

**GEORGIA DEPARTMENT OF AUDITS AND ACCOUNTS
NONPROFIT AND LOCAL GOVERNMENT AUDITS DIVISION
AUDIT REPORT TRANSMITTAL DOCUMENT**

Please complete the top portion of this form and submit it with your audit report. We will use this information to furnish your government the results of our review. These results will be furnished by e-mail.

Name of Governmental Unit	City of Statham	
Fiscal Year End	06/30/2016	
Governmental Contacts	Name	E-Mail Address
Chief Official (e.g., Mayor, Chairman)	Robert Bridges	robertbridges@cityofstatham.com
City/County Clerk	Mai Chang	m.chang@cityofstatham.com
City/County Manager	N/A	
Finance Director	N/A	
Other Officials to be Notified of Audit Results: (list below)	N/A	
Name of Audit Firm	Hawkins & McNair, CPAs	
Auditor Contact for this Report	Jerry W. Hawkins	hawkins100@windstream.net
CPA Telephone	(770) 867-9426	
CPA Fax	(770) 867-1240	
Form Completed by: (Name)	Jerry W. Hawkins	
(Title)	Audit Partner	

For DOAA Internal Use

Date Rpt Rcvd	Assigned to:	Upload	Mail	E-mail
Type of Report	Date Reviewed	# Grant Cites		
# of 1s	# of 2s	# of Xs	# of 3s	
Date of CPA/Govt Response				
Date Orig. Notice to Govt	Date Rev Notice to Govt			
Report Accepted? Y N		Grants OK? Y N		
CAP Required? Y N		Date Cap Received		
CAP Letter Dates		CAP Not Received		
CAP Has Problems		CAP Accepted		
Pension Plan(s)	Deferred Comp? Y N	OPEB? Y N N/A	Single Audit? Y N	
Total GF Revenues	\$	Total GF Expenditures	\$	
GF Nonspendable FB	\$	GF Restricted FB	\$	
GF Committed FB	\$	GF Assigned FB	\$	
GF Unassigned FB	\$	All Govt Funds Total FB	\$	
Total GW Expenses	Draft to CPA	Letter to Govt	Logged	

**CITY OF STATHAM, GEORGIA
ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2016**

**CITY OF STATHAM, GEORGIA
ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2016**

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INDEPENDENT AUDITOR'S REPORT

To the City of Statham
Statham, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and remaining fund information of the City of Statham, Georgia, (City) as of and for the year ended June 30, 2016, 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 conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the City as of June 30, 2016, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

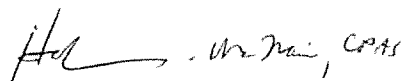
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis in Section A be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental 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 historic context. We have applied certain limited procedures to the required supplemental 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 response to our inquiries, the basic financial statements, and the other knowledge we obtained during our response to our inquiries, the basic financial statements, and the 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 the sufficient evidence to express an opinion or provide any assurance.

Accounting principles generally accepted in the United States of America require that the budgetary comparison information in section D, 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 Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 10, 2019, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance.

That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Hawkins & McNair, CPAs
Winder, Georgia
June 10, 2019

CITY OF STATHAM MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Statham, we offer readers of the City of Statham's financial statements this narrative overview and analysis of the financial activities of the City of Statham for the fiscal year ended June 30, 2016. We encourage readers to consider the information presented here in conjunction with their review of the financial statements.

Financial Highlights

- The assets and deferred outflows of the City of Statham exceeded its liabilities and deferred inflows at June 30, 2016 by \$6,821,821. Of this amount, unrestricted net position of \$1,026,836 may be used to meet the government's ongoing obligations to citizens and creditors.
- The total net position increased by \$255,870. Of this amount a net increase of \$240,799 was associated with governmental activities and an increase of \$15,071 was associated with business-type activities.
- As of the close of the current fiscal year, the City of Statham's governmental funds reported combined ending fund balances of \$1,021,875, an increase of \$308,856 in comparison with the prior year. Of this amount \$472,464 is unassigned and available for spending and \$549,461 is restricted for capital projects and other specific future uses.
- At the end of the current year, unassigned fund balance for the general fund was \$472,464 or 30.8 percent of total General Fund expenditures.
- The City of Statham's total debt obligations decreased by \$176,032 to a total of \$3,777,721. The City made principal payments on its capital leases, revenue bonds and GEFA notes of \$232,106 and obtained \$65,354 in additional GEFA financing during 2016.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City of Statham's basic financial statements. The City of Statham's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the 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 are designed to provide readers with a broad overview of the City of Statham's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the City's assets and liabilities, 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 presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of Statham include general government, public safety and courts, highways and streets and planning and zoning, The business-type activities of the City are water & sewer and solid waste management.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Statham can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between the two.

The City maintains two major governmental funds. The City's major governmental funds are the General Fund and a SPLOST Capital Project Fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for both major funds.

The City of Statham adopts an annual budget for all of its governmental funds. Budgetary comparison statements have been provided for the General Fund to demonstrate compliance with the FY 2016 budget. A project length budget has been adopted for the SPLOST Capital Projects Fund and is presented in the individual fund financial statements.

Proprietary funds. Enterprise funds (a component of proprietary funds) are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its Water & Sewer and Solid Waste Management activities. Both of the City's enterprise funds are considered by the City to be major funds.

Proprietary funds provide the same type of information as government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for each of the City's major funds.

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

Other information. In addition to the basic financial statement and accompanying notes, this report also presents certain other supplementary information which consists of individual fund budget schedules.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At June 30, 2016, the City's assets and deferred outflows exceeded liabilities and deferred inflows by \$6,821,821. The City's net position reflect its investment in capital assets (76.9 percent), less any related debt used to acquire those assets that is still outstanding. Capital assets are used to provide services to citizens and they are not available for future spending. Although the 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. Of the total net position, \$549,461 (8.1 percent) is restricted for capital projects and other specified activities and \$1,026,836 (15.0 percent) is unrestricted.

City of Statham's Net Position

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Current and other assets	\$ 1,049,108	\$ 720,209	\$ 670,125	\$ 775,677	\$ 1,719,233	\$ 1,495,886
Capital assets	2,172,769	2,240,826	6,705,783	6,734,355	8,878,552	8,975,181
Deferred outflows	-	-	144,693	153,205	144,693	153,205
Total assets and deferred outflows	3,221,877	2,961,035	7,520,601	7,663,237	10,742,478	10,624,272
Current liabilities	27,233	7,190	319,081	329,485	346,314	336,675
Long-term liabilities	-	-	3,574,343	3,721,646	3,574,343	3,721,646
Deferred inflows	-	-	-	-	-	-
Total liabilities and deferred inflows	27,233	7,190	3,893,424	4,051,131	3,920,657	4,058,321
Net position:						
Net investment in capital assets	2,172,769	2,119,640	3,072,755	2,933,813	5,245,524	5,053,453
Restricted	549,461	361,621	-	-	549,461	361,621
Unrestricted	472,414	472,584	554,422	678,293	1,026,836	1,150,877
Total net position	\$ 3,194,644	\$ 2,953,845	\$ 3,627,177	\$ 3,612,106	\$ 6,821,821	\$ 6,565,951

A portion of the net position (8.1 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$1,026,836) may be used to meet the government's ongoing obligations to citizens and creditors.

Governmental activities. Governmental activities increased the City of Statham's net position by \$240,799, thereby accounting for 94.1% of the total increase in the net position of the City of Statham. Key elements of this increase are as follows:

