes SPLOST revenues for business-type activities that is included in revenue in the governmental funds and then transferred out to the utility funds for approved projects. Property taxes and charges for services and fines are also important revenue sources (excluding grants and contributions) providing 10% and 6% of total revenues, respectively. Total General Fund revenues increased substantially in the current year with a 16% increase and a 2% increase in the prior year.

**GOVERNMENTAL FUNCTIONAL EXPENSES**

This table presents the cost of each of the City’s programs, including the net costs (i.e., total cost less revenues generated by the activities). The net costs illustrate the financial burden placed on the City’s taxpayers by each of these functions.

	<b>Total Cost of Services</b>		<b>Net Cost of Services</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
General government	\$ 1,174,664	\$ 953,158	\$ 998,104	\$ 764,795
Judicial	320,902	484,429	276,146	444,960
Public safety	8,077,431	7,871,922	7,365,960	7,295,923
Public works	3,418,118	3,276,997	156,652	1,338,103
Health and welfare	56,812	53,872	56,812	53,872
Culture and recreation	1,769,418	1,732,168	1,008,577	696,952
Housing and economic development	1,190,456	1,287,917	697,865	997,945
Education	1,491,092	2,129,460	(3,174,380)	(5,638,604)
Interest	1,494,300	1,499,261	1,494,300	1,499,261
<b>Total</b>	<b>\$ 18,993,193</b>	<b>\$ 19,289,184</b>	<b>\$ 8,880,036</b>	<b>\$ 7,453,207</b>

Public safety expenses make up 43% of the governmental activities expenses. This compares to 41% in fiscal year 2018. The public works function is the second largest cost, making up 18% of governmental activities expenses, which compares to 17% in the prior year.

Approximately 10% of gross program costs for public safety functions were recovered from public safety revenues, primarily fines and forfeitures, which is a 3% increase over the prior year.

Note that the education function reports excess of revenues over expenses. This presentation may be misleading, although required. Program revenue in the education function is from intergovernmental ESPLOST revenue restricted for debt service. Debt principal payments have been eliminated from the statement of activities and charged against the liability in the statement of net position, causing the education function to appear to have a \$3.1 million dollar net revenue. It is anticipated that once the debt is paid, education will have a net loss because of depreciation expense.

**BUSINESS-TYPE ACTIVITIES**  
**Revenues vs. Costs**

The operating revenues for all enterprise funds, including the internal service fund, decreased \$656,062 or 1% from 2018 and total operating expenses decreased \$170,224 or .3%, from fiscal year 2018. Within the total business-type activities of the City, these activities reported \$8,614,243 in operating income compared to operating income of \$9,100,081 in the prior year, or a decrease of 5.3%. After transfers in and out between other funds and other non-operating items, these funds reported a net change in net position of \$7,630,002 compared to a net change in net position of \$8,269,393 in 2018.

Each specific fund reported the following change in operating income or (loss):

	<u>Amount Change</u>	<u>%</u>
Water and sewerage fund	\$(133,906)	(3% )
Electric system fund	(547,489)	(15%)
Field Ferry Golf Course fund	12,946	7%
Telecommunications fund	144,106	105%
Solid waste fund	(16,131)	(190%)

**Water and Sewerage Fund** – One of the major funds is the water and sewerage fund. The operating revenues increased 3% and operating expenses have increased 5%, resulting in a decrease in operating income from 2018 of approximately 3%. The revenues increased due to a rate increase in both water and sewer and construction growth this year causing new meter installations. In expenditures, personal services, which includes retirement and health insurance, increased 6% over the prior year. Contractual services increased 58% due to an increase in repairs, engineering and technical costs and a decrease in costs to capitalize. Depreciation increased 5% as well. These changes resulted in a decreased operating income of 3% less than 2018.

**Electric Fund** - The other major enterprise fund is the electric system fund. The charges for services have decreased 4% from the prior year. This decrease in revenues, has a corresponding decrease in purchased power supply. Supplies decreased 2% and contract services decreased 9%. Overall operating expensing decreased 2%. These changes have resulted in a decreased operating income from 2018 of 15%.

**Financial Analysis of the City’s Funds**

**Governmental Funds**

As discussed, governmental funds reported in the fund statements have a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$30,810,277. Of this year-end total, \$6,555,071 is unassigned indicating availability for continuing City service requirements. There is \$4,049,293 committed for working capital and contingencies. Restricted fund balances for program purposes, capital projects and debt service are \$20,037,960. Amounts equal to prepaid assets of \$167,953 are nonspendable for current expenditures.

The total ending fund balances of governmental funds show an increase of \$5,674,356 or 23% from the prior year.

***Major Governmental Funds***

***General Fund*** - The general fund is the City's primary operating fund and the largest source of day-to-day service delivery. The general fund's fund balance increased by \$1,497,346 in fiscal year 2019.

General fund revenue increased \$1,586,642 or 16% from the prior year and total general fund expenditures increased \$1,124,191 when compared to the prior year, which represented 9%. Property taxes increased \$448,754, Sales tax revenues increased \$427,771, Intergovernmental revenue increased \$233,174, Licenses and permits increased \$167,036 and Investment earnings increased \$192,754 as compared to the previous year.

General Government expenditures increased \$201,529 over the prior year. Judicial expenditures decreased \$101,658 over the prior year due to decreased legal fees. Public Safety expenditures increased \$867,080 over the prior year due primarily to salaries and benefits and capital outlay. Public Works increased \$99,089 from 2018.

The general fund's unassigned and committed ending fund balance represents the equivalent of 77% of annual expenditures, as compared to 79% at June 30, 2019.

***School Bond Debt Service Fund*** – This governmental fund accounts for the issuance of bonds for various school needs. Citizens have approved an E-SPLOST to fund the payments on these bonds during the term of the SPLOST. Renewals on the E-SPLOST will be voted on as each term expires until all such debt is paid. The 2002 and the 2003, School Bonds were paid off prematurely during fiscal years 2013 and 2014, which reduced the funds balance substantially.

***The Proprietary Funds***

The proprietary fund statements share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status. Therefore, the analysis is presented above.

**Budgetary Highlights**

***The General Fund*** – There were two Council approved budget amendments done during this fiscal year, which included any transfers between departments. Line item transfers within the department were done throughout the year with management approval. Revenues were \$870,094 more than the final budget, meeting 100% of the final budgeted revenues. Budget amendments increased General Fund revenues by \$858,579 and accounted for additional insurance premium tax, sales tax revenue, business license and permits primarily.

The City spent 97% of the final authorized budgeted expenditures. General government expenditures actual was \$446,843 less than budget. The budget amendments to increase the General Fund \$800,772 were primarily to budget for capital outlay, additional legal fees, and repairs and maintenance costs.

**Capital Assets and Debt Administration**

***Capital Assets***

At June 30, 2019, the depreciable capital assets for governmental activities were 39% depreciated compared to 37% in the prior year. For the City's business-type activities, 48% of the asset values were depreciated at June 30, 2019, in comparison with 47% at June 30<sup>th</sup> of the prior year. Consistent or decreasing percentages are a positive financial indicator.

The City completed the GEFA phase of the 2" Galvanized Pipe project and is continuing with the City funded portion of this project. Construction on several lift stations began and most were completed in fiscal 2019 with the final one being completed in early fiscal 2020. The Pittman Road 12" Transmission Main and Tank should be completed in fiscal 2020. Construction began on Peters Street Phase II. See Note 3-E for additional information about changes in capital assets during the fiscal year and amounts outstanding at the end of the year.

### ***Long-term Debt***

At the end of the fiscal year, the City had two types of bonds outstanding, notes payable, a capital lease, claims, compensated absences, landfill closure costs, and a pension liability. See Note 3-H for additional information about the City's long-term debt.

### **Economic Conditions Affecting the City**

The City is finally beginning to feel as though we are coming out of the economic downturn. The City of Calhoun, along with many other local governments, experienced a significant decrease in sales tax collections in prior years. In fiscal 2017, this stabilized and we saw a small increase in collections, in fiscal 2018, we saw a somewhat more measurable increase and fiscal 2019 we saw a significant increase in collections. The existence of a local technical college has allowed for the training and retraining of many in the work force for jobs where higher levels of education and technical skills are required or in areas where more jobs are available. The City does continue to get industrial prospects who inquire about the possibility of locating here, as close accessibility to Atlanta is attractive. The new I-75 and Union Grove Road interchange was completed; the I-75 and Red Bud Road interchange recently underwent a multi-million dollar expansion; and the South Calhoun Bypass project was completed in fiscal year 2018. The City has been able to increase its Freeport exemption up to 80% in an attempt to stay competitive with surrounding communities. There have been several new industrial buildings constructed and several existing industries expanding their facilities. The City of Calhoun has positioned itself very well for growth, due to capacity for expansion in the areas of water, sewer and electricity.

### **Contacting the City's Financial Management**

This financial report is designed to provide a general overview of the City's finances, comply with finance-related laws and regulations, and demonstrate the City's commitment to public accountability. The government-wide financial statements include not only the City itself (known as the primary government), but also the material component unit: Calhoun School District. Financial information for the component unit is reported separately from the financial information presented for the primary government. Complete financial statements for the unit are available from the City's Director of Finance upon request. If you have questions about this report or would like to request additional information, contact the Director of Finance, Andrea K. Bramlett at 700 W. Line Street, Calhoun, GA 30701, (706) 602-5840, [abramlett@calnet-ga.net](mailto:abramlett@calnet-ga.net).

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## **GOVERNMENT-WIDE FINANCIAL STATEMENTS**

City of Calhoun, Georgia  
Statement of Net Position  
June 30, 2019

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Calhoun School District
<b>Assets</b>				
<b>Current assets</b>				
Cash	\$ 19,616,564	\$ 8,991,074	\$ 28,607,638	\$ 28,607,806
Investments	960,781	2,433,444	3,394,225	-
<b>Restricted assets</b>				
Cash	-	2,614,872	2,614,872	-
Investments	-	24,169,124	24,169,124	-
<b>Receivables</b>				
Property taxes	614,125	-	614,125	-
Franchise taxes	196,525	-	196,525	-
Other taxes	200,184	-	200,184	-
Accounts	86,865	1,967,549	2,054,414	-
Accrued revenue	-	4,080,172	4,080,172	-
Other	-	145,965	145,965	-
Fines	562,006	-	562,006	-
Intergovernmental	2,047,284	638,932	2,686,216	3,885,161
Deposits	-	19,979	19,979	-
Interest	6,028	28,387	34,415	-
Loans	278,165	-	278,165	-
Due from component unit	1,104,781	59	1,104,840	-
Due from primary government	-	-	-	823,903
Inventory	-	3,421,784	3,421,784	112,131
Prepaid items	167,953	187,495	355,448	-
<b>Total Current Assets</b>	<b>25,841,261</b>	<b>48,698,836</b>	<b>74,540,097</b>	<b>33,429,001</b>
<b>Noncurrent assets</b>				
Investments	5,702,273	22,427,641	28,129,914	-
<b>Restricted assets</b>				
Cash	-	1,349,614	1,349,614	-
Investments	-	16,571,354	16,571,354	-
Loans	2,151,154	-	2,151,154	-
<b>Capital assets</b>				
Nondepreciable	34,055,037	8,960,464	43,015,501	-
Depreciable, net	92,575,652	106,630,031	199,205,683	3,042,854
<b>Noncurrent Assets</b>	<b>134,484,116</b>	<b>155,939,104</b>	<b>290,423,220</b>	<b>3,042,854</b>
<b>Total Assets</b>	<b>160,325,377</b>	<b>204,637,940</b>	<b>364,963,317</b>	<b>36,471,855</b>
<b>Deferred Outflows of Resources</b>				
Deferred bond refunding	-	18,645	18,645	-
Pension related	1,062,470	992,996	2,055,466	7,647,666
<b>Total Deferred Outflows of Resources</b>	<b>1,062,470</b>	<b>1,011,641</b>	<b>2,074,111</b>	<b>7,647,666</b>
<b>Liabilities</b>				
<b>Current liabilities</b>				
Accounts payable	304,499	2,999,387	3,303,886	1,134,642
Contractor bonds payable	-	38,469	38,469	-
Accrued payroll liabilities	15,713	106,378	122,091	3,942,922
Accrued expenses	250,538	27,819	278,357	-
Compensated absences payable	99,232	102,260	201,492	153,846
Claims payable	6,256	-	6,256	-
Internal balances	(111,399)	111,399	-	-
Intergovernmental payable	27,939	90,351	118,290	-
Due to component unit	823,903	-	823,903	-
Due to primary government	-	-	-	1,104,840
Accrued interest payable	518,400	12,435	530,835	-
Unearned revenue	545,137	35,071	580,208	34,920
Post-closure care payable	-	27,583	27,583	-
Notes payable	-	509,775	509,775	-
Revenue bonds payable	-	1,350,000	1,350,000	-
Capital leases payable	-	78,071	78,071	-
Payable from restricted assets	-	2,583,134	2,583,134	-
<b>Total Current Liabilities</b>	<b>2,480,218</b>	<b>8,072,132</b>	<b>10,552,350</b>	<b>6,371,170</b>
<b>Long-term liabilities (net of current portion)</b>				
Compensated absences payable	231,542	189,908	421,450	2,178
Claims payable	50,618	-	50,618	-
Post-closure care payable	-	146,417	146,417	-
General obligation bonds payable	33,550,577	-	33,550,577	-
Revenue bonds payable	-	6,490,000	6,490,000	-
Notes payable	-	9,956,249	9,956,249	-
Capital leases payable	-	301,669	301,669	-
OPEB liability payable	-	-	-	23,872,997
Net pension liability payable	1,677,153	1,516,698	3,193,851	28,012,128
Payable from restricted noncurrent assets	-	21,804,660	21,804,660	-
<b>Total Long-term Liabilities</b>	<b>35,509,890</b>	<b>40,405,601</b>	<b>75,915,491</b>	<b>51,887,303</b>
<b>Total Liabilities</b>	<b>37,990,108</b>	<b>48,477,733</b>	<b>86,467,841</b>	<b>58,258,473</b>
<b>Deferred Inflows of Resources</b>				
Deferred grant revenues	55,314	-	55,314	-
Pension related	453,962	424,279	878,241	7,822,712
<b>Total Deferred Inflows of Resources</b>	<b>509,276</b>	<b>424,279</b>	<b>933,555</b>	<b>7,822,712</b>
<b>Net Position</b>				
Net investment in capital assets	93,080,112	96,923,376	190,003,488	2,777,114
<b>Restricted for</b>				
Debt service	13,001,742	-	13,001,742	-
Capital projects	3,724,049	-	3,724,049	-
<b>Program purposes</b>				
Education	384,156	-	384,156	1,180,970
Housing and development	2,572,768	-	2,572,768	-
Public safety	104,754	-	104,754	-
Culture and recreation	256,967	-	256,967	-
Unrestricted (deficit)	9,763,915	59,824,193	69,588,108	(25,919,748)
<b>Total Net Position</b>	<b>\$ 122,888,463</b>	<b>\$ 156,747,569</b>	<b>\$ 279,636,032</b>	<b>\$ (21,961,664)</b>

See accompanying notes to the basic financial statements



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## **FUND FINANCIAL STATEMENTS**

**City of Calhoun, Georgia**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2019**

	General	School Bonds Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>				
Cash	\$ 2,487,915	\$ 12,386,380	\$ 4,742,269	\$ 19,616,564
Investments- current	960,781	-	-	960,781
Investments- noncurrent	5,702,273	-	-	5,702,273
Receivables				
Property taxes	60,378	-	553,747	614,125
Franchise taxes	196,525	-	-	196,525
Other taxes	35,920	-	164,264	200,184
Accounts	86,382	-	483	86,865
Fines	562,006	-	-	562,006
Intergovernmental	1,669,039	-	378,245	2,047,284
Interest	-	-	6,028	6,028
Loans	-	-	278,165	278,165
Loans- noncurrent	-	-	2,151,154	2,151,154
Interfund	492,290	-	21,400	513,690
Due from component unit	12,622	615,362	476,797	1,104,781
Prepaid items	154,727	-	13,226	167,953
<b>Total Assets</b>	<b>\$ 12,420,858</b>	<b>\$ 13,001,742</b>	<b>\$ 8,785,778</b>	<b>\$ 34,208,378</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>				
<b>Liabilities</b>				
Accounts payable	\$ 209,166	\$ -	\$ 95,333	\$ 304,499
Accrued payroll liabilities	2,391	-	13,322	15,713
Accrued expenditures	168,406	-	82,132	250,538
Intergovernmental payable	27,014	-	925	27,939
Due to component unit	-	-	823,903	823,903
Interfund payable	57,096	-	162,918	220,014
Unearned revenue	-	-	545,137	545,137
Advances payable	182,277	-	-	182,277
<b>Total Liabilities</b>	<b>646,350</b>	<b>-</b>	<b>1,723,670</b>	<b>2,370,020</b>
<b>Deferred Inflows of Resources</b>				
Unavailable tax revenue	49,948	-	384,156	434,104
Unavailable fine revenue	538,663	-	-	538,663
Unavailable grant revenue	-	-	19,414	19,414
Other unavailable revenue	35,900	-	-	35,900
<b>Total Deferred Inflows of Resources</b>	<b>624,511</b>	<b>-</b>	<b>403,570</b>	<b>1,028,081</b>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>1,270,861</b>	<b>-</b>	<b>2,127,240</b>	<b>3,398,101</b>
<b>Fund Balances</b>				
Nonspendable				
Prepaid items	154,727	-	13,226	167,953
Restricted				
Debt service	-	13,001,742	-	13,001,742
Capital projects	-	-	3,724,049	3,724,049
Program purposes				
Education	384,156	-	-	384,156
Housing and development	-	-	2,572,768	2,572,768
Public safety	-	-	104,754	104,754
Culture and recreation	-	-	250,491	250,491
Committed				
Working capital/contingencies	4,049,293	-	-	4,049,293
Unassigned (deficits), reported in				
General fund	6,561,821	-	-	6,561,821
Special revenue funds	-	-	(6,750)	(6,750)
<b>Total Fund Balances</b>	<b>11,149,997</b>	<b>13,001,742</b>	<b>6,658,538</b>	<b>30,810,277</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 12,420,858</b>	<b>\$ 13,001,742</b>	<b>\$ 8,785,778</b>	<b>\$ 34,208,378</b>

See accompanying notes to the basic financial statements

**City of Calhoun, Georgia**  
**Reconciliation of the Governmental Funds' Balance Sheet**  
**to the Statement of Net Position**  
**June 30, 2019**

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**Total Governmental Fund Balances** \$ 30,810,277

**Amounts reported for governmental activities in the  
statement of net position are different because:**

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds (exclusive of internal service funds' capital assets).

Cost of capital assets	\$ 185,121,389	
Less accumulated depreciation	<u>(58,490,700)</u>	126,630,689

Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.

Property taxes	434,104	
Fines	538,663	
Deferred outflow pension related	<u>1,062,470</u>	2,035,237

Interfund receivables and payables between governmental funds are reported on the governmental fund's balance sheet but eliminated on the government-wide statement of net position.

Interfund receivables	(89,621)	
Interfund payables	<u>89,621</u>	-

Liabilities not due and payable in the current period are not reported in the governmental fund balance sheets but are reported on the government-wide statement of net position.

Bonds	(33,550,577)	
Net pension obligation	(219,907)	
Net pension liability	(1,457,246)	
Claims	(56,874)	
Compensated absences	(330,774)	
Accrued interest	(518,400)	
Deferred inflow pension related	<u>(453,962)</u>	<u>(36,587,740)</u>

**Net Position Of Governmental Activities** \$ 122,888,463

See accompanying notes to the basic financial statements

**City of Calhoun, Georgia**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Fiscal Year Ended June 30, 2019**

	General	School Bonds Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>				
Taxes				
Property	\$ 2,158,367	\$ -	\$ -	\$ 2,158,367
Sales	2,967,191	-	-	2,967,191
Other	4,720,353	-	864,410	5,584,763
Intergovernmental	681,159	4,448,186	3,432,765	8,562,110
Licenses and permits	540,165	-	-	540,165
Charges for services	179,109	-	205,940	385,049
Fines and forfeitures	346,855	-	35,128	381,983
Contributions	1,450	-	-	1,450
Investment earnings	189,861	217,286	65,697	472,844
Miscellaneous	19,254	-	20,327	39,581
<b>Total Revenues</b>	<b>11,803,764</b>	<b>4,665,472</b>	<b>4,624,267</b>	<b>21,093,503</b>
<b>Expenditures</b>				
<b>Current</b>				
General government	1,150,423	-	-	1,150,423
Judicial	378,302	-	-	378,302
Public safety	8,461,437	-	44,971	8,506,408
Public works	2,514,499	-	-	2,514,499
Health and welfare	56,696	-	-	56,696
Culture and recreation	183,887	-	1,082,290	1,266,177
Housing and economic development	719,685	-	434,705	1,154,390
<b>Capital Outlay</b>	<b>-</b>	<b>-</b>	<b>1,830,018</b>	<b>1,830,018</b>
<b>Debt Service</b>				
Interest and fiscal charges	-	1,483,275	-	1,483,275
<b>Total Expenditures</b>	<b>13,464,929</b>	<b>1,483,275</b>	<b>3,391,984</b>	<b>18,340,188</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(1,661,165)</b>	<b>3,182,197</b>	<b>1,232,283</b>	<b>2,753,315</b>
<b>Other Financing Sources (Uses)</b>				
Sale of capital assets	40,539	-	13,450	53,989
Insurance reimbursement	108,008	-	-	108,008
Transfers in	3,680,684	-	1,752,353	5,433,037
Transfers out	(670,720)	(1,139,135)	(864,138)	(2,673,993)
<b>Total Other Financing Sources (Uses)</b>	<b>3,158,511</b>	<b>(1,139,135)</b>	<b>901,665</b>	<b>2,921,041</b>
<b>Net Change in Fund Balances</b>	<b>1,497,346</b>	<b>2,043,062</b>	<b>2,133,948</b>	<b>5,674,356</b>
<b>Fund Balances Beginning of Year</b>	<b>9,652,651</b>	<b>10,958,680</b>	<b>4,524,590</b>	<b>25,135,921</b>
<b>Fund Balances End of Year</b>	<b>\$ 11,149,997</b>	<b>\$ 13,001,742</b>	<b>\$ 6,658,538</b>	<b>\$ 30,810,277</b>

See accompanying notes to the basic financial statements

**City of Calhoun, Georgia**  
**Reconciliation of the Governmental Funds' Statement of Revenues, Expenditures**  
**and Changes in Fund Balances to the Statement of Activities**  
**For the Fiscal Year Ended June 30, 2019**

**Net Changes In Fund Balances - Total Governmental Funds** \$ 5,674,356

**Amounts reported for governmental activities in the statement of activities are different because:**

Governmental funds report capital outlays as expenditures on the governmental fund type operating statement. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capitalized capital outlay exceeded depreciation expense in the current period.

Depreciation expense	\$ (4,083,779)	
Capital outlay	<u>3,402,509</u>	(681,270)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues at the fund financial reporting level.

Property taxes:		
Deferred @ 6/30/19	434,104	
Deferred @ 6/30/18	<u>(385,348)</u>	48,756
Fines:		
Deferred @ 6/30/19	538,663	
Deferred @ 6/30/18	<u>(481,943)</u>	56,720

Elimination of transfers between governmental funds, including net effect of transfers recorded for capital assets moved between governmental and enterprise funds.

Transfers in	(2,134,529)	
Transfers out	<u>2,134,529</u>	-

Amortization of bond premiums/discounts are reported on the government-wide statement of activities but not reported on the fund financial reporting level. 35,187

Pension expense represents the change in net pension obligation and liability from the beginning of the year to the end of the year on the statement of activities, but is measured by the amount actually paid in the governmental funds. This is the amount by which the change in net pension obligation and liability and pension related deferrals reduced the expenditures for contributions actually paid. (41,902)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds. The change in the current year expenses are as follows:

Accrued interest		
Liability @ 6/30/19	(518,400)	
Liability @ 6/30/18	<u>518,400</u>	-
Compensated absences		
Liability @ 6/30/19	(330,774)	
Liability @ 6/30/18	<u>302,277</u>	(28,497)
Claims		
Liability @ 6/30/19	(56,874)	
Liability @ 6/30/18	<u>58,555</u>	<u>1,681</u>

**Change In Net Position of Governmental Activities** \$ 5,065,031

See accompanying notes to the basic financial statements

City of Calhoun, Georgia  
*General Fund*  
**Statement of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2019**

	Original Budget	Final Budget	Actual	Variance With Final Budget
<b>Revenues</b>				
Property taxes	\$ 1,996,808	\$ 2,194,767	\$ 2,158,367	\$ (36,400)
Sales taxes	2,470,000	2,658,419	2,967,191	308,772
Other taxes	4,482,248	4,648,883	4,720,353	71,470
Intergovernmental	427,810	491,258	681,159	189,901
Licenses and permits	305,250	506,536	540,165	33,629
Charges for services	121,744	162,576	179,109	16,533
Fines and forfeitures	306,823	306,823	346,855	40,032
Contributions	200	200	1,450	1,250
Investment earnings (loss)	(38,792)	(38,792)	189,861	228,653
Miscellaneous	3,000	3,000	19,254	16,254
<b>Total Revenues</b>	<b>10,075,091</b>	<b>10,933,670</b>	<b>11,803,764</b>	<b>870,094</b>
<b>Expenditures</b>				
General administration				
Mayor and council	302,747	233,559	230,895	2,664
Elections	300	1,129	1,129	-
City administrator	776,929	776,929	626,920	150,009
Tax administration	81,545	81,545	74,060	7,485
General teller	62,313	62,313	60,649	1,664
Human resources	159,486	159,486	153,170	6,316
Risk management	4,250	4,250	3,600	650
Judicial				
Municipal court	323,046	368,933	364,331	4,602
Custody of prisoners	31,000	31,000	13,971	17,029
Public safety				
Police	4,297,577	4,468,207	4,393,446	74,761
Fire	3,532,467	4,099,410	4,067,991	31,419
Public works				
Animal control	97,701	90,010	82,002	8,008
Highways and streets	2,318,514	2,349,747	2,233,962	115,785
Cemetery	186,249	194,894	194,894	-
Parks beautification	4,900	4,900	3,641	1,259
Health and welfare related	61,033	61,033	56,696	4,337
Culture and recreation				
Auditorium	105	106	106	-
Depot	24,505	28,922	27,527	1,395
Community center	8,904	15,954	12,910	3,044
Library	146,318	146,318	143,344	2,974
Housing and economic development				
Regulatory inspections and enforcement	331,808	373,824	373,824	-
Downtown development	103,448	103,448	101,141	2,307
Airport	255,855	255,855	244,720	11,135
<b>Total Expenditures</b>	<b>13,111,000</b>	<b>13,911,772</b>	<b>13,464,929</b>	<b>446,843</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(3,035,909)</b>	<b>(2,978,102)</b>	<b>(1,661,165)</b>	<b>1,316,937</b>
<b>Other Financing Sources (Uses)</b>				
Sale of capital assets	5,000	5,000	40,539	35,539
Insurance reimbursement	1,000	1,000	108,008	107,008
Transfers in	3,753,453	3,753,453	3,680,684	(72,769)
Transfers out	(723,544)	(781,351)	(670,720)	110,631
<b>Total Other Financing Sources (Uses)</b>	<b>3,035,909</b>	<b>2,978,102</b>	<b>3,158,511</b>	<b>180,409</b>
<b>Net Change in Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>1,497,346</b>	<b>\$ 1,497,346</b>
<b>Fund Balance Beginning of Year</b>			<b>9,652,651</b>	
<b>Fund Balance End of Year</b>			<b>\$ 11,149,997</b>	

See accompanying notes to the basic financial statements.

