CITY OF AMERICUS, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

Prepared by:

Finance Department

INTRODUCTORY SECTION

CITY OF AMERICUS, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

TABLE OF CONTENTS

Page No.

INTRODUCTORY SECTION

Table of Contents ..... i - v
Letter of Transmittal ..... vi - xii
Certificate of Achievement for Excellence in Financial Reporting xiii
List of Principal Officials xiv
Organization Chart xv

FINANCIAL SECTION

Independent Auditor's Report ..... 1 - 3
Management's Discussion and Analysis ..... 4 - 19
Basic Financial Statements:
Government-wide Financial Statements:
Statement of Net Assets ..... 20 and 21
Statement of Activities 22
Fund Financial Statements:
Balance Sheet – Governmental Funds ..... 23 and 24
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds ..... 25 and 26
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities 27
General Fund – Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual ..... 28 - 30

CITY OF AMERICUS, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

TABLE OF CONTENTS

Page No.

FINANCIAL SECTION (Continued)
- Statement of Net Assets – Proprietary Funds ..... 31 and 32
- Statement of Revenues, Expenses and Changes in Net Assets – Proprietary Funds ..... 33 and 34
- Statement of Cash Flows – Proprietary Funds ..... 35 - 37
- Notes to Financial Statements ..... 38 - 71
- Required Supplementary Information – Schedule of Funding Progress 72

Nonmajor Governmental Funds:
Combining and Individual Fund Statements and Schedules:
- Combining Balance Sheet – Nonmajor Governmental Funds ..... 73 and 74
- Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds ..... 75 and 76
- Community Development Block Grant Fund – Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual 77
- State Revolving Loan Fund – Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual 78
- Home Loan Fund – Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual 79
- 2007 CHIP Fund – Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual 80
- 2001 Program Income Fund – Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual 81

CITY OF AMERICUS, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

TABLE OF CONTENTS

Page No.

Combining and Individual Fund Statements and Schedules (Continued):

2004 ISTEA Fund – Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual 82

2007 CDBG Fund – Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual 83

Hotel/Motel Tax Fund – Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual 84

Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds 85

Component Units:

Downtown Development Authority – Balance Sheet 86

Downtown Development Authority – Statement of Revenues, Expenditures and Changes in Fund Balance 87

Tourism Council – Balance Sheet 88

Tourism Council – Statement of Revenues, Expenditures and Changes in Fund Balance 89

CITY OF AMERICUS, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

TABLE OF CONTENTS

Page No.

STATISTICAL SECTION (Unaudited)

- Net Assets by Component – Last Nine Fiscal Years 90
- Changes in Net Assets – Last Nine Fiscal Years ..... 91 and 92
- Fund Balances of Governmental Funds – Last Ten Fiscal Years 93
- Changes in Fund Balances of Governmental Funds – Last Ten Fiscal Years 94
- General Governmental Tax Revenues by Source – Last Ten Fiscal Years 95
- Assessed Value and Estimated Actual Value of Taxable Property – Last Ten Fiscal Years 96
- Property Tax Rates – Direct and Overlapping Governments – Last Ten Fiscal Years 97
- Principal Property Taxpayers – Current Year and Nine Years Ago 98
- Property Tax Levies and Collections – Last Ten Fiscal Years 99
- Ratios of Outstanding Debt by Type – Last Ten Fiscal Years 100
- Ratios of General Bonded Debt Outstanding – Last Ten Fiscal Years 101
- Direct and Overlapping Governmental Activities Debt – Current Year 102
- Legal Debt Margin Information – Last Ten Fiscal Years 103
- Pledged Revenue Coverage – Last Ten Fiscal Years 104
- Demographic and Economic Statistics – Last Ten Fiscal Years 105
- Principal Employers – Current Year and Nine Years Ago 106
- Full-Time Equivalent City Government Employees by Function – Last Ten Fiscal Years 107
- Operating Indicators by Function – Last Ten Fiscal Years ..... 108 and 109
- Capital Asset Statistics by Function – Last Ten Fiscal Years 110

CITY OF AMERICUS, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

TABLE OF CONTENTS

Page No.

COMPLIANCE SECTION

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* ..... 111 and 112

Schedule of Findings and Responses ..... 113 - 115

City of Americus, Georgia

June 9, 2012

To the Honorable Mayor, members of the City Council, and the citizens of the City of Americus:

State law requires that all general-purpose local governments publish, within six months of the close of each fiscal year, a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to the requirements, we hereby issue the comprehensive annual financial report of the City of Americus for the fiscal year ended December 31, 2011.

This report consists of management's representations concerning the finances of the City of Americus. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Americus has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Americus' financial statements. Because the cost of internal controls should not outweigh their benefits, the City of Americus' comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Americus' financial statements have been audited by Mauldin and Jenkins, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City of Americus for the fiscal year ended December 31, 2011 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded that there was a reasonable basis for rendering an unqualified opinion that the City of Americus' financial statements for the fiscal year ended December 31, 2011 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City of Americus is part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. Although highly unusual for the City of Americus, a Single Audit was not required in 2011 due to the lack of significant project activity.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Americus' MD&A can be found immediately following the report of the independent auditors.

PROFILE OF THE GOVERNMENT

The City of Americus is located in Sumter County in Southwest Georgia. Americus is 132 miles from Atlanta and only nine miles from Plains, the home of America's 39th President and Nobel Peace Prize Laureate, Jimmy Carter. Americus is located strategically between the Andersonville and Plains National Historic Sites. Sumter County is the only county in Georgia which boasts two national historic sites. In Plains, the renovations of the Plains High School and Jimmy Carter Boyhood Home site in Archery have been completed. Plains High School has been designated the state school of Georgia. The United States Prisoner of War Museum is located within the Andersonville National Historic Site. This museum opened in April 1998. More than 150,000 visitors are received at these sites annually.

The City of Americus is empowered to levy a property tax on both real and personal properties located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which occurs when deemed appropriate by the governing body.

The City of Americus operates under the Council/Chief Administrative Officer form of government. Policy making and legislative authority are vested in the governing body which consists of a mayor and six council members. The governing body is responsible for, among other things, passing ordinances, adopting the budget, appointing committees, and appointing the Chief Administrative Officer, Department Heads, Municipal Court Judge, and the City Attorney. The Chief Administrative Officer is responsible for carrying out the policies and ordinances of the governing body and for overseeing the day-to-day operations of the government. The governing body is elected on a non-partisan basis. Council members serve four-year staggered terms, with three council members elected every two years. The Mayor is elected at large to serve a four-year term. The six council members are elected by district.

The City of Americus provides a full range of services, including police and fire protection and community development activities. Water and sewer services, natural gas services, solid waste services, and the Rylander Theater are all operated as proprietary funds of the City. The Storm Water Fund was implemented on June 1, 2010, and 2011 represents the first full year of operations. This fund was established to build a revenue stream to address drainage and storm water issues. The Downtown Development Authority and the Americus Sumter Tourism Council are recorded as component units of the City and are included in the financial statements.

The annual budget serves as the foundation for the City of Americus' financial planning and control. All agencies of the City of Americus are required to submit requests for appropriation to the Finance Director. The finance department prepares the budget based on these requests and ensures that economic factors, wage increases, and other items are consistent among all of the funds and departments. The requested budget is submitted to the Chief Administrative Officer (CAO). The CAO uses this information as the starting point for developing the proposed budget. The proposed budget is then presented to the Mayor and Council on or before October 31. The council is required to hold public hearings on the proposed budget and to adopt a final budget no later than December 31, the close of the City's fiscal year. The appropriated budget is prepared by fund, function (e.g., public safety), and department (e.g., police). Department heads may make budget transfers of appropriations within a department except in salary and capital line items. Transfers of appropriations between departments require the special approval of the governing council. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated budget is required; however, the City's budget policy includes all funds. The adherence to this policy has played an important role in controlling expenses during the economic downturn. Budget ordinance amendments are prepared throughout the year to adjust for unanticipated events, planned spending reductions, and more accurate monitoring of financial conditions.

FACTORS AFFECTING FINANCIAL AND ECONOMIC CONDITION

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Americus operates.

Local Economy

The citizens of Americus and Sumter County set the standard nineteen years ago when they voted to impose upon themselves a special purpose local option sales tax to fund economic development. This tax generated more than eight million dollars to spur economic development. These monies have been used to pay for the costs of improvements to the City's infrastructure and to provide attractive financing packages for industrial development. In addition, the Payroll Development Authority, the local authority responsible for administering these funds, developed a revolving loan pool from a portion of the money. The loan funds are used continuously to enhance economic development. In 2008, the Americus Sumter County Chamber of Commerce and the Payroll Development Authority reorganized. The result was a salaried economic developer on staff charged strictly with recruiting industry and expansion of existing business and industry.

More than 80% of the U.S. industrial and commercial markets are within two days of Americus. Americus is just 30 miles from Interstate 75 and about 60 miles from Interstate 185. U.S. Highways 19 and 280 intersect Americus, providing easy access to the major cities of the Southeast. Highway 19 is a four lane highway which runs from Atlanta to Florida and provides an alternate route for tourists and business travelers. Highway 19 has recently been widened to four-lanes from Atlanta to Florida. Several intrastate and interstate motor freight carriers provide full-load trucking services to this area with a few maintaining local terminals. Additionally, Norfolk Southern and Heart of Georgia companies provide rail service to this region of Georgia.

The Americus/Sumter County Airport Authority operates the Jimmy Carter Regional Airport, a general public aviation airport three miles northeast of Americus. The airport has a 6,021 foot runway. One fixed base operator, Souther Field Aviation, Inc., offers fuel, aircraft tie down, hangar and repair services. In 2010, the Airport Authority completed the construction of 19 new aircraft hangars. Currently, all hangars are occupied, including 5 privately owned units. Also, international flights are available at Atlanta's Hartsfield-Jackson International Airport which is only two hours and 30 minutes away.

Americus is 60 miles southeast of Columbus, one of two Georgia inland port locations. Savannah and Brunswick (both about 200 miles away) are the closest deep water ports. Americus is also 30 miles west of Cordele where another inland port location has been constructed. The port location began operations in the early part of 2012. This port has the potential of bringing hundreds of jobs to the Crisp/Sumter County area.

Americus participates in the National Main Street Program. In 1983 the City of Americus was designated as a Main Street City and hired a full time manager to oversee the revitalization, promotion, and economic development of the thirteen block central business district. During the last decade a low interest revolving loan program was formulated for use in the Central Business Improvement District. In addition, facade and sign grants are offered to businesses to improve store fronts. Downtown merchants began taking advantage of the programs; and the City has seen a new downtown emerge.

In 1991, through the efforts of a private/public partnership, the 61,000 square foot Windsor Hotel was renovated in the heart of downtown. Another successful private/public partnership resulted in the renovation of the 620 seat Rylander Theater in 1999. Both the hotel and the theater complement retail businesses of "Victorian" downtown Americus.

In addition, the thirteen block central business improvement district now boasts a reputation as a shopping destination. Several large buildings that formerly housed single businesses have been renovated into mixed use facilities that house a combination of retail, commercial and residential space. One of these larger buildings that formerly housed the Rylander Motor Company has been fully restored and serves as the International Headquarters for Habitat for Humanity. Also, Citizens Bank of Americus refurbished the old Fire Station and other buildings to house their downtown facility. This project represents the largest private renovation in the downtown area to date. Also contributing to the Downtown area is the renovation of Rylander Park to include more green space and improvements at the Farmer's Market. Additionally, the Americus Sumter Tourism Council moved its Welcome Center to the first floor of the Municipal Building following the departure of the Finance Department. The newly renovated space is larger and more accommodating than center's prior location. The result is more exhibits and a museum feel that has attracted both residents and tourists. All of the above improvements have enhanced the esthetics of the area and improved tourism activities. Readers should note that the Finance Department is now housed at a former bank with access to drive thru facilities. The move has proved to be beneficial to the Finance Department as well as to tourism efforts.

Revenues generated from the City's hotel/motel tax have increased from $100,000 in 1998 to $329,000 in 2011. Although these revenues deteriorated in 2008 and 2009, they have continued to recover since then. Additionally, we are still booking rooms well in advance for small regional meetings, seminars, mini-conventions, motor coach tours and group travel associations and clubs.

Americus itself boasts one of the largest historic districts in southwest Georgia. The district contains more than 100 beautifully restored Victorian style homes. These homes plus the Windsor Hotel and the Rylander Theater make Americus an interesting attraction for heritage tourism.

Habitat for Humanity International, as mentioned previously, is an anchor business of Americus' downtown. The Habitat Global Village and Museum in Americus has become another tourist attraction for our community. The Village and Museum showcases model Habitat houses from 10 countries, exhibits of urban and rural poverty, visitor activities and world crafts and entertainment. This educational and fun attraction brings more than 50,000 visitors annually.

In general, Americus is experiencing a decrease in manufacturing businesses as is the rest of the country. However, the City is focusing on attracting service type and retail corporations. As explained in the Management Discussion and Analysis, 2011 has been economically challenging for several reasons. The City did not fully recover from the tornado event of March 1, 2007, when the national recession hit. Medical services suffered with the total destruction of the regional hospital; however, the area is better served now with the opening of the new state of the art hospital, Phoebe Sumter Medical Center. The new hospital is larger and the complex has several buildings to accommodate medical personnel.

Local unemployment rates reached a decade high of 14.4% at the end of February, 2010. The average rate for 2011 was 13.3% while the March, 2012 rate is slightly better at 12.6%. The double digit rates have prevailed for the last couple of years following the tornado, the closure of industries such as Collins and Aikman, The Tog Shop (Spiegel) and hiring freezes in other businesses and governments. Readers should note that the Georgia average for 2011 was 9.8% and the entire country was at 8.9%. These local factors and the overall national recession are contributing to the challenge of economic development.

In response to our local economic needs, four entities joined forces in 2008 with the University of Georgia through its Archway Partnership. These entities are the City of Americus, Sumter County Board of Commissioners, Sumter County Board of Education, and Sumter Regional Hospital. The Archway Program is designed to provide communities with the wealth of expertise of faculty and students and easy access to school resources in order to find solutions to local issues. Currently, Sumter County is one of only six partnerships in the state. The 2011-2012 work plan includes economic development, education, the development of an Urban Redevelopment Plan and possibly establishing a land bank authority. As the City of Americus is landlocked, the land bank authority would be a means of obtaining land, redirecting the use, and promoting growth.

The Crisp County Inland Port project began operations in late 2011 and early 2012. This port is able to accept freight containers from Savannah's port by rail. Once in Cordele the freight will be located on trucks and sent all over the southeast. The port should give the region an economic boost. Visionaries expect a wide range of industries and vocations to be impacted; including trucking, distribution centers, and other service industries. The port is located less than two miles from Interstate 75 in Crisp County. The port is currently providing services for Mulcoa and Big Tex Trailers. Other large companies have shown interest which could result in hundreds of jobs.

Also mentioned in the MD&A is a recent announcement by a local company, Star Racing, to build a $12 million world class motorsports facility right outside the City limits. The facility is expected to boost the economy by $75 million annually. This is expected to be a tourist attraction that will bring in visitors from all over the country. Groundbreaking is planned for 2012.

The Americus/Sumter County Payroll Development Authority continues to receive requests for information about Americus from companies located both within and without the United States. Because of Americus' favorable location and climate, we anticipate these inquiries and visits to continue, even in light of the national recession and our temporary local issues. With a diverse combination of retail and service industries, exciting tourist attractions, excellent education options, the rebuilding of our hospital, and our community-wide Archway Project, Americus is positioned for a strong comeback.

Long Term Financial Planning

Expansion, improvement, and efficiency will be the focus of the Americus city government for the coming years. Being able to expand the city's perimeter in all directions is likely to be a concern of the Mayor and Council over the next decade. The Mayor and Council will continue to emphasize to the state legislature the development of legislation that will be conducive to cities striving to increase their corporate boundaries.

When it comes to transportation planning, the passing of the TSPLOST is essential. Due to the long term nature of this legislature, the outcome of the July, 2012 referendum is crucial to the support and expansion of current infrastructure.

The City of Americus has developed a five-year capital improvement program that provides the framework for the purchase of machinery and equipment and the development and maintenance of the infrastructure to meet current and future needs. In accordance with our debt policy, the City issued a Combined Utility Revenue bond in the amount of $13,760,000 in 2010 to finance several utility projects. We are also pursuing GEFA and stimulus money for specific projects that qualify. Major planned improvements included in the City's most updated capital improvements program for 2012-2016 are:

- Continue the renovation and remodeling of all the City government buildings to meet our governmental needs. The next phase includes $2.8 million to renovate and expand the Public Safety Building. This building houses the entire police department and serves as the main fire department. Funding for this project is included in the most recently passed SPLOST legislature.
- Further expansion of the downtown Farmer's Market
- Enhancement of the Georgia Southwestern University Entranceway through the use of ISTEA funds. We have been awarded $980,000 for Tripp Street re-design and beautification.
- Plans for a fourth fire station to better serve the west side of town.
- Completing the Fire Hydrant Replacement project that began in 2011.
- Sidewalk Replacement and Resurfacing of various streets (funding hopefully will be supplemented by TSPLOST)
- Expansion of Gas mains to gain additional volume.
- Completion of various Water and Sewer projects funded by the 2010 Revenue Bond Series.

Other smaller projects are included in the five year capital improvements program for the City of Americus. All are designed to provide for future needs and mandates.

Awards and Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Americus for its comprehensive annual financial report for the fiscal year ended December 31, 2010. This was the twenty-third consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report 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 that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the Finance Department. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the mayor and city council members for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Americus's finances.

Respectfully Submitted,

Charlotte D. Cotton
Chief Administrative Officer

Suzanne Freeman
Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Americus
Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Linda C. Davidson

President

Jeffrey R. Esser

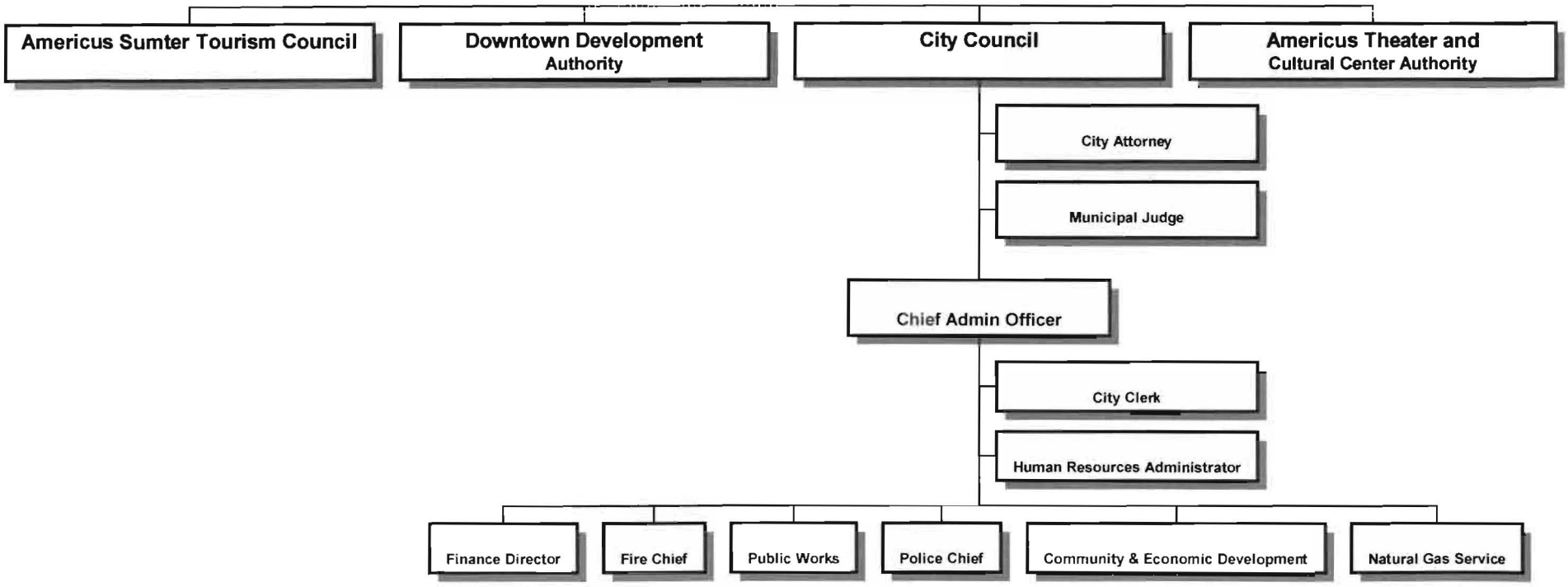
Executive Director

CITY OF AMERICUS, GEORGIA

LIST OF PRINCIPAL OFFICIALS
December 31, 2011

Mayor	Barry Blount
Council Members	Walton Grant Eloise Paschal Lou Chase Lorenzo Johnson Juanita Wilson Carla Cook
City Attorney	James M. Skipper, Jr.
Municipal Judge	Michael Greene
Chief Administrative Officer	Charlotte Cotton
Finance Director	Suzanne Freeman
Public Works Director	Bernard Kendrick
Chief of Police	James Green
Fire Chief	Allen Erkhart
Community and Economic Development Director	Mandy Young
Natural Gas Director	Sammy Deason

City of Americus
December 31, 2011



FINANCIAL SECTION

MAULDIN & JENKINS
CERTIFIED PUBLIC ACCOUNTANTS, LLC

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of the City Council
City of Americus, Georgia
Americus, Georgia

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 Americus, Georgia** as of and for the year ended December 31, 2011, which collectively comprise the City of Americus, Georgia's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Americus, Georgia's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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 Americus, Georgia as of December 31, 2011, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

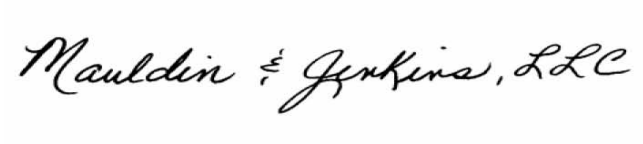
As discussed in Note 1, the City of Americus, Georgia implemented Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions,* as of January 1, 2011.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 6, 2012 on our consideration of the City of Americus, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the Schedule of Funding Progress on pages 4 through 19 and page 72 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Americus Georgia's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements, and statistical section, are presented for purposes of additional analysis and are not a required part of the 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 Annotated 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 and the schedule of expenditures of special purpose local option sales tax proceeds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in

the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. 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.



