

ANNUAL FINANCIAL REPORT

CITY OF GRIFFIN

**For the fiscal year
July 1, 2000 – June 30, 2001**

Finance Department

**Julia H. Luke
Finance Director**



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CITY OF GRIFFIN, GEORGIA ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2001

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May 14, 2002

Citizens of Griffin
Honorable Members of the
City Commission and City Manager:

In accordance with State Statutes and the Charter of Griffin, Georgia, the Annual Financial Report of the City of Griffin for the fiscal year ended June 30, 2001 is submitted herewith. This report was prepared by the Accounting Division of the Finance and Administrative Service Department. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial affairs have been included.

INTRODUCTION

The Annual Financial Report is presented in two sections: introductory and financial. The introductory section includes this transmittal letter, the City's organizational chart, and the list of Principal Officials. The financial section includes the general purpose financial statements and the combining and individual fund and account group financial statements and schedules, as well as the auditor's report and notes to the financial statements.

REPORTING ENTITY

The City of Griffin is located in Spalding County, the southernmost county in the Atlanta Metropolitan Area. Hartsfield International Airport is 35 minutes away, I-75 is 11 miles to the West and I-85 is 40 miles to the east. Griffin offers the advantage of a small but modern city with friendly neighborhoods, quality schools, abundant shopping opportunities, nearby higher education institutions, a full range of outstanding utilities, and governmental services, as well as metropolitan area shopping and recreational attractions. The economic conditions and outlook of the City of Griffin has remained positive.

ECONOMIC CONDITION AND OUTLOOK

The current industrial park is filled to near capacity with prominent and well-known Fortune 500 companies. Both the city and county governments are planning an expansion of the Industrial Park. The retail area continues to show growth with a Super Wal-Mart Power Center Mall presently under construction and slated to open in 2003.

The downtown is thriving with retail, restaurants, and substantial condominium construction occurring. Traffic patterns have increased and have necessitated the expansion of intersections, a doubling of lanes on the North Expressway, consideration of a new parking deck in the downtown, and a requirement for a complete update of the transportation master plan in Fiscal 2002. The Commerce Park at the Griffin-Spalding Airport is filled to near capacity with current proposals active for park expansion. Airport management continues to field frequent requests for additional facilities adding to the tax and job rolls for the Griffin economy. Griffin's downtown has also been designated by the Georgia Rail Passenger Authority as a primary stop on the planned southern link from Atlanta to Macon of a new statewide commuter rail system. This will provide a tremendous opportunity for expanded growth in Griffin.

MAJOR INITIATIVES

Current Year: The need for a new water reservoir to meet the City of Griffin's expanding water needs remain paramount. Securing the 404 permit in December 2001 to construct the reservoir and withdraw water is a major achievement. Although permitting of a new reservoir is an arduous process requiring an average time period to upwards of seven years, the city secured its permit in less than three years. Negotiations with landowners to secure all needed property are 99% complete. Funding and construction are planned in the early fiscal year 2003. The City of Griffin also serves as the sole water supplier in Spalding County and serves as a primary water supplier in a three-county region.

As the city has grown, the need to expand public safety services has kept pace with the recent construction of a new Fire Station # 1, and design funds budgeted for a new fire station # 4 on the east side of the City. Plans and funding are also active for a new Central Police Headquarters in FY 2003.

Future Year: The state of Georgia passed growth management legislation in 1997 to eliminate duplication of services between cities and counties, and to allocate expenses and revenues to more efficiently fund the governmental unit, and to set up a procedure to address zoning and annexation cases. This landmark legislation known as "HB 489" has caused some healthy tension between the City and Spalding County, but long term should lead to more efficient and effective local government. It is also required of every government to renegotiate this 489 process after each decennial census. That renegotiation will occur in the Summer of 2002.

In addition to HB 489, the Spalding Board of Commissioners, and Griffin must renegotiate the percentage shared by each government of the Local Option Sales Tax collected by the Georgia Department of Revenue and remitted back to the local unit of governments. Both of these negotiations must be completed by fiscal year 2003.

Departmental Focus: Each year the Finance Director selects a department or division to highlight for its efforts and accomplishments. This year the Director selected the Division of Storm Water Management because of the positive impact it has made on the community in its short time of existence. The department was created in fiscal year 2000. Under the direction of Brant Keller, PhD., Public Works Director, the department has become a nationally recognized environmental model to emulate in other communities. It has achieved the following state and national awards: Outstanding Stormwater Management Program by the Georgia Water & Pollution Control Association; the Community Watershed Leadership Award by the Southeast Natural Resource Leaders Group; the Honors Awards of the Metro Atlanta Council of Engineers; Best Friend Award, Georgia Water Wise Council; and the Project of Excellence Award from the U.S. Environmental Protection Agency.

FINANCIAL INFORMATION

Internal Control: In developing and evaluating the City's accounting system, consideration is given to the adequacy of internal accounting controls. These controls are designated to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits require estimates and judgments by management.

All internal control evaluations occur within the above guidelines. The City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

As a recipient of federal, state and county financial assistance, the City is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management and internal staff of the City.

As a part of the City's annual audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the City has complied with applicable laws and regulations. The results of the City's audit for the fiscal year ended June 30, 2001, provided no instances of material weakness in the internal control structure or significant violations of applicable laws and regulations.

Budgetary Controls: The City maintains budgetary controls to ensure compliance with legal provisions of the annual appropriated budget approved by the City Commission. Activities of all City funds are included in the annual appropriated budget. The official level of City budget control (the level at which expenditures may not legally exceed appropriations) for each legally adopted annual operating budget is the department, function or activity, and major object of expenditures group for capital and grant projects within each fund. The Finance Director may authorize transfers of appropriations within the budget of a department in the operating funds when requested by the affected department head or when required to meet current financial obligations. The City's budget maintains an encumbrance accounting system as one means of accomplishing budgetary control. Appropriations for encumbrance amounts at year-end are carried forward to the ensuing year.

GENERAL GOVERNMENT FUNCTION

The following schedule presents a summary of governmental fund types (general, special revenues, and capital projects) revenues and percentage of increase or decrease in relation to the prior year revenues.

<u>REVENUES</u>	<u>AMOUNT</u>	<u>PERCENT OF TOTAL</u>	<u>INCREASE (DECREASE) FROM 2000</u>	<u>PERCENT OF INCREASE (DECREASE)</u>
Taxes	\$ 11,149,131	77.52%	\$ 932,513	9.13%
Licenses and Permits	2,614,997	1.84%	77,331	41.21%
Charges for Services	1,783,200	12.4%	1,272,683	149.29%
Fines and Forfeitures	59,200	.41%	(16,771)	(22.08)%
Interest Income	492,127	3.42%	337,511	218.29%
Contributions	33,508	0.23%	33,508	100.00%
Miscellaneous	42,094	0.29%	(174,131)	(97.64)%
Intergovernmental	558,868	3.89%	420,509	303.93%
TOTAL	<u>\$ 14,383,125</u>	<u>100.00%</u>	<u>\$ 1,317,153</u>	<u>10.08%</u>

The 10.08% increase in Governmental Fund Revenue is attributable to a increase in tax collections, and license and permits, and charges for services revenue increases of \$1,272,683. The growth in property value and the continued interest in annexation contribute to growth in the tax digest and to improved economic conditions in Griffin. The increased taxable value of property indicates the continued growth of the community at a stable pace; and the increased demand for services of the City in future years can be anticipated.

The following schedule presents a summary of Governmental Funds Expenditures to include the general, special revenue, and capital project funds for the fiscal year ended June 30, 2001, and the amount and percentage increase or decrease when compared to the previous fiscal year expenditures. Totals presented are GAAP actual.

<u>EXPENDITURES</u>	<u>AMOUNT</u>	<u>PERCENT OF TOTAL</u>	<u>INCREASE (DECREASE) FROM 2000</u>	<u>PERCENT OF INCREASE (DECREASE)</u>
General Government	\$ 2,194,891	11.40%	\$ 807,292	58.18%
Judicial	26,791	0.15%	309	1.17%
Public Safety	7,277,511	37.79%	741,051	11.34%
Public Works	2,338,129	12.14%	317,825	15.73%
Culture-Recreation	830,948	4.31%	147,646	21.61%
Housing and Development	710,661	3.69%	109,235	18.16%
Non-Departmental	1,404,530	7.29%	(111,872)	(7.38)%
Debt Service	538,902	2.80%	17,860	3.39%
Capital Outlay	3,935,205	20.43%	3,253,199	377.00%
TOTAL	<u>\$ 19,257,268</u>	<u>100.00%</u>	<u>\$ 5,282,365</u>	<u>37.80%</u>

Capital improvement projects funded by the 1% Special Purpose Local Option Sales Tax levied by Spalding County continue to provide large amounts to construct capital projects. General government had significant change which was due to the continued high cost and maintenance of the computer system.

General Fund Balance: The fund balance of the General Fund increased by \$237,342 or 6.98 percent in fiscal year 2001. The undesignated fund balance increased by \$451,432.

PROPRIETARY OPERATIONS

The City's proprietary operations consist of the Enterprise Funds (Combined Utilities of Water, Sewer, and Electric, Solid Waste, Airport, and Storm Water Management Utility Fund).

Combined Utilities: The Combined Utilities Fund which is funded primarily by user charges for electricity, water and sewer services, ended fiscal year 2001 with a net income of \$7,454,925. The net income was \$2,490,191 above the amount budgeted.

Solid Waste Fund: The Solid Waste Fund is funded through user charges for residential and commercial waste pickup and through the operation of a C & D landfill. This fund ended the fiscal year with a net income of \$130,561. This was \$485,944 below

the budgeted amount. Due to the constantly changing nature of the solid waste environmental requirements, the cost of maintaining an environmentally sound landfill and greater yet, a vehicle fleet to maintain customer satisfaction, operating expenses exceeded the budgeted amount by \$196,497. The fund also had \$363,281 unbudgeted expenses in depreciation costs. This fund will be closely monitored as significant manpower and procedural changes are still eminent. A rate increase was approved by the Commission for Fiscal Year 2002.

Airport Fund: The Airport fund was established to account for the cost of the Griffin Spalding Airport. The fund ended the year with a net income of \$199,540. The net income was under the amount budgeted by \$228,773. Operating revenues were \$57,440 over budget and operating expenses were \$125,647 over budget.

Storm Water Utility Management Fund: The Storm Water Utility Management Fund is funded through user charges for stormwater-run off. The fund ended the year with retained earnings of \$1,618,454. The net income at year end is \$82,552. Operating revenues exceeded the budget by \$36,051 and operating expenses were \$34,519 greater than budget.

PENSION OPERATIONS

The City provides a pension for its employees through the City of Griffin Employee Aid Fund—a single employer defined contribution pension plan. The plan continues to be actuarially sound as Annual Pension Cost (APC) by the City on behalf of its employees for the year ended June 30, 2001 amounted to \$1,493,578. The unfunded pension benefit obligation as a percentage of covered payroll decreased from 80.5% to 78.9% in fiscal year 2001 and policies have been implemented to continue to close this gap. The Actuarial Value of Assets available for benefits totaled \$24,674,875.

DEBT ADMINISTRATION

The City's outstanding general obligation debt was retired completely in 1999. The City is subject to a statutory limitation by the State of Georgia for bonded indebtedness, payable principally from property taxes to an amount not greater than 10% of the assessed value of all taxable property within the City. As of June 30, 2001, the limit for the City was \$52,743,93. There was no general obligation debt on June 30, 2001.

CASH MANAGEMENT

The City strives to keep abreast of current developments and procedures in cash management to ensure efficient and profitable use of available cash resources. Idle funds are invested primarily in treasury bills, notes and bonds, other U.S. government instruments, bonds of this state and its instrumentations, and certificates of deposit with commercial banks, as well as repurchase agreements collateralized by U.S. obligations except for investments with the pension fund which has \$10,682,120 in U.S. equities.

The City's return on investments are favorable for all funds. Investments except for the equities are insured or fully collateralized with the major portion of the securities being investments which constitute direct obligation of, or are unconditionally guaranteed by, the United States of America.

RISK MANAGEMENT

The City is a member of the Georgia Interlocal Risk Management (GIRMA). The City of Griffin retains the first \$5,000 of each risk loss in the form of a deductible. The City files all claims with GIRMA and GIRMA bills the City for any risk of loss up to the \$5,000 deductible.

No reduction in insurance coverage has occurred since the previous year and no settlements in excess of coverage have been paid in the past three years.

OTHER INFORMATION

Independent Audit: The Charter of the City of Griffin requires an annual independent audit of the City's financial records by a certified public accounting firm. The accounting firm of Greenway, Smith, Haisten & Howell, P.C. was selected to fulfill this requirement. A copy of the auditor's report on the general purpose financial statement and combining and individual fund statements and schedules are included in the financial section of this report.

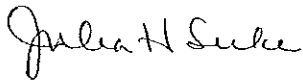
NOTES TO FINANCIAL STATEMENTS

Notes to the financial statements are intended to communicate information necessary for a fair presentation of financial position and results of operations that are not readily apparent from, or cannot be included in, the financial statements themselves. In addition, the notes provide disclosure of accounting methods and practices employed by the City.

ACKNOWLEDGEMENTS

The preparation of this Annual Financial Report has been accomplished through the dedicated effort of the Accounting Division of the Department of Finance and Administrative Services. A special thank you to the other members of the DOAS staff for their willingness to proof the financial report and to my secretary, Rita Bagwell for her commitment to this never ending project. We would also like to thank the City Commission for their cooperation and all City department heads for their positive attitude toward budgetary responsibility. Finally, we would like to thank the City Manager for his leadership and support in steering the financial affairs of Griffin in a responsible manner.

Respectfully Submitted,

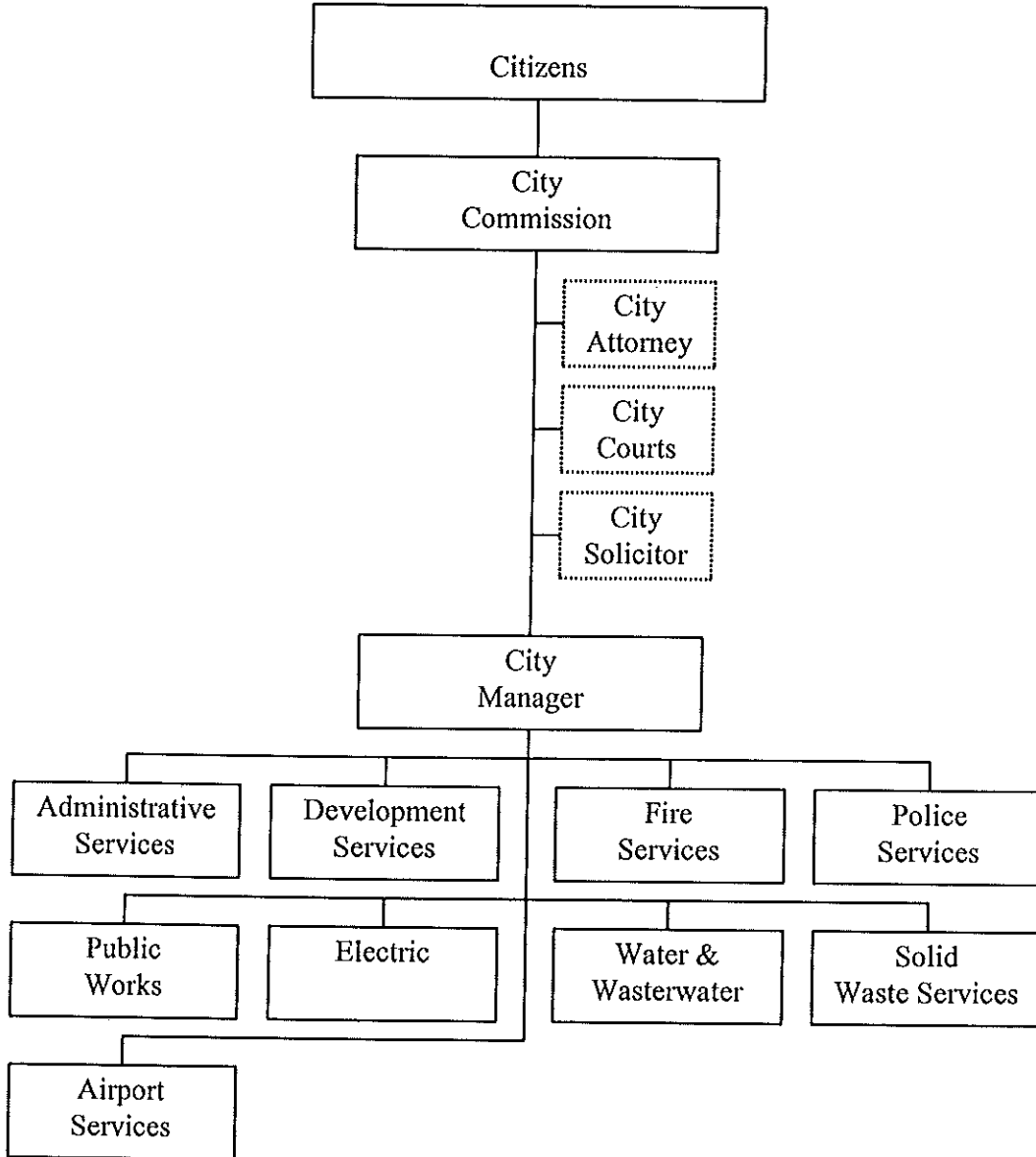


Julia H. Luke
Director of Finance and Administrative Services

PRINCIPAL OFFICIAL
CITY OF GRIFFIN, GEORGIA

Mayor	Geraldine Jackson
Council Member-At Large	Dick Slade
Council Member-District I	Geraldine Jackson
Council Member-District II	Anthony Dickson
Council Member-District III	Carlton Imes
Council Member-District IV	Joanne Todd
Council Member-District V	Tom Perdue
Council Member-District VI	Rodney McCord
City Manager	Ron Rabun
City Clerk	Ron Rabun
City Attorney	Andrew Whalen
City Auditor	Greenway, Smith, Haisten & Howell, P.C.
City Recorder	Ronald Cook
Director of Finance & Administrative Services	Julia Luke
Fire Chief	Ronnie Ellis
Police Chief	Armand Chapeau
Director Water Wastewater	William White
Director Electric	John Jones
Public Works Director	Brant Keller
Solid Waste Director	George Reid
Airport Manager	Bob Stapleton
Department of Developmental Services	Vacant

City of Griffin's Organization Chart



GREENWAY, SMITH, HAISTEN & HOWELL, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

GRIFFIN, GEORGIA

INDEPENDENT AUDITOR'S REPORT

The Mayor and Commission
The City of Griffin
Griffin, Georgia

We have audited the accompanying general purpose financial statements of the City of Griffin, Georgia as of June 30, 2001, and for the year then ended. These general purpose financial statements are the responsibility of the City of Griffin, Georgia management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and 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 general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Griffin, Georgia as of June 30, 2001, and the results of its operations and cash flows of its proprietary and similar trust fund types for the year then ended in conformity with generally accepted accounting principles. Also, in our opinion, the combining, individual fund, and account group financial statements referred to above present fairly, in all material respects, the financial position of each of the individual funds and account groups of the City of Griffin, Georgia at June 30, 2001, and the results of operations of such funds and cash flows of individual proprietary and similar trust funds for the year then ended, in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated January 31, 2002, on our consideration of City of Griffin, Georgia's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.



Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying schedules and schedule of expenditures of federal awards are presented for purposes of additional analysis as required by U.S. Office of Management and budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the general purpose financial statements of City of Griffin, Georgia. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

Greenway, Smith, Huston, & Howell, P.C.

January 31, 2002

1. The first part of the document is a list of the names of the members of the committee.



GREENWAY, SMITH, HAISTEN & HOWELL, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

GRIFFIN, GEORGIA

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

The Mayor and City Commission
The City of Griffin
Griffin, Georgia

We have audited the general purpose financial statements of The City of Griffin, Georgia as of and for the year ended June 30, 2001, and have issued our report thereon dated January 31, 2002. We conducted our audit in accordance with generally accepted Auditing standards and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether The City of Griffin, Georgia general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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, accordingly, we do not express such an opinion. The results of our test disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered The City of Griffin, Georgia internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to management of The City of Griffin, Georgia in a separate letter dated January 31, 2002.

This report is intended for the information of the audit committee, management, and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

Greenway Smith, Keister & Howell, P.C.

January 31, 2002



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CITY OF GRIFFIN, GEORGIA
COMBINED BALANCE SHEET -- ALL FUND TYPES AND ACCOUNT GROUPS
June 30, 2001

	GOVERNMENTAL FUND TYPES		
	GENERAL	SPECIAL REVENUE	CAPITAL PROJECTS
<u>ASSETS</u>			
Cash	\$ 1,811,397	\$ 99,451	\$ 2,196,089
Investments at fair market value	-	-	-
Receivables:			
Taxes	503,481	-	-
Accounts	-	-	-
Due from other funds	2,541,078	-	-
Due from other governments and agencies	640,197	-	-
Inventories at cost	-	-	-
Prepaid expenses	130,998	-	-
Due from other governments and agencies	-	-	-
Restricted assets:			
Cash	-	-	-
Investments	-	-	-
Deferred charges	-	-	-
Fixed assets-net of accumulated depreciation	-	-	-
Amount to be provided for retirement of long-term capital leases	-	-	-
Amount to be provided for retirement of employee compensated absences	-	-	-
Total assets and other debits	<u>\$ 5,627,151</u>	<u>\$ 99,451</u>	<u>\$ 2,196,089</u>

LIABILITIES AND FUND BALANCE

Liabilities:			
Accounts payable	\$ 275,918	\$ -	\$ -
Contracts payable	162,136	-	-
Accrued interest	-	-	-
Due to other funds	742,073	2,000	200,910
Due to other governments and agencies (current portion)	3,164	-	-
Capital leases payable (current portion)	-	-	-
Post closure care costs	-	-	-
Payable from restricted assets:			
Accrued revenue bonds interest	-	-	-
Deposits	-	-	-
Current portion of revenue bonds	-	-	-
Deferred revenue	806,460	-	-
Compensated absences	-	-	-
Capital leases payable (non-current)	-	-	-
Revenue bonds (net of current portion)	-	-	-
Due to other governments and agencies (net of current portion)	-	-	-
Post closure care costs (net of current portion)	-	-	-
Total liabilities	<u>1,989,751</u>	<u>2,000</u>	<u>200,910</u>

PROPRIETARY FUNDS TYPE ENTERPRISE	FIDUCIARY FUND TYPES TRUST AND AGENCY FUNDS	ACCOUNT GROUPS		TOTALS REPORTING ENTITY (MEMORANDUM ONLY)	
		GENERAL FIXED ASSETS	GENERAL LONG TERM DEBT	FY 2001	FY 2000 (As restated)
\$ 2,436,121	\$ 5,607,476	\$ -	\$ -	\$ 12,150,534	\$ 8,318,130
3,400,000	27,747,568	-	-	31,147,568	29,544,275
-	-	-	-	503,481	159,610
6,656,009	-	-	-	6,656,009	5,867,880
1,047,481	3,012	-	-	3,591,571	2,836,722
1,571	-	-	-	641,768	1,486
1,435,056	-	-	-	1,435,056	1,278,840
235,612	-	-	-	366,610	315,490
37,952	-	-	-	37,952	39,523
5,528,634	-	-	-	5,528,634	3,633,726
23,164,008	-	-	-	23,164,008	18,991,339
706,019	-	-	-	706,019	764,415
60,843,059	94,735	30,732,662	-	91,670,456	84,256,289
-	-	-	1,661,633	1,661,633	1,152,809
-	-	-	1,372,983	1,372,983	-
\$ 105,491,522	\$ 33,452,791	\$ 30,732,662	\$ 3,034,616	\$ 180,634,282	\$ 157,160,534

\$ 221,356	\$ -	\$ -	\$ -	\$ 497,274	\$ 541,556
45,657	-	-	-	207,793	-
8,813	-	-	-	8,813	-
2,126,282	520,306	-	-	3,591,571	2,786,135
202,086	-	-	-	205,250	-
359,984	-	-	-	359,984	222,764
45,630	-	-	-	-	45,630
553,022	-	-	-	553,022	-
1,410,555	-	-	-	1,410,555	1,118,407
1,095,000	-	-	-	1,095,000	1,082,289
-	-	-	-	806,460	-
775,782	-	-	1,372,983	2,148,765	975,488
764,344	-	-	1,661,633	2,425,977	1,896,825
20,670,000	-	-	-	20,670,000	22,143,009
2,645,584	-	-	-	2,645,584	2,193,768
1,323,270	-	-	-	-	1,323,270
32,247,365	520,306	-	3,034,616	36,626,048	34,329,141

CITY OF GRIFFIN, GEORGIA
COMBINED BALANCE SHEET -- ALL FUND TYPES AND ACCOUNT GROUPS
June 30, 2001

	GOVERNMENTAL FUND TYPES		
	GENERAL	SPECIAL REVENUE	CAPITAL PROJECTS
Fund equity:			
Contributed capital	\$ -	\$ -	\$ -
Investments in fixed assets			
Retained earnings:			
Reserve for renewal and extension	-	-	-
Reserve for debt service	-	-	-
Reserve for emergency	-	-	-
Reserve for revenue bond construction	-	-	-
Reserve for sewer capacity recovery	-	-	-
Reserve for electrical deregulation	-	-	-
Reserve for energy rate fluctuations	-	-	-
Reserve for future operations	-	-	-
Reserve for landfill closure	-	-	-
Reserve for local landfill	-	-	-
Reserve for capital improvements	-	-	-
Unreserved	-	-	-
Fund balances (deficits):			
Reserve for encumbrances	4,098	-	-
Reserve for fire station	265,000	-	-
Reserve for clubhouse	110,587	-	-
Reserve for prepaid expenditures	130,998	-	-
Reserved for cemetery	-	-	-
Reserved for Stonewall Cemetery	-	-	-
Reserved for Veterans Cemetery	-	-	-
Reserved for mausoleum	-	-	-
Reserved for benefits	-	-	-
Reserved for employee retirement system	-	-	-
Unreserved	-	-	-
Designated for property tax relief	3,113,301	-	-
Undesignated	13,416	97,451	1,995,179
Total retained earnings/fund balances (deficits)	3,637,400	97,451	1,995,179
Total equities (deficits) and other credits	3,637,400	97,451	1,995,179
Total liabilities, equities (deficits) and other credits	\$ 5,627,151	\$ 99,451	\$ 2,196,089

The accompanying notes are an integral part of these statements.

