City of Valdosta, Georgia Comprehensive





For the Year Ended June 30, 2011

L. Mark Barber, Deputy City Manager of Administration

Comprehensive Annual Financial Report

City of Valdosta, Georgia

for the Fiscal Year July 1, 2010 - June 30, 2011

FINANCE DEPARTMENT L. Mark Barber, Deputy City Manager of Administration

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VALDOSTA February 4

L. MARK BARBER DEPUTY CITY MANAGER ADMINISTRATION

February 4, 2012

Citizens of Valdosta, GA Honorable Mayor, Members of Council,

In accordance with State Statutes and Section 4.51 of the Charter of Valdosta, Georgia, the Comprehensive Annual Financial Report for the fiscal year 2010 is submitted herewith. Responsibility for both the accuracy of the data and the thoroughness and fairness of presentation including all disclosures rests with the City of Valdosta. We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position and the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain maximum understanding of the City's financial affairs have been included.

CITY OF VALDOSTA, GEORGIA

The Comprehensive Annual Financial Report is presented in four groupings: an Introductory Section, Management's Discussion and Analysis, and a series of Financial Sections and a Statistical Section.

The Introductory Section includes this letter of transmittal, a general governmental organizational chart, and a list of principal officials of the City of Valdosta.

Management's Discussion and Analysis, which is required by GASB beginning with the fiscal year 2003 report, for the City of Valdosta, includes summarized financial information about the City, an analysis of the past year's operations of general government and major enterprise activities, an overview of the City's major enterprise activities, and an overview of the City's current and future economic picture as well as its major initiatives and financial accomplishments for the year.

The Financial Sections include the City's external auditor's letter expressing an opinion as to the accuracy and fairness of the presentation, the audited financial statements and supporting schedules and notes. The combined statements in this section present an overview of the City's entire financial operations. Combined and individual fund statements present financial data of each of the separate funds of the City. Schedules provide certain other information summarized in the financial statements. The notes are an integral part of the financial statements and provide additional information which is essential to an accurate understanding of the government's financial condition.

The City of Valdosta receives federal assistance through various federal grant programs. An audit in accordance with the Single Audit Act of 1984, P.C. 98-502, and Office of

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Management and Budget (OMB) Circular A-133, "Audits of State and Local Governments and Non-Profit Organizations," and "Government Auditing Standards" issued by the Comptroller General of the United States has been performed for the fiscal year ended June 30, 2010. The required reports on supplementary information, compliance, and internal controls along with various supplementary schedules will be included in compliance section.

Reporting Entity

The City of Valdosta was originally incorporated by an Act of the General Assembly of Georgia on December 7, 1860 and since April 14, 1958 has operated under the Council-Manager form of government. The City provides a full range of services to some 50,000 residents. The daytime population of Valdosta soars to approximately 75,000. These services include general administrative services, police and fire protection, sanitation services, water and sewer services, the construction and maintenance of highways, streets, recreational activities and cultural events. The financial statements in this report include all of these functions and activities of the government.

In addition to the above listed activities, the City has financial accountability for one other organization based on its ability to appoint a voting majority of the organization's governing body, and effectively impose its will on the organization. Also, financial accountability exists where there is potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the City. Based upon the application of these criteria, the function and activities of the Central Valdosta Development Authority have been included in the financial statements. The Authority was established by an act of the General Assembly of Georgia to redevelop and improve the central Valdosta area.

Valdosta is governed by a mayor and seven council members elected by the citizens. The Mayor serves a four-year term, and is the official spokesman for the City. Members of the City Council serve four-year staggered terms. The six district Councilmen represent specific districts within the territorial limits of Valdosta. The one councilman at large is elected from all districts. The City Manager is appointed by the Mayor and confirmed by the Council, and is responsible for the day-to-day operation of the government.

Natural Features and Land Use

Valdosta is strategically located at the southern entrance to the State of Georgia on the major interstate highway system (I-75) linking the Great Lakes and Midwest areas with major recreation and vacation centers in Florida.

The City is growing an average of thirty-three percent each decade in physical size. A County comprehensive plan shows this trend continuing for the foreseeable future.

Historic buildings are located mostly in the central portion of Valdosta and include residential, commercial and public buildings. Private and public actions have identified the importance of historic resources. Both the private and the public sectors have renovated many buildings in the past several years.

The City downtown area is enjoying near 100% occupancy of buildings. The newly revitalized central downtown area is home to commercial, public and most recently residential dwellings.

Population

The City's population has grown 30% in the last twenty years with 12% growth experienced in the last ten years. The City of Valdosta has the largest percentage of residents in Lowndes County with 48.97% percent of the entire population residing within the City limits of Valdosta.

Major regional facilities located in the City include a regional university, regional airport, regional hospital, and major industrial parks. Of the 45,959 jobs in Lowndes County, 31,815, or 70 percent, are located in Valdosta. Consequently, of the 18 largest employers in Lowndes County, 15 are located in the City of Valdosta.

Population density, a primary indicator of service delivery, is approximately 1,500 people per square mile in the City of Valdosta and only 93 people per square mile in the unincorporated area of Lowndes County.

Economic Condition and Outlook

Valdosta is clearly the economic engine of Lowndes County. Valdosta is the economic, social, cultural, retail and professional services anchor for not only Lowndes County, but for a 250,000 population area. Because of the City's regional presence and results of the 2000 Census, the City was designated a Metropolitan Statistical Area (MSA) in June 2003. The area covers a four county region in South Georgia.

The Valdosta MSA offers regional residents and consumers a large variety of flourishing economic engines in industry, education, medicine, tourism and entertainment, and retail. The strength in the City of Valdosta's economy lies not only within this diversity, but also a high quality of life, temperate climate, pro-business attitudes and supporting policies, and convenient geographic location.

Moody Air Force Base is located in the northwest section of the County, and continues to be a major employer of the region. Development patterns of the community have been significantly influenced by its presence. The continued presence of Moody is paramount to the growing economy of Valdosta, and to such extent, the City makes an annual contribution to the Moody Support Committee, with local officials making a yearly trip (more if necessary) to Washington D.C. to mitigate any efforts of Moody being included on the base closure list.

Education continues to be an economic resource to Valdosta. Valdosta State University, a senior unit of the University System of Georgia, offers undergraduate, graduate and doctoral degree programs in numerous areas. Total enrollment at the University is approximately 12,000 students with substantial growth projected in the future. However,

as the university expands, property purchased by the university is removed from the tax roles because it is designated public property.

A recent study and report by the University of Georgia designated Lowndes County with the highest retail pull factor in Georgia. This factor measures the amount of spending in a community from those who live outside the community. Over one billion dollars worth of retail sales occurred in Lowndes County last year, with virtually 80% of these sales occurring within the corporate limits of Valdosta.

Even with the above mentioned positive attributes of the City's economy, anemic property tax revenues, lagging sales tax collection, and surging healthcare costs coupled with the increased demand upon public safety and other City services affect the City of Valdosta. In an effort to prevent using reserves to balance the annual budget, each department director is held accountable for their respective department's budget.

The continued instability of the national economy and significant attention given legislation mandated by the State has required local governments to become creative in meeting these difficult challenges. The City of Valdosta will continue to be proactive in the generation of other revenue sources.

Major Initiatives

A focus on revitalization of economically depressed areas in the City has proven successful through collaboration among City officials, residents, non-profit and for-profit organizations, and business to clean up neighborhoods and provide education programs that allow neighborhoods to continue their revitalization efforts independently.

The continuation of a special purpose one percent sales tax will enable the City to fund the City's five year capital plan. This plan includes major drainage and road improvements, water and sewer improvements, and construction of additional public facilities.

Looking to the Future

Facing the needs of a rapidly growing metropolitan community typically places a burden on the financial flexibility of any governmental unit. The City of Valdosta has recognized that it alone is incapable of solving all of the issues facing the metropolitan community. So instead, the city is striving to address growth demands on the community both by individual initiative and by actively participating with other local governments in seeking solutions to growth issues.

Broader revenue flexibility will be essential to maintain Valdosta's traditionally strong financial condition and to address the challenges of growth. The City, the Georgia Municipal Association, and the Association of County Governments are seeking new optional local flexibility in an effort to match new revenues with capital objectives.

Although the State has not addressed significant broadening of local government latitude, the growth of the City and its related impact in revenue has allowed for an adequate effort to meet the demands of growth.

Cash Management

The available assets of the various funds are pooled to the extent possible for investment purposes. Investments are made in accordance with applicable State laws and the City's investment policy. All securities purchased by the City are held by a designated safe keeping institution. Similarly, demand deposit bank accounts must be collateralized by a pledge of the State of Georgia or United States Treasury or Agency obligations equal in market value to 110% percent of the uninsured amount of deposit. The investment policy also prescribes selection criteria for investment instruments and maturities of investments.

Risk Management

The management of risk through loss control continues to be an integral part of the administration of the City.

Risk Management activities includes claims processing, investigation, adjustments and settlements, insurance placement, and implementing loss control measures through the use of training and safety inspections. The City is self-funded with regard to workers' compensation, employee health coverage, and general liability claims. The City carries property insurance on all City owned facilities and vehicle insurance for City equipment.

Independent Audit

Georgia requires an annual audit of the books of account, financial records, and transactions of all administrative departments of the City by independent certified public accountants selected by the Mayor and City Council. The City has complied with this requirement; the firm of Mauldin & Jenkins has completed an audit of the 2009 fiscal year end and the auditor's unqualified opinion has been included in this report.

Awards

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 Valdosta for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2010. This was the twenty-third consecutive year the City received this award.

The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

The City was awarded the Distinguished Budget Presentation Award for the fiscal year beginning July 1, 2010. This was the twelfth consecutive year the City has received this

award. The Distinguished Budget Presentation Award is the highest form of recognition in governmental budgeting. In order to earn this award, a government must publish a budget document which meets program criteria as a policy document, financial plan, operations guide, and as a communications device.

Both the Certificate of Achievement and the Distinguished Budget Award are valid for a period of one year. We believe our current Comprehensive Annual Financial Report and our 2010 fiscal year budget document continue to conform to the requirements for each award.

Acknowledgements

The preparation of the Comprehensive Annual Financial Report was made possible by the dedicated service of the Accounting Division of the Finance Department under the direction of the Financial Services Manager, Chuck Dinkins. They have my sincere appreciation for the contributions made in the preparation of this report, as well as all additional individuals who assisted in this effort. Appreciation is also expressed to the Mayor, Council Members, City Manager and Department Directors for their cooperation and outstanding assistance in matters pertaining to the financial affairs of the City.

Respectfully submitted,

L. Mark Barber Deputy City Manager Administration

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Valdosta Georgia

For its Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2010

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



Linda C. Sandon President

Executive Director



PRINCIPAL OFFICIALS CITY OF VALDOSTA, GEORGIA

Mayor

Council Member – At Large
Council Member – District I
Council Member – District II
Council Member – District III
Council Member – District IV
Council Member – District V
Council Member – District VI

City Manager

Clerk of Council City Attorney Municipal Court Judge City Auditor

Human Resources Director Deputy City Manager - Administration City Engineer Fire Chief Police Chief Deputy City Manager - Operations Utilities Director Director of Community Development Assistant to the City Manager

John J. Fretti

Ben Norton James Wright Deidra A. White Joseph Vickers Alvin Payton, Jr. Tim Carroll Robert Yost

Larry H. Hanson

Teresa Bolden George T. Talley Vernita L. Bender Mauldin & Jenkins Certified Public Accountants

Charlie H. Felts, III L. Mark Barber Patrick S. Collins J. D. Rice C. Frank Simons John Whitehead, III Henry Hicks Michael T. Martin Mara Register This Page Intentionally Left Blank



INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Council Valdosta, Georgia

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the **City of Valdosta, Georgia** (the "City"), as of and for the year ended June 30, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Valdosta, Georgia's, management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Valdosta, Georgia, as of June 30, 2011 and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 1, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, as of July 1, 2010.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 3, 2012, on our consideration of the City of Valdosta, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (on pages 3 through 15), budgetary comparison information (on pages 75 and 76), and the Schedule of Funding Progress (on pages 78 and 79) 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 to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Valdosta, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is also not a required part of the basic financial statements of the City of Valdosta, Georgia. The schedules of expenditures of special purpose local option sales tax proceeds are presented for purposes of additional analysis as required by the Official Code of Georgia 48-8-121 and are also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has 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 it.

Mauldin & Gerkins, LLC

Macon, Georgia April 3, 2012

Management's Discussion and Analysis

This section of the City of Valdosta's Comprehensive Annual Financial Report presents a discussion and analysis of the City's financial performance during the fiscal year ending June 30, 2011. Please read it in conjunction with the transmittal letter at the front of this report and the City's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The assets of the City of Valdosta exceeded its liabilities at the close of the most recent fiscal year by \$239.46 million. Of this amount, \$4.92 million may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's governmental net assets decreased by \$6.27 million, primarily due to economic conditions dictating the use of investment funds to supplement current cash.
- The governmental activities revenue decreased \$4.08 million (or 10%) and the net results from activities decreased \$1.40 million (or 29%). The results of activities produced a decrease in net assets of \$6.27 million. Governmental expenses decreased by \$2.91 million.
- The business-type activities revenue decreased by \$2.54 million (or 10%) and the net results from activities decreased by \$3.55 million. The results of activities produced an increase in net assets of \$1.97 million.
- The total cost of all City programs decreased by \$1.42 million.
- The General Fund (the primary operating fund of the City) reflected on a current financial resource basis, reports a net reduction in fund balance of \$3.58 million.
- The City's total debt increased \$29.3 million (or 343%). The increase is the result of debt incurred with Georgia Environmental Facilities Authority in regard to water/sewer infrastructure improvements.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts—management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the City:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the City's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the City's operations in more detail than the government-wide statements.

The Governmental Funds statements explain how general government services such as public safety were financed in the short term as well as what remains for future spending. The City of Valdosta has four Governmental Fund types: the General, Special Revenue, Capital Projects, and the Permanent Fund.

Proprietary fund statements offer short- and long-term financial information about the activities the government operates in a manner similar to businesses, and include the Sanitation, Water and Sewer, Inspection, Zoning, Department of Labor Building, Auditorium, Storm Water, and Motor Fuel Funds.

Fiduciary fund statements provide information about the financial relationships in which the City acts solely as a trustee or agent for the benefit of others, to whom the resources in question belong. The City's Fiduciary fund consists of two Agency Funds.

The financial statements also include notes that explain certain information in the financial statements and provide more detailed data.

Figure A-1 summarizes the major features of the City's financial statements, including the portion of the City they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

Figure A-1 Major Features of City of Valdosta's Government-wide and Fund Financial Statements

	Fund Statements							
	Government-wide Statements	Governmental Funds	Proprietary Funds	Fiduciary Funds				
Scope	Entire City government (except fiduciary funds) and the City's component units.	The activities of the City that are not proprietary or fiduciary, such as police, fire, and engineering	Activities the City operates similar to private businesses: Sanitation, Water & Sewer, Inspections, Zoning, Department of Labor Building, Auditorium, Storm Water, and Motor Fuel	Where the City is the trustee or agent for someone else's resources				
Required financial statements	Statement of Net Assets; Statement of Activities	Balance Sheet; Statement of Revenues, Expenditures, and Changes in Fund Balances	Statement of Net Assets; Statement of Revenues, Expenses, and Changes in Net Assets; Statement of Cash Flows	Statement of Fiduciary Net Assets; Statement of Changes in Fiduciary Net Assets				
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus				
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter, no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long- term; the City's funds do not currently contain capital assets, although they can				
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year, expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid	All revenues and expenses during the year, regardless of when cash is received or paid				

Government-wide Statements

The government-wide statements report information about the City of Valdosta as a whole using accounting methods similar to those used by private-sector companies. The statement of net assets includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the City's assets and how they have changed. Net assets—the difference between the City's assets and liabilities—is one way to measure the City's financial health, or position.

- Over time, increases or decreases in the City of Valdosta's net assets are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the City, the reader should consider additional nonfinancial factors such as changes in the City's property tax base.
- *Governmental activities*—Most of the City's basic services are included here, such as the police, fire, public works, and general administration departments. Property taxes, sales and use taxes, and state and federal grants finance most of these activities.
- Business-type activities—The City of Valdosta charges fees to customers to help cover the costs of certain services provided. The City's garbage pickup, water/sewer service, building inspection, zoning, building rental, auditorium, storm water, and motor fuel services are included here.
- Component units—Component Units are legally separate entities that meet any one of the following criteria: (1) The primary government appoints the voting majority of the board of the potential component unit, and is able to impose its will on the component unit and/or is in a relationship of financial benefit or burden with the potential component unit, (2) The potential component unit is fiscally dependent upon the primary government, or (3) The financial statements would be misleading if data from the potential component unit were not included. The City of Valdosta includes the Central Valdosta Downtown Development Authority, and the Downtown Development Authority as discretely presented component units.

Fund Financial Statements

The fund financial statements provide more detailed information about the City's most significant funds—not the City as a whole. The "fund" level is where the basic unit of financial organization and operation within the City exists. Funds are accounting tools that are used to keep track of specific sources of funding and spending for particular purposes. They are the basic budgetary and accounting entities.

• Some funds are required by State law and by bond covenants.

• The City establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

The City of Valdosta utilizes three types of funds:

- Governmental funds-most of the City of Valdosta's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that help determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explains the relationship (or differences) between them. The measurement focus of governmental funds is upon determination of financial position and changes in financial position (sources, uses, and balance of financial resources) rather than upon net income determination. These funds are maintained on a modified accrual basis of accounting (explained further in the notes to the financial statements under "Summary of Significant Accounting Policies"). The basic financial statements for governmental funds are the Balance Sheet and the Statement of Revenues, Expenditures, and Changes in Fund Balance. The City of Valdosta utilizes four types of governmental funds: the General Fund, Special Revenue Funds, Capital Project Funds and Permanent Funds.
- **Proprietary funds**—Services for which the City charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long- and short-term financial information. Two types of proprietary funds exist: enterprise funds and internal service funds. The City of Valdosta's enterprise funds are the same as its business-type activities yet provide more detail and additional information, such as cash flows. Internal service funds are used to report activities that provide supplies and services for the City's other programs and activities. The measurement focus of proprietary funds is upon determination of net income, financial position and change in financial position. These funds are maintained on the accrual basis of accounting. The Balance Sheet, Statement of Revenues, Expenses and Changes in Fund Net Assets, and Statement of Cash Flows are all required statements.
- Agency Funds—because Agency funds are custodial in nature, the only required financial statements are the Balance Sheet and Statement of Changes in Assets and Liabilities. The measurement focus of Agency Funds is upon determination of financial position. Agency Funds are maintained on the accrual basis of accounting. Activities of this fund are not included in the Government-wide Statement of Activities.

MANAGEMENT'S DISCUSSION AND ANALYSIS FINANCIAL ANALYSIS OF THE CITY OF VALDOSTA AS A WHOLE

Net assets. The City of Valdosta's combined net assets decreased 1.76 percent from \$243.76 million at June 30, 2010 to \$239.46 million at June 30, 2011. (See table A-1.)

	City	(In million	s of dollars				
							Total
	Governn	nental	Business	-type			Percentage
	<u>Activi</u>	<u>ties</u>	<u>Activit</u>	ties	<u>Tota</u>	<u>ul</u>	<u>Change</u>
	2010	2011	2010	2011	2010	2011	2010 - 2011
Current and other assets	\$19.34	\$20.15	\$6.60	\$6.35	\$25.94	\$26.50	2.24%
Capital Assets	141.80	137.11	102.38	129.82	244.18	266.93	9.32%
Total Assets	161.14	157.26	108.98	136.05	270.12	293.43	8.64%
Long-term debt outstanding	-	0.58	8.53	37.25	8.53	37.83	343.49%
Other liabilities	8.89	10.70	8.94	5.44	17.83	16.14	(9.48)%
Total Liabilities	8.89	11.28	17.47	42.69	26.36	53.97	104.74%
Net assets							
Invested in capital assets,							
net of related debt	141.81	136.54	93.84	92.58	235.65	229.12	(2.77)%
Restricted	2.15	3.77	-	-	2.15	4.67	129.77%
Unrestricted	8.29	5.67	(2.33)	.90	5.96	5.67	(9.06%)
Total Net Assets	\$152.25	\$145.98	\$91.51	\$93.48	\$243.76	\$239.46	(1.76%)

Table A-1 City of Valdosta's Net Assets (In millions of dollars)

Net assets of the City's governmental activities decreased by 4.12 percent to \$145.98 million. However, much of those net assets are restricted as to the purposes for which they can be used, or are invested in capital assets (buildings, roads, and such). Consequently, unrestricted net assets showed a \$4.02 million surplus at the end of the year. This surplus does not indicate that the City has resources available beyond its long term commitments.

The surplus in unrestricted governmental net assets was negatively affected by several factors for fiscal year 2011. Again, the downturn in the economy contributed greatly to this change, coupled with the City's recognition of Other Post Employment Benefits liability. The City was required to recognize the liability in fiscal year 2009.

Although the net assets of the City's business-type activities increased by 2.15 percent to \$93.48 million, these resources cannot be used to add to the net asset surplus in governmental activities. The City generally can only use these net assets to finance the continuing operations of the business-type activities.

MANAGEMENT'S DISCUSSION AND ANALYSIS Changes in net assets

The City's total revenues decreased by 9.8 percent to \$61.32 million. (See Table A-2) Approximately 40 percent of the City's revenue comes from fees charged for services, 15 percent from sales taxes, and 10 percent from property taxes, and 14 percent comprising such revenue items such as business occupation license fees, franchise fees, and insurance premium fees. The remaining 21 percent represents grants, accommodation tax and investment revenue.

The total cost of all programs and services decreased by 4.2 percent. The City's expenses cover a myriad of services, with approximately 30.86 percent related to public safety, 33.53 percent related to general government expenses, and 18.33 percent related to water/sewer expenses. The balance of 17.28 percent is comprised of public works, recreation, economic development, solid waste, inspection, zoning, auditorium, storm water, and motor fuel functions.

Table A-2 and the narrative that follows consider the operations of governmental and business-type activities separately.

Governmental Activities

Revenues for the City's governmental activities decreased \$4.10 million (or 9.6%) to \$38.70 million, while governmental activities expenses experienced a decrease of \$2.91 million (or 6.0%) to \$45.53 million.

Governmental revenue decreased largely due to the decrease in grant recognition. The prior year included funding in regard to the American Recovery and Reinvestment Act. Additionally, the City of Valdosta continues to experience sluggish sales tax collections.

The decrease in governmental activities can be attributed to a deceleration of funding as it relates to the City Special Purpose Local Option Sales Tax Fund. The one cent tax is approved through a referendum process and the collection must be utilized for capital projects. Fiscal year 2010 experienced much capital construction and the culmination of various projects. In fiscal year 2011 there were more planning and design expenses for future SPLOST projects, as opposed to actual physical construction. Secondly, the decrease in governmental expenses is a result of departmental budget reduction in order to mitigate the slow moving economy.

Table A-2 Changes in City of Valdosta's Net Assets (In millions of dollars)

Total

	Governmental <u>Activities</u>		Business-type Activities				I ULAI Domocrato do
					Tete	Percentage	
	2010	<u>ties</u> 2011	2010	<u>10165</u> 2011	<u>Tota</u> 2010	<u>1</u> 2011	Change 2010 – 2011
REVENUES	2010	2011	2010	2011	2010	2011	2010 - 2011
Program Revenues:							
Charges for Services	\$2.79	\$2.59	\$20.19	\$21.49	\$22.98	\$24.08	4.79%
Operating Grants & Contributions	1.68	2.39	0.46	¢21.17	2.14	2.39	11.68%
Capital Grants & Contributions	12.81	8.20	4.51	1.11	17.32	9.32	(46.19%)
General Revenues:	12.01	0.20	4.51	1.11	17.52	<i></i>	(10.1970)
Property Taxes	5.80	5.87	_	-	5.80	5.87	1.21%
Sales Taxes	9.24	9.20	_	-	9.24	9.20	(0.43%)
Accommodations Tax	1.48	1.50	_	_	1.48	1.50	1.35%
Other Taxes	8.30	8.26	_	-	8.30	8.26	(0.48%)
Investment Earnings	0.29	0.05	-	0.01	0.29	0.06	(79.31%)
Misc	0.29	0.64	-	0.01	0.29	0.64	(79.5170) N/A
Other General Revenues	0.41		-	-	0.41	- 0.04	(100.00%)
Total Revenues			-				
Total Revenues	42.80	38.70	25.16	22.62	67.96	61.32	<u>(9.77)%</u>
EXPENSES							
Program Activities							
Primary Government:							
Governmental Activities:							
General Government	24.95	22.51	-	-	24.95	22.51	(9.78%)
Public Safety	20.21	20.02	-	-	20.21	20.02	0.94%
Public Works	2.15	1.89	-	-	2.15	1.89	(12.09%)
Culture & Recreation	-	-	-	-	-	-	N/A
Economic Development and Assistance	1.13	1.11	-	-	1.13	1.11	(1.77%)
Business-type Activities:							
Solid Waste	-	-	4.12	4.38	4.12	4.38	6.31%
Water/Sewer	-	-	11.38	11.89	11.38	11.89	4.48%
Housing Inspections	-	-	1.02	0.96	1.02	0.96	(5.88%)
Zoning	-	-	0.38	0.44	0.38	0.44	15.79%
DOL Building	-	-	0.36	0.42	0.36	0.42	16.67%
Stormwater	-	-	0.96	1.23	0.96	1.23	28.13%
City Auditorium	-	-	0.26	0.24	0.26	0.24	(7.69%)
Motor Fuel		-	0.39	0.53	0.39	0.53	35.90%
Total Expenses	48.44	45.53	18.87	20.09	67.31	65.62	(2.51%)
Excess (deficiency) before transfers	(5.64)	(6.83)	6.29	2.53	0.65	(4.30)	(761.54%)
Transfers	0.77	0.56	(0.77)	(0.56)	-	-	0.00%
Increase (Decrease) in Net Assets	(4.87)	(6.27)	5.52	1.97	0.65	(4.30)	(758.46%)
Net assets, beginning	157.12	152.25	85.99	91.51	243.11	243.76	(0.27%)
Net assets, ending	\$152.25	\$145.98	\$91.51	93.48	\$243.76	\$239.46	(1.76%)

Table A-3 presents the cost of each of the City's five largest governmental programs, as well as each program's net cost (total cost less fees generated by activities and intergovernmental aid). The net cost shows the financial burden that was placed on the City's taxpayers by each of these functions.

- The cost of all governmental activities this year was \$45.53 million.
- However, the amount that taxpayers paid for these activities through City taxes was \$32.35 million. Some of the cost was paid by:
 - Those who benefited directly from the programs (\$2.59 million).
 - Other governments and organizations that subsidized certain programs with grants and contributions (\$10.59 million).
 - o Other miscellaneous sources such as investments (\$.69 million).

	Total Cost <u>Of Services</u>		Percentage <u>Change</u>	Net Cost <u>of Services</u>		Percentage <u>Change</u>
Function	2010 2011		2010 - 2011	2010	2011	2010 - 2011
General Government	\$24.95	\$22.51	(9.78%)	\$17.75	\$14.40	(18.87%)
Public Safety	20.21	20.02	(.94%)	14.89	16.39	10.07%
Public Works	2.15	1.89	(12.09%)	1.3	1.79	37.69
Culture & Recreation	-	-	N/A	(.01)	-	(100.%)
Economic Development and Assistance	1.13	1.11	(1.77%)	(.16)	(0.23)	(43.75%)
Total	\$48.44	\$45.53	(6.01%)	\$33.77	\$32.35	(4.20%)

Table A-3 Net Cost of City of Valdosta's Governmental Activities (in millions of dollars)

Business-type Activities

Total revenues available during the year to finance enterprise (business type) activities were \$22.62 million. Funding was made available as follows: program revenues \$21.49 million and grants \$1.12 million.

In fiscal year 2010, the City received funding from the American Recovery and Reinvestment Act of 2009 for utility infrastructure improvements; thus, causing a decrease in capital grants.

The cost of all enterprise (business-type) activities for the year accumulated to \$20.09 million consisting of the following activities: solid waste \$4.38 million, water/sewer \$11.89 million, inspections \$.96 million, city auditorium \$.24 million, motor fuel \$.53 million, zoning \$.44 million, DOL building \$.42 million, and storm water \$1.23 million. In addition the Enterprise funds transferred \$1.60 million to the General Fund for administrative services, \$0.15 million to the motor pool, and \$0.36 million to Group Insurance Fund; however, \$1.55 representing contributed capital was "netted" from this amount resulting in a total of \$0.56 million.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

General Fund Budgetary Highlights

Comparing the FY 2011 original General Fund budget, in the amount of \$30.93 million, to the final budget amount of \$31.85 million represents an increase of \$0.9 million.

The increase in the General Fund Budget is the result of grants received in the fiscal year. The City only budgets those grants that are assured at the time of budget preparation.

In an effort to mitigate the decline in tax collection this fiscal year each department funded in the General Fund was asked to reduce their operations budget 5 to 7 percent. Even with this directive, the General Fund decrease in fund balance was \$3.59 million.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As of the year-end, the City had \$266.93 million invested in a variety of capital assets, as reflected in the following schedule (Table A-4), which represents a net increase (additions less retirements and depreciation) of \$22.75 million or 9.3 percent from last year.

Table A-4 City of Valdosta's Capital Assets (in millions of dollars)

(in millions	of	dol	lars)
--------------	----	-----	-------

							Total
	Governmental		Business-type				Percentage
	<u>Activities</u>		Activities		<u>Total</u>		<u>Change</u>
	2010 2011		2010 2011		2010	2011	2010 - 2011
Non-depreciable assets							
Land	\$76.84	\$76.84	\$1.70	\$2.75	\$78.54	\$79.59	1.34%
Construction in progress	10.56	7.58	32.05	33.22	42.61	40.80	(4.25%)
Depreciable Assets							
Land improvements	9.67	9.68	76.02	82.81	85.69	92.49	7.94%
Buildings	21.79	25.91	32.47	51.75	54.26	77.66	43.13%
Equipment	8.11	9.59	3.23	5.01	11.34	14.60	28.75%
Motor vehicles	14.62	14.44	-	-	14.62	14.44	(1.23%)
Infrastructure	96.77	97.54	-	-	96.77	97.54	0.80%
Intangibles	-	-	1.00	1.16	1.00	1.16	16.00%
Accumulated depreciation	(96.56)	(104.47)	(44.09)	(46.88)	(140.65)	(151.35)	7.61%
	\$141.80	\$137.11	\$102.38	\$129.82	\$244.18	\$266.93	9.32%

This year's major capital asset additions and deletions included:

- The decrease in construction in progress can be attributed to the completion of a regional crime lab, and various water and sewer expansions.
- The increase in buildings is due to the completion of a regional crime lab as well as final completion of a water plant expansion.
- The increase in equipment is contributed to the final completion of a water plant expansion.

More detailed information about the City's capital assets is presented in Note 5 to the financial statements.

Long-term Debt

At year-end, the City had \$37.83 million in notes payable outstanding. Government wide debt increased by 343.49 percent as compared to last year. The increase in debt is the result of debt with the Georgia Environmental Authority for utility infrastructure projects.

More detailed information about the City's long-term liabilities is presented in Notes 8 and 9 to the financial statements.

(in millions of dollars)								
	Governm	iental	Busines	ss-type			Total	
	<u>Activit</u>	ties	Activities		<u>Total</u>		Percentage	
	2010	2011	2010	2011	2010	2011	Change	
General Obligation Bonds	\$-	\$ -	\$-	\$-	\$-	\$-	N/A	
Revenue Bonds		-	-	-	-		N/A	
Notes Payable	-	-	8.53	37.25	8.53	37.25	336.69%	
Capital Leases	-	0.58	-	-	-	0.58	N/A	
Total	\$-	\$ 0.58	\$8.53	\$37.25	\$8.53	\$37.83	343.49%	

Table A-5 City of Valdasta's Outstanding Daht

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Local governments (cities, counties and school boards) primarily rely on property and sales tax and a limited array of other permitted taxes and fees (franchise, occupational license, etc.) for their governmental activities. There are a limited number of state-shared revenues and recurring and non-recurring one-time grants from both the state and federal Fortunately, the City of Valdosta was named a metropolitan statistical governments. This designation enables the City to become an entitlement area in June 2003. community; therefore, grants will automatically become available to the City, and Valdosta will not be required to compete with other communities for grant funds.

For the business-type and certain governmental activities (recreational programs) the user pays a fee or charge associated with the service.

The City of Valdosta experienced the negative results of the economic downturn in Fiscal All major revenue sources that support governmental activities were Year 2011. collected at significantly lower numbers than anticipated. Although departments in the General Fund reduced their approved appropriations by five to seven percent, the General Fund still experienced a reduction of fund balance in excess of \$3.5 million. Despite the economic conditions for fiscal year 2011, conservative budgeting practices, and adherence to sound financial policies and philosophies enable the City to remain financially stable.

The following areas are three primary indicators that the City reviews when making future financial decisions.

- Growth in the tax base of the City (excluding inflationary growth). There was a slight increase in the tax base this year. The minimal change is the result of no business expansion, home devaluation, and lack of new business.
- Business Gross Receipts Taxes (based on a business' gross receipts). There was a decrease in Business Occupation revenue due to the economic conditions.
- General Fund's Ending Fund Balance reflects the City's ability to meet ever increasing demands for general service while remaining financially sound and fiscally responsible by providing a buffer for short-term fluctuations in the economy. As previously stated in this document, the General Fund did experience a reduction in fund balance this year. However, despite this reduction, the total fund balance remains healthy.

FINANCIAL CONTACT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City of Valdosta Finance Department, P.O. Box 1125, Valdosta, Georgia 31603 or visit our website at *www.valdostacity.com*.

