

# City of Moultrie, Georgia

## ANNUAL FINANCIAL REPORT

For the Year Ended September 30, 2014



**CRI** CARR  
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INGRAM

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**City of Moultrie, Georgia  
Principal Officials  
For the Year Ended September 30, 2014**

**ELECTED**

William M. McIntosh, Mayor

Lisa Clarke Hill, Council Member

Angela Castellow, Council Member

Susie Thomas, Council Member

Cecil Barber, Council Member

Wilma Hadley, Council Member

Daniel L. Dunn, Council Member

**STAFF**

Mike Scott, City Manager

Gary McDaniel, Finance Director



Carr, Riggs & Ingram, LLC  
202 Love Avenue  
Tifton, GA 31794  
P.O. Box 7650  
Tifton, GA 31793

(229) 382-8576  
(229) 238-0643 (fax)  
[www.cricpa.com](http://www.cricpa.com)

## **INDEPENDENT AUDITORS' REPORT**

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

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Moultrie, Georgia, as of, and for the year ended, September 30, 2014, and the related notes to the financial statements which collectively comprise the City of Moultrie, Georgia's basic financial statements, as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion.

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 aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Moultrie, Georgia, as of September 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5-21 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 Moultrie, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

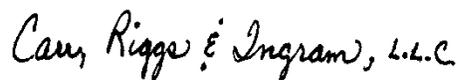
The combining and individual nonmajor fund financial statements and schedules and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to

prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, schedules and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The accompanying schedule of Special Purpose Local Option Sales Tax Expenditures is presented for purposes of additional analysis as required by Official Code of Georgia 48-8-121, and is not a required part of the basic financial statements. The schedule of Special Purpose Local Option Sales Tax Expenditures is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report March 25, 2015, on our consideration of the City of Moultrie, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Moultrie, Georgia's internal control over financial reporting and compliance.



Carr, Riggs & Ingram, LLC  
Certified Public Accountants  
March 25, 2015

# City of Moultrie, Georgia

## Management's Discussion and Analysis

### September 30, 2014

As management of the City of Moultrie, Georgia, we offer readers of our financial statements this narrative overview and analysis of the financial activities of the City for the year ended September 30, 2014. We encourage readers to read the information presented here in conjunction with the City's financial statements, which follow this narrative.

#### FINANCIAL HIGHLIGHTS

- The City has \$117 million in total assets and deferred outflows of which \$62.37 million are capital assets.
- The City has \$32.52 million in total liabilities and deferred inflows of which \$24.42 million are long-term.
- The City's net position at the close of the most recent fiscal year was \$84.70 million (net position). Of this amount, \$37.94 million (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors while \$38.56 million is invested in capital assets.
- The City's total net position increased by \$3.38 million.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$10.29 million, a decrease of \$133 thousand in comparison with the prior year. Of this amount \$2.59 million was from the General Fund, an increase of \$369 thousand increase from the prior year. This improvement was a combination of increased revenues.
- The City's long-term debt decreased by \$2.69 million during the current fiscal year as a result of scheduled principal payments.

#### OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts—*management's discussion and analysis* (which serves as an introduction to the City's basic financial statements), the *basic financial statements*, and *supplementary information* that presents combining statements for nonmajor governmental funds and nonmajor enterprise funds as well as other selected information. The City's basic financial statements consist of three components: 1) Government-Wide financial statements, 2) Fund financial statements and 3) Notes to financial statements.

#### ***Government-Wide Financial Statements***

The primary role of the government-wide financial statements is to demonstrate operational accountability. Operational accountability requires that a government demonstrate the extent to which it has met its operating objectives efficiently and effectively, using all resources available for that purpose, and whether it can continue to do so.

The *government-wide financial statements* are designed to provide readers with a broad overview of the City of Moultrie's finances, in a manner similar to a private-sector business. It provides both long-term and short-term information about the City's overall financial status. The *statement of net position* and the *statement of activities* report information about the City as a whole and about its

**City of Moultrie, Georgia**  
**Management's Discussion and Analysis**  
**September 30, 2014**

activities in a way that helps answer the question - is the City's financial health improving or deteriorating?

The *statement of net position* presents information on all the City's assets and liabilities, with the difference between the two reported as net position. The statement is a tool to measure the City's financial health or financial 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 reader would need to consider other non-financial factors, such as changes in the City's property tax base and the condition of the City's infrastructure to assess the overall health of the City.

The *statement of activities* presents information showing how the City'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 the 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 (e.g., uncollected taxes and earned but unused vacation leave).

Both of 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 include general government, public safety, public works, parks and recreation, community development, and interest on long-term debt. The business-type activities of the City include water and sewer, electric, gas, cable TV, solid waste, airport operations, telecommunications and mass transit.

The government-wide financial statements include not only the City of Moultrie itself (known as the *primary government*), but also a legally separate Downtown Development Authority, for which the City has some degree of financial accountability. Financial information for the *component unit* is reported separately from the financial information presented for the primary government itself.

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

The primary role of the Fund financial statements is to demonstrate fiscal accountability. Fiscal accountability requires that a government demonstrate compliance with public decisions concerning the raising and spending of public monies in the short term (usually one budgetary cycle or one year).

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 can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

# City of Moultrie, Georgia

## Management's Discussion and Analysis

### September 30, 2014

#### *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 *governmental funds* and *governmental activities*.

The City maintains six (6) individual governmental funds. 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 the general fund only, because it is considered to be a major fund. Data from the other five (5) governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

#### *Proprietary Funds*

The City maintains two types of proprietary funds. *Enterprise 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 and Sewer Fund, Electric Revenue Fund, Gas Revenue Fund, Cable TV Fund, Solid Waste Fund, Airport Fund, Telecommunications Fund, Internal Service Fund, Mass Transit Fund and the Utilities Deposit Fund. The City uses its internal service fund to account for its equipment services and other services. Because the services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Sewer Fund, Electric Revenue Fund, and the Cable TV Fund, all of which are considered to be major funds of the City. Conversely, the non-major enterprise funds are combined into single, aggregated presentations in the proprietary fund financial statements. Individual fund data for the non-major enterprise funds is provided in the form of *combining statements* elsewhere in this report.



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*Fiduciary Funds*

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

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**September 30, 2014**

**Notes to the Financial Statements**

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

Table 1 below summarizes the major features of the basic financial statements.

**Table 1**  
**Major Features of the Basic Financial Statements**

	Fund Financial Statements			
	Government-Wide Statements	Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire City government (except fiduciary funds) and the City's component units	Activities of the City that are not proprietary or fiduciary	Activities of the City that are operated similar to private business	Instances where the City is the trustee or agent for someone else's resources
Required financial statements	Statement of Net position  Statement of Activities	Balance Sheet  Statement of Revenues, Expenditures, and Changes in Fund Balances	Statement of Net position  Statement of Revenues, Expenditures, and Changes in Net position  Statement of Cash Flows	Statement of Fiduciary Net Position  Statement of Changes in Fiduciary Net Position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter, no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year, expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid	All revenues and expenses during the year, regardless of when cash is received or paid

**City of Moultrie, Georgia**  
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**September 30, 2014**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

***Condensed Statement of Net position***

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 exceeded liabilities by \$84.70 million at the close of the most recent fiscal year.

A large portion of the City's net position (45.5%) reflects its investment in capital assets (e.g., land, buildings, 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 its 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 also had \$37.94 million or 44.79% in unrestricted net position.

Table 2 below presents the City's condensed statement of net position as of September 30, 2014 and 2013.

**Table 2**  
**Condensed Statement of Net Position**

<i>September 30,</i>	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total</b>	
	2014	2013	2014	2013	2014	2013
Current and other assets	\$ 15,205,550	\$15,127,757	\$39,450,769	\$37,596,516	\$54,656,319	\$52,724,273
Capital assets	23,413,665	23,705,233	38,958,762	39,085,840	62,372,427	62,791,073
Deferred outflows of resources	-	-	186,542	279,814	186,542	279,814
<b>Total assets and deferred outflows</b>	<b>38,619,215</b>	<b>38,832,990</b>	<b>78,596,073</b>	<b>76,962,170</b>	<b>117,215,288</b>	<b>115,795,160</b>
Other liabilities	1,324,255	1,180,515	3,504,791	3,106,011	4,829,046	4,286,526
Long-term liabilities	589,994	1,005,339	23,833,988	26,111,246	24,423,982	27,116,585
Deferred inflows of resources	3,262,553	3,069,309	-	-	3,262,553	3,069,309
<b>Total liabilities and deferred inflows</b>	<b>5,176,802</b>	<b>5,255,163</b>	<b>27,338,779</b>	<b>29,217,257</b>	<b>32,515,581</b>	<b>34,472,420</b>
<b>Net position:</b>						
Net investment in capital assets	22,895,923	22,747,611	15,664,601	13,616,351	38,560,524	36,363,962
Restricted	8,202,150	8,264,447	-	-	8,202,150	8,264,447
Unrestricted	2,344,340	2,565,769	35,592,693	34,128,562	37,937,033	36,694,331
<b>Total net position</b>	<b>\$ 33,442,413</b>	<b>\$33,577,827</b>	<b>\$51,257,294</b>	<b>\$47,744,913</b>	<b>\$84,699,707</b>	<b>\$81,322,740</b>

Net position may serve over time as a useful indicator of a government's financial position. The City's combined net position exceed liabilities by \$84.70 million for 2014 as compared to \$81.32 million for 2013 for an increase of 4.15%. Of this amount, \$51.26 million came from business-type activities and \$33.44 million came from governmental activities.



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An additional portion of the City's net position (9.68%) or \$8.2 million represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$37.94 million) may be used to meet the City's ongoing obligations to citizens and creditors. This is an increase of \$1.24 million or 3.39%.

For governmental activities, the City reported a balance of \$2.34 million in unrestricted net position. This is a decrease of \$221 thousand from 2013 due to a large investment in capital projects and debt service payments. The business-type activities unrestricted net position was \$35.6 million, an increase of \$1.46 million from 2013.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, both for the City as a whole, as well as for its separate governmental and business-type activities.

**City of Moultrie, Georgia**  
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**Condensed Statement of Activities**

Table 3 below presents the City's condensed statement of activities for the years ended September 30, 2014 and 2013.

**Table 3**

**Condensed Statement of Activities**

Year ended September 30,	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 1,238,246	\$ 1,108,029	\$ 41,755,954	\$ 40,797,825	\$ 42,994,200	\$ 41,905,854
Operating grants and contributions	934,464	1,008,943	68,583	404,054	1,003,047	1,412,997
Capital grants and contributions	2,309,699	650,415	132,375	3,109,287	2,442,074	3,759,702
General revenues:						
Property taxes	3,118,461	3,579,396	-	-	3,118,461	3,579,396
Sales taxes	281,545	-	-	-	281,545	-
Other taxes	1,719,179	3,916,799	-	-	1,719,179	3,916,799
Payments in lieu of taxes	27,764	-	-	-	27,764	-
Investment income	37,008	42,168	158,244	75,321	195,252	117,489
Other revenues	402,530	437,345	195,468	102,758	597,998	540,103
<b>Total revenues</b>	<b>10,068,896</b>	<b>10,743,095</b>	<b>42,310,624</b>	<b>44,489,245</b>	<b>52,379,520</b>	<b>55,232,340</b>
<b>Expenses</b>						
Governmental activities:						
General government	2,921,165	2,561,258	-	-	2,921,165	2,561,258
Public safety	6,370,871	6,398,743	-	-	6,370,871	6,398,743
Public works	2,887,850	3,794,958	-	-	2,887,850	3,794,958
Parks and recreation	1,077,971	987,847	-	-	1,077,971	987,847
Community development	654,219	293,003	-	-	654,219	293,003
Interest on long-term debt	22,959	27,471	-	-	22,959	27,471
Business-type activities:						
Water & sewer	-	-	5,035,732	4,603,430	5,035,732	4,603,430
Electric revenue	-	-	20,242,694	19,509,804	20,242,694	19,509,804
Gas revenue	-	-	2,077,579	1,872,509	2,077,579	1,872,509
Cable TV	-	-	4,116,161	3,540,893	4,116,161	3,540,893
Solid waste	-	-	2,220,452	2,093,272	2,220,452	2,093,272
Airport	-	-	338,928	354,519	338,928	354,519
Telecomm	-	-	777,219	763,382	777,219	763,382
Telephony	-	-	197,933	199,352	197,933	199,352
Mass transit	-	-	60,820	60,021	60,820	60,021
<b>Total expenses</b>	<b>13,935,035</b>	<b>14,063,280</b>	<b>35,067,518</b>	<b>32,997,182</b>	<b>49,002,553</b>	<b>47,060,462</b>
Increase (decrease) in net position before transfers	(3,866,139)	(3,320,185)	7,243,106	11,492,063	3,376,967	8,171,878
Transfers	3,730,725	4,874,120	(3,730,725)	(4,874,120)	-	-
Increase (decrease) in net position	(135,414)	1,553,935	3,512,381	6,617,943	3,376,967	8,171,878
<b>Net position, beginning</b>	<b>33,577,827</b>	<b>32,023,892</b>	<b>47,744,913</b>	<b>41,126,970</b>	<b>81,322,740</b>	<b>73,150,862</b>
<b>Net position, ending</b>	<b>\$ 33,442,413</b>	<b>\$ 33,577,827</b>	<b>\$ 51,257,294</b>	<b>\$ 47,744,913</b>	<b>\$ 84,699,707</b>	<b>\$ 81,322,740</b>

Over time, increases or decreases in net position measure whether the City's financial position is improving or deteriorating.



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Governmental activities during the fiscal year ended September 30, 2014 decreased the City's net position by \$135 Thousand. Business-type activities during the same period increased net position by \$3.51 million. The net change in net position was an increase of \$3.38 million. The table above shows the revenues and expenses by activity for the total primary government. This table shows total 2014 revenues from governmental activities at \$10.07 million while expenses were \$13.94 million. Business-type activities total revenues for 2014 were \$42.31 million while expenses were \$35.07 million. The largest revenue source for governmental activities comes from transfers from business-type activities of \$3.7 million, which is 27% of the total governmental activity funding. Property taxes are the next largest governmental activity revenue source at \$3.1 million or 23%. Capital Grants and contributions are the third largest governmental activity revenue source at \$2.3 million or 16.7%. Revenues from Other Taxes are the fourth largest governmental activity revenue source at \$1.7 million or 12.5%. Business-type activities revenues exceeded expenses by \$7.2 million before internal transfers to support the governmental activities.

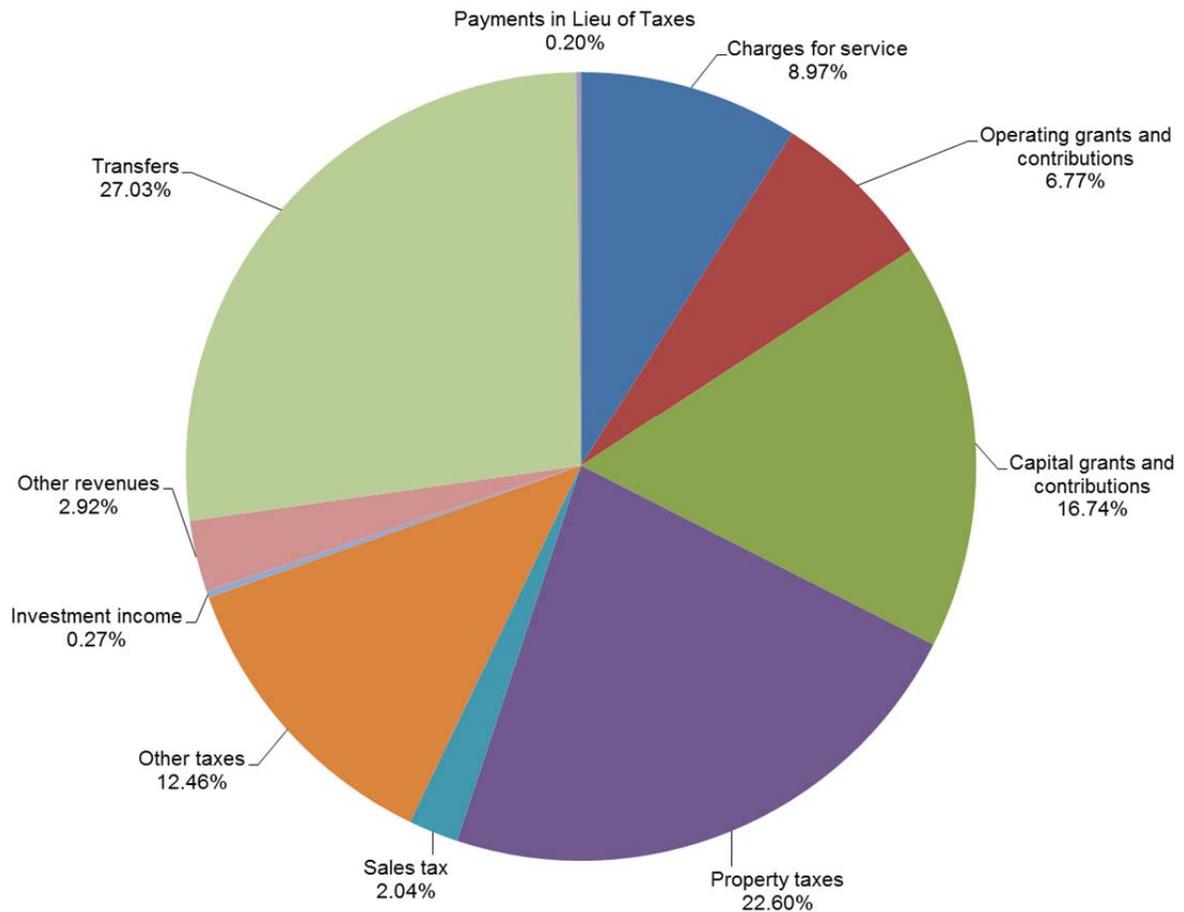
**City of Moultrie, Georgia**  
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***Revenues and Expenses for Governmental Activities***

*Governmental Activities - Revenues by Source*

The following chart shows the governmental activities revenues by major source and includes revenues from transfers. It is easy to see from the chart that governmental activities are funded to a great degree through transfers from the business-type activities. These transfers are 27.03% of the funding for the primary government. The second largest source of funding, Property taxes provided 22.60% of governmental revenues. Other Tax revenues provided 12.46% of the governmental activities funding in 2014. Because of the slow economic recovery and limited funding from other revenue sources, transfers from business-type activities provide the greatest funding source for the governmental activities although the amount did decrease in 2014. The majority of funding for capital projects comes from local option sales taxes and without it there would be few capital projects completed. For the year ended September 30, 2014, transfers were \$3.73 million, a decrease of \$1.14 million from the year ended September 30, 2013. This decrease is necessary to reduce the burden on the Business Type Activities.

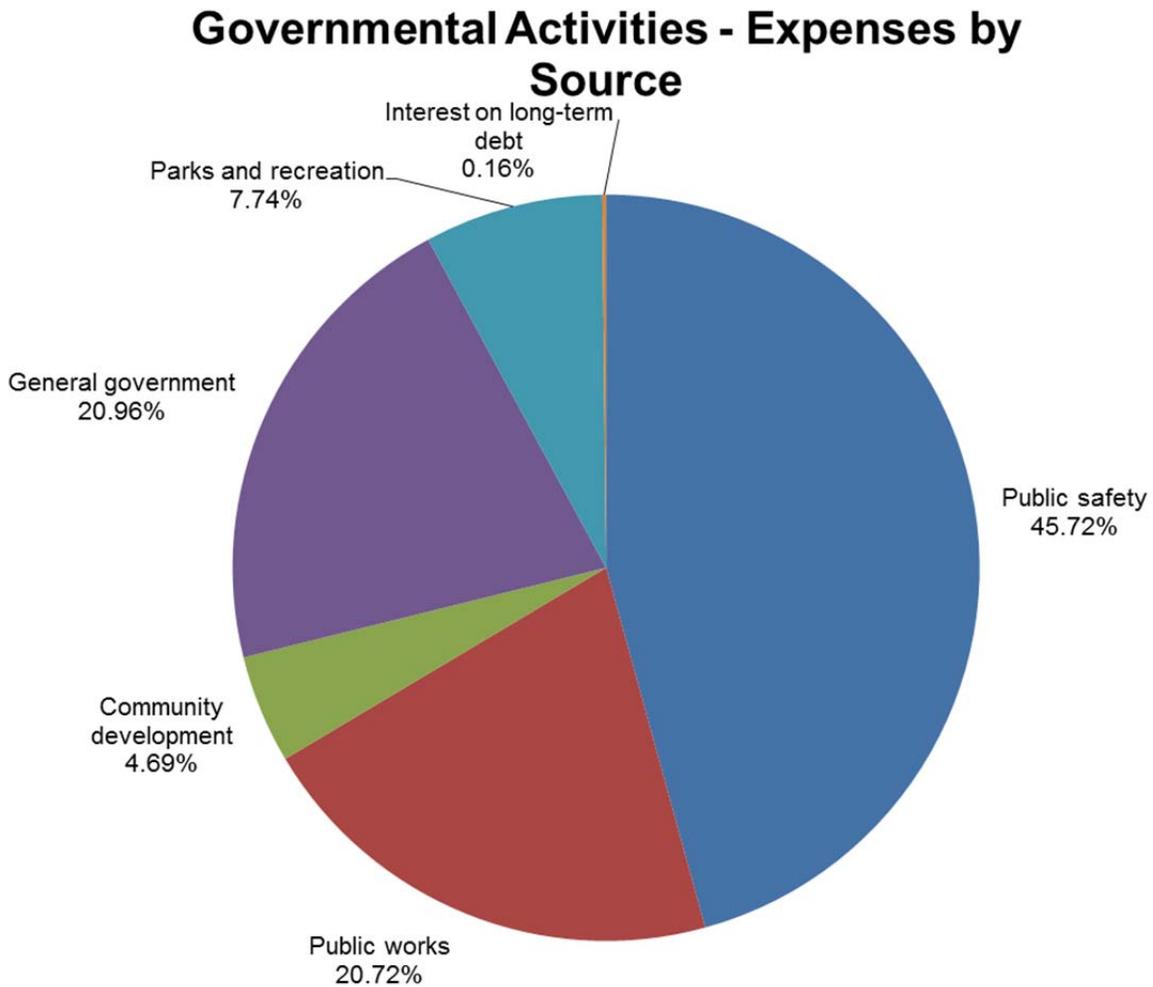
**Governmental Activities - Revenues by Source**



