

CITY OF FITZGERALD, GEORGIA
Annual Financial Report
For The Fiscal Year Ended
December 31, 2012

CITY OF FITZGERALD, GEORGIA
Annual Financial Report
For the Fiscal Year Ended December 31, 2012

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INDEPENDENT AUDITOR'S REPORT

To The Honorable Mayor and Council
City of Fitzgerald, Georgia

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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 Fitzgerald, Georgia, as of December 31, 2012, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Fitzgerald, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements and supplemental schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The 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.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2013, on our consideration of the City of Fitzgerald, 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 internal control over financial reporting or on compliance. That report is an

integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Fitzgerald, Georgia's internal control over financial reporting and compliance.

MEEKS CPA, LLP

MEEKS CPA, LLP

Ocilla, Georgia

September 30, 2013

BASIC FINANCIAL STATEMENTS

CITY OF FITZGERALD, GEORGIA
Statement of Net Position
December 31, 2012

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Primary Government	Downtown Development Authority	Fitzgerald & Ben Hill Development Authority
ASSETS					
Cash and Cash Equivalents	\$ 2,957,655	\$ 19,211,693	\$ 22,169,348	\$ 13,207	\$ 1,033,119
Receivables (Net of Allowance for Uncollectibles)	824,888	1,079,589	1,904,477	850	75,420
Internal Balances	152,642	(152,642)	--	--	--
Due from Component Unit	50,000	--	50,000	--	--
Inventories	--	830,590	830,590	--	--
Property Held for Resale	1,762,932	--	1,762,932	--	4,864,016
Prepaid Items	74,149	331,147	405,296	--	--
Notes Receivable	--	266,390	266,390	--	196,429
Restricted Assets					
Cash and Cash Equivalents	--	480,574	480,574	--	--
Capital Assets Not Being Depreciated	731,101	1,088,302	1,819,403	25,072	760,303
Capital Assets Net of Accumulated Depreciation	37,275,672	19,629,653	56,905,325	310,306	--
Total Assets	<u>43,829,039</u>	<u>42,765,296</u>	<u>86,594,335</u>	<u>349,435</u>	<u>6,929,287</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred Charges	--	945,127	945,127	--	--
Total Deferred Outflows of Resources	<u>--</u>	<u>945,127</u>	<u>945,127</u>	<u>--</u>	<u>--</u>
LIABILITIES					
Accounts Payable	130,289	2,032,068	2,162,357	--	--
Accrued Liabilities	230,299	111,188	341,487	--	--
Intergovernmental Payable	909	--	909	--	480
Short-Term Notes Payable	--	132,408	132,408	--	547,279
Other Current Liabilities	28,707	--	28,707	--	--
Due to Primary Government	--	--	--	50,000	--
Customer Deposits	--	476,233	476,233	--	--
Noncurrent Liabilities					
Due Within One Year	379,514	165,906	545,420	19,000	71,429
Due in More Than One Year	1,083,978	2,132,108	3,216,086	70,235	196,429
Total Liabilities	<u>1,853,696</u>	<u>5,049,911</u>	<u>6,903,607</u>	<u>139,235</u>	<u>815,617</u>
NET POSITION					
Net Investment in Capital Assets	36,543,281	20,614,954	57,158,235	246,143	760,303
Restricted					
Capital Outlay	2,106,911	--	2,106,911	--	--
Unrestricted	3,325,151	18,045,558	21,370,709	(35,943)	5,353,367
Total Net Position	<u>\$ 41,975,343</u>	<u>\$ 38,660,512</u>	<u>\$ 80,635,855</u>	<u>\$ 210,200</u>	<u>\$ 6,113,670</u>

The notes to the financial statements are an integral part of this statement.

CITY OF FITZGERALD, GEORGIA
Statement of Activities
For the Year Ended December 31, 2012

