



City of Austell, Georgia



Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2015

Prepared by

Department of Finance
2716 Broad Street, SW
Austell, Georgia 30106

CITY OF AUSTELL, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
JUNE 30, 2015

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COMPREHENSIVE ANNUAL FINANCIAL REPORT
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INTRODUCTORY SECTION
(Unaudited)

The accompanying financial statements were prepared by management of the Company and are not subject to the audit of an independent accounting firm. Management is responsible for the accuracy and completeness of the information presented in these financial statements.

The financial statements of the Company are prepared in accordance with the accounting principles generally accepted in the United States of America. These principles require the use of estimates and assumptions that affect the reported amounts of assets, liabilities, and equity, and the amounts of revenues and expenses. Actual results may differ from these estimates and assumptions.

The Company's financial statements are prepared on a going concern basis, which assumes that the Company will continue to operate for the foreseeable future. Management believes that the Company has sufficient resources to meet its obligations as they become due over the next twelve months.

The financial statements of the Company are prepared on a historical cost basis. The carrying amount of certain assets and liabilities may differ from their fair value. Management believes that the carrying amount of these assets and liabilities is a reasonable estimate of their fair value.



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December 22, 2015

To the Honorable Mayor and City Council
of the City of Austell, Georgia

The Comprehensive Annual Financial Report of the City of Austell, Georgia (“City”), for the fiscal year ended June 30, 2015 is submitted herewith. The accuracy of the presented data; as well as, the completeness and fairness of the presentation, including all disclosures, is the sole responsibility of the management of the Finance Department.

We believe the data, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the City. These are measured by the financial activity of its various funds. We also believe that all disclosures necessary to enable the reader to gain the maximum understanding of the City’s financial activity has been included.

The financial report for the City of Austell includes all the funds of the primary government, the City of Austell, as well as its component unit, the Austell Natural Gas System. Since this component unit is a legally separate entity for which the primary government is financially accountable, the Gas System’s financial statements are reported in a separate column. This emphasizes that the Austell Natural Gas System is legally a separate entity from the City and differentiates its financial position, results of operations and cash flow from those of the City.

The City is also required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996 and U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Information related to this single audit, including the schedule of expenditures of federal awards, findings and recommendations, and auditor’s reports on the internal control structure and compliance with applicable laws and regulations, are included in a separate report.

Government Structure

The City of Austell is governed by a Mayor and six (6) Council Members who are elected to four (4) year terms in office. Under a Mayor type of government, there are six (6) departments that oversee the management of the City: General Administration, Finance Department, Community Affairs, Parks and Recreation, Streets and Maintenance, Fire and Police Department. Each department has a director who is responsible to the Mayor and Council for the day-to-day management of his/her respective departments.

The Council operates within a committee framework. The Mayor appoints each of the Council Members to chair one committee and serve as a member of the other committees. These committees serve in an oversight capacity for each of the departments and work closely with individual directors. Although authorization for expenditures of all funds is the ultimate responsibility of the entire Council, requests and recommendations for projects and funding are first discussed by the Committee for approval prior to being presented to the Council for official action.

Economic Condition and Outlook

The City is recovering from a substantial economic decline over the previous years. Increases in franchise fees and cost control measures has given the City a positive overall outlook for the future.

Major Initiatives

The City is continuously upgrading and improving its road and water/sewer systems to meet the needs of its current population. Continuing projects include sidewalks and street improvements funded by SPLOST money through Cobb County. With the passage of the 2011 SPLOST, the City has been able to complete park renovations and purchase new public safety equipment. In addition, in March 2015 voters approve another six years SPLOST referendum. These funds will be used for transportation, parks and public safety projects. These improvements will greatly enhance the City's ability to meet the needs of its citizens well into the twenty-first century. The City is striving to provide an infrastructure and public safety technology that will pave the way for the next generation. Conservation efforts are underway to ensure that the youth in the community will be able to enjoy local parks with their children and grandchildren. Austell is on the right track due to its leaders, high moral standards and willingness to get involved.

The City has prepared a Capital Improvements Program, which summarizes the City's long-term capital needs. These are capital requests that will enable the City to continue its commitments to improving both the quality and quantity of services offered to its citizens. The plan addresses proposed facility improvements, road and sidewalk improvements, recreational improvements and operating equipment needs. The Downtown Development project completed Phase II of the LCI Streetscapes grant program and is moving toward Phase III.

Sanitation

As of October 1, 2014, the City provides residential sanitation service to its citizens for which customers are billed through the water and sewer bills. The City has contracted with Republic Services to collect garbage at a rate of \$9.15 per month. This contract is for three years. In addition to this, the City sponsors a city-wide clean-up twice a year for the months of April and October. The City also provides recycling services, also contracted through Republic Services.

Financial Highlights

The estimated total value of the 2014 City's tax digest increased 1% from the 2013 digest. This is primarily due to reassessments of property by Cobb County in January, 2014. The 2015 digest is expected to increase due to changes in the economic conditions. Also, property tax millage rates have decreased from 4.0 mils to 3.06 mils.

Financial Information Accounting System and Budgetary Control

Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in accordance with Generally Accepted Accounting Principles. The internal control structure is designed to provide a reasonable but not absolute assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgment by management.

In addition, the City maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. Activities of the General Fund, Emergency Telephone System Fund, Confiscated Assets Fund, Hotel/Motel Tax Fund, Multiple Grants Fund, Public Assistance Grant Fund, Austell Area Community Improvement Council, Douglas County SPLOST Capital Projects Fund, and proprietary funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriate amount) is established by department within an individual fund.

Cash Management and Investment

The intention of the cash management system is to limit the amount of funds placed in accounts where low or no interest is paid. Idle cash is invested in various instruments with various maturity dates, depending on the anticipated cash requirements during the period.

The overall strategy of holding deposits and making investments is to limit exposure of the City to a minimum amount of credit risk and market risk. For the 2015 Fiscal year the City's deposits were fully collateralized.

Risk Management

The City is exposed to a variety of accidental losses and has established a risk management strategy that attempts to minimize losses and the carrying out of insurance.

Risk control techniques have been established to reasonably ensure that the City's employees are aware of their responsibilities regarding loss exposures related to their duties. In a similar manner, risk control techniques have been established to reduce possible losses to property owned by or under control of the City. Furthermore, supervisory personnel are held responsible for monitoring risk control techniques on an operational basis.

The primary technique used for risk financing is the purchase of insurance policies from commercial insurers that include a large deductible amount. The use of a \$2,500 deductible reduces the cost of insurance, but should losses occur, the portion of the uninsured loss is not expected to be significant with respect to the financial position of the City.

Long-Term Planning

The City is continually looking toward the future to accommodate maintenance and expansion of its infrastructure, as well as upgrading technical services to provide more effective public safety services. For example, over the next 10 years, the City hopes to eliminate all pump stations connected to its sewer system, which will be funded by operating fees and fund balance. Secondly, the City is continuing to use SPLOST funds to improve its parks and public works infrastructure as well as enhance public safety technology with new vehicles and cameras. Finally, during fiscal year 2015 the City has renovated and enhanced its parks and public safety equipment. The City has completed a new 18 hole disc golf course during the 2015 fiscal year.

Other Information

Management Discussion and Analysis

Generally Accepted Accounting Principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to compliment the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditor.

Independent Audit

State statute requires an annual audit by independent certified public accountants. The firm of *James L. Whitaker, P.C.* was selected by the City's audit committee. Accounting principles generally accepted in the United States of America accounting principles generally accepted in the United States of America and the standards set forth in the General Accounting Office's *Government Auditing Standards* were used by the auditors in conducting the engagement. The auditor's report on the basic financial statements is included in the financial section of this report. As a recipient of federal and state financial assistance, the City also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations

related to those programs. This internal control structure is subject to periodic evaluation for weaknesses by management and internal staff.

As part of the City's annual single audit as required in conformity with provisions of the Single Audit Act Amendments of 1996 and U.S. Office of Management and Budget circular A-133, *Audits of State and Local Governments and Nonprofit Organizations*, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the City has complied with applicable laws and regulations.

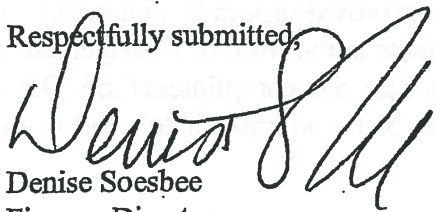
Acknowledgments

The Government Finance Officers Association (GFOA) awarded a "Certificate of Achievement" for Excellence in Financial Report" to the City of Austell for its comprehensive financial report for fiscal year ended June 30, 2014. This represents the seventeenth year the City has received this prestigious award. In order to be awarded a Certificate of Achievement in Financial Reporting from the Government Finance Officers Association (GFOA), a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy Generally Accepted Accounting Principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. I believe our current comprehensive financial report continues to meet the Certificate of Achievement Program requirements, and I am submitting it to GFOA to determine its eligibility for another certificate.

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the City and all its departments. We would like to express our appreciation to all members of the City who assisted and contributed to the preparation of this report. Due credit should also be given to the Mayor and Governing Council for their interest and support in planning and conducting the operations of the government in a responsible and progressive manner.

Respectfully submitted,



Denise Soesbee
Finance Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Austell
Georgia**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

A handwritten signature in black ink, reading "Jeffrey R. Egan".

Executive Director/CEO



City of Austell, Georgia

Principal Officials

MAYOR

Joe Jerkins

CITY COUNCIL

Kirsten Anderson
Ward 1

Randy Green
Ward 3

Scott S. Thomas
Ward 2

Virginia A. Reagan
Ward 4

Ollie Clemons, Jr.
At-Large, Post 1

Suzanne Thomason
At-Large, Post 2

DEPARTMENT DIRECTORS

Carolyn Duncan
General Administration
Court Clerk

Denise Soesbee
Finance Director

Randy L. Bowens
Public Works Director

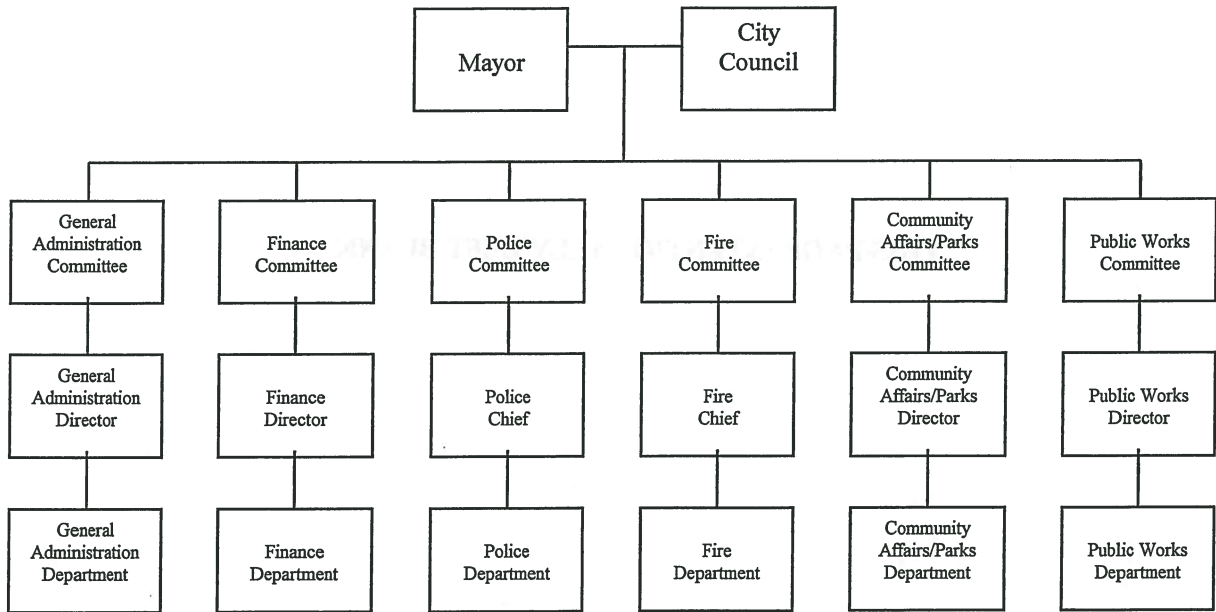
Jimmy R. Graham
*Community Development/
Parks Director*

Robert G. Starrett
Police Chief

Timothy J. Williams
Fire Chief

CITY OF AUSTELL, GEORGIA

Organizational Structure



ADDITIONAL INFORMATION

DATE: 10/10/2014

10/10/2014	10/10/2014
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10/10/2014	10/10/2014	10/10/2014	10/10/2014	10/10/2014	10/10/2014
10/10/2014	10/10/2014	10/10/2014	10/10/2014	10/10/2014	10/10/2014
10/10/2014	10/10/2014	10/10/2014	10/10/2014	10/10/2014	10/10/2014

JAMES W. WATKINS, JR.

Director of Finance
1978 - 1982
1974 - 1978
1970 - 1974
1966 - 1970

1962 - 1966
1958 - 1962
1954 - 1958

1950 - 1954
1946 - 1950
1942 - 1946

FINANCIAL SECTION

FINANCIAL SECTION

The financial section is responsible for the preparation and presentation of the annual budget, the collection of revenues, and the disbursement of funds. It also maintains the accounts receivable and payable systems, and is responsible for the preparation of financial statements. The section is headed by the Director of Finance, who reports to the Chief Executive Officer. The Director of Finance is assisted by several Deputy Directors of Finance, who are responsible for the various areas of the section. The section is organized into several divisions, each headed by a Division Director. The divisions are: Budget, Revenue, Disbursement, Accounts Receivable, and Accounts Payable. The Budget Division is responsible for the preparation and presentation of the annual budget. The Revenue Division is responsible for the collection of revenues. The Disbursement Division is responsible for the disbursement of funds. The Accounts Receivable Division is responsible for the maintenance of the accounts receivable system. The Accounts Payable Division is responsible for the maintenance of the accounts payable system. The section also maintains the financial records of the organization, and is responsible for the preparation of financial statements. The section is an integral part of the organization's financial management system, and plays a vital role in the organization's success.

JAMES L. WHITAKER, P.C.

Certified Public Accountant
2295 Henry Clower Blvd., Suite 205
Snellville, Georgia 30078
Telephone: 678-205-4438
Fax: 678-205-4449

Member of
The American Institute of
Certified Public Accountants

Member of
Georgia Society of
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of City Council
City of Austell, Georgia

Report on 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 City of Austell, Georgia (the City) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Austell Natural Gas System, which statements reflect 100% of the assets and deferred outflows of resources, liabilities and deferred inflows of resources, net position, revenues and expenses of the aggregate discretely presented component unit. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Austell Natural Gas System, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on 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 Austell, Georgia, as of June 30, 2015 and the respective changes in financial position and, where applicable, cash flows, thereof, and the respective budgetary comparisons for the General Fund and the Multiple Grants Fund for the year then ended in conformity 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 on pages 4 through 12 and the Schedule of Changes in The Net Pension Liability and Related Ratios on pages 51 through 53 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 Austell, Georgia's basic financial statements. The introductory section, combining nonmajor and individual fund financial statements and budget schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining nonmajor fund financial statements and the individual fund financial statements and budgetary schedules 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 statement 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 nonmajor fund financial statements and the individual fund financial statements and budgetary schedules are fairly stated in all material respects in relation to the basic financial statements taken 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 a report dated December 22, 2015 on our consideration of City of Austell, Georgia's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering City of Austell, Georgia's internal control over financial reporting and compliance.

James L. Whitaker, P. C.

Snellville, Georgia
December 22, 2015

City of Austell, Georgia Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2015

Management's discussion and analysis provides an objective and easily readable analysis of the City of Austell, Georgia's (the City) financial activities based on currently known facts, decisions or conditions. The analysis provides current fiscal year summary financial information for the City of Austell, Georgia and should be read in conjunction with the City's financial statements and transmittal letter.

Financial Highlights

- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$26,911,314 (net position). Of this amount, \$1,276,882 (unrestricted net position) may be used to meet the City's ongoing obligations to its citizens and creditors.
- The City had an increase in net positions of \$703,298 compared to an increase of \$2,103,256 in the prior fiscal year. Decreases in capital grants and contributions had the greatest impact on this change. Also, there were more capital expenditures for 2015 compared to 2014.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$13,281,335. This represents an increase from the prior fiscal year of approximately \$252,652 due primarily to the increase in franchise fees.
- At the end of the current fiscal year, unassigned fund balance of the General Fund was \$5,156,013 or 80% of total current fiscal year General Fund expenditures. In the prior year, unassigned fund balance was \$5,057,467 or 88% of General Fund expenditures.

Overview of the Financial Statements

The City's basic financial statements include three components; 1) Government-wide financial statements, 2) Fund financial statements, and 3) Notes to financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements and fund financial statements provide different pictures of the City of Austell, Georgia. The government-wide financial statements provide an overall picture of the government's financial standing, split between governmental activities and proprietary fund activities.

The *Statement of Net Position* presents information on all of the City's assets and deferred outflows and liabilities and deferred inflows, with the difference between the two 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 is improving or deteriorating.

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

In the Statement of Net Position and the Statement of Activities, the City is divided into three kinds of activities:

- Governmental activities – Most of the City's basic services are reported here, including the police, fire, community development, and general administration. The majority of these activities are financed by property taxes, occupational taxes, intergovernmental revenue (SPLOST), franchise taxes, and ownership fees.

City of Austell, Georgia

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2015

- Business-type activities – The City charges a fee to customers to help cover all or most of the cost of certain services it provides. The City's water and sewer system, stormwater system, solid waste, and the Threadmill Complex are reported here.
- Component units - The City has one legally separate entity, Austell Natural Gas System. Although legally separate, this "component unit" is important because the City is financially accountable for it.

The government-wide financial statements are presented on pages 13-15 of this report.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. 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 of Austell has two kinds of funds:

- **Governmental funds** – The majority of the City's basic services are reported in governmental funds, which focus on how money flows in and out of those funds and the balances left at fiscal year-end that are available for spending. These funds are reported using an accounting method identified as the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted into cash. Governmental fund information assists in determining whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. The relationship or differences between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds are detailed in a reconciliation following the fund financial statements.

The basic governmental fund financials are presented on pages 16-21 of this report.

The City maintains one (1) General Fund, five (5) special revenue funds and five (5) capital projects funds. The City's General Fund is used for normal recurring activities of the City (i.e., police, fire, recreation, public works, and general government). The City's special revenue funds are: Confiscated Assets, Emergency Telephone System, Public Assistance Grant, Multiple Grants, and Hotel/Motel Tax funds. The capital projects funds are: 2005 Cobb County SPLOST, 2011 Cobb County SPLOST, 2016 Cobb County SPLOST AACIC fund and Douglas County SPLOST. Of these funds, the General Fund, Multiple Grants Fund, 2005 Cobb County SPLOST Fund, 2011 Cobb County SPLOST Fund, and the Austell Area Community Council Fund are considered major funds and are presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances. Data from the remaining governmental funds are combined into a single, aggregate presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

- **Proprietary Funds** – The City of Austell, Georgia charges customers for the services it provides, whether to outside customers or to other units within the City. These services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the City's enterprise funds (a component of proprietary funds) are identical to the business-type activities that are reported in the government-wide statements, but provide more detail and additional information, such as cash flows, for proprietary funds. These are reported in the fund financial statements and generally report services for which the City charges a fee. The City of Austell reports four proprietary funds which are classified as enterprise funds. The enterprise funds are Water and Sewer, Stormwater, Solid Waste, and the Threadmill Complex funds. Of these funds, the Water and Sewer Fund, Stormwater and Threadmill Complex Fund are considered major funds.

City of Austell, Georgia
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015

The basic enterprise fund financial statements are presented on pages 22-25 of this report.

Notes to the Basic Financial Statements

The financial statements include notes that explain some of the information in the financial statements and provide information that is more detailed. The notes are essential for a better understanding of the government-wide and fund financial statements.

The notes are presented on pages 26-50 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning an analysis of pension plan funding progress. Required supplemental information can be found following the basic financial statements. The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information along with other individual fund budgetary information.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by \$26,911,314 at the close of the most recent fiscal year.

A portion of the City's net position (66%) reflects its investment in capital assets such as land, buildings, infrastructure, machinery and equipment, less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The City has restricted net position of \$7,861,341 which is restricted for capital construction, law enforcement activities, public safety activities, tourism and development, and community enhancements as compared to \$6,867,033 of restricted net position of the prior fiscal year. The remaining balance of unrestricted net position \$1,276,882 may be used to meet the City's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, along with the City's discretely presented component unit.