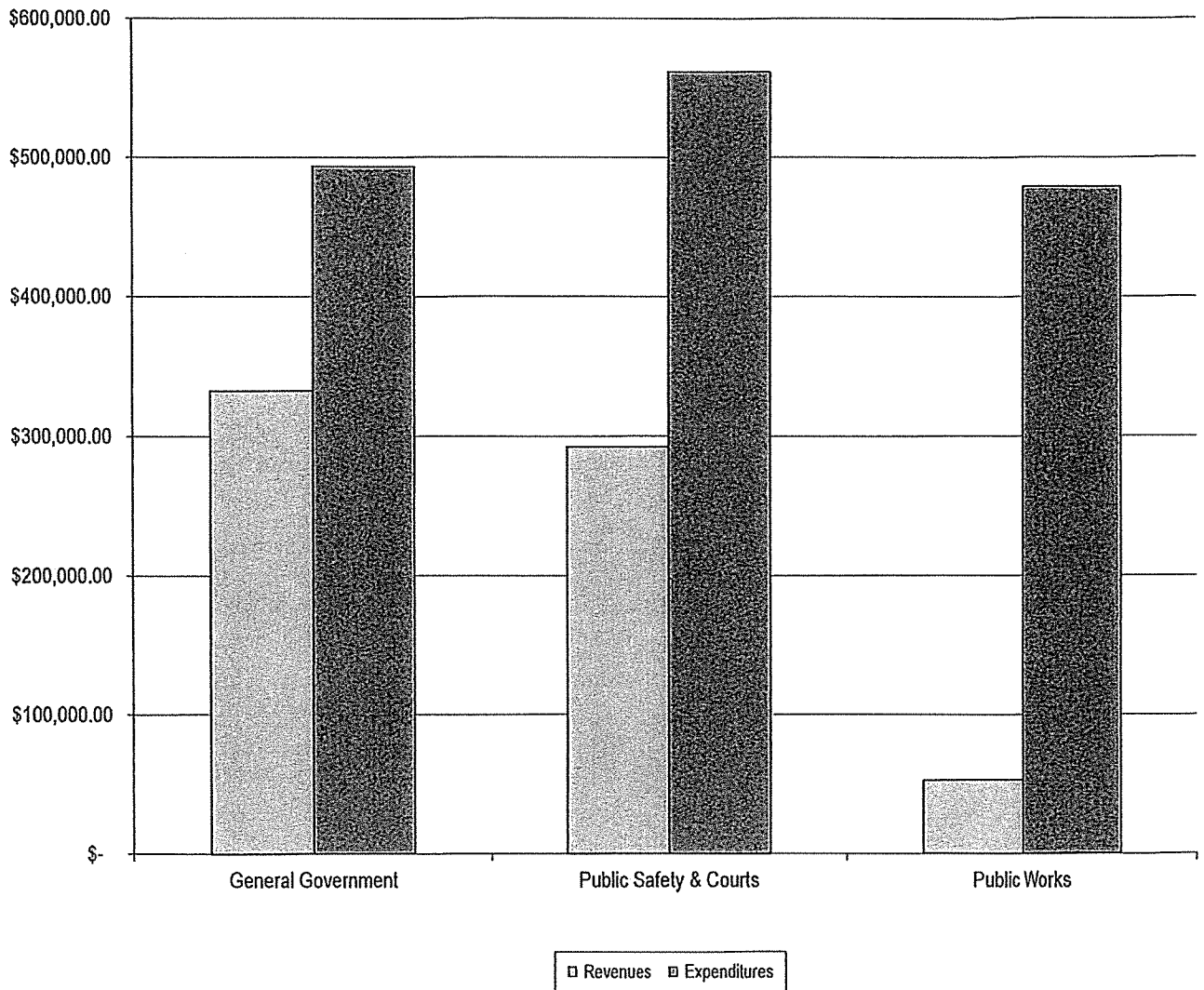
- Overall governmental revenues increased approximately \$183,438 or 11.5%. This increase is mainly due to an increase in intergovernmental revenues (capital grants) of approximately \$46,200. Intergovernmental revenues included \$52,810 in State DOT grants and Special Purpose Local Option Sales Taxes of \$238,806.
- Fines and forfeitures for f/y 2016 also increased from f/y 2015 by approximately \$50,000. This is the result of the City's increase in traffic control officers and the purchase and implementation of a License Plate Reader.

- Tax revenues for f/y 2016 decreased by approximately 4.2% over f/y 2015. This is the result of the change in the motor vehicle laws which decreased the tax revenues from motor vehicles.
- Overall governmental activities expenses for the f/y 2016 increased approximately \$125,815 or 8.9% from f/y 2015. Significant increases included \$101,463 in Public Safety capital outlay and payments to other state agencies due to increases in fine collections. Public Works expenses increased \$88,711 due to street and sidewalk improvements.

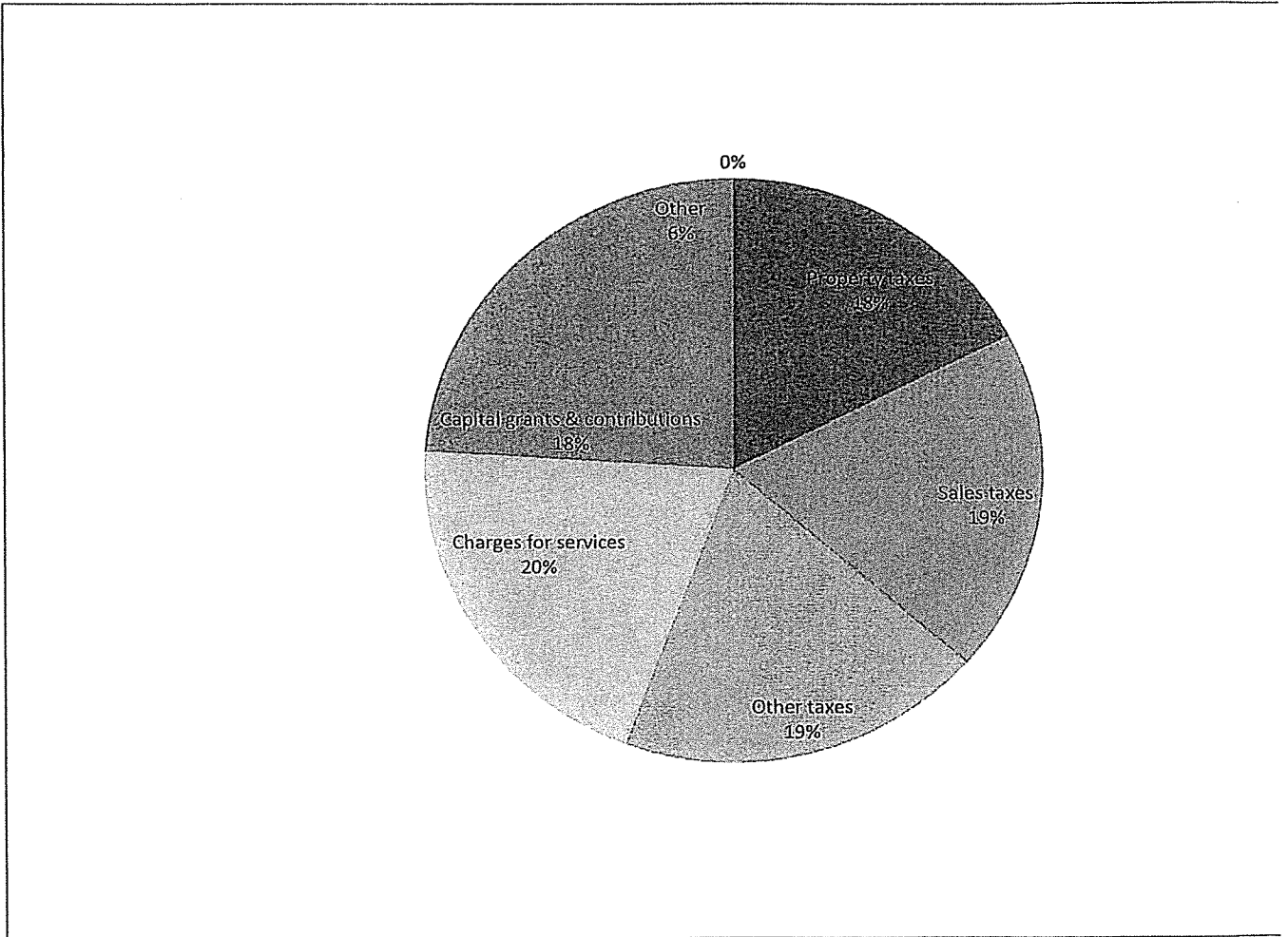
**City of Statham's Change in Net Position
For The Years Ended June 30, 2016 and 2015**

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues:						
Program Revenues						
Charges for services	\$ 359,394	\$ 272,273	\$ 1,249,134	\$ 1,116,510	\$ 1,608,528	\$ 1,388,783
Operating grants and contributions	-	-	-	-	-	-
Capital grants and contributions	317,860	271,660	-	-	317,860	271,660
General Revenues						
Property taxes	308,305	342,886	-	-	308,305	342,886
Sales taxes	338,261	335,605	-	-	338,261	335,605
Other taxes	343,097	332,373	-	-	343,097	332,373
Interest	401	254	-	645	401	899
Other	107,688	36,517	604	-	108,292	36,517
	<u>1,775,006</u>	<u>1,591,568</u>	<u>1,249,738</u>	<u>1,117,155</u>	<u>3,024,744</u>	<u>2,708,723</u>
Expenses:						
General government	493,646	558,004	-	-	493,646	558,004
Public safety and courts	561,726	460,264	-	-	561,726	460,264
Public Works	478,835	390,124	-	-	478,835	390,124
Water & Sewer	-	-	1,061,651	949,587	1,061,651	949,587
Solid waste	-	-	173,016	152,933	173,016	152,933
	<u>1,534,207</u>	<u>1,408,392</u>	<u>1,234,667</u>	<u>1,102,520</u>	<u>2,768,874</u>	<u>2,510,912</u>
Increase (decrease) in net assets before transfers	240,799	183,176	15,071	14,635	255,870	197,811
Transfers	-	(101,077)	-	101,077	-	-
Increase (decrease) in net position	240,799	82,099	15,071	115,712	255,870	197,811
Net position - beginning of year, adjusted	<u>2,953,845</u>	<u>2,871,746</u>	<u>3,612,106</u>	<u>3,496,394</u>	<u>6,565,951</u>	<u>6,368,140</u>
Net position - end of year	<u>\$ 3,194,644</u>	<u>\$ 2,953,845</u>	<u>\$ 3,627,177</u>	<u>\$ 3,612,106</u>	<u>\$ 6,821,821</u>	<u>\$ 6,565,951</u>