**City of Moultrie, Georgia**  
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*Governmental Activities – Expenses by Source*

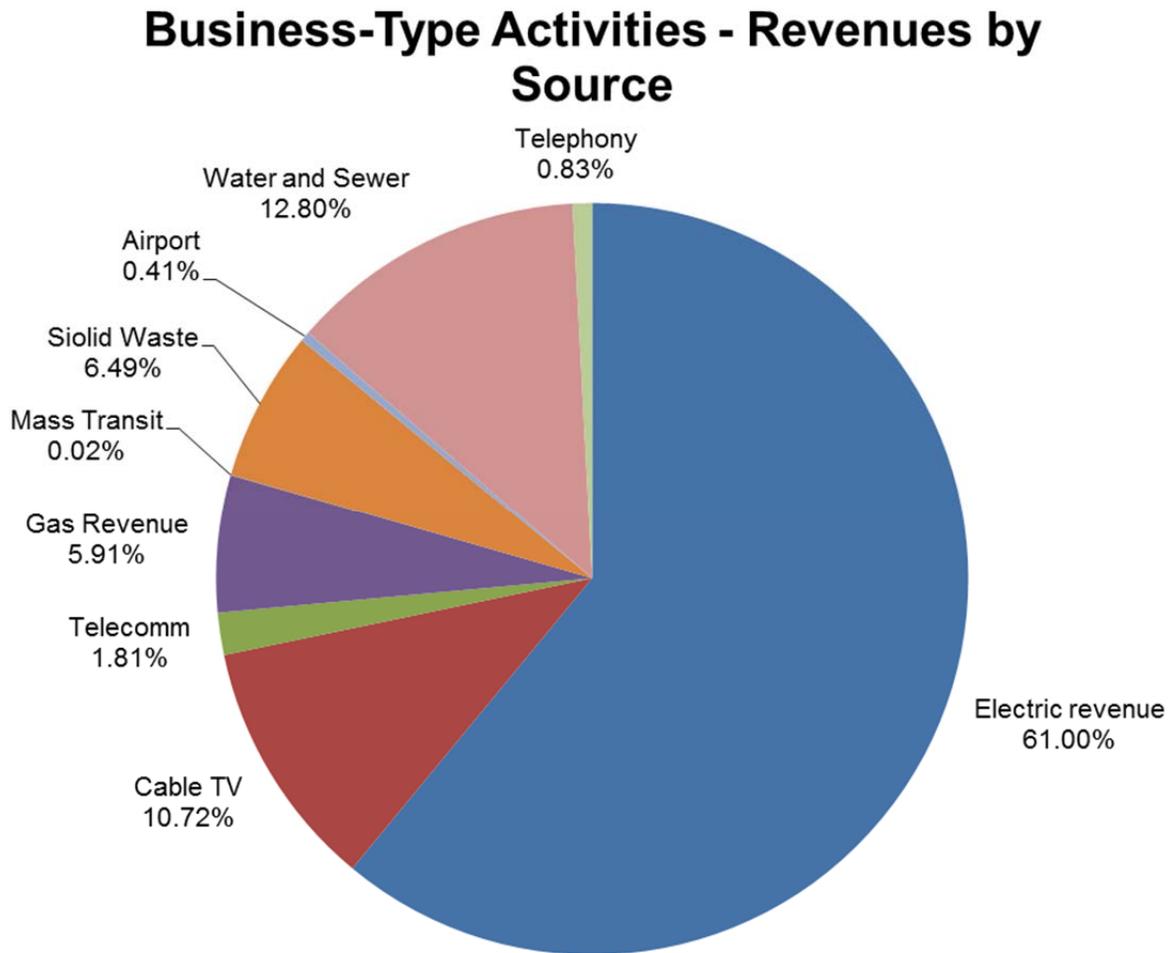
The following chart shows the governmental activities expenses by source. The City of Moultrie spent the greatest amount of its available funding on Public Safety at \$6.37 million or 45.72%. The next largest governmental expense was for General Government at \$2.92 million or 20.96%. A major expense of all the governmental sources is in personnel cost of salaries and benefits which includes the ever increasing cost of providing Health care to its employees.



**Program Revenues and Expenses for Business-Type Activities**

*Business-Type Activities – Revenues by Source*

The business-type activities largest revenue source is from the Electric Fund. By far, more revenues (61%) or \$25.47 million is generated by this fund which is more than all other business-type activity funds combined. The next largest business-type revenue source comes from the Water & Sewer Fund at 12.80% or \$5.35 million.

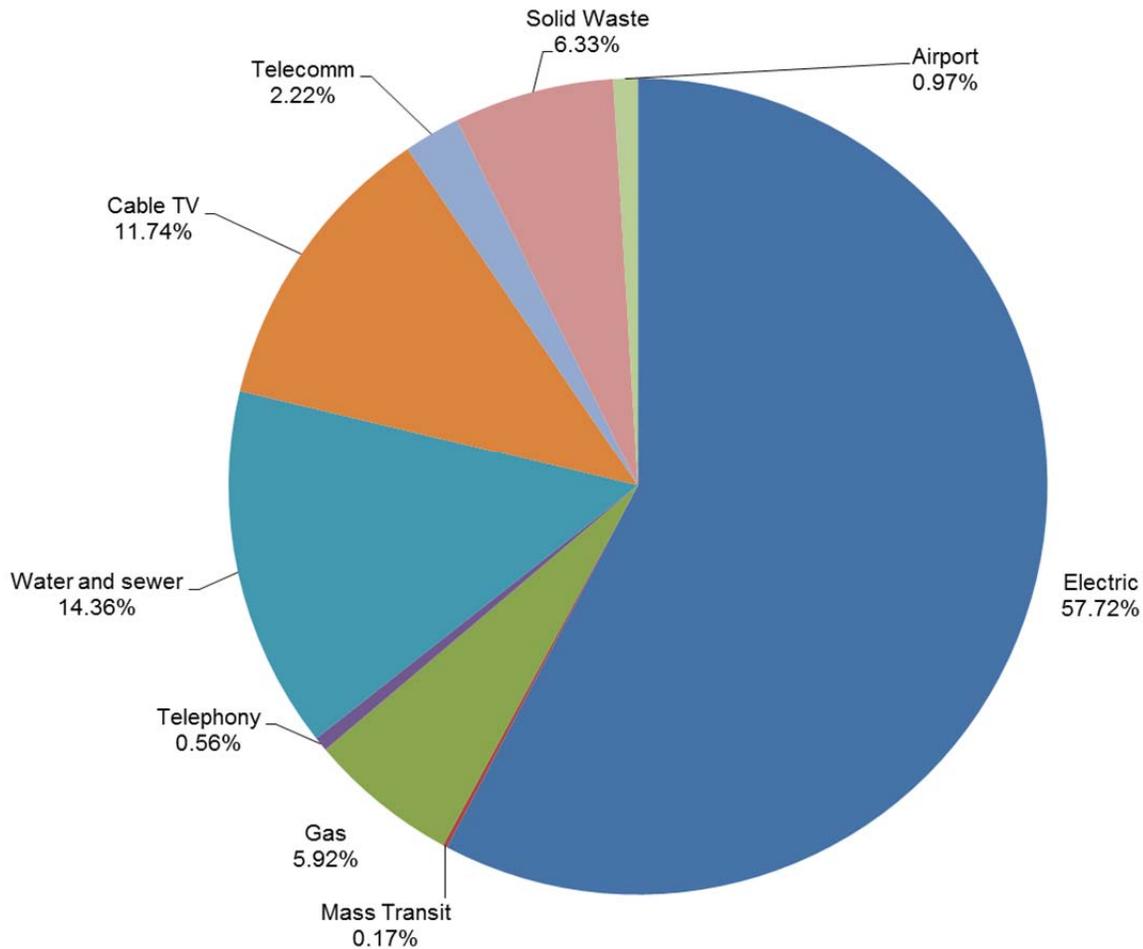


**City of Moultrie, Georgia**  
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*Business-Type Activities – Expenses by Source*

As expected, the Electric Fund also has the largest amount of expenses at 57.72% or \$20.24 million, but it generated net income of \$5.36 million before its transfers to governmental activities. The Water and Sewer Fund generated net income of \$332 thousand before transfers but had the second largest amount of expenses at \$5.04 million. It is these two funds that provide the largest portion of the transfers to the Governmental funds.

**Business-Type Activities - Expenses by Source**



**City of Moultrie, Georgia**  
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**September 30, 2014**

**FINANCIAL ANALYSIS OF THE CITY'S FUNDS**

***Governmental Funds***

The City of Moultrie has two major governmental funds which include the General Fund and SPLOST Fund.

At September 30, 2014, the General Fund had a fund balance of \$2.59 million. This is an increase of \$369 thousand from the beginning fund balance as of October 1, 2013. The increase in the fund balance was due to several factors. General fund expenditures were \$1.33 million more than 2013. Revenues were \$186 thousand more and while long term debt issued decreased by \$114 thousand.

At September 30, 2014, the SPLOST Fund had a fund balance of \$6.6 million. This is a decrease of \$549 thousand from the beginning fund balance as of October 1, 2013. This decrease in the fund balance was due to expenditures for approved projects. The fund balance of other governmental funds increased by \$47 thousand to \$1.14 million due mainly to grant revenues. The final fund balance for all these funds was \$10.29 million which is a decrease of \$133 thousand from 2013 which is a combination of the General Fund balance increase and an increase in the expenditures for SPLOST funded projects.

***Proprietary Funds***

The Propriety Funds, which include the City's Water & Sewer Fund, Electric Fund, and Cable TV Fund, and the non-major funds consisting of the Solid Waste Fund, Airport Fund, Gas Fund, Mass Transit Fund, Telephony Fund, Utility Deposit Fund and Telecommunications Funds, showed a combined cash balance of \$20.6 million for the year ended September 30, 2014. Total combined assets increased by \$3.46 million to \$91.3 million and total net position increased from \$47.7 to \$51.3 million.

The Water and Sewer Fund had an ending cash balance of \$19.35 million after accounting for funds owed to the Electric, Gas and Other Enterprise Funds at September 30, 2014. The total net position in this fund increased by \$901 thousand from \$16.7 million to \$17.6 million in 2014.

The Electric Fund had a \$208 thousand ending cash balance after accounting for funds owed from the Water and Gas funds and transfers to the General Fund. This was a decrease of \$226 thousand from 2013. It also had investments of \$7.34 million to draw on for operations and capital projects and to loan to other funds. These funds will be used primarily for additional acquisition and construction of capital assets, operational costs and the costs of power and the transfer of funds to the General Fund and interfund loans to the Cable TV Fund. The Electric Fund has kept property taxes level by its transfer of a large part of its profits to the General Fund. The Electric Fund has also provided funding for community projects that could not have been completed without its help.

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The Cable TV Fund had an ending cash balance of \$260 thousand which is an increase of \$30 thousand from the beginning cash balance even though there were increasing programming costs, expansion of the system and improvements at the central head end. This fund continues to hold its own with the help of interfund loans from the Electric Fund but will continue to struggle until its large bond debt service is paid off in 2017.

The combined cash balance of the non-major propriety funds at the end of the year was \$798 thousand. This is an increase of \$83 thousand from the beginning cash balance. The increase is due to reduced operating costs within these funds, reduced transfers to other funds and sale of investments.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

Generally, budget amendments fall into one of the following categories: 1) amendments made to adjust the estimates that are used to prepare the original budget once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services. Amendments to the original budget for 2014 related to the transfer of budgeted amounts between departments and did not result in additional appropriations.

The actual revenues of the General Fund were less than the final budgeted amounts by \$66 thousand for the year ended September 30, 2014 while actual expenditures were \$2.4 million less than budgeted for the same period. The major factors contributing to the expenditure difference were reduced actual General Government expenditures of \$1.06 million and Public Safety expenditures of \$946 thousand. The actual transfers to the General Fund from other funds were also \$2.1 million less than the budget for those transfers which are a huge step in the right direction.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

***Capital Assets***

At September 30, 2014, governmental activities and business-type activities had capital assets of \$62.37 million (net of accumulated depreciation) invested in land, buildings, system improvements, machinery and equipment and recreation and park facilities.

The net capital assets from governmental activities decreased \$292 thousand from 2013 due to fewer purchases of vehicles, equipment and infrastructure improvements and the depreciation of existing assets already on the books. The net capital assets from business-type activities decreased by \$127 thousand from the prior year due to fewer capital projects completed and the depreciation of existing assets. The major construction of water and sewer projects and improvements to the City's wastewater facility and equipment had not begun by the end of 2014.

**City of Moultrie, Georgia**  
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Additional information on the City's capital assets can be found in Note 6 of the Notes to Financial Statements.

***Long-term Debt***

The City's total long-term debt consists of revenue bonds, long-term notes, capital leases, compensated absences and other long-term liabilities.

At September 30, 2014, the City had \$589 thousand in outstanding long-term liabilities related to governmental activities and \$23.83 million of long-term liabilities related to business-type activities for a total of \$24.42 million compared to the previous year's total of \$27.12 million. This is a decrease of \$2.7 million as a result of payments made on existing debt.

The City's component unit also had \$2.49 million in long-term debt outstanding in connection with Downtown Development Authority Revenue Bonds used to construct a United States Post Office and a Georgia Department of Labor. Under a lease agreement with the Postal Service, the Postal Service is to make rental payments to be used for the purpose of paying the principal and interest payments on the bonds until November of 2017. Under a lease agreement with the Department of Labor, the Department of Labor is to make rental payments to be used for the purpose of paying the principal and interest payments on the bonds for a period of twenty-three years.

Additional information on the City's long-term debt can be found in Note 8 of the Notes to Financial Statements.

**FACTORS AFFECTING THE 2014 BUDGET**

The Mayor and Council of the City of Moultrie as always continue to face many challenges when approving the City's budget and will have to continue to make many more tough decisions in the coming years. The economy continues to grow at a slow pace which limits revenues while health care costs and property and workers compensation insurance premiums and claims rise at an ever increasing rate. It is becoming harder to provide the services its citizens require and expect without additional property taxes and other revenues to pay for all these costs.

Actual General Fund expenditures increased \$1.33 million from 2013 while actual revenues collections only increased by \$186 thousand over the same period. Even with this difference the ending fund balance was \$2.59 million which is an increase of \$369 thousand over the fund balance at the end of 2013 due to the majority of the General Fund departments' actual expenditures being less than what was budgeted for them. With the General Fund's financial condition now stable it's rating on its bonds should remain at an A Stable Rating. There were \$1.6 million in Special Local Option Sales Tax proceeds collected in 2014, but these revenues are restricted for special projects and cannot be used for regular governmental operations.

**City of Moultrie, Georgia**  
**Management's Discussion and Analysis**  
**September 30, 2014**

It is imperative that Mayor and Council and City Staff continue to search for other revenue sources in the coming years as well as find ways to reduce governmental expenditures with the least amount of reduction in services delivered. Increasing the transfers from the business- type activities to the governmental activities has maintained these funds up until now but this trend cannot continue with increasing environmental regulations driving utilities costs up and reducing their overall profit margin. With utility rates already increasing due to this regulation the City's customers are faced with increasing financial pressure. Any additional transfers can't be facilitated by more utility rate increases. Any additional funds needed by the General Fund will have to come from reserve funds which cannot be sustained very long and should be avoided.

The use of capital leases and funding from grants and SPLOST for capital projects are some ways to spread or reduce the City's expenditures but sooner or later reductions in overall governmental expenditures, including personnel costs, will be necessary to truly to achieve the spending level that can be funded by the present revenues available.

A continuation of the combination of programming rate increases and reductions in expenditures in the Cable TV Fund have been beneficial for this fund and this trend must continue. The present expansion of the system is a positive step but will take some time to pay for itself. Until the Cable Bond is paid off in 2017 this fund will struggle to remain solvent without the need for funding from internal and external sources. With the State and Federal Government passing more and more regulations which increase the City's costs, Mayor and Council will have to make some tough choices in the not so far off future.

**CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

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

City Finance Department  
City of Moultrie  
P. O. Box 3368  
Moultrie, Georgia 31776

**City of Moultrie, Georgia**  
**Statement of Net Position**  
**For the Year Ended September 30, 2014**

	<u>Primary Government</u>			<u>Component Unit</u>
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>	<u>Downtown Development Authority</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 12,454,007	\$ 19,994,563	\$ 32,448,570	\$ 56,327
Investments	-	7,343,430	7,343,430	-
Accounts receivable, net	402,134	4,442,302	4,844,436	15,617
Property tax receivable	3,127,543	-	3,127,543	-
Inventories	105,658	1,537,157	1,642,815	-
Other current assets	260,934	109,654	370,588	2,724
Due from other governments	-	-	-	-
Due from component unit	-	235,000	235,000	-
Internal balances	(2,796,223)	2,796,223	-	-
Restricted assets:				
Cash and cash equivalents	493,519	618,326	1,111,845	325,433
Investments	-	1,529,342	1,529,342	-
Sales tax receivable	150,172	-	150,172	-
Program receivables	456,672	-	456,672	-
Investment in SGBDA	-	844,772	844,772	-
Other noncurrent assets	551,134	-	551,134	85,602
Capital assets:				
Land	1,394,670	1,209,382	2,604,052	709,191
Construction in progress	-	1,206,761	1,206,761	-
Other capital assets, net of accumulated depreciation	22,018,995	36,542,619	58,561,614	1,803,248
<b>Total assets</b>	<b>\$ 38,619,215</b>	<b>\$ 78,409,531</b>	<b>\$ 117,028,746</b>	<b>\$ 2,998,142</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred charge on refunding	\$ -	\$ 186,542	\$ 186,542	\$ 20,470

*The accompanying footnotes are an integral part of these financial statements.*

**City of Moultrie, Georgia**  
**Statement of Net Position**  
**For the Year Ended September 30, 2014**

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Downtown Development Authority
<b>LIABILITIES</b>				
Accounts payable	\$ 924,568	\$ 2,483,578	\$ 3,408,146	\$ -
Accrued expenses	260,379	179,894	440,273	53,475
Lines of Credit	-	-	-	-
Customer deposits	-	841,290	841,290	-
Due to other governments	139,308	29	139,337	-
Due to primary government	-	-	-	235,000
Liabilities payable from restricted	-	-	-	-
Short-term notes payable	-	-	-	-
Long-term liabilities:				
Due within one year	213,536	2,496,017	2,709,553	260,000
Due in more than one year	376,458	21,337,971	21,714,429	2,225,000
<b>Total liabilities</b>	<b>1,914,249</b>	<b>27,338,779</b>	<b>29,253,028</b>	<b>2,773,475</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue	3,262,553	-	3,262,553	-
<b>NET POSITION</b>				
Net investment in capital assets	22,895,923	15,664,601	38,560,524	-
Restricted for:				
Debt service	-	-	-	-
Capital projects	7,308,139	-	7,308,139	-
Public services	894,011	-	894,011	-
Unrestricted (deficit)	2,344,340	35,592,693	37,937,033	245,137
<b>Total net position</b>	<b>\$ 33,442,413</b>	<b>\$ 51,257,294</b>	<b>\$ 84,699,707</b>	<b>\$ 245,137</b>

*The accompanying footnotes are an integral part of these financial statements.*

**City of Moultrie, Georgia**  
**Statement of Activities**  
**For the Year Ended September 30, 2014**

Functions / Programs	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government:					
Governmental activities:					
General government	\$ 2,921,165	\$ 1,041,326	\$ 196,868	\$ 1,612,678	\$ (70,293)
Public safety	6,370,871	34,406	55,672	30,786	(6,250,007)
Public works	2,887,850	-	-	653,235	(2,234,615)
Parks and recreation	1,077,971	162,514	681,924	-	(233,533)
Community development	654,219	-	-	13,000	(641,219)
Elections	-	-	-	-	-
Interest on long-term debt	22,959	-	-	-	(22,959)
<b>Total governmental activities</b>	<b>13,935,035</b>	<b>1,238,246</b>	<b>934,464</b>	<b>2,309,699</b>	<b>(9,452,626)</b>
Business-type activities:					
Water and sewer	5,035,732	5,345,047	-	-	309,315
Electric revenue	20,242,694	25,473,071	-	-	5,230,377
Gas revenue	2,077,579	2,468,467	-	-	390,888
Cable TV	4,116,161	4,476,162	-	-	360,001
Solid waste	2,220,452	2,709,821	-	1,630	490,999
Airport	338,928	172,272	68,583	130,745	32,672
Telecomm	777,219	757,274	-	-	(19,945)
Telephony	197,933	346,640	-	-	148,707
Mass transit	60,820	7,200	-	-	(53,620)
<b>Total business-type activities</b>	<b>35,067,518</b>	<b>41,755,954</b>	<b>68,583</b>	<b>132,375</b>	<b>6,889,394</b>
<b>Total primary government</b>	<b>\$ 49,002,553</b>	<b>\$ 42,994,200</b>	<b>\$ 1,003,047</b>	<b>\$ 2,442,074</b>	<b>\$ (2,563,232)</b>
Component unit:					
Downtown Development Authority	\$ 361,913	\$ 400,909	\$ -	\$ -	\$ 38,996

*The accompanying footnotes are an integral part of these financial statements.*

**City of Moultrie, Georgia**  
**Statement of Activities**  
**For the Year Ended September 30, 2014**

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Downtown Development Authority
Change in net position:				
Net (expense) revenue	\$ (9,452,626)	\$ 6,889,394	\$ (2,563,232)	\$ 38,996
General revenues:				
Taxes:				
Property taxes	3,118,461	-	3,118,461	-
Sales taxes	281,545	-	281,545	-
Other taxes	1,719,179	-	1,719,179	-
Payments in lieu of taxes	27,764	-	27,764	-
Investment income	37,008	158,244	195,252	387
Gain on disposal of capital assets	24,060	195,468	219,528	-
Other revenues	378,470	-	378,470	-
Transfers	3,730,725	(3,730,725)	-	-
Total general revenues and transfers	9,317,212	(3,377,013)	5,940,199	387
Change in net position	(135,414)	3,512,381	3,376,967	39,383
Net position, beginning of year	33,577,827	47,744,913	81,322,740	205,754
Net position, end of year	\$ 33,442,413	\$ 51,257,294	\$ 84,699,707	\$ 245,137

