COMPREHENSIVE ANNUAL FINANCIAL REPORT











CITY OF AMERICUS, GEORGIA

Year End December 31, 2012

CITY OF AMERICUS, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2012

Prepared by:

Finance Department

INTRODUCTORY SECTION

CITY OF AMERICUS, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
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City of Americus, Georgia

August 16, 2013

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, 2012.

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, 2012 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 unmodified opinion that the City of Americus' financial statements for the fiscal year ended December 31, 2012 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 2012 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. A Storm Water Fund was implemented on June 1, 2010, and 2011 represented 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 twenty 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.

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 $318,000 in 2012. 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, 2012 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, with the average rate for 2012 at 12.8%. 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 2012 was 8.7% and the entire country was at 8.1%. 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 2012-2013 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.

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 referendum in July 2012 will provide much need resources for 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 2013-2017 are:

- Continue the renovation and remodeling of all the City government buildings to meet our governmental needs. This program 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 recently passed SPLOST legislation.
- 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.
- Sidewalk Replacement and Resurfacing of various streets will be supplemented by TSPLOST.
- Completion of various Water and Sewer projects funded by the 2010 Revenue Bond Series.
- Construction of a public works Office Building by 2015.
- 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, 2011. This was the twenty-fourth 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 Staff of the Finance Department. We would like to express our appreciation to all employees of the City who contributed to the information included in this report. Credit also must be given to the Mayor and City Council for their commitment to maintaining highest standards of professionalism in the management of the City of Americus's finances.

Respectfully Submitted,

Laura Lee Bernstein
Chief Administrative Officer

Randal L. Sanders, CPA
Interim 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, 2011

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.



Christopher P Morrill
President

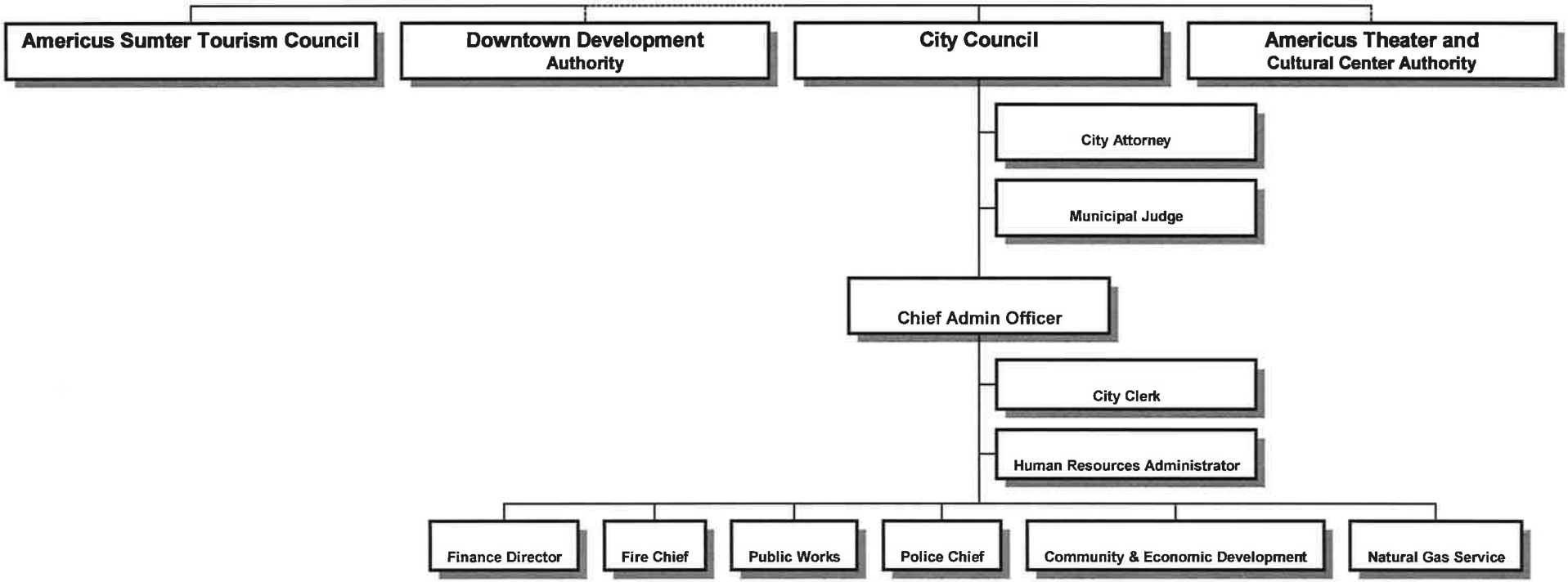
Jeffrey R. Esser
Executive Director

CITY OF AMERICUS, GEORGIA

LIST OF PRINCIPAL OFFICIALS
December 31, 2012

Mayor	Barry Blount
Council Members	Walton Grant Nelson Brown 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	Mark Gerbino
Fire Chief	Allen Erkhart
Community and Economic Development Director	Mandy Young
Natural Gas Director	Sammy Deason

City of Americus
December 31, 2012



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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the **City of Americus, Georgia ("the City")** as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the 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, 2012, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, as well as Statement No. 65, *Items Previously Reported as Assets and Liabilities*, as of January 1, 2012. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Americus, Georgia's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of special purpose local option sales tax proceeds is presented for purposes of additional analysis as required by the Official Code of Georgia 48-8-21, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules as well as the schedule of expenditures of special purpose local option sales tax proceeds (the "supplementary information") are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 15, 2013 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Macon, Georgia
August 15, 2013

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, 2012. 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 eleventh year of implementation of the GASB Statement #34 reporting model.

FINANCIAL HIGHLIGHTS

The key financial highlights for FY 2012 are as follows:

The City's total net position increased $668,857. The net position of the business-type activities increased $10,948, while the net position of the governmental activities increased $657,909. The increase in governmental net position is primarily due to increased grant funds received. The decrease in business-type activities net position is primarily due to a loss on the sale of capital assets (water and gas meters) in the amount of $636,024.

Total governmental revenues increased from 2011 to 2012 by $984,158. The increased revenue is primarily attributable to increases in grant funds received and increased revenues from charges for services.

The City incurred $10,484,315 expenses related to governmental activities. General revenues, primarily taxes, provided the major financing sources for these activities. The balance funded by other sources is $2,915,268 or 27.8% 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 $5,931,182, while total operating expenses for the year were $5,109,868. After other non-operating revenues and expenses, capital contributions, transfers, and restatement of beginning net position; net position showed an increase of $90,482 for the year. The downturn is due to fluctuations in activity attributed to the water meter replacement project.

Total Natural Gas Fund operating revenues for this fiscal year were $2,672,161. Total operating expenses for the year were $2,920,202. The operating loss of $248,041 combined with non-operating revenues, expenses, capital contributions, transfers, and restatement of beginning net position resulted in a decrease in net position of $543,707. The deterioration in net position 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 2012, this situation was once again compounded by another warm winter.

Total Solid Waste Fund operating revenues for this fiscal year were $2,972,137. Total operating expenses of $2,810,229 resulted in operating income of $161,908. After other non-operating revenues and expenses, capital contributions, transfers; net position increased $161,978. This fund is designed to basically break even every year. Readers should note that 2012 sanitation rates were planned to enable a payment to Sumter County in the amount of $89,071 for prior years' landfill post-closure costs. There was no remaining balance on this debt at the end of 2012.

Total Storm Water Fund operating revenues for this fiscal year were $871,401. Total operating expenses of $414,689 resulted in operating income of $456,712. Of this income, $415,739 was used to pay debt service for the 2010 Revenue Bond Series. After other non-operating revenues and expenses, capital contributions, transfers, and restatement of beginning net position; net position increased $135,024.

Revenues in the General Fund were $9,863,171 for fiscal year 2012 which was $254,450 higher than 2011. 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 Position presents information on all of the City of Americus' assets and liabilities, with the difference between the two reported as net position. Over time, increases and decreases in net position 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 position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of 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 Position 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 Position and the Statement of Activities is to answer the questions concerning how the City performed financially during 2012. 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 position and the changes in net position. This change in net position 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 Position 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 Position 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) 2001 Program Income Fund, (5) 2004 ISTEA Fund, (6) 2007 CDBG Fund, (7) 2007 CHIP Fund, (8) Hotel/Motel Tax Fund, and (9) Capital Projects SPLOST 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 eight 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 2012 FINANCIAL ANALYSIS

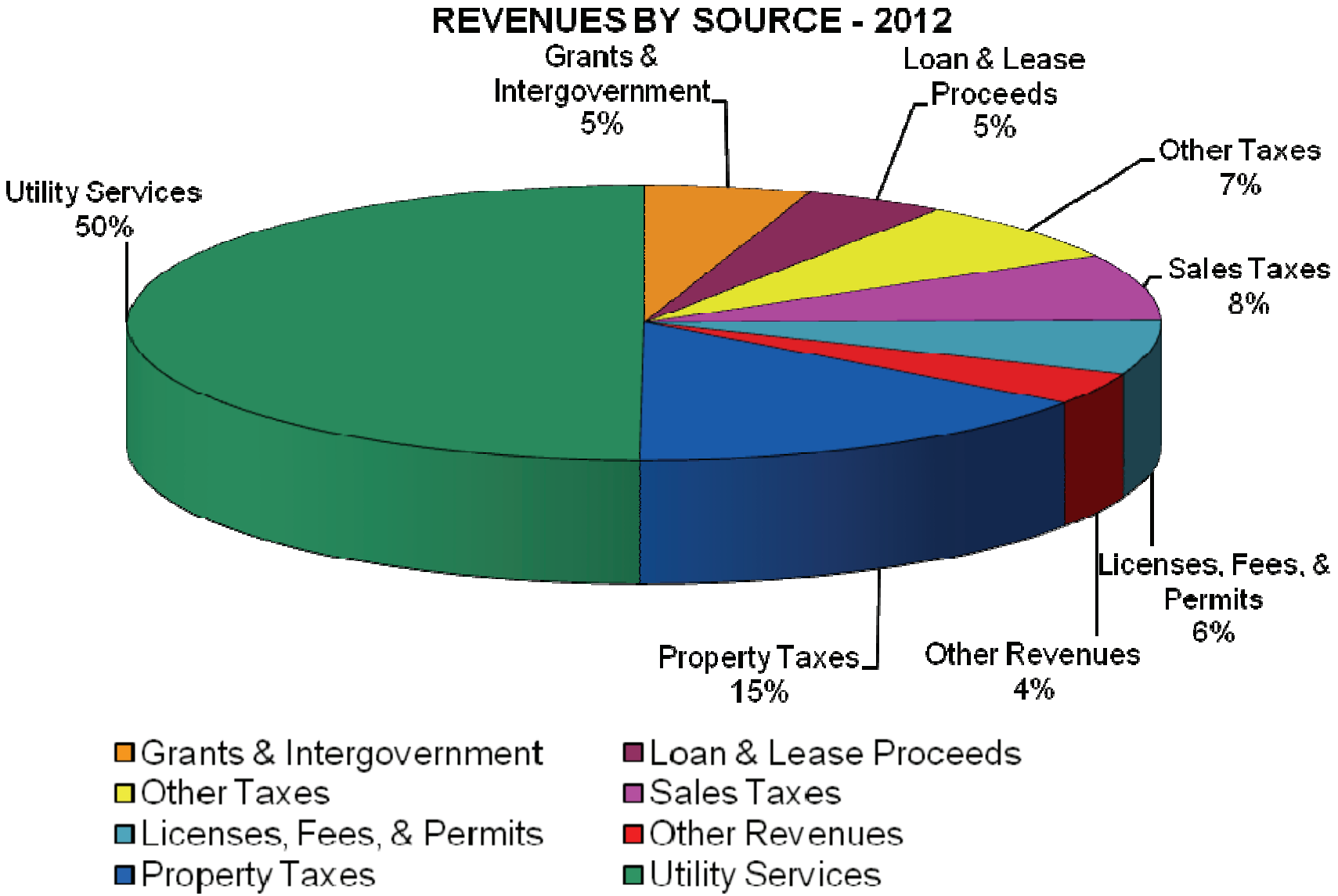
As was previously stated, the total net assets increased from 2012. Table 1 below shows the schedule of net position and Table 2 shows the change in net position.

