



**Utility Commission  
City of Fort Valley, Georgia**

**(A Discretely Presented Component Unit of the  
City of Fort Valley, Georgia)**

**Comprehensive Annual Financial Report  
For the Years Ended  
September 30, 2015 and 2014**

TAB #1

Introductory Section

**Utility Commission**  
**City of Fort Valley, Georgia**  
***Comprehensive Annual Financial Report***  
***For The Years Ended September 30, 2015 and 2014***

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***Utility Commission  
City of Fort Valley, Georgia  
(A Discretely Presented Component Unit of the  
City of Fort Valley, Georgia)***

***Elected Utility Commissioners***

**Vice Chairman Robert T. Hunnicutt**

West Ward - Post 2

*In office since April 1980*

*Current term expires December 2015*

**Commissioner Jo Ann Dankel**

At-Large Seat - Post 3

*In office since January 2010*

*Current term expires December  
2017*

**Chairman Dollie D. Horton**

At-Large Seat - Post 4

*In office since January 1996*

*Current term expires December  
2015*

**Commissioner Linda D.  
Johnson**

East Ward - Post 1

*Current term expires December  
2017*

**Mayor Barbara B. Williams**

Ex-Officio Member

*In office since January 2014*

*Current term expires December  
2017*

***Utility Commission  
City of Fort Valley, Georgia  
(A Discretely Presented Component Unit of the  
City of Fort Valley, Georgia)***

***Appointed Officials***

Craig A. Mims  
Pat McFall

General Manager  
Finance Manager

***Utility Commission Staff***

Larry Dailey  
Connie Tucker  
Keith Spillers  
Zeke Harvey  
Sue Roach  
Jan Hornick  
Zac Gowen

Electric Superintendent  
Gas Superintendent  
Water & Sewer Superintendent  
Meter, Warehouse & Fleet Superintendent  
Customer Service Manager  
Billing & Office Manager  
IT & Telecom Superintendent

***Finance Department***

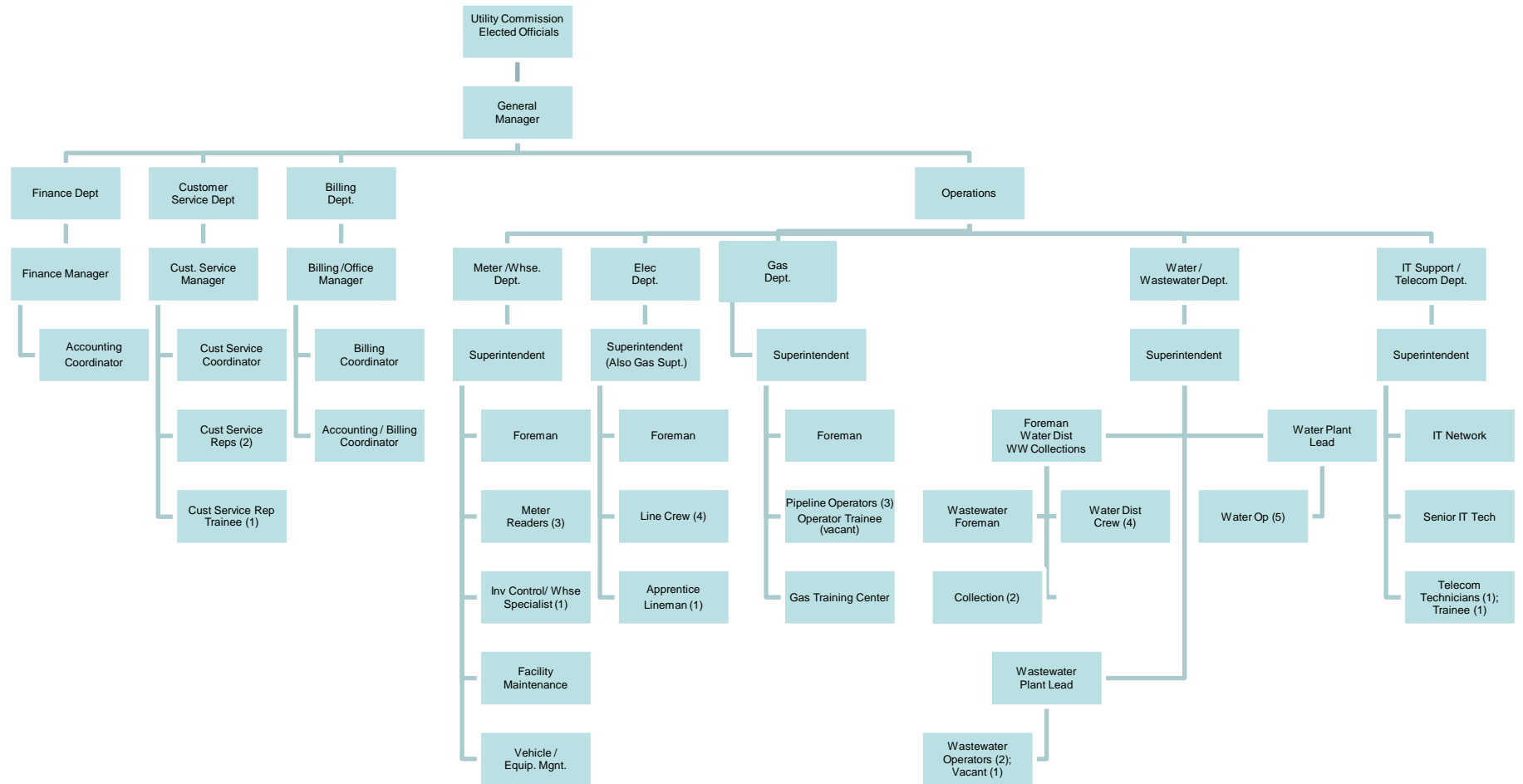
Pam Lee  
Sandra McGowan  
Gwen Grace

Billing Coordinator  
Accounting Coordinator  
Accounting & Billing Coordinator

***Advisors/Consultants***

A. Joel Bentley, Jr., Attorney  
Butler, Williams & Wyche, LLP  
Carter & Sloope, Inc.

General Counsel  
Independent Auditors  
Consulting Engineers







Government Finance Officers Association

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

Presented to

**Fort Valley Utility Commission  
Georgia**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**September 30, 2014**

Executive Director/CEO

TAB #2

Financial Section

**BUTLER, WILLIAMS & WYCHE, LLP**  
**CERTIFIED PUBLIC ACCOUNTANTS**  
915 HILL PARK  
MACON, GEORGIA 31201

August 12, 2016

**INDEPENDENT AUDITOR'S REPORT**

**To the Members of the Utility Commission**  
**City of Fort Valley, Georgia**

**Report on the Financial Statements**

We have audited the accompanying financial statements of the business-type activities of the Utility Commission, a component unit of the City of Fort Valley, Georgia, as of and for the years ended September 30, 2015 and 2014, and the related notes to the financial statements, which collectively comprise the Utility Commission'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 of material misstatement.

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

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

**Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Utility Commission, as of September 30, 2015 and 2014, and the respective changes in financial position, and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Emphasis of Matter**

As described in Note I-E-18, the Utility Commission implemented Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*, as of October 1, 2014. This standard significantly changed the accounting for the Utility Commission's net pension liability and related disclosures. The Utility Commission's financial statements as of and for the fiscal year ended September 30, 2014, were not restated due to pension plan information prepared in accordance with the requirements of GASB Statement No. 68 was not available for periods prior to October 1, 2014. Our opinion is not modified with respect to this matter.

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Schedule of Changes in the Net Pension Liability and Related Ratios (page 30) and the Schedule of Contributions (pages 31 through 32) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Utility Commission's, a component unit of Fort Valley, Georgia, basic financial statements. The introductory section, supplementary information, and statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements.

The introductory section, supplementary information, and statistical section are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The supplemental 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 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 supplemental information is fairly stated in all material respects in relation to the basic financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the basic financial statements and, accordingly, we do not express an opinion or provide assurance on those sections.

## Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated August 12, 2016 on our consideration of the Utility Commission'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 Utility Commission's internal control over financial



Macon, Georgia

Utility Commission  
City of Fort Valley, Georgia  
Comparative Statement of Net Position  
September 30, 2015 and 2014

	2015	2014
<b>Assets</b>		
<b>Current Assets:</b>		
Cash and cash equivalents (Note 3-A)	\$ 365,883	\$ 172,316
Investments (Note 3-A)		
Natural Gas	252,963	17,646
Electric	9,717,277	9,886,567
Receivables:		
Accounts (net of allowance for uncollectibles):		
Billed	1,347,504	1,468,773
Unbilled	973,004	1,008,953
Interest	11,845	5,298
Inventory (Note 1-E-3)	532,385	579,717
Prepaid expenses (Note 1-E-4)	108,532	101,960
<b>Total Current Assets</b>	<b>13,309,393</b>	<b>13,241,230</b>
<b>Noncurrent Assets:</b>		
Restricted assets (Note 1-E-5)		
Investments	3,089,084	2,835,546
Capital assets (Note 3-C)		
Nondepreciable	821,539	771,347
Depreciable, net	29,909,645	26,953,609
<b>Total Noncurrent Assets</b>	<b>33,820,268</b>	<b>30,560,502</b>
<b>Total Assets</b>	<b>47,129,661</b>	<b>43,801,732</b>
<b>Deferred Outflows of Resources</b>		
Deferred outflows of resources from pension amounts	58,980	-
<b>Total Assets and Deferred Outflows of Resources</b>	<b>47,188,641</b>	<b>43,801,732</b>
<b>Liabilities</b>		
<b>Current Liabilities:</b>		
Accounts payable	1,341,976	1,497,463
Retainage payable	-	13,538
Accrued payroll	90,355	80,124
Payroll deductions payable	10,909	9,412
Sales and excise taxes payable	46,632	49,154
Intergovernmental payable	158,977	158,242
Compensated absences payable	185,554	173,102
Construction loan payable (Note 3-E)	432,287	402,372
Notes payable (Note 3-F)	271,657	267,984
<b>Total Current Liabilities</b>	<b>2,538,347</b>	<b>2,651,391</b>
<b>Noncurrent Liabilities:</b>		
Net pension liability	1,163,212	-
Customer deposits payable	471,883	462,517
Compensated absences payable (net of current portion)	93,055	86,811
Notes payable (net of current portion) (Note 3-F)	2,153,741	2,425,399
<b>Total Noncurrent Liabilities</b>	<b>3,881,891</b>	<b>2,974,727</b>
<b>Total Liabilities</b>	<b>6,420,238</b>	<b>5,626,118</b>
<b>Deferred Inflows of Resources</b>		
Deferred inflows of resources from pension amounts	476,348	-
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>6,896,586</b>	<b>5,626,118</b>
<b>Net Position</b>		
Net investment in capital assets (Note 3-H)	27,873,499	24,629,201
Restricted for new electric generation (Note 1-E-6)	1,324,452	1,077,537
Restricted for pledged collateral - construction loan (Note 1-E-6)	1,764,632	1,758,009
Unrestricted	9,329,472	10,710,866
<b>Total Net Position</b>	<b>\$ 40,292,055</b>	<b>\$ 38,175,613</b>

See accompanying notes to the basic financial statements

**Utility Commission**  
**City of Fort Valley, Georgia**  
*Comparative Statement of Revenues,*  
*Expenses and Changes in Net Position*  
*For the Years Ended September 30, 2015 and 2014*

	<b>2015</b>	<b>2014</b>
<b>Operating Revenues</b>		
Charges for services	\$ 19,995,211	\$ 21,167,522
Miscellaneous	821,444	1,079,751
<b>Total Operating Revenues</b>	<b>20,816,655</b>	<b>22,247,273</b>
<b>Operating Expenses</b>		
Personal services	3,846,579	4,432,613
Purchased services	2,161,236	2,244,440
Materials and supplies	470,193	565,726
Repairs and maintenance	925,007	764,319
Gas and electric purchased for resale	11,170,507	11,742,660
Depreciation	1,120,006	1,098,466
Miscellaneous	125,447	458,400
<b>Total Operating Expenses</b>	<b>19,818,975</b>	<b>21,306,624</b>
<b>Operating Income</b>	<b>997,680</b>	<b>940,649</b>
<b>Nonoperating Revenues (Expenses)</b>		
Interest and fiscal charges	(57,827)	(61,372)
(Loss) on disposition of capital assets	-	(8,761)
Investment earnings	218,775	145,845
<b>Total Nonoperating Revenues (Expenses)</b>	<b>160,948</b>	<b>75,712</b>
<b>Income Before Capital Contributions</b>	<b>1,158,628</b>	<b>1,016,361</b>
<b>Capital Contributions</b>	<b>3,236,169</b>	<b>45,450</b>
<b>Change in Net Position</b>	<b>4,394,797</b>	<b>1,061,811</b>
<b>Net Position Beginning of Year, as Restated</b>	<b>35,897,258</b>	<b>37,113,802</b>
<b>Net Position End of Year</b>	<b>\$ 40,292,055</b>	<b>\$ 38,175,613</b>

See accompanying notes to the basic financial statements

**Utility Commission**  
**City of Fort Valley, Georgia**  
*Comparative Statement of Cash Flows*  
*For the Years Ended September 30, 2015 and 2014*

	<b>2015</b>	<b>2014</b>
<b>Increase (Decrease) in Cash and Cash Equivalents</b>		
<b>Cash Flows from Operating Activities</b>		
Cash received from customers	\$ 20,980,717	\$ 22,050,798
Cash payments for personal services	(4,513,930)	(4,388,754)
Cash payments for goods and services	(14,979,919)	(15,313,502)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>1,486,868</b>	<b>2,348,542</b>
<b>Cash Flows from Capital and Related Financing Activities</b>		
Capital contributions	150,024	45,450
Proceeds from construction loan	29,915	112,519
Principal paid on notes payable	(267,984)	(270,982)
Interest paid on notes payable	(57,827)	(61,372)
Casualty insurance proceeds and other reclassifications	-	(59,344)
Proceeds from the sale of capital assets	-	231,010
Payments for capital acquisitions	(1,040,092)	(1,582,202)
<b>Net Cash Provided by (Used in) Capital and Related Financing Activities</b>	<b>(1,185,965)</b>	<b>(1,584,921)</b>
<b>Cash Flows from Investing Activities</b>		
Investment earnings	212,228	141,450
Net purchase of investments	(319,565)	(991,935)
<b>Net Cash Provided (Used in) Investing Activities</b>	<b>(107,337)</b>	<b>(850,485)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>193,566</b>	<b>(86,863)</b>
<b>Cash and Cash Equivalents Beginning of Year</b>	<b>172,316</b>	<b>259,178</b>
<b>Cash and Cash Equivalents End of Year</b>	<b>\$ 365,883</b>	<b>\$ 172,316</b>

(continued)

**Utility Commission**  
**City of Fort Valley, Georgia**  
**Comparative Statement of Cash Flows**  
**For the Years Ended September 30, 2015 and 2014**

(continued)

	<b>2015</b>	<b>2014</b>
<b>Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities</b>		
<b>Operating Income</b>	\$ 997,680	\$ 940,649
<b>Adjustments:</b>		
Depreciation	1,120,006	1,098,467
<b>(Increase) Decrease in Assets:</b>		
Accounts receivable	157,218	(144,498)
Materials and supplies inventory	47,332	66,422
Prepaid expenses	(6,572)	4,014
Deferred outflows of resources from pension amounts	19,659	-
<b>Increase (Decrease) in Liabilities:</b>		
Accounts payable	(155,487)	378,382
Retainage payable	(13,538)	13,538
Accrued payroll	10,231	13,305
Payroll deductions payable	1,497	1,303
Sales and excise taxes payable	(2,522)	(62,559)
Intergovernmental payable	735	(313)
Customer deposits	9,366	10,582
Compensated absences payable	18,696	29,251
Net pension liability	(572,909)	-
Deferred inflows of resources from pension amounts	(144,525)	-
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>\$ 1,486,868</b>	<b>\$ 2,348,542</b>
<b>Noncash Capital Financing Activities:</b>		
Purchase of equipment on account (in accounts payable @ year-end)	\$ 67,097	\$ 19,066
Purchase of equipment on account (in retainage payable @ year-end)	-	13,538
Developer Contributions	3,086,146	\$ -

See accompanying notes to the basic financial statements



*Utility Commission  
City of Fort Valley, Georgia  
Notes to the Basic Financial Statements  
For the Years Ended September 30, 2015 and 2014*

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**Utility Commission  
City of Fort Valley, Georgia  
Notes to the Basic Financial Statements  
For the Years Ended September 30, 2015 and 2014**

In 1909, the City of Fort Valley's charter was amended to create a "Board of Water and Light Commissioners." In 1953, the Board was renamed the "Utility Commission." The Utility Commission of the City of Fort Valley (the Utility Commission) provides the following services: natural gas, electricity, water, and sewage collection and telecommunications to the City of Fort Valley and unincorporated Peach County. In addition, the Utility Commission provides natural gas service to a portion of Crawford County and provides water service to a portion of Macon County.

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

The financial statements of the Utility Commission have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting. The Utility Commission has elected not to follow subsequent private-sector guidance.

The most significant of the Utility Commission's accounting policies are described below.

**1-A. Reporting Entity**

The Utility Commission was formed and operates pursuant to the charter of the City of Fort Valley, Georgia (the City) as amended and acts of the Georgia State Legislature. The Utility Commission consists of five members: the Mayor of the City is an ex-officio member and four popularly elected commissioners, two elected at large and two elected by ward (i.e., east and west). The Utility Commission is a legally separate entity because it has its own name, can sue and be sued in its own name and can buy, sell and lease property in its own name.

The City believes it would be misleading to omit the Utility Commission from its financial statements; therefore, the Utility Commission is reported as a discretely presented component unit of the City.

The Utility Commission has not included any other component units within its reporting entity.

**1-B. Basis of Presentation**

The Utility Commission's basic financial statements consist of a comparative statement of net position, a comparative statement of revenues, expenses and changes in net position and a comparative statement of cash flows.

**Fund Accounting** - The Utility Commission uses funds to maintain its financial records during the year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The Utility Commission uses a single fund, a proprietary fund.

**The Proprietary Fund** – The proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. The proprietary fund is classified as an enterprise fund.

**1-C. Measurement Focus**

The enterprise fund is accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of this fund are included on the comparative statement of net position. The comparative statement of revenues, expenses and changes in net position presents increases (i.e., revenues) and decreases (i.e., expenses) in the total net position. The comparative statement of cash flows provides information about how the Utility Commission finances and meets the cash flow needs of its proprietary activities.

**1-D. Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. The enterprise fund financial statements are prepared using the accrual basis of accounting.

**Revenues – Exchange Transactions** - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place, if measurable. Charges for services are exchange transactions.

*Utility Commission  
City of Fort Valley, Georgia  
Notes to the Basic Financial Statements  
For the Years Ended September 30, 2015 and 2014*

***Note 1 - Summary of Significant Accounting Policies (Continued)***

***Revenues – Non-exchange Transactions*** – Non-exchange transactions, in which the Utility Commission receives value without directly giving equal value in return, include grants and donations. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the Utility Commission must provide local resources to be used for a specified purpose, and expense requirements, in which the resources are provided to the Utility Commission on a reimbursement basis.

***Expenses*** - On the accrual basis of accounting, expenses are recognized at the time they are incurred, if measurable. For reporting purposes, bad debt expenses are offset against operating revenue.

***1-E. Assets, Liabilities and Net Position***

***1-E-1 Cash, Cash Equivalents and Investments***

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the Utility Commission. For the statement of cash flow purposes, cash and cash equivalents and investments are included.

Investments are stated at fair value based on quoted market prices.

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

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

***1-E-2 Receivables***

Customer receivables represent various utility charges earned, billed, but not collected, at September 30, 2015. Unbilled service receivables represent the estimated amount of accounts receivable for services that have not been billed as of the comparative statement of net position date. The amounts are a result of a timing difference between the end of the financial statement cycle and the billing cycle. The receivables are reported net of an allowance for uncollectibles, where applicable (Note 3-B).

***1-E-3 Intergovernmental Note Receivable***

The Utility Commission guaranteed the cost of certain architect plans and fees up to the amount of \$180,000 incurred by the Fort Valley Main Street Downtown Development Authority (City of Fort Valley, Georgia) relative to the renovation of the Fort Valley High School building on Knoxville Street in Fort Valley, Georgia. The proposed renovation would have housed the future School of Business Administration program at Fort Valley State University, which is an historically black State and Land-Grant Institution and a member of the University System of Georgia. Short-term financing, for which the Utility Commission has guaranteed repayment, has been provided by a local Community Bank. The project has been abandoned. The Fort Valley Main Street Downtown Development Authority loan was current for fiscal year 2013. A balloon payment was due in May 2014.

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***Note 1 - Summary of Significant Accounting Policies (Continued)***

The Utility Commission did not guarantee the renewal of the note to SunMark Community Bank on behalf of the Fort Valley Main Street Downtown Development Authority. In consideration of the payment by the Utility Commission in the amount of \$147,550.67 SunMark Community Bank transferred, assigned and conveyed to the Utility Commission all of its right, title, and interest in, to and under the certain Promissory Note dated May 2, 2011, between Fort Valley Main Street Downtown Development Authority, as Promissor and SunMark Community Bank, as Promissee, on June 13<sup>th</sup> 2014.

The Fort Valley Main Street Downtown Development Authority paid the Utility Commission \$11,550.67 on August 19<sup>th</sup> 2014.

On August 10, 2015 the Utility Commission reduced the Downtown Development Authority note by \$21,075. Thereafter, the Authority made an August 2015 payment of \$23,000.

The balance of the promissory note is \$92,000 at September 30, 2015. The Utility Commission recorded an allowance for uncollectible amount equal to the note balance.

***1-E-4 Consumable Inventories***

Inventory is recorded using the average unit cost method and expensed when consumed. Inventories include meters, transformers, lines, poles, pipe and fittings for both fiscal years.

***1-E-5 Prepaid Expenses***

Payments made to vendors for services (i.e., prepaid insurance) that will benefit periods beyond September 30, 2015, are recorded as prepaid expenses using the consumption method by recording an asset for the prepaid amount and reflecting the expense in the year in which services are consumed.

***1-E-6 Restricted Assets***

In 2014 and 2015 restricted assets consist of the new generation and capacity funding account (2014 – \$1,077,537 and 2015 – \$1,324,452) and at September 30, 2014 and 2015, a construction loan certificate of deposit pledged as collateral for 2014 and 2015 in the amount of \$1,758,009 and \$1,764,632, respectively.

***1-E-7 Capital Assets***

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The Utility Commission maintains a capitalization threshold of five thousand dollars. The Utility Commission's capital assets consist of the water distribution system, the sewerage collection system, the gas distribution system, the electric distribution system and the fiber optic system. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed. Interest incurred during the construction of capital assets utilized by the enterprise fund is capitalized.

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***Note 1 - Summary of Significant Accounting Policies (Continued)***

All reported capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives presented as rates:

<u>Asset Class</u>	<u>Depreciation Rate</u>
Buildings	2%
Natural gas system	2%
Natural gas meters	2.5%
Natural gas equipment	5 - 20%
Electric system and equipment	3 - 10%
Water system and equipment	2.5 - 10%
Sewerage system and equipment	2.5 - 10%
Fiber optic system and equipment	2.5 - 10%
Intangible assets	10%

***1-E-8 Compensated Absences***

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

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

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

All payables, accrued liabilities and long-term obligations are reported in the comparative statement of net position.

***1-E-10 Net Position***

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

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

***1-E-11 Deferred Outflows/Inflows of Resources***

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The Commission has deferred outflows of resources related to pensions.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Commission has

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***Note 1 - Summary of Significant Accounting Policies (Continued)***

deferred inflows of resources related to pensions.

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

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise fund. For the Utility Commission, these revenues are charges for services for electric, gas, water, sewer and telecom. Operating expenses are necessary costs incurred to provide the goods or service that is the primary activity of each utility. All other revenues and expenses are reported as non-operating, including investment earnings, interest expense and the gain or loss on the disposal of capital assets.

***1-E-13 Pension***

For purposes of measuring the net pension liability, deferred outflows of resources and inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Georgia Municipal Employees' Benefit System (GMEBS) and additions to/deductions from GMEBS fiduciary net position have been determined on the same basis as they are reported by GMEBS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

***1-E-14 Contributions of Capital***

Contributions of capital in enterprise fund financial statements arise from outside contributions of capital assets, service connection fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction.

***1-E-15 Cost Allocations***

For reporting purposes, the Utility Commission conducts various allocations of costs within the operating accounts.