FUNCTIONS/PROGRAMS	PROGRAM REVENUES				NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION				
	Expenses	Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Primary Government			Component Units	
					Governmental Activities	Business-type Activities	Total	Downtown Development Authority	Fitzgerald & Ben Hill Development Authority
Primary Government									
Governmental Activities									
General Government	\$ 876,391	\$ 46,259	\$ 1,500	\$ 279,614	\$ (549,018)	\$ --	\$ (549,018)		
Judicial	--	139,867	--	--	139,867	--	139,867		
Public Safety	3,365,029	487,467	4,085	23,001	(2,850,476)	--	(2,850,476)		
Public Works	3,189,973	1,325,290	31,111	775,751	(1,057,821)	--	(1,057,821)		
Health and Welfare	42,383	--	130,064	--	87,681	--	87,681		
Culture and Recreation	1,133,430	139,178	289,519	43,179	(661,554)	--	(661,554)		
Housing and Development	1,440,794	153,926	99,829	367,478	(819,561)	--	(819,561)		
Interest on Long-Term Debt	55,707	--	--	--	(55,707)	--	(55,707)		
Total Governmental Activities	<u>10,103,707</u>	<u>2,291,987</u>	<u>556,108</u>	<u>1,489,023</u>	<u>(5,766,589)</u>	<u>--</u>	<u>(5,766,589)</u>		
Business-Type Activities									
Electric	20,857,519	21,368,089	209,138	--	--	719,708	719,708		
Gas	4,837,018	4,654,651	--	--	--	(182,367)	(182,367)		
Water	1,069,764	1,378,169	--	--	--	308,405	308,405		
Sewer	988,820	815,848	--	--	--	(172,972)	(172,972)		
Landfill	952,453	860,946	--	--	--	(91,507)	(91,507)		
Airport	377,257	190,881	26,317	530,336	--	370,277	370,277		
Total Business-Type Activities	<u>29,082,831</u>	<u>29,268,584</u>	<u>235,455</u>	<u>530,336</u>	<u>--</u>	<u>951,544</u>	<u>951,544</u>		
Total Primary Government	<u>\$ 39,186,538</u>	<u>\$ 31,560,571</u>	<u>\$ 791,563</u>	<u>\$ 2,019,359</u>	<u>(5,766,589)</u>	<u>951,544</u>	<u>(4,815,045)</u>		
Component Units									
Downtown Development Authority	\$ 30,256	\$ --	\$ 1,521	\$ 17,915			\$ (10,820)	\$ --	
Fitzgerald & Ben Hill Development Authority	297,137	181,246	10,340	1,114			--	(104,437)	
Total Component Units	<u>\$ 327,393</u>	<u>\$ 181,246</u>	<u>\$ 11,861</u>	<u>\$ 19,029</u>			<u>(10,820)</u>	<u>(104,437)</u>	
General Revenues									
Taxes									
Real Property					1,264,433	--	1,264,433	--	
Personal Property					132,980	--	132,980	--	
Real Estate Transfer (Intangible)					2,709	--	2,709	--	
Franchise					172,262	--	172,262	--	
General Sales and Use					1,173,349	--	1,173,349	--	
Selective Sales and Use					217,761	--	217,761	--	
Business					627,654	--	627,654	--	
Penalties and Interest on Delinquent Taxes					22,115	--	22,115	--	
Federal Government Payments in Lieu of Taxes					24,569	--	24,569	--	
Investment Income					5,432	26,288	31,720	122	
Miscellaneous					117,456	35,642	153,098	8,573	
Gain on Disposition of Capital Assets					156,376	4,539	160,915	--	
Transfers					1,465,922	(1,465,922)	--	--	
Total General Revenues and Transfers					<u>5,383,018</u>	<u>(1,399,453)</u>	<u>3,983,565</u>	<u>8,695</u>	
Changes in Net Position					(383,571)	(447,909)	(831,480)	(2,125)	
Net Position - Beginning					42,358,914	39,108,421	81,467,335	212,325	
Net Position - Ending					<u>\$ 41,975,343</u>	<u>\$ 38,660,512</u>	<u>\$ 80,635,855</u>	<u>\$ 210,200</u>	
								<u>\$ 6,113,670</u>	

The notes to the financial statements are an integral part of this statement.

CITY OF FITZGERALD, GEORGIA
Balance Sheet
Governmental Funds
December 31, 2012

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and Cash Equivalents	\$ 575,813	\$ 2,381,842	\$ 2,957,655
Receivables (Net of Allowance for Uncollectibles)	423,631	401,257	824,888
Due from Other Funds	237,569	247,122	484,691
Due from Component Unit	--	50,000	50,000
Total Assets	<u>\$ 1,237,013</u>	<u>\$ 3,080,221</u>	<u>\$ 4,317,234</u>
LIABILITIES			
Accounts Payable	\$ 98,827	\$ 31,462	\$ 130,289
Accrued Liabilities	226,543	3,756	230,299
Intergovernmental Payable	--	909	909
Due to Other Funds	318,080	13,969	332,049
Other Current Liabilities	22,549	6,158	28,707
Advances from Other Funds	--	--	--
Total Liabilities	<u>665,999</u>	<u>56,254</u>	<u>722,253</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue			
Property Taxes	213,777	24,579	238,356
Development and Redevelopment Property	--	154,084	154,084
Total Deferred Inflows of Resources	<u>213,777</u>	<u>178,663</u>	<u>392,440</u>
FUND BALANCES			
Restricted	--	2,109,375	2,109,375
Assigned	--	739,450	739,450
Unassigned	357,237	(3,521)	353,716
Total Fund Balances	<u>357,237</u>	<u>2,845,304</u>	<u>3,202,541</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,237,013</u>	<u>\$ 3,080,221</u>	

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	38,006,773
Properties held for resale are not financial resources and, therefore are not reported in the funds.	1,762,932
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	392,440
Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as expenditures in the funds.	74,149
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Capital Leases	\$ (334,214)
Installment Sale Agreement	(1,129,278)
Total Long-term liabilities	<u>(1,463,492)</u>
Net Position of Governmental Activities	<u>\$ 41,975,343</u>

The notes to the financial statements are an integral part of this statement.