City of Calhoun, Georgia  
Statement of Net Position  
Proprietary Funds  
June 30, 2019

	Business-type Activities - Enterprise Funds				Business-type Activities
	Electric System	Water & Sewerage System	Nonmajor Proprietary Funds	Total	Internal Service Fund
<b>Assets</b>					
<b>Current assets</b>					
Cash	\$ 2,837,100	\$ 4,413,277	\$ 811,043	\$ 8,061,420	\$ 929,654
Investments	1,751,450	618,599	63,395	2,433,444	-
<b>Restricted Assets</b>					
Cash	644,268	1,970,604	-	2,614,872	-
Investments	24,169,124	-	-	24,169,124	-
<b>Receivables</b>					
Accounts	922,112	944,725	100,712	1,967,549	-
Accrued revenue	2,657,460	1,308,892	113,820	4,080,172	-
Intergovernmental	636,143	2,789	-	638,932	-
Interfund	83,375	169,381	69,288	322,044	3,070
Interest	-	28,387	-	28,387	-
Other	72,205	71,215	2,545	145,965	-
Advances	261,806	-	-	261,806	-
Deposits	19,979	-	-	19,979	-
Due from component unit	59	-	-	59	-
Inventory	1,818,095	1,315,326	288,363	3,421,784	-
Prepaid items	18,513	66,942	10,243	95,698	91,797
<b>Total Current Assets</b>	<b>35,891,689</b>	<b>10,910,137</b>	<b>1,459,409</b>	<b>48,261,235</b>	<b>1,024,521</b>
<b>Noncurrent assets</b>					
Investments	11,677,513	9,659,419	1,090,709	22,427,641	-
<b>Restricted assets</b>					
Cash	-	1,349,614	-	1,349,614	-
Investments	16,571,354	-	-	16,571,354	-
Advances receivable	1,192,679	-	-	1,192,679	-
<b>Capital Assets</b>					
Nondepreciable	99,637	7,823,277	1,010,573	8,933,487	26,977
Depreciable, net	13,489,734	89,457,363	2,405,751	105,352,848	1,277,183
<b>Total Noncurrent Assets</b>	<b>43,030,917</b>	<b>108,289,673</b>	<b>4,507,033</b>	<b>155,827,623</b>	<b>1,304,160</b>
<b>Total Assets</b>	<b>78,922,606</b>	<b>119,199,810</b>	<b>5,966,442</b>	<b>204,088,858</b>	<b>2,328,681</b>
<b>Deferred Outflows of Resources</b>					
Deferred bond refunding	-	18,645	-	18,645	-
Pension related	174,098	435,348	102,773	712,219	280,777
<b>Total Deferred Outflows of Resources</b>	<b>174,098</b>	<b>453,993</b>	<b>102,773</b>	<b>730,864</b>	<b>280,777</b>
<b>Liabilities</b>					
<b>Current liabilities</b>					
Accounts payable	2,636,063	260,504	74,634	2,971,201	28,186
Contractor bonds payable	-	38,469	-	38,469	-
Accrued payroll liabilities	40	58,684	10,230	68,954	37,424
Accrued expenses	22,453	-	5,366	27,819	-
Accrued interest payable	-	12,435	-	12,435	-
Intergovernmental payable	76,273	5,894	7,924	90,091	260
Interfund payable	7,182	20,233	435	27,850	590,940
Post-closure care payable	-	-	27,583	27,583	-
Compensated absences payable	16,386	44,044	10,631	71,061	31,199
Unearned revenue	16,525	-	18,546	35,071	-
Advances payable	-	71,419	114,330	185,749	76,057
Notes payable	-	509,775	-	509,775	-
Revenue bonds payable	-	1,350,000	-	1,350,000	-
Capital leases payable	-	-	78,071	78,071	-
<b>Payable From Restricted Assets:</b>					
Accrued interest payable	-	6,730	-	6,730	-
Customer deposits and interest	1,287,208	1,289,196	-	2,576,404	-
<b>Total Current Liabilities</b>	<b>4,062,130</b>	<b>3,667,383</b>	<b>347,750</b>	<b>8,077,263</b>	<b>764,066</b>
<b>Long-term liabilities</b>					
Compensated absences payable (net of current portion)	30,431	81,796	19,741	131,968	57,940
Net pension liability	238,786	751,849	140,960	1,131,595	385,103
Post-closure care payable (net of current portion)	-	-	146,417	146,417	-
Notes payable (net of current portion)	-	9,956,249	-	9,956,249	-
Revenue bonds payable (net of current portion)	-	6,490,000	-	6,490,000	-
Capital leases payable (net of current portion)	-	-	301,669	301,669	-
Advances payable (net of current portion)	-	345,677	284,995	630,672	379,730
<b>Payable From Restricted Assets:</b>					
Regulatory liability	21,804,660	-	-	21,804,660	-
<b>Total Long-Term Liabilities</b>	<b>22,073,877</b>	<b>17,625,571</b>	<b>893,782</b>	<b>40,593,230</b>	<b>822,773</b>
<b>Total Liabilities</b>	<b>26,136,007</b>	<b>21,292,954</b>	<b>1,241,532</b>	<b>48,670,493</b>	<b>1,586,839</b>
<b>Deferred Inflows of Resources</b>					
Pension related	74,387	186,012	43,912	304,311	119,968
<b>Net Position</b>					
Net investment in capital assets	13,589,371	78,993,261	3,036,584	95,619,216	1,304,160
Unrestricted (deficit)	39,296,939	19,181,576	1,747,187	60,225,702	(401,509)
<b>Total Net Position</b>	<b>\$ 52,886,310</b>	<b>\$ 98,174,837</b>	<b>\$ 4,783,771</b>	<b>\$ 155,844,918</b>	<b>\$ 902,651</b>
<b>Reconciliation of the fund level statement of net position to the government wide statement of net position.</b>					
Internal service fund net position reported as business-type activities on the government wide statement				902,651	
<b>Net Position of Business-type Activities</b>				<b>\$ 156,747,569</b>	
Interfund receivables and payables between proprietary funds are reported on the fund level statement of net position but eliminated on the government-wide statement of net position					
			Interfund receivables	\$ (194,721)	\$ -
			Interfund payables	-	194,721
				<b>\$ (194,721)</b>	<b>\$ 194,721</b>
Interfund advances between proprietary funds are reported on the fund level statement of net position but eliminated on the government-wide statement of net position					
			Advances receivable	\$ (1,272,208)	\$ -
			Advances payable	816,421	455,787
				<b>\$ (455,787)</b>	<b>\$ 455,787</b>
See accompanying notes to the basic financial statements					

City of Calhoun, Georgia  
Statement of Revenues, Expenses  
and Changes in Fund Net Position  
Proprietary Funds  
For the Fiscal Year Ended June 30, 2019

	Business-type Activities - Enterprise Funds			Total	Business-type Activities
	Electric System	Water & Sewerage System	Nonmajor Proprietary Funds		Internal Service Fund
<b>Operating Revenues</b>					
Charges for services	\$ 34,981,349	\$ 19,595,818	\$ 2,635,895	\$ 57,213,062	\$ 3,153,603
Miscellaneous	233,012	47,967	29,209	310,188	39,994
Intergovernmental revenue	116,975	-	-	116,975	-
<b>Total Operating Revenues</b>	<u>35,331,336</u>	<u>19,643,785</u>	<u>2,665,104</u>	<u>57,640,225</u>	<u>3,193,597</u>
<b>Operating Expenses</b>					
Personal services	1,530,780	3,630,178	930,604	6,091,562	2,224,797
Contractual services	1,858,240	1,195,315	930,625	3,984,180	460,535
Supplies	27,217,978	3,603,109	249,606	31,070,693	113,922
Interfund allocations	624,769	2,123,740	185,886	2,934,395	58,765
Depreciation	1,017,871	3,828,348	263,384	5,109,603	116,137
Amortization	-	31,052	816	31,868	-
Other	709	11,144	11,269	23,122	-
<b>Total Operating Expenses</b>	<u>32,250,347</u>	<u>14,422,886</u>	<u>2,572,190</u>	<u>49,245,423</u>	<u>2,974,156</u>
<b>Operating Income (Loss)</b>	<u>3,080,989</u>	<u>5,220,899</u>	<u>92,914</u>	<u>8,394,802</u>	<u>219,441</u>
<b>Non-Operating Revenues (Expenses)</b>					
Change in estimated landfill closure costs	-	-	(110,094)	(110,094)	-
Interest and fiscal charges	-	(328,290)	(36,457)	(364,747)	(5,029)
Investment earnings	1,623,098	473,514	52,167	2,148,779	-
Intergovernmental revenue	-	-	88,258	88,258	-
Gain (loss) on disposition of capital assets	-	5,731	11,905	17,636	-
<b>Total Non-Operating Revenues (Expenses)</b>	<u>1,623,098</u>	<u>150,955</u>	<u>5,779</u>	<u>1,779,832</u>	<u>(5,029)</u>
<b>Income (Loss) Before Contributions and Transfers</b>	<u>4,704,087</u>	<u>5,371,854</u>	<u>98,693</u>	<u>10,174,634</u>	<u>214,412</u>
Transfers in	10,098	280,137	274,767	565,002	1,652
Transfers out	(1,917,355)	(1,368,743)	-	(3,286,098)	(39,600)
<b>Total Contributions and Transfers</b>	<u>(1,907,257)</u>	<u>(1,088,606)</u>	<u>274,767</u>	<u>(2,721,096)</u>	<u>(37,948)</u>
<b>Change in Net Position</b>	<u>2,796,830</u>	<u>4,283,248</u>	<u>373,460</u>	<u>7,453,538</u>	<u>176,464</u>
<b>Net Position Beginning of Year</b>	<u>50,089,480</u>	<u>93,891,589</u>	<u>4,410,311</u>	<u>148,391,380</u>	<u>726,187</u>
<b>Net Position End of Year</b>	<u>\$ 52,886,310</u>	<u>\$ 98,174,837</u>	<u>\$ 4,783,771</u>	<u>\$ 155,844,918</u>	<u>\$ 902,651</u>
<b>Reconciliation of the fund level operating statements to the government wide statement of activities.</b>					
Change in net position				\$ 7,453,538	
Internal service fund charges (credits) to enterprise funds, resulting in changes in operating expenses.				179,447	
Miscellaneous revenue				39,994	
Interest expense				(5,029)	
Transfers in				1,652	
Transfers out				(39,600)	
<b>Change in Net position of business-type activities</b>				<u>\$ 7,630,002</u>	

See accompanying notes to the basic financial statements

City of Calhoun, Georgia  
Statement of Cash Flows  
Proprietary Funds  
For the Fiscal Year Ended June 30, 2019

	Business-type Activities - Enterprise Funds			Total	Business-type Activities
	Electric System	Water & Sewerage System	Nonmajor Proprietary Funds		Internal Service Fund
<b>Cash Flows from Operating Activities</b>					
Cash received from customers	\$ 34,301,667	\$ 19,191,550	\$ 2,323,336	\$ 55,816,553	\$ -
Cash received from other	-	-	-	-	39,994
Cash received from interfund services provided	1,529,126	378,011	327,301	2,234,438	3,234,271
Cash payments for personal services	(1,520,701)	(3,605,168)	(926,082)	(6,051,951)	(2,209,796)
Cash payments for goods and services	(29,011,805)	(3,759,657)	(1,163,103)	(33,934,565)	(489,885)
Cash payments for interfund services used	(686,595)	(3,536,554)	(217,897)	(4,441,046)	(101,973)
Other cash receipts (payments)	1,828	(7,981)	-	(6,153)	-
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>4,613,520</b>	<b>8,660,201</b>	<b>343,555</b>	<b>13,617,276</b>	<b>472,611</b>
<b>Cash Flows from Noncapital Financing Activities</b>					
Intergovernmental revenues	-	-	88,258	88,258	-
Intergovernmental expense	-	-	(183)	(183)	-
Transfers in	10,098	25,892	156,873	192,863	1,652
Transfers out	(1,917,355)	(1,368,743)	-	(3,286,098)	(39,600)
Payments received on advances	310,887	-	-	310,887	-
<b>Net Cash Provided by (Used in) Noncapital Financing Activities</b>	<b>(1,596,370)</b>	<b>(1,342,851)</b>	<b>244,948</b>	<b>(2,694,273)</b>	<b>(37,948)</b>
<b>Cash Flows from Capital and Related Financing Activities</b>					
Transfers in- SPLOST	-	254,245	117,894	372,139	-
Proceeds from debt	-	-	236,484	236,484	-
Proceeds from sale of capital assets	-	2,412	-	2,412	-
Payments for landfill post-closure costs	-	-	(26,450)	(26,450)	-
Principal paid on revenue bonds	-	(1,475,000)	-	(1,475,000)	-
Interest paid on revenue bonds	-	(172,498)	-	(172,498)	-
Principal paid on notes and leases	-	(502,457)	(75,535)	(577,992)	-
Interest paid on notes and leases	-	(148,752)	(31,755)	(180,507)	-
Payments for capital acquisitions and construction	(468,222)	(2,831,521)	(409,434)	(3,709,177)	(61,074)
Principal paid on advance	-	(70,706)	(113,195)	(183,901)	(75,300)
Interest paid on advance	-	(4,614)	(4,702)	(9,316)	(5,029)
<b>Net Cash Provided by (Used in) Capital and Related Financing Activities</b>	<b>(468,222)</b>	<b>(4,948,891)</b>	<b>(306,693)</b>	<b>(5,723,806)</b>	<b>(141,403)</b>
<b>Cash Flows from Investing Activities</b>					
Purchase of investments	(3,586,940)	(2,080,147)	(262,322)	(5,929,409)	-
Investment earnings (losses)	1,623,098	469,148	52,167	2,144,413	-
<b>Net Cash Provided by (Used in) Investing Activities</b>	<b>(1,963,842)</b>	<b>(1,610,999)</b>	<b>(210,155)</b>	<b>(3,784,996)</b>	<b>-</b>
<b>Net Increase (Decrease) in Cash</b>	<b>585,086</b>	<b>757,460</b>	<b>71,655</b>	<b>1,414,201</b>	<b>293,260</b>
<b>Cash Beginning of Year</b>	<b>2,896,282</b>	<b>6,976,035</b>	<b>739,388</b>	<b>10,611,705</b>	<b>636,394</b>
<b>Cash End of Year</b>	<b>\$ 3,481,368</b>	<b>\$ 7,733,495</b>	<b>\$ 811,043</b>	<b>\$ 12,025,906</b>	<b>\$ 929,654</b>

See accompanying notes to the basic financial statements

(continued)

City of Calhoun, Georgia  
Statement of Cash Flows  
Proprietary Funds  
For the Fiscal Year Ended June 30, 2019

(continued)

	Business-type Activities - Enterprise Funds			Total	Business-type Activities
	Electric System	Water & Sewerage System	Nonmajor Proprietary Funds		Internal Service Fund
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities</b>					
<b>Operating Income (Loss)</b>	\$ 3,080,989	\$ 5,220,899	\$ 92,914	\$ 8,394,802	\$ 219,441
<b>Adjustments</b>					
<b>Depreciation</b>	1,017,871	3,828,348	263,384	5,109,603	116,137
<b>Amortization</b>	-	31,052	816	31,868	-
<b>(Increase) Decrease in Assets</b>					
Accounts receivable and accrued revenues	404,711	(146,822)	(8,624)	249,265	-
Inventories	16,582	(389,230)	(14,866)	(387,514)	-
Interfund receivables	(33,956)	(34,781)	(7,081)	(75,818)	80,668
Intergovernmental receivable	99,164	-	3,408	102,572	-
Deposits	(614)	-	-	(614)	-
Due from component units	(59)	-	-	(59)	-
Prepaid expenses	2,537	7,642	335	10,514	690
Deferred outflows pension related	(71,274)	(178,226)	(42,074)	(291,574)	(114,947)
<b>Increase (Decrease) in Liabilities</b>					
Accounts payable and accrued liabilities	23,823	22,089	11,312	57,224	7,896
Net pension obligation	-	-	-	-	-
Net pension liability	93,867	241,643	55,411	390,921	151,385
Accrued payroll liabilities	5,558	6,785	1,854	14,197	7,709
Intergovernmental payable	(10,980)	3,163	-	(7,817)	260
Deposits payable	(3,052)	72,598	-	69,546	-
Interfund payable	7,118	20,233	435	27,786	72,118
Unearned revenue	(693)	-	(3,000)	(3,693)	(39,600)
Deferred inflows pension related	(18,072)	(45,192)	(10,669)	(73,933)	(29,146)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<u>\$ 4,613,520</u>	<u>\$ 8,660,201</u>	<u>\$ 343,555</u>	<u>\$ 13,617,276</u>	<u>\$ 472,611</u>
The net appreciation in the value of investments that are not cash equivalents and are reported at fair value.	\$ 320,092	\$ 212,185	\$ 21,650	\$ 553,927	\$ -

See accompanying notes to the basic financial statements

**City of Calhoun, Georgia**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**June 30, 2019**

	<b>Municipal Court Agency Fund</b>	<b>Cemetery Trust Fund</b>
<b>Assets</b>		
Cash	\$ 14,318	\$ 65,764
Investments	-	1,480,601
<b>Total Assets</b>	<b>\$ 14,318</b>	<b>\$ 1,546,365</b>
<b>Liabilities and Net Position</b>		
<b>Liabilities</b>		
Intergovernmental Payable	\$ 14,318	-
<b>Net Position</b>		
Assets held in trust for cemetery perpetual care	-	1,546,365
<b>Liabilities and Net Position</b>	<b>\$ 14,318</b>	<b>\$ 1,546,365</b>

See accompanying notes to the basic financial statements

**City of Calhoun, Georgia**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**For the Fiscal Year Ended June 30, 2019**

	<b>Pension Trust Fund</b>	<b>Cemetery Trust Fund</b>
<b>Additions</b>		
Employer contributions	\$ 72,888	\$ -
Cemetery lot sales- trust portion	-	37,700
Investment income	-	80,739
<b>Total Additions</b>	<b>72,888</b>	<b>118,439</b>
<b>Deductions</b>		
Benefits	72,888	-
Administrative expenses	-	22,334
<b>Total Deductions</b>	<b>72,888</b>	<b>22,334</b>
<b>Change in Net Position</b>	<b>-</b>	<b>96,105</b>
<b>Net Position Beginning of Year</b>	<b>-</b>	<b>1,450,260</b>
<b>Net Position End of Year</b>	<b>\$ -</b>	<b>\$ 1,546,365</b>

See accompanying notes to the basic financial statements

## **NOTES TO THE BASIC FINANCIAL STATEMENTS**

The notes to the financial statements are a part of the basic financial statements and present additional detailed information to amounts presented on the face of the statements.

**City of Calhoun, Georgia**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2019*

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**City of Calhoun, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2019**

The City of Calhoun, Georgia (The City) is a municipal corporation governed by an elected mayor and four-member council.

**Note 1 - Summary of Significant Accounting Policies**

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting. The most significant of the City's accounting policies are described below.

**1-A. Reporting Entity**

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the City consists of all funds, departments, boards and agencies that are not legally separate from the City.

Component units are legally separate organizations for which the City is financially accountable and a financial benefit or burden relationship exists. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organizations or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units also may include organizations that are fiscally dependent on the City in that the City approves the budget, levies their taxes or issues their debt.

A blended component unit, although a legally separate entity, is, in substance, part of the City's operations. The fund types of such component units are blended with the fund types of the City. A brief description of the blended component unit follows:

**Calhoun Recreation Authority** (Recreation Authority) – The Recreation Authority is governed by a seven-member board consisting of six members appointed by the City Council and one member from the elected City Council. Although it is legally separate from the City, the Recreation Authority is reported as if it were part of the City because its purpose is to finance golf course construction or other recreation activities. Bonds or other debt issued by the Recreation Authority are secured by a lease agreement with the City and will be retired through lease payments from the City.

Financial statements of the Calhoun Recreation Authority are included in the City's basic financial statements within the governmental debt service fund. Information may be obtained at City Hall, City Administrator's Office, 226 South Wall Street, Calhoun, Georgia.

The component unit columns included on the government-wide financial statements identifies the financial data of the City's discretely presented component units. They are reported separately to emphasize that they are legally separate from the City. A brief description of the discretely presented component units follows:

**City of Calhoun, Georgia, Board of Education** (School District) – The School Board is authorized within the City of Calhoun, Georgia's charter to regulate the operations of the system of public schools for the City of Calhoun. The School District consists of five members elected by the citizens of the City. However, the School District is fiscally dependent upon the City of Calhoun because the City Council must approve the annual budget, levy the necessary property taxes and approve any debt issuances. The financial burden criterion is further met since the land and buildings of the school system are owned by the City. Separately issued financial statements for the School District may be obtained at the School District's administrative offices, 308 Barrett Road, NW, Calhoun, Georgia.

**1-B. Basis of Presentation**

The City's basic financial statements consist of government-wide statements, which include aggregated fund data and fund financial statements, which provide a more detailed level of financial information.

**Government-wide Financial Statements** - The government-wide financial statements include a statement of net position and a statement of activities. These statements report financial information for the City as a whole. The primary government and the discretely presented component units are presented separately within these financial statements with the focus on the primary government. All City funds, excluding the fiduciary activities and component units that are fiduciary in nature, are included at the

**City of Calhoun, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2019**

government-wide reporting level. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and City general revenues, from business-type activities, generally financed in whole or in part with fees charged to external customers.

The statement of net position presents the financial position of the governmental and business-type activities of the City and its discretely presented component units at year-end. This statement is presented in a classified format.

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

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

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

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

Major individual governmental and enterprise funds are reported in separate columns with composite columns for nonmajor funds. Fiduciary funds are reported by type.

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

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

**General Fund** - The general fund accounts for and reports all financial resources not accounted for and reported in another fund.

**School Bond Debt Service Fund** - This governmental fund accounts for the debt payments on school bonds and the accumulation of resources from ESPLOST revenue to make debt payments.

**Proprietary Funds** - Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. The City's proprietary funds are classified as enterprise funds. The following are the City's major enterprise funds:

**Electric System Enterprise Fund** - This major enterprise fund is used to account for the operations of the City's electric distribution system.

**Water and Sewerage System Enterprise Fund** - This major enterprise fund is used to account for the operations of the county-wide water treatment distribution system and wastewater treatment, primarily within the City limits.

**City of Calhoun, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2019**

**Internal Service Fund** – This fund provides support services to the various City departments. This includes administration, engineering, work order dispatch and meter reading for Utility departments. Finance and purchasing are handled for all City funds through the Internal Service Fund. Utility billing, customer service and tellers are also recorded for all enterprise funds of the City.

**Fiduciary Funds** - Fiduciary fund reporting focuses on net position. The City’s fiduciary funds include its single employer pension trust fund, cemetery trust fund, and an agency fund. The pension trust fund is the “City Charter Unfunded Retirement Plan.” The cemetery trust fund is a perpetual care trust held for the future maintenance of the cemeteries. The agency fund accounts for the activity of traffic and municipal ordinance violations resulting in fines for offenses occurring with the City. All amounts belonging to the City have been eliminated prior to financial reporting purposes and are reflected in the appropriate fund. This fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations.

**1-C. Measurement Focus**

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

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

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

The City’s pension trust fund uses the flow of economic resources at the fund reporting level. The statement of changes in fiduciary assets and liabilities includes additions and deletions to the pension trust fund’s net position. The agency fund does not have a measurement focus.

**1-D. Basis of Accounting**

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

**Revenues – Exchange Transactions** - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the City, the phrase “available for exchange transactions” means expected to be received within 60 days of the balance sheet date.

**Revenues - Non-exchange Transactions** - Non-exchange transactions in which the City receives value without directly giving equal value in return, include sales tax, property taxes, grants, and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. (Note 3-C) Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have

**City of Calhoun, Georgia**  
***Notes to the Basic Financial Statements***  
***For the Fiscal Year Ended June 30, 2019***

been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, all revenue from non-exchange transactions also must be available (i.e., collected within 60 days) before it can be recognized.

Under the modified accrual basis, the following primary revenue sources are considered to be susceptible to accrual: property taxes, sales taxes, franchise taxes, insurance premium taxes, fines, interest and charges for services.

***Unearned Revenue and Deferred Outflows/Inflows of Resources*** - Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. On governmental fund financial statements (i.e., on the modified accrual basis), receivables that will not be collected within the available period have been reported as unearned revenue (i.e., they are measurable but not available) rather than as revenue.

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The City reports the deferred charge on refunding, resulting from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded debt or refunding debt.

In addition to liabilities, the statement of financial position also reports a separate section for deferred inflows of resources. This separate element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. Property taxes, fines and the sale of cemetery plot receivables not collected within 60 days of year-end have been recorded as deferred revenue at the fund reporting level. Grants and entitlements received before the eligibility requirements are met (e.g., cash advances) also are recorded as deferred revenue at both reporting levels.

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

***1-E. Assets, Liabilities and Fund Equity***

***1-E-1 Cash and Investments***

Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the City. Investments are stated at fair value based on quoted market prices.

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

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

Notwithstanding these provisions of state statutes, local retirement system funds may be invested and reinvested subject to all terms, conditions, limitations, and restrictions imposed by the laws of Georgia upon domestic life insurance companies in making and disposing of their investments.

State statutes require all deposits to be collateralized by depository insurance, obligations of the United States or certain obligations guaranteed by the U. S. Government, obligations of the State of Georgia or bonds of public or development authorities, counties, or municipalities of the State of Georgia. The acceptable collateral pledged in the City's name is composed of bonds of U. S. Government agencies and bonds of the State of Georgia and its public authorities, counties and municipalities.

**City of Calhoun, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2019**

It is the City's policy that any investment or deposit in excess of the Federal Deposit Insurance Corporation (FDIC) insured amount must be secured by 110% of an equivalent amount of State or U.S. Obligations.

**1-E-2 Receivables**

All trade and property tax receivables are reported net of an allowance for uncollectibles, where applicable. Unbilled utility charges are accrued as receivables and revenue at June 30, 2019. The delinquent taxes receivable account represents past years of uncollected tax levies. The allowance for estimated uncollectibles is estimated at .39% of the tax digests for tax digest years 2010-2016, in addition to 100% of the receivable for all fiscal years prior to 2010.

**1-E-3 Interfund Balances**

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

**1-E-4 Consumable Inventories**

On the government-wide statement of net position and the fund statements, inventories are presented at cost on a first-in, first-out basis and are expensed when used (i.e., the consumption method).

**1-E-5 Prepaid Items**

Payments made to vendors for services that will benefit periods beyond June 30, 2019, are recorded as prepaid items at both reporting levels using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed. At the fund reporting level, an equal amount of fund balance is reported as nonspendable as this amount is not available for general appropriation.

**1-E-6 Restricted Assets**

Restricted assets represent resources segregated as required by bond ordinances, lease agreements and policies of the City.

**1-E-7 Capital Assets**

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition value as of the date received. The City maintains a capitalization threshold of five thousand dollars and twenty thousand dollars for infrastructure expenditures. The City's infrastructure consists of roads, curbs and gutters, sidewalks, bridges, drainage, traffic signals, water and sewer lines and the electric distribution systems. See Note 3-E for further information on capitalized infrastructure. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed. Interest incurred during the construction of capital assets utilized by the enterprise funds is capitalized.

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

**City of Calhoun, Georgia**  
**Notes to the Basic Financial Statements**  
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Asset Class	Estimated Lives		
	Governmental Activities	Business-type Activities	Component Unit
Buildings	20-50 Years	---	---
Improvements other than buildings	15-25 Years	15-25 Years	---
Buildings, plants, tanks	---	20-50 Years	---
Utility systems	---	20-50 Years	---
Machinery and equipment	5-25 Years	5-25 Years	5-10 Years
Infrastructure	30-60 Years	---	---

At the inception of capital leases at the governmental fund reporting level, expenditures and an “other financing source” of an equal amount are reported at the net present value of future minimum lease payments. The expense resulting from the amortization of these assets is included with depreciation expense.

**1-E-8 Compensated Absences**

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means.

Unused vacation leave rights expire at the end of the year in which earned. Unused sick leave benefits are paid annually and therefore do not accumulate. All amounts accrued relative to these benefits are paid in December each year.

All compensated absence liabilities include salary-related payments, where applicable.

The total compensated absence liability is reported on the government-wide financial statements for both governmental activities and business-type activities. Proprietary funds report the total compensated liability in each individual fund at the fund reporting level. Governmental funds report the compensated absence liability at the fund reporting level only “when due.”

**1-E-9 Accrued Liabilities and Long-term Obligations**

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of these funds. However, compensated absences, claims and unfunded pension benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are “due for payment” during the current year. Bonds and capital leases are recognized as a liability in the governmental fund financial statements “when due”.

**1-E-10 Bond Premiums, Discounts and Issuance Costs and Debt Refunding Gains and Losses**

On the government-wide statement of net position and the proprietary fund type statement of net position, bond premiums and discounts are netted against bonds payable. On the government-wide and proprietary fund type statement of activities, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method.

Debt refunding gains and losses are reported as deferred inflows or outflows of resources on the statements of net position. These gains and losses are deferred and amortized over the shorter of the life of the refunding debt (new debt) and the refunded debt (old debt).

Bond issuance costs are recognized as an outflow of resources in the reporting period in which they are incurred.

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

**City of Calhoun, Georgia**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2019*

**1-E-11 Fund Equity**

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

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

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

**Flow Assumptions** – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the City’s policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the City’s policy to use fund balance in the following order:

- Committed
- Assigned
- Unassigned

**Net Position** - Net position represent the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation and debt, plus any outstanding balances of borrowings not yet expended, but restricted for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net position balances are reported as unrestricted.

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

**1-E-12 Operating Revenues and Expenses**

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. For the City, these revenues are charges to customers for water and sewerage services, electricity, golf course and associated rental fees, fees for telecommunications services and services for solid waste management. The water and sewer fund also recognizes as operating revenues the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise 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, including operating grants, investment earnings, interest expense and the gain or loss on the disposition of capital assets.

**City of Calhoun, Georgia**  
**Notes to the Basic Financial Statements**  
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***1-E-13 Contributions of Capital***

Contributions of capital arise from transfers from capital assets of governmental activities, outside contributions of capital assets, tap-on fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction.

***1-E-14 Interfund Activity***

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

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

The general fund charges each of the enterprise funds and the recreation fund for specific payroll and other administrative costs that relate to these funds. As interfund reimbursements, these charges are required to be reported “net” as reductions of expenditures in the general fund. These reimbursements are internal accounting adjustments used to reallocate expenditures or expenses to the appropriate fund. The utility internal service fund charges the electric, water & sewerage system, telecom, and general funds various costs that represent operating expenses and the utility internal service fund records these interfund services provided as revenue.

***1-E-15 Estimates***

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

***Note 2 – Stewardship, Compliance and Accountability***

***2-A. Budgetary Information*** – Annual appropriated budgets are prepared for all governmental funds except capital project funds. Project budgets have been adopted for the capital project funds. The budget is prepared on a modified accrual basis with budget items for capital outlay and debt service in all funds. Unspent appropriations lapse at year-end.

The budget officer can make a reallocation of budgeted amounts within a department; however, any reallocations between departments within a fund or any increase in the total departmental appropriation within a fund requires City Council approval. The City Council amended the original appropriations for fiscal year 2019 for some funds.

***Note 3 - Detailed Notes on All Funds***

***3-A. Deposits and Investments***

The City has adopted investment policies, which address the specific deposit or investment risks presented below.

***Custodial Credit Risk – Deposits*** – the custodial credit risk for deposits is the risk that, in the event of a bank failure, the City’s deposits may not be recovered. It is the City’s policy that any investment (other than federal or state government instruments) or deposit in excess of the FDIC insured amount must be secured by 110% of an equivalent amount of State or U.S. Obligations, with the exception of the Municipal Competitive Trust, pension trust fund and cemetery trust fund.

At June 30, 2019, the City did not have debt or equity investment in any one organization, other than those issued by the U.S. Government, which represented more than 5 percent of investments.

**City of Calhoun, Georgia**  
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As of June 30, 2019, the City's credit and interest rate risk related to the City's cash equivalents and investments was as follows:

Investment	(Market Value) Fair Value	Segmented Time Distrib.	Credit Quality
Federal agency securities	\$ 3,394,225	within 6 months	AAA
Federal agency securities	11,301,157	1-3 yrs.	AAA
Negotiable certificates of deposit	3,140,000	1-3 yrs.	n/a
Federal agency securities	7,597,443	> 3 yrs.	AAA
Negotiable certificates of deposit	<u>6,091,314</u>	>3 yrs.	n/a
	<u>\$ 31,524,139</u>		

The City's investments were all valued at fair value measurements using significant other observable inputs (Level 2) and using the market approach as of June 30, 2019. We have had no change in our valuation method. We do not utilize the nonrecurring fair value measurements. Of the City's investments, \$9,231,314 were in negotiable certificates of deposit and \$22,292,825 were in federal agency securities.

At June 30, 2019, the carrying amount of the City's deposits, not including cash on hand, was \$32,644,876 and the related bank balances totaled \$33,095,481. All bank balances were covered by Federal Depository Insurance or by collateral held by the City's agent. Cash on hand at June 30, 2019 was \$7,330.

**Primary Government's Investments**

**Interest Rate Risk** – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. It is currently the City's policy to not invest in instruments with a variable interest rate, with the exception of the MCT and the pension trust fund. The investment portfolio will be invested in permitted investments with a stated maturity of no more than 5 years from the date of purchase.

At June 30, 2019, the City's investments also included \$40,740,478 held in the First Union MEAG Flexible Operating Trust. The MCT investment is restricted to specific uses, as designated in the operating trust. All of the holdings of the MCT are fixed income (bond) investments and all are either direct obligations of or otherwise guaranteed by the government of the United States or one of its agencies, corporations, or instrumentalities. An institutional US Government Money Market Fund is also used in these accounts and that Fund invests in similar US Government obligations. MCT reports interest rate risk using a duration measure. The pension trust fund is monitored and managed by the Georgia Municipal Association.

**Credit Quality Risk** – Credit quality risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. There is negligible credit risk associated with the City's investments primarily since it is the City's policy to invest in certificates of deposit, money market accounts that are covered by FDIC insurance or pledged collateral and securities of the U.S. government and its agencies. The Council has also authorized investments in the MCT and the pension trust. The municipal competitive trust is not rated.

**Foreign Currency Risk** – The risk that changes in foreign currency exchange rates will adversely affect cash flows or the fair value of hedging derivative instrument or the associated hedged item. The City has not adopted a policy regarding foreign currency risk.

**City of Calhoun, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2019**

**Cash and Investment Reconciliation:**

	Cash	Investments
Fund Reporting Level:		
Governmental Funds - Balance Sheet	\$ 19,616,564	\$ 6,663,054
Proprietary Fund Type Statement of Net Position	8,991,074	24,861,085
Proprietary Fund Type Statement of Net Position - Restricted	3,964,486	40,740,478
Fiduciary Fund Type Statement of Net Position	80,082	1,480,601
Total	\$ 32,652,206	\$ 73,745,218

**3-B. Receivables**

Receivables at June 30, 2019, consisted of taxes, interest, accounts (billings for user charges, including unbilled utility receivables), and intergovernmental receivables arising from grants.

Receivables and payables are recorded on the City's financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and in the case of receivables, collectability.

At June 30, 2019, the amount of allowance for uncollectable was \$789,571.