***Allocation of Meter, Warehouse and Administrative Costs to the Electric, Water, Sewer, Gas and Telecom Departments:***

The Utility Commission allocates the cost of operating its Meter Department, Warehouse Operation and Administrative Offices, which include Customer Service, Billing, Finance, Information Technology, Accounting and Operations, on the basis of the number of customers/meters served by each of the operating departments. The allocation rates are: Electric 30.00%; Water 27.50%; Sewer 19.50%; Gas 21.50%; Telecom 1.50% for both fiscal years 2015 and 2014.

***Allocation of Telecom Department:*** The Utility Commission allocates the net cost of operating the Telecom Department on the basis of Supervisory Control and Data Acquisition (SCADA) services provided to each of the other operating departments. The allocation rates are: Water 50% and Sewer 50% for both fiscal years 2015 and 2014.

An analytical cost study performed by the Utility Commission concluded that the major customer of the Telecom Department was the Utility Commission. The major service provided was that of Supervisory Control and Data Acquisition (SCADA) processes to monitor various Utility Commission operational functions. The sale of internet access to residential and commercial customers was incidental to the overall operation of the Telecom Department; and, merely serves to reduce the net cost of the Supervisory Control and Data Acquisition service provided.

***1-E-16 Estimates***

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

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**1-E-17 Comparative Data**

Comparative total data for the prior year have been presented in all of the financial statements in order to provide an understanding of the changes in the financial position and operations. Also, certain amounts presented in the prior year data have been reclassified to be consistent with the current year's presentation.

**1-E-18 Implementation of New GASB Standards**

In fiscal year 2014, the Utility Commission implemented Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*. The adoption of this statement has an impact on the Utility Commission's financial statements for fiscal year 2014. Please see note 1-E-3 *Intergovernmental Note Receivable*.

In fiscal year 2015, the Utility Commission implemented Statement No. 68, *Accounting and Financial Reporting for Pensions*. The adoption of this statement has an impact on the Utility Commission's financial statements for fiscal year 2015. Please see note 3-G *Pension Plan* and 4-F *Cumulative Effect of Adoption of Accounting Principle*.

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

**2-A. Budgetary Information** – The Utility Commission adopts an annual operating budget generally consistent with GAAP. However, bad debt expense is reported as an expense on the budgetary basis and offset against the revenue accounts on the GAAP basis. Also, certain revenues and expenditures are classified differently on the budget schedule as compared to the GAAP comparative statement of revenues, expenses and changes in net position.

The legal level of control (the level at which expenses may not legally exceed appropriations) for each adopted annual operating budget generally is the department level. Any change in total to a departmental appropriation requires approval of the Board of Utility Commissioners.

Either the Utility Commission General Manager or Finance Manager may approve budget transfers within departments.

Generally, all unexpended annual appropriations lapse at year-end. However, some capital appropriations may carry forward to the subsequent year automatically. During the year, the Board of Utility Commissioners amended the budget.

**Note 3 - Detailed Notes**

**3-A. Deposits and Investments**

The Utility Commission has adopted formal cash and investment policies.

State statutes require banks holding public funds to secure these funds by FDIC insurance, securities pledged at par value, and surety bonds at face value in combined aggregate totaling not less than 110 percent of the public funds held.

**Deposits**

**Custodial Credit Risk – Deposits** – The custodial credit risk for deposits is the risk that, in the event of a bank failure, the Utility Commission's deposits may not be recovered.

At September 30, 2015, all bank balances were entirely insured or collateralized. In October 2011 the Utility Commission elected to secure its deposits in a pool of pledged securities established and maintained by CB&T Bank of Middle Georgia, a division of Synovus Bank, in accordance with Georgia Uniform Commercial Code Chapter 8, Title 45, Code Section 45-8-1 and administered under the direction of the Georgia Office of Treasury and Fiscal Services. At September 30, 2015, the bank balances were \$519,277 and the carrying amount was \$362,873.

At September 30, 2014, all bank balances were entirely insured or collateralized. At September 30, 2014, the bank balances were \$493,687 and the carrying amount was \$169,306.

*Utility Commission  
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**Note 3 - Detailed Notes (Continued)**

**3-A. Deposits and Investments (Continued)**

**Investments**

**Interest Rate Risk** – Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. The Utility Commission’s investment policy does not formally limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates

At September 30, 2015 and September 30, 2014, the Utility Commission had the following investments presented by maturity period:

Investment Type	Maturity Period			
	Fair Value	Three Months or Less	4 - 12 Months	1 - 5 Years
<b>2015</b>				
Certificates of Deposit	\$ 1,764,632	\$ -	\$ 1,764,632	\$ -
Money Market Account	252,963			
Municipal Competitive Trust	11,041,730			
Total	\$ 13,059,325			
<b>2014</b>				
Certificates of Deposit	\$ 1,758,009	\$ -	\$ 1,758,009	\$ -
Money Market Account	17,646			
Municipal Competitive Trust	10,964,104			
Total	\$ 12,739,759			

**Credit Quality Risk** – Credit quality risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Utility Commission’s money market account and investment in the municipal competitive trust are not rated.

**Custodial Credit Risk** - Custodial credit risk is the risk that, in the event of a bank failure, the Utility Commission’s investments may not be recovered. The investment policies require securities to be held by an independent third-party custodian selected by the Utility Commission as evidenced by safekeeping receipts in the Utility Commission’s name. At September 30, 2015 and 2014, all investments were entirely insured or collateralized with securities held by the Utility Commission’s agent in the Utility Commission’s name.

**Concentration of Credit Risk** – Concentration of credit risk is the risk of loss attributed to the magnitude of the Utility Commission’s investment in a single issuer. The investment policies require that the investments be diversified by limiting investments to avoid over concentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities); limiting investment in securities that have higher credit risks; investing in securities with varying maturities; and, continuously investing a portion of the portfolio in readily available funds, local government investment pools, money market funds or overnight repurchase agreements to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.



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**Note 3 - Detailed Notes (Continued)**

**3-A. Deposits and Investments (Continued)**

The Utility Commission's certificates of deposits are issued by the following bank:

Bank:	September 30, 2015		September 30, 2014	
	Amount	% of Total	Amount	% of Total
CB&T Bank of Middle Georgia	\$ 1,764,632	100%	\$ 1,758,009	100%

**Cash & Investment Reconciliation:**

	September 30, 2015		September 30, 2014	
	Cash and Cash Equivalents	Investments	Cash and Cash Equivalents	Investments
Enterprise Fund Type Statement of Net Position				
Unrestricted	\$ 365,883	\$ 9,970,240	\$ 172,316	\$ 9,904,213
Restricted	-	3,089,085	-	2,835,546
Less cash on hand and petty cash	(3,010)	-	(3,010)	-
Total	\$ 362,873	\$ 13,059,325	\$ 169,306	\$ 12,739,759

**3-B. Receivables**

Receivables at September 30, 2015 and 2014 consisted of interest and customer accounts (billings for user charges, including unbilled utility receivables).

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

The allowance for uncollectibles for accounts receivable was \$230,000 at both September 30, 2015 and 2014. The allowance for uncollectibles for intergovernmental notes receivable was \$92,000 and \$136,075 as of September 30, 2015 and 2014, respectively.

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**Note 3 - Detailed Notes (Continued)**

**3-C. Capital Assets**

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

	Balance 10/1/2014	Additions	Deductions	Balance 9/30/2015
Business-type activities:				
Nondepreciable capital assets:				
Land	\$ 146,486	\$ -	\$ -	\$ 146,486
Construction in progress	624,861	3,285,313	3,235,121	675,053
Total nondepreciable capital assets	771,347	3,285,313	3,235,121	821,539
Depreciable capital assets:				
Building	335,744	-	-	335,744
Distribution system	44,163,228	4,034,669	-	48,197,897
Machinery and equipment	3,983,216	41,374	76,158	3,948,431
Intangibles	277,484	-	-	277,484
Total depreciable capital assets	48,759,672	4,076,043	76,158	52,759,556
Total capital assets	49,531,019	7,361,356	3,311,279	53,581,095
Accumulated depreciation:				
Building	235,818	4,475	-	240,293
Distribution system	18,513,357	920,067	-	19,433,424
Machinery and equipment	2,808,492	171,062	76,158	2,903,396
Intangibles	248,395	24,403	-	272,798
Total accumulated depreciation	21,806,062	1,120,007	76,158	22,849,911
Business-type activities capital assets, net	\$ 27,724,957	\$ 6,241,349	\$ 3,235,121	\$ 30,731,184

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**City of Fort Valley, Georgia**  
**Notes to the Basic Financial Statements**  
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**Note 3 - Detailed Notes (Continued)**

**3-C. Capital Assets (Continued)**

Capital asset activity for the year ended September 30, 2014, was as follows:

	Balance 10/1/2013	Additions	Deductions	Balance 9/30/2014
Business-type activities:				
Nondepreciable capital assets:				
Land	\$ 133,761	\$ 12,725	\$ -	\$ 146,486
Construction in progress	437,818	256,931	69,888	624,861
Total nondepreciable capital assets	571,579	269,656	69,888	771,347
Depreciable capital assets:				
Building	335,744	-	-	335,744
Distribution system	43,629,072	1,041,531	507,375	44,163,228
Machinery and equipment	3,756,107	340,903	113,793	3,983,217
Intangibles	277,484	-	-	277,484
Total depreciable capital assets	47,998,407	1,382,434	621,168	48,759,673
Total capital assets	48,569,986	1,652,090	691,056	49,531,020
Accumulated depreciation:				
Building	231,343	4,475	-	235,818
Distribution system	17,967,430	892,066	346,139	18,513,357
Machinery and equipment	2,728,089	175,008	94,603	2,808,494
Intangibles	221,478	26,917	-	248,395
Total accumulated depreciation	21,148,340	1,098,466	440,742	21,806,064
Business-type activities capital assets, net	\$ 27,421,646	\$ 553,624	\$ 250,314	\$ 27,724,956

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*Utility Commission  
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**Note 3 - Detailed Notes (Continued)**

**3-D. Operating Leases**

The Utility Commission entered into an operating lease for a copy machine in June 2015. The lease is for 60 months at a rate of \$830 per month. The following payments are due to the lessor on a monthly basis for the term of the lease.

Fiscal Year	Amount
2016	\$ 9,960
2017	9,960
2018	9,960
2019	9,960
2020	7,470

The Utility Commission entered into an operating lease for a mailing system and utility bill stuffer in February 2015. The lease is for 60 months at a rate of \$434 per month. The following payments are due to the lessor on a quarterly basis for the term of the lease.

Fiscal Year	Amount
2016	\$ 5,208
2017	5,208
2018	5,208
2019	5,208
2020	1,302

**3-E. Construction Loan Payable**

On July 19, 2013, the Utility Commission entered into a construction loan with CB&T, a division of Synovus Bank with a maximum borrowing of \$2,387,000 at an interest rate of 1.4%, due January 19, 2015. The loan renewed on January 28, 2015. The renewed loan has a maximum borrowing of \$2,387,000 at an interest rate of 2.0% due on July 19, 2016. This loan is partially financing a project at Fort Valley State University which includes installing a 500,000 gallon elevated storage tank, a new well and chemical feed building, including a 12" water main. The renewed loan is secured by a certificate of deposit totaling \$1,764,632. The United States Department of Agriculture will retire this loan and provide long-term financing through the issuance of 40-year municipal bonds in the amount of \$2,387,000 at 3.75%. The amount of loan drawn down at September 30, 2015 is \$432,287. The amount of loan draw down at September 30, 2014 was \$402,372.

**3-F. Long-term Debt**

At September 30, 2015, the Utility Commission has three loans outstanding with the Georgia Environmental Finance Authority (GEFA) and two with the Georgia Environmental Loan Acquisition Corporation (GELAC).

**GEFA Loan – DW97-027** – On May 19, 1999, the Utility Commission borrowed \$3.5 million in an interest free loan for water distribution system and wells. Payments are due quarterly with a final maturity date of February 1, 2021.

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**City of Fort Valley, Georgia**  
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**Note 3 - Detailed Notes (Continued)**

**3-F. Long term Debt (Continued)**

Annual debt service requirements to amortize this loan as of September 30, 2015 follow:

<u>Year</u>	<u>Principal</u>
2016	\$ 163,454
2017	163,454
2018	163,454
2019	163,454
2020	163,454
2021	81,727
	<u>\$ 898,997</u>

**GEFA Loan — DW97-027A** – On May 19, 1999, the Utility Commission borrowed \$550,000 at a 3% interest rate for water distribution system and wells. Payments are due quarterly with a final maturity date of February 1, 2021.

Annual debt service requirements to amortize this loan as of September 30, 2015 follow:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 32,976	\$ 5,457	\$ 38,433
2017	33,976	4,457	38,433
2018	35,007	3,426	38,433
2019	36,069	2,364	38,433
2020	37,164	1,269	38,433
2021	19,003	214	19,217
	<u>\$ 194,195</u>	<u>\$ 17,187</u>	<u>\$ 211,382</u>

**GELAC Loan — 2006-L58WQ** - On May 10, 2007 the Utility Commission received a loan commitment of \$920,000 at a 4.12% interest rate for a lift station and water and sewer lines in the Heritage Pointe Subdivision.

Payments of \$5,171 are due monthly with a final maturity date of January 1, 2029. The construction loan went into repayment on February 1, 2009, in the amount of \$844,499.

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*Utility Commission  
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**Note 3 – Detailed Notes (Continued)**

**3-F. Long term Debt (Continued)**

Annual debt service requirements to amortize this loan as of September 30, 2015 follow:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$36,525	\$25,528	\$62,053
2017	38,106	23,946	62,052
2018	39,683	22,369	62,052
2019	41,349	20,703	62,052
2020	43,067	18,986	62,053
2021-2025	244,144	66,119	310,263
2026-2029	192,866	13,924	206,790
	<u>\$635,740</u>	<u>\$191,575</u>	<u>\$827,315</u>

**GEFA Loan — DWSRF 04-004** – In fiscal year 2007, the Utility Commission drew down \$631,650 at a 1.9% interest rate for an elevated water storage tank at Peach County High School and water main system improvements to serve Rolling Hills Trailer Park.

Payments of \$1,579 are due monthly with a final maturity date of September 1, 2028. During fiscal year 2008 the Utility Commission drew down \$513,350, to the maximum authorized borrowing of \$1,145,000. However, in fiscal year 2008, the Utility Commission received a \$500,000 GEFA DWSRF subsidy which was used to reduce the principal of this loan. And the Utility Commission made a balloon payment of \$330,000 in fiscal year 2008. During fiscal year 2009 the construction loan went into repayment on October 1, 2008, in the amount of \$315,000.

Annual debt service requirements to amortize this loan as of September 30, 2015 follow:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$14,927	\$4,017	\$18,944
2017	15,221	3,723	18,944
2018	15,509	3,435	18,944
2019	15,806	3,138	18,944
2020	16,106	2,838	18,944
2021-2025	85,298	9,421	94,719
2026-2028	55,184	1,630	56,814
	<u>\$ 218,051</u>	<u>\$ 28,202</u>	<u>\$ 246,253</u>

**GELAC Loan – 2007-L42WQ** – On December 14, 2008 the Utility Commission received a loan commitment of \$10,750,000 at 4.1% rate for 20 years for a reclamation facility, three sewage pump stations, force main sewer and gravity main sewer to serve east Peach County.

Payments of \$3,577 are due monthly with a final maturity date in 2030. During fiscal year 2008 the Utility Commission drew down \$1,815,208. During fiscal year 2009 the Utility Commission drew down \$6,445,045. During fiscal year 2010 the Utility Commission drew down \$912,965. On November 17, 2009 GEFA released the Utility Commission from the Debt Service Reserve account in accordance with Exhibit D of the loan contract. The item was waived in its entirety, retroactively to September 30, 2009.

**Utility Commission**  
**City of Fort Valley, Georgia**  
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**Note 3 – Detailed Notes (Continued)**

**3-F. Long term Debt (Continued)**

The Utility Commission has received all of the \$7,500,000 from Peach County, Georgia for 2000 SPLOST funds allocated to it in the Intergovernmental Agreement. The Utility Commission made balloon payments with those funds during fiscal year 2009 totaling \$7,500,000. The Utility Commission made an additional balloon payment in August 2009 of \$588,000. Also, in fiscal year 2010, the Utility Commission made another balloon payment in November 2009 of \$500,000. During fiscal year 2010, the construction loan went into repayment in the amount of \$585,218.

Annual debt service requirements to amortize this loan as of September 30, 2015 follow:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$23,755	\$19,172	\$42,927
2017	24,747	18,179	42,926
2018	25,781	17,146	42,927
2019	26,858	16,068	42,926
2020	27,980	14,946	42,926
2021-2025	158,445	56,189	214,634
2026-2030	<u>190,849</u>	<u>20,207</u>	<u>211,056</u>
	<u>\$ 478,415</u>	<u>\$ 161,907</u>	<u>\$ 640,322</u>

**Polytec, Inc. Capital Lease** – In fiscal year 2011, the Utility Commission entered into an equipment lease purchase agreement with Polytec, Inc., for chemical tanks and feed equipment. The Utility Commission agrees to use only Polytec chemicals in this equipment. The lease was retired in fiscal year 2014.

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**Utility Commission**  
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**Note 3 – Detailed Notes (Continued)**

**3-F. Long-term Debt (Continued)**

**Changes in Long-term Debt** - Changes in the Utility Commission's long-term obligations consisted of the following for the years ended September 30, 2015 and 2014:

	Outstanding 10/1/2014	Additions	Reductions	Outstanding 9/30/2015	Amounts Due in One Year	Long-term Portion
Business-Type Activities						
GEFA loan - DW97-027	\$ 1,062,451	\$ -	\$ 163,454	\$ 898,997	\$ 163,454	\$ 735,543
GEFA loan - DW97-027A	226,200	-	32,005	194,195	32,976	161,219
GELAC loan - 2006-L58WQ	670,814	-	35,073	635,742	36,545	599,196
GEFA loan - DWSRF 04-004	232,702	-	14,650	218,052	14,927	203,125
GELAC loan - 2007-L42WQ	501,217	-	22,802	478,415	23,755	454,660
Compensated absences	259,913	195,488	176,792	278,609	185,554	93,056
Total Business-Type Activities	<u>\$ 2,953,297</u>	<u>\$ 195,488</u>	<u>\$ 444,776</u>	<u>\$ 2,704,010</u>	<u>\$ 457,211</u>	<u>\$ 2,246,799</u>
	Outstanding 10/1/2013	Additions	Reductions	Outstanding 9/30/2014	Amounts Due in One Year	Long-term Portion
Business-Type Activities						
GEFA loan - DW97-027	\$ 1,225,905	\$ -	\$ 163,454	\$ 1,062,451	\$ 163,454	\$ 898,997
GEFA loan - DW97-027A	257,263	-	31,063	226,200	32,005	194,195
GELAC loan - 2006-L58WQ	704,472	-	33,659	670,814	35,073	635,741
GEFA loan - DWSRF 04-004	247,076	-	14,375	232,702	14,650	218,051
GELAC loan - 2007-L42WQ	523,105	-	21,888	501,217	22,802	478,415
Polytec, Inc. - Capital Lease	6,543	-	6,543	-	-	-
Compensated absences	230,662	192,001	162,750	259,913	173,102	86,811
Total Business-Type Activities	<u>\$ 3,195,026</u>	<u>\$ 192,001</u>	<u>\$ 433,732</u>	<u>\$ 2,953,297</u>	<u>\$ 441,087</u>	<u>\$ 2,512,210</u>

Charges for services are used to retire the above loans and capital leases. The compensated absences liability is retired from enterprise fund resources.

**3-G. Pension Plan**

**Plan Description** – The Fort Valley Utility Commission Retirement Plan (the Plan) is affiliated with the Georgia Municipal Employees Benefit System (GMEBS), an agent multiple-employer pension plan administered by the Georgia Municipal Association. The authority for establishing and amending benefits rests with the Utility Commission's Board of Commissioners.

Eligibility requirements are one year of service for all employees. The Plan allows for early retirement at age 55 if the employee has ten years of service. Normal retirement is at age 65 with five years of service. Benefits are dependent upon factors such as the number of years of credited service to the Utility Commission and the employee's final average earnings. Beginning January 1, 2003 employees' benefits vest at 50 percent after five years and 10 percent of additional vesting takes place each year thereafter until reaching 100% after ten years of service. These benefit provisions were established by a City ordinance dated September 26, 1974. The Utility Commission's plan was separated from the City's plan as of October 1, 1990.

At September 30, 2015, the plan had 52 active employees, 7 vested former employees, and 28 retired participants or beneficiaries currently receiving benefits.



*Utility Commission  
City of Fort Valley, Georgia  
Notes to the Basic Financial Statements  
For the Years Ended September 30, 2015 and 2014*

**Note 3 – Detailed Notes (Continued)**

**3-G. Pension Plan (Continued)**

**Contributions** – Required contributions are determined by the GMEBS based on actuarial calculations performed by an independent actuary. The actuarially-determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Commission's recommended contribution rate for the year ended September 30, 2015, was 10.07 percent of covered payroll. The Commission's contribution to the plan for the year ended September 30, 2015 was \$276,637. Participants in the plan are not required to contribute.

**Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions** – At September 30, 2015, the Commission reported a net pension liability of \$1,163,212. The net pension liability was measured as of September 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The actuarial date was January 1, 2015.

For the year ended September 30, 2015, the Commission recognized pension expense of \$125,925. At September 30, 2015, the Commission had deferred outflows from differences between expected and actual experience of \$58,980 and deferred inflows of resources related to pensions from the following sources:

Changes in Assumptions	\$ (305,292)
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	<u>(171,056)</u>
Total Deferred Inflows	<u><u>\$ (476,348)</u></u>

Amounts reported as deferred outflows and inflows of resources will be recognized in pension expense as follows for the years ending September 30:

	<u>Outflows</u>	<u>Inflows</u>
2016	\$ (19,660)	\$ 144,528
2017	(19,660)	144,528
2018	(19,660)	144,528
2019	-	42,764
2020	-	-
2021 and Thereafter	<u>-</u>	<u>-</u>
	<u><u>\$ (58,980)</u></u>	<u><u>\$ 476,348</u></u>

**Actuarial Assumptions** – The total pension liability in the September 30, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.25 percent
Salary Increases	3.25 percent, including inflation
Net Investment Rate of Return	7.75 percent

Mortality rates were based on the RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forward two years for males and one year for females.

**Utility Commission**  
**City of Fort Valley, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Years Ended September 30, 2015 and 2014**

**Note 3 – Detailed Notes (Continued)**

**3-G. Pension Plan (Continued)**

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	50%	5.95%
International Equity	15	6.45
Fixed Income	25	1.55
Real Estate	10	3.75
Cash	-	-
	<u>100%</u>	

**Discount Rate** – The discount rate used to measure the total pension liability was 7.75 percent.

**Changes in Net Pension Liability** – Changes in the Commission's net pension liability for the year ended September 30, 2015 were as follows:

*(This page is continued on the subsequent page)*

**Utility Commission**  
**City of Fort Valley, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Years Ended September 30, 2015 and 2014**

**Note 3 – Detailed Notes (Continued)**

**3-G. Pension Plan (Continued)**

	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at October 1, 2014	\$ 7,563,133	\$ 5,827,012	\$ 1,736,121
Changes for the Year:			
Service Costs	117,458	-	117,458
Interest	575,409	-	575,409
Differences between expected and actual experience	78,639	-	78,639
Contributions - employer	-	281,466	(281,466)
Contributions - employee	-	-	-
Net investment income	-	665,224	(665,224)
Benefit payments, including refunds of employee contributions	(276,999)	(276,999)	-
Administrative expense	-	(9,329)	9,329
Other	(407,054)	-	(407,054)
Net changes	87,453	660,362	(572,909)
Balances at September 30, 2015	\$ 7,650,586	\$ 6,487,374	\$ 1,163,212

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate** – The following presents the net pension liability calculated using the discount rate of 7.75 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75 percent) or 1-percentage-point higher (8.75 percent) than the current rate:

	Discount Rate	Net Pension Liability
1 Percent Decrease	6.75%	\$ 1,993,243
Current Discount Rate	7.75	1,163,212
1 Percent Increase	8.75	456,529

**Benefit Changes** – Effective January 1, 2015, the plan was amended to provide for immediate participation for employees. This change had no impact on service credited under the plan and has no impact on benefits.

**Plan Fiduciary Net Position** – Detailed information about the plan’s fiduciary net position is available in the separately issued GMEBS financial report. That report may be obtained by writing to the Georgia Municipal Association or by calling (404) 688-0472.