CITY OF FITZGERALD, GEORGIA
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2012

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES			
Taxes	\$ 3,467,411	\$ 178,903	\$ 3,646,314
Licenses and Permits	11,814	--	11,814
Intergovernmental	365,811	1,679,129	2,044,940
Charges for Services	1,971,382	171,914	2,143,296
Fines and Forfeitures	134,664	5,203	139,867
Investment Income	1,965	13,211	15,176
Contributions and Donations	3,500	11,516	15,016
Miscellaneous	102,721	14,735	117,456
Total Revenues	<u>6,059,268</u>	<u>2,074,611</u>	<u>8,133,879</u>
EXPENDITURES			
Current			
General Government	754,403	--	754,403
Public Safety	3,053,157	85,867	3,139,024
Public Works	1,697,359	--	1,697,359
Health and Welfare	200	42,118	42,318
Culture and Recreation	1,039,057	13,037	1,052,094
Housing and Development	390,728	410,303	801,031
Capital Outlay	543,501	436,712	980,213
Debt Service	100,978	366,952	467,930
Total Expenditures	<u>7,579,383</u>	<u>1,354,989</u>	<u>8,934,372</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,520,115)</u>	<u>719,622</u>	<u>(800,493)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	1,505,398	75,434	1,580,832
Transfers Out	(77,430)	(37,480)	(114,910)
Proceeds of Capital Asset Dispositions	25,614	18,600	44,214
Capital Leases	407,714	--	407,714
Total Other Financing Sources (Uses)	<u>1,861,296</u>	<u>56,554</u>	<u>1,917,850</u>
Net Change in Fund Balances	341,181	776,176	1,117,357
Fund Balances - Beginning	16,056	2,069,128	2,085,184
Fund Balances - Ending	<u>\$ 357,237</u>	<u>\$ 2,845,304</u>	<u>\$ 3,202,541</u>

The notes to the financial statements are an integral part of this statement.

CITY OF FITZGERALD, GEORGIA

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities For the Year Ended December 31, 2012

Amounts reported for governmental activities in the *Statement of Activities* are different because:

Net change in fund balances - total governmental funds reported in the <i>Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds</i>	\$ 1,117,357
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital Outlay	585,407
Depreciation Expense	<u>(1,533,400)</u>
	(947,993)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) increases (decreases) net position.	
Cost of Capital Assets Sold/Disposed	(146,171)
Accumulated Depreciation	<u>146,171</u>
	--
Governmental funds report the cost of property held for resale as expenditures. However, in the Statement of Activities the cost of those assets is recognized as an expense when the property is sold.	
	<u>(634,181)</u>
Revenues in the <i>Statement of Activities</i> that do not provide current financial resources are not reported as revenues in the funds while revenues reported in the <i>Statement of Revenues, Expenditures, and Changes in Fund Balances</i> are recognized as revenue of the previous period in the <i>Statement of Activities</i> and included in beginning net position.	
Taxes	(33,051)
Charges for Services	(2,990)
Proceeds of Capital Asset Dispositions	<u>112,162</u>
	76,121
The issuance of long-term debt (e.g., bonds, leases, notes) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.	
Debt Issued or Incurred	
Capital Lease Financing	(407,714)
Principal Repayments	
Capital Leases	186,783
Installment Sale Agreement	<u>225,440</u>
	4,509
Expenses reported in the <i>Statement of Activities</i> that do not require the use of current financial resources are not reported as expenditures in governmental funds while expenditures reported in the <i>Statement of Revenues, Expenditures, and Changes in Fund Balances</i> are recognized as expenses of the previous period in the <i>Statement of Activities</i> and included in beginning net position.	
Prepaid Items	<u>616</u>
	616
Change in net position of governmental activities reported in the <i>Statement of Activities</i>	<u>\$ (383,571)</u>

The notes to the financial statements are an integral part of this statement.

CITY OF FITZGERALD, GEORGIA
Statement of Net Position
Proprietary Funds
December 31, 2012