**3-C. Property Taxes**

Generally, property taxes attach as an enforceable lien on property as of January 1. The City Council levied and billed property taxes on September 10, 2018. Property taxes were due on December 20, 2018. There were no liens issued this fiscal year.

**3-D. Restricted Assets**

The following are the details of the restricted assets for the enterprise funds:

Cash		
Construction bonds	\$	38,468
Utility deposits of customers		2,576,404
Water and sewerage debt service		1,349,614
Total Cash		3,964,486
Investments		
Electric Fund- Flexible Trust account- MEAG		18,930,270
Electric Fund- Generation Trust account- MEAG		21,810,208
Total Investments		40,740,478
Total Restricted Assets	\$	44,704,964

**City of Calhoun, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2019**

**3-E. Capital Assets**

Capital asset activity for the year ended June 30, 2019, was as follows:

	Balance 6/30/2018	Additions	Deductions	Balance 6/30/2019
Governmental activities				
Capital assets not being depreciated				
Land	\$ 31,861,705	\$ -	\$ -	\$ 31,861,705
Construction in progress	2,365,073	1,999,880	2,171,621	2,193,332
Total capital assets not being depreciated	<u>34,226,778</u>	<u>1,999,880</u>	<u>2,171,621</u>	<u>34,055,037</u>
Depreciable capital assets				
Buildings	97,996,485	231,647	-	98,228,132
Improvements other than buildings	15,764,260	-	-	15,764,260
Machinery and equipment	8,508,450	1,110,073	499,729	9,118,794
Infrastructure	25,722,636	2,232,530	-	27,955,166
Total depreciable capital assets	<u>147,991,831</u>	<u>3,574,250</u>	<u>499,729</u>	<u>151,066,352</u>
Total capital assets	<u>182,218,609</u>	<u>5,574,130</u>	<u>2,671,350</u>	<u>185,121,389</u>
Accumulated depreciation				
Buildings	24,404,617	2,033,062	-	26,437,679
Improvements other than buildings	7,322,827	833,003	-	8,155,830
Machinery and equipment	6,984,355	464,052	499,729	6,948,678
Infrastructure	16,194,851	753,662	-	16,948,513
Total accumulated depreciation	<u>54,906,650</u>	<u>4,083,779</u>	<u>499,729</u>	<u>58,490,700</u>
Governmental activities capital assets, net	<u>\$ 127,311,959</u>	<u>\$ 1,490,351</u>	<u>\$ 2,171,621</u>	<u>\$ 126,630,689</u>

Governmental activities depreciation expense

General government	\$ 14,568
Judicial	1,163
Public safety	340,541
Public works	927,098
Culture and recreation	506,065
Housing and development	28,380
Education	<u>2,265,964</u>
Total governmental activities depreciation expense	<u>\$ 4,083,779</u>

**City of Calhoun, Georgia**  
**Notes to the Basic Financial Statements**  
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Construction in progress for governmental activities at June 30, 2019 includes the following:

Project Description	Project Authorized	Expended to June 30, 2019	Future Financing
Dog Park	\$ 62,500	\$ 4,875	\$ 57,625
Peters Street - Phase II	2,000,000	219,192	1,780,808
Police Complex	3,200,000	83,382	3,116,618
Education - Early Learning Center	15,000,000	3,300	14,996,700
Education - Central Office	2,944,646	1,752,540	1,192,106
Education - Bleachers	77,295	15,300	61,995
Recreation Maintenance building	500,000	8,910	491,090
Street Rivers to Ridges - parking area	48,000	47,286	714
Recreation Rivers to Ridges	514,576	42,552	472,024
Walking Trails LWCF grant, Phase I & II	259,828	8,605	251,223
Street Dept. Storage building	20,575	7,390	13,185
<b>Total</b>	<b>\$ 24,627,420</b>	<b>\$ 2,193,332</b>	<b>\$ 22,434,088</b>

Included in governmental capital assets are leased assets of \$452,019 with an accumulated depreciation of \$48,770 at fiscal yearend.

The following are the changes in the business-type capital assets:

	Balance 6/30/2018	Additions	Deductions	Balance 6/30/2019
<b>Business-type activities</b>				
Nondepreciable capital assets				
Land	\$ 7,401,307	\$ 41,012	\$ -	\$ 7,442,319
Intangibles	46,424	-	-	46,424
Construction in progress	782,241	1,396,388	706,908	1,471,721
<b>Total nondepreciable capital assets</b>	<b>8,229,972</b>	<b>1,437,400</b>	<b>706,908</b>	<b>8,960,464</b>
Depreciable capital assets				
Buildings, plant and tanks	40,228,182	196,227	-	40,424,409
Improvements other than buildings	5,687,294	38,159	-	5,725,453
Machinery and equipment	28,343,476	966,973	121,718	29,188,731
Utility systems	129,868,866	1,840,562	-	131,709,428
<b>Total depreciable assets</b>	<b>204,127,818</b>	<b>3,041,921</b>	<b>121,718</b>	<b>207,048,021</b>
<b>Total capital assets</b>	<b>212,357,790</b>	<b>4,479,321</b>	<b>828,626</b>	<b>216,008,485</b>
Accumulated depreciation				
Buildings, plant and tanks	23,264,912	773,147	-	24,038,059
Improvements other than buildings	4,311,032	68,825	-	4,379,857
Machinery and equipment	18,512,339	1,293,482	118,400	19,687,421
Utility systems	49,222,367	3,090,286	-	52,312,653
<b>Total accumulated depreciation</b>	<b>95,310,650</b>	<b>5,225,740</b>	<b>118,400</b>	<b>100,417,990</b>
<b>Business-type activities capital assets, net</b>	<b>\$ 117,047,140</b>	<b>\$ (746,419)</b>	<b>\$ 710,226</b>	<b>\$ 115,590,495</b>

**City of Calhoun, Georgia**  
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**For the Fiscal Year Ended June 30, 2019**

Construction in progress for business-type activities at June 30, 2019 includes the following:

Project Description	Project Authorized	Expended to June 30, 2019	Future Financing
Foster Glen Sewer Project	\$ 34,842	\$ 16,519	\$ 18,323
Camden Court Sewer Extension	20,500	19,958	542
Park Place - Phase VIII Sewer Extension	7,000	5,984	1,016
Henderson Ridge Lift Station	250,000	215,371	34,629
Pittman Rd. 12" Transmission Main	1,424,167	556,533	867,634
Pittman Rd. Tank	1,366,462	89,665	1,276,797
Ranger Railroad Bridge Water Relocation	365,765	10,709	355,056
Peters Street Phase II Utility Relocation	360,334	114,265	246,069
Owens Sewer & South Sewer Extension	2,455,030	441,951	2,013,079
Other	110,105	766	109,339
Total	<u>\$ 6,394,205</u>	<u>\$ 1,471,721</u>	<u>\$ 4,922,484</u>

**3-F. Interfund Balances and Transfers**

**Interfund Balances** - Interfund balances at June 30, 2019 consisted of the following amounts and represent charges for services or reimbursable expenses. These remaining balances resulted from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting period, and (3) payments between funds are made. The City expects to repay all interfund balances within one year.

Payable to	Payable from						Total
	General fund	Nonmajor governmental funds	Electric system fund	Water & sewerage system fund	Nonmajor enterprise funds	Internal service fund	
General fund	\$ -	\$ 69,088	\$ 7,182	\$ 20,233	\$ 435	\$ 395,352	\$ 492,290
Nonmajor governmental funds	-	20,533	-	-	-	867	21,400
Electric fund	54,026	-	-	-	-	29,349	83,375
Water & sewerage system fund	-	73,297	-	-	-	96,084	169,381
Nonmajor enterprise funds	-	-	-	-	-	69,288	69,288
Internal service fund	3,070	-	-	-	-	-	3,070
Total	<u>\$ 57,096</u>	<u>\$ 162,918</u>	<u>\$ 7,182</u>	<u>\$ 20,233</u>	<u>\$ 435</u>	<u>\$ 590,940</u>	<u>\$ 838,804</u>

**City of Calhoun, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2019**

**Long-term Balances** - The electric system fund originally advanced the telecommunications fund resources to start this fund. As of June 30, 2019, the amounts to be repaid, including interest are as follows:

Fiscal Year	Principal	Interest	Total
2020	\$ 114,330	\$ 3,566	\$ 117,896
2021	115,478	2,418	117,896
2022	116,637	1,259	117,896
2023	52,880	132	53,012
	<u>\$ 399,325</u>	<u>\$ 7,375</u>	<u>\$ 406,700</u>

During fiscal year 2007, the electric system fund advanced the water & sewerage fund monies to construct the Pine Chapel water project and purchase property at the sewer plant. As of June 30, 2019, the amounts to be repaid, including interest are as follows:

Fiscal Year	Principal	Interest	Total
2020	\$ 33,309	\$ 1,600	\$ 34,909
2021	33,643	1,266	34,909
2022	33,980	929	34,909
2023	34,321	588	34,909
2024	37,303	243	37,546
	<u>\$ 172,556</u>	<u>\$ 4,626</u>	<u>\$ 177,182</u>

During fiscal year 2017, the electric system advanced the water & sewerage fund monies to construct a transmission main on Highway 53. As of June 30, 2019, the amounts to be repaid, including interest are as follows:

Fiscal Year	Principal	Interest	Total
2020	\$ 38,110	\$ 2,301	\$ 40,411
2021	38,491	1,920	40,411
2022	38,877	1,534	40,411
2023	39,267	1,144	40,411
2024	39,661	750	40,411
2025-2026	50,134	376	50,510
	<u>\$ 244,540</u>	<u>\$ 8,025</u>	<u>\$ 252,565</u>

During fiscal year 2007, the electric system fund advanced the utility internal service fund resources to renovate the building that is now their main location. As of June 30, 2019, the amounts to be repaid, including interest are as follows:

Fiscal Year	Principal	Interest	Total
2020	\$ 76,057	\$ 4,273	\$ 80,330
2021	76,820	3,510	80,330
2022	77,591	2,739	80,330
2023	78,370	1,960	80,330
2024	79,157	1,173	80,330
2024-2025	67,792	359	68,151
Total	<u>\$ 455,787</u>	<u>\$ 14,014</u>	<u>\$ 469,801</u>

**City of Calhoun, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2019**

During fiscal year 2017, the electric system fund advanced the general fund resources for lighting construction at Exit 312. As of June 30, 2019, the amounts to be repaid, including interest are as follows:

Fiscal Year	Principal	Interest	Total
2020	\$ -	\$ 1,823	\$ 1,823
2021	104,928	1,301	106,229
2022	77,349	773	78,122
Total	<u>\$ 182,277</u>	<u>\$ 3,897</u>	<u>\$ 186,174</u>

Changes to the City's long-term advances from the electric fund consisted of the following for the year ended June 30, 2019:

Advances to:	Outstanding 6/30/2018	Reductions	Outstanding 6/30/2019	Amounts Due in One Year
Telecommunications fund	\$ 512,520	\$ 113,195	\$ 399,325	\$ 114,330
Water and sewerage fund	487,802	70,706	417,096	71,419
Internal service fund	531,087	75,300	455,787	76,057
General fund	233,963	51,686	182,277	-
Total Advances	<u>\$ 1,765,372</u>	<u>\$ 310,887</u>	<u>\$ 1,454,485</u>	<u>\$ 261,806</u>

**Interfund Transfers** – The following interfund transfers were made in fiscal year 2019:

	Transfers out						Total
	General fund	School bonds debt service fund	Nonmajor governmental funds	Electric system fund	Water & sewerage fund	Internal service fund	
Transfers in							
General fund	\$ -	\$ -	\$ 383,948	\$ 1,888,393	\$ 1,368,743	\$ 39,600	\$ 3,680,684
Nonmajor governmental funds	503,395	1,139,135	108,051	1,772	-	-	1,752,353
Electric system	10,098	-	-	-	-	-	10,098
Water & sewerage	477	-	254,245	25,415	-	-	280,137
Nonmajor enterprise funds	156,363	-	117,894	510	-	-	274,767
Internal service fund	387	-	-	1,265	-	-	1,652
Total	<u>\$ 670,720</u>	<u>\$ 1,139,135</u>	<u>\$ 864,138</u>	<u>\$ 1,917,355</u>	<u>\$ 1,368,743</u>	<u>\$ 39,600</u>	<u>\$ 5,999,691</u>

Transfers are used to report revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate money for anticipated capital projects; and to provide additional resources for current operations or debt service.

Historically, the Mayor and City Council appropriate transfers from City Utilities to the General Fund. An amount representing the lease of assets is transferred monthly. These transfers are intended to offset public safety/works costs which are impacted by the heavy industrial base present within the city limits of Calhoun.

**3-G. Landfill Post-closure Care**

The City's industrial landfill was closed under Georgia Environmental Protection Division (EPD) guidelines in 1992. During that year, eleven ground water monitoring wells and three surface water locators were installed under EPD *Solid Waste Guidelines*. The City has monitored the site and will continue such monitoring, as prescribed by the EPD guidelines. Annual costs associated with

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these requirements are estimated at \$30,000 each year for the next six years to meet required monitoring and maintain a clear status for at least three years after the clearance is issued. This annual estimate is based on costs experienced during the initial years of required monitoring. The liability for these costs is reported in the solid waste fund. In the future, significant economic inflation or deflation, technology or applicable laws or regulations may change future estimates of the liability. The estimate of post-closure liability may change from year to year and the change in estimate is a component of net income in the year of revision.

**3-H. Long-Term Debt**

The City has issued general obligation bonds to provide funds for the acquisition and construction of major capital facilities, including the renovation and expansion of educational facilities within the City. General obligation bonds are direct obligations and pledge the full faith and credit of the City. The City has issued revenue bonds where the City pledges income derived from the acquired or constructed assets to pay debt service. Also, the City is obligated for notes payable, capital leases, claims, an unfunded pension plan, and landfill post-closure liabilities. Arbitrage rules apply to the tax-exempt debt issued by the City.

**Governmental Activities Debt** – The following is a summary of the outstanding debt for the City’s governmental activities.

In fiscal 2011, the City issued \$21,000,000 in school general obligation bonds. These bonds bear interest at a rate of 5.12% and mature in September 2025. In fiscal 2012, the City issued \$12,000,000 in school general obligation bonds. These bonds bear interest at a rate of 4.0% and mature in September 2032. These bonds are being used to finance construction for the City’s schools and will be repaid, in part, from special sales taxes currently approved and being assessed within the City.

Annual debt service requirements to amortize the school bonds at June 30, 2019 are as follows:

Fiscal Year	Principal	Interest	Total
2020	\$ -	\$ 1,482,675	\$ 1,482,675
2021	-	1,482,675	1,482,675
2022	-	1,482,675	1,482,675
2023	4,880,000	1,369,923	6,249,923
2024	5,115,000	1,136,431	6,251,431
2025-2029	14,905,000	2,751,890	17,656,890
2030-2033	8,100,000	653,900	8,753,900
Total	<u>\$ 33,000,000</u>	<u>\$ 10,360,169</u>	<u>\$ 43,360,169</u>

**Business-type Activities Debt** – The following is a summary of the outstanding debt for the City’s business-type activities.

**Bonds** –On September 28, 2011, the City issued Water and Sewerage Revenue Refunding Bonds, Series 2011 in the amount of \$6,525,000. Proceeds from this issue prepaid GEFA loans in the amount of \$4,955,000 and Series 2001 Bonds in the amount of \$1,570,000 and with interest rates ranging from 4.0% to 5.0%. The present value of the savings on the refunding of the bonds was \$150,723 and it was \$281,172 on the notes for a total of \$431,895 which was 6.7% of the refunded debt. The issue is a private placement issue and bears interest at a rate of 1.935%.

Maturities and debt service requirements remaining on the bond issue at June 30, 2019 are as follows:

Fiscal Year	Principal	Interest	Total
2020	<u>\$ 140,000</u>	<u>\$ 2,709</u>	<u>\$ 142,709</u>

During 2012 the City issued Water and Sewerage Revenue Refunding Bonds, Series 2012 in the amount of \$6,645,000. Proceeds from this issue prepaid GEFA loans in the amount of \$4,023,682 and Series 2003 Bonds in the amount of \$2,585,000 with interest rates ranging from 3.0% to 3.92%. The cash flows required for the debt that was refunded totaled \$8,099,423. Cash flows for the Refunding Bonds, Series 2012 are \$7,577,741. The present value of the savings was \$496,118. The issue is a private placement issue and bears interest at a rate of 2.08%.

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Maturities and debt service requirements remaining on the bond issue at June 30, 2019 are as follows:

Fiscal Year	Principal	Interest	Total
2020	\$ 595,000	\$ 62,712	\$ 657,712
2021	595,000	50,336	645,336
2022	560,000	37,960	597,960
2023	570,000	26,312	596,312
2024	290,000	14,456	304,456
2024-2026	405,000	10,608	415,608
Total	<u>\$ 3,015,000</u>	<u>\$ 202,384</u>	<u>\$ 3,217,384</u>

During 2016 the City issued Water and Sewerage Revenue Bonds, Series 2016 in the amount of \$6,310,000. Proceeds from this issue prepaid GEFA loans in this same amount with interest rates of 3.0%. The net present value of the savings on the refunding on the notes was \$304,031 which was 4.9% of the refunded debt. The issue is a private placement issue and bears interest at a rate of 1.69%.

Maturities and debt service requirements remaining on the bond issue at June 30, 2019 are as follows:

Fiscal Year	Principal	Interest	Total
2020	\$ 615,000	\$ 79,177	\$ 694,177
2021	625,000	68,783	693,783
2022	635,000	58,221	693,221
2023	645,000	47,489	692,489
2024	660,000	36,589	696,589
2025-2029	1,505,000	57,712	1,562,712
Total	<u>\$ 4,685,000</u>	<u>\$ 347,971</u>	<u>\$ 5,032,971</u>

The City has pledged future water and sewer customer revenues, net of specified operating expenses, to repay the \$8.3 million principal and interest on the three bond issuances listed above. Annual principal and interest on the bonds are expected to require approximately 18% of such net revenues. At year end, pledged future revenues totaled \$8,393,064, which was the amount of the remaining principal and interest on the three bonds.

**Notes Payable-** The City has obtained loans from the State Revolving Loan Fund for various water and sewer improvements, renovations and expansion. Details of the various loans are as follows:

%	Monthly	Payments	Date of	Original	Maturity	Balance	Reductions	Balance
Rate	Payment	Began	Obligation	Amount	Date	6/30/2018	6/30/2018	6/30/2019
<b>State Revolving Loan Fund</b>								
2.05%	\$14,079	8/1/2015	7/1/2015	\$ 2,770,000	7/31/2035	\$ 2,433,187	\$ 120,188	\$ 2,312,999
1.40%	10,141	3/1/2018	2/1/2018	2,121,643	2/1/2038	2,090,928	93,010	1,997,918
1.21%	30,470	5/1/2018	4/1/2018	6,492,237	4/1/2038	6,444,366	289,259	6,155,107
<b>TOTAL</b>						<u>\$10,968,481</u>	<u>\$ 502,457</u>	<u>\$10,466,024</u>

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The following shows the required debt service for future years for notes payable:

Fiscal Year	Principal	Interest	Total
2020	\$ 509,775	\$ 146,492	\$ 656,267
2021	517,204	139,061	656,265
2022	524,750	131,517	656,267
2023	532,409	123,857	656,266
2024	540,189	116,077	656,266
2025-2029	2,821,920	459,409	3,281,329
2030-2034	3,035,323	246,007	3,281,330
2035-2038	1,984,454	46,360	2,030,814
	<u>\$ 10,466,024</u>	<u>\$ 1,408,780</u>	<u>\$ 11,874,804</u>

**Capital Leases-** During fiscal year 2018, the Fields Ferry Golf Course entered a capital lease for 65 golf carts, in the amount of \$163,667 plus a lease purchase option of \$900 per cart or \$58,500 after the final lease payment. The lease is payable in 48 monthly installments of \$3,897, bears an interest rate of 4.20%, and matures in May 2022.

Maturities and debt service requirement at June 30, 2019 are as follows:

Fiscal Year	Principal	Interest	Total
2020	\$ 40,191	\$ 6,570	\$ 46,761
2021	41,852	4,909	46,761
2022	<u>98,153</u>	<u>2,982</u>	<u>101,135</u>
	<u>\$ 180,196</u>	<u>\$ 14,461</u>	<u>\$ 194,657</u>

The assets acquired through this lease are as follows.

Equipment	\$ 215,535
Accumulated Depreciation	<u>(38,916)</u>
Book Value	<u>\$ 176,619</u>

During fiscal year 2019, the City entered a capital lease for a street sweeper, in the amount of \$236,484. The lease is payable in annual payments of \$60,528, bears an interest rate of 4.73%, and has a lease purchase option of \$38,667 in January 2024.

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Maturities and debt service requirement at June 30, 2019 are as follows:

Fiscal Year	Principal	Interest	Total
2020	\$ 37,880	\$ 22,648	\$ 60,528
2021	39,674	20,855	60,529
2022	41,552	18,976	60,528
2023	43,520	17,009	60,529
2024	<u>36,918</u>	<u>1,748</u>	<u>38,666</u>
	<u>\$ 199,544</u>	<u>\$ 81,236</u>	<u>\$ 280,780</u>

The assets acquired through this lease are as follows.

Equipment	\$ 236,484
Accumulated Depreciation	<u>(9,854)</u>
Book Value	<u>\$ 226,630</u>

**Landfill Post-Closure Care**

As described in detail in note 3-G, the City's industrial landfill was closed under Georgia Environmental Protection Division (EPD) guidelines in 1992. Estimated maturities of the post-closure costs recorded as long-term debt in the solid waste enterprise fund are as follows:

Fiscal Year	Principal	Interest	Total
2020	\$ 27,583	\$ 3,480	\$ 31,063
2021	28,135	2,928	31,063
2022	28,697	2,366	31,063
2023	29,271	1,792	31,063
2024	29,857	1,206	31,063
2025	<u>30,457</u>	<u>606</u>	<u>31,063</u>
	<u>\$ 174,000</u>	<u>\$ 12,378</u>	<u>\$ 186,378</u>

**Changes in Long-term Debt** - Changes in the City's long-term obligations consisted of the following for the year ended June 30, 2018:

	Outstanding 6/30/2018	Additions	Reductions	Outstanding 6/30/2019	Amounts Due in One Year
Governmental Activities					
Other Debt:					
General obligation school bonds	\$ 33,000,000	\$ -	\$ -	\$ 33,000,000	\$ -
Claims	<u>58,555</u>	<u>7,370</u>	<u>9,051</u>	<u>56,874</u>	<u>6,256</u>
Total Governmental Activities	<u>\$ 33,058,555</u>	<u>\$ 7,370</u>	<u>\$ 9,051</u>	33,056,874	6,256
Plus Deferred Bond Related Items				<u>550,577</u>	<u>-</u>
Net Governmental Activities				<u>\$ 33,607,451</u>	<u>\$ 6,256</u>

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	Outstanding 6/30/2018	Additions	Reductions	Outstanding 6/30/2019	Amounts Due in One Year
Business-Type Activities					
Direct Placements:					
Notes payable	\$ 10,968,481	\$ -	\$ 502,457	\$ 10,466,024	\$ 509,775
Capital leases	218,791	236,484	75,535	379,740	78,071
Other Debt:					
Revenue bonds	9,315,000	-	1,475,000	7,840,000	1,350,000
Total Business-Type Activities	<u>\$ 20,502,272</u>	<u>\$ 236,484</u>	<u>\$ 2,052,992</u>	<u>\$ 18,685,764</u>	<u>\$ 1,937,846</u>

The school bonds principal and interest are paid by the school bonds debt service fund. The governmental activities capital leases are being repaid from the general fund. Claims and pension liabilities are being repaid from the general fund and the water and sewerage funds. Amounts on landfill closure costs are being repaid from the solid waste enterprise fund. Principal and interest payments related to the City's water & sewerage system enterprise fund are financed from income derived from the operation of the water and sewerage system. Governmental compensated absences are primarily repaid from the general fund. Enterprise compensated absences are primarily paid out of the water and sewer fund.

**3-1. Pension Plans**

**Primary Government**

The City participates in four pension plans, three of which became effective July 1, 2004, and which effectively replaced the City of Calhoun Employees' Pension Plan adopted by the City in 1981, as amended in 1996. The fourth plan is the City Charter Unfunded Retirement Plan which includes retired employees who chose to remain in this plan in 1981 when the City of Calhoun Employees' Pension Plan was established. The General Fund is typically used to liquidate the net pension obligation of the governmental funds. The City has no other postemployment benefit obligation. For the year ended June 30, 2019, the City recognized aggregate pension expense of \$742,893.

**Plans Administered through the Georgia Municipal Association**

**Defined Benefit Plan-** This plan is a defined benefit plan that covers all full-time City employees (30 hours weekly or more) who have been employed for one year or more, plus current elected officials. The plan goes forward covering service from July 1, 2003, plus it will cover current employees with service prior to July 1, 1981. Normal retirement age will be 65, with 5 years of credited service. Early retirement age will be 55, with 10 years of credited service, and benefits will be lower than those paid to employees retiring at normal retirement age. The benefit formula for regular employees will be 1.5% of wages contributed by the City. The benefit level for elected officials will be \$50 per year of service, with a cap not to exceed 100% of final base wages. The plan will be funded 100% by the City. This plan is not eligible for roll-over.

**Plan Description -** The City's defined benefit pension plan, the City of Calhoun Retirement Plan (the "Plan"), provides retirement and disability benefits and death benefits to plan members and beneficiaries. The Plan is administered through the Georgia Municipal Employees Benefit System (GMEBS), an agent multiple-employer public employee retirement system administered by the Georgia Municipal Association that acts as a common investment and administrative agent for cities in the State of Georgia. The City is assigned the authority to establish and amend benefit provisions of the Plan. GMEBS issues a publicly available financial report that includes financial statements and required supplementary information. The report can be obtained by writing to Georgia Municipal Association, Risk Management and Employee Benefit Services, 201 Pryor Street, SW, Atlanta, Georgia 30303 or by calling (404) 688-0472.

**Funding Policy -** Employees are not required to contribute to the Plan. The City is required to contribute at an actuarially determined rate. The minimum annual contribution requirements of the City are established by Public Retirement Systems Standards Law (Georgia Code Section 47-20-10). For fiscal year 2019, the City's annual pension contributions to the Plan were \$683,998, equal to the City's required contributions.

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*Plan Membership* - Participation in this plan is comprised of the following as of the valuation date of January 1, 2019:

Retirees and beneficiaries receiving benefits	81
Terminated plan members entitled to, but not yet receiving benefits	68
Active plan members	270
Active elected officials	<u>3</u>
Total	<u><u>422</u></u>

*Actuarial Assumptions* –The City’s pension liability was measured as of September 30, 2018. The total pension liability in the January 1, 2019 actuarial valuation was determined using the following actuarial assumptions: (a) 7.50% investment rate of return and (b) projected salary increases of 2.75% per year plus service based merit increases (c) inflation at 2.75% and (d) cost of living adjustments at 0.00%. Mortality rates were based on the RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forward two years for males and one year for females. The actuarial assumptions used in the January 1, 2018 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through June 30, 2014.

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

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan’s target asset allocation as of September 30, 2018 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	45%	6.40%
International equity	20%	7.40%
Real estate	10%	5.10%
Global fixed income	5%	3.03%
Domestic fixed income	20%	1.75%
Cash	<u>0%</u>	
Total	<u>100%</u>	

*Discount rate*- The discount rate used to measure total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that contributions from the employer will be made at contractually required rates, actuarially determined. Based on those assumptions, the Plan’s fiduciary net positions was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

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*Net Pension Liability* – The changes in the components of the net pension liability of the City of Calhoun for the year ended June 30, 2019 were as follows:

Changes in the Net Pension Liability			
	Total Pension Liability (TPL)	Fiduciary Net Position (FNP)	Net Pension Liability (NPL)
	(a)	(b)	(a) - (b)
Balance at September 30, 2017	\$ 14,731,683	\$ 13,020,717	\$ 1,710,966
Changes for the year:			
Service cost	432,131	-	432,131
Interest	1,121,199	-	1,121,199
Difference between expected and actual experience	1,430,145	-	1,430,145
Contributions- employer	-	614,311	(614,311)
Contributions- employee	-	-	-
Net investment income	-	1,300,609	(1,300,609)
Benefit payments, including refunds of employer contributions	(428,994)	(428,994)	-
Administrative expense	-	(39,681)	39,681
Other	-	-	-
Net changes	2,554,481	1,446,245	1,108,236
Balance at September 30, 2018	\$ 17,286,164	\$ 14,466,962	\$ 2,819,202

The required schedule of changes in the net pension liability 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.

*Sensitivity of the net pension liability to the discount rate* – The following presents the net pension liability of the City, calculated using the discount rate of 7.50%, as what as what the City’s net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.50%) or one percentage point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
City's net pension liability	\$ 5,123,645	\$ 2,819,204	\$ 890,030

*Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions*- For the year ended June 30, 2019 the City recognized pension expense of \$672,136. At June 30, 2019 the City reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Demographic changes	\$ 1,453,351	\$ (67,448)
Changes of assumptions	117,368	(58,940)
Net difference between projected and actual earnings on pension plan investments	127,494	(879,346)
City contributions subsequent to the measurement date	484,747	-
	\$ 2,182,960	\$ (1,005,734)

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City contributions subsequent to the measurement date but before fiscal year end, will be recognized as a reduction of the net pension liability in the subsequent fiscal period. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized against pension expense as follows:

Year ending June 30	
2020	\$ 124,872
2021	(2,622)
2022	100,062
2023	231,809
2024	<u>238,358</u>
Total	<u>\$ 692,479</u>

**Defined Contribution Plan** – This pension plan is a defined contribution plan, which allowed roll-over of the plan assets at June 30, 2003, from the plan administered by AmSouth Bank in Birmingham, Alabama, which was the City’s primary plan through June 30, 2003. The employees did not make additional contributions to these funds after June 30, 2003; however, the City provided the final matching amount for fiscal year ended June 30, 2003, during fiscal 2004 in the amount of \$371,444. The plan was effective as of July 1, 2003, and upon transfer, the funds were invested at GMA in the Citistreet Program with investments being directed by the employee. No new funds, other than earnings, are paid into the plan. The plan will accept the current life insurance policies, and GMA will administer these as part of the plan. The plan is eligible for rollover at termination or retirement.

**Deferred Compensation Plan** - The third plan is the 457(b) plan of deferred compensation that will be funded 100% by the employees. The plan calls for volunteer contribution up to the levels allowed by the IRS. The cost of the plan will be borne by the participating employees. The funds will be invested under the Citistreet Program at GMA, and the employee will direct such investments. The employee will have a “one-time” opportunity to buy whole life insurance without a physical when joining the plan. The plan is portable and eligible for rollover.

**City Charter Unfunded Retirement Plan - Single Employer Defined Benefit Pension Plan**

**Plan Description, Contribution Information and Funding Policies** - Prior to the adoption of the City of Calhoun Employees' Pension Plan, the City Charter provided that an employee with thirty years of service should be retired and receive a pension at a rate of 60 percent of the highest pay per year. Benefits are funded via annual budget appropriations. The amounts are disbursed on a weekly basis, and are reflected as contributions made and benefits paid in plan financial statements. The Charter did not require payments to beneficiaries. The Charter did not mandate any funding requirements, i.e., employer/employee contributions. Upon the adoption of the new plan, effective July 1, 1981, employees made irrevocable decisions regarding their plan choice. Only current covered employees are eligible for coverage.