Macon, Georgia
June 6, 2012

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the City of Americus, Georgia's annual financial report presents our discussion and analysis of the City's performance during the fiscal year ended December 31, 2011. It is designed to give the reader an objective and easily readable analysis of the City's financial performance. The primary intent of this discussion and analysis is to look at the financial performance of the City as a whole. Readers should also review the letter of transmittal, notes to the basic financial statements, and the financial statements to enhance their understanding of the City's financial performance. The reader should note that this fiscal year is the City's ninth year of implementation of the GASB Statement #34 reporting model.

FINANCIAL HIGHLIGHTS

The key financial highlights for FY 2011 are as follows:

The City's total net assets increased $144,409. The net assets of the business-type activities increased $200,728, while the net assets of the governmental activities decreased $56,319. Although no single factor caused the decrease in governmental net assets, a full year of operations in the Storm Water fund is the main contributing factor to the increase in the net assets of business-type activities. Net assets in the Water and Sewer fund also increased due to higher revenues as a result of the water meter replacement project. The Natural Gas fund net assets decreased primarily due to lower revenues as a result of an unseasonably warm winter.

Total governmental revenues decreased from 2010 to 2011 by $165,752. The decrease is a function of lower Community Development grant activity in 2011. In 2010, the 2007 CHIP and 2007 CDBG grants were administered. These projects slowed in 2011 as they were nearing completion.

The City incurred $10,221,778 in expenses related to governmental activities. General revenues, primarily taxes, provided the major financing sources for these activities. The balance funded by other sources is $2,748,959 or 26.9% of the total spending. Non tax revenues include permits, operating grants and capital grants, contributions, fines, forfeitures, and charges for services.

Water and sewer fund operating revenues for this fiscal year were $5,397,091, while total operating expenses for the year were $4,782,566. After other non-operating revenues and expenses, capital contributions, and transfers; net assets showed an increase of $433,644 for the year. The upturn is due to the previously mentioned higher revenues.

Total Natural Gas Fund operating revenues for this fiscal year were $3,048,070. Total operating expenses for the year were $3,311,089. The operating loss of $263,019 combined with non-operating revenues, expenses, and transfers resulted in a decrease in net assets of $559,750. The deterioration in net assets has been a trend in recent years due to reduced sales volume in the industrial sector. During the lucrative years, a revenue sharing program was set up to support the General Fund. Readers should note that even though the fund

has deteriorated in recent years, $300,000 was still transferred to the General Fund for planned revenue sharing as the General Fund has become to rely on the support. Efforts continue to increase gas sales volume to reverse the recent trend. In 2011, this situation was compounded by the unseasonably warm winter.

Total Solid Waste Fund operating revenues for this fiscal year were $2,875,122. Total operating expenses of $2,817,110 resulted in operating income of $58,012. After other non-operating revenues and expenses, capital contributions, and transfers; net assets increased $58,092. This fund is designed to basically break even every year. Readers should note that 2011 sanitation rates were planned to enable a payment to Sumter County in the amount of $100,000 for prior years' landfill post-closure costs. The balance of this debt at the end of 2011 is $89,071.

Total Storm Water Fund operating revenues of $860,231 represented the first full year of operation. Total operating expenses of $394,760 resulted in operating income of $465,471. Most of this income was used to pay debt service for the 2010 Revenue Bond Series.

Revenues in the General Fund were $9,604,721 for fiscal year 2011 which was $80,760 higher than 2010. Individual line items fluctuated slightly but no particular revenue stream was dramatically different. The reader should note that the year to year stability of the General Fund revenues and expenditures represents close monitoring and some delayed spending in response to recent economic conditions which continue to have an impact on sales tax and other consumer driven revenues.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City of Americus' basic financial statements. The City of Americus' statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. The statements are organized so that the reader can understand the City of Americus as a financial whole or as an entire operating entity.

The Government-wide financial statements are designed to provide readers with a broad overview of the City of Americus' finances in a manner similar to a private-sector business.

The Statement of Net Assets presents information on all of the City of Americus' assets and liabilities, with the difference between the two reported as net assets. Over time, increases and decreases in net assets serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

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

The Statement of Net Assets and Statement of Activities provide information about the activities of the whole City and present both an aggregate view of the City's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short term as well as what remains for future spending. For proprietary funds, the statements offer both short and long term financial information about activities that the City operates like businesses. The major business-type activities include the Water and Sewer Fund, the Natural Gas Fund, the Solid Waste Fund, and the Storm Water Fund. Non-major business-type activities include the Theater Fund. The fund financial statements separately identify the City's most significant funds with all other non-major funds presented in one column.

The purpose of the Statement of Net Assets and the Statement of Activities is to answer the questions concerning how the City performed financially during 2011. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private sector companies. This basis of accounting takes into consideration all of the current year's revenues and expenses regardless of when the cash is paid or received.

These two statements report the City's net assets and the changes to those assets. This change in net assets is important because it tells the reader whether the financial position of the City as a whole has improved or diminished. The causes of this change may be the result of many factors, some financial and some non-financial. The non-financial factors may include the City's property tax base, condition of City owned streets, facility conditions, and other factors.

In the Statement of Net Assets and the Statement of Activities, the City has included both governmental and business-type activities:

Governmental Activities: Most of the City's programs and services are reported here including general government, public safety, public works, and community development. Property tax, sales tax, other taxes and fines and forfeitures finance most of these activities.

Business Type Activities: The City charges fees to cover the cost of the service each activity provides. These activities include water and sewer services, solid waste services, natural gas services, storm water, and cultural services.

FUND FINANCIAL STATEMENTS

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

reports provide detailed information about the City's major funds. The City uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the City's most significant funds.

GOVERNMENTAL FUNDS

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Most of the City's activities are reported in the governmental funds which are reported using an accounting method called modified accrual accounting which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general governmental operations and basic services it provides. Governmental fund information helps to determine if there are more financial resources that can be spent in the near future to finance governmental services. The relationship between governmental activities as reported in the Statement of Net Assets and the Statement of Activities and governmental funds is reconciled in the financial statements and is discussed in Note #2 of the financial statements.

The City maintains the following nine individual governmental funds: (1) the General Fund, (2) the Community Development Block Grant Fund, (3) State Revolving Loan Fund, (4) HOME Loan Fund, (5) 2001 Program Income Fund, (6) 2004 ISTEA Fund, (7) 2007 CDBG Fund, (8) 2007 CHIP Fund, and (9) Hotel/Motel Tax Fund. Information is presented separately in the governmental fund "balance sheet" and the "governmental fund statement of revenues, expenditures, and changes in fund balance" for the General Fund, which is the only major fund. Data from the other twelve governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in the report.

The City of Americus adopts an annual budget for its general fund and Special Revenue Funds. Budgetary comparisons to actual are included in the main financial statements and the required supplemental schedules. Additionally, a comparison of original and amended budgets for the General Fund is included later in this analysis.

PROPRIETARY FUNDS

The City of Americus maintains separate proprietary fund statements using the accrual basis of accounting similar to the government-wide statements. These fund statements reflect the same functions as the "business type activities" in the governmental-wide statements. The City of Americus has the following five proprietary funds: (1) Water and Sewer Fund, (2) Natural Gas Fund, (3) Solid Waste Fund, (4) Theater Fund, (5) and Storm Water Fund. The Theater Fund is considered non-major and listed as such on the Proprietary Fund Statements. Proprietary funds account for any service activity that charges a fee to external users to cover the cost of operations, including the cost of depreciation and debt service.

FISCAL YEAR 2011 FINANCIAL ANALYSIS

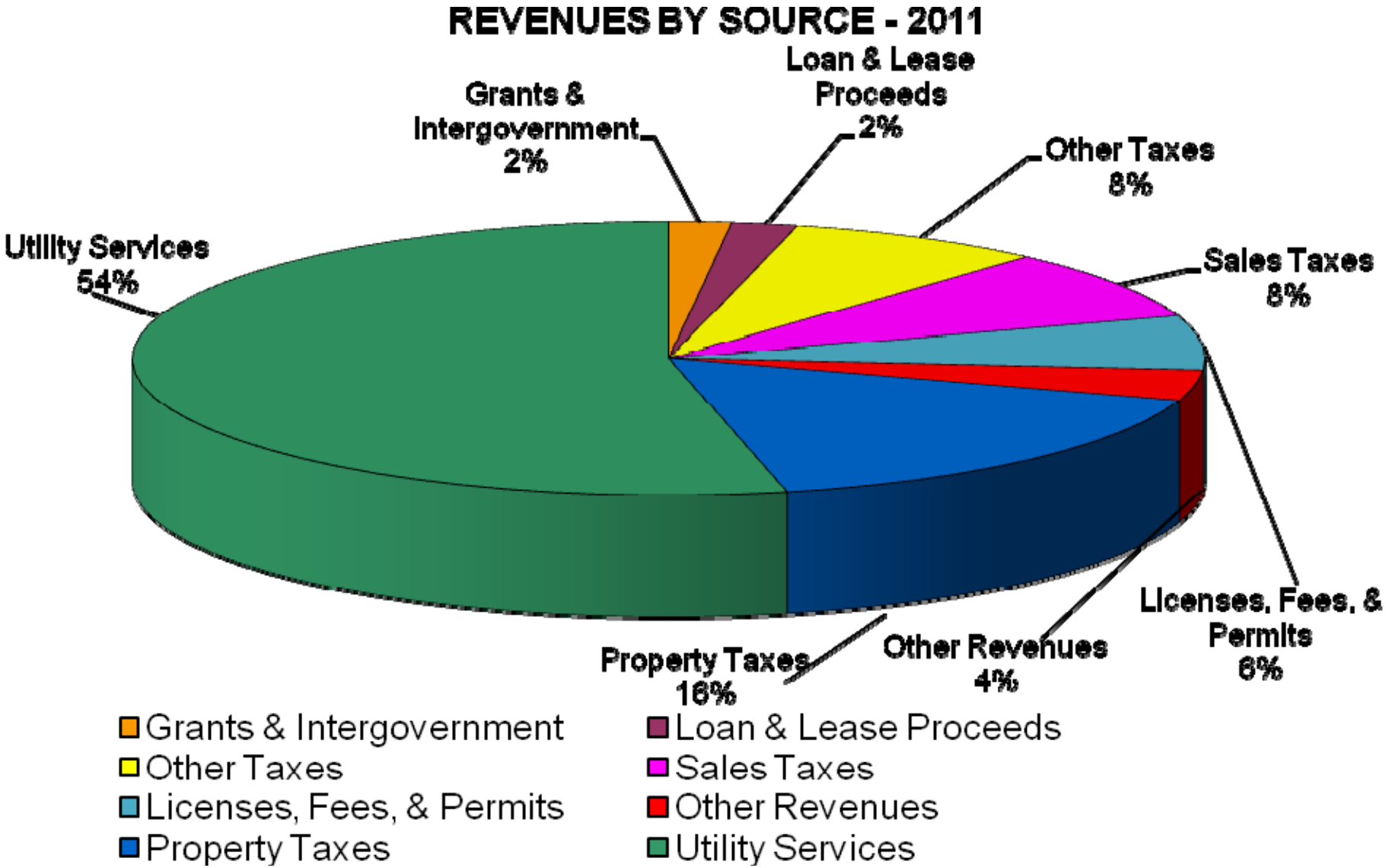
As was previously stated, the total net assets increased from 2010. Table 1 below shows the schedule of net assets and Table 2 shows the change in net assets.

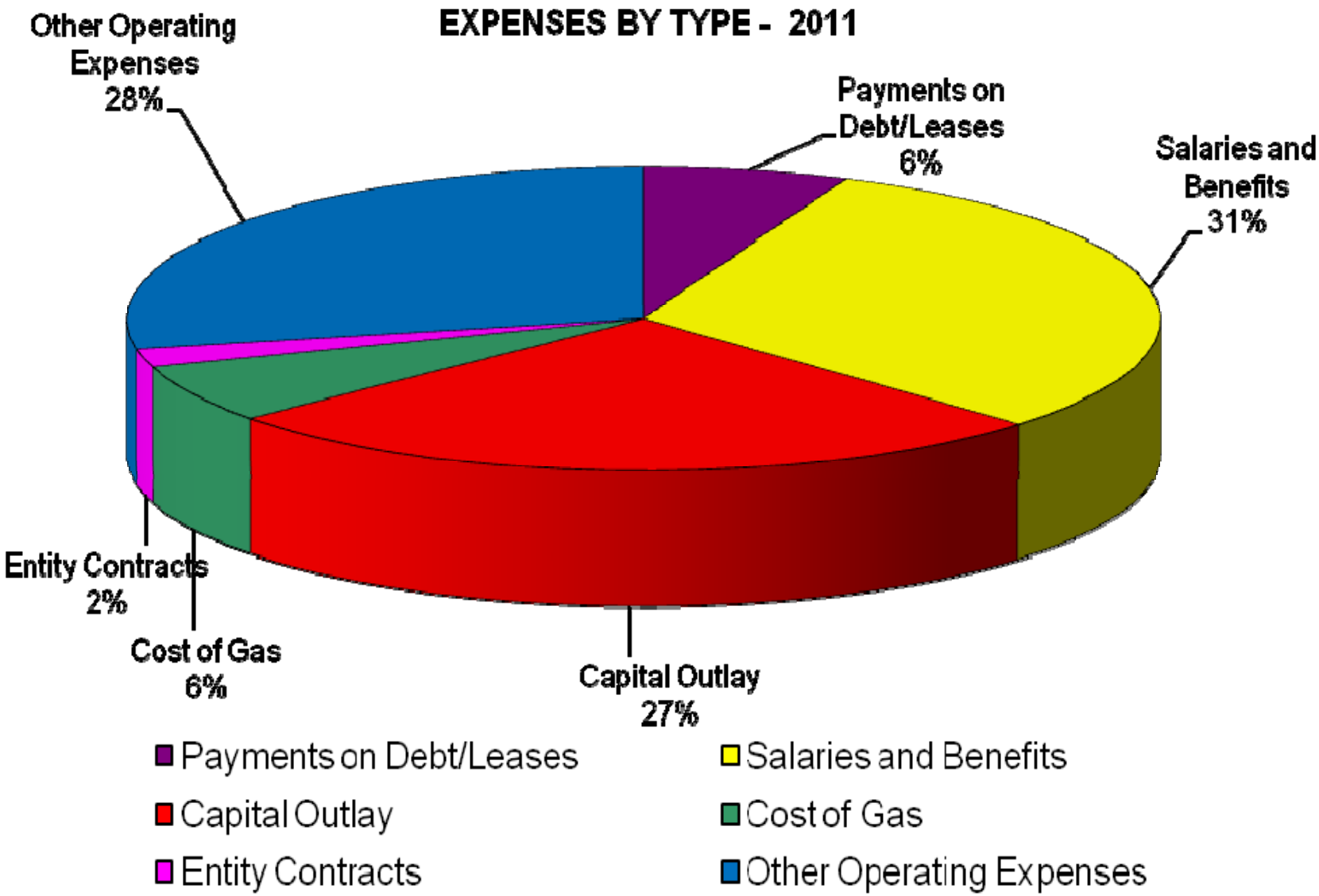
TABLE 1 - CITY OF AMERICUS' NET ASSETS

	Governmental Activities FY 2011	Governmental Activities FY 2010	Business-Type Activities FY 2011	Business-Type Activities FY 2010	Total Combined Activities FY 2011	Total Combined Activities FY 2010
Assets						
Current & other assets	$4,286,606	$4,197,503	$12,667,823	$19,217,371	$16,954,429	$23,414,874
Capital assets, net	13,728,800	13,466,360	26,302,702	20,947,100	40,031,502	34,413,460
Total assets	18,015,406	17,663,863	38,970,525	40,164,471	56,985,931	57,828,334
Liabilities						
Current & other liabilities	1,233,659	1,041,597	2,987,726	2,893,148	4,221,385	3,934,745
Long-term liabilities	2,006,208	1,790,408	18,228,397	19,717,649	20,234,605	21,508,057
Total liabilities	3,239,867	2,832,005	21,216,123	22,610,797	24,455,990	25,442,802
Net assets						
Invested in capital assets, net of related debt	11,538,593	11,512,033	11,496,750	11,341,519	23,035,343	22,853,552
Restricted for community development	609,509	-	-	-	609,509	-
Restricted for debt service and system expansion	-	-	1,456,000	2,040,000	1,456,000	2,040,000
Unrestricted	2,627,437	3,319,825	4,801,652	4,172,155	7,429,089	7,491,980
Total net assets	$14,775,539	$14,831,858	$17,754,402	$17,553,674	$32,529,941	$32,385,532

TABLE 2 - CITY OF AMERICUS' CHANGE IN NET ASSETS

	Governmental Activities FY 2011	Governmental Activities FY 2010	Business-Type Activities FY 2011	Business-Type Activities FY 2010	Total Combined Activities FY 2011	Total Combined Activities FY 2010
Revenues						
Charges for services	$2,106,711	$2,033,293	$12,234,089	$10,891,773	$14,340,800	$12,925,066
Operating grants/contributions	191,170	166,713	36,300	75,000	227,470	241,713
Capital grants/contributions	204,297	404,021	-	-	204,297	404,021
Total program revenues	2,502,178	2,604,027	12,270,389	10,966,773	14,772,567	13,570,800
General revenues						
Property tax	3,779,648	3,766,104	-	-	3,779,648	3,766,104
Other tax	3,693,171	3,749,316	-	-	3,693,171	3,749,316
Other	75,700	97,002	10,025	25,265	85,725	122,267
Total general revenues	7,548,519	7,612,422	10,025	25,265	7,558,544	7,637,687
Total revenues	10,050,697	10,216,449	12,280,414	10,992,038	22,331,111	21,208,487
Program expenses						
General government	1,360,399	1,391,039	-	-	1,360,399	1,391,039
Judicial	81,050	-	-	-	81,050	-
Public safety	6,542,536	6,474,734	-	-	6,542,536	6,474,734
Public works	1,399,458	6,406,697	-	-	1,399,458	6,406,697
Community development	734,990	649,819	-	-	734,990	649,819
Interest on long term debt	103,345	83,914	-	-	103,345	83,914
Theater	-	-	471,842	492,354	471,842	492,354
Storm water	-	-	394,760	513,372	394,760	513,372
Solid waste	-	-	2,817,110	2,642,940	2,817,110	2,642,940
Water & sewer	-	-	4,970,123	4,916,717	4,970,123	4,916,717
Natural gas	-	-	3,311,089	3,325,219	3,311,089	3,325,219
Total program expenses	10,221,778	15,006,203	11,964,924	11,890,602	22,186,702	26,896,805
Change in net assets before transfers	(171,081)	(4,789,754)	315,490	(898,564)	144,409	(5,688,318)
Transfers	114,762	(118,135)	(114,762)	118,135	-	-
Change in net assets	(56,319)	(4,907,889)	200,728	(780,429)	144,409	(5,688,318)
Net assets, beginning of year	14,831,858	19,739,747	17,553,674	18,334,103	32,385,532	38,073,850
Net assets, end of year	$14,775,539	$14,831,858	$17,754,402	$17,553,674	$32,529,941	$32,385,532


REVENUES BY SOURCE - 2011
Grants & Intergovernment 2%
Loan & Lease Proceeds 2%
Other Taxes 8%
Sales Taxes 8%
Licenses, Fees, & Permits 6%
Other Revenues 4%
Property Taxes 16%
Utility Services 54%
Grants & Intergovernment
Loan & Lease Proceeds
Other Taxes
Sales Taxes
Licenses, Fees, & Permits
Other Revenues
Property Taxes
Utility Services


EXPENSES BY TYPE - 2011
Other Operating Expenses 28%
Payments on Debt/Leases 6%
Salaries and Benefits 31%
Entity Contracts 2%
Cost of Gas 6%
Capital Outlay 27%
Payments on Debt/Leases
Salaries and Benefits
Capital Outlay
Cost of Gas
Entity Contracts
Other Operating Expenses

GOVERNMENTAL ACTIVITIES

Revenues for the City's governmental activities were $165,752 less than 2010 due to several factors. As listed previously, the 2007 CDBG and 2007 CHIP funds were very active in 2010. In 2011, these projects were completed. This is the main source of the variance between the years.

Expenses decreased in 2011 by $4,784,425 due to lower public works expenses. The difference is related to the depreciation of infrastructure assets. Many of these assets became fully depreciated during 2010. The remaining governmental expenses remained relatively flat between the two years.

BUSINESS-TYPE ACTIVITIES

Program revenues for business type activities surpassed 2010 by $1,303,616. Again, several factors impacted the year to year change. Most noteworthy was the increase in Water and Sewer revenues due to the meter replacement project combined with increased billing rates. The revenue increase from 2010 was $1,164,420. Also, 2011 marked the first full year of operations for the Storm Water Utility resulting in a favorable year to year variance of $357,745. A very mild winter caused Natural Gas revenues to decrease but this was somewhat offset by significant work past the meter. This work included the sale and installation of gas appliances in the amount of $222,792.

Business type expenses were just $74,322 higher than 2010. The only fund that had a significant increase was the Solid Waste Fund. The variance was due to an adjustment to the allocation of indirect expenses from other departments. Following the implementation of the Storm Water Utility, the methodology for the allocation was revised and included a heavier allocation to the Solid Waste Fund.