Net Position

As noted earlier the City's combined net position totals \$26,911,314 (excluding the City's component unit).

City of Austell, Georgia
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015

The following table provides a summary of the City's governmental and business-type activities' net position for the fiscal years ended 2015 and 2014:

Condensed Statement of Net Position
June 30, 2015 and 2014

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Assets & Deferred items:						
Current assets	\$ 11,518,188	\$ 10,317,904	\$ 505,132	\$ 709,632	\$ 12,023,320	\$ 11,027,536
Capital assets	9,811,317	9,873,162	8,163,991	8,267,872	17,975,308	18,141,034
Other noncurrent assets & deferred items	<u>3,391,156</u>	<u>3,672,000</u>	<u>(3,168,181)</u>	<u>(3,672,000)</u>	<u>222,975</u>	<u>-</u>
Total Assets & deferred items	<u>24,720,661</u>	<u>23,863,066</u>	<u>5,500,942</u>	<u>5,305,504</u>	<u>30,221,603</u>	<u>29,168,570</u>
Liabilities & Deferred items:						
Current liabilities	1,557,080	1,095,658	291,613	283,584	1,848,693	1,379,242
Long-term liabilities & deferred items	<u>1,174,779</u>	<u>326,594</u>	<u>286,817</u>	<u>8,951</u>	<u>1,461,596</u>	<u>335,545</u>
Total Liabilities & deferred items	<u>2,731,859</u>	<u>1,422,252</u>	<u>578,430</u>	<u>292,535</u>	<u>3,310,289</u>	<u>1,714,787</u>
Net Position:						
Net investment in capital assets	9,609,100	9,356,493	8,163,991	8,267,872	17,773,091	17,624,365
Restricted	7,861,341	6,867,033	-	-	7,861,341	6,867,033
Unrestricted	<u>4,518,361</u>	<u>6,217,288</u>	<u>(3,241,479)</u>	<u>(3,254,903)</u>	<u>1,276,882</u>	<u>2,962,385</u>
Total Net Position*	<u>\$ 21,988,802</u>	<u>\$ 22,440,814</u>	<u>\$ 4,922,512</u>	<u>\$ 5,012,969</u>	<u>\$ 26,911,314</u>	<u>\$ 27,453,783</u>

*Due to the implementation of GASB No. 68 net position 7/1/2014 have been restated in the governmental and business type activities \$21,445,446 and \$4,762,570 respectively.

Changes in Net Position

Governmental and business-type activities increased the City's net position by \$703,298. The following table provides a summary of the City's changes in net position:

City of Austell, Georgia Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2015

Condensed Changes in Net Position June 30, 2015 and 2014

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2015	2014	2015	2014	2015	2014
Revenues						
Program revenues:						
Charges for services	\$ 824,619	\$ 726,548	\$ 4,770,286	\$ 5,167,434	\$ 5,594,905	\$ 5,893,982
Operating grants and contributions	10,509	590	-	-	10,509	590
Capital grants and contributions	3,164,220	4,190,979	26,995	-	3,191,215	4,190,979
General revenues:						
Property taxes	547,923	576,380	-	-	547,923	576,380
Other taxes/ownership fees	5,903,739	6,215,608	-	-	5,903,739	6,215,608
Penalties & Interest	1,536	18,782	-	-	1,536	18,782
Intergovernmental	103,665	-	-	-	103,665	-
Unrestricted investment earnings	116,931	-	117	-	117,048	-
Miscellaneous	81,830	55,734	-	-	81,830	55,734
Total Revenues	<u>10,754,972</u>	<u>11,784,621</u>	<u>4,797,398</u>	<u>5,167,434</u>	<u>15,552,370</u>	<u>16,952,055</u>
Expenses						
General government	1,027,466	800,543	-	-	1,027,466	800,543
Public Safety and Courts	4,398,624	4,288,329	-	-	4,398,624	4,288,329
Public works	3,172,065	3,856,149	-	-	3,172,065	3,856,149
Culture and recreation	844,926	673,860	-	-	844,926	673,860
Housing and development	87,523	64,277	-	-	87,523	64,277
Tourism and economic development	4,448	4,161	-	-	4,448	4,161
Interest on long-term debt	14,995	21,855	-	-	14,995	21,855
Threadmill Complex	-	-	1,324,380	1,314,778	1,324,380	1,314,778
Water and sewer	-	-	3,180,705	3,256,714	3,180,705	3,256,714
Stormwater	-	-	412,974	422,208	412,974	422,208
Solid waste	-	-	380,966	145,925	380,966	145,925
Total Expenses	<u>9,550,047</u>	<u>9,709,174</u>	<u>5,299,025</u>	<u>5,139,625</u>	<u>14,849,072</u>	<u>14,848,799</u>
Change in net position before transfers	1,204,925	2,075,447	(501,627)	27,809	703,298	2,103,256
Transfers	(661,569)	(383,051)	661,569	383,051	-	-
Change in Net Position	543,356	1,692,396	159,942	410,860	703,298	2,103,256
Net Position, beginning of fiscal year, adjusted	21,445,446	20,748,418	4,762,570	4,602,109	26,208,016	25,350,527
Net Position, end of fiscal year	<u>\$ 21,988,802</u>	<u>\$ 22,440,814</u>	<u>\$ 4,922,512</u>	<u>\$ 5,012,969</u>	<u>\$ 26,911,314</u>	<u>\$ 27,453,783</u>

**City of Austell, Georgia
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015**

Governmental Activities

Governmental activities increased the City's net position by \$543,356. This can be attributed to overall operating expenses being less than revenues received.

Revenues for Governmental Activities virtually stayed the same with a decrease of 1%.

**Governmental Activities
Program Revenues and Expenses
For the Fiscal Years Ended June 30, 2015 and June 30, 2014**

	2015	2015	2014	2014
	Revenues	Expenses	Revenues	Expenses
General government	\$ -	\$ 1,027,466	\$ 7,627	\$ 800,543
Public safety & Courts	964,219	4,398,624	839,107	4,288,329
Public works	2,585,651	3,172,065	3,628,000	3,856,149
Culture and recreation	413,217	844,926	443,383	673,860
Housing and development	36,261	87,523	-	64,277
Tourism and economic development	-	4,448	-	4,161
Interest on long-term debt	-	14,995	-	21,855
Totals	\$ 3,999,348	\$ 9,550,047	\$ 4,918,117	\$ 9,709,174

**Governmental Activities
Revenues by Source
For the Fiscal Years Ended June 30, 2015 and June 30, 2014**

	2015		2014	
Charges for Service	\$ 824,619	8%	\$ 726,548	6%
Operating grants and contributions	10,509	0%	590	0%
Capital grants and contributions	3,164,220	29%	4,190,979	36%
Property taxes	547,923	5%	576,380	5%
Other taxes and ownership fees	5,993,739	56%	6,215,608	53%
Unrestricted investment earnings	116,931	1%	-	0%
Miscellaneous	81,830	1%	55,734	0%
Penalties & Interest	1,536	0%	18,782	0%
Intergovernmental	103,665	0%	-	0%
Totals	\$10,754,972	100%	\$ 11,784,621	100%

Business-Type Activities

Major revenue sources for the proprietary funds were charges for services of \$4,770,286 this is an 8% decrease from the previous fiscal year. Expenses for the proprietary funds are \$5,299,025 which is a 4% slight increase from the previous fiscal year. This increase is mostly the result of water usage activity for the fiscal year 2015, as well as the addition of garbage services provided to all citizens within the City limits.

City of Austell, Georgia
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015

Business-type Activities
Program Revenues and Expenses
For the Fiscal Years Ended June 30, 2015 and June 30, 2014

	2015	2015	2014	2014
	Revenues	Expenses	Revenues	Expenses
Threadmill Complex	\$ 1,234,876	\$ 1,324,380	\$ 1,197,590	\$ 1,314,778
Water and Sewer	2,861,531	3,180,705	3,478,282	3,256,714
Stormwater	399,617	412,974	406,280	422,208
Solid Waste	301,257	380,966	85,282	145,925
Totals	<u>\$ 4,797,281</u>	<u>\$ 5,299,025</u>	<u>\$ 5,167,434</u>	<u>\$ 5,139,625</u>

Business-type Activities
Revenues by Source
For the Fiscal Years Ended June 30, 2015 and June 30, 2014

	2015		2014	
	Amount	%	Amount	%
Charges for Service	\$4,770,286	99%	\$5,167,434	100%
Capital Grants and Contributions	26,995	1%	-	0%
Unrestricted investment earnings	117	0%	-	0%
Totals	<u>\$4,797,398</u>	<u>100%</u>	<u>\$5,167,434</u>	<u>100%</u>

Financial Analysis of the City's Individual Funds

The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

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

As of June 30, 2015, the City's governmental funds reported a combined ending fund balance of approximately \$13.2 million. Of this total, approximately 5.0 million or 37% constitutes unassigned fund balance, which is available for spending in the next fiscal year. The remainder of fund balance is either nonspendable, restricted, committed, or assigned as to indicate that it is not available for new spending because it has already been committed for a variety of restricted purposes.

The General Fund is the primary operating fund of the City. For the fiscal year ended June 30, 2015, unassigned fund balance was approximately \$5.1 million, while total fund balance was approximately \$5.5 million. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 80% of total General Fund expenditures, while total fund balance represents 85% of that same amount.

City of Austell, Georgia
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015

The fund balance of the General Fund virtually stayed the same at \$84,213 during the fiscal year due to effective cost measures and continued franchise fee revenue receipts.

The fund balance of the 2005 Cobb County SPLOST Fund decreased (\$281,408) during the fiscal year. Key factors in this decrease is that the City completed scheduled resurfacing projects, as well as purchased needed equipment. The fund is no longer receiving revenue as this tax has expired. Fund balance will continue to decrease until all funds are spent.

The fund balance of the Multiple Grants Fund decreased (\$115,818) during the fiscal year as a result of the matching funds for houses purchased from the 2009 flood through the City's HMGP Grant (FEMA/GEMA).

Enterprise Funds

The City's enterprise funds provide the same type of information found in the government-wide financial statements, but in more detail.

Net position for the Water and Sewer fund decreased by (\$78,468) due to decreases in water usage. The Threadmill, Stormwater, and Solid Waste Funds change in net position was a combined increase of \$238,410, resulting in total net position increase of \$159,942. This increase is due to expenditure controls and transfers in from the General fund to cover debt service for Threadmill fund.

Budgetary Highlights

The legal level of control (the level at which expenditures may not legally exceed appropriations) for each legally adopted annual operating budget is at the department level. The most significant budgeted fund is the General Fund. The City Council amended the General Fund budget at various times throughout the fiscal year. The amendments to total expenditures were offset by amendments to total revenues and did not affect the overall budget.

City of Austell, Georgia

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2015

Capital Assets

The City's investment in capital assets, net of accumulated depreciation, for governmental and business-type activities for the current fiscal year ended June 30, 2015, was \$9,811,317 and \$8,163,991 respectively. This investment in capital assets includes land, buildings, improvements, machinery and equipment, infrastructure and construction in progress. The major additions and deletions to capital for the fiscal year were:

- Added new vehicles and equipment for public safety.
- Added new infrastructure and equipment purchased with SPLOST funds.

At June 30, 2015, the depreciable capital assets for governmental activities were 47% depreciated. The business-type activities are 51% depreciated.

Additional information on the City's capital assets can be found in Note 5 of the Basic Financial Statements of this report.

Long-Term Debt

During the current fiscal year, the City retired \$314,452 of outstanding capital lease obligations. At the end of the current fiscal year, the City of Austell had total debt outstanding of \$1,046,215 in which the majority of the debt included \$843,998 in pension liability.

Additional information on the City's long-term debt can be found in Note 7 of the Basic Financial Statements section of this report.

Economic Conditions Affecting the City

Key assumptions for fiscal year 2016 are summarized as follows:

- The Gas System ownership fees were budgeted to be approximately \$4.9 million. Anticipated revenue at the current rate of 9% gross sales is expected to be slightly less for 2016.
- On September 18, 2009, the City of Austell, Georgia was flooded and almost 700 of its approximately 2,500 homes were severely affected. The City completed all projects funded by the Public Assistance Grant Fund on May 15, 2011. The HMGP Grant program continues impacting the City as it prepares to maintain and repair the properties of the land that was purchased.
- Additional purchases of substantially damaged properties through the HMGP Grant program have been approved by FEMA and are currently in the process of being purchased and demolished.
- 2016 SPLOST referendum was passed allowing the City to continue to improve transportation, enhance parks and purchase needed public safety equipment.

Request for Information

This financial report is designed to provide a general overview of the City's finances, compliance with finance-related laws, and regulations and demonstrate the City's commitment to public accountability. Questions concerning any of the information provided in this report or request for additional information should be addressed to Denise Soesbee, Finance Director, City of Austell, 2716 Broad Street, SW, Austell, Georgia 30106.

A complete set of financial statements for the City's component unit, Austell Natural Gas System, may be obtained at the entity's administrative offices at 2838 Joe Jerkins Blvd; P.O. Box 685, Austell, Georgia 30106.

CITY OF AUSTELL, GEORGIA
STATEMENT OF NET POSITION
JUNE 30, 2015

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Austell Natural Gas System
<u>Assets and Deferred Outflows</u>				
Assets				
Cash and cash equivalents	\$ 1,485,136	\$ 220,838	\$ 1,705,974	\$ 41,473,302
Receivables (net of allowance for uncollectibles)				
Taxes	169,543	-	169,543	-
Accounts	26,532	772,511	799,043	2,379,225
Other	3,265	-	3,265	-
Due from component unit	4,014,526	-	4,014,526	-
Due from other governments	365,827	-	365,827	-
Internal balances	3,834,928	(3,834,928)	-	-
Inventory	-	13,547	13,547	2,343,161
Prepaid items	395,944	120,164	516,108	311,296
Restricted assets -				
Cash	2,965,487	-	2,965,487	-
Investments	1,470,000	-	1,470,000	-
Non-depreciable assets	2,044,361	569,967	2,614,328	701,638
Depreciable assets, net	7,766,956	7,594,024	15,360,980	20,074,899
Total assets	24,542,505	5,456,123	29,998,628	67,283,521
Deferred Outflows				
Deferred pension outflows	178,156	44,819	222,975	1,616,881
Total Assets and Deferred Outflows	24,720,661	5,500,942	30,221,603	68,900,402

See accompanying notes to the basic financial statements.

CITY OF AUSTELL, GEORGIA
STATEMENT OF NET POSITION
JUNE 30, 2015

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Austell Natural Gas System
<u>Liabilities and Deferred Inflows</u>				
Liabilities				
Accounts payable	\$ 1,135,114	\$ 2,274	\$ 1,137,388	\$ 2,933,937
Accrued liabilities				
Salaries and wages	72,072	18,171	90,243	126,718
Customer Deposits	1,900	201,147	203,047	1,717,607
Interest	-	-	-	-
Due to primary government	-	-	-	4,182,817
Due to other governments	109,670	-	109,670	-
Unearned revenue	4,559	36,320	40,879	915,744
Deposits payable	-	-	-	-
Net OPEB obligation	-	-	-	-
Long-term liabilities				
Due within one year	233,765	33,701	267,466	403,107
Due in more than one year	768,999	184,737	953,736	3,118,183
Total liabilities	<u>2,326,079</u>	<u>476,350</u>	<u>2,802,429</u>	<u>13,398,113</u>
Deferred Inflows				
Deferred pension inflows	<u>405,780</u>	<u>102,080</u>	<u>507,860</u>	<u>-</u>
Total Liabilities and Deferred Inflows	<u>2,731,859</u>	<u>578,430</u>	<u>3,310,289</u>	<u>13,398,113</u>
Net Position				
Net Investment in capital assets	9,609,100	8,163,991	17,773,091	20,776,537
Restricted for:				
Capital projects	2,104,555	-	2,104,555	-
Law enforcement activities	17,403	-	17,403	-
Public safety activities	273,432	-	273,432	-
Tourism and economic development	3,277	-	3,277	-
Community enhancements	5,462,674	-	5,462,674	-
Unrestricted	4,518,361	(3,241,479)	1,276,882	34,725,752
Total net position	<u>\$ 21,988,802</u>	<u>\$ 4,922,512</u>	<u>\$ 26,911,314</u>	<u>\$ 55,502,289</u>

See accompanying notes to the basic financial statements.

**CITY OF AUSTELL, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 1,027,466	\$ -	\$ -	\$ -
Public safety and courts	4,398,624	742,034	5,000	217,185
Public works	3,172,065	-	-	2,585,651
Culture and recreation	844,926	46,324	5,509	361,384
Housing and development	87,523	36,261	-	-
Tourism and economic development	4,448	-	-	-
Interest on long-term debt	14,995	-	-	-
Total governmental activities	<u>9,550,047</u>	<u>824,619</u>	<u>10,509</u>	<u>3,164,220</u>
Business-type activities:				
Threadmill	1,324,380	1,234,876	-	-
Water and sewer	3,180,705	2,834,536	-	26,995
Stormwater	412,974	399,617	-	-
Solid waste	380,966	301,257	-	-
Total business-type activities	<u>5,299,025</u>	<u>4,770,286</u>	<u>-</u>	<u>26,995</u>
Total primary government	<u>\$ 14,849,072</u>	<u>\$ 5,594,905</u>	<u>\$ 10,509</u>	<u>\$ 3,191,215</u>
Component unit:				
Austell Natural Gas System	<u>\$ 50,808,281</u>	<u>\$ 54,923,204</u>	<u>\$ -</u>	<u>\$ -</u>

General revenues:

Taxes:

Property
Franchise
Occupational
Insurance Premium
Sales and excise
Other

Penalties & interest

Intergovernmental

Unrestricted investment earnings

Miscellaneous

Total general revenues

Transfers

Total general revenues and transfers

Change in net position

Net position - beginning of year, adjusted

Net position - end of year

See accompanying notes to the basic financial statements.

Changes in Net Position

Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	Austell Natural Gas System
\$ (1,027,466)	\$ -	\$ (1,027,466)	\$ -
(3,434,405)	-	(3,434,405)	-
(586,414)	-	(586,414)	-
(431,709)	-	(431,709)	-
(51,262)	-	(51,262)	-
(4,448)	-	(4,448)	-
(14,995)	-	(14,995)	-
<u>(5,550,699)</u>	<u>-</u>	<u>(5,550,699)</u>	<u>-</u>
-	(89,504)	(89,504)	-
-	(319,174)	(319,174)	-
-	(13,357)	(13,357)	-
-	(79,709)	(79,709)	-
<u>-</u>	<u>(501,744)</u>	<u>(501,744)</u>	<u>-</u>
<u>(5,550,699)</u>	<u>(501,744)</u>	<u>(6,052,443)</u>	<u>-</u>
-	-	-	4,114,923
547,923	-	547,923	-
5,268,203	-	5,268,203	-
83,139	-	83,139	-
359,098	-	359,098	-
54,000	-	54,000	-
139,299	-	139,299	-
1,536	-	1,536	-
103,665	-	103,665	-
116,931	117	117,048	29,781
81,830	-	81,830	33,024
<u>6,755,624</u>	<u>117</u>	<u>6,755,741</u>	<u>62,805</u>
<u>(661,569)</u>	<u>661,569</u>	<u>-</u>	<u>-</u>
<u>6,094,055</u>	<u>661,686</u>	<u>6,755,741</u>	<u>62,805</u>
543,356	159,942	703,298	4,177,728
<u>21,445,446</u>	<u>4,762,570</u>	<u>26,208,016</u>	<u>51,324,561</u>
<u>\$ 21,988,802</u>	<u>\$ 4,922,512</u>	<u>\$ 26,911,314</u>	<u>\$ 55,502,289</u>

**CITY OF AUSTELL, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2015**

	General Fund	2005 Cobb County SPLOST Fund	2011 Cobb County SPLOST Fund
Assets			
Cash and cash equivalents	\$ 1,485,136	\$ 968,476	\$ 1,071,752
Investments	-	-	-
Receivables (net of allowance for uncollectibles)			
Taxes	169,107	-	-
Accounts	6,187	-	-
Other	3,265	-	-
Due from other governments	-	-	235,520
Due from other funds	882,925	-	249,004
Due from component unit	4,014,526	-	-
Prepaid items	354,080	-	-
Advances to other funds	-	-	-
Total assets	<u>6,915,226</u>	<u>968,476</u>	<u>1,556,276</u>
Liabilities			
Accounts payable	1,125,384	-	9,730
Accrued liabilities			
Salaries and wages	66,779	-	-
Customer Deposits	1,900	-	-
Due to other funds	79,134	-	415,599
Due to other governments	22,977	-	-
Unearned revenues	-	-	-
Total liabilities	<u>1,296,174</u>	<u>-</u>	<u>425,329</u>
Deferred Inflows			
Unavailable revenues	108,959	-	-
Total liabilities and deferred inflows	<u>1,405,133</u>	<u>-</u>	<u>425,329</u>
Fund balances			
Nonsepdndable -			
Prepaid items	354,080	-	-
Resticted -			
Capital projects	-	968,476	1,130,947
Law enforcement activities	-	-	-
Public safety activities	-	-	-
Tourism and economic development	-	-	-
Community enhancements	-	-	-
Unassigned	5,156,013	-	-
Total fund balances	<u>5,510,093</u>	<u>968,476</u>	<u>1,130,947</u>
Total liabilities, deferred inflows and fund balance	<u>\$ 6,915,226</u>	<u>\$ 968,476</u>	<u>\$ 1,556,276</u>

See accompanying notes to the basic financial statements.