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Basic Financial Statements

CITY OF VALDOSTA, GEORGIA STATEMENT OF NET ASSETS AS OF JUNE 30, 2011

	Primary Government			Component Units		
	Governmental	Business-type				
	Activities	Activities	Total	CVDA	DDA	
ASSETS						
Cash	\$4,025,771	\$1,718,129	\$5,743,900	\$205,546	\$3,446	
Investments	2,749,985	3,393,942	6,143,927	0	0	
Receivables (net)	6,753,657	2,721,290	9,474,947	31,029	0	
Due from other governments	1,977,721	1,262,548	3,240,269	0	0	
Due from primary government	0	1,202,510	0	3,012,000	0	
Interfund balances	4,002,819	(4,002,819)	0	5,012,000	0	
Inventories	0	806,344	806,344	0	ů 0	
Prepaids	2,110	000,544	2,110	0	ů 0	
Other assets	637,491	450,000	1,087,491	0	0	
Capital assets:	001,171	100,000	1,007,171	Ŭ	Ŭ	
Non-depreciable	84,423,343	35,970,475	120,393,818	0	0	
Depreciable (net)	52,691,578	93,854,664	146,546,242	0	0	
Total Assets						
i otal Assets	\$157,264,475	\$136,174,573	\$293,439,048	\$3,248,575	\$3,446	
LIABILITIES						
Accounts payable	\$2,783,464	\$3,024,255	\$5,807,719	\$8,674	\$0	
Contracts payable	11,459	0	11,459	0	0	
Accrued interest payable	0	125,316	125,316	0	ů 0	
Deposits	723	793,724	794,447	ő	0 0	
Unearned revenue	165,256	0	165,256	Ő	0	
Non-current liabilities	100,200	v	100,200	Ŭ	Ŭ	
Due within one year:						
Compensated absences	758,000	284,831	1,042,831	0	0	
Due to other governments & agencies	9,583	1,174,576	1,184,159	0	Ő	
Due to component unit	0	233,000	233,000	0	0	
Capital leases payable	141,998	255,000	141,998	0	0	
Bonds payable	0	ů 0	0	292,927	0	
Landfill closure and post closure	ů 0	52,500	52,500	0	0	
Due in more than one year:	v	52,500	52,500	v	0	
Other post employement benefits	6,226,095	0	6,226,095	0	0	
Compensated absences	747,315	178,203	925,518	0	0	
Due to other governments & agencies	747,515	33,065,736	33,065,736	0	0	
Due to component unit	0	2,779,000	2,779,000	0	0	
Capital leases payable	437,742	2,779,000	437,742	0	0	
Bonds payable	437,742	0	437,742	2,890,876	0	
Landfill closure and post closure	0	983,854	983,854	2,090,070	0	
Total Liabilities	11,281,635			\$	0	
NET ASSETS	11,201,035	42,694,995	53,976,630	3,192,477	0	
Invested in capital assets						
(net of related debt)	136,535,181	92,578,491	229,113,672	0	0	
Restricted	5,426,814	92,578,491	5,426,814	0	0	
Unrestricted	4,020,845	901,087	4,921,932	56,098	3,446	
Total Net Assets	\$145,982,840	\$93,479,578				
i otar ivet Assets	\$145,982,840	\$95,4/9,5/8	\$239,462,418	\$56,098	\$3,446	

The accompanying notes are an integral part of these statements.
CITY OF VALDOSTA, GEORGIA STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2011

			Program Revenues	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Function/Program Activities				
Primary Government:				
Governmental Activities				
General Government	\$22,509,701	\$94,155	\$145,898	\$7,866,675
Public Safety	20,016,681	2,231,793	1,057,615	335,395
Public Works	1,893,485	103,835	0	0
Community Development	1,110,945	159,529	1,182,900	0
Total governmental activities	45,530,812	2,589,312	2,386,413	8,202,070
Business-type Activities				
Sanitation	4,379,655	4,278,812	0	292,576
Water and Sewer	11,889,430	13,817,286	Ő	822,637
Inspection	965,786	905,977	0	0
Zoning	446,049	204,679	0	0
DOL Building	424,197	469,157	0	0
Storm Water	1,231,214	1,257,082	0	4,670
Auditorium	240,981	18,407	0	0
Motor Fuel	527,982	539,213	0	0
Total business-type activities	20,105,294	21,490,613	0	1,119,883
Total Primary Government	\$65,636,106	\$24,079,925	\$2,386,413	\$9,321,953
Component Unit				
Central Valdosta Development Authority	\$156,384	\$0	\$5,950	\$0
Downtown Development Authority	255	0	\$5,750 0	0
Total component unit	\$156,639	\$0	\$5,950	\$0
	General Revenues:			
	Taxes:			
	Property Taxes			
	Sales Tax			
	Accomodations	Гах		

Accomodations Tax

- Other Taxes
- Investment Earnings
- Miscellaneous

Transfers

Total General Revenues and Transfers

- Change in Net Assets
- Net assets Beginning
- Net assets Ending

	(Expense) Revenue a Changes in Net Assets			
P	rimary Government		Componen	t Units
Governmental Activities	Business-type Activities	Total	CVDA	DDA
(\$14,402,973)	\$0	(\$14,402,973)	\$0	\$0
(16,391,878)	0	(16,391,878)	0	0
(1,789,650)	0	(1,789,650)	0	0
231,484	. 0	231,484	0	0
(32,353,017)	0	(32,353,017)	0	0
0	191,733	191,733	0	0
0	2,750,493	2,750,493	0 0	Ő
0	(59,809)	(59,809)	0	0
0	(241,370)	(241,370)	0	0
0	44,960	44,960	0	0
0	30,538	30,538	0	0
0	(222,574)	(222,574)	0	0
0	11,231	11,231	0	0
0	2,505,202	2,505,202	0	0
(\$32,353,017)	\$2,505,202	(\$29,847,815)	\$0	\$0
0	0	0	(150.424)	0
0	0	0	(150,434) 0	0 (255)
0	0	0	(150,434)	(255)
Ŷ	Ŭ	Ŭ	(190,191)	(200)
5,878,814	0	5,878,814	177,381	0
9,197,511	0	9,197,511	0	0
1,504,153	0	1,504,153	0	0
8,264,303	0	8,264,303	0	0
46,581	14,163	60,744	376	11
640,691	0	640,691	2,015	0
555,193	(555,193)	0	0	0
26,087,246	(541,030)	25,546,216	179,772	11
(6,265,771)	1,964,172	(4,301,599)	29,338	(244)
152,248,611	91,515,406	243,764,017	26,760	3,690
\$145,982,840	\$93,479,578	\$239,462,418	\$56,098	\$3,446

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Governmental Funds

General Fund - the principal fund of the city which accounts for all financial transactions not accounted for in other funds. Principal sources of revenue are property taxes, sales taxes, licenses and permits. Primary expenditures are for police and fire protection, engineering, community development, cemetery, and general administration.

Sales Tax 2002 Fund - to account for the financing and construction of capital improvements for various public projects including storm drainage improvements, police improvements, parks and recreation improvements, fire department improvements, municipal court facilities, water and sewer improvements, public works improvements and facility improvements. These improvements are financed through a 1% local option sales tax that was collected for 60 months starting January 2003.

Sales Tax 2007 Fund – to account for the financing and construction of capital improvements for various public projects including storm drainage improvements, police improvements, parks and recreation improvements, fire department improvements, water and sewer improvements, public works improvements, and facility improvements. These improvements are financed through a 1% local option sales tax that will be collected for 72 months starting January 2008.

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CITY OF VALDOSTA, GEORGIA BALANCE SHEET GOVERNMENTAL FUNDS JUNE 30, 2011

	GENERAL	SALES TAX 2002	SALES TAX 2007	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS					
Cash	\$0	\$54,957	\$2,839,944	\$591,678	\$3,486,579
Investments, at cost or amortized cost	750,729	186,875	0	1,812,381	2,749,985
Receivables (net)					
Taxes	1,280,487	0	0	0	1,280,487
Accounts	683,004	0	0	157,841	840,845
Interest	0	0	0	9,583	9,583
Second mortgages	0	0	0	2,967,704	2,967,704
Special assessments	45,387	0	0	0	45,387
Due from other governments and agencies	1,006,696	0	1,485,020	958,437	3,450,153
Interfund balances	875,101	0	0	0	875,101
Advances to other governments and agencies	10,000	0	0	0	10,000
Advance to other funds	4,091,844	0	0	0	4,091,844
Prepaid expenditures	2,110	0	0	0	2,110
Inventories, at cost	0	0	300,000	0	300,000
Total assets	\$8,745,358	\$241,832	\$4,624,964	\$6,497,624	\$20,109,778
LIABILITIES AND FUND BALANCE (DEFICIT)				
Outstanding checks in excess of bank balance	\$548,083	\$0	\$0	\$0	\$548,083
Accounts payable	1,000,982	0	311,319	272,416	1,584,717
Contracts payable	1,000,202	ŏ	11,459	2.2,1.0	11,459
Deposits	723	ő	0	Ő	723
Due to:	125	Ū	v	v	
Other funds	117,108	0	11,542	347,943	476,593
Other governments and agencies	9,583	õ	0	0	9,583
Deferred revenue	1,658,255	õ	765,597	234,455	2,658,307
Advances from other funds	0	õ	0	30,000	30,000
Total liabilities	3,334,734	0	1,099,917	884,814	5,319,465
Fund balance (deficit):			.,		
Nonspendable	4,521,846	0	300,000	4,914,035	9,735,881
Restricted	176,391	241,832	3,225,047	128,682	3,771,952
Committed	10,767	0	0	0	10,767
Assigned	701,620	Ő	Ő	871,504	1,573,124
Unassigned	01,020	õ	õ	(301,411)	(301,411)
Total fund balance	5,410,624	241,832	3,525,047	5,612,810	14,790,313
Total liabilities and fund balance	\$8,745,358	\$241,832	\$4,624,964	\$6,497,624	\$20,109,778
				,,	,

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The accompanying notes are an integral part of these statements.

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CITY OF VALDOSTA, GEORGIA RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET ASSETS GOVERNMENTAL FUNDS AS OF JUNE 30, 2011

Fund balances - total governmental funds		\$14,790,313
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds		
Governmental capital assets Less accumulated depreciation	\$223,458,421 (89,940,619)	133,517,802
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds		
Other post employment benefits		(6,226,095)
Compensated absences		(1,475,385)
Capital Leases		(579,740)
Revenue not received within 31 days in governmental funds is susceptible to full accrual on the entity-wide statements		
Deferred revenue		2,493,051
Internal service funds are used by management to charge the costs of certain activities to individual funds.		
The assets and liabilities of the internal service funds that are reported with governmental activities.		3,462,894
Net assets of governmental activities	-	\$145,982,840

CITY OF VALDOSTA, GEORGIA STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2011

		SALES	SALES	OTHER GOVERNMENTAL	TOTAL GOVERNMENTAL
REVENUES:	GENERAL	TAX 2002	TAX 2007	FUNDS	FUNDS
Taxes	\$22,841,661	\$0	\$0	\$1,504,153	\$24,345,814
Licenses and permits	394,262	0	0		394,262
Charges for service	384,075	0	0	0	384.075
Fines and forfeitures	1,399,539	0	0	14,886	1,414,425
Interest income	33,511	0	2,620	14,880	46,581
Contributions	12,200	0	2,020	47,307	59.507
Miscellaneous	447,084	0	50,068	23,323	520,475
Intergovernmental	1,449,506	235,769	8,655,372	1,898,347	12,238,994
TOTAL REVENUES	26,961,838	235,769	8,708,060	3,498,466	39,404,133
EXPENDITURES:					
Current:					
General government	9,138,140	0	0	1,635,719	10,773,859
Public safety	19,780,962	0	0	463,711	20,244,673
Public works	1,780,418	0	0	0	1,780,418
Economic development and assistance	535,547	0	0	781,189	1,316,736
Capital outlay	0	0	5,658,509	111,859	5,770,368
TOTAL EXPENDITURES	31,235,067	0	5,658,509	2,992,478	39,886,054
EXCESS (DEFICIENCY) OF REVENUES					
OVER EXPENDITURES	(4,273,229)	235,769	3,049,551	505,988	(481,921)
OTHER FINANCING SOURCES (USES):					
Transfers in	1,595,008	0	0	439,670	2,034,678
Transfers out	(1,490,556)	0	0	0	(1,490,556)
Capitail leases	579,740	0	0	0	579,740
TOTAL OTHER FINANCING SOURCES (USES)	684,192	0	0	439,670	1,123,862
NET CHANGE IN FUND BALANCES	(3,589,037)	235,769	3,049,551	945,658	641,941
FUND BALANCES - BEGINNING OF YEAR	0.000 / / /				
FUND DALANCES - BEGINNING OF YEAK	8,999,661	6,063	475,496	4,667,152	14,148,372
FUND BALANCES - END OF YEAR	#5 410 (DA	£241.022	62 525 0.47	6 5 (10 010	AL 4 700 010
TOTO BADANCES" END OF TEAR	\$5,410,624	\$241,832	\$3,525,047	\$5,612,810	\$14,790,313

CITY OF VALDOSTA, GEORGIA RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES AS OF JUNE 30, 2011

Net change in fund balances - total governmental funds		\$641,941
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures However, in the statement of activities, the cost of those assets is depreciated over their estimated useful life:		
Expenditures for capital assets: Less current year disposals of capital assets Less current year depreciation	\$5,197,663 (1,799,559) (6,805,661)	(3,407,557)
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:		
Change in long-term compensated absences		72,306
Other post employment benefits		(2,749,465)
Issuance of long-term debt		(579,740)
Long-term accounts receivable		(694,285)
Internal service funds		451,029
Change in net assets of governmental activities		(\$6,265,771)

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Proprietary Junds

Sanitation Fund - to finance and account for the cost of providing both residential and commercial trash and garbage pickup to citizens and businesses of the City.

Water and Sewer Revenue Fund - to finance and account for the cost of providing water and sewer services to the residents and businesses of the City. All activities necessary to provide such services are included in the fund, including financing and related debt services.

DOL Building Fund - to account for the revenues received from the rental of the Georgia Department of Labor building and the expenses associated with the maintenance of the building.

Storm Water - to finance and account for the cost of providing stormwater collection services to the residents and businesses of the City. All activities necessary to provide such services are included in the fund.

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CITY OF VALDOSTA, GEORGIA STATEMENT OF NET ASSETS PROPRIETARY FUNDS JUNE 30, 2011

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS			GOVERNMENTAL			
	SANITATION	WATER/ SEWER REVENUE	DEPARTMENT OF LABOR BUILDING	STORMWATER	OTHER ENTERPRISE FUNDS	TOTAL	ACTIVITIES INTERNAL SERVICE FUNDS
ASSETS							
Current assets:							
Cash	\$0	\$632,671	\$5,481	\$144,710	\$1,807	\$784,669	\$539,192
investments	0	2,932,485	18,637	439,267	3,553	3,393,942	0
Receivables (net)				-			
Accounts	630,683	1,903,125	0	149,768	37,714	2,721,290	127,219
Due from other governments and agencies	0	1,208,752	0	0	53,796	1,262,548	0
Due from other funds	0	0	0	0	60,000	60,000	117,108
Inventories at cost	0	806,344	0	0	0	806,344	337,491
Restricted assets							
Cash	14,023	919,437	0	0	0	933,460	0
Total current assets	644,706	8,402,814	24,118	733,745	156,870	9,962,253	1,121,010
Noncurrent assets:							
Other assets	0	450,000	0	0	0	450,000	0
Capital assets:							
Land	0	2,491,615	0	258,911	0	2,750,526	92,563
Land improvement	546,146	82,264,524	0	0	0	82,810,670	383,595
Buildings and structures	1,178,500	46,203,368	4,364,002	0	0	51,745,870	285,945
Motor vehicles	0	0	0	0	0	0	14,444,992
Equipment	154,462	4,474,089	0	0	388,946	5,017,497	2,921,343
Intangibles	0	0		1,161,791	0	1,161,791	0
Construction in progress	0	33,219,949	0	0	0	33,219,949	0
	1,879,108	168,653,545	4,364,002	1,420,702	388,946	176,706,303	18,128,438
Less accumulated depreciation	(930,471)	(44,901,598)	(610,960)	(52,265)	(385,870)	(46,881,164)	(14,531,319)
Net capital assets	948.637	123,751,947	3,753,042	1,368,437	3,076	129,825,139	3,597,119
Total noncurrent assets	948,637	124,201,947	3,753,042	1,368,437	3,076	130,275,139	3,597,119
Total assets	\$1,593,343	\$132,604,761	\$3,777,160	\$2,102,182	\$159,946	\$140,237,392	\$4,718,129
LIABILITIES							
Current liabilities:							
Accounts payable	\$81,400	\$2,844,856	\$30,719	\$24,092	\$43,188	\$3,024,255	\$650,664
Accrued interest	170	73,628	51,518	0	0	125,316	0
Compensated absences (current portion)	56,600	174,844	0	24,300	29,087	284,831	18,000
Landfill closure and post closure (current portion)	52,500	0	0	0	0	52,500	. 0
Due to other funds	116,458	0	0	0	60,000	176,458	399,158
Due to other governments and agencies (current portion)	16,463	1,152,449	0	0	5,664	1,174,576	0
Due to component unit (current portion)	0	0	233,000	0	0	233,000	0
Current liabilities (payable from restricted assets):							
Deposits	14,023	779,701	0	0	0	793,724	0
Total current liabilities	337,614	5,025,478	315,237	48,392	137,939	5,864,660	1,067,822
Noncurrent liabilities (payable from unrestricted assets):							
Compensated absences	58,289	87,468	0	11,232	21,214	178,203	11,930
Advances from other funds	0	0	0	0	2,211,162	2,211,162	1,850,682
Landfill closure and post closure (net of current portion)	983,854	0	0	0	0	983,854	0
Due to other governments and agencies, (net of current portion)	.34,984	33,030,752	0	0	0	33,065,736	0
Due to component unit (net of current portion)	0	0	2,779,000	0	0	2,779,000	0
Total noncurrent liabilities (payable from unrestricted assets)	1,077,127	33,118,220	2,779,000	11,232	2,232,376	39,217,955	1,862,612
Total liabilities	1,414,743	38,143,698	3,094,237	59,624	2,370,315	45,082,615	2,930,434
NET ASSETS (DEFICIT)				1 3/8 433	2.07/	03 638 401	3,597,119
NET ASSETS (DEFICIT) Invested in capital assets, net of related debt	897,190	89,568,746	741,042	1,368,437	3,076	92,578,491	.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
	897,190 (718,588)	89,568,746 4,892,317	741,042 (58,119)	674,121	(2,213,445)	2,576,286	(1,809,424)

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds. Net assets of business-type activities

(1,675,199) \$93,479,578

CITY OF VALDOSTA, GEORGIA STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS PROPRIETARY FUNDS FOR THE YEAR ENDED JUNE 30, 2011

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS				GOVERNMENTAL		
	SANITATION	WATER/ SEWER REVENUE	DEPARTMENT OF LABOR BUILDING	STORMWATER	OTHER ENTERPRISE FUNDS	TOTAL	ACTIVITIES INTERNAL SERVICE FUNDS
Operating revenues:							
Permits	\$0	\$0	\$0	\$0	\$874,413	\$874,413	\$0
Charges for services	4,175,486	13,786,758	469,157	1,256,313	634,710	20,322,424	9,166,912
Recycling revenue	46,706	0	0	0	0	46,706	0
Intergovernmental revenues	38,704	0	0	0	0	38,704	0
Miscellaneous revenues	17,916	30,528	0	769	0	49,213	355,012
TOTAL OPERATING REVENUES	4,278,812	13,817,286	469,157	1,257,082	1,509,123	21,331,460	9,521,924
Operating expenses:							
Personal services	1,694,464	4,342,274	0	616,793	1,119,424	7,772,955	541,379
Contractual services	788,103	2,041,294	142,032	178,330	197,156	3,346,915	809,964
Claims paid	0	0	0	0	0	0	5,631,110
Supplies	137,245	1,038,807	30,341	61,821	553,279	1,821,493	2,229,819
Travel and training	394	14,856	0	787	8,151	24,188	494
Other services and charges	1,432,352	1,513,020	37,445	286,231	237,042	3,506,090	674,180
Amortization expense	0	0	0	33,341	0	33,341	0
Depreciation expense	37,640	2,639,169	87,280	0	3,455	2,767,544	1,670,401
TOTAL OPERATING EXPENSES	4,090,198	11,589,420	297,098	1,177,303	2,118,507	19,272,526	11,557,347
OPERATING INCOME (LOSS) Non-operating revenues (expenses):	188,614	2,227,866	172,059	79,779	(609,384)	2,058,934	(2,035,423)
Interest income	534	11,993	3	1,632	1	14,163	2,834
Intergovernmental revenues	292,576	68,468	0	0	159,153	520,197	0
Miscellaneous income	0	0	0	0	0	0	0
Gain (loss) of sale of assets	0	(5,838)	0	0	0	(5,838)	51.027
Interest expense and fiscal charges	(2,434)	(30,585)	(127,099)	0	0	(160,118)	0
TOTAL NON-OPERATING REVENUES (EXPENSES)	290,676	44,038	(127,096)	1,632	159,154	368,404	53,861
INCOME (LOSS) BEFORE CONTRIBUTIONS							
AND TRANSFERS	479,290	2,271,904	44,963	81,411	(450,230)	2,427,338	(1,981,562)
Capital contribution revenue	8,292	2,140,926	0	161,561	0	2,310,779	202,768
Transfers in	0	0	0	0	60,000	60,000	1,563,011
Transfers out	(547,807)	(1,323,876)	0	(185,008)	(110,442)	(2,167,133)	0
	(539,515)	817,050	0	(23,447)	(50,442)	203,646	1,765,779
Change In Net Assets (Deficits)	(60,225)	3.088,954	44,963	57,964	(500,672)	2,630,984	(215,783)
NET ASSETS (DEFICITS) - BEGINNING	238,827	91,372,109	637,960	1,984,594	(1,709,697)		2,003,478
NET ASSETS (DEFICITS) - ENDING	\$178,602	\$94,461,063	\$682,923	\$2,042,558	(\$2,210,369)		\$1,787,695

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.

Change in net assets of business-type activities

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The accompanying notes are an integral part of these statements.

(666,812)

CITY OF VALDOSTA, GEORGIA STATEMENT OF CASH FLOWS PROPRIETARY FUNDS FOR THE YEAR ENDED JUNE 30, 2011

		BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS			GOVERNMENTAL		
	SANITATION	WATER/ SEWER REVENUE	DEPARTMENT OF LABOR BUILDING	STORMWATER	OTHER ENTERPRISE FUNDS	TOTAL	ACTIVITIES INTERNAL SERVICE FUNDS
NET CHANGE IN CASH							
Cash flows from operating activities:							
Cash received from customers	\$4,164,312	\$13,480,426	\$469,157	\$1,260,959	\$1,481,182	\$20,856,036	\$9,830,549
Cash payments to suppliers for goods and services	(2,431,383)	(5,928,152)	(191,040)	(577,555)	(\$77,780)	(9,705,910)	(11,356,271)
Cash payments to employees for services	(1,745,562)	(4,456,086)	0	(627,948)	(1,024,015)	(7,853,611)	(559,330)
Other operating revenues	46,706	0	0	0	0	46.706	0
Miscellaneous income	17,916	30,528	0	769	0	49,213	0
New customer utility deposits	7,139	208,174	0	0	0	215,313	0
Intergovernmental revenues	38,704	0	0	0	0	38,704	0
Refunded customer utility deposits	(7,022)	(199,370)	0	0	0	(206,392)	0
Net change in cash from operating activities	90,810	3,135,520	278.117	56,225	(120,613)	3.440.059	(2,085,052)
Cash flows from noncapital financing activities:							
Intergovernmental revenues	292,576	68,468	0	0	159,153	520,197	0
Transfers-in from other funds	0	0	0	0	0	0	1,563,011
Transfers-out to other funds	(547,807)	(1,323,876)	0	(185,008)	(50.442)	(2,107,133)	0
Net change in cash from noncapital financing activities	(255,231)	(1,255,408)	0	(185,008)	108,711	(1.586.936)	1,563,011
HDBDUDX attivites							
Cash flows from capital and related financing activities:							
Principal paid on Georgia Environmental Facilities Authority Loan	(15.813)	(473,437)	0	0	0	(489,250)	0
Loan from Georgia Environmental Facilities Authority	0	28,226,627	0	0	0	28,226,627	0
Note issuance costs	0	(187,500)	0	0	0	(187,500)	0
Acquisition and construction of capital assets	(46,750)	(29,993,387)	0	(39,183)	0	(30,079,320)	(179,565)
Proceeds from sale of capital assets	0	0	0	0	0	0	51,027
Principal paid on DOL intergovernmental note	0	0	(233,000)	0	0	(233,000)	0
Interest paid on revenue bonds and GEFA loan	(2,486)	0	0	0	0	(2,486) (131,085)	0
Interest paid on DOL intergovernmental note Net change in cash from capital and related	(65,049)	(2.427,697)	(131,085) (364,085)	(39,183)	0	(2,896,014)	(128,538)
financing activities							
Cash flows from investing activities:							
Sale of investment securities Purchase of investment securities	152,662	2,062,984 (2,264,642)	0 54,732	60,809 0	7,751	2,284,206 (2,209,910)	0
Interest on cash deposits	534	0	3	0	i	538	0
Interest and dividends on investments	0	11.993	0	1,632	0	13,625	2.834
Net change in cash from investing activities Net change in cash	(76,274)	(189,665) (737,250)	(31,233)	62,441 (105,525)	(4,150)	(954,432)	2,834 (647,745)
Cash beginning of year	90,297	2,289,358	36,714	250,235	5.957	2,672,561	1.186.937
Cash at end of year	\$14,023	\$1,552,108	\$5,481	\$144,710	\$1,807	\$1,718,129	\$539,192
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET							
Operating income (loss) Adjustments to reconcile operating income (loss) to not change in cash from operating activities:	S188.614	\$2,227,866	\$172,059	\$79,779	(\$609,384)	\$2,058,934	(\$2,035,423)
Depreciation New customer utility deposit	37,640	2,639,169	87,280	0	3,455 0	2,767,544	1.670,401
Refunded customer utility deposit	7.139 (7,022)	208,174 (199,370)	0 0	0	0	215,313 (206,392)	0
Landfill closure and post closure	(18,784)	0	0	0	0	(18,784)	0
Change in assets and liabilities: (Increase) decrease in accounts receivable	(11,470)	(258,773)	0	4,647	(27,941)	(293,537)	308.625
(Increase) in due from other funds Decrease in due from other governments and agencies	0 12.896	0 2,287	0	0	0 52,859	0 68,042	(117,108)
Decrease (increase) in inventory	0	137,183	0	0	0	137,183	(39,417)
(Decrease) increase in accounts payable (Decrease) increase in compensated absences liability	(55,119)	(1,260,672)	18,778	(11,731)	(74,102)	(1,382,846)	185,896
(Decrease) in due to other funds	(20,908) (42,176)	(13,855) (346,489)	0	284 (50,095)	6,865 (83,492)	(27,614) (522,252)	(6.259) (856.171)
(Decrease) increase in advances from other funds (Decrease) in due to other governments and agencies	0	0	0	0	610,817	610,817	(1,195,596)
(Decrease) in due to other governments and agencies Net change in cash from operating activities	0 \$90,810	0 \$3,135,520	\$278,117	0 \$56,225	(\$120.613)	<u>310</u> \$3,440,059	(\$2.085,052)
NONCASH INVESTING, CAPITAL AND	FINANCING ACTIVI	TIES					
Contributed capital assess from SPLOST VI	8 202	1 384 844				1.663.030	
Contributed capital assets from SPLOST VI Contributed capital assets from General Fund	8,292 0	1,386,756 0	0 0	156,891 0	0	1,551,939 0	164,758 22.010
Contributed capital assets from State of Georgia	0	0	0	0	0	0	16,000



Tree Commission Agency Fund - to account for monies collected for the Tree Commission.

Evidence Agency Fund - to account for monies taken in by the Valdosta Police Department but not condemned.

CITY OF VALDOSTA, GEORGIA STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES FIDUCIARY FUNDS JUNE 30, 2011

	TREE COMMISSION	EVIDENCE AGENCY FUND	TOTAL FIDUCIARY FUNDS
ASSETS			
Cash	\$51,734	\$13,068	\$64,802
Investments	7,236	21,090	28,326
Total assets	\$58,970	\$34,158	\$93,128
LIABILITIES			
Due to other governments and agencies	\$58,970	\$0	\$58,970
Due to others	0	34,158	34,158
Total liabilities	\$58,970	\$34,158	\$93,128

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Notes to Financial Statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting principles of the City of Valdosta, Georgia conform to generally accepted accounting principles ("GAAP") as prescribed by the Governmental Accounting Standards Board ("GASB"), in conjunction with the Financial Accounting Standards Board ("FASB") pronouncements issued on or before November 30, 1989. The City has not implemented private sector guidance issued after this date.

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

A. THE REPORTING ENTITY

The primary government of the City of Valdosta has two component units – the Central Valdosta Development Authority (the "Authority") and the Valdosta Downtown Development Authority. Using the criteria of Governmental Accounting Standards Board (GASB) Statements No. 14 and 39, management determined that both authorities should be discretely presented.

Primary Government

The City of Valdosta was originally incorporated by an Act of the General Assembly of Georgia on December 7, 1860. The basic charter of the City was provided in Georgia laws 1901, Act No. 213, as amended. (Georgia Laws 1901, p. 670) The City is governed by an elected mayor and seven-member council with daily operations managed by an appointed city manager. The following services as authorized by its charter and code are provided by the City: General Administrative Services, Public Safety (Police, Fire and Inspections), Public Works (Streets, Sanitation, Water and Sewer), and Culture/Recreation.

Discretely Presented Component Units:

Central Valdosta Development Authority – The Authority was established by an Act of the General Assembly of Georgia to redevelop and improve the central Valdosta area. The Authority has the power to create special tax districts, to levy and collect taxes, and issue notes or other evidence of indebtedness. The Authority consists of seven members, one of whom is the Mayor of the City of Valdosta. The other six members are appointed by the City Council. The Development Authority provision of services is not limited entirely, or almost entirely, to the primary government nor does it only benefit the primary government. Therefore, the City concluded in accordance with GASB 14 and 39

that the Development Authority should be included in the financial reporting entity by discrete presentation.

Downtown Development Authority – The Downtown Development Authority was established by a local ordinance to redevelop and improve the downtown Valdosta area. The Authority has the power to levy and collect taxes and issue notes or other evidence of indebtedness. The Authority consists of seven members, one of whom is the Mayor of the City of Valdosta. The other six members are appointed by the City Council. The Downtown Development Authority provision of services is not limited entirely, or almost entirely, to the primary government nor does it only benefit the primary government. Therefore, the City concluded in accordance with GASB 14 and 39 that the Downtown Development Authority should be included in the financial reporting entity by discrete presentation.

Separate financial statements are not available from either authority.

Related Organizations:

The City of Valdosta officials are also responsible for appointing the members of the boards of other organizations, but the City's accountability for these organizations does not extend beyond making the appointments. The Mayor and Council appoint the board members of the Valdosta Housing Authority, Valdosta-Lowndes County Zoning Board of Appeals, Valdosta-Lowndes County Industrial Authority, Hospital Authority of Valdosta and Lowndes County, Greater Lowndes County Planning Commission, Valdosta Historic Preservation Commission, Valdosta Tree Commission, Valdosta Lowndes County Airport Authority, Valdosta-Lowndes County Conference and Tourism Authority, Keep Lowndes Valdosta Beautiful Commission, Valdosta-Lowndes County Land Bank Authority, Valdosta/Lowndes County Construction Adjustments and Appeals Board, Valdosta Housing Board of Adjustments and Appeals, Lowndes County Board of Health, Community Development Block Grant Advisory Committee, the Valdosta-Lowndes County Parks & Recreation Authority, the Metropolitan Planning Organization Citizen's Advisory Committee, the Animal Control Board, Downtown Development Authority, Central Valdosta Development Authority, Five Points & Municipal Auditorium Steering Committee, and the Public Art Advisory Committee.

B. MEASUREMENT FOCUS AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements (i.e. the statement of net assets and the statement of changes in net assets) report information on all nonfiduciary activities of the

primary government and its component units. The City's fiduciary funds are not included in the government wide financial statements. 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. Likewise, the primary government is reported separately from the Central Valdosta Development Authority and the Downtown Development Authority for which the primary government is accountable.

The statement of activities demonstrates the degree to which direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants 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. Certain indirect costs have been included as part of the program expenses for various functional activities.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The City's government wide financial statements include a Statement of Net Assets and a Statement of Activities and Changes in Net Assets. These statements present summaries of Governmental and Business-Type activities for the City. Fiduciary activities of the City are not included in these statements.

These statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. The fiduciary funds don't have a measurement focus. Accordingly, all the City's assets and liabilities, including capital assets, as well as infrastructure assets, and long-term liabilities, are included in the accompanying Statement of Net Assets. The Statement of Activities presents changes in net assets. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. The types of transactions reported as program revenues for the City are reported in three categories: 1) charges for services to customers who directly benefit from goods, services, or privileges provided by a given

function, 2) operating grants and contributions that are restricted to meeting the operational needs for a particular function and 3) capital grants and contributions that are restricted to meeting the capital needs of a particular function.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables and receivables. All internal balances in the Statement of Net Assets have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated, however, those transactions between governmental and business-type activities have not been eliminated. 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.

Fund Financial Statements

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

THE CITY REPORTS THE FOLLOWING MAJOR FUNDS:

GOVERNMENTAL

General Fund – the principal fund of the City used to account for all activities not otherwise accounted for by a specific fund.

Sales Tax 2002 Fund – to account for the financing and construction of capital improvements for various public projects. These improvements will be financed through a 1% local option sales tax that was collected for 60 months starting January 2003.

Sales Tax 2007 Fund – to account for the financing and construction of capital improvements for various public projects. These improvements will be financed through a 1% local option sales tax collected for 72 months starting January 2008.

ENTERPRISE

Sanitation Fund - to finance and account for the costs of providing both residential and commercial trash and garbage pick up to residents and businesses of the City.

Water and Sewer Revenue Fund - to finance and account for the cost of providing water and sewer services to the residents and business of the City.

DOL Building Fund – to finance and account for the cost of maintaining the building leased to the Georgia Department of Labor. The fund also accounts for lease payments received from the state.

Stormwater – to finance and account for the cost of providing stormwater collection services to the residents and businesses of the city. All activities necessary to provide such services are included in the fund.

ADDITIONALLY THE CITY REPORTS THE FOLLOWING FUND TYPES:

GOVERNMENTAL FUNDS

Governmental fund types include the General Fund, Special Revenue Funds, and Capital Projects Funds. Governmental Fund Financial Statements include a balance sheet and a statement of revenues, expenditures and changes in fund balances for all governmental major funds and non major funds aggregated. The governmental funds employ the current financial resources measurement focus. Those funds are maintained on the modified accrual basis of accounting. (Explained further under Basis of Accounting)

SPECIAL REVENUE FUNDS

These funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The City maintains a separate Special Revenue Fund for each Federal Grant Program.

CAPITAL PROJECTS FUNDS

The Capital Projects Funds account for capital improvements (except for those financed by Proprietary Funds) which are financed from certain Federal Grants, and other City Funds.

PERMANENT FUND

The permanent fund accounts for resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the City's programs, that is, for the benefit of the City or its Citizenry.

PROPRIETARY FUNDS

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

ENTERPRISE FUNDS

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

INTERNAL SERVICE FUNDS

The Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments of the City. These goods or services are provided on a cost reimbursement basis.

THE CITY MAINTAINS THE FOLLOWING INTERNAL SERVICE FUNDS:

MOTOR POOL FUND

The Motor Pool Fund accounts for the cost of operating a maintenance facility for automotive equipment. The fund purchases the automotive equipment and leases the equipment to user departments on a predetermined per mile basis or monthly rate based on accumulated historical costs.

GROUP INSURANCE FUND

The Group Insurance Fund accounts for transactions related to the provision of health care benefits for permanent employees of the City.

WORKMAN'S COMPENSATION FUND

The Workman's Compensation Fund accounts for the transactions related to the workman's compensation claims paid by the City.

FIDUCIARY FUND

Fiduciary Funds include the Agency Funds. The Tree Commission Agency Fund accounts for monies collected for the Tree Commission. The Evidence Agency Fund accounts for monies taken in by the Valdosta Police Department but not condemned. The assets and liabilities are accounted for on the accrual basis.

BASIS OF ACCOUNTING

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

Modified Accrual Basis of Accounting

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

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

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

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

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

Accrual Basis of Accounting

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

The City defines operating revenues and expenses in the proprietary funds using the criteria established for identifying cash flows from operations. Revenues from the sale of goods or services (including goods or services sold to internal customers) as well as from the sale of permits are considered operating revenues. Expenses incurred to purchase labor, operating supplies and services, as well as depreciation, are classified as operating expenses. All other revenues and expenses not meeting this definition are nonoperating.

Investment earnings are accrued in Proprietary Funds. The City has adopted the requirements of GASB Statement 20, Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting, and elected to follow only GASB standards. Therefore, the City has not adopted Financial Accounting Standards Board pronouncements issued after November 30, 1989.

D. BUDGETS AND BUDGETARY ACCOUNTING

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

The budget data presented in the financial statements and schedules were prepared on a Non-GAAP Budgetary basis for the Governmental Fund types. The difference between the GAAP basis and the budgetary basis is the inclusion of encumbrances as expenditures. In the Proprietary Funds, the budgets were prepared on the GAAP basis. The same accrual basis that is used to reflect actual results is used to prepare the budgets for these funds.

The following funds' expenditures/expenses exceeded legal appropriations.