Expenses and Program Revenues-Governmental Activities

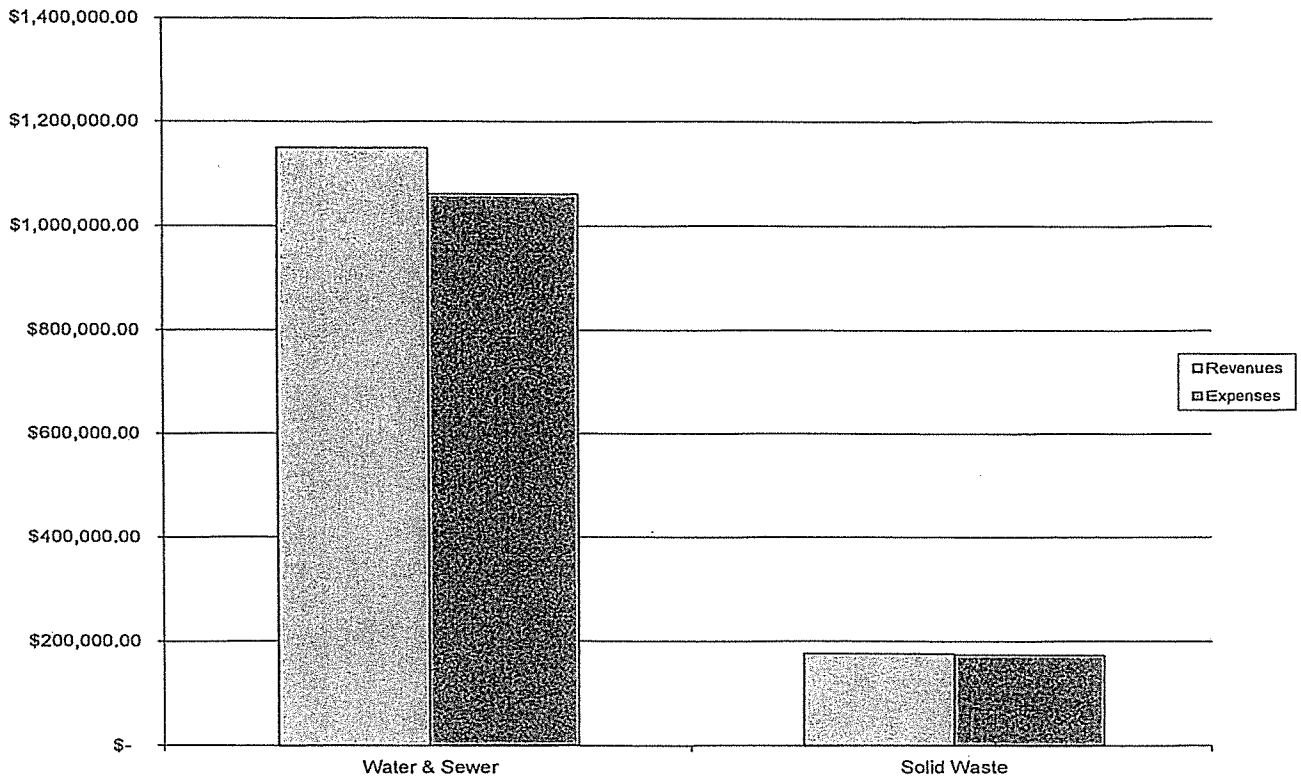


Revenue by Source-Governmental Activities



Business-type activities. Business-type activities increased the City’s net position by \$15,071 of which an increase of \$12,265 was from Water & Sewer activities and an increase of \$2,806 was from Solid Waste Management Activities. The SPLOST Fund did pay approximately \$77,000 in Water & Sewer revenue bond interest.

Expenses and Program Revenues-Business-Type Activities



Financial Analysis of the Government’s Funds

As noted earlier, the City of Statham used fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds. The purpose of the City’s governmental fund financial statements is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City’s financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year.

At June 30, 2016, the City’s governmental funds reported combined ending fund balances of \$1,021,875 an increase of \$308,856 in comparison to the prior year. Of this amount, \$472,414 (46.2 percent) is unassigned fund balance, which is available for spending at the government’s discretion. The remainder of fund balance is restricted to indicate that it is not available for new spending because it has already been committed to pay for capital items which is funded by the proceeds of the Special Purpose Local Option Sales Tax.

The General Fund is the City's chief operating fund. At the end of the current fiscal year, unassigned and total fund balance of the general fund was \$472,414. As a measure of the general fund's liquidity, it may be useful to calculate unassigned fund balance to total fund expenditures. Unassigned fund balance represents 34.0 percent of the total general fund expenditures. An unassigned fund balance of 25% is typically stated to be a good reserve.

The City of Statham received \$212,600 in Special Purpose Local Option Sales Taxes and \$52,810 in State DOT grant funds in 2016. SPLOST funds were used during f/y 2016 debt service on Water & Sewer revenue bonds in the amount of \$77,000.

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

The Water & Sewer Fund provides water and waste water disposal to the City's residential and commercial customers. The City strives to maintain competitive rates to its customers while providing safe drinking water and sewage treatment. The Water & Sewer Fund reported a net income before transfers of \$12,265.

The Solid Waste Management Fund provides refuse collection and disposal to the City's residential and commercial customers. The Solid Waste Fund reported net income before transfers for the f/y 2016 of \$2,806.

Unrestricted net position of the proprietary funds at the end of the year was \$554,422 of which the Water & Sewer Fund had \$533,402 and the Solid Waste Management Fund had \$21,020.

General Fund Budgetary Highlights

The original General Fund budgeted expenditures for f/y 2016 was \$1,418,206 while actual General Fund expenditures amounted to \$1,388,992. This resulted in a variance of \$29,214 or 2.1%.

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business-type activities at June 30, 2016 amounts to \$8,878,552 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, automobiles and equipment, sidewalks, bridges and roads.

Major capital asset events during the current fiscal year included water & sewer infrastructure improvements of approximately \$181,242.

Additional information on the City's capital assets can be found in note 7.

Long-term debt. At the end of the current fiscal year, the City had \$3,777,720 in outstanding debt consisting of the following:

City of Statham's Outstanding Debt		Balance
Governmental Activities -		
Capital leases		\$ -
Business-Type Activities -		
Capital leases		-
Revenue Bonds		3,697,750
GEFA Notes Payable		79,970
Total		\$ 3,777,720

The City's total debt decreased by \$176,032. Additional information on the City's long-term debt can be found in note 8.

Status of the City of Statham's Economy

- The unemployment rate in the City of Statham is in line with the State and Nation.
- Inflationary trends in the region compare favorably to national indices.
- The occupancy rate of the City's downtown and highway commercial areas have remained consistent.
- Sales tax receipts continued to increase during 2016. This is expected to continue into the future but should be watched very closely while preparing future budgets.

Requests for Information

This financial report is designed to provide a general overview of the City of Statham's finances, comply with finance-related laws and regulations, and demonstrate the City's commitment to public accountability. Questions concerning this report or requests for additional information can be obtained by contacting the City at (770) 725-5455 or at the following address:

City of Statham
 Finance Department
 P.O. Box 28
 Statham, GA 30666

City of Statham, Georgia
Statement of Net Position
As of June 30, 2016

	Primary Government		
	Governmental	Business-	Total
	Activities	type Activities	
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 687,012	\$ 875,816	\$ 1,562,828
Receivables	73,274	7,006	80,280
Internal Balances	213,160	(213,160)	-
Due from Other Governments	75,662	463	76,125
Non-Current Assets			
Capital Assets:			
Land	365,949	525,753	891,702
Other capital assets, net of accumulated depreciation	1,806,820	6,180,030	7,986,850
TOTAL ASSETS	3,221,877	7,375,908	10,597,785
Deferred Charges	-	144,693	144,693
LIABILITIES			
Current Liabilities			
Accounts payable	17,488	32,813	50,301
Payroll Tax Liability	9,745	-	9,745
Refundable Deposits	-	72,311	72,311
Accrued Interest Payable	-	10,579	10,579
Notes, Leases & Bonds Payable - Current	-	203,378	203,378
Non-Current Liabilities			
Notes & Leases Payable - Non-Current	-	3,574,343	3,574,343
TOTAL LIABILITIES	27,233	3,893,424	3,920,657
NET POSITION			
Net investment in Capital Assets	2,172,769	3,072,755	5,245,524
Restricted - SPLOST	549,461	-	549,461
Unrestricted	472,414	554,422	1,026,836
TOTAL NET POSITION	\$ 3,194,644	\$ 3,627,177	\$ 6,821,821

See accompanying notes to financial statements.