PROPRIETARY FUNDS TYPE	FIDUCIARY FUND TYPES	ACCOUNT GROUPS		TOTALS REPORTING ENTITY (MEMORANDUM ONLY)		
		TRUST AND AGENCY FUNDS	GENERAL FIXED ASSETS	GENERAL LONG TERM DEBT	FY	FY
					2001	2000 (As restated)
ENTER- PRISE						
\$ 3,601,320	\$ -	\$ -	\$ -	\$ 3,601,320	\$ 3,601,320	
		30,732,662		30,732,662	25,934,754	
				794,677	630,208	
794,677	-	-	-	2,580,263	2,131,126	
2,580,263	-	-	-	1,000,000	944,130	
1,000,000	-	-	-	2,147,289	4,235,476	
2,147,289	-	-	-	522,832	273,018	
522,832	-	-	-	11,290,424	10,123,961	
11,290,424	-	-	-	5,549,184	5,021,700	
5,549,184	-	-	-	3,614,376	2,014,197	
3,614,376	-	-	-	308,145	315,594	
308,145	-	-	-	77,578	-	
77,578	-	-	-	188,983	-	
188,983	-	-	-	41,568,996	36,366,654	
41,568,996	-	-	-			
				4,098	284,738	
				265,000	265,000	
				180,531	110,587	
	69,944			130,998	79,883	
				1,214,151	1,208,918	
	1,214,151			1,219	1,219	
	1,219			7,127	7,127	
	7,127			251,152	233,840	
	251,152			4,531,649	-	
	4,531,649			26,857,243	24,675,383	
	26,857,243					
				3,113,301	3,097,916	
				2,106,046	1,274,694	
				108,305,262	93,295,369	
69,642,747	32,932,485			142,639,244	122,831,443	
73,244,067	32,932,485	30,732,662	3,034,616	179,265,292	157,160,584	
\$ 105,491,432	\$ 33,452,791	\$ 30,732,662	\$ 3,034,616	\$ 179,265,292	\$ 157,160,584	

CITY OF GRIFFIN, GEORGIA

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUNDS

For Year Ended June 30, 2001

With Comparative Totals for the Year Ended June 30, 2000

	GOVERNMENTAL FUND TYPES		
	GENERAL	SPECIAL REVENUE	CAPITAL PROJECTS
Revenues:			
Taxes	\$ 10,333,449	\$ -	\$ 815,682
License and permits	264,997	-	-
Intergovernmental revenues	13,625	48,743	496,500
Charges for services	1,783,200	-	-
Fines and forfeitures	59,200	-	-
Investment income	125,685	2,109	75,472
Contributions and donations	5,673	-	-
Miscellaneous revenue	41,595	499	-
TOTAL REVENUES	12,627,424	51,351	1,387,654
Expenditures:			
Current:			
General government	2,194,891	-	-
Judicial	26,791	-	-
Public safety	7,239,272	38,239	-
Public works	2,338,129	-	-
Culture/recreation	830,948	-	-
Housing and development	710,661	-	-
Non departmental	1,404,530	-	-
Debt service	538,902	-	-
Capital Outlay	2,704,545	19,646	1,211,014
TOTAL EXPENDITURES	17,988,669	57,885	1,211,014
REVENUES OVER (UNDER) EXPENDITURES	(5,361,245)	(6,534)	176,640
Other financing sources (uses):			
Operating transfers in	5,077,999	5,416	288,368
Capital lease proceeds	995,756	-	-
Operating transfers out	(475,168)	-	(83,970)
	5,598,587	5,416	204,398
REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	237,342	(1,118)	381,038
Fund Balance beginning of year	3,400,058	98,569	1,614,141
Residual equity transfer in from the Expendable Trust Fund	-	-	-
Residual equity transfer out to the Golf Course Expendable Trust Fund	-	-	-
Residual equity transfer out to the Cemetery Non-Expendable Trust Fund	-	-	-
FUND BALANCE END OF YEAR	\$ 3,637,400	\$ 97,451	\$ 1,995,179

The accompanying notes are an integral part of these statements.

FIDUCIARY FUND TYPE EXPENDABLE TRUST	TOTALS REPORTING ENTITY (MEMORANDUM ONLY)	
	FY 2001	FY 2000 (As restated)
\$ -	\$ 11,149,131	\$ 10,216,618
	264,997	187,666
	558,868	138,359
	1,783,200	510,517
	59,200	75,971
288,861	492,127	154,616
27,835	33,508	-
-	42,094	1,782,225
316,696	14,383,125	13,065,972
	2,194,891	1,387,599
	26,791	26,482
-	7,277,511	6,536,460
-	2,338,129	2,020,304
-	830,948	683,302
-	710,661	601,426
-	1,404,530	1,516,402
-	538,902	521,222
-	3,935,205	682,006
-	19,257,568	13,975,203
316,696	(4,874,443)	(909,231)
-	5,371,783	4,880,553
-	995,756	-
(1,956,319)	(2,515,457)	(1,833,504)
(1,956,319)	3,852,082	3,047,049
(1,639,623)	(1,022,361)	2,137,818
6,249,563	11,362,331	9,224,513
69,944	69,944	-
(69,944)	(69,944)	-
(8,347)	(8,347)	-
\$ 4,601,593	\$ 10,331,623	\$ 11,362,331

CITY OF GRIFFIN, GEORGIA
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES --
 BUDGETS (NON-GAAP) BASIS AND ACTUAL --- GENERAL, SPECIAL REVENUE, AND CAPITAL PROJECTS FUND TYPES

For the Fiscal Year Ended June 30, 2001

	GENERAL FUND				
	GAAP ACTUAL	DIFFERENCE BETWEEN BUDGET BASIS AND GAAP	ACTUAL ON BUDGETARY BASIS	BUDGET AS AMENDED	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:					
Taxes	\$ 10,333,449	\$ -	\$ 10,333,449	\$ 10,286,100	\$ 47,349
License and permits	264,997	-	264,997	469,000	(204,003)
Intergovernmental revenues	13,625	-	13,625	1,200,000	(1,186,375)
Charges for services	1,783,200	-	1,783,200	509,500	1,273,700
Fines and forfeitures	59,200	-	59,200	60,000	(800)
Investment income	125,685	-	125,685	150,000	(24,315)
Contributions and donations	5,673	-	5,673	-	5,673
Miscellaneous revenue	41,595	-	41,595	578,500	(536,905)
TOTAL REVENUES	12,627,424	-	12,627,424	13,253,100	(625,676)
Expenditures:					
Current:					
General government	2,194,891	4,098	2,198,989	1,717,602	(481,387)
Judicial	26,791	-	26,791	27,500	709
Public safety	7,239,272	-	7,239,272	8,752,377	1,513,105
Public works	2,338,129	-	2,338,129	2,398,089	59,960
Culture/recreation	830,948	-	830,948	890,627	59,679
Housing and development	710,661	-	710,661	754,173	43,512
Non departmental	1,404,530	-	1,404,530	923,455	(481,075)
Debt service	538,902	-	538,902	699,775	160,873
Capital Outlay	2,704,545	(284,738)	2,419,807	4,196,578	1,776,771
TOTAL EXPENDITURES	17,988,669	(280,640)	17,708,029	20,360,176	2,652,147
REVENUES OVER (UNDER)					
EXPENDITURES	(5,361,245)	(280,640)	(5,080,605)	(7,107,076)	2,026,471
Other financing sources (uses):					
Operating transfers in	5,077,999	-	5,077,999	7,235,500	(2,157,501)
Capital lease proceeds	995,756	-	995,756	-	995,756
Operating transfers out	(475,168)	-	(475,168)	181,384	(656,552)
	5,598,587	-	5,598,587	7,416,884	(1,818,297)
REVENUES AND OTHER SOURCES OVER (UNDER)					
EXPENDITURES AND OTHER	237,342	(280,640)	517,982	309,808	208,174
Fund Balance beginning of year	3,400,058	280,640	3,119,418	3,400,058	(280,640)
FUND BALANCE END OF YEAR	\$ 3,637,400	\$ -	\$ 3,637,400	\$ 3,709,866	\$ (72,466)

SPECIAL REVENUE FUND					CAPITAL PROJECTS FUNDS				
GAAP ACTUAL	DIFFERENCE BETWEEN BUDGET BASIS AND GAAP	ACTUAL ON BUDGETARY BASIS	BUDGET AS AMENDED	VARIANCE FAVORABLE (UNFAVORABLE)	GAAP ACTUAL	DIFFERENCE BETWEEN BUDGET BASIS AND GAAP	ACTUAL ON BUDGETARY BASIS	BUDGET AS AMENDED	VARIANCE FAVORABLE (UNFAVORABLE)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 815,682	\$ -	\$ 815,682	\$ 1,500,000	\$ (684,318)
48,743	-	48,743	-	48,743	496,500	-	496,500	-	496,500
2,109	-	2,109	-	2,109	75,472	-	75,472	-	75,472
499	-	499	-	499	-	-	-	-	-
51,351	-	51,351	-	51,351	1,387,654	-	1,387,654	1,500,000	(112,346)
-	-	-	-	-	-	-	-	-	-
38,239	-	38,239	-	(38,239)	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
19,646	-	19,646	-	(19,646)	1,211,014	-	1,211,014	1,500,000	288,986
57,885	-	57,885	-	(57,885)	1,211,014	-	1,211,014	1,500,000	288,986
(6,534)	-	(6,534)	-	(6,534)	176,640	-	176,640	-	176,640
5,416	-	5,416	-	5,416	288,368	-	288,368	-	288,368
-	-	-	-	-	(83,970)	-	(83,970)	-	(83,970)
5,416	-	5,416	-	5,416	204,398	-	204,398	-	204,398
(1,118)	-	(1,118)	-	(1,118)	381,038	-	381,038	-	381,038
98,569	-	98,569	98,569	-	1,614,141	-	1,614,141	1,614,141	-
\$ 97,451	\$ -	\$ 97,451	\$ 98,569	\$ (1,118)	\$ 1,995,179	\$ -	\$ 1,995,179	\$ 1,614,141	\$ 381,038

CITY OF GRIFFIN, GEORGIA

**COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
 RETAINED EARNINGS/FUND BALANCES -- ALL PROPRIETARY FUNDS AND NON-EXPENDABLE TRUST FUNDS**

 For the Fiscal Year Ended June 30, 2001
 With Comparative Totals for the Year Ended June 30, 2000

	FIDUCIARY		TOTALS	
	PROPRIETARY FUND TYPE ENTERPRISE	NON	(MEMORANDUM ONLY)	
		EXPENDABLE TRUST	FY 2001	FY 2000 (As Restated)
Operating Revenues:				
Charges for services	\$ 47,436,126	\$ -	\$ 47,436,126	\$ 46,293,700
Interest	-	62,536	62,536	64,979
Contributions	-	160	160	20,078
TOTAL OPERATING REVENUES	47,436,126	62,696	47,498,822	46,378,757
Operating Expenses:				
Personal services	7,261,769	-	7,261,769	6,789,622
Purchased/contracted services	3,037,266	5,168	3,042,434	6,519,862
Supplies	24,460,585	-	24,460,585	22,540,627
Interfund	1,285,159	-	1,285,159	1,360,936
Depreciation	3,001,271	-	3,001,271	2,655,574
Other charges	773,088	-	773,088	-
TOTAL OPERATING EXPENSES	39,819,138	5,168	39,824,306	39,866,621
OPERATING INCOME (LOSS)	7,616,988	57,528	7,674,516	6,512,136
Non-operating revenue (expenses):				
Sales tax commissions	55,166	-	55,166	-
Special purpose local option sales taxes	41	-	41	1,798
Delinquent penalties	845,495	-	845,495	463,048
Fiberoptic communications	837	-	837	-
Web access	4,600	-	4,600	-
Sewer recovery capacity fees	249,814	-	249,814	115,983
Local landfill surcharge	55,466	-	55,466	-
Landfill closure surcharge	14,664	-	14,664	-
Rental income	-	4,550	4,550	3,850
Miscellaneous revenues	245,224	-	245,224	565,850
Interest income	608,243	-	608,243	749,337
Dividends	1,157,207	-	1,157,207	-
Net increase in the fair value of investments	667,998	-	667,998	-
Intergovernmental revenues	314,152	-	314,152	1,521,726
Miscellaneous expense	(71,562)	-	(71,562)	34
Interest expense	(1,307,516)	-	(1,307,516)	(1,258,233)
Bond issuance costs	(58,396)	-	(58,396)	-
Fiscal charges	(3,292)	-	(3,292)	-
TOTAL NON-OPERATING REVENUES (EXPENSES)	2,778,141	4,550	2,782,691	2,163,393
INCOME BEFORE OPERATING TRANSFERS	10,395,129	62,078	10,457,207	8,675,529
Operating transfers:				
Operating transfers in	1,930,271	-	1,930,271	149,500
Operating transfers out	(4,738,717)	(47,880)	(4,786,597)	(4,945,136)
NET OPERATING TRANSFERS	(2,808,446)	(47,880)	(2,856,326)	(4,795,636)
NET INCOME (LOSS)	7,586,683	14,198	7,600,881	3,879,893
Retained earnings beginning of year	62,056,064	1,451,104	63,507,168	43,872,838
Prior period adjustment	-	-	-	15,754,437
Retained earnings beginning of year, as restated	62,056,064	1,451,104	63,507,168	59,627,275
Residual equity transfer in from the Natural Gas Utility Fund	281,904	-	281,904	-
Residual equity transfer in from the Expendable Trust Fund	-	8,347	8,347	-
Residual equity transfer out to the Combined Utilities Fund	(281,904)	-	(281,904)	-
RETAINED EARNINGS END OF YEAR	\$ 69,642,747	\$ 1,473,649	\$ 71,116,396	\$ 63,507,168

The accompanying notes are an integral part of these statements.

CITY OF GRIFFIN, GEORGIA
 COMBINED STATEMENT OF CASH FLOWS
 FOR ALL PROPRIETARY FUNDS AND NON-EXPENDABLE TRUST FUNDS

For the Year ended June 30, 2001
 With Comparative Amounts for the year ended June 30, 2000

	PROPRIETARY FUND TYPE ENTERPRISE	FIDUCIARY FUND TYPE		TOTALS FY 2001
		NON EXPENDABLE TRUST		
(DECREASE) INCREASE IN CASH				
Cash flows from operating activities:				
Cash received from investments	\$ -	\$ 62,536	\$	62,536
Cash received from customers	45,859,126	160		45,859,286
Cash payments to suppliers for goods and services	(30,281,703)	(5,166)		(30,286,871)
Cash payments to employees for services	(7,226,113)	-		(7,226,113)
New customer utility deposits	292,148	-		292,148
Non-operating miscellaneous income	203,289	-		203,289
Net cash provided by operating activities	8,846,747	57,528		8,904,275
Cash flows from noncapital financing activities:				
Operating transfers in from other funds	1,930,271	(47,880)		1,882,391
Operating transfers out to other funds	(4,738,717)	-		(4,738,717)
Residual equity transfers in	-	8,347		8,347
Spalding County Intergovernmental revenues	181,384	-		181,384
Sales tax commissions	55,166	-		55,166
Delinquent penalties	845,495	-		845,495
Fiber optic communications	837	-		837
WEB access	4,600	-		4,600
Sewer recovery capacity fees	249,814	-		249,814
Georgia landfill surcharges	4,883	-		4,883
Local landfill surcharges	55,466	-		55,466
Landfill closure surcharges	14,664	-		14,664
Rental income	-	4,550		4,550
Operating grants received	98,988	-		98,988
Miscellaneous expense	(93,686)	-		(93,686)
Net cash (used in) provided by noncapital financing activities	(1,390,835)	(34,983)		(1,332,132)
Cash flows from capital and related financing activities:				
Special Purpose Local Option Sales Taxes	56,414	-		56,414
Georgia Environmental Facilities Authority Loan	108,010	-		108,010
Capital from GMA lease	471,875	-		471,875
Capital from Georgia Department of Transportation	41,425	-		41,425
Deposits to sinking fund	(2,257,200)	-		(2,257,200)
Disbursements from sinking fund	1,628,286	-		1,628,286
GMA lease payments	(314,327)	-		(314,327)
Principal paid on revenue bonds	(1,460,298)	-		(1,460,298)
Acquisition and construction of capital assets	(5,617,530)	-		(5,617,530)
Interest expense Georgia Environmental Facilities Authority lease	(147,047)	-		(147,047)
Interest expense paid on debt	(1,151,656)	-		(1,151,656)
Fiscal charges on revenue bonds	(3,292)	-		(3,292)
Net cash provided by (used in capital and related financing activities	(8,645,340)	-		(8,645,340)
Cash flows from investing activities:				
Purchase of investment securities	(2,322,735)	-		(2,322,735)
Proceeds from sale and maturities of investment securities	580,122	7,664		587,786
Interest on investments	1,754,028	-		1,754,028
Interest on cash deposits	11,463	-		11,463
Net cash (used in) provided by investing activities	22,878	7,664		30,542
Net (decrease) increase in cash	(1,166,550)	30,209		(1,042,655)
Cash at beginning of year	9,131,305	257,911		9,389,216
Cash at end of year	\$ 7,964,755	\$ 288,120	\$	8,346,561

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES

Operating Income	\$	7,616,988	\$	57,528	\$	7,674,516
Adjustments to reconcile operating income to net cash provided by operating activities						
Depreciation		3,001,271		-		3,001,271
Allowance for uncollectibles		726,024		-		726,024
Non-operating miscellaneous income		203,289		-		203,289
New customer deposits		292,148		-		292,148
Change in assets and liabilities:						
Decrease (increase) in accounts receivable		(1,514,163)		-		(1,514,163)
Decrease (increase) in due from other funds		(1,042,128)		-		(1,042,128)
Decrease (increase) in due from other governments and agencies		1,486		-		1,486
Decrease (increase) in inventories		(156,216)		-		(156,216)
(Increase) decrease in prepaids		(5)		-		(5)
Increase (decrease) in accounts payable		(9,154)		-		(9,154)
Increase (decrease) in contracts payable		45,657		-		45,657
Decrease (increase) in to other governments and agencies		541,009		-		541,009
(Decrease) Increase in compensated absences		(199,616)		-		(199,616)
Increase (decrease) in due to other funds		(659,853)		-		(659,853)
Net cash provided by operating activities	\$	8,846,747	\$	57,528	\$	8,904,275

The accompanying notes are an integral part of these statements.

**CITY OF GRIFFIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001**

37

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting principles of the City of Griffin, Georgia conform to generally accept accounting principles ("GAAP") as prescribed by the Governmental Accounting Standards Board ("GASB"), in conjunction with the Financial Accounting Standards Board ("FASB") pronouncements issued on or before November 30, 1989.

The accompanying summary of the City of Griffin's more significant accounting policies is presented to assist the reader in interpreting the financial statements and other data in this report. These policies, as presented, should be viewed as an integral part of the accompanying financial statements.

A. THE REPORTING ENTITY

The primary government is a municipal corporation governed by an elected seven member commission. As required by generally accepted accounting principles, these financial statements present the government entity for which the government is considered to be financially accountable. Management has determined the City of Griffin has no component units, based on the criteria for including organizations as component units within the reporting entity as set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards.

The criteria are:

1. The organization is legally separate (can sue and be sued in their own name)
2. The City holds the corporate powers of the organization.
3. The City appoints a voting majority of the organizations board.
4. The City is able to impose its will on the organization.
5. The organization has the potential to impose a financial benefit/burden on the City.
6. There is a fiscal dependency by the organization on the City.

Primary Government

The City of Griffin was founded by the Monroe Railroad and Banking Company about 1839. In 1833, the Monroe Railroad was one of three companies to receive a State franchise to construct rail lines across Georgia. The Monroe Railroad purchased 800 acres known as the Still farm in 1839 and laid out a plan for a city with wide streets, squares and lots. Approximately twenty acres was set aside for public use, including a Court House square, parks, parade ground, schools, and churches. The remainder of the land was

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auctioned off on June 8, 1840. The City was chartered by the Georgia General Assembly in 1843 to be governed by a five man commission, elected at-large to one-year terms. Today the city is governed by a seven member commission with the daily operations managed by an appointed City Manager. The following services as authorized by its charter and code are provided by the City: General Administrative Services, Public Safety (Police and Fire) Public Works (Streets, Sanitation, Stormwater, Water and Sewer) Electricity and Developmental Services (Zoning, Planning and Inspection)

B. RELATED ORGANIZATIONS

The City of Griffin officials are also responsible for appointing the members of the board's of other organizations, but the City's accountability for these organizations does not extend beyond making these appointments. The Commission appoints the board of the Griffin Housing Authority.

C. JOINT VENTURE

Under Georgia law, the City of Griffin, in conjunction with other cities and counties in the five county central Georgia area, is a member of the McIntosh Trail Regional Development Center (RDC) and is required to pay annual dues. Membership in the RDC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the Regional Development Centers in Georgia. The RDC Board members include the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debt or obligations of a RDC. Separate financial statements may be obtained from:

McIntosh Trail Regional Development Center
120 N. Hill Street
Griffin, Georgia 30224

D. BASIS OR PRESENTATION-FUND ACCOUNTING

The accounts of the City are organized on the basis of the funds and the account groups each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures, or expenses as appropriate. Government resources are allocated to and accounted for in the individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped

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in the financial statements in this report into three broad fund categories and six generic fund types and account groups.

The three broad fund categories are as follows:

GOVERNMENTAL FUNDS

Governmental Funds include the General Fund, Special Revenue Funds, and Capital Projects Funds. The Governmental Fund measurement focus is upon determination of financial position and changes in financial position (sources, uses, and balance of financial resources rather than upon net income determination). Those funds are maintained on the modified accrual basis of accounting. (Explained further under Basis of Accounting)

PROPRIETARY FUNDS

Proprietary Funds include Enterprise Funds. The Proprietary Fund measurement focus is upon determination of net income, financial position, and changes in financial position. The generally accepted accounting principles here are those applicable to similar businesses in the private sector and thus these funds are maintained on the accrual basis of accounting. (Explained further under Basis of Accounting)

FIDUCIARY FUNDS

Fiduciary Funds include the Expendable Trust Fund, Nonexpendable Trust Fund and the Agency Funds. The measurement focus of the Expendable Trust Fund is the same as governmental funds and are therefore maintained on the modified accrual basis of accounting. The Nonexpendable Trust Fund is maintained on the accrual basis of accounting as the measurement focus of this fund is similar to Proprietary Funds. The Agency Funds assets and liabilities are accounted for on the modified accrual basis.

The six Generic Fund types and Account Groups are as follows:

GENERAL FUND

The General Fund is the principal fund of the City which accounts for all financial transactions not accounted for in other funds. The majority of current operating expenditures of the City other than Proprietary Fund activities are financed through revenues received by the General Fund.

**CITY OF GRIFFIN, GEORGIA
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SPECIAL REVENUE FUNDS

These funds are used to account for revenues derived from specific taxes, governmental grants, or other revenue sources which are designed to finance particular functions or activities of the City.

CAPITAL PROJECTS FUNDS

The Capital Projects Fund accounts for Capital Improvements (except for those financed by Proprietary Funds) which are financed from the City's General Obligation Bond Issues, certain Federal Grants and other City Funds.

ENTERPRISE FUNDS

Enterprise Funds account for operations that are financed and operated in a manner similar to private business enterprises—where the intent of the City is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The acquisition, maintenance and improvement of the physical plant facilities required to provide these goods and services are financed from existing cash resources, the issuance of revenue bonds, Federal Grants and other City Funds.

TRUST AND AGENCY FUNDS

Trust and Agency Funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, other governmental units, and other funds.

ACCOUNT GROUPS

Account Groups are used to establish accounting control and accountability for the City's General Fixed Assets and General Long-Term Obligations.

E. BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements.

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**CITY OF GRIFFIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001**

MODIFIED ACCRUAL BASIS OF ACCOUNTING

The modified accrual basis of accounting is followed in the Governmental Fund types, Expendable Trust Fund and Agency Fund. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities.

Property taxes levied and due for the current year are considered available and are therefore recognized as revenues in accordance with NCGA Interpretation 3 of NCGA Statement 1.

Licenses, fines and forfeitures, and miscellaneous revenues are recorded as revenues when received in cash because they are generally not measurable until actually received. Taxes, charges for services, investment earnings, and special assessments are considered available if payment is received within 31 days after the close of the current fiscal year and therefore recognized as revenues.

Intergovernmental revenues received as reimbursements for specific purposes or projects are recognized when the expenditure is recorded. Intergovernmental revenues received but not earned are recorded as deferred revenues.

Expenditures are recognized in the accounting period in which the liability is incurred, if measurable, except for unmatured interest on general long-term debt, which is recognized when due and vacation and sick pay which is recorded when paid.

ACCRUAL BASIS OF ACCOUNTING

The accrual basis of accounting is followed in all Proprietary Funds and the Nonexpendable Trust Fund. Under the accrual basis of accounting, revenues are recognized when earned, and expenses are recorded when incurred. The revenues for sanitation and water and sewer, which are based upon service rates authorized by the City Commission, are determined by monthly cyclical billings to customers. Earned but unbilled revenues are accrued and reported in the financial statements.

Investment earnings are accrued in Proprietary Funds and the Nonexpendable Trust Fund.

**CITY OF GRIFFIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
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The City has adopted the requirements of GASB Statement 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting," and elected to follow only GASB standards. Therefore, the City has not adopted Financial Accounting Standards Board pronouncements issued after November 30, 1989.

F. BUDGETS AND BUDGETARY ACCOUNTING

The City code requires an annual operating budget be prepared that includes a proposed work program, a basic budget at the current level, and program change requests for all Governmental, Proprietary and Non-expendable Trust Fund types. The budget is prepared and submitted by the City Manager to the Commission for their consideration and adoption by ordinance prior to the commencement of the ensuing financial year. The Finance Director is authorized to transfer budget amounts within any fund. Budgetary control is exercised at the department, function or activity, and major object of expenditures group for capital and grant projects within each fund. Each of these areas cannot legally exceed their appropriations. All unencumbered appropriations lapse at year end. The budget is prepared showing each fund, department and level of expenditure for the prior year, current year estimates, requested, recommended and approved appropriation for the next fiscal year. Budgets for the City may be increased or decreased as the City Commission deems appropriate.

For Fiscal Year 2001, the City elected not to adopt budgets for the Special Revenue Funds-US Department of Justice Local Law Enforcement Block Grant and the Capital Project Funds-General Capital Project Fund.

The budget data presented in the financial statements and schedules were prepared on a Non-GAAP Budgetary basis for the Governmental Fund types. The difference between the GAAP basis and the budgetary basis is the inclusion of encumbrances as expenditures. In the Proprietary Funds and the Nonexpendable Trust Fund, the budgets were prepared on the GAAP basis. The same accrual basis that is used to reflect actual results is used to prepare the budgets for these funds. In instances where budget appropriations and estimated revenues have been revised during the year, budget data presented represents final authorized amounts.

**CITY OF GRIFFIN, GEORGIA
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2001**

The following funds' expenditures/expenses exceeded legal appropriations:

	Expenditures/Expenses on Budgetary Basis	Appropriations	Amount Exceeding
<u>Special Revenue</u>			
US Department of Justice Local Law Enforcement Block Grant	\$ 57,885	\$ -	\$ 57,885
<u>Capital Projects</u>			
General Capital Projects	\$ 785,778	\$ -	\$ 785,778
<u>Enterprise</u>			
Gas Utility Fund	\$ 415,131	\$ -	\$ 415,131
Solid Waste Fund	\$ 4,144,870	\$ 3,988,356	\$ 156,514
Airport Fund	\$ 611,302	\$ 485,655	\$ 125,647
<u>Trust and Agency</u>			
Cemetery Non-expendable Trust	\$ 40,216	\$ -	\$ 40,216

CITY OF GRIFFIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001

Per the official code of Georgia Annotated 36-81-3, the following departments' expenditures/expenses exceeded legal appropriations:

	Expenditures/Expenses on Budgetary Basis		Appropriations		Amount Exceeding
<u>General Fund</u>					
Executive	\$ 281,975	\$	243,126	\$	38,849
Financial administration	\$ 571,268	\$	490,557	\$	80,711
Information technology	\$ 789,363	\$	432,486	\$	356,877
Personnel management	\$ 300,469	\$	262,003	\$	38,466
Non-departmental	\$ 1,379,530	\$	923,455	\$	456,075
<u>Solid Waste Fund</u>					
Solid Waste Department	\$ 3,814,352	\$	3,797,156	\$	17,196
Non-departmental	\$ 330,518	\$	191,200	\$	139,318
<u>Airport Fund</u>					
Airport operations	\$ 575,568	\$	458,855	\$	116,713
Non-departmental	\$ 35,734	\$	26,800	\$	8,934
<u>Stormwater Fund</u>					
Stormwater operations	\$ 733,193	\$	491,278	\$	241,915
Non-Departmental	\$ 328,125	\$	271,810	\$	56,315

**CITY OF GRIFFIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001**

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G. ENCUMBRANCES

Encumbrance accounting, under which purchase orders, contracts and other commitments for expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund, Special Revenue Funds, and Capital Projects Funds, and Expendable Trust Fund. Encumbrances outstanding at year end are reported as reservations of fund balance since they do not constitute expenditures or liabilities.

H. CASH

For the purpose of the statement of cash flows, the City considers only cash (including restricted assets) in determining the increase (decrease) in cash. The Fiduciary Fund Type Cash Flow does not reconcile to the Balance Sheet due to a cash balance in the Expendable Trust Fund, Golf Course Trust Fund, and the Employee Aid Fund.

I. INVESTMENTS

Investments have a remaining maturity at time of purchase of one year or less and are therefore recorded at cost or amortized cost in accordance with GASB Statement 31. Adjustments are made to cost for any premium or discount, which is amortized over the maturity of the investment.

J. RECEIVABLES

Revenues are recorded when received except for the following items for which receivables have been recorded:

1. Taxes Receivable which includes:

- a. Taxes Receivable-Delinquent—represents the past seven years' of uncollected tax levies. An allowance for uncollectible taxes is provided based upon an analysis of historical trends. The tax receivables have been reported net of these allowances.