COST OF PROGRAM SERVICES

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the combined total cost of services and the combined net cost of services. For governmental activities, the net cost for the year represents depreciation of the infrastructure plus the amount that must be made up with by taxes and investments earnings. In 2011, the net cost was favorably impacted by the previously mentioned reduction in infrastructure asset depreciation. For Business-type activities, the net cost or (revenue) is the operating net loss or (income) before investment earnings and transfers from the General Fund. A comparison of the net cost for service from 2010 to 2011 is also included.

TABLE 3 - GOVERNMENTAL & BUSINESS-TYPE ACTIVITIES COMBINED

	Total Cost of Services FY 2011	Net Cost (Revenue) of Services FY 2011	Net Cost (Revenue) of Services FY 2010	Change from 2010 to 2011
General Government	$1,360,399	($432,394)	($351,448)	($80,946)
Judicial	81,050	81,050	-	81,050
Public Safety	6,542,536	6,102,101	6,088,090	14,011
Public Works	1,399,458	1,399,458	6,406,697	(5,007,239)
Community Development	734,990	466,040	174,923	291,117
Interest on long term debt	103,345	103,345	83,914	19,431
Business-type activities	11,964,924	(305,465)	923,829	(1,229,294)
Total Expenses	$22,186,702	$7,414,135	$13,326,005	($5,911,870)

GOVERNMENTAL FUND BALANCE

For the year ended December 31, 2011, the City's governmental funds reported combined ending fund balances of $3,011,887 which represents a decrease of $89,689 from the prior year. Approximately 73% of this total constitutes *unassigned* fund balance, which is available for spending at the City's discretion. The remainder of the fund balance is *non-spendable, restricted by third parties, or assigned* by the Chief Administrative Officer per the City's Fund Balance Policy and GASB 54. Table 4 below shows the change in ending fund balances for governmental funds.

Other Governmental Funds total fund balances were $643,356 or $117,378 less than 2010. The change in fund balance for these special revenue funds is directly related to fluctuations in grant receipts and no further discussion is necessary.

TABLE 4 - Governmental Fund Balance

	FY 2011	FY 2010	Increase (Decrease)
General Fund	$2,368,531	$2,340,842	$27,689
Special Revenue Funds	643,356	760,734	(117,378)
Total Governmental Fund Balance	$3,011,887	$3,101,576	($89,689)

The fund balance of the General Fund for the end of fiscal year 2011 was $2,368,531 representing relatively no change from 2010. This situation depicts a relatively stable and controlled financial environment in spite of current economic conditions. Although there were some fluctuations within the line

items, total assets were $2,215 more than 2010.

PROPRIETARY FUND BALANCE

The City's proprietary funds provide the same type information found in the government-wide financial statements, but in more detail. For the year ended December 31, 2011, the proprietary funds had total operating revenues $12,234,089. Based on revenues, the largest proprietary fund is the Water and Sewer Fund (44.0%) followed by the Natural Gas Fund (24.8%)

The change in net assets for Proprietary Funds was an increase of $200,728. The detail by fund is shown in Table 5 below.

TABLE 5 - Proprietary Fund Balance

	FY 2011	FY 2010	Increase (Decrease)
Theater Authority	$2,102,500	$2,295,229	($192,729)
Solid Waste Management	134,697	76,605	58,092
Water and Sewer	12,309,086	11,875,442	433,644
Natural Gas	2,610,123	3,169,873	(559,750)
Storm Water	597,996	136,525	461,471
Total Proprietary Fund Balance	$17,754,402	$17,553,674	$200,728

Readers should note that Theater Authority historically shows a reduction in net assets each year due to depreciation of the Theater building. The total depreciation in 2011 was $145,729. The Solid Waste Fund generally has a low fund balance as we try to set billing rates equal to anticipated expenses; however, we do have some fluctuation from year to year. Natural Gas rates are set based on market price plus a margin. As a result, net assets generally increase from year to year; however, the combination of a warm winter, lower industrial sales volume, and profit sharing with the General Fund has reduced the available fund balance. The Water and Sewer Fund's increase is due to better sales volume. The Storm Water Utility Fund showed an increase due to the first full year of operations in 2011.

GENERAL FUND AND SPECIAL REVENUE FUND BUDGETING HIGHLIGHTS

The City's budget is prepared in accordance with Georgia law. The most significant budget fund is the General Fund.

Actual 2011 revenues in the General Fund of $9,604,721 were less than the budget by $26,387. Minor variances occurred within several of the line items with the most noteworthy variance in sales tax revenue. Sales Tax revenue came in $26,201 less than budget.

The actual expenditure amount of $10,499,137 represents a positive variance of $238,891 to the final budgeted amount of $10,738,028. Before the reclassification of debt service, all departments came in less than budget. After the reclassification, the Police and Street Departments showed unfavorable variances. The main source of the overall favorable variance is lower than anticipated expenditures in the Fire Department.

Readers should note that throughout the year the budget ordinance is amended to reflect changes in revenues and expenditures that were not known at the time the budget was cast. For expenditures, the reduction of budgets largely reflects a control on spending in response to decreased revenues. See Table 6 below for a comparison of original expenditure budgets and final budgets.

TABLE 6 - ORIGINAL AND AMENDED EXPENDITURE BUDGETS

	Original Budget 2011	Amended Budget 2011	Increase (Decrease) from Original to Amended
Mayor & Council	$3,488,067	$697,005	($2,791,062)
Finance	152,708	458,450	305,742
City Administrator	41,595	41,272	(323)
Computer Operations	49,268	55,869	6,601
Personnel	171,195	179,698	5,003
Judicial	103,378	81,181	(18,697)
Police	3,133,677	3,291,867	158,190
Fire	3,189,066	3,076,609	(112,457)
Building Risk	191,634	210,679	19,045
Shop	-	64,866	64,866
Public Services	105,550	126,822	21,272
Streets	571,139	609,356	38,217
Cemetery	45,735	33,607	(12,128)
Transportation	201,930	220,255	18,325
Grounds & Maintenance	595,613	624,391	28,778
Community Development	2,785,551	316,540	(2,469,011)
Debt Service	377,435	382,935	5,500
Transfers to Other Depts.	170,860	266,626	95,766
Total Budget	$15,374,401	$10,738,028	($4,636,373)

Several departments incurred significant changes from original budget to amended “final” budget. The renovation of the Public Safety building was budgeted in the Mayor and Council department and later removed. The SPLOST project was postponed and re-budgeted in 2012.

The Finance Department budget was amended to include the lease purchase of a building to house the department.

The Police department's budget was amended to reflect the hiring of an interim chief as well as to cover increased gasoline and repair costs and the lease purchase of additional vehicles.

The Fire department budget was amended to coincide with slightly lower salaries and benefits as well as decreased vehicle repairs.

The Shop department which maintains the fleet for both the City and the County showed an increase in budgeted expenditures. This department was originally budgeted to be completely charged out; however, our combined labor and overhead rate was not adequate to cover all costs. The rates were adjusted in 2012.

CAPITAL ASSETS AND DEBT ADMINISTRATION

At the end of fiscal year 2010, the City had $40,031,502 invested in capital assets. Table 7 shows fiscal year 2011 balances compared to fiscal year 2010. Capital assets include land, buildings, improvements, machinery and equipment, utility systems, roads, streets, and bridges. The largest increase was in the Water and Sewer and Storm Water funds. Significant additions were funded by the 2010 Combined Utility Revenue Bond series. Particular assets include drainage improvements, new wells, water line extensions, the replacement of fire hydrants, and sewer improvements. Additional information on the capital assets can be found in the Note 6 of the financial report.

TABLE 7 - CAPITAL ASSETS

	Governmental/ Business-Type Activities 2010	Governmental/ Business-Type Activities 2011	Increase (Decrease) from 2010 to 2011
Land	$4,104,405	$4,187,340	$82,935
Construction in progress	525,828	4,195,933	3,670,105
Buildings	10,505,986	10,654,692	148,706
Building Improvements	105,767	118,628	12,861
Improvements other than buildings	141,442	141,442	-
Machinery and equipment	7,996,233	8,258,618	262,385
Water & sewer system	34,353,119	35,947,104	1,593,985
Gas system	3,469,128	3,524,907	55,779
Storm water system	-	1,136,830	1,136,830
Infrastructure	242,120,738	242,642,131	521,393
Accumulated depreciation	(268,909,187)	(270,776,123)	(1,866,936)
Total capital assets	$34,413,459	$40,031,502	$5,618,043

LONG-TERM DEBT

At year end, the City had $22,031,381 in long term debt. Governmental type activities showed an increase from 2010 for the lease purchase of the new finance department building. Business type activities showed a decrease from prior year balances due to the re-payment of debt combined with no new debt. A comparison of the different debt types and balances at year end 2010 and 2011 are documented in Table 8 below. More detailed information about the City's long term liabilities is presented in Note 7 of the financial statements.

TABLE 8 - OUTSTANDING LONG TERM LIABILITIES

	Governmental Activities FY 2010	Governmental Activities FY 2011	Business-Type Activities FY 2010	Business-Type Activities FY 2011	Total Combined Activities FY 2010	Total Combined Activities FY 2011
Certificates of participation	$845,000	$845,000	$ -	$ -	$845,000	$845,000
Capital leases	1,233,067	1,345,207	-	-	1,233,067	1,345,207
Notes payable	-	-	6,816,675	6,518,549	6,816,675	6,518,549
Revenue Bonds payable	-	-	13,760,000	12,655,000	13,760,000	12,655,000
Revenue Bonds Premium	-	-	544,092	493,083	-	493,083
Compensated absences	153,706	148,499	22,197	26,044	175,903	174,543
Total liabilities	$2,231,773	$2,338,706	$21,142,964	$19,692,676	$22,830,645	$22,031,382

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City of Americus is located in southwest Georgia in Sumter County. The 2010 U.S. Census population figure for the City was 17,041. The population of the City of Americus represents slightly over half of all of Sumter County. The economic condition and outlook of the City is mixed due to several factors. Economic recovery from an EF3 tornado that hit in 2007 started off with a great momentum, but has been challenging in light of the general downturn of the economy. Although most of the businesses have rebuilt, the impact of this event is still with the City and the County. The total devastation of Sumter Regional Hospital resulted in an overall reduction in local medical services. However, the new Phoebe Sumter Medical Center opened its doors in December, 2011 resulting in medical services that have surpassed the pre-tornado level.

Local unemployment rates have not seen any improvement over the last year. The average for 2011 was 13.3% compared to a 2010 average of 13.2%. On the bright side, the March, 2012 rate was slightly better at 12.6%. The prevailing rate for this area prior to the tornado and the national recession was around 5% to 7%.

Furloughing by both government and business has further exacerbated the current economy. The State of Georgia and Sumter County governments

have been forced to furlough employees in order to keep budgets in balance. This, along with the unemployment situation and rising gas prices, has reduced consumer spending. The decrease in spending has had a ripple effect on local businesses (lower sales) and local government (lower sales taxes); however, 2011 showed some recovery and the "creeping up" trend is continuing in the first few months of 2012.

On the positive side, local economic recovery is expected with some recent and upcoming projects. The new Cordele Intermodal Center opened in early 2012. This project, which is a joint venture of Sumter and Crisp counties, links the Port of Savannah with Southwest Georgia, Alabama, Mississippi, and the Florida panhandle by rail. This is a long term project that is expected to have a great impact in the four state region. Current companies using the center include Mulcoa and Big Tex Trailers. Other large companies have shown interest which could result in hundreds of jobs. Initial employment at the center is 50 to 100.

The local economy is also reaping the benefits of another joint venture through the University of Georgia Archway Partnership. Funding partners in this venture include the Sumter County Board of Commissioners, the City of Americus, the Sumter County Board of Education, Phoebe Sumter Medical Group, and Americus-Sumter County Payroll Development Authority. Through this partnership, our local leaders have access to resources offered by the University that would otherwise be unavailable in this area.

Another very positive project was announced in February, 2011. Star Racing, a local company, plans to build a $12 million world class motorsports facility right outside the City limits. The facility is expected to boost the economy by $75 million annually and employ as many as 200 full-time positions. The complex will include grand stands for 10,000 people and parking for 7,500 vehicles. Plans are underway to assure that infrastructure needs are met. These include, but are not limited to, widening of streets to handle the traffic, extension and expansion of water and sewer lines, and possibly natural gas lines.

Expansion at Georgia Southwestern State University is underway with the addition of a much needed Health and Sciences Building. The university has had a steady increase in enrollment for the past five years. The 2011 enrollment stands at 3,045. This is a significant economic factor considering the enrollment just 10 years earlier was 2,535. Additionally, South Georgia Technical College enrollment has grown by leaps and bounds from 2,248 in 2001 to 4,407 in 2011.

The City's adopted budget for 2011 included no cost of living increase and no merit increase. Capital spending was limited in 2011 in response to lower revenues. Additionally, no wage increases are budgeted for 2012. We are conservatively spending in order to avoid other cost cutting strategies like furloughing.

The financial position of the City is a result of careful budget management and expenditure of funds. The City has been able to maintain or slightly increase the millage rate on ad valorem taxes for the past several years. The millage rate for 2011 was set at 10.11, which is slightly lower than the 10.25 in 2010. The millage rate is projected to increase to 10.74 in 2012 in order to resume capital spending and support City services. The 2012 budget includes general fund expenditures of $14,574,180. The budget reflects the increased capital spending, including a SPLOST project for the renovation of the public safety building in the amount of $2.8 million. The budget also includes hefty contributions to the employee retirement plan due to the currently underfunded program. General inflation for energy costs, supplies, and repairs, as well as rate increases in contractual services are also included in the 2012 budget. If these estimates are realized, the City's budgetary general fund balance is expected to remain virtually the same at the close of 2012.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Suzanne Freeman, City of Americus, 101 W. Lamar Street, Americus, Georgia 31709, 229-924-4411, or suzanne.freeman@cityofamericus.net.

CITY OF AMERICUS, GEORGIA

STATEMENT OF NET ASSETS
DECEMBER 31, 2011

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Downtown Development Authority	Tourism Council
ASSETS					
Cash and cash equivalents	$ 1,230,245	$ 2,607,701	$ 3,837,946	$ 27,235	$ 3,995
Investments	747,733	-	747,733	-	-
Taxes receivable	849,543	-	849,543	-	-
Accounts receivable, net of allowance for uncollectibles	420,266	1,422,095	1,842,361	105	-
Due from component unit	5,801	-	5,801	-	-
Mortgage receivable	111,541	-	111,541	-	-
Due from other governments	221,655	-	221,655	-	-
Internal balances	280,332	(280,332)	-	-	-
Inventories	60,589	110,424	171,013	-	-
Prepaid expenses	76,501	30,432	106,933	133	-
Restricted assets, cash and cash equivalents	-	8,243,155	8,243,155	-	-
Fair value of Interest rate swap agreement	282,400	5,928	288,328	-	-
Bond issuance costs, unamortized balance	-	528,420	528,420	-	-
Capital assets, non-depreciable	3,983,493	4,399,780	8,383,273	-	-
Capital assets, depreciable, net of accumulated depreciation	9,745,307	21,902,922	31,648,229	804,411	-
Total assets	18,015,406	38,970,525	56,985,931	831,884	3,995

(Continued)

CITY OF AMERICUS, GEORGIA

STATEMENT OF NET ASSETS
DECEMBER 31, 2011

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Downtown Development Authority	Tourism Council
LIABILITIES					
Accounts payable	$ 324,258	$ 891,677	$ 1,215,935	$ 6,762	$ 54,855
Accrued liabilities	232,953	172,529	405,482	1,817	473
Unearned revenues	343,950	10,000	353,950	8,000	-
Intergovernmental payable	-	89,071	89,071	-	-
Due to primary government	-	-	-	4,608	1,193
Liabilities payable from restricted assets	-	1,490,171	1,490,171	-	-
Certificates of participation due in more than one year	845,000	-	845,000	-	-
Capital leases due within one year	183,999	-	183,999	-	-
Capital leases due in more than one year	1,161,208	-	1,161,208	-	-
Compensated absences due within one year	148,499	26,044	174,543	-	-
Notes payable due within one year	-	308,234	308,234	28,375	-
Notes payable due in more than one year	-	6,210,315	6,210,315	58,233	-
Bonds payable due in more than one year	-	12,018,082	12,018,082	-	-
Total liabilities	3,239,867	21,216,123	24,455,990	107,795	56,521
NET ASSETS (DEFICIT)					
Invested in capital assets, net of related debt	11,538,593	11,496,750	23,035,343	717,803	-
Restricted for system extension	-	1,456,000	1,456,000	-	-
Restricted for community development	609,509	-	609,509	-	-
Unrestricted (deficit)	2,627,437	4,801,652	7,429,089	6,286	(52,526)
Total net assets (deficit)	$ 14,775,539	$ 17,754,402	$ 32,529,941	$ 724,089	$ (52,526)

The accompanying notes are an integral part of these financial statements.

CITY OF AMERICUS, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Assets: Governmental Activities	Net (Expenses) Revenues and Changes in Net Assets: Business-type Activities	Net (Expenses) Revenues and Changes in Net Assets: Total	Component Units: Downtown Development Authority	Component Units: Tourism Council
Primary government:									
Governmental activities:									
General government	$ 1,360,399	$ 1,713,495	$ 79,298	$ -	$ 432,394	$ -	$ 432,394	$ -	$ -
Judicial	81,050	-	-	-	(81,050)	-	(81,050)	-	-
Public safety	6,542,536	346,835	93,600	-	(6,102,101)	-	(6,102,101)	-	-
Public works	1,399,458	-	-	-	(1,399,458)	-	(1,399,458)	-	-
Community development	734,990	46,381	18,272	204,297	(466,040)	-	(466,040)	-	-
Interest on long-term debt	103,345	-	-	-	(103,345)	-	(103,345)	-	-
Total governmental activities	10,221,778	2,106,711	191,170	204,297	(7,719,600)	-	(7,719,600)	-	-
Business-type activities:									
Theater	471,842	53,575	36,300	-	-	(381,967)	(381,967)	-	-
Stormwater	394,760	860,231	-	-	-	465,471	465,471	-	-
Solid waste	2,817,110	2,875,122	-	-	-	58,012	58,012	-	-
Water and sewer	4,970,123	5,397,091	-	-	-	426,968	426,968	-	-
Natural gas	3,311,089	3,048,070	-	-	-	(263,019)	(263,019)	-	-
Total business-type activities	11,964,924	12,234,089	36,300	-	-	305,465	305,465	-	-
Total primary government	$ 22,186,702	$ 14,340,800	$ 227,470	$ 204,297	(7,719,600)	305,465	(7,414,135)	-	-
Component unit:									
Downtown Development Authority	$ 162,986	$ 60,609	$ 84,574	$ -	-	-	-	(17,803)	-
Tourism Council	155,027	7,618	144,000	-	-	-	-	-	(3,409)
Total component unit	$ 162,986	$ 60,609	$ 84,574	$ -	-	-	-	(17,803)	(3,409)
General revenues:									
Property taxes					3,779,648	-	3,779,648	-	-
Sales taxes					1,909,128	-	1,909,128	-	-
Hotel/motel taxes					329,321	-	329,321	-	-
Transfer taxes					28,253	-	28,253	-	-
Alcoholic beverage taxes					422,174	-	422,174	-	-
Insurance premiums tax					799,295	-	799,295	-	-
Payments in lieu of taxes					205,000	-	205,000	-	-
Unrestricted investment earnings					75,700	7,036	82,736	-	-
Gain on sale of assets					-	2,989	2,989	-	-
Transfers					114,762	(114,762)	-	-	-
Total general revenues and transfers					7,663,281	(104,737)	7,558,544	-	-
Change in net assets					(56,319)	200,728	144,409	(17,803)	(3,409)
Net assets (deficit), beginning of year					14,831,858	17,553,674	32,385,532	741,892	(49,117)
Net assets (deficit), end of year					$ 14,775,539	$ 17,754,402	$ 32,529,941	$ 724,089	$ (52,526)

The accompanying notes are an integral part of these financial statements.

CITY OF AMERICUS, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2011

ASSETS	General Fund	Other Governmental Funds	Total Governmental Funds
Cash and cash equivalents	$ 621,022	$ 609,223	$ 1,230,245
Investments	747,733	-	747,733
Taxes receivable	849,543	-	849,543
Accounts receivable, net of allowance for uncollectibles	420,266	-	420,266
Mortgage receivable	-	111,541	111,541
Due from other governments	221,655	-	221,655
Due from other funds	280,332	-	280,332
Due from component unit	5,801	-	5,801
Inventories	60,589	-	60,589
Prepaid expenditures	76,501	-	76,501
Total assets	$ 3,283,442	$ 720,764	$ 4,004,206
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	$ 324,258	$ -	$ 324,258
Accrued liabilities	191,244	4,192	195,436
Deferred revenues	399,409	73,216	472,625
Total liabilities	914,911	77,408	992,319

(Continued)

CITY OF AMERICUS, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2011

FUND BALANCES	General Fund	Other Governmental Funds	Total Governmental Funds
Fund balances:			
Nonspendable:			
Prepaid expenditures	$ 76,501	$ -	$ 76,501
Inventories	60,589	-	60,589
Noncurrent mortgages receivable	-	40,153	40,153
Restricted for community development	2,828	606,681	609,509
Assigned for subsequent year budget	29,578	-	29,578
Unassigned:			
General fund	2,199,035	-	2,199,035
Special revenue funds	-	(3,478)	(3,478)
Total fund balances	2,368,531	643,356	3,011,887
Total liabilities and fund balances	$ 3,283,442	$ 720,764	
Amounts reported for governmental activities in the statement of net assets are different because:			
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.			13,728,800
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.			128,675
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.			(2,093,823)
Net assets of governmental activities			$ 14,775,539

The accompanying notes are an integral part of these financial statements.