	Business-type Activities - Enterprise Funds			Total Enterprise Funds
	Utility	Landfill	Other Enterprise Funds	
ASSETS				
Current Assets				
Cash and Cash Equivalents	\$ 17,459,215	\$ 1,173,857	\$ 578,621	\$ 19,211,693
Receivables (Net of Allowance for Uncollectibles)	971,117	80,081	28,391	1,079,589
Due from Other Funds	--	75,000	--	75,000
Inventories	805,477	--	25,113	830,590
Prepaid Items	331,147	--	--	331,147
Restricted Assets				
Cash and Cash Equivalents	480,574	--	--	480,574
Total Current Assets	20,047,530	1,328,938	632,125	22,008,593
Noncurrent Assets				
Notes Receivable	--	--	266,390	266,390
Capital Assets Not Being Depreciated	238,153	550,824	299,325	1,088,302
Capital Assets Net of Accumulated Depreciation	17,181,163	340,841	2,107,649	19,629,653
Total Noncurrent Assets	17,419,316	891,665	2,673,364	20,984,345
Total Assets	37,466,846	2,220,603	3,305,489	42,992,938
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Charges	945,127	--	--	945,127
Total Deferred Outflows of Resources	945,127	--	--	945,127
LIABILITIES				
Current Liabilities				
Accounts Payable	1,978,924	49,703	3,441	2,032,068
Accrued Liabilities	106,112	3,056	2,020	111,188
Due to Other Funds	222,625	4,736	281	227,642
Short-Term Notes Payable	132,408	--	--	132,408
Customer Deposits	476,233	--	--	476,233
Compensated Absences	127,391	--	--	127,391
Notes Payable - Current	--	--	16,515	16,515
Closure and Post-Closure Care Costs	--	22,000	--	22,000
Total Current Liabilities	3,043,693	79,495	22,257	3,145,445
Noncurrent Liabilities				
Other Post Employment Benefits Obligation	716,523	--	--	716,523
Notes Payable	--	--	86,486	86,486
Closure and Post-Closure Care Costs	--	1,329,099	--	1,329,099
Total Noncurrent Liabilities	716,523	1,329,099	86,486	2,132,108
Total Liabilities	3,760,216	1,408,594	108,743	5,277,553
NET POSITION				
Net Investment in Capital Assets	17,419,316	891,665	2,303,973	20,614,954
Unrestricted	17,232,441	(79,656)	892,773	18,045,558
Total Net Position	\$ 34,651,757	\$ 812,009	\$ 3,196,746	\$ 38,660,512

The notes to the financial statements are an integral part of this statement.

CITY OF FITZGERALD, GEORGIA
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2012

	Business-type Activities - Enterprise Funds			
	Utility	Landfill	Other Enterprise Funds	Total Enterprise Funds
OPERATING REVENUES				
Charges for Services	\$ 26,931,532	\$ 856,777	\$ 190,581	\$ 27,978,890
Other	1,285,225	4,169	300	1,289,694
Total Operating Revenues	<u>28,216,757</u>	<u>860,946</u>	<u>190,881</u>	<u>29,268,584</u>
OPERATING EXPENSES				
Personal Services and Employee Benefits	4,705,309	118,496	66,593	4,890,398
Purchased/Contracted Services	1,307,484	766,230	33,875	2,107,589
Supplies	19,890,879	47,055	124,716	20,062,650
Other	895,096	3,267	--	898,363
Depreciation	952,382	17,405	120,755	1,090,542
Total Operating Expenses	<u>27,751,150</u>	<u>952,453</u>	<u>345,939</u>	<u>29,049,542</u>
Operating Income (Loss)	<u>465,607</u>	<u>(91,507)</u>	<u>(155,058)</u>	<u>219,042</u>
NONOPERATING REVENUES (EXPENSES)				
Intergovernmental	--	--	556,653	556,653
Interest Revenue	16,379	5,498	4,411	26,288
Contributions and Donations	209,138	--	--	209,138
Miscellaneous	35,642	--	--	35,642
Interest	(1,971)	--	(6,135)	(8,106)
Gain/Loss on Disposition of Capital Assets	39	4,500	(25,183)	(20,644)
Total Nonoperating Revenues (Expenses)	<u>259,227</u>	<u>9,998</u>	<u>529,746</u>	<u>798,971</u>
Income (Loss) Before Contributions and Transfers	<u>724,834</u>	<u>(81,509)</u>	<u>374,688</u>	<u>1,018,013</u>
Transfers In	--	--	39,476	39,476
Transfers Out	(1,505,398)	--	--	(1,505,398)
Changes in Net Position	<u>(780,564)</u>	<u>(81,509)</u>	<u>414,164</u>	<u>(447,909)</u>
Net Position - Beginning	35,432,321	893,518	2,782,582	39,108,421
Net Position - Ending	<u>\$ 34,651,757</u>	<u>\$ 812,009</u>	<u>\$ 3,196,746</u>	<u>\$ 38,660,512</u>

The notes to the financial statements are an integral part of this statement.

CITY OF FITZGERALD, GEORGIA
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2012