*The accompanying footnotes are an integral part of these financial statements.*

**City of Moultrie, Georgia**  
**Balance Sheet – Governmental Funds**  
**September 30, 2014**

	General Fund	SPLOST Fund	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>				
Cash and cash equivalents	5,628,621	6,556,693	\$ 145,794	\$ 12,331,108
Investments	-	-	-	-
Accounts receivable, net	275,284	-	43,944	319,228
Property tax receivable	3,127,543	-	-	3,127,543
Inventories	87,766	-	-	87,766
Other current assets	243,635	-	1,378	245,013
Due from other funds	2,168,210	-	16,449	2,184,659
Restricted assets:				
Cash and cash equivalents	-	-	493,519	493,519
Investments	-	-	-	-
Sales tax receivable	150,172	-	-	150,172
Program receivables	-	-	456,672	456,672
<b>Total assets</b>	<b>\$ 11,681,231</b>	<b>\$ 6,556,693</b>	<b>\$ 1,157,756</b>	<b>\$ 19,395,680</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>				
<b>Liabilities</b>				
Accounts payable	\$ 843,639	\$ -	\$ 9,358	\$ 852,997
Accrued expenses	223,498	-	3,287	226,785
Due to other governments	139,308	-	-	139,308
Due to other funds	4,128,772	-	1,392	4,130,164
Advance from other funds	497,592	-	-	497,592
Notes payable	-	-	-	-
<b>Total liabilities</b>	<b>5,832,809</b>	<b>-</b>	<b>14,037</b>	<b>5,846,846</b>
<b>Deferred Inflows of Resources</b>				
Unavailable revenue - property taxes	3,262,553	-	-	3,262,553
<b>Fund balances</b>				
Nonspendable:				
Inventories	87,766	-	-	87,766
Prepaid insurance	243,635	-	-	243,635
Restricted for:				
Debt service	-	-	-	-
Community development	-	-	1,130,343	1,130,343
Public safety	-	-	13,376	13,376
Capital projects	-	6,556,693	-	6,556,693
Unassigned, reported in:				
General fund	2,254,468	-	-	2,254,468
Capital projects funds	-	-	-	-
Special revenue funds	-	-	-	-
<b>Total fund balances (deficit)</b>	<b>2,585,869</b>	<b>6,556,693</b>	<b>1,143,719</b>	<b>10,286,281</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 11,681,231</b>	<b>\$ 6,556,693</b>	<b>\$ 1,157,756</b>	<b>\$ 19,395,680</b>

*The accompanying footnotes are an integral part of these financial statements.*

**City of Moultrie, Georgia**  
**Reconciliation of the Balance Sheet of**  
**Governmental Funds to the Statement of Net Position**  
**September 30, 2014**

Total governmental fund balances \$ 10,286,281

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

Capital assets used in governmental activities are not financial resources and are not reported in the funds. 23,413,665

Net pension asset that is not a financial asset in governmental activities and therefore not reported in governmental funds. 551,134

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:

Capital leases	(517,742)
Compensated absences	(72,252)

An internal service fund is used by management to charge the costs of the City's services to individual funds. The assets and liabilities of the internal servicefund are included in governmental activities in the statement of net position. (218,673)

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Net position of governmental activities \$ 33,442,413

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**City of Moultrie, Georgia**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances – Governmental Funds**  
**For the Year Ended September 30, 2014**

	General Fund	SPLOST Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>				
Property taxes	\$ 3,118,461	\$ -	\$ -	\$ 3,118,461
Local option sales taxes	-	-	-	-
Other taxes	1,719,179	-	281,545	2,000,724
Licenses and permits	712,124	-	-	712,124
Fines and forfeitures	212,515	-	5,624	218,139
Charges for services	282,517	-	25,466	307,983
Investment income	19,367	7,323	17,641	44,331
Intergovernmental	1,357,949	1,605,355	104,432	3,067,736
Other revenues	513,309	-	25,438	538,747
<b>Total revenues</b>	<b>7,935,421</b>	<b>1,612,678</b>	<b>460,146</b>	<b>10,008,245</b>
<b>Expenditures</b>				
Current:				
General government	2,772,460	-	-	2,772,460
Public safety	6,332,838	-	64,129	6,396,967
Public works	2,778,270	-	-	2,778,270
Parks and recreation	858,128	-	-	858,128
Community development	-	-	318,389	318,389
Capital outlays	-	1,280,284	35,760	1,316,044
Debt service:				
Principal	565,981	-	-	565,981
Interest	22,959	-	-	22,959
<b>Total expenditures</b>	<b>13,330,636</b>	<b>1,280,284</b>	<b>418,278</b>	<b>15,029,198</b>
Excess (deficiency) of revenues over expenditures	(5,395,215)	332,394	41,868	(5,020,953)
<b>Other Financing Sources (Uses)</b>				
Transfers	5,610,725	(881,000)	5,000	4,734,725
Sale of capital assets	27,175	-	-	27,175
Long term debt issued	126,101	-	-	126,101
Other	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>5,764,001</b>	<b>(881,000)</b>	<b>5,000</b>	<b>4,888,001</b>
Net change in fund balances	368,786	(548,606)	46,868	(132,952)
Fund balances (deficit), beginning of year	2,217,083	7,105,299	1,096,851	10,419,233
<b>Fund balances (deficit), end of year</b>	<b>\$ 2,585,869</b>	<b>\$ 6,556,693</b>	<b>\$ 1,143,719</b>	<b>\$ 10,286,281</b>

*The accompanying footnotes are an integral part of these financial statements.*

**City of Moultrie, Georgia**  
**Reconciliation of the Statement of Revenues,**  
**Expenditures, and Changes in Fund Balances of**  
**Governmental Funds to the Statement of Activities**  
**For the Year Ended September 30, 2014**

Net change in fund balances - total governmental funds \$ (132,952)

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

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets.

Capital asset purchases capitalized	1,158,505
Proceeds from disposal of capital assets	(27,175)
Gain from disposal of capital assets	24,060
Depreciation expense	(1,446,958)

The issuance of long-term debt 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 has any effect on net assets. Also, governmental funds report the effect of premiums and discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. These amounts are the net effect of these differences in the treatment of long-term debt and related items.

Debt issued	(126,101)
Debt payments made	565,981

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.

Increase in net pension asset	36,591
Increase in compensated absences	(24,535)

An internal service fund is used by management to charge the costs of the City's services to individual funds. The net revenues (expenses) of the internal service fund is reported with governmental activities in the statement of net position. (162,830)

**Change in net position of governmental activities \$ (135,414)**

**City of Moultrie, Georgia**  
**Statement of Revenues, Expenditures, and Changes in Fund**  
**Balances – Budget and Actual – General Fund**  
**For the Year Ended September 30, 2014**

	Original Budget	Final Budget	Actual	Variance With Final Budget
<b>Revenues</b>				
Property taxes	\$ 3,375,564	\$ 3,375,564	\$ 3,118,461	\$ (257,103)
Local option sales taxes	-	-	-	-
Other taxes	1,646,833	1,646,833	1,719,179	72,346
Licenses and permits	650,000	650,000	712,124	62,124
Fines and forfeitures	212,515	212,515	212,515	-
Charges for services	239,863	235,863	282,517	46,654
Investment income	19,500	19,500	19,367	(133)
Intergovernmental	710,088	1,358,349	1,357,949	(400)
Other revenues	125,000	502,590	513,309	10,719
<b>Total revenues</b>	<b>6,979,363</b>	<b>8,001,214</b>	<b>7,935,421</b>	<b>(65,793)</b>
<b>Expenditures</b>				
<b>Current:</b>				
<b>General government</b>				
City council	911,586	916,053	818,458	97,595
City manager	251,320	252,521	243,423	9,098
Finance	372,825	373,803	357,354	16,449
Purchasing	148,393	148,843	139,821	9,022
Legal	-	-	-	-
Information systems	-	-	-	-
Municipal court	-	-	-	-
Human resources	188,228	188,880	186,840	2,040
Health claims administration	-	1,263,065	372,032	891,033
City hall	300,410	297,395	277,959	19,436
Main street program	-	-	-	-
Engineering	393,577	395,352	376,573	18,779
Garage	-	-	-	-
<b>Total general government</b>	<b>2,566,339</b>	<b>3,835,912</b>	<b>2,772,460</b>	<b>1,063,452</b>
<b>Public Safety</b>				
Police	3,464,465	3,491,384	3,271,278	220,106
Fire	3,411,851	3,419,230	2,732,250	686,980
Planning and zoning	365,367	368,593	329,310	39,283
<b>Total public safety</b>	<b>7,241,683</b>	<b>7,279,207</b>	<b>6,332,838</b>	<b>946,369</b>

*The accompanying footnotes are an integral part of these financial statements.*

**City of Moultrie, Georgia**  
**Statement of Revenues, Expenditures, and Changes in Fund**  
**Balances – Budget and Actual – General Fund**  
**For the Year Ended September 30, 2014**

	Original Budget	Final Budget	Actual	Variance With Final Budget
<b>Public works</b>				
Office of the director	272,189	273,160	262,557	10,603
Streets and sidewalks Beautification	2,103,137	2,732,002	2,515,713	216,289
	-	-	-	-
<b>Total public works</b>	<b>2,375,326</b>	<b>3,005,162</b>	<b>2,778,270</b>	<b>226,892</b>
<b>Parks and recreation</b>				
Recreation	854,789	968,091	858,128	109,963
Parks and cemetery	-	-	-	-
Northwest Community Center	-	-	-	-
<b>Total parks and recreation</b>	<b>854,789</b>	<b>968,091</b>	<b>858,128</b>	<b>109,963</b>
<b>Debt service:</b>				
Principal	386,068	618,516	565,981	52,535
Interest	-	22,960	22,959	1
<b>Total expenditures</b>	<b>13,424,205</b>	<b>15,729,848</b>	<b>13,330,636</b>	<b>2,399,212</b>
Excess (deficiency) of revenues over expenditures	(6,444,842)	(7,728,634)	(5,395,215)	2,333,419
<b>Other Financing Sources (Uses)</b>				
Transfers	5,610,725	5,610,725	5,610,725	-
Sale of capital assets	-	27,175	27,175	-
Long term debt issued	704,485	704,485	126,101	(578,384)
Other	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>6,315,210</b>	<b>6,342,385</b>	<b>5,764,001</b>	<b>(578,384)</b>
Net change in fund balances	(129,632)	(1,386,249)	368,786	1,755,035
Fund balances, beginning of year	2,217,083	2,217,083	2,217,083	-
<b>Fund balances, end of year</b>	<b>\$ 2,087,451</b>	<b>\$ 830,834</b>	<b>\$ 2,585,869</b>	<b>\$ 1,755,035</b>

*The accompanying footnotes are an integral part of these financial statements.*

**City of Moultrie, Georgia**  
**Statement of Net Position – Proprietary Funds**  
**September 30, 2014**

	<b>Business Type Activities - Enterprise Funds</b>		
	<b>Water and Sewer Fund</b>	<b>Electric Revenue Fund</b>	<b>Cable TV Fund</b>
<b>Assets</b>			
Current assets			
Cash and cash equivalents	\$ 19,007,276	\$ -	\$ 260,028
Investments	-	7,343,430	-
Restricted assets - investments	-	-	-
Accounts receivable, net	675,488	2,869,784	476,427
Due from other funds	2,666	9,561,967	27,328
Advance to other funds	-	497,592	-
Due from component unit	235,000	-	-
Inventories	246,187	1,054,558	138,145
Other current assets	32,818	24,666	5,728
<b>Total current assets</b>	<b>20,199,435</b>	<b>21,351,997</b>	<b>907,656</b>
Non - current assets			
Investment in SGBDA	-	-	844,772
Restricted assets - cash	339,896	208,188	-
Restricted assets - investments	647,694	-	881,648
Capital assets:			
Land	80,027	1,112,569	-
Construction in progress	973,334	-	233,427
Other capital assets, net of accumulated depreciation	19,685,714	6,391,481	5,546,673
<b>Total non - current assets</b>	<b>21,726,665</b>	<b>7,712,238</b>	<b>7,506,520</b>
<b>Total assets</b>	<b>\$ 41,926,100</b>	<b>\$ 29,064,235</b>	<b>\$ 8,414,176</b>
<b>Deferred Outflows of Resources</b>			
Deferred charge on refunding	-	-	186,542

*The accompanying footnotes are an integral part of these financial statements.*

**City of Moultrie, Georgia**  
**Statement of Net Position – Proprietary Funds**  
**September 30, 2014**

	<b>Business Type Activities - Enterprise Funds</b>		
	<b>Water and Sewer Fund</b>	<b>Electric Revenue Fund</b>	<b>Cable TV Fund</b>
<b>Liabilities</b>			
Current liabilities			
Accounts payable	95,268	1,778,357	236,835
Accrued expenses	98,905	30,612	21,810
Lines of credit	-	-	-
Short - term notes payable	-	-	-
Current portion of long - term debt	680,855	-	1,659,800
Customer deposits	-	-	-
Due to other governments	29	-	-
Due to other funds	4,780,977	528,619	5,075,548
Liabilities payable from restricted assets:			
Current portion of long - term debt	-	-	-
<b>Total current liabilities</b>	<b>5,656,034</b>	<b>2,337,588</b>	<b>6,993,993</b>
Long - term debt, net of current portion	18,652,065	-	2,311,992
Compensated absences	15,197	14,630	-
Other liabilities	-	-	-
<b>Total liabilities</b>	<b>24,323,296</b>	<b>2,352,218</b>	<b>9,305,985</b>
<b>Net Position</b>			
Net investment in capital assets	1,406,155	7,504,050	2,318,308
Restricted for debt service	-	-	-
Unrestricted (deficit)	16,196,649	19,207,967	(3,023,575)
<b>Total net position</b>	<b>\$ 17,602,804</b>	<b>\$ 26,712,017</b>	<b>\$ (705,267)</b>

*The accompanying footnotes are an integral part of these financial statements.*

**City of Moultrie, Georgia**  
**Statement of Net Position – Proprietary Funds**  
**September 30, 2014**

	Business Type Activities Enterprise Funds		Governmental Activity
	Nonmajor Enterprise Funds	Total	Internal Service Fund
<b>Assets</b>			
Current assets			
Cash and cash equivalents	\$ 727,259	\$ 19,994,563	\$ 122,899
Investments	-	7,343,430	-
Restricted assets - investments	-	-	-
Accounts receivable, net	420,603	4,442,302	82,906
Due from other funds	5,606,036	15,197,997	1,344,811
Advance to other funds	-	497,592	-
Due from component unit	-	235,000	-
Inventories	98,267	1,537,157	17,892
Other current assets	46,442	109,654	15,921
<b>Total current assets</b>	<b>6,898,607</b>	<b>49,357,695</b>	<b>1,584,429</b>
Non - current assets			
Investment in SGBDA	-	844,772	-
Restricted assets - cash	70,242	618,326	-
Restricted assets - investments	-	1,529,342	-
Capital assets:		-	
Land	16,786	1,209,382	-
Construction in progress	-	1,206,761	-
Other capital assets, net of accumulated depreciation	4,918,751	36,542,619	-
<b>Total non - current assets</b>	<b>5,005,779</b>	<b>41,951,202</b>	<b>-</b>
<b>Total assets</b>	<b>\$ 11,904,386</b>	<b>\$ 91,308,897</b>	<b>\$ 1,584,429</b>
<b>Deferred Outflows of Resources</b>			
Deferred charge on refunding	-	186,542	-

*The accompanying footnotes are an integral part of these financial statements.*

**City of Moultrie, Georgia**  
**Statement of Net Position – Proprietary Funds**  
**September 30, 2014**

	Business Type Activities Enterprise Funds		Governmental Activity
	Nonmajor Enterprise Funds	Total	Internal Service Fund
<b>Liabilities</b>			
Current liabilities			
Accounts payable	373,118	2,483,578	71,571
Accrued expenses	28,567	179,894	33,594
Lines of credit	-	-	-
Short - term notes payable	-	-	-
Current portion of long - term debt	155,362	2,496,017	-
Customer deposits	841,290	841,290	-
Due to other governments	-	29	-
Due to other funds	2,514,222	12,899,366	1,697,937
Liabilities payable from restricted assets:		-	
Current portion of long - term debt	-	-	-
<b>Total current liabilities</b>	<b>3,912,559</b>	<b>18,900,174</b>	<b>1,803,102</b>
Long - term debt, net of current portion	344,087	21,308,144	-
Compensated absences	-	29,827	-
Other liabilities	-	-	-
<b>Total liabilities</b>	<b>4,256,646</b>	<b>40,238,145</b>	<b>1,803,102</b>
<b>Net Position</b>			
Net investment in capital assets	4,436,088	15,664,601	-
Restricted for debt service	-	-	-
Unrestricted (deficit)	3,211,652	35,592,693	(218,673)
<b>Total net position</b>	<b>\$ 7,647,740</b>	<b>\$ 51,257,294</b>	<b>\$ (218,673)</b>

*The accompanying footnotes are an integral part of these financial statements.*

**City of Moultrie, Georgia**  
**Statement of Revenues, Expenses, and**  
**Changes in Fund Net Position – Proprietary Funds**  
**For the Year Ended September 30, 2014**

	<b>Business Type Activities - Enterprise Funds</b>		
	<b>Water and Sewer Fund</b>	<b>Electric Revenue Fund</b>	<b>Cable TV Fund</b>
<b>Operating Revenues</b>			
Utility revenues	\$ -	\$ 25,472,764	\$ -
Charges for services	5,287,111	-	4,470,578
Miscellaneous	57,936	307	5,584
Intergovernmental	-	-	-
<b>Total operating revenues</b>	<b>5,345,047</b>	<b>25,473,071</b>	<b>4,476,162</b>
<b>Operating Expenses</b>			
Salaries and wages	1,036,601	999,570	111,772
Operating, administrative and maintenance	1,430,183	18,568,721	3,477,214
Depreciation	1,381,680	672,046	347,709
<b>Total operating expenses</b>	<b>3,848,464</b>	<b>20,240,337</b>	<b>3,936,695</b>
<b>Operating income (loss)</b>	<b>1,496,583</b>	<b>5,232,734</b>	<b>539,467</b>
<b>Non-Operating Income (Expenses)</b>			
Interest income	20,217	70,879	307
Interest expense	(595,331)	(2,357)	(131,226)
Issuance costs	(1,500)	-	(48,240)
Other non-operating income (loss)	(587,617)	54,483	42,887
<b>Income (loss) before contributions and transfers</b>	<b>332,352</b>	<b>5,355,739</b>	<b>403,195</b>
Transfers	(434,602)	(3,722,885)	-
Capital contributions	1,004,000	-	-
<b>Change in net position</b>	<b>901,750</b>	<b>1,632,854</b>	<b>403,195</b>
<b>Net position (deficit), beginning of year</b>	<b>16,701,054</b>	<b>25,079,163</b>	<b>(1,108,462)</b>
<b>Net position (deficit), end of year</b>	<b>\$ 17,602,804</b>	<b>\$ 26,712,017</b>	<b>\$ (705,267)</b>

*The accompanying footnotes are an integral part of these financial statements.*

**City of Moultrie, Georgia**  
**Statement of Revenues, Expenses, and**  
**Changes in Fund Net Position – Proprietary Funds**  
**For the Year Ended September 30, 2014**

	Business Type Activities Enterprise Funds		Governmental Activity
	Nonmajor Enterprise Funds	Total	Internal Service Fund
<b>Operating Revenues</b>			
Utility revenues	\$ -	\$25,472,764	\$ -
Charges for services	6,219,258	15,976,947	1,272,675
Miscellaneous	242,416	306,243	7,637
Intergovernmental	200,958	200,958	-
<b>Total operating revenues</b>	<b>6,662,632</b>	<b>41,956,912</b>	<b>1,280,312</b>
<b>Operating Expenses</b>			
Salaries and wages	950,587	3,098,530	954,030
Operating, administrative and maintenance	4,239,574	27,715,692	489,112
Depreciation	464,773	2,866,208	-
<b>Total operating expenses</b>	<b>5,654,934</b>	<b>33,680,430</b>	<b>1,443,142</b>
<b>Operating income (loss)</b>	<b>1,007,698</b>	<b>8,276,482</b>	<b>(162,830)</b>
<b>Non-Operating Income (Expenses)</b>			
Interest income	687	92,090	-
Interest expense	(17,997)	(746,911)	-
Issuance costs	-	(49,740)	-
Other non-operating income	161,432	(328,815)	-
<b>Income (loss) before contributions and transfers</b>	<b>1,151,820</b>	<b>7,243,106</b>	<b>(162,830)</b>
Transfers	(577,238)	(4,734,725)	-
Capital contributions	-	1,004,000	-
<b>Change in net position</b>	<b>574,582</b>	<b>3,512,381</b>	<b>(162,830)</b>
<b>Net position (deficit), beginning of year</b>	<b>7,073,158</b>	<b>47,744,913</b>	<b>(55,843)</b>
<b>Net position (deficit), end of year</b>	<b>\$ 7,647,740</b>	<b>\$51,257,294</b>	<b>\$ (218,673)</b>

*The accompanying footnotes are an integral part of these financial statements.*

**City of Moultrie, Georgia**  
**Statement of Cash Flows – Proprietary Funds**  
**For the Year Ended September 30, 2014**