Austell Area Community Council Fund	Multiple Grants Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 584,673	\$ 1,840	\$ 338,746	\$ 4,450,623
1,470,000	-	-	1,470,000
-	-	436	169,543
-	-	20,345	26,532
-	-	-	3,265
-	130,307	-	365,827
152,976	76,490	2,644	1,364,039
-	-	-	4,014,526
-	-	41,864	395,944
<u>3,672,000</u>	<u>-</u>	<u>-</u>	<u>3,672,000</u>
<u>5,879,649</u>	<u>208,637</u>	<u>404,035</u>	<u>15,932,299</u>
-	-	-	1,135,114
-	-	5,293	72,072
-	-	-	1,900
416,975	220,183	69,220	1,201,111
-	86,693	-	109,670
-	-	4,559	4,559
<u>416,975</u>	<u>306,876</u>	<u>79,072</u>	<u>2,524,426</u>
-	17,579	-	126,538
<u>416,975</u>	<u>324,455</u>	<u>79,072</u>	<u>2,650,964</u>
-	-	41,864	395,944
-	-	5,132	2,104,555
-	-	17,403	17,403
-	-	273,432	273,432
-	-	3,277	3,277
5,462,674	-	-	5,462,674
-	(115,818)	(16,145)	5,024,050
<u>5,462,674</u>	<u>(115,818)</u>	<u>324,963</u>	<u>13,281,335</u>
<u>\$ 5,879,649</u>	<u>\$ 208,637</u>	<u>\$ 404,035</u>	<u>\$ 15,932,299</u>

CITY OF AUSTELL, GEORGIA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2015

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

Total fund balances -- total governmental funds	\$ 13,281,335
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	9,811,317
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds:	
Unavailable revenues	126,538
Deferred inflows and outflows related to the net pension obligation is not a current asset or liability:	
Deferred outflows	178,156
Deferred inflows	(405,780)
Long-term liabilities are not due in the current period and therefore are not reported in the funds:	
Capital leases	(202,217)
Compensated absences	(126,190)
Net pension obligation	<u>(674,357)</u>
Net position of governmental activities	<u>\$ 21,988,802</u>

See accompanying notes to the basic financial statements

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CITY OF AUSTELL, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	General Fund	2005 Cobb County SPLOST Fund	2011 Cobb County SPLOST Fund
Revenues:			
Taxes	\$ 6,507,397	\$ -	\$ -
Licenses and permits	36,261	-	-
Intergovernmental	103,665	-	1,393,183
Charges for services	15,517	-	-
Fines and Forfeitures	576,203	-	-
Contributions and donations	10,409	-	-
Investment income	-	-	-
Miscellaneous	127,354	-	-
Total revenues	<u>7,376,806</u>	<u>-</u>	<u>1,393,183</u>
Expenditures:			
Current			
General government	909,823	-	-
Judicial	198,709	-	-
Public safety	3,579,319	-	-
Public works	804,814	281,408	64,781
Culture and recreation	694,264	-	-
Housing and development	88,308	-	-
Tourism and economic development	-	-	-
Capital outlay	158,468	-	574,021
Debt service			
Principal	-	-	314,452
Interest	-	-	14,995
Total expenditures	<u>6,433,705</u>	<u>281,408</u>	<u>968,249</u>
Excess (deficiency) of revenues over (under) expenditures	943,101	(281,408)	424,934
Other Financing Sources (Uses):			
Transfers	(858,888)	-	-
Capital lease proceeds	-	-	-
Sale of capital assets	-	-	-
Total other financing sources (uses)	<u>(858,888)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	84,213	(281,408)	424,934
Fund balance - beginning of the year	<u>5,425,880</u>	<u>1,249,884</u>	<u>706,013</u>
Fund balance - end of year	<u>\$ 5,510,093</u>	<u>\$ 968,476</u>	<u>\$ 1,130,947</u>

See accompanying notes to the basic financial statements.

Austell Area Community Council Fund	Multiple Grants Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 2,848	\$ 6,510,245
-	-	-	36,261
-	1,569,017	-	3,065,865
-	-	132,985	148,502
-	-	17,329	593,532
-	184,442	-	194,851
116,731	-	-	116,731
200	-	1,745	129,299
<u>116,931</u>	<u>1,753,459</u>	<u>154,907</u>	<u>10,795,286</u>
64,600	-	-	974,423
-	-	-	198,709
-	-	467,907	4,047,226
-	1,773,317	34,927	2,959,247
-	-	-	694,264
-	-	-	88,308
-	-	4,448	4,448
34,900	61,406	43,851	872,646
-	-	-	314,452
-	-	-	14,995
<u>99,500</u>	<u>1,834,723</u>	<u>551,133</u>	<u>10,168,718</u>
17,431	(81,264)	(396,226)	626,568
-	(34,554)	519,526	(373,916)
-	-	-	-
-	-	-	-
<u>-</u>	<u>(34,554)</u>	<u>519,526</u>	<u>(373,916)</u>
17,431	(115,818)	123,300	252,652
<u>5,445,243</u>	<u>-</u>	<u>201,663</u>	<u>13,028,683</u>
<u>\$ 5,462,674</u>	<u>\$ (115,818)</u>	<u>\$ 324,963</u>	<u>\$ 13,281,335</u>

**CITY OF AUSTELL, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL ACTIVITIES
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015**

Net change in fund balances - total governmental funds	\$ 252,652
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense</p>	
Capital outlay	609,037
Depreciation expense	(670,883)
<p>The net effect of other miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position. This is the amount of net book value of assets sold during the current period.</p>	
	-
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This is the difference between the beginning and ending unavailable revenue balances in the current period.</p>	
	(40,315)
<p>The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.</p>	
Repayment of long term debt	314,452
<p>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.</p>	
Change in net pension obligation and related deferred items	93,391
Change in compensated absences	(14,978)
	93,391
Change in net position of governmental activities	\$ 543,356

See accompanying notes to the basic financial statements

**CITY OF AUSTELL, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE
Revenues				
General property taxes	\$ 568,500	\$ 568,500	\$ 575,712	\$ 7,212
Sales and excise taxes	54,000	54,000	54,184	184
Franchise and other taxes	5,060,000	5,152,200	5,403,810	251,610
Occupational and premium taxes	420,000	420,000	442,237	22,237
Penalties and interest	4,300	4,300	31,454	27,154
Licenses and permits	21,369	21,369	36,261	14,892
Intergovernmental	55,000	55,000	103,665	48,665
Charges for services	47,200	47,200	15,517	(31,683)
Fines and forfeitures	699,521	699,521	576,203	(123,318)
Interest income	-	-	-	-
Contributions and donations	-	-	10,409	10,409
Miscellaneous	68,000	73,000	127,354	54,354
Total Revenues	<u>6,997,890</u>	<u>7,095,090</u>	<u>7,376,806</u>	<u>281,716</u>
Expenditures				
General government -				
Legislative	230,866	230,866	218,106	12,760
General administrative	521,600	651,600	691,717	(40,117)
Total general government	<u>752,466</u>	<u>882,466</u>	<u>909,823</u>	<u>(27,357)</u>
Municipal court	194,885	197,385	198,709	(1,324)
Public safety -				
Police administration	1,757,988	1,657,988	1,704,769	(46,781)
Custody of prisoners	381,654	381,654	249,341	132,313
Fire administration	1,744,113	1,744,113	1,725,983	18,130
Total public safety	<u>3,883,755</u>	<u>3,783,755</u>	<u>3,680,093</u>	<u>103,662</u>
Public works -				
Highways and streets	730,425	730,425	700,072	30,353
Maintenance and shop	133,651	133,651	108,081	25,570
Total public works	<u>864,076</u>	<u>864,076</u>	<u>808,153</u>	<u>55,923</u>
Culture and recreation -				
Community center	50,400	57,400	55,512	1,888
Community garden	-	-	-	-
Playgrounds	4,000	4,000	-	4,000
Special activities	100,835	137,535	156,904	(19,369)
Parks administration	577,305	563,305	536,203	27,102
Total culture and recreation	<u>732,540</u>	<u>762,240</u>	<u>748,619</u>	<u>13,621</u>
Housing and development -				
Protective inspection	19,140	19,140	14,614	4,526
Planning and zoning	17,700	17,700	10,096	7,604
Other facilities	-	-	-	-
Code enforcement	48,729	83,729	63,598	20,131
Total housing and development	<u>85,569</u>	<u>120,569</u>	<u>88,308</u>	<u>32,261</u>
Total Expenditures	<u>6,513,291</u>	<u>6,610,491</u>	<u>6,433,705</u>	<u>176,786</u>
Excess (Deficiency) of Revenues				
Over Expenditures	484,599	484,599	943,101	458,502
Other Financing Sources (Uses):				
Transfers	(484,599)	(484,599)	(858,888)	(374,289)
Proceeds from sale of capital assets	-	-	-	-
Debt issue	-	-	-	-
Total Other Financing	<u>(484,599)</u>	<u>(484,599)</u>	<u>(858,888)</u>	<u>(374,289)</u>
Net Change in Fund Balances	<u>-</u>	<u>-</u>	<u>84,213</u>	<u>84,213</u>
Fund balance - beginning of year	5,425,880	5,425,880	5,425,880	-
Fund balance - end of year	<u>\$ 5,425,880</u>	<u>\$ 5,425,880</u>	<u>\$ 5,510,093</u>	<u>\$ 84,213</u>

See accompanying notes to the basic financial statements.

**CITY OF AUSTELL, GEORGIA
 MULTIPLE GRANTS FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2015**

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
REVENUES				
Intergovernmental Contributions	\$ 3,020,000	\$ 3,020,000	\$ 1,569,017	\$ (1,450,983)
	<u>-</u>	<u>-</u>	<u>184,442</u>	<u>184,442</u>
Total Revenues	<u>3,020,000</u>	<u>3,020,000</u>	<u>1,753,459</u>	<u>(1,266,541)</u>
EXPENDITURES				
Public Works	3,000,000	3,000,000	1,773,317	1,226,683
Culture and Recreation	<u>20,000</u>	<u>20,000</u>	<u>61,406</u>	<u>(41,406)</u>
Total Expenditures	<u>3,020,000</u>	<u>3,020,000</u>	<u>1,834,723</u>	<u>1,185,277</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>(81,264)</u>	<u>(81,264)</u>
Other Financing Sources (Uses):				
Transfers	<u>-</u>	<u>-</u>	<u>(34,554)</u>	<u>(34,554)</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(34,554)</u>	<u>(34,554)</u>
Net Change in Fund Balances	<u>-</u>	<u>-</u>	<u>(115,818)</u>	<u>(115,818)</u>
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance- end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (115,818)</u>	<u>\$ (115,818)</u>

See accompanying notes to the basic financial statements.

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**CITY OF AUSTELL, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2015**

	BUSINESS ACTIVITIES - ENTERPRISE FUNDS				
	Threadmill Complex Fund	Water and Sewer Fund	Stormwater Fund	Nonmajor Solid Waste Fund	Total
<u>ASSETS AND DEFERRED OUTFLOWS</u>					
Current assets					
Cash	\$ 60,628	\$ 160,210	\$ -	\$ -	\$ 220,838
Investments	-	-	-	-	-
Receivables					
Accounts	3,003	303,402	434,582	31,524	772,511
Due from other funds	2,724	-	-	-	2,724
Prepaid items	24,103	70,570	23,734	1,757	120,164
Inventory	-	13,547	-	-	13,547
Total current assets	<u>90,458</u>	<u>547,729</u>	<u>458,316</u>	<u>33,281</u>	<u>1,129,784</u>
Non-current assets					
Capital assets					
Nondepreciable	512,467	57,500	-	-	569,967
Depreciable	8,393,990	2,401,011	4,911,156	-	15,706,157
	<u>8,906,457</u>	<u>2,458,511</u>	<u>4,911,156</u>	<u>-</u>	<u>16,276,124</u>
Accumulated depreciation	(4,071,561)	(2,170,080)	(1,870,492)	-	(8,112,133)
Total capital assets	<u>4,834,896</u>	<u>288,431</u>	<u>3,040,664</u>	<u>-</u>	<u>8,163,991</u>
Total assets	<u>4,925,354</u>	<u>836,160</u>	<u>3,498,980</u>	<u>33,281</u>	<u>9,293,775</u>
DEFERRED OUTFLOWS					
Deferred pension outflows	11,149	29,433	4,237	-	44,819
Total assets and deferred outflows	<u>4,936,503</u>	<u>865,593</u>	<u>3,503,217</u>	<u>33,281</u>	<u>9,338,594</u>
<u>LIABILITIES AND DEFERRED INFLOWS</u>					
Current liabilities					
Accounts payable	-	1,140	1,080	54	2,274
Customer deposits	20,543	180,604	-	-	201,147
Accrued liabilities	4,378	12,127	1,086	580	18,171
Due to other funds	152,976	12,676	-	-	165,652
Advance from other funds	459,000	-	-	-	459,000
Compensated absences	5,402	21,431	4,942	1,926	33,701
Unearned revenue	36,320	-	-	-	36,320
Total current liabilities	<u>678,619</u>	<u>227,978</u>	<u>7,108</u>	<u>2,560</u>	<u>916,265</u>
Non-current liabilities					
Advances from other funds	3,213,000	-	-	-	3,213,000
Compensated absences	8,018	5,358	1,235	482	15,093
Net pension liability	42,200	111,408	16,036	-	169,644
Total non-current liabilities	<u>3,263,218</u>	<u>116,766</u>	<u>17,271</u>	<u>482</u>	<u>3,397,737</u>
Total liabilities	<u>3,941,837</u>	<u>344,744</u>	<u>24,379</u>	<u>3,042</u>	<u>4,314,002</u>
DEFERRED INFLOWS					
Deferred pension inflows	25,393	67,038	9,649	-	102,080
Total liabilities and deferred inflows	<u>3,967,230</u>	<u>411,782</u>	<u>34,028</u>	<u>3,042</u>	<u>4,416,082</u>
<u>NET POSITION</u>					
Invested in capital assets	4,834,896	288,431	3,040,664	-	8,163,991
Unrestricted	(3,865,623)	165,380	428,525	30,239	(3,241,479)
Total net position	<u>\$ 969,273</u>	<u>\$ 453,811</u>	<u>\$ 3,469,189</u>	<u>\$ 30,239</u>	<u>\$ 4,922,512</u>

See accompanying notes to the basic financial statements.

CITY OF AUSTELL, GEORGIA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	BUSINESS ACTIVITIES - ENTERPRISE FUNDS				Total
	Threadmill Complex Fund	Water and Sewer Fund	Stormwater Fund	Nonmajor Solid Waste Fund	
OPERATING REVENUES					
Charges for services					
Water and sewer charges	\$ -	\$ 2,711,014	\$ -	\$ -	\$ 2,711,014
Sanitation fees	-	-	-	301,015	301,015
Stormwater fees	-	-	397,862	-	397,862
Rents and royalties	1,234,876	-	-	-	1,234,876
Miscellaneous	-	123,522	1,755	242	125,519
Total operating revenues	<u>1,234,876</u>	<u>2,834,536</u>	<u>399,617</u>	<u>301,257</u>	<u>4,770,286</u>
OPERATING EXPENSES					
Personal services and benefits	322,342	824,066	157,303	43,729	1,347,440
Contractual services	182,364	192,980	44,445	318,141	737,930
Supplies	410,641	2,065,366	20,274	3,096	2,499,377
Depreciation and amortization	296,578	77,457	97,400	-	471,435
Other	-	20,836	93,552	16,000	130,388
Total operating expenses	<u>1,211,925</u>	<u>3,180,705</u>	<u>412,974</u>	<u>380,966</u>	<u>5,186,570</u>
Operating income (loss)	<u>22,951</u>	<u>(346,169)</u>	<u>(13,357)</u>	<u>(79,709)</u>	<u>(416,284)</u>
NON-OPERATING INCOME (EXPENSES)					
Interest income	-	117	-	-	117
Interest expense	(112,455)	-	-	-	(112,455)
Total non-operating revenues (expenses)	<u>(112,455)</u>	<u>117</u>	<u>-</u>	<u>-</u>	<u>(112,338)</u>
Income before transfers and capital contributions	(89,504)	(346,052)	(13,357)	(79,709)	(528,622)
Capital contributions	24,327	26,995	263,326	-	314,648
Transfers	177,043	240,589	(138,234)	94,518	373,916
Change in net position	111,866	(78,468)	111,735	14,809	159,942
Net position - beginning of year, adjusted	<u>857,407</u>	<u>532,279</u>	<u>3,357,454</u>	<u>15,430</u>	<u>4,762,570</u>
Net position - end of year	<u>\$ 969,273</u>	<u>\$ 453,811</u>	<u>\$ 3,469,189</u>	<u>\$ 30,239</u>	<u>\$ 4,922,512</u>

See accompanying notes to the basic financial statements.

**CITY OF AUSTELL, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015**

	BUSINESS ACTIVITIES - ENTERPRISE FUNDS				Total
	Threadmill Complex Fund	Water and Sewer Fund	Stormwater Fund	Nonmajor Solid Waste Fund	
Cash flows from operating activities					
Cash received from customers and user	\$ 1,243,473	\$ 2,832,542	\$ 377,406	\$ 286,125	\$ 4,739,546
Cash paid to suppliers for goods	(657,554)	(2,406,780)	(222,395)	(350,277)	(3,637,006)
Cash paid to employees	(224,516)	(605,940)	(91,017)	(30,366)	(951,839)
Net cash flows from operating activities	<u>361,403</u>	<u>(180,178)</u>	<u>63,994</u>	<u>(94,518)</u>	<u>150,701</u>
Cash flows from investing activities					
Interest received	-	117	-	-	117
(Purchase) / redemption of investments	-	167,728	-	-	167,728
Net cash flows from investing activities	<u>-</u>	<u>167,845</u>	<u>-</u>	<u>-</u>	<u>167,845</u>
Cash flows from non-capital financing activities					
Transfers	177,043	240,589	(138,234)	94,518	373,916
Change in due to/from other funds	(378,746)	(100,247)	87,018	-	(391,975)
Net cash flows from non-capital financing activities	<u>(201,703)</u>	<u>140,342</u>	<u>(51,216)</u>	<u>94,518</u>	<u>(18,059)</u>
Cash flows from capital financing activities					
Purchases / construction of capital assets	(13,619)	(66,260)	-	-	(79,879)
Capital contributions	-	26,995	-	-	26,995
Principal payments on long-term debt	-	-	-	-	-
Reduction in net pension liability	(33,626)	(88,774)	(12,778)	-	(135,178)
Proceeds from disposition of capital assets	-	-	-	-	-
Interest paid	(112,455)	-	-	-	(112,455)
Net cash flows from capital financing activities	<u>(159,700)</u>	<u>(128,039)</u>	<u>(12,778)</u>	<u>-</u>	<u>(300,517)</u>
Net change in cash and cash equivalents	-	(30)	-	-	(30)
Cash and cash equivalents at beginning of year	<u>60,628</u>	<u>160,240</u>	<u>-</u>	<u>-</u>	<u>220,868</u>
Cash and cash equivalents at end of year	<u>\$ 60,628</u>	<u>\$ 160,210</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 220,838</u>

See accompanying notes to the basic financial statements.