CITY OF AMERICUS, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	General Fund	Other Governmental Funds	Total Governmental Funds
Revenues			
Taxes	$ 7,239,113	$ 329,321	$ 7,568,434
Licenses and permits	1,474,400	-	1,474,400
Intergovernmental	114,272	204,297	318,569
Fines and forfeitures	352,513	-	352,513
Charges for services	201,924	-	201,924
Interest revenue	71,245	4,455	75,700
Other revenues	151,254	3,518	154,772
Total revenues	9,604,721	541,591	10,146,312
Expenditures			
Current:			
General government	1,414,936	-	1,414,936
Judicial	81,050	-	81,050
Public safety	6,478,678	-	6,478,678
Public works	1,689,210	-	1,689,210
Community development	309,084	414,648	723,732
Debt Service:			
Principal	167,860	-	167,860
Interest	88,081	-	88,081
Total expenditures	10,228,899	414,648	10,643,547
Excess (deficiency) of revenues over (under) expenditures	(624,178)	126,943	(497,235)

(Continued)

CITY OF AMERICUS, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	General Fund	Other Governmental Funds	Total Governmental Funds
Other financing sources (uses):			
Proceeds from sale of assets	$ 12,784	$ -	$ 12,784
Capital leases	280,000	-	280,000
Transfers in	629,321	123,196	752,517
Transfers out	(270,238)	(367,517)	(637,755)
Total other financing sources (uses)	651,867	(244,321)	407,546
Net change in fund balances	27,689	(117,378)	(89,689)
Fund balances, January 1	2,340,842	760,734	3,101,576
Fund balances, December 31	$ 2,368,531	$ 643,356	$ 3,011,887

The accompanying notes are an integral part of these financial statements.

CITY OF AMERICUS, GEORGIA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

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

Net change in fund balances - total governmental funds	$	(89,689)
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 and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.		351,840
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net assets.		(89,400)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(106,873)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. This amount is the net effect of these differences in the treatment of long-term debt and related items.		(112,140)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		(10,057)
	$	(56,319)

The accompanying notes are an integral part of these financial statements.

CITY OF AMERICUS, GEORGIA

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Property taxes	$ 3,790,402	$ 3,865,008	$ 3,860,592	$ (4,416)
Sales taxes	4,641,000	1,950,000	1,923,799	(26,201)
Other taxes	1,581,540	1,460,095	1,454,722	(5,373)
Licenses and permits	1,412,214	1,472,935	1,474,400	1,465
Intergovernmental	2,579,029	120,266	114,272	(5,994)
Fines and forfeitures	355,000	355,000	352,513	(2,487)
Charges for services	159,441	194,510	201,924	7,414
Interest revenue	60,000	72,000	71,245	(755)
Other revenue	143,855	141,294	151,254	9,960
Total revenues	14,722,481	9,631,108	9,604,721	(26,387)
Expenditures:				
Current:				
General government:				
Mayor and council	3,488,067	697,005	693,683	3,322
Finance	152,708	458,450	457,061	1,389
City administrator	41,595	41,272	35,328	5,944
Computer operations	49,268	55,869	52,739	3,130
Personnel	171,195	179,698	176,125	3,573
Total general government	3,902,833	1,432,294	1,414,936	17,358
Judicial, municipal court	103,378	81,181	81,050	131
Public safety:				
Police	3,133,677	3,291,867	3,313,230	(21,363)
Fire	3,189,066	3,076,609	2,954,806	121,803
Building risk management	191,634	210,679	210,642	37
Total public safety	6,514,377	6,579,155	6,478,678	100,477

(Continued)

CITY OF AMERICUS, GEORGIA

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Budget			Variance With
	Original	Final	Actual	Final Budget
Expenditures: (Continued)				
Current: (Continued)				
Public works:				
Shop	$ -	$ 64,866	$ 56,709	$ 8,157
Public services	105,550	126,822	124,550	2,272
Streets	571,139	609,356	637,822	(28,466)
Cemetery	45,735	33,607	31,805	1,802
Transportation	201,930	220,255	217,433	2,822
Maintenance	595,613	624,391	620,891	3,500
Total public works	1,519,967	1,679,297	1,689,210	(9,913)
Community development	2,785,551	316,540	309,084	7,456
Debt service:				
Principal	247,542	251,150	167,860	83,290
Interest	129,893	131,785	88,081	43,704
Total debt service	377,435	382,935	255,941	126,994
Total expenditures	15,203,541	10,471,402	10,228,899	242,503
Deficiency of revenues over expenditures	(481,060)	(840,294)	(624,178)	216,116
Other financing sources (uses):				
Proceeds from sale of assets	20,000	20,000	12,784	(7,216)
Capital leases	66,920	456,920	280,000	(176,920)
Transfers in from other funds	565,000	630,000	629,321	(679)
Transfers out to other funds	(170,860)	(266,626)	(270,238)	(3,612)
Total other financing sources (uses)	481,060	840,294	651,867	(188,427)

(Continued)

CITY OF AMERICUS, GEORGIA

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Budget			Variance With
	Original	Final	Actual	Final Budget
Net change in fund balance	$ -	$ -	$ 27,689	$ 27,689
Fund balance, January 1,	2,340,842	2,340,842	2,340,842	-
Fund balance, December 31	$ 2,340,842	$ 2,340,842	$ 2,368,531	$ 27,689

The accompanying notes are an integral part of these financial statements.

CITY OF AMERICUS, GEORGIA

STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
DECEMBER 31, 2011

ASSETS	Business-type Activities - Enterprise Funds					
	Solid Waste Management	Water and Sewer	Natural Gas	Stormwater Fund	Nonmajor Theatre Fund	Totals
CURRENT ASSETS						
Cash and cash equivalents	$ 93,806	$ 953,804	$ 1,384,351	$ 88,680	$ 87,060	$ 2,607,701
Restricted cash and cash equivalents	-	8,102,526	140,629	-	-	8,243,155
Accounts receivable (net of allowance for uncollectibles)	379,686	351,575	594,255	96,579	-	1,422,095
Due from other funds	3,739	514	4,180	836	-	9,269
Inventories	-	34,599	59,353	16,472	-	110,424
Prepaid expenses	6,563	12,620	7,706	-	3,543	30,432
Total current assets	483,794	9,455,638	2,190,474	202,567	90,603	12,423,076
NONCURRENT ASSETS						
Capital assets:						
Land	-	377,491	11,482	-	-	388,973
Buildings	-	-	302,415	-	3,951,742	4,254,157
Machinery and equipment	-	1,421,822	379,830	1,284,510	44,392	3,130,554
Water and sewer system	-	35,947,104	-	-	-	35,947,104
Gas system	-	-	3,524,907	-	-	3,524,907
Construction in progress	-	4,010,807	-	-	-	4,010,807
	-	41,757,224	4,218,634	1,284,510	3,996,134	51,256,502
Less accumulated depreciation	-	19,868,332	3,096,127	40,403	1,948,938	24,953,800
Total capital assets (net of accumulated depreciation)	-	21,888,892	1,122,507	1,244,107	2,047,196	26,302,702
Advance to other funds	-	-	-	2,478,031	-	2,478,031
Other assets, deposits	-	2,300	3,628	-	-	5,928
Bond issuance costs, unamortized balance	-	274,259	-	254,161	-	528,420
Total noncurrent assets	-	22,165,451	1,126,135	3,976,299	2,047,196	29,315,081
Total assets	$ 483,794	$ 31,621,089	$ 3,316,609	$ 4,178,866	$ 2,137,799	$ 41,738,157

(Continued)

CITY OF AMERICUS, GEORGIA

STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
DECEMBER 31, 2011

LIABILITIES	Business-type Activities - Enterprise Funds					
	Solid Waste Management	Water and Sewer	Natural Gas	Stormwater Fund	Nonmajor Theatre Fund	Totals
CURRENT LIABILITIES						
Payable from current assets:						
Accounts payable	$ 189,026	$ 205,690	$ 489,808	$ 519	$ 6,634	$ 891,677
Intergovernmental accounts payable	89,071	-	-	-	-	89,071
Compensated absences payable	-	14,351	8,166	-	3,527	26,044
Accrued liabilities	-	12,859	8,004	4,172	3,506	28,541
Accrued interest	-	109,614	-	34,374	-	143,988
Current maturities of long-term debt	-	308,234	-	-	-	308,234
Unearned revenue	-	-	-	-	10,000	10,000
Due to other funds	71,000	65,715	102,113	39,141	11,632	289,601
Payable from restricted assets:						
Current portion of revenue bonds	-	828,968	-	301,032	-	1,130,000
Deposits	-	261,776	98,395	-	-	360,171
Total current liabilities	349,097	1,807,207	706,486	379,238	35,299	3,277,327
NONCURRENT LIABILITIES						
Advances from other funds	-	2,478,031	-	-	-	2,478,031
Revenue bonds payable (net of current portion)	-	8,816,450	-	3,201,632	-	12,018,082
Other long-term debt	-	6,210,315	-	-	-	6,210,315
Total noncurrent liabilities	-	17,504,796	-	3,201,632	-	20,706,428
Total liabilities	349,097	19,312,003	706,486	3,580,870	35,299	23,983,755
NET ASSETS						
Invested in capital assets, net of related debt	-	8,107,573	1,122,507	219,474	2,047,196	11,496,750
Restricted for system extension	-	1,349,000	107,000	-	-	1,456,000
Unrestricted	134,697	2,852,513	1,380,616	378,522	55,304	4,801,652
Total net assets	$ 134,697	$ 12,309,086	$ 2,610,123	$ 597,996	$ 2,102,500	$ 17,754,402

The accompanying notes are an integral part of these financial statements.

CITY OF AMERICUS, GEORGIA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Business-type Activities - Enterprise Funds					
	Solid Waste Management	Water and Sewer	Natural Gas	Stormwater Fund	Nonmajor Theatre Fund	Totals
Operating revenues:						
Charges for services:						
Collection and disposal fees	$ 2,871,639	$ -	$ -	$ -	$ -	$ 2,871,639
Water sales	-	2,691,914	-	-	-	2,691,914
Sewer sales	-	2,433,638	-	-	-	2,433,638
Gas sales	-	-	2,625,928	-	-	2,625,928
Stormwater fees	-	-	-	860,231	-	860,231
Other fees and charges	3,483	271,539	422,142	-	53,575	750,739
Total operating revenues	2,875,122	5,397,091	3,048,070	860,231	53,575	12,234,089
Operating expenses:						
Sanitation services	2,817,110	-	-	-	-	2,817,110
Water maintenance	-	1,590,292	-	-	-	1,590,292
Water treatment plant	-	720,828	-	-	-	720,828
Wastewater treatment plant	-	875,745	-	-	-	875,745
Utility billing	-	499,704	-	-	-	499,704
Stormwater collection and disposal	-	-	-	355,869	-	355,869
Depreciation	-	1,067,625	101,679	26,189	145,729	1,341,222
Amortization	-	28,372	-	12,702	-	41,074
Costs of sales and services	-	-	1,792,716	-	-	1,792,716
Utility service	-	-	1,416,694	-	-	1,416,694
Theater productions	-	-	-	-	43,721	43,721
Theater operations	-	-	-	-	282,392	282,392
Total operating expenses	2,817,110	4,782,566	3,311,089	394,760	471,842	11,777,367
Operating income (loss)	58,012	614,525	(263,019)	465,471	(418,267)	456,722

(Continued)

CITY OF AMERICUS, GEORGIA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Business-type Activities - Enterprise Funds					
	Solid Waste Management	Water and Sewer	Natural Gas	Stormwater Fund	Nonmajor Theatre Fund	Totals
Nonoperating revenues (expenses):						
Intergovernmental revenue	$ -	$ -	$ -	$ -	36,300	$ 36,300
Interest revenue	80	5,587	1,369	-	-	7,036
Interest expense	-	(187,557)	-	-	-	(187,557)
Gain on disposal of assets	-	1,089	1,900	-	-	2,989
Total nonoperating revenues (expenses)	80	(180,881)	3,269	-	36,300	(141,232)
Income (loss) before transfers	58,092	433,644	(259,750)	465,471	(381,967)	315,490
Transfers in	-	-	-	81,000	189,238	270,238
Transfers out	-	-	(300,000)	(85,000)	-	(385,000)
Change in net assets	58,092	433,644	(559,750)	461,471	(192,729)	200,728
Total net assets, January 1	76,605	11,875,442	3,169,873	136,525	2,295,229	17,553,674
Total net assets, December 31	$ 134,697	$ 12,309,086	$ 2,610,123	$ 597,996	$ 2,102,500	$ 17,754,402

The accompanying notes are an integral part of these financial statements.

CITY OF AMERICUS, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Business-type Activities - Enterprise Funds					
	Solid Waste Management	Water and Sewer	Natural Gas	Stormwater Fund	Nonmajor Theatre Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from customers	$ 2,833,919	$ 5,451,282	$ 3,091,575	$ 831,527	$ 53,575	$ 12,261,878
Payments to suppliers and service providers	(2,875,990)	(3,163,819)	(2,869,502)	(335,673)	(216,164)	(9,461,148)
Payments to employees	-	(479,591)	(260,307)	(77,232)	(109,761)	(926,891)
Net cash provided by (used in) operating activities	(42,071)	1,807,872	(38,234)	418,622	(272,350)	1,873,839
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Intergovernmental revenue	-	-	-	-	46,300	46,300
Transfers from other funds	-	-	-	81,000	189,238	270,238
Transfers to other funds	-	-	(300,000)	(85,000)	-	(385,000)
Net cash provided by (used in) noncapital financing activities	-	-	(300,000)	(4,000)	235,538	(68,462)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Purchase of property and equipment	-	(5,360,148)	(61,579)	(890,178)	-	(6,311,905)
Principal payments on long-term borrowings	-	(1,108,755)	-	(294,373)	-	(1,403,128)
Interest paid on revenue bonds and notes payable	-	(511,287)	-	(109,314)	-	(620,601)
Repayment of advance (to) / from other funds	-	(922,292)	-	922,292	-	-
Proceeds from sale of capital assets	-	3,120	1,900	-	-	5,020
Net cash (used in) capital and related financing activities	-	(7,899,362)	(59,679)	(371,573)	-	(8,330,614)

(Continued)

CITY OF AMERICUS, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Business-type Activities - Enterprise Funds					
	Solid Waste Management	Water and Sewer	Natural Gas	Stormwater Fund	Nonmajor Theatre Fund	Totals
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest on investments	$ 80	$ 5,587	$ 1,369	$ -	$ -	$ 7,036
Net cash provided by investing activities	80	5,587	1,369	-	-	7,036
Increase (decrease) in cash and cash equivalents	(41,991)	(6,085,903)	(396,544)	43,049	(36,812)	(6,518,201)
Cash and cash equivalents:						
Beginning of year	135,797	15,142,233	1,921,524	45,631	123,872	17,369,057
End of year	$ 93,806	$ 9,056,330	$ 1,524,980	$ 88,680	$ 87,060	$ 10,850,856
Classified as:						
Cash and cash equivalents	$ 93,806	$ 953,804	$ 1,384,351	$ 88,680	$ 87,060	$ 2,607,701
Restricted assets, cash and cash equivalents	-	8,102,526	140,629	-	-	8,243,155
	$ 93,806	$ 9,056,330	$ 1,524,980	$ 88,680	$ 87,060	$ 10,850,856

(Continued)

CITY OF AMERICUS, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Business-type Activities - Enterprise Funds					
	Solid Waste Management	Water and Sewer	Natural Gas	Stormwater Fund	Nonmajor Theatre Fund	Totals
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:						
Operating income (loss)	$ 58,012	$ 614,525	$ (263,019)	$ 465,471	$ (418,267)	$ 456,722
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Depreciation	-	1,067,625	101,679	26,189	145,729	1,341,222
Amortization	-	28,372	-	12,702	-	41,074
(Increase) decrease in accounts receivable	(41,203)	31,439	37,475	(28,704)	-	(993)
(Increase) decrease in inventories	-	15,085	(1,609)	(16,472)	-	(2,996)
(Increase) decrease in due from other funds	3,621	(137)	4,644	928	-	9,056
(Increase) in prepaid expenses	(4,666)	(8,526)	(5,375)	-	(2,343)	(20,910)
Increase (decrease) in accrued liabilities	-	(62)	(5)	4,172	473	4,578
Increase (decrease) in accounts payable	(2,114)	52,972	83,781	(13,496)	(213)	120,930
(Decrease) in intergovernmental payable	(100,000)	-	-	-	-	(100,000)
Increase (decrease) in due to other funds	44,279	(19,105)	(1,247)	(32,168)	767	(7,474)
Increase in customer deposits	-	22,752	6,030	-	-	28,782
Increase (decrease) in compensated absences	-	2,932	(588)	-	1,504	3,848
Net cash provided by (used in) operating activities	$ (42,071)	$ 1,807,872	$ (38,234)	$ 418,622	$ (272,350)	$ 1,873,839

The accompanying notes are an integral part of these financial statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Americus, Georgia (the "City") have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

A. Reporting Entity

The City was incorporated in 1832 under the provisions of an act of the General Assembly of Georgia and is governed by an elected Mayor and six-member Council. As required by generally accepted accounting principles, these financial statements present the primary government and its component unit. The component unit discussed below is included in the City's reporting entity because of the significance of its operational and financial relationship with the City. In conformity with accounting principles generally accepted in the United States of America, as set forth in Statement of Governmental Accounting Standards No. 14 "The Financial Reporting Entity," the financial statements of the component unit are discretely presented in the government-wide financial statements.

The City of Americus Downtown Development Authority plans and develops the downtown area of the City in order to attract new business and residences. The governing body of this component unit is appointed by the Mayor and City Council. The City possesses the authority to review, approve, and revise the budget and governs collection and disbursement of funds. The Downtown Development Authority is audited along with the primary government financial statements in accordance with Governmental Accounting Standards Board Statements No. 14 and 39. However, separate financial statements are not prepared.

The Americus Sumter Tourism Council focuses on effective marketing/advertising efforts through strategically placing promotions in highly visible markets in order to attract tourists to the area. The government body has appointees from the Sumter County Chamber of Commerce (4) and the City of Americus Mayor and City Council (5). Although the City does not possess the authority to review, approve and revise the budget, the primary source of revenue is through the collection of hotel/motel taxes by the City under O.C.G.A. 49-13-51 (a) (4.2). The Tourism Council is audited along with the primary government financial statements in accordance with Governmental Accounting Standards Board Statements No. 14 and 39. However, separate financial statements are not prepared.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the activities of the government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Basis of Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

Property taxes, intergovernmental grants, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental fund:

The ***General Fund*** is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The City reports the following major proprietary funds:

The ***Solid Waste Management Fund*** accounts for the provision of garbage and trash pickup and disposal for the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

The ***Water and Sewer Fund*** accounts for the provision of water and sewer services to the residents of the City and some residents of Sumter County. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

The ***Natural Gas Fund*** accounts for the provision of natural gas to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service and billing and collection.

The ***Stormwater Fund*** accounts for the operations of the City's stormwater utility services. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service and billing and collection.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

Additionally, the government reports the following fund type:

The ***special revenue funds*** account for specific revenues that are legally restricted to expenditures for particular purposes.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's water and sewer function and the other functions of the government. Elimination of these charges would distort the direct costs reported for the various functions concerned.

Amounts reported as *program revenues* include 1) charges for services provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* 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. The principal operating revenues of the enterprise funds are charges for goods and services provided. Operating expenses of the enterprise funds include the cost of these goods and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Budgets

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the general, special revenue, and debt service funds. All annual appropriations lapse at fiscal year end.

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting - under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to restrict that portion of the applicable appropriation - is utilized in the governmental funds. There were no outstanding encumbrances at December 31, 2011.

Budgets are adopted for the proprietary funds strictly for managerial purposes.

E. Cash and Investments

For purposes of the statement of cash flows, the enterprise funds consider all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

State statutes authorize the City to invest in obligations of the U. S. Treasury, commercial paper, corporate bonds and repurchase agreements.

Investments are reported at fair value which is determined using selected bases. Short-term investments are reported at cost, which approximates fair value. Cash deposits are reported at carrying amount, which reasonably estimates fair value.

F. Interfund Receivables/Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year as well as all other outstanding balances between funds are reported as “due to/from other funds”. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Inventories

Inventories are valued at cost, which approximates market, 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.

H. Prepaid Expenditures/Expenses

Payments made to vendors for services that will benefit periods beyond December 31, 2011 are recorded as prepaid items in both government-wide and fund financial statements. The consumption method is used to account for prepaid items.

I. Restricted Assets

Certain proceeds of enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because they are maintained in separate bank accounts and their use is limited by applicable bond covenants.

J. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. In the case of the initial capitalization of general infrastructure assets (i.e., those reported by the governmental activities), the City chose to include all such items regardless of their acquisition date or amount. Donated capital assets are recorded at estimated fair market 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 asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Capital Assets (Continued)

Property, plant and equipment of the primary government, as well as the component unit, are depreciated using the straight line method over the following useful lives:

Asset	Years
Land improvements	20-50
Buildings	100
Improvements other than buildings	20-100
Building improvements	30
Infrastructure	50-100
Machinery and equipment	5-30
Water and sewer system	5-30
Natural gas system	5-30

Interest is capitalized on proprietary fund assets acquired with tax-exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the project with interest earned on invested proceeds over the same period. During the year ended December 31, 2011, a total of $279,802 and $107,149 of interest was capitalized in the Water and Sewer Fund and Stormwater Fund, respectively.

K. Compensated Absences

In accordance with the provisions of Governmental Accounting Standards Board Statement No. 16, “Accounting for Compensated Absences", no liability is recorded for non-vesting accumulating rights to receive sick pay benefits because these benefits are paid upon the illness of an employee and the amount of such payments cannot be reasonably estimated. Accumulated unpaid vacation costs are accrued when incurred in the government-wide and proprietary financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, 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 assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bond using the straight-line method, which approximates the effective interest method. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

M. Fund Equity

The City implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions,* as of January 1, 2011. This new standard changed the overall definitions and classifications of governmental fund balances. Fund equity at the governmental fund financial reporting level is classified as “fund balance”. Fund equity for all other reporting is classified as “net assets”.