**Plan Membership - Participation** in this plan is comprised of the following:

	June 30, 2019
Retirees Currently Receiving Benefits:	
General government	1
Water and sewerage system	<u>1</u>
Total Retirees Currently Receiving Benefits	2
Active Employees - Fully Vested	---
Active Employees - Nonvested	---
Terminated Employees, entitled to benefits, but not yet receiving benefits	---

**Plan Assets, Annual Pension Cost and Net Pension Obligation** - There are no assets legally reserved for future funding of the obligations associated with this defined benefit plan. All obligations, including administrative costs, of the plan are paid in conjunction with appropriated annual budgets of funds, which experience costs associated with this plan. The plan is administered by the City, who is 100% responsible for the net pension liability as the only contributor. There has been no change in the ownership percentage since the prior measurement date. The plan is reported in the City’s financial statements as a pension trust fund and the actuarial valuation is available as a separate report. A separate audited financial report is not available. Current year annual pension costs for the plan previously provided in the City Charter are shown below. Actuarial valuations are performed annually to determine the pension costs and associated net pension obligation resulting from the "pay as you go" funding called for in the charter. Benefits

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are recognized when due and payable in accordance with the terms of the plan. Actuarial gains and losses are amortized over a 5 year period under the closed method. The unfunded accrued actuarial liability was restated in 2007 and is also being amortized over a 5 year period. An assumption change occurred in 2008 and is being amortized over a 10 year period. Administrative costs are financed from the fund applicable to each participant.

The pension costs for fiscal year ended June 30, 2019 are comprised of the annual required contribution (ARC), interest on the net pension obligation and adjustments to the ARC. The following are the actuarial assumptions used in this plan:

Actuarial valuation date	6/30/2019
Actuarial measurement date	6/30/2019
Actuarial cost method	Entry-Age Normal
Amortization method	Level Dollar
Asset valuation method	Market Value
Actuarial assumptions	
Investment rate of return	3.50%
Projected salary increases	No Active Employees
Inflation	None
Post employment retirement increases	None
Mortality	Unix's Pension 1984 Mortality Table

*Discount rate*- The discount rate used to measure total pension liability was 3.50%, derived from the Bond Buyer 20-Bond Go index. The projection of cash flows used to determine the discount rate assumed that contributions from the employer will be made at contractually required rates, actuarially determined. Based on those assumptions, the Plan is funded on a pay-as-you-go basis to provide benefits payments for retirees currently receiving benefits. Therefore, the long term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

*Net Pension Liability* – The changes in the components of the net pension liability do not include any change to fiduciary net position since the plan is on the pay-as-you-go basis. The changes of the net pension liability of the City of Calhoun for the year ended June 30, 2019 were as follows:

<u>Changes in the Net Pension Liability</u>	
	Net Pension Liability (NPL)
Balance at June 30, 2018	\$ 353,421
Changes for the year:	
Service Cost	-
Interest on Total Pension Liability	13,721
Difference between expected and actual experience	38,299
Contributions- employer	-
Contributions- employee	-
Net investment income	-
Benefit payments, including refunds of employer contributions	(30,792)
Administrative expense	-
Other	-
Net changes	<u>21,228</u>
Balance at June 30, 2019	<u>\$ 374,649</u>

**City of Calhoun, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2019**

The required schedule of changes in the net pension liability 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.

*Sensitivity of the net pension liability to the discount rate* – The following presents the net pension liability of the City, calculated using the discount rate of 3.50%, as what as what the City’s net pension liability would be if it were calculated using a discount rate that is one percentage point lower (2.50%) or one percentage point higher (4.50%) than the current rate:

	1% Decrease (2.50%)	Current Discount Rate (3.50%)	1% Increase (4.50%)
City's net pension liability	\$ 393,191	\$ 374,649	\$ 357,751

*Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions*- For the year ended June 30, 2019 the City recognized pension expense of \$70,757. At June 30, 2019, the City did not report any deferred outflows of resources or deferred inflows of resources related to this pension plan because it was determined to be immaterial to the financial statements. City contributions subsequent to the measurement date but before fiscal year end will be recognized as a reduction of the net pension liability in the subsequent fiscal period.

**3-J. Net Investment in Capital Assets**

The “net investment in capital assets” on the government-wide statement of net position as of June 30, 2019 is as follows:

	Governmental Activities	Business Type Activities
Net Investment in Capital Assets:		
Cost of capital assets	\$ 185,121,389	\$ 216,008,485
Less accumulated depreciation	(58,490,700)	(100,417,990)
Book value	126,630,689	115,590,495
Less capital related debt, net of deferred refunding amounts, bond premiums and discounts	(33,550,577)	(18,667,119)
Net investment in capital assets	\$ 93,080,112	\$ 96,923,376

**3-K. Deficit Fund Balances**

The deficit fund balance of the hotel/motel fund of \$6,750 was the result of the requirement to classify fund balance as nonspendable for prepaid items. The deficit fund balance will be eliminated during the subsequent fiscal year as prepaid items are recognized.

**3-L. Net Position Restricted by Enabling Legislation**

The net position of the primary government restricted by enabling legislation is \$3,318,645. This includes \$384,156 for education, \$2,572,768 for housing and development, \$104,754 for public safety and \$256,967 for culture and recreation.

**Note 4 - Other Notes**

**4-A. Risk Management**

The City maintains liability insurance coverage with traditional carriers for group insurance coverage, public official liability, comprehensive law enforcement liability, commercial auto and uninsured motorists, property, public employee dishonesty, commercial general liability, and public official bond coverage. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Coverage for workers’ compensation is provided through the Georgia Municipal Association (GMA) Workers’ Compensation Self-Insurance Fund which is a group self-insured program authorized by state statute and administered by GMA. The fund was created in 1982 to provide workers’ compensation statutory coverage to local government entities in Georgia. The fund is the largest source of workers’ compensation coverage for municipal governments in Georgia with nearly 540 members. Municipalities, municipal authorities and commissions, housing authorities, regional development centers, and municipal school districts are eligible to participate in the fund. The premiums paid by the City to the fund are expensed. Other than normal audits associated with workers’

**City of Calhoun, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2019**

compensation coverage, the risk pool has made no additional assessments to its participants since its formation. However, the legislation permitting the formation of the fund does provide for assessment of the fund's membership if contributions and surplus are not sufficient to meet operating expenses or claim loss expenses.

**4-B. Contingent Liabilities**

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

**Lawsuits** - The City was a defendant in lawsuits at June 30, 2019. In the opinion of City management, the outcome of these contingencies will not have a material effect on the financial position of the City.

**MEAG** - The City, together with 47 other cities and one county in the State, has entered into Power Sales Contracts dated March 1, 1976 with the Municipal Electric Authority of Georgia (MEAG) under which the City purchases certain power and energy for resale to its electric system customers. Under the contract entitlement, if the City were unable to purchase budgeted power, MEAG would be obligated to make a good faith effort to sell the power elsewhere. If MEAG were unable to sell the power at a price above its cost, the difference would be an obligation of the City. The contracts are agreements to pay the cost of generating power budgeted for the City. The obligation to pay MEAG certain amounts, whether or not power and energy are received, is a general obligation of the City to which its full faith and credit are pledged. If payments under the Power Sales Contracts are not made from revenues of the electric distribution system, the City is required under the contracts to include in its general revenue or appropriation measures sums sufficient together with other available revenues to make such payments. During the fiscal year, the City purchased electric power under these contracts for a total cost of \$26,525,402 net of off-system sales which reduced costs. Rebates of \$523,141 are reflected in the net power purchases of \$25,951,913.

On February 22, 1999, the City approved a resolution adopting the provisions of a Municipal Competitive Trust agreement between the City and MEAG. MEAG established the Trust for the mutual benefit of MEAG and its wholesale customers (Cities) who elect to become participants. The Trust was created to provide a means to mitigate the expected differential between "after deregulation" market rates for power and the associated costs of generating that power.

The Trust originally created three types of accounts that are held by MEAG in the name of the City. The flexible operating trust account includes funds that are available to the City for operating costs and rate stabilization. As of June 30, 2019, the balance in this account was \$8,646,623. The intermediate flexible operating trust account has a balance of \$10,283,647 as of June 30 and is somewhat restrictive in nature, but the funds are available for a variety of uses, thus this account is included on the Electric funds books. The City of Calhoun also contributed to the generation trust account which has been established to set aside funds to provide generation for the future. As of June 30, 2019, the balance in this account was \$5,238,854 for a total of \$24,169,124 to be included in current restricted investments in the electric fund.

The intermediate generation trust account provides a more restricted investment account to provide for future generation and the balance of that account at June 30, 2019 is \$16,571,354. This account has been included in long-term investments on the City's books, but is only available for very restricted purposes.

In March 2008 the City voted and signed contracts for the City to participate in the expansion of two additional generating units at Plant Vogtle thus obligating the City to future debt through MEAG in the purchase of approximately 25 megawatts of capacity. This generation is estimated to cost over \$11,000 in the year 2021 while the cost per kW has risen, this should have generally been offset in the past by the reduction in financing costs due to lower interest rates. Additional costs expenditures due to labor will slightly increase debt service. The City has secured power sales agreements with other entities that will cover a substantial portion of this obligation. The City of Calhoun will maintain 10 megawatts through the life of the project and 15 megawatts were sold through a purchased power agreement for twenty years. Our allotted capacity will secure a future power resource with Vogtle Unit 3 planned to come online in 2021 and Vogtle Unit 4 planned to come online in 2022, which should accommodate the community's power needs for the next 30 to 35 years.

**Asset Retirement Obligations** – The City owns and operates a wastewater plant and several lift stations. We are aware of the liability for asset retirement, but there is an unavailability of current factual data to present an estimate of the cost to close them.

**City of Calhoun, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2019**

**4-C. Related Organizations**

**The City of Calhoun, Georgia, Housing Authority:** The Housing Authority has been established under federal laws to carry on activities within the City. The City does appoint board members at the recommendation of the existing board but provides no financing or participation in management or operating decisions of the Authority. The Authority issues separate, audited financial statements with a March 31 fiscal year.

**4-D. Joint Ventures**

**Northwest Georgia Regional Commission:** Under Georgia law, the City in conjunction with other cities and counties in the Northwest Georgia area is a member of the Northwest Georgia Regional Commission (NWGRC). Membership in NWGRC is required by the Official Code of Georgia Annotated (OCGA) section 50-8-34 which provides for the organizational structure of the NWGRC. Membership in the NWGRC includes the chief elected 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 NWGRC. During fiscal year 2019, the City paid dues in the amount of \$16,414 to the NWGRC. Separate financial statements may be obtained from the Northwest Georgia Regional Commission, 1 Jackson Hill Drive, Rome, Georgia 30162.

**The Calhoun-Gordon County Library:** The Calhoun-Gordon County Library is a part of the Dalton, Georgia Regional Library System. This system consists of boards from four member counties. Of the five board members comprising the Gordon County Library Board, one is an appointee of the City. Other board members represent appointees from the City and County school boards and the Gordon County Board of Commissioners. The library board retains asset/equity ownership. The City, local school boards and the Gordon County Board of Commissioners make regular contributions to the Calhoun-Gordon County Library Board.

Though the City does provide various support services for the library, the City's ability to significantly influence operations is moderate or comparable in relation to influences of other governments involved. Payments/expenditures to/for the library for the fiscal year ended June 30, 2019, were \$143,344. The library issues an annual list of cash receipts and disbursements on a June 30 fiscal year basis. Separate schedules may be obtained from the Calhoun-Gordon County Library, 100 N Park Avenue, Calhoun, GA 30701.

**The Calhoun-Gordon County Airport Authority:** This Authority is a legally separate entity with full corporate powers, including power to establish rates necessary to finance any debt the Authority might incur. The City and Gordon County, Georgia appoint members of the Airport Authority. The City shares appointment powers with the County equally. The City does not significantly influence operations with contributions in excess of the County. The City and County participate in providing local funding when the Authority is recipient of grants that require matching funding. Both the City and County have entered into agreements to participate as joint lessees in order to guarantee certain debt of the Authority. The airport is leased to and operated by a for-profit entity. Total expenditures paid by the City for the Airport Authority for fiscal 2019 were \$153,078. Separate financial statements may be obtained from the Calhoun-Gordon County Airport Authority, 1957 Hwy. 41 South, Calhoun, GA 30701.

**4-E. Hotel-Motel Lodging Tax**

The City of Calhoun levies an 8% Hotel/Motel tax in accordance with OCGA 48-13-51. Amounts levied in excess of 3% (62.5% of the taxes levied) are expended for the purpose of promoting tourism in accordance with OCGA 48-13-50 (b).

**City of Calhoun, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2019**

		<u>Tax Rate</u>	<u>% of Receipts</u>		<u>Total</u>
Lodging Tax Receipts					\$ 864,410
Disbursements					
Gordon County Chamber of Commerce	Tourism	3.5%	43.75%	\$ 378,179	
Downtown Development Authority	Economic Development	0.5%	6.25%	54,026	
Calhoun Recreation Department	Tourism	1%	12.50%	108,051	
City of Calhoun	Tourism	0.5%	6.25%	54,026	
City of Calhoun	Economic Development	2.5%	31.25%	270,128	(864,410)
		<u>8%</u>	<u>100.00%</u>		<u>\$ -</u>
Difference					<u>\$ -</u>

**4-F. Property Tax Abatements**

The ad valorem tax abatements for privately-used facilities or equipment serve economic development and/or job creation by employment of bond-lease transaction tax incentives as authorized by O.C.G.A. § 36-62-3 resulting from an approved and executed P.I.I.O.T. Agreement between the private business entity and the Development Authority of Gordon County (the Development Authority”).

The Development Authority was created in accordance with the Development Authorities Law, Chapter 62 of Title 36 of the Official Code of Georgia, as a purely public charity performing an essential governmental function. Pursuant to O.C.G.A. § 36-62-3, the Development Authority is immune from taxation or assessments imposed by the state or any of its counties, municipal corporations, political subdivisions, or taxing districts for any property acquired by the authority or under its jurisdiction, control, possession, or supervision or leased by it to others, or upon its activities in the operation or maintenance of any such property or an on any income derived by the authority, and that the bonds of such authority, their transfer, and the income therefrom shall at all times be exempt from taxation within this state.

The abatements are determined on a case by case basis. The industry/commercial entity’s financial stability would be taken into consideration. Their capital investment, the amount of jobs created, the amount the wage rates are above average and the creation of critical infrastructure will all be factors in determining a possible abatement.

The statutory ad valorem taxation exemptions or abatements remain in effect for the remaining duration of the approved P.I.L.O.T. Agreement, and are governed by the express language of same pending the completion of the terms of the current bond-lease transaction.

Immaterial amounts were abated pursuant to O.C.G.A. § 48-5-7.4 through conservation agreements.

The following entities, that are in excess of 10% of total abated amounts, received abatements in the current fiscal year:

<b>Purpose</b>	<b>% Abated</b>	<b>\$ Abated</b>
Carpet Manufacturer	50%	\$3,224
Carpet Manufacturer	100%	\$7,312
Carpet Manufacturer	60%	\$3,122
Carpet Manufacturer	60%	\$2,805

**City of Calhoun, Georgia**  
**Required Supplementary Information**  
**Georgia Municipal Association Defined Benefit Plan**  
**Schedule of Changes in the Net Pension Liability and Related Ratios**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<i>Total pension liability</i>					
Service cost	\$ 432,131	\$ 457,156	\$ 474,861	\$ 488,383	\$ 494,335
Interest	1,121,199	1,015,045	940,051	833,277	774,792
Difference between expected and actual experience	1,430,145	166,970	(107,578)	350,580	(47,806)
Changes of assumptions	-	176,050	-	-	(206,292)
Changes of benefit terms	-	-	-	-	-
Benefit payments, including refunds of employee contributions	(428,994)	(361,787)	(317,563)	(271,445)	(249,327)
Net change in total pension liability	<u>2,554,481</u>	<u>1,453,434</u>	<u>989,771</u>	<u>1,400,795</u>	<u>765,702</u>
Total pension liability- beginning	14,731,683	13,278,249	12,288,478	10,887,683	10,121,981
Total pension liability- ending (a)	<u>\$ 17,286,164</u>	<u>\$ 14,731,683</u>	<u>\$ 13,278,249</u>	<u>\$ 12,288,478</u>	<u>\$ 10,887,683</u>
<i>Plan fiduciary net position</i>					
Contributions- employer	\$ 614,311	\$ 684,927	\$ 666,004	\$ 705,986	\$ 715,308
Contributions- employee	-	-	-	-	-
Net investment income	1,300,609	1,686,899	1,091,194	86,669	902,314
Benefit payments- including refund of employee contributions	(428,994)	(361,787)	(317,563)	(271,445)	(249,327)
Administrative expense	(39,681)	(39,979)	(23,571)	(26,204)	(20,343)
Other	-	-	-	-	-
Net change in fiduciary net position	<u>1,446,245</u>	<u>1,970,060</u>	<u>1,416,064</u>	<u>495,006</u>	<u>1,347,952</u>
Plan fiduciary net position- beginning	13,020,717	11,050,655	9,634,591	9,139,585	7,791,633
Plan fiduciary net position- ending (b)	<u>\$ 14,466,962</u>	<u>\$ 13,020,715</u>	<u>\$ 11,050,655</u>	<u>\$ 9,634,591</u>	<u>\$ 9,139,585</u>
Net pension liability- ending (a-b)	<u>\$ 2,819,202</u>	<u>\$ 1,710,968</u>	<u>\$ 2,227,594</u>	<u>\$ 2,653,887</u>	<u>\$ 1,748,098</u>
Plans fiduciary net position as a percentage of the total pension liability	83.69%	88.39%	83.22%	78.40%	83.94%
Covered employee payroll	\$ 11,637,346	\$ 11,272,355	\$ 10,821,497	\$ 10,810,244	\$ 10,313,836
Net pension liability as a percentage of covered employee payroll	24.23%	15.18%	20.58%	24.55%	16.95%

**Notes to the Schedule:**

Historical information prior to implementation of GASB 67/68 is not required, but this schedule will present 10 years of information once accumulated.

**City of Calhoun, Georgia**  
**Required Supplementary Information**  
**Georgia Municipal Association Defined Benefit Plan**  
**Schedule of Contributions**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 683,998	\$ 665,616	\$ 691,364	\$ 657,550	\$ 722,131
Contributions in relation to the actuarially determined contribution	<u>683,998</u>	<u>666,715</u>	<u>691,364</u>	<u>657,550</u>	<u>722,131</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ (1,099)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered employee payroll	\$ 11,637,346	\$ 11,272,355	\$ 10,821,497	\$ 10,810,244	\$ 10,313,836
Contributions as a percentage of covered employee payroll	5.88%	5.91%	6.39%	6.08%	7.00%

**Notes to the Schedule:**

Historical information prior to implementation of GASB 67/68 is not required, but this schedule will present 10 years of information once accumulated.

Valuation date                      The actuarial determined contribution rate was determined as of January 1, 2018, with an interest adjustment to the fiscal year. Contributions in relation to the actuarially determined contribution rate will be reported for the fiscal year ending June 30, 2018.

*Methods and assumptions used to determine contribution rates:*

Actuarial cost method	Projected unit credit
Amortization method	Closed level dollar for remaining unfunded liability
Remaining amortization period	Remaining amortization period varies for the bases, with a net effective amortization period of 10 years
Asset valuation method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at the end of the year. The actuarial value is adjusted, if necessary, to be within 20% of market value.
Actuarial assumptions:	
Net investment rate of return	7.50%
Projected salary increase	2.75% plus service based merit increases
Cost of living adjustments	0.00%
Retirement age	Where normal retirement is only available on or after age 65 retirement age is assumed to be 60% at ages 65 to 69 and 100% at age 70
Mortality	Mortality rates were based on the RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forward two years for males and one year for females.

**City of Calhoun, Georgia**  
**Required Supplementary Information**  
**City Charter Unfunded Pension Plan**  
**Schedule of Changes in the Net Pension Liability and Related Ratios**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<i>Total pension liability</i>				
Service cost	\$ -	\$ -	\$ -	\$ -
Interest	13,721	14,821	17,064	17,907
Difference between expected and actual experience	38,299	33,046	(3,385)	37,620
Changes of assumptions	-	-	-	-
Changes of benefit terms	-	-	-	-
Benefit payments, including refunds of employee contributions	(63,837)	(63,837)	(75,689)	(77,410)
Net change in total pension liability	(11,817)	(15,970)	(62,010)	(21,883)
Total pension liability- beginning	386,466	402,436	464,446	486,329
Total pension liability- ending (a)	<u>\$ 374,649</u>	<u>\$ 386,466</u>	<u>\$ 402,436</u>	<u>\$ 464,446</u>
 <i>Plan fiduciary net position</i>				
Contributions- employer	\$ -	\$ -	\$ -	\$ -
Contributions- employee	-	-	-	-
Net investment income	-	-	-	-
Benefit payments- including refund of employee contributions	-	-	-	-
Administrative expense	-	-	-	-
Other	-	-	-	-
Net change in fiduciary net position	-	-	-	-
Plan fiduciary net position- beginning	-	-	-	-
Plan fiduciary net position- ending (b)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 Net pension liability- ending (a-b)	<u>\$ 374,649</u>	<u>\$ 386,466</u>	<u>\$ 402,436</u>	<u>\$ 464,446</u>
 Plans fiduciary net position as a percentage of the total pension liability	0.00%	0.00%	0.00%	0.00%
 Covered employee payroll	\$ 11,637,346	\$ 11,272,355	\$ 10,821,497	\$ 10,810,244
 Net pension liability as a percentage of covered employee payroll	3.22%	3.43%	3.72%	0.00%

**Notes to the Schedule:**

Historical information prior to implementation of GASB 73 is not required, but this schedule will present 10 years of information once accumulated.

There are no assets accumulated in a trust that meet the criteria required by GASB 73.

There are no changes in benefit terms, composition of the population or assumptions that significantly effect the amounts presented.

**City of Calhoun, Georgia**  
**Required Supplementary Information**  
**City Charter Unfunded Pension Plan**  
**Schedule of Contributions**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Actuarially determined contribution	\$ 13,721	\$ 14,822	\$ 14,540	\$ 30,434
Contributions in relation to the actuarially determined contribution	<u>13,721</u>	<u>14,822</u>	<u>14,540</u>	<u>30,434</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered employee payroll	\$ 11,637,346	\$ 11,272,355	\$ 10,821,497	\$ 10,810,244
Contributions as a percentage of covered employee payroll	0.12%	0.13%	0.13%	0.28%

**Notes to the Schedule:**

Historical information prior to implementation of GASB 73 is not required, but this schedule will present 10 years of information once accumulated.

Valuation date                      The actuarial determined contribution rate was determined as of July 1, 2016.

*Methods and assumptions used to determine contribution rates:*

Actuarial cost method              Entry-age normal

Amortization method                Closed level dollar for remaining unfunded liability

Remaining amortization period    Remaining amortization period varies for the bases, ranging from 5-10 years.

Asset valuation method              The plan is funded on a pay-as-you-go basis. Benefits are secured by the general assets of the governing authority and are not secured by assets held in trust.

Actuarial assumptions:

Net investment rate of return      3.87%

Projected salary increase          Not applicable (no active employees)

Cost of living adjustments          0.00%

Retirement age                      Attainment of 30 years of service.

Mortality                                Unisex Pension 1984 Mortality Table

## **GENERAL FUND INDIVIDUAL FUND STATEMENTS**

The general fund is used to account for and report all financial resources not accounted for and reported in another fund.

**City of Calhoun, Georgia**  
**General Fund**  
**Balance Sheet**  
**June 30, 2019**

<b>Assets</b>	
Cash	\$ 2,487,915
Investments- current	960,781
Investments- noncurrent	5,702,273
Receivables (net)	
Property taxes	60,378
Franchise taxes	196,525
Other taxes	35,920
Accounts	86,382
Fines	562,006
Intergovernmental	
Federal	389
State	1,453,962
Authorities	214,688
Interfund	492,290
Component unit	12,622
Prepaid items	<u>154,727</u>
<b>Total Assets</b>	<b><u>\$ 12,420,858</u></b>
 <b>Liabilities, Deferred Inflows of Resources and Fund Balance</b>	
<b>Liabilities</b>	
Accounts payable	\$ 209,166
Accrued payroll liabilities	2,391
Accrued expenditures	168,406
Intergovernmental payable	27,014
Interfund payable	57,096
Advances payable	<u>182,277</u>
<b>Total Liabilities</b>	<b><u>646,350</u></b>
 <b>Deferred Inflows of Resources</b>	
Unavailable tax revenue	49,948
Unavailable fine revenue	538,663
Other unavailable revenue	<u>35,900</u>
<b>Total Deferred Inflows of Resources</b>	<b><u>624,511</u></b>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b><u>1,270,861</u></b>
 <b>Fund Balance</b>	
Nonspendable	
Prepaid items	154,727
Restricted	
Program purposes- education	384,156
Committed	
Working capital/contingencies	4,049,293
Unassigned	<u>6,561,821</u>
<b>Total Fund Balance</b>	<b><u>11,149,997</u></b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<b><u>\$ 12,420,858</u></b>

**City of Calhoun, Georgia**  
**General Fund**  
*Statement of Revenues, Expenditures and*  
*Changes in Fund Balance*  
*For the Fiscal Year Ended June 30, 2019*

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<b>Revenues</b>	
Property taxes	\$ 2,158,367
Sales taxes	2,967,191
Other taxes	4,720,353
Intergovernmental	681,159
Licenses and permits	540,165
Charges for services	179,109
Fines and forfeitures	346,855
Contributions	1,450
Investment earnings	189,861
Miscellaneous	19,254
	<hr/>
<b>Total Revenues</b>	<b>11,803,764</b>
	<hr/>
<b>Expenditures</b>	
<b>Current</b>	
General government	1,150,423
Judicial	378,302
Public safety	8,461,437
Public works	2,514,499
Health and welfare	56,696
Culture and recreation	183,887
Housing and economic development	719,685
	<hr/>
<b>Total Expenditures</b>	<b>13,464,929</b>
	<hr/>
<b>(Deficiency) of Revenues (Under) Expenditures</b>	<b>(1,661,165)</b>
	<hr/>
<b>Other Financing Sources (Uses)</b>	
Sale of capital assets	40,539
Insurance reimbursement	108,008
Transfers in	3,680,684
Transfers out	(670,720)
	<hr/>
<b>Total Other Financing Sources</b>	<b>3,158,511</b>
	<hr/>
<b>Net Change in Fund Balance</b>	<b>1,497,346</b>
	<hr/>
<b>Fund Balance Beginning of Year</b>	<b>9,652,651</b>
	<hr/>
<b>Fund Balance End of Year</b>	<b>\$ 11,149,997</b>
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## **MAJOR GOVERNMENTAL FUNDS INDIVIDUAL FUND STATEMENTS**

Government funds are accounted for using a flow of current financial resources measurement focus.

*School Bond Debt Service Fund-* accounts for the debt service of the City School Board of Education by issuing bonds as needed for special projects.

**City of Calhoun, Georgia**  
**School Bonds Debt Service Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2019**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance With Final Budget</b>
<b>Revenues</b>				
Intergovernmental	\$ 3,936,965	\$ 3,936,965	\$ 4,448,186	\$ 511,221
Investment earnings	95,000	95,000	217,286	122,286
<b>Total Revenues</b>	<u>4,031,965</u>	<u>4,031,965</u>	<u>4,665,472</u>	<u>633,507</u>
<b>Expenditures</b>				
<b>Debt Service</b>				
Interest	1,485,175	1,485,175	1,483,275	1,900
<b>Total Expenditures</b>	<u>1,485,175</u>	<u>1,485,175</u>	<u>1,483,275</u>	<u>1,900</u>
<b>Excess of Revenues Over Expenditures</b>	<u>2,546,790</u>	<u>2,546,790</u>	<u>3,182,197</u>	<u>635,407</u>
<b>Other Financing (Uses)</b>				
Transfers out	(2,546,790)	(2,546,790)	(1,139,135)	1,407,655
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>2,043,062</u>	<u>\$ 2,043,062</u>
<b>Fund Balance Beginning of Year</b>			<u>10,958,680</u>	
<b>Fund Balance End of Year</b>			<u>\$ 13,001,742</u>	

# NONMAJOR GOVERNMENTAL FUNDS COMBINING AND INDIVIDUAL FUND STATEMENTS

**Special revenue funds** are used to account for the proceeds of specific revenue sources, that are legally restricted to expenditures for specified purposes.

*Urban Development Action Grant Fund-* to account for the Revolving Loan grant used to make low-interest loans to local businesses and promote growth.

*Home Investment Partnership Act Fund-* to account for transactions relating to loans assigned to the City by the Georgia Department of Community Affairs.

*Confiscated Assets Fund-* accounts for police seizures and expenditures according to Georgia law.

*Hotel/Motel Tax Fund-* to account for the collection and disbursement of hotel/motel taxes.

*School Tax Fund-* to account for School tax collections and expenditures paid directly on behalf of the School, with remaining collections transferred to the School monthly.

*Recreation Fund-* to account for sports programs and recreational activities offered to City residents.

**Debt service funds** are used to account for the accumulation of resources obligation debt. and the payment of principal and interest on long term general

*Revenue Bond Debt Service Fund-* to account for debt service of Calhoun Recreation Authority revenue bonds.

**Capital project funds** are established for the construction or purchase of significant capital assets used by governmental funds only.

*School SPLOST Fund-* to account for SPLOST revenues approved for capital outlay for the City Schools

*2011 SPLOST Fund-* to account for SPLOST revenues and capital outlay for various utility, recreation and other projects as well as public safety improvements.

*2018 SPLOST Fund-* to account for SPLOST revenues and capital outlay for various utility, recreation and other projects as well as public safety improvements.