**CITY OF AUSTELL, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS**

**Reconciliation of Net Income to Net Cash Provided
By Operating Activities**

	<u>Threadmill Complex Fund</u>	<u>Water and Sewer Fund</u>	<u>Stormwater Fund</u>	<u>Nonmajor Solid Waste Fund</u>	<u>Total</u>
Operating income (loss)	\$ 22,951	\$ (346,169)	\$ (13,357)	\$ (79,709)	\$ (416,284)
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation and amortization	296,578	77,457	97,400	-	471,435
(Increase) decrease in receivables	1,898	(868)	(22,211)	(15,132)	(36,313)
(Increase) decrease in prepaid items	1,317	1,793	(4,727)	19	(1,598)
(Increase) decrease in inventories	-	7,608	-	-	7,608
(Increase) decrease in deferred pension outflows	2,389	6,307	907	-	9,603
Increase (decrease) in accounts payable	(2,951)	1,140	1,080	54	(677)
Increase (decrease) in customer deposits	3,883	(1,126)	-	-	2,757
Increase (decrease) in deferred pension inflows	25,393	67,037	9,649	-	102,079
Increase (decrease) in accrued liabilities	7,129	6,643	(4,747)	250	9,275
Increase (decrease) in unearned revenues	2,816	-	-	-	2,816
Total adjustments	<u>338,452</u>	<u>165,991</u>	<u>77,351</u>	<u>(14,809)</u>	<u>566,985</u>
Net cash from operating activities	<u>\$ 361,403</u>	<u>\$ (180,178)</u>	<u>\$ 63,994</u>	<u>\$ (94,518)</u>	<u>\$ 150,701</u>
Non-Cash Transactions -					
Contributions of capital assets from SPLOST and Grant Funds	<u>24,327</u>	<u>-</u>	<u>263,326</u>	<u>-</u>	<u>287,653</u>

See accompanying notes to the basic financial statements.

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NOTES TO FINANCIAL STATEMENTS

The Corporation is a not-for-profit organization and is organized under the laws of the State of New York. The Corporation's financial statements are prepared in accordance with the accounting principles generally accepted in the United States of America for not-for-profit organizations. The Corporation's financial statements are prepared on a cash basis of accounting.

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CITY OF AUSTELL, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A. Basis of Presentation

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

B. The Reporting Entity

The City of Austell, which was founded in 1885, operates under the mayor-Council form of government and provides the following services to its citizens: public safety (police and fire); highways and streets; water, sewer, stormwater, and sanitation; public improvements; planning and zoning; and general administrative services.

Based upon criteria set forth by Governmental Accounting Standards Board (GASB) 61 "The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and 34," the accompanying financial statements present the City and its component unit, for which the City is considered to be financially accountable. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City.

Discretely Presented Component Unit

The Austell Natural Gas System (the "System") is shown as a discretely presented component unit in the accompanying financial statements. The purpose of the System is to provide natural gas and related services throughout the City of Austell. The System currently serves customers in the City of Austell and residents of Cobb County and Douglas County, Georgia. The Mayor appoints all members to the System's Board and the City is financially responsible for the payment of the debt issued by the System. The System has a July 31 fiscal year-end. Amounts shown as due from component unit and due to primary government may differ due to the City having a June 30 fiscal year-end, whereas the System has a July 31 fiscal year-end. Complete financial statements for the System can be obtained at the System's administrative offices at 2838 Joe Jerkins Boulevard, Austell, Georgia 30106.

C. Government-Wide Statements and Fund Financial Statements

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the activities of the primary government and its component unit. (For the most part, the effect of interfund activity has been removed from the government-wide financial statements). Government-wide financial statements do not provide information by fund, but distinguish between the City's governmental activities and business-type activities. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from the legally separate component unit for which the primary government is financially accountable. The statement of net position will include non-current assets and non-current liabilities. In addition, the government-wide statement of activities reflects depreciation expense on the City's capital assets.

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

(See Independent Auditor's Report)

CITY OF AUSTELL, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued):

C. Government-Wide Statements and Fund Financial Statements – (Continued):

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

A. Measurement Focus, Basis of Accounting, and Basis of Presentation

The government-wide financial statements are reported using the economic resource measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the fiscal year for which they are levied. Grants and similar items are recognized as soon as all eligibility requirements imposed by the provider have been met. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgements, are recorded only when payment is due.

Property taxes, sales taxes, franchise taxes, licenses and permits, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

In accordance with GASB Statement No. 33, "Accounting and Financial Reporting for Non-exchange Transactions," the corresponding assets (receivables) in non-exchange transactions are recognized in the period in which the underlying exchange occurs, when an enforceable legal claim has arisen, when all eligibility requirements have been met, or when resources are received, depending on the revenue source.

In accordance with GASB Statement No. 34, major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

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

The 2005 and 2011 Cobb County SPLOST Capital Projects Funds accounts for the acquisition and construction of major capital facilities and improvements that were approved by the voters of Cobb County, Georgia through the special purpose local option sales tax referendum. The amounts collected in these funds are restricted to be spent on capital projects throughout the City.

The Austell Area Community Council Capital Projects accounts for monies contributed by the Norfolk Southern Company for the purpose of constructing public facilities throughout the City or for other betterments of the community. The amounts collected in this fund including interest revenue earned are committed for certain items as approved by the Austell Area Community Council Board for the betterment of the community which may include capital projects.

(See Independent Auditor's Report)

CITY OF AUSTELL, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued):

D. Measurement Focus, Basis of Accounting, and Basis of Presentation – (Continued):

The **Multiple Grants Special Revenue Fund** accounts for grant monies received from a variety of Federal and State agencies. These specific revenue sources are either restricted or committed to expenditures for specified purposes other than debt services or capital projects.

Additionally, the City reports the following fund types within the nonmajor governmental funds:

The **special revenue funds** account for revenue sources that are legally restricted and committed to expenditures for specific purposes.

The **capital projects fund** account for acquisition and construction of major capital facilities other than those financed by proprietary funds.

The City reports the following major proprietary funds:

The **Threadmill Complex Fund** accounts for the operations of the Threadmill Complex which is used for City offices and spaces rented to private businesses and other governmental agencies.

The **Water and Sewer Fund** accounts for the activity of the City's utility system.

The **Stormwater Fund** accounts for the activity of the City's stormwater system.

Additionally, the City reports the following fund as a nonmajor proprietary fund:

The **Solid Waste Fund** is used to account for the City's solid waste collection, recycling, and disposal activities. The City does contract with a private corporation for these services.

In accounting and reporting for its proprietary operations, the City applies all Governmental Accounting Standards Board (GASB) pronouncements. The City applies GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Statement No. 62 incorporated into the GASB's authoritative literature certain accounting and financial reporting guidance issued on or before November 30, 1989.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges for goods and services provided. Operating expenses of the enterprise funds include the cost of these goods and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

E. Budgets

Annual appropriated budgets are adopted for all fund. Capital Projects Funds have a project length budget. The budgets for the proprietary funds are for management control purposes and are not required to be reported. Budgets are adopted on a modified accrual basis, which is consistent with generally accepted accounting principles for governmental funds. All appropriations lapse at fiscal yearend. Encumbrance accounting – under with purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation – is not employed by the City.

(See Independent Auditor's Report)

CITY OF AUSTELL, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued):

F. Deposits and Investments

Georgia Statutes authorize the City to invest in the following: (1) obligations of Georgia or any other States; (2) obligations of the United States; (3) obligations fully insured or guaranteed by the United States government or one of its agencies; (4) obligations of any corporation of the United States government; (5) prime banker's acceptances; (6) the State of Georgia local government investment pool; (7) repurchase agreements; and (8) obligations of any other political subdivision of the State of Georgia. Any investment or deposit in excess of the federal depository insured amounts must be collateralized by securities equal to at least 110% of the excess deposits.

For purposes of the statement of cash flows, all highly liquid investments with an original maturity of less than 90 days are considered to be cash equivalents. Investments are reported at fair value as determined by quoted market prices.

G. Short-Term and Long-Term Receivables and Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year, as well as all other outstanding balances between funds is reported as "due to/from other funds and advances to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." Customer accounts receivable include billed but uncollected amounts and unbilled receivables based upon a pro rata amount of subsequent monthly billings. Allowances for doubtful accounts are maintained based on historical results adjusted to reflect current conditions.

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

H. Inventories

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) methods. Inventories consist of expendable supplies held for consumption. The cost is recorded as an asset at the time the individual item is purchased. Inventories (if any) reported in the governmental funds are equally offset by a nonspendable fund balance, which indicates that they do not constitute "available, spendable resources" even though they are a component of net current assets.

I. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2015, are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items reported in the governmental funds are equally offset by a nonspendable fund balance, which indicates that they do not constitute "available, spendable resources" even though they are a component of net current assets. The city uses the consumption method to account for prepaid items.

J. Restricted Assets

Certain proceeds of revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because their use is limited by applicable bond covenants, if applicable. Other restricted assets exist due to enabling legislation, grant agreements or other contractual requirement.

(See Independent Auditor's Report)

CITY OF AUSTELL, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued):

K. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the governmental-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Infrastructure (e.g. roads, bridges, sidewalks, and similar items) prior to July 1, 2003 have not been reported.

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

Capital assets of the primary government, as well as the component unit, are depreciated using the straight line methods over the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Infrastructure	25-50
Buildings and improvements	30
Vehicles	5-7
Furniture and fixtures	7-10
Machinery and equipment	3-10
Computer equipment	3-5

L. Compensated Absences

It is the City’s policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for non-vesting accumulated rights to receive sick pay benefits since the City does not have a policy to pay any amounts when employees separate from service with the City. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

M. Long-Term Obligations

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

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

(See Independent Auditor’s Report)

CITY OF AUSTELL, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued):

N. Fund Equity and Net Position

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 assets, deferred inflows of resources, and liabilities under the current financial resources management focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose 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 enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, 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 a formal vote and passage of an ordinance of the City Council. Only the City Council may modify or rescind the commitment by passage of a subsequent ordinance.

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. The fund balance policy approved by an Ordinance of the City Council expressly delegates the authority to assign fund balance to the City’s Finance Director.

Unassigned – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The City reports positive unassigned fund balance only in the General Fund. Only deficits in fund balances may be reported as unassigned fund balance in other governmental 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: (1) Committed, (2) Assigned, and (3) Unassigned.

Net Position – Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources in reporting, which utilizes the economic resources measurement focus. Amounts shown as net investment in capital assets are made up of capital asset costs, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e. the amount that the City has spent) for the acquisition, construction or improvement of those assets. Net position is reported as restricted using the same definition as used for restricted fund balance as described in the section above. All other net position is 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. The City’s government-wide statement of net position reports \$7,861,341 of restricted net position of which \$2,398,667 is restricted by enabling legislation.

(See Independent Auditor’s Report)

CITY OF AUSTELL, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued):

O. Management Estimates

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

P. Interfund Transactions

Interfund services provided and used in the fund financial statements are accounted for as revenue, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as a reduction of expenditures/expenses in the fund that is reimbursed.

Q. Deferred Outflows / Inflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense / expenditures) until then. The City has one item that qualifies for reporting in this category as of June 30, 2015 which is deferred pension outflows recognized in the Statements of Net Position.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City recognizes deferred pension inflows in its Statements of Net Position and also recognizes unavailable revenue, which is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes and grants.

R. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pension, and pension expense, information about the fiduciary net position of the City of Austell Retirement Plan (ARP) and additions to / deductions from ARP's fiduciary net position, all have been determined on the same basis as they are reported in the ARP. For this purpose, benefit payments (including refunds of employee contributions, if applicable) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

(See Independent Auditor's Report)

CITY OF AUSTELL, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

2. LEGAL COMPLIANCE - BUDGETS

The City of Austell, Georgia employs the following procedures in establishing its annual budget:

1. The administration of the City submits a proposed operating budget to the Mayor and City Council. The operating budget includes proposed expenditures and the means for financing them.
2. Prior to any action by the Mayor and City Council, the City publishes the proposed budget and makes copies available to the residents of the City.
3. Public meetings are held to obtain taxpayer comments.
4. The budget is then legally enacted through passage of a resolution by the Mayor and City council.
5. Budgetary control is exercised at the department level. The City administration is authorized to transfer budget amounts within a department; any revisions that alter the total expenditures of a department require a budget amendment by the Mayor and City Council. The City did not significantly amend the budgets for any of its funds during the fiscal year ended June 30, 2015. The City did not adopt or amend an annual budget for the Public Assistance Grant Special Revenue Fund since there was no anticipated or actual activity for the current fiscal year.
6. Budgets are prepared on the GAAP basis.

The following funds and General Fund departments had excesses of actual expenditures over appropriations for the fiscal year ended June 30, 2015:

General Fund -	
General Government -	
General administrative	\$ 40,117
Municipal Court	1,324
Public Safety -	
Police administrative	46,781
Culture and recreation -	
Special activities	19,369
Other Financing Uses -	
Transfers	374,289
Multiple Grants Fund -	
Culture and recreation	41,406
Transfers	34,554
Confiscated Assets Fund -	
Public safety	9,336
Public Assistance Grant -	
Public works	34,927

These over expenditures were funded by greater than anticipated revenues and by available fund balance.

(See Independent Auditor's Report)

CITY OF AUSTELL, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

3. DEPOSITS

Total reported cash and cash equivalents as of June 30, 2015 are summarized as follows:

<u>Cash and cash equivalents</u>	<u>Amount</u>
Cash and Cash Equivalents	\$4,671,461
Certificates of Deposit	<u>1,470,000</u>
	<u>\$6,141,461</u>

Interest rate risk – The City has a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Custodial Credit Risk – Deposits: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes and City policy require all deposits and investments (other than Federal or State government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of June 30, 2015, \$5,802,378 of the City’s bank balance of \$6,302,378 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ -
Collateralized with securities held by the pledging financial institution or its agent	<u>5,802,378</u>
Total	<u>\$ 5,802,378</u>

4. RECEIVABLES

Property taxes are levied on property values assessed as of January 1. The tax bills are levied on July 1. Tax billings are mailed in the month of November and considered due upon receipt by the taxpayer, however, the actual due date is December 31st. After this date, the bill becomes delinquent and penalties and interest may be assessed by the City. Property taxes are recorded as receivables and deferred inflows of resources when levied. Revenues are recognized when available.

For the City’s Stormwater Enterprise Fund, residential stormwater fees are billed annually on the same date as the property tax bill as noted above and is attached to the property tax bill.

(See Independent Auditor’s Report)

CITY OF AUSTELL, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

4. RECEIVABLES – (Continued)

Receivables at June 30, 2015, for the City’s individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	2011 Cobb County SPLOST Fund	Multiple Grants Fund	Other Nonmajor Funds
Receivables				
Taxes	\$ 208,440	\$ -	\$ -	\$ 436
Accounts	10,687	-	-	20,345
Due from other governments	-	235,520	130,307	-
Other	3,265	-	-	-
Gross Receivables	222,392	235,520	130,307	20,781
Less: Allowance for Uncollectibles	(43,833)	-	-	-
Net Total Receivables	<u>\$ 178,559</u>	<u>\$ 235,520</u>	<u>\$ 130,307</u>	<u>\$ 20,781</u>
Proprietary Funds				
	Threadmill Complex	Water and Sewer	Stormwater Management	Solid Waste
Accounts	\$ 4,003	\$ 553,402	\$ 434,582	\$ 47,524
Intergovernmental	-	-	-	-
Gross Receivable	4,003	553,402	434,582	47,524
Less: Allowance for Uncollectibles	(1,000)	(250,000)	-	(16,000)
Net Total Receivable	<u>\$ 3,003</u>	<u>\$ 303,402</u>	<u>\$ 434,582</u>	<u>\$ 31,524</u>

(See Independent Auditor’s Report)

5. PROPERTY, PLANT AND EQUIPMENT

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 1,983,611	\$ -	\$ -	\$ 1,983,611
Construction in progress	46,089	43,203	(28,542)	60,750
Total	<u>2,029,700</u>	<u>43,203</u>	<u>(28,542)</u>	<u>2,044,361</u>
Capital assets being depreciated:				
Buildings and improvements	5,871,120	118,459	-	5,989,579
Infrastructure	3,877,577	469,010	(287,653)	4,058,934
Furniture and fixtures	60,991	-	-	60,991
Machinery and equipment	1,489,324	290,773	-	1,780,097
Computer equipment	137,719	3,788	-	141,507
Vehicles	2,887,697	-	(68,647)	2,819,050
Total capital assets being depreciated	<u>14,324,428</u>	<u>882,030</u>	<u>(356,300)</u>	<u>14,850,158</u>
Less accumulated depreciation for:				
Buildings and improvements	2,788,930	104,000	-	2,892,930
Infrastructure	442,276	156,843	-	599,119
Furniture and fixtures	52,735	5,575	-	58,310
Machinery and equipment	1,047,505	187,056	-	1,234,561
Computer equipment	121,807	4,511	-	126,318
Vehicles	2,027,713	212,898	(68,647)	2,171,964
Total accumulated depreciation	<u>6,480,966</u>	<u>670,883</u>	<u>(68,647)</u>	<u>7,083,202</u>
Total capital assets being depreciated, net	<u>7,843,462</u>	<u>211,147</u>	<u>(287,653)</u>	<u>7,766,956</u>
Governmental capital assets, net	<u>\$ 9,873,162</u>	<u>\$ 254,350</u>	<u>\$ (316,195)</u>	<u>\$ 9,811,317</u>

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

General Government	\$ 60,642
Public Safety	213,142
Public Works	220,461
Culture and recreation	<u>176,638</u>
Total depreciation expense	<u>\$ 670,883</u>

(See Independent Auditor's Report)

CITY OF AUSTELL, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

5. PROPERTY, PLANT AND EQUIPMENT – (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities				
Capital assets, not being depreciated:				
Land	\$ 545,640	\$ -	\$ -	\$ 545,640
Construction in progress	-	24,327	-	24,327
Total	<u>545,640</u>	<u>24,327</u>	<u>-</u>	<u>569,967</u>
Capital assets being depreciated:				
Infrastructure	6,384,790	305,202	-	6,689,992
Buildings and improvements	8,223,268	-	-	8,223,268
Machinery and equipment	398,297	29,768	-	428,065
Vehicles	348,879	-	(15,832)	333,047
Computer equipment	23,528	8,257	-	31,785
Total capital assets being depreciated	<u>15,378,762</u>	<u>343,227</u>	<u>(15,832)</u>	<u>15,706,157</u>
Less accumulated depreciation for:				
Infrastructure	3,352,405	152,679	-	3,505,084
Buildings and improvements	3,605,913	304,475	-	3,910,388
Machinery and equipment	334,686	9,474	-	344,160
Vehicles	348,879	-	(15,832)	333,047
Computer equipment	14,647	4,807	-	19,454
Total capital assets being depreciated	<u>7,656,530</u>	<u>471,435</u>	<u>(15,832)</u>	<u>8,112,133</u>
Total capital assets being depreciated, net	<u>7,722,232</u>	<u>(128,208)</u>	<u>-</u>	<u>7,594,024</u>
Business-Type Activities capital assets, net	<u>\$ 8,267,872</u>	<u>\$ (103,881)</u>	<u>\$ -</u>	<u>\$ 8,163,991</u>

Depreciation expense was charged to functions/programs as follows:

Threadmill complex	\$ 296,578
Water and sewer	77,457
Stormwater	<u>97,400</u>
Total depreciation expense	<u>\$ 471,435</u>

(See Independent Auditor's Report)

CITY OF AUSTELL, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

5. PROPERTY, PLANT AND EQUIPMENT – (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Austell Natural Gas System				
Capital assets, not being depreciated:				
Land	\$ 422,163	\$ 300	\$ -	\$ 422,463
Construction in progress	30,360	268,635	(19,820)	279,175
Total	<u>452,523</u>	<u>268,935</u>	<u>(19,820)</u>	<u>701,638</u>
Capital assets being depreciated:				
Infrastructure	74,443,466	3,599,428	(381,029)	77,661,865
Furniture, fixtures, and equipment	2,650,189	487,148	(381,283)	2,756,054
Vehicles	1,174,875	184,838	(177,595)	1,182,118
Total capital assets being depreciated	<u>78,268,530</u>	<u>4,271,414</u>	<u>(939,907)</u>	<u>81,600,037</u>
Less accumulated depreciation:	<u>58,907,389</u>	<u>3,023,217</u>	<u>(405,468)</u>	<u>61,525,138</u>
Total capital assets being depreciated, net	<u>19,361,141</u>	<u>1,248,197</u>	<u>(534,439)</u>	<u>20,074,899</u>
Austell Natural Gas System capital assets, net	<u>\$ 19,813,664</u>	<u>\$ 1,517,132</u>	<u>\$ (554,259)</u>	<u>\$ 20,776,537</u>

Depreciation of the original cost of depreciable assets is calculated using the composite straight-line method at the following rates:

Gas utility system	3.25%
Furniture, fixtures, and equipment	10.00
Electronic data procession equipment	16.67
Transportation vehicles	25.00

This composite method of depreciation as allowed by GASB No. 34 refers to the depreciation of a grouping of dissimilar assets of the same class using a uniform rate of depreciation as noted above. GASB 34 allows the rate of depreciation to be calculated in different ways. The method chosen by the Gas System is to base the rate of depreciation on its assessment of the life of the group of assets as a whole.