	Business-type Activities - Enterprise Funds			Total Enterprise Funds
	Utility	Landfill	Other Enterprise Funds	
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers and Users	\$ 28,618,895	\$ 874,734	\$ 193,200	\$ 29,686,829
Payments to Suppliers	(22,226,508)	(813,546)	(164,884)	(23,204,938)
Payments to Employees	(4,710,181)	(114,202)	(64,573)	(4,888,956)
Net Cash Provided (Used) by Operating Activities	1,682,206	(53,014)	(36,257)	1,592,935
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Intergovernmental	--	--	26,317	26,317
Contributions - MEAG	209,138	--	--	209,138
Loans to Businesses	--	--	(287,500)	(287,500)
Transfers from Other Funds	--	--	39,476	39,476
Transfers to Other Funds	(1,506,612)	--	--	(1,506,612)
Proceeds from Notes Payable	169,287	--	--	169,287
Due from Other Funds	--	153,528	--	153,528
Principal Paid on Notes Payable	(36,879)	--	--	(36,879)
Interest Paid on Notes Payable	(1,918)	--	--	(1,918)
Net Cash Provided (Used) by Noncapital Financing Activities	(1,166,984)	153,528	(221,707)	(1,235,163)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and Construction of Capital Assets	(360,991)	(189,174)	(515,285)	(1,065,450)
Principal Paid on Capital Debt	(29,895)	--	(15,633)	(45,528)
Interest Paid on Capital Debt	(149)	--	(6,135)	(6,284)
Grants	--	--	530,336	530,336
Computer Charges	20,640	--	--	20,640
Proceeds from Sales of Capital Assets	--	4,500	--	4,500
Net Cash Provided (Used) by Capital and Related Financing Activities	(370,395)	(184,674)	(6,717)	(561,786)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest Received	16,379	5,888	4,536	26,803
Discounts Received	9,542	--	--	9,542
Other	5,459	--	--	5,459
Net Cash Provided (Used) by Investing Activities	31,380	5,888	4,536	41,804
Net Increase (Decrease) in Cash and Cash Equivalents	176,207	(78,272)	(260,145)	(162,210)
Cash and Cash Equivalents - Beginning of Year	17,763,582	1,252,129	838,766	19,854,477
Cash and Cash Equivalents - End of Year	\$ 17,939,789	\$ 1,173,857	\$ 578,621	\$ 19,692,267

CITY OF FITZGERALD, GEORGIA
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2012

	Business-type Activities - Enterprise Funds			
	Utility	Landfill	Other Enterprise Funds	Total Enterprise Funds
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating Income (Loss)	\$ 465,607	\$ (91,507)	\$ (155,058)	\$ 219,042
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities				
Depreciation Expense	952,382	17,405	120,755	1,090,542
Provision for Bad Debts	(188,850)	--	--	(188,850)
(Increase) Decrease in Accounts Receivable	382,188	13,788	2,319	398,295
(Increase) Decrease in Inventories	3,481	--	3,454	6,935
(Increase) Decrease in Prepaid Items	(177,098)	--	1,687	(175,411)
(Increase) Decrease in Unearned Revenue	2,363	--	--	2,363
Increase (Decrease) in Accounts Payable	45,902	2,933	(10,972)	37,863
Increase (Decrease) in Accrued Wages and Withholdings	10,193	3,056	2,020	15,269
Increase (Decrease) in Compensated Absences Payable	7,308	--	--	7,308
Increase (Decrease) in Due to Other Funds	--	1,311	(462)	849
Increase (Decrease) in Other Post Employment Benefits Obligation	158,780	--	--	158,780
Increase (Decrease) in Current Liabilities Payable from Restricted Assets	19,950	--	--	19,950
Net Cash Provided (Used) by Operating Activities	<u>\$ 1,682,206</u>	<u>\$ (53,014)</u>	<u>\$ (36,257)</u>	<u>\$ 1,592,935</u>

The notes to the financial statements are an integral part of this statement.

CITY OF FITZGERALD, GEORGIA
Notes to the Financial Statements
December 31, 2012

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Fitzgerald, Georgia was organized on August 22, 1907. The City operates under the Mayor and Council-City Manager form of government. The accompanying financial statements present the City of Fitzgerald and its component units, entities for which the City is considered to be financially accountable. Blended component units, although legally separate entities, are in substance, part of the City's operations. The discretely presented component units are reported in separate columns in the government-wide financial statements to emphasize that they are legally separate from the City.

Blended Component Units

The Fitzgerald Water, Light and Bond Commission, the Fitzgerald-Ben Hill County Regional Solid Waste Management Authority, the Fitzgerald-Ben Hill County Airport Commission and the Fitzgerald Tourism and Convention Bureau are blended component units. The component units are legally separate organizations for which the City is financially accountable. The data from these units are combined with data of the primary government and reported in enterprise funds, except for the Fitzgerald Tourism and Convention Bureau, which is reported in the special revenue funds. The blended component units do not issue their own separate financial statements.

Discretely Presented Component Units

The Downtown Development Authority was established to revitalize and redevelop the central business districts of the City by financing projects that develop and promote for the public good and general welfare, trade, commerce, industry, and employment opportunities. The governing body of the Authority consists of seven members appointed by the City Council. The Authority did not issue separate financial statements.

The Fitzgerald and Ben Hill County Development Authority was created to enhance the economic development of the area by pursuing and assisting new industries in locating or relocating in the City or County. The City's Mayor serves on the five member Authority board and one other member is appointed by the City Council. However, the City is financially accountable for the Authority because the City's council approves the Authority's budget, levies taxes (if necessary), and must approve any debt issuances. The Authority did not issue separate financial statements.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes 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 certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function, or segment, are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to 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*.

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 in separate columns in the fund financial statements.

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

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

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

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

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

The City reports the following major proprietary funds:

The *Utility Fund* accounts for the activities of the City's water, sewer, gas, and electric distribution operations.