	<b>Business Type Activities - Enterprise Funds</b>		
	<b>Water and Sewer Fund</b>	<b>Electric Revenue Fund</b>	<b>Cable TV Fund</b>
<b>Cash Flows from Operating Activities</b>			
Cash received from customers and users	\$ 5,272,760	\$ 25,295,794	\$ 4,426,479
Other operating receipts	57,936	307	5,584
Cash payments to employees	(1,036,918)	(996,746)	(111,046)
Cash payments to suppliers	(1,424,531)	(18,334,420)	(3,405,511)
New customer utility deposits	-	-	-
Refunded customer utility deposits	-	-	-
Net cash provided (used) by operating activities	2,869,247	5,964,935	915,506
<b>Cash Flows from Noncapital Financing Activities</b>			
Transfers from other funds	-	408,530	
Transfers to other funds	(1,315,602)	(4,131,415)	
Principal payments on debt	-	(112,000)	(100,000)
Net change in due from other funds	185,440	(1,987,323)	-
Net change in due from component unit	-	-	-
Net change in due to other funds	328,512	229	1,450,058
Net cash provided (used) by noncapital financing activities	(801,650)	(5,821,979)	1,350,058
<b>Cash Flows from Capital and Related Financing Activities</b>			
Debt issuance costs	-	-	
Proceeds from issuance of long - term debt	-	-	-
Proceeds from sale of assets	6,900	28,100	-
Proceeds from capital contributions	-	-	-
Transfers from SPLOST Fund	881,000		
Acquisition and construction of capital assets	(321,690)	(493,346)	(1,029,692)
Principal payments on debt	(1,163,026)	-	(1,067,244)
Interest paid	(596,181)	(2,357)	(138,482)
Net cash provided (used) by capital and related financing activities	(1,192,997)	(467,603)	(2,235,418)
<b>Cash Flows from Investing Activities</b>			
Sale of investment securities	11,798	49,563	-
Purchase of investments		(21,836)	
Loan disbursements	-	-	-
Interest received		70,879	307
Net cash provided (used) by investing activities	11,798	98,606	307
Net increase (decrease) in cash and cash equivalents	886,398	(226,041)	30,453
Cash and cash equivalents, beginning of year	18,460,774	434,229	229,575
Cash and cash equivalents, end of year	\$ 19,347,172	\$ 208,188	\$ 260,028

*The accompanying footnotes are an integral part of these financial statements.*

**City of Moultrie, Georgia**  
**Statement of Cash Flows – Proprietary Funds**  
**For the Year Ended September 30, 2014**

	<b>Business Type Activities - Enterprise Funds</b>		
	<b>Water and Sewer Fund</b>	<b>Electric Revenue Fund</b>	<b>Cable TV Fund</b>
<b>Reconciliation of Net Operating Income to Net Cash Provided (Used) By Operating Activities</b>			
Operating income (loss)	\$ 1,496,583	\$ 5,232,734	\$ 539,467
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	1,381,680	672,046	347,709
New customer utility deposits	-	-	-
Refunded customer utility deposits	-	-	-
Change in estimate	-	-	-
Changes in assets and liabilities:			
(Increase) decrease in:			
Accounts receivable	(14,351)	(176,970)	(44,099)
Deferred charges	-	-	-
Inventories	(24,419)	(32,231)	(13,979)
Other current assets	(3,194)	(7,225)	(389)
Due from general fund	-	-	-
Due from other funds	-	-	-
Due from component unit	-	-	-
Increase (decrease) in:			
Accounts payable	33,265	273,757	86,071
Accrued expenses	(863)	2,392	726
Compensated absences liability	546	432	-
Due to general fund	-	-	-
Due to other funds	-	-	-
 Net cash provided (used) by operating activities	 \$ 2,869,247	 \$ 5,964,935	 \$ 915,506
<b>NON-CASH CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Capital assets purchased with debt	\$ -	\$ -	\$ 195,286
Transfer of capital assets from governmental funds	1,004,000	-	-
 Total non-cash capital and related financing activities	 \$ 1,004,000	 \$ -	 \$ 195,286

*The accompanying footnotes are an integral part of these financial statements.*

**City of Moultrie, Georgia**  
**Statement of Cash Flows – Proprietary Funds**  
**For the Year Ended September 30, 2014**

	Business Type Activities Enterprise Funds		Governmental Activity
	Nonmajor Enterprise Funds	Total	Internal Service Fund
<b>Cash Flows from Operating Activities</b>			
Cash received from customers and users	\$ 6,361,360	\$ 41,356,393	\$ 1,095,755
Other operating receipts	243,996	307,823	7,637
Cash payments to employees	(951,749)	(3,096,459)	(950,510)
Cash payments to suppliers	(4,160,292)	(27,324,754)	(158,137)
New customer utility deposits	15,210	15,210	-
Refunded customer utility deposits	(110)	(110)	-
Net cash provided (used) by operating activities	1,508,415	11,258,103	(5,255)
<b>Cash Flows from Noncapital Financing Activities</b>			
Transfers from other funds	-	408,530	-
Transfers to other funds	(577,238)	(6,024,255)	-
Principal payments on debt	-	(212,000)	-
Net change in due from other funds	(661,543)	(2,463,426)	4,654,929
Net change in due from component unit	-	-	-
Net change in due to other funds	(47,352)	1,731,447	(4,638,395)
Net cash provided (used) by noncapital financing activities	(1,286,133)	(6,559,704)	16,534
<b>Cash Flows from Capital and Related Financing Activities</b>			
Debt issuance costs	-	-	-
Proceeds from issuance of long - term debt	-	-	-
Proceeds from sale of assets	270,400	305,400	-
Proceeds from capital contributions	-	-	-
Transfers from SPLOST fund	-	881,000	-
Acquisition and construction of capital assets	(204,796)	(2,049,524)	-
Principal payments on debt	(227,948)	(2,458,218)	-
Interest paid	(17,997)	(755,017)	-
Net cash provided (used) by capital and related financing activities	(180,341)	(4,076,359)	-
<b>Cash Flows from Investing Activities</b>			
Sale of investment securities	39,967	101,328	-
Purchase of investments	-	(21,836)	-
Loan disbursements	-	-	-
Interest received	687	71,873	-
Net cash provided (used) by investing activities	40,654	151,365	-
Net increase (decrease) in cash and cash equivalents	82,595	773,405	11,279
Cash and cash equivalents, beginning of year	714,906	19,839,484	111,620
Cash and cash equivalents, end of year	\$ 797,501	\$ 20,612,889	\$ 122,899

*The accompanying footnotes are an integral part of these financial statements.*

**City of Moultrie, Georgia**  
**Statement of Cash Flows – Proprietary Funds**  
**For the Year Ended September 30, 2014**

	Business Type Activities Enterprise Funds		Governmental Activity
	Nonmajor Enterprise Funds	Total	Internal Service Fund
<b>Reconciliation of Net Operating Income to Net Cash Provided (Used) By Operating Activities</b>			
Operating income (loss)	\$ 1,007,698	\$ 8,276,482	\$ (162,830)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	464,773	2,866,208	-
New customer utility deposits	-	-	-
Refunded customer utility deposits	-	-	-
Change in estimate	-	-	-
Changes in assets and liabilities:	-		
(Increase) decrease in:			
Accounts receivable	(58,444)	(293,864)	(4,121)
Deferred charges	-	-	-
Inventories	(12,048)	(82,677)	(9,094)
Other current assets	(10,621)	(21,429)	168,758
Due from general fund	-	-	-
Due from other funds	-	-	1,526
Due from component unit	-	-	-
Increase (decrease) in:			
Accounts payable	116,511	509,604	(3,014)
Accrued expenses	3,454	5,709	3,520
Compensated absences liability	(2,908)	(1,930)	-
Due to general fund	-	-	-
Due to other funds	-	-	-
Net cash provided (used) by operating activities	\$ 1,508,415	\$ 11,258,103	\$ (5,255)
<b>NON-CASH CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Capital assets purchased with debt	\$ -	\$ 195,286	\$ -
Transfer of capital assets from governmental funds	-	1,004,000	-
Total non-cash capital and related financing activities	\$ -	\$ 1,199,286	\$ -

*The accompanying footnotes are an integral part of these financial statements.*

**City of Moultrie, Georgia**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**September 30, 2014**

	Pension Trust Fund	Agency Fund- Municipal Court
<b>Assets</b>		
Cash and cash equivalents	\$ 990,239	\$ 15,723
Investments:		
U.S. Government securities	465,635	-
Corporate bonds	2,364,953	-
Municipal bonds	2,258,356	-
Equities - common stock	6,499,872	-
Mutual funds	-	-
Asset-backed securities	606,060	-
Certificate of deposit	335,589	-
Receivables:		
Accounts receivable, net	-	-
Employer and employee's contribution	-	-
Accrued investment income	46,362	-
Other assets		923
<b>Total assets</b>	<b>13,567,066</b>	<b>16,646</b>
<b>Liabilities</b>		
Settlements payable	-	-
Accounts payable	-	47,301
Accrued expenses	-	2,512
Due to others	-	(33,167)
<b>Total liabilities</b>	<b>-</b>	<b>16,646</b>
<b>Net position</b>		
Held in trust for pension benefits (a schedule of funding progress is presented in the notes to financial statements)	\$ 13,567,066	\$ -

*The accompanying footnotes are an integral part of these financial statements.*

**City of Moultrie, Georgia**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Fund**  
**For the Year Ended September 30, 2014**

	<b>Pension Trust Fund</b>
<hr/>	
<b>Additions</b>	
Contributions	
Employer	\$ 310,711
Participants	286,809
<hr/>	
Total contributions	597,520
<hr/>	
Investment income	
Net appreciation in fair value of investments	654,417
Interest and dividends	312,657
Less - investment expenses	(122,060)
<hr/>	
Net investment income	845,014
<hr/>	
Total additions	1,442,534
<hr/>	
<b>Deductions</b>	
Net depreciation in fair value of investments	-
Pension benefits paid	992,401
Administrative expenses	10,573
<hr/>	
Total deductions	1,002,974
<hr/>	
Net increase	439,560
<hr/>	
Net assets held in trust for pension benefits	
Beginning of year	13,127,506
<hr/>	
End of Year	\$ 13,567,066
<hr/>	

*The accompanying footnotes are an integral part of these financial statements.*

**City of Moultrie, Georgia**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2014**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the City of Moultrie, Georgia (the City) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. With respect to proprietary activities, including component units, the City has adopted GASB Statement of Accounting Standards No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting*. The City has elected to apply all applicable GASB pronouncements as well as Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) Opinions, issued on or before November 30, 1989 unless those pronouncements are inconsistent with GASB pronouncements. The more significant of the government's accounting policies are described below.

***Reporting Entity***

The City of Moultrie, Georgia was created in December, 1879, under the provisions of an act by the General Assembly of the State of Georgia. The City's Charter provides for a Council/Manager form of government. The City Manager is the head of the administrative branch of government and is responsible for the day-to-day operations of the city government. The legislative authority of the City is vested in the Mayor and six Council members with an appointed City Manager. The City provides the following services and operations as authorized by its charter: public safety (police and fire), public works, airport, recreation, animal control, emergency management, and public utilities (water and sewer, gas, electric, solid waste, cable TV and mass transit).

The financial reporting entity has been determined by management in accordance with generally accepted accounting principles to be the City of Moultrie, Georgia (the primary government) and its component unit. A component unit is a legally separate organization for which the primary government is financially accountable or for which the nature and significance of its relationship with the primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. In evaluating how to define the government for financial reporting purposes, management has considered all component units.

The criteria used to determine financial accountability are the ability of the primary government to appoint a voting majority of the organization's governing body, and effectively impose its will on the organization. Also, if there is potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the primary government, financial accountability would exist. Based upon the application of these criteria, the following is a brief review of the component unit included in the City's reporting unit as a discretely presented component unit.

**City of Moultrie, Georgia**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2014**

*Downtown Development Authority of the City of Moultrie*

The Downtown Development Authority of the City of Moultrie (the Authority) plans and develops the downtown area of the City in order to attract new business and residences. The City possesses the authority to review, approve and revise the budget and governs collection and disbursement of funds. The Authority is reported as a proprietary fund type component unit. Separate financial statements are not issued.

***Government-Wide and Fund Financial Statements***

The government-wide financial statements (Statement of Net Position and Statement of Changes in Net Position) report information on all non-fiduciary activities of the primary government and its component unit. As a general rule, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is accountable.

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

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

***Measurement Focus, Basis of Accounting, and Financial Statement Presentation***

*Government – Wide Financial Statements*

The City's government-wide financial statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of governmental and business-type activities for the City. Fiduciary activities of the City are not included in these statements.

**City of Moultrie, Georgia**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2014**

These statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and the fiduciary fund financial statements. Accordingly, all the City's assets and liabilities, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in assets. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. The types of transactions reported as program revenues for the City are reported in three categories: 1) charges for services to customers who directly benefit from goods, services or privileges provided by a given function, 2) operating grants and contributions that are restricted to meeting the operational needs requirements of a particular function, and 3) capital grants and contributions that are restricted to meeting the capital needs requirements of a particular function. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Certain eliminations have been made as prescribed by GASB Statement of Accounting Standards No. 34, *Basic Financial Statements, Management's Discussion and Analysis, for State and Local Governments* in regards to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated, however, those transactions between governmental and business-type activities have not been eliminated. 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.

**City of Moultrie, Georgia**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2014**

*Fund Financial Statements*

*Governmental Fund* financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. Governmental Fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Accordingly, only current assets and current liabilities are included on the Balance Sheets. The Statement of Revenues, Expenditures, and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. The City considers revenues to be available if they are collected within sixty days after year end. Those revenues susceptible to accrual are property taxes, franchise taxes, licenses, and investment income. All other revenue items are considered to be measurable and available only when cash is received by the City. Expenditures generally are recorded when a liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The City reports the following major governmental funds:

The *General Fund* is the principal fund of the City and is used to account for all of its activities not otherwise accounted for by a specified fund.

The *SPLOST Capital Projects Fund* is used to account for financial resources for the acquisition or construction of major capital facilities and improvements. These projects are financed through budget appropriations, sales tax proceeds and general obligation sales tax, and capital leases. The City's *SPLOST Capital Projects Fund* is used to account for the collection and disbursement of the 1% Special Purpose Local Option Sales Tax (SPLOST).

Additionally, the City reports the following governmental fund types:

The *Special Revenue Funds* are used to account for proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

The *Capital Projects Funds* are used to account for financial resources for the acquisition or construction of major capital facilities and improvements other than those financed by Proprietary Funds. These projects are financed through budget appropriations, revenue bonds, sales tax proceeds and general obligation sales tax, and capital leases.

**City of Moultrie, Georgia**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2014**

*Proprietary Funds* are reported using the *economic resources measurement focus* and the *accrual basis of accounting* and are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds). Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

*Enterprise Funds* account for activities that are usually self-sustaining, principally through user charges for services rendered.

The City reports the following major enterprise funds:

The *Water and Sewer Fund* accounts for the provision of water and sewer services to the residents of the City. All activities necessary to provide such services are accounted for in this fund.

The *Electric Revenue Fund* accounts for the provisions of electrical services to the residents of the City. All activities necessary to provide such services are accounted for in this fund.

The *Cable TV Fund* accounts for the provision of cable television services to the residents of the City. All activities necessary to provide such services are accounted for in this fund.

The City reports the following internal service funds:

The *Internal Service Fund* is used to account for equipment services for the departments of the City on a cost reimbursement basis.

*Fiduciary Funds* are reported using the *economic resources measurement focus* and the *accrual basis of accounting* and are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. The City reports the following fiduciary funds:

The *Pension Trust Fund* is used to account for the activities of the City's Employee Retirement Plan, which accumulates resources for pension benefit payments to qualified City employees.

The *Municipal Court Agency Fund* is used to account for assets held by the County as an agent for individuals, private organizations, other governments, and the County departments.

**City of Moultrie, Georgia**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2014**

*Component Units:* All component units are reported using the *economic resources measurement focus basis* and the *accrual basis of accounting*. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

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.

*Budgets*

Budgets are adopted on a basis consistent with generally accepted accounting principles except that encumbrances are treated as budgeted expenditures in the year of the incurrence of the commitment to purchase. Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is utilized in the governmental funds. Encumbrances outstanding at year-end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be honored through subsequent years' budget appropriations.

*Cash and Cash Equivalents*

Cash and cash equivalents, as reported in the statement of cash flows, includes amounts in demand deposits, amounts with fiscal agents and investments with an original maturity at three months or less.

*Investments*

Statutes authorize the City to invest in obligations of the U.S. Treasury, other U.S. Government agencies, the State of Georgia, other counties, municipal corporations and political subdivisions of the State of Georgia, and pooled investment programs sponsored by the State of Georgia for the investment of local government funds.

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. The fair values of investments in external investment pools are the same as the value of the pool shares.

*Receivables*

Receivables and Due from Other Governments represent funds to be received from other local governments, state grant in aid, state contracts, or federal funds. No allowance is deemed necessary for these receivables.

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

**City of Moultrie, Georgia**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2014**

*Inventories*

Inventory in enterprise funds is valued at the lower of cost or market, using the first-in, first-out method. Inventory in the General Fund is valued at cost and consists of expendable supplies held for consumption. The City accounts for inventory on the purchase basis.

*Prepaid Items*

Payments made to vendors for services that will benefit future accounting periods are recorded as prepaid items in both the government-wide and fund financial statements.

*Interfund Receivables / Payables*

Outstanding balances between funds at the end of the fiscal year are referred to as either "Due From Other Funds" or "Due To 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".

*Restricted Assets*

Proceeds from certain revenues and other resources in the General Fund, Special Revenue Funds, and Capital Projects Funds are classified as restricted assets on the balance sheet because they are maintained in separate accounts and their use is limited by applicable statutes or agreements. The Water and Sewer Fund and Cable TV Fund, based on certain bond covenants, are required to establish and maintain prescribed amounts of resources, consisting of cash and temporary investments that can be used only to service outstanding debt.

*Capital Assets*

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks and similar items) acquired prior to September 30, 1980, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The City's policy has set the capitalization threshold at \$1,000 for reporting capital assets and infrastructure assets. All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated fair market value on the date received.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

Major outlays for capital assets and major improvements are capitalized as projects are constructed. Interest incurred during the construction period of capital assets of the business-type activities is included as part of the capitalized value of the assets constructed. The amount of interest capitalized is calculated by offsetting interest expense incurred (from the date of borrowing until the date of completion of the project) with interest earned on investment proceeds over the same period. During the year ended September 30, 2014, \$85,602 of interest was capitalized within the component unit.

**City of Moultrie, Georgia**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2014**

Depreciation is provided on the straight-line method over the following estimated useful lives:

*Governmental Assets:*

Buildings and improvements	50 years
Machinery and equipment	5 – 15 years
Infrastructure	25 years

*Business-type Assets:*

Buildings	5 – 50 years
Improvements other than buildings	2 – 50 years
Machinery and equipment	3 – 50 years

*Deferred Outflows of Resources*

In addition to assets, 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 a consumption of net position or fund balance that applies to a future periods and thus, will not be recognized as an outflow of resources (expense) until then. The City has only one item that qualifies for reporting in this category. It is the deferred charge on refunding in the government-wide statement of net position and the Proprietary Funds Statement of Net Position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

*Deferred Inflows of Resources*

In addition to liabilities, the City 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 future periods and so will not be recognized as an inflow of resources (revenue) until that time. The governmental funds and government-wide statement of net position report unavailable revenues from property taxes, grants and fees. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

*Compensated Absences*

City employees accrue vacation in different amounts, according to the number of years of service. Employees under ten years of service accrue two weeks of vacation each year. Upon reaching ten years of service, employees can accrue three weeks per year. These days can be taken either by time off or by payment upon retirement. (Employees who are terminated forfeit all vacation time they have not taken at the time of termination.)

**City of Moultrie, Georgia**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2014**

Employees earn sick leave in proportion to actual hours worked. Sick leave, however, is not paid upon termination if termination is by manner other than death or retirement. Employees can accrue up to a maximum of 960 hours of sick leave and will be paid up to 65% of the hours accrued at the time of retirement based on the age of the employee at retirement. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds when it is expected to be liquidated with expendable available resources.

*Deferred Compensation Plan*

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. Total contributions for the year ended September 30, 2014 were \$138,795.

Pursuant to GASB Statement of Accounting Standards No. 32 *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, the City does not have a fiduciary relationship with the Plan. Accordingly, the balances and transactions of the City's 457 plan are not reported in the City's financial statements.

*Long-Term Obligations*

In the government-wide financial statements, proprietary fund types in the fund financial statements, long-term debt, other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight line method, which is not significantly different than the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed in the period incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the issue is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses. Issuance costs are reported as debt service expenditures.

**City of Moultrie, Georgia**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2014**

*Fund Equity*

Beginning with fiscal year 2011, the City implemented GASB Statement 54 “Fund Balance Reporting and Governmental Fund Type Definitions”. This statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government’s fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable fund balance – amounts that are not in spendable form (such as inventory) or are required to be maintained intact;
- Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- Committed fund balance – amounts constrained to specific purposes by a formal action of the City Council through adoption of a resolution. Only the City Council may modify or rescind the commitment;
- Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- Unassigned fund balance – amounts that are available for any purpose; positive amounts are reported only in the general fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, it is the policy of the City to generally consider restricted amounts to have been reduced first. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it is the policy of the City that committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts. In both instances, when a proposed expenditure is made with specific balances identified as the source of the funding, that specific fund balance will be used.

*Encumbrances*

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve the portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund, Special Revenue Fund, and Capital Projects Funds. Encumbrances outstanding at year end are reported as reservations of fund balances since they do not constitute expenditures or liabilities. Unencumbered appropriations lapse at the end of the year. Encumbrances are re-appropriated in the following year, except for encumbrances in the Capital Projects Funds which are continuing. Encumbrances do not represent GAAP expenditures. At September 30, 2014, there were no encumbrances outstanding.

**City of Moultrie, Georgia**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2014**

*Use of Estimates*

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

*Subsequent Events*

The City has performed an evaluation of subsequent events, as defined under FASB ASC 855-10, through March 25, 2015, which is the date the financial statements were available to be issued.

**NOTE 2 - BUDGETS AND BUDGETARY ACCOUNTING**

***Budget Process***

The annual budget document is the financial plan for the operation of the City. The budget process exists for the purpose of providing a professional management approach to the establishment of priorities and the implementation of work programs while providing an orderly means for control and evaluation of the City's financial position. An annual operating budget is prepared for the General Fund, Special Revenue Fund, and Enterprise Funds.

