CITY OF ROME, GEORGIA
COMPREHENSIVE
ANNUAL FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2014

Prepared By:
Finance Department

CITY OF ROME, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2014

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Sammy Rich
City Manager
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(706) 236-4400

June 5, 2015

To the Rome City Commission and
the Citizens of the City of Rome, Georgia:

The comprehensive annual financial report of the City of Rome, Georgia for the fiscal year ended December 31, 2014, is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

State law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended December 31, 2014.

The City is also required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Information related to this single audit, including the schedule of expenditures of federal awards, findings and recommendations, and auditor's reports on the internal control structure and compliance with applicable laws and regulations, are included in a separate report.

Mauldin and Jenkins, LLC, have issued an unmodified opinion on the City of Rome's financial statements for the year ended December 31, 2014. The independent auditor's report is located at the front of the financial section of this report.

These statements are compiled in accordance with accounting principles generally accepted in the United States of America and offer an overview of the financial position and activities of the City as a whole. Management's Discussion and Analysis can be found on pages 4-22 and contains additional information on the City of Rome's basic financial statements.

PROFILE OF THE GOVERNMENT

The City of Rome is located in the northwestern part of the State of Georgia, which ranks as one of the top growth areas in the State. The City limits incorporate over thirty-one square miles and has a population of approximately 37,000. The City government operates under a commission-manager form of government. Commission elections are non-partisan and commissioners serve staggered terms. There are nine commissioners serving on the City Commission with the Mayor and Mayor Pro Tem elected from within the commission.

The City provides a full range of services. These services include water and sewer, police, building inspection, fire protection, sanitation services, the construction and maintenance of streets, storm drainage, traffic control, cemetery, community development, transit system, municipal landfill, planning and zoning, recreational activities and cultural events. In addition, the City of Rome includes the Rome Board of Education and the Greater Rome Convention and Visitors Bureau as discretely presented component units in these financial statements because the City has financial accountability for these entities.

The City is required to adopt final budgets by the end of each fiscal year. These annual budgets serve as the foundation for the City of Rome's financial planning and control. The budgets are prepared by fund, then department. Budgetary control is at the line item level.

LOCAL ECONOMY

The economic condition and outlook of the City has remained fairly stable during the past several years, following several years of slower economic growth attributable to a general decline in manufacturing activity. However, the area has also been impacted by the national economic slowdown and has seen a reduction in workforce in several major manufacturing entities. The City has experienced a slight increase in economic activity including expansions and additional employment hiring. The unemployment rate for the City at the end of the year was 7.9%. This is slightly less than last year, but hopefully has moderated. This was higher than the state average of 6.6% and the Floyd County rate of 6.9%, but does represent a decrease over the last couple of years. More encouraging news is that this rate has continued to slightly decrease through the first quarter of 2015.

Rome continues to be the medical hub of northwest Georgia with more doctors per capita than any county in the State. Two major hospitals, with a total of approximately 800 beds, are located in the city limits with many clinics also operating in this area. Redmond Regional Medical Center is the largest taxpayer in the City. The medical industry continues to expand with new expansions at both hospitals and their outlying complexes. Floyd Medical Center, the community public hospital, continues to upgrade and modernize, and recently expanded their emergency facilities. The Harbin Clinic recently completed their new corporate headquarter construction within the City.

The Rome Braves Minor "A" baseball stadium continues to be an economic draw from surrounding communities.

Rome was the venue for the 2014 NCCAA football championship event. The City is also host to several large national regional tennis tournaments. The Wings over North Georgia Air show held in the fall has become a large regional draw for the event.

A continuing Education Local Option Sales tax has enabled the school system to make major renovations and improvements to many of the City schools. As this issue comes to an end, a new county high school in the eastern part of the county is underway and major renovations at the Rome High and Middle School have been completed. One of the larger E-Lost projects is the construction of the new Anna K. Davie Elementary school in South Rome which should be completed in 2015.

Local Option Sales Tax revenue, one of the City's largest revenue sources outside of property taxes, has been very stagnant over the last several years. Consistent decreases in this revenue stream have mirrored the economic downturn the last three years. New implemented legislation removed the sales tax on vehicles in 2013 and the sales tax on manufacturing energy consumption was decreased .50%. This decrease is the second part of the implementation to phase that sales tax out within four years. These changes have significantly impacted overall sales tax revenues and sales tax receipts since that implementation have fallen dramatically. In 2014, sales taxes inched up slightly, and the City is hopeful that is a positive economic indicator. The City tax digest had a very slight increase in 2014, but still not significant enough to generate new tax revenue. The City has seen several market growth additions over the last year, but normal growth in the digest has been basically level.

Although the City of Rome's Water system has remained healthy and viable due to our abundance of available water supplies, the system continues to be challenged by the decrease in overall consumer consumption. The City of Rome is in re- negotiation with Floyd County concerning the agreement for wholesale water purchases from the City.

LONG TERM FINANCIAL PLANNING

In response to the continued economic stagnation and the impact of tax legislation, the likely prospect is that 2015 will not see dramatic economic upturns. The City has taken budgetary steps to ensure that the City will continue to be healthy throughout the economic downturn. Although the City went four years without normal merit raises for employees, 2014 was the second year that a 0 to 4% merit raise was budgeted for employees. The City has trimmed its workforce over 10% in the last several years and continues to have a hiring freeze for most vacant positions. The City has implemented shared workers and changes in public safety operations to maximize coverage in those areas. Capital spending has been minimized but long term needs must still be addressed. There has been more capital spending in the Water/Sewer system for 2014 reflecting needs that have been mitigated for the last couple of years. The City has a commitment to the community to maintain the highest level of service possible and still operate within its current revenue resources. This commitment under what appears to be more long term restraints has been a challenge for City management.

RELEVANT FINANCIAL POLICIES

The past fiscal year has continued to be a challenge to all revenue sources within the City. Modest increases in some revenue sources with economic drivers are an encouragement that the economy may be turning upwards. However, other revenue sources continue to decline or are relatively flat. The effect of the Title Tax implementation is still being felt and its long term impact is still uncertain. New legislation will also affect revenues as the State looks to change the way it funds transportation. Much of the challenge in managing in today's economy are these up and down swings in revenues without stable projections. These significant tax changes will impact the City's revenue sources, and the long term impact may require some history before the City can make plans to help mitigate the long term effects.

The local and national housing crisis continues to impact the City's tax digest. Although there has been a slight growth in the digest numbers, it is mainly from some new market factors rather than an overall growth of digest. It is anticipated that the housing correction will continue for at least a couple more years.

MAJOR INITIATIVES

For the Current Year:

As an "Entitlement Community", the City receives Federal grant monies for capital improvement projects. Projects include street and sidewalk improvements, and several home rehabilitation programs for lower income families. The City of Rome has partnered with the Northwest Georgia Housing Authority in an expanded housing rehabilitation program with the entitlement funds. The main focus in 2014 was the continued replacement of the streetscaped sidewalks in the downtown area.

The South Rome Re-development Agency and Community Development continues its progress with rehabilitation and improvements within the South Rome area of the City. Property for the new Anna K. Davie elementary school which was acquired in 2012, started construction in 2013, and should be ready for occupancy for the fall of 2015. This new school will merge two former schools into one large neighborhood/community school. As a new model for education within our community, the new Anna K. Davie will be the first school to host an early learning center through a partnership with Berry College and the South Rome Redevelopment Corporation.

Another continuing initiative for the City in 2014 was the "Neighborhood Focus". This effort is sponsored by the "Keep Rome/Floyd Beautiful" committee and is a collaborative partnership between the City, Floyd County, and the neighborhood communities to help clean up predesignated areas.

The City of Rome Downtown Development Department has expanded its management to several downtown parking facilities. This effort has allowed more control of revenue generating facilities as well as ensuring optimum use of all available parking.

Every year water and sewer projects are being completed. A multi-year water tank maintenance initiative that began in 2011 to assess, repair, and paint all water tanks, continued in 2014 with additional tank improvements. One of the major initiatives in 2014 was the construction of a $2.5 million new Flash Mix system at the Water Treatment plant which went operational during the year. Also underway is the Northeast sewer interceptor project, and the digester cover replacements at the Treatment plant.

The multi-million dollar expansion of the trail system at the Town Green was completed in 2014. This project ties in the Forum facilities, the John Ross Pedestrian Bridge, and the Town Green. It also ties the downtown area into an enhanced interconnected network of multi-purpose trails that meander throughout the community.

Renovations and enhancements for the Barron Stadium track have paid off with the hosting of the NCCAA football championship and Track events. The City of Rome is also host to many regional and southeast tennis tournaments and was the Southeast Regional host for the SAAC Baseball Championship.

The new Hight Square Retail Development opened with the Publix Supermarket anchoring the development. Other retail and restaurant establishments have developed and the new Housing Authority Administration Building has been completed within that complex.

For the Future:

A new Marriott Courtyard Hotel is planned to begin construction on the West Third Street corridor in 2015. The hotel is Phase 1 of a multiphase program for development of the City owned four acres along that corridor.

A major parcel of property in the West Rome area of the City is being donated by the General Electric Company and tentative plans include the development of passive recreation.

The prior site of the Northwest Georgia Regional Hospital is under option with the City of Rome, and the City has engaged Tunnel Spangler & Walsh land planners to facilitate the efforts to develop a comprehensive redevelopment plan for the approximately 130 acre site.

The rivers are a major part of this community along with the City's downtown development. The City will continue to focus on the development of the three rivers in downtown Rome. The addition of the pedestrian bridge and the Town Green has already proven to be a major draw to the downtown area and the expansion of the river walk trail system continues to be an important initiative for the future. The Town Green is becoming a focal point for other festivals and events in the downtown area. Re-installation of the dock for the Roman Holiday riverboat is expected in 2015.

Construction on replacement and improvements to the water main infrastructure along Broad Street will begin in 2015. These improvements will replace lines that are over one hundred years old.

Technology upgrades and advancements continue to be a priority for the City. The City launched its interactive "My Rome App" earlier this year, and a new upgraded joint City/County website is also to be unveiled in 2015.

Community Development continues to be a priority for the City. The City will be hosting Neighborhood Enhancement Programs (NEPS) in 2015, which are a step above the Neighbor focus clean-up efforts, and will be a multi departmental and agency effort to concentrate clean up, code enforcement and infrastructure renewal in pre-determined hot spots around the City.

The 2013 SPLOST package that was approved is underway. A downtown Visitors Center has already been built and opened for visitor use. One of the most anticipated projects is the construction of a $12 million multi court tennis facility. This facility will be one of the largest in the country and is anticipated to be a significant economic draw to the community. Groundbreaking on the Tennis center is expected in June of 2015. Other projects include major road improvements on Burnett Ferry Road and at Chulio Hills, as well as various in City road paving projects. Money has been allocated for major sewer improvements and upgrades to City buildings and facilities. There is also $1.8 million allocated to expansion of the City's trails. These projects will be funded and constructed over the next five years.

FINANCIAL INFORMATION

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

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

As a part of the City's single audit, described earlier, tests are made to determine the adequacy of the internal control structure, related to the schedule of expenditures of federal awards, as well as to determine that the City has complied with applicable laws and regulations that could have a material affect on a major federal program. The results of the City's single audit for the fiscal year ended December 31, 2014 ended with no findings of noncompliance for its federal programs.

Budgeting Controls: In addition, the City maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City's governing body. Activities of the General Fund and Special Revenue Funds are included in the annual appropriated budget. Project-length financial plans are adopted for the Capital Projects Funds. Although not legally required, the City does include adopted annual budgets for its proprietary funds. The level of most of the budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is maintained at the department level. The City also maintains an encumbrance accounting system as a technique of accomplishing budgetary control. Encumbered amounts lapse at year-end. However, encumbrances generally are reappropriated as part of the following year's budget. The City Manager and Finance Director along with the City Commission Finance Committee review budget comparisons on a monthly basis.

AWARDS AND ACKNOWLEDGEMENTS

Awards: The City of Rome, Georgia Comprehensive Annual Financial Report for the year ended December 31, 2013, was awarded the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association of the United States and Canada (GFOA). The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such comprehensive annual financial reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our comprehensive annual financial report continues to conform to the Certificate of Achievement program requirements and we are submitting our comprehensive annual financial report for the current year to the GFOA.

Acknowledgments: The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the Finance Department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report. We would also like to thank the Finance Committee as well as the entire City Commission for the support they gave the City staff in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,

Sammy Rich
City Manager

Sheree T. Shore
Finance Director

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Rome

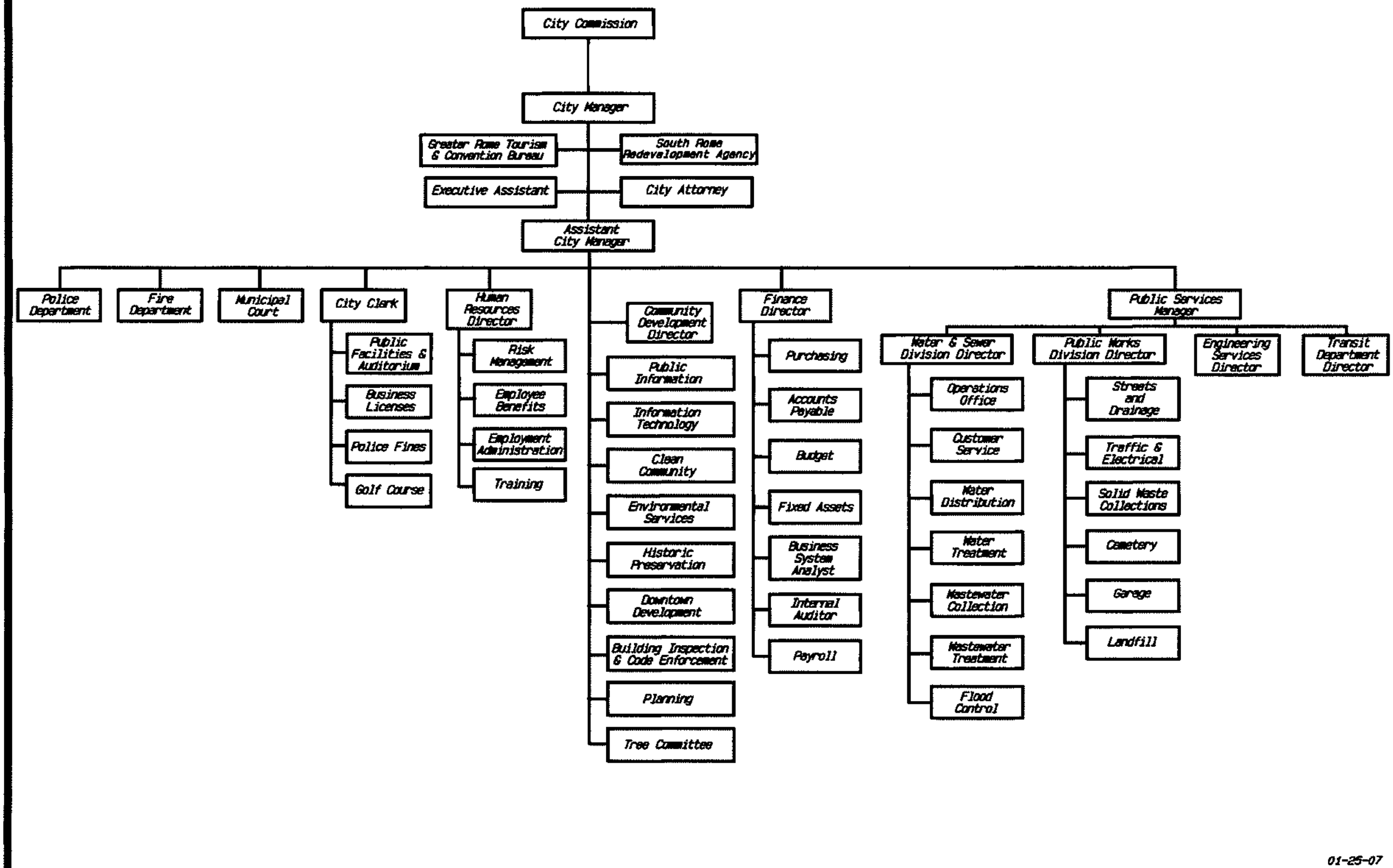
Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2013

Executive Director/CEO

City of Rome, Georgia
Organization Chart



CITY OF ROME, GEORGIA
PRINCIPAL OFFICIALS
DECEMBER 31, 2014

Jamie Doss	Mayor
Milton Slack	Mayor, Pro Tem
Bill Collins	At Large
Sue Lee	At Large
Evie McNiece	At Large
Kim Canada	At Large
Howard “Buzz” Wachsteter	At Large
Bill Irmscher	At Large
Wendy Davis	At Large

****

Sammy Rich	City Manager
Patrick Eidson	Assistant City Manager
Sheree T. Shore	Finance Director
Toni Rhinehart	Assistant Finance Director
Joseph F. Smith	City Clerk
Andy Davis	City Attorney

FINANCIAL SECTION

The financial section of the Comprehensive Annual Financial Report includes the independent auditor's report, the Management's Discussion and Analysis, the basic financial statements including footnotes, and the supplementary information.

MAULDIN & JENKINS

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
City of Rome, Georgia
Rome, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the **City of Rome, Georgia** (the "City") as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

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Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Rome, Georgia as of December 31, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4–22, Schedules of Funding Progress on page 97, and budgetary comparison information (on pages 86 through 95) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Rome, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements and schedules, introductory section and statistical section as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of special purpose local option sales tax proceeds is presented for purposes of additional analysis as required by the Official Code of Georgia 48-8-121, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules as well as the schedule of expenditures of special purpose local option sales tax proceeds (the "supplementary information") are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 3, 2015, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Atlanta, Georgia
June 3, 2015

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis (MD & A) is a narrative introduction, overview, and analysis of information presented in the basic financial statements.

City of Rome, Georgia

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2014

As management of the City of Rome, Georgia, this section of the City's Comprehensive Annual Financial Report offers readers a narrative discussion and analysis of the financial activities of the City of Rome for the fiscal year ended December 31, 2014.

This discussion and analytical information is designed to be used in conjunction with the transmittal letter found on pages v - x and with the accompanying financial statements and footnote disclosures which follow this section. This discussion focuses on the City's primary government and unless otherwise noted, does not include discretely presented component units which are reported separately.

FINANCIAL HIGHLIGHTS

- The City of Rome's total assets and deferred outflows exceeded its total liabilities and deferred inflows by $304,627,671 in 2014, which is a substantial increase of 6.2% from 2013.

- Total City of Rome Net Position is made up of the following:
  1) Net Investment in capital assets of $268,797,108 includes property, equipment, and infrastructure, net of accumulated depreciation and reduced for related debt.
  2) The restricted portion of the Net Position of $8,626,477 is restricted by outside entities either by covenants, grant agreements or external legislation. This amount has increased from 2013 due to a larger restricted cash amount mainly in the SPLOST fund.
  3) Unrestricted Net Position of $27,204,086 represents the portion available to maintain the City's ongoing obligations and has increased $2,739,615 from 2013 due mainly from the overall increase in the City's Net Position.

- The City of Rome had an overall increase in Net Position for 2014 of $17,937,794 which is much larger than 2013 and represents larger SPLOST and grant reimbursements for constructions project and restricted unspent SPLOST proceeds.

- The City's combined governmental funds reported a total ending fund balance of $20,695,237 which is an increase of $2,989,691 from 2013. This is due to a moderate increase in the fund balance in the General Fund, but a substantial increase in the SPLOST fund for unspent SPLOST collections. Of this amount $12,100,881 is unrestricted and unassigned and available for budgetary spending. This is an increase from 2013.

- The City's General Fund had a net increase in fund balance of $811,143 for 2014. This is higher than 2013 due mainly to a higher tax collection rate for current year taxes and a higher than anticipated collection of prior year taxes.

- The City's General Fund showed an unrestricted and unassigned fund balance of $12,100,881 at the end of the fiscal year, or 68.4% of current year expenditures before transfers. This is a $840,510 increase from 2013. This increase continues to be a purposeful intention to increase the fund balance to offset prior year decreases that occurred during the beginning of the most recent economic downturn.

- The City's Capital Fund had a net decrease in fund balance of $178,865. This is due to the continued construction of the Crescent Avenue Bridge, which had a project budget in prior years.

- The City's SPLOST fund had a net increase in fund balance of $2,344,281 due to the accounting of received but unspent SPLOST revenues. This increase is the majority of the overall increase in the governmental funds' fund balance.

City of Rome, Georgia

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2014

OVERVIEW OF THE FINANCIAL STATEMENTS

Management's Discussion and Analysis is intended to serve as an introduction to the City of Rome's basic financial statements. The basic financial statements are comprised of three components 1) government-wide financial statements, 2) fund financial statements and, 3) notes to the financial statements. This report also includes supplementary information in addition to these basic financial statements.

Government-wide Financial Statements

The City's report includes two government–wide financial statements. The focus of these statements is on the overall financial position and activities of the City of Rome as a whole, in a manner similar to a private sector business. These statements use the full accrual basis of accounting.

The first government-wide statement is the **Statement of Net Position.** This is the City-wide statement of position which presents information on all assets, liabilities and deferred outflows/inflows with the difference reported as *Net Position.* Over time, increases or decreases in the net position may serve as a useful indicator of the financial health of the City.

The second government-wide statement is the **Statement of Activities.** This report presents how the City's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of the timing of related cash flows. A primary purpose of the Statement of Activities is to identify the net costs of various functions and services provided by the City and to determine the extent to which each function is self-supporting by program revenues or is subsidized by general revenues.

The governmental activities of the City of Rome include general government, public safety, public works, public facilities, public services, community development and education.

Business type activities include water and sewer, fire services, solid waste commission (landfill), transit operations, building inspection, solid waste management (collections), municipal golf, and public facilities. The government-wide financial statements include not only the funds of the City but also the Greater Rome Convention and Visitors Bureau and the Rome Board of Education for which the City of Rome is financially accountable. Financial information for these component units is reported separately from the primary government, although included on the government-wide statements.

The City's government-wide financial statements are presented on pages 23-25 of this report.

FUND FINANCIAL STATEMENTS

A fund is an accounting entity used to maintain control over resources segregated for specific activities or objectives and to ensure compliance with financial or legal laws and regulations. Major funds are reported in separate columns with all non-major funds reported in the aggregate. Individual financial information for these non-major funds is provided in combining statements in the supplemental information. The City's funds are divided into three categories; governmental, proprietary, and fiduciary.

Governmental Funds

Governmental funds are used to account for basically the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide statements, governmental funds financial statements focus on short term fiscal accountability as well as balances of expendable resources at the end of the fiscal year.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of short term financial decisions. Since these statements do have a different perspective and use different accounting methods to generate the financial information, reconciliations of the Governmental Fund Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balance are presented to facilitate this comparison.

The City of Rome maintains ten individual governmental funds. Information is presented separately for the General, Capital and SPLOST, all considered major funds. The other funds are combined into a single aggregated presentation. Individual data for each of these non-major governmental funds is provided in the form of combining statements on pages 98-107 of the report.

Budgetary comparison schedules are included for the General Fund as required supplementary information immediately after the notes to the financial statements. Budgetary comparison schedules for the special revenue funds are included in the supplemental information section. These schedules demonstrate compliance with the final revised budgets.

The basic governmental fund financial statements are presented on pages 26-29 of this report.

Proprietary Funds

Proprietary funds are reported in the fund financial statements and generally report services where the customer is charged a fee or where the determination of an increase or decrease in net position is appropriate for capital maintenance, public policy, management control or full accountability. There are two types of proprietary funds; enterprise funds and internal service funds.

Enterprise funds essentially encompass the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer operation, fire services, solid waste commission (landfill), transit operations, building inspection services, solid waste management (collection), municipal golf operations, public facilities, and the tennis center.

The City uses internal services funds to account for health insurance and workers' compensation payments. Because of the nature of these internal service funds, they are consolidated within the business-type activities with their net position totals allocated between governmental and business-type activities.

The City reports the water, fire, and solid waste commission funds as major funds with the remaining non-major funds presented in the aggregate. Individual data on these non-major funds are presented in the supplemental section of this report.

The City's proprietary funds are presented on pages 31-39 with individual data on non-major funds presented in combining statements on pages 110-116.

FUND FINANCIAL STATEMENTS - continued

Fiduciary Funds

Fiduciary funds are used to account for resources for parties outside the government. Fiduciary funds are presented in the fund financial statements but are not included in the government-wide financial statements because the resources of this fund are not available to support the City of Rome's programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements are presented on pages 40 and 41.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are presented on pages 42 to 85.

Required Supplementary Information

The budgetary comparison schedule for the General Fund and footnotes are provided for budget compliance presentation. The schedule of funding progress for the City of Rome's GMEBS Retirement Plan and the OPEB Health Care Plan are also provided in the Required Supplementary Information. These are presented on pages 86-97.

Other Supplemental Information

Other supplemental information includes combining individual fund statements for non-major funds aggregated in the basic financial statements. Budgetary comparisons for non-major governmental funds are also presented. This supplemental information is presented on pages 98-107.

The Special Report for Sales Tax proceeds is shown on pages 108 and 109. This schedule shows expenditures for the 1996, 2006, 2009 and 2013 SPLOST issues.

FINANCIAL ANALYSIS OF THE CITY'S POSITION AND OPERATIONS

The City's overall financial position and operations for this fiscal year is summarized as follows based on information found in the government-wide financial statements on pages 23-25.

City of Rome
Net Position (Financial Position)

	Governmental Activities		Business-Type Activites		Totals		
	2014	2013	2014	2013	2014	2013	Variance
Assets:							
Current assets	$ 21,835,300	$ 19,630,432	$ 26,040,283	$ 21,826,691	$ 47,875,583	$ 41,457,123	$ 6,418,460
Capital assets	140,039,758	131,751,814	184,930,644	188,381,111	324,970,402	320,132,925	4,837,477
Other non-current assets	7,042,465	6,648,963	1,231,436	941,528	8,273,901	7,590,491	683,410
Total Assets	168,917,523	158,031,209	212,202,363	211,149,330	381,119,886	369,180,539	11,939,347
Deferred Outflows of Resources	146,842	-	1,927,419	2,490,537	2,074,261	2,490,537	(416,276)
Liabilities:							
Current liabilities	2,380,848	2,910,856	4,930,192	5,102,777	7,311,040	8,013,633	(702,593)
Long-term liabilities	10,799,362	11,226,916	59,187,948	64,933,394	69,987,310	76,160,310	(6,173,000)
Total Liabilities	13,180,210	14,137,772	64,118,140	70,036,171	77,298,350	84,173,943	(6,875,593)
Deferred Inflows of Resources	1,268,126	807,256	-	-	1,268,126	807,256	460,870
Net Position:							
Net investment in capital assets	132,207,394	122,991,274	136,589,714	134,833,490	268,797,108	257,824,764	10,972,344
Restricted	7,812,676	3,459,114	813,801	941,528	8,626,477	4,400,642	4,225,835
Unrestricted	14,595,959	16,635,793	12,608,127	7,828,678	27,204,086	24,464,471	2,739,615
Total Net Position	$ 154,616,029	$ 143,086,181	$ 150,011,642	$ 143,603,696	$ 304,627,671	$ 286,689,877	$ 17,937,794

For 2014, the deferred outflows represent deferred charges for bond refunding. The deferred inflows represent the change in the fair value of a derivative instrument.

The overall assets of the City increased $11,939,347 with the majority of the increase in amounts owed in Due from Other Governments. Current liabilities decreased from 2013 due to a decrease in accounts payable and overall liabilities decreased $6,875,593. This is due from a normal pay down of long term debt. Net investment in capital assets increased $10,972,344 or 4.3%. The majority of this increase was due to a major school construction project. Overall the City's Net Position increased $17,937,794 or 6.3% from 2013 with the majority of this increase being from SPLOST proceeds and grants for construction projects. Investment in capital assets is the largest component of total net position with 86% of governmental net position and 91% of business type net position. The largest component of the restricted portion of net position is restricted assets held for the GMA lease pool, Cemetery Maintenance, and capital outlay. Neither of these components of net position, however, represents available resources for the City, but an investment to provide services to citizens.

The unrestricted portion of net position of $27,204,086 which is available for future spending is 9% of total net position and has increased 12% from 2013.

The following condensed financial information was taken from the Government-wide Statement of Activities and reflects how the City of Rome's net position changed during the fiscal year.

City of Rome

Changes in Net Position

	Governmental Activities		Business Type Activities		Total		
	2014	2013	2014	2013	2014	2013	Variance
Revenues:							
Program Revenues							
Charges for services	$ 3,484,324	$ 3,569,955	$37,653,024	$35,697,385	$41,137,348	$39,267,340	$ 1,870,008
Operating Grants & Contributions	861,674	943,196	1,077,499	1,243,250	1,939,173	2,186,446	(247,273)
Capital Grants & Contribuitions	16,662,014	6,555,448	1,027,750	1,358,904	17,689,764	7,914,352	9,775,412
General Revenues							
Property Taxes	10,967,354	10,073,873	-	-	10,967,354	10,073,873	893,481
Sales Taxes	5,761,709	5,590,454	-	-	5,761,709	5,590,454	171,255
Other Taxes	7,787,910	7,294,381	-	-	7,787,910	7,294,381	493,529
Other Miscellaneous Revenues	982,437	1,290,159	186,039	62,868	1,168,476	1,353,027	(184,551)
Total Revenues	$46,507,422	$35,317,466	$39,944,312	$38,362,407	$86,451,734	$73,679,873	$12,771,861

City of Rome, Georgia

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2014

	Governmental Activities		Business Type Activities		Total		
	2014	2013	2014	2013	2014	2013	Variance
Expenses:							
General Government	$ 4,037,395	$ 3,701,271	$ -	$ -	$ 4,037,395	$ 3,701,271	$ 336,124
Public Safety	7,706,159	7,546,398	-	-	7,706,159	7,546,398	159,761
Public Works	10,730,492	11,780,549	-	-	10,730,492	11,780,549	(1,050,057)
Public Facilities	1,588,463	1,516,283	-	-	1,588,463	1,516,283	72,180
Public Services	468,153	448,081	-	-	468,153	448,081	20,072
Community Development	1,135,971	2,112,665	-	-	1,135,971	2,112,665	(976,694)
Education	1,458,437	1,462,658	-	-	1,458,437	1,462,658	(4,221)
Interest on Debt	473,721	538,128	-	-	473,721	538,128	(64,407)
Water and Sewer	-	-	17,851,712	17,501,496	17,851,712	17,501,496	350,216
Fire	-	-	11,499,538	11,958,991	11,499,538	11,958,991	(459,453)
Solid Waste Commission	-	-	2,267,513	1,898,929	2,267,513	1,898,929	368,584
Transit	-	-	3,464,192	3,734,189	3,464,192	3,734,189	(269,997)
Building Inspection	-	-	690,109	754,769	690,109	754,769	(64,660)
Solid Waste Management	-	-	3,512,753	3,494,512	3,512,753	3,494,512	18,241
Municipal Golf	-	-	1,309,077	1,242,198	1,309,077	1,242,198	66,879
Public Facilities	-	-	319,258	364,071	319,258	364,071	(44,813)
Tennis Center			997	-	997	-	997
Total Expenses	27,598,791	29,106,033	40,915,149	40,949,155	68,513,940	70,055,188	(1,541,248)
Increase (decrease) in net position before transfers	18,908,631	6,211,433	(970,837)	(2,586,748)	17,937,794	3,624,685	14,313,109
Transfers	(7,378,783)	(7,018,371)	7,378,783	7,018,371	-	-	-
Change in Net Position	11,529,848	(806,938)	6,407,946	4,431,623	17,937,794	3,624,685	14,313,109
Beginning Net Position	143,086,181	143,893,119	143,603,696	139,172,073	286,689,877	283,065,192	3,624,685
Ending Net Position	$154,616,029	$143,086,181	$150,011,642	$143,603,696	$304,627,671	$286,689,877	$ 17,937,794

FINANCIAL ANALYSIS OF THE CITY'S POSITION AND OPERATIONS - continued

The City's overall revenues increased $12,771,861 or 17% from 2013. Most of this increase was in the Governmental Activities Capital Grants and Contributions and is related to an increase in SPLOST proceeds for school construction and grants proceeds for infrastructure.

Property Taxes had a moderate increase, attributable mainly to a higher than anticipated collection rate for current year taxes in 2014. Other revenue sources, as previously noted, had modest increases or have remained stagnant during 2014.

On the expense side, Public Works is less due to a decrease in capital outlay for 2014 from 2013. Community Development is also significantly down due to a one time allocated loss of the disposal of capital assets in 2013. Most other expense line items were in line with 2013 expenses.