**CITY OF GRIFFIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001**

- b. Sales Taxes, Franchise Taxes, and Public Utilities Receivable—recorded as revenue when they become both measurable and available for collection within the current period paying cycle, which is 31 days past year end. The balance of what has been earned though not available is recorded as deferred revenue.
2. Accounts Receivable which includes:
- a. Accounts Receivable—Sanitation and Water and Sewer services charges are recognized when earned, with an allowance for uncollectible of 10% of the accounts receivable balance at June 30. Services performed by various departments are recognized as revenue when they are measured and assured collection within the current paying cycle of the City. That which is earned, but not collected, is recognized as a deferred revenue. In the Proprietary Funds and Nonexpandable Trust Fund, they are recognized as revenue when earned.
 - b. Returned Checks—the balance of checks written by the public that the banks have returned to the City over the past 12 months.
 - c. Accounts Receivable-Employees—the balance that City employees owe the City for travel advances, garnishments, etc.
 - d. Unbilled Services Receivable—within the City's Enterprise Funds, and estimated amount has been recorded for services rendered but not yet billed as of the close of June 30, 2001. The receivable was arrived at by taking the cycle billings the City sent the customers in July and prorating the amount of the days applicable to the current year factored at 90% to allow for uncollectible.

K. DUE FROM OTHER GOVERNMENTS & AGENCIES

Due from other governments includes amounts from grantors for grants for specific programs and capital projects. Program grants and capital grants for general fixed assets are recorded as receivables and revenues at the time reimbursable project costs are incurred. Revenue received in advance of project costs being incurred are deferred. Capital grants for fixed asset additions to the Proprietary Funds are recorded as receivables and corresponding increases to contributions when reimbursable project costs are incurred.

**CITY OF GRIFFIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001**

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L. DUE FROM AND DUE TO OTHER FUNDS

During the course of its operations, the City has numerous transactions between funds to finance operations, provide services, construct assets and service debts. To the extent that certain transactions between funds had not been paid or received as of June 30, 2001, balances of interfund amounts receivable or payable have been recorded.

M. INVENTORIES

Inventories are adjusted to annual and periodic physical counts and are valued at cost using the first in, first-out method of valuation.

N. PREPAID EXPENDITURES/EXPENSES

Payments made to various vendors for items or services for a future period beyond June 30, 2001 are recorded as prepaid expenditures/expenses. The fund balances in the Governmental Fund types have been reserved for the prepaid expenditures recorded in those funds. This reflects the amount of fund balance not currently available for expenditure.

O. RESTRICTED ASSETS

Monies or other resources, the use of which is restricted by legal or contractual requirements, are recorded as restricted assets.

P. FIXED ASSETS

The accounting and reporting treatment applied to the fixed assets associated with a fund are determined by its measurement focus. General fixed assets are long-lived assets of the City as a whole. When purchased, such assets are recorded as expenditures in the Governmental Fund types and capitalized (recorded and accounted for) in the General Fixed Asset Account Group.

**CITY OF GRIFFIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001**

Fixed assets in the Proprietary Funds are capitalized in the fund in which they are utilized. All fixed assets are valued at historical cost or estimated historical cost if the actual historical cost is not available. Donated fixed assets are valued at their estimated fair market value on the date donated. The valuation basis of land purchased after June 30, 1979 is historical cost. Purchases of land prior to June 30, 1979 is valued at appraised market value which approximates historical cost. All other fixed assets are valued at historical cost.

Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems are not capitalized.

No depreciation has been provided on general fixed assets. Depreciation of all exhaustible fixed assets used by the Proprietary Funds is charged as an expense against their operations. Accumulated depreciation is reported on the Proprietary Funds' balance sheets. Depreciation is provided on the straight-line basis over the estimated useful lives.

The estimated useful lives are as follows:

Assets	Life (Years)
Water System	30 - 50
Sewer System	30 - 50
Buildings	15 - 50
Machinery and Equipment	05 - 20
Vehicles	01 - 20

Expenditures for maintenance and repairs which do not add to the value of the assets or materially extend their lives are expensed as incurred. However, expenditures for repairs and upgrading which do materially add to the value or life of an asset are capitalized.

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**CITY OF GRIFFIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001**

Q. LONG-TERM OBLIGATIONS

Long-term liabilities for certain general obligations are recorded in the General Long-Term Obligation self-balancing account group.

Long-term liabilities for revenue obligations are recorded in the Enterprise Funds. Principal and accrued interest are recorded as liabilities. Principal and interest payments are deducted from the liability as made.

It is the City's policy to permit employees to accumulate a limited amount of earned but unused vacation benefits, which will be paid to employees upon separation from City service. In Governmental Fund types, the cost of vacation benefits is recognized when payments are made to employees. A long-term liability of \$1,372,983 of accrued vacation benefits at June 30, 2001 has been recorded in the General Long-Term Obligation Account Group, representing the City's commitment to fund such costs from future operations.

Proprietary Fund type expenses are accrued when incurred. The long term liabilities for vacation benefits are \$36,372 for Solid Waste; \$55,314 for Water and Sewer; \$3,183 for Airport; \$36,876 for Electric and \$6,115 for Stormwater.

R. PENSION FUND

Annual costs of the pension plan are actuarial computed and include amortization of past service costs over a period of 40 years. The City's policy is to fund the annual pension costs in the annual budget.

S. DEFERRED REVENUE

Deferred revenues are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. Such amounts have been deemed to be measurable but not available.

**CITY OF GRIFFIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001**

T. FUND BALANCE

1. Reserved Fund Balance—A reservation of fund balance indicates that a portion of the Fund equity has been legally segregated for specific purposes.
2. Designated Fund Balance—A designation of fund balance indicates that portion of fund equity for which the City has made tentative plans.
3. Undesignated Fund Balance—Undesignated fund balance indicates that portion of fund equity which is available for budgeting in future period.
4. Contributions—The following transactions are recorded as contributions in the Enterprise, Internal Service, and Nonexpendable Trust Funds:
 - a. Cash transfers of equity from other funds.
 - b. Receipts of Federal and State grants for acquisition of fixed assets.
 - c. Fixed assets contributed from other funds or the General Fixed Assets Account Group.
 - d. Contributions from customers for the acquisition of fixed assets normally capitalized by the City.

U. COMBINED STATEMENTS – OVERVIEW

The totals columns on the Combined Statements-Overview are noted “Memorandum Only” to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles. Interfund eliminations have not been made in the summarization of this data.

V. COMPARATIVE TOTAL DATA

Comparative total data and certain comparative data by fund type for the prior year have been presented in the accompanying combined financial statements in order to provide an understanding of the changes in the City’s financial position and operations.

The total data are the aggregate of the fund types and account groups. No consolidating or other eliminations were made in arriving at the totals; thus, they do not present consolidated information.

**CITY OF GRIFFIN, GEORGIA
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2001**

**NOTE 2. DEPOSITS WITH FINANCIAL INSTITUTIONS, INVESTMENTS
 (INCLUDING REPURCHASE AGREEMENTS), AND REVERSE REPURCHASE
 AGREEMENTS**

A. DEPOSITS

At year end, the carrying amount of the City's deposits was \$17,679,168 and the bank balance was \$20,386,177. Deposits of cities and other state or local governments are classified in three categories to give an indication of the level of risk assumed by the City. Category 1 includes cash that is insured or collateralized with the securities held by the City or by its agent in the City's name, Category 2 includes cash collateralized with securities held by the pledging financial institution's trust department or agent in the City's name, and Category 3 includes uncollateralized bank accounts.

The City's deposits are classified as follows at June 30, 2001:

<u>Form of Deposit</u>	<u>Category</u>			<u>Bank Balance</u>	<u>Carrying Amount</u>
	<u>1</u>	<u>2</u>	<u>3</u>		
Demand Deposit	\$15,458,389	\$3,309,321	\$235,009	\$19,002,719	\$16,295,710
Certificate of Deposit	911,470	471,988	-	1,383,458	1,383,458
	<u>\$16,369,859</u>	<u>\$3,781,309</u>	<u>\$235,009</u>	<u>\$20,386,177</u>	<u>\$17,679,168</u>

B. INVESTMENTS

The City is authorized to invest its funds in (1) obligations which constitute direct obligations of, or are unconditionally guaranteed by, the United States of America; (2) obligations of the Federal Land Bank, the Federal Home Loan Bank, Federal Intermediate Credit Bank and Federal Bank for Cooperatives; (3) bonds or other obligations issued by any public housing agency or municipality which are served by a pledge of annual contributors under contract with the United States Government, or project notes secured by a payment agreement with the United States Government; and (4) certificates of deposit issued by state and national banks located within the state of Georgia, provided that certain collateral for such certificates is deposited.

**CITY OF GRIFFIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001**

Investments of cities and other state or local governments are classified in three categories to give an indication of the level of credit risk assumed by the entity at year end. Category 1 includes investments that are insured or registered or for which the securities are held by the City or its agent in the City's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counter-party's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counter-party, or by its trust department or agent but not in the City's name.

<u>Form of Investments</u>	<u>Category</u>			<u>Carrying Amount</u>	<u>Fair Value</u>
	<u>1</u>	<u>2</u>	<u>3</u>		
US Government Securities	\$15,974,653	\$1,090,795	\$ -	\$17,065,448	\$17,065,448
Equities	-	-	10,682,120	10,682,120	10,682,120
Repurchase agreements	-	3,400,000	-	3,400,000	3,400,000
	<u>\$15,974,653</u>	<u>\$4,490,795</u>	<u>\$10,682,120</u>	<u>\$31,147,568</u>	<u>\$31,147,568</u>
Investments in the:					
Local Government Invest Pool				\$2,710,023	\$2,710,023
Municipal Competitive Trust				20,453,985	20,453,985
				<u>\$54,311,576</u>	<u>\$54,311,576</u>

The following is a summary of the differences between carrying amount of cash and investments as shown above and on the financial statement of the primary government:

	<u>Cash on Deposit</u>	<u>Investments</u>
Balance per Footnote above	<u>\$17,679,168</u>	<u>\$54,311,576</u>
Non Restricted	\$12,150,534	\$31,147,568
Restricted	<u>5,528,634</u>	<u>23,164,008</u>
Balance per Financial Statement	<u>\$17,679,168</u>	<u>\$54,311,576</u>

**CITY OF GRIFFIN, GEORGIA
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2001**

NOTE 3. PROPERTY TAXES

Advalorem property tax revenue is recognized in compliance with the National Council on Governmental Accounting (NCGA) Interpretation 3, "Revenue Recognition-Property Taxes". This interpretation states that property tax revenue is recorded when it becomes available. Available means when due, or past due and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. Such time thereafter shall not exceed 60 days. The City 2000 property taxes, levied September 12, 2000 on a 40% assessed valuation as of the lien date January 1, 2000, were due November 30, 2000. The levy for 2000 is as follows:

<u>Type of Levy</u>	<u>Rate over \$1,000 of Assessed Value</u>
General Operations	16.00
Less Sales Tax Rebate	<u>6.54</u>
Net for General Operations	<u>9.46</u>

Property taxes levied for the current year are available and are therefore recognized as revenue. The City's property tax collection records show that most of the property taxes due are collected during the fiscal year of the levy. Property tax received is reduced by an allowance for uncollectible account which is computed on the outstanding receivable at June 30, 2001 per the following table:

- 80% of the 1994 Levy
- 80% of the 1995 Levy
- 70% of the 1996 Levy
- 60% of the 1997 Levy
- 50% of the 1998 Levy
- 25% of the 1999 Levy
- 5% of the 2000 Levy

**CITY OF GRIFFIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001**

Taxes receivable at June 30, 2000 consist of the following:

Property Taxes	General Fund
1994	\$5,822
1995	24,496
1996	43,260
1997	57,430
1998	84,787
1999	78,723
2000	195,299
Total Taxes Receivable	489,817
Less Allowance for Uncollectible	160,904
	\$328,913

The property taxes for the City starting in 1999 are collected by the Spalding County Tax Commissioner's Office and remitted to the City monthly. The Commission disburses the tax money received to each unit of government.

**CITY OF GRIFFIN, GEORGIA
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2001**

NOTE 4. INTERFUND RECEIVABLES/PAYABLES

Individual fund interfund receivables and payables balance at June 30, 2001 are as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
<u>General Fund</u>	\$2,541,078	\$742,073
<u>Special Revenue Funds:</u>		
Grants Fund	0	2,000
<u>Capital Projects Funds:</u>		
General Capital Projects Fund	0	200,910
<u>Enterprise Funds:</u>		
Solid Waste	396,787	772,011
Combined Utility	650,694	396,787
Stormwater Fund	0	851,124
Airport Fund	0	106,360
<u>Trust and Agency Funds:</u>		
Expendable Trust Fund	0	520,306
Employee Aid Fund	3,012	0
	<u>\$3,591,571</u>	<u>\$3,591,571</u>

**CITY OF GRIFFIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001**

NOTE 5. FIXED ASSETS

A. A summary of the changes in General Fixed Assets is as follows:

	<u>Balance</u> <u>July 1, 2000</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2001</u>
Land	\$2,243,452	-	-	\$2,243,452
Land Improvements	-	42,184	-	42,184
Infrastructure	4,873,511	798,521	-	5,672,032
Buildings and structures	6,989,521	28,441	-	7,017,962
Equipment	11,828,270	1,142,649	-	12,970,919
Construction in progress	-	2,786,113	-	2,786,113
	<u>\$25,934,754</u>	<u>\$4,797,908</u>	<u>\$ -</u>	<u>\$30,732,662</u>

B. A summary of Proprietary Fund Type Fixed Assets is as follows:

	<u>Enterprise</u>			
	<u>Combined</u> <u>Utilities Fund</u>	<u>Solid Waste</u> <u>Fund</u>	<u>Airport</u> <u>Fund</u>	<u>Stormwater</u> <u>Fund</u>
Land	\$342,979	\$ -	\$512,385	\$76,139
Land Improvements	-	-	2,476,109	-
Infrastructure	24,787,278	830,699	-	3,438,039
Buildings and structures	-	23,364	71,284	-
Equipment	52,074,902	4,647,654	605,234	483,604
Construction in progress	3,557,615	20,990	244,788	509,701
Total	<u>80,762,774</u>	<u>5,522,707</u>	<u>3,909,800</u>	<u>4,507,483</u>
Less: Accumulated depreciation	<u>(29,539,100)</u>	<u>(3,539,264)</u>	<u>(476,824)</u>	<u>(304,517)</u>
Net Total	<u>\$51,223,674</u>	<u>\$1,983,443</u>	<u>\$3,432,976</u>	<u>\$4,202,966</u>

**CITY OF GRIFFIN, GEORGIA
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2001**

NOTE 6. PENSION PLAN

A. PLAN DESCRIPTION

The City of Griffin Employee Aid Fund is a single employer defined contribution pension plan administered by the Employee Aid Fund Board of Trustees. The Board of Trustees consists of one member of the city commission, the city manager, the city attorney, a citizen at-large, two employees who have been employed by the city for at least five years, and one retired participant. The pension plan provides retirement, disability for employees hired before July 1, 1995, and death benefits to plan members and beneficiaries. Cost of living adjustments are provided each January 1 and July 1 to members and beneficiaries and a bonus adjustment is paid from the surplus income of the employee aid fund as determined by the Board of Trustees. The Official Code of Georgia Annotated (O.C.G.A.) § 36-34-2(4) assigns authority to establish retirement systems for municipal employees; O.C.G.A. § 36-35-4 assigns authority of municipality to provide insurance, retirement and pension benefits; O.C.G.A. § 47-18-1 et seq. assigns social security coverage for employees of the state and political subdivisions of the state; O.C. G.A. §47-5-1 et seq. is the Public Retirement Systems Standard Law and the authority to maintain and modify retirement or pension benefit systems is authorized in the Georgia Constitution article IX, § II, ¶ III (a)(14).

Membership of the plan consist of the following at July 1, 2000, the date of the latest actuarial valuation:

Retirees and beneficiaries receiving benefits	122
Terminated plan members entitled to but not yet receiving benefits	34
Active plan members	380
Total	536

All employees of the City of Griffin who are employed on a monthly basis receiving a salary or wage of more than \$100.00 per month are eligible to participate in the plan. Employees become 100% vested in their benefits upon the earlier of (a) completion of ten (10) years of service, or (b) normal retirement date. Normal retirement date is reached at the earlier if (a) attaining age fifty-five (55) and completion of twenty-five

**CITY OF GRIFFIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001**

(25) years of employment, or (b) attaining age sixty-five (65) and completion of five (5) years of employment.

Funding Policy

The City of Griffin is required to make contributions to satisfy the minimum funding requirements of the State of Georgia. The City uses an actuarially determined rate. The current rate is 12.5% of covered payroll and the contributions are paid monthly out of the City's general and utility funds. Any contribution made by the City is irrevocable and is held and disposed by the aid fund solely in accordance with the provisions of the plan. The funding policy for the plan is to contribute an amount equal to or greater than the recommended contribution as follows:

	July 1, 2000
Normal Costs	
Retirement Benefits	
Employees	\$454,084
Vested benefits	23,712
Death benefits	16,468
Disability	58,102
Total Normal Costs	552,366
Amortization of Unfunded Actuarial Accrued Liability	716,608
Interest	53,694
Recommended contribution	\$1,322,668

The administrative costs will be funded with the investment earnings of the plan. The recommended contribution meets the guidelines for calculating an annual required contribution set forth in Paragraph 9-10 of GASB Statement 27. These contribution requirements of the City are established and may be amended by the System's Board of Trustees.

**CITY OF GRIFFIN, GEORGIA
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Annual Pension Cost

The City's annual pension cost of \$1,493,578 for the Employee Aid Fund was less than the City's actual contribution and exceeded the City's required contribution. The required contribution was determined under the entry age actuarial cost method and the market value of assets as reported by Greenway, Smith & Haisten, P.C., the City's Auditors for developing the actuarial value of the asset. The actuarial assumption included (a) 8.0% investment rate of return, (b) projected salary increases for inflation of 4.040% per annum and a future compensation increase of 5.0% per year. The period and related method, for amortizing the initial unfounded actuarial liability is 40 years from 1983 and current changes in the unfounded actuarial liability over 15 years for actuarial gains and losses, 20 years for plan provisions and 30 years for actuarial assumptions and cost methods as a level dollar amount. The amortization periods, if applicable, are open for this plan year.

The City's annual pension costs and net pension obligation to the Employee Aid Fund for the current year were:

Annual required contribution	\$1,322,668
Interest on net pension obligation	0
Adjustment to required contribution	170,910
Annual pension costs	1,493,578
Contributions made	1,653,052
Increase (decrease) in net pension obligation	(159,474)
Net pension obligation beginning of year	0
Net pension obligation end of year	\$0

Trend Information

Fiscal Year Ending	Annual Pension Costs (APC)	Percentage of (APC) Contributed	Net Pension Obligation
1999	\$1,248,197	100%	0%
2000	\$1,364,425	100%	0%
2001	\$1,493,578	100%	0%

**CITY OF GRIFFIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001**

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL As a % of Covered Payroll
July 1, 1992	\$10,045,763	\$18,267,891	\$8,222,128	55.0%	\$7,613,185	108.0%
July 1, 1994	\$12,535,041	\$22,434,478	\$9,899,437	55.9%	\$8,508,239	116.4%
July 1, 1996	\$16,079,476	\$25,813,609	\$9,734,133	62.3%	\$8,642,184	112.6%
July 1, 1998	\$21,929,029	\$29,779,677	\$7,850,648	73.6%	\$9,750,599	80.5%
July 1, 2000	\$24,674,875	\$33,047,220	\$8,372,345	74.7%	\$10,615,599	78.9%

Additional information on the latest actuarial valuations

The information presented in the required supplementary schedules was determined as part of the actuarial calculations at the dates indicated. Additional information as of the latest actuarial valuation follows:

Valuation date	July 1, 2000
Actuarial cost method	Entry age normal
Amortization method	Increasing payments of 5% per annum, closed
Remaining amortization period	20 years
Asset valuation method	Market value
Actuarial assumptions:	
*Investment rate of return	8.00%
*Projected salary increases	5.00%
Cost of living adjustments	2% every six months or 4.04% per annum

* Includes inflation of 5%

**CITY OF GRIFFIN, GEORGIA
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2001**

NOTE 7. CAPITAL LEASE

The City of Griffin leases certain real and personal property from the Georgia Municipal Association's (GMA) Direct Loan Program. The City of Griffin executed a Master Lease Agreement with GMA on January 5, 2001.

Under the terms of the program, the City may enter into Lease Supplements with respect to the lease of particular property, subject to the approval of the Servicer of the lease and to all of the other terms of the Master Lease. Each lease supplement can only be entered into for the following properties:

Property Taxes	Maximum Leasing Periods
Police Cars	36 months
Staff Trucks	48 months
Pickup Trucks	48 months
School Buses	48 months
Fire Trucks	120 months
Bulldozers	60 months
Motor Graders	60 months
Ambulances	60 months
Paving Equipment	60 months
Dump Trucks	60 months
Garbage Trucks	60 months
Street Sweepers	60 months
Modular Buildings	60 months
Street Lighting and Traffic Control Equipment	36 months
Telecommunications Systems	36 months
911 Systems, Voice or Voice Data Systems	36 months
Computer Systems (software & other soft costs not to exceed 20%)	36 months

The City of Griffin's obligation to pay such lease payments is conditioned in the annual appropriation of funds to make those payments by the City Commission. The City currently has Lease Supplements in the Solid Waste Fund, Stormwater Utility Fund and the General Fixed Assets Group of Accounts for the General Fund.

**CITY OF GRIFFIN, GEORGIA
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Amounts drawn under the Supplemental Lease Agreements bear interest based on interest rates at the time the lease supplement is serviced and is payable quarterly. The GMA lease program expires in January 2031. The following is a schedule of future minimum lease payments under such capital lease and the present value of the net minimum lease payments as June 30, 2001.

	2002	1,096,777
	2003	1,007,681
	2004	594,178
	2005	214,148
	2006	102,214
Total Minimum Lease payments		3,014,998
Less:		
Amount representing interest		(229,037)
		\$2,785,961

NOTE 8. LONG TERM DEBT

Long term bonded debt of the City is as follows:

Enterprise Funds	Balance July 1, 2000	Additions	Reductions	Balance June 30, 2001
3.1% to 5.5% Revenue Refunding and Improvement Bonds, Series 1993A. Callable on or after January 1, 2004 at par plus accrued interest to date of redemption plus a premium of 1% to 2% of par	\$ 9,505,000	\$ 0	\$ 0	\$ 9,505,000
3.1% to 5.5% Revenue Refunding and Improvement Bonds, Series 1993B.	1,135,000	0	555,000	580,000
4.4% to 5.4% Combined Public Utility Revenue Bonds, Series 1996. Callable on or after January 1, 2006 at par plus accrued interest to date of redemption plus a premium of 1% to 2% of par	6,220,000	0	260,000	5,960,000
4.35% to 5.125% Combined Public Utility Revenue Bonds, Series 1997. Callable on or after January 1, 2006 at par plus accrued interest to date of redemption plus a premium of 1% to 2% of par.	5,955,000	0	235,000	5,720,000
Total Bonded Debt	\$22,815,000	\$ 0	\$1,050,000	\$21,765,000

**CITY OF GRIFFIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001**

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Outstanding Combined Utility Revenue Bonds at June 30, 2001 totaled \$21,765,000. All City of Griffin Combined Utility Revenue Bonds have been issued to extend, improve and maintain the Water and Sewer System. This debt is payable from and secured by a lien on the net revenues of the combined utilities, electric, water and wastewater. The annual requirements to amortize all City issue bonds outstanding as of June 30, 2001 is as follows:

Years Ended June 30, 2001	Electric and Water and Wastewater Revenues
2002	\$2,202,485
2003	2,194,868
2004	2,204,970
2005	2,201,225
2006	2,208,647
2007	2,201,050
2008	2,199,087
2009	2,207,493
2010	2,205,733
2011	2,206,890
2012	1,821,117
2013	2,207,133
2014	2,210,339
2015	1,120,470
2016	1,124,881
2017	1,126,391
	31,642,778
Amount Representing Interest	(9,877,778)
TOTAL AT PRESENT VALUE	\$21,765,000

The City is subject to a statutory limitation by the State of Georgia for bonded indebtedness, payable principally from property taxes to an amount not greater than 10% of the assessed values of all taxable property within the municipality. At June 30, 2001 the limit for the City was \$52,743,933.

The City of Griffin has entered into a contract for two loans with Georgia Environmental Facilities Authority for an aggregate loan balance of \$2,679,787. Payments for these loans are repaid quarterly.

Loan Amount	Payment Period
\$ 378,009	July 1, 1990 to April 1, 2010
2,301,778	September 1, 2002 to December 12, 2001

CITY OF GRIFFIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001

The requirements to amortize the Georgia Environmental Facilities Loans debt outstanding as of June 30, 2001 are as follows:

Fiscal Year Ending June 30	Loan # 87-002-WQ		Loan # 98-007-NP		Total All Loans	
	Principal	Interest	Principal	Interest	Principal	Interest
2002	\$25,467	\$16,077	\$142,029	\$148,548	\$167,496	\$164,625
2003	35,712	19,680	37,480	122,111	73,192	141,791
2004	37,829	17,563	81,137	78,453	118,966	96,016
2005	40,071	15,320	84,223	75,367	124,924	90,687
2006	42,447	12,946	87,426	72,164	129,873	142,819
2007	44,963	10,430	90,751	68,839	135,714	79,269
2008	47,628	7,765	94,202	65,388	141,830	73,153
2009	50,451	4,942	97,785	61,805	148,236	66,747
2010	53,441	1,951	101,504	58,087	154,945	60,038
2011			105,364	52,226	105,364	52,226
2012			109,371	50,219	109,371	50,219
2013			113,531	46,060	113,531	46,060
2014			117,848	41,742	117,848	41,742
2015			112,330	37,260	122,330	37,260
2016			126,982	32,608	126,982	32,608
2017			131,811	27,779	131,811	27,779
2018			136,824	22,766	136,824	22,766
2019			142,028	17,562	142,028	17,562
2020			147,429	12,161	147,429	12,161
2021			153,036	6,554	153,036	6,554
2022			78,687	1,108	78,687	1,108
Totals	\$378,009	\$106,674	\$2,301,778	\$1,098,807	\$2,679,787	\$1,205,481

NOTE 9. RESERVES

The City records two general types of reserves. One type is to indicate that a portion of the fund equity is legally segregated for a specific future use. The second type of reserve is to indicate that a portion of fund equity is not appropriated for expenditure.

CITY OF GRIFFIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
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Reserve for Renewal and Extension – These reserves were established in conjunction with the issuance of revenue bonds and are funded by transfers from the revenue accounts of the appropriate Enterprise Funds. The use of monies in the renewal and replacement fund is restricted to funding the cost of extensions, enlargements, additions to, or replacement of capital assets.

Reserve for Debt Service – This reserve was established in conjunction with the issuance of revenue bonds and is funded by transfers from the revenue account of the appropriate Enterprise Funds. The use of this money is restricted to the payment of bond service requirements.

Reserve for Emergency – This reserve was established in conjunction with the issuance of revenue bonds and is funded by transfers from the revenue account of the appropriate Enterprise Funds. The use of this money is restricted to funding the cost of emergency repair of capital assets.

Reserve for Revenue Bond Construction – This reserve was established in conjunction with the issuance of bonds and is funded by the proceeds of the Combine Utility/Revenue Bonds Series 1996 and 1997. The money can only be used for the construction projects for which the bonds were issued.

Reserve for Sewer Capacity Recovery – An account used to segregate fund equity for future sewer line construction and is funded from a fee charged to a property owner when the owner attaches to the sewer system.

Reserve for Electrical Deregulation – An account used to segregate fund equity for the account established by Municipal Competitive Trust held by the Municipal Electric Authority of Georgia for the City of Griffin. The funds are restricted to pay debt reduction when electric deregulation takes place in Georgia.

Reserve for Energy Rate Fluctuations – An account used to segregate fund equity for an account established by Municipal Competitive Trust held by the Municipal Electric Authority of Georgia for the City of Griffin. The funds are restricted for the use of electrical rate stabilization in the event a drastic wholesale cost increases to the City due to conditions beyond the City's control, such as a major industry closing.

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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001**

Reserve for Future Operations – An account used to segregate a portion of fund equity for funds established by the Municipal Competitive Trust held by the Municipal Electric Authority of Georgia for the City of Griffin. The monies are used to offset rate adjustments for the cost of power from the Municipal Electric Authority of Georgia (MEAG).