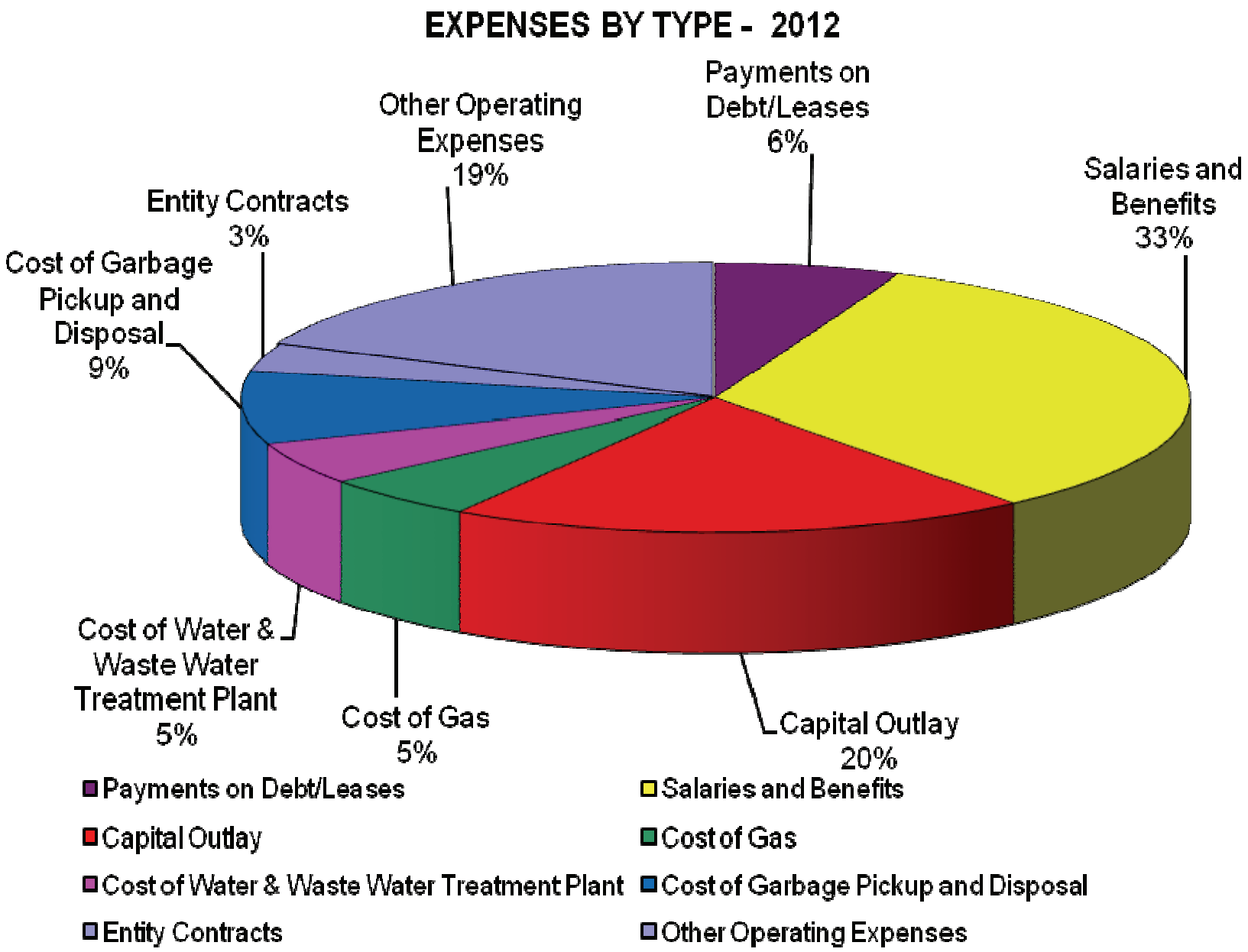
TABLE 1 - CITY OF AMERICUS' NET POSITION

	Governmental Activities FY 2012	Governmental Activities FY 2011	Business-Type Activities FY 2012	Business-Type Activities FY 2011	Total Combined Activities FY 2012	Total Combined Activities FY 2011
Assets						
Current & other assets	$5,425,574	$4,286,606	$9,342,047	$12,667,823	$14,767,621	$16,954,429
Capital assets, net	14,391,098	13,728,800	27,823,002	26,302,702	42,214,100	40,031,502
Total assets	19,816,672	18,015,406	37,165,049	38,970,525	56,981,721	56,985,931
Liabilities						
Current & other liabilities	1,245,938	889,709	3,219,572	2,987,726	4,465,510	3,877,435
Long-term liabilities	2,782,353	2,006,208	16,708,547	18,228,397	19,490,900	20,234,605
Total liabilities	4,028,291	2,895,917	19,928,119	21,216,123	23,956,410	24,112,040
Deferred Inflows of Resources						
Unearned revenues	66,759	61,550			66,759	61,550
Fair value change of derivatives	288,174	282,400			288,174	282,400
	354,933	343,950	0	0	354,933	343,950
Net Position						
Invested in capital assets, net of related debt	11,322,765	11,538,593	11,389,939	11,496,750	22,712,704	23,035,343
Restricted for system extension			1,471,000	1,456,000	1,471,000	1,456,000
Restricted for community development and public safety	1,330,517	609,509			1,330,517	609,509
Unrestricted	2,780,166	2,627,437	4,375,991	4,801,652	7,156,157	7,429,089
Total net position	$15,433,448	$14,775,539	$17,236,930	$17,754,402	$32,670,378	$32,529,941

TABLE 2 - CITY OF AMERICUS' STATEMENT OF ACTIVITIES

	Governmental Activities FY 2012	Governmental Activities FY 2011	Business-Type Activities FY 2012	Business-Type Activities FY 2011	Total Combined Activities FY 2012	Total Combined Activities FY 2011
Revenues						
Charges for services	$2,367,073	$2,106,711	$12,536,256	$12,234,089	$14,903,329	$14,340,800
Operating grants/contributions	259,341	191,170	85,700	36,300	345,041	227,470
Capital Grants/contributions	764,899	204,297	185,950	-	950,849	204,297
Total program revenues	3,391,313	2,502,178	12,807,906	12,270,389	16,199,219	14,772,567
General revenues						
Property tax	3,803,417	3,779,648	-	-	3,803,417	3,779,648
Other tax	3,765,630	3,693,171	-	-	3,765,630	3,693,171
Other	74,495	75,700	8,413	10,025	82,908	85,725
Total general revenues	7,643,542	7,548,519	8,413	10,025	7,651,955	7,558,544
Total revenues	11,034,855	10,050,697	12,816,319	12,280,414	23,851,174	22,331,111
Program expenses						
General government	1,930,310	1,360,399	-	-	1,930,310	1,360,399
Judicial	79,336	81,050	-	-	79,336	81,050
Public Safety	6,289,518	6,542,536	-	-	6,289,518	6,542,536
Public Works	1,711,443	1,399,458	-	-	1,711,443	1,399,458
Community development	368,118	734,990	-	-	368,118	734,990
Interest on long term debt	105,590	103,345	-	-	105,590	103,345
Theater	-	-	541,896	471,842	541,896	471,842
Storm Water	-	-	502,216	394,760	502,216	394,760
Solid Waste	-	-	2,810,229	2,817,110	2,810,229	2,817,110
Water & sewer	-	-	5,926,969	4,970,123	5,926,969	4,970,123
Natural gas	-	-	2,916,692	3,311,089	2,916,692	3,311,089
Total program expenses	10,484,315	10,221,778	12,698,002	11,964,924	23,182,317	22,186,702
Change in net position before transfers	550,540	(171,081)	118,317	315,490	668,857	144,409
Transfers	107,369	114,762	(107,369)	(114,762)	-	-
Change in net position	657,909	(56,319)	10,948	200,728	668,857	144,409
Net position, beginning of year restated	14,775,539	14,831,858	17,225,982	17,553,674	32,001,521	32,385,532
Net position, end of year	$15,433,448	$14,775,539	$17,236,930	$17,754,402	$32,670,378	$32,529,941


REVENUES BY SOURCE - 2012
Grants & Intergovernment 5%
Loan & Lease Proceeds 5%
Other Taxes 7%
Sales Taxes 8%
Licenses, Fees, & Permits 6%
Other Revenues 4%
Property Taxes 15%
Utility Services 50%
Grants & Intergovernment
Loan & Lease Proceeds
Other Taxes
Sales Taxes
Licenses, Fees, & Permits
Other Revenues
Property Taxes
Utility Services


EXPENSES BY TYPE - 2012
Payments on Debt/Leases 6%
Other Operating Expenses 19%
Entity Contracts 3%
Salaries and Benefits 33%
Cost of Garbage Pickup and Disposal 9%
Cost of Water & Waste Water Treatment Plant 5%
Cost of Gas 5%
Capital Outlay 20%
Payments on Debt/Leases
Salaries and Benefits
Capital Outlay
Cost of Gas
Cost of Water & Waste Water Treatment Plant
Cost of Garbage Pickup and Disposal
Entity Contracts
Other Operating Expenses

GOVERNMENTAL ACTIVITIES

Revenues for the City's governmental activities were $984,158 more than 2011, primarily due to an increase in Capital and other grant funds received.

Expenses for the City's governmental activities were $262,537 more than in 2011, primarily attributable to general government and public works.

BUSINESS-TYPE ACTIVITIES

Program revenues for business type activities surpassed 2011 by $537,517. 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.

Business type expenses were $733,078 higher than 2011. The increased expense is primarily attributable to: 1) Increased water maintenance costs, 2) Increased cost of gas sales and services, and 3) Increased depreciation expense related to significant capital improvements in the Water and Sewer Department.

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. 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 2011 to 2012 is also included.

TABLE 3 - GOVERNMENTAL & BUSINESS-TYPE ACTIVITIES COMBINED

	Total Cost of Services FY 2012	Net Cost (Revenue) of Services FY 2012	Net Cost (Revenue) of Services FY 2011	Change from 2011 to 2012
General Government	$1,930,310	($91,900)	($432,394)	$340,494
Judicial	$79,336	$79,336	81,050	($1,714)
Public Safety	6,289,518	4,958,688	6,102,101	(1,143,413)
Public Works	1,711,443	1,711,443	1,399,458	311,985
Community Development	368,118	329,845	466,040	(136,195)
Interest on long term debt	105,590	105,590	103,345	2,245
Business-type activities	12,698,002	(109,904)	(305,465)	195,561
Total Expenses	$23,182,317	$6,983,098	$7,414,135	($431,037)

GOVERNMENTAL FUND BALANCE

For the year ended December 31, 2012, the City's governmental funds reported combined ending fund balances of $3,838,437 which represents an increase of $826,550 from the prior year. Approximately 62% 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 $1,366,047 or $722,691 more than 2011. The change in fund balance for these special revenue funds is directly related to fluctuations in grant receipts.

TABLE 4 - GOVERNMENTAL FUND BALANCE

	FY 2012	FY 2011	Increase (Decrease)
General Fund	$2,472,390	$2,368,531	$103,859
Special Revenue Funds	1,366,047	643,356	722,691
Total Governmental Fund Balance	$3,838,437	$3,011,887	$826,550

The fund balance of the General Fund for the end of fiscal year 2012 was $2,472,390 or $103,859 more than in 2011. This situation depicts a relatively stable and controlled financial environment in spite of current economic conditions.

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, 2012, the proprietary funds had total operating revenues $12,536,256. Based on revenues, the largest proprietary fund is the Water and Sewer Fund (47.31%) followed by the Solid Waste Management (23.7%)

The change in net position for Proprietary Funds was a decrease of $517,472. The detail by fund is shown in Table 5 below.

TABLE 5 - PROPRIETARY FUND NET POSITION

	FY 2012	FY 2011	Increase (Decrease)
Theater Authority	$2,015,510	$2,102,500	($86,990)
Solid Waste Management	296,675	134,697	161,978
Water and Sewer	12,125,309	12,034,827	90,482
Natural Gas	2,066,416	2,610,123	(543,707)
Storm Water	733,020	343,835	389,185
Total Proprietary Fund Balance	$17,236,930	$17,225,982	$10,948

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 2012 was $148,708. 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 fluctuate 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 and the Storm Water Fund decreases are due to increased depreciation expense attributable to recent capital improvements to the systems.

GENERAL FUND BUDGETING HIGHLIGHTS

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

Actual 2012 revenues in the General Fund of $9,863,171 were less than the budget by $123,225. Minor variances occurred within several of the line items with the most noteworthy variance in property tax revenue. Property Tax revenue came in $104,512 less than budget.

The actual expenditure amount of $11,515,081 represents a positive variance of $200,859 to the final budgeted amount of $11,715,940. All departments came in less than budget. The main source of the overall favorable variance is lower than anticipated general government expenditures.

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 2012	Amended Budget 2012	Increase (Decrease) from Original to Amended
Mayor & Council	$3,493,108	$1,848,012	($1,645,096)
Finance	129,111	147,460	18,349
City Administrator	68,623	56,704	(11,919)
Computer Operations	63,555	63,266	(289)
Personnel	176,876	185,991	9,115
Judicial	80,088	80,962	874
Police	3,158,264	3,145,687	(12,577)
Fire	3,772,903	3,051,038	(721,865)
Building Risk	208,917	222,409	13,492
Shop	-	84,236	84,236
Public Services	110,206	123,976	13,770
Streets	985,413	836,934	(148,479)
Cemetery	330,854	34,519	(296,335)
Transportation	267,808	312,640	44,832
Grounds & Maintenance	634,833	663,037	28,204
Community Development	311,769	310,428	(1,341)
Debt Service	506,992	367,781	(139,211)
Transfers to Other Depts.	274,860	180,860	(94,000)
Total Budget	$14,574,180	$11,715,940	($2,858,240)

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 2013.

The Fire department budget was primarily amended to delay the purchase of Engine 6 replacement.

The Shop department which maintains the fleet for the City 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.