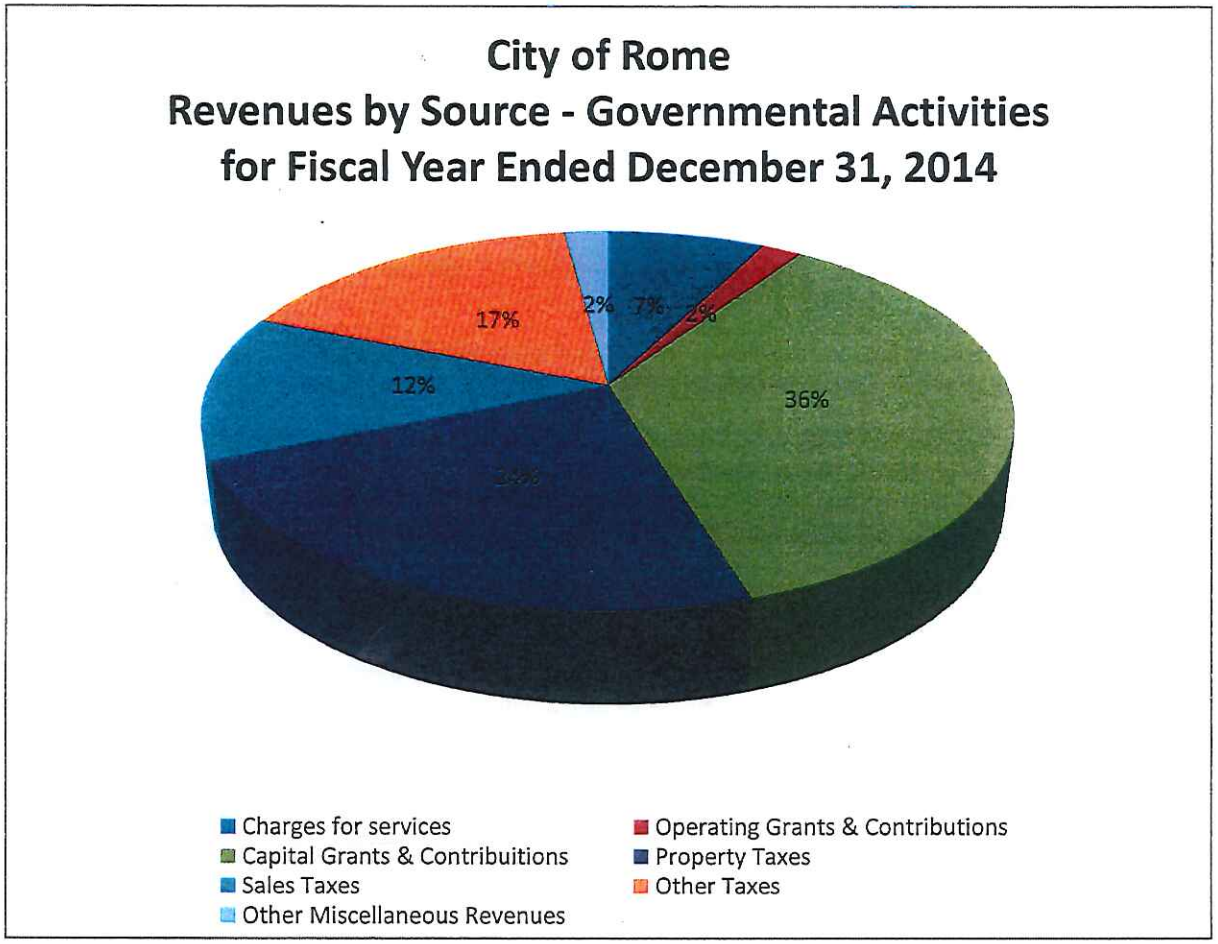
In the Business Activities, Water and Sewer expenses are moderately up over 2013 mainly due to the reinstatement of some previously open personnel positions. Fire Fund expenses are down from 2013 due to the one-time expense of radios purchased in 2013. Solid Waste Commission expenses are up due to higher postclosure and closure care costs. Transit Fund expenses are lower than 2013 due to a favorable inventory adjustment and the benefit of lower fuel costs for 2014. The Public Facilities Fund had lower supply and repairs costs in 2014, thus their expenses are down from 2013.

These combined increases in revenues and general decrease in expenses has created an increase in net position of $11,529,848 for the Governmental Activities for 2014. Business Type Activities ended the year with a $6,407,946 increase to net position with the majority of that increase generating in the Water/Sewer Fund.

The overall change in net position for the City was $17,937,794, a substantial increase over 2013. The City, in 2014, was encouraged by a higher than anticipated tax collection rate and modest increases in revenue sources tied to economic drivers such as sales taxes, intangible taxes, and real estate transfer taxes. Although other revenue sources have continued to be flat, the modest increase in overall revenues is encouraging for future growth. The City has continued to work diligently to minimize expenses for 2014 with most departments and funds at or below budgeted amounts. This continued combination has helped the City to continue to live within its revenues for 2014.

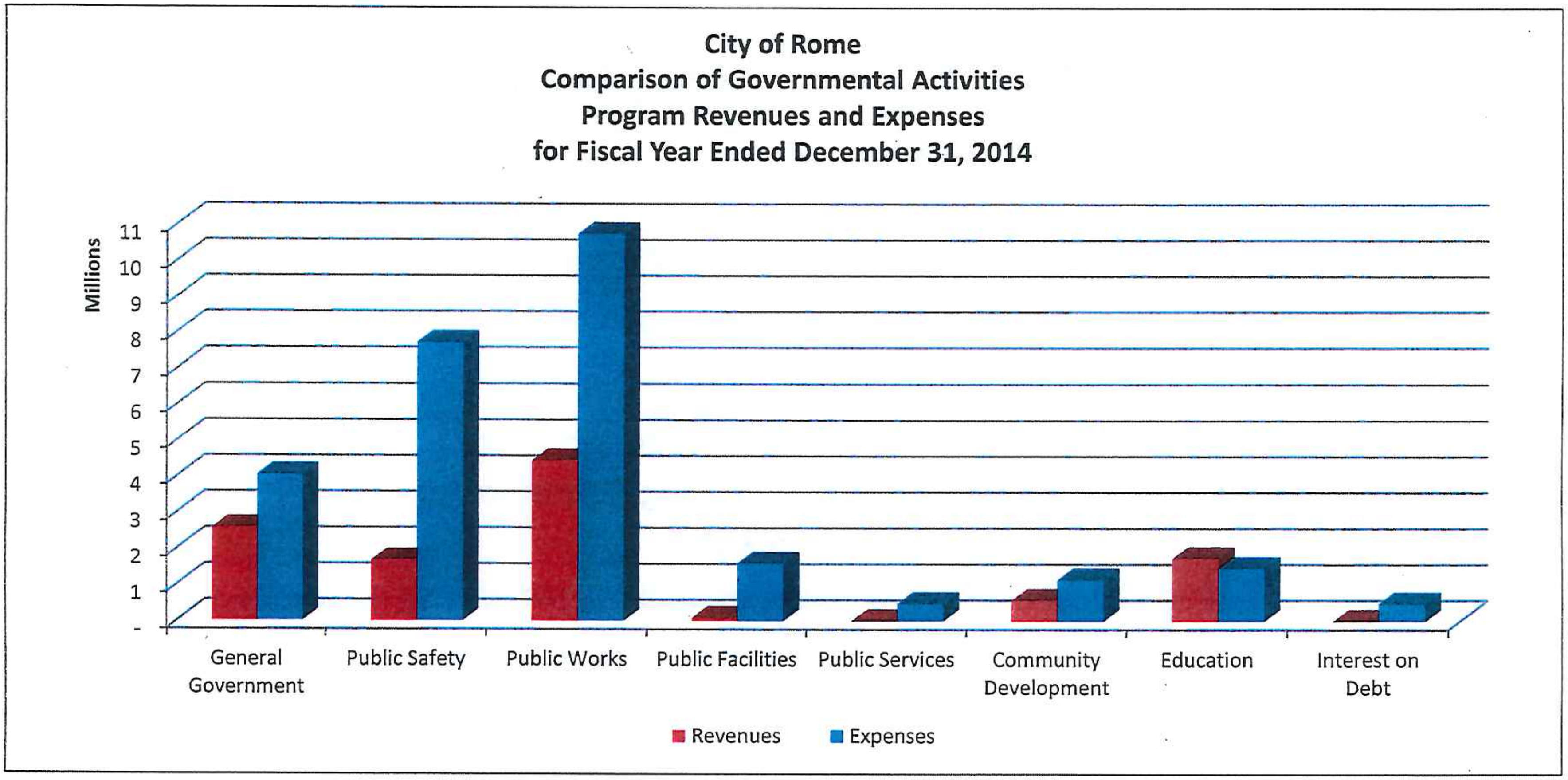
FINANCIAL ANALYSIS OF THE CITY'S POSITION AND OPERATIONS – continued

The following chart depicts the allocation by source of all governmental activities revenue.



FINANCIAL ANALYSIS OF THE CITY'S POSITION AND OPERATIONS – continued

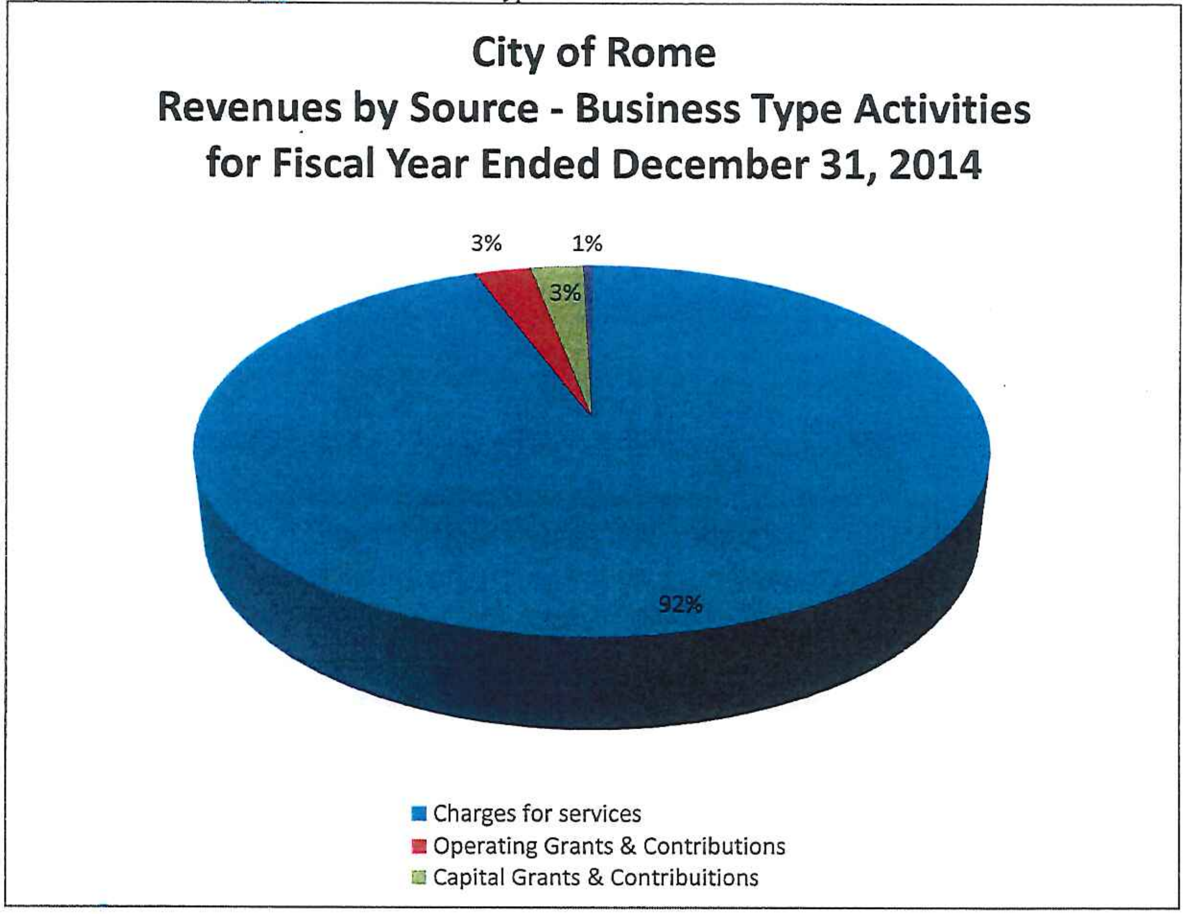
The following chart depicts the comparison of functional expenses and program revenues for governmental activities.



FINANCIAL ANALYSIS OF THE CITY'S POSITION AND OPERATIONS - continued

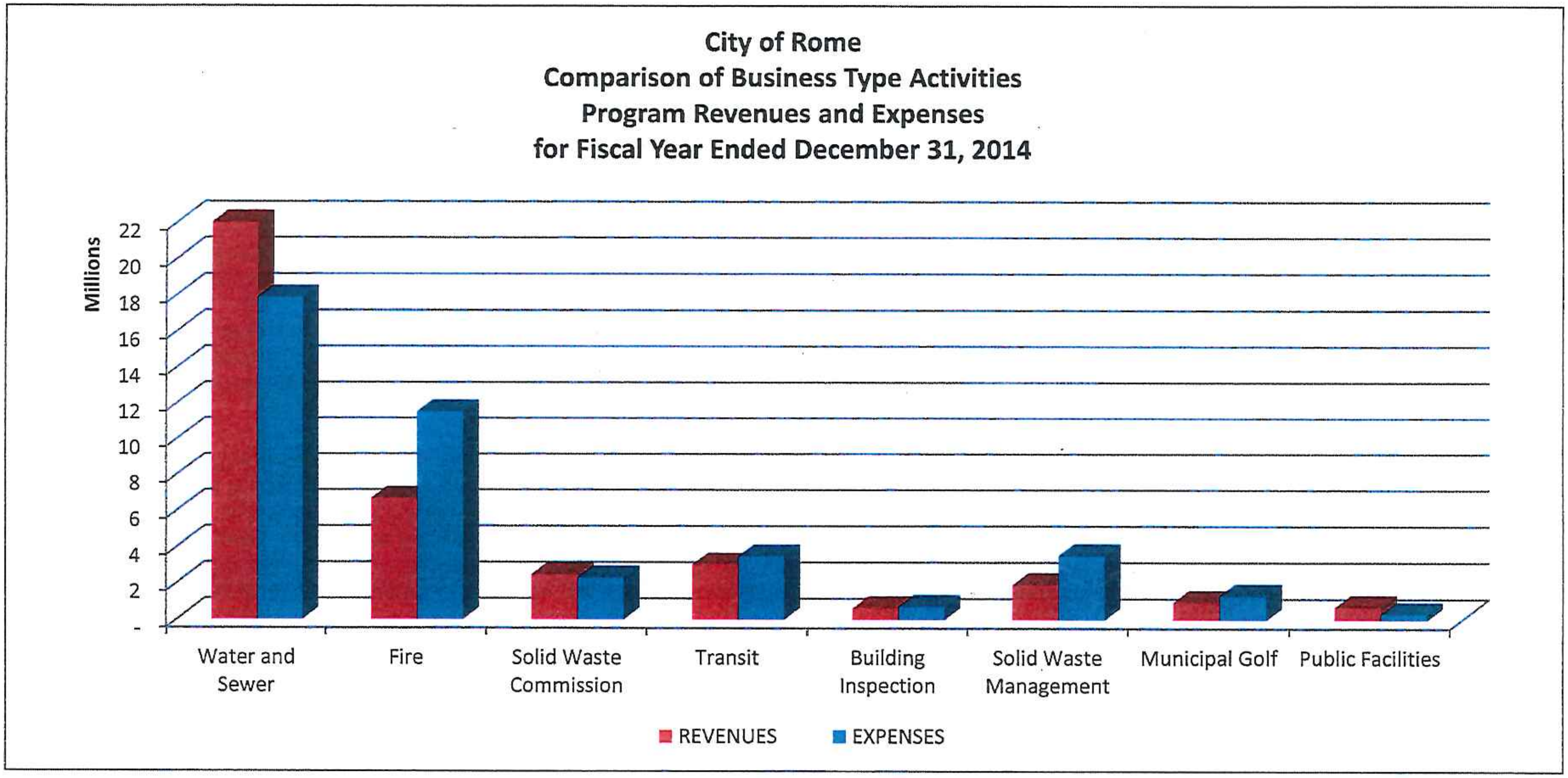
Business-type activities Charges for Services account for $37,653,024 or 94% of total operating revenues. Capital Grant revenues mainly include DOT reimbursements for Transit operating and capital purchases and the balance of the SAFER grant in the Fire Fund. Transfers in of $7,378,783 represent 16% of total business-type revenues. This amount is mainly due to General Fund monies transferred to the Fire Fund for operations.

The following chart depicts the allocation by source of all business-type revenues.



FINANCIAL ANALYSIS OF THE CITY'S POSITION AND OPERATIONS - continued

The following chart depicts the comparison of business-type expenses and program revenues of business-type activities.



FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As previously discussed, the City of Rome uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

As noted, the City of Rome's governmental funds' focus is to provide information on short term inflows and outflows and balances of expendable resources. Such information is useful in assessing the City's financial requirements. In particular, unrestricted and unassigned fund balance may serve as a useful measure of a government's net resources available for future spending. At the end of the fiscal year 2014, the City's governmental funds reported a combined ending fund balance of $20,695,237 which is an increase of $2,989,691 over 2013 with the majority of this increase occurring in the SPLOST Fund. Of this amount, $12,100,881 is unrestricted and unassigned which is actually an increase from 2013 and demonstrates a conscious growth for future needs and expenditures. The General Fund comprises all of this unassigned balance. The General Fund is the major source of service delivery in the governmental funds.

General Fund

The General Fund is the City's primary operating fund. At the end of 2014, the fund balance of the General Fund was $13,618,356 with $12,100,881 in the unrestricted and unassigned portion of fund balance. This fund balance amount represents 68.4% of General Fund operating expenditures while total fund balance represents 77% of the same amount.

The Nonspendable amount of fund balance of $735,032 represents amounts held in inventories, prepaids, and the advance from the Capital Fund. The Restricted amount of $782,443 is restricted for Cemetery maintenance.

The General Fund's fund balance increased by $811,143 in 2014. Although most revenue sources were about the same in 2014, current year and prior year taxes were up over 2013. This was due to a higher than anticipated current year collection and the collection of some larger prior year tax billings. The newly implemented Title Tax did exceed anticipated original budget numbers. Another factor in the fund balance increase was that most all departments were at or below their anticipated expenditure budgets.

Capital Fund

In 2014, the Capital Fund had a decrease to fund balance of $178,865. This decrease was due mainly to the continued construction of the Crescent Avenue Bridge which had a total project budget in prior years.

Planning Commission Fund

The Planning Commission fund had a decrease to fund balance of $15,914. This is due to revenues ending the year under budgeted amounts mainly in the operating grant reimbursements.

Hotel/Motel Tax Fund

The Hotel/Motel Tax fund had a significant increase of $74,614 to fund balance due to an increase in overall revenues.

SPLOST Fund

The SPLOST fund had an increase in fund balance of $2,344,281 due to the accounting of SPLOST proceeds held in restricted cash.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS-Continued

Business Improvement District Fund

The BID fund had a decrease in fund balance of $6,080 due to an allocation of this fund balance for capital improvements and downtown promotions. This allocation was approved by the BID committee.

Proprietary Funds

The City of Rome's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Total Enterprise Funds showed combined net position of $148,121,589 at year end with the Water and Sewer Fund comprising $128,290,833 or 87% of that amount. The Water and Sewer Fund had an increase of $5,165,535 in net position for fiscal year 2014. This increase was due to an increase in operating revenues and the reduction of GEFA debt. The Water and Sewer Fund also had a bond coverage ratio of 1.9 for 2014, which is well above the covenant requirement of 1.2.

The Fire Fund had a decrease in net position of $85,078. The fund had budgeted an allocation of net position of $360,000 but expenses were less than anticipated so the reduction to net position was considerably less. The Solid Waste Commission Fund had an increase in net position due to lower than anticipated expenses. The Building Inspection had an increase to net position of $51,699. This was due to an increase in overall permit revenue. The Solid Waste Management Fund had a net increase in net position of $222,514. This was due to a decrease in operating expenses.

The Public Facilities Fund had an increase in net position of $374,868. The contract agreement between the City and Department of Family and Children's Services will be renegotiated in 2015.

The Tennis Center Fund is a new proprietary fund in 2014 and will account for operations of the soon to be constructed Tennis Center. A 2% additional hotel/motel tax was implemented in 2014 to assist with the operations of this fund. The fund had a net increase to net position of $116,292 in 2014.

GENERAL FUND BUDGET HIGHLIGHTS

The original budget for the General Fund was amended with Commission approval after the beginning of the fiscal year with an ended approved amount of $301,060 more in expenditures than the original budget. This increase was mainly due to the consolidation of three previously separate special revenue funds that were collapsed into the General fund under the new GASB 54 pronouncement. The City ended the year with more in revenues than budget and under in expenditures for an increase to fund balance of $811,143. There were minimum changes to the original budget due to revenues and expenditures tracking extremely close to original estimates. The following are highlighted budgetary changes from the original to final budgets.

- Current Year and Prior Year Property Taxes were increased to more accurately reflect projected increases in receipts, and actual numbers did exceed those expectations.
- Municipal Court Department was increased to cover the additional expenditure of its separation from within the Public Safety sector.
- City Manager office was increased due to higher personnel costs due to a retirement.
- Assistant City Manager office was decreased due to the transfer and hiring of new personnel.
- Clerk's office was decreased due to the transfer of personnel.

GENERAL FUND BUDGET HIGHLIGHTS-Continued

- Police was decreased due to less than anticipated expenditures in personnel.
- Traffic/Electrical department was increased due to increase in personnel costs.
- Community Development expenditures were increased to accommodate the consolidation of the special revenue funds.
- Public Facilities were increased due to the repair/maintenance of several HVAC units.
- Transfer to the Golf Fund was increased due to a potential cash issue in that fund.

Budget to actual Variances within the General fund occur due to unforeseen revenue or expenditures. Significant variances for 2014 include:

- Prior Year and Current Year Tax revenues were over budget due to increased collections.
- Motor Vehicle receipts were also down over anticipated budget, but the increase is in the Title Tax Portion of the revenue total.
- Franchise fee revenue for Georgia Power was above anticipated collections.
- Local Option Sales Tax ended the year under budget.
- Police fines and fees were under budgeted amounts due to decrease in collection of fines.
- Charges for Services include revenues for Parking included in the consolidation of the special revenue funds.
- Clerk's Office expenditures had a favorable variance due to the transfer of personnel to another department.
- City Manager and Assistant City Manager varied from expenditure budget due to retirements, transfers, and newly hired personnel.
- Police Department ended the year with expenditures under budget by $124,415. This is significant because this department is one of the largest General Fund departmental budgets.
- General Administration expenditures ended up below the revised budget by $28,408 due to a decrease in interest and insurance costs.
- Transfer out to the Transit Fund was over budget because of more than anticipated capital needs.
- Public Works office is under budget due to the vacancy of the Director position for part of the fiscal year.
- Engineering office is under budget due to a personnel vacancy.

General Fund operating expenditures ended the year under final budget numbers. This, with an increase in revenue, created the increase to fund balance of $811,143 for 2014.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City of Rome has invested $268,797,108 in capital assets net of debt, with $132,207,394 in governmental activities and $136,589,714 in business-type activities. Capital assets for that calculation include machinery and equipment, buildings, land, and infrastructure.

Capital assets held by the City at the end of the current fiscal year are summarized as follows:

City of Rome
Capital Assets (net of depreciation)
as of December 31, 2014

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Land	$ 9,860,021	$ 9,815,291	$ 7,592,337	$ 7,587,337	$ 17,452,358	$ 17,402,628
Construction in Progress	12,907,541	4,597,987	171,685	2,307,083	13,079,226	6,905,070
Buildings	106,552,140	106,326,353	107,900,103	104,847,011	214,452,243	211,173,364
Improvements other than buildings	6,178,357	6,158,404	18,641,158	18,514,616	24,819,515	24,673,020
Machinery & Equipment	5,837,440	5,166,187	14,513,335	14,928,038	20,350,775	20,094,225
Vehicles	5,096,169	5,199,203	22,540,957	21,601,847	27,637,126	26,801,050
Infrastructure	133,044,792	127,792,769	147,663,871	145,006,015	280,708,663	272,798,784
Total	279,476,460	265,056,194	319,023,446	314,791,947	598,499,906	579,848,141
Accumulated depreciation	(139,436,702)	(133,304,380)	(134,092,802)	(126,410,836)	(273,529,504)	(259,715,216)
Net Capital Assets	$ 140,039,758	$ 131,751,814	$ 184,930,644	$ 188,381,111	$ 324,970,402	$ 320,132,925

CAPITAL ASSETS AND DEBT ADMINISTRATION - continued

Major capital asset additions during the current year for governmental activities included the following:

- Crescent Avenue Bridge construction of $624,622
- Rome Urban Riverfront costs of $450,738
- Street Department equipment purchases of $365,104
- Police Training Improvements of $355,417
- Tennis Center Construction costs of $261,592
- Street Paving costs of $224,740
- Police Vehicle purchases of $210,421
- City wide Sidewalk improvements of $167,098

Major capital asset additions during the current fiscal year for business-type activities included the following:

- Transit Capital Equipment Improvements of $716,100
- Solid Waste Equipment purchases of $504,575
- Fire Equipment purchases of $305,876
- Improvements at Water Filter Plant for Flash Mix unit of $761,933

Additional information on the City of Rome's Capital assets can be found in Note III- (C) on pages 55-58

Long-term Debt

At December 31, 2014, the City of Rome had $59,673,217 in bonds and notes outstanding which is a decrease of $5,798,935 over the prior year. This reduction is due to normal annual pay down of debt. Compensated absences nor Landfill closure or post-closure debt has been included in these calculations.

City of Rome
Outstanding Note and Bond Debt
as of December 31, 2014

	Governmental Activities	Business-Type Activities	Total
Bonds	$ 4,527,000	$ 47,655,430	$52,182,430
Notes Payable	1,145,523	2,455,990	3,601,513
Intergovernmental Agreement	3,530,000	-	3,530,000
Capital Leases	10,435	348,839	359,274
	$ 9,212,958	$ 50,460,259	$59,673,217

The City currently maintains an Aa2 on its Intergovernmental Agreement bonds and A+ and Aa3 on its Water and Sewer bonds. Additional information on the City's long-term debt can be found in Note III-(E) on pages 62 to 71 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Revenue source collections during the 2014 fiscal year have continued to be unpredictable. The City had better than anticipated revenues in property tax collections and other revenue sources such as intangible taxes, franchise fees and real estate transfer taxes. Other revenues such as motor vehicle and Police fines continued their decline. Local option sales tax revenues had a slight increase which is encouraging given subsequent year's decreases. Slightly up in 2014 were Insurance premium tax and Public utility taxes. There are areas that do seem to be on an upward trend, but the City is still dealing with many revenue sources that are still declining. The greatest challenge for the City for the next fiscal year is to try to adjust expenditures to live within this projected up and down with revenues, while trying to assess whether these modest increases do indicate a possible upswing in the economy. Another challenge for the next several years is the housing market adjustments that will affect the City tax digest. The tax digest, after taking substantial decreases for several years, has inched up slightly in the last couple of years, but still is not increasing at a pace to generate new tax revenues. New legislation which became effective in 2013 has had a major impact on the City's revenue sources. Sales Taxes on automobiles have been eliminated and have been replaced with a motor vehicle title fee. The ad valorem on new vehicles after this implementation is also eliminated. The sales tax on energy consumption in manufacturing is also being phased out over four years. All of these factors will weigh heavily on the next several fiscal years' budgets.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET-continued

Also of some concern is that because the City was not able to give personnel merit raises for several years, the City has become vulnerable to loss of personnel back to the private sector as economic conditions improve there. This is especially a concern in the Public Safety and Water/Sewer plant operators' area. Budgetary factors of concern as the 2015 budgets were prepared are as follows

- Continued stagnation and unknown parameters in many revenue sources.
- Continued monitoring of vacant personnel positions and salary competitiveness with the private sector.
- Balance of finances with municipal provided services.
- Projected uncertainty of fuel costs and associated products.
- Projected increases in retirement and workers compensation costs.
- Projected increases in health insurance costs relating to the City as a self-insured entity.
- State of Georgia budget crisis continues to affect local municipalities and funding.
- Impact of new legislation on revenue sources, especially as it relates to the long term sources of the Title Tax, and newly enacted legislation to re-vamp the gasoline tax for road improvements.

The City of Rome has been very effective in the last couple of years to have aligned its expenses within the current revenue stream. This has been a determined effort of all City employees and departments to deliver the services that the public requires, but to also be good stewards of the monies it receives. The City has seen successive years again with moderate increases to net position that has helped offset the first couple of years of this current economic downturn. The City of Rome is committed to provide the highest level of services and maintain that within the anticipated revenue projections.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the City of Rome's finances to all those with an interest in the government. It also is intended to demonstrate fiscal accountability for the monies it receives. Questions concerning this report or requests for additional information should be directed as follows.

City of Rome, Georgia
Attn: Finance Department
P. O. Box 1433
Rome, GA 30162
706-236-4420

BASIC FINANCIAL STATEMENTS

The basic financial statements include the government-wide statement of net position and the government-wide statement of activities which include the primary government's governmental and business type activities, and component units. The basic financial statements also include the fund financial statements and the notes to the financial statements.

CITY OF ROME, GEORGIA
STATEMENT OF NET POSITION
December 31, 2014

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Greater Rome Convention & Visitors Bureau	Rome Board of Education
ASSETS					
Current Assets:					
Cash	$ 9,573,436	$ 22,651,462	$ 32,224,898	$ 58,289	$ 19,696,556
Accounts receivable, net	4,315,146	2,718,813	7,033,959	1,626	-
Accounts receivable, loans	323,171	-	323,171	-	-
Taxes receivable, net	1,702,794	-	1,702,794	-	-
Due from primary government	-	-	-	3,033	-
Due from other governments	3,962,237	1,474,880	5,437,117	6,458	7,314,723
Internal balances	1,813,484	(1,813,484)	-	-	-
Due from component units	-	1,598	1,598	-	-
Inventory	144,832	992,180	1,137,012	-	80,872
Prepaid items	200	14,834	15,034	-	-
Total current assets	21,835,300	26,040,283	47,875,583	69,406	27,092,151
Non Current Assets:					
Restricted Assets					
Cash	339,401	1,039,526	1,378,927	-	-
Investments	1,941,124	-	1,941,124	-	-
Net pension asset	3,493,814	-	3,493,814	-	-
Other noncurrent assets, derivative	1,268,126	-	1,268,126	-	-
Prepaid bond insurance	-	191,910	191,910	-	-
Capital Assets					
Non-depreciable assets	22,767,562	7,764,022	30,531,584	-	7,954,570
Depreciable assets, net of depreciation	117,272,196	177,166,622	294,438,818	51,800	2,350,870
Total noncurrent assets	147,082,223	186,162,080	333,244,303	51,800	10,305,440
TOTAL ASSETS	168,917,523	212,202,363	381,119,886	121,206	37,397,591
DEFERRED OUTFLOWS OF RESOURCES					
Deferred charge on refunding	146,842	1,927,419	2,074,261	-	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	146,842	1,927,419	2,074,261	-	-
LIABILITIES					
Current Liabilities:					
Accounts payable	890,151	628,846	1,518,997	7,504	2,196,072
Accrued liabilities	214,303	523,784	738,087	5,557	5,759,258
Accrued interest payable	17,347	-	17,347		
Retainage payable	34,374	-	34,374	-	-
Unearned revenues	11,743	217,909	229,652	-	-
Due to primary government	-	-	-	1,598	-
Due to component units	3,033	-	3,033	-	-
Due to other governments	125,889	125,565	251,454	-	-
Capital leases payable-current	10,435	113,900	124,335	-	-
Intergovernmental agreements payable-current	142,500	-	142,500	-	-
Bonds payable-current	-	924,000	924,000	-	-
Closure and postclosure care-current	-	226,209	226,209	-	-
Notes payable-current	211,251	91,192	302,443	-	-
Claims payable	-	1,130,000	1,130,000	-	-
Compensated absences payable	719,822	948,787	1,668,609	25,883	55,923
Total current liabilities	2,380,848	4,930,192	7,311,040	40,542	8,011,253

continued

See accompanying notes to the basic financial statements.

CITY OF ROME, GEORGIA
STATEMENT OF NET POSITION
December 31, 2014

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Greater Rome Convention & Visitors Bureau	Rome Board of Education
Long-Term Liabilities:					
Capital leases payable (net of current portion)	$ -	$ 234,939	$ 234,939	$ -	$ -
Customer deposits	-	858,318	858,318	-	-
Closure and postclosure care-long term	-	8,682,201	8,682,201	-	-
Compensated absences payable-long term	239,941	316,262	556,203	8,628	-
Net other post employment benefits obligation	1,710,649	-	1,710,649	-	-
Intergovernmental agreements payable-long term	3,387,500	-	3,387,500	-	-
Notes payable-long term	934,272	2,364,798	3,299,070	-	-
Bonds payable (net of current portion)	4,527,000	46,731,430	51,258,430	-	2,000,000
Total long term liabilities	10,799,362	59,187,948	69,987,310	8,628	2,000,000
TOTAL LIABILITIES	13,180,210	64,118,140	77,298,350	49,170	10,011,253
DEFERRED INFLOWS OF RESOURCES					
Deferred change in fair value of hedging derivative instruments	1,268,126	-	1,268,126	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	1,268,126	-	1,268,126	-	-
NET POSITION					
Net investment in capital assets	132,207,394	136,589,714	268,797,108	51,800	8,305,440
Restricted for:					
Capital projects	4,253,263	-	4,253,263	-	6,263,903
Other purposes:					
Revolving loans and housing initiatives	475,060	-	475,060	-	-
Debt service	-	697,509	697,509	-	-
Tennis center	-	116,292	116,292	-	-
Food services	-	-	-	-	2,053,329
School activities	-	-	-	-	2,020,747
Tourism and forum promotions	281,388	-	281,388	-	-
Planning and zoning activities	43,502	-	43,502	-	-
Forum parking deck operations	35,896	-	35,896	-	-
Cemetary perpetual care	782,443	-	782,443	-	-
GMA leasepool	1,941,124	-	1,941,124	-	-
Unrestricted	14,595,959	12,608,127	27,204,086	20,236	8,742,919
TOTAL NET POSITION	$ 154,616,029	$ 150,011,642	$ 304,627,671	$ 72,036	$ 27,386,338

See accompanying notes to the basic financial statements.

