CITY OF OAKWOOD, GEORGIA
ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2011

CITY OF OAKWOOD, GEORGIA
ANNUAL FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2011

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Hawkins & McNair
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council Members
City of Oakwood, Georgia

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund, of the City of Oakwood, Georgia as of and for the year ended December 31, 2011, which collectively comprise the City of Oakwood, Georgia's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Oakwood, Georgia's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities and each major fund, of the City of Oakwood, Georgia as of December 31, 2011, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis and budgetary comparison information in Section A and D, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurements and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

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We have also issued our report dated June 5, 2011, on our consideration of City of Oakwood, Georgia's internal control over financial reporting and our test of its compliance with certain provisions of laws, regulations, contracts and grants. The purpose of the report is to describe the scope of testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or compliance. The report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report when considering the results of our audit.



Hawkins & McNair, CPAs
Winder, Georgia
June 5, 2011

City of Oakwood, Georgia
Management's Discussion and Analysis
Year Ended December 31, 2011

The Management's Discussion and Analysis (MD&A) section offers readers of the City of Oakwood's financial statements a narrative overview and analysis of the financial activities of the City for the year ended December 31, 2011. Readers are encouraged to consider the information presented here in conjunction with additional information furnished in this report.

Financial Highlights

- The assets of the City exceeded its liabilities at December 31, 2011 by $15,868,397 (net assets); of this amount $2,340,517 is unrestricted net assets. The government's total net assets decreased by $393,582 during the year ended December 31, 2011.

- As of December 31, 2011, the City's governmental funds reported combined ending fund balances of $860,903 a decrease of $348,831 in comparison with the prior year.

- The unreserved fund balance for the governmental funds at December 31, 2011 was $841,717. The reserved governmental funds balance at December 31, 2011 was $19,186.

- The City's long-term liabilities experienced a net increase of $1,529,540 during the year ended December 31, 2011. This increase was principally due to GEFA loan advances.

- Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise 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.

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

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

The "statement of activities" presents information showing how the government's net assets changed during the most recent year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future periods (e.g. uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that were principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their cost through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, highways and streets and recreation. The business-type activities of the City include sewer services.

The government-wide financial statements can be found on pages B1-B3 of this report.

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, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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 the near-term inflows and outflows of spendable resources available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the governmental-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing

decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains four individual governmental funds (general fund, hotel/motel tax fund, TAD fund and SPLOST fund). Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the general fund, which is considered to be a major fund.

The City adopts an annual appropriated budget for the general fund. Budgetary comparison statements have been provided for these funds to demonstrate compliance with their budgets.

The basic governmental fund financial statements can be found on page B4-B7 of this report.

Proprietary funds: The City maintains just one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its sewer activities.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide information for one enterprise fund which is considered to be a major fund of the City.

The basic proprietary fund financial statements can be found on pages B8-B9 of this report.

Notes to the financial statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found in section C of this report.

Other information: In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information which can be found in section D of this report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by $15,868,397 at the close of the most recent year. The following table provides a comparative summary of the City's net assets as of December 31, 2011 and 2010:

City of Oakwood – Net Assets ($000)

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Current and other assets	$ 925	$ 1,263	$ 2,360	$ 3,009	$ 3,285	$ 4,272
Capital assets	17,226	17,350	11,261	8,946	28,487	26,296
Total assets	$ 18,151	$ 18,613	$ 13,621	$ 11,955	$ 31,772	$ 30,568
Long-term Liabilities outstanding	$ 6,237	$ 6,650	$ 8,722	$ 6,780	$ 14,959	$ 13,430
Other liabilities	64	53	881	824	945	877
Total Liabilities	6,301	6,703	9,603	7,604	15,904	14,307
Net assets:						
Invested in capital assets, net of related debt	10,989	10,700	2,539	2,166	13,528	12,866
Unrestricted	861	1,210	1,479	2,185	2,340	3,395
Total net assets	11,850	11,910	4,018	4,351	15,868	16,261
Total liabilities and net assets	$ 18,151	$ 18,613	$ 13,621	$ 11,955	$ 31,772	$ 30,568

A portion of the City's net assets (85%) reflects its investments in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investments in its capital assets is reported net of related debt, it should be noted that resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

The remaining balance of unrestricted net assets $2,340,517 may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current year, the City is able to report positive balances in all categories of net assets. The same situation held true for the prior year.

The government's net assets decreased by $393,582 during the current year.

City of Oakwood – Changes in Net Assets ($000)

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Revenues:						
Program revenues:						
Charges for services	$ 1,051	$ 816	$ 127	$ 99	$ 1,178	$ 915
Capital grants and contributions	686	713	-	-	686	713
General revenues:						
Property tax	609	623	-	-	609	623
Local option sales tax	430	407	-	-	430	407
Franchise tax	200	186	-	-	200	186
Other taxes	740	634	-	-	740	634
Other	-	1	8	17	8	18
Total revenues	3,716	3,380	135	116	3,851	3,496
Expenses (net of indirect costs):						
General administrative & management	783	791	-	-	783	791
Public safety	1,577	1,417	-	-	1,577	1,417
Streets	701	719	-	-	701	719
Solid waste	52	48	-	-	52	48
Economic development	85	33	-	-	85	33
Planning & development	218	251	-	-	218	251
Community services	70	69	-	-	70	69
Sewer	-	-	468	324	468	324
Interest on long-term debt	290	264	-	-	290	264
Total expenses	3,776	3,592	468	324	4,244	3,916
Increase in net assets before transfers	(60)	(212)	(333)	(208)	(393)	(420)
Transfers	-	-	-	-	-	-
Increase in net assets	(60)	(212)	(333)	(208)	(393)	(420)
Net assets - Jan 1	11,910	12,122	4,351	4,559	16,261	16,681
Net assets - Dec 31	$ 11,850	$ 11,910	$ 4,018	$ 4,351	$ 15,868	$ 16,261

Governmental activities: Governmental activities decreased the City's net assets by $59,976. This decrease is $151,421 less than prior years decrease in net assets. Key elements of this decrease are as follows:

- Charges for services increased by $234,888 (29%)
- Public safety expenditures increased by $159,862 (11%)
- Interest on long-term debt increased by $25,678 (10%)
- General tax revenues increased by $127,257 (7%)

Long-term debt: As of December 31, 2011, the City had total debt outstanding of $14,959,146.

The following table summarizes outstanding debt of the City as of December 31, 2011 and 2010:

City of Oakwood – Outstanding Debt ($000)

(General obligation bonds, notes, revenues bonds and contractual obligations)

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Notes payable	$ 2,737	$ 3,128	$ 8,722	$ 6,780	$ 11,459	$ 9,908
Capital lease	-	22	-	-	-	22
Bonds payable	3,500	3,500	-	-	3,500	3,500
	$ 6,237	$ 6,650	$ 8,722	$ 6,780	$ 14,959	$ 13,430

The City's total debt increased by $1,529,541 (11%) during 2011. The increase was due mostly to advances on the GEFA loan.

Additional information on the City's long-term debt can be found in the Notes to the Financial Statements in Section C of this report.

Economic Factors and Next Year's Budgets and Rates

The City considered the current year results as well as other factors in preparing the City of Oakwood's Budget for the 2011 year. The 2011 budget is a balanced budget with current revenues covering current expenditures.

Requests for Information

This financial report is designed to provide a general overview of the City of Oakwood's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to: The Office of the City Clerk, City of Oakwood, P.O. Box 99, Oakwood, Georgia 30566.