City of Statham, Georgia
Statement of Activities
For the Fiscal Year Ended June 30, 2016

<u>Functions/Programs</u>	<u>Program Revenues</u>				Net (Expense) Revenue
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Primary government:					
Governmental activities:					
General government	\$ 493,646	\$ 67,203	\$ -	\$ 265,050	\$ (161,393)
Public Safety	561,726	292,191	-	-	(269,535)
Public Works	478,835	-	-	52,810	(426,025)
Total governmental activities	<u>1,534,207</u>	<u>359,394</u>	<u>-</u>	<u>317,860</u>	<u>(856,953)</u>
Business-type activities:					
Water & Sewer	997,341	1,073,315	-	-	75,974
Solid Waste	173,016	175,819	-	-	2,803
Interest Expense	64,310	-	-	-	(64,310)
Total business-type activities	<u>1,234,667</u>	<u>1,249,134</u>	<u>-</u>	<u>-</u>	<u>14,467</u>
Total primary government	<u>\$ 2,768,874</u>	<u>\$ 1,608,528</u>	<u>\$ -</u>	<u>\$ 317,860</u>	<u>\$ (842,486)</u>

See accompanying notes to financial statements.

City of Statham
Statement of Activities (Continued)
For the Fiscal Year Ended June 30, 2016

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Change in Assets:			
Net (expense) revenue	\$ (856,953)	\$ 14,467	\$ (842,486)
General revenues:			
Taxes:			
Sales & Use Taxes - Local Option	338,261	-	338,261
Property Taxes	308,305	-	308,305
Franchise taxes	145,197	-	145,197
Alcoholic Beverage Taxes	13,183	-	13,183
Insurance Premium Taxes	143,993	-	143,993
Other taxes	40,724	-	40,724
Interest & Investment Earnings	401	604	1,005
Miscellaneous	107,688	-	107,688
Transfers	-	-	-
Total general revenues & Transfers	1,097,752	604	1,098,356
Change in net position	240,799	15,071	255,870
Net position—beginning	2,953,845	3,612,106	6,505,951
Net position—ending	\$ 3,194,644	\$ 3,627,177	\$ 6,821,821

See accompanying notes to financial statements.

City of Statham, Georgia
Balance Sheet -- Governmental Funds
As of June 30, 2016

	<u>General</u>	<u>SPLOST Fund</u>	<u>Total Governmental Funds</u>
<u>ASSETS</u>			
Cash and cash equivalents	\$ 154,313	\$ 532,699	\$ 687,012
Receivables - Taxes	73,274	-	73,274
Other Accounts	-	-	-
Due From Other Governments	58,900	16,762	75,662
Due From Other Funds	472,557	-	472,557
Total assets	759,044	549,461	1,308,505
<u>LIABILITIES</u>			
Accounts Payable	17,488	-	17,488
Due To Other Funds	259,397	-	259,397
Payroll Tax Liability	9,745	-	9,745
Total liabilities	286,630	-	286,630
<u>FUND BALANCES</u>			
Unassigned - General	472,414	-	472,414
Restricted - SPLOST Fund	-	549,461	549,461
Total fund balances	472,414	549,461	1,021,875
Total liabilities and fund balances	\$ 759,044	\$ 549,461	\$ 1,308,505

See accompanying notes to financial statements.

RECONCILIATION OF THE BALANCE
SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
June 30, 2016

CITY OF STATHAM, GEORGIA

Total fund balance - total governmental funds \$ 1,021,875

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

Capital assets used in governmental activities are not financial resources
and therefore are not reported in the funds.

Capital assets (cost)	\$ 3,421,216	
Less accumulated depreciation	<u>(1,248,447)</u>	<u>2,172,769</u>

Net position of governmental activities. \$ 3,194,644

City of Statham, Georgia
Statement of Revenues, Expenditures,
and Changes in Fund Balances--
Governmental Funds
Year Ended June 30, 2016

	<u>General</u>	<u>SPLOST Fund</u>	<u>Total Governmental Funds</u>
<u>REVENUES</u>			
Taxes	\$ 995,045	\$ -	\$ 995,045
Licenses and Permits	67,203	-	67,203
Intergovernmental	390	264,660	265,050
Fines and Forfeitures	292,191	-	292,191
Interest Income	63	338	401
Miscellaneous	155,116	-	155,116
Total revenues	<u>1,510,008</u>	<u>264,998</u>	<u>1,775,006</u>
<u>EXPENDITURES</u>			
Current Operations			
General government	408,600	-	408,600
Public Safety	518,330	-	518,330
Public Works	452,748	-	452,748
Capital Outlay			
General Government	-	-	-
Public Works	9,314	77,158	86,472
Total expenditures	<u>1,388,992</u>	<u>77,158</u>	<u>1,466,150</u>
Revenues Over (Under) Expenditures	121,016	187,840	308,856
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfers	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net change in fund balances	121,016	187,840	308,856
Fund balances, beginning	<u>351,398</u>	<u>361,621</u>	<u>713,019</u>
Fund balances, ending	<u>\$ 472,414</u>	<u>\$ 549,461</u>	<u>\$ 1,021,875</u>

See accompanying notes to financial statements.

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2016

CITY OF STATHAM, GEORGIA

Net change in fund balances - total governmental funds \$ 308,856

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

Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays and depreciation differ in the current period.

Capital Outlay	12,532	
Depreciation	<u>(80,589)</u>	<u>(68,057)</u>

Change in net position of governmental activities. \$ 240,799

See accompanying notes to financial statements.

City of Statham, Georgia
Statement of Net Position
Proprietary Funds
June 30, 2016

	<u>Enterprise Funds</u>		
	<u>Water/Sewer</u>	<u>Solid Waste</u>	<u>Total</u>
<u>ASSETS</u>			
Current Assets:			
Cash and Cash Equivalents	\$ 560,865	\$ 2,694	\$ 563,559
Receivable, Net	7,006	-	7,006
Restricted Cash & Cash Equivalents	312,257	-	312,257
Due from EPA	463	-	463
Due From other Funds	-	32,174	32,174
Total current assets	<u>880,591</u>	<u>34,868</u>	<u>915,459</u>
Non-Current Assets:			
Deferred Charges	144,693	-	144,693
Capital Assets:			
Land	525,753	-	525,753
Buildings, Equipment & Distribution System, net of accumulated depreciation	<u>6,180,030</u>	<u>-</u>	<u>6,180,030</u>
Total Non-Current Assets	<u>6,850,476</u>	<u>-</u>	<u>6,850,476</u>
Total assets	<u>7,731,067</u>	<u>34,868</u>	<u>7,765,935</u>
<u>LIABILITIES</u>			
Current Liabilities:			
Due to other Funds	245,334	-	245,334
Accounts Payable	18,965	13,848	32,813
Refundable Deposits	72,311	-	72,311
Note Payable/Leases, Bonds Current	203,378	-	203,378
Accrued Interest Payable	10,579	-	10,579
Non-Current Liabilities:			
Notes & Bonds Payable, Non-Current	<u>3,574,343</u>	<u>-</u>	<u>3,574,343</u>
Total liabilities	<u>4,124,910</u>	<u>13,848</u>	<u>4,138,758</u>
<u>NET POSITION</u>			
Net investment in capital assets	3,072,755	-	3,072,755
Unrestricted	<u>533,402</u>	<u>21,020</u>	<u>554,422</u>
Total net position	<u>\$ 3,606,157</u>	<u>\$ 21,020</u>	<u>\$ 3,627,177</u>

See accompanying notes to financial statements.

City of Statham, Georgia
Statement of Revenues, Expenses,
and Changes in Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2016

	<u>Enterprise Fund</u>		
	<u>Water & Sewer</u>		
	<u>System</u>	<u>Solid Waste</u>	<u>Total</u>
<u>OPERATING REVENUES</u>			
Charges for Service	\$ 1,073,315	\$ 175,819	\$ 1,249,134
Total operating revenues	<u>1,073,315</u>	<u>175,819</u>	<u>1,249,134</u>
<u>OPERATING EXPENSES</u>			
Personal Services and Benefits	302,125	-	302,125
Purchased/Contracted Services	138,824	167,393	306,217
Depreciation	209,813	-	209,813
Supplies	55,835	1,469	57,304
Other	290,744	4,154	294,898
Total operating expenses	<u>997,341</u>	<u>173,016</u>	<u>1,170,357</u>
Operating income (loss)	<u>75,974</u>	<u>2,803</u>	<u>78,777</u>
<u>NON-OPERATING REVENUE (EXPENSES)</u>			
Interest Income	601	3	604
Interest Expense	(64,310)	-	(64,310)
Total non-operating revenue (expenses)	<u>(63,709)</u>	<u>3</u>	<u>(63,706)</u>
Net Income (Loss) before Transfers	12,265	2,806	15,071
Transfers	-	-	-
Change in net position	12,265	2,806	15,071
Total net position, beginning	<u>3,593,892</u>	<u>18,214</u>	<u>3,612,106</u>
Total net position, ending	<u>\$ 3,606,157</u>	<u>\$ 21,020</u>	<u>\$ 3,627,177</u>

See accompanying notes to financial statements.