CITY OF ROME, GEORGIA
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2014

		Program Revenues			Net (Expense) Revenue and Changes in Net Position				
					Primary Government			Component Units	
	Expenses	Charges for Services, Sales and Fines	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	Greater Rome Conv/Vis Bureau	Rome Board of Education
PRIMARY GOVERNMENT:									
Governmental Activities:									
General Government	$ 4,037,395	$ 2,191,201	$ 148,567	$ 591,212	$ (1,106,415)	$ -	$ (1,106,415)	$ -	$ -
Public Safety	7,706,159	1,176,400	47,000	170,266	(6,312,493)	-	(6,312,493)	-	-
Public Works	10,730,492	-	208,072	4,435,899	(6,086,521)	-	(6,086,521)	-	-
Public Facilities	1,588,463	-	-	2,011,130	422,667	-	422,667	-	-
Public Services	468,153	-	-	-	(468,153)	-	(468,153)	-	-
Community Development	1,135,971	116,723	458,035	-	(561,213)	-	(561,213)	-	-
Education	1,458,437	-	-	9,453,507	7,995,070	-	7,995,070	-	-
Interest on Debt	473,721	-	-	-	(473,721)	-	(473,721)	-	-
Total Governmental Activities	27,598,791	3,484,324	861,674	16,662,014	(6,590,779)	-	(6,590,779)	-	-
Business-Type Activities:									
Water and Sewer	17,851,712	23,446,052	-	-	-	5,594,340	5,594,340	-	-
Fire	11,499,538	5,791,672	236,732	5,000	-	(5,466,134)	(5,466,134)	-	-
Solid Waste Commission	2,267,513	2,468,045	-	-	-	200,532	200,532	-	-
Transit	3,464,192	1,508,782	828,562	1,022,750	-	(104,098)	(104,098)	-	-
Building Inspection	690,109	726,575	12,205	-	-	48,671	48,671	-	-
Solid Waste Management	3,512,753	2,041,079	-	-	-	(1,471,674)	(1,471,674)	-	-
Municipal Golf Course	1,309,077	977,260	-	-	-	(331,817)	(331,817)	-	-
Public Facilities	319,258	693,559	-	-	-	374,301	374,301	-	-
Tennis Center	997	-	-	-	-	(997)	(997)	-	-
Total Business-Type Activities:	40,915,149	37,653,024	1,077,499	1,027,750	-	(1,156,876)	(1,156,876)	-	-
Total - Primary Government	$ 68,513,940	$ 41,137,348	$ 1,939,173	$ 17,689,764	$ (6,590,779)	$ (1,156,876)	$ (7,747,655)	$ -	$ -
Component Units									
Rome Board of Education	$ 53,213,308	$ 1,024,438	$ 34,719,081	$ -				-	(17,469,789)
Greater Rome Convention & Vistors Bureau	603,766	17,163	590,587	-				3,984	-
Total - Component Units	$ 53,817,074	$ 1,041,601	$ 35,309,668	$ -				$ 3,984	$ (17,469,789)
GENERAL REVENUES:									
Taxes:									
Property					$ 10,967,354	$ -	$ 10,967,354	$ -	$ 18,707,403
Sales					5,761,709	-	5,761,709	-	4,638,602
Franchise					3,733,484	-	3,733,484	-	-
Insurance Premium					1,958,156	-	1,958,156	-	-
Alcoholic Beverage					868,893	-	868,893	-	-
Intangible					185,403	-	185,403	-	-
Hotel/Motel					895,375	-	895,375	-	-
Other					146,599	-	146,599	-	-
Gain on Disposal of Capital Assets					65,624	110,668	176,292	-	2,511
Interest Earned					653,458	62,684	716,142	-	78,701
Miscellaneous					263,355	12,687	276,042	-	49,367
Total General Revenues					25,499,410	186,039	25,685,449	-	23,476,584
Transfers					(7,378,783)	7,378,783	-	-	-
Total General Revenues and Transfers					18,120,627	7,564,822	25,685,449	-	23,476,584
Change in Net Position					11,529,848	6,407,946	17,937,794	3,984	6,006,795
NET POSITION BEGINNING OF YEAR					143,086,181	143,603,696	286,689,877	68,052	21,379,543
NET POSITION END OF YEAR					$ 154,616,029	$ 150,011,642	$ 304,627,671	$ 72,036	$ 27,386,338

CITY OF ROME, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2014

	Major Governmental Funds				
	General	Capital	SPLOST	Non-major Governmental Funds	Total Governmental Funds
ASSETS:					
Cash and cash equivalents	$ 8,929,062	$ 35,057	$ 337	$ 608,980	$ 9,573,436
Taxes receivable, net of allowances for uncollectibles	1,702,325	-	-	469	1,702,794
Accounts receivable, net of allowances for uncollectibles	3,876,249	384,489	-	54,408	4,315,146
Accounts receivable loans	-	-	-	323,171	323,171
Due from other governments	1,100,830	118,511	2,589,355	153,541	3,962,237
Due from other funds	230,190	1,239,588	-	15,240	1,485,018
Prepaid items	200	-	-	-	200
Inventories	144,832	-	-	-	144,832
Restricted cash	339,401	-	-	-	339,401
Restricted investments	-	1,941,124	-	-	1,941,124
Advances due from other funds	590,000	1,987,682	-	-	2,577,682
TOTAL ASSETS	$ 16,913,089	$ 5,706,451	$ 2,589,692	$ 1,155,809	$ 26,365,041
LIABILITIES:					
Accounts payable	$ 557,493	$ 57,734	$ 241,544	$ 33,380	$ 890,151
Accrued liabilities	205,455	-	3,530	5,318	214,303
Retainage payable	-	34,374	-	-	34,374
Due to other funds	1,559,249	36,915	-	121,336	1,717,500
Due to other governments	78,230	17,392	-	30,267	125,889
Due to component units	1,504	-	-	1,529	3,033
Unearned revenue	11,743	-	-	-	11,743
Advances due to other funds	-	1,791,752	-	-	1,791,752
TOTAL LIABILITIES	2,413,674	1,938,167	245,074	191,830	4,788,745
DEFERRED INFLOWS OF RESOURCES:					
Unavailable revenue - property taxes	881,059	-	-	-	881,059
TOTAL DEFERRED INFLOWS OF RESOURCES	881,059	-	-	-	881,059
FUND BALANCES:					
Nonspendable:					
Prepaid items	200	-	-	-	200
Inventories	144,832	-	-	-	144,832
Advances due from other funds	590,000	-	-	-	590,000
Restricted for:					
Revolving loans and housing initiatives	-	-	-	475,060	475,060
Planning and zoning activities	-	-	-	43,502	43,502
Tourism and forum promotion	-	-	-	281,388	281,388
Capital improvements	-	1,827,160	2,344,618	81,485	4,253,263
Forum parking deck operations	-	-	-	35,896	35,896
Cemetary perpetual care	782,443	-	-	-	782,443
GMA leasepool	-	1,941,124	-	-	1,941,124
Assigned for:					
Community development operations	-	-	-	46,648	46,648
Unassigned	12,100,881	-	-	-	12,100,881
TOTAL FUND BALANCES	13,618,356	3,768,284	2,344,618	963,979	20,695,237
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 16,913,089	$ 5,706,451	$ 2,589,692	$ 1,155,809	$ 26,365,041

See accompanying notes to the basic financial statements.

CITY OF ROME, GEORGIA
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO NET POSITION OF GOVERNMENTAL ACTIVITIES
December 31, 2014

TOTAL GOVERNMENTAL FUND BALANCES		$ 20,695,237
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Cost	$ 279,476,460	
Less accumulated depreciation	(139,436,702)	140,039,758
Internal service funds are used by management to charge the costs of certain activities such as health insurance and workers' compensation to individual funds. Governmental activities net position have been increased by the effect of the internal service funds net position.	1,260,036	1,260,036
The net pension asset is not a current financial resource and is not recorded in the fund statements.	3,493,814	3,493,814
The derivative is not a current financial resource and is not recorded in the fund statements.	1,268,126	1,268,126
Other long-term assets or deferred inflows of resources are not available to pay for current-period expenditures and, therefore, are unavailable in the funds.		
Property taxes	881,059	
Deferred charges on refunding	146,842	
Derivative - effective hedge	(1,268,126)	(240,225)
Net other post employment benefits obligations are not due and payable in the current period and therefore not reported in the funds	1,710,649	(1,710,649)
Long-term liabilities, including capital leases, compensated absences, and the GMA lease contract bonds are not due and payable in the current period and therefore are not reported in the fund statements.		
Accrued interest	17,347	
Capital leases	10,435	
Compensated absences	959,763	
Notes payable	1,145,523	
GMA lease pool contract certificates of participation	4,527,000	
Intergovernmental agreements	3,530,000	(10,190,068)
NET POSITION OF GOVERNMENTAL ACTIVITIES		$ 154,616,029

See accompanying notes to the basic financial statements.

CITY OF ROME, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS
For the Year Ended December 31, 2014

	Major Governmental Funds			Non- major Governmental Funds	Total Governmental Funds
	General	Capital	SPLOST		
REVENUES:					
Taxes	$ 21,728,518	$ 1,880,000	$ -	$ 1,041,974	$ 24,650,492
Licenses and permits	1,813,059	-	-	-	1,813,059
Intergovernmental	403,639	1,019,791	3,717,326	809,313	5,950,069
Charges for services	378,142	-	-	116,723	494,865
Fines and forfeitures	1,176,400	-	-	-	1,176,400
Interest earned	383,000	260,042	1,590	8,826	653,458
Miscellaneous	75,448	171,628	12,000	4,279	263,355
TOTAL REVENUES	25,958,206	3,331,461	3,730,916	1,981,115	35,001,698
EXPENDITURES:					
Current:					
General government	3,477,321	-	-	-	3,477,321
Public safety	7,397,207	-	-	-	7,397,207
Public works	5,613,570	-	-	-	5,613,570
Public facilities	449,550	-	-	666,267	1,115,817
Public services	442,425	-	-	-	442,425
Community development	315,675	-	-	905,980	1,221,655
Capital outlay	-	2,891,071	1,347,547	351,278	4,589,896
Debt service					
Principal	-	346,551	-	29,485	376,036
Interest	-	443,876	-	25,515	469,391
TOTAL EXPENDITURES	17,695,748	3,681,498	1,347,547	1,978,525	24,703,318
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	8,262,458	(350,037)	2,383,369	2,590	10,298,380

continued

See accompanying notes to the basic financial statements.

CITY OF ROME, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS
For the Year Ended December 31, 2014

	Major Governmental Funds				
	General	Capital	SPLOST	Non- major Governmental Funds	Total Governmental Funds
OTHER FINANCING SOURCES (USES)					
Transfers in	$ 1,426,406	$ 201,078	$ 39,050	$ 242,875	$ 1,909,409
Transfers out	(8,877,721)	(100,000)	(78,138)	(232,333)	(9,288,192)
Proceeds from intergovernmental payable refunding	-	3,540,000	-	-	3,540,000
Payments for intergovernmental payable refunding	-	(3,540,000)	-	-	(3,540,000)
Proceeds from sale of capital assets	-	70,094	-	-	70,094
TOTAL OTHER FINANCING SOURCES (USES)	(7,451,315)	171,172	(39,088)	10,542	(7,308,689)
NET CHANGE IN FUND BALANCES	811,143	(178,865)	2,344,281	13,132	2,989,691
FUND BALANCES - BEGINNING OF YEAR	12,807,213	3,947,149	337	950,847	17,705,546
FUND BALANCES - END OF YEAR	$ 13,618,356	$ 3,768,284	$ 2,344,618	$ 963,979	$ 20,695,237

See accompanying notes to the basic financial statements.

CITY OF ROME, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2014

NET CHANGES IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS		$ 2,989,691
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capital outlay in the current period.		
Capital outlay	3,532,009	
Depreciation expense	(6,813,214)	(3,281,205)
The net effect of the disposal of capital assets is to decrease net position.		(4,470)
Governmental funds do not report the acquisition of capital assets acquired through donations or capital contributions. However, in the statement of activities, the costs of those assets are reported at market value.		
Assets acquired through donation or capital contributions-current year		11,573,619
Internal service funds are used by management to charge the costs of certain activities such as health insurance and workers' compensation to individual funds.The effect of current year internal service fund income (loss) for governmental activities has been included.		(169,951)
Revenues in the statements of activities that do not provide current financial resources are reported as deferred inflow of resources in the funds.		
Property tax deferred inflows		(133,519)
The receipt and repayment of bonds, notes payable and capital lease principal is a revenue and expenditure in the governmental funds, but the activity increases and decreases long-term liabilities in the statement of net position.		
Issuance of intergovernmental payable - refunding		(3,540,000)
Payment of intergovernmental payable - refunding		3,540,000
Amortization of deferred charges on refunding		(8,158)
Accrual of interest expense		3,828
Long-term debt principal payment		376,036
Some expenses reported in the statement of activities, such as compensated absences do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		(60,835)
The decrease in other post employment benefits obligations did not require the use of current financial resources and therefore was not reported as expenditures in governmental funds, but is an expense in the Statement of Activities		178,577
The increase in the net pension asset is reported in the statement of activities but because it does not affect current financial resources, is not reported in the governmental funds.		66,235
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES		$ 11,529,848

See accompanying notes to the basic financial statements.

CITY OF ROME, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2014

	Enterprise Funds					
	Major Enterprise Funds					
	Water & Sewer System	Fire	Solid Waste Commission	Non-major Enterprise Funds	Total	Internal Service Funds
ASSETS						
Current Assets:						
Cash and cash equivalents	$ 7,912,810	$ 1,318,054	$ 8,433,605	$ 2,263,858	$ 19,928,327	$ 2,723,135
Restricted cash	697,509	-	-	342,017	1,039,526	-
Accounts receivable, net of allowances for uncollectibles	2,091,966	-	255,099	344,984	2,692,049	26,764
Due from other governments	1,064,807	31,124	518	216,033	1,312,482	162,398
Due from other funds	37,385	7,721	15,952	269,235	330,293	215,425
Due from component units	-	-	-	-	-	1,598
Prepaid items	-	2,500	-	6,767	9,267	5,567
Inventories	611,144	11,236	-	369,800	992,180	-
Total Current Assets	12,415,621	1,370,635	8,705,174	3,812,694	26,304,124	3,134,887
Noncurrent Assets:						
Advances due from other funds	-	-	-	-	-	1,201,752
Prepaid bond insurance	191,910	-	-	-	191,910	-
Capital assets						
Non-depreciable assets	1,734,438	151,273	384,058	5,494,253	7,764,022	-
Depreciable assets, net of accumulated depreciation	160,772,721	5,878,920	3,913,966	6,601,015	177,166,622	-
Total Noncurrent Assets	162,699,069	6,030,193	4,298,024	12,095,268	185,122,554	1,201,752
TOTAL ASSETS	175,114,690	7,400,828	13,003,198	15,907,962	211,426,678	4,336,639
DEFERRED OUTFLOWS OF RESOURCES						
Deferred charge on refunding	1,726,634	-	-	200,785	1,927,419	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	1,726,634	-	-	200,785	1,927,419	-

continued

See accompanying notes to the basic financial statements.

CITY OF ROME, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2014

	Enterprise Funds					
	Major Enterprise Funds					
	Water & Sewer System	Fire	Solid Waste Commission	Non-major Enterprise Funds	Total	Internal Service Funds
LIABILITIES						
Current Liabilities:						
Closure and post closure care, current	$ -	$ -	$ 226,209	$ -	$ 226,209	$ -
Revenue bonds, current	614,000	-	-	310,000	924,000	-
Accounts payable	320,116	26,522	18,879	207,866	573,383	55,463
Accrued liabilities	220,692	111,229	8,850	181,959	522,730	1,054
Unearned revenue	80,550	-	-	137,359	217,909	-
Due to other governments	-	9,617	112,700	3,248	125,565	-
Due to other funds	64,085	77,228	4,528	167,362	313,203	33
Compensated absences, current	245,157	549,833	21,619	132,178	948,787	-
Claims payable	-	-	-	-	-	1,130,000
Notes payable, current	91,192	-	-	-	91,192	-
Capital leases, current	-	113,900	-	-	113,900	-
Total Current Liabilities	1,635,792	888,329	392,785	1,139,972	4,056,878	1,186,550
Long-Term Liabilities:						
Closure and post closure care	-	-	8,682,201	-	8,682,201	-
Customer deposits	858,318	-	-	-	858,318	-
Revenue bonds, long-term	43,238,430	-	-	3,493,000	46,731,430	-
Notes payable, long-term	2,364,798	-	-	-	2,364,798	-
Advances due to Capital Fund	371,434	563,864	292,000	760,384	1,987,682	-
Compensated absences, long term	81,719	183,278	7,206	44,059	316,262	-
Capital leases, long-term	-	234,939	-	-	234,939	-
Total Long-Term Liabilities	46,914,699	982,081	8,981,407	4,297,443	61,175,630	-
TOTAL LIABILITIES	48,550,491	1,870,410	9,374,192	5,437,415	65,232,508	1,186,550
NET POSITION						
Net investment in capital assets	118,117,283	5,681,354	4,298,024	8,493,053	136,589,714	-
Restricted for debt service	697,509	-	-	-	697,509	-
Restricted for tennis center	-	-	-	116,292	116,292	-
Unrestricted (deficit)	9,476,041	(150,936)	(669,018)	2,061,987	10,718,074	3,150,089
TOTAL NET POSITION	$ 128,290,833	$ 5,530,418	$ 3,629,006	$ 10,671,332	$ 148,121,589	$ 3,150,089

See accompanying notes to the basic financial statements.

CITY OF ROME, GEORGIA
RECONCILIATION OF PROPRIETARY FUND NET POSITION TO BUSINESS TYPE ACTIVITIES STATEMENT OF NET POSITION
December 31, 2014

TOTAL PROPRIETARY FUND NET POSITION	$ 148,121,589
Amounts reported for business type activities in the statement of net position are different because:	
Internal service funds are used by management to charge the costs of certain activities such as health insurance and workers' compensation to individual funds. Business type activities net position have been increased by the effect of the internal service funds net position.	1,890,053
NET POSITION OF BUSINESS TYPE ACTIVITIES	$ 150,011,642

See accompanying notes to the basic financial statements.

CITY OF ROME, GEORGIA
STATEMENT OF REVENUES,
EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended December 31, 2014

	Enterprise Funds					
	Major Enterprise Funds					
	Water & Sewer System	Fire	Solid Waste Commission	Non-major Enterprise Funds	Total	Internal Service Funds
OPERATING REVENUES						
Metered sales	$ 22,998,093	$ -	$ -	$ -	$ 22,998,093	$ -
Charges for services	443,996	5,770,000	2,465,612	5,915,296	14,594,904	8,442,309
Miscellaneous	3,963	21,672	2,433	31,959	60,027	-
TOTAL OPERATING REVENUES	23,446,052	5,791,672	2,468,045	5,947,255	37,653,024	8,442,309
OPERATING EXPENSES						
Cost of goods sold	-	-	-	125,536	125,536	-
Salaries and employee benefits	5,301,764	9,633,435	639,559	5,165,764	20,740,522	113,833
Supplies	1,334,966	494,489	270,739	777,730	2,877,924	-
Maintenance and repairs	676,995	121,164	145,603	287,701	1,231,463	-
Other services and charges	2,284,159	371,798	381,574	1,334,920	4,372,451	1,808,888
Depreciation	6,235,135	866,719	477,194	1,447,073	9,026,121	-
Claims	-	-	-	-	-	6,699,001
Closure and postclosure costs	-	-	187,586	-	187,586	-
Administrative fees	36,540	-	-	-	36,540	412,162
TOTAL OPERATING EXPENSES	15,869,559	11,487,605	2,102,255	9,138,724	38,598,143	9,033,884
OPERATING INCOME (LOSS)	7,576,493	(5,695,933)	365,790	(3,191,469)	(945,119)	(591,575)

continued

See accompanying notes to the basic financial statements.

CITY OF ROME, GEORGIA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended December 31, 2014

	Enterprise Funds					
	Major Enterprise Funds					
	Water & Sewer System	Fire	Solid Waste Commission	Non-major Enterprise Funds	Total	Internal Service Funds
NON-OPERATING INCOME (EXPENSE)						
Intergovernmental revenue	$ -	$ 236,732	$ -	$ 840,767	$ 1,077,499	$ 198,566
Intergovernmental expense	-	-	(165,258)	-	(165,258)	-
Interest income	7,322	654	10,493	1,084	19,553	43,131
Interest expense	(1,759,095)	(11,933)	-	(157,662)	(1,928,690)	-
Miscellaneous revenue	12,687	-	-	-	12,687	-
Gain on disposal of capital assets	55,427	6,043	40,247	8,951	110,668	-
TOTAL NON-OPERATING INCOME (EXPENSE)	(1,683,659)	231,496	(114,518)	693,140	(873,541)	241,697
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	5,892,834	(5,464,437)	251,272	(2,498,329)	(1,818,660)	(349,878)
Transfers in	123,779	5,783,144	-	2,887,129	8,794,052	-
Transfers out	(851,078)	(408,785)	(30,906)	(49,500)	(1,340,269)	(75,000)
Capital contributions	-	5,000	-	1,022,750	1,027,750	-
CHANGE IN NET POSITION	5,165,535	(85,078)	220,366	1,362,050	6,662,873	(424,878)
NET POSITION - BEGINNING OF YEAR	123,125,298	5,615,496	3,408,640	9,309,282	141,458,716	3,574,967
NET POSITION - END OF YEAR	$ 128,290,833	$ 5,530,418	$ 3,629,006	$ 10,671,332	$ 148,121,589	$ 3,150,089

See accompanying notes to the basic financial statements.

CITY OF ROME, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION OF PROPRIETARY FUNDS TO THE BUSINESS TYPE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2014

CHANGE IN NET POSITION-PROPRIETARY FUNDS	$ 6,662,873
Amounts reported for business type activities in the statement of activities are different because:	
Internal service funds are used by management to charge the costs of certain activities such as health insurance and workers' compensation to individual funds. The effect of current year internal service fund income for business type activities has been included.	(254,927)
CHANGE IN NET POSITION OF BUSINESS TYPE ACTIVITIES	$ 6,407,946

See accompanying notes to the basic financial statements.

CITY OF ROME, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended December 31, 2014

	Enterprise Funds					
	Major Proprietary Funds					
	Water & Sewer System	Fire	Solid Waste Commission	Nonmajor Enterprise Funds	Total	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from customers and users	$ 23,843,062	$ 5,791,672	$ 2,439,579	$ 5,926,434	$ 38,000,747	$ 8,473,453
Receipts from interfund services provided	-	90,948	-	357	91,305	6,052
Payments to suppliers	(5,550,362)	(983,474)	(855,726)	(2,473,298)	(9,862,860)	(2,239,327)
Payments to employees	(5,281,401)	(9,816,805)	(640,017)	(5,178,891)	(20,917,114)	(113,833)
Claims paid	-	-	-	-	-	(6,320,001)
Payments for interfund services used	(9,059)	-	(18,224)	(196,630)	(223,913)	-
Net cash provided (used) by operating activities	13,002,240	(4,917,659)	925,612	(1,922,028)	7,088,165	(193,656)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Transfer from other funds	123,779	5,770,000	-	2,887,129	8,780,908	-
Transfer to other funds	(851,078)	(408,785)	(30,906)	(49,500)	(1,340,269)	(75,000)
Advances from other funds	-	218,000	-	488,595	706,595	-
Repayment of advances from other funds	(92,858)	(205,071)	(29,200)	(452,383)	(779,512)	-
Intergovernmental revenue	-	-	-	12,205	12,205	198,566
Intergovernmental expense	-	-	(165,258)	-	(165,258)	-
Subsidy from federal grant	-	332,786	-	828,562	1,161,348	-
Net cash provided (used) by noncapital financing activities	(820,157)	5,706,930	(225,364)	3,714,608	8,376,017	123,566
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Capital contributions	-	5,000	-	1,022,750	1,027,750	-
Transfer from other funds	-	13,144	-	-	13,144	-
Purchases of capital assets	(3,785,418)	(309,884)	(149,679)	(1,337,724)	(5,582,705)	-
Principal paid on capital debt	(5,601,000)	(111,584)	-	(260,000)	(5,972,584)	-
Interest paid on capital debt	(1,759,095)	(11,933)	-	(157,662)	(1,928,690)	-
Proceeds from long-term borrowings	1,119,608	-	-	-	1,119,608	-
Advances to other funds	-	-	-	-	-	184,070
Proceeds from sales of capital assets	62,477	6,043	40,247	8,951	117,718	-
Net cash provided (used) by capital and related financing activities	(9,963,428)	(409,214)	(109,432)	(723,685)	(11,205,759)	184,070

continued

See accompanying notes to the basic financial statements.

CITY OF ROME, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended December 31, 2014

	Enterprise Funds					
	Major Proprietary Funds					
	Water & Sewer System	Fire	Solid Waste Commission	Nonmajor Enterprise Funds	Total	Internal Service Funds
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest received	$ 7,322	$ 654	$ 10,493	$ 1,084	$ 19,553	$ 43,131
Net cash provided by investing activities	7,322	654	10,493	1,084	19,553	43,131
Net increase in cash and cash equivalents	2,225,977	380,711	601,309	1,069,979	4,277,976	157,111
Cash and cash equivalents, January 1	6,384,342	937,343	7,832,296	1,535,896	16,689,877	2,566,024
Cash and cash equivalents, December 31	$ 8,610,319	$ 1,318,054	$ 8,433,605	$ 2,605,875	$ 20,967,853	$ 2,723,135
Reconciliation of Cash and Cash Equivalents:						
Cash and cash equivalents	$ 7,912,810	$ 1,318,054	$ 8,433,605	$ 2,263,858	$ 19,928,327	$ 2,723,135
Cash and cash equivalents - restricted	697,509	-	-	342,017	1,039,526	-
Total cash and cash equivalents	$ 8,610,319	$ 1,318,054	$ 8,433,605	$ 2,605,875	$ 20,967,853	$ 2,723,135

continued

See accompanying notes to the basic financial statements.

CITY OF ROME, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended December 31, 2014

	Enterprise Funds					
	Major Proprietary Funds					
	Water & Sewer System	Fire	Solid Waste Commission	Nonmajor Enterprise Funds	Total	Internal Service Funds
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:						
Operating income (loss)	$ 7,576,493	$ (5,695,933)	$ 365,790	$ (3,191,469)	$ (945,119)	$ (591,575)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation expense	6,235,135	866,719	477,194	1,447,073	9,026,121	-
Amortization expense	(356,485)	-	-	2,771	(353,714)	-
Miscellaneous revenues	12,687	-	-	-	12,687	-
(Increase) decrease in accounts receivable	411,018	-	(27,948)	(126,139)	256,931	(26,326)
(Increase) decrease in due from other governments	(19,495)	-	(518)	38,314	18,301	-
(Increase) decrease in due from other funds	(11,695)	69,925	(9,124)	(140,444)	(91,338)	63,489
Decrease in due from component unit	-	-	-	5,165	5,165	-
Increase in prepaid items	-	(2,500)	-	-	(2,500)	(462)
(Increase) decrease in inventories	(35,250)	15,753	-	(76,217)	(95,714)	-
Increase (decrease) in accounts payable and accrued liabilities	(825,967)	(9,276)	129,776	117,911	(587,556)	361,185
Decrease in due to component unit	-	(164)	-	(57)	(221)	-
Increase in due to other governments	-	-	-	3,248	3,248	-
Increase (decrease) in compensated absences payable	20,363	(183,370)	(458)	(13,127)	(176,592)	-
Increase (decrease) in unearned revenue	(7,200)	-	-	67,004	59,804	-
Increase (decrease) in due to other funds	2,636	21,187	(9,100)	(56,061)	(41,338)	33
Total adjustments	5,425,747	778,274	559,822	1,269,441	8,033,284	397,919
Net cash provided (used) by operating activities	$ 13,002,240	$ (4,917,659)	$ 925,612	$ (1,922,028)	$ 7,088,165	$ (193,656)

See accompanying notes to the basic financial statements.

CITY OF ROME, GEORGIA
STATEMENT OF FIDUCIARY NET POSITION
EMPLOYEE BENEFIT TRUST FUND
December 31, 2014

	Flexible Spending Fund
ASSETS	
Cash	$ 14,604
TOTAL ASSETS	14,604
NET POSITION	
Held in trust for flexible spending	14,604
TOTAL NET POSITION	$ 14,604

See accompanying notes to the basic financial statements.

CITY OF ROME, GEORGIA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
EMPLOYEE BENEFIT TRUST FUND
For the Year Ended December 31, 2014

	Flexible Spending Fund
ADDITIONS	
Contributions	$ 119,967
Investment earnings	9
Total additions	119,976
DEDUCTIONS	
Claims paid	117,101
Total deductions	117,101
NET INCREASE	2,875
NET POSITION HELD IN TRUST FOR FLEXIBLE SPENDING	
NET POSITION, BEGINNING OF YEAR	11,729
NET POSTION, END OF YEAR	$ 14,604

See accompanying notes to the basic financial statements.

NOTES TO THE FINANCIAL STATEMENTS

The notes to the financial statements are a part of the basic financial statements and present additional detailed information to amounts presented on the face of the statements.

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Rome operates under a Commissioner-Manager form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, sanitation, health and social services, culture, recreation, education, public improvements, planning and zoning, and general administrative services. As required by generally accepted accounting principles, these financial statements present the City (the primary government) and its component units. The component units are included in the City's reporting entity because of the significance of their operational or financial relationships with the City. Unless otherwise indicated, the "City" refers to the primary government. The City's blended component units are reported as if they are a part of the City because their sole purpose is to provide services to the City. Discretely presented component units that are presented in the City of Rome financial statements are reported in separate columns in the government wide statements to emphasize that they are legally separate from the City. Each discretely presented component unit has a December 31 year end, except for the Rome Board of Education, which has a June 30 fiscal year end.

Blended Component Units

City of Rome Public Facilities, Inc. - This entity is governed by a three member board appointed by the Rome City Commission. Although it is legally separate from the City, it is reported as a proprietary fund type in the City's financial statements. The sole purpose was to finance and construct certain City facilities and to account for their subsequent activities. Separate financial statements are not prepared for this component unit.

City of Rome Recreational Facilities Authority - This entity is governed by a five member board appointed by the Rome City Commission. Although it is legally separate from the City, the Authority's activity is reported within the Municipal Golf Fund, a proprietary fund in the City's financial statements. The main purpose was to refinance the debt of the Stonebridge Golf Club, which is owned and operated by the City. Separate financial statements are not prepared for this component unit.

Discretely Presented Component Units

Rome Board of Education - The Rome Board of Education (the "Board") operates the Rome City School System. Financing is provided by property taxes and contributions from the State of Georgia. The Board is fiscally dependent upon the City because the City Commission approves the budgets, approves tax rate, provides funding and issues debt on behalf of the Board. The Board is presented as a governmental fund type. Complete financial statements for the Rome Board of Education may be obtained at 508 East 2nd Street, Rome, Georgia 30161.

Greater Rome Convention & Visitors Bureau - The Greater Rome Convention and Visitors Bureau (the "Bureau") promotes tourism and convention activity for the City. Financing is provided by a special hotel/motel tax. The Bureau is fiscally dependent upon the City because the City Commission appoints a voting majority of the board members and approves the budget, but does not control operations of the Bureau. The Bureau is presented as a governmental fund type. Separate component unit financial statements are not prepared for the Greater Rome Convention and Visitors Bureau.

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

B. Basis of Presentation

The City's basic financial statements consist of government wide statements, including a statement of net position and a statement of activities followed by fund financial statements which will provide a more detailed level of financial information.

Government-wide Financial Statements – The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities which normally are supported by taxes, intergovernmental revenues, and City general revenues are reported separately from business type activities which rely on a significant extent on fees and charges for support from external users. Likewise, the primary government is reported separately from any legally separate discretely presented component units for which the primary government is financially accountable. The statement of activities demonstrates the degree to which the direct expenses of each function of the City are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include l) charges to customers who purchase, use, or directly benefit from the goods, services, or privileges provided by a distinct function 2) operating grants and contributions restricted to the operational needs of a particular function 3) capital grants and contributions restricted for the acquisition or construction of capital assets. Taxes and other revenue sources not properly included with program revenues are reported as general revenues of the City. This comparison of direct expenses with program revenues does identify the extent to which each governmental function is self financing or is subsidized by general revenues. Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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

The City reports the following major governmental funds:

General Fund - The general operating fund of the City is used to account for all of the financial resources of the general government except those required to be accounted for in other funds.

Capital Fund - This fund accounts for the acquisition of capital assets or construction of major capital projects not being financed by proprietary or fiduciary funds.

SPLOST Fund - This fund accounts for the acquisition of capital assets or construction of major capital projects financed by SPLOST proceeds.

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

B. Basis of Presentation – Continued

The City reports the following major Proprietary Funds:

Water & Sewer System Fund - This fund accounts for all activity in the provision of water and sewer services to the residents of the City and County.

Fire Fund - This fund accounts for all activities in the provision of fire protection services to the residents of the City and the County.

Solid Waste Commission Fund - This fund accounts for all activities associated with the provision of solid waste disposal for City and County residents at the Walker Mountain and Berryhill landfills.

Additionally, the City reports the following fund types:

Governmental Fund Types
Special Revenue Funds - This fund type is used to account for proceeds of specific revenue sources (other than major capital projects) that are legally restricted or committed to expenditures for specific purposes.

Capital Projects Funds - This fund type accounts for capital project expenditures not financed through proprietary or fiduciary funds.

Proprietary Fund Types
Enterprise Funds - This fund type is used to account for operations that (a) are financed and operated in a manner similar to private business enterprise where the intent of the City is that the costs (including depreciation) of providing the goods and services be financed or recovered primarily through user charges or (b) where the City has decided that a periodic determination of an increase or decrease in net position is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Internal Service Funds - This fund type accounts for the financing of goods or services provided by one department to other departments, agencies, or other governmental units on a cost reimbursement basis. The City accounts for the provision of health care and workers' compensation claims in internal service funds.

Fiduciary Fund Type
Trust Fund – This fund type is used to account for assets held by the City as an agent or trustee to be invested and expended in accordance with the conditions of the trustee capacity. The City uses this fund to account for the flexible spending activity through payroll deduction from employees' paychecks and the subsequent payment of medical or dependent care expenses.