The *Landfill Fund* accounts for the operation of a landfill to dispose of solid waste of the City and County.

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

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

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

D. Assets, Liabilities and Equity

1. Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, certificates of deposit and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the City to invest in obligations of the State of Georgia or other states, obligations issued by the U.S. Government, obligations fully insured or guaranteed by the U.S. Government or by a government agency of the United States, obligations of any corporation of the U.S. Government, prime bankers' acceptances, the local government investment pool, repurchase agreements, and obligations of other political subdivisions of Georgia.

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates, and investments that do not have an established market are reported at estimated fair value.

2. Receivables and Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding material balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, if any, are offset by a fund balance reserve account in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables are shown net of an allowance for uncollectibles.

Property taxes were levied on September 10, 2012, payable December 20, 2012, and attached as an enforceable lien on property as of January 1, 2012.

3. Inventories and Prepaid Items

Inventories are valued at cost using the average cost method in proprietary funds. Inventories of governmental funds are recorded as expenditures when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the proprietary funds and government-wide financial statements and as expenditures when paid in the governmental funds.

4. Restricted Assets

Certain proceeds of the Utility Fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants. Certain proceeds from the installment sale agreement between the Georgia Municipal Association, Inc. and the City are classified as restricted assets on the balance sheet of the Special Sales Tax Fund because their use is limited to construction of the City Hall facilities.

5. Capital Assets

Capital assets include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) and are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost which exceeds certain capitalization thresholds and has an estimated useful life in excess of two years. Such assets are

CITY OF FITZGERALD, GEORGIA
Notes to the Financial Statements
December 31, 2012

recorded at historical cost if purchased or constructed. In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities) the City chose to include all such items regardless of their acquisition date or amount. As the City constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical costs. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or extend its useful life beyond the original estimate. In the case of donations the City values these capital assets at the estimated fair value of the item at the date of its donation.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the asset constructed.

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

Assets	Capitalization Thresholds	Estimated Service Life
Buildings	\$ 10,000	25-60
Machinery and Equipment	\$ 250 - 5,000	3-10
Improvements	\$ 5,000	15-30
Roads	\$ 25,000	15-50
Bridges	\$ 25,000	15-50
Sidewalks	\$ 25,000	15-50
Electric System	\$ 25,000	25-50
Gas System	\$ 25,000	25-50
Water System	\$ 25,000	100
Sewer System	\$ 25,000	25-50

6. *Compensated Absences*

The City accounts for vacation and sick pay when paid. Annual vacation and sick pay cannot be accumulated and is forfeited at December 31 each year.

It is the Fitzgerald Water, Light and Bond Commission's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation and sick pay is accrued when earned in the proprietary fund financial statements.

7. *Long-term Obligations*

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Premiums and discounts are deferred and amortized over the life of the debt using the effective interest method. Debt issuance costs, except any portion related to prepaid insurance costs, are recognized as an expense in the period incurred.

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

8. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. The City has one item that qualifies for reporting in this category. It is the deferred charges on energy purchases reported in the Government-wide and Proprietary Fund statements of net position. The deferred charges result from the purchase and consumption of energy provided to customers that were not billed prior to the end of the fiscal year.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. The City has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and development and redevelopment property sales. These amounts are deferred and recognized as an inflow of resources in the period that the amount becomes available.

9. Fund Balances and Net Position

Fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balance is classified as follows:

Nonspendable fund balance includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted fund balance includes amounts that are restricted when constraints placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City's highest level of decision making authority.

Assigned fund balance includes amounts that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed.

Unassigned fund balance is the residual classification for the General Fund. The classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund.

The City Council can establish, modify, or rescind a fund balance commitment by City ordinance and is the City's highest level of decision making authority.

At times the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

CITY OF FITZGERALD, GEORGIA
Notes to the Financial Statements
December 31, 2012

It is the City's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied in calculating the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements.

CITY OF FITZGERALD, GEORGIA
Notes to the Financial Statements
December 31, 2012

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds except the capital projects funds, which adopt project-length budgets. All annual appropriations lapse at fiscal year end.

All departments of the City submit requests for appropriations to the City Manager so that a budget may be prepared. The City Manager and Finance Director prepare and submit a proposed budget to the Mayor and Council for review. The Council holds public hearings and a final budget must be prepared and adopted no later than September 30.

The appropriated budget is prepared by fund, department and expenditure category. The City's Finance Director may make transfers of appropriations within any fund. The adopted budget may be amended by formal action of the Mayor and Council when unexpected modifications are required in estimated revenues and appropriations. The legal level of budgetary control is the department level.