	Expenditures/		
	Expenses on		Amount
	Budgetary Basis	Appropriations	Exceeding
Fund/Department	_		
General Fund/Engineering	2,915,446	2,634,448	280,998
General Fund/Fire	6,222,868	6,171,490	51,378
Protective Services	613,475	609,130	4,345
Public Involvement	536,246	469,810	66,436

Per the official Code of Georgia Annotated 36-81-3, the City has set its level of budgetary control at the departmental level.

E. CASH

For the purpose of the statement of cash flows, the City considers only cash (including restricted assets) in determining the increase (decrease) in cash. Cash equivalents are defined as short term, highly liquid investments that are both readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Generally, only investments with original maturities of three months or less meet this definition.

F. INVESTMENTS

It is the City's policy that investments having a remaining maturity at time of purchase of one year or less are recorded at cost or amortized cost in accordance with GASB Statement 31. Adjustments are made to cost for any premium or discount, which is amortized over the maturity of the investment. Amortized cost approximates fair value. The City has no such investments at June 30, 2011.

G. **RECEIVABLES**

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

- 1. Taxes Receivable which includes:
 - a. Taxes Receivable-Delinquent represents the past years of uncollected tax levies. An allowance for uncollectible taxes is provided based upon an analysis of historical trends. The tax receivables have been reported net of these allowances.
 - b. Sales Taxes, Franchise Taxes, and Public Utilities Receivable recorded as revenue when they become both measurable and available for collection within the current period paying cycle, which is 31 days past year end. The balance of what has been earned though not available is recorded as deferred revenue.
- 2. Accounts Receivable which includes:
 - a. Accounts Receivable Sanitation and Water and Sewer service charges are recognized when earned, with an allowance for uncollectible accounts of 1% of the accounts receivable balance at June 30. Services performed by various departments are recognized as revenue when they are measured and assured collection within the current paying cycle of the City. That

which is earned, but not collected within 31 days of year end, is recognized as a deferred revenue. In the Proprietary Funds, they are recognized as revenue when earned.

- b. Returned Checks the balance of checks written by the public that the banks have returned to the City over the past 12 months.
- c. Accounts Receivable-Employees the balance that City employees owe the City for travel advances, garnishments, etc.
- d. Unbilled Services Receivable within the City's Enterprise Funds, an estimated amount has been recorded for services rendered but not yet billed as of June 30, 2011. The receivable was arrived at by taking the cycle billings the City sent the customers in July and prorating the amount of days applicable to the current year factor at 99% to allow for uncollectible accounts.
- 3. Second Mortgages Receivable the amount owed to the City from loans made to homeowners on UDAG and CDBG CHIP grants.
- 4. Special Assessments Receivable both principle and interest on paving assessments are payable in semi-annual installments over a five year period. The principle is recognized when due. The balance due at June 30 that has not been collected within 31 days past year end is recorded as a deferred revenue. There is no allowance for uncollectibles as delinquent accounts are declared as a special assessment lien against the property per Section 7.2, paragraph I, of the City's Code. The entire outstanding balance is delinquent at June 30, 2011.
- 5. Interest Receivable interest on investments is recorded as revenue on the Governmental Fund types when it is both measurable and collected within the City's current paying cycle. The amount which is earned but not collected is recognized as a deferred revenue. The interest on investments is recorded as revenue in the year earned for the Proprietary Fund types.

H. DUE FROM OTHER GOVERNMENTS & AGENCIES

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

as receivables and corresponding increases to contributions when reimbursable project costs are incurred.

I. DUE FROM AND DUE TO OTHER FUNDS

During the course of its operations, the City has numerous transactions between funds to finance operations, provide services, construct assets, and service debts. To the extent that certain transactions between funds had not been paid or received as of June 30, 2011, balances of interfund amounts receivable or payable have been recorded. To the extent that these balances are between Governmental Funds, they have been eliminated on the statement of net assets.

J. ADVANCE TO OTHER GOVERNMENTS & AGENCIES

The long-term advance from the General Fund to the South Georgia Area Planning Commission Data Processing Network is to finance new activities during their initial operation. The portion of General Fund's fund balance attributable to this advance is classified as nonspendable. These are long-term advances made to other governmental agencies.

K. ADVANCE TO OTHER FUNDS

The long term advance from the General Fund to the HUD Fund represents operating capital for the City's entitlement program. This balance is distinct from routine interfund balances and will not be liquidated until the entitlement program is terminated. The long term advance from general fund to other funds represents balances that are not expected to be repaid within one year.

L. INVENTORIES

Inventories in Proprietary Funds are adjusted to annual and periodic physical counts and are valued at cost using the first-in, first-out method (FIFO) of valuation. Inventory in the Sales Tax 2007 Fund, which is valued at cost first-in, first-out method (FIFO), consists of wetland credits held for construction.

M. PREPAID EXPENDITURES/EXPENSES

Payments made to various vendors for items or services for a future period beyond June 30, 2011 are recorded as prepaid expenditure/expenses. The fund balances in the Governmental Fund types attributable to prepaid expenditures are classified as nonspendable. This reflects the amount of fund balance not currently available for expenditure.

N. RESTRICTED ASSETS

Monies or other resources, the use of which is restricted by legal or contractual requirements, are recorded as restricted assets. It is the policy of the City to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available. The restricted assets listed in the Proprietary Funds are for the utility billing customer deposits held on account.

O. INTANGIBLE ASSETS

Intangible assets are reported in the applicable governmental or business type activity columns in the government-wide financial statements. The City's policy has set the capitalization threshold at \$5,000 for intangible assets. All intangibles are valued at cost or estimated fair market value if donated. Intangible assets are amortized over their estimated useful lives.

P. CAPITAL ASSETS

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The City's policy has set the capitalization threshold for reporting capital assets at \$5,000 and \$250,000 for infrastructure assets. All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated fair market value on the date received. The City patched and resurfaced several roads during the current year that are considered general maintenance. The City reports only infrastructure acquired or constructed after June 30, 1980 in accordance with GASB Statement 34.

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

Depreciation is provided on the straight-line basis over the estimated useful lives.

The estimated useful lives are as follows:

Assets	Life
	(Years)
Water System	30-50
Sewer System	30-50
Buildings	15-50
Machinery and Equipment	05-10
Vehicles	01-05
Infrastructure	10-20

Q. COMPENSATED ABSENCES

It is the City's policy to permit employees to accumulate a limited amount of earned but unused vacation benefits, which will be paid to employees upon separation from City service. In Governmental Fund types, the cost of vacation benefits is recognized when payments are made to employees. A long-term liability of accrued vacation benefits at June 30, 2011 has been recorded in the government wide statements representing the City's commitment to fund such costs from future operations.

R. LONG-TERM OBLIGATIONS

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

S. PENSION FUND

Annual costs of the pension plan are actuarially computed and include amortization of past service costs over a period of 30 years. The City's policy is to fund the annual pension costs in the annual budget.

T. DEFERRED REVENUE

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

the timing of receipt are subject to full accrual on the government wide statements but not on the fund statements. Unearned amounts remain deferred on the government wide statements.

U. FUND BALANCE

The City of Valdosta implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, as of July 1, 2010. This new standard changed the overall definitions and classifications of governmental fund balances.

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

Fund Balance – Generally, fund balance represents the difference between the assets and liabilities under the current financial resources measurement focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

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

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

• **Committed** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the City Commission through the adoption of a resolution. Only the City Commission 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, but are neither restricted nor committed. Through resolution, the City Commission has authorized the City's Chief Financial Officer, Finance Director, or Director of Administrative Services to assign fund balances.

• **Unassigned** – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion.

The City reports positive unassigned fund balance only in the general fund. Negative unassigned fund balances may be reported in all funds.

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

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

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

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

A. **DEPOSITS**

At year end, the carrying amount of the City's deposits was \$5,739,000 and the bank balance was \$6,578,417. The City also had \$4,900 in petty cash.

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The City's deposit policy is to require all its deposits in excess of FDIC insurance to be collateralized with securities held by the City or by its agent in the City's name. Of the bank balance, \$264,005 was covered by federal depository insurance and \$6,314,412 was collateral held by the government or agent in the government's name.

As of June 30, 2011, the City had the following investments. The investment in Georgia Fund I is part of an internal investment pool.

Investment	Maturities	Fair Value
Georgia Fund 1	59 days	\$6,165,018
Certificate of Deposit	226 days	7,236
Total Investments		\$6,172,254

Interest Rate Risk

The City has an investment policy that limits the maturities on individual investments to no more than five years and weighted average maturity to no more than three years. Reserve funds may be invested in longer term securities if the maturities coincide with the expected use of the funds. The investments at June 30, 2011 meet our investment policy restrictions.

Credit Risk

The City has an investment policy that limits investments to "the safest types of securities." These are defined as obligations of the State of Georgia or other states, obligations of the US government or certain agencies thereof, repurchase agreements backed by federal securities, prime banker's acceptance with a rating of A+ or better, the local government investment pool, obligations of other political subdivisions of the State of Georgia, and time deposits and savings deposits. Excess funds are invested in Georgia Fund I.

Concentration Credit Risk

The City's investment policy limits its investments as follows:

U. S. Treasury Obligations	100.00%	
U. S. Government Agency Securities and Securities issued by Instrumentalities of Government Sponsored Corporations	75.00%	
Repurchase Agreements	25.00%	
Prime Bankers Acceptance	10.00%	
Local Government Investment Pool	40.00%	
Certificates of Deposit	25.00%	
Obligations of other political subdivisions of the State of Georgia	25.00%	

GASB Statement 40 requires disclosure when 5% or more of investments are in one issue. The City has no such concentrations.

The carrying amount of deposits for CVDA, a discretely presented component unit, was \$205,546 and the bank balance was \$206,960.

The CVDA does not have a deposit policy. Of the bank balance, \$206,960 was covered by Federal Depository Insurance.
The carrying amount of deposits for DDA was \$3,446.

The DDA does not have a deposit policy. Of the bank balance, \$3,446 was covered by Federal Depository Insurance.

B. INVESTMENTS

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

	Carrying
Form of Deposit	Amount
Investment in Georgia Fund 1	\$6,165,018
Certificate of Deposit	7,236
Total	\$6,172,254

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

The Authorities do not have investment policies.

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

	Cash on	
	Deposit	Investments
Balance per Note Above	\$5,739,000	\$6,172,254
Petty Cash	2,900	0
Change Cash	2,000	0
	\$5,743,900	\$6,172,254
Non Restricted	\$4,810,440	\$6,172,254
Restricted	933,460	0
Balance per Financial Statement	\$5,743,900	\$6,172,254

The following is a summary of the differences between carrying amount of cash and investments as shown above and on the financial statement of the discretely presented component unit:

CVDA	Cash on Deposit	Investments
Balance per Footnote Above	\$205,546	\$0
Balance per Financial Statement	\$205,546	\$0
DDA	Cash on Deposit	Investments
Balance per Footnote Above	\$3,446	\$0
Balance per Financial Statement	\$3,446	\$0

NOTE 3. TAXES

Advalorem property tax revenue is recognized in compliance with the National Council on Governmental Accounting (NCGA) Interpretation 3, "Revenue Recognition-Property Taxes". This interpretation states that property tax revenue is recorded when it becomes available. Available means when due or past due and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. Such time thereafter shall not exceed 60 days. The City's 2010 property taxes, levied September 15, 2010 on a 40% assessed valuation as of the lien date January 1, 2010, were due November 15, 2010. The levy for 2010 is as follows:

Rate per \$1,000 of Assessed Value	Legal Maximum
9.852	
5.740	
4.112	10.00
16.98	20.0
10.0	15.0
	Assessed Value 9.852 5.740 4.112 16.98

Property taxes levied for the current year are available and are therefore recognized as revenue. The City's property tax collection records show that most of the property taxes due are collected during the fiscal year of the levy. Property tax received is reduced by an allowance for uncollectible accounts which is computed on the outstanding receivable at June 30, 2011 per the following table:

95% of the 1996 Levy 95% of the 1998 Levy 95% of the 1999 Levy 95% of the 2001 Levy 95% of the 2002 Levy 95% of the 2003 Levy 95% of the 2004 Levy 80% of the 2006 Levy 70% of the 2006 Levy 60% of the 2007 Levy 50% of the 2009 Levy 5% of the 2010 Levy

Taxes receivable at June 30, 2011 consist of the following:

Property Taxes	General Fund
1996	\$85
1998	13
1999	29
2001	79
2002	387
2003	1,012
2004	5,926
2005	954
2006	3,374
2007	5,434
2008	12,522
2009	112,896
2010	264,526
	407,237
Sales Taxes	743,381
Franchise Taxes	177,964
Total Taxes Receivable	1,328,582
Less Allowance for Uncollectible	(48,095)
	\$1,280,487

The property taxes for the City are collected by the Lowndes County Tax Commissioner's Office and remitted to the City monthly. The Commission disburses the tax money received to each unit of government. Therefore, there is no receivable set up for the school levy since it is disbursed to the School Board.

NOTE. 4 INTERFUND RECEIVABLES/PAYABLES

Individual fund interfund receivables and payables including advances at June 30, 2011 are as follows:

Payables	General Fund	Internal Service Funds	Non Major Enterprise Funds	Total
General Fund	\$0	\$117,108	\$0	\$117,108
SPLOST 7	11,542	0	0	11,542
Sanitation	116,458	0	0	116,458
Non Major Governmental Funds	377,943	0	0	377,943
Non Major Enterprise Funds	2,211,162	0	60,000	2,271,162
Internal Service	2,249,840	0	0	2,249,840
Total	\$4,966,945	\$117,108	\$60,000	\$5,144,053

All interfund balances are due to routine interfund transactions that were not paid or received at June 30, 2011 as discussed in Note 1. Advances are long term in nature.

NOTE 5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2011 was as follows:

	Primary Government					
	Beginning Balance	Additions	Retirements	Reclass	Transfer	Ending Balance
Governmental Activities:						
Non-depreciable assets						
Land	\$76,846,635	\$1,015,261	\$0	\$0	(\$1,015,261)	\$76,846,635
Construction in progress	10,556,536	2,529,667	247,619	(4,779,352)	(482,524)	7,576,708
Total non-depreciable assets	87,403,171	3,544,928	247,619	(4,779,352)	(1,497,785)	84,423,343
Depreciable assets						
Land improvements	9,672,638	0	0	7,610	0	9,680,248
Buildings	21,792,452	0	0	4,116,281	0	25,908,733
Equipment	8,107,128	1,176,208	114,766	475,256	(54,155)	9,589,671
Motor Vehicles	14,622,481	310,913	488,402	0	0	14,444,992
Infrastructure	96,773,858	585,809	0	180,205	0	97,539,872
Total depreciable assets	150,968,557	2,072,930	603,168	4,779,352	(54,155)	157,163,516
Total at historical cost	238,371,728	5,617,858	850,787	0	(1,551,940)	241,586,859
Less accumulated depreciation for:						
Land improvements	3,567,955	338,523	0	0	0	3,906,478
Buildings	5,878,452	622,701	0	0	0	6,501,153
Equipment	5,921,498	878,570	114,416	0	0	6,685,652
Motor vehicles	10,976,678	1,379,218	450,889	0	0	11,905,007
Infrastructure	70,216,599	5,257,049	0	0	0	75,473,648
Total accumulated depreciation	96,561,182	8,476,061	565,305	0	0	104,471,938
Governmental activities capital assets, net	\$141,810,546	(\$2,858,203)	\$285,482	\$0	(\$1,551,940)	\$137,114,921
Business-type activities:						
Non-depreciable assets						
Land	\$1,696,082	\$39,183	\$0	\$0	\$1,015,261	\$2,750,526
Construction in progress	32,048,224	26,157,820	0	(24,995,095)	9,000	33,219,949
Total non-depreciable assets	33,744,306	26,197,003	0	(24,995,095)	1,024,261	35,970,475
Depreciable assets						
Land improvements	76,023,541	760,819	0	5,709,677	316,633	82,810,670
Buildings	32,473,436	0	12,984	19,285,418	0	51,745,870
Equipment	3,226,861	1,736,481	0	0	54,155	5,017,497
Intangibles	1,000,230	4,670	0	0	156,891	1,161,791
Total depreciable assets	112,724,068	2,501,970	12,984	24,995,095	527,679	140,735,828
Total at historical cost	146,468,374	28,698,973	12,984	0		

	Beginning Balance	Additions	Retirements	Reclass	Transfer	Ending Balance
Less accumulated depreciation for:						
Land improvements	28,685,115	1,419,791	0	0	0	30,104,906
Buildings	12,456,817	886,114	7,146	0	0	13,335,785
Equipment	2,926,569	461,639	0	0	0	3,388,208
Intangibles	18,924	33,341	0	0	0	52,265
Total accumulated depreciation	44,087,425	2,800,885	7,146	0	0	46,881,164
Business-type activities capital						
assets, net	\$102,380,949	\$25,898,088	\$5,838	\$0	\$1,551,940	\$129,825,139

Primary Government

Depreciation expense was charged to governmental functions as follows:

Governmental Depreciation:	
General Government	\$7,739,097
Finance	345
Engineering	44,061
Public Safety	565,466
Public Works	124,288
Economic Development	2,804
Total governmental depreciation	8,476,061
Business-type Depreciation:	
Sanitation	37,640
Water & Sewer	2,639,169
Inspections	1,781
Zoning	1,674
Department of Labor	87,280
Stormwater	33,341
Total business-type depreciation	2,800,885_
Total depreciation expense	\$11,276,946

Internal Service Funds predominantly serve governmental funds. Accordingly, \$18,128,438 in capital assets, \$14,531,319 in accumulated depreciation, and \$1,670,401 in current depreciation in these funds are included in the above totals for governmental activities.

NOTE 6. PENSION PLAN

A. PLAN DESCRIPTION

The City's defined benefit pension plan, City of Valdosta Retirement Plan, provides retirement, disability, and death benefits to plan members and beneficiaries. The City of Valdosta Retirement Plan is a participating member of the Georgia Municipal Employees Benefit System, an agent multiple-employer pension plan administered by the board of trustees of the System. Georgia Law 1965, page 421, assigns the authority to establish and amend benefit provisions of the plans that participate in the Georgia Municipal Employees Benefit System to the respective employer entities; for the City of Valdosta Retirement Plan, that authority rests with the City. The Georgia Municipal Employees Benefit System issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to:

Cal Wray, Director of Risk Management & Employee Benefit Service c/o GMA 201 Pryor Street S.W. Atlanta, GA 30303

or by calling (404) 688-0472.

Funding Policy

There are three classes of full-time career employees. Class I is all employees hired after February 1, 1982 and prior to August 11, 2005 who are under the age of 35 and any employees hired before February 1, 1982 and prior to August 11, 2005 who chose to contribute or were already eligible to retire. Class II is all employees hired after February 1, 1982 and prior to August 11, 2005 who are age 35 or older and any employees hired before February 1, 1982 who decline to contribute. Class III is all employees hired on and after August 11, 2005. Class I and Class III city employees are required to contribute to the Plan. The contribution amount is equal to 2% of the compensation amount.

The plan was amended August 11, 2005 to update the benefit formula, change the normal retirement eligibility for Class I and new Class III participants, improve early retirement reductions for Class II participants, increase employee contributions for Class I and Class III participants, and permit prior governmental service purchases.

YEAR OF BIRTH	COVERED COMPENSATION	YEAR OF BIRTH	COVERED COMPENSATION
1903	\$412	1923	\$560
1904	430	1924	563
1905	446	1925	566
1906	460	1926	568
1907	471	1927	570
1908	482	1928	572
1909	491	1929	575
1910	500	1930	582
1911	507	1931	590
1912	514	1932	598
1913	520	1933	605
1914	526	1934	611
1915	531	1935	618
1916	536	1936	625
1917	540	1937	631
1918	544	1938	638
1919	548	1939	644
1920	551	1940	647
1921	555	1941 (later	650
1922	558	than or equal to)	

The City is required to contribute the remaining amount necessary to fund the Plan, using the actuarial basis specified by statute. The current rate is 24.36% of annual covered payroll. The funding policy for the plan is to contribute an amount equal to the recommended contribution as follows:

Actuarial Valuation Date	January 1, 2011
Total normal cost	\$1,418,024
Administrative expenses	83,126
Expected employee contributions	(307,695)
Employer normal cost	1,193,455
Payment on unfunded/(surplus) actuarial accrued liability	
	3,588,826
Total recommended contribution	4,782,281
Adjustment for timing of contribution	181,855
Total recommended contribution, adjusted for	
timing	4,964,136
Total recommended contribution as a percentage of payroll	24.36%

The recommended contribution meets the guidelines for calculating an annual required contribution set forth in Paragraph 9-10 of GASB Statement 27. These contribution requirements of plan members and the City are established and may be amended by the System's board of trustees.

Annual Pension Cost

The City's annual pension cost of \$3,000,000 for the City of Valdosta Retirement Plan was equal to the City's required and actual contributions. The required contribution was determined under the projected unit credit actuarial cost method and asset valuation method for developing the actuarial value of assets. The actuarial assumptions included (a) 8.0% investment rate of return, (b) projected salary increases for inflation of 5.0% and merit or seniority of 0.5% per year and (c) future Social Security Wage Bases of 5.5%. The actuarial value of assets was determined by rolling forward the prior year's actuarial value with contributions, disbursements, and expected return on investments, plus 10% of investment gains and losses during the prior 10 years. The period, and related method, for amortizing the initial unfunded actuarial accrued liability is 30 years from 1981 and current changes in the unfunded actuarial accrued liability over 15 years for actuarial gains and losses, 20 years for plan provisions, and 30 years for actuarial assumptions and cost methods as a level dollar amount. These amortization periods, if applicable, are closed for this plan year.

The City adopted a rule of 75 effectively July 1, 2004. This means that an employee can retire with a combined age and years of service of 75 or greater. Only Class I and Class III employees qualify for this rule. This will affect the comparability of trend information in future years.

Trend Information

	Annual Pension Cost	Percentage of (APC)	Net Pension
Fiscal Year Ending	(APC)	Contributed	Obligation
2009	\$2,720,929	100%	0
2010	3,179,323	100%	0
2011	3,000,000	100%	0

As of January 1, 2011, the date of the most recent actuarial valuation, there were 891 participants consisting of the following:

Retirees and beneficiaries currently receiving benefits	283
Vested terminated employees not yet receiving benefits	63
Active employees	545
Total	891

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

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded/ Surplus AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	a Percentage of Covered Payroll ((b-a)/c)
Jan 1, 2011	\$35,474,648	\$60,804,206	\$25,329,558	58.34%	\$20,032,380	126.44%

IIAAT as

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 long-term perspective. Calculations are based on the substantive plan in effect as of January 1, 2011.

NOTE 7. DEFINED CONTRIBUTION PLAN

City of Valdosta Defined Contribution Plan

The City of Valdosta offers its employees a defined contribution plan created in accordance with Internal Revenue Code Section 457. The plan was established by City ordinance, and the City Council has the authority to amend the plan. The plan is a deferred compensation plan administered by Nationwide Retirement Solutions. The City of Valdosta is responsible for the accounting, reconciliations, and record keeping associated with City employees' enrollment, payment to the plan through payroll deductions, and timely transfer of withheld funds to the trustee designated by the City of Valdosta for investment. The plan provides a number of investment options and is designed so that each participant retains investment control of his/her individual account. The plan, available to all full-time employees, permits them to defer a portion of their salary until future years. The deferred compensation is held in trust for the exclusive benefit of plan participants and their beneficiaries and is not available to employees until termination, retirement, death, or unforeseeable emergency. Since the City of Valdosta has no fiduciary relationship with plan participants, the plan assets are not included in the financial statements.

NOTE 8. OTHER POST-EMPLOYMENT BENEFITS

Plan Description

The City of Valdosta maintains another post-employment benefit plan, the City of Valdosta Other Post-Employment Benefits Plan (the OPEB Plan"), which includes retirees from the City of Valdosta. In accordance with City ordinance, the City's personnel policy provides that all employees who retire under early, normal or disability retirement are eligible for confirmed health care benefits provided they have a total of 25 consecutive years of employment. The monthly cost for retiree is \$165.00 and the cost for retiree plus spouse is \$280.00. Employees who retire receive the same group health insurance benefits as active employees. Effective September 1, 2009, Medicare eligible employs are converted to a third party plan at which time Medicare assigns the subsidy and rights to pay claims to the third party plan provider. At June 30, 2011, 107 retirees participated in the plan, paying a monthly premium of \$77-\$115. However, their dental is the same group coverage as active employees.

Retirees are also eligible to keep up to \$20,000 of life insurance provided they elected additional life insurance as an active employee. In addition, a retiree may elect dependent coverage provided they elected additional dependent coverage as an active employee. A dependent's life insurance coverage cannot exceed 50% of the retiree's life insurance. Also, in order for a dependent to keep life insurance, the retiree must elect coverage.

The City's self-insured health plan, City of Valdosta Group Insurance, provides medical and hospitalization benefits for two classes of retirees. Class I includes all retirees with twenty-five years of continuous service. Class I retirees are eligible for Health Insurance paid by the City. Class II includes retirees who retired before July 1, 2002, with ten years of service and age sixty-two. Class II retirees must pay a monthly premium of \$77 - \$115 to participate in the plan. The plan is administered by the Plan Administrator, with Group Resources, Inc., an Administrative Service Agent, acting as claims paying agent. The Mayor and City Council has the authority to amend the plan. The City contributions are financed on a pay-as-you-go basis. During the current year, the City expended \$846,422 for retirees' health insurance for 110 participants. In addition, 75 participants were covered.

The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation to the OPEB Plan.

Annual required contribution	\$3,881,477
Interest on net OPEB obligation	139,065
Adjustments to annual required contribution	(229,825)
Annual OPEB cost	3,790,717
Contributions made	1,041,252
Increase in net OPEB obligation	2,749,465
Net OPEB obligation, beginning of year	3,476,630
Net OPEB obligation, end of year	\$6,226,095

Fiscal Year Ended June 30,	Annual Required Contributions*	Actual Contributions	Percentage Contributed
2009	\$3,440,104	\$1,541,652	44%
2010	3,652,659	2,028,042	56%
2011	3,881,477	1,041,252	27%
* (DCI I			

*ARC based on a pay-as-you-go plan.

OPEB obligations are generally liquidated by the General Fund. The plan is a single employer plan and does not issue separate financial statements.

Valuation Date June 30, 2009	Accuarial Accrued Liability (AAL) (1) \$32,663,715	Accuarial Value of Assets \$0	Unfunded AAL (UAAL) \$32,663,715	Percentage Funded 0%	Annual Covered Payroll \$18,116,280	UAAL as Percentage of Payroll 180.30%
1) A	AL based on pay-as-yo	ou-go plan.				
Valuation	date		June	30, 2009		
Actuarial	cost method		Proje	cted Unit Credit		
Amortizat	ion method			l dollar, closed, 2	5 years	
Remaining	g amortization period		23 ye	ars as of July 1, 2	2011	
Asset valu	ation method		Mark	et value		
Actual ass	umptions:					
Investm	ent rate of return		4.00%	% pay-as-you go		
Salary g	growth		5.50%	6		
Medica	l and drug cost trend rate		9.50%	6 graded to 5.00%	% over 9 years	
Dental	cost trend rate		6.00%	% graded to 5.00%	% over 2 years	
Plan mem	bership:					
Current	retirees, beneficiaries, an	d dependents	258			
Current	active participants		514			
Termina	ated participants entitled l	out not yet eligib	ole 0			
Total			772			

These calculations are based on the OPEB benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point.

Actuarial valuations for OPEB plans 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.

The actuarial calculations of the OPEB plan reflect a longer-term perspective. The Schedule of Funding Progress immediately following the notes to the financial statements presents multi-year trend information about whether the actuarial value of plan assets is increasing relative to the actuarial accrued liability.

NOTE 9. LONG TERM DEBT

Long term non bonded debt of the City due to the CVDA is as follows:

Enterprise Funds 4.19% Department of Labor Building.	Balance July 1, 2010	Additions	Reductions	Balance June 30, 2011	Due Within One Year
Original issue amount \$4,410,000.	\$3,245,000	\$0	\$233,000	\$3,012,000	\$233,000
Total Notes	\$3,245,000	\$0	\$233,000	\$3,012,000	\$233,000

The requirements to amortize the note to the CVDA are as follows:

Fiscal Year		
Ending		
<u>June 30</u>	Principal	Interest
2012	\$233,000	\$116,440
2013	233,000	106,677
2014	233,000	96,915
2015	233,000	87,152
2016	233,000	77,389
2017-2021	1,165,000	264,913
2022-2024	682,000	42,151
Totals	\$3,012,000	\$791,637

Long term bonded debt of the City is \$0.

Outstanding Water and Sewer Revenue Bonds at June 30, 2011, totaled \$0.

The City is subject to a statutory limitation by the State of Georgia for bonded indebtedness, payable principally from property taxes to an amount not greater than 10% of the assessed value of all taxable property within the municipality. At June 30, 2011, the limit for the City was \$142,201,082.

Long term bonded debt of the CVDA, a discretely presented component unit, is as follows:

СУДА	Balance July 1, 2010	Additions	Reductions	Balance June 30, 2011	Due Within One Year
5.81% Bond Series 2001 . Due in semi-annual installments of February					
1 and August 1, beginning					
August 1, 2001 and continuing					
through February 1, 2020.					
Original issue \$800,000.	\$254,015	\$0	\$82,212	\$171,803	\$59,927
4.19% Bond Series 2003 . Due in semi-annual installments on February 1 and August 1, beginning August 1, 2005 and continuing through August 1, 2023.					
Original issue \$4,410,000.	3,245,000	0	233,000	3,012,000	233,000
Total Bonded Debt	\$3,499,015	\$0	\$315,212	\$3,183,803	\$292,927

Outstanding CVDA Bonds at June 30, 2011, totaled \$3,183,803. The Authority entered into an obligation to finance the Department of Labor building for the City of Valdosta in the amount of \$4,410,000. The Authority issued a bond to cover the cost of construction in fiscal year 2004. The debt is payable solely from certain lease payments to be paid to the City of Valdosta, Georgia by the Georgia Department of Labor.

The Authority entered into an obligation to finance improvements in the downtown area as part of Streetscape in the amount of \$800,000. The Authority issued a bond to cover the cost of construction in 2001. The debt is payable solely from an additional property tax rate of 10 mills paid by property owners within the Community Improvement District (CID).

The annual requirement to amortize all CVDA issue bonds outstanding as of June 30, 2011, including interest of \$21,238 on the 2001 Series and the Bond Series 2003 including interest of \$791,637 is as follows:

	Year Ended			
_	<u>June 30</u>	Principal	Interest	Total
	2012	\$292,927	\$127,055	\$419,982
	2013	296,460	113,759	410,219
	2014	284,416	100,257	384,673
	2015	233,000	87,352	320,352
	2016	233,000	77,389	310,389
	2017-2021	1,165,000	264,913	1,429,913
	2022-2024	682,000	42,150	724,150
	Total	\$3,183,803	\$ 812,875	\$3,996,678

In FY 2010, The Downtown Development Authority for the City of Valdosta issued a \$3,000,000 bond to First State Bank and Trust Company of Valdosta and accepted a \$3,000,000 note from BGV Foundation in exchange for the bond proceeds. The Authority received a 1/8% or (\$3,750) fee for issuing the bond. The Authority has assigned the note from BGV Foundation to the First State Bank and Trust. In addition, the City of Valdosta has entered into an agreement with the Authority to make payments on the bond from the SPLOST proceeds but neither the City nor the Authority is obligated to make payments. All responsibility for the bond reside with BGV Foundation, Inc. This arrangement therefore qualifies as conduit debt. The debt was issued to acquire and improve a youth recreation center to be leased to the Authority for all revenue generated by the Center.

The debt is dated October 29, 2009. It bears interest at a variable rate determined with reference to the bond owner's prime rate. As of June 30, 2011, this rate was 2.18%. The balance at June 30 was \$1,920,000. Interest is payable monthly with principal due March 1.

The annual requirement to amortize all DDA issue bonds outstanding as of June 30, 2011, including interest of \$83,814 is as follows:

Year Ended		
June 30,	Principal	Interest
2012	\$540,000	\$40,876
2013	540,000	28,511
2014	840,000	14,427
	\$1,920,000	\$83,814

The liability for compensated absences of the City is as follows:

	Balance July 1, 2010	Additions	Reductions	Balance June 30, 2011	Due Within One Year
Enterprise Funds					
Accrued vacation	\$500,518	\$453,164	\$490,648	\$463,034	\$284,831
Internal Service Funds					
Accrued vacation	36,189	29,930	36,189	29,930	18,000
Governmental Funds					
Accrued vacation	1,547,691	1,411,964	1,484,270	1,475,385	740,000
Other Post Employment Benefits	3,476,630	3,790,717	1,041,252	6,226,095	. 0
Total Compensated Absences	\$5,561,028	\$5,695,645	\$3,052,359	\$8,204,314	\$1,042,831

Compensated absences are generally liquidated by the General Fund.

The City of Valdosta has entered into a contract for eight loans with Georgia Environmental Facilities Authority for an aggregate loan balance of \$35,162,833. Payments for these loans are repaid quarterly or monthly. In addition, the City has entered into one additional contract to finance water and sewer projects. As of June 30, 2011, draws totaled \$3,413,078 on the loan in progress. Additional draws are pending.

Loan Amount	Payment Period
\$1,000,000	May 1, 1990 to February 1, 2009
250,000	September 1, 1994 to June 1, 2014
2,228,600	November 1, 1993 to May 1, 2011
4,288,164	August 1, 2004 to November 1, 2023
6,142,659	July 1, 2011 to June 1, 2031
12,500,000	July 1, 2011 to June 1, 2031
1,200,000	August 1, 2011 to July 1, 2031
7,553,410	April 1, 2011 to March 1, 2031
3,413,078	Pending

The amount in due to other Governments and Agencies in the Sanitation and Water/Sewer Funds, net of current portion, is the balance of these loans payable at June 30, 2011.

Georgia Environmental Facilities Loans

Loan #	Balance			Balance	Due Within
	July 1, 2010	Additions	Reductions	June 30, 2011	One Year
92-003-SW	\$67,260	\$0	\$15,813	\$51,447	\$16,463
90-043-WS	206,787	0	206,787	0	· 0
DW97-036	3,640,704	0	225,945	3,414,759	232,800
CWSRF 08-003			,		,
ARRA PHI	326,230	5,816,429	0	6,142,659	208,406
CWSRF 08-003					
PHI	0	12,500,000	0	12,500,000	424,096
CWSRF 08-003					
ARRA PHII	0	1,200,000	0	1,200,000	36,967
2006-L53WJ PHI	1,050,642	6,502,768	40,705	7,512,705	250,180
CWSRF 08-003					
ARRA PHII	0	3,413,078	0	3,413,078	0
Totals	\$5,291,623	\$29,432,275	\$489,250	\$34,234,648	\$1,168,912

The requirements to amortize the Georgia Environmental Facilities Loans debt outstanding as of June 30, 2011 as follows:

Fiscal					T	
Year	Loan # 92-	003-SW	Loan # D'	W97-036		2W08-003 A PHI
Ending June 30	Principal	Interest	Principal	Interest	Principal	Interest
2012	\$16,463	\$1,835	\$232,800	\$100,032	\$208,406	\$166,331
2013	17,140	1,158	239,863	92,969	233,977	174,828
2014	17,844	454	247,140	85,692	241,093	167,711
2015	0	0	254,638	78,194	248,426	160,378
2016	0	0	262,364	70,469	255,983	152,822
2017-2021	0	0	1,436,159	228,004	1,401,548	642,475
2022-2026	0	0	741,795	29,397	1,628,061	415,961
2027-2031	0	0	0	0	1,891,184	152,839
2032	0	0	0	0	33,981	85
Totals	\$51,447	\$3,447	\$3,414,759	\$684,757	\$6,142,659	\$2,033,430

Fiscal	
FISCA	l

Year Ending	Loan # CWS PHI	SRF08-003	Loan # CV PH	VSRF08-003 II		# 2006-L53WJ PHI
June 30	Principal	Interest	Principal	Interest	Principal	Interest
2012	\$424,096	\$338,475	\$36,967	\$29,586	\$250,180	\$304,834
2013	476,131	355,766	45,594	34,267	260,684	294,330
2014	490,613	341,284	46,981	32,881	271,630	283,385
2015	505,535	326,361	48,410	31,452	283,035	271,980
2016	520,911	310,985	49,883	29,979	294,918	260,096
2017-2021	2,852,077	1,307,403	273,116	126,194	1,671,064	1,104,007
2022-2026	3,313,023	846,460	317,257	82,053	2,052,602	722,471
2027-2031	3,848,462	311,021	368,531	30,779	2,428,592	253,980
2032	69,152	173	13,261	50	0	0
Totals	\$12,500,000	\$4,137,928	\$1,200,000	\$397,241	\$7,512,705	\$3,495,083

Fiscal

Year	Total All Loans		
Ending			
June 30	Principal	Interest	
2012	\$1,168,912	\$941,093	
2013	1,273,389	953,318	
2014	1,315,301	911,407	
2015	1,340,044	868,365	
2016	1,384,059	824,351	
2017-2021	7,633,964	3,408,083	
2022-2026	8,052,738	2,096,342	
2027-2031	8,536,769	748,619	
2032	116,394	308	
Totals	\$30,821,570	\$10,751,886	

The present interest rate is 3%. This debt has been issued to improve and maintain the City's water system. Loan #CWSRF 08-003 PHII is incomplete and therefore no amortization schedule is available. The maximum repayment period will be 20 years at 3%.