CAPITAL ASSETS AND DEBT ADMINISTRATION

At the end of fiscal year 2011, the City had $42,214,100 invested in capital assets. Table 7 shows fiscal year 2012 balances compared to fiscal year 2011. Capital assets include land, buildings, improvements, machinery and equipment, utility systems, roads, streets, and bridges. The largest increase was in the Water and Sewer 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 2011	Governmental/ Business-Type Activities 2012	Increase (Decrease) from 2011 to 2012
Land	$4,187,340	$4,172,540	($14,800)
Construction in progress	4,195,933	805,552	(3,390,381)
Buildings	10,654,692	10,182,533	(472,159)
Building Improvements	118,628	477,986	359,358
Improvements other than buildings	141,442	141,442	-
Machinery and equipment	8,258,618	9,161,654	903,036
Water & sewer system	35,947,104	41,166,442	5,219,338
Gas system	3,524,907	3,931,254	406,347
Stormwater System	1,136,830	1,156,830	20,000
Infrastructure	242,642,131	243,138,106	495,975
Accumulated depreciation	(270,776,123)	(272,120,239)	(1,344,116)
Total capital assets	$40,031,502	$42,214,100	$2,182,598

LONG-TERM DEBT

At year end, the City had $21,448,321 in long term debt. Governmental type activities showed an increase from 2011 for debt associated with the energy savings contract. 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 2011 and 2012 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 2011	Governmental Activities FY 2012	Business-Type Activities FY 2011	Business-Type Activities FY 2012	Total Combined Activities FY 2011	Total Combined Activities FY 2012
Certificates of participation	$ 845,000	$ 845,000	$ -	$ -	$ 845,000	$ 845,000
Capital leases	1,345,207	2,223,333	-	-	1,345,207	2,223,333
Notes payable	-	-	6,518,549	6,233,362	6,518,549	6,233,362
Revenue Bonds payable	-	-	12,655,000	11,525,000	12,655,000	11,525,000
Revenue Bonds Premium	-	-	493,083	442,074	493,083	442,074
Compensated absences	148,499	150,334	26,044	29,218	174,543	179,552
Total liabilities	$2,338,706	$3,218,667	$19,692,676	$18,229,654	$22,031,382	$21,448,321

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, 2012 resulting in medical services that have surpassed the pre-tornado level.

Local unemployment rates have seen a small improvement over the last year. The average for 2012 was 12.8% compared to a 2011 average of 13.3%. 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); no significant improvement was noted in 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, 2012. 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 2013 enrollment stands at 2,973. This is a significant economic factor considering the enrollment just 11 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 2012.

The City's adopted budget for 2013 includes a 3% cost of living increase and no merit increase. 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 2012 was set at 10.32, which is slightly higher than the 10.11 in 2011. The 2013 budget includes general fund expenditures of $11,358,859. 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 2013 budget.

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 Randal Sanders, City of Americus, 101 W. Lamar Street, Americus, Georgia 31709, 229-924-4411, or randy.sanders@cityofAmericus.net.

CITY OF AMERICUS, GEORGIA

STATEMENT OF NET POSITION
DECEMBER 31, 2012

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Downtown Development Authority	Tourism Council
ASSETS					
Cash and cash equivalents	$ 2,484,011	$ 2,323,477	$ 4,807,488	$ 43,783	$ 23,959
Investments	683,998	-	683,998	-	-
Taxes receivable	679,923	-	679,923	-	-
Accounts receivable, net of allowance for uncollectibles	415,168	1,972,943	2,388,111	975	-
Due from component unit	7,461	-	7,461	-	-
Mortgage receivable	89,594	-	89,594	-	-
Due from other governments	406,875	-	406,875	-	-
Internal balances	276,370	(276,370)	-	-	-
Inventories	59,483	137,312	196,795	-	-
Prepaid expenses	34,517	8,507	43,024	39	-
Restricted assets, cash and cash equivalents	-	5,170,016	5,170,016	-	-
Fair value of interest rate swap agreement	288,174	-	288,174	-	-
Other assets, deposits	-	6,162	6,162	-	-
Capital assets, non-depreciable	3,783,567	1,194,525	4,978,092	-	-
Capital assets, depreciable, net of accumulated depreciation	10,607,531	26,628,477	37,236,008	829,972	-
Total assets	19,816,672	37,165,049	56,981,721	874,769	23,959

(Continued)

CITY OF AMERICUS, GEORGIA

STATEMENT OF NET POSITION
DECEMBER 31, 2012

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Downtown Development Authority	Tourism Council
LIABILITIES					
Accounts payable	$ 546,264	$ 1,215,709	$ 1,761,973	$ 3,437	$ 2,572
Accrued liabilities	317,424	166,332	483,756	2,404	660
Due to primary government	-	-	-	4,875	2,586
Liabilities payable from restricted assets	-	1,466,424	1,466,424	-	-
Certificates of participation due in more than one year	845,000	-	845,000	-	-
Capital leases due within one year	285,980	-	285,980	-	-
Capital leases due in more than one year	1,937,353	-	1,937,353	-	-
Compensated absences due within one year	150,334	29,218	179,552	-	-
Notes payable due within one year	-	341,889	341,889	29,325	-
Notes payable due in more than one year	-	5,891,473	5,891,473	28,908	-
Bonds payable due in more than one year	-	10,817,074	10,817,074	-	-
Total liabilities	4,082,355	19,928,119	24,010,474	68,949	5,818
DEFERRED INFLOWS OF RESOURCES					
Unearned revenues - prepaid taxes and licenses	66,759	-	66,759	-	-
Fair value change of derivatives	288,174	-	288,174	-	-
Total deferred inflows of resources	300,869	-	300,869	-	-
NET POSITION					
Net investment in capital assets	11,322,765	11,389,939	22,712,704	771,739	-
Restricted for system extension	-	1,471,000	1,471,000	-	-
Restricted for community development	570,517	-	570,517	-	-
Restricted for public safety	760,000	-	760,000	-	-
Unrestricted	2,780,166	4,375,991	7,156,157	34,081	18,141
Total net position	$ 15,433,448	$ 17,236,930	$ 32,670,378	$ 805,820	$ 18,141

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, 2012

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 Position: Governmental Activities	Net (Expenses) Revenues and Changes in Position: Business-type Activities	Net (Expenses) Revenues and Changes in Position: Total	Component Units: Downtown Development Authority	Component Units: Tourism Council
Primary government:									
Governmental activities:									
General government	$ 1,930,310	$ 1,874,736	$ 147,474	$ -	$ 91,900	$ -	$ 91,900	$ -	$ -
Judicial	79,336	-	-	-	(79,336)	-	(79,336)	-	-
Public safety	6,289,518	475,014	92,745	763,071	(4,958,688)	-	(4,958,688)	-	-
Public works	1,711,443	-	-	-	(1,711,443)	-	(1,711,443)	-	-
Community development	368,118	17,323	19,122	1,828	(329,845)	-	(329,845)	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-
Interest on long-term debt	105,590	-	-	-	(105,590)	-	(105,590)	-	-
Total governmental activities	10,484,315	2,367,073	259,341	764,899	(7,093,002)	-	(7,093,002)	-	-
Business-type activities:									
Theater	541,896	89,375	85,700	87,200	-	(279,621)	(279,621)	-	-
Stormwater	502,216	871,401	-	20,000	-	389,185	389,185	-	-
Solid waste	2,810,229	2,972,137	-	-	-	161,908	161,908	-	-
Water and sewer	5,926,969	5,931,182	-	78,750	-	82,963	82,963	-	-
Natural gas	2,916,692	2,672,161	-	-	-	(244,531)	(244,531)	-	-
Total business-type activities	12,698,002	12,536,256	85,700	185,950	-	109,904	109,904	-	-
Total primary government	$ 23,182,317	$ 14,903,329	$ 345,041	$ 950,849	(7,093,002)	109,904	(6,983,098)	-	-
Component units:									
Downtown Development Authority	$ 148,642	$ 145,773	$ 84,600	$ -	-	-	-	81,731	-
Tourism Council	87,457	6,924	151,200	-	-	-	-	-	70,667
Total component unit	$ 236,099	$ 152,697	$ 235,800	$ -	-	-	-	81,731	70,667
		General revenues:							
		Property taxes			3,803,417	-	3,803,417	-	-
		Sales taxes			1,942,043	-	1,942,043	-	-
		Hotel/motel taxes			318,419	-	318,419	-	-
		Transfer taxes			33,603	-	33,603	-	-
		Alcoholic beverage taxes			420,381	-	420,381	-	-
		Insurance premium tax			848,984	-	848,984	-	-
		Payments in lieu of taxes			202,200	-	202,200	-	-
		Unrestricted investment earnings			74,495	8,413	82,908	-	-
		Transfers			107,369	(107,369)	-	-	-
		Total general revenues and transfers			7,750,911	(98,956)	7,651,955	-	-
		Change in net position			657,909	10,948	668,857	81,731	70,667
		Net position (deficit), beginning of year, restated			14,775,539	17,225,982	32,001,521	724,089	(52,526)
		Net position, end of year			$ 15,433,448	$ 17,236,930	$ 32,670,378	$ 805,820	$ 18,141

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

CITY OF AMERICUS, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2012

ASSETS	General Fund	Other Governmental Funds	Total Governmental Funds
Cash and cash equivalents	$ 1,343,494	$ 1,140,517	$ 2,484,011
Investments	683,998	-	683,998
Taxes receivable	679,923	-	679,923
Accounts receivable, net of allowance for uncollectibles	415,168	-	415,168
Mortgage receivable	-	89,594	89,594
Due from other governments	216,875	190,000	406,875
Due from other funds	284,844	120	284,964
Due from component unit	7,461	-	7,461
Inventories	59,483	-	59,483
Prepaid expenditures	34,517	-	34,517
Total assets	$ 3,725,763	$ 1,420,231	$ 5,145,994
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts payable	$ 546,264	$ -	$ 546,264
Accrued liabilities	226,522	54,064	280,586
Due to other funds	8,474	120	8,594
Total liabilities	781,260	54,184	835,444
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenues - property taxes	405,354	-	405,354
Unearned revenues - unearned prepaid taxes and licenses	66,759	-	66,759
Total deferred inflows of resources	472,113	-	472,113

(Continued)

CITY OF AMERICUS, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2012

FUND BALANCES	General Fund	Other Governmental Funds	Total Governmental Funds
Fund balances:			
Nonspendable:			
Prepaid expenditures	$ 34,517	$ -	$ 34,517
Inventories	59,483	-	59,483
Noncurrent mortgages receivable	-	35,530	35,530
Restricted for community development	-	570,517	570,517
Restricted for public safety		760,000	760,000
Assigned for subsequent year budget	222,144	-	222,144
Unassigned:			
General fund	2,156,246	-	2,156,246
Total fund balances	2,472,390	1,366,047	3,838,437
Total liabilities and fund balances	$ 3,725,763	$ 1,420,231	
Amounts reported for governmental activities in the statement of net position are different because:			
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.			14,391,098
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.			171,244
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.			(2,967,331)
Net position of governmental activities			$ 15,433,448

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, 2012

	General Fund	Other Governmental Funds	Total Governmental Funds
Revenues			
Taxes	$ 7,183,133	$ 318,419	$ 7,501,552
Licenses and permits	1,600,559	-	1,600,559
Intergovernmental	193,197	764,899	958,096
Fines and forfeitures	496,502	-	496,502
Charges for services	140,876	-	140,876
Interest revenue	70,947	3,548	74,495
Other revenues	177,957	17,323	195,280
Total revenues	9,863,171	1,104,189	10,967,360
Expenditures			
Current:			
General government	2,210,399	-	2,210,399
Judicial	79,336	-	79,336
Public safety	6,361,979	-	6,361,979
Public works	2,047,164	-	2,047,164
Community development	285,887	63,079	348,966
Debt Service:			
Principal	231,416	-	231,416
Interest	106,269	-	106,269
Total expenditures	11,322,450	63,079	11,385,529
Excess (deficiency) of revenues over (under) expenditures	(1,459,279)	1,041,110	(418,169)

(Continued)

CITY OF AMERICUS, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2012

	General Fund	Other Governmental Funds	Total Governmental Funds
Other financing sources (uses):			
Proceeds from sale of assets	$ 27,808	$ -	$ 27,808
Capital leases	1,109,542	-	1,109,542
Transfers in	618,419	43,500	661,919
Transfers out	(192,631)	(361,919)	(554,550)
Total other financing sources (uses)	1,563,138	(318,419)	1,244,719
Net change in fund balances	103,859	722,691	826,550
Fund balances, January 1	2,368,531	643,356	3,011,887
Fund balances, December 31	$ 2,472,390	$ 1,366,047	$ 3,838,437

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, 2012

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds	$	826,550
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.		912,993
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.		(250,695)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		48,343
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 position. This amount is the net effect of these differences in the treatment of long-term debt and related items.		(878,126)
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.		(1,156)
	$	657,909

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, 2012

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Property taxes	$ 4,006,679	$ 3,840,434	$ 3,735,922	$ (104,512)
Sales taxes	4,751,000	1,942,043	1,942,043	-
Other taxes	1,467,260	1,497,584	1,505,168	7,584
Licenses and permits	1,499,140	1,601,032	1,600,559	(473)
Intergovernmental	232,890	215,615	193,197	(22,418)
Fines and forfeitures	282,000	495,583	496,502	919
Charges for services	200,785	178,785	140,876	(37,909)
Interest revenue	75,000	75,000	70,947	(4,053)
Other revenue	140,528	140,320	177,957	37,637
Total revenues	12,655,282	9,986,396	9,863,171	(123,225)
Expenditures:				
Current:				
General government:				
Mayor and council	3,493,108	1,848,010	1,774,435	73,575
Finance	129,111	147,460	147,082	378
City administrator	68,623	56,704	49,348	7,356
Computer operations	63,555	63,266	56,543	6,723
Personnel	176,876	185,991	182,991	3,000
Total general government	3,931,273	2,301,431	2,210,399	91,032
Judicial, municipal court	80,088	80,962	79,336	1,626
Public safety:				
Police	3,158,264	3,145,687	3,114,797	30,890
Fire	3,772,903	3,051,038	3,030,975	20,063
Building risk management	208,917	222,409	216,207	6,202
Total public safety	7,140,084	6,419,134	6,361,979	57,155