The City follows the following procedures in establishing the budgetary data reflected in the financial statements:

- 1) Budget requests are completed in July.
- 2) Proposed budgets are reviewed and prepared by the City Manager for submission to the Mayor and the City Council in August.
- 3) Public hearings on the proposed budget are held in August and September.
- 4) The budget is legally adopted by the Mayor and the City Council in September.
- 5) All budget revisions must be approved as required by Georgia law and administrative policy. Transfer of budgeted amounts in excess of \$5,000 between object categories within departments requires the approval of the City Council. This is consistent with the legal level of budgetary control as the budget is adopted at the object category level. Revisions that alter the total expenditures of any department or fund must be approved by the City Council.
- 6) Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Fund, Capital Projects Funds, and the Enterprise Funds.
- 7) Budgets for the General Fund, Special Revenue Fund, and the Enterprise Funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

**City of Moultrie, Georgia**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2014**

***Capital Projects Budget***

The construction of certain major capital facilities and improvements, which are accounted for by the City in the Capital Projects Fund, are subject to budgetary control on a project basis. The budgets are approved by the City Council and are generally subject to specific provisions of voter referendums, State Statutes, and/or grant agreements. Appropriations for a specific project do not lapse until completion of the project.

***Deficit Fund Balances / Retained Earnings in Individual Funds***

The following funds had deficit fund balances / retained earnings as of September 30, 2014:

Fund	Deficit
Cable TV Fund	\$ 705,267
Utilities Deposit Fund	276,399
Internal Service Fund	218,673

The fund deficits above are expected to be reduced through increased user charges and transfers from reserve and utility funds.

***Excess of Expenditures Over Appropriations in Individual Funds***

The following funds incurred actual expenditures in excess of budgeted amounts for the year ended September 30, 2014:

Department/Fund	Excess of Expenditures Over Budgeted Amounts
Multiple Grants Fund	\$ 13,000
Hotel/Motel Fund	2,322

**City of Moultrie, Georgia**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2014**

**NOTE 3 - DEPOSITS AND INVESTMENTS**

Total deposits and investments as of September 30, 2014, are summarized as follows:

	<b>Deposits with Financial Institutions</b>		<b>Investments</b>	<b>Total</b>
Cash and cash equivalents	\$ 33,510,859	\$ -	\$ 33,510,859	
Restricted cash and cash equivalents	1,437,278	-	1,437,278	
Investments	-	19,873,895	19,873,895	
Restricted investments	-	1,529,342	1,529,342	
	<b>\$ 34,948,137</b>	<b>\$ 21,403,237</b>	<b>\$ 56,351,374</b>	

**September 30, 2014**

Primary government:

Amounts as presented on the entity-wide Statement of Net Position

*Governmental Activities:*

Cash and cash equivalents	\$ 12,454,007
Restricted cash and cash equivalents	493,519

*Business Type Activities:*

Cash and cash equivalents	19,994,563
Investments	7,343,430
Restricted cash and cash equivalents	618,326
Restricted investments	1,529,342

Amounts as presented on the Statement of Fiduciary Net Position

Cash and cash equivalents	1,005,962
Investments	12,530,465

<b>Total primary government</b>	<b>55,969,614</b>
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Component units:

Cash and cash equivalents	56,327
Restricted cash and cash equivalents	325,433

<b>Total component units</b>	<b>381,760</b>
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<b>Total</b>	<b>\$ 56,351,374</b>
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**City of Moultrie, Georgia**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2014**

***Investments***

The City's investment policies are authorized by State Statutes and City Ordinances. Permissible investments include securities of the United States Treasury, agencies and instrumentalities, repurchase agreements, and the Georgia Fund 1 investment pool regulated by the Georgia Office of the State Treasurer.

Georgia Fund I, created by OCGA 36-83-8, is a stable net asset value investment pool that follows Standard and Poor's criteria for AAA rated money market funds. However, Georgia Fund I operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity, and diversification while maintaining principal (\$1.00 per share value). Net asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participant's shares sold and redeemed based on \$1.00 per share.

The City is a participant in the Municipal Electric Authority of Georgia (MEAG). The MEAG board approves an annual system budget from which MEAG bills its participants. At the end of the year, adjustments are made by MEAG to each participant's billings to agree with actual cost. Whenever MEAG recovers funds from the City in excess of its actual costs to serve the City, the City can elect to have their funds deposited in MEAG's voluntary flexible operating account fund in lieu of receiving a refund. This voluntary stabilization fund is used to reduce future costs of the City at its discretion while also earning interest. The City is authorized to direct the MEAG to retain or use the discretionary funds. At September 30, 2014, the City's balance in the discretionary stabilization fund was \$5,270,993.

Investments are categorized into three categories of credit risk:

- 1) Insured or registered, or securities held by the City or its agent in the City's name.
- 2) Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the City's name.
- 3) Uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent, but not in the City's name.

**City of Moultrie, Georgia**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2014**

As of September 30, 2014, the City's investments were classified as follows:

	Category			Cost	Fair Value
	1	2	3		
<b>Pension Trust Fund</b>					
U.S. Government Securities	\$ 465,635			\$ 194,753	\$ 465,635
Corporate Bonds	2,364,953			2,306,523	2,364,953
Municipal Bonds	2,258,356			2,137,375	2,258,356
Equities - Common Stock	6,499,872			6,330,401	6,499,872
Mutual Funds	-				-
Asset-backed Securities	606,060			605,614	606,060
Certificate of Deposit	335,589			335,589	335,589
<b>Proprietary Funds</b>					
U.S. Government Securities		865,404		850,335	865,404
Cash		663,938		669,729	663,938
Municipal Competitive Trust		7,343,430		7,343,430	7,343,430
	<b>\$ 12,530,465</b>	<b>\$ 8,872,772</b>	<b>\$ -</b>	<b>\$ 20,773,749</b>	<b>\$ 21,403,237</b>

As of September 30, 2014, the City's Credit and Interest Rate Risk related to the City's investments were as follows:

	Fair Value	Maturities	Credit Quality
<b>Pension Trust Fund</b>			
U.S. Government Securities	\$ 465,635	12/20/2038-11/15/2039	Unavailable
Corporate Bonds	2,364,953	10/27/2014-11/1/2022	Various
Municipal Bonds	2,258,356	6/8/2018-12/01/2021	Various
Equities - Common Stock	6,499,872	N/A	Unavailable
Asset-backed Securities	606,060	10/25/2034	AAA
Certificate of Deposit	335,589	11/13/2014	Unavailable
<b>Proprietary Funds</b>			
U.S. Government Securities	865,404	12/31/2014	AAA
Cash	663,938	N/A	
<b>Municipal Competitive Trust</b>			
Short-term	5,270,993	10/6/2014-3/20/2015	Unavailable
Long-term	2,072,437	10/22/2014-10/1/2040	Unavailable
	<b>\$ 21,403,237</b>		

**City of Moultrie, Georgia**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2014**

**NOTE 4 – RECEIVABLES AND TAX REVENUE**

***Property Tax***

Property taxes were levied in September 2013 and payable before December 2013 for the fiscal year 2014 tax. Property tax revenues are recognized when levied to the extent they result in current receivables. The City's fiscal year 2014 tax was levied prior to September 30, 2014 and was recorded as taxes receivable and deferred revenue within the City's General Fund.

The tax rate levied during fiscal year 2014 for the City's operations was 12.818 mills (mill equals \$1 per thousand dollars of assessed value).

The City maintains no allowance for uncollectible property taxes at September 30, 2014.

***Sales Tax***

Colquitt County, Georgia has levied four 1% Special Purpose Local Option Sales Tax Programs (SPLOST) which were passed by referendum in 1994, 2001, 2006 and 2013. The proceeds from these sales tax programs are used to finance various capital projects. The SPLOST programs are administered by Colquitt County, Georgia.

**City of Moultrie, Georgia**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2014**

**Receivables**

Receivables as of September 30, 2014 are as follows:

	<b>General Fund</b>	<b>SPLOST</b>	<b>Nonmajor Governmental Funds</b>	<b>Water and Sewer Fund</b>	<b>Electric Revenue Fund</b>
Receivables					
Accounts	\$ 275,284	\$ -	\$ 43,944	\$ 1,240,781	\$ 3,897,400
Property tax	3,127,543	-	-	-	-
Sales tax	235,197	-	-	-	-
Program	-	-	544,184	-	-
Due from other governments	-	-	-	-	-
Gross receivables	3,638,024	-	588,128	1,240,781	3,897,400
Less allowance for uncollectibles	(85,025)		(87,512)	(565,293)	(1,027,616)
Total net receivables	\$ 3,552,999	\$ -	\$ 500,616	\$ 675,488	\$ 2,869,784

	<b>Cable TV Fund</b>	<b>Internal Service Fund</b>	<b>Nonmajor Enterprise Funds</b>	<b>Total</b>
Receivables				
Accounts	\$ 1,474,979	\$ 180,690	\$ 905,725	\$ 8,018,803
Property tax				3,127,543
Sales tax				235,197
Program				544,184
Due from other governments				-
Gross receivables	1,474,979	180,690	905,725	11,925,727
Less allowance for uncollectibles	(998,552)	(97,784)	(485,122)	(3,346,904)
Total net receivables	\$ 476,427	\$ 82,906	\$ 420,603	\$ 8,578,823

**City of Moultrie, Georgia**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2014**

**NOTE 5 – INTERFUND RECEIVABLES AND PAYABLES AND INTERFUND TRANSFERS**

***Interfund Receivables and Payables***

Interfund receivables and payables result from timing differences related to payroll and other year end transactions which normally clear within one to two months. The composition of interfund receivables and payables as of September 30, 2014 is as follows:

Due to	Due From				
	General Fund	SPLOST Fund	Nonmajor Governmental Funds	Water and Sewer Fund	Electric Revenue Fund
General Fund	\$ -	\$ -	\$ 305	\$ 13,464	\$ 455,014
SPLOST Fund	-	-	-	-	-
Nonmajor Governmental Funds	8,090	-	-	-	-
Water and Sewer Fund	-	-	-	-	-
Electric Revenue Fund	-	-	1,082	3,838,876	-
Cable TV Fund	91	-	-	-	-
Nonmajor Enterprise Funds	4,120,591	-	-	797,373	-
Internal Service Fund	-	-	5	131,264	73,605
<b>Total</b>	<b>\$ 4,128,772</b>	<b>\$ -</b>	<b>\$ 1,392</b>	<b>\$ 4,780,977</b>	<b>\$ 528,619</b>

Due to	Due From			Total
	Cable TV Fund	Nonmajor Enterprise Fund	Internal Service Fund	
General Fund	\$ -	\$ 27,343	\$ 1,672,084	\$ 2,168,210
SPLOST Fund	-	-	-	-
Nonmajor Governmental Funds	-	8,359	-	16,449
Water and Sewer Fund	193	749	1,724	2,666
Electric Revenue Fund	4,880,001	841,770	238	9,561,967
Cable TV Fund	-	27,237	-	27,328
Nonmajor Enterprise Funds	153,788	510,393	23,891	5,606,036
Internal Service Fund	41,566	1,098,371	-	1,344,811
<b>Total</b>	<b>\$ 5,075,548</b>	<b>\$ 2,514,222</b>	<b>\$ 1,697,937</b>	<b>\$ 18,727,467</b>

**City of Moultrie, Georgia**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2014**

<b>Advance from</b>	<b>Advance To General Fund</b>
Electric Fund	\$ 497,592

The composition of receivables and payables between the City and its component unit as of September 30, 2014 is as follows:

<b>Due To</b>	<b>Due From Downtown Development Authority</b>
Water and Sewer Fund	\$ 235,000

**City of Moultrie, Georgia**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2014**

***Interfund Transfers***

Interfund transfers are used to move revenues from the fund that Statute or budget requires to collect them to the fund that the Statute or budget requires to expend them and to use unrestricted revenues collected in the General Fund and Enterprise Funds to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Interfund transfers for the year ended September 30, 2014, consisted of the following:

<b>Transfer From</b>	<b>Transfer To</b>				
	<b>General Fund</b>	<b>SPLOST Fund</b>	<b>Nonmajor Governmental Funds</b>	<b>Water and Sewer Fund</b>	<b>Electric Revenue Fund</b>
General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
SPLOST Fund	-	-	-	881,000	-
Nonmajor Governmental Funds	-	-	-	-	-
Water and Sewer Fund	907,072	-	-	-	408,530
Electric Revenue Fund	4,131,415	-	-	-	-
Cable TV Fund	-	-	-	-	-
Nonmajor Enterprise Funds	577,238	-	-	-	-
Internal Service Fund	-	-	-	-	-
<b>Total</b>	<b>\$ 5,615,725</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 881,000</b>	<b>\$ 408,530</b>

<b>Transfer From</b>	<b>Transfer To</b>			<b>Total</b>
	<b>Cable TV Fund</b>	<b>Nonmajor Enterprise Fund</b>	<b>Internal Service Fund</b>	
General Fund	\$ -	\$ 5,000	\$ -	\$ 5,000
SPLOST Fund	-	-	-	881,000
Nonmajor Governmental Funds	-	-	-	-
Water and Sewer Fund	-	-	-	1,315,602
Electric Revenue Fund	-	-	-	4,131,415
Cable TV Fund	-	-	-	-
Nonmajor Enterprise Funds	-	-	-	577,238
Internal Service Fund	-	-	-	-
<b>Total</b>	<b>\$ -</b>	<b>\$ 5,000</b>	<b>\$ -</b>	<b>\$ 6,910,255</b>

**City of Moultrie, Georgia**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2014**

**NOTE 6 – CAPITAL ASSETS**

The following is a summary of capital asset activity as of September 30, 2014:

**Primary Government**

<b>Primary Government: Governmental Activities</b>	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Transfers</b>	<b>Ending Balance</b>
Nondepreciable					
Land and improvements	\$ 1,394,670	\$ -	\$ -	\$ -	\$ 1,394,670
Construction in progress	-	-	-	-	-
<b>Total nondepreciable capital assets</b>	<b>1,394,670</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,394,670</b>
Other capital assets					
Buildings and improvements	11,618,264	105,068	-	-	11,723,332
Machinery & equipment	7,452,083	268,194	(167,147)	-	7,553,130
Infrastructure	47,550,650	785,243	-	-	48,335,893
<b>Total other capital assets at cost</b>	<b>66,620,997</b>	<b>1,158,505</b>	<b>(167,147)</b>	<b>-</b>	<b>67,612,355</b>
Less accumulated depreciation for depreciation for:					
Buildings and improvements	(5,700,338)	(412,493)	-	-	(6,112,831)
Machinery & equipment	(5,308,289)	(508,495)	164,032	-	(5,652,752)
Infrastructure	(33,301,807)	(525,970)	-	-	(33,827,777)
<b>Total accumulated depreciation</b>	<b>(44,310,434)</b>	<b>(1,446,958)</b>	<b>164,032</b>	<b>-</b>	<b>(45,593,360)</b>
<b>Other capital assets, net</b>	<b>22,310,563</b>	<b>(288,453)</b>	<b>(3,115)</b>	<b>-</b>	<b>22,018,995</b>
<b>Governmental activities capital assets, net</b>	<b>\$ 23,705,233</b>	<b>\$ (288,453)</b>	<b>\$ (3,115)</b>	<b>\$ -</b>	<b>\$ 23,413,665</b>

**City of Moultrie, Georgia**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2014**

<b>Primary Government: Business-type Activities</b>	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Transfers</b>	<b>Ending Balance</b>
Nondepreciable					
Land and improvements	\$ 1,209,382	\$ -	\$ -	\$ -	\$ 1,209,382
Construction in progress	1,252,309	878,207	(590,437)	(333,318)	1,206,761
<hr/>					
Total nondepreciable capital assets	2,461,691	878,207	(590,437)	(333,318)	2,416,143
<hr/>					
Other capital assets					
Buildings	6,002,187	69,603	-	-	6,071,790
Other Improvements	69,817,940	1,594,777	-	333,318	71,746,035
Machinery & equipment	9,912,105	706,223	(189,015)	-	10,429,313
<hr/>					
Total other capital assets at cost	85,732,232	2,370,603	(189,015)	333,318	88,247,138
<hr/>					
Less accumulated depreciation for:					
Buildings	(2,616,308)	(163,566)	-	-	(2,779,874)
Other improvements	(39,026,252)	(2,191,697)	-	-	(41,217,949)
Machinery & equipment	(7,465,523)	(510,945)	269,772	-	(7,706,696)
<hr/>					
Total accumulated depreciation	(49,108,083)	(2,866,208)	269,772	-	(51,704,519)
<hr/>					
Other capital assets, net	36,624,149	(495,605)	80,757	333,318	36,542,619
<hr/>					
Business-type activities capital assets, net	\$ 39,085,840	\$ 382,602	\$(509,680)	\$ -	\$ 38,958,762

**City of Moultrie, Georgia**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2014**

Depreciation expense was charged to functions as follows:

Governmental activities:

General government	\$ 144,043
Public safety	368,412
Public works	674,907
Parks and recreation	254,057
Community Development	5,539

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<b>Total governmental activities depreciation expense</b>	<b>\$ 1,446,958</b>
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Business-type activities:

Water & Sewer	\$ 1,381,680
Electric	672,046
Gas	73,146
Cable TV	347,709
Sanitation	221,827
Airport operations	92,999
Telecomm	22,081
Mass transit	54,720

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<b>Total business-type activities depreciation expense</b>	<b>\$ 2,866,208</b>
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**City of Moultrie, Georgia**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2014**

**Component Units**

Capital asset activity for the Downtown Development Authority of the City of Moultrie, a discretely presented component unit, for the year ended September 30, 2014 is as follows:

*Governmental Activities:*

The Authority had no governmental capital asset activity for the year ended September 30, 2014.

<b>Component Unit:</b>	<b>Beginning</b>					<b>Ending</b>	
<b><i>Business-type Activities</i></b>	<b>Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Transfers</b>	<b>Balance</b>		
Nondepreciable							
Land and improvements	\$ 709,191	\$ -	\$ -	\$ -	\$ -	\$ 709,191	
Construction in progress	-	-	-	-	-	-	
<b>Total nondepreciable capital assets</b>	<b>709,191</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>709,191</b>	
Other capital assets							
Buildings	4,145,775	-	-	-	-	4,145,775	
Other Improvements	-	-	-	-	-	-	
Machinery & equipment	-	-	-	-	-	-	
<b>Total other capital assets at cost</b>	<b>4,145,775</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,145,775</b>	
Less accumulated depreciation for:							
Buildings	(2,136,212)	(206,315)	-	-	-	(2,342,527)	
Other improvements	-	-	-	-	-	-	
Machinery & equipment	-	-	-	-	-	-	
<b>Total accumulated depreciation</b>	<b>(2,136,212)</b>	<b>(206,315)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,342,527)</b>	
<b>Other capital assets, net</b>	<b>2,009,563</b>	<b>(206,315)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,803,248</b>	
Business-type activities capital assets, net	\$ 2,718,754	\$ (206,315)	\$ -	\$ -	\$ -	\$ 2,512,439	

**City of Moultrie, Georgia**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2014**

Depreciation expense was charged to functions as follows:

<u>Governmental activities</u>	\$	--
<u>Business-type activities</u>		206,315
<u>Total depreciation expense</u>	\$	<u>206,315</u>

**NOTE 7 – SHORT TERM DEBT**

At September 30, 2013, the Electric Fund had a short term note with a bank for \$112,000 to fund short term budget deficits. The short term note payable agreement matured and was paid on December 13, 2013.

Short-term liability activity for the year ended September 30, 2014, was as follows:

	Balance September 30, 2013	Increase Decreases s	Balance September 30, 2014
<b>Business-type activities:</b>			
Notes Payable	112,000	--    (112,000)	-
Business-type activities short-term debt	\$ 112,000	\$ --    \$ (112,000)	\$ -

**City of Moultrie, Georgia**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2014**

**NOTE 8 – LONG TERM DEBT**

***Revenue Bonds***

The City issues bonds where the City pledges income derived from the acquired or constructed assets to pay debt service. The City's enterprise funds' revenue bonds outstanding at September 30, 2014, are as follows:

Enterprise Fund and Description	Original Amount	Interest Rate	Due Date	Amount
Water and Sewer Fund - Refunding Project, Series 2009	\$ 5,440,000	2.00–3.50%	2018	\$ 3,140,000
Cable TV Fund – South Georgia Governmental Services Authority, Series 2004	10,180,000	2.00–5.00%	2016	3,095,000
Water and Sewer Fund – South Georgia Governmental Services Authority, Series 2012	12,775,000	2.00–3.750%	2042	11,990,000
				18,225,000
			Unamortized discount / premium / loss	18,996
			Less current portion	(1,685,000)
				<u>\$ 16,558,996</u>

**City of Moultrie, Georgia**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2014**

*South Georgia Governmental Services Authority Revenue Bonds, Series 2009*

The City of Moultrie Revenue Bonds, Water and Sewer Refunding Project, Series 2009 were issued September 17, 2009. The Series 2009 bonds were issued to provide funds to refund and redeem the City of Moultrie Combined Utility Revenue Bonds, Series 1998 and provide funds to prepay an outstanding loan made to the City by the Georgia Environmental Facilities Authority and pay certain costs of issuing the hereinafter described bonds.

*South Georgia Governmental Services Authority Revenue Bonds, Series 2004*

The Series 2004 bonds were issued on April 1, 2004 and were issued in the total amount of \$35,405,000 (of which only \$10,180,000 is applicable to the City of Moultrie). The bonds were issued for the purpose of providing funds 1) to the City of Cairo, the City of Camilla, the City of Moultrie and the City of Thomasville to pay, on behalf of each of the Cities, certain intergovernmental contract obligations and bonds outstanding incurred to acquire, construct, and equip cable television and telecommunications systems for said Cities, 2) to the City of Cairo, the City of Camilla, the City of Thomasville for the acquisition, construction, and equipping of additional equipment and facilities to be used in connection with the cable television and communications systems for said Cities, 3) to fund a reserve for payment of the Bonds, and 4) to pay the necessary costs of issuing the Bonds. The Series 2004 bonds are limited obligations of the South Georgia Governmental Services Authority (the Authority) and are payable solely from and secured by the Trust Estate which includes rentals, revenues, earnings and funds of the Authority arising from the individual City projects as provided in the leases between the Authority and each of the Cities. The City of Moultrie's obligation to make lease payments under the lease contract sufficient to pay the principal of, premium, if any, and interest on the 2004 Series bonds is absolute and unconditional and will not expire so long as any of the Series 2004 bonds remain outstanding and unpaid. Under the lease contract, the City has agreed to levy ad valorem property taxes, subject to millage limits prescribed by law, on all property in the City subject to such tax as may be necessary to make the payments required by the lease contract.