Police Department Capital Lease

The City of Valdosta entered into a capital lease agreement on December 15, 2010, with Motorola for in-car computer equipment for the Police Department. The total lease payments are \$622,832, with annual interest imputed at 3.320%, payable in four annual payments of \$155,708.

The annual requirement to amortize the Motorola Capital Lease Agreement outstanding balance as of June 30, 2011, is a follows:

Year Ending June 30	Principal	Interest	Total
2011	\$141,998	\$13,710	\$155,708
2012	141,175	14,533	155,708
2013	145,862	9,846	155,708
2014	150,705	5,003	155,708
Total	\$579,740	\$43,092	\$622,832

The city capitalized equipment with a cost of \$579,740 as a result of this lease. The city recognized depreciation of \$48,312 in FY 2011 on this asset resulting in a book value of \$531,428 at June 30, 2011.

NOTE 10. FUND BALANCE

The City records five categories of fund balance as defined in Note 1 section U. The five types are nonspendable, restricted, committed, assigned and unassigned.

Nonspendable Fund Balance is classified by amounts that are (a) not in spendable form or (b) legally or contractually required to be maintained intact.

	General Fund	Sales Tax 2002	Sales Tax 2007	Non Major Governmental Funds	Total
Nonspendable. The following fund balances a					
nonspendable:					
Long term receivables	\$4,399,736	\$0	\$0	\$3,441,811	\$7,841,547
Prepaids	2,110	0	0	0	2,110
Inventory	0	0	300,000	0	300,000
Required to be maintained in tact	0	0	0	1,472,224	1,472,224
	4,401,846	0	300,000	4,914,035	9,615,881
Restricted. The following fund balances are r	estricted for:				
Public safety	4,600	0	0	29,446	34,046
Land Bank Authority	144,952	0	0	0	144,952
NPDES permitting	26,839	0	0	0	26,839
Redevelopment	0	0	0	87,057	87,057
Youth programs	0	0	0	12,179	12,179
Capital outlay	0	241,832	3,225,047	0	3,466,879
	176,391	241,832	3,225,047	128,682	3,771,952
Committed. The following fund balances are	committed:				
Committed for urban forestry	10,767	0	0	0	10,767
	10,767	0	0	0	10,767
Assigned. The following fund balances are as	signed to:				
General government	221,390	0	0	0	221,390
Public safety	586,494	0	0	0	586,494
Community development	13,736	0	0	0	13,736
Tourism development	0	0	0	107,906	107,906
Capital improvement	0	0	0	763,598	763,598
	821,620	0	0	871,504	1,693,124
Unassigned. The following balances are unas	signed:				
	0	0	0	(301,411)	(301,411)
	0	0	0	(301,411)	(301,411)
Total Fund Balance	\$5,410,624	\$241,832	\$3,525,047	\$5,612,810	\$14,790,313

NOTE 11. CLOSURE AND POST CLOSURE CARE COST

The City of Valdosta closed its landfill in 1999. State and federal laws require the City of Valdosta to cover the landfill site and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The \$1,036,354 reported as landfill closure care liability at June 30, 2011 represents the estimated total amount necessary to perform all future closure and post closure functions. The cumulative amount reported is based on the use of 100 percent of the capacity of the landfill. The amount reported is based on what it would cost to perform all closure and post closure care in 2011. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The City has applied the necessary financial tests to ensure compliance with the financial assurance requirements. The tests were applied based on the City's Comprehensive Annual Financial Report (CAFR) for fiscal year ended June 30, 2010. The City meets or exceeds the requirement of each financial test ratio. The assured costs related to the City of Valdosta's landfill are identified in both the annual operating budget and the CAFR. The City has reported cost assured for closure and post closure in accordance with GASB Statement 18.

Closure and post closure care cost of the City is as follows:

	Balance			Balance	Within One
Enterprise Funds	July 1, 2010	Additions	Reductions	June 30, 2011	Year
Landfill post closure care liability	\$1,055,138	\$0	\$18,784	\$1,036,354	\$52,500
Total post closure care liability	\$1,055,138	\$0	\$18,784	\$1,036,354	\$52,500

NOTE 12. CONTINGENT LIABILITIES

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

Due to the lag time between expenses being incurred and claims submitted for payment there is a liability at June 30, 2011, against the self-insurance fund. This incurred but not reported (IBNR) liability is estimated to be \$395,000. This number was calculated by analyzing the plan's payment lag and projecting the resulting trend into the next fiscal year.

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NOTE 13. FUND BALANCE DEFICITS

The following funds had deficits at June 30, 2011:

The EECBG Department of Energy had a deficit of \$13,936, EDI-SP HUD Economic Development Fund had a deficit balance of \$98,205, U.S. Department of Justice LLBG Grant Fund had a deficit balance of \$5,521, and CDBG-R HUD Recovery Grant had a deficit of \$44,003, all due primarily to intergovernmental revenues not being received within 31 days of the City's year end.

The Inspections Fund had a deficit net assets of \$401,311 due to reduction in permits issued. The Zoning Fund had a deficit net assets of \$962,879 due to insufficient revenues. The Auditorium Fund had a deficit net assets of \$847,983 due to insufficient bookings. The City is reviewing the fee schedules and tax subsidy.

NOTE 14. INTERFUND TRANSACTIONS

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

Transfers between fund types during the year ended June 30, 2011, were:

	Transfers In	Transfers Out
General Fund	\$1,595,008	\$1,490,556
Sanitation Fund	0	547,807
Water and Sewer Fund	0	1,323,876
Storm Water Fund	0	185,008
Other Governmental Funds	439,670	0
Other Enterprise Funds	60,000	110,442
Internal Service Funds	1,563,011	0_
	\$3,657,689	\$3,657,689

General Fund transferred \$439,670 to Airport Development Fund and \$1,050,886 to Group Insurance. Sanitation and Water and Sewer transferred \$100,934 and \$46,885 respectively to the Motor Pool to finance vehicle purchases. Sanitation transferred \$86,873 to Group Insurance, Water and Sewer transferred \$226,991 to Group Insurance. Inspections transferred \$39,233 to Group Insurance. Zoning transferred \$11,209 to Group Insurance. All transfers to Group Insurance were to reimburse that fund for medical costs incurred. Motor Fuel transferred \$60,000 to the Zoning Fund. All other transfers were to the General Fund. Transfers to General Fund reimburse the cost of administrative and support services provided to other funds.

NOTE 15. JOINT VENTURES

Under Georgia Law, the City, in conjunction with other cities and counties in the three county South Georgia area, is a member of the Southern Georgia Regional Commission and is required to pay annual dues thereto. During the year ended June 30, 2011, the city paid \$68,966 in such dues. Membership in the Commission is required by the official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the Commission of Georgia. The 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 Commission.

The Commission revenues are sufficient to cover its operating costs and the City does not expect the entity to dissolve in the foreseeable future. The Commission is neither accumulating significant financial resources nor experiencing fiscal stress that may cause an additional financial benefit to or burden upon the City.

Separate financial statements may be obtained from:

Southern Georgia Regional Commission 324 West Savannah Avenue Valdosta, Georgia 31601

NOTE 16. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; injury to participants at city facilities; and natural disasters. The City is self-insured for workman's compensation, certain types of property damage, and general liability. These liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be

reasonably estimated. The liabilities include an amount for claims that have been incurred but not reported (IBNR). At June 30, 2011, there is no known liability.

The City is also self-insured for medical claims by the employees and employees' dependents that are covered under the medical plan. The plan is a self funded welfare benefit plan providing health and hospitalization benefits. Claims under the plan are paid solely from the general assets of the City of Valdosta. Losses greater than \$120,000 per aggregate individual claim are insured by a private insurance company. The plan is administered by the Plan Administrator, with Group Resources, Inc., an Administrative Service Agent, acting as claims paying agent. The City of Valdosta and employees' contributions cover the cost of the plan. The City's contributions and any employee pretax contributions withheld by way of payroll deduction are held by the City and used to pay the plan's benefits. Any after-tax employee contributions may be held in trust by the trustee. The amount of all such contributions are actuarially determined where necessary. As previously stated in Note 12, there is a liability of \$395,000 recorded for those medical claims incurred but not reported. Changes in the balances of the claimed liabilities during the past two fiscal years are as follows:

	Unpaid claims,	Incurred claims		Unpaid claims,
	beginning of fiscal year	(including IBNR's)	Claim payments	end of fiscal year
June 30, 2010	\$359,062	\$4,612,193	(\$4,677,586)	\$293,669
June 30, 2011	293,669	5,323,626	(5,179,010)	438,285

The City carries commercial insurance purchased from an independent third party for fire damage to the City's vehicle fleet for those damages exceeding \$10,000 based on a stated value of the vehicle which approximates the current market value.

The risks of errors and omissions; injury to participants at city facilities; and theft of funds are covered by commercial insurance purchased from independent third parties. These policies carry a \$15,000 deductible per occurrence.

Claims Exceeding Commercial Coverage for the Year Ended June 30:

2011	\$0
2010	0
2009	0

NOTE 17. DEPARMENT OF LABOR BUILDING OPERATING LEASE

The Georgia Department of Labor (DOL), as a department of the State Government of Georgia, entered into a long-term lease with the City of Valdosta. The structure was built-to-suit the needs of the State for the Georgia Department of Labor.

The Georgia Department of Labor agrees to pay the City of Valdosta a fixed monthly rent of \$39,096. The DOL has an option of renewing or extending the agreement on a year to year basis for nineteen (19) consecutive years. Total remaining rents amount to \$6,568,123. The City of Valdosta will, at their sole cost, service, replace, keep and maintain in good order and repair each and every portion of the existing premises. In addition, the City is responsible for providing various insurance coverages. The building's cost is \$4,364,002 and its carrying amount is \$3,753,042. Depreciation on the building amounts to \$87,280 annually.

NOTE 18. ACCOMMODATIONS TAX

The City collects and disburses an accommodations tax in accordance with the provisions with OCGA 48-13-51. The total rate of 5% generated \$1,457,712, net of vendor's compensation of \$46,441, in tax receipts and was allocated as follows: \$597,658, or 40%, to the Valdosta/Lowndes County Tourism Authority, \$370,000 to the Valdosta/Lowndes Conference Center, \$289,237 to the Airport Authority, and \$190,000 to the Turner Arts Center. The remainder of \$10,817 was retained by the City and will be spent in accordance with legal provisions.

NOTE 19. ACCOUNTING CHANGES

FUNDS OPENED

Property Evidence Fund – to account for property collected by the City of Valdosta's Police Department.

EDI-SP HUD – Economic Development Initiative– allocated for the City of Valdosta to be used for the reconstruction and development of an eight block transportation corridor in the heart of the City's African American Community.

Evidence Agency Fund – to account for monies taken in by the Valdosta Police Department but not condemned.

FUNDS CLOSED

Sales Tax 97 Fund was closed due to all revenues brought in by the sales tax being expended.

Recreation and Parks Fund was closed as a Recreation Authority was legally formed and now independently maintains their funds.

NOTE 20. CONSTRUCTION COMITTMENTS

The City has active construction projects as of June 30, 2011. The projects include the expansion of the City's water system, expansion of the Mud Creek Waste Water Treatment Plant, and drainage improvements. At year end, the City's commitments with contractors are as follows:

Project	Spent-to-date	Remaining Commitment
Mud Creek Plant Expansion	\$30,498,742	\$15,731,739
Mud Creek Plant Expansion	4,396,545	941,257
MLK Corridor Project	325,718	108,241
Pump Station	1,469,957	1,451,957

The Mud Creek Plant Expansion is financed by the Georgia Environmental Finance Authority. The MLK Project is financed by federal grants and special purpose local option sales tax proceeds. The pump station improvements are paid from user fees.

Budgetary Comparison Schedules

CITY OF VALDOSTA, GEORGIA REQUIRED SUPPLEMENTARY INFORMATION BUDGETARY COMPARISON SCHEDULE GENERAL FUND FOR THE YEAR ENDED JUNE 30, 2011

	BUDGETED	AMOUNTS FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL	ACTUAL	(UNDER)
Revenues:				
Taxes	\$24,154,426	\$24,154,426	\$22,841,661	(\$1,312,765)
Licenses and permits	379,900	379,900	394,262	14,362
Charges for services	572,000	572,000	384,075	(187,925)
Fines and forfeitures	1,429,500	1,429,500	1,399,539	(29,961)
Interest income	107,000	107,000	33,511	(73,489)
Contributions and donations	31,000	31,500	12,200	(19,300)
Miscellaneous	603,050	603,050	447,084	(155,966)
Intergovernmental	1,291,585	1,713,810	1,449,506	(264,304)
Capital leases	0	579,740	579,740	0
Transfer in	2,371,508	2,275,008	1,595,008	(680,000)
TOTAL REVENUES	30,939,969	31,845,934	29,136,586	(2,709,348)
Expenditures:				
Current:				
General governmen	9,077,088	9,116,827	9,352,807	(235,980)
Public safety	19,279,808	20,152,754	20,065,681	87,073
Public works	2,035,801	1,794,283	1,784,108	10,175
Economic development	537,272	469,810	536,246	(66,436)
Transfer out	0	0	1,490,556	(1,490,556)
TOTAL EXPENDITURES	30,929,969	31,533,674	33,229,398	(1,695,724)
REVENUES OVER EXPENDITURES	10,000	312,260	(4,092,812)	(4,405,072)
Fund balance - beginning of year budgetary basis	7,465,681	7,465,681	7,465,681	0
FUND BALANCE - END OF YEAR - BUDGETARY BASIS	\$7,475,681	\$7,777,941	\$3,372,869	(\$4,405,072)
FUND BREAKCE - BAD OF TEAK - DUDGETAKT BASIS	\$1,110,001			((1)))))))))
Explanation of Differences between Budgetary Inflows and Outflow	s and GAAP			
Revenues and Expenditures				
Sources/inflows of resources				
Actual amounts (budgetary basis) "available for appropriation" from the	budgetary			
comparison schedule.	0,		\$29,136,586	
Differences - budget to GAAP:				
Capital leases are inflows for budgetary resources but are not revenues	; foi		(579,740)	
financial reporting purposes.				
Transfers from other funds are inflows for budgetary resources but are	not revenues for			
financial reporting purposes.			(1,595,008)	
Total revenues as reported on the statement of revenues, expenditures, and	nd change:			
in fund balances - governmental funds.	0		\$26,961,838	
Uses/outflows of resources				
Actual amounts (budgetary basis) "total charges to appropriations" from	the budgetary			
comparison schedule.			\$33,229,398	
Differences - budget to GAAP:				
Encumbrances for supplies and equipment ordered but not received are	reported in the			
year the order is placed for budgetary purposes, but in the year the supp	-			
	Jiles ale		(503,775)	
received for financial reporting purposes.	at avaanditures for		(303,773)	
Transfers to other funds are outflows for budgetary resources but are n	ior experioritures for		(1 400 55()	
financial reporting purposes.			(1,490,556)	
Total expenditures as reported on the statement of revenues, expenditure	es, and changes		\$21 225 067	
in fund balances - governmental funds.			\$31,235,067	

CITY OF VALDOSTA, GEORGIA NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION FOR THE YEAR ENDED JUNE 30, 2011

NOTE 1. BUDGETARY BASIS OF ACCOUNTING

The Budget Data in the schedules were prepared on a Non-GAAP budgetary basis. The difference between the GAAP basis and the budgetary basis is the inclusion of encumbrances as expenditures.

CITY OF VALDOSTA, GEORGIA REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF FUNDING PROGRESS CITY OF VALDOSTA PENSION PLAN FOR THE YEAR ENDED JUNE 30, 2011

Schedule of Funding Progress

		Actuarial Accrued				UAAL
Actuarial	Actuarial	Liability	Unfunded			As a% of
Valuation	Value	(AAL)-Entry	AAL	Funded	Covered	Covered
Date	of Assets	Age	UAAL	Ratio	Payroll	Payroll
July 1, 2002	29,672,381	29,750,512	78,131	99.7%	15,140,750	0.5%
July 1, 2003	30,174,532	31,403,666	1,229,134	96.1%	16,056,137	7.7%
July 1, 2004	31,073,224	33,438,073	2,364,849	92.9%	17,132,664	13.8%
July 1, 2005	32,148,338	35,687,621	3,539,283	90.1%	17,121,839	20.7%
July 1, 2006	34,011,640	37,223,380	3,211,740	91.4%	17,039,948	18.8%
July 1, 2007	35,887,400	45,950,731	10,063,331	78.1%	17,909,251	56.2%
July 1, 2008	38,077,852	49,374,192	11,296,340	77.1%	18,603,794	60.7%
July 1, 2009	28,511,791	58,210,722	29,698,931	48.98%	18,078,372	164.28%
Jan 1, 2010	35,127,285	59,946,901	24,819,616	58.60%	18,716,347	132.61%
Jan 1, 2011	35,474,648	60,804,206	25,329,558	58.34%	20,032,380	126.44%

CITY OF VALDOSTA, GEORGIA REQUIRED SUPPLEMENTAL INFORMATION SCHEDULE OF FUNDING PROGRESS POST EMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) FOR THE YEAR ENDED JUNE 30, 2011

	Accuarial	Accuarial	Unfunded		Annual	UAAL as
Valuation	Accrued	Value	AAL	Percentage	Covered	Percentage
Date	Liability (AAL) (1)	of Assets	(UAAL)	Funded	Payroll	of Payroll
July 1, 2009	\$32,663,715	\$0	\$32,663,715	0%	\$18,116,280	180.30%

1) AAL based on pay-as-you-go plan.

Non-Major Governmental Funds

Special Revenue Funds

Confiscated Funds - to account for confiscated funds collected by the City of Valdosta's Police Department.

Property Evidence Fund - to account for property collected by the City of Valdosta's Police Department.

GA DCA Chip Grant 98M-X_092_512-013 - to account for grant funds received from the Georgia Department of Community Affairs. The Chip program provides funding for a portion of construction costs for nine new homes for eligible low and moderate income persons.

U.S. Department of Justice Local Law Enforcement Block Grants - to account for Local Law Enforcement Block Grant funds from the U.S. Department of Justice which are to be used to purchase equipment in the City's Police Department.

Urban Development Action Grant Fund - to account for funds received in accordance with Title I, Section 119, of the Housing and Community Development Act of 1974. Funds are designated for the use of financing second mortgages for qualified buyers.

GA DCA CHIP Grant 01M-X-092-2-2568 - to account for grant funds received from the Georgia Department of Community Affairs. The CHIP program provides funding for a portion of construction costs for new homes for eligible low and moderate income persons.

GA DCA CHIP 02M-X-092-2-2695 - to account for grant funds received from the Georgia Department of Community Affairs. The CHIP program provides funding for a portion of construction costs for new homes for eligible low and moderate income persons.

Federal HUD Entitlement Grant - to account for grant funds from the U. S. Department of Housing and Urban Development Community Development Block Grant Entitlement Program. This program supplies funds to support the development of viable urban communities by providing decent housing, a suitable living environment and economic opportunities, principally for persons of low and moderate income.

GA DCA CHIP 04M-X-092-2-2915 – to account for grant funds received from the Georgia Department of Community Affairs. The CHIP program provides funding a portion of construction costs for new homes for eligible low and moderate income persons as well as funding for home-owner rehabilitation projects.

GA DCA CHIP 06M-X-092-2-2951 – to account for grant funds received from the Georgia Department of Community Affairs. The CHIP program provides funding for a portion of construction costs for new homes for eligible low and moderate income persons as well as funding for home-owner rehabilitation projects.

GA DCA CHIP 07M-X-092-2-2961 – to account for grant funds received from the Georgia Department of Community Affairs. The CHIP program provides funding for a portion of construction costs for new homes for eligible low and moderate income persons as well as funding for home-owner rehabilitation projects.

GA DCA CHIP 07MR-X-092-2-2979 – to account for grant funds received from the Georgia Department of Community Affairs. The CHIP program provides funding for a portion of construction costs for new homes for eligible low and moderate income persons as well as funding for home-owner rehabilitation projects.

EECBG – Department of Energy – to account for grant funds to provide funds for the City of Valdosta to implement energy efficiency retrofits to replace existing lighting fixtures with electronic ballasts, use of fluorescent lamps, installation of LED lights, and replacement of older HVAC systems.

EDI-SP HUD – Economic Development Initiative – to account for grant funds allocated for the City of Valdosta to be used for the reconstruction and development of an eight block transportation corridor in the heart of the City's African American Community.

CDBG-R HUD Recovery Grant – to account for grant funds from the U. S. Department of Housing and Urban Development Community Development Block Grant Recovery Funds program. Funding has clear purposes to stimulate the economy through measures that modernize the Nation's infrastructure, improve energy efficiency, and expand educational opportunities and access to healthcare.

Accommodation Tax Fund - this fund accounts for hotel/motel tax monies received by the City. These funds are used to promote tourism in Valdosta and Lowndes County. By statute, 40% of collections must go to the Tourism Authority. The remainder is used to fund the City's contributions to the Conference Center, Airport Authority, and Industrial Authority.

Youth Recreation Scholarships - to account for funds received by contribution and/or fund raisers to be used to offset costs for economically disadvantaged youth who want to participate in the City's recreation activities and sports programs.

Capital Project Funds

Airport Development Fund - to account for the financing and construction of ongoing capital improvements at the Valdosta Regional Airport. The majority of the financing is provided by grants from the Federal Aviation Administration and the Georgia Department of Transportation.

General Capital Projects Fund - to account for the financing of various capital improvement projects. The majority of financing is provided through grants from the Georgia Department of Transportation and General Fund revenues.

Parks Development Fund - to account for the financing and construction of ongoing capital improvements. The majority of financing is provided through General Fund revenues and grants through Heritage Conservation and Recreation Service.

Permanent Fund

Sunset Hill Trust Fund - to provide perpetual care for the Sunset Hill Cemetery. For reporting purposes, there are two distinct sections of the cemetery, designated New Section and Old Section. The primary difference between the two sections is that the sales price of lots in the New Section includes perpetual care, whereas in the Old Section, perpetual care is sold separately. Interest income earned on investments is transferred to the General Fund to aid in maintaining the cemetery.

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CITY OF VALDOSTA, GEORGIA COMBINING BALANCE SHEET OTHER GOVERNMENTAL FUNDS JUNE 30, 2011

	CONFISCATED FUNDS	PROPERTY EVIDENCE FUND	GA DCA CHIP 98M-X-092-512-013	U.S. DEPT OF JUSTICE LOCAL LAW BLOCK GRANTS	UDAG
ASSETS					
Cash	\$11,171	\$1,451	\$0	\$31,227	\$6,881
Investments	16,895	0	0	0	0
Receivables (net)					
Accounts	0	0	0	0	1,400
Interest	0	0	0	0	0
Second mortgages	0	0	69,292	0	167,149
Due from other governments and agencies	0	0	0	178,568	0
Total assets	\$28,066	\$1,451	\$69,292	\$209,795	\$175,430
LIABILITIES AND FUND BALANCES (D	SFICITS)				
LIABILITIES AND FUND BALANCES (DI	SFICITS)				
	SFICITS)	\$71	\$0	\$5,625	. \$0
Liabilities:		\$71 0	\$0	\$5,625	. \$0
Liabilities: Vouchers and accounts payable	\$0		\$0 0	\$5,625 185,662	. \$0 0
Liabilities: Vouchers and accounts payable Due to:	\$0 0	0			
Liabilities: Vouchers and accounts payable Due to: Other funds	\$0 0 0	0	0	185,662	0
Liabilities: Vouchers and accounts payable Due to: Other funds Deferred revenue	\$0 0 0 0	0 0 0	0 0	185,662 24,029	0 0
Liabilities: Vouchers and accounts payable Due to: Other funds Deferred revenue Advances from other funds Total liabilities Fund balances (deficits):	\$0 0 0 0 0	0 0 0 0	0 0 0	185,662 24,029 0	0 0 0
Liabilities: Vouchers and accounts payable Due to: Other funds Deferred revenue Advances from other funds Total liabilities Fund balances (deficits): Nonspendable	\$0 0 0 0 0 0	0 0 0 71 0	0 0 0	185,662 24,029 0	0 0 0 167.149
Liabilities: Vouchers and accounts payable Due to: Other funds Deferred revenue Advances from other funds Total liabilities Fund balances (deficits): Nonspendable Restricted	\$0 0 0 0 0 0 28,066	0 0 0 71 0 1,380	0 0 0 69,292 0	185,662 24,029 0 215,316 0 0	0 0 0 167.149 8,281
Liabilities: Vouchers and accounts payable Due to: Other funds Deferred revenue Advances from other funds Total liabilities Fund balances (deficits): Nonspendable Restricted Assigned	\$0 0 0 0 0 28,066 0	0 0 0 71 0 1,380 0	0 0 0 69,292 0 0	185,662 24,029 0 215,316 0 0 0	0 0 0 167.149
Liabilities: Vouchers and accounts payable Due to: Other funds Deferred revenue Advances from other funds Total liabilities Fund balances (deficits): Nonspendable Restricted Assigned Unassigned	\$0 0 0 0 0 28,066 0 0	0 0 0 71 0 1,380 0 0	0 0 0 69,292 0 0 0	185,662 24,029 0 215,316 0 0 0 0 (5,521)	0 0 0 167,149 8,281 0 0
Liabilities: Vouchers and accounts payable Due to: Other funds Deferred revenue Advances from other funds Total liabilities Fund balances (deficits): Nonspendable Restricted Assigned	\$0 0 0 0 0 28,066 0 0 28,066	0 0 0 71 0 1,380 0	0 0 0 69,292 0 0	185,662 24,029 0 215,316 0 0 0	0 0 0 167.149 8,281 0

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	SPECIAL REVENUE FUNDS						
GA DCA CHIP 01M-X-092-2-2568	GA DCA CHIP 02M-X-092-2-2695	HUD FEDERAL GRANT	GA DCA CHIP 04M-X-092-2-2915	GA DCA CHIP 06M-X-092-2-2951	GA DCA CHIP 07M-X-092-2-2961		
\$0 0	\$0 0	\$12,922 0	\$0 0	\$0 0	\$5 0		
0 0 36,525 0 \$36,525	0 0 102,600 0 \$102,600	0 0 2,008.803 65,854 \$2,087,579	0 0 142,535 0 \$142,535	0 0 210,100 0 \$210,100	0 0 162,700 0 \$162,705		
\$0	\$0	\$4,070	\$0	\$0	\$0		
0 0 0 0	0 0 0	44,706 35,213 <u>30,000</u> 113,989	0 0 0 0	0 0 0 0	33 0 0 33		
36,525 0 0 36,525	102,600 0 0 102,600	2,008,803 78,776 0 (113,989) 1,973,590	142,535 0 0 0 142,535	210,100 0 0 210,100	162,672 0 0 0 162,672		
\$36,525	\$102,600	\$2,087,579	\$142,535	\$210,100	\$162,705		

(continued)

GA DCA CHIP 07MR-X-092-2-2979	EECBG DEPARTMENT OF ENERGY	EDI-SP HUD ECON DEV INITIATIVE	CDBG-R HUD RECOVERY GRANT	ACCOMODATIONS TAX	YOUTH RECREATION SCHOLARSHIP
\$0 0	\$0 0	\$0 0	\$0 0	\$17,628 59,942	\$2,768 9,411
0	0	0	0	154,377	0
0	0	0	0	0	0
68,000	0	0	0	0	0
0	13,936	98,205	29,660	0	0
\$68,000	\$13,936	\$98,205	\$29,660	\$231,947	\$12,179
\$0	\$13,936	\$67,891	\$38,695	\$124,041	\$0
0	0	30,314	5,308	0	0
0	13,936	98,205	29,660	0	0
0	0	0	0	0	0
0	27,872	196,410	73,663	124,041	0
68,000	0	0	0	0	0
0	0	0	0	0	12,179
0	0	0	0	107,906	0
0	(13,936)	(98,205)	(44,003)	0	0
68,000	(13,936)	(98,205)	(44,003)	107,906	12,179
\$68,000	\$13,936	\$98,205	\$29,660	\$231,947	\$12,179

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		UNDS	TAL PROJECTS F	CAPI
TOTAL OTHER GOVERNMENTAL FUNDS	SUNSET HILL PERMANENT FUND	PARKS DEVELOPMENT	GENERAL CAPITAL PROJECTS	AIRPORT DEVELOPMENT
\$591,678	\$334,096	\$28,621	\$144,908	\$0
1,812,381	1,136,064	97,322	492,747	0
157,841	2,064	0	0	0
9,583	0	0	0	9,583
2,967,704	0	0	0	0
958,437	0	0	0	572,214
\$6,497,624	\$1,472,224	\$125,943	\$637,655	\$581,797
\$272,416	\$0	\$0	\$0	\$18,087
347,943	0	0	0	81,920
234,455	0	0	0	33,412
30,000	0	0	0	0
884,814	0	0	0	133,419
4,914,035	1,472,224	0	0	474,135
128,682	0	0	0	0
871,504	0	125,943	637,655	0
(301,411)	0	0	0	(25,757)
5,612,810	1,472,224	125,943	637,655	448,378
\$6,497,624	\$1,472,224	\$125,943	\$637,655	\$581,797

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CITY OF VALDOSTA, GEORGIA COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS) OTHER GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2011

	CONFISCATED FUNDS	PROPERTY EVIDENCE FUND	GA DCA CHIP 98M-X-092-512-013	U.S. DEPT OF JUSTICE LOCAL LAW BLOCK GRANTS	UDAG
Revenues:					
Taxes	\$0	\$ 0	\$0	\$0	\$0
Interest income	112	0	0	57	37
Contributions	0	0	0	0	0
Intergovernmental	0	0	0	444,581	0
Fines and forfeitures	13,506	1,380	0	0	0
Miscellaneous revenues	0	0	0	0	0
TOTAL REVENUES	13,618	1,380	0	444,638	37
Expenditures:					
Current:					
General government	0	0	0	0	0
Public safety	13,505	0	0	450,206	0
Economic development and					
assistance	0	0	85,500	0	191
Capital outlay	0	0	0	0	0
TOTAL EXPENDITURES	13,505	0	85,500	450,206	191
REVENUES OVER (UNDER)					
EXPENDITURES	113	1,380	(85,500)	(5,568)	(154)
Other financing sources (uses):					
Transfers in	0	0	0	0	0
TOTAL OTHER FINANCING SOURCES (USES)	0	0	0	0	0
NET CHANGE IN FUND BALANCES	113	1,380	(85,500)	(5,568)	(154)
Fund balances (deficits) beginning of year	27,953	0	154,792	47	175,584
FUND BALANCES (DEFICITS) END OF YEAR	\$28,066	\$1,380	\$69,292	(\$5,521)	\$175,430

	SPECIAL REVENUE FUNDS						
GA DCA CHIP 01M-X-092-2-2568	GA DCA CHIP 02M-X-092-2-2695	FEDERAL HUD GRANT	GA DCA CHIP 04M-X-092-2-2915	GA DCA CHIP 06M-X-092-2-2951	GA DCA CHIP 07M-X-092-2-2961		
\$0	\$0	\$0	\$0	\$0	\$0		
0	0	0	0	0	0		
0	0	993,918	0	0	2,258		
0	0	0	0	0	0		
0	0	0	0	0	0		
0	0	993,918	0	0	2,258		
0	0	0	0	0	0		
0	0	0	0	0	0		
17,025	19,200	340,029	19,900	25,700	21,286		
0	0	0	0	0	0		
17,025	19,200	340,029	19,900	25,700	21,286		
(17,025)	(19,200)	653,889	(19,900)	(25,700)	(19,028)		
0	0	0	0	0	0		
0	0	0	0	0	0		
(17,025)	(19,200)	653,889	(19,900)	(25,700)	(19,028)		
53,550	121,800	1,319,701	162,435	235,800	181,700		
\$36,525	\$102,600	\$1,973,590	\$142,535	\$210,100	\$162,672		

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GA DCA CHIP 07MR-X-092-2-2979	EECBG DEPARTMENT OF ENERGY	EDI-SP HUD ECON DEV INITIATIVE	CDBG-R HUD RECOVERY GRANT	ACCOMODATIONS TAX	YOUTH RECREATION SCHOLARSHIP
\$0	\$0	\$0	\$0	\$1,504,153	\$0
0	0	0	0	82	30
0	0	0	0	0	0
50,000	122,947	0	110,664	0	0
0	0	0	0	0	0
0	0	0	0	0	0
50,000	122,947	0	110,664	1,504,235	30
0	136,298	0	0	1,493,577	49
0	0	0	0	0	0
2,000	0	98,205	152,153	0	0
0	0	0	0	0	0
2,000	136,298	98,205	152,153	1,493,577	49
48,000	(13,351)	(98,205)	(41,489)	10,658	(19)
0	0	0	0	0	0
0	0	0	0	0	0
48,000	(13,351)	(98,205)	(41,489)	10,658	(19)
20,000	(585)	0	(2,514)	97,248	12,198
\$68,000	(\$13,936)	(\$98,205)	(\$44,003)	\$107,906	\$12,179

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		NDS	TAL PROJECTS FU	CAPITAL PROJECTS		
TOTAL OTHER GOVERNMENTAL FUNDS	SUNSET HILL PERMANENT FUND	PARKS DEVELOPMENT	GENERAL CAPITAL PROJECTS	AIRPORT DEVELOPMENT		
\$1,504,153	\$0	\$0	\$0	\$0		
10,450	3,660	315	1,595	4,562		
47,307	47,307	0	0	0		
1,898,347	0	0	0	173,979		
14,886	0	0	0	0		
23,323	23,323	0	0	0		
3,498,466	74,290	315	1,595	178,541		
1,635,719	5,795	0	0	0		
463,711	0	0	0	0		
781,189	0	0	0	0		
111,859	0	518	2,626	108,715		
2,992,478	5,795	518	2,626	108,715		
505,988	68,495	(203)	(1,031)	69,826		
439,670	0	0	0	439,670		
439,670	0	0	0	439,670		
945,658	68,495	(203)	(1,031)	509,496		
4,667,152	1,403,729	126,146	638,686	(61,118)		
\$5,612,810	\$1,472,224	\$125,943	\$637,655	\$448,378		