Fund Balance – Generally, fund balance represents the difference between the assets and liabilities under the current financial resources measurement 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 purposes for which amounts in those funds can be spent. Fund balance constraints 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, such as inventory or prepaid items), or (b) legally or contractually required to be maintained intact.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Fund Equity (Continued)

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

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

- ***Assigned*** – Fund balances are reported as assigned when amounts are constrained by the City's intent to be used for specific purposes. In governmental funds other than the General Fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund. City Council has the authority to assign fund balance.

- ***Unassigned*** – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criteria. The City reports positive unassigned fund balance only in the General Fund. Negative unassigned fund balances may be reported in all funds.

Flow Assumptions – When multiple categories of fund balance are available for expenditure, the City will start with the most restricted category and spend those funds first before moving down to the next category with available funds.

Net Assets – Net assets represent the difference between asset and liabilities in reporting which utilizes the economic resources measurement focus. Net assets invested in capital assets net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the City has spent) for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted using the same definition as used for restricted fund balance as described in the section above. All other net assets are reported as unrestricted.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Management Estimates

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

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Assets

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net assets – governmental activities* as reported in the government-wide statement of net assets. One element of the reconciliation explains that "long-term liabilities are not due and payable in the current period and therefore are not reported in the funds." The details of this $2,093,823 difference are as follows:

Compensated absences	$ 148,499
Capital leases payable	1,345,207
Certificates of participation	845,000
Fair market value interest rate hedge - Certificates of participation	(282,400)
Accrued interest	37,517
Net adjustment to reduce *fund balance - total governmental funds* to arrive at *net assets - governmental activities*	$ 2,093,823

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS (CONTINUED)

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their useful lives and reported as depreciation expense." The details of this $351,840 difference are as follows:

Capital outlay	$	1,030,722
Depreciation		(678,882)
Net adjustment to increase *net changes in fund balance - total governmental funds* to arrive at *changes in net assets of governmental activities.*	$	351,840

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS (CONTINUED)

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities (Continued)

Another element of that reconciliation states that "the issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds." The details of this $112,140 difference are as follows:

Issuance of new capital leases	$ (280,000)
Principal repayments: capital leases	167,860
Net adjustment to decrease *net changes in fund balance - total governmental funds* to arrive at *changes in net assets of governmental activities.*	$ (112,140)

Another element of that reconciliation states that "Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds." The details of this $10,057 are as follows:

Compensated absences	$ 5,207
Accrued interest	(15,264)
Net adjustment to decrease *net changes in fund balance - total governmental funds* to arrive at *changes in net assets of governmental activities.*	$ (10,057)

NOTE 3. LEGAL COMPLIANCE - BUDGETS

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

1. Prior to November 1, the finance committee submits to the Mayor and Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.

2. A public hearing is conducted at the December Administrative Briefing in the Council Chambers of the Russell Thomas, Jr. Public Safety Building to obtain citizen comments.

3. Prior to January 1, the budget is legally enacted through passage of an ordinance.

4. The City department heads are authorized to transfer budgeted amounts between line items within a department; however, any revisions that alter the total expenditures of any department or fund must be approved by the Mayor and Council. Requests for additional personnel within a department must also be approved by the Mayor and Council. All appropriations except for capital outlay items encumbered at year end lapse. Encumbrances for capital outlay items not lapsing at year end are reappropriated in the ensuing year's budget. Legally-adopted budgets are prepared, as described above, on a departmental basis for General, Special Revenue, and Debt Service Funds.

5. Formal budgetary integration is employed as a management control device during the year for the General Fund, the Special Revenue Funds, and the Debt Service Fund. To ensure sound financial administration, the Mayor and Council also adopt an annual operating budget for the City's Enterprise Funds. The budget is not formally integrated with the accounts of the Enterprise Funds, but interim detailed management reports are developed which indicate specific variances from the planned budget for operations.

6. Budgets for the General, Special Revenue, and Debt Service Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP), and are presented in accordance with finance-related legal and contractual provisions. Budgeted amounts are as originally adopted on December 16, 2010 or as amended by the Mayor and Council. Individual amendments were not material in relation to the original appropriations. For the year ended December 31, 2011, the Police Department and the Street Department had expenditures in excess of budgeted amounts of $21,363 and 28,466, respectively. These overexpenditures were covered by underexpenditures in other departments.

NOTE 4. DEPOSITS AND INVESTMENTS

Credit risk. State statutes authorize the City to invest in obligations of the State of Georgia or other states; obligations issued by the U.S. government; obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime bankers' acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of any other political subdivision of the State of Georgia. The City has no formal credit risk policy other than to only invest in obligations authorized by the State of Georgia. As of December 31, 2011, the City's only investment was a guaranteed contract investment, and was rated AA by Standard & Poor's.

Investment	Maturity	Fair Value
Guaranteed investment contract	June 1, 2028	$ 747,733
		$ 747,733

Interest rate risk. In accordance with its investment policy, the City manages its exposure to declines in fair values by limiting its investments to those with maturity of no more than one (1) year, unless matched to a specific requirement.

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 all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of December 31, 2011, the deposits of the City were undercollateralized by $128,726 as defined by GASB pronouncements and the State of Georgia. However, the State of Georgia provides for a 10-day grace period within which excess funds can be withdrawn or additional collateral may be pledged. Additional collateral was pledged by the financial institution during the 10-day grace period. All of the deposits of the component units were properly collateralized at year-end.

Custodial credit risk – investments. For investments, this is the risk that, in the event of failure of the depository financial institution, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of December 31, 2011, the City was not exposed to custodial credit risk for its investments.

NOTE 5. RECEIVABLES

Property taxes are levied as of July 1 on property values assessed as of January 1. The tax levy is divided into two billings. The first billing is mailed on June 30, 2011, and the second billing is mailed on October 31, 2011. The billings are considered due upon receipt by the taxpayer; however, the actual due dates are September 1, 2011 and January 3, 2012. On these dates, the bill becomes delinquent and penalties and interest may be assessed by the City. Property taxes levied for 2011 are recorded as receivables, net of estimated uncollectibles. The net receivables collected during 2011 and expected to be collected by March 1, 2011, are recognized as revenues in 2011. Net receivables estimated to be collectible subsequent to March 1, 2011 are recorded as revenue when received. Prior year levies were recorded using substantially the same principles, and remaining receivables are reevaluated annually.

Receivables consisted of the following at December 31, 2011:

	General	Solid Waste Management	Water and Sewer	Natural Gas	Stormwater Fund	Nonmajor Governmental Funds	Total
Receivables:							
Mortgages	$ -	$ -	$ -	$ -	$ -	$ 598,970	$ 598,970
Taxes	937,543	-	-	-	-	-	937,543
Accounts	530,266	439,686	411,575	639,255	119,579	-	2,140,361
Gross receivables	1,467,809	439,686	411,575	639,255	119,579	598,970	3,676,874
Less allowance for uncollectibles	(198,000)	(60,000)	(60,000)	(45,000)	(23,000)	(487,429)	(873,429)
Net total receivables	$ 1,269,809	$ 379,686	$ 351,575	$ 594,255	$ 96,579	$ 111,541	$ 2,803,445

The delinquent taxes receivable account represents a portion of the last seven years of uncollectible tax levies. The allowance for estimated uncollectibles is 9% of the total delinquent taxes receivable at December 31, 2011.

NOTE 5. RECEIVABLES (CONTINUED)

Additionally, the City has $487,429 in forgivable loans receivable. These loans are recorded in the following nonmajor governmental funds: CDBG Fund, Home Loan Fund, 2007 CDBG, 2001 CHIP Fund, 2004 CHIP Fund, and the 2007 CHIP 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 6. CAPITAL ASSETS

A. Primary Government

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

Governmental activities:		
General government	$	198,059
Public safety		250,283
Public works		230,540
Total depreciation expense - governmental activities	$	678,882
Business-type activities:		
Theater Authority	$	145,729
Natural gas		101,679
Stormwater		26,189
Water and sewer		1,067,625
Total depreciation expense - business-type activities	$	1,341,222

NOTE 6. CAPITAL ASSETS (CONTINUED)

Capital asset activity for the fiscal year ended December 31, 2011, is as follows:

A. Primary Government (Continued)

Governmental activities	Balance January 1, 2011	Increases	Decreases	Transfers	Balance December 31, 2011
Capital assets, not being depreciated:					
Land	$ 3,720,432	$ 159,577	$ (81,642)	$ -	$ 3,798,367
Construction in progress	185,126	-	-	-	185,126
Total	3,905,558	159,577	(81,642)	-	3,983,493
Capital assets, being depreciated:					
Buildings	6,251,829	148,705	-	-	6,400,534
Improvements other than buildings	141,442	-	-	-	141,442
Building improvements	105,767	12,861	-	-	118,628
Infrastructure	242,120,738	521,393	-	-	242,642,131
Machinery and equipment	6,153,278	188,186	(76,569)	-	6,264,895
Total	254,773,054	871,145	(76,569)	-	255,567,630
Less accumulated depreciation for:					
Buildings	1,559,484	158,336	-	-	1,717,820
Improvements other than buildings	90,108	6,619	-	-	96,727
Building improvements	14,441	5,078	-	-	19,519
Infrastructure	239,788,582	143,021	-	-	239,931,603
Machinery and equipment	3,759,637	365,828	(68,811)	-	4,056,654
Total	245,212,252	678,882	(68,811)	-	245,822,323
Total assets, being depreciated, net	9,560,802	192,263	(7,758)	-	9,745,307
Governmental activities capital assets, net	$ 13,466,360	$ 351,840	$ (89,400)	$ -	$ 13,728,800

NOTE 6. CAPITAL ASSETS (CONTINUED)

A. Primary Government (Continued)

	Balance January 1, 2011	Increases	Decreases	Transfers	Balance December 31, 2011
Business-type activities					
Capital assets, not being depreciated:					
Land	$ 383,973	$ -	$ -	$ 5,000	$ 388,973
Construction in progress	340,702	6,641,127	(10,350)	(2,960,672)	4,010,807
Total	724,675	6,641,127	(10,350)	(2,955,672)	4,399,780
Capital assets, being depreciated:					
Buildings	4,254,157	-	-	-	4,254,157
Machinery and equipment	1,842,955	12,300	(32,451)	170,919	1,993,723
Water and sewer system	34,353,119	-	(53,938)	1,647,923	35,947,104
Gas system	3,469,128	55,779	-	-	3,524,907
Stormwater system	-	-	-	1,136,830	1,136,830
Total	43,919,359	68,079	(86,389)	2,955,672	46,856,721
Less accumulated depreciation for:					
Buildings	1,972,744	151,206	-	-	2,123,950
Machinery and equipment	1,155,448	130,262	(32,450)	-	1,253,260
Water and sewer system	17,993,664	988,439	(51,907)	-	18,930,196
Gas system	2,575,078	66,223	-	-	2,641,301
Stormwater system	-	5,092	-	-	5,092
Total	23,696,934	1,341,222	(84,357)	-	24,953,799
Total assets, being depreciated, net	20,222,425	(1,273,143)	(2,032)	2,955,672	21,902,922
Business-type activities capital assets, net	$ 20,947,100	$ 5,367,984	$ (12,382)	$ -	$ 26,302,702

NOTE 6. CAPITAL ASSETS (CONTINUED)

B. Discretely Presented Component Unit – Downtown Development Authority

	Balance January 1, 2011	Increases	Decreases	Balance December 31, 2011
Capital assets, being depreciated:				
Land improvements	$ 754,800	$ -	$ -	$ 754,800
Equipment	184,689	-	-	184,689
Buildings	315,000	-	-	315,000
Total	1,254,489	-	-	1,254,489
Less accumulated depreciation for:				
Land improvements	211,344	15,096	-	226,440
Equipment	180,475	4,213	-	184,688
Buildings	35,800	3,150	-	38,950
Total	427,619	22,459	-	450,078
Total assets, being depreciated, net	826,870	(22,459)	-	804,411
Capital assets, net	$ 826,870	$ (22,459)	$ -	$ 804,411

NOTE 7. LONG-TERM DEBT

Revenue Bonds. The City issues revenue bonds where the City pledges income derived from the acquired or constructed assets to pay debt service.

During 2010, the City issued revenue bonds in the amount of $13,760,000 to finance construction and improvements to its water, sewer and stormwater systems and to repay certain loans from the Georgia Environmental Facilities Authority (GEFA). A portion (73.36%) of the outstanding bonds is recorded in the Water and Sewer Fund, and the remaining amount (26.64%) is recorded in the Stormwater Fund. The 2010 revenue bonds outstanding at December 31, 2011 are as follows:

Purpose	Interest Rate	Original Term	Due Date	Current Amount
Water and Sewer	2.00% - 4.00%	11 years	2021	$ 9,283,708
Stormwater	2.00% - 4.00%	11 years	2021	3,371,292
				$ 12,655,000

Revenue bonds debt service requirements to maturity are as follows:

Fiscal Year Ending December 31,	Principal	Interest
2012	$ 1,130,000	$ 387,100
2013	1,150,000	364,500
2014	1,175,000	341,500
2015	1,195,000	318,000
2016	1,230,000	282,150
2017 - 2021	6,775,000	792,800
	$ 12,655,000	$ 2,486,050

NOTE 7. LONG-TERM DEBT (CONTINUED)

Notes Payable. The City has also incurred debt to the Georgia Environmental Facilities Authority (GEFA) for various water and sewer system projects. These notes are as follows at December 31, 2011:

Original Amount	Interest Rate	Term	Due Date	Outstanding Amount
$ 2,543,325	4.12%	20 years	2027	$ 2,162,225
5,054,113	3.00%	20 years	2028	4,356,324
				$ 6,518,549

The primary government's total notes payable debt service requirements to maturity are as follows:

	Principal	Interest
Fiscal Year Ending December 31,		
2012	$ 308,234	$ 215,383
2013	318,796	204,856
2014	329,679	193,973
2015	340,944	182,708
2016	352,592	171,060
2017 - 2021	1,952,704	665,556
2022 - 2026	2,312,112	306,147
2027 - 2028	603,488	13,365
	$ 6,518,549	$ 1,953,048

NOTE 7. LONG-TERM DEBT (CONTINUED)

Certificates of Participation. The City leases certain equipment through a lease pool agreement with the Georgia Municipal Association (GMA). The funding of the lease pool was provided by the issuance of $150,126,000 Certificates of Participation by GMA. GMA passed the net proceeds through to the participating municipalities with the City's participation totaling $845,000. The lease pool agreement with GMA 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 $845,000 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 to lease equipment from GMA. 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. The GMA lease program expires December 2028.

The Certificates of Participation's debt service requirements to maturity are as follows:

Fiscal Year Ending December 31,	Principal	Interest
2012	$ -	$ 40,138
2013	-	40,138
2014	-	40,138
2015	-	40,138
2016	-	40,138
2017 - 2021	-	200,688
2022 - 2026	-	200,688
2027 - 2028	845,000	79,976
	$ 845,000	$ 682,042

NOTE 7. LONG-TERM DEBT (CONTINUED)

Certificates of Participation (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 (i) 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 5% 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 Aa1 by Moody's. At December 31, 2011, the floating rate being paid by the City is 0.10%, and the market value of this agreement is $282,400, an increase of $158,660 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 June 30, 2011 based on the derivative contract. This market value is reported as an asset in the statement of net assets. 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 deferred revenue in the statement of net assets.

Capital Leases. The City has also entered into lease agreements as lessee for financing the acquisition of a fire substation, a fire truck, a fire pumper, and a customer service center through local financial institutions and through GMA (but not included as part of the above-mentioned lease pool). The lease agreements qualify as capital leases for accounting purposes (titles transfer at the end of the lease terms) and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inceptions. Land totaling $429,274, infrastructure totaling $410,000, a building totaling $148,706, and vehicles of $1,266,979 are leased under capital leases.

NOTE 7. LONG-TERM DEBT (CONTINUED)

The following is a schedule of the future minimum lease payments under capital leases, and the present value of the net minimum lease payments at December 31, 2011:

Fiscal Year Ending December 31,	
2012	$ 230,423
2013	228,518
2014	172,171
2015	172,171
2016	133,488
2017 - 2019	626,652
Total minimum lease payments	1,563,423
Less amount representing interest	(218,216)
Present value of future minimum lease payments	$ 1,345,207

NOTE 7. LONG-TERM DEBT (CONTINUED)

The Downtown Development Authority (component unit) has incurred debt to a financial institution for the acquisition of a public parking facility, and has incurred debt to the primary government for renovation of various downtown properties. These notes are as follows at December 31, 2011:

Original Amount	Interest Rate	Term	Due Date	Current Amount
$ 200,000	5.77%	5 years	2010	$ 50,874
15,000	5.00%	15 years	2015	4,661
100,000	5.00%	15 years	2015	31,073
				$ 86,608

The Downtown Development Authority's debt service requirements to maturity are as follows:

	Principal	Interest
Fiscal Year Ending December 31,		
2012	$ 28,375	$ 2,608
2013	29,325	1,658
2014	22,630	701
2015	6,278	105
	$ 86,608	$ 5,072

NOTE 7. LONG-TERM DEBT (CONTINUED)

Long-term debt activity for the year ended December 31, 2011, is as follows:

	Balance January 1, 2011	Additions	Reductions	Balance December 31, 2011	Due Within One Year
Governmental activities:					
Certificates of participation	$ 845,000	$ -	$ -	$ 845,000	$ -
Capital lease obligations	1,233,067	280,000	167,860	1,345,207	183,999
Compensated absences	153,706	265,855	271,062	148,499	148,499
Long-term liabilities	$ 2,231,773	$ 545,855	$ 438,922	$ 2,338,706	$ 332,498
Business-type activities:					
Revenue bonds payable	$ 13,760,000	$ -	$ 1,105,000	$ 12,655,000	$ 1,130,000
Premium	544,092	-	51,010	493,082	-
	14,304,092	-	1,156,010	13,148,082	1,130,000
Notes payable	6,816,676	-	298,127	6,518,549	308,234
Compensated absences	22,196	47,379	43,531	26,044	26,044
Long-term liabilities	$ 21,142,964	$ 47,379	$ 1,497,668	$ 19,692,675	$ 1,464,278
Downtown Development Authority:					
Notes payable	$ 114,052	$ -	$ 27,444	$ 86,608	$ 28,375

The current portion of revenue bonds payable is included in liabilities payable from restricted assets on the statement of net assets. For governmental funds, compensated absences are liquidated by the General Fund. For business-type activities, compensated absences are liquidated by the Theater Authority, Water and Sewer Fund, and Natural Gas Fund. Compensated absences are required to be liquidated prior to the employee's anniversary date. Any leave not taken within this time frame is forfeited. As such, the entire liability for compensated absences is shown as due within one year.

NOTE 8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of due to/from balances as of December 31, 2011, is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Water and Sewer Fund	$ 56,960
General Fund	Natural Gas Fund	101,624
General Fund	Solid Waste Management Fund	70,977
General Fund	Stormwater Fund	39,139
General Fund	Nonmajor enterprise funds	11,632
Water and Sewer Fund	Solid Waste Management Fund	23
Water and Sewer Fund	Natural Gas Fund	489
Water and Sewer Fund	Stormwater Fund	2
Natural Gas Fund	Water and Sewer Fund	4,180
Solid Waste Management Fund	Water and Sewer Fund	3,739
Stormwater Fund	Water and Sewer Fund	836
		$ 289,601

These balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

The composition of advances to/from other funds is as follows:

Receivable Fund	Payable Fund	Amount
Stormwater Fund	Water and Sewer Fund	$ 2,478,031

NOTE 8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

Interfund transfers:

Transfers In	Transfers Out	Amount
General Fund	Nonmajor governmental funds	$ 329,321
General Fund	Natural Gas Fund	300,000
Nonmajor enterprise fund	General Fund	189,238
Stormwater Fund	General Fund	81,000
Nonmajor governmental funds	Stormwater Fund	85,000
Nonmajor governmental funds	Nonmajor governmental funds	38,196
		$ 1,022,755

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that the statute or budget requires to expend them, and (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 9. OPERATING LEASE

The City leases a building under a noncancelable operating lease. Total costs for this lease were $24,000 for the year ended December 31, 2011. The future minimum lease payments for this lease are as follows:

Year ending December 31,	Amount
2012	$ 24,000
2013	24,000
	$ 48,000

NOTE 10. DEFINED BENEFIT PENSION PLAN

Plan Description

The City's defined benefit pension plan, the City of Americus Retirement Plan, provides retirement, disability, and death benefits to plan members and beneficiaries. The City of Americus Retirement Plan is affiliated with the Georgia Municipal Employees Benefit System (GMEBS), an agent multiple-employer pension plan administered by the Georgia Municipal Association. The benefit provisions and all other requirements are established by City ordinance. GMEBS issues a publicly available financial report that includes financial statements and required supplementary information for the City of Americus Retirement Plan. That report may be obtained by writing to Georgia Municipal Association, Employee Benefit Section, 201 Pryor Street, SW, Atlanta, Georgia 30303-3606.

Funding Policy

The funding policy for the City of Americus Retirement Plan is to contribute an actuarially determined amount equal to the recommended contribution each year. The City makes all contributions to the City of Americus Retirement Plan. The City is required to contribute at an actuarially determined rate; the current rate is 14.8% of annual covered payroll.

Annual Pension Cost

For the year ended December 31, 2011, the City's annual pension cost was $692,088 for the City of Americus Retirement Plan. The recommended contribution of $692,088 was determined as part of the July 1, 2010 actuarial valuation, using the projected unit credit actuarial cost method. The actuarial assumptions included (a) 7.75% investment rate of return, (b) projected salary increases of 3.5% per year plus age and service based merit increases, (c) inflation rate of 3.50%, and (d) no cost of living adjustments. The period, and related method, for amortizing the initial unfunded actuarial accrued liability is 30 years from 1982, and changes in the unfunded actuarial accrued liabilities 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. The method for determining the actuarial value of assets is part of GMEBS actuarial funding policy. It produces an adjusted actuarial value of assets.