City of Oakwood, Georgia
Statement of Net Assets
As of December 31, 2011

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
ASSETS				
Cash and cash equivalents	$ 343,405	$ 2,360,336	$ 2,703,741	$ -
Property tax receivables	435,188	-	435,188	-
Other taxes receivable	41,329	-	41,329	-
Accounts receivable, net	-	-	-	-
Interest, dividends, and royalties receivable	-	-	-	-
Internal Balances	-	-	-	-
Other	-	-	-	-
Receivable from other governments	86,386	-	86,386	-
Other receivables	-	-	-	-
Prepaids	19,186	-	19,186	-
Capital assets:				
Land and construction in progress	13,515,353	6,138,217	19,653,570	-
Other capital assets, net of accumulated depreciation	3,710,604	5,122,852	8,833,456	-
Total assets	**$ 18,151,451**	**$ 13,621,405**	**$ 31,772,856**	**$ -**
LIABILITIES				
Accounts payable	$ 50,238	$ -	$ 50,238	$ -
Payroll Tax Payable	1,741	-	1,741	-
Other liabilities	12,612	-	12,612	
Interest payable	-	880,722	880,722	-
Bonds payable - current	204,300	-	204,300	-
Notes, lease obligations, and estimated claims payable, current	2,328,516	284,587	2,613,103	-
Deferred revenue	-	-	-	-
Liabilities payable from restricted assets	-	-	-	-
Payable to primary government, non-current	-	-	-	-
Intergovernmental payable	-	-	-	-
Notes, lease obligations, and estimated claims payable, non-current	603,685	8,438,008	9,041,693	-
Bonds payable, non-current	3,100,050	-	3,100,050	-
Total liabilities	**$ 6,301,142**	**$ 9,603,317**	**$ 15,904,459**	**$ -**
NET ASSETS				
Invested in capital assets, net of Related Debt	$ 10,989,406	$ 2,538,474	$ 13,527,880	$ -
Unrestricted	860,903	1,479,614	2,340,517	-
Total net assets	**$ 11,850,309**	**$ 4,018,088**	**$ 15,868,397**	**$ -**

See accompanying notes to financial statements.

City of Oakwood, Georgia
Statement of Activities
Year Ended December 31, 2011

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue
Primary government:					
Governmental activities:					
General government	$ 783,295	$ 234,842	$ -	$ -	$ (548,453)
Public Safety	1,577,364	790,901	-	-	(786,463)
Streets	701,252	-	-	686,277	(14,975)
Solid Waste	51,775	-	-	-	(51,775)
Economic Development	85,052	-	-	-	(85,052)
Planning & Development	217,705	-	-	-	(217,705)
Community Services	70,170	24,725	-	-	(45,445)
Interest on long-term debt	289,575	-	-	-	(289,575)
Total governmental activities	$ 3,776,188	$ 1,050,468	$ -	$ 686,277	$ (2,039,443)
Business-type activities:					
Sewer System	$ 467,950	$ 126,243	$ -	$ -	$ (341,707)
Total primary government	$ 4,244,138	$ 1,176,711	$ -	$ 686,277	$ (2,381,150)

See accompanying notes to financial statements.

City of Oakwood, Georgia
Statement of Activities (Continued)
Year Ended December 31, 2011

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Change in Assets:			
Net (expense) revenue	$ (2,039,443)	$ (341,707)	$ (2,381,150)
General revenues:			
Taxes:			
Property Tax	$ 608,970		$ 608,970
Local Option Sales	430,358	-	430,358
Insurance Premium Tax	186,210	-	186,210
Alcoholic Beverage Taxes	293,718	-	293,718
Franchise taxes (fees)	200,454	-	200,454
Other taxes	259,389	-	259,389
Unrestricted investment income	368	8,101	8,469
Sale of capital assets	-	-	-
Miscellaneous	-	-	-
Transfers	$ -	$ -	$ -
Total general revenues and transfers	$ 1,979,467	$ 8,101	$ 1,987,568
Change in net assets	$ (59,976)	$ (333,606)	$ (393,582)
Net assets—beginning	11,910,285	4,351,694	16,261,979
Net assets—ending	$ 11,850,309	$ 4,018,088	$ 15,868,397

See accompanying notes to financial statements.

City of Oakwood, Georgia
Balance Sheet -- Governmental Funds
As of December 31, 2011

	General	Hotel/Motel Tax Fund	TAD Fund	SPLOST Fund	Total Governmental Funds
ASSETS					
Cash and cash equivalents	$ 274,460	$ -	$ -	$ 68,945	$ 343,405
Property taxes receivable	435,188	-	-	-	435,188
Other tax receivable	41,329	-	-	-	41,329
Interest, dividends, and royalties	-	-	-	-	-
Due from other funds	-	-	147,088	-	-
Receivable from other governments	41,671	-	44,715	-	147,088
Prepaids	19,186	-	-	-	86,386
Restricted assets:					19186
Cash	-	-	-	-	-
Investments	-	-	-	-	-
Notes receivable, non-current	-	-	-	-	-
Total assets	**$ 811,834**	**$ -**	**$ 191,803**	**$ 68,945**	**$ 1,072,582**
LIABILITIES and FUND BALANCES					
LIABILITIES					
Accounts Payable	$ 50,238	$ -	$ -	$ -	$ 50,238
Payroll tax	1,741	-	-	-	1,741
Due to other funds	147,088	-	-	-	147,088
Payable to component units	-	-	-	-	-
Interest payable	-	-	-	-	-
Other	12,612	-	-	-	12,612
Liabilities payable from restricted assets:					
Accounts payable	-	-	-	-	-
Other	-	-	-	-	-
Total liabilities	**$ 211,679**	**$ -**	**$ -**	**$ -**	**$ 211,679**
FUND BALANCES					
Reserved for prepaids	$ 19,186	$ -	$ -	$ -	$ 19,186
Reserved for restricted purposes	-	-	-	-	-
Reserved for non-current receivables	-	-	-	-	-
Unreserved, reported in:					
General fund	580,969	-	-	-	580,969
Special revenue funds	-	-	-	-	-
Capital projects funds	-	-	191,803	68,945	260,748
Total fund balances	**$ 600,155**	**$ -**	**$ 191,803**	**$ 68,945**	**$ 860,903**
Total liabilities and fund balances	**$ 811,834**	**$ -**	**$ 191,803**	**$ 68,945**	**$ 1,072,582**

See accompanying notes to financial statements.

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET ASSETS
December 31, 2011

CITY OF OAKWOOD, GEORGIA

Total fund balance - total governmental funds		
Amounts reported for *governmental activities* in the statement of net assets are different because:	$	860,903
Debt principal is a liability in the governmental activities but is not shown in Governmental Funds. Also see Note III.B.2. for additional detail.	$	(6,236,551)
Capital assets of $ 19,580,139, net of accumulated depreciation of ($ 2,354,182), are not financial resources and, therefore, are not reported in the funds. See Note III.A.4. for additional detail	$	17,225,957
Net assets of governmental activities.	$	11,850,309

See accompanying notes to financial statements.

City of Oakwood, Georgia
Statement of Revenues, Expenditures,
and Changes in Fund Balances--
Governmental Funds
Year Ended December 31, 2011

	General	Hotel/Motel Tax Fund	TAD Fund	SPLOST Fund	Total Governmental Funds
REVENUES					
Property Tax	$ 626,713	$ -	$ -	$ -	$ 626,713
Local Option Sales Tax	430,358	-	-	-	430,358
Insurance Premium	186,210	-	-	-	186,210
Alcoholic Beverage Taxes	293,718	-	-	-	293,718
Franchise taxes (fees)	200,454	-	-	-	200,454
Other Taxes	134,471	62,460	-		196,931
Licenses and permits	218,051	-	-	-	218,051
Fines and forfeitures	790,901	-	-	-	790,901
Investment income	368	-	-	384	752
Intergovernmental	287,454	-	-	398,439	685,893
Recreation Fees	24,725	-	-	-	24,725
Other	16,791	-	44,715	-	61,506
Total revenues	**$ 3,210,214**	**$ 62,460**	**$ 44,715**	**$ 398,823**	**$ 3,716,212**
EXPENDITURES					
Current:					
General government	$ 715,329	$ -	$ -	$ -	$ 715,329
Police	1,520,402	-	-	-	1,520,402
Highways/Street	374,683	-	-	-	374,683
Solid waste	37,563	-	-	-	37,563
Economic Development	85,052	-	-	-	85,052
Planning & Development	216,693	-	-	-	216,693
Community Services	70,170	-	-	-	70,170
Capital Outlay	-	-	-	342,217	342,217
Debt Service	685,091	-	-	17,843	702,934
Total expenditures	**$ 3,704,983**	**$ -**	**$ -**	**$ 360,060**	**$ 4,065,043**
Excess (deficiency) of revenues over (under) expenditures	**$ (494,769)**	**$ 62,460**	**$ 44,715**	**$ 38,763**	**$ (348,831)**
OTHER FINANCING SOURCES (USES)					
Sale of Capital Assets	$ -	$ -	$ -	$ -	$ -
Transfers to Other Funds	(17,743)	(62,460)	-	-	(80,203)
Transfers from Other Funds	62,460	-	17,743	-	80,203
Loan Proceeds	-	-	-	-	-
Net change in fund balances	**$ (450,052)**	**$ -**	**$ 62,458**	**$ 38,763**	**$ (348,831)**
Fund balances, beginning	**1,179,552**	**-**	**-**	**30,182**	**1,209,734**
Transfer of Fund Equity	**(129,345)**	**-**	**129,345**	**-**	**-**
Fund balances, ending	**$ 600,155**	**$ -**	**$ 191,803**	**$ 68,945**	**$ 860,903**

See accompanying notes to financial statements.