	BUDGET			VARIANCE OVER	
	ORIGINAL	FINAL	ACTUAL	(UNDER)	
urrent Operations:					
General government					
Administration					
Mayor and council					
Personal services	\$214,011	\$201,528	\$201,528		
Contractual services	72,388	59,172	59,172		
Supplies	13,353	9,280	9,280		
Travel and training	145,275	121,682	121,682		
Other services and charges	296,025	288,119	288,119		
	741,052	679,781	679,781		
City manager					
City manager Personal services	422.022	421 001	421 870		
Contractual services	432,033	431,881	431,879		
	12,498	8,735	8,735		
Supplies	24,510	10,501	10,501		
Travel and training	40,400	23,735	23,735		
Other services and charges	20,064	9,493	9,493		
Capital Outlay	<u> </u>		7,023		
—	539,505	491,308	491,366		
Elections					
Contractual services	20,000	0	0		
_	20,000	0	0		
City attorney					
Travel and training	845	695	695		
Other services and charges	300,500	598,238	598,238		
	301,345	598,933	598,933		
Solicitor					
Other services and charges	20,000	50,658	50,658		
	20,000	50,658	50,658		
TOTAL ADMINISTRATION	1,621,902	1,820,740	1,820,738		
Auman resources department Administration					
Personal services	285,351	291,213	291,213		
Contractual services	10,017	8,154	8,154		
Supplies	6,750	4,955	4,955		
Travel and training	2,800	878	878		
Other services and charges	9,250	4,782	4,782		
	314,168	309,982	309,982		
Employee incentives/assistance					
Personal services	0	3,200	3,200		
Travel and training	3,500	5,200	5,200		
Other services and charges	198,500	0	0		
	202,000	3,200	3,200		
Piele division					
Risk division					
Contractual services	25,000	14,470	14,470		
Supplies	350	0	0		
Other services and charges	32,500	57,202	56,325	8	
	57,850	71,672	70,795	8	
TOTAL HUMAN RESOURCES	574,018	384,854	383,977	8	

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BUDGET			VARIANCE OVER	
ORIGINAL	FINAL	ACTUAL	(UNDER)	
\$105 926	\$100.711	\$100.711	\$	
	· · · · · · · · · · · · · · · · · · ·	,		
-	,			
259,586	259,803	259,803		
493,199	500,198	500,198		
20,507	16,127	16,127		
13,382	6,509	6,509		
8,470	2,023	2,023		
58,763	63,636	63,636		
594,321	588,493	588,493		
134,325	141,865	141,865		
		2.679		
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•				
154,208	150,256	150,256		
400 445	425 985	425 985		
	.,			
	,			
	,	, ,		
612,217	593,317	593,317		
35,235	43,918	43,918		
43,873	38,514	38,514		
5,560	2,048	2,048		
1,380	74	74		
	16.051	16.051		
90,768	100,605	100,605		
133.259	133.884	133.884		
-				
		,		
		,		
	. ,	• •		
	ORIGINAL \$195,836 1,464 2,916 5,180 54,190 259,586 493,199 20,507 13,382 8,470 58,763 594,321 134,325 4,923 7,363 3,582 4,015 154,208 400,445 148,643 30,800 2,258 30,071 612,217 35,235 4,3873 5,560 1,380 4,720	ORIGINAL FINAL \$195,836 \$199,711 1,464 1,202 2,916 2,136 5,180 1,212 54,190 55,542 2259,586 2259,803 20,507 16,127 13,382 6,509 8,470 2,023 58,763 63,636 594,321 588,493 134,325 141,865 4,923 2,679 7,363 4,030 3,582 218 4,015 1,464 154,208 150,256 400,445 425,985 148,643 114,645 30,800 18,852 2,258 256 30,071 33,579 612,217 593,317 35,235 43,918 43,873 38,514 5,560 2,048 1,380 74 4,720 16,051 90,768 100,605 90,768 <	ORIGINAL FINAL ACTUAL \$195,836 \$199,711 \$199,711 1,464 1,202 1,202 2,916 2,136 2,136 5,180 1,212 1,212 54,190 55,542 55,542 259,586 259,803 259,803 20,507 16,127 16,127 13,382 6,509 6,509 8,470 2,023 2,023 594,321 588,493 588,493 134,325 141,865 141,865 4,923 2,679 2,679 7,363 4,030 4,030 3,582 218 218 4,015 1,464 1,464 154,208 150,256 150,256 400,445 425,985 425,985 400,445 425,985 425,985 400,445 425,985 425,985 400,445 425,985 425,985 134,325 1,4645 114,645 148,643	

	BUDGET			VARJANCE OVER	
	ORIGINAL	FINAL	ACTUAL	(UNDER)	
conomic Development					
Personal services	82,492	20,700	20,673		
Contractual services		4,959	4,959		
	1,860 1,000		1,616		
Supplies		1,616	1,010		
Travel and training	2,825	16	10		
Other services and charges		27,291	27,264		
				_	
Information technology	\$70.615	¢00 501	¢02 621		
Personal services	\$78,515	\$82,521	\$82,521		
Contractual services	358,660	341,791	341,791		
Supplies	30,590	10,224	10,224		
Travel and training	8,772	946	946		
Other services and charges	427,510	456,253	456,253		
	904,047	891,735	891,735		
TOTAL FINANCE	2,862,153	2,759,702	2,759,675		
Engineering department					
Engineering division Personal services	714,460	641,707	641,707		
		•			
Contractual services	25,709	14,322	14,322		
Supplies	27,252	19,897	19,897		
Travel and training	7,900	980	980		
Other services and charges	(338,884)	(343,480)	(77,634)	(265,	
Capital outlay	0	0	0		
	436,437	333,426	599,272	(265,	
Traffic					
Personal services	429,585	474,627	474,627		
Contractual services	1,245,879	1,399,945	1,399,945		
Supplies	76,200	76,625	76,625		
Travel and training	5,000	1,438	1,438		
Other services and charges	27,047	40,226	44,852	(4,	
Capital Outlay	35,000	22,010	22,010	(4,	
	1,818,711	2,014,871	2,019,497	(4,	
Street repair					
Personal services	250,344	203,176	203,176		
Contractual services					
	9,150	8,574	8,574		
Supplies	82,300	45,221	45,221		
Travel and training	4,925	1,757	1,757		
Other services and charges	55,128	27,423	37,949	(10,	
TOTAL ENGINEERING	401,847	286,151	296,677	(10,	
	2,000,775	2,034,440	2,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	(200,:	
City hall Personal services	75,141	90,886	90,886		
Contractual services	116,181	97,471	97,471		
Supplies	6,100	5,950	5,950		
Travel and training	35	0			
Other services and charges	24,300	26,819	0 26,819		
	221,757	221,126	221,126		
City hall annex					
Personal services	45 272	46 957	46 057		
Contractual services	45,272	46,857	46,857		
	82,546	94,187	94,187		
Supplies	6,970	3,035	3,035		
Other services and charges	11,250	<u>745</u> 			
	140,038	144,824	144,824		
Customer service	66 466				
Contractual services	25,400	18,498	18,498		
Supplies	1,500	3,319	3,319		
Other services and charges	2,000	140	140		
other services and charges	28,900	21,957	21,957		

	BUDGE'	г		VARIANCE OVER	
	ORIGINAL	FINAL	ACTUAL	(UNDER)	
Rental					
Contractual services	\$7,315	\$37,888	\$36,978	\$9	
Supplies	37,515	2,566	91	2,4	
Supplies	7,315	40,454	37,069	3,3	
TOTAL OTHER GENERAL	.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			- 1-	
ADMINISTRATIVE	404,010	428,361	424,976	3,3	
funicipal court					
Administration					
Personal services	270,774	277,615	277,615		
Contractual services	47,436	55,721	55,722		
Supplies	17,600	8,158	8,158		
Travel and training	9,900	5,287	5,287		
Other services and charges	606,300	735,391	694,663	40,7	
Capital Outlay	6,000	6,550	6,550		
TOTAL MUNICIPAL COURT	958,010	1,088,722	1,047,995	40,7	
TOTAL GENERAL GOVERNMENT	9,077,088	9,116,827	9,352,807	(235,9	
ublic safety					
Police department					
Police administration division	<i></i>				
Personal services	649,150	560,505	560,505		
Contractual services	17,105	9,055	9,055		
Supplies	29,329	39,312	26,896	12,4	
Travel and training	28,700	18,200	18,200		
Other services and charges	48,709	278,739	188,558	90,1	
Capital Outlay	10,000	29,400	9,350	20,0	
_	782,993	935,211	812,564	122,6	
Patrol bureau division					
Personal services	5,032,910	5,063,895	5,062,410	1,4	
Contractual services	254,895	180,836	180,836		
Supplies	305,859	601,809	573,806	28,0	
Travel and training	37,575	12,961	12,729	2	
Other services and charges	906,093	837,109	837,508	(3	
Capital outlay	0	579,740	579,740		
	6,537,332	7,276,350	7,247,029	29,3	
Investigative bureau division					
Personal services	1,769,052	1,947,034	1,947,034		
Contractual services	81,958	40,005	40,005		
Supplies	86,326	80,534	80,534		
Travel and training	38,671	28,817	28,817		
Other services and charges	261,342	2,280,833	2,280,833		
Support services bureau division					
Personal services	1,526,148	1,410,991	1,410,991		
Contractual services	310,241	343,203	343,203		
Supplies	142,002	88,806	88,806		
Travel and training	25,085	7,462	7,462		
Other services and charges	104,131	126,859	126,859		
Capital outlay	2,107,607	0	1,977,321		
Crime lab					
Personal services	\$179,360	\$398,416	\$460,959	(\$62,5	
Contractual services	139,468	102,893	102,893		
Supplies	118,200	82,365	83,626	(1,2)	
Travel and training	41,650	19,334	19,334	(-)-	
Other services and charges	10,648	29,873	29,873		
Capital outlay	0	92,172	47,078	45,0	
	489,326	725,053	743,763		

	BUDGET			VARIANCE OVER	
	ORIGINAL	FINAL	ACTUAL	(UNDER)	
GOHS GA-2007-191-00572	,				
Personal services	161,780	161,780	159,560	2,220	
Contractual services	4,107	2,797	957	1,840	
Travel and training	0	1,311	1,311	(
Other services and charges	11,478	11,478	6,000	5,478	
	177,365	177,366	167,828	9,538	
TOTAL POLICE DEPARTMENT	12,331,972	13,372,134	13,229,338	142,790	
Fire department					
Fire administration division					
Personal services	228,162	236,608	236,608		
Contractual services	2.537	1,321	1,321		
Supplies	6,769	3,112	3,112		
Travel and training	6,175	2,775	2,775	(
Other services and charges	12,041	6,608	6,608	(
	255,684	250,424	250,424		
Fire fighting division					
Personal services	4,779,402	4,631,296	4,682,677	(51,38	
Contractual services	140,046	159,578	159,579	(
Supplies	133,535	90,903	90,903		
Travel and training	15,765	6,431	6,431	(
Other services and charges	247,285	<u>253,360</u> 5,141,568	<u> </u>	(51,38	
Fire inspection division					
Personal services	244,782	254,046	254,046	(
Contractual services	3,319	4,043	4,043	(
Supplies	8,447	4,946	4,946	(
Travel and training	3,565	3,912	3,912	(
Other services and charges	31,063	27,896	27,896		
_	291,176	294,843	294,843		
Fire maintenance division					
Personal services	105,611	111,908	111,908		
Contractual services	62,106	43,279	43,279	(
Supplies	58,130	59,544	59,544		
Other services and charges	9,890	<u> </u>	19,334	(
Fire training division					
Personal services	\$77,063	\$82,765	\$82,765	\$	
Contractual services	11,504	12,267	12,267	3(
Supplies	4,100	5,313	5,313		
Travel and training		1,903			
Other services and charges	9,080 11,681		1,903	(
Capital Outlay	8,300	2,357 5,985	2,357 5,985	(
	121,728	110,590	110,590		
Special services division					
Personal services	72,496	81,807	81,807	(
Contractual services	1,320	1,249	1,249	(
Supplies	3,670	17,953	17,953	C	
Travel and training	18,516	31,375	31,371	4	
Other services and charges	13,194	7,616	7,616		
	109,196	140,000	139,996	4	
TOTAL FIRE DEPARTMENT	6,329,554	6,171,490	6,222,868	(51,378	

(Continued)

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	BUDGE	Г		OVER	
	ORIGINAL	FINAL	ACTUAL	(UNDER)	
Other protection services					
Community protection					
Personal services	369,947	389,974	389,974		
Contractual services	170,439	144,019	144,019		
Supplies	7,898	8,421	8,421		
Travel and training	4,450	5,099	5,099		
Other services and charges	38,066	35,040	34,640	4	
	590,800	582,553	582,153	4	
Neighborhood development	17.414	17 (00	00 500	(11.0	
Personal services	17,416	17,600	29,593	(11,9	
Contractual services	943	1,004	1,004		
Supplies	600	0	0		
Travel and training	2,550	2,000	705	1,2	
Other services and charges	5,973	5,973	20	5,9	
	27,482	26,577	31,322	(4,7	
TAL OTHER PROTECTION SERVICES	618,282	609,130	613,475	(4,3	
TOTAL PUBLIC SAFETY	19,279,808	20,152,754	20,065,681	87,0	
Public works					
Public works department					
Right of way maintenance					
Personal services	1,023,208	964,582	964,582		
Contractual services	47,124	53,765	53,765		
Supplies	67,150	49,481	49,481		
Travel and training	2,300	0	0		
Other services and charges	267,263	194,959	192,379	2,5	
_	1,407,045	1,262,787	1,260,207	2,5	
Cemetery division					
Personal services	392,720	339,248	339,248		
Contractual services	37,386	38,803	38,803		
Supplies	4,900	3,183	3,183		
Travel and training	1,100	465	465		
Other services and charges	<u> </u>	36,877	35,711 417,410		
	175,551	410,570	417,410		
Arborist					
Personal services	\$90,515	\$86,511	\$86,511		
Contractual services	6,901	4,078	4,078		
Supplies	9,915	1,961	1,961		
Travel and training	2,475	155	155		
Other services and charges	25,419	20,215	13,786	6,4	
	135,225	112,920	106,491	6,4	
TOTAL PUBLIC WORKS	2,035,801	1,794,283	1,784,108	10,1	
Public Involvement					
Administration					
Personal services	193,653	107 102	107 100		
Contractual services		197,123	197,123		
Supplies	13,169	3,237	3,237		
Travel and training	1,735	3,143	3,143		
5	4,632	4,528	4,528		
Other services and charges	1,998	9,595	15,984	(6,3	
_	215,187	217,626	224,015	(6,3	
Grants administrator					
Personal services	67,100	68,400	68,344		
Contractual services	887	937	937		
Supplies	500	191	191		
Travel and training	4,155	1,678			
Other services and charges	920	20	1,678		
	73,562				
	15,502	71,226	71,170		

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	BUDGE	г		VARIANCE OVER	
	ORIGINAL	FINAL	ACTUAL	(UNDER)	
Public relations					
Personal services	102,544	105,718	105,718	0	
Contractual services	49,749	12,319	12,319	0	
Supplies	22,130	18,629	18,629	0	
Travel and training	2,931	930	930	0	
Other services and charges	33,588	15,721	15,721	0	
Capital Outlay	5,669	0	0	0	
	216,611	153,317	153,317	0	
Main street division					
Personal services	53,580	51,672	54,688	(3,016)	
Contractual services	1,420	4,052	4,052	0	
Supplies	10,130	2,501	2,501	0	
Travel and training	0	0	0	0	
Other services and charges	(33,218)	(30,584)	26,503	(57,087)	
	31,912	27,641	87,744	(60,103)	
TOTAL PUBLIC INVOLVEMENT	537,272	469,810	536,246	(66,436)	
TOTAL EXPENDITURES	\$30,929,969	\$31,533,674	\$31,738,842	(\$205,168)	

CITY OF VALDOSTA, GEORGIA BUDGETARY COMPARISON SCHEDULE CONFISCATED FUNDS FOR THE YEAR ENDED JUNE 30, 2011

				VARIANCE WITH FINAL BUDGET
	BUDGETED A	AMOUNTS FINAL	ACTUAL	OVER (UNDER)
Revenues:				
Fines and forfeitures	\$10,000	\$38,332	\$13,506	(\$24,826)
Interest	100	100	112	12
TOTAL REVENUES	10,100	38,432	13,618	(24,814)
Expenditures:				
Current:				
General government				
Accounting				
Other services and charges	15	352	183	169
Public safety	<u>^</u>			<u>,</u>
Supplies	0	13,195	13,195	• 0
Other services and charges	0	7,722	6,108	1,614
TOTAL EXPENDITURES	15	21,269	19,486	1,783
REVENUES OVER (UNDER) EXPENDITURES	10,085	17,163	(5,868)	(23,031)
Fund balance - beginning of year - budgetary basis	27,819	27,819	27,819	0
FUND BALANCE - END OF YEAR - BUDGETARY BASIS	\$37,904	\$44,982	\$21,951	(\$23,031)
Explanation of Differences between Budgetary Inflows and Ou Revenues and Expenditures Sources/inflows of resources	utflows and GAAP			
Actual revenues (budgetary basis) from the budgetary				
comparison schedule.			\$13,618	
Differences - budget to GAAP:			\$15,010	
None			0	
Total revenues as reported on the statement of revenues, expenditure	res, and changes			
in fund balances - governmental funds.	•		\$13,618	
Uses/outflows of resources				
Actual expenditures (budgetary basis) from the budgetary				
comparison schedule.			\$19,486	
Differences - budget to GAAP:				
Encumbrances for remaining fiscal year items are recorded curren	t year for budgetary	purposes,		
but in the year of actual payment for financial reporting purposes.			(5,981)	
Total expenditures as reported on the statement of revenues, expend	ditures, and changes			
in fund balances - governmental funds.			\$13,505	

CITY OF VALDOSTA, GEORGIA BUDGETARY COMPARISON SCHEDULE PROPERTY EVIDENCE FUNDS FOR THE YEAR ENDED JUNE 30, 2011

	BUDGETED A	MOUNTS		VARIANCE WITH FINAL BUDGET OVER
	ORIGINAL	FINAL	ACTUAL	(UNDER)
Revenues:				
Fines and forfeitures	\$ 0	\$0	\$1,380	\$1,380
TOTAL REVENUES	0	0	1,380	1,380
Expenditures:				
TOTAL EXPENDITURES	0	0	0	0
REVENUES OVER (UNDER) EXPENDITURES	0	0	1,380	1,380
Fund balance - beginning of year - budgetary basis	0	0	0	0
FUND BALANCE - END OF YEAR - BUDGETARY BASIS	\$0	\$0	\$1,380	\$1,380
Explanation of Differences between Budgetary Inflows and Ou Revenues and Expenditures Sources/inflows of resources Actual revenues (budgetary basis) from the budgetary comparison schedule. Differences - budget to GAAP: None Total revenues as reported on the statement of revenues, expenditur in fund balances - governmental funds.			\$1,380 0 \$1,380	
Uses/outflows of resources Actual expenditures (budgetary basis) from the budgetary comparison schedule. Differences - budget to GAAP: None Total expenditures as reported on the statement of revenues, expend in fund balances - governmental funds.	litures, and changes		\$0 	

CITY OF VALDOSTA, GEORGIA BUDGETARY COMPARISON SCHEDULE GA DCA CHIP - 98M-X-092-512-013 FOR THE YEAR ENDED JUNE 30, 2011

				VARIANCE WITH FINAL BUDGET
	BUDGETED AMOUNTS			OVER
	ORIGINAL	FINAL	ACTUAL	(UNDER)
Revenues:				
Intergovernmental	\$0	\$85,500	\$0	(\$85,500)
TOTAL REVENUES	0	85,500	0	(\$85,500)
IOTAL REVENUES	0		0	0
Expenditures:				
Current:				
Economic development and assistance				
Community development				
Capital outlay				
Housing development activities				
Construction	0	85,500	85,500	0
TOTAL EXPENDITURES	0	85,500	85,500	0
REVENUES (UNDER) EXPENDITURES	0	0	(85,500)	(85,500)
Fund balance - beginning of year - budgetary basis	154,792	154,792	154,792	(00,000)
FUND BALANCE - END OF YEAR - BUDGETARY BASIS	\$154,792	\$154,792	\$69,292	(\$85,500)
Explanation of Differences between Budgetary Inflows and Outflows	and GAAP			
Revenues and Expenditures				
Sources/inflows of resources				
Actual revenues (budgetary basis) from the budgetary				
comparison schedule.			\$0	
Differences - budget to GAAP:				
None			0	
Total revenues as reported on the statement of revenues, expenditures, and	changes			
in fund balances - governmental funds.			\$0	
Uses/outflows of resources				
Actual expenditures (budgetary basis) from the budgetary				
comparison schedule.			\$85,500	
Differences - budget to GAAP:				
None Total expanditures as reported on the statement of succession with			0	
Total expenditures as reported on the statement of revenues, expenditures, in fund balances - governmental funds.	and changes		£05.500	
in tona conduces - governmental funds.			\$85,500	

CITY OF VALDOSTA, GEORGIA BUDGETARY COMPARISON SCHEDULE U. S. DEPARTMENT OF JUSTICE - LOCAL LAW ENFORCEMENT BLOCK GRANTS FOR THE YEAR ENDED JUNE 30, 2011

	BUDGETED	AMOUNTS		VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL	ACTUAL	
Revenues:				
Intergovernmental	\$0	\$763,946	\$444,581	(\$210.265)
Interest income	30 0	\$703,940 0	57 ⁵⁴⁴⁴ ,581	(\$319,365) 57
TOTAL REVENUES	0	763,946	444,638	
Expenditures:	0	/03,940	444,038	(319,308)
Current:				
Public safety				
Byrne Justice Assistance Grant				
2009-DJ-BX-1098				
Capital outlay	0	21,302	21,302	0
2009-SB-B9-1044	0	21,502	21,502	v
Capital outlay	0	194,395	33,120	161,275
2010-DD-BX-0620	v	174,375	55,120	101,275
Capital outlay	0	500,000	234,509	265,491
2010-DJ-BX-1510	0	500,000	234,307	200,471
Other services and charges	0	12,168	0	12,168
Capital outlay	0 0	36,081	0	36,081
TOTAL EXPENDITURES	0	763,946	288,931	475,015
REVENUES OVER (UNDER) EXPENDITURES	0	0		
Fund balance - beginning of year - budgetary basis	(162,535)	•	155,707	155,707
FUND BALANCE - END OF YEAR - BUDGETARY BASIS	(\$162,535)	(162,535)	(162,535)	\$155,707
TOND BALANCE - END OF TEAR - DUDGETART BASIS	(\$162,555)	(\$162,535)	(\$6,828)	\$155,707
Explanation of Differences between Budgetary Inflows and Out	tflows and GAAP			
Revenues and Expenditures				
Sources/inflows of resources				
Actual revenues (budgetary basis) from the budgetary				
comparison schedule.			\$444,638	
Differences - budget to GAAP:				
None			0	
Total revenues as reported on the statement of revenues, expenditure	es, and changes			
in fund balances - governmental funds.			\$444,638	
U				
Uses/outflows of resources				
Actual expenditures (budgetary basis) from the budgetary				
comparison schedule.			\$288,931	
Differences - budget to GAAP:				
Encumbrances for remaining grant items are placed for budgetary	purposes,		1/1 685	
but in the year of actual payment for financial reporting purposes.	items and them	-	161,275	
Total expenditures as reported on the statement of revenues, expend in fund balances - governmental funds.	ntures, and changes		\$450.004	
Boronnion Boronnionan Iunda.		-	\$450,206	

CITY OF VALDOSTA, GEORGIA BUDGETARY COMPARISON SCHEDULE URBAN DEVELOPMENT ACTION GRANT FUND FOR THE YEAR ENDED JUNE 30, 2011

				VARIANCE WITH FINAL BUDGET
	BUDGETED AMOUNTS ORIGINAL FINAL		ACTUAL	OVER (UNDER)
	URIGINAL	FINAL	ACTUAL	
Revenues:				
Interest income	\$500	\$692	\$37	(\$655)
TOTAL REVENUES	500	692	37	(655)
Expenditures:				
Current:				
Economic development and assistance				
UDAG				
UDAG B-80-AB-13-0099				
Grant projects	0	190	189	1
UDAG B-81-AB-13-0096			_	
Grant projects	0	2	2	0
Grants homeowners wc07		500	0	500
Grant projects	500	500	0	500
TOTAL EXPENDITURES	500	692	191	501
REVENUES OVER (UNDER) EXPENDITURES	0	0	(154)	(154)
Fund balance - beginning of year - budgetary basis	175,584	175,584	175,584	0
FUND BALANCE - END OF YEAR - BUDGETARY BASIS	\$175,584	\$175,584	\$175,430	(\$154)
Explanation of Differences between Budgetary Inflows and Out	flows and GAAP			
Revenues and Expenditures				
Sources/inflows of resources				
Actual revenues (budgetary basis) from the budgetary				•
comparison schedule.			\$37	
Differences - budget to GAAP:			<u>^</u>	
None			0	
Total revenues as reported on the statement of revenues, expenditure in fund balances - governmental funds.	es, and changes		\$37	
in fund balances - governmental funds.			, c.c.	
Uses/outflows of resources				
Actual expenditures (budgetary basis) from the budgetary				
comparison schedule.			\$191	
Differences - budget to GAAP:			0171	
None			0	
Total expenditures as reported on the statement of revenues, expende	itures, and changes			
in fund balances - governmental funds.	,		\$191	

CITY OF VALDOSTA, GEORGIA BUDGETARY COMPARISON SCHEDULE GA DCA CHIP - 01M-X-092-2-2568 FOR THE YEAR ENDED JUNE 30, 2011

	BUDGETED A	MOUNTS		VARIANCE WITH FINAL BUDGET OVER
	ORIGINAL	FINAL	ACTUAL	(UNDER)
_				
Revenues:	<u>\$0</u>	£17.005	6 0	(\$17.025)
Intergovernmental	\$0	\$17,025	\$0	(\$17,025)
TOTAL REVENUES	0	17,025	0	(17,025)
Expenditures:				
Current:				
Housing development activities				
Construction	0	17,025	17,025	0
TOTAL EXPENDITURES	0	17,025	17,025	0
REVENUES OVER (UNDER) EXPENDITURES	0	0	(17,025)	(17,025)
Fund balance - beginning of year - budgetary basis	53,550	53,550	53,550	0
FUND BALANCE - END OF YEAR - BUDGETARY BASIS	\$53,550	\$53,550	\$36,525	(\$17,025)
Explanation of Differences between Budgetary Inflows and Out Revenues and Expenditures Sources/inflows of resources Actual revenues (budgetary basis) from the budgetary comparison schedule.	flows and GAAP		\$0	
Differences - budget to GAAP:				
None			0	
Total revenues as reported on the statement of revenues, expenditure	s, and changes		60	
in fund balances - governmental funds.			\$0	
Uses/outflows of resources Actual expenditures (budgetary basis) from the budgetary				
comparison schedule.			\$17,025	
Differences - budget to GAAP: None			0	
Total expenditures as reported on the statement of revenues, expendi	tures and shances		0	
in fund balances - governmental funds.	nures, and changes		\$17,025	

CITY OF VALDOSTA, GEORGIA BUDGETARY COMPARISON SCHEDULE GA DCA CHIP - 02M-X-092-2-2695 FOR THE YEAR ENDED JUNE 30, 2011

	BUDGETED A	AMOUNTS		VARIANCE WITH FINAL BUDGET OVER
	ORIGINAL	FINAL	ACTUAL	(UNDER)
Revenues:	* ^	*10 000		
Intergovernmental		\$19,200		(\$19,200)
TOTAL REVENUES	0	19,200	0	(19,200)
Expenditures:				
Current:				
Housing development activities				
Construction	0	19,200	19,200	0
TOTAL EXPENDITURES	0	19,200	19,200	0
REVENUES OVER EXPENDITURES	0	0	(19,200)	(19,200)
Fund balance - beginning of year - budgetary basis	121,800	121,800	121,800	0
FUND BALANCE - END OF YEAR - BUDGETARY BASIS	\$121,800	\$121,800	\$102,600	(\$19,200)
Explanation of Differences between Budgetary Inflows and Out Revenues and Expenditures Sources/inflows of resources Actual revenues (budgetary basis) from the budgetary comparison schedule. Differences - budget to GAAP: None	flows and GAAP		\$0 0	
Total revenues as reported on the statement of revenues, expenditure in fund balances - governmental funds.	es, and changes		\$0	
Uses/outflows of resources				
Actual expenditures (budgetary basis) from the budgetary comparison schedule. Differences - budget to GAAP:			\$19,200	
None			0	
Total expenditures as reported on the statement of revenues, expendi in fund balances - governmental funds.	itures, and changes	:	\$19,200	

CITY OF VALDOSTA, GEORGIA BUDGETARY COMPARISON SCHEDULE FEDERAL HUD GRANT FOR THE YEAR ENDED JUNE 30, 2011

				VARIANCE WITH FINAL BUDGET
	BUDGETED		ACTUAL	OVER (UNDER)
	ORIGINAL	FINAL	ACTUAL	(UNDER)
Revenues:				
Intergovernmental	\$597,574	\$949,262	\$993,918	\$44,656
TOTAL REVENUES	597,574	949,262	993,918	44,656
Expenditures:				
Current:				
Economic development and assistance				
Community development				
CDBG 2009 funding				
First time homebuyer education	0	5,690	5,690	0
CDBG 2010 funding				
Clearance/demolition	0	27,103	27,103	. 0
First time homebuyer education	0	550	550	0
CDBG 2011 funding				
First time homebuyer education	0	10,000	0	10,000
J. L. Lomax park improvements	0	50,000	30,290	19,710
Single unit residential rehab	69,345	458,144	160,714	297,430
Program administration	259,988	129,534	123,670	5,864
TOTAL EXPENDITURES	329,333	681,021	348,017	333,004
REVENUES OVER EXPENDITURES	268,241	268,241	645,901	377,660
Fund balance - beginning of year - budgetary basis	1,319,701	1,319,701	1,319,701	0
FUND BALANCE - END OF YEAR - BUDGETARY BASIS	\$1,587,942	\$1,587,942	\$1,965,602	\$377,660
Explanation of Differences between Budgetary Inflows and Out Revenues and Expenditures	tflows and GAAP			
Sources/inflows of resources				
Actual revenues (budgetary basis) from the budgetary				
comparison schedule.			\$993,918	
Differences - budget to GAAP:			••••• • •••	
None			0	
Total revenues as reported on the statement of revenues, expenditure	es, and changes			
in fund balances - governmental funds.	, 0		\$993,918	•
Uses/outflows of resources				
Actual expenditures (budgetary basis) from the budgetary			\$248.017	
comparison schedule. Differences - budget to GAAP:			\$348,017	
Encumbrances for remaining fiscal year items are recorded current	veer for hudgeter.			
but in the year of actual payment for financial reporting purposes.		Juiposes,	(7,988)	
Total expenditures as reported on the statement of revenues, expend			(7,900)	
in fund balances - governmental funds.	in co, una onungoo		\$340,029	

CITY OF VALDOSTA, GEORGIA BUDGETARY COMPARISON SCHEDULE GA DCA CHIP - 04M-X-092-2-2915 FOR THE YEAR ENDED JUNE 30, 2011

	BUDGETED A	MOUNTS		VARIANCE WITH FINAL BUDGET OVER
	ORIGINAL	FINAL	ACTUAL	(UNDER)
Revenues:				
Intergovernmental	\$0	\$19,900	\$0	(\$19,900)
TOTAL REVENUES	0	19,900	0	(19,900)
7 1				
Expenditures:				
Current: Housing development activities				
Construction	0	19,900	19,900	0
TOTAL EXPENDITURES	0 -	19,900	19,900	0
	0 -	0		(19,900)
REVENUES OVER (UNDER) EXPENDITURES Fund balance - beginning of year - budgetary basis	162,435	162,435	(19,900) 162,435	(19,900)
FUND BALANCE - END OF YEAR - BUDGETARY BASIS	\$162,435	\$162,435	\$142,535	(\$19,900)
FUND BALANCE - END OF TEAK - BODGETAKT BASIS		\$102,455	J 1 42,333	
Explanation of Differences between Budgetary Inflows and Out	flows and GAAP			
Revenues and Expenditures				
Sources/inflows of resources				
Actual revenues (budgetary basis) from the budgetary				
comparison schedule.			\$0	
Differences - budget to GAAP:				
None			0	
Total revenues as reported on the statement of revenues, expenditure	s, and changes		*0	
in fund balances - governmental funds.			\$0	
Uses/outflows of resources				
Actual expenditures (budgetary basis) from the budgetary				
comparison schedule.			\$19,900	
Differences - budget to GAAP:			<i>w</i>1 ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	
None			0	
Total expenditures as reported on the statement of revenues, expendit	itures, and changes			
in fund balances - governmental funds.			\$19,900	

CITY OF VALDOSTA, GEORGIA BUDGETARY COMPARISON SCHEDULE GA DCA CHIP - 06M-X-092-2-2951 FOR THE YEAR ENDED JUNE 30, 2011

	BUDGETED	AMOUNTS		VARIANCE WITH FINAL BUDGET OVER
	ORIGINAL	FINAL	ACTUAL	(UNDER)
Revenues:				
Intergovernmental	\$0	\$25,700	\$0	(\$25,700)
TOTAL REVENUES	0	25,700	0	(25,700)
Expenditures: Current:				
Housing development activities				
Construction	0	25,700	25,700	0
TOTAL EXPENDITURES	0	25,700	25,700	0
REVENUES OVER (UNDER) EXPENDITURES	0	0	(25,700)	(25,700)
Fund balance - beginning of year - budgetary basis	235,800	235,800	235,800	0
FUND BALANCE - END OF YEAR - BUDGETARY BASIS	\$235,800	\$235,800	\$210,100	(\$25,700)
Explanation of Differences between Budgetary Inflows and Out Revenues and Expenditures Sources/inflows of resources	flows and GAAP			
Actual revenues (budgetary basis) from the budgetary comparison schedule.			\$0	
Differences - budget to GAAP:				
None Total revenues as reported on the statement of revenues, expenditure			0	
in fund balances - governmental funds.	s, and changes		\$0	-
Uses/outflows of resources				
Actual expenditures (budgetary basis) from the budgetary comparison schedule.			\$25,700	
Differences - budget to GAAP:			923,700	
None			0	
Total expenditures as reported on the statement of revenues, expendi	tures, and changes			
in fund balances - governmental funds.			\$25,700	

CITY OF VALDOSTA, GEORGIA BUDGETARY COMPARISON SCHEDULE GA DCA CHIP - 07M-X-092-2-2961 FOR THE YEAR ENDED JUNE 30, 2011

	BUDGETED A	AMOUNTS		VARIANCE WITH FINAL BUDGET OVER
	ORIGINAL	FINAL	ACTUAL	(UNDER)
Revenues:				
Intergovernmental	\$0	\$21,286	\$2,258	(\$19,028)
TOTAL REVENUES	0	21,286	2,258	(19,028)
Expenditures:				
Current:				
Housing development activities				
Construction General administration	0	19,000	19,000	0
	0	2,286	2,286	0
TOTAL EXPENDITURES	0	21,286	21,286	0
REVENUES OVER (UNDER) EXPENDITURES	0	0	(19,028)	(19,028)
Fund balance - beginning of year - budgetary basis	181,700	181,700	181,700	0
FUND BALANCE - END OF YEAR - BUDGETARY BASIS	\$181,700	\$181,700	\$162,672	(\$19,028)
Explanation of Differences between Budgetary Inflows and Out Revenues and Expenditures Sources/inflows of resources Actual revenues (budgetary basis) from the budgetary comparison schedule. Differences - budget to GAAP: None			\$2,258	
Total revenues as reported on the statement of revenues, expenditure in fund balances - governmental funds.	es, and changes		\$2,258	
Uses/outflows of resources				
Actual expenditures (budgetary basis) from the budgetary comparison schedule. Differences - budget to GAAP: None			\$21,286 0	
Total expenditures as reported on the statement of revenues, expendi in fund balances - governmental funds.	tures, and changes		\$21,286	

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CITY OF VALDOSTA, GEORGIA BUDGETARY COMPARISON SCHEDULE GA DCA CHIP - 07MR-X-092-2-2979 FOR THE YEAR ENDED JUNE 30, 2011

	BUDGETED A	MOUNTS		VARIANCE WITH FINAL BUDGET OVER
	ORIGINAL	FINAL	ACTUAL	(UNDER)
		THAL		
Revenues:				
Intergovernmental	\$0	\$2,000	\$50,000	\$48,000
TOTAL REVENUES	0	2,000	50,000	48,000
Expenditures:				
Housing development activities				
Construction	0	2,000	2,000	0
TOTAL EXPENDITURES	0	2,000	2,000	0
REVENUES OVER EXPENDITURES	0	0	48,000	48,000
Fund balance - beginning of year - budgetary basis	20,000	20,000	20,000	· 0
FUND BALANCE - END OF YEAR - BUDGETARY BASIS	\$20,000	\$20,000	\$68,000	\$48,000
Explanation of Differences between Budgetary Inflows and Out Revenues and Expenditures Sources/inflows of resources Actual revenues (budgetary basis) from the budgetary comparison schedule. Differences - budget to GAAP: None Total revenues as reported on the statement of revenues, expenditure in fund balances - governmental funds.			\$50,000 0 \$50,000	·
Uses/outflows of resources Actual expenditures (budgetary basis) from the budgetary comparison schedule. Differences - budget to GAAP: None Total expenditures as reported on the statement of revenues, expendit in fund balances - governmental funds.	tures, and changes		\$2,000 0 \$2,000	·

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CITY OF VALDOSTA, GEORGIA BUDGETARY COMPARISON SCHEDULE EECBG- DEPARTMENT OF ENERGY FOR THE YEAR ENDED JUNE 30, 2011

	BUDGETED	AMOUNTS		VARIANCE WITH FINAL BUDGET OVER
	ORIGINAL	FINAL	ACTUAL	(UNDER)
Revenues:	\$221,600	\$215,645	\$122,947	(\$92,698)
Intergovernmental TOTAL REVENUES	221,600	215,645	122,947	(92,698)
IOTAL REVENUES	221,000	215,045	122,947	()2,000)
Expenditures:				
Current:				
General government	158,000	152,045	133,150	18,895
TOTAL EXPENDITURES	158,000	152,045	133,150	18,895
REVENUES OVER (UNDER) EXPENDITURES	63,600	63,600	(10,203)	(73,803)
Fund balance - beginning of year - budgetary basis	(3,733)	(3,733)	(3,733)	. 0
FUND BALANCE - END OF YEAR - BUDGETARY BASIS	\$59,867	\$59,867	(\$13,936)	(\$73,803)
 Explanation of Differences between Budgetary Inflows and Out Revenues and Expenditures Sources/inflows of resources Actual revenues (budgetary basis) from the budgetary comparison schedule. Differences - budget to GAAP: Transfers in from other funds are outflows for budgetary resources expenditures for financial reporting purposes. Total revenues as reported on the statement of revenues, expenditure in fund balances - governmental funds. 	but are not		\$122,947 0 \$122,947	
Uses/outflows of resources Actual expenditures (budgetary basis) from the budgetary comparison schedule. Differences - budget to GAAP: Encumbrances for remaining fiscal year items are recorded current but in the year of actual payment for financial reporting purposes Total expenditures as reported on the statement of revenues, expend in fund balances - governmental funds.	i.	ourposes,	\$133,150 3,148 \$136,298	

CITY OF VALDOSTA, GEORGIA BUDGETARY COMPARISON SCHEDULE EDI-SP HUD ECONOMIC DEVELOPMENT INITIATIVE FOR THE YEAR ENDED JUNE 30, 2011

	BUDGETED /	AMOUNTS		VARIANCE WITH FINAL BUDGET OVER
	ORIGINAL	FINAL	ACTUAL	(UNDER)
D				
Revenues: Intergovernmental	\$0	\$245,000	\$0	(\$245,000)
TOTAL REVENUES	0	245,000	0	(3245,000)
I OTAL REVENCES		243,000	<i>(</i>	(245,000)
Expenditures:				
Current:				
Economic development and assistance				
Community development	0	245,000	177,283	67,717
TOTAL EXPENDITURES	0	245,000	177,283	67,717
REVENUES OVER (UNDER) EXPENDITURES	0	0	(177,283)	(177,283)
Fund balance - beginning of year - budgetary basis	0	0	0	0
FUND BALANCE - END OF YEAR - BUDGETARY BASIS	\$0	\$0	(\$177,283)	(\$177,283)
Explanation of Differences between Budgetary Inflows and Out Revenues and Expenditures Sources/inflows of resources Actual revenues (budgetary basis) from the budgetary comparison schedule. Differences - budget to GAAP: None Total revenues as reported on the statement of revenues, expenditure in fund balances - governmental funds.			\$0 \$0	
Uses/outflows of resources Actual expenditures (budgetary basis) from the budgetary comparison schedule.				