(See Independent Auditor's Report)

CITY OF AUSTELL, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

6. OPERATING LEASES

The City is the lessor of office space at the Threadmill Complex. During fiscal year 2015, the City received \$1,234,876 in operating lease revenue. The carrying value of the building and improvements of \$4,831,692 (cost of \$8,892,492 less accumulated depreciation of \$4,060,800, which includes \$287,831 depreciation expense in fiscal year 2015) is included in capital assets in the Threadmill Complex Fund. Most leases are year-to-year and expire at various times throughout the year. However, there are three (3) leases with terms extending beyond the end of the next fiscal year.

Lease revenues from these tenants in future fiscal years are as follows:

<u>Fiscal year ending</u>	<u>Total Revenues</u>
2016	769,283
2017	773,507
2018	780,000
2019	588,000
2020	12,000
2021-2025	60,000
2026-2028	33,000

7. LONG-TERM DEBT

Changes in Long-Term Debt

The following is a summary of changes in long-term liabilities reported in the government-wide financial statements for the year ended June 30, 2015:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Current Portion</u>
Governmental Activities					
Capital leases	\$ 516,669	\$ -	\$ (314,452)	\$ 202,217	\$ 202,217
Compensated Absences	111,212	117,251	(102,273)	126,190	31,548
Net pension liability	<u>1,211,703</u>	<u>-</u>	<u>(537,346)</u>	<u>674,357</u>	<u>-</u>
Total Governmental-Type Activity Long-Term Debt	<u>\$ 1,839,584</u>	<u>\$ 117,251</u>	<u>\$ (416,725)</u>	<u>\$ 1,002,764</u>	<u>\$ 233,765</u>
Business-Type Activities					
Compensated Absences	\$ 44,758	\$ 42,869	\$ (38,830)	\$ 48,797	\$ 33,701
Net pension liability	<u>304,822</u>	<u>-</u>	<u>(135,181)</u>	<u>169,641</u>	<u>-</u>
Total Business-Type Activity Long-Term Debt	<u>\$ 349,580</u>	<u>\$ 42,869</u>	<u>\$ (174,011)</u>	<u>\$ 218,438</u>	<u>\$ 33,701</u>

For governmental funds, compensated absences are liquidated by the General Fund from which employees' salaries are paid. For business-type activities, compensated absences are liquidated by the Threadmill Complex Fund, the Water and Sewer Fund, the Stormwater Fund, and the Solid Waste Fund from which employees' salaries are paid.

(See Independent Auditor's Report)

CITY OF AUSTELL, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

7. LONG-TERM DEBT – (Continued)

Capital Leases. The City has entered into lease agreements as lessee for financing the acquisition of various public safety and public works vehicles. The lease agreements qualify as capital leases for accounting purposes (titles transfer at the end of the lease terms) and, therefore, have been recorded at the present values of the future minimum lease payments as of the date of their inceptions. As of June 30, 2015, the City had assets with a net book value of \$407,326 (asset value of \$777,482 less accumulated depreciation of \$370,156). Annual depreciation (\$114,948) of these assets under capital leases is included in depreciation expense.

The City’s total capital lease debt service requirements to maturity are as follows:

Fiscal Year Ending June 30, 2016	<u>207,763</u>
Total minimum lease payments	207,763
Less amount representing interest	<u>5,546</u>
Total value of capital leases payable at fiscal year-end	<u>\$ 202,217</u>

Austell Natural Gas System

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Current Portion</u>
Austell Natural Gas System					
Revenue bonds	\$ 3,325,000	\$ -	\$(3,325,000)	\$ -	\$ -
Net pension liability	2,566,147	3,148,967	(2,775,235)	2,939,879	-
Net OPEB obligation	147,037	56,227	(24,960)	178,304	-
Compensated absences	<u>406,359</u>	<u>374,461</u>	<u>(377,713)</u>	<u>403,107</u>	<u>403,107</u>
Total Governmental-Type Activity Long-Term Debt	<u>\$ 6,444,543</u>	<u>\$ 3,579,655</u>	<u>\$(6,502,908)</u>	<u>\$ 3,521,290</u>	<u>\$ 403,107</u>

(See Independent Auditor’s Report)

CITY OF AUSTELL, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

8. INTER-FUND TRANSACTIONS

The composition of interfund receivable and payable balances at June 30, 2015 were as follows:

Payable To	Payable From							Total
	General	Nonmajor Funds	Water & Sewer Fund	Austell Area Community Council Fund	Threadmill Complex Fund	Cobb County SPLOST Fund	Multiple Grants Fund	
General	\$ -	\$ 53,075	\$ -	\$ 416,975	\$ -	\$ 412,875	\$ -	\$ 882,925
Nonmajor	2,644	-	-	-	-	-	-	2,644
Austell Area								
Community Council	-	-	-	-	152,976	-	-	152,976
Multiple Grants Fund	76,490	-	-	-	-	-	-	76,490
Threadmill Complex	-	-	-	-	-	2,724	-	2,724
Cobb County SPLOST	-	16,145	12,676	-	-	-	220,183	249,004
Total	\$ 79,134	\$ 69,220	\$ 12,676	\$ 416,975	\$ 152,976	\$ 415,599	\$ 220,183	\$ 1,366,763

All interfund balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. Note that the \$249,004 interfund payable to the 2011 Cobb County SPLOST Fund from the various funds is a result of the SPLOST Fund paying for eligible expenses under the SPLOST referendum that will be reimbursed in part by other funds.

Advances from/to other funds are as follows:

Payable To	Payable From
Austell Area Community Council	Threadmill Coimplex Fund
	\$ 3,672,000

(See Independent Auditor's Report)

CITY OF AUSTELL, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

8. INTER-FUND TRANSACTIONS – (Continued)

During fiscal year 2013, the City authorized an interfund agreement between the Austell Area Community Council Fund (AACC) and its Threadmill Complex Fund in which the AACC Fund advanced \$4,590,000 to the Threadmill Complex Fund in order to pay off its outstanding revenue bonds. The Threadmill Complex Fund began repaying the balance (plus interest) over nine (9) years commencing on September 1, 2013 and ending on September 1, 2022. Interest rates range from 3% to 4%. As of June 30, 2015, \$459,000 (which represents principal due on September 1, 2015) has been re-classed as a current liability.

Due to/from primary government and component units:

Payable To	Payable From
	Austell Natural Gas System
General	\$ 4,014,526

At June 30, 2015, Austell Natural Gas System owed the primary government \$4,014,526. However, the Gas System reported a payable of \$4,182,817. The difference is a result of the Gas System’s fiscal year-end being July 31, 2015 and reporting \$168,291 fees due to the primary government.

Interfund transfers for the year ended June 30, 2015 were as follow:

Transfer To	Transfer From				Total
	General	Threadmill	Stormwater	Multiple Grants	
General	\$ -	\$ -	\$ 138,234	\$ 34,554	\$ 172,788
Nonmajor	519,526	-	-	-	519,526
Threadmill	289,764	-	-	-	289,764
Stormwater	-	-	-	-	-
Solid waste	94,518	-	-	-	94,518
Water and Sewer	127,868	112,721	-	-	240,589
Multiple grants	-	-	-	-	-
Total	\$ 1,031,676	\$ 112,721	\$ 138,234	\$ 34,554	\$ 1,317,185

Transfer are used to (1) move revenues from the fund that statute or budget requires collecting them to the fund that statute or budget requires to expend them, (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, and (3) use unrestricted revenues of the General Fund to cover the operational shortfalls of the other funds.

In the Statement of Changes in Activities, additional transfers were recognized in the amount of \$233,460 and \$29,860 from the 2011 SPLOST Fund and Multiple Grants Fund, respectively, to the Stormwater Fund for stormwater improvements financed with SPLOST and grant resources. Additionally, a transfer of \$24,327 was recognized in the Statement of Activities as a result of the 2011 SPLOST Fund financing of a waterline to the Threadmill Complex and recognized as an improvement in the Treadmill Complex Fund. This increased the total transfers in the Statement of Activities to \$661,569. These transactions were recognized as capital outlay expenditures in the governmental funds and as capital contributions in the proprietary funds.

(See Independent Auditor’s Report)

CITY OF AUSTELL, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

9. EMPLOYEE BENEFIT PLANS

Defined Benefit Plan – GMA Administered

Plan Description

The City, as authorized by the City Council, has established a defined benefit pension plan (The City of Austell Retirement Plan) covering all full-time employees. The City’s pension plan is affiliated with the Georgia Municipal Employee Benefit System (GMEBS), an agent multiple-employer pension plan administered by the Georgia Municipal Association. Contributions made by the City are commingled with contributions made by other members of GMEBS for investment purposes. The City does not own any securities on its own. Investment income from the securities is allocated on a pro rata basis. The Georgia Municipal Association issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS. That report may be obtained by writing to Georgia Municipal Association, Risk Management and Employee Benefit Services, 201 Pryor Street, NW, Atlanta, Georgia 30303 or by calling (404) 688-0472.

As provided by State law, benefit provisions for Participants in GMEBS are established and amended by the respective employers. As authorized by the City Council, the Plan provides pension benefits and death and disability benefits for Plan members and beneficiaries. All employees, excluding elected officials, who work thirty hours or more per week, are eligible to participate immediately upon hiring. Benefits vest after five years of service. A City employee who retires at age 65 with five years of service is entitled to benefits of 2.25% of final average earnings in excess of covered compensation. An employee may elect early retirement at age 55 provided he or she has a minimum of 25 years total credited service to receive full benefits, otherwise early retirement may be elected after only 10 years of service for reduced benefits. Elected officials are entitled to \$41 for each year of service after reaching normal retirement age. Ten years of service is required for nonservice related disability benefits. Disability benefits are paid out at 20% of an employee’s current salary. Death benefits are calculated using an actuarial reserve.

At January 1, 2015, the date of the most recent actuarial valuation, there were 151 participants consisting of the following:

Retirees and beneficiaries currently receiving benefits	35
Terminated vested participants not yet receiving benefits	32
Active employees - vested	67
Active employees - nonvested	<u>17</u>
 Total	 <u>151</u>

Contributions

The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standard law. The Board of Trustees of GMEBS has adopted a recommended actuarial funding policy for the Plan which meets State minimum requirements and will accumulate sufficient funds to provide the benefits under the Plan. The funding policy for the Plan is to contribute an amount equal to or greater than the recommended contribution described below. For fiscal year 2015, the actuarially determined contribution rate was 8.55% of covered payroll.

For fiscal year ended June 30, 2015, the City’s recommended and actual contribution was \$297,299 which was actuarially determined and is expected to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The amount of employer contributions recognized in the actuarial report dated January 1, 2015 and included in the government-wide statement of activities amounted to \$180,414.

(See Independent Auditor’s Report)

CITY OF AUSTELL, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

9. EMPLOYEE BENEFIT PLANS – (Continued)

Defined Benefit Plan – GMA Administered, continued

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

At June 30, 2015, the City reported a liability of \$843,998 for its net pension liability. The net pension liability was measured as of September 30, 2014 and was determined by an actuarial valuation as of January 1, 2015. The changes in the Net Pension Liability for the year ended September 30, 2014 (the measurement date) were as follows:

	Total Pension Liability	Fiduciary Net Position	Net Pension Liability
Balances at September 30, 2013	\$ 8,637,986	\$7,121,461	\$ 1,516,525
Changes for the year-			
Service cost	186,539	-	186,539
Interest	661,660	-	661,660
Differences between expected and actual experience	(119,799)	-	(119,799)
Contributions - Employer	-	345,081	(345,081)
Net investment income	-	817,473	(817,473)
Benefit payments, including refunds of employee contributions	(200,875)	(200,875)	-
Administrative expense	-	(16,055)	16,055
Other	(254,428)	-	(254,428)
Net Changes	<u>273,097</u>	<u>945,624</u>	<u>(672,527)</u>
Balance at September 30, 2014	<u>\$ 8,911,083</u>	<u>\$8,067,085</u>	<u>\$ 843,998</u>

Effective January 1, 2015, the Plan was amended to provide for immediate participation for Employees. This change has no impact on service credited under the Plan and has no impact on benefits. As a result of this change, all Employees are now included in the valuation. This change has minimal impact on the Plan's liability.

(See Independent Auditor's Report)

CITY OF AUSTELL, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

9. EMPLOYEE BENEFIT PLANS – (Continued)

Defined Benefit Plan – GMA Administered, continued

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

For the year ended June 30, 2015, the City recognized pension expense and deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Service cost	\$ 186,539
Interest on The Pension Liability (TPL)	661,660
Administrative expenses	16,055
Expected return on assets	(556,879)
Deferred Inflows -	
Expensed portion of current year period differences between expected and actual experience in TPL	(23,959)
Expensed portion of current year period assumption changes	(50,884)
Expensed portion of current year period differences between projected and actual investment earnings	<u>(52,118)</u>
 Total expense	 <u>\$ 180,414</u>

\$222,974 reported as deferred outflows of resources related to pensions resulting from the City's contributions made subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

F/Y/E June 30,	<u>Deferred Inflows</u>
2016	\$ (126,965)
2017	(126,965)
2018	(126,965)
2019	<u>(126,965)</u>
	 <u>\$ (507,860)</u>

Outstanding balances of deferred outflows/inflows of resources related to pensions as of June 30, 2015 are as follows:

	<u>Outflows</u>	<u>Inflows</u>
Contributions subsequent to the measurement date	\$ 222,975	\$ -
Demographic	-	95,840
Investment	-	208,476
Assumption change	<u>-</u>	<u>203,544</u>
 Total	 <u>\$ 222,975</u>	 <u>\$ 507,860</u>

(See Independent Auditor's Report)

CITY OF AUSTELL, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

9. EMPLOYEE BENEFIT PLANS – (Continued)

Defined Benefit Plan – GMA Administered, continued

Actuarial Assumptions

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

Actuarial Assumptions:

Net Investment Rate of Return	7.75%
Projected Salary Increases	3.25% plus service based merit increases
Cost of Living Adjustments	3.25%
Mortality Rates -	
Healthy	RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forward 2 years for males and 1 year for females
Disabled	RP-2000 Disabled Retiree Mortality Table - unisex rates
Plan Termination Basis	1994 Group Annuity Reserving Unisex Table

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Long-Term Nominal Real Rate of Return</u>
Domestic equity	50.00%	5.95%	9.20%
International equity	15.00%	6.45%	9.70%
Fixed income	25.00%	1.55%	4.80%
Real estate	10.00%	3.75%	7.00%
Cash	0.00%		
Total	100.00%		

(See Independent Auditor's Report)

CITY OF AUSTELL, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

9. EMPLOYEE BENEFIT PLANS – (Continued)

Defined Benefit Plan – GMA Administered, continued

Discount Rate

The discount rate used to measure the total pension liability was 7.75 percent. The projection of cash flows used to determine the discount rate assumed that contributions from the City will be made at the actuarially determined contribution rate. Based on those assumptions, the pension plan’s fiduciary net position 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 pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

	1% Decrease <u>(6.75%)</u>	Current Rate <u>(7.75%)</u>	1% Increase <u>(8.75%)</u>
Net Pension Liability	\$ 2,208,704	\$ 843,998	\$ (276,479)

Pension Plan Net Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued City of Austell Retirement Plan financial report.

10. DEFERRED COMPENSATION PLAN

The City of Austell, Georgia offers its employees an Internal Revenue Code Section 457 Plan (the “Plan”) which is a deferred compensation plan that qualifies as a defined contribution pension plan. The Plan is administered by a third party administrator, The Hartford. The City has no fiduciary relationship with the Trust. Accordingly, the Plan assets are not reported in the City’s financial statements. Plan provisions and contribution requirements are established and may be amended by the City’s Mayor and Council. At June 30, 2015, there were 22 plan members in the plan.

Employees are not required to contribute to the Plan. Employees may contribute a portion of their gross salary, not to exceed the IRS guidelines, into the Plans. The Plan allows employees to increase, decrease, stop and restart deferrals as often as they wish without penalties or fees. Total employee contributions for the fiscal year ended June 30, 2015 were \$89,752.

(See Independent Auditor’s Report)

CITY OF AUSTELL, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

11. JOINT VENTURE

Under Georgia law, the City, in conjunction with other cities and counties in the Atlanta, Georgia area, is a member of the Atlanta Regional Commission (ARC). Dues to the ARC are assessed at the County level and are, accordingly, paid by Cobb County. Membership in the ARC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the ARC in Georgia. The ARC Board membership includes the chief elected official of each county and various municipalities of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of the ARC. Separate financial statements may be obtained from ARC, 40 Courtland Street, NE, Atlanta, Georgia 30303.

12. RISK MANAGEMENT

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

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

The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the workers' compensation law of Georgia. The funds are to pay all cost taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgement, and all expenses incurred for investigation, negotiation or defense.

Settled claims have not exceeded the coverages in the past three (3) fiscal years.

The City carries commercial insurance for other risks of losses. For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage in the past three (3) fiscal years.

13. COMMITMENTS AND CONTINGENCIES

Litigation:

The City is a defendant in certain legal actions in the nature of claims for alleged damages to persons and property and other similar types of actions rising in the course of City operations. Liability, if any, which might result from these proceedings, would not, in the opinion of management and legal counsel, have a material adverse effect on the financial position of the City.

Grant Contingencies:

The City has received Federal and State Grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to the disallowance of certain expenditures previously reimbursed by those agencies. Based upon prior experience, management of the City believes such disallowances, if any, will not be significant.

(See Independent Auditor's Report)

CITY OF AUSTELL, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

13. COMMITMENTS AND CONTINGENCIES, (Continued)

Stormwater Fees:

The City is currently in negotiations with a private corporation regarding the propriety of charging the Company stormwater fees. The Company maintains that they have a federal license to maintain their own stormwater run-off system and that the City does not participate in any activity related to the Company's system and therefore the Company should not be charged a fee. Unpaid stormwater fees assessed to the Company for the calendar years 2013 and 2014 have amounted to \$176,900 and are reported in the City's Stormwater Fund Balance Sheet. It is unknown as to the outcome of these negotiations. No provision has been recorded in these financial statements for any reduction in the fees that may or may not occur.

14. HOTEL/MOTEL LODGING TAX

The City imposes a hotel/motel tax on lodging facilities within the City. The tax was assessed at 8%. Revenues were \$2,848 for the fiscal year ended June 30, 2015. Of this amount, 62.5%, or \$1,780, was remitted to the Cobb-Marietta Coliseum and Exhibit Hall Authority as is contractually obligated. The receipts from the City, less 37.5% are pledged as a revenue source for debt service requirements of the Authority. Of the amount remitted to the Authority, the City will obtain a reimbursement of 40%

The City expended \$4,448, including the amount remitted to the Cobb-Marietta Coliseum and Exhibit Hall Authority, during the current fiscal year to promote tourism as required by O.C.G.A. 48-13-51.

15. RESTATEMENT OF NET POSITION AND FUND BALANCE

Implementation of GASB NO. 68

The City implemented the requirements of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, for the City of Austell Retirement Plan (ARP). This Statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expenses/expenditures. For defined benefit pensions, this Statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. This Statement also requires enhanced note disclosures and schedules of required supplementary information that will be presented by pension plans that are within its scope.