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

C. Measurement Focus – Basis of Accounting

Government-wide Financial Statements – The Government-wide Financial Statements are reported using the economic resources measurement focus and the accrual basis of accounting as are the proprietary and fiduciary fund statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

Fund Financial Statements – All governmental funds are accounted for using the current financial resource measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers tax revenues available if they are collected within sixty (60) days of the end of the current fiscal period and one year for all other revenues. Revenues generally susceptible to accrual are property taxes, sales taxes, licenses, and other charges for services. Expenditures are generally recorded when a liability is incurred except for debt service expenditures and expenditures related to compensated absences and claims which are normally recorded when payment is due. Governmental fund financial statements therefore include reconciliation to the entity-wide statement to identify these differences.

As in the government-wide statements, all proprietary fund types are accounted for on an economic resource measurement level. The Statement of Net Position includes all assets, liabilities, deferred outflows, and deferred inflows and the Statement of Changes in Net Position present increases (i.e., revenues) and decreases (i.e., expenses) in total Net Position.

As a general rule, the effects of interfund activity have been eliminated from the government-wide financial statements. Exceptions to this general rule are user charges between the enterprise funds and other functions of the government whereby exclusion may distort the direct costs and program revenues for the functions concerned.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses of enterprise funds and internal service funds include the cost of sales and services, administration expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

D. Assets, Deferred Outflows/Inflows of Resources, Liabilities and Equity

1. Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, demand deposits, short-term investments with original maturities of three months or less from the date of acquisition and deposits in the Georgia Fund One administered by the State of Georgia.

2. Investments

All investments are recorded at fair value.

3. Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "advances to/from other funds". All other outstanding balances between funds are reported as "due to/from other funds". Any advances between funds are offset by a fund balance restriction account in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources. These amounts are eliminated in the governmental and business-type activities column of the Statement of Net Position except for any net residual amounts due between governmental and business type activities, which are reclassified and presented as internal balances.

4. Inventories

Inventories are valued at cost using the first-in, first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

5. Restricted Assets

Certain resources are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants, or other external legislation or restrictions. Applicable expenses are paid from restricted assets first.

6. Prepaid Items

Certain payments to vendors reflecting costs applicable to periods beyond December 31, 2014 are recorded as prepaid items.

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

D. Assets, Deferred Outflows/Inflows of Resources, Liabilities and Equity - Continued

7. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e. g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital equipment assets are defined by the government as assets with an initial individual cost of more than $5,000 and an estimated life of more than one fiscal year. Such assets are recorded at actual cost or estimated historical cost if actual costs are not available. They are updated for additions and retirements during the year. Donated capital assets are recorded at estimated fair value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets' lives are expensed. Improvements to capital assets are capitalized. Interest incurred during the construction of capital assets for business-type activities is capitalized. The City had no capitalized interest during the current year.

Current accounting standards require the City to report and depreciate infrastructure assets. These assets includes roads, bridges, dams & levees, curb & gutters, sidewalks, and traffic signals & signage. The current financial statements include these infrastructure amounts with applicable accumulated depreciation. All capital assets are depreciated except for land and construction in progress. Estimated useful lives for infrastructure are based on historical records of maintenance and replacement. Infrastructure assets acquired prior to December 31, 1980 are included in the amounts reported. Depreciation is computed using the straight-line method over the estimated useful life.

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Improvements other than buildings	10 – 60 years	10 – 60 years
Buildings	40 – 60 years	40 – 60 years
Machinery and equipment	3 – 15 years	3 – 15 years
Infrastructure	40 – 60 years	20 – 40 years
Vehicles	3 – 5 years	3 – 5 years

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

D. Assets, Deferred Outflows/Inflows of Resources, Liabilities and Equity – Continued

8. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation benefits. No liability is reported for unpaid accumulated sick leave. Accumulated unpaid vacation leave is accrued when incurred in the government-wide and proprietary fund financial statements. The liability in the proprietary funds is recorded as an expense and a liability in those funds as the benefits are accrued. In governmental fund types, a liability is recorded only if the benefit has matured and is expected to be liquidated with current financial resources.

Sick leave is not paid upon termination, but is applied to the years of service credit used to determine retirement benefits if the employee remains employed by the City until retirement. Accordingly, accumulated unused sick leave is not recorded as a liability. There is no maximum amount of sick leave that may be accumulated.

9. Unavailable Revenue

Unavailable revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, the deferred inflow of resources for unavailable revenue is removed from the balance sheet and revenue is recognized. On the governmental fund financial statements, property taxes receivable not collected within sixty (60) days of year end is recorded as deferred inflow of resources. Grants and entitlements received before the timing requirements are met are also recorded as deferred inflow of resources. Grants and entitlements received before other eligibility requirements are met are reported as unearned revenue in liabilities. In the government-wide financial statements, these amounts are recognized to comply with the full accrual measurement criteria.

10. Long-Term Obligations

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

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

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

D. Assets, Deferred Outflows/Inflows of Resources, Liabilities and Equity – Continued

11. Fund Equity

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

Fund Balance
Generally, fund balance represents the difference between the assets, deferred inflows of resources, and liabilities under the current financial resources management focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in those funds can be spent.

Fund balances are classified as follows:

Nonspendable – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.

Restricted – Fund balances are reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, laws or regulations of other governments.

Committed – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by a resolution of the City Commission. Only the City Commission may modify or rescind the commitment also through a resolution.

Assigned – Fund balances are reported as assigned when amounts are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. The City Commission has passed a resolution, which has expressly delegated to the Finance Director the authority to assign funds for particular purposes.

Unassigned – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The City reports positive unassigned fund balance only in the General Fund. The City intends to maintain an unassigned fund balance in the General Fund between ten and twenty percent of the operating budget or an amount equal to 2 months' operating expenditures.

Flow Assumptions – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the City's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the City's policy to use fund balance in the following order: (1) Committed, (2) Assigned, (3) Unassigned.

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

D. Assets, Deferred Outflows/Inflows of Resources, Liabilities and Equity – Continued

11. Fund Equity - Continued

Net Position
Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources for activities and funds which use the accrual basis of accounting. Amounts shown as net investment in capital assets are made up of capital asset costs, net of accumulated depreciation and any outstanding debt used to acquire, construct or improve the associated assets. Net position is reported as restricted when there are legal limitations or external restrictions imposed upon their use. All other net position is reported as unrestricted.

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

12. Capital Contributions

Capital contributions in the proprietary fund financial statements arise from outside contributions of grants and other financial resources restricted to capital acquisition and construction.

13. Uses of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows/inflows of resources, and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from these estimates.

14. Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The City only has one item that qualifies for reporting in this category. That items is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

D. Assets, Deferred Outflows/Inflows of Resources, Liabilities and Equity – Continued

14. Deferred outflows/inflows of resources - Continued

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two types of these deferrals, which arise only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, those items, the unavailable revenue and the effective hedge on the deferral of fair value, are reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from one source, property taxes. These amounts are deferred and recognized as inflows of resources in the period that the amounts become available.

NOTE II - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

In August of each year, all departments of the City submit a budgetary request to the City Manager. In November, the City Manager presents the proposed budgets to the Finance Committee of the City Commission. The City Commission adopts the final budgets in December of each year. During the year, the City made budgetary amendments totaling $633,960 that were approved by the City Commission. The main reason for these amendments was to better align budgeted expenditures with actual revenues. This information was not available during the original budget process.

Budgetary appropriations are made at the object level within each department. The legal level of budgetary control is at the department level. Budget amendments which affect a department's total appropriations or transfers between funds must be authorized by the City Commission through a budget revision. All appropriations lapse at year end.

NOTE III - DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Credit Risk. The City and its component units are authorized by State statutes to invest in the securities of the United States Treasury, United States agencies and instrumentalities, repurchase agreements and the Georgia Fund One administered by the State of Georgia. It is the City's policy to limit any investments in these to the top rating issued by NRSROs.

NOTE III - DETAILED NOTES ON ALL FUNDS – Continued

A. Deposits and Investments - Continued

Georgia Fund One, created by OCGA 36-83-8, is a stable asset value investment pool which follows Standard and Poor's criteria for AAAf rated money market funds. However, Georgia Fund One operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. Regulatory oversight of the fund is provided by the Office of State Treasurer. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal ($1.00 per share value). Net asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participants' shares sold and redeemed based on $1.00 per share. As of December 31, 2014, the City of Rome's investment in Georgia Fund One was rated AAAf by Standard & Poor's.

The City maintains an account in the State of Georgia, Georgia Fund One that is utilized by all funds and component units except the Rome Board of Education. Each fund's or component unit's portion of this pool is displayed on its balance sheet with cash and cash equivalents since this pool has the general characteristics of a demand deposit account.

As of December 31, 2014, the City of Rome had the following investments.

Investment Type	Maturities	Fair Value
Georgia Fund One-included in cash	51 day weighted average	$ 16,736,802
Guaranteed Investment Contract	June 1, 2028	1,941,124
Totals		$ 18,677,926

Interest rate risk. The City of Rome does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, all investments are reviewed on a monthly basis for interest rate fluctuations and appropriate actions are taken to minimize this risk.

Custodial Credit Risk-Deposits. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require that all deposits and investments (other than Federal or State government instruments) be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties or municipalities. As of December 31, 2014, all of the City's bank balances were adequately insured and collateralized as defined by the Governmental Accounting Standards Board.

NOTE III - DETAILED NOTES ON ALL FUNDS – Continued

B. Receivables

1. Accounts Receivable

Receivables at December 31, 2014 consisted of taxes, loans, accounts (including billings for user charges and unbilled utility receivables), and intergovernmental receivables. Receivables at December 31, 2014 consist of the following:

Primary Government	Taxes	Loans	Account	Intergov't Receivables	Allowance for Uncollectibles	Net Receivables
General Fund	$ 4,094,886	$ -	$ 4,098,249	$ 1,100,830	$ (2,614,561)	$ 6,679,404
Capital Fund	-	375,000	73,489	118,511	(64,000)	503,000
SPLOST Fund	-	-	-	2,589,355	-	2,589,355
Nonmajor Governmental Funds	21,111	727,024	54,408	153,541	(424,026)	532,058
Water and Sewer Fund	-	-	3,116,966	1,064,807	(1,025,000)	3,156,773
Fire Fund	-	-	-	31,124	-	31,124
Solid Waste Commission Fund	-	-	276,099	518	(21,000)	255,617
Nonmajor Proprietary Funds	-	-	430,984	216,033	(86,000)	561,017
Internal Service Funds	-	-	26,764	162,398	-	189,162
Total Primary Government	4,115,997	1,102,024	8,076,959	5,437,117	(4,234,587)	14,497,510
Greater Rome CVB	-	-	1,626	6,458	-	8,084
Rome Board of Education	-	-	-	7,314,723	-	7,314,723
Total Reporting Entity	$ 4,115,997	$ 1,102,024	$ 8,078,585	$ 12,758,298	$ (4,234,587)	$ 21,820,317

The City has $85,430 in forgivable loans receivable. These loans are recorded in the following nonmajor governmental fund: Community Development Fund. Amounts represent loans to individuals in conjunction with the rehabilitation of private property and financing for locally owned businesses. Provided the terms of the loans are not violated, these loans will be forgiven at the end of the loan term. As the likelihood of violation of the loan terms, and thus cash repayment is remote, the City has elected to record an allowance for the total outstanding balance of the loans.

NOTE III - DETAILED NOTES ON ALL FUNDS – Continued

B. Receivables– Continued

2. Property Taxes

Property taxes were levied on July 28, 2014 and were payable on or before November 17, 2014. An interest penalty of 12% per annum is charged on property taxes paid after that date. Property taxes become an enforceable lien on January 1 each year. City property tax revenues are recognized when levied to the extent that they are collected within the current fiscal year or within 60 days of fiscal year end. The City of Rome has an agreement with Floyd County and the Floyd County Tax Commissioner to collect the City's property taxes. This agreement allows taxpayers to pay all of their property taxes at one location since the County can now bill all taxes due on one bill. The City pays a fee for this service.

A summary of outstanding delinquent property taxes receivable at December 31, 2014 is as follows:

Tax Year	
2014	$ 2,234,108
Prior Years	1,881,420
	4,115,528
Allowance for uncollectible	(2,412,734)
Net taxes receivable	$ 1,702,794

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NOTE III - DETAILED NOTES ON ALL FUNDS – Continued

C. Capital Assets

Changes in the City's Capital Assets for the year ended December 31, 2014 are as follows:

Primary Government	Beginning Balance 12/31/2013	Increases	Decreases	Construction in progress Transfers	Ending Balance 12/31/2014
Governmental activities:					
Capital assets, not being depreciated:					
Land	$ 9,815,291	$ 44,730	$ -	$ -	$ 9,860,021
Construction in progress	4,597,987	11,436,993	-	(3,127,439)	12,907,541
Total capital assets, not being depreciated	14,413,278	11,481,723	-	(3,127,439)	22,767,562
Capital assets, being depreciated:					
Buildings	106,326,353	284,091	(58,304)	-	106,552,140
Improvements other than buildings	6,158,404	-	-	19,953	6,178,357
Machinery and equipment	5,166,187	737,605	(150,802)	84,450	5,837,440
Vehicles	5,199,203	352,214	(455,248)	-	5,096,169
Infrastructure	127,792,769	2,249,995	(21,008)	3,023,036	133,044,792
Total capital assets being depreciated	250,642,916	3,623,905	(685,362)	3,127,439	256,708,898
Less accumulated depreciation for:					
Buildings	(24,861,477)	(2,199,986)	53,834	-	(27,007,629)
Improvements other than buildings	(1,187,955)	(444,037)	-	-	(1,631,992)
Machinery and equipment	(4,167,044)	(285,990)	150,802	-	(4,302,232)
Vehicles	(4,605,131)	(230,721)	455,248	-	(4,380,604)
Infrastructure	(98,482,773)	(3,652,480)	21,008	-	(102,114,245)
Total accumulated depreciation	(133,304,380)	(6,813,214)	680,892	-	(139,436,702)
Total capital assets, being depreciated, net	117,338,536	(3,189,309)	(4,470)	3,127,439	117,272,196
Governmental activities capital assets, net	$ 131,751,814	$ 8,292,414	$ (4,470)	$ -	$ 140,039,758

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

Governmental activities:	
General Government	$ 635,211
Public Safety	266,849
Public Works	3,945,560
Public Facilities	469,833
Public Services	26,090
Community Development	11,234
Education	1,458,437
	$ 6,813,214

NOTE III - DETAILED NOTES ON ALL FUNDS – Continued

C. Capital Assets – Continued

Capital Assets for the year ended December 31, 2014 are as follows:

	Beginning Balance 12/31/2013	Increases	Decreases	Transfers	Ending Balance 12/31/2014
Business-type activities:					
Capital assets, not being depreciated:					
Land	$ 7,587,337	$ 5,000	$ -	$ -	$ 7,592,337
Construction in progress	2,307,083	835,763	-	(2,971,161)	171,685
Total capital assets, not being depreciated	9,894,420	840,763	-	(2,971,161)	7,764,022
Capital assets, being depreciated:					
Buildings	104,847,011	81,931	-	2,971,161	107,900,103
Improvements other than buildings	18,514,616	126,542	-	-	18,641,158
Machinery and equipment	14,928,038	489,071	(903,774)	-	14,513,335
Vehicles	21,601,847	1,392,741	(453,631)	-	22,540,957
Infrastructure	145,006,015	2,657,856	-	-	147,663,871
Total capital assets being depreciated	304,897,527	4,748,141	(1,357,405)	2,971,161	311,259,424
Less accumulated depreciation for:					
Buildings	(36,605,749)	(3,159,132)	-	-	(39,764,881)
Improvements other than buildings	(14,661,913)	(329,412)	-	-	(14,991,325)
Machinery and equipment	(10,587,483)	(1,108,938)	890,524	-	(10,805,897)
Vehicles	(15,673,732)	(1,222,281)	453,631	-	(16,442,382)
Infrastructure	(48,881,959)	(3,206,358)	-	-	(52,088,317)
Total accumulated depreciation	(126,410,836)	(9,026,121)	1,344,155	-	(134,092,802)
Total capital assets, being depreciated, net	178,486,691	(4,277,980)	(13,250)	2,971,161	177,166,622
Business-type activities capital assets, net	$ 188,381,111	$ (3,437,217)	$ (13,250)	$ -	$ 184,930,644

Depreciation expense was charged to functions/programs of Business-type activities as follows:

Business-type activities:	
Water and Sewer System Fund	$ 6,235,135
Fire Fund	866,719
Transit Fund	732,801
Solid Waste Management Fund	404,605
Municipal Golf Fund	96,785
Solid Waste Commission Fund	477,194
Building Inspection Fund	3,177
Public Facilities Fund	209,705
	$ 9,026,121

NOTE III - DETAILED NOTES ON ALL FUNDS – Continued

C. Capital Assets – Continued

The following table provides a summary of the City's net investment in capital assets. The City had no unspent bond proceeds at the end of the current year.

Net Invested in Capital Assets	Governmental Activities	Business-type Activities	Total
Capital assets, nondepreciable	$ 22,767,562	$ 7,764,022	$ 30,531,584
Capital assets, net	117,272,196	177,166,622	294,438,818
Other noncurrent asset, derivative	1,268,126	-	1,268,126
Prepaid bond insurance	-	191,910	191,910
Deferred charges on refunding	146,842	1,927,419	2,074,261
Retainage payable	(34,374)	-	(34,374)
Intergovernmental agreements payable	(3,530,000)	-	(3,530,000)
Bonds payable	(4,527,000)	(47,655,430)	(52,182,430)
Capital leases payable	(10,435)	(348,839)	(359,274)
Notes payable	(1,145,523)	(2,455,990)	(3,601,513)
	$ 132,207,394	$ 136,589,714	$ 268,797,108

Component Units	Beginning Balance 12/31/2013	Increases	Decreases	Ending Balance 12/31/2014
Greater Rome Convention and Visitors Bureau				
Component unit:				
Capital assets, being depreciated:				
Buildings	$ 181,429	$ -	$ -	$ 181,429
Machinery and equipment	7,000	-	-	7,000
Total capital assets being depreciated	188,429	-	-	188,429
Less accumulated depreciation for:				
Buildings	(127,000)	(2,629)	-	(129,629)
Machinery and equipment	(7,000)	-	-	(7,000)
Total accumulated depreciation	(134,000)	(2,629)	-	(136,629)
Total capital assets, being depreciated, net	54,429	(2,629)	-	51,800
Greater Rome Convention and Visitors Bureau capital assets, net	$ 54,429	$ (2,629)	$ -	$ 51,800

NOTE III - DETAILED NOTES ON ALL FUNDS – Continued

C. Capital Assets – Continued

Component Units	Beginning Balance 6/30/2013	Increases	Decreases	Ending Balance 6/30/2014
Rome Board of Education				
Component unit:				
Capital assets, not being depreciated:				
Land	$ 1,761,340	$ 22,562	$ -	$ 1,783,902
Construction in progress	-	6,170,668	-	6,170,668
Total capital assets not being depreciated	1,761,340	6,193,230	-	7,954,570
Capital assets, being depreciated:				
Buildings and Improvements	2,315,633	-	-	2,315,633
Computers and equipment	3,264,723	235,256	346,738	3,153,241
Vehicles	1,516,443	71,659	-	1,588,102
Total capital assets being depreciated	7,096,799	306,915	346,738	7,056,976
Less accumulated depreciation for:				
Buildings and Improvements	(974,300)	(60,646)	-	(1,034,946)
Computers and equipment	(2,630,392)	(204,984)	(346,738)	(2,488,638)
Vehicles	(1,108,550)	(73,972)	-	(1,182,522)
Total accumulated depreciation	(4,713,242)	(339,602)	(346,738)	(4,706,106)
Total capital assets, being depreciated, net	2,383,557	(32,687)	-	2,350,870
Rome Board of Education capital assets, net	$ 4,144,897	$ 6,160,543	$ -	$ 10,305,440

NOTE III - DETAILED NOTES ON ALL FUNDS – Continued

D. Interfund Transactions

Interfund balances at December 31, 2014 consisted of the following amounts and represent charges for services or reimbursable expenditures. These balances result from a timing lag between 1) the date the interfund goods or services are provided 2) transactions are recorded and 3) payments between funds are made. The City expects to repay all interfund balances within one year.

Interfund receivables and payable balances at December 31, 2014 are as follows:

	Payable From								
Payable To:	General Fund	Capital Fund	Non-major Governmental Funds	Water & Sewer System Fund	Fire Fund	Solid Waste Commission Fund	Non-major Enterprise Funds	Internal Service Funds	**Total**
General Fund	$ -	$ -	$ 80,304	$ 26,777	$ -	$ -	$ 123,076	$ 33	$ 230,190
Capital Fund	1,234,589	-	4,999	-	-	-	-	-	1,239,588
Non-major Governmental Funds	10,483	-	4,757	-	-	-	-	-	15,240
Water & Sewer System Fund	-	415	-	-	16,926	-	20,044	-	37,385
Fire Fund	2,721	5,000	-	-	-	-	-	-	7,721
Solid Waste Commission Fund	15,952	-	-	-	-	-	-	-	15,952
Non-major Enterprise Funds	205,528	31,500	29,127	2,200	-	880	-	-	269,235
Internal Service Funds	89,976	-	2,149	35,108	60,302	3,648	24,242	-	215,425
Total	$ 1,559,249	$ 36,915	$ 121,336	$ 64,085	$ 77,228	$ 4,528	$ 167,362	$ 33	$ 2,030,736

NOTE III - DETAILED NOTES ON ALL FUNDS - Continued

D. Interfund Transactions - Continued

Interfund receivables and payables for Component Units consist of the following:

	Rome Convention & Visitors Bureau Payable From	Rome Convention & Visitors Bureau Payable To
General Fund	$ 1,504	$ -
Non-major governmental funds	1,529	-
Internal service funds	-	1,598
Total	$ 3,033	$ 1,598

Advances to other funds are amounts that are owed, other than for charges for goods and services rendered, to a particular fund by another fund in the government reporting entity and that are not due within one year.

Interfund advances consist of the following:

	Advances From: General Fund	Advances From: Capital Fund	Advances From: Internal Service Fund	Total
Advances To:				
Capital Fund	$ 590,000	$ -	$ 1,201,752	$ 1,791,752
Water and Sewer Fund	-	371,434	-	371,434
Fire Fund	-	563,864	-	563,864
Solid Waste Commission Fund	-	292,000	-	292,000
Non-major Enterprise Funds	-	760,384	-	760,384
Total	$ 590,000	$ 1,987,682	$ 1,201,752	$ 3,779,434

The Solid Waste Commission Fund, through an intergovernmental agreement with the City of Rome, purchased a partial ownership in a portion of the Joint City-County Landfill. This long term financing balance of $292,000 is included as an advance from the Capital Fund to the Solid Waste Commission Fund.

NOTE III - DETAILED NOTES ON ALL FUNDS - Continued

D. Interfund Transactions - Continued

In 2012, the Rome City Commission authorized the borrowing of up to $1.5 million from the Health Insurance Fund to assist in the construction of the City Mausoleum. The advance will be re- paid over a maximum of ten years at 3% interest. As of December 31, 2014, the principal amount outstanding was $1,201,752.

Interfund transfers are used to report revenues and expenditures between funds whereby statute or formal budget requires them. These transfers also include revenues collected in the General Fund but by budget authorization are transferred to meet expenditures in other funds, segregation of monies for anticipated capital projects, and to provide additional resources for current operations or debt service. All transfers have occurred on a regular basis or are consistent with the purpose of the fund making the transfer. Transfers to component units are reported as expenditures in the financial statements.

Interfund transfers for the year ended December 31, 2014 are as follows:

	Transfers In							
	General Fund	Capital Fund	SPLOST Fund	Non-major Governmental Funds	Water & Sewer System Fund	Fire Fund	Non-major Enterprise Funds	Total
Transfers Out:								
General Fund	$ -	$ 195,000	$ -	$ 242,875	$ -	$ 5,770,000	$ 2,669,846	$ 8,877,721
Capital Fund	-	-	-	-	-	-	100,000	100,000
SPLOST Fund	-	-	-	-	64,994	13,144	-	78,138
Non-major Governmental Funds	71,000	5,000	39,050	-	-	-	117,283	232,333
Water & Sewer System Fund	850,000	1,078	-	-	-	-	-	851,078
Fire Fund	350,000	-	-	-	58,785	-	-	408,785
Solid Waste Commission Fund	30,906	-	-	-	-	-	-	30,906
Non-major Enterprise Funds	49,500	-	-	-	-	-	-	49,500
Internal Service Funds	75,000	-	-	-	-	-	-	75,000
Total	$ 1,426,406	$ 201,078	$ 39,050	$ 242,875	$ 123,779	$ 5,783,144	$ 2,887,129	$10,703,461

NOTE III - DETAILED NOTES ON ALL FUNDS - Continued

E. Long-Term Debt

1. Water and Sewerage System Bonds Payable

Outstanding Water and Sewerage System Bonds were issued as follows:

2005 Issue:	$ 9,395,000	in a private placement bond issue, maturing through 2016 at an interest rate of 3.61%
2012 Issue:	$32,125,000	in serial bonds maturing through 2022, with interest ranging from 3.00% to 5.00%
2013 Issue:	$ 7,934,000	in a private placement bond issue, maturing through 2028 at an interest rate of 2.25%

In October 2005, the City of Rome issued $9,395,000 of Water and Sewerage Revenue Bonds in a private placement. The 2005 bonds were issued to finance the water meter replacement program and the costs of issuance of the 2005 Bonds. This project replaced all water meters over a certain age, and equipped all meters with an automatic electronic meter reading system and back flow prevention devices.

In March 2009, the City of Rome issued $20,645,000 of Water and Sewerage Revenue Bonds in a private placement. The 2009 bonds were issued to refund $20,230,000 in aggregate principal amount of the City's Water and Sewerage Revenue Refunding and Improvement Bonds, Series 1999, maturing January 1, 2010 through 2015 and the costs of issuance of the 2009 Bonds. The net proceeds from the issuance of the water revenue bonds were used to purchase general obligations of the United States of America and those securities were deposited into an irrevocable trust with an escrow agent to provide debt service payments of the prior bonds when due or called. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. Outstanding bonds from the refunded debt outstanding at December 31, 2014, considered defeased, totaled $4,005,000.

In May 2012, the City issued $32,125,000 of Water and Sewerage Revenue Refunding and Improvement bonds. The 2012 bonds were issued to (i) refund $33,540,000 in aggregate principal of its 2004 A Water and Sewerage Revenue Refunding and Improvement bonds and (ii) pay the costs of issuance of the 2012 bonds. The net proceeds from the issuance of the water revenue bonds were used to purchase general obligations of the United States of America and those securities were deposited into an irrevocable trust with an escrow agent to provide debt service payments of the prior bonds when due or called. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. Outstanding bonds from the refunded debt outstanding at December 31, 2014, considered defeased, totaled $33,540,000.

In April 2013, the City of Rome issued $7,934,000 of Water and Sewerage Revenue Bonds in a private placement. The 2013 bonds were issued to finance the repayment of several GEFA notes outstanding.

NOTE III - DETAILED NOTES ON ALL FUNDS - Continued

E. Long-Term Debt - Continued

1. Water and Sewerage System Bonds Payable - Continued

The City of Rome follows all of the applicable rules and regulations concerning bond arbitrage as set forth by the Internal Revenue Service.

Bonds outstanding at December 31, 2014 are as follows:

Water and Sewer Bonds - Series 2005	$ 1,100,000
Water and Sewer Bonds - Series 2012	32,125,000
Water and Sewer Bonds - Series 2013	7,423,000
Subtotal	40,648,000
Less current maturities	614,000
Bonds payable, long term	$ 40,034,000

Reconciliation of Bonds Payable to Financial Statements:	
Current	
Bonds payable in less than one year	$ 614,000
Long-term	
Bonds payable in more than one year	$ 40,034,000
Bond premium, net of amortization	3,204,430
	$ 43,238,430

NOTE III - DETAILED NOTES ON ALL FUNDS - Continued

E. Long-Term Debt - Continued

2. Golf Bonds Payable

In 2009, The City of Rome Recreation Facilities Authority issued $4,955,000 of Series 2009 Revenue Bonds to (i) refund all of the Series 1999 Revenue Bonds and pay the one percent (1%) redemption premium due in connection therewith (ii) pay the costs of issuing the Series 2009 Bonds. Refunding was undertaken to save on the debt service payments maturing through 2024. The City defeased the 1999 bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. At December 31, 2014, $3,600,000 of bonds outstanding are considered defeased. The City has pledged its full faith and credit and taxing power to service the debt.

The Series 2009 Bonds mature through 2024 with interest ranging from 3.0% to 5.0%. At December 31, 2014, $3,705,000 of these bonds were outstanding. Bonds payable reflected in the financial statements is net of $98,000 of unamortized bond premium.

3. Certificates of Participation – Georgia Municipal Association

In June 1998, the City entered into a lease pool agreement with the Georgia Municipal Association (the "Association"). The funding of the lease pool was provided by the issuance of $150,126,000 Certificates of Participation by the Association. The Association passed the net proceeds through to the participating municipalities with the City of Rome's participation totaling $4,527,000. The lease pool agreement with the Association provides that the City owns their portion of the assets invested by the pool and is responsible for the payment of their portion of the principal and interest of the Certificates of Participation. The principal of $4,527,000 is due in a lump sum payment on June 1, 2028. Interest is payable at a rate of 4.75% each year. The City draws from the investment account to lease equipment from the Association. The lease pool agreement requires the City to make lease payments back into its investment account to fund the principal and interest requirements of the 1998 GMA Certificates of Participation.

NOTE III - DETAILED NOTES ON ALL FUNDS – Continued

E. Long-Term Debt – Continued

4. Certificates of Participation –Georgia Municipal Association - Continued

As part of the issuance of the certificates of participation, the City entered into an interest rate swap agreement. Under the Swap Agreement, the City is required to pay (1) a semiannual (and beginning July 1, 2003, a monthly) floating rate of interest based on the Securities Industry and Financial Markets Association (SIFMA) Municipal Swap Index (plus a 31 basis points spread) to, or on behalf of, the Swap Counterparty (the "Swap Payment"); and the Swap Counterparty will pay to, or on behalf of, the City a semi-annual payment based on a rate equal to the fixed rate on the certificates of participation (4.75%) times a notional amount specified in the Swap Agreement, but generally equal to the outstanding unpaid principal portion of such Contract, less the amount originally deposited in the Reserve Fund relating to the Contract, and (ii) a one-time Swap Premium to be paid on the effective date of the Swap Agreement. The semiannual payments from the Swap Counterparty with respect to the City are structured, and expected, to be sufficient to make all interest payments due under the Contract, and related distributions of interest on the Certificates. Monthly interest payments between the City, the holders of the Certificates of Participation, and the Swap Counterparty can be made in net settlement form as part of this agreement. Under the Swap Agreement, the City's obligation to pay floating payments to the Swap Counterparty in any calendar year may not exceed an amount equal to the SIFMA Municipal Swap Index plus .05% to be determined on the first business day of December in the preceding year. This agreement matures on June 1, 2028, at the same time of the certificates of participation. This derivative qualifies as a fair market hedge.

In the unlikely event that the Swap Counterparty becomes insolvent, or fails to make payments as specified in the Swap Agreement, the City would be exposed to credit risk in the amount of the Swap's fair value. To minimize this risk, the City executed this agreement with counterparties of appropriate credit strength, with the counterparty being rated Aa3 by Moody's. At December 31, 2014, the floating rate being paid by the City is 0.349% and the market value of this agreement is $1,268,126, an increase of $460,871 from the market value at the end of the previous fiscal year. The market value of the hedge was determined using settlement prices at the end of the day on December 31, 2014 based on the derivative contract. This market value is reported as another asset in the statement of net position. As this derivative is an effective hedge, qualifying for hedge accounting, the inflow from the hedge (any change in fair value from inception until fiscal year end) is deferred and reported as a deferred inflow of resources in the statement of net position.

5. Debt Service to Maturity for all Bond Issues

	Water and Sewer		Golf		GMA COP		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2015	$ 614,000	$ 1,649,395	$ 310,000	$ 150,775	$ -	$ 215,032	$ 924,000	$ 2,015,202
2016	5,837,000	1,536,209	325,000	138,375	-	215,032	6,162,000	1,889,616
2017	4,877,000	1,358,923	330,000	125,375	-	215,032	5,207,000	1,699,330
2018	5,021,000	1,217,270	350,000	112,175	-	215,032	5,371,000	1,544,477
2019	5,206,000	1,027,741	365,000	98,175	-	215,032	5,571,000	1,340,948
2020-2024	17,488,000	1,832,088	2,025,000	273,075	-	1,075,160	19,513,000	3,180,323
2025-2028	1,605,000	72,866	-	-	4,527,000	860,128	6,132,000	932,994
	$ 40,648,000	$ 8,694,492	$ 3,705,000	$ 897,950	$ 4,527,000	$ 3,010,448	$ 48,880,000	$ 12,602,890

NOTE III - DETAILED NOTES ON ALL FUNDS – Continued

E. Long-Term Debt - Continued

6. Notes Payable and Intergovernmental Agreement

In 2013, the City entered into an agreement with the Georgia Environmental Finance Authority (GEFA) and the State Revolving Loan Fund to finance the construction and improvements of various water and sewer facilities. As of December 31, 2014, the City had entered into one (1) such loan agreement with a loan balance of $2,455,990.

The following is a schedule of the future required principal and interest payments on the GEFA loan agreements as of December 31, 2014.

Year Issued	Interest Rate (%)	Issue Date	Maturity Date	Authorized and Issued	Retired	Outstanding	Current	Long-Term
2013	2.13%	12/31/2014	1/1/2035	$ 2,455,990	$ -	$ 2,455,990	$ 91,192	$ 2,364,798

In 2008, Floyd County issued debt in the amount of $7,880,000 (City's portion $3,940,000) at an interest rate between 3.10% to 5.00%, in order to finance the costs of constructing the Forum parking deck. The City of Rome purchased one half of the project through an intergovernmental agreement from Floyd County and agreed to make installment payments to pay one half of the principal and interest on the debt when due. One half of the total project was capitalized on the City's books. In 2014, Floyd County advance refunded the original debt prior to the expiration of the intergovernmental agreement, in which the perceived economic advantages of the refunding are passed through to the City of Rome. The City adjusted the intergovernmental payable to the present value of future minimum payments in the revised agreement which resulted in a deferred charge on refunding to be amortized as a component of interest expenditures straight-line over the remaining life of the agreement.