B. Excess of Expenditures Over Appropriations

Excess of expenditures over appropriations at the department level (the legal level of control) is presented below:

General Fund			
Legislative	\$ 100,500	\$ 106,079	\$ (5,579)
Executive	126,759	126,987	(228)
Swimming Pools	7,200	10,855	(3,655)
Sports Facilities	35,500	42,447	(6,947)
Urban Development and Housing	151,032	170,604	(19,572)
Capital Outlay-Furniture and Fixtures	2,500	3,439	(939)
Capital Outlay-Buildings	--	20,900	(20,900)
Capital Outlay-Machinery	27,890	45,849	(17,959)
Capital Outlay-Vehicles	187,900	406,438	(218,538)
Police Technology Special Revenue Fund	4,500	6,789	(2,289)
Community Home Investment Special Revenue Fund	37,400	71,192	(33,792)
Grand Theatre Special Revenue Fund	2,550	11,393	(8,843)
Recreation Capital Improvement Special Revenue Fund	13,850	31,570	(17,720)

C. Deficit Fund Equity

The following funds had deficit fund equity at December 31, 2012:

Community Development Special Revenue Fund	\$ 2,321
Family Connection Special Revenue Fund	\$ 1,200

CITY OF FITZGERALD, GEORGIA
Notes to the Financial Statements
December 31, 2012

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

The City does not have a formal investment policy for interest rate, credit, concentration of credit or custodial credit risks. As of December 31, 2012, the City's entire bank balance was insured or collateralized with securities held by the pledging financial institution's trust department or agent in the City's name.

B. Receivables

Receivables at year-end for the City's individual major funds and nonmajor funds in the aggregate, including applicable allowances for uncollectible accounts, were as follows:

	General	Nonmajor Governmental Funds	Utility	Landfill	Other Enterprise Funds	Total
Receivables:						
Interest	\$ --	\$ 3,391	\$ --	\$ --	\$ 219	\$ 3,610
Taxes	292,981	33,570	--	--	--	326,551
Accounts	36,510	--	1,136,863	103,050	7,062	1,283,485
Intergovernmental	107,483	211,695	--	--	--	319,178
Notes Receivable	--	154,084	--	--	287,500	441,584
Gross Receivables	436,974	402,740	1,136,863	103,050	294,781	2,374,408
Less: Allowance For Uncollectibles	(13,343)	(1,483)	(165,746)	(22,969)	--	(203,541)
	<u>\$ 423,631</u>	<u>\$ 401,257</u>	<u>\$ 971,117</u>	<u>\$ 80,081</u>	<u>\$ 294,781</u>	<u>\$ 2,170,867</u>

Governmental funds report *unavailable revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year, the various components of *unavailable revenue* reported in the governmental funds were as follows:

Property Taxes (General Fund)	<u>Unavailable</u> \$ 213,777
Development and Redevelopment Property (Community Home Investment Special Revenue Fund)	108,003
Property Taxes (Industrial Development & Promotion Special Revenue Fund)	24,579
Development and Redevelopment Property (Community Development Special Revenue Fund)	46,081
	<u>\$ 392,440</u>

CITY OF FITZGERALD, GEORGIA
Notes to the Financial Statements
December 31, 2012

C. Capital Assets

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

Primary Government

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 474,049	\$ --	\$ --	\$ 474,049
Construction in progress	159,188	97,864	--	257,052
Total capital assets, not being depreciated	<u>633,237</u>	<u>97,864</u>	<u>--</u>	<u>731,101</u>
Capital assets, being depreciated:				
Buildings	6,367,760	--	--	6,367,760
Infrastructure	43,625,925	--	--	43,625,925
Improvements other than buildings	905,530	--	--	905,530
Machinery and equipment	4,700,615	487,543	(146,171)	5,041,987
Total capital assets, being depreciated	<u>55,599,830</u>	<u>487,543</u>	<u>(146,171)</u>	<u>55,941,202</u>
Less accumulated depreciation for:				
Buildings	(1,375,342)	(154,781)	--	(1,530,123)
Infrastructure	(11,686,662)	(1,084,833)	--	(12,771,495)
Improvements other than buildings	(267,474)	(26,385)	--	(293,859)
Machinery and equipment	(3,948,823)	(267,401)	146,171	(4,070,053)
Total accumulated depreciation	<u>(17,278,301)</u>	<u>(1,533,400)</u>	<u>146,171</u>	<u>(18,665,530)</u>
Total capital assets, being depreciated, net	<u>38,321,529</u>	<u>(1,045,857)</u>	<u>--</u>	<u>37,275,672</u>
Governmental activities capital assets, net	<u>\$ 38,954,766</u>	<u>\$ (947,993)</u>	<u>\$ --</u>	<u>\$ 38,006,773</u>