The implementation of GASB Statement No. 68 had the following effect:

	Governmental Activities	Business-type Activities	Threadmill Complex	Water & Sewer	Stormwater
Net position, June 30, 2014	\$ 22,440,814	\$ 5,012,969	\$ 919,694	\$ 696,721	\$ 3,381,124
Recognition of pension related:					
Deferred outflows	216,334	54,422	13,538	35,740	5,144
Net pension liability	<u>(1,211,702)</u>	<u>(304,821)</u>	<u>(75,825)</u>	<u>(200,182)</u>	<u>(28,814)</u>
Restated net position, June 30, 2014	<u>\$ 21,445,446</u>	<u>\$ 4,762,570</u>	<u>\$ 857,407</u>	<u>\$ 532,279</u>	<u>\$ 3,357,454</u>

(See Independent Auditor's Report)

CITY OF AUSTELL, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

15. RESTATEMENT OF NET POSITION AND FUND BALANCE, Continued

Allocation of SPLOST Funds

Prior to July 1, 2014 the City had been accounting for and reporting for the 2005 and the 2011 Cobb County Special Purpose Local Option Sales Tax (SPLOST) proceeds and expenditures in one fund. Each SPLOST referendum requires the City to properly account for the proceeds from each SPLOST series by setting up its own set of books and reporting each SPLOST series separately. Therefore, the City restated its Cobb County SPLOST Fund into two separate accounts as follows:

	Cobb County SPLOST Fund	2005 Cobb Co. SPLOST Fund	2011 Cobb Co. SPLOST Fund
Fund balance, June 30, 2014	\$ 1,955,897	\$ -	\$ -
To allocate fund balance to the appropriate SPLOST Fund	<u>(1,955,897)</u>	<u>1,249,884</u>	<u>706,013</u>
Restated fund balance, June 30, 2014	<u>\$ -</u>	<u>\$ 1,249,884</u>	<u>\$ 706,013</u>

16. OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES

General accepted accounting principles require disclosures, as a part of the basic financial statements – overview, of certain information concerning individual funds including –

A. Deficit fund balances or net position balances of individual funds – As of June 30, 2015, the Multiple Grant Fund had a negative fund balance of \$115,818 and the Cobb County 2016 SPLOST Fund had a negative fund balance of \$16,145. Management expects the deficits to be funded through future revenues and transfers from the General Fund, if necessary.

B. Excess expenditures over budget – Several of the City’s funds had excesses of expenditures over appropriations at the department level (the legal level of control) as reported in Note 2 to these financial statements.

(See Independent Auditor’s Report)

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CITY OF AUSTELL, GEORGIA
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
 LAST 10 FISCAL YEARS

	Fiscal Year End									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Total Pension Liability										
Service cost	\$ 186,539									
Interest	661,660									
Differences between expected and actual experience	(119,799)									
Changes of assumptions	(254,428)									
Benefit payments	<u>(200,875)</u>									
Net changes in total pension liability	273,097									
Total pension liability - beginning	8,637,986									
Total pension liability - ending	<u>\$ 8,911,083</u>									
										(Historical information prior to implementation of GASB 67/68 is not required)
Plan Fiduciary Net Position										
Contributions - employer	\$ 345,081									
Net investment income	817,473									
Benefit payments	(200,875)									
Administrative expense	(16,055)									
Other	-									
Net change in fiduciary net position	945,624									
Plan fiduciary net position - beginning	7,121,461									
Plan fiduciary net position - ending	<u>\$ 8,067,085</u>									
										(Historical information prior to implementation of GASB 67/68 is not required)
Net Pension Liability										
Net pension liability	\$ 843,998									
Plan's fiduciary net position as a percentage of the total pension liability	90.53%									
Covered-employee payroll	\$ 3,336,441									
Net pension liability as a percentage of covered payroll	25.30%									
										(Historical information prior to implementation of GASB 67/68 is not required)

CITY OF AUSTELL, GEORGIA
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CONTRIBUTIONS
 LAST 10 FISCAL YEARS

	Fiscal Year End									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Actuarially determined contributions	297,299									
Contributions in relation to the actuarially determined contribution	(297,299)									
Contribution deficiency (excess)	-									
Covered-employee payroll	3,418,357									
Contributions as a percentage of covered-employee payroll	8.55%									

(Historical information prior to implementation of GASB 67/68 is not required)

CITY OF AUSTELL, GEORGIA
NOTES TO REQUIRED SUPPLEMENTARY PENSION INFORMATION
FOR THE YEAR ENDED JUNE 30, 2015

Note 1

Significant methods and assumptions used in calculating the actuarially determined calculations are as follow:

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	N/A
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 end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value.

Actuarial Assumptions:

Net Investment Rate of Return	7.75%
Projected Salary Increases	3.25% plus service based merit increases
Cost of Living Adjustments	3.25%
Mortality Rates -	
Healthy	RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forward 2 years for males and 1 year for females
Disabled	RP-2000 Disabled Retiree Mortality Table - unisex rates
Plan Termination Basis	1994 Group Annuity Reserving Unisex Table

No significant factors changed that significantly affected trends in the amounts reported such as changes in benefit terms, the size or composition of the population covered by the benefit terms, or assumptions used.

STATE OF CALIFORNIA
DEPARTMENT OF REVENUE
SCHEDULE OF REVENUES

The following schedule of revenues is based on the information provided by the various departments and agencies of the State of California. It is intended to provide a general overview of the State's revenue sources and is not intended to be a comprehensive list of all revenues. The actual revenues received by the State may vary from those shown in this schedule due to changes in the economy, changes in the law, and other factors.

**COMBINING AND INDIVIDUAL
FUND STATEMENTS
AND SCHEDULES**

This section contains the combining and individual fund statements and schedules. It provides a detailed breakdown of the State's revenues by fund and schedule. The combining fund statements show the total revenues for each fund, while the individual fund statements show the revenues for each individual fund. The schedules provide a further breakdown of the revenues for each fund into different categories.

CITY OF AUSTELL, GEORGIA

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt services or capital projects.

Confiscated Assets Fund – To account for the City’s share of excess funds received from confiscated capital and equipment. Georgia law allows police agencies to file for seizure of property related to illegal substances or activities. These funds must be used to purchase police equipment.

Emergency Telephone System Fund – Established in compliance with State Law to account for the receipt of the “911” Emergency Telephone System charges by communication firms. This revenue is used to offset the costs of operating the “911” system.

Public Assistance Grant Fund – To account for restricted grant monies received from various Federal and State agencies as a result of substantial flood damage to the City.

Hotel/Motel Tax Fund – Established to account for the collection of an 8% excise tax on charges for hotel/motel accommodations in the City. This levy is required by State law to promote tourism, conventions, trade shows, and other related purposes. 62.5% is remitted to the Cobb-Marietta Coliseum and Exhibit Hall Authority as is contractually obligated. The receipts from the City, less 37.5% are pledged as a revenue source for the debt service requirements of the Authority. Of the amount remitted to the Authority, the City will obtain a reimbursement of 40%.

CAPITAL PROJECTS FUNDS

The Capital Projects Funds are used to account for financial resources restricted, committed, or assigned to expenditure for the acquisition or construction of capital assets.

Douglas County SPLOST Fund – To account for the acquisition and construction of major park improvements that were approved by the voters of Douglas County, Georgia through the special purpose local option tax referendum.

Cobb County 2016 SPLOST Fund – To account for the acquisition and construction of major improvements and equipment purchases that were approved by the voters of Cobb County, Georgia through the special purpose local option tax referendum.

STATE OF TEXAS
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**CITY OF AUSTELL, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2015**

	Special Revenue Funds			
	Confiscated Asset Fund	Emergency Telephone System Fund	Public Assistance Grant Fund	Hotel / Motel Tax Fund
Assets				
Cash	\$ 58,368	\$ 275,049	\$ -	\$ 197
Investments	-	-	-	-
Receivables -				
Taxes	-	-	-	436
Accounts	-	20,345	-	-
Due from other governments	-	-	-	-
Due from other funds	-	-	-	2,644
Prepaid items	-	41,864	-	-
Total assets	<u>58,368</u>	<u>337,258</u>	<u>-</u>	<u>3,277</u>
Liabilities and Fund Balances				
Liabilities				
Accounts payable	-	-	-	-
Accrued liabilities	-	5,293	-	-
Due to other governments	-	-	-	-
Due to other funds	36,406	16,669	-	-
Due to others	-	-	-	-
Unearned revenues	4,559	-	-	-
Total liabilities	<u>40,965</u>	<u>21,962</u>	<u>-</u>	<u>-</u>
Fund balances				
Nonspendable -				
Prepaid items	-	41,864	-	-
Restricted -				
Capital projects	-	-	-	-
Law enforcement activities	17,403	-	-	-
Public safety activities	-	273,432	-	-
Tourism and economic development	-	-	-	3,277
Unreserved	-	-	-	-
Total fund balances	<u>17,403</u>	<u>315,296</u>	<u>-</u>	<u>3,277</u>
Total liabilities and fund balances	<u>\$ 58,368</u>	<u>\$ 337,258</u>	<u>\$ -</u>	<u>\$ 3,277</u>

Capital Projects Fund		
Douglas County SPLOST Fund	Cobb County 2016 SPLOST Fund	Total Nonmajor Governmental Funds
\$ 5,132	\$ -	\$ 338,746
-	-	-
-	-	436
-	-	20,345
-	-	-
-	-	2,644
-	-	41,864
<u>5,132</u>	<u>-</u>	<u>404,035</u>
-	-	-
-	-	5,293
-	-	-
-	16,145	69,220
-	-	-
-	-	4,559
<u>-</u>	<u>16,145</u>	<u>79,072</u>
-	-	41,864
5,132	-	5,132
-	-	17,403
-	-	273,432
-	-	3,277
-	(16,145)	(16,145)
<u>5,132</u>	<u>(16,145)</u>	<u>324,963</u>
<u>\$ 5,132</u>	<u>\$ -</u>	<u>\$ 404,035</u>

**CITY OF AUSTELL, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2015**

	SPECIAL REVENUE FUND			
	Confiscated Asset Fund	Emergency Telephone System Fund	Public Assistance Grant Fund	Hotel / Motel Tax Fund
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ 2,848
Charges for services	-	132,985	-	-
Fine and forfeitures	17,329	-	-	-
Miscellaneous	900	-	-	845
Total revenues	<u>18,229</u>	<u>132,985</u>	<u>-</u>	<u>3,693</u>
Expenditures:				
Current				
Public safety	9,630	458,277	-	-
Public works	-	-	34,927	-
Tourism and economic development	-	-	-	4,448
Capital outlay				
Administrative	-	-	-	-
Public safety	27,706	-	-	-
Tourism and economic development	-	-	-	-
Total expenditures	<u>37,336</u>	<u>458,277</u>	<u>34,927</u>	<u>4,448</u>
Excess (deficiency) of revenues over expenditures	(19,107)	(325,292)	(34,927)	(755)
Other Financing Sources (Uses):				
Transfers	-	484,599	34,927	-
Net change in fund balances	(19,107)	159,307	-	(755)
Fund balance - beginning of year	<u>36,510</u>	<u>155,989</u>	<u>-</u>	<u>4,032</u>
Fund balance - end of year	<u>\$ 17,403</u>	<u>\$ 315,296</u>	<u>\$ -</u>	<u>\$ 3,277</u>

Capital Projects Fund		
Douglas County SPLOST Fund	Cobb County 2016 SPLOST Fund	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ 2,848
-	-	132,985
-	-	17,329
-	-	1,745
-	-	154,907
-	-	467,907
-	-	34,927
-	-	4,448
-	16,145	16,145
-	-	27,706
-	-	-
-	16,145	551,133
-	(16,145)	(396,226)
-	-	519,526
-	(16,145)	123,300
5,132	-	201,663
<u>\$ 5,132</u>	<u>\$ (16,145)</u>	<u>\$ 324,963</u>

**CITY OF AUSTELL, GEORGIA
CONFISCATED ASSETS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015**

	Budget		Actual	Variance
	Original	Final		
Revenues				
Fines and forfeitures	\$ 28,000	\$ 28,000	\$ 17,329	\$ (10,671)
Miscellaneous revenue	-	-	900	900
Total revenues	<u>28,000</u>	<u>28,000</u>	<u>18,229</u>	<u>(9,771)</u>
Expenditures				
Public safety	28,000	28,000	37,336	(9,336)
Total expenditures	<u>28,000</u>	<u>28,000</u>	<u>37,336</u>	<u>(9,336)</u>
Excess of revenues over (under) expenditures	-	-	(19,107)	(19,107)
Other Financing Sources (Uses)				
Transfers	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	-	(19,107)	(19,107)
Fund balance - beginning of year	36,510	36,510	36,510	-
Fund balance - end of year	<u>\$ 36,510</u>	<u>\$ 36,510</u>	<u>\$ 17,403</u>	<u>\$ (19,107)</u>

CITY OF AUSTELL, GEORGIA
EMERGENCY TELEPHONE SYSTEM FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015

	Budget		Actual	Variance
	Original	Final		
Revenues				
Charges for services	\$ 124,000	\$ 124,000	\$ 132,985	\$ 8,985
Miscellaneous revenue	200	200	-	(200)
Total revenues	<u>124,200</u>	<u>124,200</u>	<u>132,985</u>	<u>8,785</u>
Expenditures				
Public safety	608,799	608,799	458,277	150,522
Total expenditures	<u>608,799</u>	<u>608,799</u>	<u>458,277</u>	<u>150,522</u>
Excess of revenues over (under) expenditures	<u>(484,599)</u>	<u>(484,599)</u>	<u>(325,292)</u>	<u>159,307</u>
Other Financing Sources (Uses)				
Transfers	484,599	484,599	484,599	-
Total other financing sources (uses)	<u>484,599</u>	<u>484,599</u>	<u>484,599</u>	<u>-</u>
Net change in fund balance	-	-	159,307	159,307
Fund balance - beginning of year	<u>155,989</u>	<u>155,989</u>	<u>155,989</u>	<u>-</u>
Fund balance - end of year	<u>\$ 155,989</u>	<u>\$ 155,989</u>	<u>\$ 315,296</u>	<u>\$ 159,307</u>

CITY OF AUSTELL, GEORGIA
HOTEL/MOTEL TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015

	Budget		Actual	Variance
	Original	Final		
Revenues				
Taxes	\$ 3,200	\$ 5,000	\$ 2,848	\$ (2,152)
Miscellaneous revenue	-	-	845	845
Total revenues	<u>3,200</u>	<u>5,000</u>	<u>3,693</u>	<u>(1,307)</u>
Expenditures				
Current				
Tourism and economic development	3,200	5,000	4,448	552
Total expenditures	<u>3,200</u>	<u>5,000</u>	<u>4,448</u>	<u>552</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(755)</u>	<u>(755)</u>
Other Financing Sources (Uses)				
Transfers	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	-	(755)	(755)
Fund balance - beginning of year	4,032	4,032	4,032	-
Fund balance - end of year	<u>\$ 4,032</u>	<u>\$ 4,032</u>	<u>\$ 3,277</u>	<u>\$ (755)</u>

**CITY OF AUSTELL, GEORGIA
PUBLIC ASSISTANCE GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015**

	Budget		Acutal	Variance
	Original	Final		
Revenues				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Miscellaneous revenue	-	-	-	-
Total revenues	-	-	-	-
Expenditures				
Public works	-	-	34,927	(34,927)
Total expenditures	-	-	34,927	(34,927)
Excess of revenues over (under) expenditures	-	-	(34,927)	34,927
Other Financing Sources (Uses)				
Transfers	-	-	34,927	34,927
Total other financing sources (uses)	-	-	34,927	34,927
Net change in fund balance	-	-	-	69,854
Fund balance - beginning of year	-	-	-	-
Fund balance - end of year	\$ -	\$ -	\$ -	\$ 69,854

CITY OF AUSTELL, GEORGIA
AUSTELL AREA COMMUNITY COUNCIL CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015

	Budget		Actual	Variance
	Original	Final		
Revenues				
Interest income	\$ 123,930	\$ 123,930	\$ 116,731	\$ (7,199)
Miscellaneous revenue	-	-	200	200
Total revenues	<u>123,930</u>	<u>123,930</u>	<u>116,931</u>	<u>(6,999)</u>
Expenditures				
General government	89,030	89,030	64,600	24,430
Culture and recreation	-	-	-	-
Public safety	34,900	34,900	34,900	-
Total expenditures	<u>123,930</u>	<u>123,930</u>	<u>99,500</u>	<u>24,430</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>17,431</u>	<u>17,431</u>
Other Financing Sources (Uses)				
Transfers	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	-	17,431	17,431
Fund balance - beginning of year	<u>5,445,243</u>	<u>5,445,243</u>	<u>5,445,243</u>	<u>-</u>
Fund balance - end of year	<u>\$ 5,445,243</u>	<u>\$ 5,445,243</u>	<u>\$ 5,462,674</u>	<u>\$ 17,431</u>

**CITY OF AUSTELL, GEORGIA
SCHEDULE OF PROJECTS FINANCED
WITH COBB COUNTY SPECIAL PURPOSE SALES TAX 2005
FOR THE YEAR ENDED JUNE 30, 2015**

PROJECT	ORIGINAL ESTIMATED COST	EXPENDITURES BEGINNING OF YEAR	CURRENT YEAR	TO DATE	ESTIMATED PERCENT COMPLETE
STREETS:					
Roads, streets, curbs gutters and sidewalks	\$ 2,042,132	\$ 842,749	\$ 281,408	\$ 1,124,157	55%
PUBLIC SAFETY:					
Radio system	<u>160,334</u>	<u>156,742</u>	<u>-</u>	<u>156,742</u>	98%
	<u>\$ 2,202,466</u>	<u>\$ 999,491</u>	<u>\$ 281,408</u>	<u>\$ 1,280,899</u>	

**CITY OF AUSTELL, GEORGIA
SCHEDULE OF PROJECTS FINANCED
WITH COBB COUNTY SPECIAL PURPOSE SALES TAX 2016
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>ORIGINAL ESTIMATED COST</u>	<u>EXPENDITURES BEGINNING OF YEAR</u>	<u>CURRENT YEAR</u>	<u>TO DATE</u>	<u>ESTIMATED PERCENT COMPLETE</u>
TIER 1 PROJECTS					
TRANSPORTATION -					
Improvements	\$ 2,137,355	\$ 910,372	\$ 492,733	\$ 1,403,105	65.65%
Equipment	665,957	506,747	160,100	666,847	100.13%
PARKS -					
Improvements	968,046	544,326	43,758	588,084	60.75%
Equipment	200,000	134,790	105,068	239,858	119.93%
PUBLIC SAFETY -					
Improvements	5,828	-	-	-	0.00%
Equipment	<u>695,000</u>	<u>448,889</u>	<u>166,590</u>	<u>615,479</u>	88.56%
TOTAL TIER 1 PROJECTS	<u>4,672,186</u>	<u>2,545,124</u>	<u>968,249</u>	<u>3,513,373</u>	
TIER 2 PROJECTS					
TRANSPORTATION -					
Improvements	1,740,000				0.00%
PARKS -					
Other projects	725,000				0.00%
PUBLIC SAFETY -					
Other projects	435,000				0.00%
Fire equipment	<u>60,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	0.00%
TOTAL TIER 2 PROJECTS	<u>2,960,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	
TOTAL PROJECTS	<u>\$ 7,632,186</u>	<u>\$ 2,545,124</u>	<u>\$ 968,249</u>	<u>\$ 3,513,373</u>	

CITY OF AUSTELL, GEORGIA
SCHEDULE OF PROJECTS FINANCED
WITH COBB COUNTY SPECIAL PURPOSE SALES TAX 2016
FOR THE YEAR ENDED JUNE 30, 2015

PROJECT	ORIGINAL ESTIMATED COST	EXPENDITURES			ESTIMATED PERCENT COMPLETE
		BEGINNING OF YEAR	CURRENT YEAR	TO DATE	
STREETS:					
Resurfacing	\$ 1,113,486	\$ -	\$ -	\$ -	0%
Roadway striping	211,032	-	-	-	0%
Curb and gutters	42,693	-	-	-	0%
Sidewalks	844,128	-	-	-	0%
Roadway drainage systems	193,309	-	-	-	0%
Sign replacement and upgrades	126,619	-	-	-	0%
Maintenance equipment	801,922	-	-	-	0%
Public works facility improvements	84,413	-	-	-	0%
Information technology upgrades	168,826	-	16,145	16,145	10%
PARKS PROJECTS:					
Threadmill Complex -					
Roof replacement	450,000	-	-	-	0%
Other improvements	300,000	-	-	-	0%
Parks maintenance facility improvements	200,000	-	-	-	0%
Upgrades to all city parks	431,345	-	-	-	0%
Park equipment	300,000	-	-	-	0%
PUBLIC SAFETY:					
2 positrons	125,000	-	-	-	0%
3 equipped patrol vehicles	222,175	-	-	-	0%
Fire engine	420,000	-	-	-	0%
Public safety radios	250,000	-	-	-	0%
Public safety training facility upgrade	56,912	-	-	-	0%
	<u>\$ 6,341,860</u>	<u>\$ -</u>	<u>\$ 16,145</u>	<u>\$ 16,145</u>	

**CITY OF AUSTELL, GEORGIA
 SCHEDULE OF PROJECTS FINANCED
 WITH DOUGLAS COUNTY SPECIAL PURPOSE SALES TAX
 FOR THE YEAR ENDED JUNE 30, 2015**

PROJECT	ORIGINAL ESTIMATED COST	EXPENDITURES BEGINNING OF YEAR	CURRENT YEAR	TO DATE	ESTIMATED PERCENT COMPLETE
PARK PROJECTS:					
Park improvements	\$ 522,094	\$ 522,094	\$ -	\$ 522,094	100%
	<u>\$ 522,094</u>	<u>\$ 522,094</u>	<u>\$ -</u>	<u>\$ 522,094</u>	

STATISTICAL SECTION

This part of the City of Austell’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City’s overall financial health.