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CITY OF VALDOSTA, GEORGIA BUDGETARY COMPARISON SCHEDULE CDBG-R HUD RECOVERY GRANT FOR THE YEAR ENDED JUNE 30, 2011

				VARIANCE WITH FINAL BUDGET
	BUDGETED A			OVER
	ORIGINAL	FINAL	ACTUAL	(UNDER)
Description				
Revenues:	¢0.	615(007	\$110,664	(\$45,562)
Intergovernmental	<u> </u>	\$156,227		(\$45,563)
TOTAL REVENUES	0	156,227	110,664	(45,563)
Expenditures:				
Current:				
Economic development and assistance				
Community development	0	12,791	8,717	4,074
Capital outlay	0	12,791	0,/1/	4,074
Capital outlay	0	143,436	143,436	0
TOTAL EXPENDITURES		156,227	152,153	4,074
REVENUES OVER (UNDER) EXPENDITURES	0	0	(41,489)	(41,489)
Fund balance - beginning of year - budgetary basis	(2,514)	(2,514)	(2,514)	0
FUND BALANCE - END OF YEAR - BUDGETARY BASIS	(\$2,514)	(\$2,514)	(\$44,003)	(\$41,489)
Explanation of Differences between Budgetary Inflows and Out Revenues and Expenditures Sources/inflows of resources	flows and GAAP			
Actual revenues (budgetary basis) from the budgetary				
comparison schedule.			\$110,664	
Differences - budget to GAAP:				
None			0	
Total revenues as reported on the statement of revenues, expenditure	s, and changes			
in fund balances - governmental funds.			\$110,664	
Uses/outflows of resources Actual expenditures (budgetary basis) from the budgetary				
comparison schedule.			\$152,153	
Differences - budget to GAAP:			,- <i>-</i>	
None			0	
Total expenditures as reported on the statement of revenues, expendi	tures, and changes			
in fund balances - governmental funds.			\$152,153	

CITY OF VALDOSTA, GEORGIA BUDGETARY COMPARSION SCHEDULE ACCOMODATIONS TAX FOR YEAR ENDED JUNE 30, 2011

		MOUNTS		VARIANCE WITH FINAL BUDGET
	BUDGETED A ORIGINAL	FINAL	ACTUAL	OVER (UNDER)
Revenues:	URIGINAL	FINAL	ACTUAL	(UNDER)
Taxes	\$1,669,600	\$1,669,600	\$1,504,153	(\$165,447)
Interest income	500	500	\$1,50 4 ,155 82	(\$105,447)
TOTAL REVENUES	1,670,100	1,670,100	1,504,235	(165,865)
Expenditures:	1,070,100	1,070,100	1,504,255	(105,805)
Other services and charges	1,508,286	1,539,520	1,493,577	45,943
TOTAL EXPENDITURES	1,508,286	1,539,520	1,493,577	45,943
REVENUES OVER EXPENDITURES	161,814	130,580	10,658	(119,922)
Other financing sources (uses):	101,014	150,530	10,038	(119,922)
Operating transfers out	(75,000)	0	0	0
NET CHANGE IN FUND BALANCE	86,814	130,580	10,658	(119,922)
Fund balance (deficit) - beginning of year - budgetary basis	97,248	97,248	97,248	(11),522)
FUND BALANCE (DEFICIT) - END OF YEAR	\$184,062	\$227,828	\$107,906	(\$119,922)
Explanation of Differences between Budgetary Inflows and Outflows and GAAB Revenues and Expenditures Sources/inflows of resources				
Actual revenues (budgetary basis) from the budgetary				
comparison schedule.			\$1,504,235	
Differences - budget to GAAP:				
None			0	
Total revenues as reported on the statement of revenues, expenditures, and				
changes in fund balances - governmental funds.			\$1,504,235	
Uses/outflows of resources				
Actual expenditures (budgetary basis) from the budgetary				
comparison schedule.			\$1,493,577	
Differences - budget to GAAP:				
None			0	
Total expenditures as reported on the statement of revenues, expenditures,				
and changes in fund balances - governmental funds.			\$1,493,577	

CITY OF VALDOSTA, GEORGIA BUDGETARY COMPARSION SCHEDULE YOUTH RECREATION SCHOLARSHIP FUND FOR YEAR ENDED JUNE 30, 2011

	BUDGETED A	MOUNTS	ACTUAL AMOUNT BUDGETARY	VARIANCE WITH FINAL BUDGET OVER
	ORIGINAL	FINAL	BASIS	(UNDER)
Revenues:				
Interest income	\$0	\$39	\$30	(\$9)
TOTAL REVENUES	0	39	30	(9)
Expenditures:			50	(7)
General Governmental	10	49	49	0
TOTAL EXPENDITURES		49	49	0
REVENUES OVER (UNDER) EXPENDITURES	(10)	(10)	(19)	(9)
Fund balance - beginning of year - budgetary basis	12,198	12,198	12,198	Ő
FUND BALANCE - END OF YEAR	\$12,187	\$12,187	\$12,179	(\$9)
Explanation of Differences between Budgetary Inflows and O Revenues and Expenditures Sources/inflows of resources Actual revenues (budgetary basis) from the budgetary comparison schedule. Differences - budget to GAAP: None Total revenues as reported on the statement of revenues, expenditu in fund balances - governmental funds.			\$30 0 \$30	
Actual revenues (budgetary basis) "total charges to appropriations comparison schedule. Differences - budget to GAAP: None Total expenditures as reported on the statement of revenues, expen in fund balances - governmental funds.			\$49 0 \$49	

CITY OF VALDOSTA, GEORGIA SALES TAX 2002 FUND BUDGETARY COMPARISON SHEDULE FOR THE YEAR ENDED JUNE 30, 2011

_	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET OVER (UNDER)
Revenues:			
Intergovernmental	\$2,000,000	\$235,769	(\$1,764,231)
TOTAL REVENUES	2,000,000	235,769	(1,764,231)
Expenditures:			
Capital outlay:			
Railroad switching station	2,000,000	0	2,000,000
TOTAL EXPENDITURES	2,000,000	0	2,000,000
REVENUES (UNDER) EXPENDITURES	0	235,769	(3,764,231)
Fund balance (deficit) - beginning of year - budgetary basis	6,063	6,063	0
FUND BALANCE (DEFICIT) - END OF YEAR - BUDGETARY BASIS	\$6,063	\$241,832	(\$3,764,231)
Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures Sources/inflows of resources Actual revenues (budgetary basis) from the budgetary comparison schedule. Differences - budget to GAAP: None Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds. Uses/outflows of resources Actual expenditures (budgetary basis) from the budgetary comparison schedule. Differences - budget to GAAP:		\$235,769 0 	·
None Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.		0 \$0	

CITY OF VALDOSTA, GEORGIA SALES TAX 2007 FUND BUDGETARY COMPARISON SHEDULE FOR THE YEAR ENDED JUNE 30, 2011

_	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET OVER (UNDER)
Revenues:			
Intergovernmental	\$8,486,371	\$8,655,372	\$169,001
Contributions	10,000	2,620	(7,380)
Miscellaneous	0	50,068	50,068
TOTAL REVENUES	8,496,371	8,708,060	211,689
Expenditures:			
Capital outlay:	0	245,647	(245,647)
Resurfacing	1,932,562	163,318	1,769,244
Road inprovements Sidewalk improvements	576,395	77,012	499,383
Intersection improvements	0	2,360	(2,360)
Drainage improvements	1,087,105	942,310	144,795
Street maintenance repairs	1,187,373	101,382	1,085,991
Crime lab equip/land acquisition	82,358	438,928	(356,570)
Technology	-,	102,799	(102,799)
Records management software	220,347	135,417	84,930
Youth facility	540,000	540,000	0
Tennis center - McKey park	0	389,185	(389,185)
General park improvements	42,763	52,395	(9,632)
Parks & Rec administration offices/gym	111,321	348,767	(237,446)
Freedom park expansion	682,013	522,161	159,852
Sewer system rehab	3,262,377	1,865,499	1,396,878
Refuse trucks/street sweeper	81,000	164,758 8,292	(83,758) (8,292)
New recycles center	0	8,292 2,460	(2,460)
Miscellaneous public works		175,116	185,701
Software & hardware	360,817 0	77,029	(77,029)
Municipal auditorium prop acq & design	125,619	65,589	60,030
General administration	125,019	519	(519)
Gateway redevelopment	10,292,050	6,420,943	3,871,107
REVENUES (UNDER) EXPENDITURES	(1,795,679)	2,287,117	4,082,796
Fund balance (deficit) - beginning of year - budgetary basis	(907,493)	(907,493)	0
FUND BALANCE (DEFICIT) - END OF YEAR - BUDGETARY BASIS	(\$2,703,172)	\$1,379,624	\$4,082,796
= Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures			
Sources/inflows of resources			
Actual revenues (budgetary basis) from the budgetary		\$8,708,060	
comparison schedule.		\$6,706,000	
Differences - budget to GAAP:			
Transfers in from other funds are inflows for budgetary resources but are not revenues for financial reporting purposes.		0	
Total revenues as reported on the statement of revenues, expenditures, and changes			
in fund balances - governmental funds.		\$8,708,060	
in fund balances - governmental funds.		40,700,000	
Uses/outflows of resources			
Actual expenditures (budgetary basis) from the budgetary			
comparison schedule.		\$6,420,943	
Differences - budget to GAAP:		90,720,77J	
Encumbrances for remaining fiscal year items are recorded current year for budgetary pu	ITDOSES.		
but in the year of actual payment for financial reporting purposes.		(762,434)	
Total expenditures as reported on the statement of revenues, expenditures, and changes		(102,101)	
in fund balances - governmental funds.		\$5,658,509	

CITY OF VALDOSTA, GEORGIA BUDGETARY COMPARISON SCHEDULE AIRPORT DEVELOPMENT FUND FOR THE YEAR ENDED JUNE 30, 2011

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET OVER (UNDER)
Revenues:			
Intergovernmental	\$111,739	\$173,979	\$62,240
Interest revenue	0	4,562	4,562
Transfer in	0	439,670	439,670
TOTAL REVENUES	111,739	618,211	506,472
Capital outlay:			
Airport improvement	111,739	111,739	0
TOTAL EXPENDITURES	111,739	111,739	0
REVENUES OVER EXPENDITURES	0	506,472	506,472
Fund balance (deficit) - beginning of year - budgetary basis	(61,118)	(61,118)	0
FUND BALANCE (DEFICIT) - END OF YEAR - BUDGETARY BASIS	(\$61,118)	\$445,354	\$506,472
Explanation of Differences between Budgetary Inflows and Outflows and GAA Revenues and Expenditures Sources/inflows of resources Actual revenues (budgetary basis) from the budgetary comparison schedule. Differences - budget to GAAP: Transfers in from other funds are outflows for budgetary resources but are not Total revenues as reported on the statement of revenues, expenditures, and changes	Ρ	\$618,211 (439,670)	
in fund balances - governmental funds. Uses/outflows of resources Actual expenditures (budgetary basis) from the budgetary comparison schedule. Differences - budget to GAAP:		<u>\$178,541</u> \$111,739	
Encumbrances for remaining fiscal year items are recorded current year for budgeta but in the year of actual payment for financial reporting purposes. Total expenditures as reported on the statement of revenues, expenditures, and change		(3,024)	
in fund balances - governmental funds.		\$108,715	

CITY OF VALDOSTA, GEORGIA GENERAL CAPITAL PROJECTS FUND BUDGETARY COMPARISON SCHEDULE FOR THE YEAR ENDED JUNE 30, 2011

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET OVER (UNDER)
Revenues:			
Interest income	\$2,301	\$1,595	(\$706)
TOTAL REVENUES	2,301	1,595	(706)
Expenditures:			
Current:			
Other services and charges	2,626	2,626	0
TOTAL EXPENDITURES	2,626	2,626	0
REVENUES OVER EXPENDITURES	(325)	(1,031)	(706)
Fund balance - beginning of year - budgetary basis	638,686	638,686	0
FUND BALANCE - END OF YEAR	\$638,361	\$637,655	(\$706)

Explanation of Differences between Budgetary Inflows and Outflows and GA	AP
Revenues and Expenditures	
Sources/inflows of resources	
Actual revenues (budgetary basis) from the budgetary	
comparison schedule.	\$1,595
Differences - budget to GAAP:	
None	0
Total revenues as reported on the statement of revenues, expenditures,	
and changes in fund balances - governmental funds.	\$1,595
Uses/outflows of resources	
Actual expenditures (budgetary basis) from the budgetary	
comparison schedule.	\$2,626
Differences - budget to GAAP:	
None	0
Total expenditures as reported on the statement of revenues, expenditures,	
and changes in fund balances - governmental funds.	\$2,626

CITY OF VALDOSTA, GEORGIA PARKS DEVELOPMENT FUND BUDGETARY COMPARISON SCHEDULE FOR THE YEAR ENDED JUNE 30, 2011

-	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET OVER (UNDER)
Revenues:			
Interest income	\$458	\$315	(\$143)
TOTAL REVENUES	458	315	(143)
Expenditures: Capital outlay:			
Site improvements:			
Various parks	518	518	0
TOTAL EXPENDITURES	518	518	0
REVENUES OVER (UNDER) EXPENDITURES	(60)	(203)	(143)
Fund balance - beginning of year - budgetary basis	126,146	126,146	(\$142)
FUND BALANCE - END OF YEAR	\$126,086	\$125,943	(\$143)
Revenues and Expenditures Sources/inflows of resources Actual revenues (budgetary basis) from the budgetary comparison schedule. Differences - budget to GAAP: None Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.		\$315 0 \$315	
		5313	
Uses/outflows of resources			
Actual expenditures (budgetary basis) from the budgetary			
comparison schedule.		\$518	
Differences - budget to GAAP:			
None		0	
Encumbrances for remaining grant items are placed for budgetary purposes,		,	
but in the year of actual payment for financial reporting purposes.		0	
Total expenditures as reported on the statement of revenues, expenditures,			
and changes in fund balances - governmental funds.		\$518	
CITY OF VALDOSTA, GEORGIA SUNSET HILL FUND BUDGETARY COMPARISON SCHEDULE FOR THE YEAR ENDED JUNE 30, 2011

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET OVER (UNDER)
Operating revenues:			
Interest income	\$26,347	\$3,660	(\$22,687)
Contributions	39,240	47,307	8,067
Rental income	22,780	23,323	543
TOTAL OPERATING REVENUES	88,367	74,290	(14,077)
Operating expenditures:			
Other services and charges	5,795	5,795	0
TOTAL OPERATING EXPENDITURES	5,795	5,795	0
REVENUES OVER (UNDER) EXPENDITURES	82,572	68,495	(14,077)
Fund balance - beginning of year - budgetary basis	1,403,729	1,403,729	0
FUND BALANCE - END OF YEAR	\$1,486,301	\$1,472,224	(\$14,077)

Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures	
Sources/inflows of resources	
Actual revenues (budgetary basis) from the budgetary	
comparison schedule.	\$74,290
Differences - budget to GAAP:	
None	0
Total revenues as reported on the statement of revenues, expenditures,	
and changes in fund balances - governmental funds.	\$74,290
Uses/outflows of resources	
Actual expenditures (budgetary basis) from the budgetary	
comparison schedule.	\$5,795
Differences - budget to GAAP:	
Transfers to other funds are outflows for budgetary resources but are not	
expenditures for financial reporting purposes.	0
Total expenditures as reported on the statement of revenues, expenditures,	
and changes in fund balances - governmental funds.	\$5,795

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Non-Major Enterprise Funds

Inspection Fund - to finance and account for the cost of providing inspection of residential and commercial buildings within Lowndes County and to regulate zoning issues within Lowndes County.

Zoning - to account for the revenue and costs associated with operating the Zoning Administration Services of the City.

Auditorium Fund - to account for the revenue and costs associated with operating the Mathis City Auditorium.

Motor Fuel Fund - to account for the revenue and costs associated with the sale of motor fuel to other governmental entities.

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CITY OF VALDOSTA, GEORGIA COMBINING STATEMENT OF NET ASSETS OTHER ENTERPRISE FUNDS JUNE 30, 2011

	ENTERPRISE FUNDS				TOTAL OTHER
	INSPECTION	ZONING	AUDITORIUM	MOTOR FUEL	ENTERPRISE FUNDS
ASSETS					
Current assets:					
Cash	\$300	\$0	\$0	\$1,507	\$1,807
Investments	0	0	0	3,553	3,553
Receivables (net)					
Accounts	185	0	0	37,529	37,714
Due from other governments and agencies	0	34,581	0	19,215	53,796
Due from other funds	0	60,000	0	0	60,000
Total current assets	485	94,581	0	61,804	156,870
Non-current assets:					
Capital assets:					
Equipment	380,577	8,369	0	0	388,946
	380,577	8,369	0	0	388,946
Less accumulated depreciation	(378,756)	(7,114)	0	0	(385,870)
Net capital assets	1,821	1,255	0	0	3,076
Total non-current assets	1,821	1,255	0	0	3,076
Total assets	\$2,306	\$95,836	\$0	\$61,804	\$159,946
LIABILITIES					
Current liabilities:					
Accounts payable	\$11,299	\$18,735	\$13,154	\$0	\$43,188
Due to other governments and agencies	310	5,354	0	0	5,664
Due to other funds	0	0	0	60,000	60,000
Compensated absences	23,250	3,327	2,510	0	29,087
Total current liabilities	34,859	27,416	15,664	60,000	137,939
Non-current liabilities (payable from unrestricted assets):					
Compensated absences	15,312	0	5,902	0	21,214
Advances from other funds	353,446	1,031,299	826,417	0	2,211,162
Total non-current liabilities (payable from unrestricted assets)	368,758	1,031,299	832,319	0	2,232,376
Total liabilities	403,617	1,058,715	847,983	60,000	2,370,315
NET ASSETS					
Invested in capital assets, net of related debt	1,821	1,255	0	0	3,076
Unrestricted	(403,132)	(964,134)	(847,983)	1,804	(2,213,445)
Total net assets	(\$401,311)	(\$962,879)	(\$847,983)	\$1,804	(\$2,210,369)

CITY OF VALDOSTA, GEORGIA COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS OTHER ENTERPRISE FUNDS FOR THE YEAR ENDED JUNE 30, 2011

	ENTERPRISE FUNDS				TOTAL OTHER ENTERPRISE
	INSPECTION	ZONING	AUDITORIUM	MOTOR FUEL	FUNDS
Operating revenues:					
Permits	\$861,338	\$13,075	\$0	\$0	\$874,413
Charges for services	44,639	32,451	18,407	539,213	634,710
TOTAL OPERATING REVENUES	905,977	45,526	18,407	539,213	1,509,123
Operating expenses:					
Personal services	823,134	176,191	120,099	0	1,119,424
Contractual services	37,602	73,555	85,999	0	197,156
Supplies	7,656	2,696	15,182	527,745	553,279
Travel and training	2,647	5,504	0	0	8,151
Other services and charges	50,417	175,212	11,176	237	237,042
Depreciation expense	1,781	1,674	0	0	3,455
TOTAL OPERATING EXPENSES	923,237	434,832	232,456	527,982	2,118,507
OPERATING INCOME (LOSS)	(17,260)	(389,306)	(214,049)	11,231	(609,384)
Non-operating revenues (expenses):					
Interest income	0	0	0	1	1
Intergovernmental revenues	0	159,153	0	0	159,153
TOTAL NON-OPERATING REVENUES (EXPENSES)	0	159,153	0	1	159,154
INCOME (LOSS) BEFORE CONTRIBUTIONS					
AND TRANSFERS	(17,260)	(230,153)	(214,049)	11,232	(450,230)
Transfers in	0	60,000	0	0	60,000
Transfers out	(39,233)	(11,209)	0	(60,000)	(110,442)
	(39,233)	48,791	0	(60,000)	(50,442)
Change in Net Assets	(56,493)	(181,362)	(214,049)	(48,768)	(500,672)
NET ASSETS - BEGINNING	(344,818)	(781,517)	(633,934)	50,572	(1,709,697)
NET ASSETS - ENDING	(\$401,311)	(\$962,879)	(\$847,983)	\$1,804	(\$2,210,369)

CITY OF VALDOSTA, GEORGIA COMBINING STATEMENT OF CASH FLOWS OTHER ENTERPRISE FUNDS FOR THE YEAR ENDED JUNE 30, 2011

	E	TERPRISE FU	NDS		TOTAL OTHER
	INSPECTION	ZONING	AUDITORIUM	MOTOR FUEL	ENTERPRISE FUNDS
<u>NET CHANGE IN CASH</u>					
Cash flows from operating activities:					
Cash received from customers	\$905,792	\$45,526	\$18,407	\$511,457	\$1,481,182
Cash payments to suppliers for goods and services	(23,269)	(16,608)	(14,544)	(523,359)	(577,780)
Cash payments to suppliers for services		(176,862)		(525,559)	(1,024,015)
	(843,290)		(3,863)		
Net change in cash from operating activities	39,233	(147,944)	0	(11,902)	(120,613)
Cash flows from noncapital financing activities:					
Intergovernmental revenue	0	159,153	0	0	159,153
Transfers-out to other funds	(39,233)	(11,209)	0	0	(50,442)
Net change in cash from noncapital financing activities	(39,233)	147,944	0	0	108,711
Cash flows from investing activities: Sale of investment securties	0	0	0	7,751	7,751
Interest and dividends on investments	0	0	0	,,,51	,,,51
Net change in cash from investing activities	0	0	0	7,752	7,752
Net change in cash	0	0	0	(4,150)	(4,150)
Cash beginning of year	300	0	0	5,657	5,957
Cash at end of year	\$300	\$0	\$0	\$1,507	\$1,807
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET	CHANGE IN CASH FR	OM OPERATIN	G ACTIVITIES		
Operating income (loss)	(\$17,260)	(\$389,306)	(\$214,049)	\$11,231	(\$609,384)
Adjustments to reconcile operating income (loss) to net change in	,)	(),	,,		
cash from operating activities:					
Depreciation	1,781	1,674	0	0	3,455
Change in assets and liabilities:	(100)			(07.75)	(07.041)
(Increase) in accounts receivable	(185)	0	0	(27,756)	(27,941)
Decrease in due from other governments and agencies (Decrease) increase in accounts payable	1,481 (28,350)	46,755 (42,200)	0 (3,552)	4,623 0	52,859 (74,102)
(Decrease) increase in accounts payable (Decrease) increase in compensated absences	(28,330) 5,994	(42,200)	(3,532) (457)	0	(74,102) 6,865
(Decrease) in due to other funds	(58,444)	(12,524)	(12,524)	0	(83,492)
Increase in advances from other funds	133,906	246,329	230,582	0	610,817
Increase in due to other governments and agencies	310	0	0	0	310
Net change in cash from operating activities	\$39,233	(\$147,944)	\$0	(\$11,902)	(\$120,613)

Internal Service Funds

Motor Pool Fund - to account for the cost of operating a maintenance facility for automotive equipment. The fund purchases the automotive equipment and leases the equipment to user departments on a predetermined per mile basis or monthly rate based on accumulated historical costs.

Group Insurance Fund - to account for transactions related to the provision of health care benefits for career employees of the City.

Workman's Compensation Fund - to account for the transactions related to the workman's compensation claims paid by the City.

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CITY OF VALDOSTA, GEORGIA COMBINING STATEMENT OF NET ASSETS INTERNAL SERVICE FUNDS JUNE 30, 2011

		GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS			
	MOTOR POOL	GROUP INSURANCE	WORKMEN'S <u>COMPENSATION</u>	TOTAL INTERNAL <u>SERVICE FUNDS</u>	
ASSETS					
Current assets:					
Cash	\$0	\$302,220	\$236,972	\$539,192	
Receivables (net):					
Accounts	108,262	18,957	0	127,219	
Due from other funds	0	117,108	0	117,108	
Inventories at cost	337,491	0	0	337,491	
Total current assets	445,753	438,285	236,972	1,121,010	
Noncurrent assets:					
Land	92,563	0	0	92,563	
Land improvements	383,595	0	0	383,595	
Buildings and structures	285,945	0	0	285,945	
Motor vehicles	14,444,992	0	0	14,444,992	
Equipment	2,921,343	0	0	2,921,343	
	18,128,438	0	0	18,128,438	
Less accumulated depreciation	(14,531,319)	0	0	(14,531,319)	
Net capital assets (net of accumulated depreciation)	3,597,119	0	0	3,597,119	
Total assets	\$4,042,872	\$438,285	\$236,972	\$4,718,129	
LIABILITIES					
Current liabilities:					
Accounts payable	\$178,270	\$438,285	\$34,109	\$650,664	
Compensated absences (current portion)	18,000	0	0	18,000	
Due to other funds	268,400	0	130,758	399,158	
Total current liabilities	464,670	438,285	164,867	1,067,822	
Noncurrent liabilities:					
Compensated absences	11,930	0	0	11,930	
Advances from other funds	1,850,682	0	0	1,850,682	
Total liabilities	2,327,282	438,285	164,867	2,930,434	
NET ASSETS					
Invested in capital assets, net of related debt	3,597,119	0	0	3,597,119	
Unrestricted	(1,881,529)	0	72,105	(1,809,424)	
Total net assets	\$1,715,590	\$0	\$72,105	\$1,787,695	

CITY OF VALDOSTA, GEORGIA COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS INTERNAL SERVICE FUNDS FOR THE YEAR ENDED JUNE 30, 2011

	GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS					
	MOTOR POOL	GROUP INSURANCE	WORKMEN'S COMPENSATION	TOTAL INTERNAL SERVICE FUNDS		
Operating revenues:						
Charges for services	\$4,203,726	\$4,479,521	\$483,665	\$9,166,912		
Miscellaneous revenues	119,214	235,798	0	355,012		
TOTAL OPERATING REVENUES	4,322,940	4,715,319	483,665	9,521,924		
Operating expenses:						
Personal services	541,379	0	0	541,379		
Contractual services	96,370	713,594	0	809,964		
Claims paid	375	5,179,010	451,725	5,631,110		
Supplies	2,205,956	23,863	0	2,229,819		
Travel and training	494	0	0	494		
Other services and charges	211,159	312,489	150,532	674,180		
Depreciation expense	1,670,401	0	0	1,670,401		
TOTAL OPERATING EXPENSES	4,726,134	6,228,956	602,257	11,557,347		
OPERATING (LOSS)	(403,194)	(1,513,637)	(118,592)	(2.035,423)		
Nonoperating revenue (expenses):						
Interest income	1,580	918	336	2,834		
Gain on sale of assets	51,027	0	0	51.027		
TOTAL NON-OPERATING REVENUES (EXPENSES)	52,607	918	336	53,861		
NET (LOSS) BEFORE CONTRIBUTIONS						
AND TRANSFERS	(350,587)	(1,512,719)	(118,256)	(1,981,562)		
Capital contributions	202,768	0	0	202,768		
Transfers in	147,819	1,415,192	0	1,563,011		
	350,587	1,415,192	0	1,765,779		
CHANGE IN NET ASSETS	0	(97,527)	(118,256)	(215,783)		
NET ASSETS - BEGINNING	1,715,590	97,527	190,361	2,003,478		
NET ASSETS - ENDING	\$1,715,590	\$0	\$72,105	\$1,787,695		

CITY OF VALDOSTA, GEORGIA COMBINING STATEMENT OF CASH FLOWS INTERNAL SERVICE FUNDS FOR THE YEAR ENDED JUNE 30, 2011

	MOTOR POOL	GROUP INSURANCE	WORKMEN'S COMP	TOTAL INTERNAL SERVICE FUNDS
Cash flows from operating activities:				
Cash received from customers	\$4,224,113	\$5,122,771	\$483,665	\$9,830,549
Cash payments to suppliers for goods and services	(3,685,644)	(7,104,709)	(565,918)	(11,356,271)
Cash payments to employees for services	(559,330)	0	0	(559,330)
Net change in cash from operating activities	(20,861)	(1,981,938)	(82,253)	(2,085,052)
Cash flows from non capital financing activities:				
Transfer in from other fund	147,819	1,415,192	0	1,563,011
Net change in cash from capital financing activities	147,819	1,415,192	0	1,563,011
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(179,565)	0 '	0	(179,565)
Sale of capital assets	51,027	0	0	51,027
Net change in cash from capital and related financing activities	(128,538)	0	0	(128,538)
Cash flows from investing activities:				
Interest and dividends on investments	1,580	918	336	2,834
Net change in cash from investing activities	1,580	918	336	2,834
Net change in cash	0	(565,828)	(81,917)	(647,745)
Cash at beginning of year	0	868,048	318,889	1,186,937
Cash at end of year	\$0	\$302,220	\$236,972	\$539,192
DECONCILIATION OF OPPRATING (LOCO) NET OF LICE IN CLASSE				

RECONCILIATION OF OPERATING (LOSS) NET CHANGE IN CASH FROM OPERATING ACTIVITIES:

Operating (loss)	(\$403,194)	(\$1,513,637)	(\$118,592)	(\$2,035,423)
Adjustments not affecting cash:				
Depreciation	1,670,401	0	0	1,670,401
Change in assets and liabilities:			-	-,
(Increase) decrease in accounts receivable	(98,827)	407,452	0	308,625
Increase in due from other funds	0	(117,108)	0	(117,108)
(Increase) in inventory	(39,417)	0	0	(39,417)
Increase in accounts payable	22,814	144,616	18,466	185,896
(Decrease) in compensated absences	(6,259)	0	0	(6,259)
(Decrease) increase in due to other funds	(481,354)	(392,690)	17,873	(856,171)
(Decrease) in advances from other funds	(685,025)	(510,571)	0	(1,195,596)
Net change in cash provided from operating activities	(\$20,861)	(\$1,981,938)	(\$82,253)	(\$2,085,052)
NONCASH INVESTING, CAPITAL AND FINANCING	ACTIVITIES			
Contributed capital assets from SPLOST VI	164,758	0	0	164,758
Contributed capital assets from General Fund	22,010	0	0	22,010
Contribution from State of Georgia	16,000	0	0	16,000

Agency Fund

Tree Commission Agency Fund - to account for monies collected for the Tree Commission.

Evidence Agency Fund - to account for monies taken in by the Valdosta Police Department but not condemned.