NOTE 10. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Annual Pension Cost (Continued)

The smoothing technique gradually incorporates investment performance that exceeds or falls short of the expected return of 7.75%, which is the valuation's investment return assumption.

Trend Information

Trend information which gives an indication of the progress made in accumulating sufficient assets to pay benefits when due is presented below.

Fiscal Year Ending	Annual Pension Cost	Percentage of Annual Pension Cost Contributed	Net Pension Obligation
12/31/09	$ 358,020	100%	-
12/31/10	427,312	100%	-
12/31/11	692,088	100%	-

As of the most recent valuation date, July 1, 2011, the funded status of the Plan was as follows:

Measurement Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll
7/1/2011	$ 8,728,966	$ 12,449,826	$ 3,720,860	70.1 %	$ 5,403,500	68.86 %

NOTE 10. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Trend Information (Continued)

The required schedule of funding progress immediately following the notes to the financial statements presents multiyear trend information about whether the actuarial value of plan net 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 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, 2011 and on the pattern of sharing of costs between the employer and plan members to that point.

NOTE 11. RISK MANAGEMENT

The City is exposed to various risks of losses related to: torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which, except as described in the following paragraphs, the City carries commercial insurance in amounts deemed prudent by City management. There was no significant reduction in insurance coverage during the year. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

The City has joined together with other municipalities in the state as part of the Georgia Municipal Association Group Self-Insurance Workers' Compensation Fund, a public entity risk pool currently operating as common risk management and insurance programs for member local governments.

As part of this risk 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 claim of loss. The City is also to allow the pool's agents and attorneys to represent the City in investigation, settlement discussions and all levels of litigation arising out of any claim made against the City within the scope of loss protection furnished by the fund.

NOTE 11. RISK MANAGEMENT (CONTINUED)

The fund is to defend and protect the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the Workers' Compensation law of Georgia. The fund is to pay all costs taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

NOTE 12. HOTEL/MOTEL LODGING TAX

The City has levied a 7% lodging tax. Of this percentage, 2% is given to the Rylander Theater for use in the operating expenditures and promotion of the Theater. The Tourism Council receives 4% of the remaining 5% lodging tax to be used for the promotion of tourism. Remaining funds are used by the City for other activities to promote tourism. During the year ended December 31, 2011, the City collected $329,321 in hotel/motel taxes, and expended 100% of this amount on tourism and the promotion of the Theater.

NOTE 13. COMMITMENTS AND CONTINGENCIES

Litigation

The City is involved in several small or pending lawsuits. In the opinion of management, based on consultations with legal counsel, an unfavorable outcome in excess of insurance coverage is unlikely.

Grant Contingencies

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to disallowance of certain expenditures previously reimbursed by those agencies. Based upon prior experience, the City’s management believes such disallowances, if any, will not be significant.

Construction Commitments

In addition to the liabilities enumerated in the balance sheet at December 31, 2011, the City has contractual commitments on uncompleted contracts of approximately $2,339,848**.**

NOTE 13. COMMITMENTS AND CONTINGENCIES (CONTINUED)

Agreements with Municipal Gas Authority of Georgia

The City has entered into a contract for the purchase of wholesale natural gas supplies and related services with the Municipal Gas Authority of Georgia (MGAG) that requires the City to purchase all of its natural gas from MGAG. The gas supply contract with MGAG authorizes MGAG to establish rates and charges so as to produce revenues sufficient to cover its operating costs and retire its bonds issued to acquire long-term gas supplies for sale to its members, including the City. In the event that revenues are insufficient to cover all costs and retire bonds issued by MGAG, the City is obligated to pay its obligation share of the costs of the gas supply and related services MGAG provides to the City, which costs include amounts equal to principal and interest on MGAG's bonds. These obligations, which extend through the year 2016, are general obligations of the City to which the City's full faith, credit and taxing powers are pledged. The City's obligation to MGAG for gas supply costs are based on MGAG's costs to provide such supply, including bonds issued to purchase long-term rights to bulk supply. Payments to MGAG are made monthly based on actual usage. The total payments under these contracts amounted to $1,822,776.

At December 31, 2011, the outstanding debt of MGAG was approximately $289,169,000. The City's guarantee varies by individual projects undertaken by MGAG and totals approximately $2,562,000 at December 31, 2011.

NOTE 14. JOINT VENTURES

Under Georgia law, the City, in conjunction with other cities and counties in the eight county west central Georgia area, is a member of the River Valley Regional Commission and is required to pay annual dues thereto. During its year ended December 31, 2011, the City paid $16,793 in such dues. Membership in a Regional Commission is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the Regional Commission in Georgia. The Regional Commission Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of a Regional Commission. Separate financial statements may be obtained from River Valley Regional Commission, 228 West Lamar Street, Americus, Georgia 31709.

NOTE 14. JOINT VENTURES (CONTINUED)

The Americus/Sumter County Airport Authority (the "Airport Authority") is comprised of five board members; two appointed by the County, two appointed by the City, and one joint appointment. The City allocates to the Airport Authority an amount each year to assist with general operating expenses. During the year ended December 31, 2011, the City paid the Airport Authority $22,500. The City governing body does not approve the budget nor does it have any oversight of the day to day operations of the Airport Authority. The Airport Authority was established to buy, sell, and own property. Separate financial statements for the Americus/Sumter County Airport Authority are not available.

NOTE 15. RELATED ORGANIZATIONS

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

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF AMERICUS, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS

City of Americus Retirement Plan

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	(Overfunded) Actuarial Accrued Liability	Funded Ratio	Annual Covered Payroll	(Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll
05/01/06	$ 9,057,826	$ 8,861,441	$ (196,385)	102.2%	$ 4,710,476	0.00%
05/01/07	9,412,041	9,565,073	153,032	98.4%	5,047,450	3.03%
05/01/08	9,798,604	10,142,606	344,002	96.6%	5,351,939	6.43%
05/01/09	6,529,576	10,692,473	4,162,897	61.1%	5,052,724	82.39%
07/01/10	8,451,030	12,142,868	3,691,838	69.6%	5,528,187	66.78%
07/01/11	8,728,966	12,449,826	3,720,860	70.1%	5,403,500	68.86%

The assumptions used in the preparation of the above schedule are disclosed in Note 10 of the Notes to the Financial Statements.

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Community Development Block Grant Fund - This fund is used to account for the operations of the City's community development department. Financing is provided by grants received from the U.S. Department of Housing and Urban Development and the State of Georgia Departments of Community Affairs and Natural Resources.

State Revolving Loan Fund - This fund is used to account for the operations of the City's revolving loans. Original funding was provided by the U.S. Department of Housing and Urban Development through the State of Georgia's Department of Community Affairs.

Home Loan Fund - This fund is used to account for a grant from the U.S. Department of Housing and Urban Development. The purpose of this program is to expand the supply of decent affordable housing for low income families.

2007 CHIP Fund - This fund is used to account for a grant received from the U.S. Department of Housing and Urban Development under the Community Home Investment Program.

2001 Program Income Fund - This fund is used to account for program income associated with a Community Development Block Grant received from the U.S. Department of Housing and Urban Development.

2004 ISTEA Fund - This fund is used to account for a grant received from the U.S. Department of Transportation for transportation enhancement activities.

2007 Community Development Block Grant (CDBG) Fund - This fund is used to account for a Community Development Block Grant received from the U.S. Department of Housing and Urban Development.

Hotel/Motel Tax Fund - This fund is used to account for the collection and disbursement of hotel/motel taxes.

CITY OF AMERICUS, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2011

	Special Revenue Funds					
ASSETS	Community Development Block Grant	State Revolving Loan	Home Loan	2007 CHIP	2001 Program Income	2004 ISTEA
Cash and cash equivalents	$ 263,097	$ 265,755	$ -	$ 1,098	$ 13,884	$ 62,847
Mortgage receivable, net of allowance	15,688	73,230	-	-	22,623	-
Total assets	$ 278,785	$ 338,985	$ -	$ 1,098	$ 36,507	$ 62,847
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accrued liabilities	$ -	$ -	$ -	$ -	$ -	$ -
Deferred revenue	-	48,765	-	-	22,623	-
Total liabilities	-	48,765	-	-	22,623	-
FUND BALANCES						
Nonspendable - long-term receivable	15,688	24,465	-	-	-	-
Restricted for community development	263,097	265,755	-	1,098	13,884	62,847
Unassigned	-	-	-	-	-	-
Total fund balances	278,785	290,220	-	1,098	13,884	62,847
Total liabilities and fund balances	$ 278,785	$ 338,985	$ -	$ 1,098	$ 36,507	$ 62,847

(Continued)

CITY OF AMERICUS, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2011

	Special Revenue Funds		Total Nonmajor Governmental Funds
ASSETS	**2007 CDBG**	**Hotel/Motel Tax**	
Cash and cash equivalents	$ 2,542	$ -	$ 609,223
Mortgage receivable, net of allowance	-	-	111,541
Total assets	$ 2,542	$ -	$ 720,764
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accrued liabilities	$ 4,192	$ -	$ 4,192
Deferred revenue	1,828	-	73,216
Total liabilities	6,020	-	77,408
FUND BALANCES			
Nonspendable - long-term receivable	-	-	40,153
Restricted for community development	-	-	606,681
Unassigned	(3,478)	-	(3,478)
Total fund balances	(3,478)	-	643,356
Total liabilities and fund balances	$ 2,542	$ -	$ 720,764

CITY OF AMERICUS, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Special Revenue Funds					
	Community Development Block Grant	State Revolving Loan	Home Loan	2007 CHIP	2001 Program Income	2004 ISTEA
Revenues:						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	27,102	-	-
Interest income	275	4,122	12	-	45	1
Other revenues	-	-	-	-	3,518	-
Total revenues	275	4,122	12	27,102	3,563	1
Expenditures:						
Current, community development	630	50,433	-	82,486	-	-
Total expenditures	630	50,433	-	82,486	-	-
Excess (deficiency) of revenues over (under) expenditures	(355)	(46,311)	12	(55,384)	3,563	1
Other financing sources (uses):						
Transfers in	32,696	-	-	-	-	-
Transfers out	(5,500)	-	(32,696)	-	-	-
Total other financing sources (uses)	27,196	-	(32,696)	-	-	-
Net change in fund balances	26,841	(46,311)	(32,684)	(55,384)	3,563	1
Fund balances, January 1	251,944	336,531	32,684	56,482	10,321	62,846
Fund balances (deficits), December 31	$ 278,785	$ 290,220	$ -	$ 1,098	$ 13,884	$ 62,847

(Continued)

CITY OF AMERICUS, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Special Revenue Funds		Total Nonmajor Governmental Funds
	2007 CDBG	Hotel/ Motel Tax	
Revenues:			
Taxes	$ -	$ 329,321	$ 329,321
Intergovernmental	177,195	-	204,297
Interest income	-	-	4,455
Other revenues	-	-	3,518
Total revenues	177,195	329,321	541,591
Expenditures:			
Current, community development	281,099	-	414,648
Total expenditures	281,099	-	414,648
Excess (deficiency) of revenues over (under) expenditures	(103,904)	329,321	126,943
Other financing sources (uses):			
Transfers in	90,500	-	123,196
Transfers out	-	(329,321)	(367,517)
Total other financing sources (uses)	90,500	(329,321)	(244,321)
Net change in fund balances	(13,404)	-	(117,378)
Fund balances, January 1	9,926	-	760,734
Fund balances (deficits), December 31	$ (3,478)	$ -	$ 643,356

CITY OF AMERICUS, GEORGIA
SPECIAL REVENUE FUND

COMMUNITY DEVELOPMENT BLOCK GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Final Budget	Actual	Variance With Final Budget
Revenues:			
Interest income	$ 1,125	$ -	$ (1,125)
Other income	2,500	-	(2,500)
Total revenues	3,625	-	(3,625)
Expenditures, community development projects	-	-	-
Excess (deficiency) of revenues over (under) expenditures	3,625	-	(3,625)
Other financing sources (uses):			
Transfers in	32,700	32,696	(4)
Transfers out	(5,500)	-	5,500
Total other financing uses	27,200	32,696	5,496
Net change in fund balance	30,825	32,696	1,871
Fund balance, January 1	-	-	-
Fund balance, December 31	$ 30,825	$ 32,696	$ 1,871

CITY OF AMERICUS, GEORGIA
SPECIAL REVENUE FUND

STATE REVOLVING LOAN FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Final Budget	Actual	Variance With Final Budget
Revenues:			
Interest income	$ 5,574	$ 275	$ (5,299)
Total revenues	5,574	275	(5,299)
Expenditures, community development projects	50,557	630	49,927
Net change in fund balance	(44,983)	(355)	44,628
Fund balance, January 1	251,944	251,944	-
Fund balance, December 31	$ 206,961	$ 251,589	$ 44,628

CITY OF AMERICUS, GEORGIA
SPECIAL REVENUE FUND

HOME LOAN FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Final Budget	Actual	Variance With Final Budget
Revenues, interest income	$ 15	$ 4,122	$ 4,107
Expenditures, community development projects	-	50,433	(50,433)
Excess of revenues over expenditures	15	(46,311)	(46,326)
Other financing uses:			
Transfers out	(32,700)	(32,696)	4
Total other financing uses	(32,700)	(32,696)	4
Net change in fund balance	(32,685)	(79,007)	(46,322)
Fund balance, January 1	336,531	336,531	-
Fund balance, December 31	$ 303,846	$ 257,524	$ (46,322)

CITY OF AMERICUS, GEORGIA
SPECIAL REVENUE FUND

2007 CHIP FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Final Budget	Actual	Variance With Final Budget
Revenues, intergovernmental	$ 28,011	$ -	$ (28,011)
Expenditures, community development projects	83,401	-	83,401
Net change in fund balance	(55,390)	-	55,390
Fund balance, January 1	32,684	32,684	-
Fund balance, December 31	$ (22,706)	$ 32,684	$ 55,390

CITY OF AMERICUS, GEORGIA
SPECIAL REVENUE FUND

2001 PROGRAM INCOME FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Final Budget	Actual	Variance With Final Budget
Revenues:			
Other revenues	$ 3,550	$ -	$ (3,550)
Interest income	53	-	(53)
Total revenues	3,603	-	(3,603)
Expenditures, community development projects	-	-	-
Net change in fund balance	3,603	-	(3,603)
Fund balance, January 1	56,482	56,482	-
Fund balance, December 31	$ 60,085	$ 56,482	$ (3,603)

CITY OF AMERICUS, GEORGIA
SPECIAL REVENUE FUND

2004 ISTEA FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Final Budget	Actual	Variance With Final Budget
Revenues, interest	$ 1	$ 1	$ -
Expenditures, community development projects	-	-	-
Net change in fund balance	1	1	-
Fund balance, January 1	62,846	62,846	-
Fund balance, December 31	$ 62,847	$ 62,847	$ -

CITY OF AMERICUS, GEORGIA
SPECIAL REVENUE FUND

2007 CDBG FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Final Budget	Actual	Variance With Final Budget
Revenues, intergovernmenta	$ 204,031	$ 177,195	$ (26,836)
Other income	-	0	-
Total revenues	204,031	177,195	(26,836)
Expenditures, community development project	289,031	281,099	7,932
Deficiency of revenues over (under) expenditure	(85,000)	(103,904)	(18,904)
Other financing sources			
Transfers in	90,500	90,500	-
Total other financing sources	90,500	90,500	-
Net change in fund balance	5,500	(13,404)	(18,904)
Fund balance, January 1	9,926	9,926	-
Fund balance (deficit), December 31	$ 15,426	$ (3,478)	$ (18,904)

CITY OF AMERICUS, GEORGIA
SPECIAL REVENUE FUND

HOTEL/MOTEL TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Final Budget	Actual	Variance With Final Budget
Revenues, taxes	$ 330,000	$ 329,321	$ (679)
Other financing uses:			
Transfers out	(330,000)	(329,321)	679
Total other financing uses	(330,000)	(329,321)	679
Net change in fund balance	-	-	-
Fund balance, January 1	-	-	-
Fund balance, December 31	$ -	$ -	$ -

CITY OF AMERICUS, GEORGIA

SCHEDULE OF EXPENDITURES OF
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
FOR THE YEAR ENDED DECEMBER 31, 2011
2007 ISSUANCE

Project	Estimated Cost		Expenditures		
	Original	Current	Prior Years	Current Year	Cumulative Total
Rees Park School	$ 1,215,000	$ 1,215,000	$ 1,206,453	$ -	$ 1,206,453
Public Safety Building	2,801,000	2,801,000	276	-	276
Municipal Building	106,600	106,600	37,864	-	37,864
Public Works Infrastructure	184,688	184,688	1,517	-	1,517
Total	$ 4,307,288	$ 4,307,288	$ 1,246,110	$ -	$ 1,246,110

NOTE: Sumter County is responsible for collecting all SPLOST funds and administering the SPLOST Program.

COMPONENT UNIT - DOWNTOWN DEVELOPMENT AUTHORITY

CITY OF AMERICUS, GEORGIA

BALANCE SHEET
COMPONENT UNIT - DOWNTOWN DEVELOPMENT AUTHORITY
DECEMBER 31, 2011

ASSETS		
Cash	$	27,235
Accounts receivable		105
Prepaid expenditures		133
Total assets	$	27,473
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts payable	$	6,762
Accrued salaries		1,817
Deferred revenue		8,000
Due to primary government		4,608
Total liabilities		21,187
FUND BALANCE		
Unassigned		6,286
Total liabilities and fund balance	$	27,473

CITY OF AMERICUS, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
COMPONENT UNIT - DOWNTOWN DEVELOPMENT AUTHORITY
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

Revenues		
Surtax revenue	$	25,424
Intergovernmental revenue		84,574
Rental income		18,000
Taste of Sumter revenue		16,579
Miscellaneous revenue		606
Total revenues		145,183
Expenditures		
Current:		
Community development		136,989
Debt Service:		
Principal		27,444
Interest		3,539
Total expenditures		167,972
Net change in fund balance		(22,789)
Fund balance, January 1		29,075
Fund balance, December 31	$	6,286

COMPONENT UNIT – TOURISM COUNCIL

CITY OF AMERICUS, GEORGIA

BALANCE SHEET
COMPONENT UNIT - TOURISM COUNCIL
DECEMBER 31, 2011

ASSETS	
Cash	$ 3,995
Total assets	$ 3,995
LIABILITIES AND FUND BALANCE	
LIABILITIES	
Accounts payable	$ 54,855
Accrued salaries	473
Due to primary government	1,193
Total liabilities	56,521
FUND BALANCE (Deficit)	
Unassigned	(52,526)
Total liabilities and fund balance (deficit)	$ 3,995

CITY OF AMERICUS, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
COMPONENT UNIT - TOURISM COUNCIL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

Revenues	
Charges for services	$ 5,328
Intergovernmental revenue	144,000
Miscellaneous revenue	2,290
Total revenues	151,618
Expenditures	
Current:	
Community development	155,027
Total expenditures	155,027
Net change in fund balance	(3,409)
Fund balance (deficit), January 1	(49,117)
Fund balance (deficit), December 31	$ (52,526)

STATISTICAL SECTION

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

Contents ..... **Page**

Financial Trends ..... **90 - 94**

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

Revenue Capacity ..... **95 - 99**

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.

Debt Capacity ..... **100 - 104**

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

Demographic and Economic Information ..... **105 - 107**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information ..... **108 - 110**

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

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive financial reports for the relevant year. The City implemented GASB Statement 34 for the year ended December 31, 2003; unless otherwise noted, schedules presenting government-wide information include information beginning in that year.