**City of Calhoun, Georgia**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds - By Fund Type**  
**June 30, 2019**

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Assets</b>			
Cash	\$ 775,992	\$ 3,966,277	\$ 4,742,269
Receivables			
Property taxes	553,747	-	553,747
Other taxes	164,264	-	164,264
Accounts receivable	483	-	483
Intergovernmental	739	377,506	378,245
Interest	6,028	-	6,028
Loans	278,165	-	278,165
Loans- noncurrent	2,151,154	-	2,151,154
Interfund	21,400	-	21,400
Due from component unit	476,797	-	476,797
Prepaid items	13,226	-	13,226
<b>Total Assets</b>	<b>\$ 4,441,995</b>	<b>\$ 4,343,783</b>	<b>\$ 8,785,778</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)</b>			
<b>Liabilities</b>			
Accounts payable	\$ 94,033	\$ 1,300	\$ 95,333
Accrued payroll liabilities	13,322	-	13,322
Accrued expenditures	82,132	-	82,132
Intergovernmental payable	925	-	925
Due to component unit	823,903	-	823,903
Interfund payable	89,621	73,297	162,918
Unearned revenue	-	545,137	545,137
<b>Total Liabilities</b>	<b>1,103,936</b>	<b>619,734</b>	<b>1,723,670</b>
<b>Deferred Inflows of Resources</b>			
Unavailable tax revenue	384,156	-	384,156
Unavailable grant revenue	19,414	-	19,414
<b>Total Deferred Inflows of Resources</b>	<b>403,570</b>	<b>-</b>	<b>403,570</b>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>1,507,506</b>	<b>619,734</b>	<b>2,127,240</b>
<b>Fund Balances</b>			
Nonspendable			
Prepaid items	13,226	-	13,226
Restricted			
Capital projects	-	3,724,049	3,724,049
Program purposes			
Housing and development	2,572,768	-	2,572,768
Public safety	104,754	-	104,754
Culture and recreation	250,491	-	250,491
Unassigned (deficits), reported in Special revenue funds	(6,750)	-	(6,750)
<b>Total Fund Balances</b>	<b>2,934,489</b>	<b>3,724,049</b>	<b>6,658,538</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 4,441,995</b>	<b>\$ 4,343,783</b>	<b>\$ 8,785,778</b>

**City of Calhoun, Georgia**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds - By Fund Type**  
**For the Fiscal Year Ended June 30, 2019**

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Revenues</b>			
Hotel/motel taxes	\$ 864,410	\$ -	\$ 864,410
Intergovernmental	453,034	2,979,731	3,432,765
Charges for services	205,940	-	205,940
Fines and forfeitures	35,128	-	35,128
Investment earnings	49,396	16,301	65,697
Miscellaneous	20,327	-	20,327
<b>Total Revenues</b>	<b>1,628,235</b>	<b>2,996,032</b>	<b>4,624,267</b>
<b>Expenditures</b>			
<b>Current</b>			
Public safety	44,971	-	44,971
Culture and recreation	1,082,290	-	1,082,290
Housing and economic development	434,705	-	434,705
<b>Capital Outlay</b>	<b>-</b>	<b>1,830,018</b>	<b>1,830,018</b>
<b>Total Expenditures</b>	<b>1,561,966</b>	<b>1,830,018</b>	<b>3,391,984</b>
<b>(Deficiency) of Revenues (Under) Expenditures</b>	<b>66,269</b>	<b>1,166,014</b>	<b>1,232,283</b>
<b>Other Financing Sources (Uses)</b>			
Sale of capital assets	13,450	-	13,450
Transfers in	613,218	1,139,135	1,752,353
Transfers out	(491,999)	(372,139)	(864,138)
<b>Total Other Financing Sources (Uses)</b>	<b>134,669</b>	<b>766,996</b>	<b>901,665</b>
<b>Net Change in Fund Balances</b>	<b>200,938</b>	<b>1,933,010</b>	<b>2,133,948</b>
<b>Fund Balances Beginning of Year</b>	<b>2,733,551</b>	<b>1,791,039</b>	<b>4,524,590</b>
<b>Fund Balances End of Year</b>	<b>\$ 2,934,489</b>	<b>\$ 3,724,049</b>	<b>\$ 6,658,538</b>

City of Calhoun, Georgia  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2019

	Urban Development Action Grant	Home Investment Partnership	Confiscated Assets	Hotel/Motel Tax	School Tax	Recreation	Nonmajor Special Revenue Funds
<b>Assets</b>							
Cash	\$ 156,835	\$ -	\$ 186,207	\$ -	\$ 177,515	\$ 255,435	\$ 775,992
Receivables							
Property taxes	-	-	-	-	553,747	-	553,747
Other taxes	-	-	-	164,264	-	-	164,264
Accounts receivable	-	-	-	-	-	483	483
Intergovernmental	-	-	-	739	-	-	739
Interest	6,028	-	-	-	-	-	6,028
Loans	258,751	19,414	-	-	-	-	278,165
Loans- noncurrent	2,151,154	-	-	-	-	-	2,151,154
Interfund	-	-	-	-	-	21,400	21,400
Due from component unit	-	-	-	-	476,797	-	476,797
Prepaid items	-	-	-	6,750	-	6,476	13,226
<b>Total Assets</b>	<b>\$ 2,572,768</b>	<b>\$ 19,414</b>	<b>\$ 186,207</b>	<b>\$ 171,753</b>	<b>\$ 1,208,059</b>	<b>\$ 283,794</b>	<b>\$ 4,441,995</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>							
<b>Liabilities</b>							
Accounts payable	\$ -	\$ -	\$ 81,453	\$ -	\$ -	\$ 12,580	\$ 94,033
Accrued payroll liabilities	-	-	-	-	-	13,322	13,322
Accrued expenditures	-	-	-	82,132	-	-	82,132
Intergovernmental payable	-	-	-	-	-	925	925
Due to component unit	-	-	-	-	823,903	-	823,903
Interfund payable	-	-	-	89,621	-	-	89,621
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>81,453</b>	<b>171,753</b>	<b>823,903</b>	<b>26,827</b>	<b>1,103,936</b>
<b>Deferred Inflows of Resources</b>							
Unavailable tax revenue	-	-	-	-	384,156	-	384,156
Unavailable grant revenue	-	19,414	-	-	-	-	19,414
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>19,414</b>	<b>-</b>	<b>-</b>	<b>384,156</b>	<b>-</b>	<b>403,570</b>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>-</b>	<b>19,414</b>	<b>81,453</b>	<b>171,753</b>	<b>1,208,059</b>	<b>26,827</b>	<b>1,507,506</b>
<b>Fund Balances</b>							
Nonspendable							
Prepaid items	-	-	-	6,750	-	6,476	13,226
Restricted for program purposes							
Program purposes							
Housing and development	2,572,768	-	-	-	-	-	2,572,768
Public safety	-	-	104,754	-	-	-	104,754
Culture and recreation	-	-	-	-	-	250,491	250,491
Unassigned (deficits)	-	-	-	(6,750)	-	-	(6,750)
<b>Total Fund Balances</b>	<b>2,572,768</b>	<b>-</b>	<b>104,754</b>	<b>-</b>	<b>-</b>	<b>256,967</b>	<b>2,934,489</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 2,572,768</b>	<b>\$ 19,414</b>	<b>\$ 186,207</b>	<b>\$ 171,753</b>	<b>\$ 1,208,059</b>	<b>\$ 283,794</b>	<b>\$ 4,441,995</b>

**City of Calhoun, Georgia**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**For the Fiscal Year Ended June 30, 2019**

	<b>Urban Development Action Grant</b>	<b>Home Investment Partnership</b>	<b>Confiscated Assets</b>	<b>Hotel/Motel Tax</b>	<b>School Tax</b>	<b>Recreation</b>	<b>Total Nonmajor Special Revenue Funds</b>
<b>Revenues</b>							
Hotel/motel taxes	\$ -	\$ -	\$ -	\$ 864,410	\$ -	\$ -	\$ 864,410
Intergovernmental	-	-	-	-	-	453,034	453,034
Charges for services	-	-	-	-	-	205,940	205,940
Fines and forfeitures	-	-	35,128	-	-	-	35,128
Investment earnings	49,396	-	-	-	-	-	49,396
Miscellaneous	-	-	-	-	-	20,327	20,327
<b>Total Revenues</b>	<b>49,396</b>	<b>-</b>	<b>35,128</b>	<b>864,410</b>	<b>-</b>	<b>679,301</b>	<b>1,628,235</b>
<b>Expenditures</b>							
<b>Current</b>							
Public safety	-	-	44,971	-	-	-	44,971
Culture and recreation	-	-	-	-	-	1,082,290	1,082,290
Housing and economic development	2,500	-	-	432,205	-	-	434,705
<b>Total Expenditures</b>	<b>2,500</b>	<b>-</b>	<b>44,971</b>	<b>432,205</b>	<b>-</b>	<b>1,082,290</b>	<b>1,561,966</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>46,896</b>	<b>-</b>	<b>(9,843)</b>	<b>432,205</b>	<b>-</b>	<b>(402,989)</b>	<b>66,269</b>
<b>Other Financing Sources (Uses)</b>							
Sale of capital assets	-	-	13,450	-	-	-	13,450
Transfers in	-	-	-	-	-	613,218	613,218
Transfers out	-	-	(59,794)	(432,205)	-	-	(491,999)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>(46,344)</b>	<b>(432,205)</b>	<b>-</b>	<b>613,218</b>	<b>134,669</b>
<b>Net Change in Fund Balances</b>	<b>46,896</b>	<b>-</b>	<b>(56,187)</b>	<b>-</b>	<b>-</b>	<b>210,229</b>	<b>200,938</b>
<b>Fund Balances Beginning of Year</b>	<b>2,525,872</b>	<b>-</b>	<b>160,941</b>	<b>-</b>	<b>-</b>	<b>46,738</b>	<b>2,733,551</b>
<b>Fund Balances End of Year</b>	<b>\$ 2,572,768</b>	<b>\$ -</b>	<b>\$ 104,754</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 256,967</b>	<b>\$ 2,934,489</b>

**City of Calhoun, Georgia**  
**Urban Development Action Grant Fund**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -*  
**Budget and Actual**  
**For the Fiscal Year Ended June 30, 2019**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance With Final Budget</b>
<b>Revenues</b>				
Investment earnings	\$ 49,720	\$ 49,720	\$ 49,396	\$ (324)
<b>Expenditures</b>				
<b>Current</b>				
Housing and economic development	2,500	2,500	2,500	-
<b>Excess of Revenues Over Expenditures</b>	<u>47,220</u>	<u>47,220</u>	<u>46,896</u>	<u>(324)</u>
<b>Other Financing Sources (Uses)</b>				
Transfer to fund balance	<u>(47,220)</u>	<u>(47,220)</u>	<u>-</u>	<u>47,220</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>46,896</u>	<u>\$ 46,896</u>
<b>Fund Balance Beginning of Year</b>			<u>2,525,872</u>	
<b>Fund Balance End of Year</b>			<u>\$ 2,572,768</u>	

**City of Calhoun, Georgia**  
**Home Investment Partnership Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2019**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
<b>Revenues</b>				
Investment earnings	\$ -	\$ -	\$ -	\$ -
<b>Expenditures</b>				
<b>Current</b>				
Housing and economic development	-	-	-	-
<b>Excess of Revenues Over Expenditures</b>	-	-	-	-
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
<b>Fund Balance Beginning of Year</b>			-	
<b>Fund Balance End of Year</b>			<u>\$ -</u>	

**City of Calhoun, Georgia**  
**Confiscated Assets Fund**  
*Schedule of Revenues, Expenditures and*  
*Changes in Fund Balance - Budget and Actual*  
*For the Fiscal Year Ended June 30, 2019*

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
<b>Revenues</b>				
Fines and forfeitures	\$ 10,000	\$ 10,000	\$ 35,128	\$ 25,128
<b>Expenditures</b>				
<b>Current</b>				
Public safety	<u>12,000</u>	<u>66,049</u>	<u>44,971</u>	<u>21,078</u>
<b>(Deficiency) of Revenues</b>				
<b>(Under) Expenditures</b>	<u>(2,000)</u>	<u>(56,049)</u>	<u>(9,843)</u>	<u>46,206</u>
<b>Other Financing Sources</b>				
Sale of capital assets	2,000	3,450	13,450	10,000
Transfers out	-	-	(59,794)	(59,794)
Appropriation of fund balance	<u>-</u>	<u>52,599</u>	<u>-</u>	<u>(52,599)</u>
<b>Total Other Financing Sources (Uses)</b>	<u>2,000</u>	<u>56,049</u>	<u>(46,344)</u>	<u>(102,393)</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>(56,187)</u>	<u>\$ (56,187)</u>
<b>Fund Balance Beginning of Year</b>			<u>160,941</u>	
<b>Fund Balance End of Year</b>			<u>\$ 104,754</u>	

**City of Calhoun, Georgia**  
**Hotel/Motel Tax Fund**  
*Schedule of Revenues, Expenditures and*  
**Changes in Fund Balance - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2019**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance With Final Budget</b>
<b>Revenues</b>				
Hotel/motel taxes	\$ 765,000	\$ 864,410	\$ 864,410	\$ -
<b>Expenditures</b>				
<b>Current</b>				
Housing and economic development	382,499	432,205	432,205	-
<b>Excess of Revenues Over Expenditures</b>	<b>382,501</b>	<b>432,205</b>	<b>432,205</b>	<b>-</b>
<b>Other Financing (Uses)</b>				
Transfers out	(382,501)	(432,205)	(432,205)	-
<b>Net Change in Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>
<b>Fund Balance Beginning of Year</b>			-	
<b>Fund Balance End of Year</b>			<b>\$ -</b>	

**City of Calhoun, Georgia**  
**School Tax Fund**  
*Schedule of Revenues, Expenditures and*  
*Changes in Fund Balance - Budget and Actual*  
*For the Fiscal Year Ended June 30, 2019*

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance With Final Budget</b>
<b>Revenues</b>				
Property taxes	\$ -	\$ -	\$ -	\$ -
<b>Expenditures</b>				
<b>Current</b>				
Education	-	-	-	-
<b>Excess of Revenues Over Expenditures</b>	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
<b>Fund Balance Beginning of Year</b>			-	
<b>Fund Balance End of Year</b>			<u>\$ -</u>	

**City of Calhoun, Georgia**  
**Recreation Fund**  
*Schedule of Revenues, Expenditures and*  
*Changes in Fund Balance - Budget and Actual*  
*For the Fiscal Year Ended June 30, 2019*

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
<b>Revenues</b>				
Intergovernmental	\$ 353,034	\$ 353,034	\$ 453,034	\$ 100,000
Charges for services	219,900	225,311	205,940	(19,371)
Miscellaneous	25,570	25,570	20,327	(5,243)
<b>Total Revenues</b>	<u>598,504</u>	<u>603,915</u>	<u>679,301</u>	<u>75,386</u>
<b>Expenditures</b>				
<b>Current</b>				
Culture and recreation	1,197,524	1,215,602	1,082,290	133,312
<b>(Deficiency) of Revenues (Under) Expenditures</b>	<u>(599,020)</u>	<u>(611,687)</u>	<u>(402,989)</u>	<u>208,698</u>
<b>Other Financing Sources</b>				
Transfers in	599,020	611,687	613,218	1,531
<b>Total Other Financing Sources</b>	<u>599,020</u>	<u>611,687</u>	<u>613,218</u>	<u>1,531</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	210,229	<u>\$ 210,229</u>
<b>Fund Balance Beginning of Year</b>			<u>46,738</u>	
<b>Fund Balance End of Year</b>			<u>\$ 256,967</u>	

**City of Calhoun, Georgia**  
**Nonmajor Capital Project Funds**  
**Combining Balance Sheet**  
**June 30, 2019**

	<b>School SPLOST</b>	<b>2011 SPLOST</b>	<b>2018 SPLOST</b>	<b>Total Nonmajor Capital Projects Funds</b>
<b>Assets</b>				
Cash	\$ -	\$ 1,619,934	\$ 2,346,343	\$ 3,966,277
Receivables:				
Intergovernmental	-	-	377,506	377,506
<b>Total Assets</b>	<b>\$ -</b>	<b>\$ 1,619,934</b>	<b>\$ 2,723,849</b>	<b>\$ 4,343,783</b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts payable	\$ -	\$ -	\$ 1,300	\$ 1,300
Interfund payable	-	73,297	-	73,297
Unearned revenue	-	545,137	-	545,137
<b>Total Liabilities</b>	<b>-</b>	<b>618,434</b>	<b>1,300</b>	<b>619,734</b>
<b>Fund Balances</b>				
Restricted for capital projects	-	1,001,500	2,722,549	3,724,049
<b>Total Liabilities and Fund Balances</b>	<b>\$ -</b>	<b>\$ 1,619,934</b>	<b>\$ 2,723,849</b>	<b>\$ 4,343,783</b>

**City of Calhoun, Georgia**  
**Nonmajor Capital Project Funds**  
**Combining Statement of Revenues, Expenditures and**  
**Changes in Fund Balances**  
**For the Fiscal Year Ended June 30, 2019**

	<b>School SPLOST</b>	<b>2011 SPLOST</b>	<b>2018 SPLOST</b>	<b>Total Nonmajor Capital Projects Funds</b>
<b>Revenues</b>				
Intergovernmental	\$ -	\$ 313,923	\$ 2,665,808	\$ 2,979,731
Investment earnings	-	13,662	2,639	16,301
<b>Total Revenues</b>	<b>-</b>	<b>327,585</b>	<b>2,668,447</b>	<b>2,996,032</b>
<b>Expenditures</b>				
<b>Capital Outlay</b>				
Public safety	-	234,018	65,332	299,350
Public works	-	112,801	222,395	335,196
Culture and recreation	-	-	56,337	56,337
Education	1,139,135	-	-	1,139,135
<b>Total Expenditures</b>	<b>1,139,135</b>	<b>346,819</b>	<b>344,064</b>	<b>1,830,018</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(1,139,135)</b>	<b>(19,234)</b>	<b>2,324,383</b>	<b>1,166,014</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	1,139,135	-	-	1,139,135
Transfers out	-	(301,006)	(71,133)	(372,139)
<b>Total Other Financing Sources (Uses)</b>	<b>1,139,135</b>	<b>(301,006)</b>	<b>(71,133)</b>	<b>766,996</b>
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>(320,240)</b>	<b>2,253,250</b>	<b>1,933,010</b>
<b>Fund Balances Beginning of Year</b>	<b>-</b>	<b>1,321,740</b>	<b>469,299</b>	<b>1,791,039</b>
<b>Fund Balances End of Year</b>	<b>\$ -</b>	<b>\$ 1,001,500</b>	<b>\$ 2,722,549</b>	<b>\$ 3,724,049</b>

**City of Calhoun, Georgia**  
**School SPLOST Fund**  
*Schedule of Revenues, Expenditures and*  
*Changes in Fund Balance - Budget and Actual*  
*For the Fiscal Year Ended June 30, 2019*

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
<b>Revenues</b>				
Investment earnings	\$ -	\$ -	\$ -	\$ -
<b>Expenditures</b>				
<b>Capital Outlay</b>				
Education	-	1,139,135	1,139,135	-
<b>(Deficiency) of Revenues (Under)</b> <b>Expenditures</b>	<u>-</u>	<u>(1,139,135)</u>	<u>(1,139,135)</u>	<u>-</u>
<b>Other Financing Sources</b>				
Transfer in	-	1,139,135	1,139,135	-
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	-	<u>-</u>
<b>Fund Balance Beginning of Year</b>			<u>-</u>	
<b>Fund Balance End of Year</b>			<u>\$ -</u>	

**City of Calhoun, Georgia**  
**2011 SPLOST Fund**  
*Schedule of Revenues, Expenditures and*  
*Changes in Fund Balance - Budget and Actual*  
*For the Fiscal Year Ended June 30, 2019*

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance With Final Budget</b>
<b>Revenues</b>				
Intergovernmental	\$ 500,000	\$ 500,000	\$ 313,923	\$ (186,077)
Investment earnings	3,845	3,845	13,662	9,817
<b>Total Revenues</b>	<b>503,845</b>	<b>503,845</b>	<b>327,585</b>	<b>(176,260)</b>
<b>Expenditures</b>				
<b>Capital Outlay</b>				
Public safety	113,841	234,018	234,018	-
Public works	1,100,000	1,100,000	112,801	987,199
Culture and recreation	46,761	-	-	-
<b>Total Expenditures</b>	<b>1,260,602</b>	<b>1,334,018</b>	<b>346,819</b>	<b>987,199</b>
<b>Excess of Revenues Over Expenditures</b>	<b>(756,757)</b>	<b>(830,173)</b>	<b>(19,234)</b>	<b>810,939</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	-	-	-
Transfers out	-	(301,006)	(301,006)	-
Appropriation of fund balance	756,757	1,131,179	-	(1,131,179)
<b>Total Other Financing Sources (Uses)</b>	<b>756,757</b>	<b>830,173</b>	<b>(301,006)</b>	<b>(1,131,179)</b>
<b>Net Change in Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>(320,240)</b>	<b>\$ (320,240)</b>
<b>Fund Balance Beginning of Year</b>			<b>1,321,740</b>	
<b>Fund Balance End of Year</b>			<b>\$ 1,001,500</b>	

**City of Calhoun, Georgia**  
**2018 SPLOST Fund**  
*Schedule of Revenues, Expenditures and*  
*Changes in Fund Balance - Budget and Actual*  
*For the Fiscal Year Ended June 30, 2019*

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance With Final Budget</b>
<b>Revenues</b>				
Intergovernmental	\$ 1,977,916	\$ 2,014,337	\$ 2,665,808	\$ 651,471
Investment earnings	-	-	2,639	2,639
<b>Total Revenues</b>	<u>1,977,916</u>	<u>2,014,337</u>	<u>2,668,447</u>	<u>654,110</u>
<b>Expenditures</b>				
<b>Capital Outlay</b>				
Public safety	-	65,332	65,332	-
Public works	-	222,395	222,395	-
Culture and recreation	-	56,337	56,337	-
	<u>-</u>	<u>344,064</u>	<u>344,064</u>	<u>-</u>
<b>Debt Service</b>				
Principal retirement	39,459	-	-	-
Interest and fiscal charges	21,069	-	-	-
	<u>60,528</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Expenditures</b>	<u>60,528</u>	<u>344,064</u>	<u>344,064</u>	<u>-</u>
<b>Excess of Revenues Over Expenditures</b>	<u>1,917,388</u>	<u>1,670,273</u>	<u>2,324,383</u>	<u>654,110</u>
<b>Other Financing Sources (Uses)</b>				
Transfers out	-	(71,133)	(71,133)	-
Transfer to - fund balance	(1,917,388)	(1,599,140)	-	1,599,140
<b>Total Other Financing Sources (Uses)</b>	<u>(1,917,388)</u>	<u>(1,670,273)</u>	<u>(71,133)</u>	<u>1,599,140</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	2,253,250	<u>\$ 2,253,250</u>
<b>Fund Balance Beginning of Year</b>			<u>469,299</u>	
<b>Fund Balance End of Year</b>			<u>\$ 2,722,549</u>	

## **NONMAJOR PROPRIETARY FUNDS COMBINING STATEMENTS**

Enterprise funds financed and operated in a manner similar to a private business enterprise.

*Field's Ferry Golf Course Fund* - accounts for the activities related to the City's golf course.

*Solid Waste Fund* - provides for collection of solid waste for the residents of the City.

*Telecom Fund* - provides communication and data services.

**City of Calhoun, Georgia**  
**Combining Statement of Net Position**  
**Nonmajor Proprietary Funds**  
**June 30, 2019**

	<b>Fields Ferry Golf Course</b>	<b>Telecommunications</b>	<b>Solid Waste</b>	<b>Total Nonmajor Enterprise Funds</b>
<b>Assets</b>				
<b>Current assets</b>				
Cash	\$ 126,933	\$ 670,416	\$ 13,694	\$ 811,043
Investments	-	63,395	-	63,395
Receivables				
Accounts	2,976	53,744	43,992	100,712
Accrued revenue	-	63,698	50,122	113,820
Interfund	830	2,914	65,544	69,288
Other	-	2,545	-	2,545
Inventory	-	288,363	-	288,363
Prepaid items	3,836	4,279	2,128	10,243
<b>Total Current Assets</b>	<b>134,575</b>	<b>1,149,354</b>	<b>175,480</b>	<b>1,459,409</b>
<b>Noncurrent assets</b>				
Investments	-	1,090,709	-	1,090,709
Capital assets				
Nondepreciable capital assets	696,138	-	314,435	1,010,573
Depreciable capital assets, net	1,065,868	1,014,362	325,521	2,405,751
<b>Total Noncurrent Assets</b>	<b>1,762,006</b>	<b>2,105,071</b>	<b>639,956</b>	<b>4,507,033</b>
<b>Total Assets</b>	<b>1,896,581</b>	<b>3,254,425</b>	<b>815,436</b>	<b>5,966,442</b>
<b>Deferred Outflows of Resources</b>				
Pension related	63,308	39,465	-	102,773
<b>Liabilities</b>				
<b>Current liabilities</b>				
Accounts payable	13,308	5,061	56,265	74,634
Accrued payroll liabilities	10,188	42	-	10,230
Accrued expenses	-	4,788	578	5,366
Intergovernmental payable	5,153	2,771	-	7,924
Interfund payable	-	435	-	435
Post-closure care payable	-	-	27,583	27,583
Compensated absences payable	6,844	3,787	-	10,631
Unearned revenue	18,546	-	-	18,546
Capital lease payable	40,191	-	37,880	78,071
Advances payable	-	114,330	-	114,330
<b>Total Current Liabilities</b>	<b>94,230</b>	<b>131,214</b>	<b>122,306</b>	<b>347,750</b>
<b>Long-term liabilities</b>				
Compensated absences payable (net of current portion)	12,709	7,032	-	19,741
Post-closure care payable (net of current portion)	-	-	146,417	146,417
Capital lease payable (net of current portion)	140,005	-	161,664	301,669
Advances payable (net of current portion)	-	284,995	-	284,995
Net pension liability	86,831	54,129	-	140,960
<b>Total Long-Term Liabilities</b>	<b>239,545</b>	<b>346,156</b>	<b>308,081</b>	<b>893,782</b>
<b>Total Liabilities</b>	<b>333,775</b>	<b>477,370</b>	<b>430,387</b>	<b>1,241,532</b>
<b>Deferred Inflows of Resources</b>				
Pension related	27,050	16,862	-	43,912
<b>Net Position</b>				
Investment in capital assets	1,581,810	1,014,362	440,412	3,036,584
Unrestricted (deficit)	17,254	1,785,296	(55,363)	1,747,187
<b>Total Net Position</b>	<b>\$ 1,599,064</b>	<b>\$ 2,799,658</b>	<b>\$ 385,049</b>	<b>\$ 4,783,771</b>

**City of Calhoun, Georgia**  
**Combining Statement of Revenues,**  
**Expenses and Changes in Fund Net Position**  
**Nonmajor Proprietary Funds**  
**For the Fiscal Year Ended June 30, 2019**

	<b>Fields Ferry Golf Course</b>	<b>Telecommunications</b>	<b>Solid Waste</b>	<b>Total Nonmajor Enterprise Funds</b>
<b>Operating Revenues</b>				
Charges for services	\$ 658,277	\$ 1,169,925	\$ 807,693	\$ 2,635,895
Miscellaneous	14,581	267	14,361	29,209
<b>Total Operating Revenues</b>	<u>672,858</u>	<u>1,170,192</u>	<u>822,054</u>	<u>2,665,104</u>
<b>Operating Expenses</b>				
Personal services	528,512	294,713	107,379	930,604
Contractual services	34,734	327,646	568,245	930,625
Supplies	154,717	59,551	35,338	249,606
Interfund allocations	29,288	57,729	98,869	185,886
Depreciation	89,633	148,170	25,581	263,384
Amortization	-	816	-	816
Other	-	-	11,269	11,269
<b>Total Operating Expenses</b>	<u>836,884</u>	<u>888,625</u>	<u>846,681</u>	<u>2,572,190</u>
<b>Operating Income (Loss)</b>	<u>(164,026)</u>	<u>281,567</u>	<u>(24,627)</u>	<u>92,914</u>
<b>Non-Operating Revenues (Expenses)</b>				
Change in estimated landfill closure costs	-	-	(110,094)	(110,094)
Investment earnings	-	52,167	-	52,167
Intergovernmental revenue	88,258	-	-	88,258
Interest and fiscal charges	(8,166)	(4,702)	(23,589)	(36,457)
Gain (Loss) on disposition of capital assets	-	11,905	-	11,905
<b>Total Non-Operating Revenues (Expenses)</b>	<u>80,092</u>	<u>59,370</u>	<u>(133,683)</u>	<u>5,779</u>
<b>Income (Loss) Before Transfers</b>	<u>(83,934)</u>	<u>340,937</u>	<u>(158,310)</u>	<u>98,693</u>
Transfers in	202,046	1,202	71,519	274,767
<b>Change in Net Position</b>	118,112	342,139	(86,791)	373,460
<b>Net Position Beginning of Year</b>	<u>1,480,952</u>	<u>2,457,519</u>	<u>471,840</u>	<u>4,410,311</u>
<b>Net Position End of Year</b>	<u>\$ 1,599,064</u>	<u>\$ 2,799,658</u>	<u>\$ 385,049</u>	<u>\$ 4,783,771</u>

**City of Calhoun, Georgia**  
**Combining Statement of Cash Flows**  
**Nonmajor Proprietary Funds**  
**For the Fiscal Year Ended June 30, 2019**

	<u>Fields Ferry Golf Course</u>	<u>Telecommunications</u>	<u>Solid Waste</u>	<u>Total Nonmajor Enterprise Funds</u>
<b>Cash Flows from Operating Activities</b>				
Cash received from customers	\$ 669,022	\$ 863,406	\$ 790,908	\$ 2,323,336
Cash received from interfund services provided	-	300,352	26,949	327,301
Cash payments for personal services	(524,173)	(294,530)	(107,379)	(926,082)
Cash payments for goods and services	(182,104)	(378,706)	(602,293)	(1,163,103)
Cash payments for interfund services used	(34,770)	(82,318)	(100,809)	(217,897)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<u>(72,025)</u>	<u>408,204</u>	<u>7,376</u>	<u>343,555</u>
<b>Cash Flows from Noncapital Financing Activities</b>				
Intergovernmental revenues	88,258	-	-	88,258
Intergovernmental expense	(8)	(175)	-	(183)
Transfers in	155,285	1,202	386	156,873
<b>Net Cash Provided by (Used in) Noncapital Financing Activities</b>	<u>243,535</u>	<u>1,027</u>	<u>386</u>	<u>244,948</u>
<b>Cash Flows from Capital and Related Financing Activities</b>				
Transfers in- SPLOST	46,761	-	71,133	117,894
Principal paid on advance	-	(113,195)	-	(113,195)
Interest paid on advance	-	(4,702)	-	(4,702)
Payments for capital acquisition and construction	(44,977)	(110,369)	(254,088)	(409,434)
Proceeds from capital lease	-	-	236,484	236,484
Principal paid on capital lease	(38,595)	-	(36,940)	(75,535)
Interest paid on capital lease	(8,166)	-	(23,589)	(31,755)
Payments for landfill postclosure care	-	-	(26,450)	(26,450)
<b>Net Cash Provided by (Used in) Capital and Related Financing Activities</b>	<u>(44,977)</u>	<u>(228,266)</u>	<u>(33,450)</u>	<u>(306,693)</u>
<b>Cash Flows from Investing Activities</b>				
(Purchase) disposal of investments	-	(262,322)	-	(262,322)
Investment earnings	-	52,167	-	52,167
<b>Net Cash Provided by (Used in) Investing Activities</b>	<u>-</u>	<u>(210,155)</u>	<u>-</u>	<u>(210,155)</u>
<b>Net Increase (Decrease) in Cash</b>	126,533	(29,190)	(25,688)	71,655
<b>Cash Beginning of Year</b>	<u>400</u>	<u>699,606</u>	<u>39,382</u>	<u>739,388</u>
<b>Cash End of Year</b>	<u>\$ 126,933</u>	<u>\$ 670,416</u>	<u>\$ 13,694</u>	<u>\$ 811,043</u>

(continued)

**City of Calhoun, Georgia**  
**Combining Statement of Cash Flows**  
**Nonmajor Proprietary Funds**  
**For the Fiscal Year Ended June 30, 2019**

(continued)

	<u>Fields Ferry Golf Course</u>	<u>Telecommunications</u>	<u>Solid Waste</u>	<u>Total Nonmajor Enterprise Funds</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities</b>				
<b>Operating Income (Loss)</b>	\$ (164,026)	\$ 281,567	\$ (24,627)	\$ 92,914
<b>Adjustments</b>				
<b>Depreciation</b>	89,633	148,170	25,581	263,384
<b>Amortization</b>	-	816	-	816
<b>(Increase) Decrease in Assets</b>				
Accounts receivable and accrued revenue	(836)	(3,656)	(4,132)	(8,624)
Inventory	-	(14,866)	-	(14,866)
Interfund receivable	(830)	(2,778)	(3,473)	(7,081)
Intergovernmental receivable	-	-	3,408	3,408
Prepaid expenses	(164)	299	200	335
Deferred outflow pension related	(25,917)	(16,157)	-	(42,074)
<b>Increase (Decrease) in Liabilities</b>				
Accounts payable and accrued expenses	2,859	(1,966)	10,419	11,312
Accrued payroll liabilities	2,695	(841)	-	1,854
Interfund payable	-	435	-	435
Unearned revenue	(3,000)	-	-	(3,000)
Net pension liability	34,133	21,278	-	55,411
Deferred inflow pension related	(6,572)	(4,097)	-	(10,669)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<u>\$ (72,025)</u>	<u>\$ 408,204</u>	<u>\$ 7,376</u>	<u>\$ 343,555</u>

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**AGENCY FUND  
INDIVIDUAL FUND STATEMENT**

The Municipal Court Fund is used to account for the recording of the payment of fines.