Reserve for Landfill Closure – An account used to segregate a portion of fund equity for fees collected from the Solid Waste Customers to offset the cost of landfill closures.

Reserve for Local Landfill – An account used to segregate a portion of fund equity for fees collected from the Solid Waste Customer for the expansion of a future landfill.

Reserve for Capital Improvements – An account used to segregate a portion of fund equity for capital improvement at the airport.

Reserve for Encumbrances – An account used to segregate a portion of fund balance for expenditure upon vendor performance.

Reserve for Firestation – An account used to segregate a portion of fund equity for capital construction of a fire station.

Reserve for Clubhouse – An account used to segregate a portion of fund equity for expansion, remodel, or repair of the clubhouse located at the Municipal Golf Course.

Reserve for Prepaids – An account used to segregate a portion of fund balance to indicate that prepaid expenses do not represent available, spendable resources even though they are a component of assets.

Reserve for Cemetery – An account used to segregate funds for expenditures on maintaining the cemetery lots.

Reserve for Stonewall Cemetery – An account used to segregate a portion of fund equity for funds received by public donation to maintain the Confederate Cemetery.

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**CITY OF GRIFFIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001**

Reserve for Veterans Cemetery – An account used to segregate a portion of fund equity for funds received by public donation to maintain the Veterans Cemetery.

Reserve for Mausoleum – An account used to segregate a portion of fund equity for expenditures on maintaining the mausoleum.

Reserve for Capital Renovations – An account used to segregate a portion of fund equity for expenditures

Reserve for Employee Retirement System – An account used to segregate a portion of fund equity for funds to be used only in the payment of retirement benefits for vested employees who have retired from active service with the City of Griffin.

NOTE 10. DESIGNATIONS

Designations of retained earnings and fund balance are not legally required segregation but are segregated for an intended purpose. The following designation of fund balance is used by the City:

Designated for Property Tax Relief – An account used to segregate a portion of fund balance equal to the collection of sales taxes during the current fiscal year for the relief of property taxes on the following year's tax levy.

NOTE 11. CONTRIBUTED CAPITAL

Contributed capital is an equity account in a Proprietary Fund which shows the amount of permanent fund capital contributed by various sources. The book value of contributed capital as of June 30, 2000 does not distinguish the source of funding. The balance at June 30, 2001 is \$3,601,320. There were no additions to contributed capital during the fiscal year.

NOTE 12. SEGMENT INFORMATION

The City's Enterprise Funds provide an airport, basic utility services to the citizens of Griffin, Georgia, as well as sanitation services and stormwater management services for residential and commercial buildings. Operations accounted for in the Enterprise

**CITY OF GRIFFIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
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(a) The Combined Utility Fund is a multiple entity. The assets of the fund are owned by the electric utility and the water and wastewater utility. The combined revenues of the utilities are pledged to all outstanding debt of the fund. Following is a summary of information relating to each of the utilities.

	Electric Utility	Water Utility	Wastewater Utility	Total
Operating revenues	\$31,122,656	\$6,913,621	\$3,334,531	\$41,370,808
Depreciation expense	658,703	741,108	1,067,138	2,466,949
Property, plant and equipment	19,647,416	25,273,110	35,842,248	80,762,744
Property, plant and equipment additions (deletions), net	929,775	2,646,146	473,231	4,049,152

NOTE 13. CLOSURE AND POST CLOSURE CARE COST

The City of Griffin closed its landfill in 1997. State and federal laws require the City of Griffin to cover a landfill site and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The \$1,368,900 reported as landfill closure care liability at June 30, 2001 represents the estimated total amount necessary to perform all future closure and post closure functions. The cumulative amount reported is based on the use of 100 percent of the capacity of the landfill. The amount reported is based on what it would cost to perform all closure and post closure care in 2001. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

NOTE 14. CONTINGENT LIABILITIES

The government is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City Attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the City.

**CITY OF GRIFFIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001**

NOTE 15. COMMITMENTS

Agreements with Municipal Electric Authority of Georgia

During 1976, the City, along with 45 other cities and one county, all political subdivisions of the State of Georgia, entered into a Power Sales Contract with the Municipal Electric Authority of Georgia, a public corporation and instrumentality of the State of Georgia.

Under the terms of the agreement, the Authority agrees to provide, and the Cities are obligated to purchase, all of the cities' bulk power supply requirements for a period not to exceed 50 years. The cities have agreed to purchase all their future power and energy requirements in excess of that received by the cities through Southeastern Power Administration at prices intended to cover the operating costs of the systems and to retire any debt incurred by the Authority. In the event that revenues are insufficient to cover all costs and retire the outstanding debt, each City has guaranteed a portion of the unpaid debt based on their individual entitlement shares of the output and services of generating units acquired or constructed by the Authority. In addition, in the event of discontinued service to a participant in default, the City would be obligated to purchase additional power subject to contractual limitations.

At June 30, 2001, the outstanding debt of the Authority was approximately \$3.49 billion. The City's guarantee varies by individual projects undertaken by the Authority and totals approximately \$115,753,225 at June 30, 2001.

On April 1, 1999, the City approved a resolution adopting the provisions of the Municipal Competitive Trust (the "Trust"), which was created by MEAG for the mutual benefit of MEAG and its wholesale customers, which have elected to become beneficiaries. The Trust was established to provide MEAG and the trust's beneficiaries a means to mitigate the expected differential between market rates for power and the costs of power generated by MEAG facilities, after deregulation of the electric industry.

The Trust created two types of funds, which are held by MEAG in the name of the City. The first type represents amounts that are available to the City for withdrawal without restriction. The second type represents amounts that are available to the City in the form of a loan or as an off-set to billings from MEAG for power usage if certain criteria related to the difference between the cost of power generated by MEAG facilities and the market rates for power are met.

**CITY OF GRIFFIN, GEORGIA
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At June 30, 2001, \$20,453,984 has been placed into the Trust for the benefit of the City and is subject to restrictions. Due to the restricted nature of the \$20,453,984, the amount is reported as Reservation of Retained Earnings at June 30, 2001.

NOTE 16. FUND BALANCE DEFICITS

The following funds had deficits at June 30, 2001:

The Solid Waste Fund had a deficit retained earnings of \$326,631 due to the recognition of the landfill closure liability and the high operating cost of aging equipment. The city is addressing the deficit through a rate increase of twelve dollars per annum per residential customer and a ten percent increase for the commercial customer, and a planned review of all residential and commercial customers to assure they are being properly billed. It is anticipated that it will take two years to recover the prior year losses with these planned changes.

NOTE 17. INTERFUND TRANSACTIONS

During the course of normal operations, the City has numerous transactions between funds including expenditures and transfers of resources to provide services. The Internal Service Funds record charges for services to all City departments and funds as operating revenue. Both Governmental and Proprietary Funds record these payments to the Internal Service Funds as operating expenses/expenditures. The remaining transfers of resources from a fund receiving revenue to the fund through which the resources are to be expended are recorded as operating transfers and are reported as other financial sources (uses) in the Governmental Funds are operating transfers section in the Proprietary Funds.

Operating transfers between fund types during the year ended June 30, 2000 were:

	Transfer In				
	Total	General Fund	Special Revenue	Capital Projects	Enterprise Funds
	Transfers Out				
General Fund	\$475,168	\$0	\$5,416	\$288,368	\$181,384
Capital Project Fund	\$83,970	\$0	\$0	\$0	\$83,970
Expendable Trust Fund	\$1,956,319	\$291,402	\$0	\$0	\$1,664,917
Enterprise Funds	4,738,717	4,738,717	0	0	0
Nonexpendable Trust Fund	47,880	47,880	0	0	0
	<u>\$7,302,054</u>	<u>\$5,077,999</u>	<u>\$5,416</u>	<u>288,368</u>	<u>\$1,930,271</u>

**CITY OF GRIFFIN, GEORGIA
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NOTE 18. JOINT VENTURES

The City, in conjunction with cities and counties in the (5) county South Georgia area are members of the McIntosh Trail Regional Development Center (RDC). Membership in an RDC is automatic for each municipality and county in the state. The official Code of Georgia Section 50-8-34 (Georgia Planning Act of 1989) provides for the organizational structure of the RDCs. Each county and municipality in the state is required by law to pay minimum annual dues to the RDC. The City paid annual dues in the amount of \$21,052 to the RDC for the fiscal year ended June 30, 2001. The RDC Board membership includes the Chief elected official of each county and each city. The County Board members and Municipal Board members from the same county elect one member of the Board to serve as the non-public Board member from the County. This individual may not be an elected or appointed official currently, nor be an employee of the County or Municipality.

The Georgia Planning Act of 1989 (O.C.G.A. 50-8-34) defines an RDC as "public agencies and instrumentality's of their members". Georgia laws also provide that the member governments are liable for any debts or obligations of an RDC beyond its resources (O.C.G.A. 50-8-39.1).

NOTE 19. RISK MANAGEMENT

The City of Griffin is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City is a member of the Georgia Interlocal Risk Management Agency.

Chapter 85 of Title 36 of the Official Code of Georgia Annotated authorizes Georgia Municipalities to form interlocal risk management agencies. The Georgia Interlock Risk Management Agency (GIRMA) is a municipal interlocal risk management agency to function as an unincorporated nonprofit instrumentality of its member municipalities – GIRMA establishes and administers one or more group self insurance funds and risk management service to prevent or lessen the incidence and severity of casualty and property losses occurring in the operation of municipal government. GIRMA is to defend and protect in accordance with the member government contract and related coverage descriptions any member of GIRMA against liability or loss.

The City of Griffin must participate at all times in at least one fund, which is established by GIRMA. Other responsibilities of the City are as follows:

**CITY OF GRIFFIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001**

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- a. To pay all contributions, assessments or other sums due to GIRMA at such times and in such amounts as shall be established by GIRMA.
- b. To select a person to serve as a Member representative.
- c. To allow GIRMA and its agents reasonable access to all facilities of the City and all records, including but not limited to financial records, which relate to the purposes of GIRMA,
- d. To allow attorneys appointed by GIRMA to represent the City in investigation, settlement discussions and all levels of litigations arising out of any claim made against the City within the scope of loss protection furnished by the Fund or Funds established by GIRMA.
- e. To assist and cooperate in the defense and settlement of claims against the City.
- f. To furnish full cooperation to GIRMA's attorneys, claims adjusters, Service Company, and any agent, employee, officer or independent contractor of GIRMA relating to the purposes of GIRMA.
- g. To follow all loss reduction and prevention procedures established by GIRMA.
- h. To furnish to GIRMA such budget, operating and underwriting information as may be requested.
- i. To report as promptly as possible, and in accordance with any Coverage Descriptions issued, all incidents which could result in GIRMA or any Fund established by GIRMA being required to pay claim for loss or injuries to municipal property or injuries to persons or property when such loss or injury is within the scope of the protection of a Fund or Funds in which the City participates.

The City of Griffin retains the first \$5,000 of each risk loss in the form of a deductible. The City files all claims with GIRMA. GIRMA bills the City for any risk of loss up to the \$5,000 deductible.

The basis for estimating the liabilities for unpaid claims (IBNR) is established by an actuary.

Pursuant to the Title 34, Chapter 9, Article 5 of the Official Code of Georgia Annotated, the City of Griffin became a member of the Georgia Municipal Association Workers' Compensation Self Insurance Fund. The liability of the fund to the employees of any employer (City of Griffin) is specifically limited to such obligations as are imposed by applicable state laws against the employer for workers' compensation and/or employer's liability.

The Fund is to defend, in the name of and on behalf of the members, any suits or other proceedings which may at any time be instituted against them on account of injuries or death within the preview of the Workers' Compensation Law of Georgia, or on the basis of employer's liability, including suits or other proceedings alleging such injuries

**CITY OF GRIFFIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001**

and demanding compensation therefore, although such suits, other proceedings allegations or demands be wholly groundless, false or fraudulent. The Fund is to pay all costs taxed against members in any legal proceeding defended by the member, all interest accruing after entry of judgment and all expenses incurred for investigation, negotiation or defense.

No reduction in insurance coverage has occurred since the previous year, and no settlements in excess of coverage have been paid in the past three years.

NOTE 20. RESTATEMENTS

GENERAL FUND

The General Fund Comparative Balance Sheet, Schedule of Revenues, and Expenditures and changes in fund balance for fiscal year ended June 30, 2000 have been restated for the error in property tax revenue recognition \$279,453 should have been classed as a receivables and deferred revenue. The effect of the reinstatement is a decrease in property tax revenue and undesignated fund balance by the \$279,453.

CAPITAL PROJECT FUNDS

The SPLOST Fund was restated as a Capital Project Fund from a Special Revenue Fund. This was done to better budget and account for the streets and stormwater projects being funded by the Special Purpose local option Sales Tax.

ENTERPRISE FUNDS

The Combined Utility Fund was restated as follows:

Recording the Municipal Competitive Trust Accounts that are held by the Municipal Electric Authority of Georgia for the City of Griffin. The effect of the restatement was an increase in Restricted Assets and Reserved Returned Earning by \$17,159,858.

Sick leave has been overstated in the amount of booked value when compared to the actual cost to the city. The effect of the restatement was a decrease in the compensated absences liability and increased the unreserved retained earnings by \$223,227.

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**CITY OF GRIFFIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001**

The Sewer Capacity Recovery fees are collected for the purpose of increasing the sewer lines and therefore should have been a reservation of retained earning until the construction was done. The effect of this restatement was an increase in non-operating revenue of \$115,983 in FY 2000, \$157,035 prior to FY 2000, and an increase in retained earnings of \$273,018.

The note receivable from a surrounding unit of government had not been booked as a receivable. The effect of the restatement was an increase in dues from other governments and unreserved retained earnings by \$42,414.

On July 1, 1999 the City adopted the uniform chart of accounts. This adoption led to the reallocation of \$1,493,372 of utility assets. There was also a \$353,429 adjustment for sewer additions. The total adjustments for June 30, 2000 were \$1,846,901.

The Solid Waste Fund had these restatements; the first restatement was to correct the error in the amount accrued for sick leave to the actual amount being paid by the City of Griffin. The effect of the restatement was a decrease in the compensated absence liability and an increase in the unreserved retained earnings by \$119,672.

The post closure liability for the landfill was recorded in the Long-term Debt Group of Accounts. This liability should be recorded within the Solid Waste Enterprise Fund. The effect of this restatement is an increase in the liability and decreases in the unreserved retained earnings by \$1,368,900.

For the Fiscal Year ended June 30, 2000 the City set up the Solid Waste Fund. The City recorded assets and liabilities for Enterprise Fund that resulted in a \$915,663 net increase to fund balance.

The Stormwater Fund was restated to cancel the error in recording the accrual for sick leave. The effect of the restatement was a decrease in the compensated absences liability and increase in the unreserved retained earnings by \$18,704.

FIDUCIARY FUNDS

The Employee Aid Fund was restated to correct the error recording the valuation of the investments for that fund. The investments were understated by \$2,156,508. The restatement increased the investments assets and the reserve for the employee retirement system.

**CITY OF GRIFFIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001**

NOTE 21. ACCOUNTING CHANGES

FUNDS CLOSED

Natural Gas Utility Fund

The Natural Gas Utility Fund was closed as a result of the City of Griffin no longer offering Natural Gas Utility Services.

Local Resources Fund

The Local Resources Fund was closed in fiscal year 2001. The operations of the fund were transferred to the Combined Utility Fund. The Local Resources Fund accounted for Capital Projects of the Water and Wastewater Fund.

Revenue Bond Fund

The Revenue Bond Fund was closed in fiscal year 2001. The operations of the fund were transferred to the Combined Utility Fund. The Revenue Bond Fund accounted for the accumulation of funds and payment of funds for the Series 1993 A, Series 1993 B, Series 1996 and Series 1997 Water and Sewer Revenue Bonds.

FUNDS OPENED

Golf Course Expendable Trust Fund

The Golf Course Expendable Trust Fund was created in fiscal year 2001 to account for the funds accumulated from the surcharges on each round of golf to fund capital improvements to the golf course. These monies were previously accounted for in the Expendable Trust Fund.

General Capital Projects Fund

The General Capital Projects Fund was created to account for Capital Projects of the Governmental Types. Prior to fiscal year 2001, Capital Projects of the Governmental Fund Types were accounted for within the respected funds.

**CITY OF GRIFFIN, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2001**

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NOTE 22. RECLASSIFICATION AND COMPARATIVE DATA FOR 2000

Amounts for 2000 have been restated to conform with the presentation of similar amounts for 2001. The amounts shown for 2000 in accompanying financial statements are included to provide a basis for comparison with 2001 and are not intended to present all information necessary for a fair presentation in accordance with generally accepted accounting principles.



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CITY OF GRIFFIN, GEORGIA
GENERAL FUND

COMPARATIVE BALANCE SHEET

June 30, 2001 and 2000

	FY 2001	FY 2000 (As restated)
ASSETS		
Cash	\$ 1,811,397	\$ 643,254
Receivables (net where applicable of uncollectibles):		
Taxes	503,481	159,610
Due from other governments and agencies	640,197	-
Due from other funds	2,541,078	2,828,357
Prepaid Expenditures	130,998	79,883
Total Assets	<u>\$ 5,627,151</u>	<u>\$ 3,711,104</u>
LIABILITIES AND FUND BALANCE		
Liabilities:	\$ 275,918	\$ 311,046
Accounts Payable	162,136	-
Contracts payable		
Due to:	742,073	-
Other Funds	3,164	-
Other Governments and agencies	806,460	-
Deferred revenue	<u>1,989,751</u>	<u>311,046</u>
Total Liabilities		
Fund Balance (deficits):	4,098	284,738
Reserve for encumbrances	265,000	265,000
Reserve for fire station	110,587	110,587
Reserve for clubhouse	130,998	79,833
Reserve for prepaid expenditures		
Unreserved:	3,113,301	3,097,916
Designated for property tax relief	13,416	(438,016)
Undesignated (deficits)	<u>3,637,400</u>	<u>3,400,058</u>
Total fund balance	<u>\$ 5,627,151</u>	<u>\$ 3,711,104</u>
Total liabilities and fund balance		

The accompanying notes are an integral part of these statements.

CITY OF GRIFFIN, GEORGIA
GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL COMPARISON (NON-GAAP BUDGETARY BASIS)

Year Ended June 30, 2001

With Comparative Actual Amounts for Year Ended June 30, 2000

	FY 2001						FY 2000
	GAAP ACTUAL	DIFFERENCE BETWEEN BUDGET BASIS AND GAAP	ACTUAL ON BUDGETARY BASIS	BUDGET AS AMENDED	VARIANCE FAVORABLE (UNFAVORABLE)		
Revenues:							
Taxes	\$ 10,333,449	\$ -	\$ 10,333,449	\$ 10,286,100	\$ 47,349	\$ 9,450,616	
License and permits	264,997	-	264,997	469,000	(204,003)	187,666	
Intergovernmental revenues	13,625	-	13,625	1,200,000	(1,186,375)	-	
Charges for services	1,783,200	-	1,783,200	509,500	1,273,700	510,517	
Fines and forfeitures	59,200	-	59,200	60,000	(800)	75,971	
Investment income	125,685	-	125,685	150,000	(24,315)	151,520	
Contributions and donations	5,673	-	5,673	-	5,673	-	
Miscellaneous revenue	41,595	-	41,595	578,500	(536,905)	1,775,337	
TOTAL REVENUES	12,627,424	-	12,627,424	13,253,100	(625,676)	12,151,627	
Expenditures:							
Current:							
General government	2,194,891	4,098	2,198,989	1,717,602	(481,387)	1,387,599	
Judicial	26,791	-	26,791	27,500	709	26,482	
Public safety	7,239,272	-	7,239,272	8,752,377	1,513,105	6,528,065	
Public works	2,338,129	-	2,338,129	2,398,089	59,960	2,020,304	
Culture/recreation	830,948	-	830,948	890,627	59,679	683,302	
Housing and development	710,661	-	710,661	754,173	43,512	601,426	
Non departmental	1,404,530	-	1,404,530	923,455	(481,075)	1,516,372	
Debt service	538,902	-	538,902	699,775	160,873	521,222	
Capital Outlay	2,704,545	(284,738)	2,419,807	4,196,578	1,776,771	532,911	
TOTAL EXPENDITURES	17,988,669	(280,640)	17,708,029	20,360,176	2,652,147	13,817,683	
REVENUES OVER (UNDER) EXPENDITURES	(5,361,245)	(280,640)	(5,080,605)	(7,107,076)	2,026,471	(1,666,056)	
Other financing sources (uses):							
Operating transfers in	5,077,999	-	5,077,999	7,235,500	(2,157,501)	4,880,553	
Capital lease proceeds	995,756	-	995,756	-	995,756	-	
Operating transfers out	(475,168)	-	(475,168)	181,384	(656,552)	(1,833,504)	
TOTAL OTHER SOURCES (USES)	5,598,587	-	5,598,587	7,416,884	(1,818,297)	3,047,049	
REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	237,342	(280,640)	517,982	309,808	208,174	1,380,993	
Fund Balance beginning of year	3,400,058	280,640	3,119,418	3,400,058	(280,640)	2,019,065	
FUND BALANCE END OF YEAR	\$ 3,637,400	\$ -	\$ 3,637,400	\$ 3,709,866	\$ (72,466)	\$ 3,400,058	

The accompanying notes are an integral part of these statements.

CITY OF GRIFFIN, GEORGIA
GENERAL FUND

SCHEDULE OF EXPENDITURES—INCLUDING COMPARISONS OF
BUDGET TO ACTUAL COMPARISON (NON-GAAP BUDGETARY BASIS)

Year Ended June 30, 2001
With Comparative Actual Amounts for Year Ended June 30, 2000

	FY 2001					FY 2000
	GAAP ACTUAL	DIFFERENCE BETWEEN BUDGET BASIS AND GAAP	ACTUAL ON BUDGETARY BASIS	BUDGET AS AMENDED	VARIANCE FAVORABLE (UNFAVORABLE)	
CURRENT OPERATIONS:						
GENERAL GOVERNMENT:						
Legislative:						
Commission:						
Personal services and employee benefits	\$ 112,581	\$ -	\$ 112,581	\$ 112,680	\$ 99	\$ 98,370
Purchased/contracted services	46,820	3,500	50,320	69,000	18,680	32,983
Supplies	10,734	-	10,734	7,550	(3,184)	14,404
	<u>170,135</u>	<u>3,500</u>	<u>173,635</u>	<u>189,230</u>	<u>15,595</u>	<u>145,757</u>
Executive:						
City manager:						
Personal services and employee benefits	200,596	-	200,596	217,926	17,330	163,684
Purchased/contracted services	88,303	-	88,303	17,350	(50,953)	22,289
Supplies	13,076	-	13,076	7,850	(5,226)	10,527
	<u>281,975</u>	<u>-</u>	<u>281,975</u>	<u>243,126</u>	<u>(38,849)</u>	<u>196,500</u>
General Administration:						
Department of Finance and Administrative Services:						
Financial administration:						
Accounting:						
Personal services and employee benefits	147,936	-	147,936	249,247	101,311	190,806
Purchased/contracted services	104,720	598	105,318	30,700	(74,618)	73,172
Supplies	22,372	-	22,372	31,500	9,128	47,341
	<u>275,028</u>	<u>598</u>	<u>275,626</u>	<u>311,447</u>	<u>35,821</u>	<u>311,319</u>
Licensing:						
Personal services and employee benefits	49,174	-	49,174	83,061	33,887	65,855
Purchased/contracted services	20,928	-	20,928	6,400	(14,528)	129,892
Supplies	1,226	-	1,226	3,500	2,274	3,323
Other costs	105,290	-	105,290	-	(105,290)	-
	<u>176,618</u>	<u>-</u>	<u>176,618</u>	<u>92,961</u>	<u>(83,657)</u>	<u>199,070</u>
Purchasing:						
Personal services and employee benefits	109,824	-	109,824	80,049	(29,775)	62,352
Purchased/contracted services	8,230	-	8,230	4,600	(3,630)	2,214
Supplies	970	-	970	1,500	530	82
	<u>119,024</u>	<u>-</u>	<u>119,024</u>	<u>86,149</u>	<u>(32,875)</u>	<u>64,648</u>
Total Financial Administration	570,670	598	571,268	490,557	(80,711)	575,037
Information technology:						
Personal services and employee benefits	69,826	-	69,826	77,086	7,260	79,830
Purchased/contracted services	711,561	-	711,561	319,900	(391,661)	119,618
Supplies	7,976	-	7,976	35,500	27,524	28,642
	<u>789,363</u>	<u>-</u>	<u>789,363</u>	<u>432,486</u>	<u>(356,877)</u>	<u>228,090</u>
Personnel management:						
Personal services and employee benefits	172,339	-	172,339	182,560	10,221	128,480
Purchased/contracted services	116,187	-	116,187	73,223	(42,964)	6,749
Supplies	11,943	-	11,943	6,220	(5,723)	20,368
	<u>300,469</u>	<u>-</u>	<u>300,469</u>	<u>262,003</u>	<u>(38,466)</u>	<u>155,597</u>
Total Department of Finance and Administrative Services	1,660,502	598	1,661,100	1,185,046	(476,054)	958,724
Law:						
City attorney:						
Purchased/contracted services	82,234	-	82,234	100,200	17,966	86,618
Supplies	45	-	45	-	(45)	-
	<u>82,279</u>	<u>-</u>	<u>82,279</u>	<u>100,200</u>	<u>17,921</u>	<u>86,618</u>
TOTAL GENERAL GOVERNMENT	2,194,891	4,098	2,198,989	1,717,602	(481,387)	1,387,599
JUDICIAL:						
Municipal court:						
Purchased/contracted services	26,791	-	26,791	27,500	709	26,482
TOTAL JUDICIAL	26,791	-	26,791	27,500	709	26,482

(Continued)

CITY OF GRIFFIN, GEORGIA
GENERAL FUND

SCHEDULE OF EXPENDITURES--INCLUDING COMPARISONS OF
BUDGET TO ACTUAL COMPARISON (NON-GAAP BUDGETARY BASIS)

Year Ended June 30, 2001

With Comparative Actual Amounts for Year Ended June 30, 2000

	FY 2001					FY 2000
	GAAP ACTUAL	DIFFERENCE BETWEEN BUDGET BASIS AND GAAP	ACTUAL ON BUDGETARY BASIS	BUDGET AS AMENDED	VARIANCE FAVORABLE (UNFAVORABLE)	
PUBLIC SAFETY:						
Police:						
Office of chief:						
Personal services and employee benefits	\$ 139,860	\$ -	\$ 139,860	\$ 158,329	18,469	\$ 125,664
Purchased/contracted services	6,925	-	6,925	11,000	4,075	8,132
Supplies	5,436	-	5,436	17,000	11,564	5,763
	<u>152,221</u>	<u>-</u>	<u>152,221</u>	<u>186,329</u>	<u>34,108</u>	<u>139,559</u>
Support services:						
Personal services and employee benefits	362,325	-	362,325	391,510	29,185	315,612
Purchased/contracted services	37,238	-	37,238	29,550	(7,688)	18,262
Supplies	29,936	-	29,936	40,750	10,814	29,258
	<u>429,499</u>	<u>-</u>	<u>429,499</u>	<u>461,810</u>	<u>32,311</u>	<u>363,132</u>
Community services:						
Personal services and employee benefits	2,184,947	-	2,184,947	2,659,848	474,901	1,977,172
Purchased/contracted services	99,410	-	99,410	115,650	16,240	83,875
Supplies	151,449	-	151,449	201,512	50,063	140,441
Other costs	6,658	-	6,658	-	(6,658)	-
	<u>2,442,464</u>	<u>-</u>	<u>2,442,464</u>	<u>2,977,010</u>	<u>534,546</u>	<u>2,201,488</u>
Investigative services:						
Personal services and employee benefits	1,077,909	-	1,077,909	1,472,271	394,362	998,495
Purchased/contracted services	30,436	-	30,436	30,330	(106)	24,477
Supplies	34,014	-	34,014	26,500	(7,514)	26,243
	<u>1,142,359</u>	<u>-</u>	<u>1,142,359</u>	<u>1,529,101</u>	<u>386,742</u>	<u>1,049,215</u>
Detention services:						
Purchased/contracted services	-	-	-	-	-	322,344
Supplies	184	-	184	-	(184)	-
Other costs	216,971	-	216,971	315,000	98,029	-
	<u>217,155</u>	<u>-</u>	<u>217,155</u>	<u>315,000</u>	<u>97,845</u>	<u>322,344</u>
Total Police Department	4,383,698	-	4,383,698	5,469,250	1,085,552	4,075,738
Fire:						
Office of chief:						
Personal services and employee benefits	203,074	-	203,074	226,937	23,863	174,893
Purchased/contracted services	7,550	-	7,550	19,900	12,350	12,291
Supplies	51,990	-	51,990	39,700	(12,290)	35,564
	<u>262,614</u>	<u>-</u>	<u>262,614</u>	<u>286,537</u>	<u>23,923</u>	<u>222,748</u>
Fire prevention:						
Personal services and employee benefits	93,175	-	93,175	100,854	7,679	80,258
Purchased/contracted services	1,862	-	1,862	6,250	4,388	1,259
Supplies	12,053	-	12,053	6,800	(5,253)	9,786
	<u>107,090</u>	<u>-</u>	<u>107,090</u>	<u>113,904</u>	<u>6,814</u>	<u>91,303</u>
Fire suppression:						
Personal services and employee benefits	2,393,812	-	2,393,812	2,753,086	359,274	2,055,657
Purchased/contracted services	20,483	-	20,483	36,800	16,317	15,161
Supplies	71,575	-	71,575	92,800	21,225	67,458
	<u>2,485,870</u>	<u>-</u>	<u>2,485,870</u>	<u>2,882,686</u>	<u>396,816</u>	<u>2,138,276</u>
Total Fire Department	2,855,574	-	2,855,574	3,283,127	427,553	2,452,327
TOTAL PUBLIC SAFETY	7,239,272	-	7,239,272	8,752,377	1,513,105	6,528,065
PUBLIC WORKS:						
Office of director:						
Personal services and employee benefits	161,732	-	161,732	175,238	13,506	140,321
Purchased/contracted services	16,614	-	16,614	23,100	6,486	19,467
Supplies	12,445	-	12,445	17,160	4,715	13,689
	<u>190,791</u>	<u>-</u>	<u>190,791</u>	<u>215,498</u>	<u>24,707</u>	<u>173,477</u>
Streets and roads:						
Personal services and employee benefits	754,643	-	754,643	831,436	76,793	662,476
Purchased/contracted services	500,728	-	500,728	530,600	29,872	86,454
Supplies	171,636	-	171,636	115,176	(56,460)	533,589
	<u>1,427,007</u>	<u>-</u>	<u>1,427,007</u>	<u>1,477,212</u>	<u>50,205</u>	<u>1,282,519</u>