The City has also entered into an agreement with three property owners to purchase property for $1,675,000 at an interest rate of 5%. The City renegotiated the payment schedule with the final payment to be made in fiscal year 2018. In 2010, the City issued debt in the amount of $571,600 at an interest rate of 5.83% per annum, in order to provide funds to pay certain redevelopment costs within, TAD II.

NOTE III - DETAILED NOTES ON ALL FUNDS – Continued

E. Long-Term Debt - Continued

6. Notes Payable - Continued

The following is a schedule of the future required principal and interest payments on the intergovernmental agreement as of December 31, 2014.

	Governmental Activities		
Year Ended December 31,	**Principal**	**Interest**	**Total**
2015	$ 142,500	$ 124,890	$ 267,390
2016	150,000	118,215	268,215
2017	155,000	111,165	266,165
2018	162,500	104,015	266,515
2019	170,000	97,515	267,515
2020-2024	930,000	404,885	1,334,885
2025-2029	1,070,000	268,613	1,338,613
2030-2033	750,000	60,800	810,800
Total	3,530,000	$ 1,290,098	$ 4,820,098
Less current maturities	142,500		
Long-term	$ 3,387,500		

The following is a schedule of the future required principal and interest payments on the notes payable as of December 31, 2014.

	Governmental Activities			Business-type Activities		
Year Ended December 31,	**Principal**	**Interest**	**Total**	**Principal**	**Interest**	**Total**
2015	$ 211,251	$ 60,669	$ 271,920	$ 91,192	$ 51,583	$ 142,775
2016	222,077	49,847	271,924	101,532	49,383	150,915
2017	233,452	38,468	271,920	103,716	47,199	150,915
2018	206,853	26,508	233,361	105,947	44,968	150,915
2019	39,145	15,855	55,000	108,225	42,689	150,914
2020-2024	232,745	42,255	275,000	577,062	177,511	754,573
2025-2029	-	-	-	641,850	112,723	754,573
2030-2034	-	-	-	713,913	40,660	754,573
2035	-	-	-	12,553	23	12,576
Total	1,145,523	$ 233,602	$ 1,379,125	2,455,990	$ 566,739	$ 3,022,729
Less current maturities	211,251			91,192		
Long-term	$ 934,272			$ 2,364,798		

NOTE III - DETAILED NOTES ON ALL FUNDS – Continued

E. Long-Term Debt - Continued

7. Capital Leases

The City leases certain equipment. Interest on these leases is paid monthly and principal is paid annually. The City has entered into several lease agreements with BB&T and SunTrust. These bear interest rates ranging from 2.96% to 3.99%. Interest is paid semiannually and principal is paid annually. Capital lease payments are reflected as debt service expenditures at the governmental fund reporting level. The balances of all leases at December 31, 2014 are $10,435 and $348,839 for governmental and business type activities, respectively. Annual depreciation of these assets is included in depreciation expense.

Total assets acquired through capital leases are as follows:

	Governmental Activities	Business-Type Activities
Asset		
Machinery and equipment	$ 1,085,882	$ 1,067,629
Vehicles	200,333	3,079,326
Less accumulated depreciation	(390,995)	(1,421,569)
Total	$ 895,220	$ 2,725,386

The following is a schedule of the future minimum lease payments under the City's capital leases together with the present value of the net minimum lease payments as of December 31, 2014.

Year ending December 31,	Governmental Activities	Business-Type Activities	Total
2015	$ 10,804	$ 121,138	$ 131,942
2016	-	121,138	121,138
2017	-	121,138	121,138
Total minimum lease payments	10,804	363,414	374,218
Less amounts representing interest	369	14,575	14,944
Present value of minimum lease payments	$ 10,435	$ 348,839	$ 359,274

NOTE III - DETAILED NOTES ON ALL FUNDS - Continued

E. Long-Term Debt - Continued

7. Capital Leases - Continued

Component Unit - Rome Board of Education

Through an agency agreement, the School System became liable for $2,000,000 of Quality Zone Academy Bonds which are interest free and mature on July 15, 2018. Beginning July 15, 2005, the School System made the five annual installments of $257,531 which are invested into a sinking fund which will be used to retire the bonds at maturity. Payments for this debt are to be made from current Special Purpose Local Option Sales Tax proceeds. In addition, repayment of this debt is guaranteed by the full faith and credit and taxing power of the City of Rome and the School System.

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NOTE III - DETAILED NOTES ON ALL FUNDS - Continued

E. Long-Term Debt – Continued

8. Changes in Long – Term Debt of the City

The following is a summary of changes in long-term debt of the City for fiscal year ended December 31, 2014. The General Fund has typically been used to liquidate the liability for compensated absences, notes payable and other long-term liabilities in the governmental activities.

	Balance 12/31/2013	Additions	Deletions	Balance 12/31/2014	Due within one year	Due in more than one year
Governmental Activities:						
Certificates of Participation	$ 4,527,000	$ -	$ -	$ 4,527,000	$ -	$ 4,527,000
Capital Lease Obligations	20,513	-	10,078	10,435	10,435	-
Notes Payable	1,346,481	-	200,958	1,145,523	211,251	934,272
Net OPEB Obligation	1,889,226	1,100,376	1,278,953	1,710,649	-	1,710,649
Intergovernmental Agreements	3,540,000	3,695,000	3,705,000	3,530,000	142,500	3,387,500
Compensated Absences	898,928	702,543	641,708	959,763	719,822	239,941
Total Governmental Activities	$ 12,222,148	$ 5,497,919	$ 5,836,697	$ 11,883,370	$ 1,084,008	$ 10,799,362
Business-Type Activities:						
Revenue Bonds	$ 50,214,000	$ -	$ 5,861,000	$ 44,353,000	$ 924,000	$ 43,429,000
Unamortized bond premium	4,027,352	-	724,922	3,302,430	-	3,302,430
Notes Payable	1,336,382	1,119,608	-	2,455,990	91,192	2,364,798
Capital Lease Obligations	460,424	-	111,585	348,839	113,900	234,939
Landfill Closure / Postclosure	8,826,162	129,572	47,324	8,908,410	226,209	8,682,201
Compensated Absences	1,441,641	1,085,244	1,261,836	1,265,049	948,787	316,262
Total Business-Type Activities	$ 66,305,961	$ 2,334,424	$ 8,006,667	$ 60,633,718	$ 2,304,088	$ 58,329,630

NOTE III - DETAILED NOTES ON ALL FUNDS - Continued

E. Long-Term Debt – Continued

8. Changes in Long – Term Debt of the City - Continued

Component Unit	Balance 12/31/2013	Additions	Deletions	Balance 12/31/2014	Due within one year	Due in more than one year
Greater Rome Convention & Visitors Bureau						
Compensated Absences	$ 26,549	$ 22,037	$ 14,075	$ 34,511	$ 25,883	$ 8,628
Total Greater Rome Convention and Visitors Bureau	$ 26,549	$ 22,037	$ 14,075	$ 34,511	$ 25,883	$ 8,628

Component Unit Rome Board of Education	Balance 6/30/2013	Additions	Deletions	Balance 6/30/2014	Due within one year	Due in more than one year
Construction Bonds	$ 2,000,000	$ -	$ -	$ 2,000,000	$ -	$ 2,000,000
Compensated Absences	18,029	138,020	100,126	55,923	55,923	-
Total Rome Board of Education	$ 2,018,029	$ 138,020	$ 100,126	$ 2,055,923	$ 55,923	$ 2,000,000

NOTE III - DETAILED NOTES ON ALL FUNDS - Continued

F. Pension Plans

1. City of Rome

a) Plan Description

The City participates in a defined benefit agent multiple-employer retirement plan which is administered through the Georgia Municipal Employees Benefit System (GMEBS). The GMEBS acts as a common investment and administrative agent for cities in the State of Georgia. The Georgia Municipal Association issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS. That report may be obtained by writing to Georgia Municipal Association, Risk Management and Employee Benefit Services, 201 Pryor Street, SW, Atlanta, Georgia 30303 or by calling (404) 688-0472.

Plan benefit provisions are established by the City Commission. Employees are eligible to participate in the Plan after three months of continuous service. Covered employees are not required to contribute to the Plan. Employees become vested after 10 years of service. The benefits of the Plan are paid in the form of a monthly life annuity based on the employees' final average earnings. Benefits are calculated at 1.35% to 2.0% of the average monthly earnings for the period of the five highest years prior to retirement. Normal retirement age is 60 if employed prior to April 1, 1958, 62 if participant has 25 or more years of service, and 65 if employed on or after April 1, 1958 with less than 25 years of service.

As of July 1, 2014, the date of the most recent actuarial valuation, the Plan membership included the following categories of participants.

Retirees and beneficiaries receiving benefits	315
Terminated vested participants not yet receiving benefits	108
Active participants	364
Total membership	787

NOTE III - DETAILED NOTES ON ALL FUNDS - Continued

F. Pension Plans - Continued

1. City of Rome - Continued

b) Funding Policy

City contributions to the Plan are authorized and may be amended by the City Commission. The City's contributions to the Plan are primarily based upon annual actuarial valuations. The City's funding policy provides for annual contributions at actuarially determined rates that are sufficient to accumulate sufficient assets to pay benefits when due. The City's contributions are determined under the projected unit credit actuarial method. The City's funding policy is to contribute the normal cost for the current year plus (1) the amount to amortize the remainder of the initial unfunded actuarial accrued liability over 30 years from 1982 and (2) current changes in the unfunded actuarial accrued 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. These amortization periods, if applicable, are closed for this Plan year. Significant actuarial assumptions used in the valuation include (a) rate of return on the investment of present and future assets of 7.75% a year compounded annually (b) projected salary increases of 3.5% a year compounded annually (3% for inflation and 0.5% for merit or seniority) and (c) no postretirement benefit increases. The actuarial value of assets is determined by rolling forward prior year's actuarial value with contributions, disbursements and expected return on investments, plus 10% of investment gains (losses) during 10 prior years.

c) Annual Pension Cost

The City's annual pension cost and net pension asset for 2014 were computed as follows:

Annual required contribution	$	2,897,177
Interest on net pension asset		(265,637)
Adjustment to annual required contribution		287,067
Annual pension cost		2,918,607
Contributions made		2,984,842
Increase in net pension asset		66,235
Net pension asset beginning of year	$	3,427,579
Net pension asset end of year	$	3,493,814

NOTE III - DETAILED NOTES ON ALL FUNDS - Continued

F. Pension Plans - Continued

1. City of Rome - Continued

c) Annual Pension Cost Trend - Continued

The chart below shows the annual pension cost for the current year and prior two years along with the percentage actually contributed by the City.

Year Ended December 31,	Annual Required Contribution (ARC)	Percentage of ARC Contributed	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Asset
2012	$ 2,946,663	100%	$ 2,968,363	99%	$ 3,449,143
2013	2,939,312	100%	2,960,876	100%	3,427,579
2014	2,897,177	103%	2,918,607	102%	3,493,814

The net pension asset is recognized for financial reporting purposes only at the government wide financial statements.

d) Schedule of Funding Progress

As of the most recent valuation date, July 1, 2014, the funded status of the Plan was as follows:

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded/ (Surplus) AAL (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as a Percentage of Covered Payroll
7/1/2014	$ 63,009,440	$ 73,204,543	$ 10,195,103	86.07%	$ 22,036,073	46.27%

The required schedule of funding progress immediately following the notes to the financial statements presents multiyear trend information about whether the actuarial value of the Plan assets is increasing or decreasing over time relative to the actuarial accrued liability.

NOTE III - DETAILED NOTES ON ALL FUNDS - Continued

F. Pension Plans - Continued

1. City of Rome - Continued

d) Schedule of Funding Progress - Continued

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of July 1, 2014.

2. City of Rome Defined Contribution Plan

a) Plan Description

The City participates in the Georgia Municipal Association 401(a) Defined Contribution Plan which is administered through the Georgia Municipal Association (GMA). The Plan is a governmental qualified defined contribution plan under Sections 401(a) and 414(d) of the Internal Revenue Code.

Employees are eligible to participate in the Plan after three months of continuous service. Covered employees are not required or permitted to contribute to the Plan. Vesting in the employer contribution portion of their accounts is based on years of participation. An employee is 100% vested after five years of participation. The City may amend any of the provisions in the adoption agreement with GMA by an official action from the City Commission and approval of GMA.

The City's contributions will be made to match all or a portion of an employee's contribution to an eligible 457(b) deferred compensation plan, including the GMA Deferred Compensation Plan. For each pay period in which the employee contributes to a 457 Plan of the City, the City will contribute on a dollar for dollar matching basis up to a maximum of 1¼ % of salary per Plan year. City contributions to the Plan for the year ended December 31, 2014 totaled $208,674.

3. Component Unit - Rome Board of Education

Teachers Retirement System of Georgia (TRS)

a) Plan Description

The TRS is a cost-sharing multiple-employer defined benefit plan created in 1943 by an act of the Georgia General Assembly to provide retirement benefits for qualifying employees in educational service. A Board of Trustees comprised of active and retired members and ex-officio State employees are ultimately responsible for the administration of TRS. The Teachers Retirement System of Georgia issues a separate stand alone financial audit report and a copy can be obtained from the Teachers Retirement System of Georgia, Two Northside 75, Suite 100, Atlanta, GA 30318.

NOTE III - DETAILED NOTES ON ALL FUNDS - Continued

F. Pension Plans - Continued

3. Component Unit - Rome Board of Education – Continued

Teachers Retirement System of Georgia (TRS) – Continued

a) Plan Description– Continued

On October 25, 1996, the Board created the Supplemental Retirement Benefits Plan of the Georgia Teachers Retirement System (SRBP-TRS). SRPB-TRS was established as a qualified excess benefit plan in accordance with Section 415 of the Internal Revenue Code (IRC) as a portion of TRS. The purpose of SRBP-TRS is to provide retirement benefits to employees covered by TRS whose benefits are otherwise limited by IRC Section 415. Beginning July 1, 1997, all members and retired former members in TRS are eligible to participate in the SRPB-TRS whenever their benefits under TRS exceed the IRC Section 415 imposed limitation on benefits.

TRS provides service retirement, disability retirement, and survivor's benefits. The benefit structure of TRS is defined and may be amended by State statute. A member is eligible for normal service retirement after 30 years of creditable service, regardless of age, or after 10 years of service and attainment of age 60. A member is eligible for early retirement after 25 years of creditable service.

Normal retirement (pension) benefits paid to members are equal to 2% of the average of the member's two highest paid consecutive years of service, multiplied by the number of years of creditable service up to 40 years. Early retirement benefits are reduced by the lesser of one-twelfth of 7% for each month the member is below age 60 or by 7% for each year or fraction thereof by which the member has less than 30 years of service. It is also assumed that certain cost-of-living adjustments, based on the Consumer Price Index, will be made in future years. Retirement benefits are payable monthly for life. A member may elect to receive a partial lump-sum distribution in addition to a reduced monthly retirement benefit. Death, disability and spousal benefits are also available.

b) Funding Policy

TRS is funded by member and employer contributions as adopted and amended by the Board of Trustees. Contributions for the current and previous two fiscal years are as follows.

Fiscal Year	Percentage Contributed	Required Contribution
2014	100%	$ 3,324,926
2013	100%	2,993,257
2012	100%	2,845,942

NOTE III - DETAILED NOTES ON ALL FUNDS - Continued

F. Pension Plans - Continued

3. Component Unit - Rome Board of Education - Continued

Public School Employees Retirement System of Georgia (PSERS)

a) Plan Description

Substantially all bus drivers, maintenance, custodial, and lunchroom personnel employed by the District are members of the Public School Employees Retirement System of Georgia (PSERS), which is also a cost-sharing multiple employer public employee retirement system. The Board of the Public School Employees Retirement System of Georgia issues a publicly available financial report that includes financial statements and supplementary information for PSERS. That report may be obtained by writing Public School Employee Retirement System, Two Northside 75, Atlanta, Georgia 30318-7778, or by calling 1-800-805-4609.

PSERS provides service retirement, disability retirement and survivor's benefits for its members. A member is eligible for normal service retirement after 10 years of service and attainment of age 65. A member applying for service retirement with 10 years of service and retirees between the ages of 60 and 65 receive a reduced benefit. Monthly retirement benefits paid to members are equal to eight dollars per month multiplied by the number of years of creditable service. Retirement provisions include death and disability benefits. Benefits are established by State statute.

Existing employees are required by State statute to contribute four dollars per month for the nine month school year. New eligible employees are required by State statute to contribute ten dollars per month for the nine month school year effective July 1, 2012. Unlike TRS, the School System makes no contribution to PSERS. Total contributions from employees of the School System were $4,572; $4,190; and $3,696 for the fiscal years ended June 30, 2014, 2013, and 2012, respectively.

The State of Georgia is required by statute to make an annual contribution to PSERS based upon an actuarial calculation. The State's contribution for School System employees was $62,971; $60,889; and $39,141 for the fiscal years ended June 30, 2014, 2013, and 2012, respectively.

Members become fully vested after 10 years of service. If a member terminates with less than 10 years of service, no vesting of employer contributions occurs, but the member's contributions are refunded with interest. There were 96, 100, and 96 employees (members) covered under PSERS for the fiscal years ended June 30, 2014, 2013, and 2012, respectively.

NOTE III - DETAILED NOTES ON ALL FUNDS – Continued

G. Post-Retirement Health Care and Life Insurance Benefits

In accordance with GASB 45 requirements, the City of Rome is required to attribute the cost of postretirement benefits to the time during which the employee is working for the employer. GASB 45 requires allocation of the costs of a post-retirement benefit plan onto the years of active employment; it does not require the funding of such benefits. GASB 45 requirements were implemented by the City of Rome as of the year ended December 31, 2009. The City has elected not to establish a separate trust fund to account for other post-employment benefits, and has not funded the Plan as of December 31, 2014. The City of Rome Retirement Pension Insurance Plan is a single-employer defined benefit post-employment health care plan or other post employment benefit (OPEB) plan.

The Rome City Commission has contracted with the Standard Insurance Company to administer post retirement life insurance benefits to all employees who retire under early or normal retirement provisions. There are no separately issued financial statements related to the City's Plan. The City's obligation to provide these benefits was created under a City ordinance. At age 65, life insurance coverage is reduced to 65% of the amount previously allowed under the Plan and at age 70, the coverage is reduced to 50% of the amount previously allowed under the Plan.

The City of Rome currently contracts with Blue Cross Blue Shield to administer the post retirement health care benefits. The City's obligation to provide these benefits was created under a City ordinance. Upon termination of employment, eligible employees are entitled to continue coverage, at their own cost, under the City's medical self-insurance plan (Note H.1). After 15 years of service, the City pays 10% of the retiree's share of charges from the City's medical self-insurance fund and life insurance carriers. The City's portion is increased 1% for each year of service to a maximum of 30%. For any employee hired after January 1, 2006, they are not eligible for post-retirement health benefits. Currently, 100 retirees are enrolled in post-retirement health care benefits. These post-retirement benefits are funded on a pay-as-you-go-basis. In 2014, the net cost of premiums for providing post-retirement benefits for retirees was approximately $278,274.

Membership

The following schedule (derived from the most recent actuarial valuation report) reflects membership for the OPEB Health Care Plan as of July 1, 2014.

Active members	552
Retired members	220
Total	772

Contributions

The City's Health Insurance Fund contributed $1,278,953 to the OPEB Health Care Plan in fiscal year 2014. The annual required contribution amount is determined using actuarial methods and assumptions approved by the Commission. The Commission established and may amend the funding policy for the OPEB Health Care Plan.

Annual Required Contribution	$ 1,163,118
Interest on Existing NOO	75,569
ARC Adjustment	(138,311)
Annual OPEB Cost	1,100,376
Actual Contributions made	1,278,953
Decrease in net OPEB obligation	(178,577)
Net OPEB Liability, December 31, 2013	1,889,226
Net OPEB Liability, December 31, 2014	$ 1,710,649

City of Rome, Georgia

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2014

NOTE III - DETAILED NOTES ON ALL FUNDS – Continued

G. Post-Retirement Health Care and Life Insurance Benefits - Continued

OPEB Health Care Plan

Fiscal Year Ended December 31,	(1) Annual OPEB Cost	(2) Actual OPEB Contribution	(3) Percentage of OPEB Cost Contributed	Net OPEB Obligation
2012	$ 1,028,411	$ 1,061,455	103.21%	$ 2,301,966
2013	1,027,089	1,439,828	140.19%	1,889,226
2014	1,100,376	1,278,953	116.23%	1,710,649

As of the most recent valuation date, July 1, 2014, the funded status of the OPEB Health Care Plan was as follows:

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (ALL)	Unfunded ALL (UALL)	Funded Ratio	Covered Payroll	UALL as a Percentage of Covered Payroll
7/1/2014	$ -	$ 10,962,835	$ 10,962,835	0%	$ 21,730,248	50.45%

The required schedule of funding progress immediately following the notes to the financial statements presents multi-year trend information about whether the actuarial value of the Plan assets is increasing or decreasing over time relative to the actuarial accrued liability. Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continued revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the plan in effect at July 1, 2014. The assumptions used in the July 1, 2014 actuarial valuation are as follows:

Cost Method	Projected Unit Credit
Actuarial Asset Valuation Method	Market Value of Assets
Assumed Rate of Return on Investments	4.00%
Inflation Rate	3.00%
Medical Cost Trend Rate	7.00%
Ultimate Medical Cost Trend Rate	5.00%
Year of Ultimate Trend Rate	2020
Amortization Method	Level dollar, closed
Remaining Amortization Period	19 years
Payroll Inflation Rate	3.00%

NOTE III - DETAILED NOTES ON ALL FUNDS – Continued

H. Risk Management

The City 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 purchases commercial insurance for claims in excess of workers' compensation and medical care coverage provided by its internal service funds. The City participates in an insurance pool for all other risks of loss. Settled claims have not exceeded insurance coverage in any of the past three fiscal years.

The City participates in the Georgia Interlocal Risk Management Agency (GIRMA) Fund (the "Fund"). The Fund was established by the Georgia Municipal Association to insure members for property and casualty losses. The Fund is obligated to provide for the cost of property and casualty losses incurred by the City along with the cost of defending such claims and losses. The Fund is intended to be self-sustaining through member premiums. Accordingly, the City is required to pay premiums to the Fund based upon estimated claims and losses incurred by all members of the Fund. The City is responsible for a pro rata share of fund losses that exceed member contributions.

1. Health Insurance Fund

The Health Insurance Fund was established to provide resources for and payment of employee medical claims. The Fund covers all of the City's employees and employees of the Greater Rome Visitors and Convention Bureau component unit. The City pays approximately 85% of the employee's premiums and approximately 75% of dependent medical premiums. The City's portion of the medical premiums is transferred to the self-insurance fund each month. The employee's portion of the medical premiums are withheld from the employee's payroll and transferred to the self-insurance fund each month. Charges to other funds and the component units are treated as operating revenues in the self-insurance fund.

The self-insurance program is designed so that the City pays actual aggregate claims up to 110% of annual projected claims. Projected maximum claims for the Plan year beginning January 1, 2014 total $7,716,274. After the City's paid claims reach 110% of the annual projected claims, a private insurance carrier will pay the next $1,000,000 of claims. If the private insurance were to be exhausted, the City would be liable for any additional claims filed during the year. In addition to the annual limit, claims for any one claim which exceed $150,000 in the annual claims year will be covered by the private insurance carrier. The City has entered into a contract with a third party to administer the program.

The City has accrued a liability for medical claims that were incurred prior to year-end but were not paid or reported during the period. This liability is based upon historical experience and other factors. Changes in the balances of claims liabilities were as follows:

	Beginning of Fiscal-Year Liability	Current-Year Claims and Changes in Estimates	Claim Payments	End of Fiscal-Year Liability
2013	$ 465,000	$ 5,783,566	$ (5,783,566)	$ 465,000
2014	465,000	6,215,249	(5,845,249)	835,000

NOTE III - DETAILED NOTES ON ALL FUNDS – Continued

H. Risk Management - Continued

2. Workers' Compensation Self-Insurance Fund

The Workers' Compensation Fund was established to provide resources for payment of workers' compensation claims to the City and Greater Rome Convention & Visitors Bureau component unit employees. Individual departments and component units were charged for workers' compensation based upon previous insurance carriers' cost charges. Charges to other funds and component units are treated as operating revenues in the self-insurance fund. As of January 1, 2002, the City became fully insured through participation in the GMA Workers Compensation risk pool. This pool operates as a common risk management and insurance program for member local governments. As part of this risks pool, the City is obligated to pay all contributions and assessments as prescribed by the pool, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the fund, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the fund being required to pay any claims or loss. The City is also to allow the pool's agents and attorneys to represent the City in investigation, settlement discussions and all levels of litigation arising out of any claim made against the City within the scope of loss protection furnished by the funds. The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member governments' contracts and in accordance with the workers' compensation laws of Georgia. The funds are to pay all cost taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense. Therefore, the City is not liable for workers' compensation claims occurring subsequent to January 1, 2002. However, the City continues to be responsible for outstanding claims filed prior to January 1, 2002. There is a stop-loss limit of $250,000 per claim covered through a private insurance carrier. Also, during 2014, the City recorded a reimbursement of $198,566 from the Subsequent Injury Trust Fund of the State.

The City has accrued a liability for workers' compensation claims that were incurred prior to January 1, 2002, but were not paid as of December 31, 2014. Also included in the accrued liability for workers' compensation claims are the outstanding deductibles owed by the City for all current claims. This liability is based upon historical experience and other factors. Changes in the balances of claims liabilities were as follows:

	Beginning of Fiscal-Year Liability	Current-Year Claims and Changes in Estimates	Claim Payments	End of Fiscal-Year Liability
2013	$ 200,000	$ 721,854	$ (635,854)	$ 286,000
2014	286,000	493,478	(484,478)	295,000

NOTE III - DETAILED NOTES ON ALL FUNDS - Continued

I. Contingent Liabilities

The City is involved in a number of legal matters, which either have or could result in litigation. In the opinion of City management, the ultimate outcome of these contingencies will not have a material impact on the financial position of the City.

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

J. Landfill Closure and Postclosure Care Cost

The City has closed and placed a final cover on its Walker Mountain Phase I - III landfill site and is currently operating Phases IV, V, VI and VII sites and C&D construction and demolition Phase I site. State and Federal laws and regulations require the City to perform certain maintenance and monitoring functions at these sites for 30 years after closure. Although these postclosure care costs will be paid only after the date that the landfill stops accepting waste, the City has reported these postclosure care costs as an operating expense in the current and prior years based on landfill capacity used as of each statement of net position date. The $2,526,142 ($122,755 current) reported as postclosure care liability at December 31, 2014, represents the cumulative amount reported to date based on the use of 100% of the capacity of Phase I - VI of the landfill and 48% of the capacity of Phase VII. The $1,277,719 ($44,365 current) reported as postclosure care liability at December 31, 2014 represents the cumulative amount reported to date based on the use of 96% of the capacity of Phase I of C&D. In addition, $3,922,769 has been accrued at December 31, 2014 for closure costs for Phases IV, V, VI, and VII and the C&D sites based on the landfill capacity used as of the statement of net position date. The estimated remaining life of the Walker Mountain landfill is 30 years.

Under an agreement with Floyd County, the County will provide certain financial resources to the City's Solid Waste Commission Fund and the Solid Waste Commission Fund will pay for the post closure care costs at a landfill site previously operated by the County (Berryhill site). Accordingly, a liability for postclosure costs totaling $1,181,780 ($59,089 current) has been recognized in the Solid Waste Commission Fund as of December 31, 2014. This represents approximately 100 percent of the estimated total future postclosure costs for this landfill site.

The liability for closure and postclosure care costs is based on what it would cost to perform all closure and postclosure care as of December 31, 2014 and is subject to changes resulting from inflation, deflation, technology or changes in laws or regulations. These costs are expected to be funded by revenues generated from future landfill operations. The Subtitle D landfill is jointly owned by the City and Floyd County and is operated by the Solid Waste Commission Fund. This fund is intended to be self-supporting by user fees. However, under a contract between the City and the County, the City and County are each responsible for fifty percent of any costs not funded by user fees.

NOTE III - DETAILED NOTES ON ALL FUNDS - Continued

K. Joint Venture

Under Georgia law, the City in conjunction with other cities and counties in the Northwest Georgia area, is a member of the North West Georgia Regional Commission (NWGRC). Membership in a NWGRC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the NWGRC. Membership in the NWGRC includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of a NWGRC. During fiscal year 2014, the City paid dues in the amount of $35,973 to the NWGRC. The financial burdens of the City related to the NWGRC are limited to the amount of the City's annual dues. Separate financial statements may be obtained from the Northwest Georgia Regional Commission, PO Box 1798, Rome, Georgia 30162.

L. Hotel/Motel Tax

The City of Rome levies a 8% lodging tax. In 1995, the City of Rome and Floyd County imposed a 1% tax for the purpose of promoting tourism, conventions and trade shows. In July 2014, the lodging tax was increased to 8%. The additional 2% is for operations and maintenance of the Tennis Center. A summary of transactions for the fiscal year ended December 31, 2014 is as follows:

	5% Levy	1% Levy	2% Levy
Balance as of December 31, 2013	$ 169,031	$ 37,743	$ -
2014 Tax Revenues	648,403	129,689	117,283
2014 Interest Revenue	78	16	-
2014 Miscellaneous Revenue	3,113	639	-
2014 Expenditures			
Greater Rome Convention & Visitors Bureau	480,000	35,412	-
City of Rome	89,646	5,000	-
Floyd County	-	97,266	-
Transfer to Tennis Center	-	-	117,283
Balance as of December 31, 2014	$ 250,979	$ 30,409	$ -

Expenditures paid with the 1% hotel/motel tax were used to promote tourism, conventions and trade shows as required by O.C.G.A. 48-13-51. Expenditures of $137,678 made during 2014 were 106.2% of total 2014 1% tax collections and expenditures of $569,645 were 87.9% of 2014 5% tax collections.

NOTE III - DETAILED NOTES ON ALL FUNDS – Continued

M. Related Organizations

The Rome City Commission is responsible for appointing all board members of the Northwest Georgia Housing Authority. However, the City has no further accountability for the Authority.

N. Short Term Debt

In anticipation of tax receipts in November, the City of Rome issued $7,500,000 of Tax Anticipation Notes in May of 2014. These notes matured and were paid in full on December 30, 2014. Interest expense of $25,231 was paid on the borrowings.

Fiscal Year Beginning Balance	Additions	Deletions	Ending Fiscal Year Balance
-	$7,500,000	$7,500,000	-

O. Agency Agreement

In May of 2004, the School Building Authority was created by an act of the General Assembly of the State of Georgia. This Authority is a separate legal entity whose sole purpose was to issue Quality Zone Academy Bonds for the School System.

In June 2004, the City of Rome, through the City of Rome School Building Authority entered into an agency agreement with the School System.

This agency agreement authorizes the School System as the agent of the Building Authority for the specific purpose of constructing the school improvement projects as outlined in the agreement. The School System will become liable for $2,000,000 of Quality Zone Academy Bonds which are interest free and mature on July 15, 2018. Beginning July 15, 2005, the School System made two of the five annual installments of $257,531 which are invested into a sinking fund which will be used to retire the bonds at maturity. Payments for this debt are to be made from current Special Purpose Local Option Sales Tax proceeds. In addition, repayment of this debt is guaranteed by the full faith and credit and taxing power of the City of Rome and the School System.

P. Construction Commitments

The City of Rome has a couple of active construction projects as of December 31, 2014. These projects are associated with water and sewer improvements and public works construction. They are all financed with SPLOST proceeds and GEFA loans.

Project	Remaining Commitment
Cresent Avenue Bridge	$ 241,687
Water Digester Replacement	689,836

REQUIRED SUPPLEMENTARY INFORMATION

The City of Rome General Fund schedule of revenues and expenditures, budget and actual is presented as required supplementary information to the basic financial statements. The General Fund is the primary operating fund of the City and is presented as a major fund in the basic financial statements.

The City of Rome Schedules of Funding Progress for the OPEB Health Care Plan and GMEBS Plan are presented as required supplementary information to the basic financial statements.