CITY OF VALDOSTA, GEORGIA STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES FIDUCIARY FUND JUNE 30, 2011

	TREE COMMISSION	EVIDENCE AGENCY FUND	TOTAL FIDUCIARY FUNDS
ASSETS			
Cash	\$51,734	\$13,068	\$64,802
Investments	7,236	21,090	28,326
Total assets	\$58,970	\$34,158	\$93,128
LIABILITIES			
Due to other governments and agencies	\$58,970	\$0	\$58.970

Due to other governments and agenetes	338,970	20	\$58,970
Due to others	0	34,158	34,158
Total liabilities	\$58,970	\$34,158	\$93,128

CITY OF VALDOSTA, GEORGIA AGENCY FUND STATEMENT OF CHANGES IN ASSETS AND LIABILITIES FOR THE YEAR ENDED JUNE 30, 2011

TREE COMMISSION

	Balance June 30, 2010	Additions	Deductions	Balance June 30, 2011
ASSETS				
Cash	\$51,331	\$5,136	\$4,733	\$51,734
Investments	7,156	80	0	7,236
Total assets	\$58,487	\$5,216	\$4,733	\$58,970
LIABILITIES				
Liabilities:				
Due to:				
Other governments and agencies	\$58,487	\$5,216	\$4,733	\$58,970
Total liabilities	\$58,487	\$5,216	\$4,733	\$58,970

EVIDENCE AGENCY FUND

	Balance			Balance
	June 30, 2010	Additions	Deductions	June 30, 2011
ASSETS				
Cash	\$0	\$13,068	\$0	\$13,068
Investments	0	21,090	0	21,090
Total assets	\$0	\$34,158	\$0	\$34,158
LIABILITIES				
Liabilities:				
Due to:				
Others	\$0	\$34,158	\$0	\$34,158
Total liabilities	\$0	\$34,158	\$0	\$34,158

Supplemental Financial Data

CITY OF VALDOSTA, GEORGIA SCHEDULE OF PROJECTS CONSTRUCTED WITH SPECIAL SALES TAX PROCEEDS SALES TAX 2002 FUND For the Year Ended June 30, 2011

No.	Project	Original Estimated Cost	Revised Estimated Cost	Prior Years	Current Year SPLOST	Current Year Other Sources	Total	Estimated Percentage of Completion
1	Water and sewer improvements	\$15,700,000	\$15,700,000	\$149.048	\$0	\$0	\$149,048	1%
2	Resurfacing	1,750,000	1,750,000	2,299,016	0	0	2,299,016	100%
3	Streets/sidewalks	4,500,000	4,500,000	3,876,268	0	0	3,876,268	86%
4	Drainage	4,000,000	4,000,000	5,979,745	0	0	5,979,745	100%
5	Environmental compliance	500,000	500,000	0	0	0	0	0%
6	Sanitation equipment	1,350,000	1,350,000	981,994	0	0	981,994	73%
7	Traffic enhancement and safety	1,000,000	1,000,000	2,524,431	0	0	2,524,431	100%
8	Intersection improvement	2,750,000	2,750,000	1,782,323	0	0	1,782,323	65%
9	Saunders park	1,000,000	1,304,337	1,304,337	0	0	1,304,337	100%
10	Freedom park	2,000,000	2,000,000	232,623	0	0	232,623	12%
11	New district 5 park	1,500,000	1,500,000	688,812	0	0	688,812	46%
12	Scott park	1,200,000	1,200,000	1,295,293	0	0	1,295,293	100%
13	Rehab existing fire stations	350,000	350,000	848,486	Ő	0	848,486	100%
14	City hall renovation	700,000	708,210	869,908	0	0	869,908	100%
15	Customer service expansion	300,000	360,620	360,620	0	0	360,620	100%
16	Streetscape expansion	500,000	500.000	421,012	0	0	421,012	84%
17	St. Augustine underpass	3,000,000	3,000,000	452	0	0	452	0%
18	Crime lab	200,000	200,000	704,300	0	0	704,300	100%
19	Public safety AVL	750,000	750,000	750,000	0	0	750,000	100%
20	Cemetery improvements	200.000	207.767	207,767	0	0	207,767	100%
21	McKey park	300,000	300,000	410,261	0	0	410,261	100%
22	Mathis auditorium	75,000	78,109	78,109	0	0	78,109	100%
23	Craig center	75,000	114,828	115,653	0	0	115,653	100%
24	Minor park improvements	900.000	900.000	705,885	0	0	705,885	78%
25	New station #1 headquarters	1,500,000	1,585,849	1,595,521	0	0	1,595,521	100%
26	Upgrade drill training facility	250.000	250,000	3,571	0	0	3,571	1%
27	100' aerial ladder truck	750,000	788,626	788,626	0	0	788,626	100%
28	Hydraulic rescue tools	150,000	150.000	99,292	0	0	99,292	66%
29	Renovate station #1 (court)	500,000	801,273	1,618,766	Ō	Ō	1,618,766	100%
30	Police department	700,000	700,000	535,906	0	0	535,906	77%
31	Technology improvement	0	87,949	235,305	õ	0	235,305	0%
32	Vallotton Park	750,000	750,000	240,894	0	0	240,894	32%
33	Other Municipal Improvements	1,895,000	1,895,000	0	0	0	0	0%
34	Multi use trail	0	0	144,262	Ő	Ō	144,262	0%
35	Adair street property	õ	õ	55,000	Ō	Ō	55,000	0%
36	Publics works tanks	õ	õ	93,732	0	0	93,732	0%
37	Water plant and related	0	Ő	12,334,872	0	0	12,334,872	0%
38	Engineering	0	0	72.397	0	0	72,397	0%
39	Court	õ	õ	114,424	Ő	Ō	114,424	0%
40	Community development	õ	Ő	97,466	0	0	97,466	0%
41	Sanitation res collection	õ	Ő	184,934	õ	0	184,934	0%
42	Public works property	. 0	0	1.028.488	0	0	1,028,488	0%
43	W/S utility facility building	0	Ő	22.992	0	0	22,992	0%
	Subt		52,032,568	45,852,791	0	0	45,852,791	_
	Transfer in	0	0	(91,832)	0	0	(91,832)	
	Transfer out	Ō	Ō	130,508	0	0	130,508	
	тот	AL \$51.095.000	\$52,032,568	\$45,891,467	\$0	\$0	\$45,891,467	_

Schedule accounts for the total funding to be received under the 2002 SPLOST referendum.

CITY OF VALDOSTA, GEORGIA SCHEDULE OF PROJECTS CONSTRUCTED WITH SPECIAL SALES TAX PROCEEDS SALES TAX 2007 FUND For the Year Ended June 30, 2011

No.	Project	Original Estimated Cost	Revised Estimated Cost	Prior Years	Current Year SPLOST	Current Year Other Sources	Total	Estimated Percentage of Completion
	Basufasian	\$0 500 000	\$2,500,000	\$866.735	\$245,647	\$0	\$1,112,382	44%
1 2	Resurfacing Road improvements	\$2,500,000 10,000,000	\$2,500,000 10,000,000	1,216,872	945,343	\$0 0	2,162,215	22%
23	Sidewalk improvements	2.000.000	2.000.000	230,063	71,748	ŏ	301,811	15%
4	Intersection improvements	2,500,000	2,500,000	175.045	2,360	ŏ	177,405	7%
5	Drainage improvements	4,000,000	4,000,000	2,203,296	567,056	ŏ	2,770,352	69%
6	Traffic improvements	1,000,000	1,000,000	128,586	0	ŏ	128,586	13%
7	Street maintenance repairs	500,000	500,000	49,081	93,222	ő	142,303	28%
8	Piping of ditches	1,500,000	1,500,000	40,001	00,222	õ	0	0%
9	Crime lab equipment and land acq	1,500,000	1,500,000	2,253,391	132,854	õ	2,386,245	100%
10	Driving simulator	200,000	200,000	2,200,001	0	õ	0	0%
11	Technology (EVOC range)	200,000	200,000	237,684	57,663	0	295,347	100%
12	Parking overhang	100,000	100,000	0	0	Ō	0	0%
13	Taser equipment	150,000	150,000	0	0	0	0	0%
14	Records management software	600,000	600,000	23,250	135,417	0	158,667	26%
15	District 1 parks	1,000,000	1,000,000	236,992	0	0	236,992	24%
16	Youth facility	3,000,000	3,000,000	540,000	540,000	0	1,080,000	36%
17	Tennis center - McKey park	2,000,000	2,000,000	1,059,658	389,185	0	1,448,843	72%
18	Azalea city trail - west extension	1,500,000	1,500,000	0	0	0	0	0%
19	General park improvements	1,000,000	1,000,000	11,775	52,395	0	64,170	6%
20	Property purchase for park	2,000,000	2,000,000	1,000,000	0	0	1,000,000	50%
21	Community/senior citizen expansion	255,828	255,828	343,006	0	0	343,006	100%
22	Senior citizen pool	500,000	500,000	501,418	0	0	501,418	100%
23	Fire safety educational training area	500,000	500,000	118,290	0	0	118,290	24%
24	3 bay fire station - Bemiss road	1,250,000	1,250,000	0	0	0	0	0%
25	1500 GPM pumper truck	350,000	350,000	0	0	0	0	0%
26	100 ft aerial platform truck	850,000	850,000	0	0	0	0	0%
27	Training facility improvements	750,000	750,000	0	0	0	0	0%
28	Water & sewer services for annexed islands	5,000,000	5,000,000	0	0	0	0	0%
29	Sewer system rehabilitation	5,000,000	5,000,000	407,292	1,751,248	0	2,158,540	43%
30	Wastewater treatment & disposal expansions	5,000,000	5,000,000	0	55,113	0	55,113 0	1% 0%
31 32	Water transmission lines phase II Refuse trucks	3,000,000	3,000,000	0	0	0	881.808	88%
32	Benion property improvements	1,000,000	1,000,000	717,050	164,758 0	0	9,775	2%
33	New recycle center	500,000 300,000	500,000 300,000	9,775 13,627	8,292	0	21,919	7%
35	Miscellaneous	200,000	200,000	16,500	2,460	0	18,960	9%
36	Software & hardware	1,500,000	1,500,000	1,228,350	175,116	ő	1,403,466	94%
37	Municipal auditorium (prop acq & design)	5,000,000	5,000,000	4,268,562	57,888	0	4,326,450	87%
38	General	1,000,000	1,000,000	22.251	0,000	ů 0	22,251	2%
39	Gateway redevelopment	500,000	500,000	0	519	ŏ	519	0%
40	Contingency	550,000	550,000	ŏ	0	ŏ	0	0%
41	Airport authority	1,000,000	1,000,000	1,175,264	ŏ	õ	1,175,264	100%
42	Parking deck Hospital	1,500,000	1,500,000	0	Ő	Õ	0	0%
43	Parks and Rec administration offices/gym	0	0	726.852	113,221	0	840,073	0%
44	Freedom park expansion	0	Ō	1,116,799	12,274	0	1,129,073	0%
45	MLK memorial park	Ō	ō	5,787	0	Ō	5,787	
46	Health Clinic	Ō	0	0	65,589	0	65,589	
47	Municipal Auditorium	0	0	0	19,141	0	19,141	0%
	Subtotal	72,755,828	72,755,828	20,903,251	5,658,509	0	26,561,760	
	Transfer in	0	0	(300,000)	0	0	(300,000)	
	Transfer out	0	0	0´	0	0	0	_
	TOTAL	\$72,755,828	\$72,755,828	\$20,603,251	\$5,658,509	\$0	\$26,261,760	-

Schedule accounts for the total funding to be received under the 2007 SPLOST referendum.

Statistical Section (Unaudited)

City of Valdosta, Georgia Statistical Section (Unaudited)

This part of the City of Valdosta's comprehensive annual financial report presents detailed information as a context for understanding this year's financial statements, note disclosures, and supplementary information. This section includes data for the City (i.e., the primary government) only and does not include the City's discretely presented component unit. This information has not been audited by the independent auditor.

Financial Trends

These tables contain trend information that may assist the reader in assessing the City's current financial performance by placing it in historical perspective.

Revenue Capacity

These tables contain information that may assist the reader is assessing the viability of the City's two most significant "own-source" revenue sources, water/sewer fees and property taxes.

Debt Capacity

These tables present information that may assist the reader in analyzing 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

These tables offer economic and demographic indicators that are commonly used for financial analysis and that can inform one's understanding the City's present and ongoing financial status.

Operating Information

These tables contain service and infrastructure indicators that can inform one's understanding how the information in the City's financial statements relates to the services the City provides and the activities it performs.

Source:

Unless otherwise noted, the information in these tables is derived from the annual financial reports for the relevant year. The City implemented GASB Statement No. 34 in fiscal year 2003, therefore tables presenting government-wide financial data include data only from that year forward.

CITY OF VALDOSTA, GEORGIA

Net Assets by Component

Last Nine Fiscal Years (accrual basis of accounting)

2011	\$136,535,180	4, 166,232 5,418,024 \$146,119,436	\$92,578,490	781,086 \$93,359,576	\$229,113,670 4,166,232 6,199,110 \$239,479,012
2010	\$141,810,546	2,148,289 8,289,776 \$152,248,611	\$93,844,326 0	(2,328,920) \$91,515,406	\$235,654,872 2,148,289 5,960,856 \$243,764,017
2009	\$140,740,030	5,865,897 10,515,004 \$157,120,931	\$85,383,196 0	610,509 \$85,993,705	\$226,123,226 5,865,897 11,125,513 \$243,114,636
SUCR	\$142,529,877	0 16,437,761 \$158,967,638	\$75,084,728 1,960,292	7,395,534 \$84,440,554	\$217,614,605 1,960,292 23,833,295 \$243,408,192
Fiscal Year 2007	\$140,073,166	0 14,841,980 \$154,915,146	\$70,316,009 1,999,816	10,783,976 \$83,099,801	\$210.389.175 1,999,816 25,625,956 \$238,014,947
2006	\$134,779,576	0 15,067,834 \$149,847,410	\$65,776,928 1,901,402	8,999,650 \$76,677,980	\$200,556,504 1,901,402 24,067,484 \$226,525,390
2005	\$129,138,910	0 14,358,771 \$143,497,681	\$54,130,127 1,819,256	7,656,889 \$63,606,272	\$183,269,037 \$1,819,256 22,015,660 \$207,103,953
2004	\$127,434,021	0 13,136,027 \$140,570,048	\$52,015,466 1,772,280	6,620,705 \$60,408,451	\$179,449,487 1,772,280 19,756,732 \$200,978,499
2003	\$125,395,097	0 12,179,930 \$137,575,027	\$51,418,864 1,742,703	6,6/9,161 \$59,840,728	\$176,813,961 1,742,703 18,859,091 \$197,415,755
	Governmental activities Invested in capital assets, net of related debt	restricted Unrestricted Total governmental activities net assets	Business-type activities Invested in capital assets, net of related debt Restricted	Unrestricted Total business-type activities net assets	Primary government Invested in capital assets, net of related debt Restricted Unrestricted Total primary government net assets

The City of Valdosta implemented GASB 44 for the fiscal year ended June 30, 2006. This table presents data only for the last 9 years because data for years prior to 2003 is unavailable in the format required by the new standard.

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CITY OF VALDOSTA, GEORGIA

Changes in Net Assets

Last Nine Fiscal Years (secrual basis of accounting

					Fiscal Year				
_	2003	2004	2005	2006	2007	2008	2009	2010	2011
Espenses									
General activities General government	\$10,187,880	\$11,361,884	\$15,193,775	\$26,578,605	\$20,433,405	\$18,079,650	\$21,051,823	\$24,949,781	\$21,750,864
Public safety	13,314,331	13,351,024	13,982,393	15,488,056	16,393,539	18,198,511	18,948,740	20,218,017	20,016,681
Culture - recreation	1,011,774	3,630,181	3,724,227	4,136,565	4,110,444	5,417,919	4,757,377	0	0
Public works	3,748,342	1,247,951	1,305,601	1,376,646	1,396,732	1,721,811	1,791,236	2,150,240	1,893,485
Community development	1,539,359	985,477	1,085,124	1,135,390	1,314,820	1,886,051	1,214,273	1,125,956	1,110,945
Interest on long-term debt	0	0	15,126	923	0	0	0	0	0
Total governmental activities	29,781,688	30,576,517	35,306,246	48,714,185	43,648,940	43,103,942	47,763,449	48,443,994	44,771,975
_									
Rusiness-type activities	3,224,849	3,358,361	3,070,821	3,845,371	3,436,833	3,793,083	4,269,920	4,124,236	4.379.655
Sanitation Water and wover	9,356,671	9,651,817	9,932,394	10,285,738	10,015,706	10,605,817	11,684,974	11,378,940	11,889,431
Inspection	775,538	857,228	964,596	1,241,269	1,309,675	1,349,936	1,328,557	1,022,811	965,787
Zoone	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	001,220	229,065	237,745	200,535	187,132	351,768	377,434	446,049
DOI: building	ō	ō	373,284	375,131	379,478	373,314	357,962	361,234	424,197
Storm Water	ō	ő	0	0	670,369	793,438	914,988	962,042	1,231,214
Auditorium	129,649	150,564	155,072	178,518	198,972	183,265	224,187	256,933	240,981
Mator fuel	0	77,231	193,758	276,315	302,622	437,855	299,556	388,445	527,982
Total business-type activities	13,486,707	14,095,201	14,918,990	16,420,087	16,514,190	17,723,840	19,431,912	18,872,075	20,105,296
Total primary government	\$43,268,393	\$44,671,718	\$50,225,236	\$65,134,272	\$60,163,130	\$60,827,782	\$67,195,361	\$67,316,069	\$64,877,271
Program Revenues									
Governmental activities									
Charges for services								•	
General government	\$70,010	\$3,177,674	\$3,533,764	\$3,753,195	\$3,922,148	\$334,079	\$304,914	\$116,678	\$94,155
Public safety	1,624,470	1,605,506	1,938,995	1,990,365	2,265,385	2,378,334	2,295,084	2,406,734	2,231,793
Culture - recreation	481,997	541,332	491,710	566,848	551,903	569,084	872,535	4,815	0
Other activities	10,645	12,532	12,644	37,831	24,831	100,140	194,471	261,913	263,364
Operating grants and contributions	2,139,269	962,548	975,405	495,690	1,488,748	2,010,035	2,955,677	1,678,825	2,386,413 8,202,070
Capital grants and contributions	2,245,491 6,571,882	1,545,230	396,254 7,348,772	3,726,827 10,570,756	3,726,186	2,761.057 8,152,729	235,523	12,809,115	13,177,795
Total governmental activities program revenues	6,571,882	7,844,822	7,348,772	10,570,756	11,979,201	8,152,729	0,030,204	11,210,000	13,177,795
Business-type activities									
Charges for services									
Smilation	3.645.865	3.648.072	3.717.901	3,739,850	4.143.031	4.300.575	4,266,029	4,347,346	4,278,815
Water and sewer	10,346,522	10,472,408	10,795,892	12,621,177	12,730,564	12,499,565	12,286,043	12,655,546	13,817,286
Inspection	1,136,089	1,216,084	1,200,516	1,225,791	1,145,821	1,001,745	777,209	1,009,372	905,977
DOL building	0	34,379	469,157	469,157	469,157	469,157	469,157	469,157	469,157
Storm Weter	0	0	0	0	1,087,770	1,176,378	1,178,261	1,232,845	1,257,082
Other activities	39,910	137,027	434,016	516,404	441,140	546,918	378,853	471,094	762,299
Operating grants and contributions	0	2,485	73,888	0	0	0	46,673	459,325	0
Cepital grants and contributions	50,000	0	0	65,000	0	0	537,407	4,513,063	361,041
Total business-type activities program revenues	15,218,386	15,510,455	16,691,370	18,637,179	20,017,483	19,994,338	19,939,632	25,157,748	21,851,857
Total primary government program revenues	\$21,790,268	\$23,355,277	\$24,040,142	\$29,207,935	\$31,996,684	\$28,147.067	\$26,797,838	\$42,435,828	\$35,029,452
Net (Expense)/Revenue									
Covernmental activities	(\$23,209,804)	(\$22,731,695)	(\$27,957,474)	(\$38,143,429)	(\$31,669,739)	(\$34,951,213)	(\$40,905,245)	(\$31,165,914)	(\$31,594,180)
Business-type activities	1,731,679	1,415,254	1,772,380	2,217,092	3,503,293	2,270,498	507,720	6,285,673	1,746,361
Tetal primary government net expense	(\$21,478,125)	(\$21,316,441)	(\$26,185,094)	(\$35,926,337)	(\$28,166,446)	(\$32,680,715)	(\$40,397,525)	(\$24,880,241)	(\$29,847,819)
General Revenues and Other Changes in Net Assets Governmental activities									
Taxes									
Property laxes	\$9,997,351	\$10,496,060	\$10,728,415	\$11,367,687	\$12,029,033	\$8,545,239	\$7,983,728	\$5,804,625	\$5,878,814
Sales (ax	14,481,860	13,405,552	18,101,005	31,025,993	22,022,727	19,064,945	21,843,864	9,242,810	9,214,109
Accornolations tax	0	10,400,002	10,101,005	01,020,080	22,022,727	821,513	1,538,227	1,476,776	1,504,153
Other taxes	ů	ŏ	ő	ň	õ	8,323,386	8,593,865	8,303,204	8,264,303
In common common	207,671	226,410	332,336	506,667	651,775	466,490	150,410	292,878	46,580
Miscellaneous	430,675	393,880	517,696	573,177	502,251	318,093	(85,274)	409,010	640,692
Contributions to permanent fund	0	0	51,870	0	0	0	0	0	0
		1,204,814	1,153,785	1,019,634	1,531,689	1,464,039	1,448,969	771,412	(83,646)
Transfers	954,694					20,000,705	41,471,789	00 000 745	25,465,005
	<u>954,694</u> 26,072,251	25,726,716	30,885,107	44,493,158	36,737,475	39,003,705	41,471,709	26,300,715	20,400,000
Transfers			30,885,107	44,493,158	36,737,475	39,003,705	41,471,708	26,300,715	20,405,005
Transfers	26,072,251	25,726,716							
Transfers Total governmental activities Business-type activities Property laces	26,072,251	25,726,716 92,573	0	89,184	71,473	96,174	0	0	0
Transfers Total governmental activities Buniceev.spee activities Property issues Inscissment exempts	26,072,251 128,545 82,387	25,726,716 92,573 38,658	0 130,871	89,184 348,270	71,473 595,253	98,174 436,120	0 81,149	0 7,440	0 14,163
Transfers Total governmental activities Bunices-type activities Property taxes Investment commen Copiral controlwations	26,072,251 128,545 82,387 20,753	25,726,716 92,573 38,658 226,052	0 130,871 2,448,355	89,184 348,270 11,436,796	71,473 595,253 3,783,491	98,174 436,120 0	0 81,149 0	0 7,440 0	0 14,163 0
Transfers Total governmental activities Banices-type activities Projecty lack Investment commen Capital contributions Transfer	26,072,251 128,545 82,387 20,753 (954,694)	25,726,716 92,573 38,658 226,052 (1,204,814)	0 130,871 2,448,355 (1,153,785)	89,184 348,270 11,436,796 (1,019,634)	71,473 595,253 3,783,491 (1,531,689)	98,174 436,120 0 (1,464,039)	0 81,149 0 (1,448,969)	0 7,440 0 (771,412)	0 14,163 0 83,646
Transfers Trail governmental activities Business type activities Property tasks Invisitient energing Ceptual controlotions Transfers Transfers	26,072,251 128,545 82,387 20,753 (954,694) (723,009)	25,726,716 92,573 38,658 226,052 (1,204,814) (847,531)	0 130,871 2,448,355 (1,153,785) 1,425,441	89,184 348,270 11,436,796 (1,019,634) 10,854,616	71,473 595,253 3,783,491 (1,531,689) 2,918,528	98,174 436,120 0 (1.464,039) (929,745)	0 81,149 0 (1,448,969) (1,367,820)	0 7,440 0 (771,412) (763,972)	0 14,163 0 <u>83,646</u> 97,809
Transfers Total governmental activities Banices-type activities Projecty lack Investment commen Capital contributions Transfer	26,072,251 128,545 82,387 20,753 (954,694)	25,726,716 92,573 38,658 226,052 (1,204,814)	0 130,871 2,448,355 (1,153,785)	89,184 348,270 11,436,796 (1,019,634)	71,473 595,253 3,783,491 (1,531,689)	98,174 436,120 0 (1,464,039)	0 81,149 0 (1,448,969)	0 7,440 0 (771,412)	0 14,163 0
Transfers Total governmental activities Basices-type activities Property izers Investment exempts Capital executivitients Transfers Total humenes-type activities Total primary government	26,072,251 128,545 82,387 20,753 (954,694) (723,009)	25,726,716 92,573 38,658 226,052 (1,204,814) (847,531)	0 130,871 2,448,355 (1,153,785) 1,425,441	89,184 348,270 11,436,796 (1,019,634) 10,854,616	71,473 595,253 3,783,491 (1,531,689) 2,918,528	98,174 436,120 0 (1.464,039) (929,745)	0 81,149 0 (1,448,969) (1,367,820)	0 7,440 0 (771,412) (763,972)	0 14.163 0 <u>83,646</u> 97,809
Transfers Total gen connectual activities Business-type activities Property locat Invisionent comings Cognital contributions Transfers Total busicines type activities Total primary generations Total primary generations	26,072,251 128,545 82,387 20,753 (954,694) (723,009) \$25,349,242	25,726,716 92,573 38,658 226,052 (1,204,814) (847,531) \$24,879,185	0 130,871 2,448,355 (1,153,785) 1,425,441 \$32,310,548	89,184 348,270 11,436,796 (1,019,634) 10,854,616 \$55,347,774	71,473 595,253 3,783,491 (1,531,689) 2,918,528 \$39,856,003	98,174 436,120 0 (1,464,039) (929,745) \$38,073,960	0 81,149 0 (1,448,969) (1,367,820) \$40,103,969	0 7,440 0 (771,412) (763,972) \$25,536,743	0 14,163 0 83,646 97,809 \$25,562,814
Transfers Total governmental activities Business-type activities Property lace Development activities Copical exactobations Totals activities Total primers, government Change in Net Aatety Governmental activities	26,072,251 128,545 82,387 20,753 (954,684) (723,009) \$25,349,242 \$2,862,447	25,726,716 92,573 38,658 226,052 (1,204,814) (847,531) \$24,879,185 \$2,995,021	0 130,871 2,448,355 (1,153,765) 1,425,441 \$32,310,548 \$2,027,633	89,184 348,270 11,436,796 (1,019,634) 10,854,616 \$55,347,774 \$6,349,729	71,473 595,253 3,783,491 (1,531,689) 2,918,528 \$39,856,003 \$5,067,736	98,174 436,120 0 (1,464,039) (929,745) \$38,073,960 \$4,052,492	0 81,149 0 (1,448,969) (1,367,820) \$40,103,969 \$566,544	0 7,440 0 (771,412) (763,972) \$25,536,743 (\$4,865,109)	0 14,163 0 83,646 97,809 \$25,562,814 (\$6,129,175)
Transfers Total generation activities Buriness-type activities Property inset Invisionet armings Copital contributions Transfers Total buriness processment Total primery generations Total primery generations	26,072,251 128,545 82,387 20,753 (954,694) (723,009) \$25,349,242	25,726,716 92,573 38,658 226,052 (1,204,814) (847,531) \$24,879,185	0 130,871 2,448,355 (1,153,785) 1,425,441 \$32,310,548	89,184 348,270 11,436,796 (1,019,634) 10,854,616 \$55,347,774	71,473 595,253 3,783,491 (1,531,689) 2,918,528 \$39,856,003	98,174 436,120 0 (1,464,039) (929,745) \$38,073,960	0 81,149 0 (1,448,969) (1,367,820) \$40,103,969	0 7,440 0 (771,412) (763,972) \$25,536,743	0 14,163 0 83,646 97,809 \$25,562,814

The City of Valdosta implemented GASB 44 for the fiscal year ended June 30, 2006. This table presents data only for the last 9 years because data for years prior to 2003 is unavailable in the format required by the new standard.

CITY OF VALDOSTA, GEORGIA Fund Balances, Governmental Funds, Last Nine Fiscal Years (modifed accrual basis of accounting)

General Fund Reserved Unreserved Nonspendable Restricted Committed	2003	2004	2005	2006	2007	2008	2009	2010	2011
neral Fund Reserved Unreserved Nonspendable Restricted Assigned									
Reserved Unreserved Vonspendable Restricted Assigned									
Jhreserved Vonspendable Restricted Assigned	\$1,782,337	\$1,692,158	\$1,874,475	\$1,653,503	\$1,493,568	\$1,564,414	\$6,155,409	\$7,927,686	\$0
Vonspendable Restricted Committed Assigned	7,302,847	7,615,304	8,413,029	9,588,697	10,230,912	10,276,936	5,919,560	1,071,975	0
Aestincted Committed Assigned	0	0	0	0	0	0	0	0	4,521,846
Committed	0	0	o	0	0	0	0	0	176,391
Assigned	0	0	0	0	0	0	0	0	10,767
	0	0	0	0	0	0	0	0	701,620
Unassigned	0	0	0	0	0	0	0	o	0
Fund	\$9,085,184	\$9,307,462	\$10,287,504	\$11,242,200	\$11,724,480	\$11,841,350	\$12,074,969	\$8,999,661	\$5,410,624
All Other Governmental Funds									
Reserved	\$3,717,984	\$5,665,556	\$4 ,535,398	\$4,444,578	\$4,656,963	\$8,284,616	\$4,083,398	\$5,709,854	9 \$
Unreserved, reported in:									
Special revenue funds	(461,770)	(1,996,391)	(1,860,612)	(1,771,166)	(2,323,132)	(2,585,325)	(385,432)	(13,830)	0
Capital projects funds	(2,599,896)	(5,149,179)	(4,504,634)	(5,053,707)	(4,982,373)	(2,648,012)	3,979,550	(547,313)	0
Nonspendable, reported in:									
Special revenue funds	0	0	0	0	0	0	0	0	2,967,676
Capital projects funds	0	0	0	0	0	0	0	0	774,135
Permanent funds	0	0	0	0	0	0	0	0	1,472,224
Restricted, reported in:									
Special revenue funds	0	0	0	0	0	0	0	0	128,682
Capital projects funds	0	0	0	0	0	0	0	0	3,466,879
Committed, reported in:									
Special revenue funds	0	o	0	0	0	0	0	0	0
Capital projects funds	0	0	0	0	0	0	0	0	0
Assigned, reported in:									
Special revenue funds	0	0	0	0	0	0	0	0	107,906
Capital projects funds	0	0	0	0	0	0	0	0	763,598
Unassigned, reported in:									
Special revenue funds	0	0	0	0	0	0	0	0	(275,654)
Capital projects funds	0	0	0	0	0	0	0	0	(25,757)
Total all other governmental funds	\$656,318	(\$1,480,014)	(\$1,829,848)	(\$2,380,295)	(\$2,648,542)	\$3,051,279	\$7,677,516	\$5,148,711	\$9,379,689
Total all governmental funds	\$9,741,502	\$7,827,448	\$8,457,656	\$8,861,905	\$9,075,938	\$14,892,629	\$19,752,485	\$14,148,372	\$14,790,313

The City of Valdosta implemented GASB 44 for the fiscal year ended June 30, 2006. This table presents data only for the last nine years because data for years prior to 2003 is unavailable in the format required by the new standard.

Fund balances presented for fiscal years after 2010 are classified according the new standard (see note 1 in the financial statements). The City of Valdosta implemented GASB 54 for the fiscal year ended June 30, 2011.

CITY OF VALDOSTA, GEORGIA Changes in Fund Balances, Governmental Funds, Last Nine Fiscal Years

(modified accrual basis of accounting)									
10				Fiscal Year	Year				
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Revenues									
Taxes	\$23,973,320	\$24,618,659	\$31,712,880	\$45,390,222	\$37,436,011	\$38,559,386	\$28,554,986	\$24,755,327	24,345,814
Licenses and permits	238,322	270,858	353,027	339,199	355,287	350,301	439,643	423,463	394,262
Charges for services	789,670	835,734	756,132	762,923	726,163	740,615	1,048,126	116,347	384,075
Fines and forfeitures	1,203,653	1,195,662	1,517,246	1,152,529	1,341,798	1,354,321	1,318,613	1,361,565	1,414,425
Interest income	207,671	192,567	332,335	506,667	698,182	466,492	149,868	314,351	46,581
Contributions	167,877	206,263	132,803	114,895	128,094	131,843	124,039	44'444	59,507
Miscellaneous	234,337	219,544	245,778	263,223	240,942	336,547	306,393	272,068	520,475
intergovernmental	4,339,053	2,496,842	1,277,527	4,861,189	2,616,216	3,409,690	15,102,975	15,843,248	12,238,994
Total revenues	31,153,903	30,036,129	36,327,728	53,390,847	43,542,693	45,349,195	47,044,643	43,130,813	39,404,133
Expenditures									
General government	5,822,725	6,687,170	7,158,194	7,684,767	8,198,996	9,338,406	10,560,058	10,802,936	10,777,003
Public safety	13,367,658	13,559,120	13,818,717	15,024,733	15,849,163	17,311,993	17,778,539	18,495,579	20,244,673
Public works	1,361,481	1,411,107	1,321,513	1,412,171	1,462,712	1,624,554	1,658,821	1,940,432	1,260,475
Culture-recreation	3,496,263	3,453,591	3,519,065	3,652,521	3,653,276	3,772,028	4,313,907	0	519,943
Economic development and assistance	1,589,177	1,014,688	1,102,995	1,109,737	1,266,656	1,607,675	1,165,702	1,115,620	1,316,736
Capital outlay	6,506,308	7,124,786	9,924,773	25,116,255	13,766,133	7,333,982	11,110,102	17,024,777	5,767,224
Debt service									
Interest	971	1,281	1,357	923	0	0	0	0	0
Principal	2,053	3,255	4,691	5,125	0	0	0	0	0
Total expenditures	32,146,636	33,254,998	36,851,305	54,006,232	44,196,936	40,988,638	46,587,129	49,379,344	39,886,054
Excess of revenues over (under)									
expenditures	(992,733)	(3,218,869)	(523,577)	(615,385)	(654,243)	4,360,557	457,514	(6,248,531)	(481,921)
Other Financing Sources (Uses)									
Capital lease	27,216	0	0	0	0	0	0	0	579,740
Transfers in	1,187,016	1,556,823	1,617,046	1,607,582	2,045,782	1,842,815	6,504,629	3,151,993	2,034,678
Transfers out	(232,322)	(252,009)	(463,261)	(587,948)	(1,177,506)	(386,681)	(2,102,287)	(2,507,575)	(1,490,556)
Total other financing sources (uses)	981,910	1,304,814	1,153,785	1,019,634	868,276	1,456,134	4,402,342	644,418	1,123,862
Net change in fund balances	(\$10,823)	(\$1,914,055)	\$630,208	\$404,249	\$214,033	\$5,816,691	\$4,859,856	(\$5,604,113)	\$641,941
Debt service as a percentage of noncapital expenditures	0.01.2%	0.017%	%CCU U	M 001%	%000 D	7°000 0	%000 D	2000 D	%0000
	0/710.0	8/ 110:0	% 770'n	0/170	8/ DOD'D	% 000.0	0.000.0	%	2000
The City of Valdosta implemented GASB 44 for the fiscal year ended Jurie 30, 2006.	r the fiscal year ended .	Jurie 30, 2006.							

The City of Valdosta implemented GASB 44 for the fiscal year ended Jurie 30, 2006. This table presents data only for the last nine years because data for years prior to 2003 is unavailable in the format required by the new standard.