(Continued)

CITY OF GRIFFIN, GEORGIA
GENERAL FUNDSCHEDULE OF EXPENDITURES—INCLUDING COMPARISONS OF
BUDGET TO ACTUAL COMPARISON (NON-GAAP BUDGETARY BASIS)Year Ended June 30, 2001
With Comparative Actual Amounts for Year Ended June 30, 2000

	FY 2001					FY 2000
	GAAP ACTUAL	DIFFERENCE BETWEEN BUDGET BASIS AND GAAP	ACTUAL ON BUDGETARY BASIS	BUDGET AS AMENDED	VARIANCE FAVORABLE (UNFAVORABLE)	
PUBLIC WORKS, continued:						
Sign shop:						
Personal services and employee benefits	\$ 94,004	\$ -	\$ 94,004	\$ 76,911	\$ (17,093)	\$ 58,875
Purchased/contracted services	2,112	-	2,112	8,160	6,048	1,771
Supplies	23,592	-	23,592	22,220	(1,372)	28,436
	<u>119,708</u>	<u>-</u>	<u>119,708</u>	<u>107,291</u>	<u>(12,417)</u>	<u>87,182</u>
Garage:						
Personal services and employee benefits	159,858	-	159,858	152,524	(7,334)	121,085
Purchased/contracted services	7,603	-	7,603	24,836	17,233	13,691
Supplies	56,385	-	56,385	26,360	(30,025)	29,374
Other costs	8,281	-	8,281	10,600	2,319	
	<u>232,127</u>	<u>-</u>	<u>232,127</u>	<u>214,320</u>	<u>(17,807)</u>	<u>164,150</u>
Cemetery:						
Personal services and employee benefits	315,736	-	315,736	339,305	23,569	255,524
Purchased/contracted services	27,002	-	27,002	28,214	1,212	33,232
Supplies	25,758	-	25,758	16,249	(9,509)	24,220
	<u>368,496</u>	<u>-</u>	<u>368,496</u>	<u>383,768</u>	<u>15,272</u>	<u>312,976</u>
TOTAL PUBLIC WORKS	2,338,129	-	2,338,129	2,398,089	59,960	2,020,304
CULTURE AND RECREATION:						
Participant recreation:						
City pool:						
Personal services and employee benefits	16,204	-	16,204	16,606	402	15,007
Purchased/contracted services	266	-	266	35,900	35,634	38
Supplies	6,628	-	6,628	8,000	1,372	8,528
	<u>23,098</u>	<u>-</u>	<u>23,098</u>	<u>60,506</u>	<u>37,408</u>	<u>23,573</u>
Golf course:						
Personal services and employee benefits	375,197	-	375,197	411,541	36,344	310,797
Purchased/contracted services	106,100	-	106,100	92,296	(13,804)	82,717
Supplies	147,399	-	147,399	87,320	(60,079)	98,818
	<u>628,696</u>	<u>-</u>	<u>628,696</u>	<u>591,157</u>	<u>(37,539)</u>	<u>492,332</u>
Parks:						
City park:						
Personal services and employee benefits	120,850	-	120,850	158,929	38,079	88,960
Purchased/contracted services	44,512	-	44,512	53,535	9,023	47,878
Supplies	13,792	-	13,792	26,500	12,708	30,559
	<u>179,154</u>	<u>-</u>	<u>179,154</u>	<u>238,964</u>	<u>59,810</u>	<u>167,397</u>
TOTAL CULTURE AND RECREATION	830,948	-	830,948	890,627	59,679	683,302
HOUSING AND DEVELOPMENT:						
Protective inspection:						
Building safety:						
Personal services and employee benefits	280,533	-	280,533	313,648	33,115	298,904
Purchased/contracted services	96,606	-	96,606	88,430	(8,176)	65,949
Supplies	16,679	-	16,679	10,100	(6,579)	13,817
	<u>393,818</u>	<u>-</u>	<u>393,818</u>	<u>412,178</u>	<u>18,360</u>	<u>378,670</u>
Planning and zoning:						
Planning and zoning:						
Personal services and employee benefits	130,514	-	130,514	167,012	36,498	50,501
Purchased/contracted services	67,160	-	67,160	69,830	2,670	113,466
Supplies	4,346	-	4,346	4,400	54	7,529
	<u>202,020</u>	<u>-</u>	<u>202,020</u>	<u>241,242</u>	<u>39,222</u>	<u>171,496</u>
Code enforcement:						
Personal services and employee benefits	98,386	-	98,386	83,323	(15,063)	19,555
Purchased/contracted services	6,452	-	6,452	2,130	(4,322)	2,668
Supplies	8,896	-	8,896	9,300	404	2,382
	<u>113,734</u>	<u>-</u>	<u>113,734</u>	<u>94,753</u>	<u>(18,981)</u>	<u>24,605</u>
Total Planning and Zoning	315,754	-	315,754	335,995	20,241	196,101
Urban redevelopment and housing:						
Community development:						
Purchased/contracted services	1,089	-	1,089	6,000	4,911	26,655
	<u>1,089</u>	<u>-</u>	<u>1,089</u>	<u>6,000</u>	<u>4,911</u>	<u>26,655</u>
TOTAL HOUSING AND DEVELOPMENT	710,661	-	710,661	754,173	43,512	601,426

(Continued)

CITY OF GRIFFIN, GEORGIA
GENERAL FUND

SCHEDULE OF EXPENDITURES—INCLUDING COMPARISONS OF
BUDGET TO ACTUAL COMPARISON (NON-GAAP BUDGETARY BASIS)

Year Ended June 30, 2001

With Comparative Actual Amounts for Year Ended June 30, 2000

	FY 2001						FY 2000
	GAAP ACTUAL	DIFFERENCE BETWEEN BUDGET BASIS AND GAAP	ACTUAL ON BUDGETARY BASIS	BUDGET AS AMENDED	VARIANCE FAVORABLE (UNFAVORABLE)		
NON-DEPARTMENTAL							
Personal services and employee benefits	\$ 1,005,215	\$ -	\$ 1,005,215	\$ 117,000	\$ (888,215)	\$	299,355
Purchased/contracted services	203,278	-	203,278	567,855	364,577		1,132,476
Supplies	2,083	-	2,083	23,000	20,917		84,541
Other costs	193,954	-	193,954	215,600	21,646		
TOTAL NON-DEPARTMENTAL	1,404,530	-	1,404,530	923,455	(481,075)		1,516,372
TOTAL CURRENT OPERATING EXPENDITURES	14,745,222	4,098	14,749,320	15,463,823	714,503		12,763,550
DEBT SERVICE:							
Principal	512,554	-	512,554	647,065	134,511		521,222
Interest	26,348	-	26,348	52,710	26,362		
TOTAL DEBT SERVICE	538,902	-	538,902	699,775	160,873		521,222
CAPITAL OUTLAY:							
General government:							
Legislative	500	-	500	-	(500)		2,200
Executive	4,402	-	4,402	-	(4,402)		2,111
General administration	32,197	-	32,197	22,100	(10,097)		43,275
Public safety:							
Police	722,267	-	722,267	-	(722,267)		5,910
Fire	77,109	-	77,109	27,600	(49,509)		38,687
Public works	185,859	-	185,859	108,878	(76,981)		171,951
Culture and recreation	142,486	-	142,486	3,000	(139,486)		72,617
Housing and development	1,527,232	(284,738)	1,242,494	37,000	(1,205,494)		116,151
Non-departmental	12,493	-	12,493	3,998,000	3,985,507		80,009
TOTAL CAPITAL OUTLAY	2,704,545	(284,738)	2,419,807	4,196,578	1,776,771		532,911
TOTAL EXPENDITURES	\$ 17,988,669	\$ (280,640)	\$ 17,708,029	\$ 20,360,176	\$ 2,652,147		\$ 13,817,683

The accompanying notes are an integral part of these statements

CITY OF GRIFFIN, GEORGIA
U.S. DEPARTMENT OF JUSTICE LOCAL LAW ENFORCEMENT BLOCK GRANTS FUND

COMPARATIVE BALANCE SHEET

June 30, 2001 and 2000

	FY 2001	FY 2000
ASSETS		
Cash	\$ 99,451	\$ 98,569
Total Assets	<u>\$ 99,451</u>	<u>\$ 98,569</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Due to:		
Other Funds	\$ 2,000	\$ -
Total Liabilities	<u>2,000</u>	<u>-</u>
Fund Balance:		
Unreserved:		
Unreserved undesignated	97,451	98,569
Total fund balance	<u>97,451</u>	<u>98,569</u>
Total liabilities and fund balance	<u>\$ 99,451</u>	<u>\$ 98,569</u>

The accompanying notes are an integral part of these statements.

CITY OF GRIFFIN, GEORGIA
U.S. DEPARTMENT OF JUSTICE LOCAL LAW ENFORCEMENT BLOCK GRANTS FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL COMPARISON (NON-GAAP BUDGETARY BASIS)

Year Ended June 30, 2001

With Comparative Actual Amounts for Year Ended June 30, 2000

	FY 2001						FY 2000
	GAAP ACTUAL	DIFFERENCE BETWEEN BUDGET BASIS AND GAAP	ACTUAL ON BUDGETARY BASIS	BUDGET AS AMENDED	VARIANCE FAVORABLE (UNFAVORABLE)		
Revenues:							
Intergovernmental revenues	\$ 48,743	\$ -	\$ 48,743	\$ -	\$ 48,743	\$	138,359
Investment income	2,109	-	2,109	-	2,109		3,096
Miscellaneous revenue	499	-	499	-	499		6,888
TOTAL REVENUES	51,351	-	51,351	-	51,351		148,343
Expenditures:							
Current:							
Public safety	38,239	-	38,239	-	(38,239)		8,395
Capital Outlay	19,646	-	19,646	-	(19,646)		149,095
TOTAL EXPENDITURES	57,885	-	57,885	-	(57,885)		157,490
REVENUES OVER (UNDER) EXPENDITURES	(6,534)	-	(6,534)	-	(6,534)		(9,147)
Other financing sources (uses):							
Operating transfers in	5,416	-	5,416	-	(5,416)		-
	5,416	-	5,416	-	(5,416)		-
REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES	(1,118)	-	(1,118)	-	(1,118)		(9,147)
Fund Balance beginning of year	98,569	-	98,569	98,569	-		-
Prior period adjustment	-	-	-	-	-		107,716
Fund balance beginning of year, as restated	98,569	-	98,569	98,569	-		107,716
FUND BALANCE END OF YEAR	\$ 97,451	\$ -	\$ 97,451	\$ 98,569	\$ (1,118)	\$	98,569

The accompanying notes are an integral part of these statements.

CITY OF GRIFFIN, GEORGIA
CAPITAL PROJECTS FUND

COMBINING BALANCE SHEET

June 30, 2001
With Comparative Totals for June 30, 2000

	SPECIAL PURPOSE SALES TAX	GENERAL CAPITAL PROJECTS	TOTALS	
			FY 2001	FY 2000 (AS RESTATED)
<u>ASSETS</u>				
Cash	\$ 1,995,179	\$ 200,910	\$ 2,196,089	\$ 1,614,141
Total Assets	<u>\$ 1,995,179</u>	<u>\$ 200,910</u>	<u>\$ 2,196,089</u>	<u>\$ 1,614,141</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Due to:				
Other funds	\$ -	\$ 200,910	\$ 200,910	\$ -
Total Liabilities	<u>-</u>	<u>200,910</u>	<u>200,910</u>	<u>-</u>
Fund balances:				
Unreserved-undesignated	1,995,179	-	1,995,179	1,614,141
Total fund balances	<u>1,995,179</u>	<u>-</u>	<u>1,995,179</u>	<u>1,614,141</u>
Total liabilities and fund balances	<u>\$ 1,995,179</u>	<u>\$ 200,910</u>	<u>\$ 2,196,089</u>	<u>\$ 1,614,141</u>

CITY OF GRIFFIN, GEORGIA
CAPITAL PROJECTS FUND

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Year Ended June 30, 2001

With Comparative Actual Amounts for Year Ended June 30, 2000

	SPECIAL PURPOSE SALES TAX	GENERAL CAPITAL PROJECTS	TOTALS	
			FY 2001	FY 2000 (AS RESTATED)
Revenues:				
Taxes	\$ 815,682	\$ -	\$ 815,682	\$ 766,002
Intergovernmental	-	496,500	496,500	-
Investment income	74,562	910	75,472	-
TOTAL REVENUES	<u>890,244</u>	<u>497,410</u>	<u>1,387,654</u>	<u>766,002</u>
Expenditures:				
Current:				
Non-departmental	-	-	-	30
Capital outlay	425,236	785,778	1,211,014	-
TOTAL EXPENDITURES	<u>425,236</u>	<u>785,778</u>	<u>1,211,014</u>	<u>30</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>465,008</u>	<u>(288,368)</u>	<u>176,640</u>	<u>765,972</u>
Other financing sources (uses):				
Operating transfers in	-	288,368	288,368	-
Operating transfers out	(83,970)	-	(83,970)	-
	<u>(83,970)</u>	<u>288,368</u>	<u>204,398</u>	<u>-</u>
REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>381,038</u>	<u>-</u>	<u>381,038</u>	<u>765,972</u>
Fund balance beginning of year	1,614,141	-	1,614,141	-
Prior period adjustment	-	-	-	848,169
Fund balance beginning of year, as restated	<u>1,614,141</u>	<u>-</u>	<u>1,614,141</u>	<u>848,169</u>
FUND BALANCE END OF YEAR	<u>\$ 1,995,179</u>	<u>\$ -</u>	<u>\$ 1,995,179</u>	<u>\$ 1,614,141</u>

CITY OF GRIFFIN, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX FUND

COMPARATIVE BALANCE SHEET

June 30, 2001 and 2000

	FY 2001	FY 2000
<u>ASSETS</u>		
Cash	\$ 1,995,179	\$ 1,614,141
Total Assets	<u>\$ 1,995,179</u>	<u>\$ 1,614,141</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Total Liabilities	\$ -	\$ -
Fund Balance:		
Unreserved:		
Designated for property tax relief		-
Undesignated	1,995,179	1,614,141
Total fund balance	<u>1,995,179</u>	<u>1,614,141</u>
Total liabilities and fund balance	<u>\$ 1,995,179</u>	<u>\$ 1,614,141</u>

The accompanying notes are an integral part of these statements.

CITY OF GRIFFIN, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL COMPARISON (NON-GAAP BUDGETARY BASIS)

Year Ended June 30, 2001
With Comparative Actual Amounts for Year Ended June 30, 2000

	FY 2001						FY 2000
	GAAP ACTUAL	DIFFERENCE BETWEEN BUDGET BASIS AND GAAP	ACTUAL ON BUDGETARY BASIS	BUDGET AS AMENDED	VARIANCE FAVORABLE (UNFAVORABLE)		
Revenues:							
Taxes	\$ 815,682		\$ 815,682	\$ 1,500,000	\$ (684,318)	\$	766,002
Investment income	74,562		74,562		74,562		-
TOTAL REVENUES	890,244	-	890,244	1,500,000	(609,756)		766,002
Expenditures:							
Current:							
Non-departmental							30
Capital Outlay	425,236	-	425,236	1,500,000	1,074,764		-
TOTAL EXPENDITURES	425,236	-	425,236	1,500,000	1,074,764		30
REVENUES OVER (UNDER)							
EXPENDITURES	465,008	-	465,008	-	465,008		765,972
Other financing uses:							
Operating transfers out	(83,970)	-	(83,970)	-	83,970		-
	(83,970)	-	(83,970)	-	83,970		-
REVENUES AND OTHER SOURCES							
OVER (UNDER) EXPENDITURES AND							
OTHER USES	381,038	-	381,038	-	548,978		765,972
Fund Balance beginning of year	1,614,141	-	1,614,141	1,614,141	-		-
Prior period adjustment	-	-	-	-	-		848,169
Fund Balance beginning of year, as restated	1,614,141	-	1,614,141	1,614,141	-		848,169
FUND BALANCE END OF YEAR	\$ 1,995,179	\$ -	\$ 1,995,179	\$ 1,614,141	\$ 548,978	\$	1,614,141

The accompanying notes are an integral part of these statements.

CITY OF GRIFFIN, GEORGIA
GENERAL CAPITAL PROJECTS FUND

COMPARATIVE BALANCE SHEET

June 30, 2001 and 2000

		FY 2001	FY 2000
<u>ASSETS</u>			
Cash		\$ 200,910	\$ -
	Total Assets	<u>\$ 200,910</u>	<u>\$ -</u>
<u>LIABILITIES AND FUND BALANCE</u>			
Liabilities:			
	Due to:		
	Other funds	\$ 200,910	\$ -
	Total Liabilities	<u>200,910</u>	<u>-</u>
Fund Balance:			
	Unreserved:		
	Undesignated	-	-
	Total fund balance	<u>-</u>	<u>-</u>
	Total liabilities and fund balance	<u>\$ 200,910</u>	<u>\$ -</u>

The accompanying notes are an integral part of these statements.

CITY OF GRIFFIN, GEORGIA
GENERAL CAPITAL PROJECTS FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL COMPARISON (NON-GAAP BUDGETARY BASIS)

Year Ended June 30, 2001

With Comparative Actual Amounts for Year Ended June 30, 2000

	FY 2001						FY 2000
	GAAP ACTUAL	DIFFERENCE BETWEEN BUDGET BASIS AND GAAP	ACTUAL ON BUDGETARY BASIS	BUDGET AS AMENDED	VARIANCE FAVORABLE (UNFAVORABLE)		
Revenues:							
Intergovernmental	\$ 496,500	\$ -	\$ 496,500	\$ -	\$ 496,500	\$ -	-
Investment income	910	-	910	-	910	-	-
TOTAL REVENUES	497,410	-	497,410	-	497,410	-	-
Expenditures:							
Capital Outlay	785,778	-	785,778	-	(785,778)	-	-
TOTAL EXPENDITURES	785,778	-	785,778	-	(785,778)	-	-
REVENUES OVER (UNDER) EXPENDITURES	(288,368)	-	(288,368)	-	(288,368)	-	-
Other financing uses:							
Operating transfers in	288,368	-	288,368	-	288,368	-	-
REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	288,368	-	288,368	-	288,368	-	-
Fund Balance beginning of year	-	-	-	-	-	-	-
FUND BALANCE END OF YEAR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-

The accompanying notes are an integral part of these statements.



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CITY OF GRIFFIN, GEORGIA
ENTERPRISE FUNDS

COMBINING BALANCE SHEET

June 30, 2001 and 2000

	GAS UTILITY FUND	COMBINED UTILITIES FUND
<u>ASSETS</u>		
Current assets:		
Cash	\$ -	\$ 1,651,115
Investments at fair market value	-	3,400,000
Receivables:		
Accounts	-	5,968,591
Due from other funds	-	650,694
Due from other governments and agencies	-	1,571
Inventories at cost	-	1,426,802
Prepaid expenses	-	201,097
Total current assets	-	13,299,870
Non-current assets:		
Due from other governments and agencies		37,952
Total non-current assets	-	37,952
Restricted assets:		
Cash	-	5,528,634
Investments	-	23,164,008
Deferred charges	-	706,019
Total restricted assets	-	29,398,661
Property, plant and equipment:		
Land	-	342,979
Land Improvement	-	-
Infrastructure	-	24,787,278
Buildings and structures	-	-
Machinery and equipment	-	52,074,902
Construction in progress	-	3,557,615
	-	80,762,774
Less accumulated depreciation	-	(29,539,100)
Net property, plant and equipment	-	51,223,674
Total Assets	\$ -	\$ 93,960,157

SOLID WASTE FUND	AIRPORT FUND	STORMWATER FUND	TOTALS	
			FY 2001	FY 2000 (As restated)
\$ 653,764	\$ 23,461	\$ 107,781	\$ 2,436,121	\$ 5,497,579
	-	-	3,400,000	3,980,122
121,799	-	565,619	6,656,009	5,867,880
396,787	-	-	1,047,481	5,353
-	-	-	1,571	1,486
-	8,254	-	1,435,056	1,278,840
17,817	-	16,698	235,612	235,607
1,190,167	31,715	690,098	15,211,850	16,866,867
			37,952	39,523
			37,952	39,523
-	-	-	5,528,634	3,633,726
-	-	-	23,164,008	18,991,339
-	-	-	706,019	764,415
-	-	-	29,398,661	23,389,480
-	512,385	76,139	931,503	693,202
-	2,476,109	-	2,476,109	2,476,109
830,699	-	3,438,039	29,056,016	23,365,849
23,364	71,284	-	94,648	71,284
4,647,654	605,234	483,604	57,811,394	54,790,036
20,990	244,788	509,701	4,333,094	7,688,754
5,522,707	3,909,800	4,507,483	94,702,764	89,085,234
(3,539,264)	(476,824)	(304,517)	(33,859,705)	(30,858,434)
1,983,443	3,432,976	4,202,966	60,843,059	58,226,800
\$ 3,173,610	\$ 3,464,691	\$ 4,893,064	\$ 105,491,522	\$ 98,522,670

CITY OF GRIFFIN, GEORGIA
ENTERPRISE FUNDS

COMBINING BALANCE SHEET

June 30, 2001 and 2000

	GAS UTILITY FUND	COMBINED UTILITIES FUND
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Current liabilities payable from current assets:		
Accounts payable	\$ -	\$ 126,022
Contracts payable	-	45,657
Accrued interest	-	-
Due to other funds	-	396,787
Due to other governments and agencies (current portion)	-	197,203
Capital leases current portion	-	-
Post closure care costs	-	-
Total current liabilities payable from current assets	-	<u>765,669</u>
Current liabilities payable from restricted assets:		
Accrued revenue bonds interest	-	553,022
Deposits	-	1,410,555
Current portion of revenue bonds	-	1,095,000
Total current liabilities payable from restricted assets	-	<u>3,058,577</u>
Long-term liabilities:		
Compensated absences	-	506,175
Capital leases (net of current portion)	-	-
Revenue bonds (net of current portion)	-	20,670,000
Due to other governments and agencies (net of current portion)	-	343,806
Post closure care costs (net of current portion)	-	-
Total long-term liabilities	-	<u>21,519,981</u>
Total Liabilities	-	<u>25,344,227</u>
Fund equity:		
Contributed capital:		
Capital grants	-	3,601,320
Total contributed capital	-	<u>3,601,320</u>
Retained earnings:		
Reserve for renewal and extension	-	794,677
Reserve for debt service	-	2,580,263
Reserve for emergency	-	1,000,000
Reserve for revenue bond construction	-	2,147,289
Reserve for sewer capacity recovery	-	522,832
Reserve for electrical deregulation	-	11,290,424
Reserve for energy rate fluctuations	-	5,549,184
Reserve for future operations	-	3,614,376
Reserve for landfill closure	-	-
Reserve for local landfill	-	-
Reserve for capital improvements	-	-
Unreserved	-	<u>37,515,565</u>
Total retained earnings	-	<u>65,014,610</u>
Total fund equity	-	<u>68,615,930</u>
Total liabilities and fund equity	\$ -	<u>\$ 93,960,157</u>

The accompanying notes are an integral part of these statements.

SOLID WASTE FUND	AIRPORT FUND	STORMWATER FUND	TOTALS	
			FY 2001	FY 2000 (As restated)
\$ 66,519	\$ 14,757	\$ 14,058	\$ 221,356	\$ 230,510
-	-	-	45,657	-
8,355	-	458	8,813	-
772,011	106,360	851,124	2,126,282	2,786,135
4,883	-	-	202,086	-
320,021	-	39,963	359,984	222,764
45,630	-	-	45,630	45,630
1,217,419	121,117	905,603	3,009,808	3,285,039
-	-	-	553,022	-
-	-	-	1,410,555	1,118,407
-	-	-	1,095,000	1,082,289
-	-	-	3,058,577	2,200,696
235,398	7,260	27,039	775,872	975,488
724,154	-	40,190	764,344	744,016
-	-	-	20,670,000	22,143,009
-	-	2,301,778	2,645,584	2,193,768
1,323,270	-	-	1,323,270	1,323,270
2,282,822	7,260	2,369,007	26,179,070	27,379,551
3,500,241	128,377	3,274,610	32,247,455	32,865,286
-	-	-	3,601,320	3,601,320
-	-	-	3,601,320	3,601,320
-	-	-	794,677	630,208
-	-	-	2,580,263	2,131,126
-	-	-	1,000,000	944,130
-	-	-	2,147,289	4,235,476
-	-	-	522,832	273,018
-	-	-	11,290,424	10,123,961
-	-	-	5,549,184	5,021,700
-	-	-	3,614,376	2,014,197
308,145	-	-	308,145	315,594
77,578	-	-	77,578	-
-	188,983	-	188,983	-
(712,354)	3,147,331	1,618,454	41,568,996	36,366,654
(326,631)	3,336,314	1,618,454	69,642,747	62,056,064
(326,631)	3,336,314	1,618,454	73,244,067	65,657,384
\$ 3,173,610	\$ 3,464,691	\$ 4,893,064	\$ 105,491,522	\$ 98,522,670

CITY OF GRIFFIN, GEORGIA
ENTERPRISE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS (DEFICITS)

For Year Ended June 30, 2001
With Comparative Totals for the Year Ended June 30, 2000

	GAS UTILITY FUND	COMBINED UTILITIES FUND	SOLID WASTE FUND
Operating Revenues:			
Charges for services	\$ 134,236	\$ 41,370,808	\$ 4,242,591
TOTAL OPERATING REVENUES	134,236	41,370,808	4,242,591
Operating Expenses:			
Personal services	-	4,502,792	2,057,919
Purchased/contracted services	750	1,438,899	1,273,425
Supplies	414,381	23,228,875	403,561
Interfund	-	946,400	86,667
Depreciation	-	2,466,949	363,281
Other charges	-	710,241	-
TOTAL OPERATING EXPENSES	415,131	33,294,156	4,184,853
OPERATING INCOME (LOSS)	(280,895)	8,076,652	57,738
Non-operating revenue (expenses):			
Sales tax commissions	-	55,166	-
Special purpose local option sales taxes	-	-	-
Delinquent penalties	-	845,495	-
Fiberoptic communications	-	837	-
Web access	-	4,600	-
Sewer recovery capacity fees	-	249,814	-
Local landfill surcharge	-	-	55,466
Landfill closure surcharge	-	-	14,664
Miscellaneous revenues	-	181,165	-
Interest income	-	596,821	10,669
Dividends	-	1,157,207	-
Net increase in the fair value of investments	-	667,998	-
Intergovernmental revenues	-	-	34,929
Miscellaneous expense	-	(93,686)	-
Interest expense	-	(1,151,656)	(42,905)
Bond issuance costs	-	(58,396)	-
Fiscal charges	-	(3,292)	-
TOTAL NON-OPERATING REVENUES (EXPENSES)	-	2,452,073	72,823
INCOME BEFORE OPERATING TRANSFERS	(280,895)	10,528,725	130,561
Operating transfers:			
Operating transfers in	-	1,664,917	-
Operating transfers out	-	(4,738,717)	-
NET OPERATING TRANSFERS	-	(3,073,800)	-
NET INCOME (LOSS)	(280,895)	7,454,925	130,561
Retained earnings (deficit) beginning of year	562,799	57,277,781	(457,192)
Prior period adjustment	-	-	-
Retained earnings (deficit) beginning of year, as restated	562,799	57,277,781	(457,192)
Residual equity transfer in from the Natural Gas Utility Fund	-	281,904	-
Residual equity transfer out to the Combined Utilities Fund	(281,904)	-	-
RETAINED EARNINGS END OF YEAR	\$ -	\$ 65,014,610	\$ (326,631)

The accompanying notes are an integral part of these statements.