**Utility Commission  
City of Fort Valley, Georgia  
Notes to the Basic Financial Statements  
For the Years Ended September 30, 2015 and 2014**

**Note 3 – Detailed Notes (Continued)**

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

The “net investment in capital assets” amount is calculated on the comparative statement of net position as of September 30, 2015 and 2014 as follows:

Net Investment in capital assets:	2015	2014
Cost of capital assets	53,581,096	49,531,020
Less accumulated depreciation	22,849,913	21,806,064
Book Value	30,731,183	27,724,956
Less capital related debt	(2,857,686)	(3,095,755)
Net Investment in capital assets	<u>\$ 27,873,497</u>	<u>\$ 24,629,201</u>

**Note 4 - Other Notes**

**4-A. Contract Commitments**

The Utility Commission has commitments for contracts with four governmental organizations.

**Municipal Electric Authority of Georgia** – The Utility Commission has contracted for a period not to exceed 50 years, to purchase all of its electric power from the Municipal Electric Authority of Georgia (MEAG). MEAG agrees to provide the generating capacity necessary for reliable and economical power for the Utility Commission’s needs.

MEAG has issued bonds for the purpose of building generation, transmission, and telecommunications facilities. Each participant, such as the Utility Commission, is contingently liable for their pro rata share of the bonds as a power purchase cost until they are retired. The Utility Commission’s contingent contractual obligation varies by individual MEAG project and totals approximately \$74,236,886 at September 30, 2015 and \$67,824,903 at September 30, 2014. The contingent obligations are general obligations of the Utility Commission and the City to which the City’s full faith, credit and taxing powers are pledged.

On April 12, 1999 the Utility Commission adopted the provisions of a Municipal Competitive Trust agreement with MEAG. Under the agreement, MEAG established the Trust for the mutual benefit of MEAG and its wholesale customers (the participating Cities). The Trust was created to provide a means of accumulating funds to mitigate the expected differential between market rates for power and the associated costs of generating that power after the anticipated deregulation of the electric industry. The Trust provides for three types of accounts that are held by the trustee in the name of the Utility Commission.

The flexible operating trust account includes funds that are available for withdrawal at the discretion of the Utility Commission. This amount is included in investments and totals \$9,635,451 at September 30, 2015 and \$9,787,817 at September 30, 2014. The two additional accounts created were the credit support operating trust account and the reserve funded debt trust account. The funds in the credit support operating trust account can only be used to offset rate increases exceeding certain criteria and for loans for capital improvements that will reduce future operating costs.

The funds in the reserve funded debt trust account can only be used for charges related to MEAG’s bond obligations. The balances in the credit support operating trust account and the reserve funded debt trust account at September 30, 2015 were \$134 and \$2,316,249, respectively; at September 30, 2014 the balances were \$132 and \$3,545,946, respectively. Due to the restrictions on the use of these two accounts, they are not presented on the comparative statement of net position.

*Utility Commission  
City of Fort Valley, Georgia  
Notes to the Basic Financial Statements  
For the Years Ended September 30, 2015 and 2014*

**Note 4 - Other Notes (Continued)**

**4-A. Contract Commitments (Continued)**

Credits from the Municipal Competitive Trust for Power Supply Year 2014. In accordance with the First Amendment of the Municipal Competitive Trust, MEAG Power withdrew funds from the credit support operation account and the reserve funded debt account on behalf of the Participants for the purpose of lowering the annual generation charges for the period of January 1, 2009 through December 31, 2018. The annual amount for the Utility Commission for 2009 was \$1,202,727. The annual amount for the Utility Commission for 2010 was \$1,157,508. The annual amount for the Utility Commission for 2011 was \$1,387,086. The annual amount for the Utility Commission for 2012 was \$769,170. The annual amount for the Utility Commission for 2013 was \$1,463,662. The annual amount for the Utility Commission for 2014 was \$1,427,702. The annual amount for the Utility Commission for 2015 is \$1,183,043.

In accordance with the Second Amendment of the Municipal Competitive Trust, effective August 10, 2009, MEAG Power amended the restrictions and broadened the circumstances under which a Participant may withdraw funds from the New Generation Trust, which was established earlier in 2009 to provide for the future funding of the construction of new power generation facilities, including, but not limited to the Plant Vogtle expansion project. The voluntary funding of the New Generation Trust by Participants will improve the overall credit rating of MEAG Power in the municipal bond market, both now and in the future. The Generation Trust Account is displayed as a restricted investment asset in the comparative statement of net position. The amounts were \$1,307,692 for 2015 and \$1,057,312 for 2014.

**Georgia Public Web Membership** – The Utility Commission and other members of MEAG’s telecommunication project created Georgia Public Web (a Georgia not-for-profit corporation) to provide internet and telecommunication services to customers in Georgia. On October 10, 2000 the Utility Commission signed a 50-year commitment to pay each month a proportionate share of the difference between Georgia Public Web’s budgeted costs and revenues. The Utility Commission’s proportionate share is 2.315% at both September 30, 2015 and 2014. The contingent obligations are general obligations of the Utility Commission and the City to which the City’s full faith, credit and taxing powers are pledged. However, in fiscal year 2008, the Utility Commission advance paid their total commitment (Georgia Public Web telecom debt issued on April 3, 2003).

**Municipal Gas Authority of Georgia** – The Utility Commission 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 Utility Commission to purchase all of its natural gas from MGAG, other than any supplies that were under contract for delivery to the Utility Commission at the time of the execution of the contract with 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 Utility Commission. In the event that revenues are insufficient to cover all costs and retire bonds issued by MGAG, the Utility Commission is obligated to pay its share of the costs of the gas supply and related services MGAG provides to the Utility Commission, which costs include amounts equal to principal of and interest on MGAG’s bonds.

The contingent obligations, which extend through the year 2058, are general obligations of the Utility Commission and the City to which the City’s full faith, credit and taxing powers are pledged. The obligation to MGAG for gas supply costs are based on MGAG’s costs to provide such supply, including bonds issued to purchase long-term gas supplies.

The Utility Commission is contingently liable for their pro-rata share of the debt. The Utility Commission’s contingent contractual obligation total approximately \$5,339,919 at September 30, 2015 and \$5,973,457 at September 30, 2014. On December 12, 2002 an intergovernmental agreement was made between the Utility Commission and the City of Fort Valley related to the MGAG contract. Under this agreement, in the event of any required payments pursuant to the provisions of the Gas Supply Contract the payments shall be made first by the Utility Commission from its revenues and assets before any required payments are made by the City of Fort Valley.

**USDA Rural Development** – On April 15, 2011, the Utility Commission committed to participate in a project with the USDA Rural Development to add a 500,000 gallon elevated storage tank on the campus of Fort Valley State University, a new well and a chemical feed building. The USDA Rural Development will loan the Utility Commission an amount not to exceed \$2,387,000 and will award a grant for the project for \$1,848,000. The loan will be repayable over 40 years at an interest rate of 3.75%. The monthly payment is estimated at \$9,620. On April 15, 2012, the USDA Rural Development

*Utility Commission  
City of Fort Valley, Georgia  
Notes to the Basic Financial Statements  
For the Years Ended September 30, 2015 and 2014*

***Note 4 - Other Notes (Continued)***

***4-A. Contract Commitments (Continued)***

granted an extension until October 15, 2012. On October 15, 2012 the USDA Rural Development granted a second extension until April 15, 2013. At that time an additional 60 day extension was approved. As of November 13, 2014 plans and specifications have been approved by USDA. The status of the legal services agreement, preliminary title opinion, updated litigation and judgment agreement and lease agreement with the City of Fort Valley are all open. The Utility Commission anticipates that no further extensions will be required. Construction began in calendar year 2015.

***4-B. Risk Management***

The Utility Commission maintains third party coverage for claims arising from property and casualty claims, general liability claims, and medical claims.

There were no significant reductions in insurance coverage from the prior year, and there have been no settlements that exceed the Utility Commission's insurance coverage during the past three years.

***4-C. Contingent Liabilities***

The Utility Commission has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. These audits could result in a request for reimbursement to the grantor agency for costs disallowed under terms of the grant. Based on prior experience, the Utility Commission believes such disallowances, if any, will be immaterial.

The Utility Commission was not a defendant in any lawsuits at September 30, 2015 or 2014. In the opinion of the Utility Commission's management, there are no legal contingencies which will have a material effect on the financial position of the Utility Commission in subsequent years.

***4-D. Subsequent Event***

As a result of completing cost of service studies for all four utility services (natural gas, electric, water and sewer), the Utility Commission implemented the necessary rate increases to recover the costs of providing such services to its customers. The new rates were effective for billing cycle #1 in October 2012. Base charges were increased. Consumption charges were increased. Electric rates included an Environmental Compliance Cost Recovery (ECCR) element. Water and sewer rate tiers were expanded. And, additional costs were allocated to interruptible natural gas customers. No rate increases were implemented for billing cycle #1 in October 2014 or for billing cycle #1 in October 2015.

The Utility Commission entered into a purchase agreement in October 2013 with Total Energy Corp. (Total Energy) to sell the propane air plant (peak shaving plant) located on South Camellia Boulevard, Fort Valley, Georgia. The sale is for eight 30,000 gallon 250 psi storage tanks, inclusive of the existing tank rims and approximately 100,000 gallons of propane contained in the storage tanks. It was the Utility Commission's intention to discontinue and divest itself of the business segment known as the Peak Shaving Plant operation in the Natural Gas Department in 2014. This transaction was completed in fiscal year 2014.

***4-E. Significant Customers***

The Utility Commission has two significant customers to which it provides natural gas, electric, water and sewer utility services: Blue Bird Body Company and Fort Valley State University.

**Utility Commission  
City of Fort Valley, Georgia  
Notes to the Basic Financial Statements  
For the Years Ended September 30, 2015 and 2014**

**4-F. Cumulative Effect of Adoption of Accounting Principle**

The Commission adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions* – an amendment of GASB Statement No. 27, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date* – an amendment of GASB Statement No. 68. GASB 68 states that if restatement of prior periods is not practical, the cumulative effect of applying the statement should be reported as a restatement of beginning net position for the earliest periods restated. The actuary did not provide sufficient information to restate the beginning balance of fiscal year 2014; consequently, the prior year numbers do not reflect any affect from the implementation of GASB 68. The Commission has recorded the cumulative effect of implementing GASB 68 as a decrease to beginning net position of \$2,278,355 as of October 1, 2014. Other effects of implementing GASB 68 on October 1, 2014 included the recording of a net pension liability of \$1,736,121 plus deferred inflows of \$620,873 less the deferred outflows of \$78,639.

**Utility Commission**  
**City of Fort Valley, Georgia**  
*Schedule of Changes in the Net Pension Liability and Related Ratios*  
**Fort Valley Utility Commission Retirement Plan**  
**For the Year Ended September 30, 2015**

Total Pension Liability

Service Cost	\$ 117,458
Interest	575,409
Differences between expected and actual experience	78,639
Changes of assumptions	(407,054)
Changes of benefit terms	-
Benefit payments, including refunds of employee contributions	(276,999)
	<hr/>
Net change in total pension liability	87,453
Total pension liability - beginning	7,563,133
	<hr/>
Total pension liability - ending	\$ 7,650,586
	<hr/> <hr/>

Plan Fiduciary Net Position

Contributions - Employer	\$ 281,466
Contributions - Employee	-
Net Investments Income	665,224
Benefit Payments, including refunds of employee contributions	(276,999)
Administrative expense	(9,329)
	<hr/>
Net change in fiduciary net position	660,362
Plan fiduciary net position - beginning	5,827,012
	<hr/>
Plan fiduciary net position - ending	\$ 6,487,374
	<hr/> <hr/>

Net Pension Liability

Net pension liability - ending	\$ 1,163,212
Plan's fiduciary net position as a percentage of the total pension liability	84.80%
Covered-employee payroll	3,042,462
Net pension liability as a percentage of covered-employee payroll	38.23%

Historical information prior to implementation of GASB 68 is not required. GASB 68 was implemented for the year ended September 30, 2015. Therefore, information is not provided for the year ended September 30, 2014.



**Utility Commission**  
**City of Fort Valley, Georgia**  
***Schedule of Contributions***  
***Fort Valley Utility Commission Retirement Plan***  
***For the Year Ended September 30, 2015***

Actuarially determined contribution	--*
Contributions in relation to the actuarially determined contribution	--*
Contribution deficiency (excess)	--*
Covered-employee payroll	--*
Contributions as a percentage of covered-employee payroll	--*

--\* 2015 information will be determined after fiscal year end and will be included in the 2016 valuation report.  
This information is not available in the current actuarial report.

**Utility Commission**  
**City of Fort Valley, Georgia**  
*Schedule of Contributions*  
**Fort Valley Utility Commission Retirement Plan**  
**For the Year Ended September 30, 2015**

**1. Notes to Required Supplementary Information**

Valuation Date	The actuarially-determined contribution rate was determined as of January 1, 2015, with an interest adjustment to the fiscal year. Contributions in relation to this actuarially-determined contribution rate will be reported for the fiscal year ending June 30, 2016.
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Closed Level Dollar for Remaining Unfunded Liability
Remaining Amortization Period	Remaining amortization period varies for the bases, with a net effective amortization period of 10 years
Asset Valuation Method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value.
Actuarial Assumptions:	
Net Investment Rate of Return	7.75 Percent
Projected Salary Increases	3.25 Percent Plus Service Based Merit Increases
Cost of Living Adjustments	0.00 Percent
Retirement Age	65 with five years of service
Mortality	Mortality rates are based on the RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forward two years for males and one year for females
Other Information	The eligibility assumption has changed from one year to immediate. The inflation assumption decreased from 3.5% to 3.25%. The salary increase assumption previously ranged from 4.00% to 11.00%, but changed to 3.75% to 8.00%.

The accompanying schedules of the Commission's net pension liability and contributions to the Plan are required supplementary information to be presented for 10 years. However, until a full 10-year trend is compiled, information is presented in the schedules for those years for which information is available.

**Utility Commission**  
**City of Fort Valley, Georgia**  
*Combining Schedule of Operating Revenues and Expenses*  
*(After Cost Allocation)*  
*For the Year Ended September 30, 2015*

	<b>Natural Gas</b>	<b>Electric</b>	<b>Water</b>	<b>Sewer</b>	<b>Total</b>
<b>Operating Revenues</b>					
Charges for services	\$ 3,611,960	\$ 12,000,496	\$ 2,394,756	\$ 1,987,999	\$ 19,995,211
Miscellaneous	177,616	615,005	16,119	12,700	821,440
<b>Total Operating Revenues</b>	<b>3,789,576</b>	<b>12,615,501</b>	<b>2,410,875</b>	<b>2,000,699</b>	<b>20,816,651</b>
<b>Operating Expenses</b>					
Personal services	680,836	966,681	1,213,156	985,906	3,846,579
Purchased services	412,847	976,193	342,002	430,194	2,161,236
Materials and supplies	45,247	64,612	127,147	233,187	470,193
Repairs and maintenance	144,166	158,092	377,244	245,505	925,007
Gas and electric purchased for resale	1,961,721	9,354,234	(190,990)	45,542	11,170,507
Depreciation	124,118	125,020	368,209	502,659	1,120,006
Miscellaneous	26,971	37,634	35,439	25,403	125,447
<b>Total Operating Expenses</b>	<b>3,395,906</b>	<b>11,682,467</b>	<b>2,272,207</b>	<b>2,468,396</b>	<b>19,818,975</b>
<b>Operating Income (Loss)</b>	<b>\$ 393,670</b>	<b>\$ 933,035</b>	<b>\$ 138,668</b>	<b>\$ (467,697)</b>	<b>\$ 997,677</b>

Utility Commission  
City of Fort Valley, Georgia  
*Combining Schedule of Operating Revenues and Expenses*  
*(Before Cost Allocation)*  
*For the Year Ended September 30, 2015*

	Natural Gas	Electric	Water	Sewer	Telecom	Administrative, Meter and Warehouse Costs			Total Administration	Total
						104	105	106		
<b>Operating Revenues</b>										
Charges for services	\$ 3,611,960	\$ 12,000,496	\$ 2,394,756	\$ 1,987,999	\$ 372,492	\$ -	\$ -	\$ -	\$ -	\$ 20,367,703
Miscellaneous	177,616	615,005	16,119	12,700	-	24,553	-	-	24,553	845,994
<b>Total Operating Revenues</b>	<b>3,789,576</b>	<b>12,615,501</b>	<b>2,410,875</b>	<b>2,000,699</b>	<b>372,492</b>	<b>24,553</b>	<b>-</b>	<b>-</b>	<b>24,553</b>	<b>21,213,696</b>
<b>Operating Expenses</b>										
Personal services	288,738	419,568	635,033	553,679	125,850	1,293,894	448,900	80,918	1,823,711	3,846,579
Purchased services	291,893	807,421	379,513	512,711	(20,385)	550,081	6,473	6,020	562,573	2,533,727
Materials and supplies	24,558	35,743	94,128	207,865	11,671	25,400	16,041	54,787	96,228	470,193
Repairs and maintenance	102,399	99,812	309,374	193,176	25,979	150,877	9,808	33,583	194,268	925,007
Gas and electric purchased for resale	1,961,721	9,354,234	(239,204)	(2,673)	96,429	-	-	-	-	11,170,507
Depreciation	106,746	100,781	307,889	448,802	74,990	80,798	-	-	80,798	1,120,006
Miscellaneous	-	-	-	-	-	150,000	-	-	150,000	150,000
<b>Total Operating Expenses</b>	<b>2,776,055</b>	<b>10,817,559</b>	<b>1,486,732</b>	<b>1,913,561</b>	<b>314,534</b>	<b>2,251,049</b>	<b>481,223</b>	<b>175,308</b>	<b>2,907,579</b>	<b>20,216,020</b>
<b>Operating Income (Loss)</b>	<b>\$ 1,013,521</b>	<b>\$ 1,797,942</b>	<b>\$ 924,143</b>	<b>\$ 87,139</b>	<b>\$ 57,958</b>	<b>\$ (2,226,496)</b>	<b>\$ (481,223)</b>	<b>\$ (175,308)</b>	<b>\$ (2,883,026)</b>	<b>\$ 997,677</b>

**Utility Commission**  
**City of Fort Valley, Georgia**  
*Combining Schedule of Operating Revenues and Expenses*  
*(After Cost Allocation)*  
*For the Year Ended September 30, 2014*

	<b>Natural Gas</b>	<b>Electric</b>	<b>Water</b>	<b>Sewer</b>	<b>Total</b>
<b>Operating Revenues</b>					
Charges for services	\$ 4,596,500	\$ 11,881,625	\$ 2,544,680	\$ 2,144,717	\$ 21,167,522
Miscellaneous	296,629	749,224	21,625	12,273	1,079,751
<b>Total Operating Revenues</b>	<b>4,893,129</b>	<b>12,630,849</b>	<b>2,566,305</b>	<b>2,156,990</b>	<b>22,247,273</b>
<b>Operating Expenses</b>					
Personal services	808,499	1,135,639	1,363,227	1,125,247	4,432,613
Purchased services	415,124	981,592	391,224	456,500	2,244,440
Materials and supplies	58,222	77,645	158,497	271,362	565,726
Repairs and maintenance	133,135	156,369	278,940	195,875	764,319
Gas and electric purchased for resale	2,837,813	9,036,228	(176,501)	45,120	11,742,660
Depreciation	121,168	117,347	368,932	491,019	1,098,466
Miscellaneous	98,556	137,520	129,498	92,826	458,400
<b>Total Operating Expenses</b>	<b>4,472,517</b>	<b>11,642,340</b>	<b>2,513,817</b>	<b>2,677,949</b>	<b>21,306,623</b>
<b>Operating Income (Loss)</b>	<b>\$ 420,613</b>	<b>\$ 988,509</b>	<b>\$ 52,487</b>	<b>\$ (520,959)</b>	<b>\$ 940,649</b>

Utility Commission  
City of Fort Valley, Georgia  
Combining Schedule of Operating Revenues and Expenses  
(Before Cost Allocation)  
For the Year Ended September 30, 2014

	Natural Gas	Electric	Water	Sewer	Telecom	Administrative, Meter and Warehouse Costs			Total Administration	Total
						104	105	106		
<b>Operating Revenues</b>										
Charges for services	\$ 4,596,500	\$ 11,881,625	\$ 2,544,680	\$ 2,144,717	\$ 342,249	\$ -	\$ -	\$ -	\$ -	\$ 21,509,771
Miscellaneous	296,631	749,224	21,625	12,273	-	13,363	-	-	13,363	1,093,116
<b>Total Operating Revenues</b>	<b>4,893,131</b>	<b>12,630,849</b>	<b>2,566,305</b>	<b>2,156,990</b>	<b>342,249</b>	<b>13,363</b>	<b>-</b>	<b>-</b>	<b>13,363</b>	<b>22,602,887</b>
<b>Operating Expenses</b>										
Personal services	419,037	592,205	787,684	694,620	127,617	1,287,930	441,875	81,644	1,811,449	4,432,612
Purchased services	292,544	810,550	407,717	518,604	(12,866)	563,718	2,099	4,321	570,138	2,586,687
Materials and supplies	32,377	41,583	115,967	238,448	17,143	28,012	23,718	68,478	120,208	565,726
Repairs and maintenance	99,318	109,182	227,057	156,576	14,897	113,000	14,704	29,586	157,290	764,320
Gas and electric purchased for resale	2,837,813	9,036,228	(224,888)	(3,267)	96,775	-	-	-	-	11,742,661
Depreciation	103,169	92,233	308,064	436,848	74,437	83,716	-	-	83,716	1,098,467
Miscellaneous	-	-	-	-	-	471,765	-	-	471,765	471,765
<b>Total Operating Expenses</b>	<b>3,784,258</b>	<b>10,681,981</b>	<b>1,621,601</b>	<b>2,041,829</b>	<b>318,003</b>	<b>2,548,141</b>	<b>482,396</b>	<b>184,029</b>	<b>3,214,566</b>	<b>21,662,238</b>
<b>Operating Income (Loss)</b>	<b>\$ 1,108,873</b>	<b>\$ 1,948,868</b>	<b>\$ 944,704</b>	<b>\$ 115,161</b>	<b>\$ 24,246</b>	<b>\$ (2,534,778)</b>	<b>\$ (482,396)</b>	<b>\$ (184,029)</b>	<b>\$ (3,201,203)</b>	<b>\$ 940,649</b>

Utility Commission  
City of Fort Valley, Georgia  
*Comparative Schedule of Revenues and Expenses by Object Classification - Budget and Actual  
(Before Cost Allocation)  
For the Years Ended September 30, 2015 and 2014*