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended December 31, 2011

CITY OF OAKWOOD, GEORGIA

Net change in fund balances - total governmental funds	$	(348,831)
Amounts reported for *governmental activities* in the statement of activities are different because:		
Governmental funds report principal payments on debt as expenditures. However, in the statement of net assets these payments are shown as a reduction in long-term debt.	$	423,359
Governmental funds report new borrowings as other financing sources. However, in the statement of net assets these are shown as increases in long-term debt.	$	(250)
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 outlays of $ 204,294 exceeded depreciation of ($ 338,548) in the current period.	$	(134,254)
Change in net assets of governmental activities.	$	(59,976)

See accompanying notes to financial statements.

City of Oakwood, Georgia
Statement of Net Assets
Proprietary Funds
December 31, 2011

	Sewer	Total Enterprise Funds
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 2,360,336	$ 2,360,336
Accounts receivable, net	-	-
Interest, dividends, and royalties receivable	-	-
Due from other funds	-	-
Receivables from component units	-	-
Intergovernmental receivables	-	-
Prepaids	-	-
Total current assets	$ 2,360,336	$ 2,360,336
Restricted assets-non-current		
Cash and cash equivalents	$ -	$ -
Investments	-	-
Interest receivables	-	-
Total restricted assets-non-current	$ -	$ -
Other Non-current assets:		
Loan origination fees	$ -	$ -
Receivables from component units, non-current	-	-
Capital assets:		
Land and construction in progress	6,138,217	6,138,217
Other capital assets, net of accumulated depreciation	5,122,852	5,122,852
Total other non-current assets	11,261,069	11,261,069
Total assets	$ 13,621,405	$ 13,621,405
LIABILITIES		
Current Liabilities		
Accounts payable	$ -	$ -
Due to other funds	-	-
Accrued interest payable	880,722	880,722
Notes and lease obligations, current	284,587	284,587
Customer Deposits	-	-
Total current liabilities	$ 1,165,309	$ 1,165,309
Liabilities payable from restricted assets:		
Bond interest payable, current	$ -	$ -
Bonds payable, current	-	-
Total liabilities payable from restricted assets	$ -	$ -
Non-current liabilities:		
Notes and lease obligations,non-current	$ 8,438,008	$ 8,438,008
Bond interest payable, non-current	-	-
Bond payable, non-current	-	-
Total non-current liabilities	8,438,008	8,438,008
Total liabilities	**$ 9,603,317**	**$ 9,603,317**
NET ASSETS		
Invested in capital assets, net of related debt	$ 2,538,474	$ 2,538,474
Unrestricted (deficit)	1,479,614	1,479,614
Total net assets	**$ 4,018,088**	**$ 4,018,088**

See accompanying notes to financial statements.

City of Oakwood, Georgia
Statement of Revenues, Expenses,
and Changes in Net Assets
Proprietary Funds
December 31, 2011

	Sewer	Total Enterprise Funds
OPERATING REVENUES		
Charges for services:		
Capacity/Connection charges	$ 126,243	$ 126,243
Total charges for service	126,243	126,243
Total operating revenues	$ 126,243	$ 126,243
OPERATING EXPENSES		
Personal services	$ -	$ -
Maintenance, operations, and contractual services	20,562	20,562
Materials, supplies, and other	-	-
Depreciation	185,663	185,663
Total operating expenses	206,225	206,225
Operating income (loss)	**$ (79,982)**	**$ (79,982)**
NON-OPERATING REVENUE (EXPENSES)		
Investment income	$ 8,101	$ 8,101
Interest on bonds, notes and lease obligations	(261,725)	(261,725)
County Grant	-	-
Total non-operating revenue (expenses)	$ (253,624)	$ (253,624)
Income (loss) before contributions and transfers	**$ (333,606)**	**$ (333,606)**
Capital contributions from developers	$ -	$ -
Capital contributions, other	-	-
Transfers from other funds	-	-
Transfers to other funds	-	-
Change in net assets	$ (333,606)	$ (333,606)
Total net assets, beginning	4,351,694	4,351,694
Total net assets, ending	**$ 4,018,088**	**$ 4,018,088**

See accompanying notes to financial statements.

City of Oakwood, Georgia
Statement of Cash Flows
Proprietary Funds
December 31, 2011

	Sewer	Total Enterprise Funds
Cash flows from operating activities:		
Cash received from customers	$ 183,322	$ 183,322
Cash payments to suppliers for goods and services	(20,562)	(20,562)
Cash payments to employees	-	-
Net cash provided (used) by operating activities	**$ 162,760**	**$ 162,760**
Cash flows from non-capital financing activities:		
Grants received	$ -	$ -
Transfers from other funds	-	-
Transfers to other funds	-	-
Payments from component units	-	-
Net cash provided (used) by non-capital financing activities	**$ -**	**$ -**
Cash flows from capital and related financing activities:		
New Borrowings	$ 2,148,431	$ 2,148,431
Sales Tax Proceeds from developers	-	-
Principal paid on bonds, notes, and lease obligations	(205,781)	(205,781)
Acquisition of capital assets	(2,500,440)	(2,500,440)
Interest paid on bonds, notes, and lease obligations	(261,725)	(261,725)
Proceeds from sale of capital assets	-	-
Capital contributions	-	-
Capital grants received	-	-
Net cash provided (used) by capital and related financing activities	**$ (819,515)**	**$ (819,515)**
Cash flows from investing activities:		
Purchase of investments	$ -	$ -
Proceeds from sale of investments	-	-
Investments income	8,101	8,101
Net cash provided (used) by investing activities	**$ 8,101**	**$ 8,101**
Net increase (decrease) in cash and cash equivalents	**$ (648,654)**	**$ (648,654)**
Cash and cash equivalents at beginning of year	**$ 3,008,990**	**$ 3,008,990**
Cash and cash equivalents at end of year	**$ 2,360,336**	**$ 2,360,336**

See accompanying notes to financial statements.

City of Oakwood, Georgia
Statement of Cash Flows
Increase (Decrease) in Cash and
Cash Equivalents
Proprietary Funds
December 31, 2011

	Sewer	Total Enterprise Funds
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	$ (79,982)	$ (79,982)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	$ 185,663	$ 185,663
Non-cash operating revenue (expenses)	-	-
Non-operating revenue (expenses)	-	-
Changes in assets and liabilities:		
(Increase) decrease in accounts receivables	-	-
(Increase) decrease in loan origination fees	-	-
Increase (decrease) in due to other funds	-	-
Increase (decrease) in accrued interest payable	57,079	57,079
Increase (decrease) in deferred revenue	-	-
Increase (decrease) in customer deposits	-	-
Increase (decrease) in other liabilities	-	-
Total adjustments	242,742	242,742
Net cash provided (used) by operating activities	**$ 162,760**	**$ 162,760**
Non-cash investing, capital, and financing activities:		
Net increase (decrease) in fair value of investments	$ -	$ -
Deferred interest expense on revenue bonds	-	-
Capital assets contributed by developers	-	-
Lessee improvements	-	-
Total non-cash investing, capital, and financing activities	$ -	$ -

See accompanying notes to financial statements.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

I. A. INTRODUCTION

The accounting and reporting framework and the more significant accounting principles and practices of The City of Oakwood, GA are discussed in subsequent sections of this Note. The remainders of the Notes are organized to provide explanations, including required disclosures, of the City's financial activities for the fiscal year ended December 31, 2011.