(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, 2012

	Budget			Variance With
	Original	Final	Actual	Final Budget
Expenditures: (Continued)				
Current: (Continued)				
Public works:				
Shop	$ -	$ 84,236	$ 75,710	$ 8,526
Public services	110,206	123,976	126,655	(2,679)
Streets	985,413	836,934	843,451	(6,517)
Cemetery	330,854	34,519	28,981	5,538
Transportation	267,808	312,640	306,505	6,135
Maintenance	634,833	663,037	665,862	(2,825)
Total public works	2,329,114	2,055,342	2,047,164	8,178
Community development	311,769	310,428	285,887	24,541
Debt service:				
Principal	347,442	252,041	231,416	20,625
Interest	159,550	115,740	106,269	9,471
Total debt service	506,992	367,781	337,685	30,096
Total expenditures	14,299,320	11,535,078	11,322,450	212,628
Deficiency of revenues over expenditures	(1,644,038)	(1,548,682)	(1,459,279)	89,403
Other financing sources (uses):				
Proceeds from sale of assets	20,000	20,000	27,808	7,808
Capital leases	1,298,898	1,109,542	1,109,542	-
Transfers in	600,000	600,000	618,419	18,419
Transfers out	(274,860)	(180,860)	(192,631)	(11,771)
Total other financing sources (uses)	1,644,038	1,548,682	1,563,138	14,456

(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, 2012

	Budget			Variance With
	Original	Final	Actual	Final Budget
Net change in fund balance	$ -	$ -	$ 103,859	$ 103,859
Fund balance, January 1,	2,368,531	2,368,531	2,368,531	-
Fund balance, December 31	$ 2,368,531	$ 2,368,531	$ 2,472,390	$ 103,859

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

CITY OF AMERICUS, GEORGIA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2012

ASSETS	Business-type Activities - Enterprise Funds					
	Solid Waste Management	Water and Sewer	Natural Gas	Stormwater Fund	Nonmajor Theater Fund	Totals
CURRENT ASSETS						
Cash and cash equivalents	$ 81,061	$ 1,740,903	$ 300,356	$ 168,323	$ 32,834	$ 2,323,477
Restricted cash and cash equivalents	-	5,025,267	144,749	-	-	5,170,016
Accounts receivable (net of allowance for uncollectibles)	500,319	404,985	900,499	132,140	35,000	1,972,943
Due from other funds	3,077	1,118	1,504	769	7,206	13,674
Inventories	-	55,672	72,721	8,919	-	137,312
Prepaid expenses	1,407	3,077	1,645	1,444	934	8,507
Total current assets	585,864	7,231,022	1,421,474	311,595	75,974	9,625,929
NONCURRENT ASSETS						
Capital assets:						
Land	-	377,491	11,482	-	-	388,973
Buildings	-	-	302,415	-	4,038,942	4,341,357
Machinery and equipment	-	1,497,769	358,729	1,337,010	51,732	3,245,240
Water and sewer system	-	41,166,442	-	-	-	41,166,442
Gas system	-	-	3,931,254	-	-	3,931,254
Construction in progress	-	793,615	11,937	-	-	805,552
	-	43,835,317	4,615,817	1,337,010	4,090,674	53,878,818
Less accumulated depreciation	-	20,687,293	3,184,740	86,137	2,097,646	26,055,816
Total capital assets (net of accumulated depreciation)	-	23,148,024	1,431,077	1,250,873	1,993,028	27,823,002
Advance to other funds	-	-	-	2,432,983	-	2,432,983
Other assets, deposits	-	2,300	3,862	-	-	6,162
Total noncurrent assets	-	23,150,324	1,434,939	3,683,856	1,993,028	30,262,147
Total assets	$ 585,864	$ 30,381,346	$ 2,856,413	$ 3,995,451	$ 2,069,002	$ 39,888,076

(Continued)

CITY OF AMERICUS, GEORGIA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2012

LIABILITIES	Business-type Activities - Enterprise Funds					
	Solid Waste Management	Water and Sewer	Natural Gas	Stormwater Fund	Nonmajor Theater Fund	Totals
CURRENT LIABILITIES						
Payable from current assets:						
Accounts payable	$ 220,236	$ 397,054	$ 585,348	$ 2,053	$ 11,018	$ 1,215,709
Compensated absences payable	-	15,767	9,304	935	3,212	29,218
Accrued liabilities	-	14,238	9,146	2,856	4,339	30,579
Accrued interest	-	103,385	-	32,368	-	135,753
Current maturities of long-term debt	-	318,842	-	-	23,047	341,889
Due to other funds	68,953	71,944	101,094	36,177	11,876	290,044
Payable from restricted assets:						
Current portion of revenue bonds	-	843,640	-	306,360	-	1,150,000
Deposits	-	231,319	85,105	-	-	316,424
Total current liabilities	289,189	1,996,189	789,997	380,749	53,492	3,509,616
NONCURRENT LIABILITIES						
Advances from other funds	-	2,432,983	-	-	-	2,432,983
Revenue bonds payable (net of current portion)	-	7,935,392	-	2,881,682	-	10,817,074
Other long-term debt	-	5,891,473	-	-	-	5,891,473
Total noncurrent liabilities	-	16,259,848	-	2,881,682	-	19,141,530
Total liabilities	289,189	18,256,037	789,997	3,262,431	53,492	22,651,146
NET POSITION						
Net investment in capital assets	-	7,493,067	1,431,077	495,814	1,969,981	11,389,939
Restricted for system extension	-	1,296,000	175,000	-	-	1,471,000
Unrestricted	296,675	3,336,242	460,339	237,206	45,529	4,375,991
Total net position	$ 296,675	$ 12,125,309	$ 2,066,416	$ 733,020	$ 2,015,510	$ 17,236,930

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

CITY OF AMERICUS, GEORGIA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2012

	Business-type Activities - Enterprise Funds					
	Solid Waste Management	Water and Sewer	Natural Gas	Stormwater Fund	Nonmajor Theater Fund	Totals
Operating revenues:						
Charges for services:						
Collection and disposal fees	$ 2,969,060	$ -	$ -	$ -	$ -	$ 2,969,060
Water sales	-	2,764,822	-	-	-	2,764,822
Sewer sales	-	2,815,312	-	-	-	2,815,312
Gas sales	-	-	2,249,257	-	-	2,249,257
Stormwater fees	-	-	-	871,401	-	871,401
Other fees and charges	3,077	351,048	422,904	-	89,375	866,404
Total operating revenues	2,972,137	5,931,182	2,672,161	871,401	89,375	12,536,256
Operating expenses:						
Sanitation services	2,810,229	-	-	-	-	2,810,229
Water maintenance	-	1,756,795	-	-	-	1,756,795
Water treatment plant	-	734,453	-	-	-	734,453
Wastewater treatment plant	-	892,866	-	-	-	892,866
Utility billing	-	443,775	-	-	-	443,775
Stormwater collection and disposal	-	-	-	368,954	-	368,954
Depreciation	-	1,281,979	109,714	45,735	148,708	1,586,136
Amortization	-	-	-	-	-	-
Costs of sales and services	-	-	1,450,197	-	-	1,450,197
Utility service	-	-	1,360,291	-	-	1,360,291
Theater productions	-	-	-	-	42,484	42,484
Theater operations	-	-	-	-	350,540	350,540
Total operating expenses	2,810,229	5,109,868	2,920,202	414,689	541,732	11,796,720
Operating income (loss)	161,908	821,314	(248,041)	456,712	(452,357)	739,536

(Continued)

CITY OF AMERICUS, GEORGIA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION PROPRIETARY FUNDS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2012

	Business-type Activities - Enterprise Funds					
	Solid Waste Management	Water and Sewer	Natural Gas	Stormwater Fund	Nonmajor Theater Fund	Totals
Nonoperating revenues (expenses):						
Intergovernmental revenue	$ -	$ -	$ -	$ -	85,700	$ 85,700
Interest revenue	70	7,519	824	-	-	8,413
Interest expense	-	(181,077)	-	(87,527)	(164)	(268,604)
Gain (loss) on disposal of assets	-	(636,024)	3,510	-	-	(632,514)
Total nonoperating revenues (expenses)	70	(809,582)	4,334	(87,527)	85,536	(807,005)
Income (loss) before transfers and contributions	161,978	11,732	(243,707)	369,185	(366,821)	(67,469)
Transfers in	-	-	-	-	192,631	192,631
Transfers out	-	-	(300,000)	-	-	(300,000)
Total transfers in (out)	-	-	(300,000)	-	192,631	(107,369)
Capital contributions	-	78,750	-	20,000	87,200	185,950
Change in net position	161,978	90,482	(543,707)	389,185	(86,990)	10,948
Total net position, January 1, restated	134,697	12,034,827	2,610,123	343,835	2,102,500	17,225,982
Total net position, December 31	$ 296,675	$ 12,125,309	$ 2,066,416	$ 733,020	$ 2,015,510	$ 17,236,930

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, 2012

	Business-type Activities - Enterprise Funds					
	Solid Waste Management	Water and Sewer	Natural Gas	Stormwater Fund	Nonmajor Theater Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from customers	$ 2,851,504	$ 5,847,315	$ 2,352,393	$ 835,840	$ 54,375	$ 11,941,427
Payments to suppliers and service providers	(2,864,319)	(3,171,944)	(2,456,928)	(282,804)	(269,332)	(9,045,327)
Payments to employees	-	(467,691)	(261,390)	(81,785)	(123,143)	(934,009)
Net cash provided by (used in) operating activities	(12,815)	2,207,680	(365,925)	471,251	(338,100)	1,962,091
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Intergovernmental revenue	-	-	-	-	75,700	75,700
Transfers from other funds	-	-	-	-	192,631	192,631
Transfers to other funds	-	-	(300,000)	-	-	(300,000)
Net cash provided by (used in) noncapital financing activities	-	-	(300,000)	-	268,331	(31,669)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Purchase of property and equipment	-	(2,826,502)	(418,284)	(32,501)	(7,340)	(3,284,627)
Proceeds from long-term borrowings	-	-	-	-	23,047	23,047
Principal payments on long-term borrowings	-	(1,137,202)	-	(301,032)	-	(1,438,234)
Interest paid on revenue bonds and notes payable	-	(499,394)	-	(103,123)	(164)	(602,681)
Repayment of advance (to) / from other funds	-	(45,048)	-	45,048	-	-
Proceeds from sale of capital assets	-	2,787	3,510	-	-	6,297
Net cash provided by (used in) capital and related financing activities	-	(4,505,359)	(414,774)	(391,608)	15,543	(5,296,198)

(Continued)

CITY OF AMERICUS, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2012

	Business-type Activities - Enterprise Funds					
	Solid Waste Management	Water and Sewer	Natural Gas	Stormwater Fund	Nonmajor Theater Fund	Totals
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest on investments	$ 70	$ 7,519	$ 824	$ -	$ -	$ 8,413
Net cash provided by investing activities	70	7,519	824	-	-	8,413
Increase (decrease) in cash and cash equivalents	(12,745)	(2,290,160)	(1,079,875)	79,643	(54,226)	(3,357,363)
Cash and cash equivalents:						
Beginning of year	93,806	9,056,330	1,524,980	88,680	87,060	10,850,856
End of year	$ 81,061	$ 6,766,170	$ 445,105	$ 168,323	$ 32,834	$ 7,493,493
Classified as:						
Cash and cash equivalents	$ 81,061	$ 1,740,903	$ 300,356	$ 168,323	$ 32,834	$ 2,323,477
Restricted assets, cash and cash equivalents	-	5,025,267	144,749	-	-	5,170,016
	$ 81,061	$ 6,766,170	$ 445,105	$ 168,323	$ 32,834	$ 7,493,493

(Continued)

CITY OF AMERICUS, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2012

	Business-type Activities - Enterprise Funds					
	Solid Waste Management	Water and Sewer	Natural Gas	Stormwater Fund	Nonmajor Theater Fund	Totals
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:						
Operating income (loss)	$ 161,908	$ 821,314	$ (248,041)	$ 456,712	$ (452,357)	$ 739,536
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Depreciation	-	1,281,979	109,714	45,735	148,708	1,586,136
Increase in accounts receivable	(120,633)	(53,410)	(306,244)	(35,561)	(35,000)	(550,848)
(Increase) decrease in inventories	-	(21,073)	(13,368)	7,553	-	(26,888)
(Increase) decrease in due from other funds	662	(604)	2,676	67	(7,206)	(4,405)
(Increase) decrease in prepaid expenses	5,156	9,543	6,061	(1,444)	2,609	21,925
Increase (decrease) in accrued liabilities	-	1,379	1,142	(381)	833	2,973
Increase in accounts payable	31,210	191,364	95,540	1,534	4,384	324,032
(Decrease) in intergovernmental payable	(89,071)	-	-	-	-	(89,071)
Increase (decrease) in due to other funds	(2,047)	6,229	(1,019)	(2,964)	244	443
Decrease in customer deposits	-	(30,457)	(13,524)	-	-	(43,981)
Increase (decrease) in compensated absences	-	1,416	1,138	-	(315)	2,239
Net cash provided by (used in) operating activities	$ (12,815)	$ 2,207,680	$ (365,925)	$ 471,251	$ (338,100)	$ 1,962,091
Schedule of non-cash capital and related financing activities:						
Contributions of capital assets	$ -	$ 78,750	$ -	$ 20,000	$ 87,200	$ 185,950

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," as amended by GASB Statements No. 39 and 61, the financial statements of the component units 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). Management has determined the activity of the Tourism Council to be important for the readers and users of the financial statements and therefore has included the entity as a component unit. The Tourism Council is audited along with the primary government financial statements in accordance with Governmental Accounting Standards Board Statements No. 61. 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 position 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.