AIRPORT FUND	STORMWATER FUND	TOTALS	
		FY 2001	FY 2000 (As restated)
\$ 399,440	\$ 1,289,051	\$ 47,436,126	\$ 46,293,700
399,440	1,289,051	47,436,126	46,293,700
239,442	461,616	7,261,769	6,789,622
94,317	229,875	3,037,266	6,514,418
277,543	136,225	24,460,585	22,540,827
-	252,092	1,285,159	1,360,936
-	171,041	3,001,271	2,655,574
-	62,847	773,088	-
611,302	1,313,696	39,819,138	39,861,177
(211,862)	(24,645)	7,616,988	6,432,523
-	-	55,166	-
-	41	41	1,798
-	-	845,495	463,048
-	-	837	-
-	-	4,600	-
-	-	249,814	115,983
-	-	55,466	-
-	-	14,664	-
-	64,059	245,224	565,850
753	-	608,243	749,337
-	-	1,157,207	-
-	-	667,998	-
222,809	56,414	314,152	1,521,726
6,456	15,668	(71,562)	34
-	(112,955)	(1,307,516)	(1,258,233)
-	-	(58,396)	-
-	-	(3,292)	-
230,018	23,227	2,778,141	2,159,543
18,156	(1,418)	10,395,129	8,592,066
181,384	83,970	1,930,271	149,500
-	-	(4,738,717)	(4,874,970)
181,384	83,970	(2,808,446)	(4,725,470)
199,540	82,552	7,586,683	3,866,596
3,136,774	1,535,902	62,056,064	42,435,031
-	-	-	15,754,437
3,136,774	1,535,902	62,056,064	58,189,468
-	-	281,904	-
-	-	(281,904)	-
\$ 3,336,314	\$ 1,618,454	\$ 69,642,747	\$ 62,056,064

CITY OF GRIFFIN, GEORGIA
ENTERPRISE FUNDS

COMBINING STATEMENT OF CASH FLOWS

For the Year ended June 30, 2001

	GAS UTILITY FUND	COMBINED UTILITIES FUND	SOLID WASTE FUND
(DECREASE) INCREASE IN CASH			
Cash flows from operating activities:			
Cash received from customers	\$ 134,236	\$ 40,294,239	\$ 4,120,792
Cash payments to suppliers for goods and services	(549,367)	(27,870,435)	(1,469,012)
Cash payments to employees for services	-	(4,499,746)	(2,029,820)
New customer utility deposits	-	292,148	-
Non-operating miscellaneous income	-	181,165	-
Net cash provided by operating activities	<u>(415,131)</u>	<u>8,397,371</u>	<u>621,960</u>
Cash flows from noncapital financing activities:			
Operating transfers in from other funds	-	1,664,917	-
Operating transfers out to other funds	-	(4,738,717)	-
Residual equity transfers in	(281,904)	281,904	-
Spalding County Intergovernmental revenues	-	-	-
Sales tax commissions	-	55,166	-
Delinquent penalties	-	845,495	-
Fiber optic communications	-	837	-
Web access	-	4,600	-
Sewer recovery capacity fees	-	249,814	-
Georgia landfill surcharges	-	-	4,883
Local landfill surcharges	-	-	55,466
Landfill closure surcharges	-	-	14,664
Operating grants received	-	-	34,929
Miscellaneous expense	-	(93,686)	-
Net cash (used in) provided by noncapital financing activities	<u>(281,904)</u>	<u>(1,729,670)</u>	<u>109,942</u>
Cash flows from capital and related financing activities:			
Special Purpose Local Option Sales Taxes	-	-	-
Georgia Environmental Facilities Authority Loan	-	-	-
Capital from GMA lease	-	-	471,875
Capital from Georgia Department of Transportation	-	-	-
Principal payments Georgia Environmental Facilities Authority lease	-	-	-
Deposits to the sinking fund	-	(2,257,200)	-
Disbursements from the sinking fund	-	1,628,286	-
GMA lease payments	-	-	(267,374)
Principal paid on revenue bond maturities	-	(1,460,298)	-
Acquisition and construction of capital assets	-	(4,049,152)	(593,695)
Interest expense Georgia Environmental Facilities Authority lease	-	-	(34,550)
Interest expense paid on debt	-	(1,151,656)	-
Fiscal charges on revenue bonds	-	(3,292)	-
Net cash provided by (used in) capital and related financing activities	<u>-</u>	<u>(7,293,312)</u>	<u>(423,744)</u>
Cash flows from investing activities:			
Purchase of investment securities	-	(2,322,735)	-
Proceeds from sale and maturities of investment securities	-	580,122	-
Interest on investments	-	1,754,028	-
Interest on cash deposits	-	-	10,669
Net cash (used in) provided by investing activities	<u>-</u>	<u>11,415</u>	<u>10,669</u>
Net (decrease) increase in cash	<u>(697,035)</u>	<u>(614,196)</u>	<u>318,827</u>
Cash at beginning of year	697,035	7,793,945	334,937
Cash at end of year	<u>\$ -</u>	<u>\$ 7,179,749</u>	<u>\$ 653,764</u>

AIRPORT FUND	STORM- WATER FUND	TOTALS	
			FY 2001
\$ 399,440	\$ 910,419	\$ 45,859,126	
(301,824)	(91,065)	(30,281,703)	
(239,306)	(457,241)	(7,226,113)	
-	-	292,148	
6,456	15,668	203,289	
(135,234)	377,781	8,846,747	
181,384	83,970	1,930,271	
-	-	(4,738,717)	
181,384	-	181,384	
-	-	55,166	
-	-	845,495	
-	-	837	
-	-	4,600	
-	-	249,814	
-	-	4,883	
-	-	55,466	
-	-	14,664	
-	64,059	98,988	
-	-	(93,686)	
362,768	148,029	(1,390,835)	
-	56,414	56,414	
-	108,010	108,010	
-	-	471,875	
41,425	-	41,425	
-	-	-	
-	-	(2,257,200)	
-	-	1,628,286	
-	(46,953)	(314,327)	
-	-	(1,460,298)	
(289,560)	(685,123)	(5,617,530)	
-	(112,497)	(147,047)	
-	-	(1,151,656)	
-	-	(3,292)	
(248,135)	(680,149)	(8,645,340)	
-	-	(2,322,735)	
-	-	580,122	
-	-	1,754,028	
753	41	11,463	
753	41	22,878	
(19,848)	(154,298)	(1,166,550)	
43,309	262,079	9,131,305	
\$ 23,461	\$ 107,781	\$ 7,964,755	

CITY OF GRIFFIN, GEORGIA
NATURAL GAS UTILITY FUND

COMPARATIVE BALANCE SHEET

June 30, 2001 and 2000

	FY 2001	FY 2000
ASSETS		
Cash	\$ -	\$ 697,035
Total Assets	\$ -	\$ 697,035
LIABILITIES AND FUND BALANCE		
Liabilities:		
Due to:		
Other Funds	\$ -	\$ 134,236
Total Liabilities	-	134,236
Fund equity:		
Retained earnings:		
Unreserved	-	562,799
Total fund balance	-	562,799
Total liabilities and fund balance	\$ -	\$ 697,035

The accompanying notes are an integral part of these statements.

CITY OF GRIFFIN, GEORGIA
NATURAL GAS UTILITY FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
BUDGET TO ACTUAL COMPARISON (GAAP BASIS)

Year Ended June 30, 2001

With Comparative Actual Amounts for Year Ended June 30, 2000

	FY 2001			
	BUDGET AS AMENDED	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	FY 2000
Operating Revenues:				
Charges for services	\$ -	\$ 134,236	\$ (134,236)	\$ 1,068,945
TOTAL OPERATING REVENUES	-	134,236	(134,236)	1,068,945
Operating Expenses:				
Personal services	-	-	-	13,164
Purchased/contracted services	-	750	(750)	-
Supplies	-	414,381	(414,381)	314,521
TOTAL OPERATING EXPENSES	-	415,131	(415,131)	327,685
OPERATING INCOME (LOSS)	-	(280,895)	280,895	741,260
Operating transfers out	(178,621)	-	178,621	(74,782)
NET INCOME (LOSS)	(178,621)	(280,895)	459,516	666,478
Retained earnings (deficit) beginning of year		562,799	(562,799)	(103,679)
Residual equity transfer to Combined Utility Fund	-	(281,904)	281,904	-
RETAINED EARNINGS END OF YEAR	\$(178,621)	\$ -	\$ 178,621	\$ 562,799

The accompanying notes are an integral part of these statements.

CITY OF GRIFFIN, GEORGIA
NATURAL GAS UTILITY FUND

STATEMENT OF CASH FLOWS

Year Ended June 30, 2001

With Comparative Actual Amounts for Year Ended June 30, 2000

	FY 2001
<u>INCREASE IN CASH</u>	
Cash flows form operating activities:	
Cash received from customers	\$ 134,236
Cash payment to suppliers for goods and services	<u>(549,367)</u>
Net cash provided by operating activities	\$ (415,131)
Cash flows from non-capital financing activities:	
Residual equity transfers out	<u>(281,904)</u>
Net cash used by non-capital financing activities	(281,904)
Net (decrease) increase in cash	(697,035)
Cash at beginning of year	<u>697,035</u>
Cash at end of year	<u>\$ -</u>
<u>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</u>	
Operating Income	\$ (280,895)
Adjustments to reconcile operating income to net cash provided by operating activities	-
Change in assets and liabilities:	
Increase (decrease) in due to other funds	<u>\$ (134,236)</u>
Total adjustments	(134,236)
Net cash provided by operating activities	<u>\$ (415,131)</u>

The accompanying notes are an integral part of these statements.



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CITY OF GRIFFIN, GEORGIA
COMBINED UTILITY FUND

COMPARATIVE BALANCE SHEET

June 30, 2001 and 2000

	FY 2001	FY 2000 (As restated)
<u>ASSETS</u>		
Current assets:		
Cash	\$ 1,651,115	\$ 4,160,219
Investments at fair market value	3,400,000	3,980,122
Receivables:		
Accounts (net of allowance)	5,968,591	5,555,199
Due from other funds	650,694	
Due from other governments and agencies	1,571	1,486
Inventories at cost	1,426,802	1,270,586
Prepaid expenses	201,097	201,092
Total current assets	<u>13,299,870</u>	<u>15,168,704</u>
Non-current assets:		
Due from other governments and agencies	<u>37,952</u>	<u>39,523</u>
Total non-current assets	<u>37,952</u>	<u>39,523</u>
Restricted assets:		
Deposit accounts:		
Cash	1,716,428	1,536,978
Municipal competitive trust		
Investments	20,453,985	17,159,858
Construction accounts:		
Cash	2,147,289	1,528,676
Investments	-	255,353
Bond accounts:		
Cash	1,664,917	568,072
Investments with fiscal agent	2,710,023	1,576,128
Deferred charges	706,019	764,415
Total restricted assets	<u>29,398,661</u>	<u>23,389,480</u>
Property, plant and equipment:		
Land	342,979	180,817
Infrastructure	24,787,278	19,167,132
Machinery and equipment	52,074,902	50,131,261
Construction in progress	3,557,615	7,234,412
	<u>80,762,774</u>	<u>76,713,622</u>
Less accumulated depreciation	(29,539,100)	(27,072,151)
Net property, plant and equipment	<u>51,223,674</u>	<u>49,641,471</u>
Total Assets	<u>\$ 93,960,157</u>	<u>\$ 88,239,178</u>

CITY OF GRIFFIN, GEORGIA
COMBINED UTILITY FUND

COMPARATIVE BALANCE SHEET

June 30, 2001 and 2000

	FY 2001	FY 2000 (As restated)
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Current liabilities payable from current assets:		
Accounts payable	\$ 126,022	\$ 143,745
Contracts payable	45,657	-
Due to other funds	396,787	2,220,916
Due to other governments and agencies (current portion)	197,203	-
Total current liabilities payable from current assets	<u>765,669</u>	<u>2,364,661</u>
Current liabilities payable from restricted assets:		
Accrued revenue bonds interest	553,022	-
Deposits	1,410,555	1,118,407
Current portion of revenue bonds	1,095,000	1,082,289
Total current liabilities payable from restricted assets	<u>3,058,577</u>	<u>2,200,696</u>
Long-term liabilities:		
Compensated absences	506,175	651,711
Revenue bonds (net of current portion)	20,670,000	22,143,009
Due to other governments and agencies (net of current portion)	343,806	-
Total long-term liabilities	<u>21,519,981</u>	<u>22,794,720</u>
Total Liabilities	<u>25,344,227</u>	<u>27,360,077</u>
Fund equity:		
Contributed capital:		
Capital grants	3,601,320	3,601,320
Total contributed capital	<u>3,601,320</u>	<u>3,601,320</u>
Retained earnings:		
Reserve for renewal and extension	794,677	630,208
Reserve for debt service	2,580,263	2,131,126
Reserve for emergency	1,000,000	944,130
Reserve for revenue bond construction	2,147,289	4,235,476
Reserve for sewer capacity recovery	522,832	273,018
Reserve for electrical deregulation	11,290,424	10,123,961
Reserve for energy rate fluctuations	5,549,184	5,021,700
Reserve for future operations	3,614,376	2,014,197
Unreserved	37,515,565	31,903,965
Total retained earnings	<u>65,014,610</u>	<u>57,277,781</u>
Total fund equity	<u>68,615,930</u>	<u>60,879,101</u>
Total liabilities and fund equity	<u>\$ 93,960,157</u>	<u>\$ 88,239,178</u>

The accompanying notes are an integral part of these statements.

CITY OF GRIFFIN, GEORGIA
COMBINED UTILITY FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
BUDGET TO ACTUAL COMPARISON (GAAP BASIS)

Year Ended June 30, 2001

With Comparative Actual Amounts for Year Ended June 30, 2000

	FY 2001			
	BUDGET		VARIANCE	FY
	AS AMENDED	ACTUAL	FAVORABLE UNFAVORABLE	2000 (As restated)
Operating Revenues:				
Charges for services	\$ 41,277,944	\$ 41,370,808	\$ 92,864	\$ 39,733,865
TOTAL OPERATING REVENUES	41,277,944	41,370,808	92,864	39,733,865
Operating Expenses:				
Personal services	4,585,766	4,502,792	82,974	4,228,050
Purchased/contracted services	1,813,317	1,438,899	374,418	5,239,324
Supplies	25,298,366	23,228,875	2,069,491	21,628,580
Interfund	1,059,561	946,400	113,161	1,134,650
Depreciation	-	2,466,949	(2,466,949)	2,068,764
Other charges	-	710,241	(710,241)	-
TOTAL OPERATING EXPENSES	32,757,010	33,294,156	(537,146)	34,299,368
OPERATING INCOME (LOSS)	8,520,934	8,076,652	(444,282)	5,434,497
Non-operating revenue (expenses):				
Sales tax commissions	-	55,166	55,166	-
Delinquent penalties	640,000	845,495	205,495	463,048
Fiberoptic communications	-	837	837	-
Web access	-	4,600	4,600	-
Sewer recovery capacity fees	-	249,814	249,814	115,983
Miscellaneous revenues	3,000	181,165	178,165	-
Interest income	325,000	596,821	271,821	745,154
Dividends	-	1,157,207	1,157,207	-
Net increase in the fair value of investments	-	667,998	667,998	-
Miscellaneous expense	-	(93,686)	(93,686)	-
Interest expense	-	(1,151,656)	(1,151,656)	(1,196,737)
Bond issuance costs	-	(58,396)	(58,396)	-
Fiscal charges	-	(3,292)	(3,292)	-
TOTAL NON-OPERATING REVENUES (EXPENSES)	968,000	2,452,073	1,484,073	127,448
INCOME BEFORE OPERATING TRANSFERS	9,488,934	10,528,725	1,039,791	5,561,945
Operating transfers:				
Operating transfers in	-	1,664,917	1,664,917	-
Operating transfers out	(4,524,200)	(4,738,717)	(214,517)	(4,800,188)
NET OPERATING TRANSFERS	(4,524,200)	(3,073,800)	1,450,400	(4,800,188)
NET INCOME (LOSS)	4,964,734	7,454,925	2,490,191	761,757
Retained earnings beginning of year	57,277,781	57,277,781	-	40,780,291
Prior period adjustment	-	-	-	15,735,733
Retained earnings beginning of year, as restated	57,277,781	57,277,781	-	56,516,024
Residual equity transfer in from the Natural Gas Utility Fund	-	281,904	(281,904)	-
RETAINED EARNINGS END OF YEAR	\$ 62,242,515	\$ 65,014,610	\$ 2,208,287	\$ 57,277,781

The accompanying notes are an integral part of these statements.

CITY OF GRIFFIN, GEORGIA
COMBINED UTILITY FUND
STATEMENT OF CASH FLOWS

For the Year ended June 30, 2001

FY
2001

(DECREASE) INCREASE IN CASH

Cash flows from operating activities:	\$ 40,294,239	
Cash received from customers	(27,870,435)	
Cash payments to suppliers for goods and services	(4,499,746)	
Cash payments to employees for services	292,148	
New customer utility deposits	181,165	
Non-operating miscellaneous income		\$ 8,397,371
Net cash provided by operating activities		
Cash flows from noncapital financing activities:	1,664,917	
Operating transfers in from other funds	(4,738,717)	
Operating transfers out to other funds	281,904	
Residual equity transfers in	55,166	
Sales tax commissions	845,495	
Delinquent penalties	837	
Fiber optic communications	4,600	
Web access	249,814	
Sewer recovery capacity fees	(93,686)	
Miscellaneous expense		(1,729,670)
Net cash (used in) provided by noncapital financing activities		
Cash flows from capital and related financing activities:	(2,257,200)	
Deposits to the sinking fund	1,628,286	
Disbursements from the sinking fund	(1,460,298)	
Principal paid on revenue bond maturities	(4,049,152)	
Acquisition and construction of capital assets	(1,151,656)	
Interest expense paid on debt	(3,292)	
Fiscal charges on revenue bonds		(7,293,312)
Net cash provided by (used in) capital and related financing activities		
Cash flows from investing activities:	(2,322,735)	
Purchase of investment securities	580,122	
Proceeds from sale and maturities of investment securities	1,754,028	
Interest on investments		11,415
Net cash (used in) provided by investing activities		(614,196)
Net (decrease) increase in cash		7,793,945
Cash at beginning of year		\$ 7,179,749
Cash at end of year		

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES

	\$ 8,076,652
Operating Income	2,466,949
Adjustments to reconcile operating income to net cash provided by operating activities	663,177
Depreciation	181,165
Allowance for uncollectibles	292,148
Non-operating miscellaneous income	
New customer utility deposits	
Change in assets and liabilities:	(1,076,569)
Decrease (increase) in accounts receivable	(650,694)
Decrease (increase) in due from other funds	1,486
Decrease (increase) in due from other governments and agencies	(156,216)
Decrease (increase) in inventories	(5)
(Increase) decrease in prepaids	(17,723)
Increase (decrease) in accounts payable	45,657
Increase (decrease) contracts payable	541,009
Increase (decrease) due to other governments and agencies	(145,536)
(Decrease) increase in compensated absences	(1,824,129)
Increase (decrease) in due to other funds	
Total adjustments	(3,282,720)
Net cash provided by operating activities	\$ 8,397,371

The accompanying notes are an integral part of these statements.

CITY OF GRIFFIN, GEORGIA
COMBINED UTILITIES FUND

SCHEDULE OF OPERATING EXPENSES--INCLUDING
BUDGET TO ACTUAL COMPARISON (GAAP BASIS)

Year Ended June 30, 2001
With Comparative Actual Amounts for Year Ended June 30, 2000

	FY 2001		VARIANCE	2000
	BUDGET	ACTUAL	FAVORABLE (UNFAVORABLE)	
Electric department:				
Office of director:				
Personal services and employee benefits	\$ 126,279	\$ 165,690	\$ (39,411)	\$ 155,215
Purchased/contracted services	14,054	12,312	1,742	132,748
Supplies	17,200	18,941	(1,741)	26,863
	<u>157,533</u>	<u>196,943</u>	<u>(39,410)</u>	<u>314,826</u>
Marketing:				
Personal services and employee benefits	53,208	496	52,712	-
Purchased/contracted services	281,500	122,021	159,479	-
Supplies	25,000	7,669	17,331	-
	<u>359,708</u>	<u>130,186</u>	<u>229,522</u>	<u>-</u>
Technical:				
Personal services and employee benefits	469,636	702,007	(232,371)	525,440
Purchased/contracted services	320,500	170,053	150,447	2,048,462
Supplies	21,595,500	19,635,525	1,959,975	20,340,797
Other Charges	-	47,064	(47,064)	-
	<u>22,385,636</u>	<u>20,554,649</u>	<u>1,830,987</u>	<u>22,914,699</u>
Line construction:				
Personal services and employee benefits	774,421	701,251	73,170	650,373
Purchased/contracted services	219,625	234,262	(14,637)	217,993
Supplies	42,400	92,337	(49,937)	68,159
	<u>1,036,446</u>	<u>1,027,850</u>	<u>8,596</u>	<u>936,525</u>
Utility customer service:				
Personal services and employee benefits	452,735	428,790	23,945	308,547
Purchased/contracted services	204,338	190,367	13,971	126,204
Supplies	20,916	22,628	(1,712)	6,730
	<u>677,989</u>	<u>641,785</u>	<u>36,204</u>	<u>441,481</u>
Utility conversion:				
Personal services and employee benefits	-	2,311	(2,311)	-
	<u>-</u>	<u>2,311</u>	<u>(2,311)</u>	<u>-</u>
Electric non-departmental:				
Personal services and employee benefits	15,000	259,998	(244,998)	263,961
Purchased/contracted services	128,000	205,680	(77,680)	286,855
Interfund/interdepartmental charges	656,661	509,925	146,736	529,100
Other charges	-	349,821	(349,821)	-
Depreciation	-	658,703	(658,703)	522,211
	<u>799,661</u>	<u>1,984,127</u>	<u>(1,184,466)</u>	<u>1,602,127</u>
TOTAL ELECTRIC DEPARTMENT	<u>25,416,973</u>	<u>24,537,851</u>	<u>879,122</u>	<u>26,209,658</u>

(Continued)

CITY OF GRIFFIN, GEORGIA
COMBINED UTILITIES FUND

SCHEDULE OF OPERATING EXPENSES--INCLUDING
BUDGET TO ACTUAL COMPARISON (GAAP BASIS)

Year Ended June 30, 2001

With Comparative Actual Amounts for Year Ended June 30, 2000

	FY 2001		VARIANCE	2000
	BUDGET	ACTUAL	FAVORABLE (UNFAVORABLE)	
Water and wastewater department:				
Office of director:				
Personal services and employee benefits	\$ 246,644	\$ 137,472	\$ 109,172	\$ 125,763
Purchased/contracted services	15,600	27,623	(12,023)	28,656
Supplies	9,150	3,595	5,555	6,148
	<u>271,394</u>	<u>168,690</u>	<u>102,704</u>	<u>160,567</u>
Water production:				
Personal services and employee benefits	509,006	414,186	94,820	379,014
Purchased/contracted services	76,600	38,739	37,861	57,792
Supplies	851,100	664,103	186,997	663,667
	<u>1,436,706</u>	<u>1,117,028</u>	<u>319,678</u>	<u>1,100,473</u>
Water distribution:				
Personal services and employee benefits	813,338	665,667	147,671	569,336
Purchased/contracted services	152,300	174,020	(21,720)	2,168,679
Supplies	2,281,400	2,433,956	(152,556)	123,181
	<u>3,247,038</u>	<u>3,273,643</u>	<u>(26,605)</u>	<u>2,861,196</u>
Wastewater collection:				
Personal services and employee benefits	364,448	82	364,366	77,699
Purchased/contracted services	174,400	127,344	47,056	54,082
Supplies	55,500	29,396	26,104	37,923
	<u>594,348</u>	<u>156,822</u>	<u>437,526</u>	<u>169,704</u>
Wastewater treatment:				
Personal services and employee benefits	562,290	475,309	86,981	384,589
Purchased/contracted services	64,000	41,159	22,841	40,650
Supplies	391,100	311,525	79,575	348,229
	<u>1,017,390</u>	<u>827,993</u>	<u>189,397</u>	<u>773,468</u>
Meter reading:				
Personal services and employee benefits	185,961	301,005	(115,044)	175,668
Purchased/contracted services	14,400	11,490	2,910	21,941
Supplies	9,100	9,200	(100)	6,883
	<u>209,461</u>	<u>321,695</u>	<u>(112,234)</u>	<u>204,492</u>
Water and wastewater non-departmental:				
Personal services and employee benefits	12,800	248,528	(235,728)	612,445
Purchased/contracted services	148,000	83,829	64,171	55,262
Interfund/interdepartmental charges	402,900	436,475	(33,575)	605,550
Other Costs	-	313,356	(313,356)	-
Depreciation	-	1,808,246	(1,808,246)	1,546,553
	<u>563,700</u>	<u>2,890,434</u>	<u>(2,326,734)</u>	<u>2,819,810</u>
TOTAL WATER AND WASTEWATER	7,340,037	8,756,305	(1,416,268)	8,089,710
TOTAL OPERATING EXPENSES	\$ 32,757,010	\$ 33,294,156	\$ (537,146)	\$ 34,299,368

The accompanying notes are an integral part of these statements.

CITY OF GRIFFIN, GEORGIA
SOLID WASTE FUND

COMPARATIVE BALANCE SHEET

June 30, 2001 and 2000

	FY 2001	FY 2000 (As restated)
ASSETS		
Current assets:		
Cash	\$ 653,764	\$ 334,937
Receivables:		
Accounts	121,799	-
Due from other funds	396,787	5,353
Prepaid expenses	17,817	17,817
Total current assets	<u>1,190,167</u>	<u>358,107</u>
Property, plant and equipment:		
Land		
Land Improvement		
Infrastructure	830,699	830,699
Buildings and structures	23,364	-
Machinery and equipment	4,647,654	4,098,313
Construction in progress	20,990	-
	<u>5,522,707</u>	<u>4,929,012</u>
Less accumulated depreciation	(3,539,264)	(3,175,983)
Net property, plant and equipment	1,983,443	1,753,029
Total Assets	<u>\$ 3,173,610</u>	<u>\$ 2,111,136</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Current liabilities payable from current assets:		
Accounts payable	\$ 66,519	\$ 70,786
Accrued interest	8,355	-
Due to other funds	772,011	-
Due to other governments and agencies (current portion)	4,883	-
Capital leases (current portion)	320,021	175,811
Post closure care costs	45,630	45,630
Total current liabilities payable from current assets	<u>1,217,419</u>	<u>292,227</u>
Long-term liabilities:		
Compensated absences	235,398	288,968
Capital leases (net of current portion)	724,154	663,863
Post closure care costs (net of current portion)	1,323,270	1,323,270
Total long-term liabilities	<u>2,282,822</u>	<u>2,276,101</u>
Total Liabilities	<u>3,500,241</u>	<u>2,568,328</u>
Fund equity:		
Retained earnings:		
Reserve for landfill closure	308,145	315,594
Reserve for local landfill	77,578	-
Unreserved	(712,354)	(772,786)
Total retained earnings	<u>(326,631)</u>	<u>(457,192)</u>
Total fund equity	<u>(326,631)</u>	<u>(457,192)</u>
Total liabilities and fund equity	<u>\$ 3,173,610</u>	<u>\$ 2,111,136</u>

The accompanying notes are an integral part of these statements.