I. B. FINANCIAL REPORTING ENTITY - BASIS OF PRESENTATION

I. B. 1. COMPONENT UNITS

The City of Oakwood, GA operates under a council/manager form of government and provides the following services: Public Safety, Streets, Recreation, and General and Administrative services. The accompanying financial statements present the City's primary government and component units over which the City exercises significant influence. Significant influence or accountability is based primarily on operational or financial relationships with the City (as distinct from legal relationships). The City had no such component units as of December 31, 2011.

I. B. 2. RELATED ORGANIZATIONS

Related Organizations	Brief Description of Activities and Relationship to the City.
Housing Authority of the City of Oakwood (HACO)	Administer Federal funding and/or other financing for improvements of housing conditions in the City. The Governing Board is appointed by the City Council. The City has no significant influence over the management, budget, or policies of HACO. The Authority reports independently.

I. B. 3. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Government-wide Financial Statements

The government-wide financial statements include the statement of net assets and the statement of activities. These statements report financial information for the City as a whole excluding fiduciary funds and component units that are fiduciary in nature, such as employee pension plans. The primary government and component units are presented separately within the financial statements with the focus on the primary government. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and City general revenues, from business-type activities, generally financed in whole or in part with fees charged to external customers.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity.

Program revenues include: (1) charges for services which report fees, fines and forfeitures and other charges to user of the City's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets and include fees to developers. These revenues are subject to externally imposed restrictions to these program uses. Taxes and other revenue sources not properly included with program revenues are reported as general revenues.

Fund Financial Statements

Fund Financial statements are provided for governmental, proprietary, and fiduciary funds. Major individual governmental and enterprise funds are reported in separate columns with composite columns of non-major funds.

I. B. 4. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

The financial statements of the City are prepared in accordance with generally accepted accounting principles (GAAP). The City's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements and applicable Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless they conflict with GASB pronouncements. The City's reporting entity does not apply FASB pronouncements or APB opinions issued after November 30, 1989.

The government-wide statements report using the economic resources measurement focus and the accrual basis of accounting generally including the reclassification or elimination of internal activity (between or within funds).

Reimbursements are reported as reductions to expenses. Proprietary and fund financial statements and financial statements of City component units also report using this same focus and basis of accounting although internal activity is not eliminated in these statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows Property tax revenues are recognized in the year for which they are levied while grants are recognized when grantor eligibility requirements are met.

Pension trust funds recognize employer and participant contributions in the period in which contributions are due and the City has made a formal commitment to provide the contributions. Retirement benefits are recognized when due and payable in accordance with the terms of the plan. See Note VI.

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The City considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for general obligation debt principal and interest which are reported as expenditures in the year due.

Major revenue sources susceptible to accrual include: sales and use taxes, franchise taxes (fees), intergovernmental revenues, and investment income. In general, other revenues are recognized when cash is received. See Note III. A. 2. for related information.

Operating income reported in proprietary fund financial statements includes revenues and expenses related to the primary, continuing operations of the fund. Principal operating revenues for proprietary funds are charges to customers for sales or services. Principal operating expenses are the costs of providing goods or services and include administrative expenses and depreciation of capital assets. Other revenues and expenses are classified as non-operating in the financial statements.

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 needed.

Allocation of Indirect Expenses

The City does not allocate indirect expenses primarily comprised of central governmental services to operating functions and programs benefiting from those services

I. B. 5. FUND TYPES AND MAJOR FUNDS

The City reports the following major governmental funds:

General Fund – Reports as the primary fund of the City. This fund is used to account for all financial resources not reported in other funds.

Hotel/Motel (Special Revenue) Tax Fund – Reports the financial resources and expenditures of the Hotel/Motel taxes.

Tax Allocation Fund (TAD) – Accounts for tax allocation funds from the City and County to be used for land acquisition and capital project in the TAD district.

SPLOST Fund (Capital Projects Fund) – Reports financial resources related to Special Purpose Local Option Sales Tax.

Proprietary Funds

Sewer Fund – reports resources related to the activities of the sewer system.

Other Fund Types

-NONE-

I. C. ASSETS, LIABILITIES, AND NET ASSETS FOR EQUITY

I. C. 1. CASH AND INVESTMENTS

The City reporting entity considers highly liquid investments (including restricted assets) with an original maturity of three months or less when purchased to be cash equivalents.

Investments are reported at fair value which is determined using selected bases. Cash deposits are reported at carrying amount which reasonably estimates fair value.

I. C. 2. INVENTORIES AND PREPAIDS

Inventories are not recorded by the City. Purchases of supplies (maintenance, office, etc.) are charged to expense when increased.

Prepaids record payments to vendors that benefit future reporting periods and are reported on the consumption basis. Prepaids are similarly reported in government-wide and fund financial statements.

I. C. 3. CAPITAL ASSETS, DEPRECIATION, AND AMORTIZATION

The City's property, plant, equipment, and infrastructure with useful lives of more than one year are stated at historical cost and comprehensively reported in the government-wide financial statements. The City maintains infrastructure asset records consistent with all other capital assets except that infrastructure assets purchased prior to January 1, 2004 have not been recorded. Donated assets are stated at fair value on the date donated. The cost of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets, including those of component units, are depreciated using the straight-line method and generally includes items with a cost of $ 500 or more. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts and the resulting gain or loss is recorded in operations.

Estimated useful lives, in years, for depreciable assets are as follows:

Buildings	30
Building Improvements	30
Improvements, other than building	12
Equipment / Computers	5-7
Furniture and fixtures	7
Vehicles	5-7
Infrastructure	20

I. C. 4. CAPITALIZED INTEREST

Interest costs are capitalized on debt where proceeds were used to finance the construction of assets. Interest earned on proceeds of tax-exempt borrowing arrangements restricted to the acquisition of qualifying assets is offset against interest costs in determining the amount to be capitalized.

I. C. 5. LONG-TERM DEBT, DEFERRED DEBT EXPENSE, AND BOND DISCOUNT/PREMIUMS

Long Term Debt outstanding consisted of the following:

-- Capital lease for a garbage truck and carts in the amount of $ 119,183 dated 10/31/06. This lease is due in monthly installments of $ 2,259 and carries an interest rate of 4.49%. This lease was paid off in 2011.

-- Bond payable for $ 3,500,000 dated 12/16/07 to provide funding for Road projects. The bonds call for interest only payments semi-annually commencing 06/01/08 through 06/01/11. Principal and interest is then due in varying amounts from 12/01/11 through 12/01/20 at a rate of 4.41% per annum.

--Note payable to GEFA in the original amount of $ 8,439,410 (GEFA Note A). The note calls for 240 monthly payments of $ 51,945 at 4.18% per annum. The principal amount due at 12/31/11 was $ 8,233,628.

--Note payable to GEFA in the original amount of $ 3,397,683 (GEFA Note B). Once all funds have been drawn down, the note calls for 240 monthly payments of $ 20,913 at 4.18% per annum. As of 12/31/11, the City had drawn down $ 488,967.

--Note payable for $645,000 to purchase a four (4) acre tract of land. This note calls for interest only payments with a floating interest rate of 5.5% (floor) to 6.95% (ceiling). The note matured 12/31/10 but has four (4) renewal options of one year each. The note is reflected as a current liability on the financial statements.

--Note payable for $1,480,000 to purchase a seventeen and a half (17.5) acres of land. This note calls for interest only payments of $4,933 per month until the note matures on January 30, 2014 at which time the principal will be due.