CITY OF AMERICUS, GEORGIA

NET ASSETS BY COMPONENT
LAST NINE FISCAL YEARS
(accrual basis of accounting)

	2003	2004	2005	2006	2007	2008	2009	2010	2011
Governmental activities									
Invested in capital assets, net of related debt	$ 41,925,803	$ 34,957,100	$ 31,483,794	$ 24,811,852	$ 20,591,361	$ 20,716,773	$ 16,260,814	$ 11,512,033	$ 11,538,593
Restricted	-	-	-	-	284,836	320,503	-	-	609,509
Unrestricted	(1,085,959)	1,988,978	(250,284)	2,960,174	2,706,755	1,647,779	3,478,933	3,319,825	2,627,437
Total governmental activities net assets	$ 40,839,844	$ 36,946,078	$ 31,233,510	$ 27,772,026	$ 23,582,952	$ 22,685,055	$ 19,739,747	$ 14,831,858	$ 14,775,539
Business-type activities									
Invested in capital assets, net of related debt	$ 11,961,927	$ 13,016,088	$ 12,129,062	$ 12,530,636	$ 12,187,522	$ 11,852,246	$ 12,990,568	$ 11,341,519	$ 11,496,750
Restricted	5,399,064	4,887,232	6,247,232	5,274,556	4,602,000	2,940,000	2,292,000	2,040,000	1,456,000
Unrestricted	80,729	300,170	263,638	2,187,792	3,281,856	4,892,852	3,051,535	4,172,155	4,801,652
Total business-type activities net assets	$ 17,441,720	$ 18,203,490	$ 18,639,932	$ 19,992,984	$ 20,071,378	$ 19,685,098	$ 18,334,103	$ 17,553,674	$ 17,754,402
Primary government									
Invested in capital assets, net of related debt	$ 53,887,730	$ 47,973,188	$ 43,612,856	$ 37,342,488	$ 32,778,883	$ 32,569,019	$ 29,251,382	$ 22,853,552	$ 23,035,343
Restricted	5,399,064	4,887,232	6,247,232	5,274,556	4,886,836	3,260,503	2,292,000	2,040,000	2,065,509
Unrestricted	(1,005,230)	2,289,148	13,354	5,147,966	5,988,611	6,540,631	6,530,468	7,491,980	7,429,089
Total primary government net assets	$ 58,281,564	$ 55,149,568	$ 49,873,442	$ 47,765,010	$ 43,654,330	$ 42,370,153	$ 38,073,850	$ 32,385,532	$ 32,529,941

CITY OF AMERICUS, GEORGIA

CHANGES IN NET ASSETS
LAST NINE FISCAL YEARS
(accrual basis of accounting)

	2003	2004	2005	2006	2007	2008	2009	2010	2011
Expenses:									
Governmental Activities:									
General government [1]	$ 1,741,628	$ 726,478	$ 3,015,536	$ 1,639,137	$ 1,851,116	$ 2,209,923	$ 1,591,559	$ 1,391,039	$ 1,360,399
Judicial [2]	-	-	-	-	-	-	-	-	81,050
Public safety	5,820,772	5,901,942	5,951,561	6,150,431	6,409,020	6,331,966	6,514,180	6,474,734	6,542,536
Public works	5,041,638	6,689,588	5,959,813	5,912,117	6,410,886	6,584,678	5,617,069	6,406,697	1,399,458
Public parking	185,630	-	-	-	-	-	-	-	-
Community development projects	1,097,711	565,346	587,012	802,716	409,829	961	-	649,819	734,990
Culture and recreation	-	-	-	-	93,045	1,418,331	687,695	-	-
Interest on long-term debt	166,187	152,984	199,282	138,575	260,820	27,193	54,278	83,914	103,345
Total government activities expenses	$ 14,053,566	$ 14,036,338	$ 15,713,204	$ 14,642,976	$ 15,434,716	$ 16,573,052	$ 14,464,781	$ 15,006,203	$ 10,221,778
Business-type activities:									
Theater	$ 463,676	$ 320,531	$ 416,151	$ 439,565	$ 469,761	$ 478,109	$ 447,145	$ 492,354	$ 471,842
Stormwater	-	-	-	-	23,758	4,948	8,159	513,372	394,760
Solid Waste	2,038,175	2,024,241	2,191,174	2,168,158	4,550,913	2,593,612	2,927,800	2,642,940	2,817,110
Water & Sewer	3,257,188	3,356,138	3,340,327	3,610,065	3,737,075	4,448,569	4,689,890	4,916,717	4,970,123
Natural Gas	4,501,527	4,258,144	5,881,809	4,774,930	3,767,132	3,821,609	2,985,863	3,325,219	3,311,089
Total business-type activities expenses	10,260,566	9,959,054	11,829,461	10,992,718	12,548,639	11,346,847	11,058,857	11,890,602	11,964,924
Total primary government expenses	$ 24,314,132	$ 23,995,392	$ 27,542,665	$ 25,635,694	$ 27,983,355	$ 27,919,899	$ 25,523,638	$ 26,896,805	$ 22,186,702
Program Revenues									
Governmental activities:									
Charges for services:									
General government	$ 1,378,274	$ 1,370,631	$ 1,454,211	$ 1,515,262	$ 1,789,726	$ 1,816,673	$ 1,634,019	$ 1,609,472	$ 1,713,495
Public safety	567,091	544,432	392,361	435,011	355,537	294,992	378,172	372,439	346,835
Community development	39,985	41,201	90,219	897,825	52,409	46,221	31,784	51,382	46,381
Operating grants and contributions	818,829	904,014	941,232	914,227	1,469,351	1,858,435	748,965	166,713	191,170
Capital grants and contributions	1,073,637	822,210	281,314	475,525	121,849	4,104,252	887,585	404,021	204,297
Total government activities program revenues	$ 3,877,816	$ 3,682,488	$ 3,159,337	$ 4,237,850	$ 3,788,872	$ 8,120,573	$ 3,680,525	$ 2,604,027	$ 2,502,178
Business-type activities:									
Charges for services:									
Theater	$ 142,008	$ 71,437	$ 68,213	$ 58,086	$ 60,999	$ 72,595	$ 112,404	$ 80,391	$ 53,575
Stormwater	-	-	-	-	-	-	-	502,486	860,231
Solid Waste	1,709,481	1,759,647	1,808,042	1,932,338	2,111,394	2,250,443	2,421,433	2,664,458	2,875,122
Water & Sewer	3,543,234	4,047,021	3,577,796	3,865,334	3,742,668	3,769,008	4,175,851	4,232,671	5,397,091
Natural Gas	4,700,100	4,985,729	6,248,121	5,552,777	4,122,306	4,223,938	2,941,728	3,411,767	3,048,070
Operating grants [3]	60,000	49,663	55,000	60,000	1,990,680	61,000	75,000	75,000	36,300
Capital grants & contr.	48,084	30,000	328,840	340,477	-	-	114,483	-	-
Total business-type activities prog rev.	10,202,907	10,943,497	12,086,012	11,809,012	12,028,047	10,376,984	9,840,899	10,966,773	12,270,389
Total primary government program revenues	$ 14,080,723	$ 14,625,985	$ 15,245,349	$ 16,046,862	$ 15,816,919	$ 18,497,557	$ 13,521,424	$ 13,570,800	$ 14,772,567
Net (expense)/revenue									
Governmental activities	$ (10,175,750)	$ (10,353,850)	$ (12,553,867)	$ (10,405,126)	$ (11,645,844)	$ (8,452,479)	$ (10,784,256)	$ (12,402,176)	$ (7,719,600)
Business-type activities	(57,659)	984,443	256,551	816,294	(520,592)	(969,863)	(1,217,958)	(923,829)	305,465
	$ (10,233,409)	$ (9,369,407)	$ (12,297,316)	$ (9,588,832)	$ (12,166,436)	$ (9,422,342)	$ (12,002,214)	$ (13,326,005)	$ (7,414,135)

(Continued)

CITY OF AMERICUS, GEORGIA

CHANGES IN NET ASSETS
LAST NINE FISCAL YEARS
(accrual basis of accounting)

	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Revenues and Other Changes in Net Assets									
Governmental activities:									
Taxes:									
Property taxes	$ 2,841,261	$ 3,200,137	$ 3,336,669	$ 3,505,239	$ 3,668,739	$ 3,765,781	$ 4,018,966	$ 3,766,104	$ 3,779,648
Sales taxes	1,545,822	1,775,277	1,738,851	1,866,758	1,990,834	1,969,761	1,677,397	1,888,546	1,909,128
Hotel/Motel taxes	221,156	234,992	242,504	256,853	357,880	540,440	254,354	279,360	329,321
Other taxes	1,349,435	1,438,406	1,514,718	1,533,445	1,591,007	1,628,232	1,632,444	1,581,410	1,454,722
Unrestricted invest. earnings	44,930	41,106	72,882	83,226	197,369	81,081	73,119	97,002	75,700
Gain on disposal of assets		(64,011)	32,729	-	-	10,356	17,420	-	-
Transfers	16,871	282,399	(54,574)	(301,879)	(349,059)	(441,069)	165,248	(118,135)	114,762
Total governmental activities	6,019,475	6,908,306	6,883,779	6,943,642	7,456,770	7,554,582	7,838,948	7,494,287	7,663,281
Business-type activities:									
Investment earnings	55,371	61,996	121,217	232,250	249,927	142,514	31,383	15,742	7,036
Gain on disposal of assets		(2,271)	4,100	2,629	-	-	828	9,523	2,989
Transfers	(16,871)	(282,399)	54,574	301,879	349,059	441,069	(165,248)	118,135	(114,762)
Total business-type activities	38,500	(222,674)	179,891	536,758	598,986	583,583	(133,037)	143,400	(104,737)
Total primary government	$ 6,057,975	$ 6,685,632	$ 7,063,670	$ 7,480,400	$ 8,055,756	$ 8,138,165	$ 7,705,911	$ 7,637,687	$ 7,558,544
Changes in Net Assets									
Governmental activities	$ (4,156,275)	$ (3,445,544)	$ (5,670,088)	$ (3,461,484)	$ (4,189,074)	$ (897,897)	$ (2,945,308)	$ (4,907,889)	$ (56,319)
Business-type activities	(19,159)	761,769	436,442	1,353,052	78,394	(386,280)	(1,350,995)	(780,429)	200,728
Total primary government	$ (4,175,434)	$ (2,683,775)	$ (5,233,646)	$ (2,108,432)	$ (4,110,680)	$ (1,284,177)	$ (4,296,303)	$ (5,688,318)	$ 144,409

(1) The substantial decrease in general government expenses in 2004 was due to decreased capital spending to alleviate temporary cash flow issues.
(2) The Municipal Court function was recorded in Public Safety for years prior to 2011.
(3) The substantial increase in operating grants and revenues in 2007 is due to FEMA assistance for tornado recovery.

CITY OF AMERICUS, GEORGIA

FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Fund										
Reserved	$ 74,717	$ 58,059	$ 56,463	$ 63,793	$ 54,892	$ 56,870	$ 62,166	$ 63,279	$ 74,298	$ -
Unreserved	1,368,960	1,257,302	1,599,812	1,592,155	1,678,573	1,854,740	1,691,547	2,278,792	2,266,544	-
Nonspendable	-	-	-	-	-	-	-	-	-	137,090
Restricted	-	-	-	-	-	-	-	-	-	2,828
Assigned	-	-	-	-	-	-	-	-	-	29,578
Unassigned	-	-	-	-	-	-	-	-	-	2,199,035
Total general fund	$ 1,443,677	$ 1,315,361	$ 1,656,275	$ 1,655,948	$ 1,733,465	$ 1,911,610	$ 1,753,713	$ 2,342,071	$ 2,340,842	$ 2,368,531
All Other Governmental Funds										
Reserved reported in:										
Special revenue funds	$ 97,383	$ 82,402	$ 90,929	$ 81,536	$ 218,640	$ 323,019	$ 145,168	$ 190,263	$ 206,102	$ -
Debt service funds	218,151	225,995	234,619	251,158	266,907	284,836	320,503	-	-	-
Unreserved, reported in:										
Special revenue funds	535,137	508,425	494,973	613,492	578,741	472,382	533,826	481,262	554,632	-
Capital projects funds	-	120	-	-	-	-	-	-	-	-
Debt service funds	-	-	-	-	-	-	-	-	-	-
Nonspendable	-	-	-	-	-	-	-	-	-	40,153
Restricted	-	-	-	-	-	-	-	-	-	606,681
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	(3,478)
Total all other governmental funds	$ 850,671	$ 816,942	$ 820,521	$ 946,186	$ 1,064,288	$ 1,080,237	$ 999,497	$ 671,525	$ 760,734	$ 643,356

NOTE: Governmental Accounting Standards Board Statement No. 54 was adopted in 2011.

CITY OF AMERICUS, GEORGIA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Revenues										
Taxes	$ 5,235,109	$ 5,947,055	$ 6,441,077	$ 6,525,277	$ 7,448,980	$ 7,795,875	$ 7,826,373	$ 7,413,834	$ 7,536,316	$ 7,568,434
Licenses and permits	1,231,086	1,262,378	1,263,667	1,283,899	1,372,138	1,471,329	1,489,128	1,433,197	1,410,130	1,474,400
Intergovernmental	1,727,295	1,809,602	1,622,041	1,119,965	1,279,398	1,463,429	2,034,165	958,057	489,519	318,569
Charges for services	73,939	91,208	113,486	106,568	145,995	141,910	168,354	100,914	183,598	201,924
Fines and forfeitures	421,823	560,072	541,564	389,699	442,042	354,350	307,566	384,890	373,949	352,513
Interest	5,483	44,930	41,106	71,904	83,226	197,369	81,081	73,119	97,002	75,700
Miscellaneous	239,571	154,556	141,730	259,206	288,334	357,854	275,692	159,402	146,830	154,772
Total revenues	8,934,306	9,869,801	10,164,671	9,756,518	11,060,113	11,782,116	12,182,359	10,523,413	10,237,344	10,146,312
Expenditures										
General government	1,397,175	1,328,610	1,286,219	1,538,991	1,616,071	1,969,408	1,747,854	1,628,629	1,200,797	1,414,936
Judicial	-	-	-	-	-	-	-	-	-	[1] 81,050
Public safety	5,540,972	5,844,371	5,879,481	6,025,320	6,020,626	6,351,412	6,437,986	6,453,290	7,176,218	6,478,678
Public works	1,264,350	1,393,597	1,994,930	1,313,023	1,528,405	1,767,920	1,708,557	1,803,454	1,742,080	1,689,210
Community development	752,389	1,097,711	565,346	587,012	802,716	409,829	942,126	673,226	619,768	723,732
Non-departmental	-	33,577	-	-	-	-	-	-	-	-
Debt service:	661,272	-	-	-	-	-	-	-	-	-
Principal	-	532,315	629,891	435,187	461,736	486,254	1,446,328	112,035	185,473	167,860
Interest	-	166,187	152,984	159,244	142,375	268,987	49,525	54,829	66,849	88,081
Total expenditures	9,616,158	10,396,368	10,508,851	10,058,777	10,571,929	11,253,810	12,332,376	10,725,463	10,991,185	10,643,547
Excess of revenues over (under) expenditures	(681,852)	(526,567)	(344,180)	(302,259)	488,184	528,306	(150,017)	(202,050)	(753,841)	(497,235)
Other Financing Sources (Uses):										
Capital leases	105,000	374,212	362,690	22,817	-	-	330,782	272,208	936,197	280,000
Sale of capital assets	-	37,823	43,614	32,729	9,314	14,847	21,667	24,980	23,759	12,784
Transfers in	1,116,332	1,025,003	1,045,005	962,062	467,524	604,874	840,699	1,396,858	634,794	752,517
Transfers out	(1,007,645)	(1,193,762)	(762,606)	(876,614)	(769,403)	(953,933)	(1,281,768)	(1,231,610)	(752,929)	(637,755)
Total other financing sources (uses)	213,687	243,276	688,703	140,994	(292,565)	(334,212)	(88,620)	462,436	841,821	407,546
Net change in fund balance	$ (468,165)	$ (283,291)	$ 344,523	$ (161,265)	$ 195,619	$ 194,094	$ (238,637)	$ 260,386	$ 87,980	$ (89,689)
Debt service as a percentage non-capital expenditures	7.90%	6.99%	7.68%	6.13%	6.84%	7.23%	12.72%	[2] 1.71%	2.70%	2.66%

Note: GASB 34 changes are reflected in the elimination of non-departmental expenditures in 2004. These expenses are now being recorded in the appropriated departments. Debt Service payments per the CAFR were listed in total prior to 2003. Starting in 2003, the amounts for interest and principal are reported separately.

[1] The Municipal Court function was recorded in Public Safety for years prior to 2011.

CITY OF AMERICUS, GEORGIA

GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

Fiscal Year	Property	Sales Tax	Occupancy[1]	Insurance Premium	Other[2]	Total
2002	$ 2,488,262	$ 1,455,093	$ 226,484	$ 678,067	$ 387,203	$ 5,235,109
2003	2,830,642	1,545,822	221,156	730,796	618,639	5,947,055
2004	2,992,402	1,775,277	234,992	791,983	646,423	6,441,077
2005	3,029,204	1,738,851	242,504	852,070	662,648	6,525,277
2006	3,791,924	1,866,758	256,853	891,479	641,966	7,448,980
2007	3,856,154	1,990,834	357,880	929,912	661,095	7,795,875
2008	3,687,940	1,969,761	540,440	952,187	676,045	7,826,373
2009	3,863,211	1,663,825	254,354	943,254	434,836	7,159,480
2010	3,788,098	1,887,447	279,360	920,265	661,146	7,536,316
2011	3,860,592	1,923,799	329,321	799,294	655,428	7,568,434
Change 2002-2011	35.5%	24.4%	31.2%	15.2%	40.9%	30.8%

[1] Occupancy tax in 2008 includes an audit settlement covering prior years.

[2] Other taxes includes transfer taxes, alcoholic beverage taxes, and payments in lieu of taxes.

CITY OF AMERICUS, GEORGIA

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year Ended Dec 31st	Digest Tax Year	Real & Personal Property	Motor Vehicles	Mobile Home	Timber & Heavy Truck Equipment	Less: Tax-Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a % of Actual Value
2002	2002	$ 263,597,642	$ 36,889,288	$ 206,129	$ -	$ 10,239,927	$ 290,453,132	8.87	$ 580,906,263	50%
2003	2003	258,397,888	34,691,588	191,216	-	14,475,870	278,804,822	10.07	557,609,644	50%
2004	2004	299,648,351	34,626,938	191,360	-	19,475,993	314,990,656	10.07	629,981,311	50%
2005	2005	310,240,554	32,612,238	193,915	-	18,664,431	324,382,276	10.07	648,764,552	50%
2006	2006	321,016,182	30,999,238	172,950	3,470	15,359,617	336,832,223	10.38	673,664,446	50%
2007	2007	327,347,175	33,606,225	193,181	174,453	13,587,710	347,733,324	10.51	695,466,648	50%
2008	2008	316,009,242	35,487,588	213,050	21,537	8,564,049	343,167,368	10.99	686,334,736	50%
2009	2009	348,049,881	36,041,850	184,415	19,830	11,122,312	373,173,664	10.25	746,347,328	50%
2010	2010	340,614,185	31,580,613	136,045	3,870	7,146,044	365,188,669	10.25	730,377,338	50%
2011	2011	343,915,592	30,679,600	132,475	2,025	5,743,900	368,985,792	10.11	737,971,584	50%

Source: City of Americus and Sumter County tax records

Note: Property tax assessment is performed by the Sumter County Tax Assessor's Office and reviewed and factored by the State of Georgia Department of Revenue to ensure that the assessed value of property closely approximates 50% of actual market value.

CITY OF AMERICUS, GEORGIA

PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

					Overlapping Rates					
		City of Americus			Sumter County			Sumter Board of Education		
Fiscal Year	Digest Tax Year	Operating Millage	Debt Service Millage	Total City Millage	Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Debt Service Millage	Total School Millage
2002	2002	8.87	-	8.87	11.04	-	11.04	14.89	-	14.89
2003	2003	10.07	-	10.07	11.02	-	11.02	14.89	-	14.89
2004	2004	10.07	-	10.07	10.12	-	10.12	14.89	-	14.89
2005	2005	10.07	-	10.07	9.74	-	9.74	15.89	-	15.89
2006	2006	10.38	-	10.38	6.95	-	6.95	17.64	-	17.64
2007	2007	10.51	-	10.51	9.90	-	9.90	17.53	-	17.53
2008	2008	10.99	-	10.99	11.82	-	11.82	17.53	-	17.53
2009	2009	10.25	-	10.25	11.45	-	11.45	17.53	-	17.53
2010	2010	10.25	-	10.25	11.45	-	11.45	17.53	-	17.53
2011	2011	10.11	-	10.11	11.45	-	11.45	17.53	-	17.53

Source: Sumter County Board of Commissioners and Americus City Records

Note: The City assesses at a rate of 50% and the County assesses at 40%

CITY OF AMERICUS, GEORGIA

PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2011 Taxable Assessed Value	2011 Rank	2011 Percentage of Total City Taxable Assessed Value	2002 Taxable Assessed Value	2002 Rank	2002 Percentage of Total City Taxable Assessed Value
Wal-Mart Real Estate/Store	$ 8,290,970	1	2.25%	$ 8,230,439	2	3.26%
Lowe's Home Center	6,206,046	2	1.68%			
Georgia Power Company	5,540,752	3	1.50%	4,399,540	4	1.74%
Perry Brothers Oil Company	5,063,059	4	1.37%			
Bell South Communications	3,312,370	5	0.90%	3,873,616	5	1.54%
Agrium U.S. Inc.	2,964,057	6	0.80%			
Sumter, EMC	2,675,987	7	0.73%			
Galileo Apollo IV Sub LLC	2,667,550	8	0.72%			
Marketplace of Americus (Winn Dixie)	1,928,200	9	0.52%	1,950,545	7	0.77%
Peoples South Bank	1,871,040	10	0.51%			
New Plan Realty Trust				3,360,156	6	1.33%
The Tog Shop				1,642,816	8	0.65%
Collins & Aikman (Formerly Textron Automotive & JPS Automotive)				16,997,629	1	6.74%
Daimler Chrysler Corporation				5,635,011	3	2.23%
Sumter Bank & Trust				1,469,373	9	0.58%
The Windsor Hotel				1,399,547	10	0.55%
Total	$ 40,520,031		10.98%	$ 48,958,672		19.39%

Source: City of Americus tax records

CITY OF AMERICUS, GEORGIA

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended December 31st	Digest Tax Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date		Total Taxes Outstanding
			Amount	Percentage of Levy		Amount	Percentage of Levy	
2002	2002	$ 2,167,244	$ 1,774,609	81.88%	$ 391,321	$ 2,165,930	99.94%	$ 1,314
2003	2003	2,459,420	2,043,714	83.10%	414,106	2,457,820	99.93%	1,600
2004	2004	2,732,305	2,364,773	86.55%	364,598	2,729,371	99.89%	2,934
2005	2005	2,790,333	2,231,718	79.98%	550,688	2,782,406	99.72%	7,927
2006	2006	3,185,713	2,789,139	87.55%	388,829	3,177,968	99.76%	7,745
2007	2007	3,297,956	2,936,209	89.03%	353,031	3,289,240	99.74%	8,716
2008	2008	3,379,140	2,925,998	86.59%	412,524	3,338,522	98.80%	40,618
2009	2009	3,422,075	2,866,944	83.78%	506,061	3,373,005	98.57%	49,070
2010	2010	3,436,358	2,946,620	85.75%	391,546	3,338,166	97.14%	98,192
2011	2011	3,432,242	2,706,967	78.87%	-	2,706,967	78.87%	725,275

Sources: City of Americus tax records

CITY OF AMERICUS, GEORGIA

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities		Business-Type Activities				Percentage of Estimated Actual Value of Taxable Property	Per Capita	Population
	General Oblig. Bonds [1]	Capital Leases [2]	Water Revenue Bonds [3]	Combined Utility Revenue Bonds [4]	Notes Payable	Total Primary Government			
2002	$ 3,140,000	$ 599,327	$ 2,312,186	$ -	$ 3,982,131	$ 10,033,644	1.73%	$ 589.76	17,013
2003	2,810,000	771,224	2,078,555	-	3,577,241	9,237,020	1.66%	542.94	17,013
2004	2,465,000	849,023	1,833,345	-	3,162,501	8,309,869	1.32%	488.44	17,013
2005	2,100,000	1,130,706	1,575,378	-	7,358,322	12,164,406	1.88%	715.01	17,013
2006	1,720,000	1,048,970	1,304,299	-	8,604,626	12,677,895	1.88%	745.19	17,013
2007	1,320,000	962,716	1,019,443	-	8,835,158	12,137,317	1.75%	713.41	17,013
2008	-	1,167,170	720,254	-	8,780,243	10,667,667	1.55%	627.03	17,013
2009	-	1,327,343	405,715	-	8,031,531	9,764,589	1.31%	573.95	17,013
2010	-	2,078,067	-	13,760,000	6,816,676	22,654,743	3.10%	1,329.43	17,041
2011	-	2,190,207	-	12,655,000	6,518,549	21,363,756	2.89%	1,253.67	17,041

[1] General Obligation Bonds were paid in full in 2008.