The issuance of the Series 2004 bonds effectively paid off, via an advance refunding, the City's outstanding Moultrie-Colquitt County Development Authority Revenue Bonds, Series 2000 in the amount of \$8.55 million.

*South Georgia Governmental Services Authority Revenue Bonds, Series 2012*

The City of Moultrie South Georgia Governmental Services Authority Revenue Bonds (City of Moultrie Water and Sewer Projects), Series 2012 were issued September 18, 2012. The Series 2012 bonds were issued to provide funds to finance upgrades, refurbishment, renovations, and expansion of the City's wastewater treatment plant, and additions, improvements, and equipment for the water and sewer system of the City, and pay certain costs of issuing the bonds.

**City of Moultrie, Georgia**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2014**

The annual debt service requirement to maturity of the Revenue Bonds at September 30, 2014 is as follows:

Year Ending September 30	Principal	Interest	Total
2015	\$ 1,685,000	\$ 638,525	\$ 2,323,525
2016	3,090,000	576,900	3,666,900
2017	1,125,000	448,012	1,573,012
2018	1,155,000	416,637	1,571,637
2019	1,175,000	382,737	1,557,737
2020-2024	950,000	1,684,700	2,634,700
2025-2029	430,000	1,623,410	2,053,410
2030-2034	775,000	1,540,598	2,315,598
2035-2039	4,035,000	1,097,960	5,132,960
2040-2043	3,805,000	291,725	4,096,725
	<u>\$ 18,225,000</u>	<u>\$ 8,701,204</u>	<u>\$ 26,926,204</u>

*Downtown Development Authority of Moultrie Taxable Revenue Bonds, Series 2006 A & B – Component Unit*

The City's component unit's revenue bonds outstanding at September 30, 2014, are as follows:

	Original Amount	Interest Rate	Due Date	Amount
Downtown Development Authority – Series A	\$ 1,580,000	5.95%	2017	\$ 590,000
Downtown Development Authority – Series B	\$ 2,410,000	4.92%	2028	\$ 1,895,000
				2,485,000
		Less current portion		(260,000)
				<u>\$ 2,225,000</u>

**City of Moultrie, Georgia**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2014**

*Downtown Development Authority of Moultrie Taxable Refunding Revenue Bonds, Series 2006 A*

The Downtown Development Authority of Moultrie Taxable Refunding Revenue Series 2006 A bonds were issued to provide funds to advance refund the Downtown Development Authority of Moultrie Taxable Revenue Bonds, Series 1996 and to pay the cost of the acquisition, construction and equipping of a post office located in the urban redevelopment area of the City. The post office facility is leased by the Downtown Development Authority of Moultrie, as assignee of the City of Moultrie, Georgia to the United States Postal Service until 2017. The term of the lease is from February 5, 1996 through November 2, 2017.

The Series 2006 A bonds are limited obligations of the Downtown Development Authority of Moultrie. The bonds are payable solely from payments to be made to the Authority by the U.S. Postal Service under the lease. The City has agreed, in the event of default by the U.S. Postal Service, to levy an ad valorem tax at a rate not to exceed 3 mills upon all property located in the City subject to taxation for bond purposes.

The net proceeds of \$1,615,054 from the Downtown Development Authority of Moultrie of the Series 2006 A bonds maturing in November 2017 were deposited in irrevocable trusts with an escrow agent to provide all future debt service payments on the refunded bonds and to achieve certain debt service savings. The result of this transaction is a decrease in future debt service payments of \$282,808 resulting in a net present value savings to the City of \$142,750. At September 30, 2009, \$1,540,000 of outstanding revenue bonds were considered defeased.

*Downtown Development Authority of Moultrie Taxable Revenue Bonds, Series 2006 B*

The Downtown Development Authority of Moultrie Taxable Revenue Series 2006 B bonds were issued to provide funds for the purpose of financing the acquisition, construction, installation and equipping of a building for lease to the Georgia Department of Labor. The facility will be leased by the Downtown Development Authority of Moultrie, as assignee of the City of Moultrie, Georgia to the Georgia Department of Labor for a period of twenty years.

The Series 2006 B bonds are limited obligations of the Downtown Development Authority of Moultrie. The bonds are payable solely from payments to be made to the Authority by the Georgia Department of Labor under the lease. The City has agreed, in the event of default by the Georgia Department of Labor, to levy an ad valorem tax at a rate not to exceed 3 mills upon all property located in the City subject to taxation for bond purposes.

**City of Moultrie, Georgia**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2014**

The Series 2006 A and B revenue bond debt service requirements to maturities, including interest, are as follows:

Year Ending September 30	Principal	Interest	Total
2015	\$ 260,000	\$ 121,068	\$ 381,068
2016	270,000	106,253	376,253
2017	280,000	90,869	370,869
2018	160,000	78,784	238,784
2019	105,000	71,955	176,955
2020-2024	620,000	273,552	893,552
2025-2029	790,000	100,890	890,890
	<u>\$ 2,485,000</u>	<u>\$ 843,371</u>	<u>\$ 3,328,371</u>

***Other Long-Term Debt***

At September 30, 2014, the Cable TV Fund had a note payable to a bank totaling \$255,000 to fund budget deficits. The note bears interest at 3.5% and is due on December 6, 2013. The note was renewed on December 6, 2013 for \$255,000 with monthly interest only payments and will mature with principal and interest due on December 5, 2014.

At September 30, 2014, the Cable TV Fund had a note payable to a bank totaling \$255,000 to fund budget deficits. The note bears interest at 3.5% and is due on December 6, 2013. The note was renewed on December 6, 2013 with monthly interest only payments and will mature with principal and interest due on December 5, 2014.

At September 30, 2014, the South Georgia Governmental Services Authority had a note payable to the City of Camilla, Georgia totaling \$218,653 to fund the acquisition of a building. Of that amount, \$75,988 is the obligation of the City of Moultrie at September 30, 2014. The note bears interest at 2.25% and is due in quarterly installments of principal and interest through June 1, 2020.

**City of Moultrie, Georgia**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2014**

The Cable TV Fund note payable debt service requirements to maturities, including interest, are as follows:

Year Ending September 30	Principal	Interest	Total
2015	\$ 522,522	\$ 5,009	\$ 527,531
2016	12,807	1,319	14,126
2017	13,097	1,028	14,125
2018	13,394	731	14,125
2019	13,698	428	14,126
2020-2024	10,470	98	10,568
2025-2029	-	-	-
	\$ 585,988	\$ 8,613	\$ 594,601

At September 30, 2014, the Water and Sewer Fund had a note payable to the Georgia Environmental Facilities Authority whereby it may borrow up to \$3,384,500. The outstanding balance at September 30, 2014 was \$948,753. The debt is being used for the rehabilitation of the existing wastewater treatment facility.

At September 30, 2014, the Water and Sewer Fund had a note payable to the Georgia Environmental Facilities Authority whereby it may borrow up to \$3,500,000. The outstanding balance at September 30, 2014 was \$1,227,364. The debt is being used for the renovation of the existing wastewater treatment facility.

At September 30, 2014, the Water and Sewer Fund entered into an agreement with the Georgia Environmental Facilities Authority whereby it may borrow up to \$2,750,000. The outstanding balance at September 30, 2014 was \$2,141,317. The debt is being used to finance the costs of acquiring, constructing, and installing environmental facilities. The project is still in the construction phase; therefore a payment schedule has not been determined at September 30, 2014.

At September 30, 2014, the Water and Sewer Fund entered into an agreement with the Georgia Environmental Facilities Authority whereby it may borrow up to \$6,100,000. At September 30, 2014 there had been no amounts drawn on the note. The debt is being used to finance the costs of acquiring, constructing, and installing environmental facilities. The project is still in the construction phase; therefore a payment schedule has not been determined at September 30, 2014.

**City of Moultrie, Georgia**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2014**

The Water and Sewer Fund note payable debt service requirements to maturities, including interest, are as follows:

Year Ending September 30	Principal	Interest	Total
2015	\$ 95,855	\$ 63,972	\$ 159,827
2016	98,771	61,057	159,828
2017	101,775	58,052	159,827
2018	104,870	54,957	159,827
2019	108,061	51,767	159,828
2020-2024	591,651	207,491	799,142
2025-2029	687,271	111,870	799,141
2030-2034	387,863	16,260	404,123
2035-2039	-	-	-
2040-2043	-	-	-
	<u>\$ 2,176,117</u>	<u>\$ 625,426</u>	<u>\$ 2,801,543</u>

Debt service requirements of \$2,176,117 do not include the Water and Sewer Fund agreement with the Georgia Environmental Facilities Authority of \$2,141,317 as this note is not yet in repayment status and no amortization schedule is available.

**City of Moultrie, Georgia**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2014**

***Capital Leases***

The City has entered into several lease agreements as lessee for financing the acquisition of equipment and a fire station through the Georgia Municipal Association direct installment program. The lease agreements qualify as capital leases for accounting purposes (titles transfer at the end of the lease term) and have been recorded at the present values of the future minimum lease payments as of the date of their inception. These leases are being serviced by General Fund, Water and Sewer Fund and Solid Waste Fund payments with annual interest rates varying from 2.45% to 4.71%.

The following is an analysis of equipment leased under capital leases as of September 30, 2014:

	Governmental Activities	Business-type Activities		
		Water and Sewer Fund	Solid Waste Fund	Cable TV Fund
Buildings and Improvements	\$ -	\$ -	\$ -	\$ -
Equipment	1,989,888	299,602	1,218,166	195,286
Less accumulated amortization	(1,232,515)	(171,313)	(417,753)	(3,254)
<b>Carrying value</b>	<b>757,373</b>	<b>128,289</b>	<b>800,413</b>	<b>192,032</b>

	Governmental Activities	Business-type Activities		
		Water and Sewer Fund	Solid Waste Fund	Cable TV Fund
Current amortization	\$ 139,341	\$ 59,920	\$ 112,052	\$ 3,254

**City of Moultrie, Georgia**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2014**

The following is a schedule of future minimum lease payments together with the present value of the net minimum lease payments at September 30, 2014:

Year Ending September 30	Governmental Activities	Business-type Activities		
		Water and Sewer Fund	Solid Waste Fund	Cable TV Fund
2015	\$ 234,638	\$ -	\$ 167,950	\$ 41,468
2016	177,171	-	124,669	41,468
2017	117,714	-	100,781	41,468
2018	25,469	-	65,301	41,468
2019	-	-	65,299	41,473
2020	-	-	6,602	-
Total minimum lease payments	554,992	-	530,602	207,345
Less amount representing interest	(37,250)	-	(31,153)	(12,059)
	\$ 517,742	\$ -	\$ 499,449	\$ 195,286

**City of Moultrie, Georgia**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2014**

***Changes in Long-Term Liabilities***

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

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance</b>	<b>Due Within One Year</b>
<i>Governmental activities:</i>					
Notes payable	\$ 308,958	\$ -	\$ (308,958)	\$ -	\$ -
Capital leases	648,664	126,101	(257,023)	517,742	213,536
Compensated absences	47,717	24,535	-	72,252	-
<b>Governmental activities long-term liabilities</b>	<b>1,005,339</b>	<b>150,636</b>	<b>(565,981)</b>	<b>589,994</b>	<b>213,536</b>
<i>Business-type activities:</i>					
Bonds payable	20,350,000	-	(2,125,000)	18,225,000	1,685,000
Less deferred issuance discount	28,109	4,663	(51,768)	(18,996)	-
<b>Total bonds payable</b>	<b>20,378,109</b>	<b>4,663</b>	<b>(2,176,768)</b>	<b>18,206,004</b>	<b>1,685,000</b>
Notes payable	5,108,692	-	(205,270)	4,903,422	618,377
Capital leases	592,689	329,995	(227,949)	694,735	192,640
Compensated absences	31,756	15,176	(17,105)	29,827	-
<b>Business-type activities long-term liabilities</b>	<b>\$ 26,111,246</b>	<b>\$ 349,834</b>	<b>\$ (2,627,092)</b>	<b>\$ 23,833,988</b>	<b>\$ 2,496,017</b>

**City of Moultrie, Georgia**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2014**

Long-term liability activity for the City's component unit for the year ended September 30, 2014, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<i>Business-type activities:</i>					
Bonds payable	\$ 2,725,000	\$ -	\$ (240,000)	\$ 2,485,000	\$ 260,000
Business-type activities long-term liabilities	\$ -	\$ -	\$ -	\$ -	\$ -

Compensated absences are liquidated by the General Fund and Enterprise Funds for which the liability is incurred.

**NOTE 9 – LEASING ACTIVITIES**

As part of the issuance of the Downtown Development Authority revenue bonds, the Authority entered into a lease agreement with the United States Postal Service (USPS) to lease certain property and buildings for use by the USPS. Under the terms of the lease, the USPS will make rental payments in the amount of \$213,505 annually, which shall be paid to the City as agent for the Authority in equal installments at the end of each month. The lease payments will be used for the purpose of paying the principal of, redemption premium (if any) and interest on the Downtown Development Authority bonds. The property and building is leased under an operating lease, which expires on November 2, 2017.

At September 30, 2014, the amount of property and buildings leased by the USPS which is included on the Statement of Net Position of the Downtown Development Authority is \$2,553,865, net of accumulated depreciation of \$1,850,256.

**City of Moultrie, Georgia**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2014**

At September 30, 2014, the minimum future lease payments to be received under the operating lease are as follows:

Year Ending September 30	Total
2015	\$ 213,505
2016	213,505
2017	213,505
2018	--
2019	--
	\$ 640,515

**NOTE 10 – RESTRICTIONS OF FUND BALANCES**

In the governmental fund financial statements, fund balances consist of nonspendable, restricted and unassigned amounts. Restrictions of fund balances represent that portion which is not appropriable for expenditure or is legally segregated for a specific future use. The remaining portion is unassigned.

Fund balance restrictions at September 30, 2014 include:

**Capital Projects Funds**

Restricted for specific projects to reflect resources funded by SPLOST and Federal Grants	\$ 6,556,693
Community development	988,254

**Special Revenue Funds**

Restricted to reflect resources legally restricted for:	
Community development	142,089
Public safety	13,376

Total restricted net position	\$ 7,700,412
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**City of Moultrie, Georgia**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2014**

**NOTE 11 – PENSION PLAN**

***Plan Description***

The City of Moultrie, Georgia maintains a single-employer defined benefit pension plan, the Retirement Plan for Employees of the City of Moultrie (the Plan). The Plan is administered by a board of trustees in accordance with a trust agreement between the City of Moultrie, Georgia and the board of trustees. The board of trustees acts in the dual capacity as the administrator of the Plan and the trustee of the trust fund created in accordance with the Plan and the Trust Agreement. Benefit provisions and contributions are established and may be amended by the City Council.

The Plan covers all full-time employees of the City of Moultrie, Georgia. Employees become eligible to participate in the Plan after six months and are fully vested after ten years. Prior to October 1, 1994, the Plan excluded employees for whom the City made contributions directly or indirectly to another retirement program. Employees in this category (firefighters and police officers) became participants in the Plan on October 1, 1994, if they filed an application to participate. Benefit provisions are established by City Ordinance. The Plan provides retirement, disability and death benefits to Plan members and beneficiaries. At October 1, 2011, the date of the most recent actuarial valuation, there were 311 participants consisting of the following:

Retirees and beneficiaries currently receiving benefits	71
Vested terminated employees not yet receiving benefits	28
Active employees	217
<hr/>	
Total	316

The Plan issues a separate financial report, which can be obtained by writing to:

*The Retirement Plan for the Employees of the City of Moultrie*  
P.O. Box 3368  
Moultrie, Georgia 31776

***Summary of Significant Accounting Policies***

***Basis of Accounting***

The financial statements of the Plan are prepared using the accrual basis of accounting. The City's contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

**City of Moultrie, Georgia**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2014**

*Method Used to Value Investments*

Investments are reported at their fair values. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrued basis. Dividend income is accrued on the ex-dividend date.

*Contributions*

The City and individual participants make contributions to the Plan. Effective February 1, 2005, all employees are required to contribute 4.2% of their annual earnings to the Plan. Prior to February 1, 2005, participants contributed 3.5% of their annual earnings. The City's funding policy is to contribute the amount in excess of employee's contribution required to fund the Plan benefits as determined by the Plan actuary. Administrative costs are financed through investment earnings.

The annual required contribution for the year ended September 30, 2014 was determined as part of the October 1, 2012, actuarial valuation using the aggregate actuarial cost method. This method does not identify or separately amortize unfunded actuarial liabilities. The actuarial assumptions included a) a rate of return on the investment of present and future assets of 7.25% per year, compounded annually and net of investment expenses, b) projected salary increases of 3.25% per year and c) no inflation rate assumption.

*Annual Pension Cost and Net Pension Obligation*

	<u>For the Plan Year Ending September 30,</u>		
	2012	2013	2014
Annual Required contribution	\$ 326,824	\$ 290,601	\$ 304,464
Interest on net pension obligation	(33,549)	(35,359)	(39,957)
Adjustment to annual required contribution	23,955	26,739	30,216
Annual pension cost	317,230	281,981	294,723
Contributions made	(342,188)	(308,817)	(331,314)
Increase (decrease) in net pension obligation	(24,958)	(26,836)	(36,591)
Net pension obligation (asset), beginning of year	(462,749)	(487,707)	(514,543)
Net pension obligation (asset), end of year	\$ (487,707)	\$ (514,543)	\$ (551,134)

**City of Moultrie, Georgia**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2014**

*Schedule of Employer Contributions*

<b>Fiscal Year Ending</b>	<b>Annual Pension Cost (APC)</b>	<b>Annual Required Contribution</b>	<b>Percentage of APC Contributed</b>	<b>Net Pension Obligation</b>
9/30/2008	\$ 233,262	\$ 240,786	115%	\$ (396,258)
9/30/2009	299,436	307,810	92%	(441,051)
9/30/2010	242,927	251,750	111%	(425,539)
9/30/2011	317,230	326,824	105%	(462,749)
9/30/2012	281,723	290,601	106%	(487,707)
9/30/2013	294,723	303,817	109%	(514,543)

*Schedule of Funding Progress*

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) (b)</b>	<b>Unfunded AAL (UAAL) (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Covered Payroll (c)</b>	<b>UUAL as a Percentage of Covered Payroll (b-a)/c</b>
10/1/08	\$ 9,782,996	\$ 10,773,223	\$ 990,227	90.8%	\$ 5,856,540	16.9%
10/1/09	10,836,296	10,491,991	-	103.3%	6,355,366	0.0%
10/1/10	11,058,536	11,085,137	26,601	99.8%	6,740,870	0.4%
10/1/11	11,279,493	11,249,614	-	100.3%	6,576,521	0.0%
10/1/12	11,639,649	11,353,084	-	102.5%	6,391,083	0.0%
10/1/13	12,237,075	12,397,570	160,495	98.7%	6,410,189	2.5%

*Actuarial Valuation Information*

Current Valuation Date	October 1, 2011
Actuarial Cost Method	Aggregate
Amortization Method	Level percentage, open
Remaining Amortization Period	30 years
Asset Valuation Method	Five-year smoothed market
Actuarial Assumptions:	
Investment Rate of Return	7.25%
Projected Salary Increases	3.25%
Expected Annual Inflation	0%

**City of Moultrie, Georgia**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2014**

**NOTE 12 – JOINT VENTURES**

Under Georgia law, the City, in conjunction with other cities and counties in the eight county west central Georgia area, is a member of the Southwest Georgia Regional Commission and is required to pay annual dues thereto. During the year ended September 30, 2014, the City paid \$15,671 in such dues. Membership in a Regional Commission is required by the Official Code of Georgia Annotated (OCGA), Section 50-8-34, which provides for the organizational structure of the Regional Commission in Georgia. The Regional Commission Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of a Regional Commission. Separate financial statements may be obtained from:

*Southwest Georgia Regional Commission*  
P.O. Box 346  
Camilla, Georgia 31730

The City of Moultrie, Georgia in conjunction with the Cities of Cairo, Camilla and Thomasville, who provide distribution of broadband cable television and internet services under the trade name “CNS”, created the South Georgia Business Development Authority (SGBDA). The SGBDA was created and activated under the provisions of the Development Authority Law of the State of Georgia (O.C.G.A. 36-62-1) for the purpose of providing governmental, proprietary and administrative services and facilities to the Cities of Cairo, Camilla, Moultrie, and Thomasville and other subdivisions, agencies and authorities within its area of operation. Each member city has contracted with the SGBDA to provide management and marketing services for its individually owned broadband communications system. Pursuant to the agreement, the SGBDA procures certain goods and services on behalf of the member cities when cost effective. The SGBDA is reimbursed by each member city for any expense incurred on its behalf. The member cities provide funding on an annual basis to the SGBDA in the form of dues and contributed capital. The City paid the SGBDA \$43,642 in such dues for the year ended September 30, 2014. The City of Moultrie’s equity investment in the SGBDA is \$844,772 and is recorded within the Cable TV enterprise fund. The SGBDA board is made up of eight members, two appointed by each participating city for one year terms. Separate financial statements may be obtained from:

*South Georgia Business Development Authority*  
P.O. Box 1676  
Thomasville, Georgia 31799

**City of Moultrie, Georgia**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2014**

Under an agreement with the Moultrie – Colquitt County Development Authority (MCCDA) in conjunction with Colquitt County, the City of Moultrie provides funding on an annual basis to the MCCDA. The City paid the MCCDA \$75,000 for the year ended September 30, 2014. The MCCDA board is made up of eleven members, four appointed by the County, four appointed by the City and three appointed by the previously appointed eight. The MCCDA is charged with promoting industry and the development of trade, by inducing manufacturing, industrial and commercial enterprises to locate in Moultrie and Colquitt County. Separate financial statements may be obtained from:

*Moultrie – Colquitt County Development Authority*  
P.O. Box 487  
Moultrie, Georgia 31776

**NOTE 13 – RELATED ORGANIZATION**

The City's governing body is responsible for all of the board appointments of the Moultrie Housing Authority. However, the City has no further accountability for this organization.