Object Classification	2015				2014			
	Original Budget	Final Budget	Actual	Variance With Final Budget	Original Budget	Final Budget	Actual	Variance With Final Budget
<b>Revenues:</b>								
Charges for services:								
Electric	\$ 12,536,335	\$ 12,536,335	\$ 12,014,876	\$ (521,459)	\$ 12,516,212	\$ 12,516,212	\$ 11,909,404	\$ (606,808)
Gas	4,090,703	4,090,703	3,620,288	(470,415)	3,960,279	3,960,279	4,610,242	649,963
Water	2,869,978	2,869,978	2,403,118	(466,860)	2,859,197	2,859,197	2,560,419	(298,778)
Sewer	2,239,555	2,239,555	1,996,842	(242,713)	2,234,092	2,234,092	2,157,096	(76,996)
Telecom	332,000	332,000	374,592	42,592	306,000	306,000	344,349	38,349
Fees	238,900	238,900	279,066	40,166	232,900	232,900	289,488	56,588
Investment earnings	52,875	52,875	218,775	165,900	47,896	47,896	145,845	97,949
Miscellaneous	514,165	514,165	566,928	52,763	403,220	403,220	803,628	400,408
<b>Total Revenues</b>	<b>22,874,511</b>	<b>22,874,511</b>	<b>21,474,484</b>	<b>(1,400,027)</b>	<b>22,559,796</b>	<b>22,559,796</b>	<b>22,820,471</b>	<b>260,676</b>
<b>Expenses:</b>								
<b>Personal Services:</b>								
Salaries and wages	3,364,079	3,364,079	3,097,521	266,558	3,219,687	3,219,687	3,065,167	154,520
Payroll taxes	254,965	254,965	224,973	29,992	243,919	243,919	222,872	21,047
Group insurance	935,755	935,755	878,640	57,115	927,921	927,921	811,940	115,981
Pension	362,963	362,963	(383,579)	746,542	335,850	335,850	309,676	26,174
Uniforms	38,400	38,400	24,589	13,811	26,000	26,000	18,962	7,038
Safety shoes	6,450	6,450	4,435	2,015	6,300	6,300	3,995	2,305
<b>Total Personal Services</b>	<b>4,962,612</b>	<b>4,962,612</b>	<b>3,846,579</b>	<b>1,116,033</b>	<b>4,759,677</b>	<b>4,759,677</b>	<b>4,432,612</b>	<b>327,065</b>
<b>Purchased Services:</b>								
Professional services - audit	41,000	41,000	39,387	1,613	40,000	40,000	40,516	(516)
Professional services - legal	28,800	28,800	33,610	(4,810)	8,400	8,400	29,801	(21,401)
Professional services - engineering	25,200	25,200	23,029	2,171	24,300	24,300	46,034	(21,734)
Professional services - other	430,900	430,900	285,783	145,117	345,408	345,408	312,468	32,940
Professional services - MEAG Power	46,800	46,800	29,891	16,909	46,800	46,800	46,098	701
Communications - postage	38,100	38,100	38,462	(362)	37,800	37,800	39,277	(1,477)
Communications - telephones	32,580	32,580	35,434	(2,854)	32,220	32,220	31,052	1,168
Utilities	609,600	609,600	615,239	(5,639)	475,164	475,164	615,811	(140,647)
Advertising	7,500	7,500	5,911	1,589	4,500	7,000	6,379	621
Transportation, room and board	43,200	43,200	28,102	15,098	35,400	35,400	23,185	12,215
Continuing professional education	47,900	47,900	29,812	18,088	35,700	35,700	26,088	9,612
Insurance	265,393	265,393	256,608	8,785	264,232	264,232	252,442	11,790
Vehicles and equipment - other	6,600	6,600	462	6,138	6,600	6,600	-	6,600
<b>Total Purchased Services</b>	<b>1,623,573</b>	<b>1,623,573</b>	<b>1,421,731</b>	<b>201,842</b>	<b>1,356,524</b>	<b>1,359,024</b>	<b>1,469,151</b>	<b>(110,127)</b>
<b>Total Expenses Carried Forward</b>	<b>6,586,185</b>	<b>6,586,185</b>	<b>5,268,310</b>	<b>1,317,875</b>	<b>6,116,201</b>	<b>6,118,701</b>	<b>5,901,762</b>	<b>216,939</b>

City of Fort Valley, Georgia  
*Comparative Schedule of Revenues and Expenses by Object Classification - Budget and Actual*  
*(Before Cost Allocation)*  
For the Years Ended September 30, 2015 and 2014

Object Classification	2015				2014			
	Original Budget	Final Budget	Actual	Variance With Final Budget	Original Budget	Final Budget	Actual	Variance With Final Budget
<b>Total Expenses Brought Forward</b>	\$ 6,586,185	\$ 6,586,185	\$ 5,268,310	\$ 1,317,875	\$ 6,116,201	\$ 6,118,701	\$ 5,901,762	\$ 216,939
<b>Materials and Supplies:</b>								
General office	15,000	15,000	16,329	(1,329)	18,000	18,000	16,892	1,108
Printed forms	7,200	7,200	6,089	1,111	7,200	7,200	7,085	115
General operating	339,120	339,120	284,041	55,079	330,000	330,000	319,464	10,536
Hand tools and small equipment	69,900	69,900	40,636	29,264	44,400	44,400	47,064	(2,664)
Safety	24,600	24,600	11,135	13,465	16,800	16,800	26,889	(10,089)
Custodial	13,200	13,200	7,778	5,422	10,800	10,800	8,930	1,870
City of Fort Valley	6,000	6,000	10,749	(4,749)	6,000	6,000	5,337	663
Vehicles and equipment - fuel and oil	143,400	143,400	92,973	50,427	138,000	138,000	134,065	3,935
<b>Total Materials and Supplies</b>	<b>618,420</b>	<b>618,420</b>	<b>469,731</b>	<b>148,689</b>	<b>571,200</b>	<b>571,200</b>	<b>565,726</b>	<b>5,472</b>
<b>Repairs and Maintenance:</b>								
Metering service	23,100	23,100	47,097	(23,997)	12,000	12,000	16,386	(4,386)
Overhead lines	80,400	80,400	40,503	39,897	84,000	84,000	36,353	47,647
Underground lines	138,900	138,900	133,907	4,993	73,200	73,200	114,790	(41,590)
Stations	87,000	87,000	63,215	23,785	68,400	68,400	43,502	24,898
Office equipment	167,400	167,400	125,197	42,203	99,000	99,000	115,029	(16,029)
Vehicles	46,500	46,500	48,604	(2,104)	44,100	44,100	56,534	(12,434)
Heavy equipment	97,200	97,200	134,499	(37,299)	106,500	106,500	75,112	31,388
Communications	12,600	12,600	2,500	10,100	10,200	10,200	3,196	7,004
Buildings	97,200	97,200	60,030	37,170	71,400	71,400	72,892	(1,492)
Other	329,500	329,500	269,456	60,044	278,400	278,400	230,524	47,876
<b>Total Repairs and Maintenance</b>	<b>1,079,800</b>	<b>1,079,800</b>	<b>925,007</b>	<b>154,793</b>	<b>847,200</b>	<b>847,200</b>	<b>764,318</b>	<b>82,882</b>
<b>Total Gas and Electric Purchased For Resale</b>	<b>13,045,925</b>	<b>13,045,925</b>	<b>11,170,507</b>	<b>1,875,418</b>	<b>13,065,358</b>	<b>13,065,358</b>	<b>11,742,660</b>	<b>1,322,698</b>
<b>Depreciation</b>	<b>1,135,209</b>	<b>1,135,209</b>	<b>1,120,006</b>	<b>15,203</b>	<b>1,114,410</b>	<b>1,114,410</b>	<b>1,098,466</b>	<b>15,944</b>
<b>Total Expenses Carried Forward</b>	<b>22,465,539</b>	<b>22,465,539</b>	<b>18,953,561</b>	<b>3,511,978</b>	<b>21,714,369</b>	<b>21,716,869</b>	<b>20,072,932</b>	<b>1,643,935</b>



Utility Commission  
City of Fort Valley, Georgia  
*Comparative Schedule of Revenues and Expenses by Object Classification - Budget and Actual  
(Before Cost Allocation)  
For the Years Ended September 30, 2015 and 2014*

Object Classification	2015				2014			
	Original Budget	Final Budget	Actual	Variance With Final Budget	Original Budget	Final Budget	Actual	Variance With Final Budget
<b>Total Expenses Brought Forward</b>	\$ 22,465,539	\$ 22,465,539	\$ 18,953,561	\$ 3,511,978	\$ 21,714,369	\$ 21,716,869	\$ 20,072,932	\$ 1,643,935
<b>Miscellaneous:</b>								
Operating	(20,600)	(20,600)	7,773	(28,373)	(11,400)	(11,400)	13,522	(24,922)
Non-operating	99,800	99,800	87,266	12,534	87,600	87,600	98,853	(11,253)
Interest	57,827	57,827	57,827	0	61,368	61,368	61,372	(4)
Bad debts	120,000	120,000	42,013	77,987	115,500	115,500	71,738	43,762
Franchise fees	1,050,987	1,050,987	1,058,376	(7,389)	1,022,916	1,022,916	1,009,264	13,652
Property and franchise taxes	3,600	3,600	-	3,600	3,600	3,600	-	3,600
City of Roberta collection fees	6,000	6,000	2,594	3,406	6,000	6,000	890	5,110
Aid to other governments	100,000	150,000	150,000	-	85,800	486,265	471,765	14,500
<b>Total Miscellaneous</b>	1,417,614	1,467,614	1,405,849	61,765	1,371,384	1,771,849	1,727,404	44,445
<b>Total Expenses</b>	23,883,153	23,933,153	20,359,410	3,573,743	23,085,753	23,488,718	21,800,336	1,688,380
<b>Net Income - Budgetary Basis</b>	<u>\$ (1,008,642)</u>	<u>\$ (1,058,642)</u>	1,115,074	<u>\$ 2,173,716</u>	<u>\$ (525,957)</u>	<u>\$ (928,922)</u>	1,020,135	<u>\$ 1,949,055</u>
<b>Non-budgeted Items:</b>								
Contributions			3,236,169				45,450	
Capitalized labor costs			30,963				27,041	
Loss on disposal of capital assets			-				(8,761)	
Inventory adjustments			12,588				(22,054)	
<b>Change in Net Position - GAAP Basis</b>			<u>\$ 4,394,795</u>				<u>\$ 1,061,811</u>	

TAB #3

Statistical Section

(Unaudited)

**Utility Commission**  
**City of Fort Valley, Georgia**  
**Statistical Section Summary**  
**(Unaudited)**

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This statistical section of the Utility Commission's comprehensive annual financial report presents detailed information as a context for understanding this year's financial statements, note disclosures, and supplementary information. This information is unaudited.

<b>Contents</b>	<b>Table</b>
<b>Financial Trends</b> These tables contain trend information that may assist the reader in assessing the Utility Commission's current financial performance by placing it in a historical perspective.	S-1 - S-17
<b>Revenue Capacity</b> These tables contain information that may assist the reader in assessing the viability of the Utility Commission's most significant "own-source" revenue source, which is electric user charges. In addition, the Utility Commission has provided this information for each of its utilities.	S-18 - S-27
<b>Debt Capacity</b> These tables present information that may assist the reader in analyzing the affordability of the Utility Commission's current levels of outstanding debt and the Utility Commission's ability to issue additional debt in the future. The Utility Commission may not issue general obligation debt since it has no authority to levy property taxes. However, the Utility Commission may issue notes.	S-28 & S-29
<b>Demographic and Economic Information</b> These tables present demographic and economic information intended (1) to assist users in understanding the socioeconomic environment within which the Utility Commission operates and (2) to provide information that facilitates comparisons of financial statement information over time and among utility entities.	S-30 & S-31
<b>Operating Information</b> These tables contain service and infrastructure indicators that can inform one's understanding of how the information in the Utility Commission's financial statements relates to the services the Utility Commission provides and the activities it performs.	S-32 - S-34

**Data Source:**

Unless otherwise noted, the information in these tables is derived from the annual financial report for the applicable year. The Utility Commission implemented GASB Statement No. 34 in 2004, however, all reported periods have been restated to conform to this GASB statement.

TAB #4

Financial Trends

(Unaudited)

Table S-1

**Utility Commission**  
**City of Fort Valley, Georgia**  
*Changes in Net Position - All Services*  
*Last Ten Fiscal Years*

Amounts <sup>4</sup>							
Fiscal Year	Operating Revenue	Operating Expenses <sup>1, 5</sup>	Operating Income	Total Net Nonoperating Revenue (Expense) <sup>6</sup>	Income (Loss) Before Capital Contributions	Net Capital Contributions	Change in Net Position
2006	19,304,374	19,324,355	(19,981)	282,461	262,480	79,701	342,181
2007	18,687,298	18,813,099	(125,801)	363,743	237,942	140,800	378,742
2008	20,364,972	20,064,932	300,040	(249,001) <sup>2</sup>	51,039	905,427	956,466
2009	19,423,958	18,562,187	861,771	(313,784)	547,987	7,094,569 <sup>3</sup>	7,642,557
2010	20,594,302	18,273,205	2,321,097	(16,736)	2,304,361	(95,681)	2,208,680
2011	20,194,404	19,380,601	813,803	(45,138)	768,665	1,280	769,945
2012	19,896,745	19,763,261	133,484	(38,822)	94,662	-	94,662
2013	21,267,220	20,290,751	976,469	(124,897)	851,572	31,620	883,192
2014	22,247,273	21,306,624	940,649	75,712	1,016,361	45,450	1,061,811
2015	20,816,655	19,818,975	997,680	160,948	1,158,628	3,236,169	4,394,797
Annual Percentage Change							
2006	4.2%	8.5%	102.8%	101.7%	-69.6%	32431.0%	-60.3%
2007	-3.2%	-2.6%	-529.6%	28.8%	-9.3%	76.7%	10.7%
2008	9.0%	6.7%	338.5%	-168.5%	-78.5%	543.1%	152.5%
2009	-4.6%	-7.5%	187.2%	-26.0%	973.7%	683.6%	699.0%
2010	6.0%	-1.6%	169.3%	94.7%	320.5%	-101.3%	-71.1%
2011	-1.9%	6.1%	-64.9%	-169.7%	-66.6%	101.3%	-65.1%
2012	-1.5%	2.0%	-83.6%	14.0%	-87.7%	-100.0%	-87.7%
2013	6.9%	2.7%	631.5%	-221.7%	799.6%	100.0%	833.0%
2014	4.6%	5.0%	-3.7%	160.6%	19.4%	43.7%	20.2%
2015	-6.4%	-7.0%	-6.1%	112.6%	14.0%	7020.3%	313.9%

**Notes:**

<sup>1</sup> Includes the allocation of funds to the City of Fort Valley, Georgia.

<sup>2</sup> Includes a special item for early payment to MEAG for telecom MEAG debt.

<sup>3</sup> Includes a cash contribution from Peach County from 2000 SPLOST funds for the Walter S. Lanter Reclamation Facility.

**Data Sources:**

<sup>4</sup> Applicable years' annual financial report.

<sup>5</sup> Table S-2

<sup>6</sup> Table S-3

Utility Commission  
City of Fort Valley, Georgia  
Chart - Total Operating Income (Loss)  
Last Ten Fiscal Years

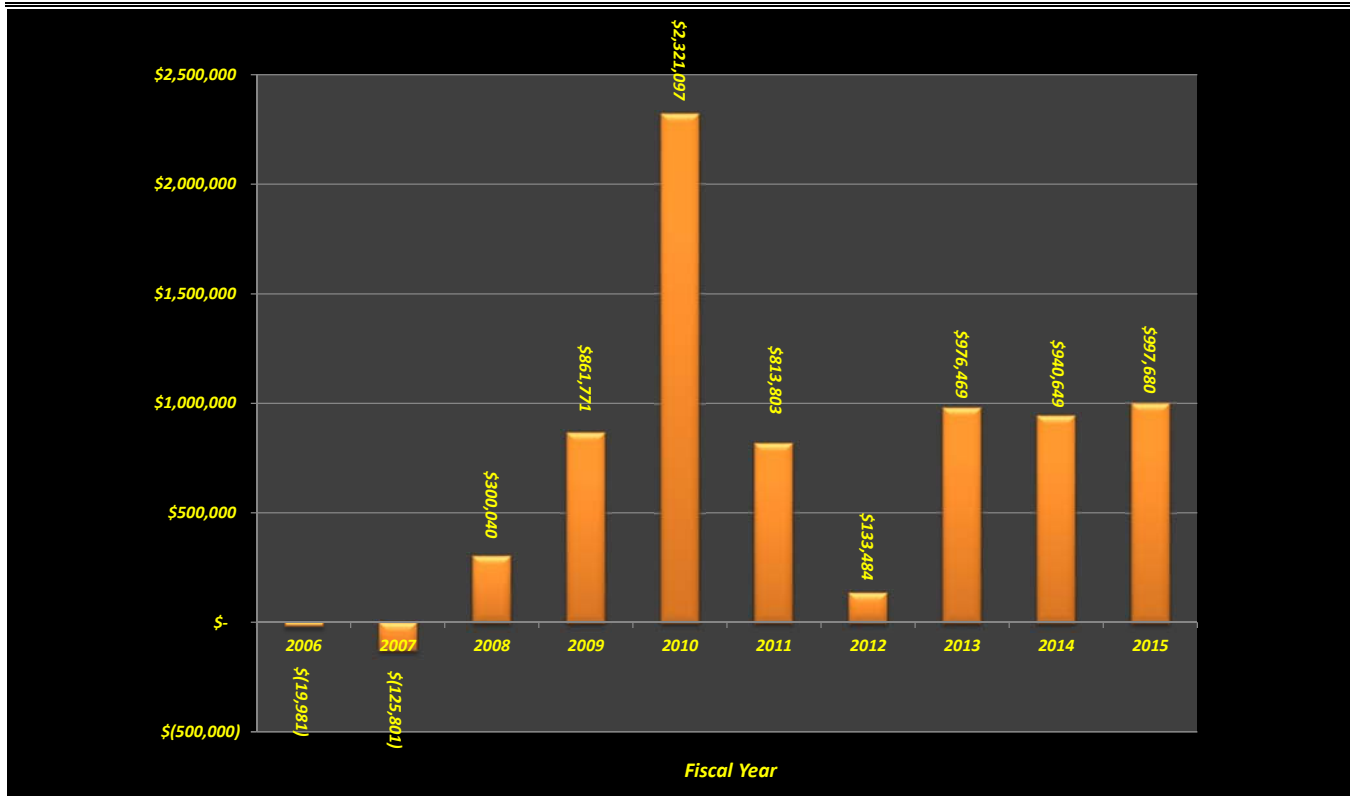


Table S-2

**Utility Commission**  
**City of Fort Valley, Georgia**  
**Operating Expenses - By Object**  
**All Services**  
**Last Ten Fiscal Years**

Amounts <sup>1, 2</sup>								
Fiscal Year	Personal Services	Purchased Services	Materials and Supplies	Repairs and Maintenance	Electric and Gas Purchased	Depreciation	Miscellaneous	Total
2006	3,397,435	1,803,757	341,771	537,288	11,973,969	1,049,708	220,427	19,324,355
2007	3,432,035	1,957,647	343,272	577,920	11,248,550	1,063,188	190,487	18,813,099
2008	3,737,322	2,000,868	405,808	623,110	12,168,047	1,081,601	48,176	20,064,932
2009	3,982,483	2,100,337	383,636	676,574	10,300,521	1,015,306	103,329	18,562,187
2010	4,103,735	1,991,214	419,295	679,755	9,787,346	1,048,661	243,199	18,273,205
2011	4,205,605	2,049,218	516,500	901,954	10,259,569	1,203,012	244,743	19,380,601
2012	4,295,278	2,190,231	518,231	763,552	10,709,430	1,128,816	157,723	19,763,261
2013	4,490,076	2,101,462	536,228	857,651	10,923,283	1,101,687	280,364	20,290,751
2014	4,432,613	2,244,440	565,726	764,319	11,742,660	1,098,466	458,400	21,306,624
2015	3,846,579	2,161,236	470,193	925,007	11,170,507	1,120,006	125,447	19,818,975
*	\$ 3,992,316	\$ 2,060,041	\$ 450,066	\$ 730,713	\$ 11,028,388	\$ 1,091,045	\$ 207,230	\$ 19,559,799
**	13.2%	19.8%	37.6%	72.2%	-6.7%	6.7%	-43.1%	2.6%
Annual Percentage Change								
2006	1.7%	0.4%	13.4%	-17.7%	13.6%	2.2%	54.3%	8.5%
2007	1.0%	8.5%	0.4%	7.6%	-6.1%	1.3%	-13.6%	-2.6%
2008	8.9%	2.2%	18.2%	7.8%	8.2%	1.7%	-74.7%	6.7%
2009	6.6%	5.0%	-5.5%	8.6%	-15.3%	-6.1%	114.5%	-7.5%
2010	3.0%	-5.2%	9.3%	0.5%	-5.0%	3.3%	135.4%	-1.6%
2011	2.5%	2.9%	23.2%	32.7%	4.8%	14.7%	0.6%	6.1%
2012	2.1%	6.9%	0.3%	-15.3%	4.4%	-6.2%	-35.6%	2.0%
2013	4.5%	-4.1%	3.5%	12.3%	2.0%	-2.4%	77.8%	2.7%
2014	-1.3%	6.8%	5.5%	-10.9%	7.5%	-0.3%	63.5%	5.0%
2015	-13.2%	-3.7%	-16.9%	21.0%	-4.9%	2.0%	-72.6%	-7.0%

\* Dollar average for ten years.

\*\* Percentage change in dollars over ten years.

**Notes:**

<sup>1</sup> Amounts presented after cost allocation.

**Data Source:**

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

Table S-3

**Utility Commission**  
**City of Fort Valley, Georgia**  
*Nonoperating Revenues and Expenses* <sup>6</sup>  
*All Services*  
*Last Ten Fiscal Years*

<b>Fiscal Year</b>	<b>Interest and Fiscal Charges</b>	<b>Investment Earnings</b>	<b>Gain (Loss) on Disposal of Capital Assets</b>	<b>Net Other Revenue (Expenses)</b>	<b>Net Nonoperating Revenues and (Expenses)</b>
2006	(13,977)	310,218	(13,780)	-	282,461
2007	(13,235)	418,387	(41,409) <sup>1</sup>	-	363,743
2008	(12,470)	342,470	-	(579,001) <sup>2</sup>	(249,001)
2009	(40,488)	191,249	(464,545) <sup>3</sup>	-	(313,784)
2010	(51,986)	38,522	(3,272)	-	(16,736)
2011	(71,283)	35,995	(9,850)	-	(45,138)
2012	(68,093)	30,322	(1,050)	-	(38,822)
2013	(64,787)	13,961	(74,071) <sup>4</sup>	-	(124,897)
2014	(61,372)	145,845	(8,761) <sup>5</sup>	-	75,712
2015	(57,827)	218,775	-	-	160,948

**Notes:**

<sup>1</sup> Includes a special item of \$18,218 for the loss on the sale of a lift station.

<sup>2</sup> A special item for early payment to MEAG for telecom MEAG debt.

<sup>3</sup> The loss on the disposition of a three-megawatt generator restored in 1995.

<sup>4</sup> The loss on the abandonment of the telecom 900 Mhz wireless system.

<sup>5</sup> The loss on the sale of the Peach Shaving Plant = \$13,900.

**Data Source:**

<sup>6</sup> Applicable years' annual financial report.



**Table S-4**

**Utility Commission  
City of Fort Valley, Georgia  
Annual Capital Contributions - By Source - All Services  
Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Amounts <sup>1, 5</sup></b>			
	<b>Developers</b>	<b>State of Georgia <sup>2</sup></b>	<b>Other <sup>3,4</sup></b>	<b>Total</b>
2006	-	-	79,701	79,701
2007	140,800	-	-	140,800
2008	-	500,000	405,427	905,427
2009	-	-	7,094,569	7,094,569
2010	280,000	-	-	280,000
2011	-	-	1,280	1,280
2012	-	-	-	-
2013	-	31,620	-	31,620
2014	-	-	45,450	45,450
2015	150,022	-	3,086,147	3,236,169

**Notes:**

<sup>1</sup> Negative capital contributions are transfers of capital assets to other entities or retirement of capital assets acquired with capital contributions.

<sup>2</sup> Fiscal year 2008 includes a capital grant received from GEFA.

<sup>3</sup> Includes a cash contribution from Peach County from 2000 SPLOST funds for the Walter S. Lanter Water Reclamation Facility and the East Peach County Sewer Project.

<sup>4</sup> 2015 amount for Southwest Peach County Sewer Project.

**Data Source:**

<sup>5</sup> Applicable years' annual financial report.

Table S-5

**Utility Commission**  
**City of Fort Valley, Georgia**  
*Summary of Operating Revenue, Expenses and Operating Income (Loss)*  
*Natural Gas Service*  
*Last Ten Fiscal Years*

<b>Fiscal Year<sup>2</sup></b>	<b>Operating Revenue<sup>1, 5</sup></b>		<b>Operating Expenses<sup>5</sup></b>		<b>Operating Income (Loss)</b>	
	<b>Amount</b>	<b>% Change</b>	<b>Amount</b>	<b>% Change</b>	<b>Amount</b>	<b>% Change</b>
2006 <sup>3</sup>	\$ 6,420,638	8.3%	\$ 6,778,728	17.3%	\$ (358,090)	-335.9%
2007 <sup>4</sup>	5,829,802	-9.2%	5,531,818	-18.4%	297,984	183.2%
2008 <sup>4</sup>	6,571,594	12.7%	6,327,670	14.4%	243,924	-18.1%
2009 <sup>4</sup>	5,235,134	-20.3%	4,912,941	-22.4%	322,193	32.1%
2010	4,919,587	-6.0%	4,498,052	-8.4%	421,535	30.8%
2011	4,345,343	-11.7%	4,263,750	-5.2%	81,593	-80.6%
2012	3,705,571	-14.7%	3,594,228	-15.7%	111,343	36.5%
2013 <sup>6</sup>	4,222,317	13.9%	3,824,541	6.4%	397,776	257.3%
2014	4,893,129	15.9%	4,472,517	16.9%	420,612	5.7%
2015	3,789,576	-22.6%	3,395,906	-24.1%	393,670	-6.4%

**Notes:**

<sup>1</sup> Includes charges for services and miscellaneous revenue.