CITY OF ROME, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES & EXPENDITURES
BUDGET AND ACTUAL
For the Year Ended December 31, 2014

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES:				
Ad valorem taxes:				
Real and personal property:				
Current year	$ 6,420,000	$ 6,600,000	$ 6,831,763	$ 231,763
Prior years	805,000	805,000	1,075,890	270,890
Public utilities	285,000	285,000	305,810	20,810
Motor vehicles	1,290,000	1,410,000	1,312,172	(97,828)
Mobile homes	2,000	2,000	1,048	(952)
Timber tax	2,000	1,060	-	(1,060)
Total ad valorem taxes	8,804,000	9,103,060	9,526,683	423,623
Other taxes:				
Intangible tax	130,000	130,000	157,149	27,149
Insurance premium tax	1,900,000	1,950,000	1,958,156	8,156
Franchise tax	3,392,500	3,432,500	3,427,674	(4,826)
Local option sales tax	5,850,000	5,850,000	5,761,709	(88,291)
Real estate transfer tax	20,000	20,000	28,254	8,254
Tax on liquor and wine	800,000	800,000	797,744	(2,256)
Mixed drink tax	70,000	70,000	71,149	1,149
Total other taxes	12,162,500	12,252,500	12,201,835	(50,665)
Licenses, permits and fees:				
Business licenses	1,683,000	1,706,000	1,751,036	45,036
Permits and fees	86,000	86,000	62,023	(23,977)
Total licenses, permits and fees	1,769,000	1,792,000	1,813,059	21,059
Intergovernmental:				
Highway maintenance	122,000	122,000	157,490	35,490
Traffic signals	56,000	56,000	50,582	(5,418)
County environmental information	55,000	55,000	51,500	(3,500)
Entitlement reimbursement	5,000	5,000	46,410	41,410
Housing authority	50,000	50,000	50,657	657
Jail reimbursement	45,000	45,000	47,000	2,000
Total intergovernmental	333,000	333,000	403,639	70,639

continued

CITY OF ROME, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES & EXPENDITURES
BUDGET AND ACTUAL
For the Year Ended December 31, 2014

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
Fines and forfeitures:				
Police court fines and fees	$ 1,420,000	$ 1,420,000	$ 1,176,400	$ (243,600)
Total fines and forfeitures	1,420,000	1,420,000	1,176,400	(243,600)
Other revenues:				
Charges for services	22,000	22,000	134,117	112,117
Interest and costs	380,000	380,000	376,470	(3,530)
Cemetery revenue	150,000	150,000	166,375	16,375
Rent	315,000	315,000	77,650	(237,350)
Interest on investments	6,000	6,000	6,530	530
Miscellaneous revenue	25,000	25,000	75,448	50,448
Total other revenues	898,000	898,000	836,590	(61,410)
TOTAL REVENUES	25,386,500	25,798,560	25,958,206	159,646

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CITY OF ROME, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES & EXPENDITURES
BUDGET AND ACTUAL
For the Year Ended December 31, 2014

EXPENDITURES:	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
GENERAL GOVERNMENT				
City Commission:				
Personal services	$ 154,000	$ 154,200	$ 154,188	$ 12
Supplies	6,650	6,650	6,639	11
Other services and charges	38,550	44,000	43,863	137
Total City Commission	199,200	204,850	204,690	160
Municipal Court:				
Personal services	238,500	265,000	264,813	187
Supplies	2,500	9,500	9,286	214
Other services and charges	47,000	48,500	48,043	457
Total Municipal Court	288,000	323,000	322,142	858
Manager's Office:				
Personal services	271,030	298,000	297,935	65
Supplies	7,300	10,500	10,347	153
Other services and charges	8,490	8,000	7,767	233
Total Manager's Office	286,820	316,500	316,049	451
Clerk's Office:				
Personal services	358,760	342,000	341,910	90
Supplies	12,500	12,500	11,927	573
Other services and charges	15,150	15,150	15,089	61
Total Clerk's Office	386,410	369,650	368,926	724
Finance:				
Personal services	475,150	475,150	472,295	2,855
Supplies	12,160	12,160	8,777	3,383
Other services and charges	11,700	11,700	8,262	3,438
Total Finance	499,010	499,010	489,334	9,676

continued

CITY OF ROME, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES & EXPENDITURES
BUDGET AND ACTUAL
For the Year Ended December 31, 2014

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
Human Resources:				
Personal services	$ 252,600	$ 263,500	$ 263,386	$ 114
Supplies	12,100	11,000	10,565	435
Other services and charges	41,750	41,000	40,929	71
Total Human Resources	306,450	315,500	314,880	620
Purchasing:				
Personal services	284,340	284,340	283,475	865
Supplies	4,750	4,750	5,080	(330)
Other services and charges	7,970	7,970	15,133	(7,163)
Total Purchasing	297,060	297,060	303,688	(6,628)
Information Technology:				
Personal services	221,400	220,000	219,975	25
Supplies	45,000	59,000	58,773	227
Other services and charges	10,460	8,000	7,966	34
Total Information Technology	276,860	287,000	286,714	286
Business Systems Analyst:				
Personal services	88,310	90,000	89,628	372
Supplies	130,420	130,420	128,448	1,972
Other services and charges	3,940	3,940	4,542	(602)
Total Business Systems Analyst	222,670	224,360	222,618	1,742
Assistant City Manager:				
Personal services	126,900	100,000	96,206	3,794
Supplies	1,750	1,750	2,445	(695)
Other services and charges	13,850	13,850	14,617	(767)
Total Assistant City Manager	142,500	115,600	113,268	2,332
General Administration:				
Personal services	43,920	43,920	43,267	653
Supplies	23,000	23,000	10,416	12,584
Other services and charges	533,800	496,500	481,329	15,171
Total General Administration	600,720	563,420	535,012	28,408

continued

CITY OF ROME, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES & EXPENDITURES
BUDGET AND ACTUAL
For the Year Ended December 31, 2014

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
Total General Government:				
Personal services	$ 2,514,910	$ 2,536,110	$ 2,527,078	$ 9,032
Supplies	258,130	281,230	262,703	18,527
Other services and charges	732,660	698,610	687,540	11,070
TOTAL GENERAL GOVERNMENT	3,505,700	3,515,950	3,477,321	38,629
PUBLIC SAFETY				
Police:				
Personal services	6,603,830	6,500,000	6,352,083	147,917
Supplies	609,500	609,500	576,427	33,073
Other services and charges	298,070	298,070	354,645	(56,575)
Total Police	7,511,400	7,407,570	7,283,155	124,415
Police Training Center:				
Supplies	44,270	44,270	41,747	2,523
Other services and charges	72,700	72,700	72,305	395
Total Police Training Center	116,970	116,970	114,052	2,918
Total Public Safety:				
Personal services	6,603,830	6,500,000	6,352,083	147,917
Supplies	653,770	653,770	618,174	35,596
Other services and charges	370,770	370,770	426,950	(56,180)
TOTAL PUBLIC SAFETY	7,628,370	7,524,540	7,397,207	127,333
PUBLIC WORKS				
Public Works Office:				
Personal services	314,930	314,930	249,768	65,162
Supplies	15,600	15,600	20,563	(4,963)
Other services and charges	11,740	11,740	9,976	1,764
Total Public Works Office	342,270	342,270	280,307	61,963

continued

CITY OF ROME, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES & EXPENDITURES
BUDGET AND ACTUAL
For the Year Ended December 31, 2014

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
Engineering:				
Personal services	$ 436,720	$ 436,720	$ 400,476	$ 36,244
Supplies	21,250	21,250	21,675	(425)
Other services and charges	5,975	5,975	4,672	1,303
Total Engineering	463,945	463,945	426,823	37,122
Streets and Drainage:				
Personal services	1,588,010	1,588,010	1,541,766	46,244
Supplies	374,065	374,065	291,219	82,846
Other services and charges	59,400	59,400	73,937	(14,537)
Total Streets and Drainage	2,021,475	2,021,475	1,906,922	114,553
Clean It or Lien It Demolition:				
Supplies	20,000	20,000	(9,745)	29,745
Other services and charges	15,000	15,000	(11,084)	26,084
Total Clean It or Lien It Demolition	35,000	35,000	(20,829)	55,829
Electrical/Traffic Control:				
Personal services	826,600	854,000	853,460	540
Supplies	118,425	118,425	116,139	2,286
Other services and charges	60,440	63,000	62,112	888
Total Electrical/Traffic Control	1,005,465	1,035,425	1,031,711	3,714
Street Lighting:				
Supplies	3,000	3,000	1,216	1,784
Other services and charges	902,000	902,000	897,567	4,433
Total Street Lighting	905,000	905,000	898,783	6,217
Buildings and Grounds:				
Supplies	2,000	2,000	240	1,760
Other services and charges	2,500	2,500	1,837	663
Total Buildings and Grounds	4,500	4,500	2,077	2,423

continued

CITY OF ROME, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES & EXPENDITURES
BUDGET AND ACTUAL
For the Year Ended December 31, 2014

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
Cemetery:				
Personal services	$ 311,040	$ 311,040	$ 297,530	$ 13,510
Supplies	31,320	31,320	33,568	(2,248)
Other services and charges	23,890	23,890	30,430	(6,540)
Payments for inmate charges	42,000	42,000	45,850	(3,850)
Total Cemetery	408,250	408,250	407,378	872
Garage:				
Personal services	583,670	570,000	567,907	2,093
Supplies	79,420	79,420	77,656	1,764
Other services and charges	41,850	41,850	34,835	7,015
Total Garage	704,940	691,270	680,398	10,872
Total Public Works:				
Personal services	4,060,970	4,074,700	3,910,907	163,793
Supplies	665,080	665,080	552,531	112,549
Other services and charges	1,122,795	1,125,355	1,104,282	21,073
Payments	42,000	42,000	45,850	(3,850)
TOTAL PUBLIC WORKS	5,890,845	5,907,135	5,613,570	293,565
PUBLIC FACILITIES				
City Auditorium:				
Personal services	145,400	150,000	149,225	775
Supplies	51,750	60,000	59,441	559
Other services and charges	92,750	96,000	95,424	576
Total City Auditorium	289,900	306,000	304,090	1,910
Civic Center:				
Supplies	6,150	8,200	8,174	26
Other services and charges	20,350	30,000	29,274	726
Total Civic Center	26,500	38,200	37,448	752

continued

CITY OF ROME, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES & EXPENDITURES
BUDGET AND ACTUAL
For the Year Ended December 31, 2014

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
Other Facilities:				
Supplies	$ 38,650	$ 51,600	$ 47,320	$ 4,280
Other services and charges	53,450	61,400	60,692	708
Total Other Facilities	92,100	113,000	108,012	4,988
Total Public Facilities:				
Personal services	145,400	150,000	149,225	775
Supplies	96,550	119,800	114,935	4,865
Other services and charges	166,550	187,400	185,390	2,010
TOTAL PUBLIC FACILITIES	408,500	457,200	449,550	7,650
PUBLIC SERVICES				
Community Services:				
Other services and charges	197,300	196,300	193,435	2,865
Total Community Services	197,300	196,300	193,435	2,865
Environmental Information:				
Personal Services	165,220	165,220	162,775	2,445
Supplies	11,150	11,150	5,231	5,919
Other services and charges	31,270	31,270	29,732	1,538
Total Environmental Information	207,640	207,640	197,738	9,902
Public Information Coordinator:				
Other services and charges	2,000	2,100	2,024	76
Total Public Information Coordinator	2,000	2,100	2,024	76
Community Events:				
Supplies	3,300	5,000	7,218	(2,218)
Other services and charges	7,750	8,500	8,528	(28)
Total Community Events	11,050	13,500	15,746	(2,246)

continued

CITY OF ROME, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES & EXPENDITURES
BUDGET AND ACTUAL
For the Year Ended December 31, 2014

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
Roman Holiday Boat:				
Supplies	$ 6,800	$ 11,500	$ 10,940	$ 560
Other services and charges	18,600	21,000	20,669	331
Total Roman Holiday Boat	25,400	32,500	31,609	891
Trolley:				
Personal services	1,130	1,130	900	230
Supplies	1,450	1,450	268	1,182
Other services and charges	740	740	705	35
Total Trolley	3,320	3,320	1,873	1,447
Total Public Services:				
Personal services	166,350	166,350	163,675	2,675
Supplies	22,700	29,100	23,657	5,443
Other services and charges	257,660	259,910	255,093	4,817
TOTAL PUBLIC SERVICES	446,710	455,360	442,425	12,935
COMMUNITY DEVELOPMENT				
Personal services	-	271,000	260,932	10,068
Supplies	-	22,000	21,778	222
Other services and charges	5,000	33,000	32,965	35
TOTAL COMMUNITY DEVELOPMENT	5,000	326,000	315,675	10,325
TOTAL EXPENDITURES	17,885,125	18,186,185	17,695,748	490,437
OTHER FINANCING SOURCES AND USES:				
TRANSFERS IN:				
Water and Sewer Fund	850,000	850,000	850,000	-
Transit Fund	49,500	49,500	49,500	-
Fire Fund	350,000	350,000	350,000	-
Solid Waste Commission Fund	28,000	28,000	30,906	2,906
Forum Parking Deck	-	-	21,000	21,000
Workers Compensation Fund	75,000	75,000	75,000	-
Hotel/Motel Tax Fund	50,000	50,000	50,000	-
TOTAL TRANSFERS IN	1,402,500	1,402,500	1,426,406	23,906

continued

CITY OF ROME, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES & EXPENDITURES
BUDGET AND ACTUAL
For the Year Ended December 31, 2014

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
TRANSFERS OUT:				
Planning Commission Fund	$ 140,875	$ 140,875	$ 140,875	$ -
Capital Fund	195,000	195,000	195,000	-
Transit Fund	478,000	486,000	492,846	(6,846)
Community Development Fund	102,000	102,000	102,000	-
Fire Fund	5,770,000	5,770,000	5,770,000	-
Golf Fund	480,000	580,000	580,000	-
Building Inspection Fund	-	3,000	3,000	-
Solid Waste Management Fund	1,594,000	1,594,000	1,594,000	-
Downtown Development Fund	144,000	144,000	-	144,000
TOTAL TRANSFERS OUT	8,903,875	9,014,875	8,877,721	137,154
TOTAL OTHER FINANCING SOURCES (USES)	(7,501,375)	(7,612,375)	(7,451,315)	161,060
Net change in fund balance	-	-	811,143	
FUND BALANCE, BEGINNING OF YEAR	12,807,213	12,807,213	12,807,213	
FUND BALANCE, END OF YEAR	$ 12,807,213	$ 12,807,213	$ 13,618,356	

City of Rome, Georgia

NOTES TO THE REQUIRED SUPPLEMENTAL INFORMATION

December 31, 2014

NOTE I – BUDGETARY INFORMATION AND RECONCILIATION

A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds except for the Capital Projects Funds, which adopt project length budgets.

In August of each year, all departments of the City submit a budgetary request to the City Manager. In November, the City Manager presents the proposed budgets to the Finance Committee of the City Commission. The City Commission adopts the final budgets in December of each year. During the year, the City made budgetary amendments totaling $633,960, which were approved by the City Commission. The main reason for these amendments was to better align budgeted expenditures with a decrease in actual revenues. This information was not available during the original budget process.

Budgetary appropriations are made at the object level within each department. The legal level of budgetary control is at the department level. Budget amendments which affect a department's total appropriations or transfers between funds must be authorized by the City Commission through a budget revision. All appropriations lapse at year end.

Encumbrance accounting, under which purchase orders, contracts and other commitments for the 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. All encumbrances lapse at year end.

B. Budget/GAAP Reconciliation

Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual are presented as required supplemental information for the General Fund. This fund has an annual budget adopted on a GAAP basis.

Annual budgets are not adopted for the Capital Projects funds since they are controlled by project budgets adopted at the initiation of the project. Annual budgets are adopted for proprietary funds for management control purposes only since they are not legally required.

CITY OF ROME, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended December 31, 2014

SCHEDULES OF FUNDING PROGRESS

GMEBS Plan

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1)/(2)	(4) Over (Under) Funded (2)-(1)	(5) Annual Covered Payroll	(6) UAAL as a Percentage of Covered Payroll
10/1/2009	$ 44,938,084	$ 58,557,392	76.74%	$ 13,619,308	$ 22,669,898	60.08%
7/1/2010	52,625,450	61,333,477	85.80%	8,708,027	22,233,267	39.17%
7/1/2011	55,218,899	64,521,482	85.58%	9,302,583	21,184,301	43.91%
7/1/2012	57,591,225	67,185,800	85.72%	9,594,575	20,599,370	46.58%
7/1/2013	60,287,524	69,664,621	86.54%	9,377,097	20,654,371	45.40%
7/1/2014	63,009,440	73,204,543	86.07%	10,195,103	22,036,073	46.27%

Note: See assumptions used for these schedules disclosed in the notes to the financial statements.

OPEB Health Care Plan

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1)/(2)	(4) Over (Under) Funded (2)-(1)	(5) Annual Covered Payroll	(6) UAAL as a Percentage of Covered Payroll
9/1/2008	$ -	$ 12,010,276	0.00%	$ 12,010,276	$ 20,830,401	57.66%
7/1/2010	-	10,660,924	0.00%	10,660,924	18,816,803	56.66%
7/1/2012	-	11,082,562	0.00%	11,082,562	19,778,653	56.03%
7/1/2014	-	10,962,835	0.00%	10,962,835	21,730,248	50.45%

Note: See assumptions used for these schedules disclosed in the notes to the financial statements.

NONMAJOR GOVERNMENTAL FUNDS
COMBINED STATEMENTS

CITY OF ROME, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2014

	Nonmajor Governmental Funds		
	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds (Entitlement Fund)	Total Nonmajor Governmental Funds
ASSETS			
Cash	$ 608,978	$ 2	$ 608,980
Taxes receivable, net of allowance for uncollectibles	469	-	469
Accounts receivable, net of allowance for uncollectibles	54,408	-	54,408
Accounts receivable loans	323,171	-	323,171
Due from other funds	15,240	-	15,240
Due from other governments	144,616	8,925	153,541
Total assets	$ 1,146,882	$ 8,927	$ 1,155,809
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	$ 32,795	$ 585	$ 33,380
Accrued liabilities	5,318	-	5,318
Due to component unit	1,529	-	1,529
Due to other governments	30,267	-	30,267
Due to other funds	112,996	8,340	121,336
Total liabilities	182,905	8,925	191,830
FUND BALANCES			
Restricted for:			
Revolving loans and housing initiatives	475,060	-	475,060
Planning and zoning activities	43,502	-	43,502
Tourism & forum promotion	281,388	-	281,388
Capital improvements	81,483	2	81,485
Forum parking deck operations	35,896		35,896
Assigned for:			
Community development operations	46,648	-	46,648
Total fund balances	963,977	2	963,979
TOTAL LIABILITIES AND FUND BALANCES	$ 1,146,882	$ 8,927	$ 1,155,809

CITY OF ROME, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2014

	Nonmajor Governmental Funds		
	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds (Entitlement Fund)	Total Nonmajor Governmental Funds
REVENUES			
Intergovernmental	$ 458,035	$ 351,278	$ 809,313
Charges for services	116,723	-	116,723
Taxes	1,041,974	-	1,041,974
Interest earned	8,826	-	8,826
Miscellaneous	4,279	-	4,279
TOTAL REVENUES	1,629,837	351,278	1,981,115
EXPENDITURES			
Community development	905,980	-	905,980
Public facilities	666,267	-	666,267
Capital outlay	-	351,278	351,278
Debt service:			
Principal	29,485	-	29,485
Interest	25,515	-	25,515
TOTAL EXPENDITURES	1,627,247	351,278	1,978,525
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	2,590	-	2,590
OTHER FINANCING SOURCES AND USES			
Transfers in	242,875	-	242,875
Transfers out	(232,333)	-	(232,333)
	10,542	-	10,542
NET CHANGE IN FUND BALANCES	13,132	-	13,132
FUND BALANCES - BEGINNING OF YEAR	950,845	2	950,847
FUND BALANCES - END OF YEAR	$ 963,977	$ 2	$ 963,979

CITY OF ROME, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2014

	Nonmajor Governmental Funds		
	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds (Entitlement Fund)	Total Nonmajor Governmental Funds
REVENUES			
Intergovernmental	$ 458,035	$ 351,278	$ 809,313
Charges for services	116,723	-	116,723
Taxes	1,041,974	-	1,041,974
Interest earned	8,826	-	8,826
Miscellaneous	4,279	-	4,279
TOTAL REVENUES	1,629,837	351,278	1,981,115
EXPENDITURES			
Community development	905,980	-	905,980
Public facilities	666,267	-	666,267
Capital outlay	-	351,278	351,278
Debt service:			
Principal	29,485	-	29,485
Interest	25,515	-	25,515
TOTAL EXPENDITURES	1,627,247	351,278	1,978,525
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	2,590	-	2,590
OTHER FINANCING SOURCES AND USES			
Transfers in	242,875	-	242,875
Transfers out	(232,333)	-	(232,333)
	10,542	-	10,542
NET CHANGE IN FUND BALANCES	13,132	-	13,132
FUND BALANCES - BEGINNING OF YEAR	950,845	2	950,847
FUND BALANCES - END OF YEAR	$ 963,977	$ 2	$ 963,979

NONMAJOR GOVERNMENTAL FUNDS

Special revenue funds are used to account for specific revenue sources that are restricted or committed to expenditures for specific purposes.

Community Development Fund -	to account for community development projects generally financed by various grants and entitlements.
Planning Commission Fund -	to account for activities related to transportation planning, land use planning, and land development regulations for the City of Rome and Floyd County.
Hotel/Motel Tax Fund -	to account for the collection and disbursement of hotel/ motel taxes.
Business Improvement District Fund -	to account for funds for downtown promotional activities funded by a special millage assessment.
Tax Allocation District Fund -	to account for funds for improvements within the special tax districts.
Forum Parking Deck Fund -	to account for the activities related to a parking deck jointly owned with Floyd County.

NONMAJOR GOVERNMENTAL FUNDS – Continued

Capital Projects Funds are used to account for the acquisition or construction of capital equipment or facilities other than those accounted for in proprietary or trust funds.

Entitlement Fund – to account for capital activities related to the Federal Grant entitlement awards.

CITY OF ROME, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE GOVERNMENTAL FUNDS
December 31, 2014

	Community Development Fund	Planning Commission Fund	Hotel/Motel Tax Fund	Business Improvement District Fund	Tax Allocation District Fund	Forum Parking Deck Fund	Total Nonmajor Special Revenue Funds
ASSETS							
Cash	$ 191,440	$ 13,103	$ 276,298	$ 10,240	$ 68,473	$ 49,424	$ 608,978
Taxes receivable, net of allowance for uncollectibles	-	-	-	469	-	-	469
Accounts receivable, net of allowance for uncollectibles	-	-	54,408	-	-	-	54,408
Accounts receivable loans	323,171	-	-	-	-	-	323,171
Due from other funds	6,219	6,997	2,001	-	-	23	15,240
Due from other governments	112,486	29,529	-	885	1,416	300	144,616
Total assets	$ 633,316	$ 49,629	$ 332,707	$ 11,594	$ 69,889	$ 49,747	$ 1,146,882
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable	$ 27,205	$ 2,029	$ -	$ -	$ -	$ 3,561	$ 32,795
Accrued liabilities	2,023	3,238	-	-	-	57	5,318
Due to component unit	-	-	1,529	-	-	-	1,529
Due to other governments	-	-	25,267	-	-	5,000	30,267
Due to other funds	82,380	860	24,523	-	-	5,233	112,996
Total liabilities	111,608	6,127	51,319	-	-	13,851	182,905
FUND BALANCES							
Restricted for:							
Revolving loans and housing initiatives	475,060	-	-	-	-	-	475,060
Planning and zoning activities		43,502	-	-	-	-	43,502
Tourism & forum promotion	-	-	281,388	-	-	-	281,388
Capital improvements	-	-	-	11,594	69,889	-	81,483
Forum parking deck operations	-	-	-	-	-	35,896	35,896
Assigned for:							
Community development operations	46,648	-	-	-	-	-	46,648
Total fund balances	521,708	43,502	281,388	11,594	69,889	35,896	963,977
TOTAL LIABILITIES AND FUND BALANCES	$ 633,316	$ 49,629	$ 332,707	$ 11,594	$ 69,889	$ 49,747	$ 1,146,882

CITY OF ROME, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR SPECIAL REVENUE GOVERNMENTAL FUNDS
For the Year Ended December 31, 2014

	Community Development Fund	Planning Commission Fund	Hotel/Motel Tax Fund	Business Improvement District Fund	Tax Allocation District Fund	Forum Parking Deck Fund	Total Nonmajor Special Revenue Funds
REVENUES							
Intergovernmental	$ 209,814	$ 248,221	$ -	$ -	$ -	$ -	$ 458,035
Charges for services	628	14,111	-	25,349	-	76,635	116,723
Taxes	-	-	895,375	30,825	115,774	-	1,041,974
Interest earned	8,638	26	94	9	40	19	8,826
Miscellaneous	437	90	3,752	-	-	-	4,279
TOTAL REVENUES	219,517	262,448	899,221	56,183	115,814	76,654	1,629,837
EXPENDITURES							
Community development	336,993	419,237	-	62,263	87,487	-	905,980
Public facilities	-	-	618,274	-	-	47,993	666,267
Debt Service:							
Principal	-	-	-	-	29,485	-	29,485
Interest	-	-	-	-	25,515	-	25,515
TOTAL EXPENDITURES	336,993	419,237	618,274	62,263	142,487	47,993	1,627,247
EXCESS OF REVENUES OVER EXPENDITURES	(117,476)	(156,789)	280,947	(6,080)	(26,673)	28,661	2,590
OTHER FINANCING SOURCES (USES)							
Transfers in	102,000	140,875	-	-	-	-	242,875
Transfers out	-	-	(206,333)	-	-	(26,000)	(232,333)
TOTAL OTHER FINANCING SOURCES (USES)	102,000	140,875	(206,333)	-	-	(26,000)	10,542
NET CHANGE IN FUND BALANCES	(15,476)	(15,914)	74,614	(6,080)	(26,673)	2,661	13,132
FUND BALANCES - BEGINNING OF YEAR	537,184	59,416	206,774	17,674	96,562	33,235	950,845
FUND BALANCES - END OF YEAR	$ 521,708	$ 43,502	$ 281,388	$ 11,594	$ 69,889	$ 35,896	$ 963,977

SPECIAL REVENUE FUNDS

SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL

CITY OF ROME, GEORGIA
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2014

	Community Development			
	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Intergovernmental	$ 320,260	$ 320,260	$ 209,814	$ (110,446)
Charges for services	-	-	628	628
Interest earned	-	-	8,638	8,638
Miscellaneous	-	-	437	437
Total revenues	320,260	320,260	219,517	(100,743)
EXPENDITURES				
Community development	432,260	432,260	336,993	95,267
Total expenditures	432,260	432,260	336,993	95,267
(DEFICIENCY) OF REVENUES UNDER EXPENDITURES	(112,000)	(112,000)	(117,476)	(5,476)
OTHER FINANCING SOURCES				
Transfers in	102,000	102,000	102,000	-
	102,000	102,000	102,000	-
NET CHANGE IN FUND BALANCE	(10,000)	(10,000)	(15,476)	(5,476)
FUND BALANCE, BEGINNING OF YEAR	537,184	537,184	537,184	-
FUND BALANCE, END OF YEAR	$ 527,184	$ 527,184	$ 521,708	$ (5,476)

CITY OF ROME, GEORGIA
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2014

	Planning Commission			
	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Intergovernmental	$ 249,875	$ 269,875	$ 248,221	$ (21,654)
Charges for services	14,000	14,000	14,111	111
Interest earned	30	30	26	(4)
Miscellaneous	-	-	90	90
Total revenues	263,905	283,905	262,448	(21,457)
EXPENDITURES				
Community development	404,780	424,780	419,237	5,543
Total expenditures	404,780	424,780	419,237	5,543
(DEFICIENCY) OF REVENUES UNDER EXPENDITURES	(140,875)	(140,875)	(156,789)	(15,914)
OTHER FINANCING SOURCES				
Transfers in	140,875	140,875	140,875	-
	140,875	140,875	140,875	-
NET CHANGE IN FUND BALANCE	-	-	(15,914)	(15,914)
FUND BALANCE, BEGINNING OF YEAR	59,416	59,416	59,416	-
FUND BALANCE, END OF YEAR	$ 59,416	$ 59,416	$ 43,502	$ (15,914)

CITY OF ROME, GEORGIA
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2014

	Hotel/Motel Tax			
	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Taxes	$ 672,000	$ 838,000	$ 895,375	$ 57,375
Interest earned	-	-	94	94
Miscellaneous	-	-	3,752	3,752
Total revenues	672,000	838,000	899,221	61,221
EXPENDITURES				
Public facilities	622,000	637,000	618,274	18,726
Total expenditures	622,000	637,000	618,274	18,726
EXCESS OF REVENUES OVER EXPENDITURES	50,000	201,000	280,947	79,947
OTHER FINANCING USES				
Transfers out	(50,000)	(201,000)	(206,333)	5,333
	(50,000)	(201,000)	(206,333)	5,333
NET CHANGE IN FUND BALANCE	-	-	74,614	74,614
FUND BALANCE, BEGINNING OF YEAR	206,774	206,774	206,774	-
FUND BALANCE, END OF YEAR	$ 206,774	$ 206,774	$ 281,388	$ 74,614

CITY OF ROME, GEORGIA
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2014

	Business Improvement District			
	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Charges for services	$ 25,000	$ 25,000	$ 25,349	$ 349
Taxes	25,000	31,000	30,825	(175)
Interest earned	100	100	9	(91)
Total revenues	50,100	56,100	56,183	83
EXPENDITURES				
Community development	50,100	63,000	62,263	737
Total expenditures	50,100	63,000	62,263	737
NET CHANGE IN FUND BALANCE	-	(6,900)	(6,080)	820
FUND BALANCE, BEGINNING OF YEAR	17,674	17,674	17,674	-
FUND BALANCE, END OF YEAR	$ 17,674	$ 10,774	$ 11,594	$ 820

CITY OF ROME, GEORGIA
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2014

	Tax Allocation District			
	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Taxes	$ 140,000	$ 140,000	$ 115,774	$ (24,226)
Interest earned	-	-	40	40
Total revenues	140,000	140,000	115,814	(24,186)
EXPENDITURES				
Community development	140,000	143,000	87,487	55,513
Debt service				
Principal	-	-	29,485	(29,485)
Interest	-	-	25,515	(25,515)
Total expenditures	140,000	143,000	142,487	513
NET CHANGE IN FUND BALANCE	-	(3,000)	(26,673)	(23,673)
FUND BALANCE, BEGINNING OF YEAR	96,562	96,562	96,562	-
FUND BALANCE, END OF YEAR	$ 96,562	$ 93,562	$ 69,889	$ (23,673)

CITY OF ROME, GEORGIA
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2014

	Forum Parking Deck			
	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Charges for services	$ 94,000	$ 94,000	$ 76,635	$ (17,365)
Interest earned	50	50	19	(31)
Total revenues	94,050	94,050	76,654	(17,396)
EXPENDITURES				
Public facilities	73,050	73,050	47,993	25,057
Total expenditures	73,050	73,050	47,993	25,057
EXCESS OF REVENUES OVER EXPENDITURES	21,000	21,000	28,661	7,661
OTHER FINANCING USES				
Transfers out	(21,000)	(21,000)	(26,000)	(5,000)
	(21,000)	(21,000)	(26,000)	(5,000)
NET CHANGE IN FUND BALANCE	-	-	2,661	2,661
FUND BALANCE, BEGINNING OF YEAR	33,235	33,235	33,235	-
FUND BALANCE, END OF YEAR	$ 33,235	$ 33,235	$ 35,896	$ 2,661

SPECIAL REPORTS

SCHEDULE OF PROJECTS CONSTRUCTED
WITH SPECIAL SALES TAX PROCEEDS

CITY OF ROME, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED
WITH SPECIAL SALES TAX PROCEEDS
For the Year Ended December 31, 2014

Project	Total Allocated Splost Costs (Unaudited)	Total Allocated Splost Costs Adjusted (Unaudited)	Expenditures Prior Years	Expenditures Current Year	Expenditures Total	Estimated Percentage of Completion (Unaudited)
1996 SPLOST						
Fire Stations:						
John Davenport	$ 350,000	$ 413,134	$ 413,134	$ -	$ 413,134	100%
Woods Road	400,000	484,968	484,968	-	484,968	100%
Wilshire Road	350,000	417,960	417,960	-	417,960	100%
Armuchee	450,000	528,158	528,158	-	528,158	100%
Wax Road	450,000	450,000	54,373	-	54,373	12%
Burnett Ferry	450,000	574,696	574,696	-	574,696	100%
	2,450,000	2,868,916	2,473,289	-	2,473,289	
2006 SPLOST						
Second Avenue Levee	1,955,000	2,031,898	2,031,898	-	2,031,898	100%
Boys/Girls Club	2,000,000	2,125,800	2,125,800	-	2,125,800	100%
North Fifth Avenue Turn Lane	550,000	535,057	535,057	-	535,057	100%
North Broad Turn Lane	330,000	214,645	214,645	-	214,645	100%
Rome High Access Road	2,900,000	1,905,925	1,905,925	-	1,905,925	100%
BioSolids Disposal	5,200,000	5,102,060	5,102,060	-	5,102,060	100%
Renovate Marine Armory	1,600,000	2,363,838	2,363,838	-	2,363,838	100%
Redmond Road Turn Lane	1,470,000	1,610,572	1,082,420	319,933	1,402,353	98%
Fire Training Facility	500,000	547,555	547,555	-	547,555	100%
Turner McCall Bridge	2,000,000	2,000,000	-	-	-	0%
River Education Center	834,825	917,605	917,605	-	917,605	100%
South Broad Corridor	2,000,000	2,128,347	2,128,347	-	2,128,347	100%
North Rome Swim Center	530,000	512,621	512,621	-	512,621	100%
New Tennis Courts	600,000	600,000	6,431	101,842	108,273	18%
City Park Practice Fields	200,000	174,908	174,908	-	174,908	100%
Town Green	1,690,000	1,684,818	1,684,818	-	1,684,818	100%
City Hall/Carnegie Repairs	1,500,000	1,500,000	1,131,220	-	1,131,220	95%
	25,859,825	25,955,649	22,465,148	421,775	22,886,923	
2009 SPLOST						
Barron Stadium	3,369,000	3,986,231	3,986,231	-	3,986,231	100%
NWGRC Building	1,899,631	1,302,403	1,302,403	-	1,302,403	100%
Fire Station Improvements	4,000,000	4,093,858	4,080,714	13,144 (A)	4,093,858	100%
	9,268,631	9,268,631	9,369,348	13,144	9,382,492	

continued

CITY OF ROME, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED
WITH SPECIAL SALES TAX PROCEEDS
December 31, 2014

Project	Total Allocated Splost Costs (Unaudited)	Total Allocated Splost Costs Adjusted (Unaudited)	Expenditures Prior Years	Current Year		Total	Estimated Percentage of Completion (Unaudited)
2013 SPLOST							
Tennis Center	11,400,000	11,400,000	-	136,645		136,645	0%
Chulio Hills Back Entrance for Bus	800,000	800,000	-	5,523		5,523	1%
Trail Connectivity Expansion	1,800,000	1,800,000	-	8,989		8,989	1%
Fire Equipment & Fire Facility Improvements	750,000	750,000	-	-		-	0%
Police Training Facility Improvements	396,000	396,000	-	355,417		355,417	90%
City Hall Auditorium Modernization	1,700,000	1,700,000	-	149,382		149,382	9%
City Street Milling and Paving	500,000	500,000	-	104,659		104,659	20%
Unity Point/ South Broad Bridge Renovations	1,800,000	1,800,000	-	-		-	0%
Jackson Hill Fort Norton Renovation	200,000	200,000	-	-		-	0%
Downtown Visitor Information Center	50,000	50,000	-	46,037		46,037	92%
Sewer Improvements	1,000,000	1,000,000	-	64,994	(A)	64,994	7%
Burnett Ferry Road	2,721,000	2,721,000	-	22,400		22,400	1%
Playground Improvements	500,000	500,000	-	4,800		4,800	1%
	23,617,000	23,617,000	-	898,846		898,846	
Total Projects	$ 61,195,456	$ 61,710,196	$ 34,307,785	$ 1,333,765		$ 35,641,550	
Fire Station Renovations							
(Floyd County SPLOST)			578,604	-		578,604	
Burnett Ferry			-	40,870		40,870	
Total SPLOST Expenditures			$ 34,886,389	$ 1,374,635		$ 36,261,024	

Reconciliation to Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds

Special Purpose Local Option Sales Tax Fund

Total Expenditures	$ 1,347,547	
Transfers out	78,138	(A)
Transfers in	(39,050)	(B)
Contributions from History Museum	(12,000)	
	$ 1,374,635	

(A) Transfers out were recorded in order to properly record capital assets in the Fire Fund and Water Fund. Projects were approved SPLOST projects per the referendums above.