**NOTE 14 – HOTEL / MOTEL LODGING TAX**

The City has levied a 5% lodging tax. For the year ended September 30, 2014, \$281,545 of hotel/motel tax was collected and \$40,224 or 14% was remitted to the Chamber of Commerce. Management represents that 100% of the lodging tax received during the year ended September 30, 2014 was used for the promotion of tourism, conventions, or trade shows.

**NOTE 15 - RISK MANAGEMENT**

The City is exposed to various risks of losses related to torts, thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

***Property and General Liability and Workers' Compensation***

The City has joined together with other municipalities in the state as part of the Georgia Interlocal Risk Management Agency Property and Liability Insurance Fund and the Georgia Municipal Association Group Self-Insurance Workers' 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.

**City of Moultrie, Georgia**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2014**

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 Worker's 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 judgment and all expenses incurred for investigation, negotiation or defense.

***Group Medical Benefits***

The City is self-insured for group medical and dental benefits up to \$50,000 annually per participant. The self-insurance program is administered by a third party insurance service company. Administrative costs are allocated among the General Fund, Water and Sewer Fund, Electric Revenue Fund, Gas Revenue Fund, Solid Waste Fund, and the Airport Fund. Liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts and other economic social factors. The liability for claims payable is reported in the General Fund. The change in the balance of claim liabilities during the past two years is as follows:

	Year Ended September 30,	
	2013	2014
Unpaid claims, beginning of year	\$ 270,087	\$ 244,350
Incurred claims (including IBNRs)	2,006,286	2,796,759
Claim Payments	(2,032,023)	(3,337,373)
Unpaid claims, end of year	\$ 244,350	\$ 296,264

**City of Moultrie, Georgia**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2014**

***Settlements***

During the year ended September 30, 2014, there were no significant reductions in insurance coverage from the prior year and there have been no settlements exceeding insurance coverage in the years ended September 30, 2012, 2013, and 2014.

**NOTE 15 – COMMITMENTS AND CONTINGENCIES**

***Litigation***

The City is involved in a number of legal matters, which either have or could result in litigation. The City has accrued amounts related to litigation where an outcome unfavorable to the City is probable and the amount can be estimated. In the opinion of the City attorney, the ultimate outcome of these contingencies will not have a material impact on the financial position of the City.

***Grants from Governments***

Amounts received or receivable from grantor agencies are subject to audit and adjustment by such agencies, principally the Federal Government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The City expects such disallowed amounts, if any, would not have a material impact on the financial position of the City.

***Agreements with the Municipal Electric Authority of Georgia***

The Municipal Electric Authority of Georgia (MEAG) is a public corporation and an instrumentality of the State of Georgia created to supply electricity to local government electric distribution systems. As provided by State law, MEAG establishes rates and charges so as to produce revenues sufficient to cover its costs, including debt service, but it may not operate any of its projects for profit, unless any such profits inure to the benefit of the public.

As of September 30, 2014, the City is an electric utility participant in MEAG and obligated to purchase all of its bulk power supply requirements from MEAG for a period not to exceed 50 years. The City has agreed to purchase all of its future power and energy requirements in excess of that received by the City through the Southeastern Power Administration at prices intended to cover the operating costs of the systems and to retire any debt incurred by the Authority. In the event that revenues are insufficient to cover all costs and retire the outstanding debt, each participating City has guaranteed a portion of the unpaid debt based on its individual entitlement shares of the output and services of generating units acquired or constructed by MEAG. In addition, in the event of discontinued service to a participant in default, the City would be obligated to purchase additional power subject to contractual limitations. Payments to MEAG are made monthly based on KWH usage. The total payments under these contracts amounted to \$17,795,266 in 2014.

At September 30, 2014, the outstanding debt of MEAG was approximately \$5.80 billion. The City's guarantee varies by individual projects undertaken by MEAG and totals approximately \$131 million at September 30, 2014.

**City of Moultrie, Georgia**  
**Notes to Financial Statements**  
**For the Year Ended September 30, 2014**

***Agreements with the Municipal Gas Authority of Georgia***

The City has entered into a contract for the purchase of wholesale natural gas supplies and related services with the Municipal Gas Authority of Georgia (MGAG) that requires the City to purchase all of its natural gas from MGAG. The gas supply contract with MGAG authorizes MGAG to establish rates and charges so as to produce revenues sufficient to cover its operating costs and retire its bonds issued to acquire long-term gas supplies for sale to its members, including the City. In the event that revenues are insufficient to cover all costs and retire bonds issued by MGAG, the City is obligated to pay its obligation share of the costs of the gas supply and related services MGAG provides to the City, which costs include amounts equal to principal and interest on MGAG's bonds. These obligations, which extend through the year 2019, are general obligations of the City to which the City's full faith, credit and taxing powers are pledged. The City's obligation to MGAG for gas supply costs are based on MGAG costs to provide such supply, including bonds issues to purchase long-term rights to bulk supply. The total payments under these contracts amounted to \$1,422,186 for the year ended September 30, 2014.

At September 30, 2014, MGAG's bonds to which the City's obligation share is applicable were outstanding in the approximate principal amount of \$302 million. The City's obligation share of that amount totals approximately \$3.5 million at September 30, 2014.

**NOTE 16 – TERMINATION BENEFITS**

The City offered enrollment for post retirement health insurance benefits under the City's self-insured group medical plan (the Plan) from September 1, 2007 through October 15, 2007 for the purpose of encouraging eligible employees considering an early leave decision to accelerate their retirement plans. Eligible employees included those age 55 with 15 years of service and had elected retirement by October 15, 2007. Participants are required to contribute a portion of the premiums and are eligible for benefits until the age of 65.

At September 30, 2014, one employee was eligible and receiving benefits under the Plan. For the year ended September 30, 2014, the cost of premiums for providing post-retirement health care was \$6,683. The Plan is considered immaterial for financial reporting as defined by GASB Statement 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*.

**City of Moultrie, Georgia**  
**Combining Balance Sheet – Nonmajor Governmental Funds**  
**September 30, 2014**

	Special Revenue Funds		
	Multiple Grants	Confiscated Assets	Hotel Motel Tax
<b>Assets</b>			
Cash and cash equivalents	\$ 100	\$ 13,476	\$ 132,218
Accounts receivable, net	-	-	-
Other current assets	-	-	1,378
Due from other funds	16,253	-	-
Restricted assets:			
Cash and cash equivalents	5,672	-	-
Program receivables	-	-	-
<b>Total assets</b>	<b>22,025</b>	<b>13,476</b>	<b>133,596</b>
<b>Liabilities</b>			
Accounts payable	-	-	9,159
Accrued expenses	-	-	3,287
Due to other funds	1,077	100	9
Due to component units	-	-	-
<b>Total liabilities</b>	<b>1,077</b>	<b>100</b>	<b>12,455</b>
<b>Fund Balances</b>			
Nonspendable:			
Prepaid expenses	-	-	-
Restricted for:			
Community development	20,948	-	121,141
Public safety	-	13,376	-
Unassigned	-	-	-
<b>Total fund balances</b>	<b>20,948</b>	<b>13,376</b>	<b>121,141</b>
<b>Total liabilities and fund balances</b>	<b>\$ 22,025</b>	<b>\$ 13,476</b>	<b>\$ 133,596</b>

**City of Moultrie, Georgia**  
**Combining Balance Sheet – Nonmajor Governmental Funds**  
**September 30, 2014**

	Capital Projects Funds		Total Nonmajor Governmental Funds
	Community Development	Paving Program	
<b>Assets</b>			
Cash and cash equivalents	\$ -	\$ -	\$ 145,794
Accounts receivable, net	43,944	-	43,944
Other current assets	-	-	1,378
Due from other funds	-	196	16,449
Restricted assets:			-
Cash and cash equivalents	487,847	-	493,519
Program receivables	456,672	-	456,672
<b>Total assets</b>	<b>988,463</b>	<b>196</b>	<b>1,157,756</b>
<b>Liabilities</b>			
Accounts payable	100	99	9,358
Accrued expenses	-	-	3,287
Due to other funds	205	1	1,392
Due to component units	-	-	-
<b>Total liabilities</b>	<b>305</b>	<b>100</b>	<b>14,037</b>
<b>Fund Balances</b>			
Nonspendable:			
Prepaid expenses	-	-	-
Restricted for:			
Community development	988,158	96	1,130,343
Public safety	-	-	13,376
Unassigned	-	-	-
<b>Total fund balances</b>	<b>988,158</b>	<b>96</b>	<b>1,143,719</b>
<b>Total liabilities and fund balances</b>	<b>\$ 988,463</b>	<b>\$ 196</b>	<b>\$ 1,157,756</b>

**City of Moultrie, Georgia**  
**Combining Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances – Nonmajor Governmental Funds**  
**For the Year Ended September 30, 2014**

	Special Revenue Funds		
	Multiple Grants	Confiscated Assets	Hotel Motel Tax
<b>Revenues</b>			
Taxes	\$ -	\$ -	\$ 281,545
Fines, forfeitures and fees	-	5,624	-
Charges for services	-	-	13,577
Intergovernmental	104,432	-	-
Investment income	-	7	-
Other revenues	-	-	25,438
Total revenues	104,432	5,631	320,560
<b>Expenditures</b>			
Current:			
Community development	13,000	-	292,814
Public safety	58,162	5,967	-
Capital Outlay	35,760	-	-
Total expenditures	106,922	5,967	292,814
Excess (deficiency) of revenues over (under) expenditures	(2,490)	(336)	27,746
<b>Other Financing Sources (Uses)</b>			
Transfers	-	-	5,000
Total other financing sources (uses)	-	-	5,000
Net change in fund balances	(2,490)	(336)	32,746
Fund balances (deficits), beginning of year	23,438	13,712	88,395
Fund balances (deficits), end of year	\$ 20,948	\$ 13,376	\$ 121,141

**City of Moultrie, Georgia**  
**Combining Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances – Nonmajor Governmental Funds**  
**For the Year Ended September 30, 2014**

	Capital Projects Funds		Total Nonmajor Governmental Funds
	Community Development	Paving Program	
<b>Revenues</b>			
Taxes	\$ -	\$ -	\$ 281,545
Fines, forfeitures and fees	-	-	5,624
Charges for services	11,889	-	25,466
Intergovernmental	-	-	104,432
Investment income	17,634	-	17,641
Other revenues	-	-	25,438
<b>Total revenues</b>	<b>29,523</b>	<b>-</b>	<b>460,146</b>
<b>Expenditures</b>			
Current:			
Community development	12,575	-	318,389
Public safety	-	-	64,129
Capital Outlay	-	-	35,760
<b>Total expenditures</b>	<b>12,575</b>	<b>-</b>	<b>418,278</b>
Excess (deficiency) of revenues over (under) expenditures	16,948	-	41,868
<b>Other Financing Sources (Uses)</b>			
Transfers	-	-	5,000
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>5,000</b>
<b>Net change in fund balances</b>	<b>16,948</b>	<b>-</b>	<b>46,868</b>
Fund balances (deficits), beginning of year	971,210	96	1,096,851
Fund balances (deficits), end of year	\$ 988,158	\$ 96	\$ 1,143,719

**City of Moultrie, Georgia**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balances – Budget and Actual**  
**Multiple Grants Fund**  
**For the Year Ended September 30, 2014**

	Budget		Actual	Variance With Final Budget
	Original	Final Amended		
<b>Revenues</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Fines, forfeitures and fees	-	-	-	-
Charges for services	-	-	-	-
Intergovernmental	-	104,432	104,432	-
Investment income	-	-	-	-
Other revenues	-	-	-	-
<b>Total revenues</b>	-	104,432	104,432	-
<b>Expenditures</b>				
Current:				
Community development	-	-	13,000	(13,000)
Public safety	-	58,162	58,162	-
Capital outlays	-	35,760	35,760	-
<b>Total expenditures</b>	-	93,922	106,922	(13,000)
Excess (deficiency) of revenues over expenditures	-	10,510	(2,490)	(13,000)
<b>Other Financing Sources (Uses)</b>				
Transfers	-	-	-	-
<b>Total other financing sources (uses)</b>	-	-	-	-
Net change in fund balance	-	10,510	(2,490)	(13,000)
Fund balance, beginning of year	23,438	23,438	23,438	46,876
<b>Fund balance, end of year</b>	<b>\$ 23,438</b>	<b>\$ 33,948</b>	<b>\$ 20,948</b>	<b>\$ 33,876</b>

**City of Moultrie, Georgia**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balances – Budget and Actual**  
**Confiscated Assets Fund**  
**For the Year Ended September 30, 2014**

	Budget		Actual	Variance With Final Budget
	Original	Final Amended		
<b>Revenues</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Fines, forfeitures and fees	-	5,624	5,624	-
Charges for services	-	-	-	-
Intergovernmental	-	-	-	-
Investment income	-	-	7	7
Other revenues	-	-	-	-
<b>Total revenues</b>	-	5,624	5,631	7
<b>Expenditures</b>				
Current:				
Community development	-	-	-	-
Public safety	-	5,967	5,967	-
Capital outlays	-	-	-	-
<b>Total expenditures</b>	-	5,967	5,967	-
Excess (deficiency) of revenues over expenditures	-	(343)	(336)	7
<b>Other Financing Sources (Uses)</b>				
Transfers	-	-	-	-
<b>Total other financing sources (uses)</b>	-	-	-	-
Net change in fund balance	-	(343)	(336)	7
Fund balance, beginning of year	88,395	88,395	88,395	176,790
<b>Fund balance, end of year</b>	<b>\$ 88,395</b>	<b>\$ 88,052</b>	<b>\$ 88,059</b>	<b>\$ 176,797</b>

**City of Moultrie, Georgia**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balances – Budget and Actual**  
**Hotel/Motel Tax Fund**  
**For the Year Ended September 30, 2014**

	Budget		Actual	Variance With Final Budget
	Original	Final Amended		
<b>Revenues</b>				
Taxes	\$ 235,000	\$ 235,000	\$ 281,545	\$ 46,545
Fines, forfeitures and fees	-	-	-	-
Charges for services	10,500	10,500	13,577	3,077
Intergovernmental	-	-	-	-
Investment income	-	-	-	-
Other revenues	31,500	31,500	25,438	(6,062)
<b>Total revenues</b>	<b>277,000</b>	<b>277,000</b>	<b>320,560</b>	<b>43,560</b>
<b>Expenditures</b>				
Current:				
Community development	290,714	290,492	292,814	(2,322)
Public safety	-	-	-	-
Capital outlays	-	-	-	-
<b>Total expenditures</b>	<b>290,714</b>	<b>290,492</b>	<b>292,814</b>	<b>(2,322)</b>
Excess (deficiency) of revenues over expenditures	(13,714)	(13,492)	27,746	41,238
<b>Other Financing Sources (Uses)</b>				
Transfers	5,000	5,000	5,000	-
<b>Total other financing sources (uses)</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>-</b>
Net change in fund balance	(8,714)	(8,492)	32,746	41,238
Fund balance, beginning of year	88,395	88,395	88,395	176,790
Fund balance, end of year	\$ 79,681	\$ 79,903	\$ 121,141	\$ 218,028

**City of Moultrie, Georgia**  
**Combining Statement of Net Position**  
**Nonmajor Enterprise Funds**  
**September 30, 2014**

	<b>Business Type Activities - Enterprise Funds</b>			
	<b>Solid Waste Fund</b>	<b>Airport Fund</b>	<b>Tele- Comm Fund</b>	<b>Utilities Deposit Fund</b>
<b>Assets</b>				
Current assets:				
Cash and cash equivalents	\$ -	\$ -	\$ 716,337	\$ -
Investments	-	-	-	-
Accounts receivable, net	158,962	6,380	17,601	1,641
Due from other funds	3,094,408	608,944	5,982	562,945
Due from component unit	-	-	-	-
Inventories	-	-	-	-
Other current assets	33,779	5,428	-	-
<b>Total current assets</b>	<b>3,287,149</b>	<b>620,752</b>	<b>739,920</b>	<b>564,586</b>
Noncurrent assets:				
Investment in SGBDA	-	-	-	-
Restricted assets - cash	-	-	-	-
Restricted assets - investments	-	-	-	-
Capital assets				
Land	-	-	-	-
Construction in progress	-	-	-	-
Other capital assets, net of accumulated depreciation	1,190,509	880,506	475,488	-
<b>Total noncurrent assets</b>	<b>1,190,509</b>	<b>880,506</b>	<b>475,488</b>	<b>-</b>
<b>Total assets</b>	<b>4,477,658</b>	<b>1,501,258</b>	<b>1,215,408</b>	<b>564,586</b>
<b>Deferred Outflows of Resources</b>				
Refunding of debt	-	-	-	-
<b>Total deferred outflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**City of Moultrie, Georgia**  
**Combining Statement of Net Position**  
**Nonmajor Enterprise Funds**  
**September 30, 2014**

	<b>Business Type Activities - Enterprise Funds</b>			
	<b>Solid Waste Fund</b>	<b>Airport Fund</b>	<b>Tele- Comm Fund</b>	<b>Utilities Deposit Fund</b>
<b>Liabilities</b>				
Current liabilities payable from current assets:				
Accounts payable	\$ 118,673	\$ 12,162	\$ 101,678	\$ 21,864
Accrued expenses	18,120	107	-	-
Lines of credit	-	-	-	-
Short-term notes payable	-	-	-	-
Customer deposits	-	5,568	-	819,121
Due to other governments	-	-	-	-
Due to other funds	1,043,542	59,877	537,343	-
Long term debt - current	155,362	-	-	-
<b>Total current liabilities payable from current assets</b>	<b>1,335,697</b>	<b>77,714</b>	<b>639,021</b>	<b>840,985</b>
Long-term liabilities:				
Long term debt	344,087	-	-	-
Compensated absences	-	-	-	-
Other liabilities	-	-	-	-
<b>Total long-term liabilities</b>	<b>344,087</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>	<b>1,679,784</b>	<b>77,714</b>	<b>639,021</b>	<b>840,985</b>
<b>Net Position</b>				
Net investment in capital assets	691,060	880,506	475,488	-
Restricted for debt service	-	-	-	-
Unrestricted	2,106,814	543,038	100,899	(276,399)
<b>Total net position</b>	<b>\$ 2,797,874</b>	<b>\$ 1,423,544</b>	<b>\$ 576,387</b>	<b>\$ (276,399)</b>

**City of Moultrie, Georgia**  
**Combining Statement of Net Position**  
**Nonmajor Enterprise Funds**  
**September 30, 2014**

	<b>Business Type Activities - Enterprise Funds</b>			
	<b>Mass Transit Fund</b>	<b>Gas Fund</b>	<b>Telephony Fund</b>	<b>Total</b>
<b>Assets</b>				
Current assets:				
Cash and cash equivalents	\$ 10,922	\$ -	\$ -	\$ 727,259
Investments	-	-	-	-
Accounts receivable, net	600	194,982	40,437	420,603
Due from other funds	-	819,486	514,271	5,606,036
Due from component unit	-	-	-	-
Inventories	-	81,762	16,505	98,267
Other current assets	-	7,235	-	46,442
<b>Total current assets</b>	<b>11,522</b>	<b>1,103,465</b>	<b>571,213</b>	<b>6,898,607</b>
Noncurrent assets:				
Investment in SGBDA	-	-	-	-
Restricted assets - cash	-	70,242	-	70,242
Restricted assets - investments	-	-	-	-
Capital assets	-	-	-	-
Land	-	16,786	-	16,786
Construction in progress	-	-	-	-
Other capital assets, net of accumulated depreciation	1,723,487	648,761	-	4,918,751
<b>Total noncurrent assets</b>	<b>1,723,487</b>	<b>735,789</b>	<b>-</b>	<b>5,005,779</b>
<b>Total assets</b>	<b>1,735,009</b>	<b>1,839,254</b>	<b>571,213</b>	<b>11,904,386</b>
<b>Deferred Outflows of Resources</b>				
Refunding of debt	-	-	-	-
<b>Total deferred outflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**City of Moultrie, Georgia**  
**Combining Statement of Net Position**  
**Nonmajor Enterprise Funds**  
**September 30, 2014**

	<b>Business Type Activities - Enterprise Funds</b>			
	<b>Mass Transit Fund</b>	<b>Gas Fund</b>	<b>Telephony Fund</b>	<b>Total</b>
<b>Liabilities</b>				
Current liabilities payable from current assets:				
Accounts payable	\$ -	\$ 100,018	\$ 18,723	\$ 373,118
Accrued expenses	-	10,340	-	28,567
Lines of credit	-	-	-	-
Short-term notes payable	-	-	-	-
Customer deposits	-	-	16,601	841,290
Due to other governments	-	-	-	-
Due to other funds	8,259	862,049	3,152	2,514,222
Long term debt - current	-	-	-	155,362
<b>Total current liabilities payable from current assets</b>	<b>8,259</b>	<b>972,407</b>	<b>38,476</b>	<b>3,912,559</b>
Long-term liabilities:				
Long term debt	-	-	-	344,087
Compensated absences	-	-	-	-
Other liabilities	-	-	-	-
<b>Total long-term liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>344,087</b>
<b>Total liabilities</b>	<b>8,259</b>	<b>972,407</b>	<b>38,476</b>	<b>4,256,646</b>
<b>Net Position</b>				
Net investment in capital assets	1,723,487	665,547	-	4,436,088
Restricted for debt service	-	-	-	-
Unrestricted	3,263	201,300	532,737	3,211,652
<b>Total net position</b>	<b>\$ 1,726,750</b>	<b>\$ 866,847</b>	<b>\$ 532,737</b>	<b>\$ 7,647,740</b>