The ***capital projects fund*** accounts for specific revenues restricted for capital projects.

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, and, special revenue 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 outstanding encumbrances at December 31, 2012. However, these amounts were immaterial to the financial statements, and therefore have not been reflected as assigned fund balance.

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, 2012 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. Deferred Outflows / Inflows

The City implemented GASB Statements No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and No. 65, *Items Previously Reported as Assets and Liabilities*, as of January 1, 2012. These new standards establish accounting and financial reporting for deferred outflows / inflows of resources and the concept of net position as the residual of all other elements presented in a statement of net position.

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense / expenditure) until then. The City did not have any items that qualify for reporting in this category for the year ended December 31, 2012.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Deferred Outflows / Inflows (Continued)

In addition to liabilities, the statement of net position in fund balance will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has multiple items that qualify for reporting in this category. One item arises only under modified accrual basis of accounting. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenue from property taxes and these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available. Another element is the fair market value of the City's derivative. As the change in fair market value occurs each year, the asset and deferred inflow are adjusted until the contract matures in 2028. Lastly, the City reports deferred inflows of unearned revenue related to unearned prepaid taxes and licenses paid in one year but related to the subsequent fiscal year.

K. 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)

K. 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, 2012, a total of $274,670 of interest was capitalized in the Water and Sewer Fund.

L. 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)

M. 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 position. Bond premiums and discounts are deferred and amortized over the life of the bond using the straight-line method, which approximates the effective interest method.

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.

N. 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 position”.

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)

N. 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 not delegated the authority to management to assign fund balance and thus has retained the right 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 Position – Net position represents the difference between asset and liabilities in reporting which utilizes the economic resources measurement focus. Net investment in capital assets, 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 position is reported as restricted using the same definition as used for restricted fund balance as described in the section above. All other net position is 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)

O. 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 Position

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. 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 $2,967,331 difference are as follows:

Compensated absences	$	150,334
Capital leases payable		2,223,333
Certificates of participation		845,000
Fair market value interest rate hedge - Cerfiticates of participation		(288,174)
Accrued interest		36,838
Net adjustment to reduce *fund balance - total governmental funds* to arrive at *net position - governmental activities*	$	2,967,331

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 position 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 $912,993 difference are as follows:

Capital outlay	$	1,608,834
Depreciation		(695,841)
Net adjustment to increase *net changes in fund balance - total governmental funds* to arrive at *changes in net position of governmental activities.*	$	912,993

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 $878,126 difference are as follows:

Issuance of new capital leases	$	(1,109,542)
Principal repayments: capital leases		231,416
Net adjustment to decrease *net changes in fund balance - total governmental funds* to arrive at *changes in net position of governmental activities.*	$	(878,126)

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 $1,156 are as follows:

Compensated absences	$	(1,835)
Accrued interest		679
Net adjustment to decrease *net changes in fund balance - total governmental funds* to arrive at *changes in net position of governmental activities.*	$	(1,156)

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 after 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 re-appropriated 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 and the Special Revenue Funds. 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 15, 2011 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, 2012, the Public Service Department, the Street Department, and the Maintenance Department had expenditures in excess of budgeted amounts of $2,679, $6,517, and $2,825, respectively. These over expenditures were covered by under expenditures 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, 2012, the City's only investment was a guaranteed contract investment, and was rated A by Standard & Poor's.

Investment	Maturity	Fair Value
Guaranteed investment contract	June 1, 2028	$ 683,998
		$ 683,998

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, 2012, the deposits of the City were fully collateralized as defined by GASB pronouncements and the State of Georgia.

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, 2012, 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, 2012, and the second billing is mailed on October 31, 2012. The billings are considered due upon receipt by the taxpayer; however, the actual due dates are September 4, 2012 and January 2, 2013. On these dates, the bill becomes delinquent and penalties and interest may be assessed by the City. Property taxes levied for 2012 are recorded as receivables, net of estimated uncollectibles. The net receivables collected during 2012 and expected to be collected by March 1, 2013, are recognized as revenues in 2012. Net receivables estimated to be collectible subsequent to March 1, 2013 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, 2012:

	General	Solid Waste Management	Water and Sewer	Natural Gas	Stormwater Fund	Theater Fund	Nonmajor Governmental Funds	Total
Receivables:								
Mortgages	$ -	$ -	$ -	$ -	$ -	$ -	$ 541,163	$ 541,163
Taxes	762,923	-	-	-	-	-	-	762,923
Intergovernmental	216,875	-	-	-	-	-	190,000	406,875
Accounts	530,168	571,319	460,985	957,499	162,140	35,000	-	2,717,111
Gross receivables	1,509,966	571,319	460,985	957,499	162,140	35,000	731,163	4,428,072
Less allowance for uncollectibles	(198,000)	(71,000)	(56,000)	(57,000)	(30,000)	-	(451,569)	(863,569)
Net total receivables	$ 1,311,966	$ 500,319	$ 404,985	$ 900,499	$ 132,140	$ 35,000	$ 279,594	$ 3,564,503

The delinquent taxes receivable account represents a portion of the last seven years of uncollectible tax levies. The allowance for estimated uncollectibles is 11% of the total delinquent taxes receivable at December 31, 2012.

NOTE 5. RECEIVABLES (CONTINUED)

Additionally, the City has $451,569 in forgivable loans receivable. These loans are recorded in the following nonmajor governmental funds: CDBG 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	$	198,871
Public safety		264,359
Public works		232,612
Total depreciation expense - governmental activities	$	695,842
Business-type activities:		
Theater Authority	$	148,708
Natural gas		109,714
Stormwater		45,735
Water and sewer		1,281,979
Total depreciation expense - business-type activities	$	1,586,136

NOTE 6. CAPITAL ASSETS (CONTINUED)

Capital asset activity for the fiscal year ended December 31, 2012, is as follows:

A. Primary Government (Continued)

Governmental activities	Balance January 1, 2012	Increases	Decreases	Transfers	Balance December 31, 2012
Capital assets, not being depreciated:					
Land	$ 3,798,367	$ -	$ (14,800)	$ -	$ 3,783,567
Construction in progress	185,126	-	-	(185,126)	-
Total	3,983,493	-	(14,800)	(185,126)	3,783,567
Capital assets, being depreciated:					
Buildings	6,400,534	-	(200,000)	-	6,200,534
Improvements other than buildings	141,442	-	-	-	141,442
Building improvements	118,628	-	-	-	118,628
Infrastructure	242,642,131	310,849	-	185,126	243,138,106
Machinery and equipment	6,264,895	1,297,986	(489,637)	-	7,073,244
Total	255,567,630	1,608,835	(689,637)	185,126	256,671,954
Less accumulated depreciation for:					
Buildings	1,717,820	162,108	(29,489)	-	1,850,439
Improvements other than buildings	96,727	5,597	-	-	102,324
Building improvements	19,519	5,923	-	-	25,442
Infrastructure	239,931,603	154,740	-	-	240,086,343
Machinery and equipment	4,056,654	367,474	(424,253)	-	3,999,875
Total	245,822,323	695,842	(453,742)	-	246,064,423
Total assets, being depreciated, net	9,745,307	912,993	(235,895)	185,126	10,607,531
Governmental activities capital assets, net	$ 13,728,800	$ 912,993	$ (250,695)	$ -	$ 14,391,098

NOTE 6. CAPITAL ASSETS (CONTINUED)

A. Primary Government (Continued)

	Balance January 1, 2012	Increases	Decreases	Transfers	Balance December 31, 2012
Business-type activities					
Capital assets, not being depreciated:					
Land	$ 388,973	$ -	$ -	$ -	$ 388,973
Construction in progress	4,010,807	3,208,006	-	(6,413,261)	805,552
Total	4,399,780	3,208,006	-	(6,413,261)	1,194,525
Capital assets, being depreciated:					
Buildings	4,254,157	73,350	-	(345,508)	3,981,999
Building improvements	-	13,850	-	345,508	359,358
Machinery and equipment	1,993,723	39,840	(43,249)	98,096	2,088,410
Water and sewer system	35,947,104	-	(1,079,680)	6,299,018	41,166,442
Gas system	3,524,907	390,200	-	16,147	3,931,254
Stormwater system	1,136,830	20,000	-	-	1,156,830
Total	46,856,721	537,240	(1,122,929)	6,413,261	52,684,293
Less accumulated depreciation for:					
Buildings	2,123,950	124,796	-	(245,920)	2,002,826
Building improvements	-	23,957	-	245,920	269,877
Machinery and equipment	1,253,260	153,608	(43,249)	-	1,363,619
Water and sewer system	18,930,196	1,179,462	(440,870)	-	19,668,788
Gas system	2,641,301	81,514	.	-	2,722,815
Stormwater system	5,092	22,799	-	-	27,891
Total	24,953,799	1,586,136	(484,119)	-	26,055,816
Total assets, being depreciated, net	21,902,922	(1,048,896)	(638,810)	6,413,261	26,628,477
Business-type activities capital assets, net	$ 26,302,702	$ 2,159,110	$ (638,810)	$ -	$ 27,823,002

NOTE 6. CAPITAL ASSETS (CONTINUED)

B. Discretely Presented Component Unit – Downtown Development Authority

	Balance January 1, 2012	Increases	Decreases	Balance December 31, 2012
Capital assets, being depreciated:				
Land improvements	$ 754,800	$ 28,928	$ -	$ 783,728
Equipment	184,689	17,492	(79,439)	122,742
Buildings	315,000	-	-	315,000
Total	1,254,489	46,420	(79,439)	1,221,470
Less accumulated depreciation for:				
Land improvements	226,440	15,096	-	241,536
Equipment	184,688	2,613	(79,439)	107,862
Buildings	38,950	3,150	-	42,100
Total	450,078	20,859	(79,439)	391,498
Total assets, being depreciated, net	804,411	25,561	-	829,972
Capital assets, net	$ 804,411	$ 25,561	$ -	$ 829,972

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, 2012 are as follows:

Purpose	Interest Rate	Original Term	Due Date	Current Amount
Water and Sewer	2.00% - 4.00%	11 years	2021	$ 8,454,740
Stormwater	2.00% - 4.00%	11 years	2021	3,070,260
				$ 11,525,000

Revenue bonds debt service requirements to maturity are as follows:

	Principal	Interest
Fiscal Year Ending December 31,		
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	1,270,000	245,250
2018 - 2021	5,505,000	547,550
	$ 11,525,000	$ 2,098,950

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, 2012:

Original Amount	Interest Rate	Term	Due Date	Outstanding Amount
$ 2,543,325	4.12%	20 years	2027	$ 2,062,524
5,054,113	3.00%	20 years	2028	4,147,791
				$ 6,210,315

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

	Principal	Interest
Fiscal Year Ending December 31,		
2013	$ 318,796	$ 204,856
2014	329,679	193,973
2015	340,944	182,708
2016	352,592	171,060
2017	364,669	158,983
2018 - 2022	2,019,701	598,559
2023 - 2027	2,344,946	226,489
2028	138,988	1,037
	$ 6,210,315	$ 1,737,665

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
2013	$ -	$ 40,138
2014	-	40,138
2015	-	40,138
2016	-	40,138
2017	-	40,138
2018 - 2022	-	200,688
2023 - 2027	-	200,688
2028	845,000	39,838
	$ 845,000	$ 641,904

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, 2012, the floating rate being paid by the City is 0.10%, and the market value of this agreement is $288,174, an increase of $5,773 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, 2012 based on the derivative contract. This market value is reported as an asset in the statement of net position. As this derivative is an effective hedge, qualifying for hedge accounting, the inflow from the hedge (any change in fair value from inception until fiscal year end) is deferred and reported as deferred revenue in the statement of net position.

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, energy saving project fixtures and equipment totaling $1,109,542, 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, 2012:

Fiscal Year Ending December 31,	
2013	$ 358,228
2014	301,880
2015	301,880
2016	301,880
2017	301,880
2018 - 2019	999,494
	$ 2,565,242

Promissory Note. In 2012, the Theater Authority entered into a promissory note with a financial institution for renovations to the theater. This note allows the Theater to borrow up to $150,000 and bears interest at 5% per annum, maturing May 2022 and is secured by real property. As of December 31, 2012, this note has a balance of $23,047.