<sup>2</sup> Beginning in fiscal year 2004, the fiber optic service was allocated to each of the remaining services.

<sup>3</sup> The operating loss results from the first quarter of 2006, when the city distribution charge was not billed to customers, due to the higher gas spot costs resulting from hurricanes in the Gulf of Mexico.

<sup>4</sup> The spot market price of gas was down in 2007, resulting in less user charges. The average spot market price per Mmbtu for 2007, 2008 and 2009 was \$6.80, \$9.11 and \$4.72. July 2008 = \$13.29 and September 2009 = \$2.81.

<sup>6</sup> Fiscal year rate increase across the board effective October 2012.

**Data Source:**

<sup>5</sup> Table S-6

Utility Commission  
City of Fort Valley, Georgia  
Natural Gas Services  
Chart - Operating Revenues and Expenses  
(in \$1,000)  
Last Ten Fiscal Years

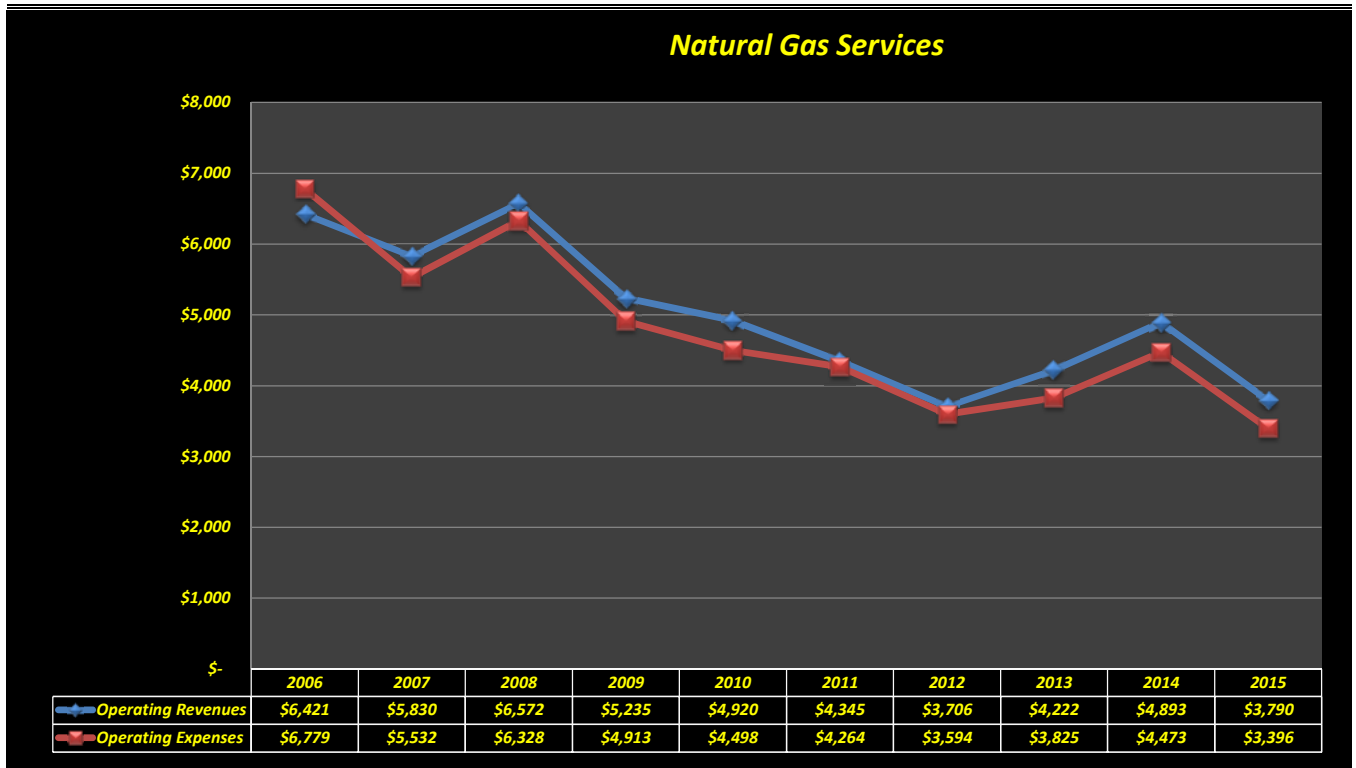


Table S-6

**Utility Commission - City of Fort Valley, Georgia**  
**Detailed Operating Revenues, Expenses and Operating Income (Loss)**  
**Natural Gas Service**  
**Last Ten Fiscal Years**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Amounts<sup>1,2,3</sup></b>										
<b>Operating Revenues</b>	\$ 6,420,638	\$ 5,829,802	\$ 6,571,594	\$ 5,235,134	\$ 4,919,587	\$ 4,345,343	\$ 3,705,571	\$ 4,222,317	\$ 4,893,129	\$ 3,789,576
<b>Operating Expenses:</b>										
Personal services	685,637	676,803	741,776	756,275	710,216	757,987	800,567	820,994	808,499	680,836
Purchased services	398,355	460,739	426,795	467,309	375,117	436,300	449,059	362,462	415,124	412,847
Materials and supplies	40,582	37,160	45,380	33,649	34,414	46,865	56,209	49,586	58,221	45,247
Repairs and maintenance	71,856	77,892	70,025	67,766	67,916	104,389	137,777	131,471	133,135	144,166
Gas purchased for resale	5,411,654	4,119,499	4,917,956	3,451,573	3,130,824	2,726,969	1,976,899	2,263,093	2,837,813	1,961,721
Depreciation	122,690	118,284	115,257	113,888	126,914	138,254	139,574	136,236	121,169	124,118
Miscellaneous	47,954	41,441	10,481	22,481	52,651	52,986	34,143	60,699	98,556	26,971
<b>Total Operating Expenses</b>	<b>6,778,728</b>	<b>5,531,818</b>	<b>6,327,670</b>	<b>4,912,941</b>	<b>4,498,052</b>	<b>4,263,750</b>	<b>3,594,228</b>	<b>3,824,541</b>	<b>4,472,517</b>	<b>3,395,906</b>
<b>Operating Income (Loss)</b>	<b>\$ (358,090)</b>	<b>\$ 297,984</b>	<b>\$ 243,924</b>	<b>\$ 322,193</b>	<b>\$ 421,535</b>	<b>\$ 81,593</b>	<b>\$ 111,343</b>	<b>\$ 397,776</b>	<b>\$ 420,612</b>	<b>\$ 393,670</b>
<b>Percentage of Total</b>										
<b>Operating Revenues</b>	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
<b>Operating Expenses:</b>										
Personal services	10.1%	12.2%	11.7%	15.4%	15.8%	17.8%	22.3%	21.5%	18.1%	20.0%
Purchased services	5.9%	8.3%	6.7%	9.5%	8.3%	10.2%	12.5%	9.5%	9.3%	12.2%
Materials and supplies	0.6%	0.7%	0.7%	0.7%	0.8%	1.1%	1.6%	1.3%	1.3%	1.3%
Repairs and maintenance	1.1%	1.4%	1.1%	1.4%	1.5%	2.4%	3.8%	3.4%	3.0%	4.2%
Gas purchased for resale	79.8%	74.5%	77.7%	70.3%	69.6%	64.0%	55.0%	59.2%	63.5%	57.8%
Depreciation	1.8%	2.1%	1.8%	2.3%	2.8%	3.2%	3.9%	3.6%	2.7%	3.7%
Miscellaneous	0.7%	0.7%	0.2%	0.5%	1.2%	1.2%	0.9%	1.5%	2.1%	0.8%
<b>Total Operating Expenses</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Operating Income (Loss)</b>										
<b>as a Percentage of</b>										
<b>Operating Revenues</b>	<b>-5.6%</b>	<b>5.1%</b>	<b>3.7%</b>	<b>6.2%</b>	<b>8.6%</b>	<b>1.9%</b>	<b>3.0%</b>	<b>9.4%</b>	<b>8.6%</b>	<b>10.4%</b>

**Notes:**<sup>1</sup> Amounts presented after cost allocation.<sup>2</sup> The major increases in revenue and the cost of natural gas purchased relates to seasonal adjustments, primarily due to extremely cold winters. Also, beginning in the fiscal year 2001, the billing base changed from a fixed price for CCF to a spot market gas price plus a city distribution charge.**Data Source:**<sup>3</sup> Applicable years' annual financial report.

Table S-7

**Utility Commission**  
**City of Fort Valley, Georgia**  
**Operating Expenses - By Object**  
**Natural Gas Service**  
**Last Ten Fiscal Years**

Amounts <sup>1, 2</sup>								
Fiscal Year	Personal Services	Purchased Services	Materials and Supplies	Repairs and Maintenance	Gas Purchased	Depreciation	Miscellaneous	Total
2006	\$ 685,637	\$ 398,355	\$ 40,582	\$ 71,856	\$ 5,411,654	\$ 122,690	\$ 47,954	\$ 6,778,728
2007	676,803	460,739	37,160	77,892	4,119,499	118,284	41,441	5,531,818
2008	741,776	426,795	45,380	70,025	4,917,956	115,257	10,481	6,327,670
2009	756,275	467,309	33,649	67,766	3,451,573	113,888	22,481	4,912,940
2010	710,216	375,117	34,414	67,916	3,130,824	126,914	52,651	4,498,053
2011	757,987	436,300	46,865	104,389	2,726,969	138,254	52,986	4,263,750
2012	800,567	449,059	56,209	137,777	1,976,899	139,574	34,143	3,594,229
2013	820,994	362,462	49,586	131,471	2,263,093	136,236	60,699	3,824,541
2014	808,499	415,124	58,221	133,135	2,837,813	121,169	98,556	4,472,517
2015	680,836	412,847	45,247	144,166	1,961,721	124,118	26,971	3,395,906
*	\$ 743,959	\$ 420,411	\$ 44,731	\$ 100,639	\$ 3,279,800	\$ 125,638	\$ 44,836	\$ 4,760,015
**	-0.7%	3.6%	11.5%	100.6%	-63.8%	1.2%	-43.8%	-49.9%
Annual Percentage Change								
2006	3.0%	-0.4%	12.7%	-10.2%	21.6%	3.4%	85.6%	17.3%
2007	-1.3%	15.7%	-8.4%	8.4%	-23.9%	-3.6%	-13.6%	-18.4%
2008	9.6%	-7.4%	22.1%	-10.1%	19.4%	-2.6%	-74.7%	14.4%
2009	2.0%	9.5%	-25.9%	-3.2%	-29.8%	-1.2%	114.5%	-22.4%
2010	-6.1%	-19.7%	2.3%	0.2%	-9.3%	11.4%	134.2%	-8.4%
2011	6.7%	16.3%	36.2%	53.7%	-12.9%	8.9%	0.6%	-5.2%
2012	5.6%	2.9%	19.9%	32.0%	-27.5%	1.0%	-35.6%	-15.7%
2013	2.6%	-19.3%	-11.8%	-4.6%	14.5%	-2.4%	77.8%	6.4%
2014	-1.5%	14.5%	17.4%	1.3%	25.4%	-11.1%	62.4%	16.9%
2015	-15.8%	-0.5%	-22.3%	8.3%	-30.9%	2.4%	-72.6%	-24.1%

\* Dollar average for ten years.

\*\* Percentage change in dollars over ten years.

**Notes:**

<sup>1</sup> Amounts presented after cost allocation.

**Data Source:**

<sup>2</sup> Table S-6.

Table S-8

**Utility Commission**  
**City of Fort Valley, Georgia**  
*Summary of Operating Revenue, Expenses and Operating Income (Loss) <sup>9</sup>*  
*Electric Service*  
*Last Ten Fiscal Years*

Fiscal Year <sup>2</sup>	Operating Revenue <sup>1</sup>		Operating Expenses		Operating Income (Loss)	
	Amount	% Change	Amount	% Change	Amount	% Change
2006	\$ 9,973,653	0.6%	\$ 8,681,682	5.0%	\$ 1,291,971	22.6%
2007 <sup>3</sup>	8,954,698	-10.2%	9,375,892	8.0%	(421,194)	-132.6%
2008 <sup>4</sup>	9,895,391	10.5%	9,545,267	1.8%	350,124	183.1%
2009 <sup>5</sup>	10,200,263	3.1%	9,198,008	-3.6%	1,002,255	186.3%
2010 <sup>6</sup>	11,698,443	14.7%	8,983,009	-2.3%	2,715,434	170.9%
2011	11,639,674	-0.5%	9,970,659	11.0%	1,669,015	-38.5%
2012 <sup>7</sup>	11,966,896	2.8%	11,203,817	12.4%	763,079	-54.3%
2013 <sup>8</sup>	12,427,917	3.9%	11,287,894	0.8%	1,140,023	49.4%
2014	12,630,849	1.6%	11,642,340	3.1%	988,509	-13.3%
2015	12,615,501	-0.1%	11,682,467	0.3%	933,035	-5.6%

**Notes:**

<sup>1</sup> Includes charges for services and miscellaneous revenue.

<sup>2</sup> Beginning in fiscal year 2004, the fiber optic service was allocated to each of the remaining services.

<sup>3</sup> Implemented a "Revenue Neutral Rate Equalization Plan" which resulted in lower user charges for electric services.

<sup>4</sup> Implemented a Power Cost Adjustment equal to \$0.004 per kWh.

<sup>5</sup> Increased the Power Cost Adjustment by \$0.0065 per kWh to \$0.0105 per kWh.

<sup>6</sup> Increased the Power Cost Adjustment by \$0.009 per kWh to \$0.0195 per kWh.

<sup>7</sup> Mid-year rate increase March 1, 2012. Power Cost Adjustment included in new rates.

<sup>8</sup> Fiscal year rate increase across the board effective October 2012.

**Data Source:**

<sup>9</sup> Table S-9

Utility Commission  
 City of Fort Valley, Georgia  
 Electric Services  
 Chart - Operating Revenues and Expenses  
 (in \$1,000)  
 Last Ten Fiscal Years

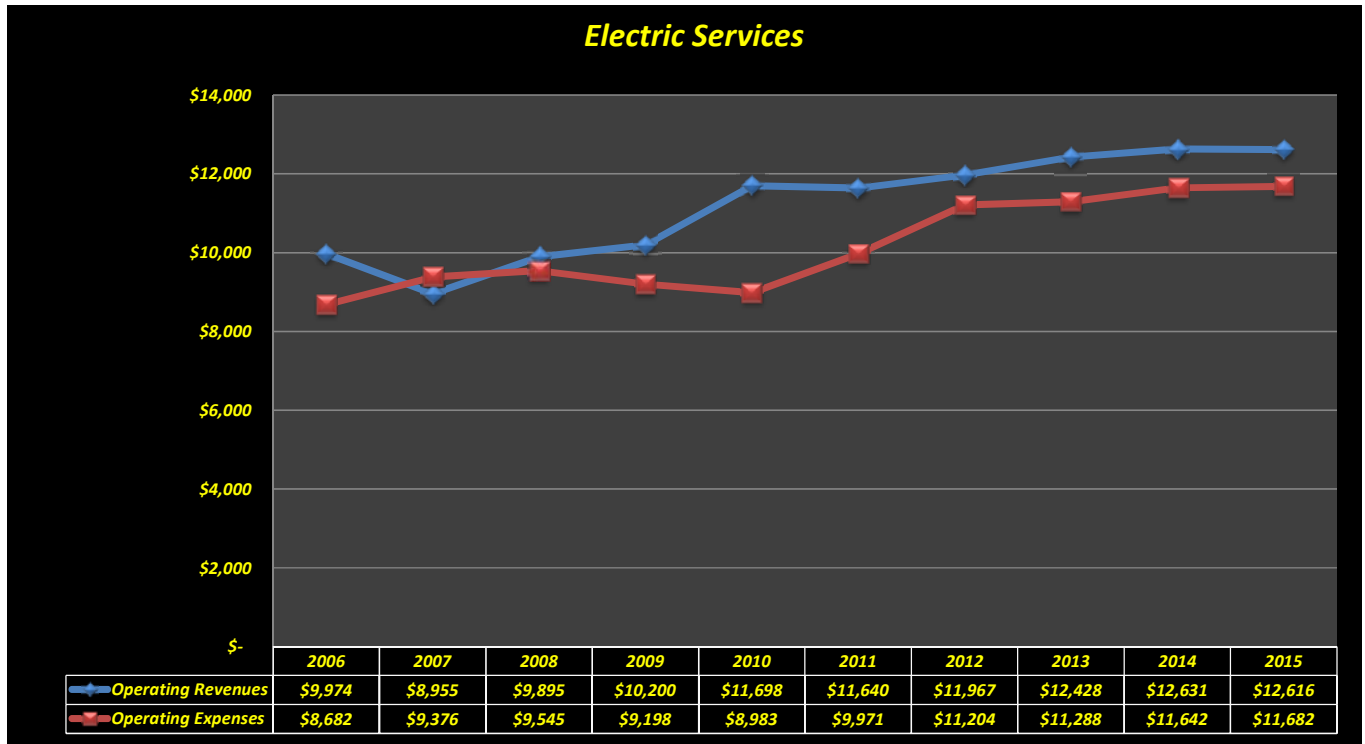


Table S-9

**Utility Commission - City of Fort Valley, Georgia**  
**Detailed Operating Revenues, Expenses and Operating Income (Loss)**  
**Electric Service**  
**Last Ten Fiscal Years**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Amounts <sup>1,2</sup></b>										
<b>Operating Revenues</b>	\$ 9,973,653	\$ 8,954,698	\$ 9,895,391	\$ 10,200,263	\$ 11,698,443	\$ 11,639,674	\$ 11,966,896	\$ 12,427,917	\$ 12,630,849	\$ 12,615,501
<b>Operating Expenses:</b>										
Personal services	892,097	904,099	989,124	1,068,882	1,065,711	1,063,623	1,086,226	1,154,737	1,135,639	966,681
Purchased services	708,620	756,360	727,949	748,625	873,815	916,785	957,993	959,508	981,592	976,193
Materials and supplies	44,201	58,920	68,137	51,412	51,954	74,214	63,764	70,178	77,645	64,612
Repairs and maintenance	94,806	127,357	131,299	148,474	120,357	163,709	135,214	197,312	156,369	158,092
Electric purchased for resale	6,590,410	7,184,423	7,314,199	6,960,776	6,693,486	7,573,134	8,802,401	8,708,725	9,036,228	9,354,234
Depreciation	284,725	286,987	299,955	188,515	104,725	105,770	110,900	113,325	117,347	125,020
Miscellaneous	66,823	57,746	14,604	31,324	72,961	73,424	47,319	84,109	137,520	37,634
<b>Total Operating Expenses</b>	<b>8,681,682</b>	<b>9,375,892</b>	<b>9,545,267</b>	<b>9,198,008</b>	<b>8,983,009</b>	<b>9,970,659</b>	<b>11,203,817</b>	<b>11,287,894</b>	<b>11,642,340</b>	<b>11,682,467</b>
<b>Operating Income (Loss)</b>	<b>\$ 1,291,971</b>	<b>\$ (421,194)</b>	<b>\$ 350,124</b>	<b>\$ 1,002,255</b>	<b>\$ 2,715,434</b>	<b>\$ 1,669,015</b>	<b>\$ 763,079</b>	<b>\$ 1,140,023</b>	<b>\$ 988,509</b>	<b>\$ 933,035</b>
<b>Percentage of Total</b>										
<b>Operating Revenues</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Operating Expenses:</b>										
Personal services	10.3%	9.6%	10.4%	11.6%	11.9%	10.7%	9.7%	10.2%	9.8%	8.3%
Purchased services	8.2%	8.1%	7.6%	8.1%	9.7%	9.2%	8.6%	8.5%	8.4%	8.4%
Materials and supplies	0.5%	0.6%	0.7%	0.6%	0.6%	0.7%	0.6%	0.6%	0.7%	0.6%
Repairs and maintenance	1.1%	1.4%	1.4%	1.6%	1.3%	1.6%	1.2%	1.7%	1.3%	1.4%
Electric purchased for resale	75.9%	76.6%	76.6%	75.7%	74.5%	76.0%	78.6%	77.2%	77.6%	80.1%
Depreciation	3.3%	3.1%	3.1%	2.0%	1.2%	1.1%	1.0%	1.0%	1.0%	1.1%
Miscellaneous	0.8%	0.6%	0.2%	0.3%	0.8%	0.7%	0.4%	0.7%	1.3%	0.4%
<b>Total Operating Expenses</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Operating Income (Loss)</b>										
<b>as a Percentage of</b>										
<b>Operating Revenues</b>	<b>13.0%</b>	<b>-4.7%</b>	<b>3.5%</b>	<b>9.8%</b>	<b>23.2%</b>	<b>14.3%</b>	<b>6.4%</b>	<b>9.2%</b>	<b>7.8%</b>	<b>7.4%</b>

**Notes:**<sup>1</sup> Amounts presented after cost allocation.**Data Source:**<sup>2</sup> Applicable years' annual financial report.



Table S-10

Utility Commission  
City of Fort Valley, Georgia  
Operating Expenses - By Object  
Electric Service  
Last Ten Fiscal Years

Amounts <sup>1, 3</sup>								
Fiscal Year	Personal Services	Purchased Services	Materials and Supplies	Repairs and Maintenance	Electric Purchased	Depreciation	Miscellaneous	Total
2006	\$ 892,097	\$ 708,620	\$ 44,201	\$ 94,806	\$ 6,590,410	\$ 284,725	\$ 66,823	\$ 8,681,683
2007	904,099	756,360	58,920	127,357	7,184,423	286,987	57,746	9,375,892
2008	989,124	727,949	68,137	131,299	7,314,199	299,955	14,604	9,545,266
2009	1,068,882	748,625	51,412	148,474	6,960,776	188,515	31,324	9,198,010
2010 <sup>2</sup>	1,065,711	873,815	51,954	120,357	6,693,486	104,725	72,961	8,983,009
2011	1,063,623	916,785	74,214	163,709	7,573,134	105,770	73,424	9,970,658
2012	1,086,226	957,993	63,764	135,214	8,802,401	110,900	47,319	11,203,818
2013	1,154,737	959,508	70,178	197,312	8,708,725	113,325	84,109	11,287,894
2014	1,135,639	981,592	77,645	156,369	9,036,228	117,347	137,520	11,642,340
2015	966,681	976,193	64,612	158,092	9,354,234	125,020	37,634	11,682,467
*	\$ 1,032,682	\$ 860,744	\$ 62,504	\$ 143,299	\$ 7,821,802	\$ 173,727	\$ 62,346	\$ 10,157,104
**	8.4%	37.8%	46.2%	66.8%	41.9%	-56.1%	-43.7%	34.6%
Annual Percentage Change								
2005	2.4%	-3.1%	133.8%	50.2%	-1.9%	-11.6%	-32.0%	-1.2%
2006	1.3%	6.7%	33.3%	34.3%	9.0%	0.8%	-13.6%	8.0%
2007	9.4%	-3.8%	15.6%	3.1%	1.8%	4.5%	-74.7%	1.8%
2008	8.1%	2.8%	-24.5%	13.1%	-4.8%	-37.2%	114.5%	-3.6%
2009	-0.3%	16.7%	1.1%	-18.9%	-3.8%	-44.4%	132.9%	-2.3%
2010	-0.2%	4.9%	42.8%	36.0%	13.1%	1.0%	0.6%	11.0%
2011	2.1%	4.5%	-14.1%	-17.4%	16.2%	4.9%	-35.6%	12.4%
2012	6.3%	0.2%	10.1%	45.9%	-1.1%	2.2%	77.7%	0.8%
2013	-1.7%	2.3%	10.6%	-20.8%	3.8%	3.5%	63.5%	3.1%
2014	-14.9%	-0.6%	-16.8%	1.1%	3.5%	6.5%	-72.6%	0.3%

\* Dollar average for ten years.

\*\* Percentage change in dollars over ten years.

**Notes:**

<sup>1</sup> Amounts presented after cost allocation.

<sup>2</sup> The decrease in the 2009 depreciation expense is due primarily to the sale of the three-megawatt generator that was not fully depreciated and other infrastructure which became fully depreciated.

**Data Source:**

<sup>3</sup> Table S-9.