--Two promissory notes, one in the amount of $ 90,000 and the other for $ 1,050,100 to purchase twenty eight (28) acres for future development. The $ 90,000 note was due and payable in 45 days from the date of the note at 0.0% interest. The $ 1,050,100 note calls for quarterly payments of $ 58,191.62 beginning 10/01/10 and continuing until paid in full on or before 07/01/15. The note carries an interest rate of 4.0% per annum.

I. C. 6. FUND EQUITY

The governmental fund financial statements report reserved fund balance for amounts not available for appropriation or legally restricted for specified purposes.

I. D. REVENUES, EXPENDITURES, AND EXPENSES

I. D. 1. LEASE REVENUE

The City did not lease any of its facilities.

I. D. 2. COMPENSATED ABSENCES

Full-time employees are granted vacation benefits in varying amounts to specified maximums depending on tenure with the City. Sick leave accrues to full-time employees to specified maximums. Generally, employees are entitled to a percentage of their sick leave balance and all accrued vacation leave upon termination. The City did not record a liability for accumulated vacation at December 31, 2011.

I. D. 3. HOTEL/MOTEL TAX

During the current year, the City collected a total of $ 62,460 in hotel/motel excise tax. As required by O.C.G.A. 48-1-54, these finds were used to promote tourism in the area, by funding the Lake Lanier Convention and Visitors Bureau. Funds expended for the current year was $ 26,181 or 42% of receipts.

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

II. A. DEFICIT FUND NET ASSETS

Primary Government

-NONE-

II. B. BUDGETARY INFORMATION

II. B. 1. BUDGET POLICY AND PRACTICE

Each year, Management prepares a proposed budget for consideration by the City Council. Prior to the beginning of the new fiscal year, the City holds budget hearings seeking comments and fielding questions from its citizens. After consideration of all comments and a review of the proposed budget, the City Council either approves the original proposed budget or a revised budget, after making appropriate changes.

II. B. 2. BASIS OF BUDGETING

The budget is prepared on a detailed line item basis. Revenues are budgeted by source. Expenditures are budgeted by department and class as follows: personal services, other services and charges, supplies, capital outlay, transfers, debt service. This constitutes the legal level of control. Expenditures may not exceed appropriations at this level. All budget revisions at this level are subject to final review by the City Council. Within these control levels, management may transfer appropriations without Council approval. Revisions were made to the original budget.

The City adopted budgets for the general, Hotel/Motel Tax and SPLOST funds on a basis which approximates generally accepted accounting principles (GAAP) as applied to local governments.

II. B. 3. MATERIAL VIOLATIONS OF FINANCE-RELATED LEGAL PROVISIONS

The City did not exceed its expenditure budget in any department.

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS

III. A. ASSETS

III. A. 1. DEPOSITS AND INVESTMENTS (*in thousands)*

Deposits

It is the City's policy for deposits to be 110 percent secured by collateral valued at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation insurance. The City's deposits are categorized to give an indication of the level of risk assumed by the City at fiscal year-end.

The categories are described as follows:

Category 1 – Insured or collateralized with securities held by the City or by its agent in the City's name.

Category 2 – Collateralized with securities held by the pledging financial institution's trust department or agent in the City's name.

Category 3 – Uncollateralized.

Deposits, categorized by level of risk, are:

	Category 1	2	3	Bank Balance	Carrying Amount
Primary Government					
Governmental Activities					
General Fund	276,402	-0-	-0-	276,402	274,460
SPLOST Fund	68,945	-0-	-0-	68,945	68,945
Business-Type Activities					
Sewer Fund	2,360,336	-0-	-0-	2,360,336	2,360,336

Investments

Generally, the City's investing activities are managed under the custody of the City Manager. Investing is performed in accordance with investment policies complying with state statutes and the City Charter. City funds may be invested in: (1) direct obligations of the United States government, its agencies or instrumentalities to the payment of which the full faith and credit of the government of the United States is pledged, or obligations to the payment of which the full faith and credit of the State of Georgia is pledged; (2) obligations of the Government National Mortgage Association, Federal National Mortgage Association, or Federal home Loan Mortgage Corporation, or any Federal farm credit bank, Federal land bank or Federal home loan bank notes or bonds; (3) collateralized or insured certificates of deposit and other evidences of deposits at banks, savings banks, savings and loan associations and credit unions located in the City when secured by appropriate collateral; (4) repurchase agreements that have underlying collateral of direct obligations or obligations of the United States government, its agencies and instrumentalities, (5) money market funds regulated by the Securities and Exchange Commission and which investments consist of the authorized (domestic securities) and restrictions as specified in state law; (6) State and Local Government Series (SLGS); and (7) City direct debt obligations for which an ad valorem tax may be levied or bonds issued by a public trust of which the City is a beneficiary and judgments rendered against the City by a court of record, provided it is a prudent investment.

The City had no investments at December 31, 2011.

III. A. 2. RECEIVABLES, UNCOLLECTIBLE ACCOUNTS, AND DEFERRED REVENUE

Enterprise Receivables, Uncollectible Accounts, and Deferred Revenue

-NONE-

Property Taxes Receivables, Deferred Revenue, and Property Tax Calendar

Property taxes attach as an enforceable lien on property at the City council's direction. Taxes are generally levied on December 1st of each year, and are due and payable by February 1st. All unpaid taxes become delinquent and subject to lien on February 1st. The City bills and collects its own property taxes. City property tax revenues are recognized when levied. An allowance is established for delinquent taxes to the extent that their collectibility is improbable.

III. A. 3. RESTRICTED ASSETS

There are currently no restricted assets.

III. A. 4. CAPITAL ASSETS

Changes in Capital Assets

The following table provides a summary of changes in capital assets (in thousands):

	CAPITAL ASSETS, NOT DEPRECIATED		CAPITAL ASSETS, DEPRECIATED			
	Land	Construction in Progress	Buildings	Improvements Other Than Buildings	Furniture, Machinery and Equipment	Total
Primary Government						
Governmental Activities						
Balance, December 31, 2010	$6,175	$ 7,365	$ 1,535	$ 2,898	$ 1,393	$ 19,366
Increases	-	45	3	188	48	284
Decreases	(70)	-	-	-	-	(70)
Balance, December 31, 2011	6,105	7,410	1,538	3,086	1,441	19,580
Accumulated Depreciation						
Balance, December 31, 2010	$ -	$ -	$ 417	$ 407	$ 1,192	$ 2,016
Increases	-	-	54	169	115	338
Decreases	-	-	-	-	-	-
Balance, December 31, 2011	-	-	471	576	1,307	2,354
Governmental Activities						
Capital Assets, Net	$6,105	$ 7,410	$ 1,067	$ 2,510	$ 134	$ 17,226
Business-type Activities						
Balance, December 31, 2010	$ -	$ 3,794	$ -	$ 5,492	$ -	$ 9,286
Increases	-	2,344	-	156	-	2,500
Decreases	-	-	-	-	-	-
Balance, December 31, 2011	-	6,138	-	5,648	-	11,786
Accumulated Depreciation						
Balance, December 31, 2010	$ -	$ -	$ -	$ 340	$ -	$ 340
Increases	-	-	-	185	-	185
Decreases	-	-	-	-	-	-
Balance, December 31, 2011	-	-	-	525	-	525
Business-type Activities						
Capital Assets, Net	$ -	$ 6,138	$ -	$ 5,123	$ -	$ 11,261
Primary Government						
Capital Assets, Net	$6,105	$ 13,548	$ 1,067	$ 7,633	$ 134	$ 28,487

Depreciation Expense

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

Governmental Activities		Business-type Activities	
General Government	$ 67,966	Sewer	$ 185,663
Police	56,962		
Community Services	1,012		
Streets	198,396		
Solid waste	14,212		
Total	$ 338,548		

III. B. LIABILITIES

III. B. 1. LEASE COMMITMENTS AND NOTES PAYABLE

See Note I.C.5.