CITY OF GRIFFIN, GEORGIA
SOLID WASTE FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS (DEFICIT)
BUDGET TO ACTUAL COMPARISON (GAAP BASIS)

Year Ended June 30, 2001

With Comparative Actual Amounts for Year Ended June 30, 2000

	FY 2001		VARIANCE FAVORABLE (UNFAVORABLE)	FY 2000 (As restated)
	BUDGET AS AMENDED	ACTUAL		
Operating Revenues:				
Charges for services	\$ 4,595,500	\$ 4,242,591	\$ (352,909)	\$ 3,699,439
TOTAL OPERATING REVENUES	4,595,500	4,242,591	(352,909)	3,699,439
Operating Expenses:				
Personal services	2,222,506	2,057,919	164,587	1,997,683
Purchased/contracted services	1,344,800	1,273,425	71,375	1,081,699
Supplies	341,050	403,561	(62,511)	253,200
Interfund	80,000	86,667	(6,667)	67,486
Depreciation	-	363,281	(363,281)	401,596
TOTAL OPERATING EXPENSES	3,988,356	4,184,853	(196,497)	3,801,664
OPERATING INCOME (LOSS)	607,144	57,738	(549,406)	(102,225)
Non-operating revenue (expenses):				
Interest income	-	10,669	10,669	1,691
Local landfill surcharge	48,000	55,466	7,466	-
Landfill closure surcharge	-	14,664	14,664	-
Intergovernmental revenues	-	34,929	34,929	-
Interest expense	(38,639)	(42,905)	(4,266)	(23,093)
TOTAL NON-OPERATING REVENUES (EXPENSES)	9,361	72,823	63,462	(21,402)
NET INCOME (LOSS)	616,505	130,561	(485,944)	(123,627)
Retained earnings (deficit) beginning of year	(457,192)	(457,192)	-	-
Prior period adjustment	-	-	-	(333,565)
Retained earnings (deficit) beginning of year, as restated	(457,192)	(457,192)	-	(333,565)
RETAINED EARNINGS END OF YEAR	\$ 159,313	\$ (326,631)	\$ (485,944)	\$ (457,192)

The accompanying notes are an integral part of these statements.

CITY OF GRIFFIN, GEORGIA
SOLID WASTE FUND

STATEMENT OF CASH FLOWS

For the Year ended June 30, 2001

	FY 2001	
<u>(DECREASE) INCREASE IN CASH</u>		
Cash flows from operating activities:		
Cash received from customers	\$ 4,120,792	
Cash payments to suppliers for goods and services	(1,469,012)	
Cash payments to employees for services	<u>(2,029,820)</u>	
Net cash provided by operating activities		\$ 621,960
Cash flows from noncapital financing activities:		
Local landfill surcharges	55,466	
Landfill closure surcharges	14,664	
Georgia landfill surcharge	4,883	
Operating grants received	<u>34,929</u>	
Net cash (used in) provided by noncapital financing activities		109,942
Cash flows from capital and related financing activities:		
Capital from GMA lease	471,875	
Principal payments GMA lease	(267,374)	
Acquisition and construction of capital assets	(593,895)	
Interest expense Georgia Municipal Agency lease	<u>(34,550)</u>	
Net cash provided by (used) in capital and related financing activities		(423,744)
Cash flows from investing activities:		
Interest on cash deposits	<u>10,669</u>	
Net cash (used in) provided by investing activities		<u>10,669</u>
Net (decrease) increase in cash		318,827
Cash at beginning of year		<u>334,937</u>
Cash at end of year		<u>\$ 653,764</u>

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES

Operating income		\$ 57,738
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation		363,281
Change in assets and liabilities:		
Decrease (increase) in accounts receivable	\$ (121,799)	
Decrease (increase) in due from other funds	(391,434)	
Increase (decrease) in accounts payable	(4,267)	
(Decrease) increase in compensated absences	(53,570)	
Increase (decrease) in due to other funds	772,011	
Total adjustments		<u>200,941</u>
Net cash provided by operating activities		<u>\$ 621,960</u>

The accompanying notes are an integral part of these statements.

CITY OF GRIFFIN, GEORGIA
SOLID WASTE FUND

SCHEDULE OF OPERATING EXPENSES--INCLUDING
BUDGET TO ACTUAL COMPARISON (GAAP BASIS)

Year Ended June 30, 2001
With Comparative Actual Amounts for Year Ended June 30, 2000

	FY 2001		VARIANCE	2000
	BUDGET	ACTUAL	FAVORABLE (UNFAVORABLE)	
Solid Waste Department				
Office of director:				
Personal services and employee benefits	\$ 272,351	\$ 235,260	\$ 37,091	\$ 166,435
Purchased/contracted services	27,400	14,596	12,804	8,511
Supplies	50,400	33,567	16,833	28,115
Interfund/interdepartmental charges	-	-	-	-
Depreciation	-	14,968	(14,968)	-
	<u>350,151</u>	<u>298,391</u>	<u>51,760</u>	<u>203,061</u>
Commercial collection:				
Personal services and employee benefits	215,339	178,115	37,224	140,958
Purchased/contracted services	291,200	386,505	(95,305)	274,586
Supplies	46,000	70,262	(24,262)	61,808
Interfund/interdepartmental charges	-	-	-	-
Depreciation	-	72,292	(72,292)	-
	<u>552,539</u>	<u>707,184</u>	<u>(154,655)</u>	<u>477,352</u>
Residential collection:				
Personal services and employee benefits	561,650	489,418	72,232	397,451
Purchased/contracted services	193,500	171,736	21,764	137,791
Supplies	51,650	74,363	(22,713)	59,594
Interfund/interdepartmental charges	-	-	-	-
Depreciation	-	156,738	(156,738)	-
	<u>806,800</u>	<u>892,255</u>	<u>(85,455)</u>	<u>594,836</u>
Maintenance shop:				
Personal services and employee benefits	203,140	155,300	47,840	127,324
Purchased/contracted services	19,700	9,459	10,241	15,637
Supplies	13,500	12,403	1,097	8,399
Interfund/interdepartmental charges	-	-	-	-
Depreciation	-	12,174	(12,174)	-
	<u>236,340</u>	<u>189,336</u>	<u>47,004</u>	<u>151,360</u>
Closed landfill:				
Purchased/contracted services	40,000	32,535	7,465	18,459
Supplies	8,000	-	8,000	-
	<u>48,000</u>	<u>32,535</u>	<u>15,465</u>	<u>18,459</u>
C & D landfill:				
Personal services and employee benefits	137,331	113,714	23,617	109,064
Purchased/contracted services	135,300	63,411	71,889	57,493
Supplies	44,600	62,831	(18,231)	28,535
Depreciation	-	38,138	(38,138)	-
	<u>317,231</u>	<u>278,094</u>	<u>39,137</u>	<u>193,092</u>
Transfer station:				
Personal services and employee benefits	166,989	140,938	26,051	167,083
Purchased/contracted services	411,800	507,888	(96,088)	470,945
Supplies	63,700	71,741	(8,041)	-
Interfund/interdepartmental charges	-	-	-	67,486
Depreciation	-	28,926	(28,926)	-
	<u>642,489</u>	<u>749,493</u>	<u>(107,004)</u>	<u>705,514</u>
Yard waste:				
Personal services and employee benefits	502,380	424,031	78,349	413,784
Purchased/contracted services	114,200	33,029	81,171	42,744
Supplies	53,200	64,256	(11,056)	60,336
Depreciation	-	36,645	(36,645)	-
	<u>669,780</u>	<u>557,961</u>	<u>111,819</u>	<u>516,864</u>

CITY OF GRIFFIN, GEORGIA
SOLID WASTE FUND

SCHEDULE OF OPERATING EXPENSES—INCLUDING
BUDGET TO ACTUAL COMPARISON (GAAP BASIS)

Year Ended June 30, 2001
With Comparative Actual Amounts for Year Ended June 30, 2000

	FY 2001			2000
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	
Animal control:				
Personal services and employee benefits	\$ 128,326	\$ 100,815	\$ 27,511	\$ 81,473
Purchased/contracted services	35,500	30,743	4,757	32,402
Supplies	10,000	14,118	(4,118)	8,413
Depreciation	-	3,400	(3,400)	-
	<u>173,826</u>	<u>149,076</u>	<u>24,750</u>	<u>122,288</u>
Non-departmental:				
Personal services and employee benefits	35,000	220,328	(185,328)	394,111
Purchased/contracted services	76,200	23,523	52,677	23,131
Interfund/interdepartmental charges	80,000	86,667	(6,667)	-
Depreciation	-	-	-	401,596
	<u>191,200</u>	<u>330,518</u>	<u>(139,318)</u>	<u>818,838</u>
TOTAL OPERATING EXPENSES	\$ 3,988,356	\$ 4,184,853	\$ (196,497)	\$ 3,801,664

The accompanying notes are an integral part of these statements.

CITY OF GRIFFIN, GEORGIA
AIRPORT FUND

COMPARATIVE BALANCE SHEET

June 30, 2001 and 2000

	FY 2001	FY 2000
<u>ASSETS</u>		
Current assets:		
Cash	\$ 23,461	\$ 43,309
Inventories at cost	8,254	8,254
Total current assets	<u>31,715</u>	<u>51,563</u>
Property, plant and equipment:		
Land	512,385	512,385
Land Improvement	2,476,109	2,476,109
Buildings and structures	71,284	71,284
Machinery and equipment	605,234	560,462
Construction in progress	244,788	-
	<u>3,909,800</u>	<u>3,620,240</u>
Less accumulated depreciation	(476,824)	(476,824)
Net property, plant and equipment	<u>3,432,976</u>	<u>3,143,416</u>
Total Assets	<u>\$ 3,464,691</u>	<u>\$ 3,194,979</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Current liabilities payable from current assets:		
Accounts payable	\$ 14,757	\$ 5,687
Due to other funds	106,360	44,648
Total current liabilities payable from current assets	<u>121,117</u>	<u>50,335</u>
Long-term liabilities:		
Compensated absences	7,260	7,870
Total long-term liabilities	<u>7,260</u>	<u>7,870</u>
Total Liabilities	<u>128,377</u>	<u>58,205</u>
Fund equity:		
Retained earnings:		
Reserved for capital improvements	188,983	-
Unreserved	3,147,331	3,136,774
Total retained earnings	<u>3,336,314</u>	<u>3,136,774</u>
Total fund equity	<u>3,336,314</u>	<u>3,136,774</u>
Total liabilities and fund equity	<u>\$ 3,464,691</u>	<u>\$ 3,194,979</u>

The accompanying notes are an integral part of these statements.

CITY OF GRIFFIN, GEORGIA
AIRPORT FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
BUDGET TO ACTUAL COMPARISON (GAAP BASIS)

Year Ended June 30, 2001

With Comparative Actual Amounts for Year Ended June 30, 2000

	FY 2001			
	BUDGET AS AMENDED	ACTUAL	VARIANCE FAVORABLE UNFAVORABLE	FY 2000
Operating Revenues:				
Charges for services	\$ 342,000	\$ 399,440	\$ 57,440	\$ 335,757
TOTAL OPERATING REVENUES	342,000	399,440	57,440	335,757
Operating Expenses:				
Personal services	150,585	239,442	(88,857)	139,462
Purchased/contracted services	105,920	94,317	11,603	75,082
Supplies	229,150	277,543	(48,393)	224,907
Depreciation	-	-	-	86,321
TOTAL OPERATING EXPENSES	485,655	611,302	(125,647)	525,772
OPERATING INCOME (LOSS)	(143,655)	(211,862)	(68,207)	(190,015)
Non-operating revenue (expenses):				
Interest income	2,500	753	(1,747)	2,492
Intergovernmental revenues	400,384	222,809	(177,575)	1,521,726
Miscellaneous income	1,500	6,456	4,956	34
TOTAL NON-OPERATING REVENUES (EXPENSES)	404,384	230,018	(174,366)	1,524,252
INCOME BEFORE OPERATING TRANSFERS	260,729	18,156	(242,573)	1,334,237
Operating transfers:				
Operating transfers in	181,384	181,384	-	149,500
Operating transfers out	13,800	-	13,800	-
NET OPERATING TRANSFERS	195,184	181,384	13,800	149,500
NET INCOME (LOSS)	455,913	199,540	(228,773)	1,483,737
Retained earnings beginning of year	3,136,774	3,136,774	-	1,653,037
RETAINED EARNINGS END OF YEAR	\$ 3,592,687	\$ 3,336,314	\$ (228,773)	\$ 3,136,774

The accompanying notes are an integral part of these statements.

CITY OF GRIFFIN, GEORGIA
AIRPORT FUND
STATEMENT OF CASH FLOWS

For the Year ended June 30, 2001

FY
2001

(DECREASE) INCREASE IN CASH

Cash flows from operating activities:	\$ 399,440	
Cash received from customers	(301,824)	
Cash payments to suppliers for goods and services	(239,306)	
Cash payments to employees for services	6,456	
Non-operating miscellaneous income		\$ (135,234)
Net cash provided by operating activities		
Cash flows from noncapital financing activities:	181,384	
Operating transfers in from other funds	181,384	
Spalding County intergovernmental revenues		382,768
Net cash (used in) provided by noncapital financing activities		
Cash flows from capital and related financing activities:	41,425	
Capital from Georgia Department of Transportation	(289,560)	
Acquisition and construction of capital assets		(248,135)
Net cash provided by (used in) capital and related financing activities		
Cash flows from investing activities:	753	
Interest on cash deposits		753
Net cash (used in) provided by investing activities		(19,848)
Net (decrease) increase in cash		43,309
Cash at beginning of year		\$ 23,461
Cash at end of year		

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES

Operating income		\$ (211,862)
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation		6,456
Non-operating miscellaneous income		
Change in assets and liabilities:	\$ 9,070	
Increase (decrease) in accounts payable	(610)	
(Decrease) Increase in compensated absences	61,712	
Increase (decrease) in due to other funds		70,172
Total adjustments		\$ (135,234)
Net cash provided by operating activities		

The accompanying notes are an integral part of these statements.

CITY OF GRIFFIN, GEORGIA
AIRPORT FUND

SCHEDULE OF OPERATING EXPENSES—INCLUDING
BUDGET TO ACTUAL COMPARISON (GAAP BASIS)

Year Ended June 30, 2001

With Comparative Actual Amounts for Year Ended June 30, 2000

	FY 2001		VARIANCE	2000
	BUDGET	ACTUAL	FAVORABLE (UNFAVORABLE)	
Airport department:				
Airport operations:				
Personal services and employee benefits	\$ 149,385	\$ 213,561	\$ (64,176)	\$ 114,024
Purchased/contracted services	80,320	84,484	(4,144)	56,449
Supplies	229,150	277,543	(48,393)	224,907
Depreciation	-	-	-	86,321
	<u>458,855</u>	<u>575,568</u>	<u>(116,713)</u>	<u>481,701</u>
Non-departmental:				
Personal services and employee benefits	1,200	25,881	(24,681)	25,438
Purchased/contracted services	25,600	9,853	15,747	18,633
	<u>26,800</u>	<u>35,734</u>	<u>(8,934)</u>	<u>44,071</u>
TOTAL OPERATING EXPENSES	\$ 485,655	\$ 611,302	\$ (125,647)	\$ 525,772

The accompanying notes are an integral part of these statements.

CITY OF GRIFFIN, GEORGIA
STORMWATER FUND

COMPARATIVE BALANCE SHEET

June 30, 2001 and 2000

	FY 2001	FY 2000 (As restated)
<u>ASSETS</u>		
Current assets:	\$ 107,781	\$ 262,079
Cash		
Receivables:	565,619	312,681
Accounts (net of allowance for uncollectibles)	16,698	16,698
Prepaid expenses	<u>690,098</u>	<u>591,458</u>
Total current assets		
Property, plant and equipment:	76,139	3,368,018
Land	3,438,039	
Infrastructure	483,604	
Machinery and equipment	509,701	454,342
Construction in progress	<u>4,507,483</u>	<u>3,822,360</u>
	(304,517)	(133,476)
Less accumulated depreciation	4,202,966	3,688,884
Net property, plant and equipment	<u>\$ 4,893,064</u>	<u>\$ 4,280,342</u>
Total Assets		
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Current liabilities payable from current assets:	\$ 14,058	\$ 10,292
Accounts payable	458	
Accrued interest	851,124	386,335
Due to other funds	39,963	46,953
Capital leases (current portion)	<u>905,603</u>	<u>443,580</u>
Total current liabilities payable from current assets		
Long-term liabilities:	27,039	26,939
Compensated absences	2,301,778	2,193,768
Due to other governments and agencies (net of current portion)	40,190	80,153
Capital leases (net of current portion)	<u>2,369,007</u>	<u>2,300,860</u>
Total long-term liabilities	<u>3,274,610</u>	<u>2,744,440</u>
Total Liabilities		
Fund equity:		
Retained earnings:	1,618,454	1,535,902
Unreserved	<u>1,618,454</u>	<u>1,535,902</u>
Total retained earnings	1,618,454	1,535,902
Total fund equity	<u>\$ 4,893,064</u>	<u>\$ 4,280,342</u>
Total liabilities and fund equity		

The accompanying notes are an integral part of these statements.

CITY OF GRIFFIN, GEORGIA
STORMWATER FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
BUDGET TO ACTUAL COMPARISON (GAAP BASIS)

Year Ended June 30, 2001

With Comparative Actual Amounts for Year Ended June 30, 2000

	FY 2001			FY 2000 (As restated)
	BUDGET AS AMENDED	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	
Operating Revenues:				
Charges for services	\$ 1,253,000	\$ 1,289,051	\$ 36,051	\$ 1,455,694
TOTAL OPERATING REVENUES	1,253,000	1,289,051	36,051	1,455,694
Operating Expenses:				
Personal services	469,842	461,616	8,226	411,263
Purchased/contracted services	437,625	229,875	207,750	118,313
Supplies	139,010	136,225	2,785	119,419
Interfund	232,700	252,092	(19,392)	158,800
Other charges	-	62,847	(62,847)	-
Depreciation	-	171,041	(171,041)	98,893
TOTAL OPERATING EXPENSES	1,279,177	1,313,696	(34,519)	906,688
OPERATING INCOME (LOSS)	(26,177)	(24,645)	70,570	549,006
Non-operating revenue (expenses):				
Interest income	2,000	41	(1,959)	1,798
Special purpose local option sales tax	-	56,414	56,414	-
Intergovernmental revenues	1,418,000	64,059	(1,353,941)	565,850
Miscellaneous income	-	15,668	15,668	-
Interest expense	5,727	(112,955)	118,682	(38,403)
TOTAL NON-OPERATING REVENUES (EXPENSES)	1,425,727	23,227	(1,165,136)	529,245
INCOME BEFORE OPERATING TRANSFERS	1,399,550	(1,418)	(1,094,566)	1,078,251
Operating transfers:				
Operating transfers in	-	83,970	(83,970)	-
NET OPERATING TRANSFERS	-	83,970	(83,970)	-
NET INCOME (LOSS)	1,399,550	82,552	(1,178,536)	1,078,251
Retained earnings (deficit) beginning of year		1,535,902	(1,535,902)	438,947
Prior period adjustment		-	-	18,704
Retained earnings (deficit) beginning of year, as restated		1,535,902	(1,535,902)	457,651
RETAINED EARNINGS END OF YEAR	\$ 1,399,550	\$ 1,618,454	\$ (2,714,438)	\$ 1,535,902

The accompanying notes are an integral part of these statements.

CITY OF GRIFFIN, GEORGIA
STORMWATER FUND

STATEMENT OF CASH FLOWS

For the Year ended June 30, 2001

FY
2001

(DECREASE) INCREASE IN CASH

Cash flows from operating activities:	\$ 910,419	
Cash received from customers	(91,065)	
Cash payments to suppliers for goods and services	(457,241)	
Cash payments to employees for services	15,668	
Non-operating miscellaneous income		\$ 377,781
Net cash provided by operating activities		
Cash flows from noncapital financing activities:	83,970	
Operating transfers in (out) to other funds	64,059	148,029
Operating grants received		
Net cash (used in) provided by noncapital financing activities		
Cash flows from capital and related financing activities:	56,414	
Special Purpose Local Option Sales Taxes	108,010	
Georgia Environmental Facilities Authority loan	(46,953)	
Principal payments Georgia Municipal Association lease	(685,123)	
Acquisition and construction of capital assets	(112,497)	(680,149)
Interest expense Georgia Environmental Facilities Authority loan		
Net cash provided by (used in) capital and related financing activities		
Cash flows from investing activities:	41	41
Interest on cash deposits		(154,298)
Net cash (used in) provided by investing activities		262,079
Net (decrease) increase in cash		\$ 107,781
Cash at beginning of year		
Cash at end of year		

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES

Operating Income		\$ (24,645)
Adjustments to reconcile operating income to net cash provided by operating activities		171,041
Depreciation		62,847
Allowance for uncollectibles		15,668
Non-operating miscellaneous income		
Change in assets and liabilities:	\$ (315,785)	
Decrease (increase) in accounts receivable	3,766	
Increase (decrease) in accounts payable	100	
(Decrease) increase in compensated absences	464,789	
Increase (decrease) in due to other funds		
Total adjustments		152,870
Net cash provided by operating activities		\$ 377,781

The accompanying notes are an integral part of these statements.

CITY OF GRIFFIN, GEORGIA
STORMWATER FUND

SCHEDULE OF OPERATING EXPENSES—INCLUDING
BUDGET TO ACTUAL COMPARISON (GAAP BASIS)

Year Ended June 30, 2001
With Comparative Actual Amounts for Year Ended June 30, 2000

	FY 2001		VARIANCE	2000
	BUDGET	ACTUAL	FAVORABLE (UNFAVORABLE)	
STORMWATER Department				
Administration:				
Personal services and employee benefits	\$ 157,204	\$ 145,030	\$ 12,174	\$ 145,339
Purchased/contracted services	334,875	28,271	306,604	45,867
Supplies	24,010	11,008	13,002	23,080
Depreciation	-	5,222	(5,222)	-
	<u>516,089</u>	<u>189,531</u>	<u>326,558</u>	<u>214,286</u>
Stormwater:				
Personal services and employee benefits	311,528	262,621	48,907	265,924
Purchased/contracted services	64,750	179,536	(114,786)	58,042
Supplies	115,000	125,217	(10,217)	96,339
Depreciation	-	165,819	(165,819)	-
	<u>491,278</u>	<u>733,193</u>	<u>(241,915)</u>	<u>420,305</u>
Non-departmental:				
Personal services and employee benefits	1,110	53,965	(52,855)	-
Purchased/contracted services	38,000	22,068	15,932	14,404
Interfund/interdepartmental charges	232,700	252,092	(19,392)	158,800
Other charges	-	62,847	(62,847)	-
Depreciation	-	-	-	98,893
	<u>271,810</u>	<u>390,972</u>	<u>(119,162)</u>	<u>272,097</u>
TOTAL OPERATING EXPENSES	\$ 1,279,177	\$ 1,313,696	\$ (34,519)	\$ 906,688

The accompanying notes are an integral part of these statements.



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CITY OF GRIFFIN, GEORGIA
FIDUCIARY FUNDS

COMBINING BALANCE SHEET

June 30, 2001

With Comparative Totals for June 30, 2000

	NON-EXPENDABLE TRUST FUNDS		EXPENDABLE TRUST FUNDS	
	CEMETERY TRUST	MAUSOLEUM TRUST	EXPENDABLE TRUST	GOLF COURSE TRUST
<u>ASSETS</u>				
Cash	\$ 36,968	\$ 251,152	\$ 5,051,955	\$ 69,944
Investments, at fair value	1,090,794	-	-	-
Due from other funds	-	-	-	-
Property, plant and equipment: Sites	94,735	-	-	-
Total Assets	<u>\$ 1,222,497</u>	<u>\$ 251,152</u>	<u>\$ 5,051,955</u>	<u>\$ 69,944</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Due to other funds	\$ -	\$ -	\$ 520,306	\$ -
Total Liabilities	<u>-</u>	<u>-</u>	<u>520,306</u>	<u>-</u>
Fund balances:				
Reserved:				
Reserved for cemetery	1,214,151	-	-	-
Reserved for Stonewall Cemetery	1,219	-	-	-
Reserved for Veterans Cemetery	7,127	-	-	-
Reserved for mausoleum	-	251,152	-	-
Reserved for clubhouse	-	-	-	69,944
Reserved for benefits	-	-	4,531,649	-
Reserved for employee retirement system	-	-	-	-
Total fund balances	<u>1,222,497</u>	<u>251,152</u>	<u>4,531,649</u>	<u>69,944</u>
Total liabilities and fund balances	<u>\$ 1,222,497</u>	<u>\$ 251,152</u>	<u>\$ 5,051,955</u>	<u>\$ 69,944</u>

PENSION TRUST EMPLOYEE AID FUND	TOTALS	
	FY 2001	FY 2000 (AS RESTATED)
\$ 197,457	\$ 5,607,476	\$ 464,587
26,856,774	27,747,568	25,564,153
3,012	3,012	3,012
-	94,735	94,735
<u>\$ 26,857,243</u>	<u>\$ 33,452,791</u>	<u>\$ 26,126,487</u>

\$ -	520,306	\$ -
-	520,306	-

-	1,214,151	1,208,918
-	1,219	1,219
-	7,127	7,127
-	251,152	233,840
-	69,944	-
-	4,531,649	-
26,857,243	26,857,243	24,675,383
26,857,243	32,932,485	26,126,487
<u>\$ 26,857,243</u>	<u>\$ 33,452,791</u>	<u>\$ 26,126,487</u>

CITY OF GRIFFIN, GEORGIA
CEMETERY NON-EXPENDABLE TRUST

COMPARATIVE BALANCE SHEETS

as of June 30, 2001 and 2000

	FY 2001	FY 2000
ASSETS		
Cash	\$ 36,968	\$ 24,071
Investments, at fair value	1,090,794	1,098,458
Property, plant and equipment:		
Sites	94,735	94,735
Total Assets	<u>\$ 1,222,497</u>	<u>\$ 1,217,264</u>
LIABILITIES AND FUND EQUITY		
Liabilities	\$ -	\$ -
Total Liabilities	<u>-</u>	<u>-</u>
Fund balance		
Reserved:		
Reserved for cemetery	1,214,151	1,208,918
Reserved for Stonewall Cemetery	1,219	1,219
Reserved for Veterans Cemetery	7,127	7,127
Total Fund Balances	<u>1,222,497</u>	<u>1,217,264</u>
Total Liabilities and Fund Balances	<u>\$ 1,222,497</u>	<u>\$ 1,217,264</u>

The accompanying notes are an integral part of these statements.

CITY OF GRIFFIN, GEORGIA
CEMETERY NON-EXPENDABLE TRUST FUND

COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE

For the Years Ended June 30, 2001 and 2000

	FY 2001		VARIANCE FAVORABLE (UNFAVORABLE)	FY 2000
	BUDGET	ACTUAL		
Operating revenues:				
Interest	\$ -	\$ 45,384	\$ (45,384)	\$ 53,370
Contributions	-	-	-	20,078
TOTAL OPERATING REVENUES	-	45,384	(45,384)	73,448
Operating expenses:				
Purchased services	-	5,168	(5,168)	5,444
TOTAL OPERATING EXPENSES	-	5,168	(5,168)	5,444
OPERATING INCOME	-	40,216	(40,216)	68,004
Non-operating revenues:				
Rental income	-	4,550	(4,550)	3,850
Operating transfers out	-	44,766	(44,766)	71,854
INCOME BEFORE OPERATING TRANSFERS	-	(47,880)		(70,166)
NET INCOME (LOSS)	-	(3,114)	(44,766)	1,688
Fund balance beginning of year	1,217,264	1,217,264	-	1,215,576
Residual equity transfer in from the Expendable Trust Fund	-	8,347	(8,347)	-
FUND BALANCE END OF YEAR	\$ 1,217,264	\$ 1,222,497	\$ (53,113)	\$ 1,217,264

The accompanying notes are an integral part of these statements.