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, 2012:

Original Amount	Interest Rate	Term	Due Date	Current Amount
$ 200,000	2.42%	5 years	2014	$ 31,837
15,000	5.00%	15 years	2015	3,443
100,000	5.00%	15 years	2015	22,953
				$ 58,233

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

	Principal	Interest
Fiscal Year Ending December 31,		
2013	$ 29,325	$ 1,658
2014	22,630	701
2015	6,278	105
	$ 58,233	$ 2,464

NOTE 7. LONG-TERM DEBT (CONTINUED)

Long-term debt activity for the year ended December 31, 2012, is as follows:

	Balance January 1, 2012	Additions	Reductions	Balance December 31, 2012	Due Within One Year
Governmental activities:					
Certificates of participation	$ 845,000	$ -	$ -	$ 845,000	$ -
Capital lease obligations	1,345,207	1,109,542	231,416	2,223,333	285,980
Compensated absences	148,499	255,999	254,164	150,334	150,334
Long-term liabilities	$ 2,338,706	$ 1,365,541	$ 485,580	$ 3,218,667	$ 436,314
Business-type activities:					
Revenue bonds payable	$ 12,655,000	$ -	$ 1,130,000	$ 11,525,000	$ 1,150,000
Premium	493,082	-	51,008	442,074	-
	13,148,082	-	1,181,008	11,967,074	1,150,000
Notes payable	6,518,549	23,047	308,234	6,233,362	341,889
Compensated absences	26,044	40,682	37,508	29,218	29,218
Long-term liabilities	$ 19,692,675	$ 63,729	$ 1,526,750	$ 18,229,654	$ 1,521,107
Downtown Development Authority:					
Notes payable	$ 86,608	$ -	$ 28,375	$ 58,233	$ 29,325

The current portion of revenue bonds payable is included in liabilities payable from restricted assets on the statement of net position. For governmental funds, compensated absences are liquidated by the General Fund. For business-type activities, compensated absences are liquidated by the Theater Fund, 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, 2012, is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Water and Sewer Fund	$ 66,869
General Fund	Natural Gas Fund	100,969
General Fund	Solid Waste Management Fund	68,953
General Fund	Stormwater Fund	36,177
General Fund	Nonmajor enterprise funds	11,876
Natural Gas Fund	General Fund	275
Water and Sewer Fund	Natural Gas Fund	125
Water and Sewer Fund	General Fund	993
Natural Gas Fund	Water and Sewer Fund	1,229
Solid Waste Management Fund	Water and Sewer Fund	3,077
Nonmajor Enterprise Fund	General Fund	7,206
Stormwater Fund	Water and Sewer Fund	769
Nonmajor governmental fund	Nonmajor governmental fund	120
		$ 298,638

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	$ 2,432,983

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

Interfund transfers:

Transfers In	Transfers Out	Amount
General Fund	Nonmajor governmental funds	$ 318,419
General Fund	Natural Gas Fund	300,000
Nonmajor enterprise fund	General Fund	192,631
Nonmajor governmental funds	Nonmajor governmental funds	43,500
		$ 854,550

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. 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 15.05% of annual covered payroll.

Annual Pension Cost

For the year ended December 31, 2012, the City's annual pension cost was $827,587 for the City of Americus Retirement Plan. The recommended contribution of $827,587 was determined as part of the July 1, 2012 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 9. 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%	-
12/31/12	827,587	100%	-

As of the most recent valuation date, July 1, 2012, 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
7/1/2012	$ 9,133,471	$ 13,004,115	$ 3,870,644	70.24 %	$ 5,973,875	64.79 %

NOTE 9. 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, 2012 and on the pattern of sharing of costs between the employer and plan members to that point.

NOTE 10. 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 10. 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 11. 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, 2012, the City collected $318,419 in hotel/motel taxes, and expended 100% of this amount on tourism and the promotion of the Theater.

NOTE 12. 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, 2012, the City has contractual commitments on uncompleted contracts of approximately $1,304,749.

NOTE 12. 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 $1,523,825.

At December 31, 2012, the outstanding debt of MGAG was approximately $337,718,000. The City's guarantee varies by individual projects undertaken by MGAG and totals approximately $2,992,000 at December 31, 2012.

NOTE 13. 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, 2012, the City paid $17,041 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 13. 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, 2012, 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 14. 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.

NOTE 15. RESTATEMENTS

In conjunction with the implementation of Governmental Accounting Standards Board (GASB) Statement No. 65, *Items Previously Reported as Assets and Liabilities*, the City is required to change its accounting treatment of debt issuance costs. The new standard requires that debt issuance costs be recognized as an expense in the period incurred rather than capitalized and recognized as an expense (amortized) in a systematic and rational manner over the duration of the related debt as was the required treatment in prior reporting periods.

Therefore, in conjunction with the implementation of Statement No. 65, the following restatements were required to the beginning net position of the Water and Sewer Fund and Stormwater Fund to properly recognize debt issuance costs as expenses in the periods in which they were incurred:

Net position, Water & Sewer Fund, previously reported	$	12,309,086
Recognition of issuance costs incurred in prior periods		(274,259)
Beginning net position, Water & Sewer Fund, restated	$	12,034,827
Net position, Stormwater Fund, previously reported	$	597,996
Recognition of issuance costs incurred in prior periods		(254,161)
Beginning net position, Stormwater Fund, restated	$	343,835

NOTE 16. SUBSEQUENT EVENT

In June 2013, the City issued $5,760,000 of combined utility revenue bonds to refund the city's outstanding loans with the Georgia Environmental Finance Authority and to fund capital improvements. The interest rates on the bonds range from 0.35% to 2.55%, with final maturity on September 1, 2028.

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
05/01/07	$ 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%
07/01/12	9,133,471	13,004,115	3,870,644	70.2%	5,973,875	64.79%

The assumptions used in the preparation of the above schedule are disclosed in Note 9 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.

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.

Capital Projects Fund

SPLOST Fund - This fund is used to account for the collection and disbursement of SPLOST contributions received from Sumter County.

CITY OF AMERICUS, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2012

	Special Revenue Funds				
ASSETS	Community Development Block Grant	State Revolving Loan	2007 CHIP	2001 Program Income	2004 ISTEA
Cash and cash equivalents	$ 222,686	$ 285,769	$ 1,079	$ 16,275	$ 44,708
Intergovernmental	-	-	-	-	-
Mortgage receivable, net of allowance	12,685	56,535	-	20,374	-
Due from other funds	120	-	-	-	-
Total assets	$ 235,491	$ 342,304	$ 1,079	$ 36,649	$ 44,708
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Due to other funds	$ -	$ -	$ -	$ 120	$ -
Accrued liabilities	-	33,690	-	20,374	-
Total liabilities	-	33,690	-	20,494	-
FUND BALANCES					
Nonspendable - long-term receivable	12,685	22,845	-	-	-
Restricted for community development	222,806	285,769	1,079	16,155	44,708
Restricted for public safety	-	-	-	-	-
Total fund balances	235,491	308,614	1,079	16,155	44,708
Total liabilities and fund balances	$ 235,491	$ 342,304	$ 1,079	$ 36,649	$ 44,708

(Continued)

CITY OF AMERICUS, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2012

ASSETS	Special Revenue Funds		Capital Projects Fund	Total Nonmajor Governmental Funds
	2007 CDBG	Hotel/Motel Tax	SPLOST Fund	
Cash and cash equivalents	$ -	$ -	$ 570,000	$ 1,140,517
Intergovernmental	-	-	190,000	190,000
Mortgage receivable, net of allowance	-	-	-	89,594
Due from other funds	-	-	-	120
Total assets	$ -	$ -	$ 760,000	$ 1,420,231
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Due to other funds	$ -	$ -	$ -	$ 120
Accrued liabilities	-	-	-	54,064
Total liabilities	-	-	-	54,184
FUND BALANCES				
Nonspendable - long-term receivable	-	-	-	35,530
Restricted for community development	-	-	-	570,517
Restricted for public safety	-	-	760,000	760,000
Total fund balances	-	-	760,000	1,366,047
Total liabilities and fund balances	$ -	$ -	$ 760,000	$ 1,420,231

CITY OF AMERICUS, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2012

	Special Revenue Funds				
	Community Development Block Grant	State Revolving Loan	2007 CHIP	2001 Program Income	2004 ISTEA
Revenues:					
Taxes	$ -	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	-	-
Interest income	206	3,319	-	23	-
Other revenues	-	15,075	-	2,248	-
Total revenues	206	18,394	-	2,271	-
Expenditures:					
Current, community development	-	-	19	-	58,139
Total expenditures	-	-	19	-	58,139
Excess (deficiency) of revenues over (under) expenditures	206	18,394	(19)	2,271	(58,139)
Other financing sources (uses):					
Transfers in	-	-	-	-	40,000
Transfers out	(43,500)	-	-	-	-
Total other financing sources (uses)	(43,500)	-	-	-	40,000
Net change in fund balances	(43,294)	18,394	(19)	2,271	(18,139)
Fund balances (deficits), January 1	278,785	290,220	1,098	13,884	62,847
Fund balances, December 31	$ 235,491	$ 308,614	$ 1,079	$ 16,155	$ 44,708

(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, 2012

	Special Revenue Funds		Capital Projects Fund	Total Nonmajor Governmental Funds
	2007 CDBG	Hotel/ Motel Tax	SPLOST Fund	
Revenues:				
Taxes	$ -	$ 318,419	$ -	$ 318,419
Intergovernmental	1,828	-	763,071	764,899
Interest income	-	-	-	3,548
Other revenues	-	-	-	17,323
Total revenues	1,828	318,419	763,071	1,104,189
Expenditures:				
Current, community development	1,850	-	3,071	63,079
Total expenditures	1,850	-	3,071	63,079
Excess (deficiency) of revenues over (under) expenditures	(22)	318,419	760,000	1,041,110
Other financing sources (uses):				
Transfers in	3,500	-	-	43,500
Transfers out	-	(318,419)	-	(361,919)
Total other financing sources (uses)	3,500	(318,419)	-	(318,419)
Net change in fund balances	3,478	-	760,000	722,691
Fund balances (deficits), January 1	(3,478)	-	-	643,356
Fund balances, December 31	$ -	$ -	$ 760,000	$ 1,366,047

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, 2012

	Final Budget	Actual	Variance With Final Budget
Revenues, interest income	$ 405	$ 206	$ (199)
Expenditures, community development projects	-	-	-
Excess of revenues over expenditures	405	206	(199)
Other financing uses:			
Transfers out	(43,500)	(43,500)	-
Total other financing uses	(43,500)	(43,500)	-
Net change in fund balance	(43,095)	(43,294)	(199)
Fund balance, January 1	278,785	278,785	-
Fund balance, December 31	$ 235,690	$ 235,491	$ (199)

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, 2012

	Final Budget	Actual	Variance With Final Budget
Revenues:			
Interest income	$ 10,361	$ 3,319	$ (7,042)
Other income	-	15,075	15,075
Total revenues	10,361	18,394	8,033
Expenditures, community development projects	15,555	-	15,555
Net change in fund balance	(5,194)	18,394	23,588
Fund balance, January 1	290,220	290,220	-
Fund balance, December 31	$ 285,026	$ 308,614	$ 23,588

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, 2012

	Final Budget	Actual	Variance With Final Budget
Revenues, intergovernmental	$ -	$ -	$ -
Expenditures, community development projects	20	19	1
Net change in fund balance	(20)	(19)	1
Fund balance, January 1	1,098	1,098	-
Fund balance, December 31	$ 1,078	$ 1,079	$ 1

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, 2012

	Final Budget	Actual	Variance With Final Budget
Revenues:			
Other revenues	$ -	$ 2,248	$ 2,248
Interest income	22	23	1
Total revenues	22	2,271	2,249
Expenditures, community development projects	-	-	-
Net change in fund balance	22	2,271	2,249
Fund balance, January 1	13,884	13,884	-
Fund balance, December 31	$ 13,906	$ 16,155	$ 2,249

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, 2012

	Final Budget	Actual	Variance With Final Budget
Revenues, interest	$ -	$ -	$ -
Expenditures, community development projects	62,846	58,139	(4,707)
Deficiency of revenues under expenditures	(62,846)	(58,139)	4,707
Other financing sources:			
Transfers in	40,000	40,000	-
Total other financing sources	40,000	40,000	-
Net change in fund balance	(22,846)	(18,139)	4,707
Fund balance, January 1	62,847	62,847	-
Fund balance, December 31	$ 40,001	$ 44,708	$ 4,707

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, 2012

	Final Budget	Actual	Variance With Final Budget
Revenues, intergovernmental	$ 1,829	$ 1,828	$ (1)
Expenditures, community development projects	1,829	1,850	(21)
Deficiency of revenues (under) expenditures	-	(22)	(22)
Other financing sources:			
Transfers in	3,500	3,500	-
Total other financing sources	3,500	3,500	-
Net change in fund balance	3,500	3,478	(22)
Fund balance (deficit), January 1	(3,478)	(3,478)	-
Fund balance, December 31	$ 22	$ -	$ (22)

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, 2012

	Final Budget	Actual	Variance With Final Budget
Revenues, taxes	$ 300,000	$ 318,419	$ 18,419
Other financing uses:			
Transfers out	(300,000)	(318,419)	(18,419)
Total other financing uses	(300,000)	(318,419)	(18,419)
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, 2012
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	3,071	3,347
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	$ 3,071	$ 1,249,181

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

NOTE: Current year expenditures include amounts incurred as part of Sumter County's approved projects that resulted in a benefit to the City.