III. B. 2. LONG-TERM DEBT

Changes in General Long – Term Debt

The following is a summary of changes in long – term debt for the year ended December 31, 2011:

	Capital Lease	Land Purchase # 1	Land Purchase #2	Series 2007 Bonds	$ 1,050,100 Note
Balance December 31, 2010	$ 22,134	$ 645,000	$ 1,480,000	$ 3,500,000	$ 1,002,526
Additions	-	250	-	-	-
Retirements	(22,134)	-	-	(195,650)	(195,575)
Balance December 31, 2011	$ -	$ 645,250	$ 1,480,000	$ 3,304,350	$ 806,951

	Business-type Activities	
	GEFA Note A	GEFA Note B
Balance December 31, 2010	$ 6,779,945	$ -0-
Additions	1,659,464	488,966
Retirements	(205,781)	-0-
Balance December 31, 2011	$ 8,233,628	$ 488,966

5–year debt service requirement for the GEFA loan A:

Fiscal Year End	Principal	Interest	Total
12/31/2012	284,587	338,755	623,342
12/31/2013	296,714	326,628	623,342
12/31/2014	309,357	313,985	623,342
12/31/2015	322,539	300,803	623,342
12/31/2016	336,282	287,060	623,342
12/31/2017-12/31/2021	1,908,954	1,207,756	3,116,710
12/31/2022-12/31/2026	2,351,825	764,885	3,116,710
12/31/2027-12/31/2031	2,423,370	225,832	2,649,202
Total	8,233,628	3,765,704	11,999,332
Short Term	284,587		
Long term	7,949,041		

5-year debt service requirement for the GEFA Loan B when totally funded is as follows:

Fiscal Year End	Principal	Interest	Total
12/31/2012	-0-	-0-	-0-
12/31/2013	101,612	128,431	230,043
12/31/2014	115,374	135,582	250,956
12/31/2015	120,290	130,666	250,956
12/31/2016	125,415	125,541	250,956
12/31/2017-12/31/2021	711,938	542,840	1,254,778
12/31/2022-12/31/2026	877,106	377,672	1,254,778
12/31/2027-12/31/2031	1,080,593	174,185	1,254,778
12/31/2032 12/31/2033	265,354	6,514	271,868
Total	3,397,682	1,621,431	5,019,113

(Continued on next page)

Debt service on the $ 3.5 million series 2007 Bonds is as follows:

Fiscal Year End	Principal	Interest	Total
12/31/2012	204,300	145,722	350,022
12/31/2013	263,300	136,712	400,012
12/31/2014	274,900	125,100	400,000
12/31/2015	337,000	112,978	449,978
12/31/2016	351,900	98,116	450,016
12/31/2017-12/31/2020	1,872,950	214,680	2,087,630
Total	3,304,350	833,308	4,137,658
Short Term	204,300	145,722	350,022
Long Term	3,100,050	687,586	3,787,636

Debt Service requirements for the Land Purchase #1 are as follows:

Year End	Principal	Interest	Total
12/31/2011	$ 645,250	$ 36,232	$ 681,482

Debt Service requirements for the Land Purchase #2 are as follows:

Year End	Principal	Interest	Total
12/31/2011	$1,480,000	$ 59,200	$ 1,539,200

Debt Service requirements for the $ 1,050,100 note are as follows:

Year End	Principal	Interest	Total
12/31/12	203,521	29,245	232,766
12/31/13	211,785	20,981	232,766
12/31/14	220,384	12,382	232,766
12/31/15	171,261	3,320	174,581
Total	806,951	65,928	872,879
Short Term	203,521	29,245	232,766
Long Term	603,430	36,683	640,113

III. B. 3. RISK MANAGEMENT – CLAIMS AND JUDGMENTS

The City is exposed to various risks of losses related to torts, thefts, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

All significant programs are covered by commercial insurance and no significant changes have occurred in coverage during the past three years. During the year ended December 31, 2011, the City paid 0 claims. The City is not aware of any claims which the City is liable for which were outstanding and unpaid at December 31, 2011. No provisions have been made in the financial statements for the year ended December 31, 2011 for any estimate of potential unpaid claims.

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

The Fund is to defend, in the name of and on behalf of the members, any suits or other proceedings which may at any time be instituted against them on account of injuries or death within the preview of the Workers' Compensation Law of Georgia, or on the basis of employer's liability, including suits or other proceedings alleging such injuries and demanding compensation therefore, although such suits, other proceedings, allegations or demands be wholly groundless, false or fraudulent. The Fund is to pay all costs taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense. The City is obligated to pay all contributions and assessments as prescribed by the pool, to cooperate with the pool agents and attorneys, to follow loss reduction procedures established by the fund and to report promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the funds 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 funds.

The City joined the Georgia Interlocal Risk Management Agency which allows the City to share liability, crime, motor vehicle and property damage risks.

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

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

--To pay all contributions, assessments or other sums due to GIRMA at such times and in such times and in such amounts as shall be established by GIRMA.

--To select a person to serve as a member representative.

--To allow GIRMA and its agent's reasonable access to all facilities of the City and all records, including but not limited to financial records, which relate to the purposes of GIRMA.

--To allow attorneys appointed by GIRMA 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 or Funds established by GIRMA.

--To assist and cooperate in the defense and settlement of claims against the City.

--To furnish full cooperation and GIRMA's attorneys. claims adjusters, Service Company, and any agent, employee officer or independent contractor of GIRMA relating to the purposes of GIRMA.

--To follow all loss reduction and prevention procedures established by GIRMA.

--To furnish to GIRMA such budget, operating and underwriting information as may be requested.

--To report as promptly as possible, and in accordance with any Coverage Description issued, all incidents which could result in GIRMA or any Fund established by GIRMA being required to pay a claim for loss or injuries to municipal property or injuries to persons or property when such loss or injury is within the scope of the protection of a Fund or Funds in which the City participates.

--The City retains the first $1,000 of each risk of loss in the form of a deductible. The City files all claims with GIRMA. GIRMA bills the City for any risk of loss up to the $1,000 deductible.

--The basis for estimating the liabilities for unpaid claim is "IBNR" established by an actuary.

--During the year ended December 31, 2011, the City paid 0 claims. The City has not compiled a record of the claims paid up to the $ 1,000 deductible for the prior years. The City is not aware of any claims which the City is liable for (up to the $ 1,000) which were outstanding and unpaid at December 31, 2011. No provisions have been made in the financial statements for the year ended December 31, 2011 for any estimate of potential unpaid claims.

III. C. BALANCES AND TRANSFERS/PAYMENTS WITHIN THE REPORTING ENTITY

III. C. 1. RECEIVABLES AND PAYABLES

-NONE-

III. C. 2. TRANSFERS AND PAYMENTS

Transfers and payments within the reporting entity are substantially for the purposes of subsidizing operating functions, funding capital projects and asset acquisitions, or maintaining debt service on a routine basis.

	Transfer from Hotel/Motel Tax Fund	Transfer to TAD Fund
Transfer to General Fund	$ 62,460	-
Transfer from General Fund	-	$ 17,743

IV. SEGMENT INFORMATION

-NONE-

V. JOINTLY GOVERNED ORGANIZATION AND JOINT VENTURE

V.A. JOINTLY GOVERNED ORGANIZATION

-NONE-

V. B. JOINT VENTURE

Under Georgia law, the City, in conjunction with other cities and counties in the area, is a member of the Georgia Mountains Regional Commission (RDC) and is required to pay annual dues thereto. Membership in an RDC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organization structure of the RDC in Georgia. The RDC 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 an RDC.
Separate financial statements may be obtained from:

Georgia Mountains Regional Commission
P.O. Box 1720
Gainesville, Georgia 30503

VI. RETIREMENT PLANS

VI. A. PLAN DESCRIPTION

The City contributes to the Georgia Municipal Employees Benefit System (GMEBS) Retirement Plan ("Plan"), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating cities in Georgia. The Plan which is a defined benefit pension plan is established under authority provided by O. C. GA. 47-5-1, and may be amended from time to time by the City and subsequent amendments of the Code provisions. The City's total payroll for employees was $ 1,170,834 with $ 1,097,461 being the amount of covered payroll for purposes of this plan.

All full-time City employees are eligible to participate in the Plan after six months of service. Benefits vest after five years of service. Participants become eligible to retire at age 65 after 5 years of service at early retirement age 55 after 10 years of service, or after meeting the criteria of the Rule of 75 (age + years of service = 75). Upon eligibility to retire, participants are entitled to an annual benefit in the amount of 1.25% of average annual compensation for each year of service payable as a life annuity. Compensation is averaged over a five year period prior to retirement or termination.