City of Statham, Georgia
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2016

	Water & Sewer		
	System	Solid Waste	Total
<u>Cash Flows from Operating Activities:</u>			
Receipts from customers	\$ 1,170,420	\$ 175,819	\$ 1,346,239
Payment to suppliers	(483,139)	(175,819)	(658,958)
Payment to employees	(302,125)	-	(302,125)
Other payments	-	-	-
Net Cash Provided by Operating Activities	<u>385,156</u>	<u>-</u>	<u>385,156</u>
<u>Cash Flows from Non Capital Financing Activities:</u>			
Increase / (Decrease) - Customer Deposits	2,369	-	2,369
(Increase) / Decrease - Due From EPA	(463)	-	(463)
Increase / (Decrease) - Due To Other Funds	147,323	-	147,323
Increase / (Decrease) - Accrued Interest Payable	(162)	-	(162)
Transfers In	-	-	-
Total Cash Used by Non Capital Financing Activities	<u>149,067</u>	<u>-</u>	<u>149,067</u>
<u>Cash Flows from Capital and Related Financing Activities</u>			
Acquisition of Capital Assets	(181,242)	-	(181,242)
Decrease - Deferred Charges	8,512	-	8,512
Interest Expense	(64,310)	-	(64,310)
Principal Payments	(176,025)	-	(176,025)
Transfers In	-	-	-
Total Cash Provided (Used) by Capital and Related Financing Activities	<u>(413,065)</u>	<u>-</u>	<u>(240,335)</u>
<u>Cash Flows from Investing Activities:</u>			
Interest Income	601	3	604
Total Cash Provided by Investing Activities	<u>601</u>	<u>3</u>	<u>604</u>
Net Increase (Decrease) in Cash	121,759	3	294,492
Cash and Cash Equivalents - Beginning of Year	<u>751,363</u>	<u>2,691</u>	<u>754,054</u>
Cash and Cash Equivalents - End of Year	<u><u>873,122</u></u>	<u><u>2,694</u></u>	<u><u>1,048,546</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Net Operating Income/(Loss)	75,974	2,803	78,777
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities			
Depreciation	209,813	-	209,813
(Increase) / Decrease - Accounts Receivable	97,105	-	97,105
(Increase) / Decrease - Due From Other Funds	-	(16,651)	(16,651)
Increase / (Decrease) - Accounts Payable	2,264	13,848	16,112
Net Cash Provided by Operating Activities	<u>385,156</u>	<u>-</u>	<u>385,156</u>

See accompanying notes to financial statements.

Note 1. Summary of Significant Accounting Policies

A. Introduction:

The City of Statham (City), Georgia operates under a Mayor-Council form of government. The accounting, financial reporting, and significant practices of the City are discussed in subsequent sections and the remainder of the Notes are organized to provide explanations and other required disclosures for the City's financial activities.

The financial statements of the City of Statham have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) of the United States of America. The City's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements. The City also applies Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued after November 30, 1989, to its governmental and business-type activities at the government-wide financial reporting level and to its proprietary funds at the fund reporting level unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails.

B. Financial Reporting Entity – Basis of Presentation

1. Primary Government and Component Units:

The City has implemented Governmental Accounting Standards Board Statement 14 "The Financial Reporting Entity". Statement 14 applies to all state and local governments. The Statement applies to financial reporting by primary governments, governmental joint ventures, jointly governed organizations, and other stand-alone governments; and it applies to the separately issued financial statements of governmental component units. The financial reporting entity consists of (a) primary governments, (b) organizations for which the primary government is financially accountable and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The nucleus of a financial reporting entity usually is a primary government. However, a governmental organization other than a primary government (such as a component unit, joint venture, jointly governed organization or another stand-alone government) serves as the nucleus for its own reporting entity when it issues separate financial statements.

In conformity with GASB Statement 14, the City of Statham, Georgia, has no component units that meet the criteria for component units requiring discrete presentation in the primary governmental financial reporting entity.

2. Government-wide and Fund Financial Statements:

Government-wide Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the City as a whole. The primary government is the focus of these financial statements. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and City general revenues, from business-type activities, generally financed in whole or in part with fees charged to external customers.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees, fines and forfeitures, and other charges to users of the City's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets and include fees to developers. These revenues are subject to externally imposed restrictions to these program uses. Taxes and other revenue sources not properly included with program revenues are reported as general revenues.

Fund Financial Statements

The City segregates transactions related to certain City functions or activities in separate funds in order to aid in financial management and to demonstrate legal and contractual compliance. Fund financial statements are provided for governmental and proprietary funds. Major individual governmental and enterprise funds are reported in separate columns with composite columns for non-major funds.

Fund Accounting

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

Governmental Fund Types

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The City considers revenues to be available if they are collected within sixty (60) days of end of the fiscal year. Revenues subject to accrual are property taxes, sales & use taxes, interest income and grants. Expenditures are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported as expenditures in the year due. Governmental fund types utilized by the City are General, and SPLOST. The General fund is the City's primary operating fund and accounts for all financial resources of the general government. The SPLOST Fund is a capital projects fund that accounts for accumulation of SPLOST receipts and subsequent disbursement of such resources in obtaining or renovating major capital projects. The General and SPLOST funds are major governmental funds.

Proprietary Fund Types

Proprietary fund financial statements report using the economic resources measurement focus and the accrual basis of accounting, primarily directed to continuing operations. Reporting focuses on the determination of net income, financial position, and cash flows. Principal operating revenues for proprietary funds are charges to customers for sales or services.

Principal operating expenses are costs of providing goods or services and include administrative expenses and depreciation of capital assets. Other revenues and expenses are classified as non-operating in the financial statements.

Proprietary fund types utilized by the City are Water & Sewer and Solid Waste Funds. Both are major enterprise funds. The Water & Sewer fund accounts for utility services and their related distribution operations. The Solid Waste Fund accounts for refuse collections and operations.

3. Measurement Focus:

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

It is the City's policy to use restricted amounts prior to unrestricted amounts when both are available for use. The City uses Committed amounts of fund balance, then Assigned amounts and lastly Unassigned resources when unrestricted amounts of fund balance are being used.

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

All Proprietary fund types are accounted for on a flow of economic resources measurement focus on both financial reporting levels. All assets and liabilities associated with the operation of these funds are included on the statements of net position. The statement of changes in fund net position presents increases (revenues) and decreases (expenses) in net total position. The statements of cash flows provide information about how the City's finances meet the cash flow needs of its proprietary activities.

C. Basis of Accounting:

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

D. Assets, Liabilities, Net Position or Fund Equity:

1. Cash, Cash Equivalents, and Investments

Cash and cash equivalents include demand deposits, money market accounts and short-term investments with a maturity date, within ninety (90) days of the date acquired by the City. The City may invest and reinvest money subject to its control in (1) obligations of the United States and its agencies and instrumentalities; (2) bonds or certificates of indebtedness of Georgia and its agencies and instrumentalities; and (3) certificates of deposit of banks which have deposits insured by the Federal Deposit Insurance Corporation and certain specified amounts in excess of the amount insured by the F.D.I.C. The City also may hold funds in deposit accounts with banking institutions as otherwise authorized by law.

Investments are stated at cost or amortized costs, which approximates market. Investments consist on money market accounts, certificates of deposit and U. S. Government Treasury Bills & Notes, and are considered the same as cash and cash equivalents, and accordingly are reported under the caption of cash on the balance sheet.

2. Receivables

Receivables are recorded in the General and Enterprise Funds net of any estimated uncollectibles.

3. Inventory

Materials purchased and expendable supplies are shown as expenditures in governmental funds and expenses in proprietary funds when acquired and are not inventoried at year end because the amounts are not considered to be material.

4. Prepaid Items

Payments to vendors for services that benefit future periods beyond the fiscal year end are recorded as prepaid items and reported on the consumption basis. When prepaid items are incurred by the City, the expenditure or expense is deferred to the period benefited. At the fund reporting level, a reservation is made in the fund balance for an equal amount.

5. Capital Assets

The City's property, plant, equipment, and infrastructure with useful lives of more that one year are stated at historical cost and comprehensively reported in the government-wide financial statements. Infrastructure acquired prior to implementation of GASB 34 on October 1, 2003 is not reported in the basic financial statements. Proprietary/Enterprise fund capital assets are reported in their respective fund financial statements. Donated assets are stated at fair value on the date donated. The City maintains a capitalization threshold of five thousand dollars. The City's infrastructure consists of roads, bridges, curbs, gutters, sidewalks and utility (Water & Sewer) distribution systems. Major improvements to capital assets are capitalized. Cost of normal maintenance and repair that do not add to the asset value or materially extend useful lives are not capitalized.