**City of Calhoun, Georgia**  
**Municipal Court Agency Fund**  
*Statement of Changes in Assets and Liabilities*  
*For the Fiscal Year Ended June 30, 2019*

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	<b>Balance</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance</b>
	<b>June 30, 2018</b>			<b>June 30, 2019</b>
<b>Assets</b>				
Cash	\$ 9,035	\$ 583,768	\$ 578,485	\$ 14,318
<b>Liabilities</b>				
Intergovernmental payable	\$ 9,035	\$ 583,768	\$ 578,485	\$ 14,318

**City of Calhoun, Georgia**  
**Statistical Section**  
**( Unaudited )**

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This part of the City's comprehensive annual financial report presents detailed information as a context for understanding this year's financial statements, note disclosures, and supplementary information. This information has not been audited.

<b>Contents</b>	<b><u>Exhibit</u></b>
<b>Financial Trends</b>	I - X
<p>These tables contain trend information that may assist the reader in assessing the City's current financial performance by placing it in a historical perspective.</p>	
<b>Revenue Capacity</b>	XI - XIX
<p>These tables contain information that may assist the reader in assessing the viability of the City's three most significant "own-source" revenue sources, utility charges for services, property taxes and sales taxes. Electric user charges are the primary "own revenue source." Some similar data for the water and sewerage charges also is presented. The principal sales tax remitters information is not available from the Georgia Department of Revenue, the organization which collects the sales taxes from businesses and remits the City's share to the City.</p>	
<b>Debt Capacity</b>	XX - XXV
<p>These tables present information that may assist the reader in analyzing the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.</p>	
<b>Demographic and Economic Information</b>	XXVI - XXVII
<p>This table offers demographic and economic indicators that are commonly used for financial analysis and that can inform one's understanding the City's present and ongoing financial status.</p>	
<b>Operating Information</b>	XXVIII - XXXII
<p>These tables contain service and infrastructure indicators that can inform one's understanding how the information in the City's financial statements relates to the services the City provides and the activities it performs.</p>	

***Data Source:***

<sup>1</sup> Unless otherwise noted, the information in these tables is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement No. 34 in fiscal year 2003, tables presenting government-wide information include ten years of data.

City of Calhoun, Georgia  
 Government-wide Net Position by Category<sup>1</sup>  
 Last Ten Fiscal Years  
 (accrual basis of accounting)

	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019
<b>Governmental Activities</b>										
Net investment in capital assets	\$ 53,654,505	\$ 52,338,593	\$ 51,462,689	\$ 67,313,839	\$ 73,836,731	\$ 75,629,332	\$ 90,027,262	\$ 90,763,283	\$ 93,726,195	\$ 93,080,112
Restricted	8,688,195	15,431,931	19,122,020	9,229,059	12,131,969	15,182,825	15,927,712	15,307,003	15,830,227	20,044,436
Unrestricted	9,567,669	7,232,639	7,685,307	7,580,277	7,883,436	7,846,802	7,913,080	8,026,194	8,267,010	9,763,915
<b>Subtotal Governmental Activities Net Position</b>	<b>71,910,369</b>	<b>75,003,163</b>	<b>78,270,016</b>	<b>84,123,175</b>	<b>93,852,136</b>	<b>98,658,959</b>	<b>113,868,054</b>	<b>114,096,480</b>	<b>117,823,432</b>	<b>122,888,463</b>
<b>Business-type Activities</b>										
Net investment in capital assets	83,941,618	87,690,678	89,563,303	93,127,138	94,358,323	94,811,808	94,918,861	95,829,807	96,583,853	96,923,376
Unrestricted	21,452,054	22,718,371	23,006,694	23,443,784	26,334,092	32,086,863	38,295,604	45,018,367	52,533,714	59,824,193
<b>Subtotal Business-Type Activities Net Position</b>	<b>105,393,672</b>	<b>110,409,049</b>	<b>112,569,997</b>	<b>116,570,922</b>	<b>120,692,415</b>	<b>126,898,671</b>	<b>133,214,465</b>	<b>140,848,174</b>	<b>149,117,567</b>	<b>156,747,569</b>
<b>Primary Government</b>										
Net investment in capital assets	137,278,601	140,029,271	141,025,992	160,440,977	168,195,054	170,441,140	184,946,123	186,593,090	190,310,048	190,003,488
Restricted	8,688,195	15,431,931	19,122,020	9,229,059	12,131,969	15,182,825	15,927,712	15,307,003	15,830,227	20,044,436
Unrestricted	31,337,245	29,951,010	30,691,981	31,024,061	34,217,528	39,933,665	46,208,684	53,044,561	60,800,724	69,588,108
<b>Total Primary Government Net Position</b>	<b>\$ 177,304,041</b>	<b>\$ 185,412,212</b>	<b>\$ 190,839,993</b>	<b>\$ 200,694,097</b>	<b>\$ 214,544,551</b>	<b>\$ 225,557,630</b>	<b>\$ 247,082,519</b>	<b>\$ 254,944,654</b>	<b>\$ 266,940,999</b>	<b>\$ 279,636,032</b>

*Notes:*

<sup>1</sup> Accounting standards require that Net Position be reported in three components in the financial statements: net investment in capital assets; restricted; and unrestricted. Net Position are considered restricted only when (1) an external party, such as the State of Georgia or the federal government, places a restriction on how the resources may be used, or (2) enabling legislation is enacted by the City. There are no restrictions currently reported as a result of enabling legislation.

**City of Calhoun, Georgia**  
**Changes in Net Position - Governmental Activities**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

<b>Fiscal Year Ended June 30,</b>										
<b>Source</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>Expenses:</b>										
General government	\$ 913,704	\$ 776,593	\$ 810,234	\$ 802,314	\$ 910,295	\$ 1,181,829	\$ 1,040,464	\$ 1,013,767	\$ 953,158	\$ 1,174,664
Judicial	369,108	370,600	373,132	452,375	553,636	516,959	547,397	505,666	484,429	320,902
Public safety	6,535,237	6,613,869	6,536,010	6,915,456	7,728,025	7,250,790	7,516,868	7,674,963	7,871,922	8,077,431
Public works	2,652,196	3,049,832	2,840,555	2,886,680	3,145,644	3,199,338	2,996,883	3,510,523	3,276,997	3,418,118
Health and welfare	63,526	58,247	53,383	61,103	67,362	61,348	67,675	66,956	53,872	56,812
Culture and recreation	1,589,819	1,696,938	1,633,489	1,640,601	1,680,368	1,674,895	1,700,294	1,892,031	1,732,168	1,769,418
Housing and economic development	953,607	970,940	941,496	925,367	1,021,466	1,092,843	1,178,539	1,319,089	1,287,917	1,190,456
Education	937,959	516,728	1,136,156	1,958,815	1,472,938	2,031,197	2,111,724	875,341	2,129,460	1,491,092
Interest and fiscal charges	677,260	523,229	1,871,332	1,669,843	1,570,566	1,547,478	1,531,029	1,516,753	1,499,261	1,494,300
<b>Total Expenses</b>	<b>14,692,416</b>	<b>14,576,976</b>	<b>16,195,787</b>	<b>17,312,554</b>	<b>18,150,300</b>	<b>18,556,677</b>	<b>18,690,873</b>	<b>18,375,089</b>	<b>19,289,184</b>	<b>18,993,193</b>
<b>Program Revenues:</b>										
Charges for services:										
General government	136,106	134,956	128,669	167,154	167,604	175,896	188,107	174,273	188,363	176,560
Judicial	-	-	-	-	-	-	36,743	32,988	39,469	44,756
Public safety	856,148	920,826	1,021,023	1,119,975	813,915	245,577	301,023	337,639	298,389	461,355
Public works	17,094	16,111	14,955	1,685	22,355	(121)	68,219	86,357	104,791	74,357
Culture and recreation	159,990	215,276	223,302	237,350	226,206	241,220	216,241	235,544	197,844	205,940
Housing and economic development	98,116	76,305	78,006	70,671	221,330	113,815	116,216	137,308	198,450	400,949
Operating grants and contributions	3,858,010	3,700,825	4,525,283	5,165,209	5,041,478	4,657,363	4,517,400	4,832,117	4,961,599	5,753,208
Capital grants and contributions	361,368	2,444,463	2,628,092	5,551,820	9,868,682	6,171,787	16,503,543	1,905,619	5,847,072	2,996,032
<b>Total Program Revenues</b>	<b>5,486,832</b>	<b>7,508,762</b>	<b>8,619,330</b>	<b>12,313,864</b>	<b>16,361,570</b>	<b>11,605,537</b>	<b>21,947,492</b>	<b>7,741,845</b>	<b>11,835,977</b>	<b>10,113,157</b>
<b>Net (Expense) Revenue</b>	<b>(9,205,584)</b>	<b>(7,068,214)</b>	<b>(7,576,457)</b>	<b>(4,998,690)</b>	<b>(1,788,730)</b>	<b>(6,951,140)</b>	<b>3,256,619</b>	<b>(10,633,244)</b>	<b>(7,453,207)</b>	<b>(8,880,036)</b>
<b>General Revenues and Transfers In:</b>										
Taxes:										
Property	1,818,434	1,255,359	996,417	1,325,528	1,724,301	1,549,711	1,599,632	1,552,336	1,832,516	2,207,123
Sales	4,100,660	2,057,988	2,257,286	2,363,077	2,420,660	2,494,441	2,407,943	2,430,870	2,539,420	2,967,191
Business license and franchise taxes	2,599,128	2,819,216	2,879,471	2,866,079	2,952,147	3,006,179	2,944,961	2,980,677	3,051,742	3,012,099
Insurance premium	566,412	718,274	779,685	807,870	807,289	882,703	960,483	1,053,070	1,119,737	1,206,790
Gas marketers	88,840	69,149	54,460	92,039	88,301	92,159	78,981	76,067	-	-
Other	673,066	691,253	691,409	763,971	932,803	1,085,490	1,188,040	1,242,209	1,281,157	1,365,874
Unrestricted intergovernmental	33,636	29,732	28,913	30,590	34,624	31,763	46,081	35,173	56,689	47,907
Investment earnings	145,205	95,043	52,642	40,774	105,565	79,132	188,986	98,532	86,993	285,469
Miscellaneous	54,037	53,715	42,583	109,821	139,592	55,965	57,375	32,660	110,131	93,570
Transfers in	732,481	2,371,279	3,060,444	2,452,100	2,312,409	2,480,420	2,479,994	1,360,076	1,101,774	2,759,044
<b>Total General Revenues and Transfers In</b>	<b>10,811,899</b>	<b>10,161,008</b>	<b>10,843,310</b>	<b>10,851,849</b>	<b>11,517,691</b>	<b>11,757,963</b>	<b>11,952,476</b>	<b>10,861,670</b>	<b>11,180,159</b>	<b>13,945,067</b>
<b>Change in Net Position</b>	<b>\$ 1,606,315</b>	<b>\$ 3,092,794</b>	<b>\$ 3,266,853</b>	<b>\$ 5,853,159</b>	<b>\$ 9,728,961</b>	<b>\$ 4,806,823</b>	<b>\$ 15,209,095</b>	<b>\$ 228,426</b>	<b>\$ 3,726,952</b>	<b>\$ 5,065,031</b>

**City of Calhoun, Georgia**  
**Tax Revenues by Source - Governmental Activities**  
**Last Ten Fiscal Years**  
*(accrual basis of accounting)*

Fiscal Year Ended June 30,	Amounts						Total
	Property	Local Option Sales	Business License and Franchise	Insurance Premium	Gas Marketers	Other <sup>1</sup>	
2010	1,818,434	4,100,660	2,599,128	566,412	88,840	673,066	9,846,540
2011	1,255,359	2,057,988	2,819,216	718,274	69,149	691,253	7,611,239
2012	996,417	2,257,286	2,879,471	779,685	54,460	691,409	7,658,728
2013	1,325,528	2,363,077	2,866,079	807,870	92,039	763,971	8,218,564
2014	1,724,301	2,420,660	2,952,147	807,289	88,301	932,803	8,925,501
2015	1,549,711	2,494,441	3,006,179	882,703	92,159	1,085,490	9,110,683
2016	1,599,632	2,407,943	2,944,961	960,483	78,981	1,188,040	9,180,040
2017	1,552,336	2,430,870	2,980,677	1,053,070	76,067	1,242,209	9,335,229
2018	1,832,516	2,539,420	2,884,797	1,119,737	166,945	1,281,157	9,824,572
2019	2,207,123	2,967,191	2,824,406	1,206,790	187,693	1,365,874	10,759,077
% Change From 2010-2019	21.4%	-27.6%	8.7%	113.1%	111.3%	102.9%	9.3%

Fiscal Year Ended June 30,	Percentage of Total						Total
	Property	Local Option Sales	Business License and Franchise	Insurance Premium	Gas Marketers	Other <sup>1</sup>	
2010	18.5%	41.6%	26.4%	5.8%	0.9%	6.8%	100.0%
2011	16.5%	27.0%	37.0%	9.4%	0.9%	9.2%	100.0%
2012	13.0%	29.5%	37.6%	10.2%	0.7%	9.0%	100.0%
2013	16.1%	28.8%	34.9%	9.8%	1.1%	9.3%	100.0%
2014	19.3%	27.1%	33.1%	9.0%	1.0%	10.5%	100.0%
2015	17.0%	27.4%	33.0%	9.7%	1.0%	11.9%	100.0%
2016	17.4%	26.2%	32.1%	10.5%	0.9%	12.9%	100.0%
2017	16.6%	26.0%	31.9%	11.3%	0.8%	13.4%	100.0%
2018	18.7%	25.8%	29.4%	11.4%	1.7%	13.0%	100.0%
2019	20.5%	27.6%	26.3%	11.2%	1.7%	12.7%	100.0%

**Notes:**

<sup>1</sup> Includes financial institution business taxes and hotel/motel taxes.

**City of Calhoun, Georgia**  
**Changes in Net Position - Business-type Activities**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

Source	For the Fiscal Year Ended June 30,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Expenses:</b>										
Electric system	\$ 22,037,788	\$ 26,478,078	\$ 31,075,351	\$ 32,655,400	\$ 34,244,876	\$ 34,977,948	\$ 33,515,937	\$ 32,143,619	\$ 32,955,590	\$ 32,209,366
Water and sewerage system	12,611,049	11,880,631	12,228,646	11,987,691	13,499,523	12,874,952	13,713,662	13,874,245	14,052,206	14,617,739
Fields Ferry golf course	1,055,421	1,004,562	939,840	906,523	891,316	893,286	882,358	867,388	821,372	845,050
Telecommunications	748,676	911,041	927,374	871,141	949,969	992,405	1,062,052	981,714	992,770	893,327
Solid waste	783,757	746,211	589,174	655,980	678,349	732,389	852,421	769,693	829,125	980,364
<b>Total Expenses</b>	<b>37,236,691</b>	<b>41,020,523</b>	<b>45,760,385</b>	<b>47,076,735</b>	<b>50,264,033</b>	<b>50,470,980</b>	<b>50,026,430</b>	<b>48,636,659</b>	<b>49,651,063</b>	<b>49,545,846</b>
<b>Program Revenues:</b>										
Charges for services:										
Electric system	25,043,967	29,853,546	32,322,520	35,583,995	38,156,073	39,534,351	37,810,552	36,329,704	36,325,320	34,981,349
Water and sewerage system	14,807,017	14,440,652	15,070,678	14,713,066	15,423,818	16,338,197	17,268,280	17,857,578	19,081,628	19,595,818
Fields Ferry golf course	752,590	728,464	534,143	526,871	563,899	512,221	538,094	656,482	628,375	658,277
Telecommunications	943,803	949,524	988,103	991,022	1,059,358	1,119,205	1,144,786	1,113,183	1,123,356	1,169,925
Solid waste	687,647	692,077	705,364	708,741	715,741	747,780	748,294	788,186	803,399	807,693
Operating grants and contributions	-	123,040	342,410	84,020	81,246	359,465	384,866	193,793	141,180	205,233
Capital grants and contributions	64,200	900,000	691,825	371,021	-	9,571	85,224	-	-	-
<b>Total Program Revenues</b>	<b>42,299,224</b>	<b>47,687,303</b>	<b>50,655,043</b>	<b>52,978,736</b>	<b>56,000,135</b>	<b>58,620,790</b>	<b>57,980,096</b>	<b>56,938,926</b>	<b>58,103,258</b>	<b>57,418,295</b>
<b>Net (Expense) Revenue</b>	<b>5,062,533</b>	<b>6,666,780</b>	<b>4,894,658</b>	<b>5,902,001</b>	<b>5,736,102</b>	<b>8,149,810</b>	<b>7,953,666</b>	<b>8,302,267</b>	<b>8,452,195</b>	<b>7,872,449</b>
<b>General Revenues and Net Transfers :</b>										
Investment earnings	308,070	309,784	243,757	126,834	198,415	224,959	512,783	318,043	532,847	2,148,779
Miscellaneous	318,312	410,092	289,235	424,210	499,385	311,907	329,339	373,475	386,125	367,818
Net transfers	(732,481)	(2,371,279)	(3,060,444)	(2,452,100)	(2,312,409)	(2,480,420)	(2,479,994)	(1,360,076)	(1,101,774)	(2,759,044)
<b>Total General Revenues and Transfers</b>	<b>(106,099)</b>	<b>(1,651,403)</b>	<b>(2,527,452)</b>	<b>(1,901,056)</b>	<b>(1,614,609)</b>	<b>(1,943,554)</b>	<b>(1,637,872)</b>	<b>(668,558)</b>	<b>(182,802)</b>	<b>(242,447)</b>
<b>Change in Net Position</b>	<b>\$ 4,956,434</b>	<b>\$ 5,015,377</b>	<b>\$ 2,367,206</b>	<b>\$ 4,000,945</b>	<b>\$ 4,121,493</b>	<b>\$ 6,206,256</b>	<b>\$ 6,315,794</b>	<b>\$ 7,633,709</b>	<b>\$ 8,269,393</b>	<b>\$ 7,630,002</b>

**City of Calhoun, Georgia**  
**Changes in Net Position - Total**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

Source	For the Fiscal Year Ended June 30,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Expenses:</b>										
Governmental activities <sup>1</sup>	\$ 14,692,416	\$ 14,576,976	\$ 16,195,787	\$ 17,312,554	\$ 18,150,300	\$ 18,556,677	\$ 18,690,873	\$ 18,375,089	\$ 19,289,184	\$ 18,993,193
Business-type activities <sup>2</sup>	37,236,691	41,020,523	45,760,385	47,076,735	50,264,033	50,470,980	50,026,430	48,636,659	49,651,063	49,545,846
<b>Total Expenses</b>	<b>51,929,107</b>	<b>55,597,499</b>	<b>61,956,172</b>	<b>64,389,289</b>	<b>68,414,333</b>	<b>69,027,657</b>	<b>68,717,303</b>	<b>67,011,748</b>	<b>68,940,247</b>	<b>68,539,039</b>
<b>Program Revenues</b>										
Governmental activities <sup>1</sup>	5,486,832	7,508,762	8,619,330	12,313,864	16,361,570	11,605,538	21,947,492	7,741,845	11,835,977	10,113,157
Business-type activities <sup>2</sup>	42,299,224	47,687,303	50,655,043	52,978,736	56,000,135	58,620,790	57,980,096	56,938,926	58,103,258	57,418,295
<b>Total Program Revenues</b>	<b>47,786,056</b>	<b>55,196,065</b>	<b>59,274,373</b>	<b>65,292,600</b>	<b>72,361,705</b>	<b>70,226,328</b>	<b>79,927,588</b>	<b>64,680,771</b>	<b>69,939,235</b>	<b>67,531,452</b>
<b>Net (Expense) Revenue</b>	<b>(4,143,051)</b>	<b>(401,434)</b>	<b>(2,681,799)</b>	<b>903,311</b>	<b>3,947,372</b>	<b>1,198,671</b>	<b>11,210,285</b>	<b>(2,330,977)</b>	<b>998,988</b>	<b>(1,007,587)</b>
<b>General Revenues and Transfers:</b>										
Governmental activities <sup>1</sup>	10,811,899	10,161,008	10,843,310	10,851,849	11,517,691	11,757,962	11,952,476	10,861,670	11,180,159	13,945,067
Business-type activities <sup>2</sup>	(106,099)	(1,651,403)	(2,527,452)	(1,901,056)	(1,614,609)	(1,943,554)	(1,637,872)	(668,558)	(182,802)	(242,447)
<b>Total General Revenues and Transfers</b>	<b>10,705,800</b>	<b>8,509,605</b>	<b>8,315,858</b>	<b>8,950,793</b>	<b>9,903,082</b>	<b>9,814,408</b>	<b>10,314,604</b>	<b>10,193,112</b>	<b>10,997,357</b>	<b>13,702,620</b>
<b>Change in Net Position</b>	<b>\$ 6,562,749</b>	<b>\$ 8,108,171</b>	<b>\$ 5,634,059</b>	<b>\$ 9,854,104</b>	<b>\$ 13,850,454</b>	<b>\$ 11,013,079</b>	<b>\$ 21,524,889</b>	<b>\$ 7,862,135</b>	<b>\$ 11,996,345</b>	<b>\$ 12,695,033</b>

**Data Source:**

<sup>1</sup>Exhibit II.

<sup>2</sup>Exhibit IV.

**City of Calhoun, Georgia**  
**Fund Balances - Governmental Funds**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>General Fund</b>										
Reserved	\$ 509,437	\$ 1,057,425	\$ 837,662	\$ 623,723	\$ 565,774	\$ 466,253	\$ 374,715	\$ 237,579	\$ 346,957	\$ 384,156
Unreserved	5,934,113	-	-	-	-	-	-	-	-	-
Nonspendable	-	465,476	401,073	368,452	330,824	331,871	324,299	273,209	206,836	154,727
Committed	-	4,000,757	3,959,964	1,048,544	4,015,916	4,015,916	4,048,047	4,049,293	4,049,293	4,049,293
Unassigned	-	1,291,055	2,571,514	5,670,956	3,975,898	4,333,993	4,610,493	4,902,816	5,049,565	6,561,821
<b>Subtotal General Fund</b>	<b>6,443,550</b>	<b>6,814,713</b>	<b>7,770,213</b>	<b>7,711,675</b>	<b>8,888,412</b>	<b>9,148,033</b>	<b>9,357,554</b>	<b>9,462,897</b>	<b>9,652,651</b>	<b>11,149,997</b>
<b>General Fund Percentage Change</b>	<b>-11.2%</b>	<b>5.8%</b>	<b>14.0%</b>	<b>-0.8%</b>	<b>15.3%</b>	<b>2.9%</b>	<b>2.3%</b>	<b>1.1%</b>	<b>2.0%</b>	<b>15.5%</b>
<b>All Other Governmental Funds</b>										
Reserved <sup>1</sup>	7,664,639	-	-	-	-	-	-	-	-	-
Unreserved										
Special Revenue Funds	(1,385)	-	-	-	-	-	-	-	-	-
Capital Projects Funds	3,197,082	-	-	-	-	-	-	-	-	-
Nonspendable	-	55,232	6,343	6,266	15,174	12,132	12,688	12,632	14,135	13,226
Restricted	-	34,663,373	30,122,295	17,842,243	12,183,680	14,710,290	15,546,159	15,062,642	15,475,435	19,653,804
Unassigned										
Special Revenue Funds	-	(4,390)	-	-	-	(5,850)	(5,850)	(5,850)	(6,300)	(6,750)
<b>Subtotal All Other Governmental Funds</b>	<b>10,860,336</b>	<b>34,714,215</b>	<b>30,128,638</b>	<b>17,848,509</b>	<b>12,198,854</b>	<b>14,716,572</b>	<b>15,552,997</b>	<b>15,069,424</b>	<b>15,483,270</b>	<b>19,660,280</b>
<b>Total Governmental Funds</b>										
Reserved	8,174,076	-	-	-	-	-	-	-	-	-
Unreserved	9,129,810	-	-	-	-	-	-	-	-	-
Nonspendable	-	520,708	407,416	374,718	345,998	344,003	336,987	285,841	220,971	167,953
Restricted	-	35,720,798	30,959,957	18,465,966	12,749,454	15,176,543	15,920,874	15,300,221	15,822,392	20,037,960
Committed	-	4,000,757	3,959,964	1,048,544	4,015,916	4,015,916	4,048,047	4,049,293	4,049,293	4,049,293
Unassigned										
General Fund	-	1,291,055	2,571,514	5,670,956	3,975,898	4,333,993	4,610,493	4,902,816	5,396,522	6,561,821
Special Revenue Funds	-	(4,390)	-	-	(9,000)	(5,850)	(5,850)	(5,850)	(6,300)	(6,750)
	<b>\$ 17,303,886</b>	<b>\$ 41,528,928</b>	<b>\$ 37,898,851</b>	<b>\$ 25,560,184</b>	<b>\$ 21,078,266</b>	<b>\$ 23,864,605</b>	<b>\$ 24,910,551</b>	<b>\$ 24,532,321</b>	<b>\$ 25,482,878</b>	<b>\$ 30,810,277</b>
<b>All Governmental Funds Percentage Change</b>	<b>9.8%</b>	<b>140.0%</b>	<b>-8.7%</b>	<b>-32.6%</b>	<b>-17.5%</b>	<b>13.2%</b>	<b>4.4%</b>	<b>-1.5%</b>	<b>3.9%</b>	<b>20.9%</b>

**Notes:**

<sup>1</sup> The City issued \$21,000,000 in general obligation bonds for the school in FY 2011 and \$12,000,000 in FY 2012 that primarily was the cause for the large increase in fund balance in those years, due to unspent bond proceeds. In FY13, the majority of those funds had been

<sup>2</sup> GASB 54 was not applied retroactively to years prior to fiscal year 2011.

**City of Calhoun, Georgia**  
**General Governmental Revenues by Source (Unaudited) <sup>1</sup>**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

Source	2017	2018	2019	2012	2013	2014	2015	2016	2017	2018	2019
<b>Revenues:</b>											
Taxes	\$ 7,404,954	\$ 7,256,952	\$ 7,715,262	\$ 7,841,840	\$ 8,450,448	\$ 8,970,278	\$ 9,222,031	\$ 9,281,546	\$ 9,488,672	\$ 9,701,669	\$ 10,710,321
Intergovernmental	6,242,934	6,388,360	6,107,358	7,122,576	6,035,392	7,480,646	6,514,159	6,300,086	6,307,036	7,201,170	8,562,110
Licenses and permits	262,284	219,490	201,293	200,394	220,735	372,340	276,113	291,207	297,898	373,129	540,165
Charges for services	391,946	375,453	404,449	414,540	459,274	471,398	458,968	430,961	377,594	364,533	385,049
Fines and forfeitures	594,969	588,606	556,013	655,469	717,800	599,746	488,686	348,436	414,358	332,251	381,983
Contributions and donations	28,138	1,393	783	-	381,032	309	331,734	898	1,652	1,200	1,450
Investment earnings	230,986	145,205	94,878	101,001	63,295	48,373	49,942	167,757	98,154	164,246	472,844
Miscellaneous	38,330	35,097	48,782	39,422	29,994	32,622	26,503	26,028	27,644	34,825	39,581
<b>Total Revenues</b>	<b>\$ 15,194,541</b>	<b>\$ 15,010,556</b>	<b>\$ 15,128,818</b>	<b>\$ 16,375,242</b>	<b>\$ 16,357,970</b>	<b>\$ 17,975,712</b>	<b>\$ 17,368,136</b>	<b>\$ 16,846,919</b>	<b>\$ 17,013,008</b>	<b>\$ 18,173,023</b>	<b>\$ 21,093,503</b>
% change from prior year	-7.1%	-1.2%	0.8%	8.2%	-0.1%	9.9%	-3.4%	-3.0%	1.0%	6.8%	16.1%
<hr/>											
Taxes	48.7%	48.3%	51.0%	47.9%	51.7%	49.9%	53.1%	55.0%	55.7%	53.4%	50.8%
Intergovernmental	41.1%	42.6%	40.4%	43.5%	36.9%	41.6%	37.5%	37.4%	37.1%	39.6%	40.6%
Licenses and permits	1.7%	1.5%	1.3%	1.2%	1.3%	2.1%	1.6%	1.7%	1.8%	2.1%	2.6%
Fines and forfeitures	2.6%	2.5%	2.7%	2.5%	2.8%	2.6%	2.6%	2.6%	2.2%	2.0%	1.8%
Charges for services	3.9%	3.9%	3.7%	4.0%	4.4%	3.3%	2.8%	2.1%	2.4%	1.8%	1.8%
Contributions and donations	0.2%	0.0%	0.0%	0.0%	2.3%	0.0%	1.9%	0.0%	0.0%	0.0%	0.0%
Investment earnings	1.5%	1.0%	0.6%	0.6%	0.4%	0.3%	0.3%	1.0%	0.6%	0.9%	2.2%
Miscellaneous	0.3%	0.2%	0.3%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%
Total revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

**Notes:**

<sup>1</sup> Includes all governmental fund types.

**City of Calhoun, Georgia**  
**Tax Revenues by Source - Governmental Funds**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*  
*(in thousand dollars)*

<b>Fiscal Year Ended June 30,</b>	<b>Amounts<sup>1</sup></b>						<b>Total</b>
	<b>Property</b>	<b>Local Option Sales</b>	<b>Business License and Franchise</b>	<b>Insurance Premium</b>	<b>Gas Marketers</b>	<b>Other<sup>2</sup></b>	
2010	1,386	1,943	2,600	566	89	673	7,257
2011	1,315	2,102	2,944	718	69	567	7,715
2012	1,180	2,257	2,880	780	54	691	7,842
2013	1,557	2,363	2,866	808	92	764	8,450
2014	1,769	2,421	2,952	807	88	933	8,970
2015	1,661	2,494	3,006	883	92	1,086	9,222
2016	1,701	2,246	2,943	960	79	1,191	9,120
2017	1,706	2,247	2,977	1,053	76	1,430	9,489
2018	1,710	2,349	3,052	1,120	-	1,475	9,706
2019	2,158	2,967	3,012	1,207	-	1,366	10,710
% Change From 2010-2019	55.7%	52.7%	15.8%	113.3%	-100.0%	103.0%	47.6%

<b>Fiscal Year Ended June 30,</b>	<b>Percentage of Total</b>						<b>Total</b>
	<b>Property</b>	<b>Local Option Sales</b>	<b>Business License and Franchise</b>	<b>Insurance Premium</b>	<b>Gas Marketers</b>	<b>Other<sup>2</sup></b>	
2010	19.1%	26.8%	35.8%	7.8%	1.2%	9.3%	100.0%
2011	17.0%	27.2%	38.2%	9.3%	0.9%	7.4%	100.0%
2012	15.0%	28.8%	36.7%	9.9%	0.7%	8.9%	100.0%
2013	18.4%	28.0%	33.9%	9.6%	1.1%	9.0%	100.0%
2014	19.7%	27.0%	32.9%	9.0%	1.0%	10.4%	100.0%
2015	18.0%	27.0%	32.6%	9.6%	1.0%	11.8%	100.0%
2016	18.7%	24.6%	32.3%	10.5%	0.9%	13.0%	100.0%
2017	18.0%	23.7%	31.4%	11.1%	0.8%	15.1%	100.0%
2018	17.6%	24.2%	31.4%	11.5%	0.0%	15.3%	100.0%
2019	20.1%	27.7%	28.1%	11.3%	0.0%	12.8%	100.0%

**Notes:**<sup>1</sup> Amounts presented in \$1,000's.<sup>2</sup> Includes beer, wine, and liquor taxes, financial institution business taxes, and hotel/motel taxes.