	<u>Page</u>
Financial Trends	65

These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.

Revenue Capacity	72
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These schedules contain information to help the reader assess the City’s most significant local revenue sources, property taxes and franchise fees.

Debt Capacity	78
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These schedules present information to help the reader assess the affordability of the City’s current level of outstanding debt and the City’s ability to issue additional debt in the future.

Demographic and Economic Information	83
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These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.

Operating Information	86
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These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant fiscal year. GASB Statement number 54 established a hierarchy of fund balance classifications based primarily on the extent to which governments are bound by constraints placed on resources. The effective date for implementation of GASB 54 was for periods beginning after June 15, 2010. Presentation for fiscal years 2006-2010 are prior to the implementation of GASB Statement No. 54. Fiscal year 2011 was the first fiscal year of implementation for GASB Statement No. 54. Fiscal year 2013 was the first fiscal year of implementation of GASB 63 and 65.

SCHEDULE 1
CITY OF AUSTELL, GEORGIA
NET POSITION BY COMPONENT
 Last Ten Fiscal Years
 (Accrual Basis of Accounting)

	FISCAL YEAR									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental Activities										
Net Investment in Capital Assets	\$ 6,466,051	\$ 7,178,213	\$ 7,688,533	\$ 8,053,182	\$ 8,005,695	\$ 8,262,097	\$ 8,110,670	\$ 8,604,518	\$ 9,356,493	\$ 9,609,100
Restricted	280,049	551,645	749,840	678,812	845,779	7,051,332	7,290,614	7,561,988	6,867,033	7,861,341
Unrestricted	10,341,070	9,338,626	10,459,475	10,227,220	10,566,154	3,971,920	3,325,569	4,567,337	6,217,288	4,518,361
Total Governmental Activities Net Position	\$ 17,087,170	\$ 17,068,484	\$ 18,897,848	\$ 18,959,214	\$ 19,417,628	\$ 19,285,349	\$ 18,726,853	\$ 20,733,843	\$ 22,440,814	\$ 21,988,802
Business-Type Activities										
Net Investment in Capital Assets	\$ 3,998,010	\$ 4,635,570	\$ 4,619,036	\$ 4,782,570	\$ 4,640,975	\$ 4,460,100	\$ 4,263,346	\$ 8,690,937	\$ 8,267,872	\$ 8,163,991
Restricted	257,873	265,848	276,348	-	-	-	-	-	-	-
Unrestricted	(581,646)	265,675	207,603	628,521	612,618	645,141	808,893	(4,074,253)	(3,254,903)	(3,241,479)
Total Business-Type Activities Net Position	\$ 3,674,237	\$ 5,167,093	\$ 5,102,987	\$ 5,411,091	\$ 5,253,593	\$ 5,105,241	\$ 5,072,239	\$ 4,616,684	\$ 5,012,969	\$ 4,922,512
Primary Government										
Net Investment in Capital Assets	\$ 10,464,061	\$ 11,813,783	\$ 12,307,569	\$ 12,835,752	\$ 12,646,670	\$ 12,722,197	\$ 12,374,016	\$ 17,295,455	\$ 17,624,365	\$ 17,773,091
Restricted	537,922	817,493	1,026,188	678,812	845,779	7,051,332	7,290,614	7,561,988	6,867,033	7,861,341
Unrestricted	9,759,424	9,604,301	10,667,078	10,855,741	11,178,772	4,617,061	4,134,462	493,084	2,962,385	1,276,882
Total Primary Government Net Position	\$ 20,761,407	\$ 22,235,577	\$ 24,000,835	\$ 24,370,305	\$ 24,671,221	\$ 24,390,590	\$ 23,799,092	\$ 25,350,527	\$ 27,453,783	\$ 26,911,314

Source: City's comprehensive annual financial reports for each applicable fiscal year.

SCHEDULE 2
CITY OF AUSTELL, GEORGIA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
Accrual Basis of Accounting

	FISCAL YEAR									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Program Expenses										
Governmental activities	\$ 5,863,327	\$ 6,303,184	\$ 6,636,983	\$ 7,131,280	\$ 7,901,982	\$ 8,119,091	\$ 7,314,897	\$ 8,579,080	\$ 9,709,174	\$ 9,550,047
Business-type activities	4,257,452	4,201,914	3,930,461	4,485,555	5,060,291	4,945,651	5,321,028	5,167,716	5,139,625	5,299,025
Total primary government program expenses	\$ 10,120,779	\$ 10,505,098	\$ 10,567,444	\$ 11,616,835	\$ 12,962,273	\$ 13,064,742	\$ 12,635,925	\$ 13,746,796	\$ 14,848,799	\$ 14,849,072
Program Revenues										
Governmental activities	\$ 2,357,017	\$ 1,599,148	\$ 1,399,687	\$ 1,277,092	\$ 1,764,613	\$ 2,719,112	\$ 2,243,764	\$ 4,369,053	\$ 4,918,117	\$ 3,999,348
Business-type activities	3,687,520	3,986,181	3,945,604	4,109,301	4,755,501	4,600,647	5,221,338	4,980,031	5,167,434	4,797,281
Total primary government program revenues	\$ 6,044,537	\$ 5,585,329	\$ 5,345,291	\$ 5,386,393	\$ 6,520,114	\$ 7,319,759	\$ 7,465,102	\$ 9,349,084	\$ 10,085,551	\$ 8,796,629
Net (Expense) Revenue										
Governmental activities	\$ (3,506,310)	\$ (4,704,036)	\$ (5,237,296)	\$ (5,854,188)	\$ (6,137,369)	\$ (5,399,979)	\$ (5,071,133)	\$ (4,210,027)	\$ (4,791,057)	\$ (5,550,699)
Business-type activities	(569,932)	(215,733)	15,143	(376,254)	(304,790)	(345,004)	(99,690)	(187,685)	27,809	(501,744)
Total primary government net expense	\$ (4,076,242)	\$ (4,919,769)	\$ (5,222,153)	\$ (6,230,442)	\$ (6,442,159)	\$ (5,744,983)	\$ (5,170,823)	\$ (4,397,712)	\$ (4,763,248)	\$ (6,052,443)
General Revenues and Transfers										
Governmental activities	\$ 6,713,090	\$ 4,683,350	\$ 7,066,660	\$ 5,915,554	\$ 6,595,783	\$ 5,267,700	\$ 4,512,637	\$ 6,217,017	\$ 6,483,453	\$ 6,094,055
Business-type activities	108,696	1,708,589	(79,249)	684,358	147,292	196,652	140,438	(267,870)	383,051	661,686
Total primary government	\$ 6,821,786	\$ 6,391,939	\$ 6,987,411	\$ 6,599,912	\$ 6,743,075	\$ 5,464,352	\$ 4,653,075	\$ 5,949,147	\$ 6,866,504	\$ 6,755,741
Change in Net Position										
Governmental activities	\$ 3,206,780	\$ (18,686)	\$ 1,829,364	\$ 61,366	\$ 458,414	\$ (132,279)	\$ (558,496)	\$ 2,006,990	\$ 1,692,396	\$ 543,356
Business-type activities	(461,236)	1,492,856	(64,106)	308,104	(157,498)	(148,352)	40,748	(455,555)	410,860	159,942
Total primary government	\$ 2,745,544	\$ 1,474,170	\$ 1,765,258	\$ 369,470	\$ 300,916	\$ (280,631)	\$ (517,748)	\$ 1,551,435	\$ 2,103,256	\$ 703,298

Source: City's comprehensive annual financial reports for each applicable fiscal year.

SCHEDULE 3
CITY OF AUSTELL, GEORGIA
GOVERNMENT-WIDE EXPENSES
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	FISCAL YEAR									
	2006	2007	2008 (1)(2)(3)	2009	2010	2011	2012	2013	2014	2015
Governmental Activities										
General Government	\$ 671,671	\$ 647,899	\$ 744,984	\$ 888,240	\$ 1,523,256	\$ 1,718,896	\$ 807,178	\$ 773,771	\$ 800,543	\$ 1,027,466
Judicial	-	-	-	-	-	-	-	-	-	-
Public Safety	3,797,687	4,101,953	4,271,174	4,383,022	4,295,540	4,411,166	4,087,061	4,162,807	4,288,329	4,398,624
Public Works	641,166	795,335	844,996	962,216	1,272,445	1,806,147	1,763,851	2,890,186	3,856,149	3,172,065
Solid Waste Management	-	-	110,040	99,908	6,754	1,706	72	-	-	-
Health and welfare	42,276	43,097	-	-	-	-	-	-	-	-
Culture and recreation	559,716	538,052	600,635	693,455	713,925	89,615	600,637	680,191	673,860	844,926
Tourism and economic development	-	-	3,398	2,934	3,090	4,888	4,673	4,521	4,161	4,448
Housing and development	132,379	165,942	38,607	88,779	78,286	79,340	49,761	48,896	64,277	87,523
Interest on Long-Term Debt	18,432	10,906	23,149	10,726	6,686	7,333	1,664	18,708	21,855	14,995
Total Governmental Activities	\$ 5,863,327	\$ 6,303,184	\$ 6,636,983	\$ 7,131,280	\$ 7,901,982	\$ 8,119,091	\$ 7,314,897	\$ 8,579,080	\$ 9,709,174	\$ 9,550,047
Business-Type Activities										
Threadmill complex	\$ 1,601,017	\$ 1,459,273	\$ 1,385,098	\$ 1,431,768	\$ 1,386,394	\$ 1,373,794	\$ 1,408,770	\$ 1,323,467	\$ 1,314,778	\$ 1,324,380
Water and Sewer	\$ 2,656,435	\$ 2,742,641	\$ 2,545,363	\$ 3,053,787	\$ 3,177,074	\$ 3,125,881	\$ 3,472,137	\$ 3,308,126	\$ 3,256,714	\$ 3,180,705
Storm Water Utilities	-	-	-	-	\$ 378,725	\$ 304,530	\$ 290,936	\$ 401,950	\$ 422,208	\$ 412,974
Solid Waste	-	-	-	-	118,098	141,446	149,185	134,173	145,925	380,966
Total Business-Type Activities	\$ 4,257,452	\$ 4,201,914	\$ 3,930,461	\$ 4,485,555	\$ 5,060,291	\$ 4,945,651	\$ 5,321,028	\$ 5,167,716	\$ 5,139,625	\$ 5,299,025
Total Governmental-Wide Expenses	10,120,779	10,505,098	10,567,444	11,616,835	12,962,273	13,064,742	12,635,925	13,746,796	14,848,799	14,849,072

Source: City's comprehensive annual financial reports for each applicable fiscal year

(1) During fiscal year 2008, the City began reporting its solid waste management activities separate from its public works activities.

(2) During fiscal year 2008, the City also began recording expenditures previously recorded under health and welfare as General government expenditures.

(3) During fiscal year 2008, the City began reporting its tourism and economic development activities separate from its general government activities.

SCHEDULE 4
CITY OF AUSTELL, GEORGIA
GOVERNMENT-WIDE PROGRAM REVENUES
 Last Ten Fiscal Years
 (Accrual Basis of Accounting)

	FISCAL YEAR									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental Activities										
Charges for Service										
General Government	\$ 53,789	\$ 62,986	\$ -	\$ -	\$ 55,821	\$ 3,675	\$ 5,938	\$ 7,969	\$ 7,037	\$ -
Judicial	-	-	-	-	660,810	437,067	526,675	596,609	515,859	-
Public Safety	697,378	832,195	727,633	733,632	117,046	136,493	123,571	130,805	136,735	742,034
Public Works	79,510	78,202	-	-	64,381	21,513	18,942	19,419	63,144	-
Solid Waste Management	-	-	80,009	89,693	2,898	4,056	3,758	3,910	3,773	-
Culture and recreation	-	-	50,917	64,892	-	-	-	-	-	46,324
Housing and development	43,175	57,634	24,455	14,335	-	-	-	-	-	36,261
Operating Grants and Contributions	78,437	76,054	89,830	81,138	293,258	548,637	16,222	310	590	10,509
Capital Grants and Contributions	1,404,728	492,077	426,843	293,402	570,399	1,567,671	1,548,658	3,610,031	4,190,979	3,164,220
Total Governmental Activities	\$ 2,357,017	\$ 1,599,148	\$ 1,399,687	\$ 1,277,092	\$ 1,764,613	\$ 2,719,112	\$ 2,243,764	\$ 4,369,053	\$ 4,918,117	\$ 3,999,348
Business-Type Activities										
Charges for Service										
Threadmill Complex	\$ 980,040	\$ 1,022,369	\$ 1,120,973	\$ 1,116,053	\$ 1,045,701	\$ 1,078,585	\$ 1,120,537	\$ 1,118,192	\$ 1,197,590	\$ 1,234,876
Water and Sewer	2,707,480	2,906,312	2,824,631	2,993,248	3,592,244	3,268,623	3,679,283	3,417,558	3,478,282	2,834,536
Stormwater	-	-	-	-	34,719	171,224	337,877	360,387	406,280	399,617
Solid Waste	-	-	-	-	82,837	82,215	83,641	83,894	85,282	301,257
Operating grants and contributions	-	-	-	-	-	-	-	-	-	-
Capital Grants and Contributions	-	57,500	-	-	-	-	-	-	-	26,995
Total Business-Type Activities	\$ 3,687,520	\$ 3,986,181	\$ 3,945,604	\$ 4,109,301	\$ 4,755,501	\$ 4,600,647	\$ 5,221,338	\$ 4,980,031	\$ 5,167,434	\$ 4,797,281
Total Government-Wide Program Revenues	6,044,537	5,585,329	5,345,291	5,386,393	6,520,114	7,319,759	7,465,102	9,349,084	10,085,551	8,796,629

Source: City's comprehensive annual financial reports for each applicable fiscal year.

SCHEDULE 5
CITY OF AUSTELL, GEORGIA
GENERAL AND OTHER REVENUES
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental Activities										
Taxes										
Property	\$ 673,147	\$ 618,953	\$ 688,309	\$ 709,691	\$ 706,063	\$ 588,691	\$ 585,391	\$ 651,736	\$ 576,380	\$ 547,923
Sales and Use	267,070	486,437	544,844	400,115	48,270	49,723	55,388	19,013	64,639	54,000
Franchise taxes and ownership fees	5,083,536	4,423,436	4,896,159	4,700,934	5,033,139	4,002,266	3,780,532	5,022,783	5,598,620	5,268,203
Other	538,957	530,417	543,263	555,630	543,458	523,631	137,457	144,820	552,349	581,536
Penalties and Interest	762	6,926	3,439	11,927	3,770	16,446	2,321	13,871	18,782	1,536
Intergovernmental	-	-	-	-	-	-	-	-	-	103,665
Unrestricted Investment Earnings	234,663	282,358	304,526	213,824	127,806	12,060	4,253	3	-	116,931
Miscellaneous	12,209	33,848	-	630	161,309	264,452	73,275	96,921	55,734	81,830
Gain on sale of capital assets	-	-	-	-	116,243	-	14,103	-	-	-
Transfers	(97,254)	(1,697,025)	86,120	(677,197)	(144,275)	(189,569)	(140,083)	267,870	(383,051)	(661,569)
Total Governmental Activities	\$ 6,713,090	\$ 4,685,350	\$ 7,066,660	\$ 5,915,554	\$ 6,595,783	\$ 5,267,700	\$ 4,512,637	\$ 6,217,017	\$ 6,483,453	\$ 6,094,055
Business-Type Activities										
Unrestricted Investment Income	\$ 11,442	\$ 11,564	\$ 6,871	\$ 7,161	\$ 3,017	\$ 7,083	\$ 355	\$ -	\$ -	\$ 117
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Transfers	97,254	1,697,025	(86,120)	677,197	144,275	189,569	140,083	(267,870)	383,051	661,569
Total Business-Type Activities	\$ 108,696	\$ 1,708,589	\$ (79,249)	\$ 684,358	\$ 147,292	\$ 196,652	\$ 140,438	\$ (267,870)	\$ 383,051	\$ 661,686
Total Government-Wide General and Other Revenue	\$ 6,821,786	\$ 6,393,939	\$ 6,987,411	\$ 6,599,912	\$ 6,743,075	\$ 5,464,352	\$ 4,653,075	\$ 5,949,147	\$ 6,866,504	\$ 6,755,741

Source: City's comprehensive annual financial reports for each applicable fiscal year.

SCHEDULE 6
CITY OF AUSTELL, GEORGIA
FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	FISCAL YEAR									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Fund										
Reserved	\$ 55,747	\$ 241,367	\$ 256,249	\$ 364,276	\$ 232,944					
Unreserved	3,081,035	3,357,429	4,117,783	3,967,587	4,383,560					
Total General Fund	<u>\$ 3,136,782</u>	<u>\$3,598,796</u>	<u>\$4,374,032</u>	<u>\$4,331,863</u>	<u>\$4,616,504</u>					
All Other Governmental Funds										
Reserved	\$ 280,049	\$ 555,307	\$ 760,094	\$ 712,924	\$ 14,903					
Unreserved	\$ (180,669)	\$ 35,525	\$ 182,184	\$ 107,249	\$ 190,472					
Special revenue funds	5,000,332	5,635,206	5,727,406	5,731,118	6,528,570					
Capital projects funds										
Total all other governmental funds	<u>\$ 5,099,712</u>	<u>\$6,226,038</u>	<u>\$6,669,684</u>	<u>\$6,551,291</u>	<u>\$6,733,945</u>					
General Fund										
Nonspendable:										
Prepays Items	\$ 89,245		\$ 133,649			\$ 191,654		\$ 368,413		\$ 354,080
Inventory	5,187									
Committed										
Assigned	32,302									
Unassigned	3,906,885		3,170,763			4,163,355		5,057,467		5,156,013
Total General Fund	<u>\$4,033,619</u>	<u>\$3,304,412</u>	<u>\$3,304,412</u>	<u>\$4,355,009</u>	<u>\$5,425,880</u>					
All Other Governmental Funds										
Nonspendable for:										
Prepaid items	\$ 13,097		\$ 20,664			\$ 21,466		\$ 47,270		\$ 41,864
Advances to other funds								4,131,000		3,672,000
Restricted										
Capital Projects	6,745,122		7,223,817			3,385,900		3,045,772		2,104,555
Law enforcement activities	6,312		7,595			8,112		36,510		17,403
Public safety activities	292,961		53,240			32,102		108,719		273,432
Tourism and Promotion	6,937		5,962			4,874		4,032		3,277
Community enhancements								688,500		5,462,674
Assigned										
Unassigned	(114,255)		(63,060)							(131,963)
Total All Other Governmental Funds	<u>\$6,950,174</u>	<u>\$7,248,218</u>	<u>\$7,248,218</u>	<u>\$7,583,454</u>	<u>\$7,602,803</u>					

Source: City's comprehensive annual financial report for each applicable fiscal year.