COMPONENT UNIT - DOWNTOWN DEVELOPMENT AUTHORITY

CITY OF AMERICUS, GEORGIA

BALANCE SHEET
COMPONENT UNIT - DOWNTOWN DEVELOPMENT AUTHORITY
DECEMBER 31, 2012

ASSETS		
Cash	$	43,783
Accounts receivable		975
Prepaid expenditures		39
Total assets	$	44,797
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts payable	$	3,437
Accrued salaries		2,404
Due to primary government		4,875
Total liabilities		10,716
FUND BALANCE		
Unassigned		34,081
Total liabilities and fund balance	$	44,797

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, 2012

Revenues		
Surtax revenue	$	26,490
Intergovernmental revenue		84,600
Rental income		54,000
Taste of Sumter revenue		15,601
Miscellaneous revenue		49,682
Total revenues		230,373
Expenditures		
Current:		
Community development		171,595
Debt Service:		
Principal		28,373
Interest		2,610
Total expenditures		202,578
Net change in fund balance		27,795
Fund balance, January 1		6,286
Fund balance, December 31	$	34,081

COMPONENT UNIT - TOURISM COUNCIL

CITY OF AMERICUS, GEORGIA

BALANCE SHEET
COMPONENT UNIT - TOURISM COUNCIL
DECEMBER 31, 2012

ASSETS	
Cash	$ 23,959
Total assets	$ 23,959
LIABILITIES AND FUND BALANCE	
LIABILITIES	
Accounts payable	$ 2,572
Accrued salaries	660
Due to primary government	2,586
Total liabilities	5,818
FUND BALANCE	
Unassigned	18,141
Total liabilities and fund balance	$ 23,959

CITY OF AMERICUS, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
COMPONENT UNIT - TOURISM COUNCIL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2012

Revenues		
Charges for services	$	6,441
Intergovernmental revenue		151,200
Miscellaneous revenue		483
Total revenues		158,124
Expenditures		
Current:		
Community development		87,457
Total expenditures		87,457
Net change in fund balance		70,667
Fund balance (deficit), January 1		(52,526)
Fund balance, December 31	$	18,141

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 ..... **91 - 95**

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 ..... **96 - 100**

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

Debt Capacity ..... **101 - 105**

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 ..... **106 - 108**

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 ..... **109 - 111**

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 POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Governmental activities										
Net investment in capital assets	$ 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	$ 11,322,765
Restricted	-	-	-	-	284,836	320,503	-	-	609,509	1,330,517
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	2,780,166
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	$ 15,433,448
Business-type activities										
Net investment in capital assets	$ 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	$ 11,389,939
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	1,471,000
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	4,375,991
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	$ 17,236,930
Primary government										
Net investment in capital assets	$ 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	$ 22,712,704
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	2,801,517
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	7,156,157
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	$ 32,670,378

CITY OF AMERICUS, GEORGIA

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

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
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	$ 1,930,310
Judicial [2]	-	-	-	-	-	-	-	-	81,050	79,336
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	6,289,518
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	1,711,443
Public parking	185,630	-	-	-	-	-	-	-	-	-
Community development projects	1,097,711	565,346	587,012	802,716	409,829	961	-	649,819	734,990	368,118
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	105,590
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	$ 10,484,315
Business-type activities:										
Theater	$ 463,676	$ 320,531	$ 416,151	$ 439,565	$ 469,761	$ 478,109	$ 447,145	$ 492,354	$ 471,842	$ 541,896
Stormwater	-	-	-	-	23,758	4,948	8,159	513,372	394,760	502,216
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	2,810,229
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	5,926,969
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	2,916,692
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	12,698,002
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	$ 23,182,317
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	$ 1,874,736
Public safety	567,091	544,432	392,361	435,011	355,537	294,992	378,172	372,439	346,835	475,014
Community development	39,985	41,201	90,219	897,825	52,409	46,221	31,784	51,382	46,381	17,323
Operating grants and contributions	818,829	904,014	941,232	914,227	1,469,351	1,858,435	748,965	166,713	191,170	259,341
Capital grants and contributions	1,073,637	822,210	281,314	475,525	121,849	4,104,252	887,585	404,021	204,297	764,899
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	$ 3,391,313
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	$ 89,375
Stormwater	-	-	-	-	-	-	-	502,486	860,231	871,401
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	2,972,137
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	5,931,182
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	2,672,161
Operating grants [3]	60,000	49,663	55,000	60,000	1,990,680	61,000	75,000	75,000	36,300	85,700
Capital grants & contr.	48,084	30,000	328,840	340,477	-	-	114,483	185,950	-	185,950
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	11,152,723	12,270,389	12,807,906
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	$ 13,756,750	$ 14,772,567	$ 16,199,219
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)	$ (7,093,002)
Business-type activities	(57,659)	984,443	256,551	816,294	(520,592)	(969,863)	(1,217,958)	(737,879)	305,465	109,904
	$ (10,233,409)	$ (9,369,407)	$ (12,297,316)	$ (9,588,832)	$ (12,166,436)	$ (9,422,342)	$ (12,002,214)	$ (13,140,055)	$ (7,414,135)	$ (6,983,098)

(Continued)

CITY OF AMERICUS, GEORGIA

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

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
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	$ 3,803,417
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	1,942,043
Hotel/Motel taxes	221,156	234,992	242,504	256,853	357,880	540,440	254,354	279,360	329,321	318,419
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	1,505,168
Unrestricted invest. earnings	44,930	41,106	72,882	83,226	197,369	81,081	73,119	97,002	75,700	74,495
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	107,369
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	7,750,911
Business-type activities:										
Investment earnings	55,371	61,996	121,217	232,250	249,927	142,514	31,383	15,742	7,036	8,413
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)	(107,369)
Total business-type activities	38,500	(222,674)	179,891	536,758	598,986	583,583	(133,037)	143,400	(104,737)	(98,956)
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	$ 7,651,955
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)	$ 657,909
Business-type activities	(19,159)	761,769	436,442	1,353,052	78,394	(386,280)	(1,350,995)	(594,479)	200,728	10,948
Total primary government	$ (4,175,434)	$ (2,683,775)	$ (5,233,646)	$ (2,108,432)	$ (4,110,680)	$ (1,284,177)	$ (4,296,303)	$ (5,502,368)	$ 144,409	$ 668,857

(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)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Fund										
Reserved	$ 58,059	$ 56,463	$ 63,793	$ 54,892	$ 56,870	$ 62,166	$ 63,279	$ 74,298	$ -	$ -
Unreserved	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	94,000
Restricted	-	-	-	-	-	-	-	-	2,828	-
Assigned	-	-	-	-	-	-	-	-	29,578	222,144
Unassigned	-	-	-	-	-	-	-	-	2,199,035	2,156,246
Total general fund	$ 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	$ 2,472,390
All Other Governmental Funds										
Reserved reported in:										
Special revenue funds	$ 82,402	$ 90,929	$ 81,536	$ 218,640	$ 323,019	$ 145,168	$ 190,263	$ 206,102	$ -	$ -
Debt service funds	225,995	234,619	251,158	266,907	284,836	320,503	-	-	-	-
Unreserved, reported in:										
Special revenue funds	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	35,530
Restricted	-	-	-	-	-	-	-	-	606,681	1,330,517
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	(3,478)	-
Total all other governmental funds	$ 816,942	$ 820,521	$ 946,186	$ 1,064,288	$ 1,080,237	$ 999,497	$ 671,525	$ 760,734	$ 643,356	$ 1,366,047

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)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Revenues										
Taxes	$ 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	$ 7,501,552
Licenses and permits	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	1,600,559
Intergovernmental	1,809,602	1,622,041	1,119,965	1,279,398	1,463,429	2,034,165	958,057	489,519	318,569	958,096
Charges for services	91,208	113,486	106,568	145,995	141,910	168,354	100,914	183,598	201,924	140,876
Fines and forfeitures	560,072	541,564	389,699	442,042	354,350	307,566	384,890	373,949	352,513	496,502
Interest	44,930	41,106	71,904	83,226	197,369	81,081	73,119	97,002	75,700	74,495
Miscellaneous	154,556	141,730	259,206	288,334	357,854	275,692	159,402	146,830	154,772	195,280
Total revenues	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	10,967,360
Expenditures										
General government	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	2,210,399
Judicial	-	-	-	-	-	-	-	-	81,050	[1] 79,336
Public safety	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	6,361,979
Public works	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	2,047,164
Community development	1,097,711	565,346	587,012	802,716	409,829	942,126	673,226	619,768	723,732	348,966
Non-departmental	33,577	-	-	-	-	-	-	-	-	-
Debt service:	-	-	-	-	-	-	-	-	-	-
Principal	532,315	629,891	435,187	461,736	486,254	1,446,328	112,035	185,473	167,860	231,416
Interest	166,187	152,984	159,244	142,375	268,987	49,525	54,829	66,849	88,081	106,269
Total expenditures	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	11,385,529
Excess of revenues over (under) expenditures	(526,567)	(344,180)	(302,259)	488,184	528,306	(150,017)	(202,050)	(753,841)	(497,235)	(418,169)
Other Financing Sources (Uses):										
Capital leases	374,212	362,690	22,817	-	-	330,782	272,208	936,197	280,000	1,109,542
Sale of capital assets	37,823	43,614	32,729	9,314	14,847	21,667	24,980	23,759	12,784	27,808
Transfers in	1,025,003	1,045,005	962,062	467,524	604,874	840,699	1,396,858	634,794	752,517	661,919
Transfers out	(1,193,762)	(762,606)	(876,614)	(769,403)	(953,933)	(1,281,768)	(1,231,610)	(752,929)	(637,755)	(554,550)
Total other financing sources (uses)	243,276	688,703	140,994	(292,565)	(334,212)	(88,620)	462,436	841,821	407,546	1,244,719
Net change in fund balance	$ (283,291)	$ 344,523	$ (161,265)	$ 195,619	$ 194,094	$ (238,637)	$ 260,386	$ 87,980	$ (89,689)	$ 826,550
Debt service as a percentage non-capital expenditures	6.99%	7.68%	6.13%	6.84%	7.23%	12.72%	[2] 1.71%	2.70%	2.66%	2.97%

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
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
2012	3,735,922	1,942,043	318,419	848,984	656,184	7,501,552
Change 2003-2012	24.2%	20.4%	30.5%	13.9%	5.7%	20.7%

[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
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%
2012	2012	342,308,552	31,869,463	105,870	7,000	6,466,282	367,824,603	10.32	735,649,206	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

		City of Americus			Overlapping Rates					
					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
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
2012	2012	10.32	-	10.32	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	2012 Taxable Assessed Value	2012 Rank	2012 Percentage of Total City Taxable Assessed Value	2003 Taxable Assessed Value	2003 Rank	2003 Percentage of Total City Taxable Assessed Value
Wal-Mart Real Estate/Store	$ 8,331,968	1	2.27%	$ 7,967,487	2	2.82%
Georgia Power Company	6,230,201	2	1.69%	4,335,631	4	1.54%
Lowe's Home Center	5,907,234	3	1.61%	-	-	-
Perry Brothers Oil Company, Inc	5,061,693	4	1.38%	-	-	-
Agrium US, Inc	4,669,881	5	1.27%	-	-	-
Bell South Telecommunications/AT&T	3,293,524	6	0.90%	3,967,357	5	1.41%
Sumter, EMC	2,675,987	7	0.73%	-	-	-
Galileo Apollo IV Sub LLC	2,667,550	8	0.73%	-	-	-
Citizens Bank of Americus	2,121,500	9	0.58%	-	-	-
Winn Dixie/Marketplace of Americus	1,882,900	10	0.51%	1,782,746	7	0.63%
New Plan Realty Trust	-	-	-	3,360,156	6	1.19%
The Tog Shop	-	-	-	1,676,323	8	0.59%
Collins & Aikman (Formerly Textron Automotive & JPS Automotive)	-	-	-	8,800,976	1	3.12%
Daimler Chrysler Corporation	-	-	-	4,563,261	3	1.62%
Sumter Bank & Trust	-	-	-	1,639,130	9	0.58%
The Windsor Hotel	-	-	-	1,170,761	10	0.41%
	-	-	-	-	-	
Total	$ 42,842,438		11.65%	$ 39,263,828		13.91%

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	
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%	556,191	2,787,909	99.91%	2,424
2006	2006	3,185,713	2,789,139	87.55%	391,850	3,180,989	99.85%	4,724
2007	2007	3,297,956	2,936,209	89.03%	356,036	3,292,245	99.83%	5,711
2008	2008	3,379,140	2,925,998	86.59%	421,565	3,347,563	99.07%	31,577
2009	2009	3,422,075	2,866,944	83.78%	517,916	3,384,860	98.91%	37,215
2010	2010	3,436,358	2,946,620	85.75%	427,898	3,374,518	98.20%	61,840
2011	2011	3,432,242	2,706,967	78.87%	622,445	3,329,412	97.00%	102,830
2012	2012	3,471,632	2,942,607	84.76%	-	2,942,607	84.76%	529,025

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] [5]	Water Revenue Bonds [3]	Combined Utility Revenue Bonds [4]	Notes Payable	Total Primary Government			
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
2012	-	3,068,333	-	11,525,000	6,233,362	20,826,695	2.83%	1,222.15	17,041

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

[2] Capital Lease amount includes Certificate of Participation totaling $845,000. In 2012, capital leases increased significantly due to the energy savings contract in the amount of $1,109,542.