City of Calhoun, Georgia  
 General Governmental Expenditures by Function (Unaudited)<sup>1</sup>  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)

For the Fiscal Year Ended June 30,										
Function	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Expenditures:</b>										
<b>Current:</b>										
General government	\$ 897,578	\$ 927,518	\$ 821,051	\$ 852,445	\$ 872,008	\$ 1,169,257	\$ 1,022,902	\$ 992,609	\$ 948,894	\$ 1,150,423
Judicial	363,530	364,090	367,148	447,648	531,784	517,576	547,567	507,645	479,960	378,302
Public safety	6,263,391	6,259,795	6,273,075	7,634,758	6,890,854	7,084,239	7,226,046	7,401,684	7,677,906	8,506,408
Public works	1,770,722	1,763,779	2,001,412	2,623,342	2,433,774	2,776,785	2,058,190	2,311,671	2,415,410	2,514,499
Health and welfare	63,698	58,678	53,469	61,103	63,113	61,880	67,547	66,832	54,106	56,696
Culture and recreation	1,181,283	1,315,642	1,212,754	1,274,917	1,217,521	1,308,902	1,378,146	1,917,645	1,359,070	1,266,177
Housing and economic development	939,055	974,467	884,600	915,059	978,153	1,115,979	1,175,826	1,295,324	1,269,404	1,154,390
Education	112,978	99,103	81,758	-	-	-	-	-	-	-
Less capital outlay included above	-	-	-	-	-	-	(200,388)	(254,252)	(342,039)	(1,572,491)
<b>Total Current</b>	<b>11,592,235</b>	<b>11,763,072</b>	<b>11,695,267</b>	<b>13,809,272</b>	<b>12,987,207</b>	<b>14,034,618</b>	<b>13,275,836</b>	<b>14,239,158</b>	<b>13,862,711</b>	<b>13,454,404</b>
<b>% Change From Prior Year</b>	<b>-9.7%</b>	<b>1.5%</b>	<b>-0.6%</b>	<b>18.1%</b>	<b>-6.0%</b>	<b>8.1%</b>	<b>-5.4%</b>	<b>7.3%</b>	<b>-2.6%</b>	<b>-2.9%</b>
<b>Capital Outlay</b>	<b>897,516</b>	<b>410,053</b>	<b>8,902,937</b>	<b>18,216,169</b>	<b>9,084,148</b>	<b>1,093,524</b>	<b>3,162,554</b>	<b>2,665,262</b>	<b>3,031,650</b>	<b>3,402,509</b>
<b>% Change From Prior Year</b>	<b>-34.7%</b>	<b>-54.3%</b>	<b>2071.2%</b>	<b>104.6%</b>	<b>-50.1%</b>	<b>-88.0%</b>	<b>65.4%</b>	<b>-15.7%</b>	<b>13.7%</b>	<b>12.2%</b>
<b>Debt Service</b>										
Principal <sup>2</sup>	1,068,637	1,146,243	1,098,439	10,339,080	1,274,976	433,888	351,628	343,800	361,400	-
Interest and fees	676,517	823,716	1,375,080	1,795,083	1,568,673	1,538,649	1,522,296	1,508,110	1,490,742	1,483,275
<b>Total Debt Service</b>	<b>1,745,154</b>	<b>1,969,959</b>	<b>2,473,519</b>	<b>12,134,163</b>	<b>2,843,649</b>	<b>1,972,537</b>	<b>1,873,924</b>	<b>1,851,910</b>	<b>1,852,142</b>	<b>1,483,275</b>
<b>% Change From Prior Year</b>	<b>3.2%</b>	<b>12.9%</b>	<b>25.6%</b>	<b>390.6%</b>	<b>-76.6%</b>	<b>-30.6%</b>	<b>-5.0%</b>	<b>-1.2%</b>	<b>0.0%</b>	<b>-19.9%</b>
<b>Total Expenditures</b>	<b>\$ 14,234,905</b>	<b>\$ 14,143,084</b>	<b>\$ 23,071,723</b>	<b>\$ 44,159,604</b>	<b>\$ 24,915,004</b>	<b>\$ 17,100,679</b>	<b>\$ 18,312,314</b>	<b>\$ 18,756,330</b>	<b>\$ 18,746,503</b>	<b>\$ 18,340,188</b>
<b>Debt Service as a % of Noncapital Expenditures</b>	<b>13.1%</b>	<b>14.3%</b>	<b>17.5%</b>	<b>46.8%</b>	<b>18.0%</b>	<b>12.3%</b>	<b>12.4%</b>	<b>11.5%</b>	<b>11.8%</b>	<b>9.9%</b>

**Notes:**<sup>1</sup>Includes all governmental fund types.<sup>2</sup>In fiscal year 2013 the 2002 School bonds and the majority of the 2003 School bonds were paid off, causing a large amount of principal payments in that year.

**City of Calhoun, Georgia**  
**Changes in Fund Balances - Governmental Funds**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*

	For the Fiscal Year Ended June 30,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Total Revenues - Exhibit VII</b>	\$ 15,010,556	\$ 15,128,818	\$ 16,375,242	\$ 16,357,970	\$ 17,975,712	\$ 17,368,136	\$ 16,846,919	\$ 17,013,008	\$ 18,173,023	\$ 21,093,503
<b>Total Expenditures - Exhibit IX</b>	14,234,905	14,143,084	23,071,723	44,159,604	24,915,004	17,100,679	18,312,314	18,756,330	18,746,503	18,340,188
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	775,651	985,734	(6,696,481)	(27,801,634)	(6,939,292)	267,457	(1,465,395)	(1,743,322)	(573,480)	2,753,315
<b>Other Financing Sources (Uses)</b>										
Sale of capital assets	39,482	15,029	5,960	75,028	149,325	18,309	18,223	-	60,016	53,989
General obligation bonds issued	-	21,000,000	-	12,000,000	-	-	-	-	-	-
Premium on debt issuance	-	(147,000)	-	924,239	-	-	-	-	-	-
Insurance reimbursement	-	-	-	11,600	4,640	11,153	13,124	5,016	15,290	108,008
Transfers in	3,351,073	3,721,872	4,812,524	3,859,103	4,506,462	4,140,213	5,117,246	5,554,620	5,704,453	5,433,037
Transfers out	(2,618,591)	(1,350,593)	(1,752,080)	(1,407,003)	(2,194,053)	(1,659,793)	(2,637,252)	(4,194,544)	(4,602,679)	(2,673,993)
<b>Total Other Financing Sources (Uses)</b>	771,964	23,239,308	3,066,404	15,462,967	2,466,374	2,509,882	2,511,341	1,365,092	1,177,080	2,921,041
<b>Net Change in Fund Balances</b>	\$ 1,547,615	\$ 24,225,042	\$ (3,630,077)	\$ (12,338,667)	\$ (4,472,918)	\$ 2,777,339	\$ 1,045,946	\$ (378,230)	\$ 603,600	\$ 5,674,356

**City of Calhoun, Georgia**  
**Taxable Assessed Value and Estimated Actual Value of Property**  
**Last Ten Fiscal Years**

Amounts <sup>5</sup> (in thousands of dollars)												
Fiscal <sup>1</sup> Year	Residential Property	Commercial Property	Industrial Property	Agricultural Property	Conservation Use Property	Utility Property	Motor Vehicles and Mobile Homes	Less: Tax Exempt Property <sup>2</sup>	Total Taxable Assessed Value <sup>3</sup>	Total Direct Tax Rate <sup>4</sup>	Estimated Actual Value	Annual Percentage Change
2010	212,661	302,044	295,462	3,417	1,353	4,007	31,740	22,115	828,569	15.456	2,071,422	2.3%
2011	206,865	329,964	234,597	4,545	1,444	4,007	35,220	20,936	795,706	15.456	1,989,265	-4.0%
2012	173,589	324,327	204,160	3,377	1,006	4,468	27,677	24,069	714,535	17.603	1,786,338	-10.2%
2013	174,704	338,876	205,646	2,550	1,180	4,824	29,436	30,090	727,126	19.742	1,798,065	0.7%
2014	176,063	226,201	332,175	2,673	1,171	4,963	30,959	31,281	742,924	19.793	1,836,098	2.1%
2015	176,955	245,355	332,465	2,355	1,162	6,105	25,862	60,076	730,183	19.965	1,886,938	2.8%
2016	186,450	277,700	359,488	2,351	1,170	6,177	19,661	131,799	721,198	19.965	2,059,095	9.1%
2017	193,900	264,397	414,704	1,771	1,080	5,553	15,489	168,935	727,959	19.965	1,819,898	-11.6%
2018	199,164	266,356	401,319	1,762	1,100	6,019	12,226	186,731	701,215	19.965	1,753,038	-3.7%
2019	213,917	271,013	404,223	1,472	1,165	5,749	11,056	148,962	759,633	20.213	1,899,083	8.3%
% Change From 2010-2019	0.59%	-10.27%	36.81%	-56.92%	-13.90%	43.47%	-65.17%	573.58%	-8.32%	30.78%	-8.32%	
Percentage of Total Assessed Valuation												
2010	25.7%	36.5%	35.7%	0.4%	0.2%	0.5%	3.8%	2.7%	100.0%			
2011	26.0%	41.5%	29.5%	0.6%	0.2%	0.5%	4.4%	2.6%	100.0%			
2012	24.3%	45.4%	28.6%	0.5%	0.1%	0.6%	3.9%	3.4%	100.0%			
2013	24.0%	46.6%	28.3%	0.4%	0.2%	0.7%	4.0%	4.1%	100.0%			
2014	23.7%	30.4%	44.7%	0.4%	0.2%	0.7%	4.2%	4.2%	100.0%			
2015	24.2%	33.6%	45.5%	0.3%	0.2%	0.8%	3.5%	8.2%	100.0%			
2016	25.9%	38.5%	49.8%	0.3%	0.2%	0.9%	2.7%	18.3%	100.0%			
2017	26.6%	36.3%	57.0%	0.2%	0.1%	0.8%	2.1%	23.2%	100.0%			
2018	28.4%	38.0%	57.2%	0.3%	0.2%	0.9%	1.7%	26.6%	100.0%			
2019	28.2%	35.7%	53.2%	0.2%	0.2%	0.8%	1.5%	19.6%	100.0%			

**Notes:**

- <sup>1</sup>Taxes recognized for the year presented are reported in the subsequent fiscal year.
- <sup>2</sup>Excludes homestead property exemptions. All prior years restated.
- <sup>3</sup>All property is assessed at 40% of fair market value.
- <sup>4</sup>Tax rates expressed in rate per \$1,000 of annual taxes values (i.e., mills). Includes the school tax levied on behalf of the Calhoun City Schools, a discretely presented component unit.

**Data Source:**

<sup>5</sup>Georgia Department of Revenue, Tax Digest Consolidation Summary, <http://www.dor.ga.gov/DigestConsolidation/Default.aspx>.

**City of Calhoun, Georgia**  
**Direct and Overlapping Property Tax Rates<sup>1</sup>**  
**Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Direct			Overlapping Rates <sup>2,3</sup>		Combined Total Rate <sup>6</sup>
	City of Calhoun	City of Calhoun Schools <sup>5</sup>	Total Direct Rate	State of Georgia <sup>4</sup>	Gordon County	
2010	1.591	13.865	15.456	0.250	8.815	24.521
2011	1.591	13.865	15.456	0.250	8.919	24.625
2012	1.591	16.012	17.603	0.250	9.800	27.653
2013	1.980	17.762	19.742	0.200	9.800	29.742
2014	1.980	17.813	19.793	0.150	9.800	29.743
2015	1.980	17.985	19.965	0.100	9.747	29.812
2016	1.980	17.985	19.965	0.050	9.930	29.945
2017	1.980	17.985	19.965	-	9.853	29.818
2018	1.980	17.985	19.965	-	9.829	29.794
2019	2.480	17.733	20.213	-	9.631	29.844
% Change From 2010-2019	55.9%	27.9%	30.8%	-100.0%	9.3%	21.7%

**Notes:**

<sup>1</sup> Tax rates expressed in rate per \$1,000 of annual taxes values (i.e., mills).

<sup>2</sup> Overlapping rates are those of governments that overlap the City's geographic boundaries.

<sup>3</sup> Since City property owners do not pay Gordon County school tax, this government's tax rates are not presented.

<sup>4</sup> The State of Georgia levied one tenth of one mill on each county's taxable property to help finance their certification of each Georgia county's tax digests. This is no longer taxed as of FY 17.

<sup>5</sup> The City of Calhoun levies the property taxes for the Calhoun City Schools, a discretely presented component unit.

**Data Source:**

<sup>6</sup> Georgia Department of Revenue, Property Tax Division.

**City of Calhoun, Georgia**  
**Franchise Tax Revenue**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Revenue Base</b>	<b>Total Direct Tax Rate<sup>1</sup></b>	<b>Franchise Tax Revenue<sup>2</sup></b>	<b>Annual Percentage Change</b>
2010	43,080,467	4.14%	1,782,104	-0.3%
2011	47,376,503	4.12%	1,954,013	9.6%
2012	49,065,272	4.12%	2,022,131	3.5%
2013	49,208,913	4.12%	2,025,527	0.2%
2014	50,735,999	4.12%	2,090,206	3.2%
2015	52,017,728	4.12%	2,146,187	2.7%
2016	53,336,602	4.13%	2,105,088	-1.9%
2017	64,633,141	4.06%	2,626,844	24.8%
2018	64,736,281	4.05%	2,624,336	-0.1%
2019	63,502,936	4.07%	2,583,790	-1.5%
% Change From 2010-2019	47.41%	-1.64%	44.99%	

**Notes:**

<sup>1</sup> This is an average of rates for different providers.

<sup>2</sup> Per tax collections of the City of Calhoun.

**City of Calhoun, Georgia**  
**Direct and Overlapping Franchise Tax Rates**  
**Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Direct			Overlapping Rates <sup>2</sup>		Total City Rate
	City of Calhoun	City of Calhoun Schools <sup>4</sup>	Total Direct Rate	State of Georgia <sup>3</sup>	Gordon County <sup>5</sup>	
2010	4.137	-	4.137	-	5.000	9.137
2011	4.124	-	4.124	-	5.000	9.124
2012	4.121	-	4.121	-	5.000	9.121
2013	4.116	-	4.116	-	5.000	9.116
2014	4.120	-	4.120	-	5.000	9.120
2015	4.120	-	4.120	-	5.000	9.120
2016	4.130	-	4.130	-	5.000	9.130
2017	4.064	-	4.064	-	5.000	9.064
2018	4.054	-	4.054	-	5.000	9.054
2019	4.069	-	4.069	-	5.000	9.069
% Change From 2010-2019	-1.6%		-1.6%		0.0%	-0.7%

**Notes:**

<sup>1</sup> Tax rates expressed in rate per \$1,000 of annual taxes values (i.e., mills).

<sup>2</sup> Overlapping rates are those of governments that overlap the City's geographic boundaries.

<sup>3</sup> The State of Georgia does not levy a franchise tax. These funds are payable to the county or municipality.

<sup>4</sup> The City of Calhoun levies all taxes for the Calhoun City Schools, a discretely presented component unit. No franchise taxes are levied.

**Data Source:**

<sup>5</sup> Gordon County Finance Department.

City of Calhoun, Georgia  
Principal Franchise Taxpayers <sup>1</sup>  
Current Year and Nine Years Ago

Principal Taxpayer	Fiscal Year Ended June 30, 2019			Principal Taxpayer	Fiscal Year Ended June 30, 2010		
	Franchise Taxes paid	Rank	Percentage of Total Franchise Taxes paid		Franchise Taxes paid	Rank	Percentage of Total Franchise Taxes paid
Calhoun Utilities	\$ 1,615,421	1	62.5%	Calhoun Utilities	\$ 1,330,650	1	57.4%
NGEMC	404,835	2	15.7%	NGEMC	446,389	2	19.3%
Georgia Power	190,744	3	7.4%	Georgia Power	156,388	3	6.7%
Comcast	138,119	4	5.3%	Comcast	114,031	4	4.9%
Southern Gas/AGL Resources	108,272	5	4.2%	AGL Resources	92,896	5	4.0%
AT&T/Bellsouth	44,809	6	1.7%	AT&T/Bellsouth	86,913	6	3.8%
Southstar Energy	33,722	7	1.3%	MX Energy	33,722	7	1.5%
Constellation Energy	25,335	8	1.0%	SouthStar Energy	27,276	8	1.2%
<b>Total Principal Taxpayers</b>	<b>2,561,257</b>		<b>99.1%</b>	<b>Total Principal Taxpayers</b>	<b>2,288,265</b>		<b>98.8%</b>
<b>All Other Taxpayers</b>	<b>22,533</b>		<b>0.9%</b>	<b>All Other Taxpayers</b>	<b>29,067</b>		<b>1.2%</b>
<b>Total</b>	<b>\$ 2,583,790</b>		<b>100.00%</b>	<b>Total</b>	<b>\$ 2,317,332</b>		<b>100.00%</b>

*Data Source:*

<sup>1</sup> City financial records

**City of Calhoun, Georgia**  
**Principal Property Taxpayers <sup>1</sup>**  
**Current Year and Nine Years Ago**  
*(amounts expressed in thousands)*

<b>Principal Taxpayer</b>	<b>Fiscal Year Ended June 30, 2019</b>			<b>Principal Taxpayer</b>	<b>Fiscal Year Ended June 30, 2010</b>		
	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total Taxable Assessed Value</b>		<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total Taxable Assessed Value</b>
Mohawk Industries	\$ 144,336	1	16.0%	Mohawk Industries	\$ 78,053	1	9.4%
Shaw Industries Group, Inc.	39,395	2	4.4%	The Dixie Group	36,875	2	4.4%
Mannington Mills Inc.	21,422	3	2.4%	Kobelco Construction	34,497	3	4.2%
Engineered Floors LLC	21,247	4	2.4%	Faux	26,217	4	3.2%
Apache Mills, Inc.	14,559	5	1.6%	Mannington Mills Inc.	16,950	5	2.0%
LG Hausys America, Inc.	13,984	6	1.6%	Prime Calhoun Outlets	6,908	6	0.8%
FieldTurf USA, Inc.	12,236	7	1.4%	Kerry Inc.	5,422	7	0.7%
Nourison Industries, Inc.	11,671	8	1.3%	Stanton Carpet Corp.	5,410	8	0.7%
Stanton Carpet Corp.	10,262	9	1.1%	Brumlow Mills	5,281	9	0.6%
Kerry Inc.	8,412	10	0.9%	KMK Holdings LLC	5,176	10	0.6%
<b>Total Principal Taxpayers</b>	<b>297,524</b>		<b>33.1%</b>	<b>Total Principal Taxpayers</b>	<b>220,789</b>		<b>26.6%</b>
<b>All Other Taxpayers</b>	<b>600,014</b>		<b>66.9%</b>	<b>All Other Taxpayers</b>	<b>607,780</b>		<b>73.4%</b>
<b>Total</b>	<b>\$ 897,538</b>		<b>100.00%</b>	<b>Total</b>	<b>\$ 828,569</b>		<b>100.00%</b>

**Data Source:**

<sup>1</sup> City tax records

**City of Calhoun, Georgia**  
**Property Tax Levies and Collections**<sup>1, 3</sup>  
**Last Ten Fiscal Years**  
*(amounts expressed in thousand dollars)*

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date		Total Uncollected Taxes	
		Amount	Percentage of Levy		Amount	Percentage of Levy	Amount	Percentage of Levy
2010	11,911	10,939	91.84%	896	11,835	99.36%	76	0.64%
2011	11,377	10,631	93.44%	677	11,308	99.39%	69	0.61%
2012	12,012	11,341	94.41%	594	11,935	99.36%	77	0.64%
2013	13,623	13,057	95.85%	515	13,572	99.63%	51	0.37%
2014	14,217	13,798	97.05%	353	14,151	99.54%	66	0.46%
2015	13,485	12,861	95.37%	324	13,185	97.78%	300	2.22%
2016	13,219	12,744	96.41%	310	13,054	98.75%	165	1.25%
2017	13,391	13,009	97.15%	253	13,262	99.04%	129	0.96%
2018	12,920	12,486	96.64%	170	12,656	97.96%	264	2.04%
2019	14,299	13,964	97.66%	-	13,964	97.66%	335	2.34%

**Notes:**

<sup>1</sup> Includes property taxes levied for Calhoun Public Schools, a component unit of the City.

<sup>2</sup> The amounts reported in the total uncollected taxes column are the uncollected taxes for each tax levy.

**Data Source:**

<sup>3</sup> City tax collection records.

**City of Calhoun, Georgia**  
**Consumption Billed<sup>1</sup>**  
**By Service**  
**Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Electric		Water		Sewer	
	kWh	% Change	Gallons <sup>2</sup>	% Change	Gallons <sup>2</sup>	% Change
2010	301,476,976	-2.4%	3,087,921	2.2%	1,582,014	5.3%
2011	375,614,834	24.6%	2,969,329	-3.8%	1,361,467	-13.9%
2012	410,945,400	9.4%	2,851,906	-4.0%	1,302,302	-4.3%
2013	430,659,656	4.8%	2,662,934	-6.6%	1,202,521	-7.7%
2014	440,540,822	2.3%	2,687,543	0.9%	1,184,644	-1.5%
2015	437,369,857	-0.7%	2,697,545	0.4%	1,120,559	-5.4%
2016	436,508,643	-0.2%	2,789,082	3.4%	1,149,950	2.6%
2017	430,890,025	-1.3%	2,927,276	5.0%	1,120,919	-2.5%
2018	431,413,031	0.1%	2,838,212	-3.0%	1,150,355	2.6%
2019	407,729,716	-5.5%	2,819,752	-0.7%	1,029,266	-10.5%

**Notes:**

<sup>2</sup> Amount expressed in thousands of gallons

**Data Source:**

<sup>1</sup> City's utility consumption/billing reports

**City of Calhoun, Georgia**  
**Electric Service Rates <sup>1</sup>**  
**Last Ten Fiscal Years**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Residential:</b>										
Base Charge	\$ 10.0000	\$ 10.0000	\$ 10.0000	\$ 10.0000	\$ 10.0000	\$ 10.0000	\$ 10.0000	\$ 10.0000	\$ 10.0000	\$ 15.0000
Transmission/kWh	0.0050	0.0050	0.0050	0.0050	0.0050	0.0050	0.0050	0.0050	0.0050	0.0050
Generation/kWh	0.0640	0.0640	0.0640	0.0640	0.0640	0.0640	0.0640	0.0640	0.0640	0.0640
Energy Charge	0.0150	0.0150	0.0150	0.0150	0.0150	0.0150	0.0150	0.0150	0.0150	0.0150
<b>Small Power Non-demand</b>										
Base Charge	15.0000	15.0000	15.0000	15.0000	15.0000	15.0000	15.0000	15.0000	15.0000	20.0000
Transmission/kWh	0.0050	0.0050	0.0050	0.0050	0.0050	0.0050	0.0050	0.0050	0.0050	0.0050
Generation/kWh										
First 3,000/kWh	0.1100	0.1100	0.1100	0.1100	0.1100	0.1100	0.1100	0.1100	0.1100	0.1100
Over 3,000/kWh	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000
Energy Charge	0.0100	0.0100	0.0100	0.0100	0.0100	0.0100	0.0100	0.0100	0.0100	0.0100
<b>Small Power</b>										
Base Charge	30.0000	30.0000	30.0000	30.0000	30.0000	30.0000	30.0000	30.0000	30.0000	35.0000
Generation/kWh										
First 200HUD	0.1060	0.1060	0.1060	0.1060	0.1060	0.1060	0.1060	0.1060	0.1060	0.1060
Next 200 HUD	0.0440	0.0440	0.0440	0.0440	0.0440	0.0440	0.0440	0.0440	0.0440	0.0440
Over400 HUD	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400
Transmission/kWh	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Demand Charge	1.2500	1.2500	1.2500	1.2500	1.2500	1.2500	1.2500	1.2500	1.2500	1.2500
<b>Medium Power</b>										
Base Charge	60.0000	60.0000	60.0000	60.0000	60.0000	60.0000	60.0000	60.0000	60.0000	75.0000
Transmission&Demand/kWh	2.5000	2.5000	2.5000	2.5000	2.5000	2.5000	2.5000	2.5000	2.5000	2.5000
Generation/kWh										
First 6,000/kWh	0.10000	0.10000	0.10000	0.10000	0.10000	0.10000	0.10000	0.10000	0.10000	0.10000
Over 6,000/kWh	0.09000	0.09000	0.09000	0.09000	0.09000	0.09000	0.09000	0.09000	0.09000	0.09000
First 200 HUD	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	-
Next 200 HUD	0.0900	0.0900	0.0900	0.0900	0.0900	0.0900	0.0900	0.0900	0.0900	-
Next 200 HUD	0.0440	0.0440	0.0440	0.0440	0.0440	0.0440	0.0440	0.0440	0.0440	0.0440
Next 200 HUD	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400

(continued)

**City of Calhoun, Georgia**  
**Electric Service Rates <sup>1</sup>**  
**Last Ten Fiscal Years**

(continued)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Large Power:</b>										
Base Charge	100.0000	100.0000	100.0000	100.0000	100.0000	100.0000	100.0000	100.0000	100.0000	125.0000
Transmission & Demand/kWh	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000
Generation kWh										
First 200 HUD										
First 100,000 kWh	0.0880	0.0880	0.0880	0.0880	0.0880	0.0880	0.0880	0.0880	0.0880	0.0880
Over 100,000 kWh	0.0780	0.0780	0.0780	0.0780	0.0780	0.0780	0.0780	0.0780	0.0780	0.0780
Next 200 HUD	0.0440	0.0440	0.0440	0.0440	0.0440	0.0440	0.0440	0.0440	0.0440	0.0440
Next 200 HUD	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400
Over 600 HUD	0.0375	0.0375	0.0375	0.0375	0.0375	0.0375	0.0375	0.0375	0.0375	0.0375
<b>Large Industrial IND</b>										
Customer Charge	500.0000	500.0000	500.0000	500.0000	500.0000	500.0000	500.0000	500.0000	500.0000	550.0000
Transmission Demand/kWh	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000
First 200 HUD										
First 160,000 kWh	0.0900	0.0900	0.0900	0.0900	0.0900	0.0900	0.0900	0.0900	0.0900	0.0900
Over 160,000 kWh	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700
Next 300 HUD	0.0420	0.0420	0.0420	0.0420	0.0420	0.0420	0.0420	0.0420	0.0420	0.0420
Over 500 HUD	0.0375	0.0375	0.0375	0.0375	0.0375	0.0375	0.0375	0.0375	0.0300	0.0300

**Data Source:**

<sup>1</sup> City's utility billing department.

**City of Calhoun, Georgia**  
**Ratios of Total Debt Outstanding by Type <sup>1,2</sup>**  
**Last Ten Fiscal Years**

June 30,	Governmental Activities			Business-type Activities			Total	Percentage of Personal Income	Estimated Population <sup>3</sup>	Per Capita
	Recreation Authority Revenue Bonds	School General Obligation Bonds	Capital Leases	Revenue Bonds	Notes Payable	Capital Leases				
2010	2,504,800	11,895,000	949,655	7,956,239	21,217,194	-	44,522,888	11.57%	14,955	2,977
2011	2,233,900	32,320,000	649,312	6,385,000	19,216,825	-	60,805,037	15.81%	15,650	3,885
2012	1,952,100	31,685,000	467,673	9,445,000	13,350,751	-	56,900,524	14.79%	15,773	3,607
2013	1,659,800	33,800,000	305,893	11,235,000	9,139,218	-	56,139,911	14.60%	15,812	3,550
2014	1,352,500	33,000,000	138,216	9,830,000	10,773,093	-	55,093,809	14.32%	15,899	3,465
2015	1,035,800	33,000,000	21,028	8,405,000	13,932,278	-	56,394,106	14.66%	16,052	3,513
2016	705,200	33,000,000	-	6,955,000	15,382,286	-	56,042,486	14.57%	16,309	3,436
2017	361,400	33,000,000	-	11,360,000	10,119,089	-	54,840,489	14.26%	16,360	3,352
2018	-	33,000,000	-	9,315,000	10,968,481	218,791	53,502,272	13.91%	16,414	3,260
2019	-	33,000,000	-	7,840,000	10,466,024	379,740	51,685,764	13.44%	16,966	3,046

**Notes:**

<sup>1</sup>Details regarding the City's outstanding debt can be found in the notes to the basic financial statements.

**Data Source:**

<sup>2</sup>Applicable years' comprehensive annual financial report.

<sup>3</sup>Exhibit XXVI

**City of Calhoun, Georgia**  
*Ratios of Net General Bonded Debt Outstanding*<sup>2</sup>  
*Last Ten Fiscal Years*

<b>June 30,</b>	<b>General Obligation Bonds<sup>1</sup></b>	<b>Less Amounts Available in Debt Service Funds</b>	<b>Net General Obligation Bonds</b>	<b>Percentage of Estimated Actual Value of Taxable Property<sup>2</sup></b>	<b>Estimated Population<sup>3</sup></b>	<b>Total General Bonded Debt Per Capita<sup>3</sup></b>
2010	11,895,000	5,618,978	6,276,022	0.303%	14,955	420
2011	32,320,000	7,319,269	25,000,731	1.257%	15,650	1,597
2012	31,685,000	10,129,701	21,555,299	1.207%	15,773	1,367
2013	33,800,000	2,668,962	31,131,038	1.731%	15,812	1,969
2014	33,000,000	4,114,093	28,885,907	1.573%	15,899	1,817
2015	33,000,000	6,445,867	26,554,133	1.407%	16,052	1,654
2016	33,000,000	7,887,746	25,112,254	1.220%	16,309	1,540
2017	33,000,000	9,662,800	23,337,200	1.282%	16,360	1,426
2018	33,000,000	10,958,680	22,041,320	1.257%	16,414	1,343
2019	33,000,000	13,001,742	19,998,258	1.053%	16,966	1,179

**Notes:**

<sup>1</sup> Details regarding the City's outstanding debt can be found in the notes to the basic financial statements.

**Data Source:**

<sup>2</sup> Applicable years' comprehensive annual financial report.

<sup>3</sup> Exhibit XXVI

**City of Calhoun, Georgia**  
**Direct and Overlapping Debt**  
**June 30, 2019**

<b>Governmental Unit:</b>	<b>Debt Outstanding</b>	<b>Estimated Percentage Applicable<sup>1</sup></b>	<b>Estimated Share of Overlapping Debt</b>
<b>Debt Repaid With Property Taxes</b>			
<b>City Direct Debt<sup>2</sup></b>	\$ 33,000,000	100%	\$ 33,000,000
<b>Overlapping Debt</b>			
Gordon County debt repaid with property taxes	7,498,311	46%	3,416,717
<b>Total Direct and Overlapping</b>	<b>\$ 40,498,311</b>		<b>\$ 36,416,717</b>

**Notes:**

<sup>1</sup> The percentage of overlapping debt chargeable to property in the City is calculated by dividing the net M&O assessed value of property in the City by the net M&O assessed value of property in the overlapping entity.