Note: Beginning for fiscal year 2011, fund balance is reported under categories using the classifications provided by GASB No. 54

SCHEDULE 7

CITY OF AUSTELL, GEORGIA
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 (Modified Accrual Basis of Accounting)

	FISCAL YEAR									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues:										
Taxes	\$ 3,936,139	\$ 7,996,861	\$ 6,630,481	\$ 6,392,321	\$ 6,297,590	\$ 5,184,197	\$ 4,529,825	\$ 5,858,320	\$ 6,936,519	\$ 6,510,245
Licenses and Permits	411,117	445,045	24,455	14,335	66,212	23,344	22,550	24,583	67,808	36,261
Fines and forfeitures	591,432	716,700	573,250	567,212	660,810	437,067	526,675	596,609	515,859	593,532
Charges for Services	192,149	207,774	225,598	255,588	173,934	142,393	129,659	137,520	142,881	148,502
Intergovernmental	1,445,749	568,922	438,042	244,025	861,803	2,026,232	1,517,312	3,360,811	4,058,452	3,065,865
Investment Earnings	234,665	282,919	304,525	216,014	129,056	96,358	51,245	118,685	132,527	116,731
Penalties and interest	762	-	3,436	11,927	-	-	-	-	-	-
Contributions and donations	1,538	3,460	1,070	550	604	2,018	576	310	590	194,851
Miscellaneous	57,764	85,853	59,712	68,637	161,309	264,452	73,275	96,921	55,734	129,299
Total All Governmental Funds	6,871,315	10,307,534	8,260,569	7,770,609	8,351,318	8,176,061	6,851,117	10,193,759	11,910,370	10,795,286
Expenditures										
General Government	649,922	598,144	669,486	796,164	1,521,556	1,423,125	783,171	719,992	862,705	938,690
Public Safety	3,456,995	3,724,608	3,891,797	3,956,609	3,989,979	4,056,127	3,797,004	3,823,207	3,974,904	4,047,226
Judicial	138,145	150,763	151,108	149,780	137,645	174,265	166,459	176,421	176,700	198,709
Public Works	772,453	784,028	713,133	791,490	1,243,849	1,812,906	2,018,153	2,721,570	3,649,359	2,959,247
Solid waste management	-	-	110,040	102,674	6,754	1,706	72	-	-	-
Health and welfare	42,276	43,097	-	-	-	-	-	-	-	-
Tourism and economic development	-	-	5,044	2,934	3,090	4,888	4,673	4,521	4,161	4,448
Culture and recreation	625,733	465,344	523,705	583,853	676,223	660,151	843,309	557,912	617,025	694,264
Housing and development	73,505	107,068	42,006	93,977	78,286	79,340	49,761	48,896	64,277	124,041
Debt Service										
Principal	196,818	238,836	149,121	175,550	144,309	123,135	19,989	280,966	265,919	314,452
Interest	13,419	11,014	13,457	20,320	11,690	7,333	1,664	18,708	21,855	14,995
Capital Outlay										
Total Expenditures	1,782,049	1,153,925	1,156,909	580,624	245,472	60,172	1,942	1,237,135	814,769	872,646
Excess (Deficit) of Revenue Over Expenditures	7,751,315	7,276,827	7,425,806	7,253,975	8,058,853	8,403,148	7,686,197	9,589,328	10,451,674	10,168,718
Other Financing Sources (Uses)										
Proceeds from long-term debt	(880,000)	3,030,707	834,763	516,634	292,465	(227,087)	(835,080)	604,431	1,458,696	626,568
Proceeds from sale of capital assets	113,450	242,434	298,000	-	60,000	-	529,217	513,532	-	-
Transfer in	-	12,225	-	-	259,105	50,000	14,783	-	-	-
Transfer out	-	-	86,120	-	1,045,577	1,043,978	671,512	1,210,930	611,803	519,526
Total Other Financing Sources (Uses)	113,450	(1,697,026)	384,120	(677,197)	(1,189,852)	(1,233,547)	(811,595)	(943,060)	(994,854)	(893,442)
Net Change in Fund Balance	\$ (766,550)	\$ 1,588,340	\$ 1,218,883	\$ (160,563)	\$ 467,295	\$ (366,656)	\$ (431,163)	\$ 1,385,833	\$ 1,075,645	\$ 252,652
Debt service expenditures to noncapital expenditures	3.68%	4.29%	2.66%	3.02%	2.04%	1.59%	28.00%	3.72%	2.89%	3.45%

Source: City's comprehensive annual financial reports for each applicable fiscal year.

SCHEDULE 8
CITY OF AUSTELL, GEORGIA
GENERAL GOVERNMENTAL REVENUES BY SOURCE (1)
LAST TEN FISCAL YEARS
Modified Accrual Basis

<u>Fiscal Year Ended June 30,</u>	<u>Taxes (2)</u>	<u>Licenses and Permits</u>	<u>Inter- Governmental</u>	<u>Charges for Service</u>	<u>Fines and Forfeitures</u>	<u>Interest Income</u>	<u>Contributions and Donations from Private</u>	<u>Miscellaneous</u>	<u>Total</u>
2006	3,936,139	411,117	1,445,749	192,149	591,432	234,665	1,538	58,526	6,871,315
2007	8,383,903	58,003	568,922	207,774	716,700	282,919	3,460	85,853	10,307,534
2008	6,633,917	24,455	438,042	225,598	573,250	304,525	1,070	59,712	8,260,569
2009	6,404,248	14,335	244,025	255,588	567,212	216,014	550	68,637	7,770,609
2010	6,297,590	66,212	861,803	173,934	660,810	129,056	604	161,309	8,351,318
2011	5,184,197	23,344	2,026,232	142,393	437,067	96,358	2,018	264,452	8,176,061
2012	4,529,825	22,550	1,517,312	129,659	526,675	51,245	576	73,275	6,851,117
2013	5,858,320	24,583	3,360,811	137,520	596,609	118,685	310	96,921	10,193,759
2014	6,936,519	67,808	4,058,452	142,881	515,859	132,527	590	55,734	11,910,370
2015	6,510,245	36,261	3,065,865	148,502	593,532	116,731	194,851	129,299	10,795,286

Source: City's comprehensive annual financial reports for each applicable fiscal year.

(1) General Fund, Special Revenue Funds, and Capital Projects Funds.

(2) Includes ownership fees received from Austell Natural Gas System. Increase from 2013 to 2014 due to Franchise tax rate increase from 8% to 9% which is paid by the Austell Natural Gas System.

SCHEDULE 9
CITY OF AUSTELL, GEORGIA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE - ALL TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Tax Year/Fiscal Year	Residential Property	Commercial Property	Industrial Property	Mobile Home	Motor Vehicle Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
2005/2006	74,863,412	52,715,227	16,816,372	302,853	12,299,290	3,370,683	153,626,471	3.12
2006/2007	107,663,473	52,345,181	16,296,254	295,254	11,778,650	3,419,843	184,958,969	3.12
2007/2008	123,962,544	54,102,378	16,344,483	311,040	13,514,780	4,848,014	203,387,211	3.12
2008/2009	131,719,176	54,773,866	19,245,151	288,062	14,330,130	5,144,278	215,212,107	3.12
2009/2010	92,574,253	55,725,122	34,500,679	256,036	12,103,030	4,172,299	190,986,821	3.12
2010/2011	78,992,107	50,992,334	37,464,575	231,216	11,479,580	3,604,271	175,555,541	3.12
2011/2012	69,018,830	43,699,336	33,365,118	221,181	11,719,690	2,792,738	155,231,417	4.00
2012/2013	67,459,717	43,204,843	33,676,562	213,288	12,998,120	2,477,617	155,074,913	4.00
2013/2014	71,739,299	41,768,814	34,197,475	208,014	11,131,680	3,497,206	155,548,076	4.00
2014/2015	84,431,889	42,706,606	14,533,006	205,404	8,053,150	3,277,880	146,652,175	3.06

Source: Cobb County Tax Assessor

Note: Property is assessed at 40% of its fair market value.

SCHEDULE 10
CITY OF AUSTELL, GEORGIA
PROPERTY TAX RATES - ALL OVERLAPPING GOVERNMENTS
LAST TEN CALENDAR YEARS
(Rate per \$1,000 of assessed value)

Tax Year/Fiscal Year	City	Cobb County (1)		State	Total
		County	Board of Education		
2004/2005	3.12	10.53	19.00	0.25	32.90
2005/2006	3.12	10.50	19.00	0.25	32.87
2006/2007	3.12	9.60	18.90	0.25	31.87
2007/2008	3.12	9.60	18.90	0.25	31.87
2008/2009	3.12	9.60	18.90	0.25	31.87
2009/2010	3.12	9.60	18.90	0.25	31.87
2010/2011	3.12	10.61	18.90	0.25	32.88
2011/2012	4.00	11.11	18.90	0.20	34.21
2012/2013	4.00	10.91	18.90	0.15	33.96
2013/2014	4.00	10.91	18.90	0.15	33.96
2014/2015	3.06	7.65	18.90	0.10	29.71

Source: Cobb County Tax Assessor. Overlapping rates are those of local and county governments that apply to property owners within the City of Austell.

**SCHEDULE 11
CITY OF AUSTELL, GEORGIA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT CALENDAR YEAR AND NINE YEARS AGO**

Taxpayer	2014			2005		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Austell Box Board Corp	9,188,694	1	40.6%			
Sweetwater Paper Board Co.	6,815,153	2	30.1%			
Sweetwater Lumber & Land Inc.	1,797,317	3	7.9%			
Star Paper Tub, Inc	942,360	4	4.2%			
Efficiency Lodge, Inc	815,294	5	3.6%			
K & A Development LLC	660,048	6	2.9%			
2989 Humphries Rd LLC	650,000	7	2.9%			
Reserve Alloys LLC	634,348	8	2.8%			
IH2 Property Georgia	559,324	9	2.5%			
Freo Georgia LLC	551,436	10	2.4%			
Carauatar Industries				1,332,342	1	47.6%
Veterans Oil Inc				384,055	2	13.7%
Zamarron Graciela A & Samuel N				254,108	3	9.1%
Singh Haimwantee & Chaterbesal				228,880	4	8.2%
Bullard C Gary				139,200	5	5.0%
Ladipo Joi Wright & Adedeji				95,860	6	3.4%
Allen David A & Loyd Tom P				95,784	7	3.4%
Pitman Maurine Trustee				91,068	8	3.3%
Hubert Williams Properties LLC				90,596	9	3.2%
Strozier D'Andrea				88,244	10	3.2%
Total	\$ 22,613,974		100%	\$ 2,800,137		100%

Source: Cobb County Tax Assessor

**SCHEDULE 12
CITY OF AUSTELL, GEORGIA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Collections in Subsequent Years	Total Collections to Date	
					Amount	Percent of Levy
2006	531,551	-	0.0%	-	-	0.0%
2007	533,359	-	0.0%	-	-	0.0%
2008	557,756	-	0.0%	-	-	0.0%
2009	598,818	-	0.0%	-	-	0.0%
2010	605,950	-	0.0%	-	-	0.0%
2011	489,816	478,933	97.8%	4,960	483,893	98.8%
2012	436,547	423,921	97.1%	9,003	432,924	99.2%
2013	490,784	442,742	90.2%	21,556	464,298	94.6%
2014	474,939	450,465	94.8%	18,178	468,643	98.7%
2015	372,269	347,807	93.4%	-	347,807	93.4%

Source: Cobb County Tax Commissioners Office

SCHEDULE 13
CITY OF AUSTELL, GEORGIA
GENERAL GOVERNMENTAL FRANCHISE TAX AND OWNERSHIP FEES PERCENTAGES
CURRENT FISCAL YEAR AND FIVE YEARS AGO

Franchise Tax & Ownership Fees	Current Year Percentage of Gross Sales	2015 Revenue	2010 Revenue
Austell Gas System (ownership)	9%	\$ 4,638,904	\$ 4,321,422
Georgia Power	5%	498,151	510,516
Greystone Power	5%	31,862	50,984
Comcast Cable TV	5%	47,848	40,280
AT&T	3%	49,656	66,803
Total		<u>\$ 5,266,421</u>	<u>\$ 4,990,005</u>

Source: City's finance department

SCHEDULE 14
CITY OF AUSTELL, GEORGIA
RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

FISCAL YEAR ENDED JUNE 30,	Governmental Activities	Business-Type Activities				Total Primary Government	Percentage of Personal Income	Debt Per Capita (1)
	Capital Leases	Water and Sewer Revenue Bonds	Threadmill Complex		Revenue Bonds			
		Capital Leases	Capital Lease					
2006	271,311	550,000	6,545,000	79,269	7,445,580	3.22%	1,255	
2007	274,909	380,000	6,300,000	54,075	7,008,984	2.98%	1,163	
2008	423,787	195,000	6,045,000	27,672	6,691,459	2.78%	1,096	
2009	248,238	-	5,780,000	-	6,028,238	2.45%	975	
2010	163,929	-	5,500,000	-	5,663,929	2.46%	923	
2011	40,794	-	5,205,000	-	5,245,794	2.28%	740	
2012	550,022	-	4,905,000	-	5,455,022	1.94%	829	
2013	782,588	-	-	-	782,588	0.29%	115	
2014	516,669	-	-	-	516,669	0.29%	76	
2015	314,452	-	-	-	314,452	0.29%	46	

Data Source: Woods & Poole Economics pamphlet 2011., www.city-data.com

SCHEDULE 15
CITY OF AUSTELL, GEORGIA
DIRECT AND OVERLAPPING DEBT
AS OF JUNE 30, 2014

	Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Overlapping Debt
Direct General Obligation Debt:	-	-	-
Overlapping General Obligation Debt:			
Cobb County General Obligation Debt	\$ 18,440,000	1%	\$ 184,400
Total, General Obligation Debt			<u>184,400</u>
Overlapping Guaranteed Revenue Debt:			
Cobb County Parking Deck Certificates	9,270,000	1%	92,700
Cobb County Revenue Anticipation Certificates	6,315,000	1%	63,150
Cobb-Marietta Coliseum and Exhibit Hall Authority	40,055,000	1%	400,550
Cobb County Solid Waste Management Authority	-	1%	-
Total, overlapping revenue debt	<u>\$ 74,080,000</u>	1%	<u>\$ 740,800</u>
City Direct Debt:			
Capital Lease			\$ 314,452
			<u>\$ 314,452</u>

Sources: Assessed value data used to estimate applicable percentages provided by the Cobb County Finance Department. Debt outstanding data provided by Cobb County Finance Department and Cobb County School District.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Austell, Georgia. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and, therefore, responsible for repaying the debt, of each overlapping government.

(1) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the government's boundaries and dividing it by the Cobb County's total taxable assessed value.

**SCHEDULE 16
CITY OF AUSTELL, GEORGIA
LEGAL DEBT MARGIN
LAST TEN CALENDAR YEARS**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Debt limit	\$ 18,495,897	\$ 20,338,721	\$ 20,688,495	\$ 21,521,211	\$ 19,402,828	\$ 17,555,554	\$ 15,523,142	\$ 15,507,491	\$ 15,554,807	\$ 14,665,217
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	\$ 18,495,897	\$ 20,338,721	\$ 20,688,495	\$ 21,521,211	\$ 19,402,828	\$ 17,555,554	\$ 15,523,142	\$ 15,507,491	\$ 15,554,807	\$ 14,665,217
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Source: City's finance department
 Note: Legal debt limit is in accordance with the State laws governing bond issuances
 Note 2: The City has no outstanding general obligation debt as of June 30, 2012.

SCHEDULE 17
CITY OF AUSTELL, GEORGIA
PLEDGED REVENUE COVERAGE-WATER & SEWER FUND
LAST TEN FISCAL YEARS

FISCAL YEAR ENDED JUNE 30,	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2006	2,718,683	2,445,933	272,750	175,000	32,625	1.80
2007	2,906,312	2,539,265	367,047	175,000	24,975	1.84
2008	2,824,631	2,322,800	501,831	185,000	17,100	2.48
2009	2,993,248	2,847,700	145,548	195,000	8,775	0.71
2010	3,591,952	3,106,552	485,400	-	-	-
2011	3,268,623	3,059,004	209,619	-	-	-
2012	3,679,283	3,405,721	273,562	-	-	-
2013	3,415,860	3,245,302	170,558	-	-	-
2014	3,478,282	3,256,714	221,568	-	-	-
2015	5,144,202	5,186,570	(42,368)	-	-	-

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest, depreciation, or amortization expenses. All revenue bonds matured February, 2009; therefore, no bond payments were paid subsequent to Fiscal Year 2009.

SCHEDULE 18
CITY OF AUSTELL, GEORGIA
PLEDGED REVENUE COVERAGE - THREADMILL COMPLEX FUND
LAST TEN FISCAL YEARS

FISCAL YEAR ENDED JUNE 30,	Lease Charges	Less: Operating Expenses	Net Available Revenue	Debt Service (1)		Coverage
				Principal	Interest	
2006	980,040	961,328	18,712	245,000	299,666	0.03
2007	1,022,369	820,003	202,366	255,000	284,000	0.38
2008	1,120,973	758,818	362,155	255,000	277,866	0.68
2009	1,116,053	766,532	349,521	265,000	295,515	0.62
2010	1,045,701	753,371	292,330	280,000	304,332	0.50
2011	1,078,585	759,691	318,894	295,000	288,147	0.55
2012	1,120,537	784,067	336,470	300,000	270,978	0.59
2013	1,116,721	784,405	332,316	-	-	-
2014	1,197,590	1,185,274	12,316	-	-	-
2015	1,411,919	1,211,925	199,994	-	-	-

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest, depreciation, or amortization expenses.

(1) Bonds issued during Fiscal Year 2004 and paid off in Fiscal Year 2013.

**SCHEDULE 19
CITY OF AUSTELL, GEORGIA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	City Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2006	5,933	266,271,340	38,967	4.1%
2007	6,026	270,015,410	39,077	3.8%
2008	6,107	268,646,380	39,348	3.9%
2009	6,184	264,825,980	39,721	9.6%
2010	6,136	246,440,168	40,163	9.5%
2011	7,085	276,860,545	39,077	9.1%
2012	6,581	257,165,737	39,077	9.1%
2013	6,782	257,695,654	37,997	7.7%
2014	6,782	264,043,606	38,933	6.9%
2015	6,810	312,899,070	45,947	6.9%

Source: Woods & Poole Economics 2012 Data Pamphlet

SCHEDULE 21
CITY OF AUSTELL, GEORGIA
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General government										
Management services	4	4	4	4	4	4	4	4	4	2
Finance	3	3	3	1	1	1	1	1	1	2
Planning	-	-	-	-	-	-	-	-	-	-
Building	-	-	-	-	-	-	-	-	-	-
Public Safety	52	50	50	54	53	55	55	55	55	52
Municipal court	2	2	3	3	3	3	3	3	3	3
Highways and streets	2	2	2	3	3	3	3	4	4	8
Parks and recreation	3	3	3	3	3	3	3	3	5	7
Water	2	2	2	4	4	4	4	4	4	12
Public Works	14	14	14	14	14	15	16	16	17	6
Threaddmill	10	10	10	10	10	10	10	10	6	7
Total	92	90	91	96	95	98	99	100	100	99

Source: Human resource department of the City.

SCHEDULE 22
CITY OF AUSTELL, GEORGIA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function / Program	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Municipal Court										
Citations issued	7,082	6,869	6,243	5,540	4,660	3,726	4,561	4,997	5,686	4,300
Traffic violations	6,704	6,940	5,304	5,046	4,657	3,301	4,367	4,773	5,675	4,300
Shoplifting violations	1	3	2	10	3	9	-	-	11	-
Refuse collections										
Refuse collected (tons per day)	2.61	1.85	1.90	1.90	1.90	1.90	2.25	2.25	2.25	-
Public Works										
Streets resurfaced (miles)	-	2	2	2	2	2	-	-	3	3
Water										
New connections	2	2	-	-	-	-	-	-	-	-
Average daily consumption	1,238,601	996,861	988,620	900,219	942,472	881,298	890,000	910,000	918,989	551,951
Stormwater										
Miles of streets swept	5	6	8	8	8	8	50	102	325	325
Storm drains cleaned	398	410	450	450	450	450	450	582	184	184

Sources: Various City Departments

SCHEDULE 23
CITY OF AUSTELL, GEORGIA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function / Program	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Public works										
Paved roads (miles)	52.0	54.0	55.3	55.3	55.3	55.3	55.3	55.3	55.3	55.3
Streetsights	759.0	759.0	777.0	780.0	780.0	780.0	780.0	780.0	805.0	805.0
Traffic signals	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0
Parks and recreation										
Number of parks	7.0	7.0	7.0	8.0	10.0	11.0	11.0	11.0	12.0	12.0
Acreage	36.7	36.7	36.7	36.7	38.7	39.0	39.0	39.0	39.0	40.0
Playgrounds	50.0	50.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
Community centers	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Water										
Storage capacity	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Water tanks	1	1	1	1	1	1	1	1	1	1
Wastewater										
Sanitary sewers (miles)	26.6	26.6	41.0	36.1	36.1	36.1	36.1	36.1	36.1	36.1
Number of service connections	2,418	2,495	2,551	2,551	2,592	2,464	2,464	2,464	2,464	3,022
Solid Waste Management										
Customers	200.0	200.0	200.0	200.0	200.0	200.0	200.0	200.0	200.0	2,504.0
Compactor trucks	2.0	2.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Stormwater										
Storm sewers (miles)	30.6	30.6	50.0	52.0	52.0	52.0	52.0	52.0	52.0	52.0

Source: City of Austell Public Works Department