[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.

[5] Capital Lease amount includes Energy Savings Contract of $1,109,542 incurred in 2012.

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		
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%	-
2012	-	-	-	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, 2012

Jurisdiction	Debt Outstanding	Percentage Applicable to the City of Americus	Amount Applicable to the City of Americus
City of Americus	$ 3,068,333	100%	$ 3,068,333
Sumter County, Georgia	6,814,737	2.3%	156,739
Sumter County Board of Education	18,470,130	2.3%	424,813
Total Direct and Overlapping Debt			$ 3,649,885

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.

CITY OF AMERICUS, GEORGIA

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Debt limit	$ 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	$ 37,429,089
Total net debt applicable to limit	2,526,407	2,179,365	1,808,804	1,416,855	1,007,093	-	-	-	-	-
Legal debt margin	$ 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	$ 37,429,089
Total net debt applicable to the limit as a percentage of debt limit	8.61%	6.52%	5.27%	4.02%	2.79%	0.00%	0.00%	0.00%	0.00%	0.00%

Legal Debt Margin Calculation for Fiscal Year 2010

Total assessed value	$ 367,824,063
Add Exempt:	6,466,282
Total taxable assessed value:	374,290,345
Debt limit (10% of total taxable assessed value)	37,429,089
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	$ 37,429,089

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] Principal	Debt Service[4] Interest	Coverage Ratio
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
2012	6,802,583	4,196,843	2,605,740	1,130,000	379,567	1.73

[1] Revenue Bonds in the amount of $3,190,804 were issued in 1998 for the purpose of repaying loans from GEFA. These were paid off in 2010. 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, or interest 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 - 2010 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]
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	29	13.2	469,991	27,580	15,063	4,957	13.20%
2011	17,041	29	13.2	475,972	27,931	14,859	4,920	13.30%
2012	17,041	29	13.2	488,821	28,685	14,956	4,898	12.80%

Sources:

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

[2] Median Age is per the U.S Census Bureau.

[3] Average education level is per the U.S. Census Bureau.

[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. Information for the City of Americus is not available.

[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

Employer	2012 Employees	2012 Rank	2012 Percentage of Total Employment	2003 [4] Employees	2003 [4] Rank	2003 [4] Percentage of Total Employment
Sumter County School System	754	1	5.07%	877	1	5.38%
Magnolia Manor	497	2	3.34%	534	5	3.27%
Phoebe Sumter Medical Center (previously Sumter Regional) (1)	380	3	2.56%	750	4	4.60%
Cooper Lighting	314	4	2.11%	771	2	4.73%
Sumter County Board of Commissioners	250	5	1.68%	-	-	-
Georgia Southwestern State University	280	6	1.88%	350	9	2.15%
Wal-Mart Supercenter	280	7	1.88%	300	10	1.84%
Habitat for Humanity	250	8	1.68%	450	6	2.76%
Middle Flint Behavioral Health	226	9	1.52%	400	7	2.45%
CE Minerals/Mulcoa/Imerys	195	10	1.31%	-	-	-
Collins & Aikman (previously Textron Automotive Exteriors) (2)	-	-	-	750	3	4.60%
The Tog Shop (3)	-	-	-	355	8	2.18%
Total	**3,426**		**23.06%**	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 and 2003 data are not available.

CITY OF AMERICUS, GEORGIA

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

Function	2003	2004	2005	2006	2007	2008	2009	2010	2011 [5]	2012
General government										
Administration	13	13	15	15	15	15	15	15	12	12
Finance	7	7	8	8	8	8	8	8	8	8
Police [1]	68	69	65	58	56	55	54	56	51	50
Municipal Court	-	-	-	-	-	-	-	-	1	1
Fire	55	55	56	56	56	56	56	55	53	53
Public works [2]	24	25	25	25	26	26	30	31	26	24
Community and economic development	3	3	3	3	3	3	3	3	3	3
Total General Fund	170	172	172	165	164	163	166	168	154	151
Enterprise Funds										
Water/Sewer Fund	15	15	15	15	15	15	15	16	15	15
Natural Gas Fund	7	7	7	7	7	7	7	7	7	7
Stormwater Fund	-	-	-	-	-	-	-	-	4	4
Theater	2	2	3	3	3	3	3	3	3	3
Total Enterprise Funds	24	24	25	25	25	25	25	26	29	29
Total Primary Government	194	196	197	190	189	188	191	194	183	180

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.

[6] The 2012 report reflects some minor revisions to prior years to exclude part-time employees.

CITY OF AMERICUS, GEORGIA

OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Function/Program	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Fund										
Administration										
Number of Council meetings	46	47	40	37	42	78	69	69	60	43
Number of ordinances adopted	41	33	48	46	45	43	39	45	35	33
Number of new employees processed	16	14	29	24	18	14	38	28	23	25
Finance										
Total dollars expended [1]	$ 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	$ 24,743,595
Total number of active funds	18	19	18	16	18	18	16	16	16	16
Number of accounts payable checks issued	4,126	3,865	4,341	4,688	4,759	4,634	4,725	4,924	5,151	5,087
Police										
Number of calls	26,637	21,880	26,898	47,792	42,283	47,096	49,943	62,163	62,450	65,691
Number of accidents	813	847	828	784	806	786	770	774	717	595
Number of animal control incidents / calls	903	757	648	533	1,070	1,199	1,306	1,353	1,603	1,129
Number of offenses reported [2]	3,665	3,582	2,843	2,827	2,638	2,507	2,608	2,749	3,157	5,705
Municipal Court activity - number of cases	5,157	4,841	4,599	4,006	4,591	4,267	3,818	4,806	5,384	6,363
Fire and Emergency Services										
Number of calls										
Fire / explosion	162	181	173	209	262	230	181	147	130	100
First responder	1,445	1,476	1,352	1,459	1,597	1,415	1,223	1,081	1,228	1,100
Hazardous condition / materials	151	119	118	168	178	129	88	95	85	104
All other	442	463	482	403	464	510	458	345	465	384
Total number of calls	2,200	2,239	2,125	2,239	2,501	2,284	1,950	1,668	1,908	1,688
Fire safety / prevention / education										
Students	24,925	20,682	15,867	8,600	17,160	17,309	11,809	6,578	5,030	11,328
Adults	16,495	27,427	17,413	2,524	2,617	5,787	6,308	1,499	2,783	5,480
Total number educated	41,420	48,109	33,280	11,124	19,777	23,096	18,117	8,077	7,813	16,808
Building Risk Management										
Number of building permits issued	262	236	322	519	1,478	1,013	823	705	914	1,498
Construction value of permitted projects [3]	$ 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	$ 13,334,635
Public works										
Number of work orders										
Drainage	-	-	-	-	-	149	66	34	7	8
Street patching	206	184	301	241	532	372	459	397	306	341
Street signs	102	188	223	213	495	169	66	64	36	33
Sidewalk repairs	3	4	21	42	55	34	33	18	3	6
Other	0	22	48	43	68	466	161	155	432	90
Total number of work orders	311	398	593	539	1,150	1,190	785	668	784	478
Public transit - [4]										
Number of trips	25,587	24,982	26,824	33,078	32,479	33,455	24,950	30,428	28,239	27,050
Revenues	$ 40,249	$ 40,406	$ 46,008	$ 55,149	$ 56,958	$ 56,799	$ 43,305	$ 64,769	$ 73,116	$ 64,507

(Continued)

CITY OF AMERICUS, GEORGIA

OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Function/Program	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Water and Sewer Fund										
Utility billing										
Number of work orders										
Turnoffs for non-payment	3,502	2,495	2,277	2,272	2,730	2,608	1,945	1,947	1,820	1,381
All other work orders [5]	1,965	1,946	2,199	2,197	2,491	3,179	4,881	5,185	6,626	6,672
Total number of work orders	5,467	4,441	4,476	4,469	5,221	5,787	6,826	7,132	8,446	8,053
Average number of customers per month										
Water	7,288	7,010	7,589	7,589	7,594	7,667	7,615	7,619	7,530	7,428
Sewer	6,743	6,561	6,963	6,671	6,700	6,745	6,688	6,717	6,677	6,568
Cubic feet of water billed	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	98,335,605
Water and sewer maintenance										
Number of work orders [6]	1,199	676	718	973	1,332	2,410	2,912	971	608	561
Natural Gas Fund										
Cubic feet of gas billed	594,209	527,618	488,562	455,316	304,468	291,631	245,621	277,789	253,192	213,762
Number of work orders [7]	3,756	4,048	4,853	5,103	5,863	6,545	2,349	2,166	1,690	1,644
Average number of customers per month	3,057	2,995	2,865	2,779	2,680	2,612	2,498	2,467	2,428	2,368
Solid Waste Fund										
Average number of customers per month	6,647	6,020	6,218	6,699	6,843	6,908	6,315	6,831	6,835	6,726
Stormwater Fund [8]										
Average number of customers per month	-	-	-	-	-	-	-	6,122	6,076	6,004
Number of standard billing units at $48 per year	-	-	-	-	-	-	-	20,429	20,705	20,460

Sources: Various City departments.

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

[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	2012
Police										
Stations	3	1	1	1	1	1	1	1	1	1
Patrol units (1)	58	49	48	46	48	44	47	44	49	46
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	2
Tanker (1)	1	1	1	1	1	1	1	0	0	0
Haz Mat Vehicle (1)	0	0	1	1	1	1	1	1	1	1
Communication Trailer (1)	0	1	1	1	1	1	1	1	1	1
Public works										
Streets owned & maintained (miles)	80	113	113	113	113	116	116	116	117	117
Service trucks (1)	17	17	16	18	17	17	16	19	18	18
Public Transit										
Vans (1)	3	3	4	4	4	4	4	3	3	3
Trolley (1)	0	1	1	1	1	1	1	1	1	1
Marketing Van (1)	-	-	-	-	-	-	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	123	127	136	136	138	138	138	139	139
Water Storage - number of elevated storage tanks	5	5	5	8	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	101	101	102	102	102	102	103	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	2,500,000	2,500,000
Miles of Gas Mains	100	100	100	100	100	100	100	104	106	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, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the *Government Auditing* Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Americus, Georgia (the "City") as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the City of Americus, Georgia's basic financial statements, and have issued our report thereon dated August 15, 2013. Our report includes a reference to the changes in accounting principle resulting from the implementation of Government Accounting Standards Board (GASB) Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and Statement No. 65, *Items Previously Reported as Assets and Liabilities.*

Internal Control Over Financial Reporting

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

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and responses, as items 2012-1 and 2012-2, to be material weaknesses.

Compliance and Other Matters

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

City of Americus, Georgia's Response to Findings

The City's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. The City's response was not subjected to the audit procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

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

Mauldin & Jenkins, LLC

Macon, Georgia
August 15, 2013

CITY OF AMERICUS, GEORGIA

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2012

SECTION I
SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weaknesses identified?	__X__ yes _____no
Significant deficiencies identified not considered to be material weaknesses?	_____ yes __X__none reported
Noncompliance material to financial statements noted?	_____ yes __X__no

Federal Awards

There was not an audit of major federal award programs as of December 31, 2012 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, 2012

SECTION II
FINANCIAL STATEMENT FINDINGS

2012-1 Revenue Cycle Transaction

Criteria: Generally accepted accounting principles require revenues to be recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period.

Condition: The City did not appropriately record all transactions involving SPLOST revenues due from the County at year end, nor were revenues or receivables for Utility-Natural Gas Fund properly reflected in the general ledger for the year ended December 31, 2012.

Context: We address this matter with City officials who were able to determine all appropriate receivable and revenue entries that should be recorded as of December 31, 2012.

Effect: The following audit adjustments were required to increase receivables and revenues for the year ended December 31, 2012:

- Entries to the SPLOST Fund resulting in a $190,000 increase in receivables and revenues;
- Entries to the Utility-Natural Gas Fund resulting in a $96,000 increase in receivables and revenues.

Recommendation: We recommend the City begin recognizing and recording all necessary revenue adjustments at the end of each financial reporting cycle.

Views of Responsible Officials and Planned Corrective Action: The City of Americus concurs with this finding. Management has taken steps to ensure revenues are properly reflected in the accounting period in which they become both measureable and available to finance expenditures of the period.

CITY OF AMERICUS, GEORGIA

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2012

SECTION II
FINANCIAL STATEMENT FINDINGS

2012-2 Cash Reconciliations

Criteria:	Sound internal controls require accounts be reconciled timely and activity be appropriately recorded in the books and records of the governmental entity.
Condition:	The City did not perform bank reconciliations for its cash accounts in a timely manner.
Context:	During our fieldwork, we noted reconciliations were performed, in some cases, up to six months after month end.
Effect:	Untimely reconciliations can allow errors and/or fraud to go undetected. Also, management and those charged with governance will not have accurate and up to date information upon which to make decisions if accounts are not reconciled in a timely fashion.
Recommendation:	We recommend the City implement controls and processes to allow for timely cash reconciliations.
Views of Responsible Officials and Planned Corrective Action:	The City of Americus concurs with this finding. Management has implemented procedures to ensure banks accounts are reconciled to the general ledger in a timely manner.

SECTION III
FEDERAL AWARD FINDINGS

Not applicable

CITY OF AMERICUS, GEORGIA

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2012

SECTION IV
SCHEDULE OF PRIOR YEAR FINDINGS

None reported