Capital assets are depreciated using the straight-line method. When capital assets are disposed of or retired, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss recorded in operations. Depreciation is determined using the straight-line method over the following estimated useful lives:

Plants & Buildings	20-50 years
Machinery & Equipment	5-8 years
Vehicles	3-5 years
Transmission/Distribution Systems & Infrastructure	20-50 years

6. Interest Capitalization

Interest costs are capitalized when incurred by proprietary funds on debt where the proceeds were used to finance construction of assets.

7. Compensated Absences

Full-time, permanent employees are granted vacation benefits in varying amounts to specified maximums depending on tenure with the City. The maximum vacation accrual is limited to thirty (30) days. The City requires vacation benefits to be taken in the year granted. Vacation benefits are not allowed to be accrued and carried over to future periods, therefore any vacation benefits not taken are lost. Sick leave accrues to full-time employees to specified maximums; however, benefits are paid only upon illness of an employee and are charged to expenditures when taken. Accrued sick benefits are lost upon termination or retirement.

8. Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide and proprietary financial statements. Bond issue costs, bond discounts or premiums, and the difference between the reacquisition price and net carrying value of a refunded debt are capitalized and amortized over the terms of the respective bonds using a method that approximates the effective interest rate method.

Governmental fund payables and accrued liabilities reported as obligations of these funds are paid in full from current financial resources. Governmental fund financial statements recognize proceeds from debt and premiums as other financing sources of the current period. Issuance costs are reported as expenditures.

9. Fund Equity

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

Fund Balance

Fund balance represents the difference between current assets and current liabilities. Unrestricted fund balance indicates the amount available for appropriation in future periods. The City restricts portions of fund balance which are legally segregated for a specific purpose or do not represent amounts available for appropriation or expenditures.

Net Position

Net position represents the difference between assets and liabilities. Investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through legislation adopted by the City or contractual by creditors, grantors, or laws, or regulations of their governments. All other net position is reported as unrestricted.

10. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. The City's operating revenues are charges for services for water and sewage, and solid waste disposal. Operating expenses are the necessary costs incurred to provide goods or services that are the primary activity of each fund.

11. Contributed Capital

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets, grants or outside contribution of resources restricted to capital acquisition and construction.

NOTE 2. Changes In Accounting Principles, Fund Reclassifications And Restatement of Equity

-NONE-

NOTE 3. Stewardship, Compliance and Accountability

A. Budgetary Information

Budget Policy and Practice

The City prepares annual budgets based on anticipated revenues and appropriated expenditures. Public hearings are conducted to obtain taxpayer comments. Prior to June 30, each year the budget is legally enacted by passage of an ordinance for the City's operating funds. Amendments to the budget must be approved by the City Council. Budgets of the General and Special Revenue and Proprietary Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

Basis for Budgeting

Each fund's appropriated budget is prepared on a detailed line item basis. Revenues are budgeted by source. Expenditures are budgeted by department and class as follows: personal services and benefits, purchased/contracted services, supplies, capital outlay, and transfers. The legal level of budgetary control is the department level. Budget revisions at this level are subject to review and approval by the City Council. Within these control levels, management may transfer appropriations without Council approval. Revisions to the budget were made throughout the year. All unexpended annual appropriations lapse at year end.

B. Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods and services. Encumbrance accounting – under which purchase orders, contracts and other commitments for expenditures of resources are recorded to reserve the applicable appropriation – is not used by the City.

C. Deficit Fund Equities

The City had no funds with deficit fund balances as of June 30, 2016.

D. Excess of Expenditures over Appropriations

Expenditures in excess of appropriations for the primary government were as follows:

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Public Safety	510,233	518,330	(8,097)
Public Works	436,304	462,062	(25,758)

The excesses do not appear to be recurring amounts, so no action needs to be taken.

NOTE 4. Detailed Notes on All Funds

A. Deposits and Investments

All bank balances of deposits as of the balance sheet date are entirely insured or collateralized with securities held by the City or its agent in the City's name. Cash and investments are classified as to credit risk as described below:

Deposits

Category 1 – Insured or collateralized with securities held by the City or its agents in the City's name.

Category 2 - Collateralized with securities held by the pledging financial institution's trust department or agent in the City's name.

Category 3 – Uncollateralized.

	Category			Bank Balance	Carrying Amount
	1	2	3		
Primary Government	\$ 1,590,615	\$ -	\$ -	\$ 1,590,615	\$ 1,562,828
Totals	\$ 1,590,615	\$ -	\$ -	\$ 1,590,615	\$ 1,562,828

Investments

The City may invest and reinvest money subject to its control in (1) obligations of the United States and its agencies and instrumentalities; (2) bonds or certificates of indebtedness of the State of Georgia and its agencies and instrumentalities; and (3) certificates of deposits of banks which have deposits insured by the Federal Deposit Insurance Corporation (FDIC) and certain specified amounts in excess of the amounts insured by the FDIC with the bank pledging appropriate bank assets as collateral. The City also may hold funds in deposit accounts with banking institutions as otherwise authorized by law. Investments are stated at cost or amortized costs, which approximates market. Investments consist of money market accounts and U. S. Government Treasury bills and notes, which mature within three months or less from the date of acquisition are considered as the same as cash and cash equivalents, and accordingly are reported under the caption of cash on the balance sheet.

B. Receivables

Receivables are recorded in the General and Enterprise Funds net of any estimated uncollectibles. A summary by fund of the receivables and their respective allowances for doubtful accounts follows:

Primary Government	Property		Allowance for Uncollectibles	Net Receivables
	Taxes	Accounts		
General Fund	\$ 73,274	\$ -	\$ -	\$ 73,274
Water & Sewer Fund	-	13,617	(6,611)	7,006
Total Primary Government	\$ 73,274	\$ 13,617	\$ (6,611)	\$ 80,280

C. Due from Other Governments

The City recorded sales and use tax receipts for May and June, 2016 due from the Georgia Department of Revenue – Sales and Use Tax Division in the amount of \$ 58,900.

Additionally, SPLOST receipts due from Barrow County, Georgia in the amount of \$ 16,762.

(Continued on next page)

**NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

CITY OF STATHAM, GEORGIA

D. Capital Assets

A summary of Capital Assets follows:

	Balance 7/1/2015	Additions	Deletions	Balance 6/30/2016
Governmental Activities				
Capital Assets not being depreciated				
Land	\$ 365,949	\$ -	\$ -	\$ 365,949
Total Capital Assets not being depreciated	<u>365,949</u>	<u>-</u>	<u>-</u>	<u>365,949</u>
Other Capital Assets:				
Buildings	581,321	-	-	581,321
Vehicles & Equipment	804,914	12,532	-	817,446
Infrastructure	1,656,500	-	-	1,656,500
Total Other Capital Assets	<u>3,042,735</u>	<u>12,532</u>	<u>-</u>	<u>3,055,267</u>
Accumulated Depreciation:				
Buildings	221,712	14,533	-	236,245
Vehicles & Equipment	686,729	32,926	-	719,655
Infrastructure	259,416	33,130	-	292,546
Total Accumulated Depreciation	<u>1,167,857</u>	<u>80,589</u>	<u>-</u>	<u>1,248,446</u>
Governmental Activities - Capital Assets, net	<u>\$ 2,240,827</u>	<u>\$ (68,057)</u>	<u>\$ -</u>	<u>\$ 2,172,770</u>
Business-type Activities				
Capital Assets not being depreciated				
Land	\$ 525,753	\$ -	\$ -	\$ 525,753
Total Capital Assets not being depreciated	<u>525,753</u>	<u>-</u>	<u>-</u>	<u>525,753</u>
Other Capital Assets:				
Plants/Buildings	41,898	-	-	41,898
Distribution Systems	8,686,975	181,242	-	8,868,217
Vehicles & Equipment	534,465	-	-	534,465
Total Other Capital Assets	<u>9,263,338</u>	<u>181,242</u>	<u>-</u>	<u>9,444,580</u>
Accumulated Depreciation:				
Plants/Buildings	18,806	1,048	-	19,854
Distribution Systems	2,643,800	174,308	-	2,818,108
Vehicles & Equipment	392,131	34,457	-	426,588
Total Accumulated Depreciation	<u>3,054,737</u>	<u>209,813</u>	<u>-</u>	<u>3,264,550</u>
Business-type Activities Capital Assets, net	<u>\$ 6,734,354</u>	<u>\$ (28,571)</u>	<u>\$ -</u>	<u>\$ 6,705,783</u>

**NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

CITY OF STATHAM, GEORGIA

Depreciation Expense

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

<u>Governmental Activities</u>		<u>Business-type Activities</u>	
General Government	\$ 11,106	Water & Sewer and	
Public Safety	43,396	Garbage	\$ 209,813
Public Works	26,087		

E. Interfund Balances/Transfers

Transfers and payments within the reporting entity are for purposes of funding capital asset acquisitions. The government-wide statement of activities eliminates transfers within segregated governmental and business-type activities columns. Only transfers between the two columns appear in this statement. Fund financial statement receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables." These amounts are eliminated in governmental and business-type activities of government-wide statements of net position, except for net residual amounts due between governmental and business-type activities, which are reclassified and presented as internal balances. The interfund balances resulted from capital and infrastructure improvements. Interfund balances at June 20, 2016, consisted of the following amounts.