CITY OF GRIFFIN, GEORGIA
CEMETERY NON-EXPENDABLE TRUST FUND

STATEMENT OF CASH FLOWS

For the Year ended June 30, 2001

		FY 2001
<u>(DECREASE) INCREASE IN CASH</u>		
Cash flows from operating activities:		
Cash received from investments	\$ 45,384	
Cash payments to suppliers for goods and services	<u>(5,168)</u>	
Net cash provided by operating activities		\$ 40,216
Cash flows from noncapital financing activities:		
Operating transfers (out) to other funds	(47,880)	
Residual equity transfers in	8,347	
Rental income	<u>4,550</u>	
Net cash (used in) provided by noncapital financing activities		(34,983)
Cash flows from investing activities:		
Proceeds from sale and maturities of investment securities	<u>7,664</u>	
Net cash (used in) provided by investing activities		<u>7,664</u>
Net (decrease) increase in cash		12,897
Cash at beginning of year		<u>24,071</u>
Cash at end of year		<u>\$ 36,968</u>

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES

Operating Income	\$ 40,216
Adjustments to reconcile operating income to net cash provided by operating activities	-
Change in assets and liabilities:	
Total adjustments	-
Net cash provided by operating activities	<u>\$ 40,216</u>

The accompanying notes are an integral part of these statements.

CITY OF GRIFFIN, GEORGIA
MAUSOLEUM TRUST FUND

COMPARATIVE BALANCE SHEETS

as of June 30, 2001 and 2000

	FY 2001	FY 2000
<u>ASSETS</u>		
Cash	\$ 251,152	\$ 233,840
Total Assets	<u>\$ 251,152</u>	<u>\$ 233,840</u>
<u>LIABILITIES AND FUND EQUITY</u>		
Liabilities	\$ -	\$ -
Total Liabilities	<u>-</u>	<u>-</u>
Fund balance		
Reserved:		
Reserved for Mausoleum	251,152	233,840
Total Fund Balances	<u>251,152</u>	<u>233,840</u>
Total Liabilities and Fund Balances	<u>\$ 251,152</u>	<u>\$ 233,840</u>

The accompanying notes are an integral part of these statements.

CITY OF GRIFFIN, GEORGIA
MAUSOLEUM NON-EXPENDABLE TRUST FUND

COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE

For the Years Ended June 30, 2001 and 2000

	FY 2001	FY 2000
Operating revenues:		
Interest	\$ 17,152	\$ 11,609
Contributions	160	-
TOTAL OPERATING REVENUES	<u>17,312</u>	<u>11,609</u>
Operating expenses:	-	-
TOTAL OPERATING EXPENSES	<u>-</u>	<u>-</u>
NET INCOME	17,312	11,609
Fund balance beginning of year	233,840	222,231
FUND BALANCE END OF YEAR	<u>\$ 251,152</u>	<u>\$ 233,840</u>

The accompanying notes are an integral part of these statements.

CITY OF GRIFFIN, GEORGIA
 MAUSOLEUM NON-EXPENDABLE TRUST FUND

STATEMENT OF CASH FLOWS

For the Year ended June 30, 2001

	FY	
	2001	
<u>(DECREASE) INCREASE IN CASH</u>		
Cash flows from operating activities:		
Cash received from investments	\$ 17,152	
Cash received from customers	160	
Net cash provided by operating activities	<u>17,312</u>	\$ 17,312
Cash flows from noncapital financing activities:		
Net cash (used in) provided by noncapital financing activities		-
Cash flows from investing activities:		
Net cash (used in) provided by investing activities		-
Net (decrease) increase in cash		<u>17,312</u>
Cash at beginning of year		233,840
Cash at end of year		<u>\$ 251,152</u>

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES

Operating Income	\$ 17,312
Adjustments to reconcile operating income to net cash provided by operating activities	-
Change in assets and liabilities:	
Total adjustments	-
Net cash provided by operating activities	<u>\$ 17,312</u>

The accompanying notes are an integral part of these statements.

CITY OF GRIFFIN, GEORGIA
EXPENDABLE TRUST FUND

COMPARATIVE BALANCE SHEETS

as of June 30, 2001 and 2000

	FY 2001	FY 2000
<u>ASSETS</u>		
Cash	\$ 5,051,955	\$ -
Total Assets	<u>\$ 5,051,955</u>	<u>\$ -</u>
<u>LIABILITIES AND FUND EQUITY</u>		
Liabilities:		
Due to:		
Other funds	\$ 520,306	\$ -
Total Liabilities	<u>520,306</u>	<u>-</u>
Fund balance		
Reserved:		
Reserved for benefits	4,531,649	\$ -
Total Fund Balances	<u>4,531,649</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 5,051,955</u>	<u>\$ -</u>

The accompanying notes are an integral part of these statements.

CITY OF GRIFFIN, GEORGIA
EXPENDABLE TRUST FUND

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

For the Years Ended June 30, 2001 and 2000

	FY 2001 ACTUAL	FY 2000
Revenues:		
Contributions	\$ 27,835	\$ -
Investment Income	288,861	-
TOTAL REVENUES	<u>316,696</u>	<u>-</u>
Expenditures:		
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER EXPENDITURES	316,696	-
Other financing uses:		
Operating transfers out	(1,956,319)	-
	<u>(1,956,319)</u>	<u>-</u>
REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(1,639,623)	-
Fund balance beginning of year	6,249,563	6,249,563
Residual equity transfer out to the Golf Course Expendable Trust Fund	(69,944)	-
Residual equity transfer out to the Cemetery Non-Expendable Trust Fund	(8,347)	-
FUND BALANCE END OF YEAR	<u>\$ 4,531,649</u>	<u>\$ 6,249,563</u>

The accompanying notes are an integral part of these statements.

CITY OF GRIFFIN, GEORGIA
GOLF COURSE EXPENDABLE TRUST FUND

COMPARATIVE BALANCE SHEETS

as of June 30, 2001 and 2000

	FY 2001	FY 2000
<u>ASSETS</u>		
Cash	\$ 69,944	\$ -
Total Assets	<u>\$ 69,944</u>	<u>\$ -</u>
<u>LIABILITIES AND FUND EQUITY</u>		
Liabilities	\$ -	\$ -
Total Liabilities	<u>-</u>	<u>-</u>
Fund balance		
Reserved:		
Reserved for clubhouse	69,944	\$ -
Total Fund Balances	<u>69,944</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 69,944</u>	<u>\$ -</u>

The accompanying notes are an integral part of these statements.

CITY OF GRIFFIN, GEORGIA
GOLF COURSE EXPENDABLE TRUST FUND

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

For the Years Ended June 30, 2001 and 2000

	FY 2001 ACTUAL	FY 2000
Revenues:		
TOTAL REVENUES	\$ -	\$ -
Expenditures:		
TOTAL EXPENDITURES	-	-
EXCESS OF REVENUES OVER EXPENDITURES	-	-
Fund balance beginning of year	-	-
Residual equity transfer in from the Expendable Trust Fund	69,944	-
FUND BALANCE END OF YEAR	<u>\$ 69,944</u>	<u>\$ -</u>

The accompanying notes are an integral part of these statements.

CITY OF GRIFFIN, GEORGIA
EMPLOYEE AID FUND

COMPARATIVE BALANCE SHEETS

as of June 30, 2001 and 2000

	FY 2001	FY 2000 (as Restated)
<u>ASSETS</u>		
Cash	\$ 197,457	\$ 206,676
Investments, at fair value:		
Fixed income	15,974,651	14,995,719
US equities	7,999,329	6,950,658
International equities	2,682,794	2,519,318
Total Investments	<u>26,656,774</u>	<u>24,465,695</u>
Due from other funds	3,012	3,012
Total Assets	<u>\$ 26,857,243</u>	<u>\$ 24,675,383</u>
<u>LIABILITIES AND FUND EQUITY</u>		
Liabilities:		
Total Liabilities	\$ -	\$ -
Fund balance		
Reserved:		
Reserved for employee retirement system	26,857,243	\$ 24,675,383
Total Fund Balances	<u>26,857,243</u>	<u>24,675,383</u>
Total Liabilities and Fund Balances	<u>\$ 26,857,243</u>	<u>\$ 24,675,383</u>

The accompanying notes are an integral part of these statements.

**CITY OF GRIFFIN, GEORGIA
EMPLOYEE AID FUND**

COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE

For the Years Ended June 30, 2001 and 2000

	FY 2001 ACTUAL	FY 2000 (As restated)
Operating revenues:		
Contributions	\$ 1,653,052	\$ 1,577,291
Investment income		
Net appreciation (depreciation) in fair market value of Investments	\$ 454,465	\$ (796,858)
Interest	7,636	6,035
Dividends	1,560,285	1,083,119
TOTAL OPERATING REVENUES	<u>3,675,438</u>	<u>1,869,587</u>
Operating expenses:		
Administration	94,972	64,273
Benefits	1,398,606	1,300,152
TOTAL OPERATING EXPENSES	<u>1,493,578</u>	<u>1,364,425</u>
NET INCOME	<u>2,181,860</u>	<u>505,162</u>
Fund balance beginning of year	24,675,383	22,013,713
Prior period adjustment	-	2,156,508
Fund balance beginning of year, as restated	<u>24,675,383</u>	<u>24,170,221</u>
FUND BALANCE END OF YEAR	<u>\$26,857,243</u>	<u>\$ 24,675,383</u>

The accompanying notes are an integral part of these statements.

**CITY OF GRIFFIN, GEORGIA
EMPLOYEE AID FUND**

STATEMENT OF CHANGES IN FUDUCIARY NET ASSETS

For the Year Ended June 30, 2001

	FY 2001 ACTUAL
Additions	
Contributions:	
Employer	\$ 1,653,052
Investment earnings	
Interest	7,636
Dividends	1,560,285
Net increase in the fair value of investments	454,465
Total investment earnings	2,022,386
Less investment expense	-
Net investment earnings	2,022,386
Total additions	3,675,438
Deductions	
Benefits	1,398,606
Administrative expenses	94,972
Total deductions	1,493,578
Changes in net assets	2,181,860
Net assets-- beginning	24,675,383
Net assets-- ending	<u>\$ 26,857,243</u>

The accompanying notes are an integral part of these statements.

CITY OF GRIFFIN, GEORGIA
 SCHEDULE OF GENERAL FIXED ASSETS - BY SOURCES

COMPARATIVE BALANCE SHEET

June 30, 2001 and 2000

	FY 2001	FY 2000
General Fixed assets:		
Land	\$ 2,243,452	\$ 2,243,452
Land improvements	42,184	-
Infrastructure	5,672,032	4,873,511
Buildings and structures	7,017,962	6,989,521
Equipment	12,970,919	11,828,270
Construction in progress	2,786,113	-
Total General Fixed Assets	<u>\$ 30,732,662</u>	<u>\$ 25,934,754</u>
Investments in General Fixed Assets from:		
Capital projects funds:		
Federal grants	\$ 109,288	\$ 71,895
State grants	702	-
General fund	30,090,315	25,862,859
Special purpose local option sales taxes	532,357	-
Total investment in General Fixed Assets	<u>\$ 30,732,662</u>	<u>\$ 25,934,754</u>

The accompanying notes are an integral part of these statements.

SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS
By Function and Activity

Year Ended June 30, 2001

FUNCTION AND ACTIVITY	GENERAL FIXED ASSETS 6/30/2000	ADDITIONS	DELETIONS	GENERAL FIXED ASSETS 6/30/2001
General government:				
Executive	\$ -	\$ 3,902	\$ -	\$ 3,902
Administrative services	21,061,243	32,734	-	21,093,977
Total	21,061,243	36,636	-	21,097,879
Public safety:				
Police	-	741,913	-	741,913
Fire	-	77,109	-	77,109
Total	-	819,022	-	819,022
Public works	4,873,511	189,630	-	5,063,141
Culture/recreation	-	142,486	-	142,486
Economic development and assistance	-	824,021	-	824,021
Construction in progress	-	2,786,113	-	2,786,113
Total General Fixed Assets	\$ 25,934,754	\$ 4,797,908	\$ -	\$ 30,732,662

The accompanying notes are an integral part of these statements.

CITY OF GRIFFIN, GEORGIA

SCHEDULE OF GENERAL FIXED ASSETS
By Function and Activity

Year Ended June 30, 2001

FUNCTION AND ACTIVITY	TOTAL	LAND			BUILDINGS AND STRUCTURES		EQUIPMENT
		LAND	IMPROVEMENTS	INFRASTRUCTURE	STRUCTURES	EQUIPMENT	
General government:							
Executive	\$ 3,902	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,902
Administrative services	21,093,977	2,243,452	-	-	6,989,521	11,861,004	
Total	<u>21,097,879</u>	<u>2,243,452</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,989,521</u>	<u>11,864,906</u>
Public safety:							
Police	741,913	-	-	-	-	-	741,913
Fire	77,109	-	4,600	-	14,115	58,394	
Total	<u>819,022</u>	<u>-</u>	<u>4,600</u>	<u>-</u>	<u>14,115</u>	<u>800,307</u>	
Public works	5,063,141	-	-	4,886,254	-	176,887	
Culture/recreation	142,486	-	37,584	-	14,326	90,576	
Economic development and assistance	824,021	-	-	785,778	-	38,243	
Total General Fixed Assets allocated to functions	27,946,549	\$ 2,243,452	\$ 42,184	\$ 5,672,032	\$ 7,017,962	\$ 12,970,919	
Construction in progress	2,786,113						
Total General Fixed Assets	<u>\$ 30,732,662</u>						

The accompanying notes are an integral part of these statements.

CITY OF GRIFFIN, GEORGIA
 GENERAL LONG-TERM OBLIGATION ACCOUNT GROUP

STATEMENT OF GENERAL LONG-TERM OBLIGATIONS

June 30, 2001 and 2000

	FY 2001	FY 2000
<u>AMOUNT AVAILABLE AND TO BE PROVIDED FOR THE PAYMENT OF GENERAL LONG-TERM OBLIGATIONS</u>		
Resources to be provided in future years for employees' compensated absences	\$ 1,372,983	\$ -
Resources to be provided in future years for retirement of capital leases	<u>1,661,633</u>	<u>1,152,809</u>
Total available and to be provided	<u>\$ 3,034,616</u>	<u>\$ 1,152,809</u>
 <u>GENERAL LONG-TERM OBLIGATIONS PAYABLE</u>		
Compensated absences payable	\$ 1,372,983	\$ -
Capital lease payable	<u>1,661,633</u>	<u>1,152,809</u>
Total long-term obligations payable	<u>\$ 3,034,616</u>	<u>\$ 1,152,809</u>

The accompanying notes are an integral part of these statements.

City of Griffin, Georgia

**Schedule of Debt Service Requirements
 Revenue Refunding and Improvement Bonds - Series 1993A**

	Principal	Interest	Total Payment Due	Coupon Rate %
7/1/2001		\$ 245,409	\$ 245,409	
1/1/2002		\$ 245,409	\$ 245,409	
7/1/2002		\$ 245,409	\$ 845,409	4.40%
1/1/2003	\$ 600,000	\$ 245,409	\$ 232,209	
7/1/2003		\$ 232,209	\$ 862,209	4.50%
1/1/2004	\$ 630,000	\$ 232,209	\$ 218,034	
7/1/2004		\$ 218,034	\$ 873,034	4.65%
1/1/2005	\$ 655,000	\$ 218,034	\$ 202,805	
7/1/2005		\$ 202,805	\$ 892,805	4.85%
1/1/2006	\$ 690,000	\$ 202,805	\$ 186,073	
7/1/2006		\$ 186,073	\$ 906,073	5.00%
1/1/2007	\$ 720,000	\$ 186,073	\$ 168,073	
7/1/2007		\$ 168,073	\$ 923,073	5.10%
1/1/2008	\$ 755,000	\$ 168,073	\$ 148,820	
7/1/2008		\$ 148,820	\$ 943,820	5.20%
1/1/2009	\$ 795,000	\$ 148,820	\$ 128,150	
7/1/2009		\$ 128,150	\$ 963,150	5.50%
1/1/2010	\$ 835,000	\$ 128,150	\$ 105,188	
7/1/2010		\$ 105,188	\$ 985,188	5.50%
1/1/2011	\$ 880,000	\$ 105,188	\$ 80,988	
7/1/2011		\$ 80,988	\$ 1,010,988	5.50%
1/1/2012	\$ 930,000	\$ 80,988	\$ 55,413	
7/1/2012		\$ 55,413	\$ 1,035,413	5.50%
1/1/2013	\$ 980,000	\$ 55,413	\$ 28,463	
7/1/2013		\$ 28,463	\$ 1,063,463	5.50%
1/1/2014	\$ 1,035,000	\$ 28,463	\$ 1,063,463	
TOTALS	\$ 9,505,000	\$ 4,090,068	\$ 13,595,068	

Bonds Dated: July 1, 1999
 Original Issue Amount: \$9,505,000
 Principal Due: January 1, beginning January 1, 2003
 Interest Due: January 1 and July 1, beginning July 1, 1994
 Paying Agent: U S Bank

Bonds Maturing

January 1, 2004 through December 31, 2004
 January 1, 2005 through December 31, 2005
 January 1, 2006 and thereafter

Call Premium
 Two Percent
 One Percent
 Par

Security: The bonds are secured and payable on parity with any additional revenue bonds of the City hereafter issued on a parity with the Series 1993 Bonds, by an irrevocable lien in the net revenues of the Water, Sewer, and Electric System.

The Series 1993A revenue bonds are insured by AMBAC Indemnity Corporation.
 The ratings for the Series 1993A bonds are as follows:

Bond Ratings

Insured Rating:

Moody's Aaa
 Standard & Poor's AAA

Underlying rating:

Moody's A

The accompanying notes are an integral part of these statements.

City of Griffin, Georgia

**Schedule of Debt Service Requirements
Revenue Improvement Bonds - Series 1993B**

	Principal	Interest	Total Payment Due	Coupon Rate %
7/1/2001		\$ 12,760	\$ 12,760	
1/1/2002	\$ 580,000	\$ 12,760	\$ 592,760	4.40%
TOTALS	\$ 580,000	\$ 25,520	\$ -	\$ 605,520

Bonds Dated: July 1, 1999

Original Issue Amount: \$4,095,000

Principal Due: January 1, beginning January 1, 2003

Interest Due: January 1 and July 1, beginning July 1, 1994

Paying Agent: Bank of New York

Security: The bonds are secured and payable, on parity with the Water, Sewer and Electric Revenue Bonds, Series 1993A and any additional revenue bonds of the City hereafter issued on a parity with the Series 1993 Bonds, by an Irrevocable lien on the net revenues of the Water, Sewer and Electric System.

The Series 1993B revenue bonds are insured by AMBAC Indemnity Corporation.

The ratings for the Series 1993B revenue bonds are as follows:

Bond Ratings

Insured Rating:

Moody's Aaa
Standard & Poors AAA

Underlying Rating:

Moody's A

The accompanying notes are an integral part of these statements.

City of Griffin, Georgia

Schedule of Debt Service Requirements
Combined Public Utility Bonds, Series 1996

	Principal	Interest	Total Payment Due	Coupon Rate %
7/1/2001		\$ 158,295	\$ 158,295	
1/1/2002	\$ 260,000	\$ 158,295	\$ 418,295	4.40%
7/1/2002		\$ 152,575	\$ 152,575	
1/1/2003	\$ 270,000	\$ 152,575	\$ 422,575	4.50%
7/1/2003		\$ 148,500	\$ 146,500	
1/1/2004	\$ 285,000	\$ 146,500	\$ 431,500	4.60%
7/1/2004		\$ 139,945	\$ 139,945	
1/1/2005	\$ 300,000	\$ 139,945	\$ 439,945	4.70%
7/1/2005		\$ 132,895	\$ 132,895	
1/1/2006	\$ 315,000	\$ 132,895	\$ 447,895	4.80%
7/1/2006		\$ 125,335	\$ 125,335	
1/1/2007	\$ 330,000	\$ 125,335	\$ 455,335	4.90%
7/1/2007		\$ 117,250	\$ 117,250	
1/1/2008	\$ 345,000	\$ 117,250	\$ 462,250	5.00%
7/1/2008		\$ 108,625	\$ 108,625	
1/1/2009	\$ 365,000	\$ 108,625	\$ 473,625	5.00%
7/1/2009		\$ 99,500	\$ 99,500	
1/1/2010	\$ 385,000	\$ 99,500	\$ 484,500	5.10%
7/1/2010		\$ 89,683	\$ 89,683	
1/1/2011	\$ 405,000	\$ 89,683	\$ 494,683	5.20%
7/1/2011		\$ 79,153	\$ 79,153	
1/1/2012	\$ 430,000	\$ 79,153	\$ 509,153	5.20%
7/1/2012		\$ 67,973	\$ 67,973	
1/1/2013	\$ 450,000	\$ 67,973	\$ 517,973	5.25%
7/1/2013		\$ 56,160	\$ 56,160	
1/1/2014	\$ 475,000	\$ 56,160	\$ 531,160	5.40%
7/1/2014		\$ 43,335	\$ 43,335	
1/1/2015	\$ 505,000	\$ 43,335	\$ 548,335	5.40%
7/1/2015		\$ 29,700	\$ 29,700	
1/1/2016	\$ 535,000	\$ 29,700	\$ 564,700	5.40%
7/1/2016		\$ 15,255	\$ 15,255	
1/1/2017	\$ 585,000	\$ 15,255	\$ 580,255	5.40%
TOTALS	\$ 6,220,000	\$ 3,124,358	\$ 9,344,358	

Bonds Dated: October 6, 1996
 Original Issue Amount: \$6,925,000
 Principal Due: January 1, beginning January 1, 1998
 Interest Due: January 1 and July 1, beginning July 1, 1997
 Paying Agent: Bank of New York

Bonds Maturing

January 1, 2006 through December 31, 2006
 January 1, 2007 through December 31, 2007
 January 1, 2008 and thereafter

Call Premium

Two Percent
 One Percent
 Par

Security: The bonds are secured and payable, on parity with the Water, Sewer, and Electric Revenue Bonds, Series 1993, by an irrevocable lien on the net revenues of the Water, Sewer, and Electric Systems.

The Series 1996 revenue bonds are insured by Financial Security Assurance, Inc.

Bond Ratings

Insured Rating:

Moody's Aaa
 Standard & Pools AAA

The accompanying notes are an integral part of these statements.

City of Griffin, Georgia

**Schedule of Debt Service Requirements
 Combined Public Utility Bonds, Series 1997**

	Principal	Interest	Total Payment Due	Coupon Rate %
7/1/2001		\$ 142,279	\$ 142,279	
1/1/2002	\$ 245,000	\$ 142,279	\$ 387,279	4.350%
7/1/2002		\$ 136,950	\$ 136,950	
1/1/2003	\$ 255,000	\$ 136,950	\$ 391,950	4.450%
7/1/2003		\$ 131,276	\$ 131,276	
1/1/2004	\$ 270,000	\$ 131,276	\$ 401,276	4.550%
7/1/2004		\$ 125,134	\$ 125,134	
1/1/2005	\$ 280,000	\$ 125,134	\$ 405,134	4.650%
7/1/2005		\$ 118,624	\$ 118,624	
1/1/2006	\$ 295,000	\$ 118,624	\$ 413,624	4.750%
7/1/2006		\$ 111,618	\$ 111,618	
1/1/2007	\$ 305,000	\$ 111,618	\$ 416,618	4.850%
7/1/2007		\$ 104,221	\$ 104,221	
1/1/2008	\$ 320,000	\$ 104,221	\$ 424,221	4.950%
7/1/2008		\$ 96,301	\$ 96,301	
1/1/2009	\$ 340,000	\$ 96,301	\$ 436,301	5.050%
7/1/2009		\$ 87,716	\$ 87,716	
1/1/2010	\$ 355,000	\$ 87,716	\$ 442,716	5.150%
7/1/2010		\$ 78,575	\$ 78,575	
1/1/2011	\$ 375,000	\$ 78,575	\$ 453,575	5.150%
7/1/2011		\$ 68,919	\$ 68,919	
1/1/2012	\$ 390,000	\$ 68,919	\$ 458,919	5.250%
7/1/2012		\$ 58,681	\$ 58,681	
1/1/2013	\$ 415,000	\$ 58,681	\$ 473,681	5.125%
7/1/2013		\$ 48,047	\$ 48,047	
1/1/2014	\$ 435,000	\$ 48,047	\$ 483,047	5.125%
7/1/2014		\$ 36,900	\$ 36,900	
1/1/2015	\$ 455,000	\$ 36,900	\$ 491,900	5.125%
7/1/2015		\$ 25,241	\$ 25,241	
1/1/2016	\$ 480,000	\$ 25,241	\$ 505,241	5.125%
7/1/2016		\$ 12,941	\$ 12,941	
1/1/2017	\$ 505,000	\$ 12,941	\$ 517,941	5.125%
TOTALS	\$ 6,720,000	\$ 2,766,846	\$ 8,486,846	

Bonds Dated: December 1, 1996
 Original Issue Amount: \$6,610,000
 Principal Due: January 1, beginning January 1, 1998
 Interest Due: January 1 and July 1, beginning July 1, 1997
 Paying Agent: Bank of New York

Bonds Maturing

January 1, 2006 through December 31, 2006
 January 1, 2007 through December 31, 2007
 January 1, 2008 and thereafter

Call Premium

Two Percent
 One Percent
 Par

Security: The bonds are secured and payable, on parity with the Water, Sewer, and Electric Revenue Bonds, Series 1993, by an irrevocable lien on the net revenues of the Water, Sewer, and Electric System.

The Series 1997 revenue bonds are insured by AMBAC Indemnity Corporation.

Bond Ratings

Insured Rating:

Moody's Aaa
 Standard & Poors AAA

The accompanying notes are an integral part of these statements.

GREENWAY, SMITH, HAISTEN & HOWELL, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

GRIFFIN, GEORGIA

INDEPENDENT AUDITOR'S REPORT ON SPECIAL COUNTY 1 PERCENT SALES AND USE TAX

To The Board of Commissioners
City of Griffin, Georgia

We have audited the accompanying general purpose financial statements of the City of Griffin, Georgia as of June 30, 2001 and for the year then ended. These general purpose financial statements are the responsibility of the City of Griffin management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and, Government Audit 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 general purpose financial statements are free of material misstatements. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In the conduct of our audit, we verified and tested expenditures of each project constructed or under construction which were identified in the resolution or ordinance calling for imposition of the special sales and use tax authorized by section 48-8-110 OCGA. The accompanying schedule which lists each identified project and information required by section 48-8-121 OCGA is not to be a complete presentation of the entity's assets, liabilities and expenses. This schedule presents fairly the original estimated cost of each project, expenditures incurred and the estimated percentage of completion of each project through June 30, 2001, the end of the fiscal year covered by this audit.


Certified Public Accountants

January 31, 2002



CITY OF GRIFFIN, GEORGIA
 SCHEDULE OF PROJECTS CONSTRUCTED
 WITH SPECIAL SALES TAX PROCEEDS

For the Year Ended June 30, 2001

No.	Project	Original Estimated Cost	Prior Years	Current Year	Total	Estimated Percentage of Completion
1	Stormwater Improvements	\$ 1,000,000.00	\$ 993,374.00	\$ 678,237.00	\$ 1,671,611.00	99.90%
2	Street Improvements	<u>3,500,000.00</u>	<u>1,765,637.00</u>	<u>425,236.00</u>	<u>2,190,873.00</u>	70.50%
		<u>\$ 4,500,000.00</u>	<u>\$ 2,759,011.00</u>	<u>\$ 1,103,473.00</u>	<u>\$ 3,862,484.00</u>	

**CITY OF GRIFFIN, GEORGIA
SCHEDULE OF HOTEL / MOTEL TAX COLLECTIONS AND EXPENDITURES****For the Year Ended June 30, 2001**

Hotel / Motel Tax Collections	\$ 45,711.00
Expenditures	
Fireworks	\$ 5,000.00
Contributions to Chamber of Commerce	3,000.00
Contributions to Griffin Mainstreet	22,000.00
Contributions to Downtown Development Authority	25,000.00
Total Hotel / Motel Tax Expenditures	\$ 55,000.00
Percentage of Hotel / Motel Tax Collections used to Promote Tourism	120.32%