City employees are not required to contribute to the Plan. The City contributes the entire cost of the Plan, using the actuarial basis described in the annual valuation report.

VI. B. STATE FUNDING STANDARDS

The Plan is subject to minimum funding standards of the Public Retirement Systems Standards Law (Georgia Code Section 47-20-10). The estimated minimum annual contribution under these standards is $ 181,674. The GMEBS Board of Trustees has adopted an actuarial funding policy which requires a different funding level than the estimated minimum annual contribution amounts and to accumulate sufficient funds to secure benefits under the plan. If the employer contributes the recommended contribution developed under the actuarial funding policy each year, the Plan will meet applicable funding standards. During the current year, the City made contributions in the amount of $ 240,522 which is 22.0 % of covered payroll. The City does not measure annual pension costs on the accrual basis. Annual pension cost is considered to be equal to the City's actual contributions $ 240,522.

VI. C. SUMMARY OF PLAN ASSET MATTERS AND ACCOUNTING POLICIES

The Plan's financial statements are prepared on a cash basis, modified to include unrealized gains or losses on marketable securities owned by the Plan and increments in the cash value of death benefits.

Plan assets do not include any loans, notes, bonds or other instruments or securities of the City or related parties. The Plan issues a stand alone financial report that can be obtained from the Georgia Municipal Association.

VI. D. SIGNIFICANT ACTUARIAL ASSUMPTIONS

The significant actuarial assumptions used to compute the actuarial accrued liability and the annual recommendation contribution of the plan meet the Actuarial Standard of Practice No. 4, Measuring Pension Obligations, establishing generally accepted actuarial principles and practices.

The significant actuarial assumptions used in the current valuation are:

- rate of return on investment	7.75% per year
- projected salary increases for	
-- inflation	3.5% per year
-- postretirement benefits increases	Not Applicable

VI. E. FUNDING POLICY AND ANNUAL CONTRIBUTIONS

The funding policy for the plan is to contribute an amount equal to the recommended contribution in each year. The recommended contribution meets the guidelines for calculating an annual required contribution set forth in Paragraphs 9-10 of statement No. 27 of the Government Accounting Standards Board. These contributions are determined under the projected unit credit actuarial cost method and the asset valuation method for developing the actuarial value of assets. The period, and related method, for amortizing the initial unfunded actuarial accrued liability is 30 years from 1992 and current charges in the unfunded actuarial liability over 15 years for actuarial gains and losses, 20 years for plan provisions and 30 years for actuarial assumptions and cost methods as a level dollar amount. These amortization periods if applicable, are open for this plan year.

VI. F. EFFECT OF PLAN CHANGES ON RECOMMENDED CONTRIBUTIONS

The effect on the recommended contributions of any current – year changes in actuarial assumptions, benefit provisions or actuarial funding method is:

The plan provisions valued and the actuarial assumptions are the same as those used to determine the contribution requirement for the preceding year.

VI. G. EFFECT OF PLAN CHANGES ON THE ACTUARIAL ACCRUED LIABILITY

The effect on the actuarial accrued liability of any current – year changes in actuarial assumptions or benefits provisions is:

The plan provisions valued and the actuarial assumptions are the same as those used in the preceding valuation.

VI. H. CURRENT PLAN MEMBERSHIP

As of July 1, 2010, the current plan membership includes the following categories of participants:

- -retirees and beneficiaries currently receiving benefits	2
-- terminated employees entitled to benefits but not yet receiving them	10
-- current active employees	
- vested	13
- nonvested	13
-- total membership in the plan	38

VI. I. FUNDED STATUS

The table below sets forth required supplementary information to be disclosed in the plan's financial statements, The items presented are based on the July 1, 2011, 2010, and 2009 actuarial valuation (unless noted otherwise).

	2011	2010	2009
-- actuarial value of plan assets	$ 1,281,183	$ 1,032,678	$ 724,968
--actuarial accrued liability	2,150,592	1,887,043	1,294,927
-- percentage funded	59.6%	54.7%	56.0%
-- unfunded actuarial liability (funding excess)	869,409	854,365	569,959
-- annual covered payroll	1,097,461	1,050,980	1,052,118
-- unfunded (excess) as a percentage of covered payroll	79.2%	81.3%	54.2%
--employer contributions as a percentage of covered payroll	21.9%	18.6%	14.0%
-- annual pension cost	240,522	195,613	147,385
-- percentage of annual pension cost contributed	100%	100%	100%
-- Net pension obligation – end of year	-0-	-0-	-0-

VI. J. UNFUNDED ACTUARIAL ACCRUED LIABILITY

The following represents the changes in unfunded actuarial accrued liability for the most recent plan year ending July 1, 2011.

Unfunded Actuarial Accrued Liability Beginning of Year	$ 854,365
Change due to contribution policy:	
Normal cost due	125,677
Interest	67,646
Contributions	(214,380)
Expected Unfunded Actuarial Accrued Liability	833,308
Change due to actuarial (gain) or loss	36,101
Change in plan provisions	445,587
Change in actuarial assumptions	(26,167)
Change in actuarial cost methods	(143,084)
Unfunded actuarial accrued liability End of year	$ 869,409

VI. K. ACTUARIAL METHODS

Normal Cost and Actuarial
Accrued Liability - Projected Unit Credit

Actuarial Value of Assets- Calculate expected actuarial value of assets by rolling forward prior year's actuarial value with contributions, disbursements, and expected return on investments. Preliminary actuarial value of assets is expected actuarial value of assets.

In addition, the actuarial value of assets will not be less than 60 % or greater than 140 % of the market value of assets. This 40 % corridor will be reduced by 5 % each year until 2007, after which time the actuarial value of assets will not be less than 80 % or greater than 120 % of the market value of assets.

VII. RELATED PARTY TRANSACTIONS

The City was not involved in any related party transaction during the fiscal year December 31, 2011.

VIII. CONTINGENCIES

VIII. A. LITIGATION

See Note III.B.3 for the treatment of claims incurred but not reported and other tort liability information.

VIII. B. FEDERAL AND STATE GRANTS

In the normal course of operations, the City receives grant fund from various federal and state agencies. The grant programs are subject to audit by agents of the granting authorities the purpose of which is to ensure compliance with conditions precedent to the granting funds: Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

IX. TRANSFER OF FUND EQUITY

The City elected to retro actively set up a Tax Allocation District Fund (TAD) to recognize the Tax Allocation District funding for land acquisition and capital projects which come from the City and County. $ 129,345 in a direct transfer from General Fund fund balance to record the beginning TAD Fund balance at 12/31/10.

City of Oakwood, Georgia
General Fund
Schedule of Revenues, Expenditures
and Changes in Fund Balances--
Budget and Actual (GAAP Budgetary Basis)
Year Ended December 31, 2011

	Original Budget	Revisions	Revised Budget	Total Actual	Variance
REVENUES					
Taxes:					
Property Tax	$ 652,277	$ (25,566)	$ 626,711	$ 608,970	$ (17,741)
Local Option Sales Tax	433,684	(3,326)	430,358	430,358	-
Insurance Premium Taxes	165,964	20,246	186,210	186,210	-
Alcoholic Beverage Taxes	311,702	(17,984)	293,718	293,718	-
Other Taxes	92,241	42,230	134,471	134,471	-
Total taxes	$ 1,655,868	$ 15,600	$ 1,671,468	$ 1,653,727	$ (17,741)
Licenses and permits:					
Licenses	$ 177,831	$ (42,837)	$ 134,994	$ 134,994	$ -
Permits	71,082	9,955	81,037	83,057	2,020
Franchise taxes (fees)	195,975	4,479	200,454	200,454	-
Other fees	-	-	-	-	-
Total licenses and permits	$ 444,888	$ (28,403)	$ 416,485	$ 418,505	$ 2,020
Fines and forfeitures	$ 780,487	$ 5,132	$ 785,619	$ 790,901	$ 5,282
Investment income	1,616	(1,148)	468	368	(100)
Intergovernmental	286,000	1,453	287,453	287,454	1
Recreation Fees	39,625	(20,900)	18,725	24,725	6,000
Sale of fixed assets	-	-	-	-	-
Other	17,795	15,548	33,343	16,791	(16,552)
Total revenues before prior year fund balance	$ 3,226,279	$ (12,718)	$ 3,213,561	$ 3,192,471	$ (21,090)
Prior year fund balances				-	
Appropriated for current year budget	$ 1,050,207	$ -	$ 1,050,207	$ 1,050,207	$ -
Reappropriated for prior year encumbrances	-	-	-	-	-
Total revenues and prior year fund balances	$ 4,276,486	$ (12,718)	$ 4,263,768	$ 4,242,678	$ (21,090)