(B) Transfers in were recorded in order to properly record contributions from other funds for SPLOST projects. Projects were approved SPLOST projects per the referendums above.

NONMAJOR PROPRIETARY FUNDS
ENTERPRISE FUNDS

Enterprise funds are funds financed and operated in a manner similar to a private business enterprise.

Transit Fund–	to account for all activity in the provision of transit services to the residents of the City of Rome and Floyd County.
Building Inspection Fund–	to account for the provision for building inspection services to the City of Rome and Floyd County.
Solid Waste Management Fund–	to account for the provision of solid waste collection services to the residents of the City.
Municipal Golf Fund –	to account for the activities related to the City's golf course.
Public Facilities Fund –	to account for the operating lease and debt of the public facilities building housing the State of Georgia Department of Family and Children Services.
Tennis Center Fund -	to account for the activities related to the tennis center operations.

CITY OF ROME, GEORGIA
COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY - ENTERPRISE FUNDS
December 31, 2014

	Transit Fund	Building Inspection Fund	Solid Waste Management Fund	Municipal Golf Fund	Public Facilities Fund	Tennis Center Fund	Total
ASSETS							
Current Assets:							
Cash and cash equivalents	$ 902,347	$ 69,951	$ 207,056	$ 1,472	$ 991,263	$ 91,769	$ 2,263,858
Restricted cash	-	-	-	-	342,017	-	342,017
Accounts receivable, net of allowance for uncollectibles	-	-	340,345	4,639	-	-	344,984
Due from other governments	216,033	-	-	-	-	-	216,033
Due from other funds	137,488	4,604	880	100,938	802	24,523	269,235
Prepaid items	-	-	-	6,767	-	-	6,767
Inventories	323,554	-	-	46,246	-	-	369,800
Total current assets	1,579,422	74,555	548,281	160,062	1,334,082	116,292	3,812,694
Non-current Assets:							
Capital assets:							
Non-depreciable assets	334,600	-	-	4,609,653	550,000	-	5,494,253
Depreciable assets, net of accumulated depreciation	3,841,324	9,530	1,425,209	311,379	1,013,573	-	6,601,015
Total non-current assets	4,175,924	9,530	1,425,209	4,921,032	1,563,573	-	12,095,268
TOTAL ASSETS	5,755,346	84,085	1,973,490	5,081,094	2,897,655	116,292	15,907,962
DEFERRED OUTFLOWS OF RESOURCES							
Deferred charge on refunding	-	-	-	200,785	-	-	200,785
TOTAL DEFERRED OUTFLOWS OF RESOURCES	-	-	-	200,785	-	-	200,785

continued

CITY OF ROME, GEORGIA
COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY - ENTERPRISE FUNDS
December 31, 2014

	Transit Fund	Building Inspection Fund	Solid Waste Management Fund	Municipal Golf Fund	Public Facilities Fund	Tennis Center Fund	Total
LIABILITIES							
Current Liabilities:							
Revenue bonds, current	$ -	$ -	$ -	$ 310,000	$ -	$ -	$ 310,000
Accounts payable	10,958	2,483	148,847	43,690	1,888	-	207,866
Accrued liabilities	36,597	5,530	37,082	102,750	-	-	181,959
Unearned revenue	-	-	-	79,562	57,797	-	137,359
Due to other governments	3,248	-	-	-	-	-	3,248
Due to other funds	10,284	18,400	138,678	-	-	-	167,362
Compensated absences, current	53,338	20,707	58,133	-	-	-	132,178
Total current liabilities	114,425	47,120	382,740	536,002	59,685	-	1,139,972
Long-term Liabilities:							
Revenue bonds, long-term, net	-	-	-	3,493,000	-	-	3,493,000
Advances due to Capital Fund	-	-	700,847	59,537	-	-	760,384
Compensated absences, long term	17,779	6,902	19,378	-	-	-	44,059
Total long-term liabilities	17,779	6,902	720,225	3,552,537	-	-	4,297,443
TOTAL LIABILITIES	132,204	54,022	1,102,965	4,088,539	59,685	-	5,437,415
NET POSITION							
Net investment in capital assets	4,175,924	9,530	1,425,209	1,318,817	1,563,573	-	8,493,053
Restricted for tennis center	-	-	-	-	-	116,292	116,292
Unrestricted	1,447,218	20,533	(554,684)	(125,477)	1,274,397	-	2,061,987
TOTAL NET POSITION	$ 5,623,142	$ 30,063	$ 870,525	$ 1,193,340	$ 2,837,970	$ 116,292	$ 10,671,332

CITY OF ROME, GEORGIA
COMBINING STATEMENT OF REVENUES,
EXPENSES, AND CHANGES IN FUND NET POSITION
NONMAJOR PROPRIETARY - ENTERPRISE FUNDS
For the Year Ended December 31, 2014

	Transit Fund	Building Inspection Fund	Solid Waste Management Fund	Municipal Golf Fund	Public Facilities Fund	Tennis Center Fund	Total
OPERATING REVENUES							
Charges for services	$ 1,505,404	$ 718,145	$ 2,039,203	$ 958,985	$ 693,559	$ -	$ 5,915,296
Miscellaneous	3,378	8,430	1,876	18,275	-	-	31,959
TOTAL OPERATING REVENUES	1,508,782	726,575	2,041,079	977,260	693,559	-	5,947,255
OPERATING EXPENSES							
Cost of goods sold	-	-	-	125,536	-	-	125,536
Salaries and employee benefits	2,002,082	613,686	2,085,026	464,970	-	-	5,165,764
Supplies	296,277	23,115	279,038	132,174	47,126	-	777,730
Maintenance and repairs	69,370	1,195	153,309	40,661	23,166	-	287,701
Operating services and charges	363,662	48,936	588,548	293,516	39,261	997	1,334,920
Depreciation	732,801	3,177	404,605	96,785	209,705	-	1,447,073
TOTAL OPERATING EXPENSES	3,464,192	690,109	3,510,526	1,153,642	319,258	997	9,138,724
OPERATING INCOME (LOSS)	(1,955,410)	36,466	(1,469,447)	(176,382)	374,301	(997)	(3,191,469)
NON-OPERATING INCOME (EXPENSE)							
Intergovernmental	828,562	12,205	-	-	-	-	840,767
Interest income	263	28	188	32	567	6	1,084
Interest expense	-	-	(2,227)	(155,435)	-	-	(157,662)
Gain on sale of capital assets	8,951	-	-	-	-	-	8,951
TOTAL NON-OPERATING INCOME (EXPENSE)	837,776	12,233	(2,039)	(155,403)	567	6	693,140
INCOME (LOSS) BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS	(1,117,634)	48,699	(1,471,486)	(331,785)	374,868	(991)	(2,498,329)

continued

CITY OF ROME, GEORGIA
COMBINING STATEMENT OF REVENUES,
EXPENSES, AND CHANGES IN FUND NET POSITION
NONMAJOR PROPRIETARY - ENTERPRISE FUNDS
For the Year Ended December 31, 2014

	Transit Fund	Building Inspection Fund	Solid Waste Management Fund	Municipal Golf Fund	Public Facilities Fund	Tennis Center Fund	Total
Transfers in	$ 492,846	$ 3,000	$ 1,694,000	$ 580,000	$ -	$ 117,283	$ 2,887,129
Transfers out	(49,500)	-	-	-	-	-	(49,500)
Capital contributions	1,022,750	-	-	-	-	-	1,022,750
	1,466,096	3,000	1,694,000	580,000	-	117,283	3,860,379
CHANGE IN NET POSITION	348,462	51,699	222,514	248,215	374,868	116,292	1,362,050
NET POSITION - BEGINNING OF YEAR	5,274,680	(21,636)	648,011	945,125	2,463,102	-	9,309,282
NET POSITION - END OF YEAR	$ 5,623,142	$ 30,063	$ 870,525	$ 1,193,340	$ 2,837,970	$ 116,292	$ 10,671,332

CITY OF ROME, GEORGIA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY - ENTERPRISE FUNDS
For the Year Ended December 31, 2014

	Transit Fund	Building Inspection Fund	Solid Waste Management Fund	Municipal Golf Fund	Public Facilities Fund	Tennis Center Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts from customers and users	$ 1,571,619	$ 726,575	$ 1,919,002	$ 982,405	$ 751,356	$ (24,523)	$ 5,926,434
Receipts from interfund services provided	-	267	90	-	-	-	357
Payments to suppliers	(786,684)	(71,499)	(925,087)	(581,366)	(107,665)	(997)	(2,473,298)
Payments to employees	(2,008,733)	(619,156)	(2,086,032)	(464,970)	-	-	(5,178,891)
Payments for interfund services used	(36,680)	(10,520)	(48,370)	(100,632)	(428)	-	(196,630)
Net cash provided (used) by operating activities	(1,260,478)	25,667	(1,140,397)	(164,563)	643,263	(25,520)	(1,922,028)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
Transfer from other funds	492,846	3,000	1,694,000	580,000	-	117,283	2,887,129
Transfer to other funds	(49,500)	-	-	-	-	-	(49,500)
Advances from other funds	-	-	488,595	-	-	-	488,595
Repayment of advances from other funds	-	-	(432,537)	(19,846)	-	-	(452,383)
Intergovernmental revenue	-	12,205	-	-	-	-	12,205
Subsidy from federal grant	828,562	-	-	-	-	-	828,562
Net cash provided (used) by noncapital financing activities	1,271,908	15,205	1,750,058	560,154	-	117,283	3,714,608
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Capital contributions	1,022,750	-	-	-	-	-	1,022,750
Purchases of capital assets	(726,227)	-	(502,656)	(108,841)	-	-	(1,337,724)
Proceeds from the sale of capital assets	8,951	-	-	-	-	-	8,951
Principal paid on capital debt	-	-	-	(260,000)	-	-	(260,000)
Interest paid on capital debt	-	-	(2,227)	(155,435)	-	-	(157,662)
Net cash provided (used) by capital and related financing activities	305,474	-	(504,883)	(524,276)	-	-	(723,685)

continued

CITY OF ROME, GEORGIA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY - ENTERPRISE FUNDS
For the Year Ended December 31, 2014

	Transit Fund	Building Inspection Fund	Solid Waste Management Fund	Municipal Golf Fund	Public Facilities Fund	Tennis Center Fund	Total
CASH FLOWS FROM INVESTING ACTIVITIES							
Interest received	$ 263	$ 28	$ 188	$ 32	$ 567	$ 6	$ 1,084
Net cash provided by investing activities	263	28	188	32	567	6	1,084
Net increase (decrease) in cash and cash equivalents	317,167	40,900	104,966	(128,653)	643,830	91,769	1,069,979
Cash and cash equivalents, January 1	585,180	29,051	102,090	130,125	689,450	-	1,535,896
Cash and cash equivalents, December 31	$ 902,347	$ 69,951	$ 207,056	$ 1,472	$ 1,333,280	$ 91,769	$ 2,605,875
Reconciliation of Cash and Cash Equivalents:							
Cash and cash equivalents	$ 902,347	$ 69,951	$ 207,056	$ 1,472	$ 991,263	$ 91,769	$ 2,263,858
Cash and cash equivalents - restricted	-	-	-	-	342,017	-	342,017
Total cash and cash equivalents	$ 902,347	$ 69,951	$ 207,056	$ 1,472	$ 1,333,280	$ 91,769	$ 2,605,875

continued

CITY OF ROME, GEORGIA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY - ENTERPRISE FUNDS
For the Year Ended December 31, 2014

	Transit Fund	Building Inspection Fund	Solid Waste Management Fund	Municipal Golf Fund	Public Facilities Fund	Tennis Center Fund	Total
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:							
Operating income (loss)	$ (1,955,410)	$ 36,466	$ (1,469,447)	$ (176,382)	$ 374,301	$ (997)	$ (3,191,469)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:							
Depreciation expense	732,801	3,177	404,605	96,785	209,705	-	1,447,073
Amortization expense	-	-	-	2,771	-	-	2,771
Increase in accounts receivable	-	-	(122,077)	(4,062)	-	-	(126,139)
(Increase) decrease in due from other governments	62,837	-	-	-	-	(24,523)	38,314
(Increase) decrease in due from other funds	(39,145)	(1,961)	68	(99,013)	(393)	-	(140,444)
Decrease in due from component unit	-	267	22	4,876	-	-	5,165
Increase in inventories	(69,414)	-	-	(6,803)	-	-	(76,217)
Increase in accounts payable and accrued liabilities	8,791	1,747	95,808	9,677	1,888	-	117,911
Decrease in due to component unit	-	-	-	(57)	-	-	(57)
Increase in due to other governments	3,248	-	-	-	-	-	3,248
Decrease in compensated absences payable	(6,651)	(5,470)	(1,006)	-	-	-	(13,127)
Increase in unearned revenue	-	-	-	9,207	57,797	-	67,004
Increase (decrease) in due to other funds	2,465	(8,559)	(48,370)	(1,562)	(35)	-	(56,061)
Total adjustments	694,932	(10,799)	329,050	11,819	268,962	(24,523)	1,269,441
Net cash provided (used) by operating activities	$ (1,260,478)	$ 25,667	$ (1,140,397)	$ (164,563)	$ 643,263	$ (25,520)	$ (1,922,028)

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments or agencies on a cost-reimbursed basis.

Health Insurance Fund – to account for all revenues and expenses related to group health and life benefits for employees of the City.

Workers' Compensation Fund – to account for all revenues and expenses related to workers' compensation claims for the City.

CITY OF ROME, GEORGIA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
December 31, 2014

	Health Insurance Fund	Workers' Compensation Fund	Total
ASSETS			
Cash and cash equivalents	$ 1,714,669	$ 1,008,466	$ 2,723,135
Accounts receivable, net	26,764	-	26,764
Due from other funds	215,425	-	215,425
Due from other governments	-	162,398	162,398
Due from component unit	1,598	-	1,598
Advances due from other funds	1,201,752	-	1,201,752
Prepaid items	5,567	-	5,567
TOTAL ASSETS	3,165,775	1,170,864	4,336,639
LIABILITIES			
Current Liabilities			
Accounts payable	24,946	30,517	55,463
Accrued liabilities	1,054	-	1,054
Due to other funds	33	-	33
Claims payable	835,000	295,000	1,130,000
TOTAL LIABILITIES	861,033	325,517	1,186,550
NET POSITION			
Unrestricted	2,304,742	845,347	3,150,089
TOTAL NET POSITION	$ 2,304,742	$ 845,347	$ 3,150,089

CITY OF ROME, GEORGIA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
December 31, 2014

	Health Insurance Fund	Workers' Compensation Fund	Total
ASSETS			
Cash and cash equivalents	$ 1,714,669	$ 1,008,466	$ 2,723,135
Accounts receivable, net	26,764	-	26,764
Due from other funds	215,425	-	215,425
Due from other governments	-	162,398	162,398
Due from component unit	1,598	-	1,598
Advances due from other funds	1,201,752	-	1,201,752
Prepaid items	5,567	-	5,567
TOTAL ASSETS	3,165,775	1,170,864	4,336,639
LIABILITIES			
Current Liabilities			
Accounts payable	24,946	30,517	55,463
Accrued liabilities	1,054	-	1,054
Due to other funds	33	-	33
Claims payable	835,000	295,000	1,130,000
TOTAL LIABILITIES	861,033	325,517	1,186,550
NET POSITION			
Unrestricted	2,304,742	845,347	3,150,089
TOTAL NET POSITION	$ 2,304,742	$ 845,347	$ 3,150,089

CITY OF ROME, GEORGIA
COMBINING STATEMENT OF REVENUES,
EXPENSES, AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
For the Year Ended December 31, 2014

	Health Insurance Fund	Workers' Compensation Fund	Total
OPERATING REVENUES			
Charges for services	$ 7,111,029	$ 1,331,280	$ 8,442,309
TOTAL OPERATING REVENUES	7,111,029	1,331,280	8,442,309
OPERATING EXPENSES			
Salaries and employee benefits	113,833	-	113,833
Other services and charges	940,048	868,840	1,808,888
Claims	6,214,523	484,478	6,699,001
Administrative fees	381,462	30,700	412,162
TOTAL OPERATING EXPENSES	7,649,866	1,384,018	9,033,884
OPERATING LOSS	(538,837)	(52,738)	(591,575)
NON-OPERATING INCOME			
Intergovernmental	-	198,566	198,566
Interest income	42,722	409	43,131
INCOME BEFORE TRANSFERS	(496,115)	146,237	(349,878)
Transfers Out	-	(75,000)	(75,000)
CHANGE IN NET POSITION	(496,115)	71,237	(424,878)
NET POSITION - BEGINNING OF YEAR	2,800,857	774,110	3,574,967
NET POSITION - END OF YEAR	$ 2,304,742	$ 845,347	$ 3,150,089

CITY OF ROME, GEORGIA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended December 31, 2014

	Health Insurance Fund	Workers' Compensation Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	$ 7,084,703	$ 1,388,750	$ 8,473,453
Payments for interfund services provided	6,052	-	6,052
Payments to suppliers	(1,320,025)	(919,302)	(2,239,327)
Payments to employees	(113,833)	-	(113,833)
Claims paid	(5,844,523)	(475,478)	(6,320,001)
Net cash (used) by operating activities	(187,626)	(6,030)	(193,656)
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES			
Advances to other funds	184,070	-	184,070
Net cash used by capital financing activities	184,070	-	184,070
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Intergovernmental revenue	-	198,566	198,566
Transfer out	-	(75,000)	(75,000)
Net cash provided by non capital financing activities	-	123,566	123,566
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	42,722	409	43,131
Net cash provided by investing activities	42,722	409	43,131
Net increase in cash and cash equivalents	39,166	117,945	157,111
Cash and cash equivalents, January 1	1,675,503	890,521	2,566,024
Cash and cash equivalents, December 31	$ 1,714,669	$ 1,008,466	$ 2,723,135
Reconciliation of operating income (loss) to net cash (used) by operating activities			
Operating loss	$ (538,837)	$ (52,738)	$ (591,575)
Adjustments to reconcile operating loss to net cash used by operating activities:			
Increase in accounts receivable	(26,326)	-	(26,326)
Increase in prepaids	(462)	-	(462)
Decrease in due from other funds	6,019	57,470	63,489
Increase (decrease) in accounts and claims payable	371,947	(10,762)	361,185
Increase in due to other funds	33	-	33
Total adjustments	351,211	46,708	397,919
Net cash (used) by operating activities	$ (187,626)	$ (6,030)	$ (193,656)

COMPONENT UNIT
GREATER ROME CONVENTION & VISITORS BUREAU

Greater Rome Convention & Visitors Bureau-	to account for the activities associated with the promotion of tourism and conventions for the City of Rome.

CITY OF ROME, GEORGIA
BALANCE SHEET
COMPONENT UNIT- GREATER ROME CONVENTION & VISITORS BUREAU
December 31, 2014

		Greater Rome Convention & Visitors Bureau
ASSETS		
Cash	$	58,289
Accounts Receivable, net of allowance		1,626
Due from other governments		6,458
Due from primary government		3,033
Total assets	$	69,406
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts payable	$	7,504
Accrued liabilities		5,557
Due to primary government		1,598
Total liabilities		14,659
FUND BALANCE		
Unrestricted		54,747
Total fund balance		54,747
TOTAL LIABILITIES AND FUND BALANCE	$	69,406

CITY OF ROME, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
COMPONENT UNIT- GREATER ROME CONVENTION & VISITORS BUREAU
For the Year Ended December 31, 2014

	Greater Rome Convention & Visitors Bureau
REVENUES	
Intergovernmental	$ 528,488
Charges for services	17,163
Contributions	62,099
TOTAL REVENUES	607,750
EXPENDITURES	
Personal services	423,742
Supplies	25,579
Other services and charges	143,853
TOTAL EXPENDITURES	593,174
NET CHANGE IN FUND BALANCE	14,576
FUND BALANCE - BEGINNING OF YEAR	40,171
FUND BALANCE - END OF YEAR	$ 54,747

STATISTICAL SECTION

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

Financial Trends - *These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.*

Revenue Capacity – *These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.*

Debt Capacity – *These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.*

Demographic and Economic Information – *These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.*

Operating Information – *These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.*

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

City of Rome, Georgia
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental activities										
Net investment in capital assets	$ 85,540	$ 89,494	$ 99,276	$ 108,946	$ 109,793	$ 117,293	$ 125,089	$ 124,859	$ 122,991	$ 132,207
Restricted	326	326	631	675	745	741	3,255	3,696	3,459	7,813
Unrestricted	21,444	21,976	21,943	20,722	20,075	19,618	16,251	15,538	16,636	14,596
Total governmental activities net position	$ 107,310	$ 111,796	$ 121,850	$ 130,343	$ 130,613	$ 137,652	$ 144,595	$ 144,093	$ 143,086	$ 154,616
Business - type activities										
Net investment in capital assets	$ 75,743	$ 112,572	$ 114,969	$ 116,571	$ 120,303	$ 122,951	$ 128,164	$ 131,764	$ 134,833	$ 136,590
Restricted	582	249	284	295	355	368	372	377	942	814
Unrestricted	22,276	(6,294)	(4,556)	38	2,123	5,011	5,957	7,031	7,829	12,608
Total business - type activities net position	$ 98,601	$ 106,527	$ 110,697	$ 116,904	$ 122,781	$ 128,330	$ 134,493	$ 139,172	$ 143,604	$ 150,012
Primary government										
Net investment in capital assets	$ 161,283	$ 202,066	$ 214,245	$ 225,517	$ 230,096	$ 240,244	$ 253,253	$ 256,623	$ 257,824	$ 268,797
Restricted	908	575	915	970	1,100	1,109	3,627	4,073	4,401	8,627
Unrestricted	43,720	15,682	17,387	20,760	22,198	24,629	22,208	22,569	24,465	27,204
Total primary government net position	$ 205,911	$ 218,323	$ 232,547	$ 247,247	$ 253,394	$ 265,982	$ 279,088	$ 283,265	$ 286,690	$ 304,628

City of Rome, Georgia
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Expenses:										
Governmental activities:										
General government	$ 3,248	$ 3,446	$ 3,555	$ 5,681	$ 3,459	$ 3,726	$ 4,504	$ 3,651	$ 3,701	$ 4,037
Public safety	7,228	7,605	7,416	8,752	8,330	7,659	7,167	7,393	7,546	7,706
Public Works	8,459	9,019	8,564	10,590	9,902	8,881	10,441	10,850	11,781	10,731
Public Facilities	1,068	1,316	1,121	1,194	1,259	1,381	1,419	1,916	1,516	1,589
Public Services	399	420	278	516	447	397	514	431	448	468
Community Development	1,218	1,568	1,028	1,178	1,088	1,759	1,315	1,217	2,113	1,136
Education	898	1,059	1,080	1,114	1,183	1,185	1,275	1,466	1,463	1,458
Interest on debt	249	326	246	320	369	241	153	274	538	474
Total governmental activities expenses	22,767	24,759	23,288	29,345	26,037	25,229	26,788	27,198	29,106	27,599
Business - type activities:										
Water and Sewer	14,353	14,711	16,899	17,201	17,631	17,279	18,187	18,156	17,501	17,852
Fire	9,143	9,411	10,316	10,474	10,247	10,249	10,645	12,748	11,959	11,500
Solid Waste Commission	3,907	2,270	3,309	2,104	2,466	1,988	2,076	3,093	1,899	2,267
Transit	2,460	2,843	3,107	3,236	2,970	3,092	3,120	3,589	3,734	3,464
Building Inspection	776	849	946	894	774	839	853	782	755	690
Solid Waste Management	3,391	3,598	3,810	3,751	3,463	3,304	3,503	3,551	3,495	3,513
Municipal Golf Fund	1,525	1,557	1,540	1,440	1,294	1,256	1,158	1,163	1,242	1,309
Public Facilities	524	492	447	456	408	394	460	388	364	319
Tennis Center	-	-	-	-	-	-	-	0	-	1
Total business - type activities expenses	36,079	35,731	40,374	39,556	39,253	38,401	40,002	43,470	40,949	40,915
Total primary government expenses	$ 58,846	$ 60,490	$ 63,662	$ 68,901	$ 65,290	$ 63,630	$ 66,790	$ 70,668	$ 70,055	$ 68,514
Program Revenues:										
Governmental activities:										
Charges for services:										
General Government	$ 1,509	$ 1,569	$ 1,823	$ 1,972	$ 1,879	$ 1,880	$ 1,992	$ 2,063	$ 2,078	$ 2,191
Public Safety	1,668	1,512	1,779	1,886	1,667	1,581	1,302	1,244	1,358	1,176
Public Works	302	378	-	-	-	-	-	-	-	-
Public Facilities	71	90	-	-	-	-	-	-	-	-
Community Development	-	259	236	180	258	258	122	131	134	117
Education	173	-	-	-	-	-	-	-	-	-
Operating grants and contributions	312	343	1,024	1,842	1,123	711	881	871	943	862
Capital grants and contributions	10,191	6,530	8,741	13,432	7,580	11,259	14,201	7,054	6,556	16,662
Total governmental activities program revenues	14,226	10,681	13,603	19,312	12,507	15,689	18,498	11,363	11,069	21,008
Business - type activities:										
Charges for services:										
Water and Sewer	17,921	18,571	20,071	19,540	19,856	21,403	21,408	21,975	21,960	23,446
Fire	4,678	4,856	5,063	5,254	5,318	5,351	5,403	5,530	5,607	5,792
Solid Waste Commission	3,600	2,281	2,311	2,597	2,936	2,550	2,439	2,377	2,454	2,468
Transit	951	1,193	1,172	1,303	1,456	1,397	1,403	1,458	1,492	1,509
Building Inspection	741	781	790	937	1,038	702	797	693	615	726
Solid Waste Management	1,276	1,392	1,477	1,471	1,521	1,653	1,829	1,923	1,913	2,041
Municipal Golf Fund	991	1,057	1,006	925	760	801	795	1,024	963	977
Public Facilities	603	603	648	694	694	694	694	694	694	694
Operating grants and contributions	643	701	458	461	517	708	744	1,618	1,243	1,077
Capital grants and contributions	1,494	1,916	1,640	1,365	1,165	1,034	2,924	895	1,359	1,028
Total business- type activities program revenues	32,898	33,351	34,636	34,547	35,261	36,293	38,436	38,187	38,300	39,758
Total primary government program revenues	$ 47,124	$ 44,032	$ 48,239	$ 53,859	$ 47,768	$ 51,982	$ 56,934	$ 49,550	$ 49,369	$ 60,766

City of Rome, Georgia
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Net (expense)/ revenue										
Governmental activities	$ (8,541)	$ (14,078)	$ (9,685)	$ (10,033)	$ (13,530)	$ (9,539)	$ (8,290)	$ (15,836)	$ (18,037)	$ (6,591)
Business- type activities	(3,181)	(2,380)	(5,738)	(5,009)	(3,992)	(2,108)	(1,566)	(5,283)	(2,649)	(1,157)
Total primary government net expense	$ (11,722)	$ (16,458)	$ (15,423)	$ (15,042)	$ (17,522)	$ (11,647)	$ (9,856)	$ (21,119)	$ (20,686)	$ (7,748)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes	$ 9,702	$ 10,441	$ 10,048	$ 8,683	$ 9,662	$ 10,007	$ 9,749	$ 10,221	$ 10,074	$ 10,967
Sales taxes	6,483	8,709	10,242	12,570	6,128	5,980	6,162	6,232	5,590	5,762
Other taxes	6,361	6,686	7,252	7,306	7,085	7,188	7,147	7,211	7,294	7,788
Gain on Sale of Capital Assets	521	-	218	2	-	-	-	-	-	66
Interst Earnings	449	578	731	594	562	654	714	790	599	654
Miscellaneous	227	221	309	177	109	150	501	684	691	263
Transfers	(6,773)	(9,059)	(9,061)	(10,807)	(9,745)	(7,401)	(8,549)	(9,803)	(7,018)	(7,379)
Total governmental activities	16,970	17,576	19,739	18,525	13,801	16,578	15,724	15,335	17,230	18,121
Business- type activities:										
Sales taxes	8,150	-	-	-	-	-	-	-	-	-
Gain on Sale of Capital Assets	15	37	12	71	27	50	109	82	-	110
Investment earnings	1,090	1,209	835	339	59	42	27	32	62	63
Miscellaneous	8	-	-	-	37	165	12	44	1	13
Transfers	6,773	9,059	9,061	10,807	9,745	7,401	8,549	9,803	7,018	7,379
Total business- type activities	16,036	10,305	9,908	11,217	9,868	7,658	8,697	9,961	7,081	7,565
Total primary government	$ 33,006	$ 27,881	$ 29,647	$ 29,742	$ 23,669	$ 24,236	$ 24,421	$ 25,296	$ 24,311	$ 25,686
Change in Net Position										
Governmental activities	$ 8,429	$ 3,498	$ 10,054	$ 8,492	$ 271	$ 7,038	$ 7,434	$ (502)	$ (807)	$ 11,530
Business- type activities	12,855	7,925	4,170	6,208	5,876	5,549	7,131	4,679	4,432	6,408
Total primary government	$ 21,284	$ 11,423	$ 14,224	$ 14,700	$ 6,147	$ 12,587	$ 14,565	$ 4,177	$ 3,625	$ 17,938

City of Rome, Georgia
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year									
	2005	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**
General fund										
Reserved	$ 597	$ 776	$ 816	$ 869	$ 856	$ 891	$ -	$ -	$ -	$ -
Unreserved	11,007	11,261	11,114	10,575	9,652	10,120	-	-	-	-
Nonspendable						*	216	792	763	735
Restricted							790	771	784	782
Assigned							-	25	-	-
Unassigned							10,661	11,012	11,260	12,101
Total General fund	$ 11,604	$ 12,037	$ 11,930	$ 11,444	$ 10,508	$ 11,011	11,667	$ 12,600	$ 12,807	$ 13,618
All other governmental funds										
Reserved	$ 2,623	$ 2,399	$ 2,653	$ 2,179	$ 5,284	$ 4,978	$ -	$ -	$ -	$ -
Unreserved, reported in:							-	-	-	-
Special revenue funds	520	445	403	303	152	125	-	-	-	-
Capital projects funds	3,638	3,422	3,352	4,358	1,989	1,633	-	-	-	-
Nonspendable						*	2,828	2,221	2,365	-
Restricted							2,465	2,925	2,676	7,030
Assigned, reported in										
Special revenue funds							57	74	83	47
Capital projects funds							1,617	-	-	-
Unassigned							-	(165)	(226)	-
Total all other governmental funds	$ 6,781	$ 6,266	$ 6,408	$ 6,840	$ 7,425	$ 6,736	$ 6,967	$ 5,055	$ 4,898	$ 7,077

* Classification of fund balances changed due to the implementation of GASB 54.