CITY OF VALDOSTA, GEORGIA Program Revenues by Function/Program Last Nine Fiscal Years

539,213 204,679 18,407 3,624,803 103,835 1,342,429 13,177,795 4,571,388 13,885,754 905,977 469,157 1,257,082 21,851,657 \$35,029,452 \$8,106,728 2011 11,791 3,446,562 17,278,080 117,931 469,157 31,380 398,697 25,157,748 \$7,204,123 5,326,139 1,289,465 4,862,180 17,036,186 \$42,435,828 1,009,372 1,232,845 2010 117,483 890,830 30,140 41,210 307,503 \$518,237 4,330,966 1,000,688 12,823,450 777,209 469,157 6,858,204 4,312,702 1,178,261 19,939,632 \$26,797,836 2009 1,176,378 582,084 108,327 45,380 445,101 \$2,870,427 3,193,007 1,398,884 8,152,729 4,300,575 12,499,565 1,001,745 56,437 469,157 19,994,338 \$28,147,067 2008 573,334 93,748 80,742 309,878 50,520 \$7,047,025 312,343 4,143,031 12,730,564 469,157 20,017,483 3,952,751 11,979,201 1,145,821 1,087,770 \$31,996,684 2007 Program Revenues 282,770 619,797 422,484 47,639 182,864 469,157 50,770 \$7,470,137 2,010,699 10,570,756 3,739,650 12,686,179 1,225,791 18,637,181 \$29,207,937 2006 224,582 568,528 71,399 178,036 469,157 54,940 201,040 7,348,772 \$24,040,142 \$3,926,694 2,557,569 10,795,892 1,200,516 16,691,370 3,791,789 2005 2,254,085 623,840 199,473 85,221 34,379 0 56,083 80,944 15,510,455 \$4,682,203 3,650,557 10,472,408 \$23,355,277 7,844,822 1,216,084 2004 58,957 39,910 3,695,865 0 0 \$1,905,722 2,742,958 566,658 1,297,587 6,571,882 10,346,522 1,136,089 c 15,218,386 \$21,790,268 2003 Subtotal governmental activities Subtotal business-type activities (accrual basis of accounting) Total primary government Governmental activities: Business-type activities: General government Culture - recreation Public involvement Function/Program Water and sewer Public safety Public works DOL building Storm Water Sanitation Inspection Auditorium Motor fuel Zoning

CITY OF VALDOSTA, GEORGIA

Tax Revenues by Source, Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

Fiscal	General		Gross Receipts		
Year	Property	Sales & Use	& Business	Other	Total
2002	7,130,741	16,057,205	5,622,271	185,911	28,996,128
2003	6,874,559	10,615,115	5,962,865	233,769	23,686,308
2004	5,317,376	12,800,754	6,245,346	255,183	24,618,659
2005	7,589,831	17,381,285	6,546,092	195,672	31,712,880
2006	4,853,252	26,644,343	7,044,517	254,708	38,796,820
2007	8,056,276	21,703,699	7,350,353	324,050	37,434,378
2008	8,411,898	21,145,147	7,940,115	1,062,226	38,559,386
2009	8,984,292	21,054,260	8,100,675	1,712,442	39,851,669
2010	6,183,929	20,502,768	7,712,296	1,611,331	36,010,324
2011	5,807,053	17,942,154	7,716,286	1,634,372	33,099,865
Change					
2002-2011	-18.56%	11.74%	37.25%	779.12%	14.15%

Total Total Total Less: Taxable Direct er Tax-Exempt Assessed Tax <u>rty Property Value Rate</u>	,555 \$129,473,274 \$1,108,564,078 4.414	118,610,386	.,038 135,762,901 1,317,507,538 4.180	170,386,752	173,025,160 1,426,953,458	
Historic Other Property Property	\$979,742 \$95,577,555	848,857 96,489,639	542,834 100,278,038	-	556,930 106,858,670	823 195 96 143 768
Agricultural Hi Property Pr	\$1,029,714 \$9	1,016,688 8.				
Utility Property	\$30,520,520	30,661,246	35,208,321	31,885,295	32,714,743	32.272.532
Industrial Property	\$209,892,634	210,228,598	211,342,704	267,228,266	260,797,430	228.784.772
Commercial Property	\$419,722,088	442,873,903	496,575,674	519,877,842	540,518,877	557.128.860
Residental Property	\$480,315,099	514,895,594	608,077,263	646,130,167	656,256,822	658,578,350
Fiscal Year Ended June 30,	2006	2007	2008	2009	2010	2011

Source: Lowndes County Tax Commissioner

The City of Valdosta has implemented GASB 44 for the fiscal year ended June 30, 2006. This table presents data only for the last six years because data for years prior to 2006 is unavailable in the format required by the new standard.

Assessed Value and Actual Value of Taxable Property

Last Six Fiscal Years

CITY OF VALDOSTA, GEORGIA

CITY OF VALDOSTA, GEORGIA

Water and Sewer Rates

Last Ten Fiscal Years

		Residentia	Class	
Fiscal Year	Water Base Charge	Sewer Base Charge	Water Rate Per CCF	Sewer Rate Per CCF
2002	1.85	1.85	1.00	2.04
2003	2.00	2.00	1.05	2.14
2004	2.00	2.00	1.05	2.14
2005	2.00	2.00	1.10	2.25
2006	2.50	2.50	1.15	2.30
2007	2.50	2.50	1.15	2.30
2008	2.50	2.50	1.15	2.30
2009	2.50	2.50	1.27	2.54
2010	2.50	2.50	1.27	2.54
2011	3.00	3.00	1.33	2.66

Note: Rates are based on 5/8" meter, which is the standard household meter size. Rates for outside the city limits are doubled.

	Bulk C	lass
Fiscal Year	Water Rate Per CCF	Sewer Rate Per CCF
2002	0.68	1.50
2003	0.73	1.60
2004	0.73	1.60
2005	0.78	1.70
2006	0.82	1.75
2007	0.82	1.75
2008	0.82	1.75
2009	0.90	2.04
2010	0.90	2.04
2011	0.90	2.04

Note: Base charge varies with meter size. Bulk rate user with industrial sized meter using greater than 1,000 CCF per month.

CITY OF VALDOSTA, GEORGIA Direct and Overlapping Property Tax Rates, Last Ten Fiscal Years

			Overlapping Rates*	
	City	Valdosta	Community	
Fiscal	Direct	School	Improvement	Lowndes
Year	Rate	District	District	County
2002	4.640	12.54	15.00	9.01
2002	4.630	12.34	15.00	9.01 9.01
2004	4.470	12.29	15.00	8.86
2005	4.480	13.98	15.00	8.86
2006	4.414	14.98	15.00	8.86
2007	4.400	14.98	15.00	8.86
2008	4.180	15.98	15.00	9.76
2009	4.112	15.98	10.00	9.56
2010	4.131	15.98	10.00	9.56
2011	4.112	16.98	10.00	9.56

Source: Lowndes County Tax Commissioner

*Overlapping rates are those of local and county governments that apply to property owners within the City of Valdosta. Not all overlapping rates apply to all Valdosta property owners; for example, the Community Improvement District rates apply only to the city property owners whose property is within the district's geographic boundaries.

CITY OF VALDOSTA, GEORGIA

Principal Water Sewer Customers Last Six Fiscal Years

		2011	2011				2	2009			2008			2007			2006	
Customer	Amount	Rank	Percentage of Total	Amount		Percentage of	Amount	Rank	Percentage of	Amount	Rank	Percentage of Total	Amount	Rank	Percentage of Totat	Amount	Rank	Percentage of Total
ADM	\$538,804	-	3.91%	\$495,333	-	3.96%	\$615,233	-	4.98%	\$456,870	-	3,68%	\$427,351	-	3.48%	\$402,861	-	3,28%
Valdosta State University	448,869	2	3.24%	235,884	e	1,89%	182,565	ŝ	1.31%	167,025		1.34%	300,424		2.45%	299,726	3	2.44%
Valdosta Correctional Institute	332,046	3	2.41%	398,710	2	3.19%	366,723	2	3,13%	302,032	2	2.43%	304,868	2	2.48%	358,007	7	2.90%
Lowndes County Ublities	273,743	4	1.99%	70,774	6	0.57%	87,470	6	0.71%							•		,
South Georgia Medical Center	183,176	s	1.33%	185,675	4	1.49%	185,585	£	1.50%	133,664	ŝ	1.08%	90,528	S	0.74%	108,270	5	0.88%
Lowndes County Jail	118,539	9	0.86%	184,164	S	1.31%	163,757	4	1.32%	137,199	4	1.10%	186,355	4	1.38%	229,167	4	1.87%
City of Remerton	118,029	7	0.86%	106,042	9	0.86%	88,358	8	0.71%	62,003	7	0.68%	81,508	2	0.68%	92,954	7	0.78%
ERCO Worldwide	102,197	8	0.74%	73,086	69	0.58%	88,902	7	0.72%	69,576	6	0.58%	78,372	8	0.62%	92,331	8	0.75%
Woodstone Apartments	91,673	6	0.67%	66,265	10	0.55%				'						•		•
Arizona Chemical	69,809	9	0.51%	75,504	2	0.60%	122,544	9	0.99%	80,001	60	0.84%	86,746	80	0.71%	94,764	9	₩.27.0
Saft	•						61,192	10	0.68%	93,253	æ	0.75%	58,716	₽	0.48%	•		•
South Gerogia Pecan Co.	•									58,157	õ	0.45%	58,742	6	0.48%	89,857	6	0.73%
Spanish Mission Apartments	•											ł				72,295	6	0.59%
Total	\$2,275,089.00		16.50%	\$1,875,437.00		15.00%	\$1,982,329.00		18.03%	\$1,577,780.00		12.69%	\$1,651,608.00		13.48%	51 ,838,232.00		14.98%

The City of Valdosta implemented GASB 44 for the fiscal year ended June 30, 2006. This table presents data only for the last six years because data for years prior to 2006 is unavailable in the format required by the new standard.

	2011				2002	02			
		Taxable Assessed		Percentage of Total Taxable Assessed		ΤĂ	Taxable Assessed		Percentage of Total Taxable Assessed
Principal Taxpayer		Value	Rank	Value	Principal Taxpayer		Value	Rank	Value
Archer Daniels Midland Co.	ф	62,131,486	-	4.35%	Archer Daniels Midland Co.	φ	34,803,710	~	3.35%
Lowes Distribution, Inc.		46,556,962	7	3.27%	Wal-Mart\Sam's Club		10,043,297	2	0.97%
JM Smith Corp		20,096,946	ო	1.28%	Crackin' Good		7,954,304	ო	0.77%
South Georgia Pecan		18,208,488	4	0.71%	Saft Newco, Inc.		5,364,332	4	0.52%
Wal-Mart\Sam's Club		14,297,866	5	1.01%	Lowes Distribution, Inc.		5,364,332	5	0.52%
Saft Newco, Inc.		11,981,493	9	1.41%	First Line Corp		4,544,640	9	0.44%
Marelana Valdosta Mali		10,103,512	7	0.84%	Trus Joist Corporation		4,519,411	7	0.43%
Home Depot		8,242,507	ø	0.44%	South Georgia Pecan		3,743,074	8	0.36%
Five Pints Property LLC		6,632,881	თ	0.47%	Internation Paper		3,273,883	ი	0.31%
ACC/GF 111 Blanton Comm		6,262,253	10	0.58%	Shaw Carpet (formerly Queen Carpet)		2,460,440	10	0.24%
Total Principal Taxpayers	N	204,514,394		14.38%			82,071,423		7.91%
All Other Taxpayers	1,2	1,217,496,423		85.62%		0,	957,386,018		92.09%
Total	\$1,4	\$1,422,010,817		100.00%		\$ 1,0	\$ 1,039,457,441		100.00%

City of Valdosta, Georgia Principal Property Taxpayers For the Fiscal Years Ended June 30, 2011 and 2002

Source:

Lowndes County Tax Commissioner's Office

CITY OF VALDOSTA, GEORGIA Property Tax Levies and Collections Last Eight Fiscal Years

Fiscal		Collected	Collected within the			
Year	Taxes Levied	Fiscal Year	Fiscal Year of the Levy	Collections	Total Collec	Total Collections to Date
Ended	for the		Percentage	in Subsequent		Percentage
June 30,	Fiscal Year	Amount	of Levy	Years	Amount	of Levy
2004	\$3,812,463	\$3,710,905	97.34%	\$100,545	\$3,811,451	99.97%
2005	3,924,538	3,843,897	97.95%	79,140	3,923,037	60.96%
2006	4,243,210	4,132,429	97.39%	109,827	4,242,257	99.98 %
2007	4,535,866	4,407,328	97.17%	125,164	4,532,492	99.93%
8008	4,809,340	4,673,113	97.17%	130,793	4,803,906	99.89 %
600	5,066,177	4,859,886	95.93%	193,769	5,053,655	99.75%
010	5,428,500	5,173,541	95.30%	142,063	5,315,604	97.92%
011	5,567,391	5,302,865	95.25%	0	5,302,865	95.25%

The City of Valdosta has implemented GASB 44 for the fiscal year ended June 30, 2006. This table presents data only for the last eight years because data for years prior to 2004 is unavailable in the format required by the new standard.

CITY OF VALDOSTA, GEORGIA

Ratios of Outstanding Debt by Type

Last Nine Fiscal Years (accrual basis of accounting)

	Governmental Activities	Business-Ty	pe Activities			
Fiscal Year	Capital Leases	Water/Sewer Revenue Bonds	Term Loans Payable	Total Primary Government	Percentage of Personal Income	Per Capita
2003	\$103,627	\$4,345,000	\$5,037,488	\$9,486,115	0.92%	\$213
2004	89,936	3,730,000	9,793,071	13,613,007	0.01	302
2005	74,811	3,075,000	9,617,321	12,767,132	0.00	281
2006	59,252	2,380,000	9,697,675	12,136,927	0.01	268
2007	41,738	1,635,000	9,232,713	10,909,451	0.01	240
2008	31,303	845,000	8,523,878	9,400,181	0.01	198
2009	0	0	7,826,077	7,826,077	0.01	161
2010	0	0	8,541,977	8,541,977	0.01	164
2011	579,740	0	37,252,311	37,832,051	N/A	N/A

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

The City of Valdosta implemented GASB 44 for the fiscal year ended June 30, 2006. This table presents data only for the last 9 years because data for years prior to 2003 is unavailable in the format required by the new standard.

CITY OF VALDOSTA, GEORGIA

Ratios of General Bonded Debt Outstanding

Last Ten Fiscal Years (accrual basis of accounting)

	Genera	I Bonded Debt Outstar	iding		
Fiscal Year	General Obligation Bonds	Redevelopment Bonds	Total	Percentage of Actual Taxable Value of Property	Per Capita
2002	\$0	\$0	\$0	0%	\$0.00
2003	0	0	0	0	0.00
2004	0	0	0	0	0.00
2005	0	0	0	0	0.00
2006	0	0	0	0	0.00
2007	0	0	0	0	0.00
2008	0	0	0	0	0.00
2009	0	0	0	0	0.00
2010	0	0	0	0	0.00
2011	0	0	0	0	0.00

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

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CITY OF VALDOSTA, GEORGIA

Direct and Overlapping Governmental Activities Debt

As of June 30, 2011

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt repaid with property taxes	¢E 990 000	100.00%	¢5 990 000
Valdosta City School System	\$5,880,000	100.00%	\$5,880,000
Central Valdosta Development Authority (CVDA)	197,463	100.00%	197,463
Other debt			
Lowndes County - Capital leases CVDA	11,245,000	50.83%	5,715,834
Lowndes County - Capital leases Fleet fund	235,000	50.83%	119,451
	,		5,835,284
Subtotal, overlapping debt			11,912,747
City direct debt			579,740
			\$12,492,487

Sources: Assessed value data used to estimate applicable percentage provided by Lowndes County. Debt outstanding provided by each government.

For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the city's boundaries and dividing it by each unit's total taxable assessed value.

All CVDA debt except for the 5.81% Bond Series 2001 listed above represents projects undertaken for the benefit of the City or Lowndes County with that unit carrying corresponding debt to CVDA, therefore, no other CVDA debt is included in this schedule.

Estimated percentage applicable based on 2010 County taxable valuation of \$2,797,639,139 and City taxable valuation of \$1,422,010,817 percent 50.83%.

CITY OF VALDOSTA, GEORGIA

Legal Debt Margin Information

Last Nine Fiscal Years (accrual basis of accounting)

Legal Debt Margin Calculation for Fis	Assessed value Debt limit (10% of Debt applicable to G L	limit: Seneral obligation bo ess: Amount set asi repayment of gene obligation debt otal net debt applica	ide for eral	\$1,422,010,817 142,201,082 0 0 \$142,201,082					
	2003	2004	2005	2008	Fiscal Year 2007	2008	2009	2010	2011
Debt limit	\$104,823,404	\$110,235,372	\$114,517,340	\$110,856,408	\$117,840,414	\$131,750,754	\$139,496,150	\$142,695,346	\$142,201,082
Total net debt applicable to limit	0	0	0	0	0	0	0	0	579,740
Legal debt margin	\$104,823,404	\$110,235,372	\$114,517,340	\$110,856,408	\$117,840,414	\$131,750,754	\$139,496,150	\$142,695,346	\$141,621,342
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.41%

The City of Vakdosta implemented GASB 44 for the fiscal year ended June 30, 2006. This table presents data only for the last 9 years because data for years prior to 2003 is unavailable in the format required by the new standard.
Pledged-Revenue Coverage

Last Ten Fiscal Years (accrual basis of accounting)

			Water/Sewer F	Revenue Bonds		
Fiscal	Operating	Less: Operating	Net Available	Debt Serv	ice	
Year	Revenue	Expenses	Revenue	Principal	Interest	Coverage
2002	\$9,756,154	\$8,603,593	\$1,152,561	\$550,000	\$325,478	1.32
2003	10,203,846	8,882,242	1,321,604	580,000	291,332	1.52
2004	10,416,425	9,103,476	1,312,949	615,000	255,408	1.51
2005	10,700,936	9,492,747	1,208,189	655,000	216,688	1.39
2006	12,270,158	9,895,746	2,374,412	695,000	174,764	2.73
2007	12,671,409	9,700,991	2,970,418	745,000	129,236	3.40
2008	12,430,660	10,358,463	2,072,197	790,000	80,225	2.38
2009	12,751,671	11,294,145	1,457,526	0	0	0.00
2010	12,561,957	10,816,122	1,745,835	0	0	0.00
2011	13,817,286	11,595,259	2,222,027	0	0	0.00

Note: Details about the City's outstanding debt can be found in the notes to the financial statements. Operating revenue includes charges for services within the water/sewer fund.

City of Valdosta, Georgia Deomgraphic and Economic Statistics Last Ten Fiscal Years

			Per			
		Personal	Capita	Median	School	Unemployment
Year	Population	Income	Income	Age	Enrollment	Rate
2001	44,147	2,078,389	22,547	28.2	7,056	4.0%
2002	44,593	2,173,170	23,207	N/A	7,009	3.9%
2003	45,005	2,207,876	23,390	N/A	6,933	3.6%
2004	45,609	2,330,941	24,315	31.3	6,921	3.6%
2005	45,205	3,098,589	24,838	30.2	6,878	4.1%
2006	45,529	3,220,081	25,381	31.0	7,149	4.3%
2007	47,567	3,400,690	26,504	31.1	7,245	5.2%
2008	48,547	3,673,193	29,169	27.3	7,377	5.8%
2009	52,169	3,967,021	29,184	29.5	7,501	8.6%
2010	54,518	4,063,000	N/A	30.9	7,511	8.8%

Sources: US Census Bureau US Department of Commerce - BEA Georgia Department of Labor Valdosta City School Board City of Valdosta, Georgia Principal Employers For the Fiscal Years Ended June 30, 2011 and 2002

		2011				2002	
Emplover	Number of Employees Rank	Rank	Percentage of Total City Employment	Employer	Number of Employees	Rank	Percentage of Total City Employment
Moody Air Force Base	6,100	~	10.21%	Moody Air Force Base	4,700	~	8.24%
South Georgia Medical Center	2,300	2	3.85%	South Georgia Medical Center	2,300	2	4.03%
Valdosta State University	2,280	ო	3.81%	Valdosta State University	1,458	ო	2.56%
Lowndes County Schools	1,279	4	2.14%	Lowndes County Schools	1,069	4	1.87%
Valdosta City School System	950	S	1.59%	Valdosta City School System	950	5	1.67%
Lowe's Distribution Center	006	9	1.51%	Convergys	780	9	1.37%
Convergys	850	7	1.42%	City of Valdosta Government	659	7	1.16%
City of Valdosta Government	578	8	0.97%	Crackin' Goods Bakers	555	8	0.97%
Lowndes County Government	540	თ	0.90%	Lowe's Distribution Center	550	6	0.96%
Fresh Beginning Baked Goods	500	- 10	0.84%	Lowndes County Government	500	,	0.88%
Total Principal Employees	16,277		27.23%		13,521		23.71%
Other Employees	43,492		72.77%		43,514		76.29%
Total Employees	59,769		100.00%		57,035		100.00%
Sources:							

Georgia Department of Labor Valdosta- Lowndes Industrial Authority

City of Valdosta, Georgia Full-time Equalivent City Employees by Function/Program Last Ten Fiscal Years

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					Fiscal Year	Year				
Function/Program	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
City Manager's Office	ო	က	С	ę	5	5	5	5	4	4
Municipal Court	4	5	5	4	4	80	4	5	4	4
Human Resources	4	4	4	4	4	4	4	4	4	4
Finance	23.5	22.5	22	22	23	23	23	25	24	24
Engineering	30.5	31	31	31	31	30	30	30	27	27
Information Technology	0	0	0	0	0	-	-	-	-	-
Facility Maintenance	6.5	6.5	6.5	7	7	9	9	4	4	5
Police	142	141	142	152	158	167	178	179	169	171
Fire	102	102	102	102	103	106	106	106	104	66
Public Works	31	32	32	33	33	33	33	33	36	36
Public Involvement	0	0	0	0	0	0	0	7	7	80
Community Development	13	17	17	19	19	15	20	31	25	24
Parks & Recreation	89	85.5	85.25	99.25	104.25	59	61	59	0	0
Santitaion	48	50	50	54	54	54	55	55	54	55
Water	39.1	39.1	39.1	40.1	39.1	39.1	39.4	39.7	44	44
Sewer	72.9	72.9	72.9	75.9	73.9	61.9	62.6	63.3	39	39
Storm Water	0	0	0	0	0	13	13	13	13	14
Inspections	16	19	15	17	20.5	20	19	0	0	0
Zoning	0	0	0	0	0	ო	2	4	4	4
Fleet	14	14	14	15	15	15	15	15	15	15
Total	638.5	644.5	640.75	678.25	693.75	663	677	679	578	578

Sources: City Budget Office (Budget Books)

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City of Valdosta Operating Indicators by Function/Program	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Engineering									
Feet of Failed Pavement Repaired Percent of projects awarded within 10% of engineer's estimate	23,676 80	30,000 80%	35,000 85%	40,000 90%	40,000 90%	40,000 90%	10,000 90%	10,000 90%	10,000 90%
Municipal Court Dockets Processed	13,327	13,327	10,358	14,500	14,750	15,000	14,500	15,000	15,000
Police									
Increase in Citizen contacts Narcotics Arrests Students Completing Dare	1,672 279 1,330	1,672 279 1,330	1,800 378 1,304	2,000 420 1,310	2,000 420 1,340	2,500 340 1,360	2,650 310 1,310	2,650 320 1,360	2,650 320 1,360
Fire									
Number of Fire Stations Number of Fire Inspections performed	7 766	7 628	7 975	7 1,000	7 1,300	7 1,340	7 1,380	7 1,390	7 1,395
Public Works									
Street Sweeping Frequency per year	20	20	23	25	25	25	25	25	25
Arborist									
Number of Trees Planted Number of trees Pruned	250 1,000	134 978	150 1,000	150 1,000	150 1,000	100 1,000	100 1,000	75 1,000	75 1,000
Public Involvement									
Bi-monthly Newsletters Produced Net Gain of new downtown Buisinesses	6 5	6 7	6 6	6 7	6 7	6 5	6 6	6 - 5	6 5
Sanitation									
Residential Stops/collection employee/week Commercial lifts per hour/driver	725 14	725 14	755 16.5	775 18	775 18	890 18	925 18	925 25	925 25
Drainage									
Feet of storm drain cleaned and maintained	22,737	22,737	14,000	15,000	36,000	20,000	20,000	20,000	20,000
Water									
Average volume of water treated (MGD) New meters installed annually	8.023 606	8.023 606	8.078 433	8.647 500	9.500 500	9.850 500	10.500 500	11.150 500	11.150 500
Sewer									
Average volume of wastewater treated daily (MGD) Miles of sewers maintained	9.010 231	9.010 231	10.300 245	9.7 248	9.8 250	8.84 260	9.5 265	9.5 260	9.5 270
Inspections									
Percentage of Plans completed within 10 days Percntage of inspections completed in 24 hours	95% 90%	95% 90%	95% 95%						
Auditorium									
Number of Days Rented	331	335	336	338	339	340	340	330	330

The City of Valdosta implemented GASB 44 for the fiscal year ended June 30, 2006. This table presents data only for the last 9 years because data for years prior to 2003 is unavailable in the format . required by the new standard

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

					Fiscal Year	Year				
Function Program	2002	2003	2004	2005	2006	2007	2008	2009	<u>2010</u>	2011
Police Stations Patrol units	1 122	1 127	1 127	1 127	1 148	1 144	1 156	1 150	1 157	1 155
Fire Stations	7	7	7	7	7	7	7	7	7	7
Refuse collection Collection trucks	13	13	13	13	13	13	13	13	13	134
Other public works Streets (miles) Streetlights Traffic signals	289 5,680 98	293 5,630 102	294 5,688 109	294 5,743 115	297 5,748 117	302 5,748 122	304 6,133 124	304 6,217 124	304 6,217 124	304 6,222 125
Park and recreation Acreage Playgrounds Baseball/softball diamonds Soccer/football fields Community centers	505 55 24 33	505 505 39 8	505 505 39 8	505 5 3 3 9 8	505 505 39 39 80 30 30 50 50 50 50 50 50 50 50 50 50 50 50 50	505 29 3	505 29 3 3	505 29 29 29	300 2 4 3 3 4 2	300 2 2 3 3 4 4
Water Water mains (miles) Fire hydrants Storage capacity (gallons)	264 2,000 11,200,000	268 2,100 11,200,000	275 2,175 11,200,000	281 2,239 11,200,000	286 2,340 11,200,000	297 2,454 11,400,000	303 2,650 14,900,000	305 2,927 14,900,000	311 3,112 14,900,000	320 3,200 14,900,000
Wastewater Sanitary sewers (miles) Treatment capacity (gallons)	231 11,330,000	234 11,330,000	240 11,330,000	245 11,330,000	248 11,330,000	258 11,330,000	266 11,330,000	315 11,330,000	320 11,330,000	325 13,830,000

Sources: Various city departments

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Single Audit

For the Year Ended June 30, 2011

Grant Title	CFDA Number	Grant I. D. Number	Expenditures
JS Department of Agriculture			
Direct Federal Grants:			
Emergency Watershed Protection Program	10.923	65-4310-10-402	\$ 71,82
Emergency Watershed Protection Program OTAL USDEPARTMENT OF AGRICULTURE	10.923	65-4310-11-01	2,58
OTAL US DEPARTMENT OF AGRICULTURE			74,41
epartment of Energy			
Direct Federal Grants:		DE EE0000404	100.00
Energy Efficiency and Conservation Block Grant - ARRA OTAL US DEPARTMENT OF ENERGY	81.128	DE-EE0002184	136,29
OTAL O'S DEFARIMENT OF ENERGY			130,23
S Environmental Protection Agency			
Direct Federal Grants:			
Brownfields Assessment and Cleanup Cooperative Agree	ments -		
ARRA	66.818	2B-95427209-0	159,15
Indirect Federal Grants:			
Passed through Georgia Environmental Facilities Authority (G			
Clean Water Program (Ioan) - ARRA OTAL USENVIRONMENTAL PROTECTION AGENCY	66.458	2W-95423509-0	22,786,84
OTAL OSENVIRONMENTAL PROTECTION AGENCE			22,946,00
ensitement of Hamaland Casuala			
epartment of Homeland Security Direct Federal Grants:			
Homeland Security Cluster	97.067	2007-GE-T7-0054	19,91
Homeland Security Cluster	97.067	2008-GE-T8-0017	4,05
Homeland Security Cluster	97.067	2009-SS-T9-0047	36,78
			60,75
Law Enforcement Officer Reimb. Agreement	97.090	HSTS0208HSLR286	153,59
OTAL US DEPARTMENT OF HOMELAND SECURITY			214,34
epartment of Housing and Urban Development			
HOME Investment Partnerships Program State of GA Community HOME			
Investment Program (CHIP)	14.239	07m-x-092-2-2961	2,28
Investment Program (CHIP)	14.239	07mr-x-092-2-2979	50,00
			52,28
Community Development Block Grants			
Entitlement Grants Cluster	14.218	B-07-MC-13-0015	30,00
Entitlement Grants Cluster	14.218	B-08-MC-13-0015	5,69
Entitlement Grants Cluster Entitlement Grants Cluster	14.218 14.218	B-09-MC-13-0015 B-10-MC-13-0015	302,76 527,56
Entitlement Grants Cluster - ARRA	14.253	B-09-MY-13-0015	137,80
Total Entitlement Grant Cluster			1,003,83
Economic Development Iniative-Special Projects, Neighborhood Init		Miscellaneous Grants	
Congressional Grant OTAL US DEPARTMENT OF HOUSING	14.251	B-08-SP-GA-0160	<u>98,20</u> 1,154,32
OTAL 03 DEFARTMENT OF HOUSING			1,154,32
epartment of Justice			
Direct Federal Grants: JAG Program Cluster	16.738	2009-DJ-BX-1098	21,30
JAG Program Cluster - ARRA	16.804	2009-SB-B9-1044	194,39
ndirect Federal Grants:			
Office of Justice Programs			
JAG Program Cluster - ARRA	16.803	2009-SU-B9-0003	228,38
Total JAG Program Cluster			444,07
Direct Federal Grants:			
Congressionally Recommended Award	16.753	2010-DD-BX-0620	234,50
Bulletproof Vest Partnership Program	16.607	N/A	17,93
Cops Hiring Recovery Program	16.710	2009-RK-WX-0287	318,58
ndirect Federal Grants:			
Office of Justice Programs Community Prosecution and Project Safe Neighborhoods	16.609	2008-GP-CX-0091	11,95
	10.009	2000-01-07-0091	11,95
Paul Coverdell Forensic Sciences Improvement Grant Program DTAL U S DEPARTMENT OF JUSTICE	16.742	2010-CD-BX-0010	3,970
			1,031,031
apartment of Transportation irrect Federal Grants:			
Airport Development Aid Program	20.106	3-13-0115-26-2010	103,277
Total Direct Department of Transportation	20.100	2 10 0110 20 2010	103,277
tate of Georgia Passthrough Federal Grants:			
Governor's Office of Highway Safety Highway Enforcement of Aggressive Traffic	20 600	CA-2010 101 00207	10.05
Highway Enforcement of Aggressive Traffic	20.600 20.600	GA-2010-191-00387 GA-2010-191-00387	18,65
			53,73
DTAL US DEPARTMENT OF TRANSPORTATION			157,009

The accompanying notes are an integral part of this statement.

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CITY OF VALDOSTA, GEORGIA NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2011

NOTE 1. GENERAL

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the City of Valdosta (the "City"). The City receives pass-through financial assistance from the Georgia Department of Community Affairs and the Georgia Department of Transportation.

NOTE 2. BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities.



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

To the Honorable Mayor and Members of the City Council Valdosta, Georgia

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Valdosta, Georgia (the "City"), as of and for the year ended June 30, 2011, which collectively comprise the City of Valdosta, Georgia's basic financial statements and have issued our report thereon dated April 3, 2012. Our report includes reference that the City implemented Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, as of July 1, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of 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*.

We noted certain matters that we reported to the management of the City of Valdosta, Georgia in a separate letter dated April 3, 2012.

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

Mauldin & Jerkins, LLC

Macon, Georgia April 3, 2012



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Honorable Mayor and Members of the City Council City of Valdosta, Georgia

Compliance

We have audited the City of Valdosta, Georgia's (the City) compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2011. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City's compliance with those requirements.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 2011-1 and 2011-2.

Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the

purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be *material weaknesses*, as defined above. However, we identified certain deficiencies in internal control over compliance that we consider to be *material weaknesses*, as defined above. However, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies as described in the accompanying schedule of findings and questioned costs as items 2011-01 and 2011-2. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to ment attention by those charged with governance.

The City's responses to the audit findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the City's responses and accordingly, we express no opinion on them.

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

Mauldin & Gynkins, LLC

Macon, Georgia April 3, 2012

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2011

SECTION I SUMMARY OF AUDIT RESULTS **Financial Statements** Type of auditor's report issued Unqualified Internal control over financial reporting: Material weaknesses identified? ____yes <u>X</u>no Significant deficiencies identified not considered to be material weaknesses? ____yes <u>X</u>none reported Noncompliance material to financial statements noted? ____yes <u>X</u>no Federal Awards Internal Control over major programs: Material weaknesses identified? <u>yes X</u>no Significant deficiencies identified not considered to be material weaknesses? X yes ____none reported Type of auditor's report issued on compliance for major programs Unqualified Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133, Section 510(a)? X yes no Identification of major program: CFDA Number Name of Federal Program or Cluster 66.458 Clean Water Program - ARRA 16.803 JAG Program Cluster - ARRA 16.804, 16.738 JAG Program Cluster - ARRA 14.218 **CDBG Entitlement Cluster** 14.253 CDBG Entitlement Cluster - ARRA 16.710 COPS Hiring Program Dollar threshold used to distinguish between Type A and Type B programs: \$300,000 Auditee qualified as low-risk auditee? <u>yes X</u>no

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2011

SECTION II FINANCIAL STATEMENT FINDINGS AND RESPONSES

None reported

SECTION III FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

2011 - 1. Verification Check for Covered Transactions (Procurement and Suspension and Debarement) – ARRA Clean Water Program, CFDA# 66.458 JAG Program Cluster, CFDA# 16.803, 16.738 ARRA JAG Program Cluster, CFDA# 16.804 CDBG Entitlement Cluster, CFDA# 14.218 ARRA CDBG Entitlement Cluster, CFDA# 14.253

Criteria: As a recipient of federal awards, the City is charged with the responsibility of verifying that covered transactions (procurement contracts for goods and services that are expected to equal or exceed \$25,000, or meet certain other specified criteria) are not awarded to debarred or suspended parties.

Condition: During our testing of federal award contracts, we noted instances in which the City could not provide documentation that a verification check for debarment/suspension were performed and did not include the requirement within the contract.

Context/Cause: The lack of documentation regarding debarment/suspension was noted during control testing related to the ARRA Clean Water Program, the CDBG Entitlement Cluster, and the JAG Program Cluster.

Effect: Without proper documentation, debarred/suspended parties could be improperly awarded federal grant funds.

Questioned Costs: None

Recommendation: The City should take appropriate measures to ensure that complete documentation of all federal award procurements, including verification checks for suspension/debarment, be properly maintained.

Views of Responsible Officials and Planned Corrective Action: We concur. Departments will work together to ensure that complete documentation of all federal award procurements is properly maintained. Such ways to verify that an entity has not been suspended or disbarred are 1) Checking the EPLS website; 2) Collecting a certification from the entity; or 3) Adding a clause or condition to the covered transaction (contract).

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2011

SECTION III FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS (CONTINUED)

2011 - 2. Approval of Timecards (Allowable Costs / Cost Principles) – COPS Hiring Program, CFDA# 16.710

Criteria: As a recipient of federal awards, the City is charged with the responsibility of approving employee timecards to ensure that amounts are being properly charged to the federal award.

Condition: During our testing of federal award contracts, we noted an instance in which the City could not provide documentation that approval of employee timecards were performed.

Context/Cause: The lack of documentation regarding approval of payroll was noted during control testing related to COPS Hiring Program.

Effect: Without proper documentation, payroll expenditures could be improperly charged to federal award programs.

Questioned Costs: None

Recommendation: The City should take appropriate measures to ensure that complete documentation of all payrolls being charged to federal award programs include the proper approval.

Views of Responsible Officials and Planned Corrective Action: We concur. All payroll timecards will be approved prior to the payroll being entered into the system.

SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS FOR THE YEAR ENDED JUNE 30, 2011

STATUS OF PRIOR YEAR AUDIT FINDINGS

2010 - 1. Verification Check for Covered Transactions – ARRA Clean Water Program, CFDA# 66.458

Criteria: As a recipient of federal awards, the City is charged with the responsibility of verifying that covered transactions (procurement contracts for goods and services that are expected to equal or exceed \$25,000, or meet certain other specified criteria) are not awarded to debarred or suspended parties.

Condition: During our testing of federal award contracts, we noted one instance in which the City could not provide documentation that a verification check for debarment/suspension was performed.

Status: Unresolved. See current year finding 2011 - 1.