[2] Capital Lease amount includes Certificate of Participation totaling $845,000. In 2010, capital leases increased significantly due to the financing of a new fire truck for $936,197.

[3] The Water Revenue Bonds were paid in full in 2010.

[4] Combined Utility Revenue Bonds were issued in 2010 for capital projects related to water, sewer and stormwater.

CITY OF AMERICUS, GEORGIA

RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Year	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property[2]	Per Capita[3]
	General Obligation Bonds[1]	Less: Amounts Avail. in Debt Service Fund	Total		
2002	$ 3,140,000	$ -	$ 3,140,000	1.08%	$ 185
2003	2,810,000	283,593	2,526,407	0.91%	148
2004	2,465,000	285,635	2,179,365	0.69%	128
2005	2,100,000	291,196	1,808,804	0.56%	106
2006	1,720,000	303,145	1,416,855	0.42%	83
2007	1,320,000	312,907	1,007,093	0.29%	59
2008	-	-	-	0.00%	-
2009	-	-	-	0.00%	-
2010	-	-	-	0.00%	-
2011	-	-	-	0.00%	-

[1] General Obligation Bonds were paid in full in 2008.
[2] See also the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for more on property values
[3] See also the Schedule of Demographic and Economic Statistics for population data.

CITY OF AMERICUS, GEORGIA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2011

Jurisdiction	Debt Outstanding	Percentage Applicable to the City of Americus	Amount Applicable to the City of Americus
None			
	$ -	-	$ -
Total Direct and Overlapping Debt			$ -

Source: City of Americus, Sumter County Board of Commissioners, Sumter County Board of Education.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that could place burden on the residents and businesses of the City of Americus. Currently all bond obligations are paid out of education sales tax and are not part of any government's millage rates.

CITY OF AMERICUS, GEORGIA

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Debt limit	$ 30,069,306	$ 29,328,069	$ 33,446,665	$ 34,304,671	$ 35,219,184	$ 36,132,103	$ 35,173,142	$ 38,429,598	$ 37,233,471	$ 37,472,969
Total net debt applicable to limit	3,140,000	2,526,407	2,179,365	1,808,804	1,416,855	1,007,093	-	-	-	-
Legal debt margin	$ 26,929,306	$ 26,801,662	$ 31,267,300	$ 32,495,867	$ 33,802,329	$ 35,125,010	$ 35,173,142	$ 38,429,598	$ 37,233,471	$ 37,472,969
Total net debt applicable to the limit as a percentage of debt limit	10.44%	8.61%	6.52%	5.27%	4.02%	2.79%	0.00%	0.00%	0.00%	0.00%

Legal Debt Margin Calculation for Fiscal Year 2010

Total assessed value	$ 368,985,792
Add Exempt:	5,743,900
Total taxable assessed value:	374,729,692
Debt limit (10% of total taxable assessed value)	37,472,969
Debt applicable to limit:	
General obligation debt	-
Less: Amount set aside for repayment of general obligation debt.	-
Total net debt applicable to limit	-
Legal debt margin	$ 37,472,969

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

CITY OF AMERICUS, GEORGIA

PLEDGED REVENUE COVERAGE
LAST TEN FISCAL YEARS

Fiscal Year	Utility Revenue Bonds[1]				
	Utility Service Charges	Less: Operating Expenses[2]	Net Available Revenue[3]	Debt Service[4]		Coverage Ratio
				Principal	Interest	
2002	$ 3,580,974	$ 2,099,635	$ 1,481,339	$ 222,331	$ 122,273	4.30
2003	3,543,234	2,177,912	1,365,322	233,630	110,974	3.96
2004	4,047,021	2,275,133	1,771,888	245,210	99,394	5.14
2005	3,577,796	2,382,818	1,194,978	257,967	86,637	3.47
2006	3,865,334	2,632,866	1,232,468	271,079	73,525	3.58
2007	3,735,811	2,685,532	1,050,279	284,856	59,748	3.05
2008	3,769,008	3,159,342	609,666	299,189	45,415	1.77
2009	3,909,927	3,372,159	537,768	314,539	30,065	1.56
2010	4,735,168	4,105,840	629,328	405,715	8,894	1.52
2011	6,240,322	4,042,438	2,197,884	1,105,000	410,337	1.45

[1] Revenue Bonds in the amount of $3,190,804 were issued in 1998 for the purpose of repaying loans from GEFA
Revenue Bonds in the amount of $13,760,000 were issued in 2010 for Water, Sewer and Stormwater capital projects.

[2] Operating Expenses do not include depreciation & amortization expenses. Stormwater operating expenses in 2010 include primarily allocations from other funds and departments. The recording of direct expenses for stormwater began in 2011.

[3] Net Available Revenue decreased in 2008 - 2011 due to lift station repairs and programs that did not qualify for capitalization. (Hydraulic Model, Inflow & Filtration, Fats, Oils and Greases and Cross Connection ordinance / programs etc.)

[4] Details regarding the City's outstanding debt can be found in the notes to the financial statements.

CITY OF AMERICUS, GEORGIA

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

					Sumter County, Georgia			
Calendar Year	Population [1]	Median Age [2]	Education Level in Years of Schooling [3]	Personal Income [4] (in thousands of dollars)	Per Capita Personal Income [5]	Labor Force [6]	School Enrollment [7]	Unemployment Rate [8]
2002	17,013	34	12.7	357,868	21,035	17,141	5,820	4.66%
2003	17,013	34	12.7	358,005	21,043	17,363	5,802	5.05%
2004	17,013	34	12.7	360,761	21,205	17,268	5,839	5.09%
2005	17,013	34	12.7	389,274	22,881	17,172	5,550	5.60%
2006	17,013	34	12.7	389,172	22,875	17,172	5,150	6.30%
2007	17,013	34	12.7	415,645	24,431	17,458	5,320	7.10%
2008	17,013	34	12.7	426,329	25,059	17,045	5,138	7.70%
2009	17,013	34	12.7	472,638	27,781	16,338	5,059	12.60%
2010	17,041	34	12.7	469,991	27,580	15,063	4,957	13.20%
2011	17,041	36	12.7	475,972	27,931	14,859	4,920	13.30%

Sources:

[1] Population is per the U.S. Census Bureau.

[2] Median Age is per the U.S Census Bureau. 2010 Median age not yet published.

[3] Average education level is per the U.S. Census Bureau. 2011 Education Level not yet published.

[4] Personal Income is the annual amount based on population and Per Capita Personal Income.

[5] Per Capita Income is from the U.S. Department of Commerce Bureau of Economic Analysis. Information for the City of Americus is not available.

[6] Labor Force is per the U.S. Department of Commerce Bureau of Economic Analysis.

[7] School Enrollment is per the Sumter County Board of Education.

[8] Unemployment rate is an average for the year and is per the Georgia Department of Labor.

CITY OF AMERICUS, GEORGIA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

	2011			2002 [4]		
Employer	**Employees**	**Rank**	**Percentage of Total Employment**	**Employees**	**Rank**	**Percentage of Total Employment**
Sumter County School System	733	1	4.93%	877	1	5.38%
Phoebe Sumter Medical Center (previously Sumter Regional) [1]	450	2	3.03%	750	4	4.60%
Magnolia Manor	377	3	2.54%	534	5	3.27%
Cooper Lighting	333	4	2.24%	771	2	4.73%
Sumter County Board of Commissioners	308	5	2.07%			
Georgia Southwestern State University	280	6	1.88%	350	9	2.15%
Wal-Mart Super Center	276	7	1.86%	300	10	1.84%
Habitat for Humanity	242	8	1.63%	450	6	2.76%
Middle Flint Behavioral Health	226	9	1.52%	400	7	2.45%
City of Americus	189	10	1.27%			
Collins Aikman (previously Textron Automotive Exteriors) [2]				750	3	4.60%
The Tog Shop [3]				355	8	2.18%
Total	3,414		22.97%	5,537		33.96%

Source: Americus - Sumter County Chamber of Commerce

Note: Due to the close proximity of the Cities within the County, information is based on County data. Information based solely on City of Americus is not available.

[1] The hospital was completely destroyed in the March 1, 2007 tornado; new hospital opened in December 2011

[2] Collins & Aikman declared bankruptcy in 2005 and discontinued operations in 2007.

[3] The Tog Shop closed in 2007.

[3] 2001 data is used as 2002 data is not available.

CITY OF AMERICUS, GEORGIA

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES
BY FUNCTION
LAST TEN FISCAL YEARS

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Function										
General government										
Administration	15	13	13	15	15	16	16	16	16	13
Finance	7	7	7	8	8	8	8	8	8	8
Police [1]	65	68	69	65	58	56	55	54	56	51
Municipal Court	-	-	-	-	-	-	-	-	-	4
Fire	54	55	55	56	56	56	56	56	55	53
Public works [2]	25	24	25	25	25	26	26	30	31	26
Community and economic development	3	3	3	3	3	4	4	4	4	4
Total General Fund	169	170	172	172	165	166	165	168	170	159
Enterprise Funds										
Water/Sewer Fund	15	15	15	15	15	15	15	15	16	15
Natural Gas Fund	7	7	7	7	7	7	7	7	7	7
Stormwater Fund	-	-	-	-	-	-	-	-	-	4
Theater	5	2	2	3	3	3	3	4	4	4
Total Enterprise Funds	27	24	24	25	25	25	25	26	27	30
Total Primary Government	196	194	196	197	190	191	190	194	197	189

Source: City of Americus annual budget document

[1] The decrease in the Police Department between 2005 and 2006 is due to the start up of the regional 911 center. City dispatchers were no longer needed

[2] Municipal Court employees were formerly reported in the Police Department.

[3] The increase in the Public Works Department from 2008 and 2009 is due to the addition of a fleet maintenance shop. This work was previously outsourced.

[4] The Stormwater Fund includes employees formerly reported in Public Works.

[5] Effective in 2011, the City had a reduction in force due to economic constraints. The reduction eliminated 6 positions and combined 4 positions into 2.

CITY OF AMERICUS, GEORGIA

OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Function/Program	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Fund										
Administration										
Number of Council meetings	43	46	47	40	37	42	78	69	69	60
Number of ordinances adopted	33	41	33	48	46	45	43	39	45	35
Number of new employees processed	30	16	14	29	24	18	14	38	28	23
Finance										
Total dollars expended [1]	$ 21,068,770	$ 24,314,132	$ 23,508,711	$ 23,623,212	$ 22,815,576	$ 25,188,644	$ 25,208,763	$ 24,597,435	$ 24,115,832	$ 24,056,002
Total number of active funds	17	18	19	18	16	18	18	16	16	16
Number of accounts payable checks issued	4,676	4,126	3,865	4,341	4,688	4,759	4,634	4,725	4,924	5,151
Police										
Number of calls	28,074	26,637	21,880	26,898	47,792	42,283	47,096	49,943	62,163	62,450
Number of accidents	924	813	847	828	784	806	786	770	774	717
Number of animal control incidents / calls	1,042	903	757	648	533	1,070	1,199	1,306	1,353	1,603
Number of offenses reported [2]	3,857	3,665	3,582	2,843	2,827	2,638	2,507	2,608	2,749	3,157
Municipal Court activity - number of cases	4,657	5,157	4,841	4,599	4,006	4,591	4,267	3,818	4,806	5,384
Fire and Emergency Services										
Number of calls										
Fire / explosion	205	162	181	173	209	262	230	181	147	130
First responder	1,640	1,445	1,476	1,352	1,459	1,597	1,415	1,223	1,081	1,228
Hazardous condition / materials	125	151	119	118	168	178	129	88	95	85
All other	448	442	463	482	403	464	510	458	345	465
Total number of calls	2,418	2,200	2,239	2,125	2,239	2,501	2,284	1,950	1,668	1,908
Fire safety / prevention / education										
Students	12,993	24,925	20,682	15,867	8,600	17,160	17,309	11,809	6,578	5,030
Adults	4,276	16,495	27,427	17,413	2,524	2,617	5,787	6,308	1,499	2,783
Total number educated	17,269	41,420	48,109	33,280	11,124	19,777	23,096	18,117	8,077	7,813
Building Risk Management										
Number of building permits issued	305	262	236	322	519	1,478	1,013	823	705	914
Construction value of permitted projects [3]	$ 4,640,081	$ 8,992,598	$ 16,092,773	$ 8,792,402	$ 9,738,311	$ 49,859,046	$ 20,176,987	$ 6,720,935	$ 109,541,947	$ 6,483,942
Public works										
Number of work orders										
Drainage	261	-	-	-	-	-	149	66	34	7
Street patching	184	206	184	301	241	532	372	459	397	306
Street signs	53	102	188	223	213	495	169	66	64	36
Sidewalk repairs	16	3	4	21	42	55	34	33	18	3
Other	3	0	22	48	43	68	466	161	155	432
Total number of work orders	517	311	398	593	539	1,150	1,190	785	668	784
Public transit - [4]										
Number of trips	25,587	25,587	24,982	26,824	33,078	32,479	33,455	24,950	30,428	28,239
Revenues	$ 40,249	$ 40,249	$ 40,406	$ 46,008	$ 55,149	$ 56,958	$ 56,799	$ 43,305	$ 64,769	$ 73,116

(Continued)

CITY OF AMERICUS, GEORGIA

OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Function/Program	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Water and Sewer Fund										
Utility billing										
Number of work orders										
Turnoffs for non-payment	2,364	3,502	2,495	2,277	2,272	2,730	2,608	1,945	1,947	1,820
All other work orders [5]	2,741	1,965	1,946	2,199	2,197	2,491	3,179	4,881	5,185	6,626
Total number of work orders	5,105	5,467	4,441	4,476	4,469	5,221	5,787	6,826	7,132	8,446
Average number of customers per month										
Water	7,616	7,288	7,010	7,589	7,589	7,594	7,667	7,615	7,619	7,530
Sewer	6,935	6,743	6,561	6,963	6,671	6,700	6,745	6,688	6,717	6,677
Cubic feet of water billed	125,775,009	117,650,533	116,627,885	116,224,699	109,437,663	101,497,987	96,232,244	86,908,419	93,364,671	104,516,419
Water and sewer maintenance										
Number of work orders [6]	662	1,199	676	718	973	1,332	2,410	2,912	971	608
Natural Gas Fund										
Cubic feet of gas billed	546,259	594,209	527,618	488,562	455,316	304,468	291,631	245,621	277,789	253,192
Number of work orders [7]	3,322	3,756	4,048	4,853	5,103	5,863	6,545	2,349	2,166	1,690
Average number of customers per month	3,097	3,057	2,995	2,865	2,779	2,680	2,612	2,498	2,467	2,428
Solid Waste Fund										
Average number of customers per month	6,968	6,647	6,020	6,218	6,699	6,843	6,908	6,315	6,831	6,835
Stormwater Fund [8]										
Average number of customers per month	-	-	-	-	-	-	-	-	6,122	6,076
Number of standard billing units at $48 per year	-	-	-	-	-	-	-	-	20,429	20,705

Sources: Various City departments.

Note - Information is not available for all years and all items. A dash indicates where information could not be obtaine

[1] Finance - Total Dollars Expended - For simplicity this is the total expenditures on the Revenue & Expenditure statement after year end adjustments. Total dollars expended jumped in 2007 due to the cost of tornado recovery.

[2] Number of Offenses includes traffic related enforcement, drug task force activity, code enforcement activities, and all crime reported.

[3] The 2004 value includes over $4,000,000 in multi-family residential units constructed by the Americus Housing Authority.
The number and value of permits in 2007 reflected tornado recovery. The tornado damaged or completely destroyed over 1,200 structures.
The value of permits in 2010 includes $71,883,000 for the new Phoebe Sumter Hospital Complex.

[4] An additional Transit Van & Driver was added in late 2005.

[5] Utility Billing - number of Work Orders - All other includes turn offs, turn ons (not related to non-payment), garbage cart/dumpster delivery and pickup, and re-read requests.

[6] Water & Sewer Maintenance - number of Work Orders includes meter repair & installation, sewer connections, location of water & sewer lines, leak repairs and fire hydrant leaks.
2011 showed a decrease due to the replacement of all water meters.

[7] Natural Gas - number of Work Orders includes installation of new meters and lines, removal of meters and lines, location of gas lines, gas leak investigation, and customer turn ons. Customer turn ons are not performed by Utility Billing personnel due to the specialized training required. The number of work orders is down in 2009 reflecting the overall downturn in new construction.

[8] The Stormwater Utility was implemented in June 2010. Standard billing unit represents 3,000 square feet of impervious surface.

CITY OF AMERICUS, GEORGIA

CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

Function/Program	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Police										
Stations	3	3	1	1	1	1	1	1	1	1
Patrol units (1)	-	58	49	48	46	48	44	47	44	49
Fire stations	3	3	3	3	3	3	3	3	3	3
Fire Trucks										
Engine	4	4	4	4	4	4	4	4	4	4
Ladder (1)	-	2	2	2	2	2	2	2	2	2
Tanker (1)	-	1	1	1	1	1	1	1	0	0
Haz Mat Vehicle (1)	-	0	0	1	1	1	1	1	1	1
Communication Trailer (1)	-	0	1	1	1	1	1	1	1	1
Public works										
Streets owned & maintained (miles)	80	80	113	113	113	113	116	116	116	117
Service trucks (1)	-	17	17	16	18	17	17	16	19	18
Public Transit										
Vans (1)	-	3	3	4	4	4	4	4	3	3
Trolley (1)	-	0	1	1	1	1	1	1	1	1
Marketing Van (1)	-	-	-	-	-	-	-	1	1	1
Water System										
Plant Capacity / Gallons per Day	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000
Miles of Water Mains	112	112	123	127	136	136	138	138	138	139
Water Storage - number of elevated storage tanks	5	5	5	5	8	8	8	8	8	8
Wastewater System										
Treatment capacity / Gallons per day	4,400,000	4,400,000	4,400,000	4,400,000	4,400,000	4,400,000	4,400,000	4,400,000	4,400,000	4,400,000
Miles of Sewer Mains	100	100	100	101	101	102	102	102	102	103
Gas Distribution System										
Allocation from Supplier / Cubic Feet per day	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	2,500,000
Miles of Gas Mains	98	100	100	100	100	100	100	100	104	106

Source: Annual Budget Document and Capital Asset Subledger

(1) The City was not required to track this asset until the implementation of GASB 34 in FY 2003.

COMPLIANCE SECTION

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*

Honorable Mayor and Members
of the City Council
City of Americus, Georgia
Americus, Georgia

We have audited 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 Americus, Georgia as of and for the year ended December 31, 2011, which collectively comprise the City of Americus, Georgia's basic financial statements, and have issued our report thereon dated June 6, 2012. Our report includes a reference to the implementation of a new accounting standard on fund balance classifications and governmental fund definitions. 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.

Internal Control Over Financial Reporting

Management of the City of Americus, Georgia is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the City of Americus, Georgia's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Americus, Georgia's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of Americus, Georgia's internal control over financial reporting.

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.

Our consideration of internal control over financial reporting 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 financial reporting that might be deficiencies, significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Americus, Georgia's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, non-compliance 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*.

We noted certain matters that we reported to management of the City of Americus, Georgia in a separate letter dated June 6, 2012.

This report is intended solely for the information and use of management, the Mayor and the members of the City Council of the City of Americus, Georgia, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Mauldin & Jenkins, LLC

Macon, Georgia
June 6, 2012

CITY OF AMERICUS, GEORGIA

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2011

SECTION I
SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued	Unqualified
Internal control over financial reporting:	
Material weaknesses identified?	____ yes __X__ no
Significant deficiencies identified not considered to be material weaknesses?	_____ yes __X__ none reported
Noncompliance material to financial statements noted?	_____ yes __X__ no

Federal Awards

There was not an audit of major federal award programs as of December 31, 2011 due to the total amount expended being less than $500,000.

CITY OF AMERICUS, GEORGIA

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2011

SECTION II
FINANCIAL STATEMENT FINDINGS

None reported

SECTION III
FEDERAL AWARD FINDINGS

Not applicable

CITY OF AMERICUS, GEORGIA

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2011

SECTION IV
SCHEDULE OF PRIOR YEAR FINDINGS

2010 - 1. Construction in Progress and Accounts Payable

Criteria: Generally accepted accounting principles require that expenses related to construction of capital assets and incurred prior to the end of the fiscal year be included as construction in progress on the balance sheet.

Condition: Expenses associated with a construction project incurred during 2010 but for which invoices were not received until after year-end were not recorded as construction in progress in the Water and Sewer Fund and Stormwater Fund at December 31, 2010.

Auditee response/status: Resolved

2010 - 2. Capitalized Interest

Criteria: Interest costs are capitalized in proprietary funds for assets that require an acquisition period to get them ready for use.

Condition: Capitalized interest related to the construction of water, sewer and stormwater system improvements was not calculated and recorded in the Water and Sewer Fund and the Storm Water Fund for the year ended December 31, 2010.

Auditee response/status: Resolved