City of Oakwood, Georgia
General Fund
Schedule of Revenues, Expenditures
and Changes in Fund Balances--
Budget and Actual (GAAP Budgetary Basis)
Year Ended December 31, 2011

	Original Budget	Revisions	Revised Budget	Total Actual	Variance
EXPENDITURES					
General government:					
Salaries	$ 320,734	$ (30,023)	$ 290,711	$ 290,711	$ -
Employee Benefits	142,865	(18,551)	124,314	124,314	-
Services and Supplies	260,178	40,126	300,304	300,304	-
Capital Outlay	-	-	-	-	-
Total general government	$ 723,777	$ (8,448)	$ 715,329	$ 715,329	$ -
Public safety:					
Police:					
Salaries	$ 612,936	$ 5,207	$ 618,143	$ 618,143	$ -
Employee Benefits	397,439	20,983	418,422	418,422	-
Services and Supplies	397,404	79,308	476,712	476,712	-
Capital Outlay	-	7,125	7,125	7,125	-
Total public safety	$ 1,407,779	$ 112,623	$ 1,520,402	$ 1,520,402	$ -
Public services:					
Streets:					
Salaries	$ 118,877	$ 495	$ 119,372	$ 119,372	$ -
Employee Benefits	79,167	(3,027)	76,140	76,140	-
Services and Supplies	125,459	(3,612)	121,847	121,847	-
Capital Outlay	-	57,324	57,324	57,324	-
Total public services	$ 323,503	$ 51,180	$ 374,683	$ 374,683	$ -
Solid Waste	$ 59,845	$ (22,282)	$ 37,563	$ 37,563	
Economic Development	91,000	(5,948)	85,052	85,052	-
Planning & Development	276,837	(60,144)	216,693	216,693	-
Community Services	61,057	9,113	70,170	70,170	-
Debt Service	$ 671,456	$ 13,635	$ 685,091	$ 685,091	$ -
Total expenditures	3,615,254	89,729	3,704,983	3,704,983	-
Excess of revenues over expenditures	$ 661,232	$ (102,447)	$ (558,785)	$ (558,785)	$ (21,090)

City of Oakwood, Georgia
General Fund
Schedule of Revenues, Expenditures
and Changes in Fund Balances--
Budget and Actual (GAAP Budgetary Basis)
Year Ended December 31, 2011

	Original Budget	Revisions	Revised Budget	Total Actual	Variance
OTHER FINANCING SOURCES (USES)					
Loan Proceeds	$ -	$ -	$ -	$ -	$ -
Transfer from other funds	73,954	(11,494)	62,460	62,460	-
Capital Project	-	-	-	-	-
Sanitation	-	-	-	-	-
Total	$ 73,954	$ (11,494)	$ 62,460	$ 62,460	$ -
Transfers to other funds:	$ -	$ -	$ -	$ -	$ -
Total transfers to other funds	$ -	$ -	$ -	$ -	$ -
Excess of revenues and other sources over expenditures and other uses	**$ 735,186**	**$ (113,941)**	**$ 621,245**	**$ 600,155**	**$ (21,090)**
Fund balances, beginning (GAAP budgetary basis)	**$1,050,207**	**$ -**	**$ 1,050,207**	**$ 1,050,207**	**$ -**
Less prior year fund balances (1)	(1,050,207)	-	(1,050,207)	(1,050,207)	-
Fund balance, ending (GAAP budgetary basis)	**$ 735,186**	**$ (113,941)**	**$ 621,245**	**$ 600,155**	**$ (21,090)**

(1) The General Fund budget included $ 1,050,207 in fund balance which is a prior year carry forward. It is not a revenue of the current period, but is presented as revenue only for budgetary reporting purposes. Beginning budgetary fund balance has been reduced for prior year fund balance to reflect the budgetary ending fund balance projected.

See accompanying notes to financial statements.

City of Oakwood, Georgia
Notes to the Required Supplementary Information
For the Year Ended December 31, 2011

Note 1 – Budgetary Information

Budgets for the general fund were adopted on a basis that is a consistent with accounting principles generally accepted in the United States as applied to governments.

Hawkins & McNair
Certified Public Accountants

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

June 5, 2012

To the Honorable Mayor and City Council
City of Oakwood, Georgia

We have audited the financial statements of the governmental activities, the business-type activities, and each major fund of the City of Oakwood, Georgia as of and for the year ended December 31, 2011, and has issued our report thereon dated June 5, 2012. 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.

Compliance

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

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Oakwood, Georgia's internal control over financial reporting as a basis for designing our audit procedures 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 of Oakwood, Georgia's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of Oakwood, Georgia's internal control over financial reporting.

224 E. Broad St., POB 525
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hawkins100@alltel.net

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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City of Oakwood, Georgia's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies, in internal control over financial reporting that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the audit committee, management, federal-awarding agencies and pass-through entities and the State Departments of Audits and Community Affairs and is not intended to be and should not be used by anyone other than these specified parties.



Hawkins & McNair, CPAs

Hawkins & McNair
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and City Council
City of Oakwood, Georgia

We have audited the accompanying Schedule of Special Purpose Local Option Sales Tax for the City of Oakwood, Georgia, for the year ended December 31, 2011. This schedule is the responsibility of the City of Oakwood, Georgia's management. Our responsibility is to express an opinion on the Schedule of Special Purpose Local Option Sales Tax based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Schedule of Special Purpose Local Option Sales Tax is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Schedule of Special Purpose Local Option Sales Tax. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the Schedule of Special Purpose Local Option Sales Tax. We believe that our audit provides a reasonable basis for our opinion.

The accompanying Schedule of Special Purpose Local Option Sales Tax was prepared for the purpose of complying with the Official Code of Georgia Annotated, 48-8-121 on the accrual basis of accounting as described in Note I.B.5 and is not intended to be a complete presentation of the City of Oakwood, Georgia's revenues and expenditures.

In our opinion, the Schedule of Special Purpose Local Option Sales Tax referred to above presents fairly, in all material respects, the original estimated cost, the current estimated cost, and the current and prior year expenditures for each project in City of Oakwood, Georgia's resolution or ordinance calling for the tax for the year ended December 31, 2011, in conformity with accounting principles generally accepted in the United States of America.

Hawkins & McNair, CPAs
June 5, 2012

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hawkins100@alltel.net

CITY OF OAKWOOD, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED WITH
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

			EXPENDITURES			
	ORIGINAL BUDGET	REVISED BUDGET	PRIOR YEARS	CURRENT YEAR	TOTAL	% COMPLETED
SPLOST V - ROADS						
Thurmond Tanner Parkway	$ 878,540	$ 878,540	$860,610	$ 17,930	$878,540	97.9%
SPLOST VI						
Transportation Projects						
McEver Road at HF Reed	$ 200,000	$ 200,000	$200,000	$ -	$200,000	100.0%
Oakwood Local Road Resurfing	1,200,000	1,200,000	124,118	139,698	263,816	22.0%
Oakwood Downtown Sewer Phase 1	800,000	800,000	122,115	24,525	146,640	15.3%
Infrastructure - Roads, side-walks, streetscape and etc	1,500,000	1,500,000	1,333	177,907	179,240	13.1%
Total SPLOST VI	$ 3,700,000	$3,700,000	$447,566	$342,130	$789,696	21.8%