	<u>Interfund</u>		<u>Transfers</u>	
	<u>Receivable</u>	<u>Payable</u>	<u>To</u>	<u>From</u>
Governmental Activities				
<u>Major Governmental Funds</u>				
General	\$ 472,557	\$ -	\$ -	\$ -
SPLOST	-	259,397	-	-
<u>Non-Major Governmental Funds</u>				
Special Revenue Fund				
Business-type Activities				
<u>Major Enterprise Funds</u>				
Water & Sewer Fund	\$ -	\$ 245,334	\$ -	\$ -
Solid Waste Fund	32,174	-	-	-
Totals	<u>\$ 504,731</u>	<u>\$ 504,731</u>	<u>\$ -</u>	<u>\$ -</u>

Interfund balances are expected to be repaid within one year from the date of the financial statements. Transfers from the Water & Sewer Fund to the General and Solid Waste Funds were for operating purposes while the transfer from the SPLOST fund to the Water & Sewer Funds were for capital purposes.

F. Property Tax Calendar

The City receives property tax assessments from Barrow County. Taxes were levied on October 10, 2015 and tax bills were mailed to taxpayers by October 31, 2015. The due date for these taxes was December 31, 2015, and after that date, both penalty and interest are accrued until the taxes are collected. The lien date was March 31, 2016. Ad Valorem taxes on vehicles are collected concurrently with the issuance of state license tags by Barrow County.

Property tax revenues are recognized when they become available, which includes those tax receivables expected to be collected within sixty days after year end. Delinquent taxes are considered fully collectible and therefore no allowance for uncollectible taxes is provided.

G. Debt

Long-Term Debt Supporting Governmental Activities

Governmental debt is primarily paid from the General Fund. The City incurred no new debt during the year and had no outstanding long-term debt supported by governmental activities as of June 30, 2016.

Long-term Debt Supporting Business Activities

Capital lease obligations supporting business activities are primarily paid from the Water & Sewer Fund. The Water & Sewer Fund's capital lease was incurred in 2012 to partially fund the purchase of equipment used at the City's water treatment facility in the amount of \$152,493. The amount outstanding at June 30, 2015 was paid off in this year. The total cost of the equipment was \$177,493. As of June 30, 2016, the book value of this equipment was \$85,788 after \$91,705 of the accumulated depreciation.

Revenue bonds outstanding consist of debt issued for the purposes of the fund responsible for payment of the debt. Bond indentures contain significant requirements for annual debt service and flow of funds through various restricted accounts. The general bond indenture and its supplements for water and wastewater systems both require the use of revenue, sinking, bond reserves, and renewal and extension fund accounts. The reporting entity was in compliance with all significant requirements of the various bond covenants. Revenue Bonds and GEFA Notes Payable were issued for construction and expansion of the Water & Sewer System.

The City issued Revenue Bonds in the amount of \$4,265,000 during the 2012. The purpose of the issuance was to refinance existing debt at lower interest rates and provide additional funds for capital improvements for the City's water and wastewater systems.

(Continued on next page)

NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

CITY OF STATHAM, GEORGIA

Changes in Long-Term Debt

	Balance 7/1/2015	Issued	Retired	Balance 6/30/2016	Due Within One Year
PRIMARY GOVERNMENT					
<i>Governmental Activities</i>					
Capital Lease Obligations	\$ -	\$ -	\$ -	\$ -	\$ -
Total Governmental Activities	-	-	-	-	-
<i>Business-type Activities</i>					
Capital Lease Obligations	31,566	-	31,566	-	-
Total business-type Activities	31,566	-	31,566	-	-
Revenue Bonds					
Water & Sewer, Series 2012	3,725,000	-	185,000	3,540,000	190,000
Plus: Premium, Series 2012	167,030	-	9,280	157,750	-
Total Revenue Bonds	3,892,030	-	194,280	3,697,750	190,000
Notes Payable					
Water & Sewer - GEFA	2,229	65,354	494	67,089	496
Water & Sewer - GEFA/GLCP	27,927	-	15,046	12,881	12,882
Total Notes Payable	30,156	65,354	15,540	79,970	13,378
Total Business-type Activities	3,953,753	65,354	241,386	3,777,721	203,378
Total Primary Government	\$ 3,953,753	\$ 65,354	\$ 241,386	\$ 3,777,721	\$ 203,378

(Continued on next page)

**NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

CITY OF STATHAM, GEORGIA

Debt Service Requirements

	Amount of Original Issue	Interest Rate	Year Ending June 30	Principal	Interest
<i>Business-type Activities</i>					
Revenue Bonds					
Water & Sewer, Series 2012	\$ 4,265,000	2.00%	2017	190,000	127,200
		2.00%	2018	200,000	123,400
		2.00%	2019	205,000	117,400
		2.00%	2020	205,000	113,300
		3.00%	2021	215,000	109,200
		2.00% - 3.00%	2022-26	1,160,500	439,550
		3.00% - 5.00%	2027-31	1,170,000	205,000
		5.00%	2032-33	195,000	14,750
Totals - Revenue Bonds, Series 2012				<u>\$ 3,540,000</u>	<u>\$ 1,249,800</u>
Note Payable					
Water & Sewer - GEFA	\$ 258,100				
		1.52%	2017	11,992	1,929
		1.52%	2018	24,272	3,572
		1.52%	2019	24,642	3,200
		1.52%	2020	25,011	2,832
		1.52%	2021	25,402	2,440
			2022-26	132,962	6,254
			2027	13,819	61
Totals - GEFA				<u>\$ 258,100</u>	<u>\$ 20,288</u>
Water & Sewer - GEFA/GLCP	\$ 135,254				
		3.00%	2017	12,882	178
Total - GEFA/GLCP				<u>\$ 12,882</u>	<u>\$ 178</u>

H. Risk Management

The City is exposed to various risks of losses related to torts, thefts, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City is a member of Georgia Interlocal Risk Management Agency (GIRMA) and the Georgia Municipal Association of Workers' Compensation Self Insurance Fund. These memberships allow the City to share liability, crime, motor vehicle, and property damage risks.

Chapter 85 of Title 36 of the Official Code of Georgia Annotated authorized Georgia municipalities to form interlocal risk management agencies. GIRMA is a municipal interlocal risk management agency, which functions as an unincorporated nonprofit instrumentality of its member municipalities. GIRMA is to defend and protect in accordance with the member government contract and related coverage descriptions any member against liability or loss.

Chapter 9, Article 5 of Tile 34 of the Official Code of Georgia Annotated authorized the Georgia Municipal Association of Workers' Compensation Self Insurance Fund. The Fund is to defend, in the name of and on behalf of its members, any suits or other proceedings which may be instituted against them on account of injuries or death within the preview of the Workers' Compensation Law of Georgia. The liability of the Fund to employees of any member employer is specifically limited to such obligations as are imposed by applicable state laws against the employer for workers' compensation and/or employer's liability.

As a part of these risk pools, the City is obligated to pay all contributions and assessments as prescribed by the pool, to cooperate with the pools' agents and attorneys, to follow loss reduction procedures established by the funds, and 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 acclaim or loss. The City also is to allow the pools' agents and attorneys represent the City in investigations, settlement disclosures and all levels of litigation arising out of any claim made against the City within the scope of loss protection furnished by the funds.

Those Funds are to defend and protect the members of the funds against liability or loss as prescribed in the member contracts and in accordance with the workers' compensation laws of Georgia. The Funds are to pay all costs taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense. Management believes this coverage is adequate to preclude any significant uninsured risk exposure to the City.

The City retains the first \$2,500 of each risk of loss in the form of a deductible. The City files all claims with GIRMA and GIRMA bills the City for any risk of loss up to the \$2,500 deductible.

There were no significant reductions in insurance coverage from the prior year, and there have been no settled claims and in the past three years have not exceeded coverage.

I. Litigation

The City Attorney advised that no legal actions were in progress by or against the City at June 30, 2016, that would have a material effect on the City's financial condition.

J. Compliance with Legal Provisions

State Laws

Budgets – The City was not in compliance with Title 36, Chapter 91, Section 3-6 of the Official Code of Georgia, Annotated (OCGA) which requires the adoption of balanced budgets.

Special Purpose Local Option Sales Tax – The City expended \$ 77,158 of special purpose local option sales tax on street infrastructure (paving).

The City received \$ -0- from the Georgia Department of Transportation through its LMIG program.