Table S-11

**Utility Commission**  
**City of Fort Valley, Georgia**  
**Summary of Operating Revenue, Expenses and Operating Income (Loss) <sup>5</sup>**  
**Water Service**  
**Last Ten Fiscal Years**

Fiscal Year <sup>2</sup>	Operating Revenue <sup>1</sup>		Operating Expenses		Operating Income (Loss)	
	Amount	% Change	Amount	% Change	Amount	% Change
2006	\$ 1,707,218	9.7%	\$ 2,178,846	-1.2%	\$ (471,628)	-68.9%
2007 <sup>3</sup>	2,196,077	28.6%	2,346,005	7.7%	(149,928)	68.2%
2008	2,221,367	1.2%	2,346,005	0.0%	(124,638)	-16.9%
2009	2,221,367	0.0%	2,435,593	3.8%	(214,226)	-71.9%
2010	2,238,516	0.8%	2,568,483	5.5%	(329,967)	-54.0%
2011	2,329,823	4.1%	2,823,162	9.9%	(493,339)	-49.5%
2012	2,359,258	1.3%	2,635,501	-6.6%	(276,243)	44.0%
2013 <sup>4</sup>	2,464,067	4.4%	2,731,262	3.6%	(267,195)	3.3%
2014	2,566,305	4.1%	2,513,818	-8.0%	52,487	119.6%
2015	2,410,875	-6.1%	2,272,207	-9.6%	138,668	164.2%

**Notes:**

<sup>1</sup> Includes charges for services and miscellaneous revenue.

<sup>2</sup> Beginning in fiscal year 2004, the fiber optic service was allocated to each of the remaining services.

<sup>3</sup> Implemented a "Revenue Neutral Rate Equalization Plan" which resulted in higher user charges for water service.

<sup>4</sup> Fiscal year rate increase across the board effective October 2012.

**Data Source:**

<sup>5</sup> Table S-12

Utility Commission  
City of Fort Valley, Georgia  
Water Services  
Chart - Operating Revenues and Expenses  
(in \$1,000)  
Last Ten Fiscal Years

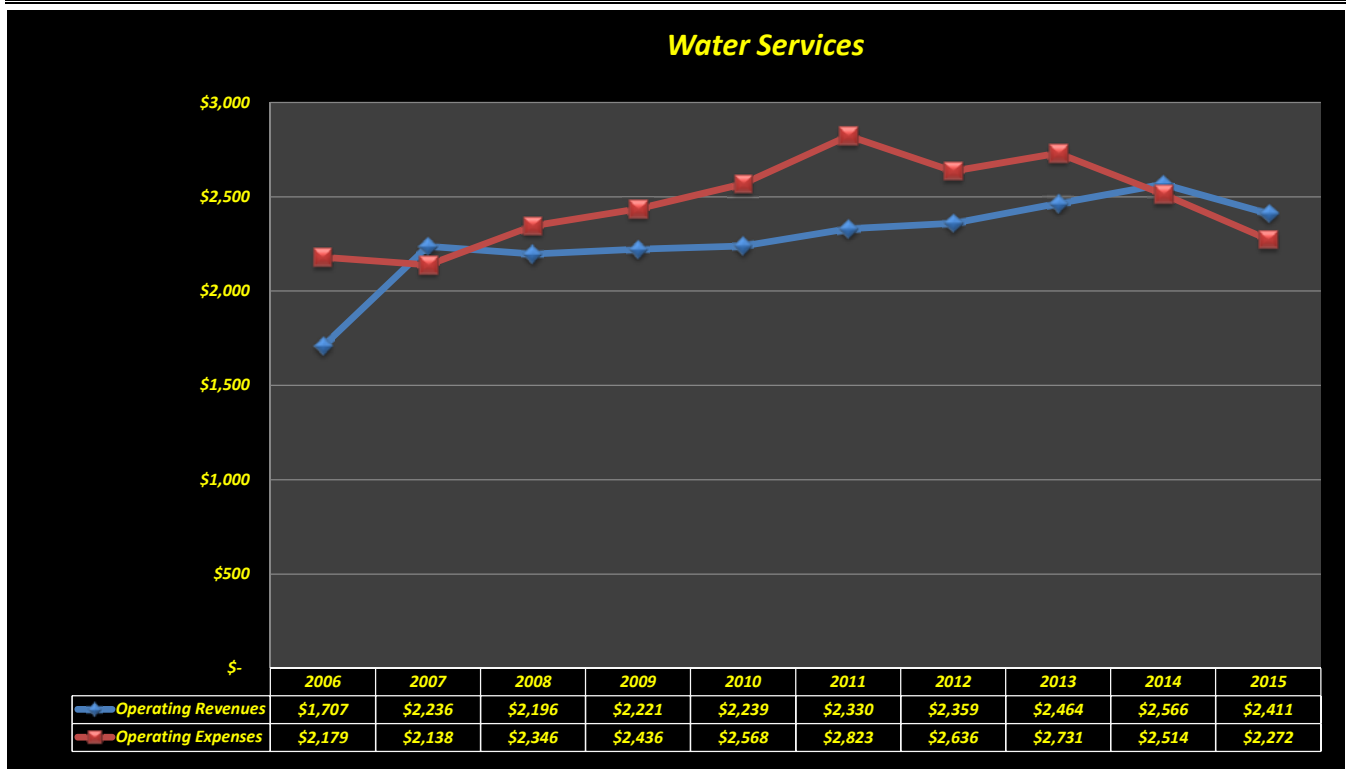


Table S-12

**Utility Commission - City of Fort Valley, Georgia**  
**Detailed Operating Revenues, Expenses and Operating Income (Loss)**  
**Water Service**  
**Last Ten Fiscal Years**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Amounts<sup>1,2,3</sup></b>										
<b>Operating Revenues</b>	\$ 1,707,218	\$ 2,235,606	\$ 2,196,077	\$ 2,221,367	\$ 2,238,516	\$ 2,329,823	\$ 2,359,258	\$ 2,464,067	\$ 2,566,305	\$ 2,410,875
<b>Operating Expenses:</b>										
Personal services	1,036,369	1,036,416	1,133,793	1,233,874	1,293,993	1,326,267	1,362,896	1,404,496	1,363,227	1,213,156
Purchased services	377,624	371,276	437,126	409,833	329,716	357,638	461,906	451,321	391,224	342,002
Materials and supplies	98,629	96,316	124,432	111,795	130,325	178,880	148,498	150,615	158,497	127,147
Repairs and maintenance	189,896	184,000	240,360	268,292	328,335	477,871	318,738	354,351	278,940	377,244
Cost of treated water contra expense	(15,613)	(43,458)	(57,364)	(103,167)	(70,152)	(70,698)	(100,714)	(81,895)	(176,501)	(190,990)
Depreciation	430,035	439,603	454,128	485,947	487,561	484,063	399,618	373,171	368,932	368,209
Miscellaneous	61,906	53,498	13,530	29,019	68,705	69,141	44,559	79,203	129,499	35,439
<b>Total Operating Expenses</b>	<b>2,178,845</b>	<b>2,137,652</b>	<b>2,346,005</b>	<b>2,435,594</b>	<b>2,568,483</b>	<b>2,823,162</b>	<b>2,635,501</b>	<b>2,731,262</b>	<b>2,513,818</b>	<b>2,272,207</b>
<b>Operating Income (Loss)</b>	<b>\$ (471,627)</b>	<b>\$ 97,954</b>	<b>\$ (149,928)</b>	<b>\$ (214,227)</b>	<b>\$ (329,967)</b>	<b>\$ (493,339)</b>	<b>\$ (276,243)</b>	<b>\$ (267,195)</b>	<b>\$ 52,487</b>	<b>\$ 138,668</b>
<b>Percentage of Totals</b>										
<b>Operating Revenues</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Operating Expenses:</b>										
Personal services	47.6%	48.5%	48.3%	50.7%	50.4%	47.0%	51.7%	51.4%	54.2%	53.4%
Purchased services	17.3%	17.4%	18.6%	16.8%	12.8%	12.7%	17.5%	16.5%	15.6%	15.1%
Materials and supplies	4.5%	4.5%	5.3%	4.6%	5.1%	6.3%	5.6%	5.5%	6.3%	5.6%
Repairs and maintenance	8.7%	8.6%	10.2%	11.0%	12.8%	16.9%	12.1%	13.0%	11.1%	16.6%
Cost of treated water contra expense	-0.7%	-2.0%	-2.4%	-4.2%	-2.7%	-2.5%	-3.8%	-3.0%	-7.0%	-8.4%
Depreciation	19.7%	20.6%	19.4%	20.0%	19.0%	17.1%	15.2%	13.7%	14.7%	16.2%
Miscellaneous	2.8%	2.5%	0.6%	1.2%	2.7%	2.4%	1.7%	2.9%	5.2%	1.6%
<b>Total Operating Expenses</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Operating Income (Loss) as a Percentage of Operating Revenues</b>	<b>-27.6%</b>	<b>4.4%</b>	<b>-6.8%</b>	<b>-9.6%</b>	<b>-14.7%</b>	<b>-21.2%</b>	<b>-11.7%</b>	<b>-10.8%</b>	<b>2.0%</b>	<b>5.8%</b>

**Notes:**

<sup>1</sup> Amounts presented after cost allocation.

<sup>2</sup> Beginning in 2004, the fiber optic service was allocated to each of the remaining services.

**Data Source:**

<sup>3</sup> Applicable years' annual financial

Table S-13

Utility Commission  
City of Fort Valley, Georgia  
*Operating Expenses - By Object*  
Water Service  
Last Ten Fiscal Years

Amounts <sup>1, 2</sup>								
Fiscal Year	Personal Services	Purchased Services	Materials and Supplies	Repairs and Maintenance	Treated Water Contra Expense <sup>3</sup>	Depreciation	Miscellaneous	Total
2006	\$ 1,036,369	\$ 377,624	\$ 98,629	\$ 189,896	\$ (15,613)	\$ 430,035	\$ 61,906	\$2,178,845
2007	1,036,416	371,276	96,316	184,000	(43,458)	439,603	53,498	2,137,652
2008	1,133,793	437,126	124,432	240,360	(57,364)	454,128	13,530	2,346,005
2009	1,233,874	409,833	111,795	268,292	(103,167)	485,947	29,019	2,435,594
2010	1,293,993	329,716	130,325	328,335	(70,152)	487,561	68,705	2,568,483
2011	1,326,267	357,638	178,880	477,871	(70,698)	484,063	69,141	2,823,162
2012	1,362,896	461,906	148,498	318,738	(100,714)	399,618	44,559	2,635,501
2013	1,404,496	451,321	150,615	354,351	(81,895)	373,171	79,203	2,731,262
2014	1,363,227	391,224	158,497	278,940	(176,501)	368,932	129,499	2,513,818
2015	1,213,156	342,002	127,147	377,244	(190,990)	368,209	35,439	2,272,207
*	\$ 1,240,449	\$ 392,967	\$ 132,513	\$ 301,803	\$ (79,951)	\$ 435,895	\$ 61,007	\$2,464,253
**	17.1%	-9.4%	28.9%	98.7%	1030.4%	-14.2%	109.2%	4.3%
Annual Percentage Change								
2006	1.1%	0.7%	22.3%	-22.4%	361.3%	2.2%	7.7%	-1.2%
2007	0.0%	-1.7%	-2.3%	-3.1%	178.3%	2.2%	-13.6%	-1.9%
2008	9.4%	17.7%	29.2%	30.6%	32.0%	3.3%	-74.7%	9.7%
2009	8.8%	-6.2%	-10.2%	11.6%	79.8%	7.0%	114.5%	3.8%
2010	4.9%	-19.5%	16.6%	22.4%	-32.0%	0.3%	136.8%	5.5%
2011	2.5%	8.5%	37.3%	45.5%	0.8%	-0.7%	0.6%	9.9%
2012	2.8%	29.2%	-17.0%	-33.3%	42.5%	-17.4%	-35.6%	-6.6%
2013	3.1%	-2.3%	1.4%	11.2%	-18.7%	-6.6%	77.7%	3.6%
2014	-2.9%	-13.3%	5.2%	-21.3%	115.5%	-1.1%	63.5%	-8.0%
2015	-11.0%	-12.6%	-19.8%	35.2%	8.2%	-0.2%	-72.6%	-9.6%

\* Dollar average for ten years.

\*\* Percentage change in dollars over ten years.

**Notes:**

<sup>1</sup> Amounts presented after cost allocation.

<sup>3</sup> FYE 2014 \$(176,501) is due to maintaining lift station flows on SR #96.

**Data Source:**

<sup>2</sup> Table S-12.

Table S-14

**Utility Commission**  
**City of Fort Valley, Georgia**  
*Summary of Operating Revenue, Expenses and Operating Income (Loss)* <sup>5</sup>  
**Sewer Service**  
**Last Ten Fiscal Years**

Fiscal Year <sup>2</sup>	Operating Revenue <sup>1</sup>		Operating Expenses		Operating Income (Loss)	
	Amount	% Change	Amount	% Change	Amount	% Change
2006	\$ 1,202,865	-5.4%	\$ 1,685,101	-1.3%	\$ (482,236)	-12.0%
2007 <sup>3</sup>	1,667,192	38.6%	1,767,738	4.9%	(100,547)	79.1%
2008	1,701,910	2.1%	1,845,990	4.4%	(144,080)	-43.3%
2009	1,767,194	3.8%	2,015,644	9.2%	(248,450)	-72.4%
2010	1,737,756	-1.7%	2,223,661	10.3%	(485,905)	-95.6%
2011	1,879,564	8.2%	2,323,030	4.5%	(443,466)	8.7%
2012	1,865,020	-0.8%	2,329,715	0.3%	(464,695)	-4.8%
2013 <sup>4</sup>	2,152,919	15.4%	2,447,054	5.0%	(294,135)	36.7%
2014	2,156,990	0.2%	2,677,949	9.4%	(520,959)	-77.1%
2015	2,000,699	-7.2%	2,468,396	-7.8%	(467,697)	10.2%

**Notes:**

<sup>1</sup> Includes charges for services and miscellaneous revenue.

<sup>2</sup> Beginning in fiscal year 2004, the fiber optic service was allocated to each of the remaining services.

<sup>3</sup> Implemented a "Revenue Neutral Rate Equalization Plan" which resulted in higher user charges for sewer service.

<sup>4</sup> Fiscal year rate increase across the board effective October 2012.

**Data Source:**

<sup>5</sup> Table S-15

Utility Commission  
City of Fort Valley, Georgia  
Sewer Services  
Chart - Operating Revenues and Expenses  
(in \$1,000)  
Last Ten Fiscal Years

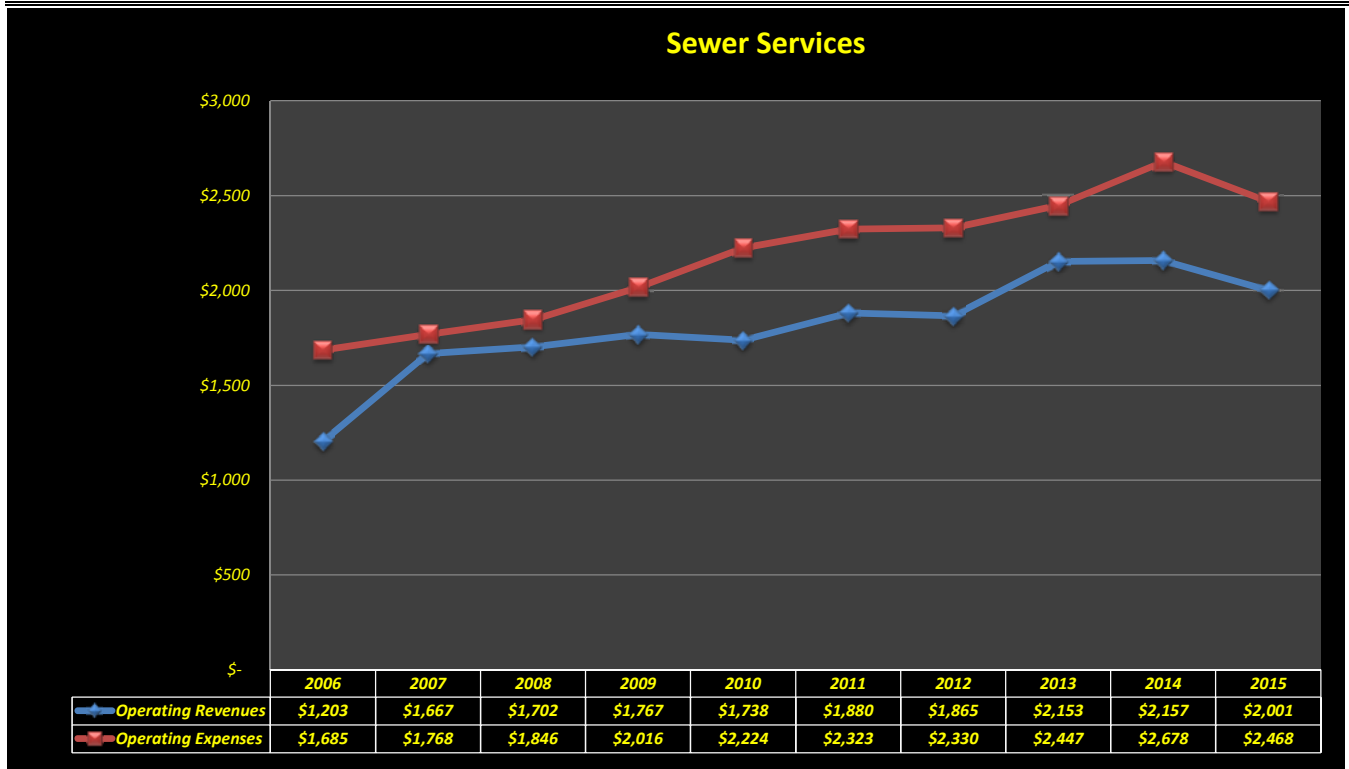


Table S-15

Utility Commission - City of Fort Valley, Georgia  
Detailed Operating Revenues, Expenses and Operating Income (Loss)  
Sewer Service  
Last Ten Fiscal Years

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Amounts <sup>1,2,3</sup>										
<b>Operating Revenues</b>	\$ 1,202,865	\$ 1,667,192	\$ 1,701,910	\$ 1,767,194	\$ 1,737,756	\$ 1,879,564	\$ 1,865,020	\$ 2,152,919	\$ 2,156,990	\$ 2,000,699
<b>Operating Expenses:</b>										
Personal services	783,332	814,717	872,630	923,452	1,033,815	1,057,728	1,045,589	1,109,849	1,125,247	985,906
Purchased services	319,158	369,272	408,998	474,570	412,566	338,495	321,273	328,171	456,500	430,194
Materials and supplies	158,359	150,876	167,858	186,780	202,602	216,541	249,760	265,849	271,362	233,187
Repairs and maintenance	180,731	188,671	181,427	192,042	163,147	155,985	171,823	174,516	195,875	245,505
Cost of treated sewer contra expense	(12,481)	(11,914)	(6,743)	(8,661)	33,188	30,164	30,844	33,360	45,120	45,542
Depreciation	212,258	218,314	212,260	226,956	329,461	474,925	478,724	478,956	491,019	502,659
Miscellaneous	43,744	37,802	9,560	20,505	48,882	49,192	31,702	56,353	92,826	25,403
<b>Total Operating Expenses</b>	<b>1,685,100</b>	<b>1,767,739</b>	<b>1,845,990</b>	<b>2,015,644</b>	<b>2,223,661</b>	<b>2,323,030</b>	<b>2,329,715</b>	<b>2,447,054</b>	<b>2,677,949</b>	<b>2,468,396</b>
<b>Operating Income (Loss)</b>	<b>\$ (482,235)</b>	<b>\$ (100,547)</b>	<b>\$ (144,080)</b>	<b>\$ (248,450)</b>	<b>\$ (485,905)</b>	<b>\$ (443,465)</b>	<b>\$ (464,696)</b>	<b>\$ (294,135)</b>	<b>\$ (520,959)</b>	<b>\$ (467,697)</b>
Annual Percentage Change										
<b>Operating Revenues</b>	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
<b>Operating Expenses:</b>										
Personal services	46.5%	46.1%	47.3%	45.8%	46.5%	45.5%	44.9%	45.4%	42.0%	39.9%
Purchased services	18.9%	20.9%	22.2%	23.5%	18.6%	14.6%	13.8%	13.4%	17.0%	17.4%
Materials and supplies	9.4%	8.5%	9.1%	9.3%	9.1%	9.3%	10.7%	10.9%	10.1%	9.4%
Repairs and maintenance	10.7%	10.7%	9.8%	9.5%	7.3%	6.7%	7.4%	7.1%	7.3%	9.9%
Cost of treated sewer contra expense	-0.7%	-0.7%	-0.4%	-0.4%	1.5%	1.3%	1.3%	1.4%	1.7%	1.8%
Depreciation	12.6%	12.3%	11.5%	11.3%	14.8%	20.4%	20.5%	19.6%	18.3%	20.4%
Miscellaneous	2.6%	2.1%	0.5%	1.0%	2.2%	2.2%	1.5%	2.4%	3.4%	1.0%
<b>Total Operating Expenses</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.1%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Operating Income (Loss) as a Percentage of Operating Revenues</b>	<b>-40.1%</b>	<b>-6.0%</b>	<b>-8.5%</b>	<b>-14.1%</b>	<b>-28.0%</b>	<b>-23.6%</b>	<b>-24.9%</b>	<b>-13.7%</b>	<b>-24.2%</b>	<b>-23.4%</b>

**Notes:**<sup>1</sup> Amounts presented after cost allocation.<sup>2</sup> Beginning in fiscal year 2004, the fiber optic service was allocated to each of the remaining services.**Data Source:**<sup>3</sup> Applicable years' annual financial report.



Table S-16

Utility Commission  
City of Fort Valley, Georgia  
*Operating Expenses - By Object*  
Sewer Service  
Last Ten Fiscal Years

Amounts <sup>1, 2</sup>								
Fiscal Year	Personal Services	Purchased Services	Materials and Supplies	Repairs and Maintenance	Treated Sewer Contra Expense	Depreciation	Miscellaneous	Total
2006	\$ 783,332	\$ 319,158	\$ 158,359	\$ 180,731	\$ (12,481)	\$ 212,258	\$ 43,744	\$ 1,685,100
2007	814,717	369,272	150,876	188,671	(11,914)	218,314	37,802	1,767,739
2008	872,630	408,998	167,858	181,427	(6,743)	212,260	9,560	1,845,990
2009	923,452	474,570	186,780	192,042	(8,661)	226,956	20,505	2,015,644
2010	1,033,815	412,566	202,602	163,147	33,188	329,461	48,882	2,223,661
2011	1,057,728	338,495	216,541	155,985	30,164	474,925	49,192	2,323,030
2012	1,045,589	321,273	249,760	171,823	30,844	478,724	31,702	2,329,714
2013	1,109,849	328,171	265,849	174,516	33,360	478,956	56,353	2,447,053
2014	1,125,247	456,500	271,362	195,875	45,120	491,019	92,826	2,677,949
2015	985,906	430,194	233,187	245,505	45,542	502,659	25,403	2,468,396
*	\$ 975,226	\$ 385,920	\$ 210,317	\$ 184,972	\$ 17,842	\$ 362,553	\$ 41,597	\$ 2,178,427
**	25.9%	34.8%	47.3%	35.8%	464.9%	136.8%	-41.9%	46.5%
Annual Percentage Change								
2006	7.9%	6.5%	14.7%	5.6%	50.7%	6.2%	85.6%	8.7%
2007	4.0%	15.7%	-4.7%	4.4%	-4.5%	2.9%	-13.6%	4.9%
2008	7.1%	10.8%	11.3%	-3.8%	-43.4%	-2.8%	-74.7%	4.4%
2009	5.8%	16.0%	11.3%	5.9%	28.4%	6.9%	114.5%	9.2%
2010	12.0%	-13.1%	8.5%	-15.0%	483.2%	45.2%	138.4%	10.3%
2011	2.3%	-18.0%	6.9%	-4.4%	9.1%	44.2%	0.6%	4.5%
2012	-1.1%	-5.1%	15.3%	10.2%	2.3%	0.8%	-35.6%	0.3%
2013	6.1%	2.1%	6.4%	1.6%	8.2%	0.0%	77.8%	5.0%
2014	1.4%	39.1%	2.1%	12.2%	35.3%	2.5%	64.7%	9.4%
2015	-12.4%	-5.8%	-14.1%	25.3%	0.9%	2.4%	-72.6%	-7.8%

\* Dollar average for ten years.

\*\* Percentage change in dollars over ten years.

**Notes:**

<sup>1</sup> Amounts presented after cost allocation.

**Data Source:**

<sup>2</sup> Table S-15.