City of Rome, Georgia
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenues										
Taxes	$ 22,540	$ 25,844	$ 27,525	$ 28,385	$ 22,358	$ 23,053	$ 23,069	$ 23,450	$ 23,010	$ 24,651
Licenses and permits	1,500	1,582	1,599	1,738	1,675	1,681	1,658	1,722	1,735	1,813
Intergovernmental	1,883	2,790	3,916	3,495	8,462	9,911	10,019	5,164	5,268	5,950
Charges for services	549	682	674	538	586	542	464	472	476	495
Fines/Forfeitures	1,478	1,331	1,565	1,762	1,543	1,496	1,294	1,244	1,358	1,176
Investment earnings	449	578	732	594	562	654	715	790	599	653
Miscellaneous	172	147	309	216	109	150	500	684	691	263
Total revenues	28,571	32,954	36,320	36,728	35,295	37,487	37,719	33,526	33,137	35,001
Expenditures										
General government	3,070	3,351	3,491	3,584	3,478	3,313	3,143	3,138	3,181	3,477
Public safety	6,782	7,140	7,493	7,688	7,523	7,414	7,222	7,122	7,372	7,397
Public works	5,306	5,557	5,531	5,858	5,586	5,430	5,670	5,623	5,577	5,614
Public facilities	836	880	926	937	959	1,023	1,007	1,035	1,039	1,116
Public services	395	436	458	456	391	379	388	407	433	442
Community development	764	825	1,024	1,172	1,072	1,126	1,135	1,204	1,163	1,222
Capital outlay	3,357	5,363	8,303	5,928	6,762	11,165	9,416	5,658	6,907	4,590
Debt service										
Principal	69	71	91	78	198	262	557	319	306	376
Interest	249	326	246	320	245	245	245	276	542	469
Total expenditures	20,828	23,949	27,563	26,021	26,214	30,357	28,783	24,782	26,520	24,703
Excess of revenues over (under) expenditures	7,743	9,005	8,757	10,707	9,081	7,130	8,936	8,744	6,617	10,298

continued

City of Rome, Georgia
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Other financing sources (uses)										
Transfers in	2,179	2,249	3,654	3,205	2,019	1,847	2,672	1,807	1,903	1,909
Transfers out	(8,952)	(11,308)	(12,714)	(14,012)	(11,764)	(9,248)	(11,221)	(11,610)	(8,922)	(9,288)
Transfers to component units	-	-	-	-	-	-	-	-	-	-
Transfers from component units	-	-	-	-	-	-	-	-	-	-
Proceeds from sale of bonds/notes	-	-	-	-	300	-	-	-	-	-
Capital leases	620	110	-	-	-	-	50	-	-	-
Proceeds from intergovernmental payable refunding	-	-	-	-	-	-	-	-	-	3,540,000
Payments for intergovernmental payable refunding	-	-	-	-	-	-	-	-	-	(3,540,000)
Sale of capital assets	-	23	338	47	13	85	449	80	452	70
Total other financing sources (uses)	(6,153)	(8,926)	(8,722)	(10,760)	(9,432)	(7,316)	(8,050)	(9,723)	(6,567)	(7,309)
Net change in fund balances	$ 1,590	$ 79	$ 35	$ (53)	$ (351)	$ (186)	$ 886	$ (979)	$ 50	$ 2,989
Debt service as a percentage of noncapital expenditures	1.8%	2.0%	1.9%	2.2%	2.3%	2.7%	4.0%	2.9%	3.8%	4.0%

City of Rome, Georgia
General Governmental Tax Revenues By Source
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

Fiscal Year	Property Tax		Sales Tax	Franchise Tax	Insurance Premium Tax	Alcoholic Beverage Tax	Other Taxes	Total
2005	8,662		6,484	2,807	1,752	836	1,999	22,540
2006	10,134	*	8,709	2,973	1,833	834	1,361	25,844
2007	10,257	*	10,242	3,166	1,912	857	1,091	27,525
2008	9,815	*	12,569	3,373	1,958	871	36	28,622
2009	9,372		6,128	3,192	1,939	861	866	22,358
2010	10,207		6,029	3,352	1,883	825	757	23,053
2011	10,047		6,162	3,553	1,703	812	792	23,069
2012	10,403		6,232	3,357	1,809	841	808	23,450
2013	10,612		5,590	3,236	1,873	855	844	23,010
2014	11,554		5,762	3,428	1,958	869	1,080	24,651
% change between 2005 & 2014	33.39%		-11.14%	22.12%	11.76%	3.95%	-45.97%	9.37%

(*) Includes Special Purpose Local Option Sales Tax.

City of Rome, Georgia
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Year	Real Property	Personal Property	Public Utilities	Motor Vehicles	Mobile Homes	Total Assessed Value City	Less School Tax Exemption	Total Assessed Value School	Total Direct Tax Rate *	Estimated Actual Value	Assessed Value to Estimated Actual Value
2005	714,751,021	188,013,500	23,613,000	72,071,960	207,546	998,657,027	(65,263,380)	960,343,305	24.58	2,400,858,263	40%
2006	765,223,983	196,925,161	25,439,000	67,836,580	204,266	1,055,628,990	(67,313,704)	1,023,822,767	24.45	2,559,556,918	40%
2007	801,947,393	197,628,142	27,215,000	76,976,990	179,621	1,103,947,146	(69,130,918)	1,075,107,154	24.43	2,686,585,355	40%
2008	839,467,255	189,522,031	25,717,175	77,543,520	169,428	1,132,419,409	(70,163,632)	1,109,377,341	24.43	2,773,443,353	40%
2009	855,730,720	188,100,111	26,556,590	77,936,110	176,001	1,148,499,532	(71,744,994)	1,120,352,248	24.42	2,800,880,620	40%
2010	829,091,871	185,601,135	25,503,243	68,205,850	172,014	1,108,574,113	(71,811,792)	1,078,630,642	26.15	2,696,576,605	40%
2011	816,351,825	186,162,190	28,265,457	69,194,300	192,965	1,100,166,737	(71,808,416)	1,062,672,937	26.15	2,656,682,342	40%
2012	815,093,673	185,918,089	28,265,457	70,303,830	170,110	1,099,751,159	(70,124,530)	1,045,889,201	26.15	2,614,723,003	40%
2013	810,347,679	189,949,428	29,001,905	76,515,750	180,990	1,105,995,752	(69,730,929)	1,050,919,941	26.15	2,627,299,853	40%
2014	811,586,270	198,147,609	31,601,367	66,616,670	174,465	1,108,126,381	(68,821,009)	1,053,960,998	26.15	2,634,902,495	40%

Source-Floyd County Tax Assessors Office
(1) Denotes change in tax assessment calculation from prior years
(2) School Tax Exemptions increased to reflect new changes in state law

Properties in the City are reassessed on a rotating basis by the county tax assessment office. The county assessed all property at 40% of actual value. Estimated actual value is calculated by dividing assessed value by 40%.

* Includes General, Capital and School Tax Rates

City of Rome, Georgia
Property Tax Rates-Direct and Overlapping Governments
(Per $1,000 of Assessed Value)
Last Ten Fiscal Years

	City of Rome					Overlapping Rates **		
Year	General Fund	Capital Fund	Debt Service	City Schools	Total Direct Rate	Floyd County	State of Georgia	Total Rate
2005	6.68	1.90	-	16.00	24.58	7.968	0.25	32.80
2006	6.60	1.85	-	16.00	24.45	7.968	0.25	32.67
2007	6.58	1.90	-	15.95	24.43	8.100	0.25	32.78
2008	6.63	1.85	-	15.95	24.43	8.767	0.25	33.45
2009	6.67	1.85	-	15.90	24.42	8.767	0.25	33.44
2010	6.80	1.90	-	17.45	26.15	8.767	0.25	35.17
2011	6.80	1.90	-	17.45	26.15	8.767	0.25	35.17
2012	6.80	1.90	-	17.45	26.15	8.767 *	0.20	35.12
2013	6.80	1.90	-	17.45	26.15	8.767	0.15	35.07
2014	6.80	1.90	-	17.45	26.15	8.767	0.10	35.02

Source-City of Rome Finance Department
Floyd County Finance Office

* First year of phase out of State tax
** Overlapping rates are those of county and state governments that apply to taxpayers within the City of Rome

City of Rome, Georgia
Principal Property Taxpayers
December 31, 2014
(amounts expressed in thousands)

	2014			2005		
Taxpayer	**Taxable Assessed Value**	**Rank**	**Percentage of Total Taxable Assessed Value**	**Taxable Assessed Value**	**Rank**	**Percentage of Total Taxable Assessed Value**
Redmond Regional Medical Center	32,722	1	2.95%	30,941	1	3.10%
Harbin Properties, LLC	26,364	2	2.38%			
Bekaert Corporation	19,085	3	1.72%	23,535	3	2.36%
Walmart	18,711	4	1.69%	15,655	4	1.57%
Southeastern Mills	16,744	5	1.51%	9,487	10	0.95%
Georgia Power	16,700	6	1.51%	11,045	6	1.11%
Larry Martin	12,870	7	1.16%	9,943	8	1.00%
Keebler Company	10,124	8	0.91%	22,369	2	2.36%
Suzuki Manufacturing of America	9,613	9	0.87%			
River Root Partners LLC	8,612	10	0.78%	8,727	9	0.87%
Bellsouth/AT&T				10,068	7	1.01%
Mount Berry Square Mall LLC				11,884	5	1.19%
Totals	$ 171,545		15.48%	$ 153,654		15.52%

Source-Floyd County Tax Assessor Office
Ranking is based on net tax dollars paid

City of Rome, Georgia
Property Tax Levies and Collections
Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year Ended December 31	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2005	22,019	20,188	91.7%	1,756	21,944	99.7%
2006	23,544	21,492	91.3%	1,833	23,325	99.1%
2007	24,528	23,067	94.0%	1,046	24,113	98.3%
2008	25,372	** 21,661	85.4%	143	21,804	85.9%
2009	25,513	22,395	87.8%	* 1,366	23,761	93.1%
2010	26,281	23,044	87.7%	1,287	24,331	92.6%
2011	25,709	22,690	88.3%	1,866	24,556	95.5%
2012	25,523	23,081	90.4%	1,780	24,861	97.4%
2013	25,597	23,437	91.6%	1,189	24,626	96.2%
2014	26,229	23,994	91.5%	1,787	25,781	98.3%

**Denotes Homeowners tax relief credit monies held by State of Georgia until subsequent year

* Includes Homestead Tax

City of Rome, Georgia
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(amounts expressed in thousands, except per capita amount)

	Governmental Activities				Business- Type Activities					
Fiscal Year	General Obligation Bonds	Notes Payable	Special Assessment Bonds	Capital Leases	Bonded Debt	Notes Payable	Capital Leases	Total Primary Government	Percentage of Personal Income(1)	Per Capita(1)
2005	-		4,527	223	82,030	5,085	703	92,568	9.24%	2,543
2006	-		4,527	261	77,965	4,770	897	88,420	8.57%	2,424
2007	-		4,527	170	73,695	7,498	968	86,858	8.16%	2,382
2008	-	4,923	4,527	92	69,235	10,393	695	89,865	8.07%	2,424
2009	-	5,782	4,527	27	65,451	9,824	415	86,026	7.53%	2,380
2010	-	5,547	4,527	-	60,276	9,224	228	79,802	6.90%	2,197
2011	-	5,492	4,527	40	54,946	8,602	793	74,400	6.36%	2,056
2012	-	5,183	4,527	30	52,744	7,956	570	71,010	5.95%	1,976
2013	-	4,886	4,527	20	54,241	1,336 *	460	65,470	5.29%	1,810
2014	-	4,676	4,527	10	47,655	2,456	349	59,673	4.40%	1,567

Note-Additional information regarding the City's outstanding debt can be found in the notes to the financial statements

(1) See the Schedule of Demographics and Economic Statistics for personal income and population data
* Prior GEFA balance became bonded debt in 2013

City of Rome, Georgia
Ratio of Net General Bonded Debt
Last Ten Fiscal Years
(amounts expressed in thousands, except per capita amount)

Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property **	Per Capita ***
2005	-	-	-	N/A	N/A
2006	-	-	-	N/A	N/A
2007	-	-	-	N/A	N/A
2008	-	-	-	N/A	N/A
2009	-	-	-	N/A	N/A
2010	-	-	-	N/A	N/A
2011	-	-	-	N/A	N/A
2012	-	-	-	N/A	N/A
2013	-	-	-	N/A	N/A
2014	-	-	-	N/A	N/A

** See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.
*** Poplulation data can be found in the Schedule of Demographic and Economic Statistics.

City of Rome, Georgia
Computation of Direct and Overlapping Governmental Activities Debt
December 31, 2014

Governmental Unit	Certificates of Participation	Capital Leases	Notes Payable	Other Debt Outstanding	Percent Applicable to City of Rome	Amount Applicable to City of Rome
City of Rome	$ 4,527,000	$ 10,435	S 1,145,523	$ 3,530,000	100%	$ 9,212,958
Rome Board of Education-Quality Zone Academy Bonds	-	-	-	2,000,000	100%	2,000,000
	$ 4,527,000	$ 10,435	S 1,145,523	$ 5,530,000		$ 11,212,958

Source-Rome Board of Education

Note-Overlapping governments are those that may coincide, at least in part, with the geographic boundaries of the city. This schedule shows the portion of the overlapping debt by the Rome Board of Education that is obligated to the taxpayers of the City of Rome. Although this debt payment is funded by Educational Special Local Option funds, the outstanding balance is obligated to the City of Rome and its taxpayers.

City of Rome, Georgia
Legal Debt Margin Information
Last Ten Fiscal Years
(amounts expressed in thousands)

	Fiscal Year 2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Debt limit	$ 99,865,703	$ 105,562,899	$ 110,394,715	$ 113,238,941	$ 114,849,953	$ 110,857,411	$ 110,016,673	$ 109,975,116	$ 110,599,575	$ 110,812,638
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	$ 99,865,703	$ 105,562,899	$ 110,394,715	$ 113,238,941	$ 114,849,953	$ 110,857,411	109,852,761	$ 109,975,116	$ 110,599,575	$ 110,812,638
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Legal Debt Margin Calculation for Fiscal Year 2014

Total assessed value	$ 1,108,126,381
Debt limit (10% of total assessed value)	110,812,638
Debt applicable to limit:	
General obligation bonds	-
Less: Amount set aside for repayment of general obligation debt	-
Total net debt applicable to limit	-
Legal debt margin	$ 110,812,638

Note: Under State finance law, any outstanding general obligation debt of the City of Rome should not exceed 10 percent of total assessed property value.
By law, any general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

City of Rome, Georgia
Pledged - Revenue Coverage
Last Ten Fiscal Years
(amounts expressed in thousands)

	Water & Sewer Revenue Bonds					
Fiscal Year	Water & Sewer Charges & Other (1)	Less: Operating Expenses (2)	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
2005	18,738,678	8,041,271	10,697,407	2,615,000	3,083,046	1.8
2006	19,404,739	8,681,217	10,723,522	3,485,000	3,354,631	1.6
2007	20,449,671	8,718,404	11,731,267	3,665,000	3,166,379	1.7
2008	19,653,969	9,268,673	10,385,296	3,825,000	3,010,552	1.5
2009	19,863,718	9,103,422	10,760,296	3,610,000	2,600,893	1.7
2010	21,411,092	8,978,125	12,432,967	4,465,000	2,297,715	1.8
2011	21,413,544	9,677,717	11,735,827	4,605,000	2,159,128	1.7
2012	21,980,265	10,163,561	11,816,704	4,780,000	1,321,847	1.9
2013	21,965,249	9,361,007	12,604,242	5,441,000	1,826,484	1.7
2014	23,466,061	9,634,424	13,831,637	5,601,000	1,633,467	1.9

(1) Includes interest income and miscellaneous revenue
(2) Excludes depreciation expense

City of Rome, Georgia
Demographics and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	(1) Population		Personal Income (in thousands)		(2) Per Capita Personal Income	(3) School Enrollment	(4) Unemployment Rate
2005	36,399	*	1,001,482		27,514	5,346	5.3%
2006	36,524	*	1,031,182		28,233	5,239	4.3%
2007	36,463	*	1,064,683		29,199	5,235	4.7%
2008	37,067	*	1,113,715		30,046	5,612	8.0%
2009	36,142	*	1,141,762		31,591	5,571	12.4%
2010	36,303		1,155,888		31,840	5,579	10.6%
2011	36,181	**	1,169,768	**	32,331	5,737	12.7%
2012	35,942	**	1,191,801	**	33,159	5,669	11.8%
2013	36,159	**	1,237,723	**	34,230	6,006	9.0%
2014	35,973	**	1,280,610	**	35,599	6,114	7.9%

Data Sources:
(1) U.S. Census Bureau
(2) U.S. Department of Commerce, Bureau of Economic Analysis
(3) Rome Board of Education
(4) State Department of Labor
* Trend Estimate based on 2000 Census
** Trend Estimate based on 2010 Census

City of Rome, Georgia
Principal Employers
Current Year and Seven Years Ago

	2014			2007*		
Employer	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Floyd Medical Center	2,800	1	12.20%	2,100	1	12.11%
Redmond Regional Medical Center	1,200	2	5.23%	1,200	3	6.92%
Harbin Clinic	1,152	3	5.02%	1,230	2	7.10%
Rome City Schools	740	4	3.22%	757	7	4.37%
City of Rome	646	5	2.81%	665	9	3.84%
Floyd County Government	609	6	2.65%	725	8	4.18%
Kellogg's	558	7	2.43%	625	10	3.61%
Berry College	550	8	2.40%			
Neaton Rome	550	9	2.40%			
Southeastern Mills	350	10	1.53%			
Mohawk Industries				1,080	4	6.23%
Zartic Corporation				804	5	4.64%
Northwest Georgia Regional Hospital				760	6	4.38%
Totals	9,155		39.9%	9,946		53.00%

Source-Rome Chamber of Commerce

* - Data not available for 10 year comparison.

City of Rome, Georgia
Full-time Equivalent City Government Employees by Function
Last Ten Fiscal Years

	Fiscal Year									
	2005	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**
Function										
General government	28	29	29	29	29	28	28	28	27	28
Legislative and judicial										
Commission	9	9	9	9	9	9	9	9	9	9
Municipal court	2	2	2	2	2	2	2	2	7	5
Attorney	1	1	1	1	1	1	1	1	1	1
Public safety										
Police										
Officers	98	98	98	98	98	92	95	95	101	98
Civilians	11	11	11	11	11	11	15	15	15	18
Public services	8	10	7	7	7	4	4	4	3	3
Public facilities	4	4	4	4	4	4	4	4	4	4
Fire										
Civilians	7	7	7	7	3	3	2	1	2	2
Firefighters and officers	146	146	146	146	146	148	149 **	162	161	161
Public works										
Public works office	4	4	5	5	4	4	4	4	4	4
Engineering	8	8	8	8	7	7	7	6	6	6
Street	43	43	46	46	39	31	31	31	31	31
Traffic	12	12	12	12	12	13	13	13	13	13
Cemetery	7	7	7	7	6	6	6	6	6	6
Garage	13	13	13	13	12	11	12	12	12	13
Building inspection	12	12	12	12	9	9	9	9	8	9
Transit	41	43	43	43	43	43	43	43	43	43
Planning commission	7	6	6	7	6	6	6	6	6	6
Solid Waste Management	72	72	72	71	61	56	55	57	57	57
Culture and recreation	6	12	12	12	12	11	19	21	24	24
Water and sewer	116	116	120	120	104	102	102	102	105	105
Total	655	665	670	670 *	625 *	601	616	631	645	646

Source-City of Rome Human Resource Department
* Includes Personnel Reduction due to Revenue Decreases
** Includes increase for personnel funded with SAFER grant

City of Rome, Georgia
Operating Indicators by Function
Last Ten Fiscal Years

Function	Fiscal Year 2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Public Safety:										
Police arrests	2,026	1,845	2,267	2,388	2,168	2,030	1,858	1,793	2,197	2,008
Parking/Traffic violations	16,602	14,173	17,349	18,797	16,251	14,455	13,228	12,270	14,253	11,452
Public Works:										
Street resurfacing (miles)	6.35	5.26	4.77	0.40	2.02	10.50	5.78	4.25	3.64	4.19
Public Facilities:										
Rentals-Aud/Civic Center	46,215	48,328	45,645	41,754	48,668	54,072	58,773	57,613	57,007	58,156
Senior Citizen Center	2,975	2,357	1,550	2,333	2,610	2,803	2,795	2,371	2,935	2,740
Education:										
School Enrollment	5,346	5,239	5,235	5,612	5,571	5,579	5,737	5,669	6,006	6,114
Water and Sewer:										
Customers										
Water	19,501	19,734	19,875	20,006	20,034	20,065	20,083	20,094	20,120	20,155
Sewer	20,484	20,769	20,952	21,069	21,113	21,163	21,173	21,181	21,211	21,254
Water - (millions of gallons)										
Average daily production	9.7	9.7	9.0	8.1	7.6	7.9	7.6	7.4	7.1	7.5
Maximum daily production	13.6	13.9	14.3	11.0	12.0	10.9	12.1	11.1	9.7	10.8
Wastewater - (millions of gallons)										
Average daily sewage treatment	13.4	10.3	8.1	9.0	14.0	10.8	10.7	9.1	13.9 (1)	11.3
Maximum daily sewage treatment	28.6	25.6	21.1	27.4	57.9	51.5	56.3	31.1	50.0	53.7
Fire										
Number of responses	4,394	4,705	4,784	4,294	4,275	4,292	4,401	4,483	4,630	5,061
Inspections	1,563	1,584	1,424	1,224	911	1,045	1,413	1,915	1,751	1,352
Solid Waste Management:										
Refuse collected (tons)										
Inert	4,976	4,603	6,229	6,967	9,673	9,075	8,330	6,879	6,535	8,847
Trash	2,647	2,453	2,447	2,200	2,150	1,865	1,578	1,423	1,407	1,456
Garbage	16,113	16,225	15,361	14,539	14,530	13,801	14,248	13,755	14,311	14,164
Recycling	956	869	994	960	912	1,017	1,409	1,472	1,325	1,329
Transit:										
Transit miles	539,745	573,884	586,643	589,640	593,820	591,152	585,837	589,766	604,407	591,300
Transit passengers	857,276	879,394	893,268	967,390	962,500	982,471	1,014,181	1,053,540	1,075,603	1,069,526
Building Inspection:										
New Construction Permits	553	360	344	228	114	67 (4)	36	55	62	93
Solid Waste Commission:										
Inert tonnage	992	377 (2)	353	241	225	194	816 (5)	733	488	697
C&D tonnage	12,494	11,750	16,117	17,527	34,759 (3)	24,753	22,654	20,030	24,117	20,041
Garbage tonnage	100,624	59,304	54,821	85,360	78,326	73,410	70,417	70,179	69,416	72,939
Municipal Golf:										
Rounds played	28,677	31,311	31,893	32,714	27,142	28,542	29,405	39,715 (6)	34,113	30,243

Source: City of Rome Trends Publication

Note: Operating indicators are not available for General Government, Public Services, and Community Development

(1) Sharp increase in maximum daily sewage treatment due to very wet year and increase in commercial users

(2) Tonnage in landfill decreased between 2005 and 2006 because of loss of major commecial user, also C&D landfill opened in 2005

(3) Large increase due to hail storm area roof replacements

(4) Permit decrease due to economic downturn

(5) Increase due to storm related incidents

(6) Increased play contributed to conversion of greens

City of Rome, Georgia
Principal Water and Sewer Customers
Current Year and Nine Years Ago

Principal Water Customers (in descending order):

2014		2005
1)	Floyd County Wholesale	1) Floyd County
2)	Floyd Medical Center	2) Mohawk Industries
3)	Bekaert Steel	3) Zartic
4)	Rome Housing Authority	4) Bekaert Steel
5)	Kellogg's	5) Rome Housing Authority
6)	Alliance Laundry	6) Floyd County Government
7)	Redmond Regional Medical Center	7) Kellogg's
8)	Floyd County Government	8) Floyd Medical Center
9)	Syntec Industries	9) Redmond Regional Medical Center
10)	Mohawk	10) NWGA Regional Hospital

Principal Sewer Customers (in descending order):

1)	Floyd Medical Center	1) Mohawk Industries
2)	Bekaert Steel	2) Zartic
3)	Berry College	3) Bekaert Steel
4)	Ball Corporation	4) Berry College
5)	Rome Housing Authority	5) Rome Housing Authority
6)	General Electric Groundwater	6) Floyd Couty Government
7)	Kellogg's	7) Marglen Industries
8)	Alliance Laundry	8) Metal Containers
9)	Redmond Regional Medical Center	9) Crothall
10)	Floyd County Government	10) Kellogg's

City of Rome, Georgia
Capital Asset Statistics by Function
Last Ten Fiscal Years

Function	Fiscal Year 2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Public Safety:										
Police Stations	1	1	1	1	1	1	1	1	1	1
Police Patrol Vehicles	86	86	81	70	65	65	65	71	71	72
Public Works:										
Streets (miles)	261.29	262.81	268.87	273	275	266	267	267	265	267
Street lights	4,369	4,425	4,425	4,520	4,566	4,566	4,566	4,566	4,566	4,566
Traffic signals	91	92	92	91	93	93	93	95	95	95
Signage	10,100	10,106	10,203	10,248	10,248	10,248	10,250	10,253	10,257	10,257
Public Facilities:										
Parks	22	22	22	22	22	22	22	22	22	22
Auditoriums and Civic Centers	3	3	3	3	3	3	3	3	3	3
Public Services:										
Volumes in Library System	320,471	322,000	332,378	344,692	350,528	359,188	364,338	366,293	366,383	362,859
Water:										
Water mains (miles)	270	284	285	285	285	285	285	285	285	285
Fire hydrants	1,585	1,643	1,627	1,648	1,644	1,661	1,718	1,800	1,800	1339
Sewer:										
Sanitary sewers (miles)	414	408	410	399	399	399	399	401	401	399
Storm sewers (miles)										
Fire:										
Fire stations	10	10	10	10	10	10	10	10	10	10
Solid Waste Management:										
Collection Vehicles	42	42	40	41	40	40	40	37	37	35
Transit:										
Buses	42	42	43	44	48	48	49	58	59	64

Source: City of Rome Trends Publication
City of Rome Finance Department

Note: Capital Asset indicators are not available for the General Government, Community Development, Education, Building Inspection, Solid Waste Commission, and Municipal Golf Course functions.

CITY OF ROME, GEORGIA

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS IN ACCORDANCE WITH THE SINGLE AUDIT ACT AND *GOVERNMENT AUDITING STANDARDS*

DECEMBER 31, 2014

CITY OF ROME, GEORGIA

SINGLE AUDIT OF FEDERAL PROGRAMS
FOR THE YEAR ENDED DECEMBER 31, 2014

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MAULDIN
& JENKINS
CERTIFIED PUBLIC ACCOUNTANTS, LLC

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

To the Board of Commissioners of
the City of Rome, Georgia
Rome, Georgia

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the **City of Rome, Georgia** (the "City") as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 3, 2015.

Internal Control over Financial Reporting

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

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

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

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Compliance and Other Matters

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

Purpose of this Report

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

Mauldin & Jenkins, LLC

Atlanta, Georgia
June 3, 2015

MAULDIN & JENKINS
CERTIFIED PUBLIC ACCOUNTANTS, LLC

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY *OMB CIRCULAR A-133*

To the Board of Commissioners of
the City of Rome, Georgia
Rome, Georgia

Report on Compliance for Each Major Federal Program

We have audited the City of Rome, Georgia's (the "City's") compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2014. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

The City's basic financial statements include the operations of the Rome Board of Education, which received $9,690,276 in federal awards which are not included in the schedule of expenditures of federal awards for the year ended June 30, 2014.

Management's Responsibility

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

Auditor's Responsibility

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

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

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Opinion on Each Major Federal Program

In our opinion, the City of Rome, Georgia complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2014.

Report on Internal Control Over Compliance

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

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

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

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

Report of Schedule of Expenditures of Federal Awards as required by OMB Circular A-133

We have audited the financial statements of the City of Rome, Georgia as of and for the year ended December 31, 2014, and have issued our report thereon dated June 3, 2015, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Mauldin & Jenkins, LLC

Atlanta, Georgia
June 3, 2015

CITY OF ROME, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2014

Federal Grantor/Pass-Through Program Title	CFDA Number	Agency or Pass-through Grantor Number	Expenditures
U.S. Department of Transportation			
Passed through the Georgia Department of Transportation:			
Metropolitan Transportation Planning Services Program	20.505	PL000-0010-00-810	$ 107,794
Passed through the Georgia Department of Transportation:			
Highway Planning and Construction Cluster:			
Highway Planning and Construction Program	20.205	T004226	41,296
Urban Riverfront	20.205	CSTEE-0007-00(399)	625,808
Heritage Riverways	20.219	NRT-11(17)	4,490
Subtotal Highway Planning and Construction Cluster			671,594
Passed through the Georgia Department of Transportation:			
Federal Transit - Urbanized Area Formula Grant	20.507	GA-90-0259-01	102,351
Federal Transit - Urbanized Area Formula Grant	20.507	GA-90-0286	161,109
Federal Transit - Urbanized Area Formula Grant	20.507	GA-90-0309	84,159
Federal Transit - Urbanized Area Formula Grant	20.507	GA-90-X309-3	45,291
Federal Transit - Urbanized Area Formula Grant	20.507	GA-90-X309	516,202
Federal Transit - Urbanized Area Formula Grant	20.507	GA-90-X309-03	793,406
Subtotal Federal Transit Cluster			1,702,518
Total U.S. Department of Transportation			2,481,906
U.S. Department of Justice			
Direct Award			
COPS Hiring Program (CHP)	16.710	2010UMWX0083	32,943
Subtotal Direct Award			32,943
Passed through the Bureau of Justice Assistance:			
Bulletproof Vest Partnership Program	16.607	2013BUBZ13066619	2,359
Bulletproof Vest Partnership Program	16.607	N/A	848
Subtotal Bureau of Justice Assistance			3,207
Justice Assistance Grant Program Cluster:			
Local Law Enforcement Block Grant (Police Equipment Grant)	16.738	2014-DJ-BX-0490	20,273
Subtotal Justice Assistance Grant Program Cluster			20,273
Total U.S. Department of Justice			56,423

Continued

CITY OF ROME, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2014

Federal Grantor/Pass-Through Program Title	CFDA Number	Agency or Pass-through Grantor Number	Expenditures
U.S. Department of Housing and Urban Development			
Community Development Block Grant -			
Entitlement Grant	14.218	B-11-MC-13-0014	$ 10,000
Entitlement Grant	14.218	B-12-MC-13-0014	55,332
Entitlement Grant	14.218	B-13-MC-13-0014	211,179
Entitlement Grant	14.218	B-14-MC-13-0014	74,766
Subtotal Community Development Block Grant Cluster			351,277
Community Home Investment Partnerships			
Downpayment Assistance Program	14.239	2012-835	122,216
Downpayment Assistance Program	14.239	2013-874	87,600
Subtotal Community Home Investment Partnerships			209,816
Total U.S. Department of Housing and Urban Development			561,093
U.S. Department of Interior			
Historic Preservation CLDG Development	15.904	13-13-41917	12,000
Total U.S. Department of Interior			12,000
U.S. Department of Homeland Security			
Passed through Federal Emergency Management Agency			
SAFER Grant	97.044	EMW-2011-FH-01084	236,732
Subtotal Federal Emergency Management Agency			236,732
Total U.S. Department of Homeland Security			236,732
Total Expenditures of Federal Awards			$ 3,348,154

See accompanying note to Schedule of Expenditures of Federal Awards.

CITY OF ROME, GEORGIA

NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED DECEMBER 31, 2014

BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City of Rome, Georgia (the "City") and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations." Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements.

CITY OF ROME, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2014

SECTION I
SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weaknesses identified?	_____ yes __X__ no
Significant deficiencies identified?	_____ yes __X__ none reported
Noncompliance material to financial statements noted?	_____ yes __X__ no

Federal Awards

Internal Control over major programs:	
Material weaknesses identified?	_____ yes __X__ no
Significant deficiencies identified?	_____ yes __X__ none reported
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133, Section 510(a)?	_____ yes __X__ no

Identification of major programs:

CFDA Number	Name of Federal Program or Cluster
20.507	Federal Transit Cluster
20.205, 20.219	Highway Planning and Construction Cluster

Dollar threshold used to distinguish between Type A and Type B programs:	$300,000
Auditee qualified as low-risk auditee?	_____ yes __X__ no

CITY OF ROME, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2014

Section II – Financial Statement Findings and Questioned Costs

None reported

CITY OF ROME, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2014

Section III - Federal Awards Findings and Questioned Costs

None reported

SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2014

2013-002 Matching-

Program: U.S. Department of Transportation (CFDA No. 20.205 & 20.219)
CFDA Program Titles: Highway Planning and Construction and Recreational Trails Program
Grant Numbers: T004226, 1141750, CSTEE-0007-00(399), and NRT-11(17)

Criteria: Recreational Trails Program Grant requirements state that the maximum amount of Grant-in-Aid Federal support of 78% would be provided.

Condition: As of December 31, 2013, the City was not properly monitoring the match status and ensuring that the amount of federal funds being requested was 78% or less of the total expenditures for this National Trails Program project.

Context/Cause: During our testing of the grant, we noted that the City was requesting 80% of total expenditures which was in excess of the maximum allowable 78%.

Response: This finding was resolved during the current period.

CITY OF ROME, GEORGIA

SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2014

2013-003 Allowable Costs-

Program: U.S. Department of Transportation (CFDA No. 20.205 & 20.219)
CFDA Program Titles: Highway Planning and Construction and Recreational Trails Program
Grant Numbers: T004226, 1141750, CSTEE-0007-00(399), and NRT-11(17)

Criteria: While direct costs are those that can be identified specifically with a particular final cost objective, the indirect costs are those that have been incurred for common or joint purposes, and not readily assignable to the cost objectives specifically benefited without effort disproportionate to the results achieved. Indirect costs are normally charged to Federal awards by the use of an indirect cost rate. The indirect cost rate proposal (ICRP) provides the documentation prepared by a State/local department or agency, to substantiate its request for the establishment of an indirect cost rate. The indirect costs include (1) costs originating in the department or agency carrying out Federal awards, and (2) costs of central governmental services distributed through the State/local-wide central service Cost Allocation Program ("CAP") that are not otherwise treated as direct costs. The ICRPs are based on the most current financial data and are used to either establish predetermined, fixed, or provisional indirect cost rates or to finalize provisional rates.

Condition: During our testing of the expenditures charged to the Highway Planning and Construction Grant, we noted the City did not have proper procedures in place to support the indirect costs through an Indirect Cost Rate Proposal, as required by OMB A-87.

Context/Cause: The City did not have adequate controls in place to ensure the required documentation was being obtained and maintained in the files.

Response: This finding was resolved during the current period.

CITY OF ROME, GEORGIA

SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2014

2013-004 Reporting-

Program: U.S. Department of Homeland Security (CFDA No. 97.044)
CFDA Program Titles: Staffing for Adequate Fire and Emergency Response (SAFER) Grant
Grant Numbers: EMW-2011-FH-01084

Criteria: Grant requirements state that recipients of a SAFER grant will be required to submit a semi-annual Federal Financial Report (FFR) on the Standard Form 425 (SF-425). The SF-425 will be due semi-annually based on the calendar year beginning with the period after the award is made. Grant recipients will be required to submit an FFR throughout the entire period of performance of the grant. The reporting periods for the FFR are January 1 through June 30 (report due by July 31), and July 1 through December 31 (report due by January 30).

Condition: During our testing of the semi-annual FFR reports, we noted the City did not have proper procedures in place to ensure that the reports were submitted timely, as required by grant agreement.

Context/Cause: The City did not have adequate controls in place to ensure the FFR reports were filed timely with the grantor.

Response: This finding was resolved during the current period.