**City of Moultrie, Georgia**  
**Combining Statement of Revenues, Expenses, and**  
**Changes in Fund Net Position**  
**Nonmajor Enterprise Funds**  
**For the Year Ended September 30, 2014**

	<b>Business Type Activities - Enterprise Funds</b>			
	<b>Solid Waste Fund</b>	<b>Airport Fund</b>	<b>Tele- Comm Fund</b>	<b>Utilities Deposit Fund</b>
<b>Operating Revenues</b>				
Utility revenues	\$ -	\$ -	\$ -	\$ -
Charges for services	2,700,084	-	723,933	-
Miscellaneous	9,737	172,272	33,341	-
Intergovernmental	1,630	199,328	-	-
<b>Total operating revenues</b>	<b>2,711,451</b>	<b>371,600</b>	<b>757,274</b>	<b>-</b>
<b>Operating Expenses</b>				
Salaries and wages	635,962	1,374	-	-
Operating, administrative, and maintenance	1,344,891	244,555	755,137	-
Depreciation	221,827	92,999	22,082	-
<b>Total operating expenses</b>	<b>2,202,680</b>	<b>338,928</b>	<b>777,219</b>	<b>-</b>
Operating income (loss)	508,771	32,672	(19,945)	-
<b>Nonoperating Revenues (Expenses)</b>				
Interest income	-	-	562	-
Interest expense	(17,772)	-	-	-
Other nonoperating income	39,967	12,528	-	-
<b>Total nonoperating revenues (expenses)</b>	<b>22,195</b>	<b>12,528</b>	<b>562</b>	<b>-</b>
Income (loss) before transfers and capital contributions	530,966	45,200	(19,383)	-
Transfers	(352,547)	(5,115)	(34,231)	-
Capital Contributions	-	-	-	-
<b>Change in net position</b>	<b>178,419</b>	<b>40,085</b>	<b>(53,614)</b>	<b>-</b>
Net position, beginning of year	2,619,455	1,383,459	630,001	(276,399)
<b>Net position, end of year</b>	<b>\$ 2,797,874</b>	<b>\$ 1,423,544</b>	<b>\$ 576,387</b>	<b>\$ (276,399)</b>

**City of Moultrie, Georgia**  
**Combining Statement of Revenues, Expenses, and**  
**Changes in Fund Net Position**  
**Nonmajor Enterprise Funds**  
**For the Year Ended September 30, 2014**

	<b>Business Type Activities - Enterprise Funds</b>			
	<b>Mass Transit Fund</b>	<b>Gas Fund</b>	<b>Telephony Fund</b>	<b>Total</b>
<b>Operating Revenues</b>				
Utility revenues	\$ -	\$ -	\$ -	\$ -
Charges for services	-	2,448,601	346,640	6,219,258
Miscellaneous	7,200	19,866	-	242,416
Intergovernmental	-	-	-	200,958
<b>Total operating revenues</b>	<b>7,200</b>	<b>2,468,467</b>	<b>346,640</b>	<b>6,662,632</b>
<b>Operating Expenses</b>				
Salaries and wages	-	313,251	-	950,587
Operating, administrative, and maintenance	6,101	1,691,182	197,708	4,239,574
Depreciation	54,719	73,146	-	464,773
<b>Total operating expenses</b>	<b>60,820</b>	<b>2,077,579</b>	<b>197,708</b>	<b>5,654,934</b>
Operating income (loss)	(53,620)	390,888	148,932	1,007,698
<b>Nonoperating Revenues (Expenses)</b>				
Interest income	-	125	-	687
Interest expense	-	-	(225)	(17,997)
Other nonoperating income	-	108,937	-	161,432
<b>Total nonoperating revenues (expenses)</b>	<b>-</b>	<b>109,062</b>	<b>(225)</b>	<b>144,122</b>
Income (loss) before transfers and capital contributions	(53,620)	499,950	148,707	1,151,820
Transfers	-	(185,345)	-	(577,238)
Capital Contributions	-	-	-	-
<b>Change in net position</b>	<b>(53,620)</b>	<b>314,605</b>	<b>148,707</b>	<b>574,582</b>
Net position, beginning of year	1,780,370	552,242	384,030	7,073,158
<b>Net position, end of year</b>	<b>\$ 1,726,750</b>	<b>\$ 866,847</b>	<b>\$ 532,737</b>	<b>\$ 7,647,740</b>

**City of Moultrie, Georgia**  
**Combining Statement of Cash Flows**  
**Nonmajor Enterprise Funds**  
**For the Year Ended September 30, 2014**

	<b>Business Type Activities - Enterprise Funds</b>			
	<b>Solid Waste fund</b>	<b>Airport Fund</b>	<b>Tele- Comm Fund</b>	<b>Utilities Deposit Fund</b>
<b>Cash Flows from Operating Activities</b>				
Cash received from customers and users	\$ 2,703,104	\$ 199,378	\$ 717,556	\$ -
Other operating receipts	11,367	172,222	33,341	
Cash payments to employees	(636,643)	(1,267)		
Cash payments to suppliers	(1,353,549)	(240,363)	(676,181)	1,648
New customer utility deposits	-	-	-	15,210
Refunded customer utility deposits	-	-	-	(110)
Net cash provided (used) by operating activities	724,279	129,970	74,716	16,748
<b>Cash Flows from Noncapital Financing Activities</b>				
Transfers from other funds	-			
Transfers to other funds	(352,547)	(5,115)	(34,231)	
Net change in due from other funds	(168,457)	(67,374)	-	(16,748)
Net change in due from component unit	-	-	-	-
Net change in due to other funds	45	4	136,676	
Net cash provided (used) by noncapital financing activities	(520,959)	(72,485)	102,445	(16,748)
<b>Cash Flows from Capital and Related Financing Activities</b>				
Debt issuance costs	-	-		
Proceeds from issuance of long - term debt	-	-	-	-
Proceeds from sale of assets	39,220	-	-	-
Proceeds from capital contributions	-	-	-	-
Acquisition and construction of capital assets	(36,787)	(57,485)	(96,307)	
Principal payments on debt	(227,948)			
Interest paid	(17,772)			
Net cash provided (used) by capital and related financing activities	(243,287)	(57,485)	(96,307)	-
<b>Cash Flows from Investing Activities</b>				
Sale of investment securities	39,967		-	-
Purchase of investments				
Loan disbursements	-	-	-	-
Interest received			562	
Net cash provided (used) by investing activities	39,967	-	562	-
Net increase (decrease) in cash and cash equivalents	-	-	81,416	-
Cash and cash equivalents, beginning of year			634,921	-
Cash and cash equivalents, end of year	\$ -	\$ -	\$ 716,337	\$ -

**City of Moultrie, Georgia**  
**Combining Statement of Cash Flows**  
**Nonmajor Enterprise Funds**  
**For the Year Ended September 30, 2014**

	<b>Business Type Activities - Enterprise Funds</b>			
	<b>Solid Waste fund</b>	<b>Airport Fund</b>	<b>Tele- Comm Fund</b>	<b>Utilities Deposit Fund</b>
<b>Reconciliation of Net Operating Income to Net Cash Provided (Used) By Operating Activities</b>				
Operating income (loss)	\$ 508,771	\$ 32,672	\$ (19,945)	\$ -
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	221,827	92,999	22,082	-
New customer utility deposits	-	-	-	-
Refunded customer utility deposits	-	-	-	-
Change in estimate	-	-	-	-
Changes in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	3,020	650	(6,377)	(110)
Deferred charges	-	-	-	-
Inventories				
Other current assets	(8,892)	(368)	-	-
Due from general fund	-	-	-	-
Due from other funds	-	-	-	-
Due from component unit	-	-	-	-
Increase (decrease) in:				
Accounts payable	234	3,910	78,956	16,858
Accrued expenses	411	107		
Compensated absences liability	(1,092)	-	-	-
Due to general fund	-	-	-	-
Due to other funds	-	-	-	-
 Net cash provided (used) by operating activities	 \$ 724,279	 \$ 129,970	 \$ 74,716	 \$ 16,748
<b>NON-CASH CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Capital assets purchased with debt	\$ -	\$ -	\$ -	\$ -
Transfer of capital assets from governmental funds	-	-	-	-
 Total non-cash capital and related financing activities	 \$ -	 \$ -	 \$ -	 \$ -

**City of Moultrie, Georgia**  
**Combining Statement of Cash Flows**  
**Nonmajor Enterprise Funds**  
**For the Year Ended September 30, 2014**

	<b>Business Type Activities - Enterprise Funds</b>			
	<b>Mass Transit fund</b>	<b>Gas Fund</b>	<b>Telephony Fund</b>	<b>Total</b>
<b>Cash Flows from Operating Activities</b>				
Cash received from customers and users	\$ -	\$ 2,397,280	\$ 344,042	\$ 6,361,360
Other operating receipts	7,200	19,866		243,996
Cash payments to employees	-	(313,839)		(951,749)
Cash payments to suppliers	(6,101)	(1,677,401)	(208,345)	(4,160,292)
New customer utility deposits	-	-	-	15,210
Refunded customer utility deposits	-	-	-	(110)
Net cash provided (used) by operating activities	1,099	425,906	135,697	1,508,415
<b>Cash Flows from Noncapital Financing Activities</b>				
Transfers from other funds	-			-
Transfers to other funds	-	(185,345)		(577,238)
Net change in due from other funds	-	(272,287)	(136,677)	(661,543)
Net change in due from component unit	-	-	-	-
Net change in due to other funds	-	(185,282)	1,205	(47,352)
Net cash provided (used) by noncapital financing activities	-	(642,914)	(135,472)	(1,286,133)
<b>Cash Flows from Capital and Related Financing Activities</b>				
Debt issuance costs	-	-		-
Proceeds from issuance of long - term debt	-	-		-
Proceeds from sale of assets	-	231,180		270,400
Proceeds from capital contributions	-	-		-
Acquisition and construction of capital assets	-	(14,217)		(204,796)
Principal payments on debt	-	-		(227,948)
Interest paid	-	-	(225)	(17,997)
Net cash provided (used) by capital and related financing activities	-	216,963	(225)	(180,341)
<b>Cash Flows from Investing Activities</b>				
Sale of investment securities		-	-	39,967
Purchase of investments		-		-
Loan disbursements	-	-	-	-
Interest received		125		687
Net cash provided (used) by investing activities	-	125	-	40,654
Net increase (decrease) in cash and cash equivalents	1,099	80	-	82,595
Cash and cash equivalents, beginning of year	9,823	70,162		714,906
Cash and cash equivalents, end of year	\$ 10,922	\$ 70,242	\$ -	\$ 797,501

**City of Moultrie, Georgia**  
**Combining Statement of Cash Flows**  
**Nonmajor Enterprise Funds**  
**For the Year Ended September 30, 2014**

**Business Type Activities - Enterprise Funds**

	Mass Transit fund	Gas Fund	Telephony Fund	Total
<b>Reconciliation of Net Operating Income to Net Cash Provided (Used) By Operating Activities</b>				
Operating income (loss)	\$ (53,620)	\$ 390,888	\$ 148,932	\$ 1,007,698
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	54,719	73,146		464,773
New customer utility deposits	-	-	-	-
Refunded customer utility deposits	-	-	-	-
Change in estimate	-	-	-	-
Changes in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable		(51,321)	(4,306)	(58,444)
Deferred charges	-	-	-	-
Inventories		(1,575)	(10,473)	(12,048)
Other current assets		(1,361)	-	(10,621)
Due from general fund	-	-	-	-
Due from other funds	-	-	-	-
Due from component unit	-	-	-	-
Increase (decrease) in:				
Accounts payable		16,717	(164)	116,511
Accrued expenses		1,228	1,708	3,454
Compensated absences liability		(1,816)	-	(2,908)
Due to general fund	-	-	-	-
Due to other funds	-	-	-	-
Net cash provided (used) by operating activities	\$ 1,099	\$ 425,906	\$ 135,697	\$ 1,508,415
<b>NON-CASH CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Capital assets purchased with debt	\$ -	\$ -	\$ -	\$ -
Transfer of capital assets from governmental funds	-	-	-	-
Total non-cash capital and related financing activities	\$ -	\$ -	\$ -	\$ -

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Moultrie, Georgia, as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise The City of Moultrie, Georgia 's basic financial statements and have issued our report thereon dated March 25, 2015.

**Internal Control Over Financial Reporting**

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses.

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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses. [2014-1, 2014-2]

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

### **Compliance and Other Matters**

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

### **The City of Moultrie, Georgia's Response to Findings**

The City of Moultrie, Georgia's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The City of Moultrie, Georgia's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

## 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.

*Carr, Riggs & Ingram, L.L.C.*

March 25, 2015  
Tifton, Georgia

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

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

We have audited the City of Moultrie, Georgia's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City of Moultrie, Georgia's major federal programs for the year ended September 30, 2014. The City of Moultrie, Georgia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

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

***Auditor's Responsibility***

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

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

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

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

### **Report on Internal Control Over Compliance**

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

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

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

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

*Carr, Riggs & Ingram, L.L.C.*

March 25, 2015  
Tifton, Georgia

**City of Moultrie, Georgia**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended September 30, 2014**

Federal / Grantor / Pass - Through Grantor / Program Title	Federal CFDA Number	Grant Identification Number	Program or Award Amount	Expenditures
<b>Department of Housing and Urban Development</b>				
<i>Passed through the Georgia Department of Community Affairs</i>				
Community Development Block Grant	14.228	11-p-x-035-2-5363	\$ 465,422	\$ 35,760
Community Development Block Grant	14.228	13h-x-035-2-5562	449,928	13,000
<i>Total funding passed through DCA</i>				48,760
Total Department of Housing and Urban Development				48,760
<b>U.S. Environmental Protection Agency</b>				
<i>Passed through the Georgia Environmental Facilities Authority</i>				
ARRA - Capitalization Grants for Clean Water State Revolving Funds	66.458	CWSRF 11-005	2,750,000	-
ARRA - Capitalization Grants for Clean Water State Revolving Funds	66.458	CWSRF 09-036	3,500,000	-
ARRA - Capitalization Grants for Clean Water State Revolving Funds	66.458	CWSRF 09-035	3,384,500	-
Total U.S. Environmental Protection Agency				-
<b>U. S. Department of Justice</b>				
Bulletproof Vest Partnership Grant	16.607	1121-0235	2,490	2,490
COPS Hiring Recovery Program	16.710	2011UMWX0046	295,340	55,672
Total U. S. Department of Justice				58,162
<b>U.S. Department of Transportation</b>				
<i>Passed through the Georgia DOT</i>				
Federal-Aid Highway Program	20.205	CSHPP-0007-00(616) T005003/AOP014-	618,748	400,056
Airport Improvement Act	20.106	9019-27(071)	496,065	141,514
Total U.S. Department of Transportation				541,570
<b>U.S. Department of Homeland Security</b>				
<i>Passed through the Georgia EMA</i>				
Assistance to Firefighters	97.044	DHS-13-GPD-044-000- 99	4,948	4,948
2013 Homeland Security Grant	97.067	EMW-2013-SS-00054- S01	10,000	10,000
Total U.S. Department of Homeland Security				14,948
Total Expenditures of Federal Awards			\$	663,440

**City of Moultrie, Georgia**  
**Notes to Schedule of Expenditures of Federal Awards**  
**For the Year Ended September 30, 2014**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Presentation**

The Schedule of Expenditures of Federal Awards is prepared using the modified accrual basis of accounting.

**Measurement Focus**

The determination of when an award is expended is based on when the activity related to the award occurs.

**Program Type Determination**

Type A programs are defined as Federal Programs with Federal expenditures exceeding the larger of \$300,000 or three percent of total Federal expenditures. The threshold of \$300,000 was used in distinguishing between Type A and Type B programs.

**Method of Major Program Selection**

The risk based approach was used in the selection of federal programs to be tested as major programs. The City did not qualify as a low-risk auditee for the year ended September 30, 2014.

**Amount Provided to Sub recipients**

The City had no major programs that provided amounts to sub recipients.

**City of Moultrie, Georgia**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended September 30, 2014**

**SECTION I - SUMMARY OF AUDITORS' RESULTS**

**Financial Statements**

Type of auditors' report issued: *[unmodified]*

Internal control over financial reporting:  
 Material weakness(es) identified?   X   yes        no

Significant deficiencies identified not  
 considered to be material weaknesses?        yes   X   none reported

Noncompliance material to financial  
 statements noted?        yes   X   no

**Federal Awards**

Internal Control over major programs:  
 Material weakness(es) identified?        yes   X   no

Significant deficiencies identified not  
 considered to be material weaknesses?        yes   X   none reported

Type of auditors' report issued on  
 compliance for major programs: *[unmodified]*

Any audit findings disclosed that are  
 required to be reported in accordance  
 with OMB Circular A - 133, Section 510(a)?        yes   X   no

Identification of major programs:

Name of Federal Program or Cluster	CFDA Number
Federal-Aid Highway Program	20.205

Dollar threshold used to distinguish  
 between Type A and Type B programs: \$ 300,000

Auditee qualified as low-risk auditee?        yes   X   no

**City of Moultrie, Georgia**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended September 30, 2014**

**SECTION II FINDINGS – FINANCIAL STATEMENT AUDIT**

Finding noted on the 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*.

Material Weaknesses

**2014-1**

**Criteria:**

Duties should be segregated between employees so that the responsibility for authorizing transactions, recording transactions, and maintaining custody of assets are assigned to different personnel.

**Condition:**

The City of Moultrie, Georgia is a small local government and has a limited amount of resources and employees. Therefore, the City does not have an adequate number of employees to provide for the proper segregation of duties.

**Cause of Condition:**

Since the City is a small local government, it is not financially feasible for the City to hire additional employees to provide for and adequate segregation of duties.

**Effect of Condition:**

The City's internal control structure does not contain adequate safeguarding controls provided by segregation of duties that would provide for the prevention or timely detection of unauthorized access to assets that could result in losses that are material to the financial statements.

**Response of Management:**

Management concurs with this finding and is developing additional policies and procedures and monitoring activities over financial reporting.

**City of Moultrie, Georgia**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended September 30, 2014**

**2014-2**

**Criteria:**

Generally accepted accounting principles require debt to be reported using the modified accrual basis of accounting in the governmental funds and the accrual basis of accounting in the proprietary funds.

**Condition:**

The City's year end closing policies and procedures did not prevent a misstatement.

**Cause of Condition:**

Two adjusting journal entries were required for reporting in accordance with generally accepted accounting principles.

**Effect of Condition:**

Two audit adjustments were required for reporting in accordance with generally accepted accounting principles.

**Response of Management:**

Management concurs with this finding and is developing additional policies and procedures and monitoring activities over financial reporting.



**City of Moultrie, Georgia**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended September 30, 2014**

**SECTION III – FINDINGS AND QUESTIONED COSTS – MAJOR AWARDS PROGRAM AUDIT**

Findings noted on the Report on Compliance With Requirements That Could Have a Direct and Material Effect on Each Major Program and Internal Control Over Compliance in Accordance with *OMB Circular A-133*.

None reported

**City of Moultrie, Georgia**  
**Summary Schedule of Prior Audit Findings and Questioned Costs**  
**For the Year Ended September 30, 2014**

**SECTION II FINDINGS – FINANCIAL STATEMENT AUDIT**

Finding noted on the 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*.

**2013-1**

**Condition:**

The City of Moultrie, Georgia is a small local government and has a limited amount of resources and employees. Therefore, the City does not have an adequate number of employees to provide for the proper segregation of duties.

**Status:**

The above finding is included as finding 2014-1 in the current year Schedule of Findings and Questioned Costs.

**2013-2**

**Condition:**

Generally accepted accounting principles require Governmental Fund financial statements to be reported using the current financial resources measurement focus and the modified accrual basis of accounting.

**Status:**

The above finding is included as finding 2014-2 in the current year Schedule of Findings and Questioned Costs.

**2013-3**

**Condition:**

Generally accepted accounting principles require Proprietary fund financial statements to be reported using the economic resources measurement focus and the accrual basis of accounting.

**Status:**

The above finding is included as finding 2014-2 in the current year Schedule of Findings and Questioned Costs.



**City of Moultrie, Georgia**  
**Summary Schedule of Prior Audit Findings and Questioned Costs**  
**For the Year Ended September 30, 2014**

**SECTION III – FINDINGS AND QUESTIONED COSTS – MAJOR AWARDS PROGRAM AUDIT**

Findings noted on the Report on Compliance With Requirements That Could Have a Direct and Material Effect on Each Major Program and Internal Control Over Compliance in Accordance with *OMB Circular A-133*.

None reported

**City of Moultrie, Georgia**  
**Schedule of Special Purpose Local Option Sales Tax Expenditures**  
**For the Year Ended September 30, 2014**

<b>Special Purpose Local Option Sales Tax - 2006</b>	<b>Estimated Cost</b>		<b>Expenditures</b>		
	<b>Original</b>	<b>Revised</b>	<b>Prior Years</b>	<b>Current Year</b>	<b>Total</b>
Wastewater treatment improvement	\$ 9,725,000	\$ -	\$ 7,269,276	\$ 644,780	\$ 7,914,056
Streets and drainage	2,000,000	-	1,763,641	482,525	2,246,166
<b>Total</b>	<b>\$ 11,725,000</b>	<b>\$ -</b>	<b>\$ 9,032,917</b>	<b>\$ 1,127,305</b>	<b>\$ 10,160,222</b>

<b>Special Purpose Local Option Sales Tax - 2013</b>	<b>Estimated Cost</b>		<b>Expenditures</b>		
	<b>Original</b>	<b>Revised</b>	<b>Prior Years</b>	<b>Current Year</b>	<b>Total</b>
Wastewater treatment improvement	\$ 7,891,000	\$ -	\$ 624,000	\$ 881,000	\$ 1,505,000
Road, bridge and drainage	2,000,000	-	28,730	43,475	72,205
Joint project - City of Moultrie recreational facilities	1,500,000	-	44,398	109,504	153,902
<b>Total</b>	<b>\$ 11,391,000</b>	<b>\$ -</b>	<b>\$ 697,128</b>	<b>\$ 1,033,979</b>	<b>\$ 1,731,107</b>