Table S-17

**Utility Commission**  
**City of Fort Valley, Georgia**  
*Net Position by Component - All Services <sup>1</sup>*  
*Last Ten Fiscal Years*

	September 30, 2006	September 30, 2007	September 30, 2008	September 30, 2009	September 30, 2010
<b>Amounts <sup>2</sup></b>					
<b>Net Position Components</b>					
Net investment in capital assets	\$ 14,127,148	\$ 14,611,182	\$ 15,313,192	\$ 24,185,587	\$ 24,499,732
Restricted	-	-	1,578,697	16,000	184,107
Unrestricted	10,052,410	9,947,118	8,622,877	8,955,736	10,682,164
<b>Total Net Position</b>	<b>\$ 24,179,558</b>	<b>\$ 24,558,300</b>	<b>\$ 25,514,766</b>	<b>\$ 33,157,323</b>	<b>\$ 35,366,004</b>
<b>Percentage of Total</b>					
<b>Net Position Components</b>					
Net investment in capital assets	58.4%	59.5%	60.0%	72.9%	69.3%
Restricted	0.0%	0.0%	6.2%	0.0%	0.5%
Unrestricted	41.6%	40.5%	33.8%	27.0%	30.2%
<b>Total Net Position</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>99.9%</b>
	September 30, 2011	September 30, 2012	September 30, 2013	September 30, 2014	September 30, 2015
<b>Amounts <sup>2</sup></b>					
<b>Net Position Components</b>					
Net investment in capital assets	\$ 24,644,448	\$ 24,440,922	\$ 24,167,429	\$ 24,629,201	\$ 27,873,499
Restricted	405,020	561,130	2,558,901	2,835,546	3,089,084
Unrestricted	11,086,480	11,228,558	10,387,472	10,710,866	9,329,472
<b>Total Net Position</b>	<b>\$ 36,135,948</b>	<b>\$ 36,230,609</b>	<b>\$ 37,113,802</b>	<b>\$ 38,175,613</b>	<b>\$ 40,292,055</b>
<b>Percentage of Total</b>					
<b>Net Position Components</b>					
Net investment in capital assets	68.2%	67.5%	65.1%	64.5%	69.2%
Restricted	1.1%	1.5%	6.9%	7.4%	7.7%
Unrestricted	30.7%	31.0%	28.0%	28.1%	23.2%
<b>Total Net Position</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

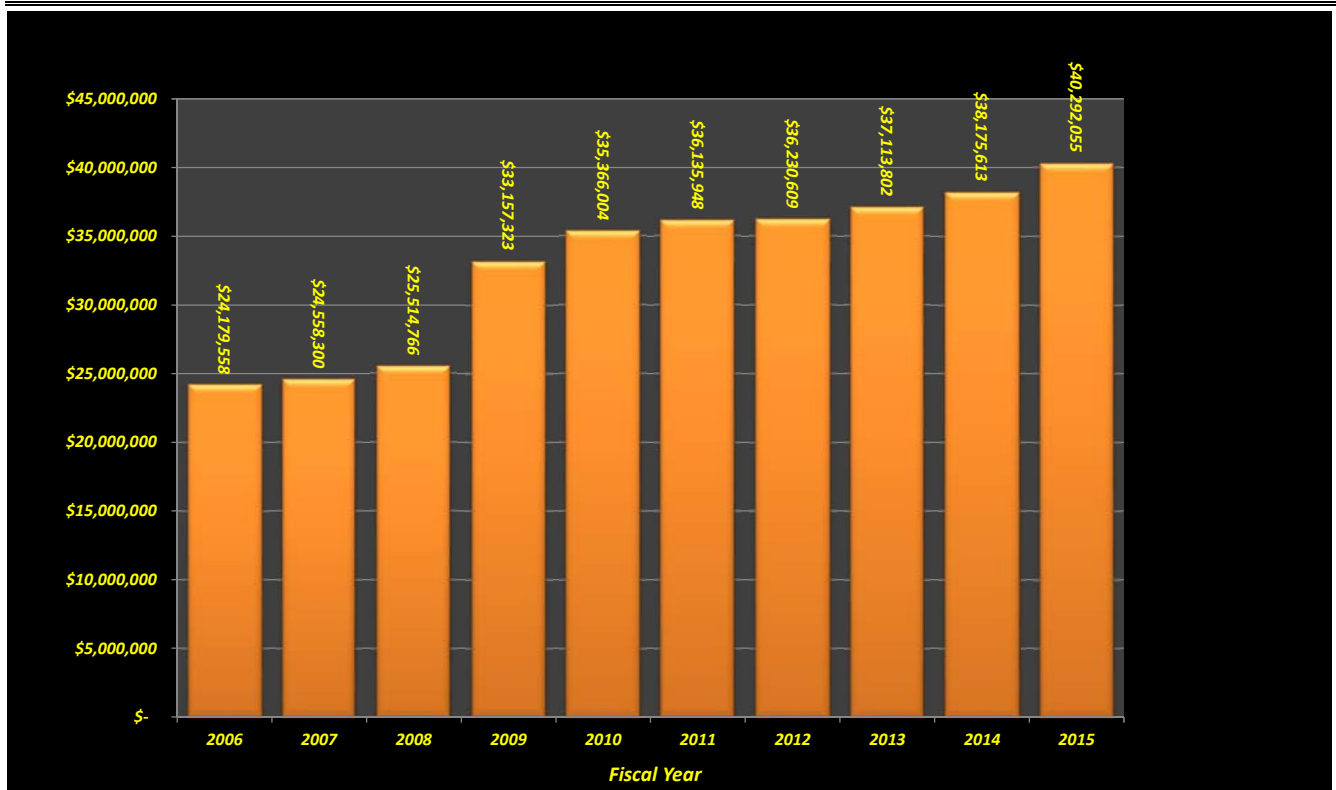
**Notes:**

<sup>1</sup> Accounting standards require that net position be reported in three components in the financial statements: net investment in capital assets; restricted; and unrestricted. Net position is considered restricted only when (1) an external party, such as the State of Georgia or the federal government, places a restriction on how the resources may be used, or (2) enabling legislation is enacted by the Utility Commission.

**Data Source:**

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

Utility Commission  
City of Fort Valley, Georgia  
Chart-Total Net Position  
Last Ten Fiscal Years



TAB #5

Revenue Capacity

(Unaudited)

Table S-18

**Utility Commission**  
**City of Fort Valley, Georgia**  
**Consumption Billed <sup>1</sup>**  
**By Service**  
**Last Ten Fiscal Years**

Fiscal Year	Natural Gas		Electric		Water		Sewer	
	Cubic Feet	% Change	kWh	% Change	Gallons	% Change	Gallons <sup>2</sup>	% Change
2006	471,704,900	-4.7%	129,185,539	4.0%	491,383,500	9.4%	345,513,000	-32.0%
2007	478,204,800	1.4%	127,834,705	-1.0%	526,668,750	7.2%	263,665,500	-23.7%
2008	482,349,900	0.9%	130,967,821	2.5%	513,293,250	-2.5%	265,314,750	0.6%
2009	481,717,300	-0.1%	123,525,369	-5.7%	529,012,500	3.1%	274,432,500	3.4%
2010	474,495,400	-1.5%	126,757,995	2.6%	537,182,250	1.5%	267,770,250	-2.4%
2011	425,080,700	-10.4%	126,671,647	-0.1%	533,728,500	-0.6%	277,027,500	3.5%
2012	344,838,100	-18.9%	116,826,660	-7.8%	546,834,000	2.5%	270,162,000	-2.5%
2013	407,096,300	18.1%	121,198,809	3.7%	477,910,500	-12.6%	284,604,000	5.3%
2014	439,949,800	8.1%	120,435,659	-0.6%	492,803,250	3.1%	276,865,500	-2.7%
2015	429,268,000	-2.4%	122,058,556	1.3%	461,117,250	-6.4%	252,750,750	-8.7%

**Notes:**

2011 and 2012 - Short and warm winter seasons for Natural Gas.

**Data Source:**

<sup>1</sup> Utility Commission's billing department.

<sup>2</sup> From May - October in fiscal years 2007 - 2015 the consumption billed was capped.

Table S-19

Utility Commission  
City of Fort Valley, Georgia  
Natural Gas Service Rates <sup>1, 4</sup>  
Last Ten Fiscal Years

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>General Service:</b>										
Base Charge	\$ 8.000	\$ 12.000	\$ 12.000	\$ 12.000	\$ 12.000	\$ 12.000	\$ 12.000	\$ 12.000	\$ 12.000	\$ 12.000
Spot market natural gas price	Note #3	Note #3	Note #3	Note #3	Note #3	Note #3	Note #3	Note #3	Note #3	Note #3
City distribution charge <sup>2</sup>										
Winter	0.25000	0.25000	0.25000	0.27000	0.28000	0.28000	0.28000	0.31000	0.31000	0.31000
Summer	0.50000	0.50000	0.50000	0.53000	0.54000	0.54000	0.54000	0.54000	0.54000	0.54000
<b>Interruptible Gas Service:</b>										
Spot market natural gas price	Note #3	Note #3	Note #3	Note #3	Note #3	Note #3	Note #3	Note #3	Note #3	Note #3
Commission distribution charge:										
First 1000 Mcf	1.4900	1.4900	1.4900	1.5800	1.6100	1.6100	1.6100	1.6100	1.6100	1.6100
Next 3000 Mcf	1.2400	1.2400	1.2400	1.3100	1.3400	1.3400	1.3400	1.3400	1.3400	1.3400
Next 6000 Mcf	0.9900	0.9900	0.9900	1.0500	1.0700	1.0700	1.0700	1.0700	1.0700	1.0700
Over 10,000 Mcf	0.8900	0.8900	0.8900	0.9400	0.9600	0.9600	0.9600	0.9600	0.9600	0.9600

**Notes:**

<sup>1</sup> Rates presented as of September 30 of the applicable year.

<sup>2</sup> Beginning in fiscal year 2004, the distribution charge varied for summer and winter seasons.

<sup>3</sup> The Spot Market Natural Gas Price of Natural Gas is the wholesale cost of gas. This price changes monthly.

**Data Source:**

<sup>4</sup> Utility Commission's rate and connection fee book.

Table S-20

**Utility Commission**  
**City of Fort Valley, Georgia**  
**Electric Service Rates <sup>1,4</sup>**  
**Last Ten Fiscal Years**

	2006	2007 <sup>2</sup>	2008	2009	2010	2011	2012 <sup>3</sup>	2013 <sup>5</sup>	2014	2015
<b>Residential:</b>										
Winter Rates:										
Base Charge	\$ 8.50000	\$ 7.00000	\$ 7.00000	\$ 7.00000	\$ 7.00000	\$ 7.00000	\$ 9.50000	\$ 9.50000	\$ 9.50000	\$ 9.50000
First 650 kWh	0.06472	0.05200	0.05200	0.05200	0.05200	0.05200	0.07600	0.08090	0.08090	0.08090
Next 350 kWh	0.05794	0.04800	0.04800	0.04800	0.04800	0.04800	0.07200	0.07690	0.07690	0.07690
Over 1000 kWh	0.05730	0.04400	0.04400	0.04400	0.04400	0.04400	0.06800	0.07290	0.07290	0.07290
Summer Rates:										
Base Charge	8.50000	7.00000	7.00000	7.00000	7.00000	7.00000	9.50000	9.50000	9.50000	9.50000
First 650 kWh	0.05863	0.05200	0.05200	0.05200	0.05200	0.05200	0.07600	0.08090	0.08090	0.08090
Next 350 kWh	0.08942	0.06000	0.06000	0.06000	0.06000	0.06000	0.09600	0.10090	0.10090	0.10090
Over 1000 kWh	0.09213	0.06800	0.06800	0.06800	0.06800	0.06800	0.10400	0.10890	0.10890	0.10890
<b>Small Commercial:</b>										
Winter Rates:										
Base Charge	-	-	-	-	-	-	16.00000	16.00000	16.00000	16.00000
All kWh	-	-	-	-	-	-	0.13500	0.13990	0.13990	0.13990
Summer Rates:										
Base Charge	-	-	-	-	-	-	16.00000	16.490	16.490	16.490
All kWh	-	-	-	-	-	-	0.16000	0.16490	0.16490	0.16490
First 25 kWh	17.00000	15.00000	15.00000	15.00000	15.00000	15.00000	-	-	-	-
Next 475 kWh	0.12120	0.12000	0.12000	0.12000	0.12000	0.12000	-	-	-	-
Next 1000 kWh	0.11220	0.11200	0.11200	0.11200	0.11200	0.11200	-	-	-	-
Next 8500 kWh	0.10840	0.10800	0.10800	0.10800	0.10800	0.10800	-	-	-	-
All over 10000 kWh	0.09840	0.09800	0.09800	0.09800	0.09800	0.09800	-	-	-	-
<b>Commercial:</b>										
Base charge	19.50000	25.00000	25.00000	25.00000	25.00000	25.00000	35.00000	35.00000	35.00000	35.00000
First 200 X KW:										
First 3000 kWh	0.13219	0.13000	0.13000	0.13000	0.13000	0.13000	0.15000	0.15490	0.15490	0.15490
Next 7000 kWh	0.12262	0.12200	0.12200	0.12200	0.12200	0.12200	0.14000	0.14490	0.14490	0.14490
Next 190000 kWh	0.10804	0.10800	0.10800	0.10800	0.10800	0.10800	0.13000	0.13490	0.13490	0.13490
Over 200000 kWh	0.08778	0.08700	0.08700	0.08700	0.08700	0.08700	0.12000	0.12490	0.12490	0.12490
Next 200 X KW	0.02940	0.02900	0.02900	0.02900	0.02900	0.02900	0.06000	0.06490	0.06490	0.06490
Next 200 X KW	0.02652	0.02600	0.02600	0.02600	0.02600	0.02600	0.05600	0.06090	0.06090	0.06090
Over 600 X KW	0.02543	0.02500	0.02500	0.02500	0.02500	0.02500	0.05200	0.05690	0.05690	0.05690
<b>Institutional:</b>										
Base Charge		25.00000	25.00000	25.00000	25.00000	25.00000	33.25000	33.25000	33.25000	33.25000
First 200 X KW:										
First 3000 kWh		0.12000	0.12000	0.12000	0.12000	0.12000	0.14250	0.14740	0.14740	0.14740
Next 7000 kWh		0.11600	0.11600	0.11600	0.11600	0.11600	0.13300	0.13790	0.13790	0.13790
Next 190000 kWh		0.10200	0.10200	0.10200	0.10200	0.10200	0.12350	0.12840	0.12840	0.12840
Over 200000 kWh		0.08300	0.08300	0.08300	0.08300	0.08300	0.11400	0.11890	0.11890	0.11890
Next 200 X KW		0.02700	0.02700	0.02700	0.02700	0.02700	0.05700	0.06190	0.06190	0.06190
Next 200 X KW		0.02500	0.02500	0.02500	0.02500	0.02500	0.05320	0.05810	0.05810	0.05810
Over 600 X KW		0.02400	0.02400	0.02400	0.02400	0.02400	0.04940	0.05430	0.05430	0.05430
<b>Industrial Small/Large Power:</b>										
Base Charge		50.00000	50.00000	50.00000	50.00000	50.00000	50.00000	50.00000	50.00000	50.00000
First 200 X KW:										
First 3000 kWh		0.13000	0.13000	0.13000	0.13000	0.13000	0.15000	0.15490	0.15490	0.15490
Next 7000 kWh		0.11500	0.11500	0.11500	0.11500	0.11500	0.14000	0.14490	0.14490	0.14490
Next 190000 kWh		0.10200	0.10200	0.10200	0.10200	0.10200	0.13000	0.13490	0.13490	0.13490
Over 200000 kWh		0.05300	0.05300	0.05300	0.05300	0.05300	0.07500	0.07990	0.07990	0.07990
Next 200 X KW		0.03500	0.03500	0.03500	0.03500	0.03500	0.06000	0.06490	0.06490	0.06490
Next 200 X KW		0.03100	0.03100	0.03100	0.03100	0.03100	0.05600	0.06090	0.06090	0.06090
Over 600 X KW		0.02700	0.02700	0.02700	0.02700	0.02700	0.05200	0.05690	0.05690	0.05690
<b>Seasonal Power:</b>										
Base Charge		25.00000	25.00000	25.00000	25.00000	25.00000	-	-	-	-
First 200 X KW:										
First 3000 kWh		0.13000	0.13000	0.13000	0.13000	0.13000	-	-	-	-
Next 7000 kWh		0.12200	0.12200	0.12200	0.12200	0.12200	-	-	-	-
Next 190000 kWh		0.10800	0.10800	0.10800	0.10800	0.10800	-	-	-	-
Over 200000 kWh		0.08700	0.08700	0.08700	0.08700	0.08700	-	-	-	-
Next 200 X KW		0.02900	0.02900	0.02900	0.02900	0.02900	-	-	-	-
Next 200 X KW		0.02600	0.02600	0.02600	0.02600	0.02600	-	-	-	-
Over 600 X KW		0.02500	0.02500	0.02500	0.02500	0.02500	-	-	-	-
<b>Power Cost Adjustment</b>										
Per kWh		-	0.00400	0.01050	0.01950	0.01950	-	-	-	-

**Notes:**

<sup>1</sup> Rates presented as of September 30 of the applicable year.

<sup>2</sup> Implemented a "Revenue Neutral Rate Equalization Plan" which resulted in lower user rates for electric

<sup>3</sup> During this fiscal year, there were two rate adjustments, October 1, 2011 and March 1, 2012. With the latter rate change, the seasonal power rate customers are incorporated into small commercial customers.

<sup>5</sup> Cost of Service Study implemented October 1, 2012.

**Data Source:**

<sup>4</sup> Utility Commission's rate and connection fee book.

Table S-21

Utility Commission  
City of Fort Valley, Georgia  
Water Service Rates <sup>1, 2, 4</sup>  
Last Ten Fiscal Years

	2006	2007	2008	2009	2010	2011	2012	2013 <sup>3</sup>	2014	2015
Inside city:										
Minimum charge	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.30	\$ 10.30	\$ 10.30	\$ 10.30	\$ 12.30	\$ 12.30	\$ 12.30
All CCF	1.7140	-	-	-	-	-	-	-	-	-
0 - 6 CCF	-	2.30000	2.30000	2.37000	2.37000	2.37000	2.37000	2.61000	2.61000	2.61000
Over 6 - 12 CCF	-	2.50000	2.50000	2.58000	2.58000	2.58000	2.58000	3.39000	3.39000	3.39000
Over 12 CCF	-	2.50000	2.50000	2.58000	2.58000	2.58000	2.58000	3.65000	3.65000	3.65000
Outside city:										
Minimum charge	\$ 12.75	\$ 10.00	\$ 10.00	\$ 10.30	\$ 10.30	\$ 10.30	\$ 10.30	\$ 12.30	\$ 12.30	\$ 12.30
All CCF	1.7140	-	-	-	-	-	-	-	-	-
0 - 6 CCF	-	2.30000	2.30000	2.37000	2.37000	2.37000	2.37000	2.61000	2.61000	2.61000
Over 6 - 12 CCF	-	2.50000	2.50000	2.58000	2.58000	2.58000	2.58000	3.39000	3.39000	3.39000
Over 12 CCF	-	2.50000	2.50000	2.58000	2.58000	2.58000	2.58000	3.65000	3.65000	3.65000
Direct cost	-	-	-	-	-	-	-	-	-	-

**Notes:**<sup>1</sup> Rates presented as of September 30 of the applicable year.<sup>2</sup> In fiscal year 2001, the rate schedule was changed to a standard charge for CCF.<sup>3</sup> Cost of Service Study implemented October 1, 2012.**Data Source:**<sup>4</sup> Utility Commission's rate and connection fee book.



Table S-22

**Utility Commission**  
**City of Fort Valley, Georgia**  
**Sewer Service Rates <sup>1, 3</sup>**  
**Last Ten Fiscal Years**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Monthly Rate:					
Inside city:					
Capacity charge	\$ 6.200	\$ 10.000	\$ 10.000	\$ 10.300	\$ 10.300
Commodity charge	2.204	-	-	-	-
0 - 6 ccf (80% Water ccf)	-	3.500	3.500	3.610	3.610
6 - 12 ccf (80% Water ccf)	-	3.900	3.900	4.020	4.020
Over 12 ccf (80% Water ccf)	-	3.900	3.900	4.020	4.020
Outside city:					
Capacity charge	7.200	10.000	10.000	10.300	10.300
Commodity charge	2.204	-	-	-	-
0 - 6 ccf (80% Water ccf)	-	3.500	3.500	3.610	3.610
6 - 12 ccf (80% Water ccf)	-	3.900	3.900	4.020	4.020
Over 12 ccf (80% Water ccf)		3.900	3.900	4.020	4.020
	<u>2011</u>	<u>2012</u>	<u>2013 <sup>2, 4</sup></u>	<u>2014</u>	<u>2015</u>
Monthly Rate:					
Inside city:					
Capacity charge	\$ 10.300	\$ 10.300	\$ 12.300	\$ 12.300	\$ 12.300
Commodity charge	-	-	-	-	-
0 - 6 ccf (80% Water ccf)	3.610	3.610	4.000	4.000	4.000
6 - 12 ccf (80% Water ccf)	4.020	4.020	4.800	4.800	4.800
Over 12 ccf (80% Water ccf)	4.020	4.020	5.200	5.200	5.200
Outside city:					
Capacity charge	10.300	10.300	12.300	12.300	12.300
Commodity charge	-	-	-	-	-
0 - 6 ccf (80% Water ccf)	3.610	3.610	4.000	4.000	4.000
6 - 12 ccf (80% Water ccf)	4.020	4.020	4.800	4.800	4.800
Over 12 ccf (80% Water ccf)	4.020	4.020	5.200	5.200	5.200

**Notes:**<sup>1</sup> Rates presented as of September 30 of the applicable year.<sup>2</sup> 90% of Water ccf; 125% Cap Effective November 2012.<sup>4</sup> Cost of Service Study implemented October 1, 2012.**Data Source:**<sup>3</sup> Utility Commission's rate and connection fee book.

Table S-23

**Utility Commission**  
**City of Fort Valley, Georgia**  
*Number of Customer Accounts at Year-end <sup>1</sup>*  
*By Service*  
*Last Ten Fiscal Years*

Fiscal Year	Natural Gas		Electric		Water		Sewer		Total	
	Number	% Change	Number	% Change	Number	% Change	Number	% Change	Number	% Change
2006	3,355	-1.2%	4,709	0.1%	4,489	0.8%	3,057	-1.6%	15,610	-0.3%
2007	3,266	-2.7%	4,690	-0.4%	4,511	0.5%	3,034	-0.8%	15,501	-0.7%
2008	3,256	-0.3%	4,683	-0.1%	4,572	1.4%	3,049	0.5%	15,560	0.4%
2009	3,189	-2.1%	4,806	2.6%	4,614	0.9%	3,084	1.1%	15,693	0.9%
2010	3,151	-1.2%	4,803	-0.1%	4,618	0.1%	3,081	-0.1%	15,653	-0.3%
2011	3,101	-1.6%	4,738	-1.4%	4,577	-0.9%	3,037	-1.4%	15,453	-1.3%
2012	3,019	-2.6%	4,659	-1.7%	4,512	-1.4%	2,975	-2.0%	15,165	-1.9%
2013	3,002	-0.6%	4,680	0.5%	4,558	1.0%	3,016	1.4%	15,256	0.6%
2014	2,941	-2.0%	4,634	-1.0%	4,541	-0.4%	2,983	-1.1%	15,099	-1.0%
2015	2,924	-0.6%	4,654	0.4%	4,505	-0.8%	3,032	1.6%	15,115	0.1%

**Data Source:**

<sup>1</sup> Utility Commission's billing department.