<sup>2</sup> City direct debt includes the debt of the blended component unit, City Recreation Authority.

<sup>3</sup> Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. Direct debt is that of the City.

**Sources**

Gordon County Comprehensive Annual Financial Report for June 30, 2018

**City of Calhoun, Georgia**  
**Legal Debt Margin**  
**Last Ten Fiscal Years**  
*(Amounts presented in \$1,000)*

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<b>Assessed Value<sup>1</sup></b>	<u>\$ 828,569</u>	<u>\$ 795,706</u>	<u>\$ 714,536</u>	<u>\$ 727,126</u>	<u>\$ 742,924</u>	<u>\$ 730,183</u>	<u>\$ 721,198</u>	<u>\$ 727,959</u>	<u>\$ 701,215</u>	<u>\$ 759,633</u>
<b>Legal Debt Margin</b>										
Debt limit (10% of assessed value) <sup>2</sup>	<u>\$ 82,857</u>	<u>\$ 79,571</u>	<u>\$ 71,454</u>	<u>\$ 72,713</u>	<u>\$ 74,292</u>	<u>\$ 73,018</u>	<u>\$ 72,120</u>	<u>\$ 72,796</u>	<u>\$ 70,122</u>	<u>\$ 75,963</u>
Debt applicable to limit:										
General obligation bonds <sup>3</sup>	11,895	32,320	31,685	33,800	33,000	33,000	33,000	33,000	33,000	33,000
Less: Amount reserved for repayment of general obligation debt	<u>5,619</u>	<u>7,319</u>	<u>10,130</u>	<u>2,669</u>	<u>4,114</u>	<u>6,446</u>	<u>7,888</u>	<u>9,663</u>	<u>10,959</u>	<u>13,002</u>
Total debt applicable to limit	<u>6,276</u>	<u>25,001</u>	<u>21,555</u>	<u>31,131</u>	<u>28,886</u>	<u>26,554</u>	<u>25,112</u>	<u>23,337</u>	<u>22,041</u>	<u>19,998</u>
Legal debt margin	<u>\$ 76,581</u>	<u>\$ 54,570</u>	<u>\$ 49,899</u>	<u>\$ 41,582</u>	<u>\$ 45,406</u>	<u>\$ 46,464</u>	<u>\$ 47,008</u>	<u>\$ 49,459</u>	<u>\$ 48,081</u>	<u>\$ 55,965</u>
As a percentage of debt limit	<u>92.43%</u>	<u>68.58%</u>	<u>69.83%</u>	<u>57.19%</u>	<u>61.12%</u>	<u>63.63%</u>	<u>65.18%</u>	<u>67.94%</u>	<u>68.57%</u>	<u>73.67%</u>

**Notes:**

<sup>1</sup> Exhibit XI

<sup>2</sup> Under Article 9, Section 5, Paragraph 1 of the State of Georgia Constitution, the City's outstanding general obligation debt should not exceed 10% of the assessed valuation of taxable property within the City.

<sup>3</sup> Exhibit XXI

**City of Calhoun, Georgia**  
**Pledged Revenue Coverage**  
**Water And Sewerage Senior Lien Revenue Bonds**  
**Last Ten Fiscal Years**  
**(Amounts Presented in \$1,000)**

<b>Fiscal Year Ended June 30,</b>	<b>Revenues<sup>1</sup></b>	<b>Less Operating Expenses<sup>2</sup></b>	<b>Net Available Revenues</b>	<b>Principal<sup>3</sup></b>	<b>Interest<sup>3</sup></b>	<b>Total<sup>3</sup></b>	<b>Times Coverage</b>
2010	14,861	8,834	6,027	1,675	332	2,007	3.00
2011	14,564	7,845	6,719	1,730	280	2,010	3.34
2012	15,166	8,317	6,849	1,880	259	2,139	3.20
2013	15,053	8,296	6,757	2,270	339	2,609	2.59
2014	15,517	9,405	6,112	1,405	227	1,632	3.75
2015	16,408	9,479	6,929	1,425	199	1,624	4.27
2016	17,479	9,689	7,790	1,450	170	1,620	4.81
2017	18,045	9,994	8,051	1,905	211	2,116	3.80
2018	19,150	10,094	9,056	2,045	211	2,256	4.01
2019	20,117	10,563	9,554	1,475	172	1,647	5.80

**Notes:**

<sup>1</sup> Includes the operating revenues inclusive of interest and other nonoperating revenues, excluding gain on disposition of assets.

<sup>2</sup> Water and sewer direct operating expenses exclusive of depreciation, amortization and loss on disposition of capital assets.

<sup>3</sup> Includes the 2003, 2008, 2011, 2012 and 2016 water and sewerage revenue bonds. Only the amount of regular principal payments have been included. Payments to retire the debt through proceeds from the issuance of new bonds were not included as they would skew the coverage calculation.

**City of Calhoun, Georgia**  
**Pledged Revenue Coverage**  
**Water And Sewerage GEFA Loans**  
**Last Ten Fiscal Years**  
**(Amounts Presented in \$1,000)**

<b>Fiscal Year Ended June 30,</b>	<b>Revenues<sup>1</sup></b>	<b>Less Operating Expenses<sup>2</sup></b>	<b>Net Available Revenues</b>	<b>Principal<sup>3</sup></b>	<b>Interest</b>	<b>Total</b>	<b>Times Coverage</b>
2010	14,861	8,834	6,027	1,749	630	2,379	2.53
2011	14,564	7,845	6,719	1,821	666	2,487	2.70
2012	15,166	8,317	6,849	922	480	1,402	4.89
2013	15,053	8,296	6,757	729	312	1,041	6.49
2014	15,517	9,405	6,112	526	282	808	7.56
2015	16,408	9,479	6,929	503	299	802	8.64
2016	17,479	9,689	7,790	622	314	936	8.32
2017	18,045	9,994	8,051	271	192	463	17.39
2018	19,150	10,094	9,056	196	150	346	26.17
2019	20,117	10,563	9,554	502	154	656	14.56

**Notes:**

<sup>1</sup> Water and sewer operating revenues inclusive of interest and other nonoperating revenue, excluding any gain on disposition of assets.

<sup>2</sup> Water and sewer direct operating expenses exclusive of depreciation, amortization and loss on disposition of capital assets.

<sup>3</sup> Only the amount of regular principal payments have been included. Payments to retire the debt through proceeds from bonds were not included as they would skew the coverage calculation.

**City of Calhoun, Georgia**  
**Demographic and Economic Statistics**  
**Last Ten Fiscal Years**

Calendar Year	Population <sup>2</sup>	(in thousands of dollars) Personal Income <sup>4</sup>	Per Capita Income <sup>4</sup>			Median Age <sup>2</sup>	City School Enrollment <sup>1</sup>	Unemployment Rates <sup>3</sup>		
			Gordon County	United States	County as a % of U.S.			City	State of Georgia	United States
2010	14,955	1,415,787	26,393	28,374	93%	34.4	3,423	12.6%	9.6%	9.3%
2011	15,650	1,503,261	27,185	28,538	95%	37.5	3,531	12.4%	10.2%	9.6%
2012	15,773	1,598,019	31,050	28,692	108%	36.8	3,342	11.8%	9.6%	8.5%
2013	15,812	1,554,171	29,529	28,829	102%	35.3	3,692	10.2%	8.8%	7.9%
2014	15,899	1,618,698	25,028	28,155	89%	36.9	3,862	8.5%	7.4%	6.1%
2015	16,052	1,619,727	29,050	35,610	82%	36.9	4,103	6.1%	6.1%	5.3%
2016	16,309	1,594,390	31,463	36,268	87%	37.7	4,093	5.6%	5.1%	4.9%
2017	16,360	1,779,975	32,234	44,163	73%	37.8	4,081	5.2%	4.8%	4.4%
2018	16,414	1,834,267	32,234	45,390	71%	38.0	4,042	4.1%	4.1%	4.0%
2019	16,966	2,020,918	35,514	51,885	68%	32.0	4,102	3.7%	3.7%	3.7%

**Data Sources:**

<sup>1</sup> Calhoun City Schools

<sup>2</sup> Demographics - <http://www.georgia-demographics.com/>

<sup>3</sup> Georgia Department of Labor - Unemployment Insurance Statistics Region 1 Northwest GA 2013

<sup>4</sup> US Dept. of Commerce-Bureau of Economic Analysis

**City of Calhoun, Georgia**  
**Principal Employers**  
*Current Year and Ten Years Ago*

Employer	2019			Employer	2010		
	Number of Employees	Rank	Percentage of Total City Employment		Number of Employees	Rank	Percentage of Total City Employment
Mohawk Industries, Inc.	3,267	1	12.3%	Mohawk Industries, Inc.	1,800	1	8.2%
AdventHealth (Gordon Hospital)	1,175	2	4.4%	Shaw Industries	1,253	2	5.7%
Shaw Industries	903	3	3.4%	Gordon County Schools	973	3	4.4%
Gordon County Schools	863	4	3.2%	Gordon Hospital	600	4	2.7%
Apache Mills	800	5	3.0%	Mannington Carpets	520	5	2.4%
Mannington Carpets	750	6	2.8%	Calhoun City Schools	397	6	1.8%
Engineer Flooring	600	7	2.2%	Gordon County Government	386	7	1.8%
Gordon County Government	420	8	1.6%	Calhoun City Government	352	8	1.6%
Calhoun City Schools	347	9	1.3%	Apache Mills	350	9	1.6%
Calhoun City Government	293	10	1.1%	Beaulieu Group	310	10	1.4%
<b>Total Principal Employers</b>	<b>9,418</b>		<b>35.3%</b>	<b>Total Principal Employers</b>	<b>6,941</b>		<b>31.6%</b>
<b>Other Employers</b>	<b>17,285</b>		<b>64.7%</b>	<b>Other Employers<sup>2</sup></b>	<b>15,065</b>		<b>68.4%</b>
<b>Total Employers<sup>1</sup></b>	<b>26,703</b>		<b>100.0%</b>	<b>Total Employers</b>	<b>22,006</b>		<b>100.0%</b>

**Data Source:**

Gordon County Chamber of Commerce and 2008 Annual Financial Report

<sup>1</sup> Estimated by Bureau of Labor Statistics.

<sup>2</sup> Estimated by management.

**City of Calhoun, Georgia**  
**Full-time Equivalent Employees by Function <sup>1</sup>**  
**Last Ten Fiscal Years**

Function/program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>General Government</b>										
Mayor and City Council	5	5	5	5	5	5	5	5	5	5
Administration	1	2	2	2	2	2	2	3	3	3
Tax Administration	1	1	1	1	1	1	1	1	1	1
Business License Clerk	2	1	1	1	1	1	1	1	1	1
Human Resources	2	2	2	2	2	2	2	2	2	2
Finance	4	4	-	-	-	-	-	-	-	-
	<u>15</u>	<u>15</u>	<u>11</u>	<u>11</u>	<u>11</u>	<u>11</u>	<u>11</u>	<u>12</u>	<u>12</u>	<u>12</u>
<b>Judicial</b>										
Court Services	3	3	3	3	3	3	3	3	3	3
Probation	2	2	2	2	2	2	2	-	-	-
	<u>5</u>	<u>3</u>	<u>3</u>	<u>3</u>						
<b>Public Safety</b>										
Police	49	49	49	49	49	49	50	50	50	50
Fire	38	39	39	39	39	39	39	41	41	41
Community Service Enforcement	-	-	-	-	-	-	-	1	-	-
Animal Control	1	1	1	1	2	2	2	2	2	2
	<u>88</u>	<u>89</u>	<u>89</u>	<u>89</u>	<u>90</u>	<u>90</u>	<u>91</u>	<u>94</u>	<u>93</u>	<u>93</u>
<b>Public Works</b>										
Administration	1	1	1	1	1	1	1	1	1	1
Streets and highways	16	16	17	15	15	15	15	14	13	14
City Maintenance	6	6	6	7	7	7	7	9	9	9
Cemetery	3	3	3	3	3	3	3	4	4	4
	<u>26</u>	<u>26</u>	<u>27</u>	<u>26</u>	<u>26</u>	<u>26</u>	<u>26</u>	<u>28</u>	<u>27</u>	<u>28</u>
<b>Health and Welfare</b>										
Senior Citizens Activities	1	1	1	1	1	1	1	1	1	1
<b>Culture and Recreation</b>										
Recreation Department	14	15	15	13	13	13	15	15	15	16
Library	9	9	9	9	9	9	9	9	9	-
	<u>23</u>	<u>24</u>	<u>24</u>	<u>22</u>	<u>22</u>	<u>22</u>	<u>24</u>	<u>24</u>	<u>24</u>	<u>16</u>
<b>Housing and Economic Development</b>										
Mainstreet Program	1	1	1	1	1	1	1	1	1	1
Airport	4	4	2	3	3	3	3	3	3	3
Inspections/ Community Dev.	4	4	4	3	3	3	3	3	3	3
	<u>9</u>	<u>9</u>	<u>7</u>							
<b>Utilities Administration</b>										
Administration	5	4	2	2	2	1	1	1	1	1
Utilities Finance	5	4	8	9	9	9	9	9	9	9
GIS	2	2	2	2	2	2	2	2	2	2
Billing	3	2	2	3	3	2	2	2	2	3
Customer Service	2	4	4	3	4	3	4	4	4	4
Tellers	2	4	3	4	5	5	5	5	5	5
Meter Reading	5	4	4	4	4	4	4	4	4	5
Engineering	6	6	6	6	6	5	5	5	5	5
Purchasing	2	2	2	2	2	2	2	2	2	2
Work Order	-	-	1	1	1	2	2	2	2	2
	<u>32</u>	<u>32</u>	<u>34</u>	<u>36</u>	<u>38</u>	<u>35</u>	<u>36</u>	<u>36</u>	<u>36</u>	<u>38</u>
<b>Electric System</b>	<u>17</u>	<u>15</u>	<u>15</u>	<u>17</u>	<u>17</u>	<u>17</u>	<u>17</u>	<u>17</u>	<u>18</u>	<u>18</u>
<b>Water and Sewer System</b>										
Wastewater Treatment	9	9	10	10	10	10	10	10	10	10
Sewer Construction	12	11	11	11	11	11	11	10	11	10
Maintenance Crew	10	10	10	10	7	7	8	8	9	8
Water Treatment	7	7	8	9	9	10	10	10	9	9
Water Construction	22	22	22	22	19	20	21	22	22	23
	<u>60</u>	<u>59</u>	<u>61</u>	<u>62</u>	<u>56</u>	<u>58</u>	<u>60</u>	<u>60</u>	<u>61</u>	<u>60</u>
<b>Fields Ferry Golf Course</b>										
Pro Shop	9	9	9	5	4	3	3	4	4	4
Maintenance	8	8	7	7	5	7	7	7	7	7
	<u>17</u>	<u>17</u>	<u>16</u>	<u>12</u>	<u>9</u>	<u>10</u>	<u>10</u>	<u>11</u>	<u>11</u>	<u>11</u>
<b>Telecommunications</b>	<u>4</u>	<u>5</u>	<u>4</u>	<u>4</u>						
<b>Solid Waste</b>	<u>3</u>	<u>3</u>	<u>2</u>							
<b>Total</b>	<u>300</u>	<u>299</u>	<u>296</u>	<u>294</u>	<u>288</u>	<u>288</u>	<u>294</u>	<u>300</u>	<u>299</u>	<u>293</u>
<b>Percentage Change From Prior Year</b>	-3.2%	-0.3%	-1.2%	-0.7%	-2.0%	0.0%	2.1%	2.0%	-0.2%	-2.0%

**City of Calhoun, Georgia**  
**Operating Indicators by Function/Program**  
**Last Ten Fiscal Years**

Function/program	2010	2011	2012	2013	2014 <sup>2</sup>	2015 <sup>2</sup>	2016 <sup>2</sup>	2017 <sup>2</sup>	2018	2019
Police										
Physical arrests	1,572	1,439	1,456	1,363	1,255	1,388	1,604	1,750	1,376	1,481
Parking violations	882	966	490	417	N/A	N/A	N/A	N/A	N/A	N/A
Traffic violations	6,042	7,093	7,714	6,354	5,462	5,806	6,591	5,716	5,285	5,460
Fire										
Emergency responses <sup>1</sup>	894	1,492	1,920	1,839	1,951	1,923	2,117	2,299	2,180	2,136
Inspections	1,013	2,215	1,827	1,320	1,261	1,302	1,223	1,105	747	804
Library										
Volumes in collection	90,839	98,167	91,129	90,522	86,925	86,365	78,841	78,679	80,775	70,795
Total volumes borrowed	141,757	129,169	127,178	118,395	102,503	108,123	90,601	73,693	76,970	72,464
Computer usage	N/A	24,137	21,127	16,662	13,122	17,021	20,331	16,494	24,699	16,848

**Notes:**

N/A Not available in some categories

**Data Sources:**

Various City departments.

<sup>1</sup> The emergency responses changed in 2011 for the 911 response protocol. Instead of only running fire calls or an eminent threat of death they now respond to all emergency calls regardless of type of danger.

<sup>2</sup> No longer collecting parking violations.

**City of Calhoun, Georgia**  
**Utilities - Operating Indicators by Service**  
**Last Ten Fiscal Years**

<b>Utility Service</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>Electric Service:</b>										
Coincident peak (kW)	55,553	73,134	72,252	72,783	76,121	76,525	76,280	76,247	74,422	74,350
Reserves (kW)	6,237	8,845	9,722	8,792	9,293	9,353	9,237	9,232	8,986	8,975
Total requirements (kW)	<u>61,790</u>	<u>81,979</u>	<u>81,974</u>	<u>81,575</u>	<u>85,414</u>	<u>85,878</u>	<u>85,517</u>	<u>85,479</u>	<u>83,408</u>	<u>83,325</u>
Southeastern Power Administration (kW)	7,437	7,437	7,437	7,437	7,437	7,437	7,437	7,437	7,437	7,437
MEAG projects 1, 2, 3 & 4 (kW)	45,490	45,453	45,453	46,842	46,842	48,125	48,009	48,150	48,850	48,867
MEAG combined cycle (kW)	15,500	15,497	15,659	15,497	15,497	15,497	15,388	15,257	15,169	15,257
Calhoun Simple Cycle	15,145	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Inter-participant Transfer(IPT) College Park	-	(3,884)	(4,855)	4,855	4,855	4,855	4,855	2,325	4,855	4,855
Total resources (kW)	<u>83,572</u>	<u>84,503</u>	<u>83,694</u>	<u>94,631</u>	<u>94,631</u>	<u>95,914</u>	<u>95,689</u>	<u>93,169</u>	<u>96,311</u>	<u>96,416</u>
Excess capacity (deficit) (kW)	21,782	2,524	1,720	13,056	9,217	10,036	10,171	7,689	12,904	13,091
Per cent reserve of capacity <sup>1</sup>	60.4%	18.9%	19.3%	35.1%	28.5%	29.6%	29.7%	26.1%	34.3%	34.6%
<b>Water Service:</b>										
Daily average consumption	10,236,000	9,842,082	10,560,000	9,360,000	9,791,666	7,849,766	9,763,300	9,477,500	9,260,000	9,694,200
Maximum daily capacity of wells (in gallons)	5,800,000	5,800,000	5,800,000	5,800,000	5,800,000	5,800,000	5,800,000	5,800,000	5,800,000	5,800,000
Maximum daily capacity of plant (in gallons)	23,800,000	23,800,000	23,800,000	23,800,000	23,800,000	29,600,000	29,800,000	29,800,000	29,800,000	29,800,000
Reservoir storage capacity (gallons)	24,600,000	24,600,000	24,600,000	24,600,000	24,600,000	24,600,000	24,600,000	24,600,000	24,600,000	24,600,000
<b>Sewer Service:</b>										
Maximum daily capacity of treatment plant (gallons)	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000
Daily average treatment (gallons)	5,688,000	6,062,000	5,613,000	5,374,000	5,948,000	5,998,000	5,211,333	4,000,000	5,184,000	6,482,000
Unused capacity	10,312,000	9,938,000	10,387,000	10,626,000	10,052,000	10,002,000	10,788,667	12,000,000	10,816,000	9,518,000
Percentage of capacity used	0.355500	0.378875	0.350813	0.335875	0.371750	0.374875	0.325700	0.250000	0.032100	0.405100

**Data Source:**

Applicable Department

<sup>1</sup> Our reserve is not purchased, but provided by a 20 mw generator that the City owns. Reporting of this resource is now shown in statistical data & reflects a 5 mw sale of excess to the City of Acworth.

**City of Calhoun, Georgia**  
*Utilities - Capital Asset Indicators - by Service*  
*Last Ten Fiscal Years*

<b><u>Function/program</u></b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>Electric Service:</b>										
Miles of line	234	242	242	245	246	254	261	261	261	261
Service area (square miles)	13	13	13	13	13	13	13	13	13	13
Number of sub-stations	3	3	3	3	3	3	4	4	4	4
20 megawatt generator	1	1	1	1	1	1	1	1	1	1
<b>Water Service:</b>										
Miles of water mains	770	819	819	826	830	836	834	848	850	852
Number of wells	4	4	4	4	4	4	4	4	4	4
Number of treatment plants	2	2	2	2	2	2	2	2	2	2
Number of elevated tanks	-	-	-	-	-	-	-	-	-	-
Number of reservoirs	15	15	15	15	15	15	15	15	15	15
<b>Sewer Service:</b>										
Miles of sanitary sewers	134	136	136	136	136	141	141	142	142	143
Number of treatment plants	1	1	1	1	1	1	1	1	1	1
Number of lift stations	9	9	9	9	9	9	9	9	9	12

**Data Source:**

Various Departments

**City of Calhoun, Georgia**  
**Capital Asset and Infrastructure Statistics by Function/Program**

*Last Ten Fiscal Years*

<b>Function/program</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Police										
Stations & Precints	2	2	3	3	4	4	4	4	4	8
Patrol units	33	33	33	33	34	34	34	34	34	35
Fire stations & Training Center	3	3	3	4	4	4	4	4	4	4
Streets and highways										
Streets (miles)	99	99	99	100	103	103	103	106	107	104
Street Lights	979	979	1,451	1,488	1,525	1,625	1,686	1,773	1,780	1,870
Parks and recreation										
Acreage	342	342	342	342	342	342	342	362	362	362
Water										
Water mains (miles)	770	819	819	826	830	836	834	847	850	852
Fire hydrants	775	771	771	771	780	811	827	831	853	848
Storage capacity (thousands of gallons)	24,600	24,600	24,600	24,600	24,600	24,600	24,600	24,600	24,600	24,600
Wastewater										
Sanitary sewers (miles)	134	136	136	136	136	141	141	142	142	143
Treatment capacity (thousands of gallons)	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000
Storm sewers (miles)	30	30	30	30	31	31	31	31	31	56

**Data Source:**  
 Various City Departments.

# R.M. DOBBS & COMPANY

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

To the Honorable James F. Palmer, Mayor  
and the Members of the City Council  
Calhoun, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Calhoun, Georgia, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City of Calhoun, Georgia's basic financial statements, and have issued our report thereon dated December 9, 2019.

### **Internal Control over Financial Reporting**

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

*R.M. Dobbins & Company*

Calhoun, Georgia  
December 9, 2019

# R.M. DOBBS & COMPANY

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## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Honorable James F. Palmer, Mayor  
and the Members of the City Council  
Calhoun, Georgia

### **Report on Compliance for Each Major Federal Program**

We have audited the City of Calhoun, Georgia's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City of Calhoun, Georgia's major federal programs for the year ended June 30, 2019. City of Calhoun, Georgia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### ***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the City of Calhoun, Georgia'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 the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Calhoun, Georgia'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 City of Calhoun, Georgia's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, the City of Calhoun, Georgia, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

## Report on Internal Control over Compliance

Management of the City of Calhoun, Georgia, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Calhoun, Georgia'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 the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Calhoun, Georgia'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 a 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Calhoun, Georgia  
December 9, 2019

**CITY OF CALHOUN, GEORGIA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

<b>Federal Grantor Pass-Through Grantor Program Title</b>	<b>Federal CFDA Number</b>	<b>Grant/Loan Identification Number</b>	<b>Program or Award Amount</b>	<b>Federal Expenditures</b>
<u>U.S. Department of Housing and</u>				
<u>Urban Development</u>				
Passed Through Georgia Department of Community Affairs Urban Development Action Grant	14.221	10-64-586000530		\$ 2,569,240
Calhoun Housing Authority Payment in Lieu of Taxes	15.226	Ga. Projects 11900199M Contract A-3103		47,907
Total U. S. Department of Housing and Urban Development				<u>2,617,147</u>
<u>U.S. Department of Justice</u>				
<u>Bureau of Justice Assistance</u>				
Bulletproof Vest Partnership Program	16.607	18-09-4952		5,438
Total U. S. Department of Justice				<u>5,438</u>
<u>U.S. Department of Homeland Security</u>				
<u>Georgia Emergency Management Agency</u>				
Domestic Preparedness State Homeland Grant Program	97.067	EMW-2017-SS-0015-S01	\$ 58,750	40,550
		EMW-2018-SS-00067-S01	32,000	3,586
				<u>44,136</u>
<u>Federal Emergency Management Agency</u>				
Public Assistance Funded Projects	97.036	FEMA-DR-4400	\$ 75,987	18,954
Assistance to Firefighters Grant	97.044	EMW-2017-FO-05773	\$ 87,143	87,143
Total U. S. Department of Homeland Security				<u>106,097</u>
				<u>\$ 2,772,818</u>

**CITY OF CALHOUN, GEORGIA**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE A - BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of the City of Calhoun, Georgia under programs of the federal government for the year ended June 30, 2019. The information in this schedule is presented in accordance with Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the City of Calhoun, Georgia, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the City of Calhoun, Georgia.

**NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**NOTE C - INDIRECT COST RATE**

The City of Calhoun, Georgia has elected not to use the 10% de minimus indirect cost rate as allowed under the Uniform Guidance.

**NOTE D - LOANS OUTSTANDING**

Balance of Federal loans outstanding:	
DW SRF#10-007	\$ 2,313,000
CW SFR#13-001	\$ 1,997,918
DW SRF#13-003	\$ 6,155,107

**NOTE E - AWARDS PASSED THROUGH TO SUBRECIPIENTS**

There were no awards passed through to sub-recipients.

**CITY OF CALHOUN, GEORGIA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

The prior audit's schedule of findings and questioned costs included no findings relative to federal awards.

**CITY OF CALHOUN, GEORGIA**  
**URBAN DEVELOPMENT ACTION GRANT SPECIAL REVENUE FUND**  
**SCHEDULE OF RECONCILIATION - RLF REPORTS TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

	<b>RLF Reports</b>	<b>Adjustments</b>	<b>Financial</b>
Total Assets	<u>\$ 2,572,768</u>	<u>\$ -</u>	<u>\$ 2,572,768</u>
Total Liabilities and Fund Balance	<u>\$ 2,572,768</u>	<u>\$ -</u>	<u>\$ 2,572,768</u>
Net Revenues (Expenditures)	<u>\$ 46,896</u>	<u>\$ -</u>	<u>\$ 46,896</u>

**CITY OF CALHOUN, GEORGIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**SUMMARY OF AUDITOR'S RESULTS**

1. The auditor's report expresses an unmodified opinion on whether the financial statements of the City of Calhoun, Georgia were prepared in accordance with GAAP.
2. No significant deficiencies were disclosed during the audit of the financial statements.
3. No instances of noncompliance material to the financial statements of the City of Calhoun, Georgia which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies in internal control over major federal award programs were disclosed during the audit.
5. The auditor's report on compliance for the major federal award program for the City of Calhoun expresses an unmodified opinion on all major federal programs.
6. There were no audit findings required to be reported in accordance with 2 CFR section 200.516(a).
7. The program tested as a major program is: Urban Development Action Grant (CFDA #14.221).
8. The threshold for distinguishing between Type A and B programs was \$750,000.
9. The City of Calhoun, Georgia was determined to be a low-risk auditee.

**FINDINGS – FINANCIAL STATEMENTS AUDIT**

None reported

**FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT**

None reported

**CITY OF CALHOUN, GEORGIA**  
**PROJECT COST SCHEDULE FOR PROJECTS CONSTRUCTED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2019**  
**FROM INCEPTION THROUGH JUNE 30, 2019 (CUMULATIVE TOTAL)**

Project	Referendum Authorized Amounts	Board Approved Projects						Estimated % of Compl. Referendum Auth. Amt.
		Original Estimated Cost	Additional Projects, Additions & Revisions	Revised Estimated Cost	Prior Years' Expenditures	Current Year	Cumulative Total	
<b>2018 SPLOST</b>								
Public Safety	\$ 1,945,000	\$ 1,945,000	\$ -	\$ 1,945,000	\$ -	\$ 65,332	\$ 65,332	3.4%
Public Works	6,297,910	6,297,910	-	6,297,910	-	293,528	293,528	4.7%
Recreation	3,894,576	3,894,576	-	3,894,576	-	56,337	56,337	1.4%
Utilities	1,125,000	1,125,000	-	1,125,000	-	-	-	0.0%
	<u>\$ 13,262,486</u>	<u>\$ 13,262,486</u>	<u>\$ -</u>	<u>\$ 13,262,486</u>	<u>\$ -</u>	<u>\$ 415,197</u>	<u>\$ 415,197</u>	
<b>2011 SPLOST</b>								
Peters Street	\$ 2,000,000	\$ 2,000,000	\$ 1,987,177	\$ 3,987,177	\$ 2,767,637	\$ 112,801	\$ 2,880,438	72.2%
Public Safety - Police vehicle fleet	650,000	650,000	362,500	1,012,500	778,243	234,018	1,012,261	100.0%
Public Safety - Police & Fire communications upgrades	100,000	100,000	-	100,000	99,754	-	99,754	99.8%
Library upgrades	400,000	400,000	897,000	1,297,000	1,293,953	-	1,293,953	99.8%
Recreation Improvements	2,500,000	2,500,000	731,000	3,231,000	3,185,662	46,761	3,232,423	100.0%
Public Works	850,000	850,000	72,000	922,000	921,809	-	921,809	100.0%
Utility fleet and service equipment	700,000	700,000	-	700,000	472,283	-	472,283	67.5%
Utility system upgrades	2,421,049	2,421,049	(1,165,500)	1,255,549	-	254,245	254,245	20.2%
	<u>\$ 9,621,049</u>	<u>\$ 9,621,049</u>	<u>\$ 2,884,177</u>	<u>\$ 12,505,226</u>	<u>\$ 9,519,341</u>	<u>\$ 647,825</u>	<u>\$ 10,167,166</u>	

Note - Transfers were made out of the 2018 SPLOST for capital improvements and debt payments in Enterprise funds in the amount of \$71,133. Transfers were made out of the 2011 SPLOST for capital improvements in Enterprise funds in the amount of \$301,006. The following provided funds for the Library addition: the County \$400k, the Calhoun-Gordon County Library Assn. \$112,624, the state MRR grant \$355,650 & Calhoun Utilities \$28,726. The County also provided \$1,987,177 for the Peter Street project.

**CITY OF CALHOUN, GEORGIA  
NOTES TO PROJECT COST SCHEDULES  
FOR PROJECTS CONSTRUCTED WITH  
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

The accompanying project cost schedules include information required by state statute. This information is presented on the modified accrual basis of accounting, consistent with generally accepted principles for governmental fund financial statements.