K. Contingent Liabilities

The City participates in both federal and state assistance programs which are subject to program compliance audits by the grantors or their representatives.

L. Related Parties

The City was not involved in any significant related party transactions during the current operating year.

M. Retirement/Pension Plans

The City's employees are covered under the Social Security Act maintained by the Federal Government. The City also participates in a deferred compensation plan (IRC Section 457) for all full-time City employees, excluding elected officials. Employees are eligible to participate in the plan after one year and having at least 1,000 hours continuous service. Employees are not required to participate in the (457) plan; however, the City provides substantial incentives for participation. The City will match employee contributions up to five percent (5%) of the employee's annual compensation not to exceed \$7,500 per year. Contributions are fully vested and are expensed by the City. One hundred percent (100%) of these funds goes into a fixed-rate savings account. The City paid \$ 9,063 in benefits and City employees contributed \$ 9,107 during the fiscal year.

The City's deferred compensation plan, City of Statham Employees Deferred Compensation Retirement Plan, a defined contribution plan was authorized by the City Council by passage of an ordinance and is administered by an insurance company, Hartford Life Insurance Company.

The City's total payroll for the fiscal year was \$ 774,446; including all payroll of \$ 186,204 covered by the plan. The plan had \$ 390,110 of assets and reserves as of June 30, 2016.

A. Joint Ventures

Under Georgia law, the City, in conjunction with other cities and counties in the twelve (12) county Northeast Georgia area, is a member of the Northeast Georgia Regional Commission (RC) and is required to pay annual dues thereto. During its fiscal year ended June 30, 2015, the City's membership dues were assessed to and paid by Barrow County, Georgia.

The City of Statham did not pay any annual dues. Membership in a RC is required by the Official Code of Georgia Annotated (OCGA), Section 50-8-34, which provides for the organizational structure of the RC in Georgia. The RC Board membership includes the chief elected official of each county and municipality of the area. OCGA Section 50-8-39.1 provides that member governments are liable for any debts or obligations of the RC. Separate financial statements for the RC may be obtained from:

Northeast Georgia Regional Commission
305 Research Drive
Athens, Georgia 30605-2795

B. Other Post-Employment Benefits

The City does not provide post retirement benefits other than pension benefits as outlined in Note 4 M (Retirement/Pension Plans).

City of Statham, Georgia
 General Fund
 Schedule of Revenues, Expenditures
 and Changes in Fund Balance--
 Budget and Actual (Budgetary Basis)
 For the Fiscal Year Ended June 30, 2016

	<u>Budgeted Amounts</u>				
	<u>Original</u>	<u>Revisions</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
<u>REVENUES</u>					
Taxes:					
Property Taxes	\$ 315,000	\$ -	\$ 315,000	\$ 308,305	\$ 6,695
Motor Vehicle Taxes	95,000	-	95,000	107,688	(12,688)
Sales Taxes	335,000	-	335,000	338,261	(3,261)
Franchise Taxes	150,000	-	150,000	145,197	4,803
Alcohol Beverage Taxes	40,000	-	40,000	13,183	26,817
Insurance Premium Taxes	140,000	-	140,000	143,973	(3,973)
Other Taxes	57,381	-	57,381	40,724	16,657
Total taxes	<u>1,132,381</u>	<u>-</u>	<u>1,132,381</u>	<u>1,097,331</u>	<u>35,050</u>
Intergovernmental	11,000	-	11,000	52,882	(41,882)
License and Permits	133,823	-	133,823	67,203	66,620
Fines and Forfeitures	250,000	-	250,000	292,191	(42,191)
Miscellaneous	72,000	-	72,000	-	72,000
Interest Earned	300	-	300	401	(101)
TOTAL REVENUES	<u>\$ 1,599,504</u>	<u>\$ -</u>	<u>\$ 1,599,504</u>	<u>\$ 1,510,008</u>	<u>\$ 89,496</u>
<u>EXPENDITURES</u>					
Current					
General Government					
Personal Services	\$ 259,809	\$ -	\$ 259,809	\$ 198,678	\$ 61,131
Purchased/Contracted Services	130,760	-	130,760	115,014	15,746
Supplies	24,600	-	24,600	11,457	13,143
Other Costs	54,000	-	54,000	83,451	(29,451)
Capital Outlay	2,500	-	2,500	-	2,500
Total General Government	<u>471,669</u>	<u>-</u>	<u>471,669</u>	<u>408,600</u>	<u>63,069</u>
Public Safety					
Personal Services	316,399	-	316,399	330,029	(13,630)
Purchased/Contracted Services	50,350	-	50,350	48,102	2,248
Supplies	43,300	-	43,300	38,213	5,087
Other Costs	100,184	-	100,184	101,986	(1,802)
Total Public Safety	<u>\$ 510,233</u>	<u>\$ -</u>	<u>\$ 510,233</u>	<u>\$ 518,330</u>	<u>\$ (8,097)</u>

See accompanying notes to financial statements.

City of Statham, Georgia
General Fund
Schedule of Revenues, Expenditures
and Changes in Fund Balance--
Budget and Actual (Budgetary Basis)
For the Fiscal Year Ended June 30, 2016

	<u>Budgeted Amounts</u>				
	<u>Original</u>	<u>Revisions</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
Public Works					
Personal Services	\$ 258,442	\$ -	\$ 258,442	\$ 172,628	\$ 85,814
Purchased/Contracted Services	79,830	-	79,830	152,119	(72,289)
Supplies/Other	98,032	-	98,032	137,315	(39,283)
Total Public Works	<u>436,304</u>	<u>-</u>	<u>436,304</u>	<u>462,062</u>	<u>(25,758)</u>
Total Expenditures	<u>1,418,206</u>	<u>-</u>	<u>1,418,206</u>	<u>1,388,992</u>	<u>29,214</u>
EXCESS OF REVENUES OVER EXPENDITURES	181,298	-	181,298	121,016	60,282
OTHER FINANCING SOURCES (USES)					
Transfers	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ 181,298</u>	<u>\$ -</u>	<u>\$ 181,298</u>	<u>\$ 121,016</u>	<u>\$ 60,282</u>
FUND BALANCE - BEGINNING OF YEAR				<u>351,398</u>	
FUND BALANCE - END OF YEAR				<u>\$ 472,414</u>	

See accompanying notes to financial statements.



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

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of Statham, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and remaining fund information of the City of Statham, Georgia, (City) as of and for the fiscal year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 10, 2019.

Internal Control Over Financial Reporting

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

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

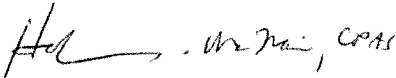
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not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

Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in cursive script, appearing to read "Hawkins & McNair, CPAs".

Hawkins & McNair, CPAs
Winder, Georgia
June 10, 2019



INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of Statham, Georgia

We have audited the accompanying Schedule of Special Purpose Local Option Sales Tax for the City of Statham, Georgia, for the year ended June 30, 2016. This schedule is the responsibility of the City of Statham, Georgia's management. Our responsibility is to express an opinion on the Schedule of Special Purpose Local Option Sales Tax based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Schedule of Special Purpose Local Option Sales Tax is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Schedule of Special Purpose Local Option Sales Tax. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the Schedule of Special Purpose Local Option Sales Tax. We believe that our audit provides a reasonable basis for our opinion.

The accompanying Schedule of Special Purpose Local Option Sales Tax was prepared for the purpose of complying with the Official Code of Georgia Annotated, 48-8-121 on the modified accrual basis of accounting as described in Note I.B.5 and is not intended to be a complete presentation of the City of Statham, Georgia's revenues and expenditures.

In our opinion, the Schedule of Special Purpose Local Option Sales Tax referred to above presents fairly, in all material respects, the original estimated cost, the current estimated cost, and the current and prior year expenditures for each project in City of Statham, Georgia's resolution or ordinance calling for the tax for the year ended June 30, 2016, in conformity with accounting principles generally accepted in the United States of America.

Hawkins & McNair, CPAs
June 10, 2019

CITY OF STATHAM, GEORGIA
 SCHEDULE OF PROJECTS EXPENDITURES
 SPECIAL PURPOSE LOCAL OPTION SALES TAX REVENUE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	<u>ORIGINAL BUDGET</u>	<u>EXPENDITURES</u>			<u>% COMPLETED</u>
		<u>PRIOR YEARS</u>	<u>CURRENT YEAR</u>	<u>TOTAL</u>	
<u>Project - 2006 SPLOST</u>					
PUBLIC WORKS:					
Road Improvements/Paving	\$ 600,000	\$ 290,810	\$ -	\$ 290,810	48.0%
<u>Project - 2012 SPLOST</u>					
WATER & SEWER SYSTEM:					
Water & Sewer System Improvements	<u>1,405,980</u>	<u>296,077</u>	<u>77,158</u>	<u>373,235</u>	27.0%
SPLOST TOTALS	<u>2,005,980</u>	<u>586,887</u>	<u>77,158</u>	<u>664,045</u>	