*Utility Commission  
City of Fort Valley, Georgia  
Ten Largest Customers - Natural Gas Service <sup>1</sup>  
Fiscal Years 2006 & 2015*

Fiscal Year 2006					Fiscal Year 2015				
Rank	Customer	Consumption Cubic Feet	Amount <sup>2</sup>	Dollar %	Customer	Consumption Cubic Feet	Amount <sup>2</sup>	Dollar %	
1	Arriscraft International	63,260,000	\$ 720,066	11.5%	Blue Bird Body Company	132,116,000	\$ 772,592	21.4%	
2	Blue Bird Body Company	56,499,000	685,817	11.0%	Atlanta Sand & Supply Company	36,146,000	220,358	6.1%	
3	Atlanta Sand & Supply	31,597,000	360,593	5.8%	Fort Valley State University #2	18,023,000	166,609	4.6%	
4	Fort Valley State University #2	24,879,000	357,127	5.7%	Ariscraft International	26,742,000	165,178	4.6%	
5	Metokote Corporation	26,576,000	336,685	5.4%	Fort Valley State University #1	8,121,000	70,779	2.0%	
6	Fort Valley State University #1	18,545,000	265,732	4.2%	Blue Bird Body Company	5,110,200	43,802	1.2%	
7	Step 2	17,436,000	190,263	3.0%	Peach County High School	3,561,800	31,566	0.9%	
8	Peach Regional Medical Center	7,578,000	90,982	1.5%	Lakeview Apartments	3,244,000	29,675	0.8%	
9	Peach County Schools	3,867,500	53,197	0.8%	Fort Valley Housing Authority	3,260,000	29,337	0.8%	
10	Fort Valley Housing Authority	3,443,000	46,932	0.7%	Peach County Jail	2,734,300	25,956	0.7%	
<b>Total Ten Largest Customers</b>		253,680,500	3,107,394	49.6%	<b>Total Ten Largest Customers</b>	239,058,300	1,555,852	43.1%	
<b>All Other Customers</b>		218,024,400	3,155,633	50.4%	<b>All Other Customers</b>	204,683,900	2,056,108	56.9%	
<b>Total <sup>2</sup></b>		471,704,900	\$ 6,263,027	100.0%	<b>Total <sup>2</sup></b>	443,742,200	\$ 3,611,960	100.0%	

**Data Source:**<sup>1</sup> Utility Commission billing department.<sup>2</sup> Applicable year total charges for services.

Table S-25

*Utility Commission  
City of Fort Valley, Georgia  
Ten Largest Customers - Electric Service <sup>1</sup>  
Fiscal Years 2006 & 2015*

Fiscal Year 2006					Fiscal Year 2015				
Rank	Customer	Consumption kWh	Amount <sup>2</sup>	Dollar %	Customer	Consumption kWh	Amount <sup>2</sup>	Dollar %	
1	Blue Bird Body Company	20,954,330	\$ 1,095,380	11.4%	Blue Bird Body Company #1	18,983,474	\$ 1,479,482	12.3%	
2	Fort Valley State University	16,046,400	936,182	9.8%	Fort Valley State University	14,384,400	1,275,956	10.6%	
3	Metokote Corporation	3,127,893	233,019	2.4%	Metokote Corporation	2,602,126	244,018	2.0%	
4	Peach Regional Medical Center	1,927,200	120,332	1.3%	BI - LO, LLC (J. H. Harvey Company)	1,562,240	150,080	1.3%	
5	Food Depot	1,639,920	101,112	1.1%	Peach County High School	1,081,200	137,116	1.1%	
6	Peach County Schools #1	1,327,400	136,046	1.4%	Peach County Jail	1,359,168	126,873	1.1%	
7	Peach County Schools #2	905,472	96,523	1.0%	Food Depot	1,407,120	126,049	1.1%	
8	J. H. Harvey Company	897,400	59,340	0.6%	Peach County Schools BOE	897,920	115,897	1.0%	
9	Utility Commission WWTP	832,608	56,519	0.6%	Utility Commission - Sewer Plant	1,187,040	110,503	0.9%	
10	Lakewood Apartments	791,400	70,329	0.7%	Peach County Fort Valley Middle School	774,528	99,142	0.8%	
Total Ten Largest Customers		48,450,023	2,904,782	30.3%	Total Ten Largest Customers	44,239,216	3,865,116	32.2%	
All Other Customers		80,735,516	6,669,421	69.7%	All Other Customers	77,189,827	8,135,380	67.8%	
Total <sup>2</sup>		129,185,539	\$ 9,574,203	100.0%	Total <sup>2</sup>	121,429,043	\$ 12,000,496	100.0%	

*Data Source:*

<sup>1</sup> Utility Commission billing department.

<sup>2</sup> Applicable year total charges for services.

Table S-26

*Utility Commission  
City of Fort Valley, Georgia  
Ten Largest Customers - Water Service <sup>1</sup>  
Fiscal Years 2006 & 2015*

Fiscal Year 2006					Fiscal Year 2015				
Rank	Customer	Consumption Gallons	Amount <sup>2</sup>	Dollar %	Customer	Consumption Gallons	Amount <sup>2</sup>	Dollar %	
1	Fort Valley State University	24,922,500	\$ 57,076	3.4%	Fort Valley State University #1	51,532,500	\$ 250,846	10.5%	
2	Blue Bird Body Company	17,325,000	39,713	2.4%	Blue Bird Body Company	32,659,500	159,019	6.6%	
3	Indian Oaks Apartments LTD	11,995,500	27,534	1.6%	Utility Commission WSLRF 2"	21,199,500	103,225	4.3%	
4	Peach Regional Medical Center	5,880,000	13,558	0.8%	Utility Commission Vienna Clarifier	10,927,500	53,235	2.2%	
5	Lakeview Apartments	5,818,500	13,417	0.8%	Lakeview Apartments	7,485,000	36,481	1.5%	
6	Fort Valley State University	5,229,000	12,103	0.7%	Utility Commission Main W/W Office	7,138,500	34,795	1.5%	
7	Peach County Schools	5,013,000	11,576	0.7%	Indian Oaks Apartments LTD	5,499,000	26,816	1.1%	
8	Utility Commission WWTP 2"	4,632,750	10,655	0.6%	Utility Commission Jones Plant	5,033,250	24,549	1.0%	
9	Utility Commission WWTP	4,302,750	9,953	0.6%	College Square Apartments	4,781,250	23,323	1.0%	
10	HSI Management Inc	3,888,750	9,007	0.5%	Peach County School Football Field	4,092,750	19,972	0.8%	
Total Ten Largest Customers		89,007,750	204,592	12.3%	Total Ten Largest Customers	150,348,750	732,260	30.6%	
All Other Customers		358,296,000	1,465,310	87.7%	All Other Customers	77,819,340	1,662,496	69.4%	
Total <sup>2</sup>		447,303,750	\$ 1,669,902	100.0%	Total <sup>2</sup>	228,168,090	\$ 2,394,756	100.0%	

**Data Source:**

<sup>1</sup> Utility Commission billing department.

<sup>2</sup> Applicable year total charges for services.

Table S-27

*Utility Commission  
City of Fort Valley, Georgia  
Ten Largest Customers - Sewer Service <sup>1</sup>  
Fiscal Years 2006 & 2015*

Fiscal Year 2006					Fiscal Year 2015				
Rank	Customer	Collection Gallons <sup>3</sup>	Amount <sup>2</sup>	Dollar %	Customer	Collection Gallons	Amount <sup>2</sup>	Dollar %	
1	Fort Valley State University	N/A	\$ 117,785	9.8%	Fort Valley State University #1	46,380,000	\$ 321,601	16.2%	
2	Blue Bird Body Company	N/A	46,870	3.9%	Blue Bird Body Company	29,394,750	203,858	10.3%	
3	OMI - Fort Valley, Georgia	N/A	36,007	3.0%	Lakeview Apartments	6,736,500	46,739	2.4%	
4	Indian Oaks Apartments LTD	N/A	33,769	2.8%	Indian Oaks Apartments LTD	4,950,000	34,352	1.7%	
5	Lakeview Apartments	N/A	22,127	1.8%	College Square Apartments	4,275,750	29,678	1.5%	
6	Peach Regional Medical Center	N/A	18,255	1.5%	Brentwood Health Care	2,037,000	14,156	0.7%	
7	HSI Management Inc	N/A	15,179	1.3%	Peach County Jail	1,806,000	12,554	0.6%	
8	Utility Commission WWTP	N/A	13,614	1.1%	D. C. McDowell	1,629,750	11,332	0.6%	
9	Fort Valley State University	N/A	12,618	1.1%	820 State University Drive, LLC	1,536,750	10,687	0.5%	
10	Blue Bird Wanderlodge	N/A	9,477	0.8%	Peach County Middle School	1,511,250	10,510	0.5%	
<b>Total Ten Largest Customers</b>		N/A	325,701	27.1%	<b>Total Ten Largest Customers</b>	100,257,750	695,467	35.0%	
<b>All Other Customers</b>		N/A	874,513	72.9%	<b>All Other Customers</b>	152,493,000	1,292,532	65.0%	
<b>Total <sup>2</sup></b>		N/A	\$ 1,200,214	100.0%	<b>Total <sup>2</sup></b>	252,750,750	\$ 1,987,999	100.0%	

**Data Source:**<sup>1</sup> Utility Commission billing department.<sup>2</sup> Applicable year total charges for services.<sup>3</sup> Collection gallons by individual customer not available until 2007.

TAB #6

Debt Capacity

(Unaudited)

Table S-28

**Utility Commission**  
**City of Fort Valley, Georgia**  
*Ratios of Total Debt Outstanding - By Type*  
*Last Ten Fiscal Years*

Fiscal Year	Business-type Activities <sup>2</sup>			Percentage of Personal Income <sup>3</sup>	Estimated Population <sup>4</sup>	Debt Per Capita
	GEFA/GELAC Loans <sup>1</sup>	Polytec, Inc.	Total			
2006	3,254,391	-	3,254,391	0.005%	25,510	128
2007	3,816,976	-	3,816,976	0.005%	26,467	144
2008	5,377,875	-	5,377,875	0.007%	27,222	198
2009	3,552,598	-	3,552,598	0.004%	27,474	129
2010	3,731,088	-	3,731,088	0.005%	27,695	135
2011	3,476,560	15,892	3,492,452	0.004%	27,568	127
2012	3,218,844	12,153	3,230,997	0.004%	27,571	117
2013	2,957,821	6,543	2,964,364	0.003%	27,014	110
2014	2,693,384	-	2,693,384	0.003%	27,000	100
2015	2,425,398	-	2,425,398	0.003%	27,000	90

**Notes:**

<sup>1</sup> The loans from the Georgia Environmental Finance Authority (GEFA) and Georgia Environmental Loan Acquisition Corporation (GELAC) relate to water and sewer projects. In fiscal year 2011, the GEFA transferred proceeds from the sale of a portion of its loan portfolio to the GELAC, which is a wholly-owned nonprofit subsidiary corporation of GEFA.

**Data Source:**

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

<sup>3,4</sup> Table S-30



Table S-29

**Utility Commission**  
**City of Fort Valley, Georgia**  
**Pledged Revenue Coverage**  
**Last Ten Fiscal Years <sup>1, 4</sup>**

<b>Fiscal Year</b>	<b>Revenues <sup>2</sup></b>	<b>Less Operating Expenses <sup>3</sup></b>	<b>Net Available Revenues</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>	<b>Fixed Charges Coverage Ratio <sup>5</sup></b>
2005	\$ 19,614,592	\$ 18,270,909	\$ 1,343,683	\$ 206,852	\$ 13,977	\$ 220,829	6.08
2006	19,105,685	17,746,173	1,359,512	245,894	13,235	259,129	5.25
2007	20,707,442	18,979,593	1,727,849	340,688	12,470	353,158	4.89
2008	19,615,207	17,543,140	2,072,067	252,677	40,488	293,165	7.07
2009	20,632,825	17,220,805	3,412,020	254,546	51,986	306,532	11.13
2010	20,230,399	18,173,220	2,057,179	254,527	71,283	325,810	6.31
2011	19,927,067	18,585,403	1,341,664	257,716	68,093	325,809	4.12
2012	21,281,181	19,189,064	2,092,117	261,024	64,787	325,811	6.42
2013	22,393,118	20,208,158	2,184,960	264,439	61,372	325,811	6.71
2015	21,035,430	18,698,969	2,336,461	267,988	57,827	325,815	7.17

**Notes:**

<sup>1</sup> The fixed charges coverage applies to GEFA loan L08WQ which was initiated in fiscal year 2005 and the loan was repaid in fiscal year 2007, GEFA Loan DWSRF 04-004 which went into repayment on 10-01-08, GEFA Loan 2006-L58WQ which went into repayment on 02-01-09, and GEFA Loan 2007-L42WQ which went into repayment on 9/1/10.

<sup>2</sup> Includes all revenue of the Utility Commission excluding contributions.

<sup>3</sup> Includes all operating expenses of the Utility Commission excluding depreciation and amortization.

<sup>4</sup> In fiscal year 2011, GEFA transferred proceeds from the sale of a portion of its loan portfolio to GELAC, which is a wholly-owned nonprofit subsidiary corporation of GEFA. All payment terms remain the same. Loans 2006 - L58WQ and 2007 - L42WQ were affected by this transfer.

<sup>5</sup> The Utility Commission is required to maintain a coverage ratio on this debt of 1.05.

TAB #7

Demographic and  
Economic Information

(Unaudited)

Table S-30

**Utility Commission  
City of Fort Valley, Georgia  
Demographic Statistics  
Last Ten Fiscal Years**

Year	Population <sup>1</sup>	(thousands of dollars) Personal Income <sup>1</sup>	Per Capita Personal Income <sup>1</sup>	Median Age <sup>2</sup>	School Enrollment <sup>3</sup>	Unemployment Rates		
						Peach County <sup>4</sup>	State of Georgia <sup>4</sup>	United States <sup>5</sup>
2006	25,510	\$ 682,543	\$ 26,756	N/A	4197	4.3%	4.7%	4.5%
2007	26,467	747,427	28,240	N/A	4227	4.1%	4.8%	4.7%
2008	27,222	792,231	29,103	N/A	4077	5.6%	6.7%	6.1%
2009	27,474	796,160	28,979	N/A	3981	7.2%	10.3%	9.8%
2010	27,695	815,020	29,354	N/A	3988	7.6%	10.1%	9.5%
2011	27,568	866,102	31,415	35.3	3898	7.9%	10.0%	9.0%
2012	27,571	878,283	31,797	N/A	3768	7.2%	8.6%	7.8%
2013	27,014	883,748	32,714	N/A	3767	7.0%	7.8%	7.2%
2014	27,000	890,000	32,963	N/A	3668	7.1%	7.4%	5.9%
2015	27,000	890,000	32,963	N/A	3672	6.1%	6.1%	5.1%

<sup>1</sup> 2005 - 2013 - U.S Bureau of Economic Analysis, Peach County 2014 estimated by management

<sup>2</sup> U.S. Census Bureau - State of Georgia - <http://www.census.gov/prod/cen2010/briefs/c2010br-03.pdf>

<sup>3</sup> GA Department of Education - [http://app.doe.k12.ga.us/ows-bin/owa/fte\\_pack\\_ethnicsex.entry\\_form](http://app.doe.k12.ga.us/ows-bin/owa/fte_pack_ethnicsex.entry_form)

<sup>4</sup> U.S. Department of Labor, Bureau of Labor Statistics, Warner Robins, GA, Metropolitan Statistical Area - <http://data.bls.gov/cgi-bin/surveymost?la+13>

<sup>5</sup> U.S. Department of Labor, Bureau of Labor Statistics,  
[http://data.bls.gov/PDQ/servlet/SurveyOutputServlet?data\\_tool=latest\\_numbers&series\\_id=LNS14000000](http://data.bls.gov/PDQ/servlet/SurveyOutputServlet?data_tool=latest_numbers&series_id=LNS14000000)

N/A - Not Available

Table S-31

Utility Commission  
City of Fort Valley, Georgia  
Principal Employers <sup>2</sup>  
For the Fiscal Years Ended September 30, 2006 and 2015

2006 <sup>1</sup>					2015				
Employer	Type of Business	Number of Employees	Rank	Percentage of Total County Employment	Employer	Type of Business	Number of Employees	Rank	Percentage of Total County Employment
Blue Bird Body Company	Manufacturing	1,400	1	12.86%	Blue Bird Body Company	Manufacturing	1,600	1	15.57%
Fort Valley State University	Education	654	2	6.01%	Fort Valley State University	Education	620	2	6.03%
Peach County Board of Education	Education	582	3	5.35%	Peach County Board of Education	Education	437	3	4.25%
Peach Regional Medical Center	Medical	180	4	1.65%	Lane Southern Orchards	Agribusiness	300	4	2.92%
Peach County Commission	Local Government	172	5	1.58%	Peach County Commission	Local Government	185	5	1.80%
City of Fort Valley	Local Government	128	6	1.18%	City of Fort Valley	Local Government	138	6	1.34%
Step 2	Manufacturing	96	7	0.88%	NavicentHealth (MCPC)	Medical	146	7	1.42%
Food Depot	Retail Sales	63	8	0.58%	Wire Shop	Manufacturing	81	8	0.79%
The Wire Shop	Manufacturing	60	9	0.55%	Arriscraft International	Manufacturing	78	9	0.76%
Harvey's Supermarket	Retail Sales	45	10	0.41%	Food Depot	Retail Sales	60	10	0.58%
<b>Total for Principal Employers</b>		3,380		31.05%	<b>Total for Principal Employers</b>		3,645		35.46%
<b>Total for Other Employers <sup>3</sup></b>		7,505		68.95%	<b>Total for Other Employers <sup>3</sup></b>		6,633		64.54%
<b>Total for All Employers</b>		10,885		100.00%	<b>Total for All Employers <sup>4</sup></b>		10,278		100.00%

**Notes:**

<sup>1</sup> This year is the oldest year available.

**Data Source:**

<sup>2</sup> The Development Authority of Peach County, Georgia and each individual employer.

<sup>3</sup> This data is estimated by management. <http://recenter.tamu.edu/data/empe/LAUCN132250.htm>

<sup>4</sup> This data is provided by the Georgia Department of Labor as of 2013.

TAB #8

Operating Information

(Unaudited)

Utility Commission  
City of Fort Valley, Georgia  
*Number of Employees - By Department, Elected Officials and Legal Counsel  
Last Ten Fiscal Years*

	For the Fiscal Year Ended September 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b><u>Elected Officials/Legal Counsel/Departments</u></b>										
Board of Commissioners	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Commission attorney	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Management	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Administration	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Finance	3.5	3.5	3.5	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Customer service	3.5	3.5	3.5	3.0	3.0	3.0	3.0	4.0	4.0	4.0
IT support/telecom	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Electric	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	7.0
Gas	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Water	10.0	11.0	11.0	11.0	11.0	11.0	11.0	12.0	12.0	12.0
Sewer	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0
Meter reading	6.0	6.0	6.0	6.0	5.5	5.0	5.0	5.0	5.0	5.0
Warehouse	1.0	1.0	1.0	2.0	2.0	2.0	2.0	1.0	1.0	1.0
<b>Total</b>	<b>58.0</b>	<b>59.0</b>	<b>59.0</b>	<b>59.0</b>	<b>58.5</b>	<b>58.0</b>	<b>58.0</b>	<b>59.0</b>	<b>59.0</b>	<b>60.0</b>
<b><i>Percentage Change From Prior Year</i></b>	<b>-1.7%</b>	<b>1.7%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>-0.8%</b>	<b>-0.9%</b>	<b>0.0%</b>	<b>1.7%</b>	<b>0.0%</b>	<b>1.7%</b>

**Data Source:**

Utility Commission Human Resources Department

Table S-33

Utility Commission  
City of Fort Valley, Georgia  
Operating Indicators - By Service  
Last Ten Fiscal Years

Utility Service	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Natural Gas Service:</b>										
Maximum daily capacity of available natural gas (winter cf)	3,984,390	3,984,390	3,984,390	3,984,390	3,984,390	3,984,390	3,984,390	3,984,390	3,984,390	3,984,390
Maximum daily capacity of available natural gas (summer cf)	1,669,268	1,669,268	1,669,268	1,669,268	1,669,268	1,669,268	1,669,268	1,669,268	1,669,268	1,669,268
Average daily consumption of available natural gas (cubic feet)	1,475,649	1,362,614	1,394,282	1,387,584	1,358,603	1,232,512	1,005,808	1,171,633	1,294,989	1,222,529
Average percent of capacity used	88.4%	81.6%	83.5%	83.1%	81.4%	73.8%	60.3%	70.2%	77.6%	73.2%
Winter peak demand day (cubic feet)	3,981,463	4,599,024	4,944,390	5,300,488	4,889,756	4,988,000	3,969,000	3,573,000	5,359,000	4,598,000
<b>Electric Service:</b>										
Coincident peak (kW)	29,605	31,171	31,064	26,248	29,316	29,279	27,115	25,614	22,784	24,422
Reserves (kW)	3,028	2,344	2,433	2,558	2,480	3,040	2,236	2,262	2,104	2,139
Total requirements (kW)	32,633	33,515	33,497	28,806	31,796	32,319	29,351	27,876	24,888	26,561
Southeastern Power Administration (kW)	9,417	9,110	9,143	9,143	9,143	9,143	9,143	9,143	9,143	9,143
MEAG projects 1, 2, 3 & 4 (kW)	22,299	21,486	21,562	21,562	21,506	21,488	21,488	22,170	22,170	22,763
MEAG combined cycle (kW)	3,872	3,858	3,826	3,826	3,826	3,865	3,865	3,825	3,825	3,819
Total resources (kW)	35,588	34,454	34,531	34,531	34,475	34,496	34,496	35,138	35,138	35,725
Excess capacity (deficit) (kW)	2,955	939	1,034	5,725	2,679	2,177	5,145	7,262	10,250	9,164
Percent reserve of capacity	29.6%	14.9%	15.8%	48.4%	25.6%	25.9%	41.1%	57.8%	90.6%	74.0%
<b>Water Service:</b>										
Daily average consumption	1,346,256	1,442,928	1,406,283	1,449,349	1,471,732	1,462,270	1,498,175	1,309,344	1,350,146	1,263,335
Maximum daily capacity of wells (in gallons)	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000
Maximum daily capacity of plant (in gallons)	7,800,000	7,800,000	7,800,000	7,800,000	7,800,000	7,800,000	7,800,000	7,800,000	7,800,000	7,800,000
Elevated storage capacity (gallons)	1,100,000	1,100,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000
Reservoir storage capacity (gallons)	675,000	675,000	675,000	675,000	675,000	675,000	675,000	675,000	675,000	675,000
<b>Sewer Service:</b>										
Maximum daily capacity of treatment plant (gallons)	2,200,000	2,200,000	2,200,000	2,200,000	2,200,000	2,200,000	2,200,000	2,200,000	2,200,000	2,200,000
Daily average treatment (gallons)	1,000,000	1,000,000	1,000,000	1,000,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
Unused capacity	1,200,000	1,200,000	1,200,000	1,200,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Percentage of capacity used	45.5%	45.5%	45.5%	45.5%	54.5%	54.5%	54.5%	54.5%	54.5%	54.5%

**Notes:**

N/A Not Available

**Data Source:**

Applicable Department

Table S-34

Utility Commission  
City of Fort Valley, Georgia  
Capital Asset Indicators - By Service  
Last Ten Fiscal Years

<b>Utility Service/Department</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012<sup>1</sup></b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>Natural Gas Service:</b>										
Miles of natural gas mains	84	84	84	84	89	89	141	141	141	141
Peak shaving plant	1	1	1	1	1	1	1	1	-	-
Propane storage tanks (30,000 gallons)	8	8	8	8	8	8	8	8	-	-
<b>Electric Service:</b>										
Miles of line	140	140	140	142	142	142	144	144	144	144
Service area (square miles)	20	20	20	20	20	20	20	20	20	20
Number of sub-stations	3	3	3	3	3	3	3	3	3	3
3 megawatt generator	1	1	1	-	-	-	-	-	-	-
<b>Water Service:</b>										
Miles of water mains	153	153	157	157	157	157	152	152	152	152
Number of wells	6	6	6	6	6	6	6	6	6	6
Number of treatment plants	3	3	3	3	3	3	3	3	3	3
Number of elevated tanks	5	5	6	6	6	6	6	6	6	6
Number of reservoirs	2	2	2	2	2	2	2	2	2	2
<b>Sewer Service:</b>										
Miles of sanitary sewers	55	55	57	57	67	67	72	72	72	72
Number of treatment plants	1	1	1	1	1	1	1	1	1	1
Number of lift stations	7	6	7	7	10	10	10	10	10	10

**Data Source:**

Various Departments

<sup>1</sup> Metadigm Engineering, Inc. Digital Map Projects Completed in 2011.



TAB #9

Financial Compliance

Section

**BUTLER, WILLIAMS & WYCHE, LLP  
CERTIFIED PUBLIC ACCOUNTANTS  
915 HILL PARK  
MACON, GA 31201**

August 12, 2016

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

**To the Members of the Utility Commission  
City of Fort Valley, 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 business-type activities of the Utility Commission, a component unit of the City of Fort Valley, Georgia as of and for the years ended September 30, 2015 and 2014, and the related notes to the financial statements, which collectively comprise the Utility Commission's basic financial statements, and have issued our report thereon dated August 12, 2016.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Utility Commission'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 Utility Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Utility Commission's internal control.

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

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

**Compliance and Other Matters**

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

**Purpose of this Report**

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

*Butler, Williams & Wyche, LLP*

Macon, GA