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 1,077,347	\$ 875	\$ --	\$ 1,078,222
Construction in progress	71,333	203,494	(264,747)	10,080
Total capital assets, not being depreciated	<u>1,148,680</u>	<u>204,369</u>	<u>(264,747)</u>	<u>1,088,302</u>
Capital assets, being depreciated:				
Buildings and system	42,445,953	768,313	(350,465)	42,863,801
Machinery and equipment	3,986,267	357,814	(159,676)	4,184,405
Total capital assets, being depreciated	<u>46,432,220</u>	<u>1,126,127</u>	<u>(510,141)</u>	<u>47,048,206</u>
Less accumulated depreciation for:				
Buildings and system	(23,670,392)	(863,916)	325,281	(24,209,027)
Machinery and equipment	(3,142,318)	(226,626)	159,418	(3,209,526)
Total accumulated depreciation	<u>(26,812,710)</u>	<u>(1,090,542)</u>	<u>484,699</u>	<u>(27,418,553)</u>
Total capital assets, being depreciated, net	<u>19,619,510</u>	<u>35,585</u>	<u>(25,442)</u>	<u>19,629,653</u>
Business-type activities capital assets, net	<u>\$ 20,768,190</u>	<u>\$ 239,954</u>	<u>\$ (290,189)</u>	<u>\$ 20,717,955</u>

CITY OF FITZGERALD, GEORGIA
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Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities	
General Government	\$ 116,308
Public Safety	151,819
Public Works	1,192,309
Culture and Recreation	69,241
Housing and Development	3,723
	<u>\$ 1,533,400</u>
Business-type Activities	
Electric	\$ 364,981
Gas	98,861
Water	138,769
Sewer	349,771
Landfill	17,405
Airport	120,755
	<u>\$ 1,090,542</u>

Discretely Presented Component Units

	Beginning Balance	Increases	Decreases	Ending Balance
Downtown Development Authority:				
Capital assets, not being depreciated:				
Land	\$ 25,072	\$ --	\$ --	\$ 25,072
Total capital assets, not being depreciated	<u>25,072</u>	<u>--</u>	<u>--</u>	<u>25,072</u>
Capital assets, being depreciated:				
Buildings	227,200	112,691	--	339,891
Total capital assets, being depreciated	<u>227,200</u>	<u>112,691</u>	<u>--</u>	<u>339,891</u>
Less accumulated depreciation for:				
Buildings	(23,999)	(5,586)	--	(29,585)
Total accumulated depreciation	<u>(23,999)</u>	<u>(5,586)</u>	<u>--</u>	<u>(29,585)</u>
Total capital assets, being depreciated, net	<u>203,201</u>	<u>107,105</u>	<u>--</u>	<u>310,306</u>
Authority capital assets, net	<u>\$ 228,273</u>	<u>\$ 107,105</u>	<u>\$ --</u>	<u>\$ 335,378</u>
	Beginning Balance	Increases	Decreases	Ending Balance
Fitzgerald & Ben Hill Development Authority:				
Capital assets, not being depreciated:				
Works Of Art and Historical Treasures	\$ 760,303	\$ --	\$ --	\$ 760,303
Total capital assets, not being depreciated	<u>760,303</u>	<u>--</u>	<u>--</u>	<u>760,303</u>
Authority capital assets, net	<u>\$ 760,303</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 760,303</u>

CITY OF FITZGERALD, GEORGIA
Notes to the Financial Statements
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D. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of December 31, 2012 is as follows:

Due From / To Other funds:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor Governmental Funds	\$ 10,000
General Fund	Utility Enterprise Fund	222,625
General Fund	Landfill Enterprise Fund	4,663
General Fund	Nonmajor Proprietary Funds	281
Nonmajor Governmental Funds	General Fund	243,080
Nonmajor Governmental Funds	Nonmajor Governmental Funds	3,969
Nonmajor Governmental Funds	Landfill Enterprise Fund	73
Landfill Enterprise Fund	General Fund	75,000
		<u>\$ 559,691</u>

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. The General Fund receivable of \$222,625 from the Utility Fund consists of the unpaid balance of the 2012 Utility Fund transfer required by city ordinance and fire protection and garbage fees collected for the City but un-remitted at December 31, 2012. The General Fund owes \$237,035 to a Nonmajor Governmental Fund for industrial development taxes which have not been remitted to the fund that accounts for the tax. The Landfill Fund loaned the General Fund \$75,000 to finance expenditures.

Interfund Transfers:

Transfer In	Transfer Out	Amount
General Fund	Utility Enterprise Fund	\$ 1,505,398
Nonmajor Governmental Funds	General Fund	37,954
Nonmajor Governmental Funds	Nonmajor Governmental Funds	37,480
Nonmajor Proprietary Funds	General Fund	39,476
		<u>\$ 1,620,308</u>

The Utility Fund transferred \$1,505,398 to the General Fund in accordance with the city ordinance establishing a required annual remittance to the General Fund. Transfers between other funds were to support the ongoing operations of the receiving fund.

CITY OF FITZGERALD, GEORGIA
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E. Short-Term Debt

The Utility Fund Financed insurance costs with a note to IPFS Corporation which had a balance as of December 31, 2012 totaling \$132,408 payable over the next several months in 2013.

On July 30, 2008, the Fitzgerald and Ben Hill County Development Authority borrowed \$950,000 from Planters First Bank for the purpose of purchasing property known as the Frontier RV property. On December 30, 2010, the Authority refinanced the balance of the note, \$747,279 for one year at 5.5% interest. In 2011, the interest was paid and principal reduced to \$647,279. On February 17, 2012, the note was refinanced again for one year at 5.5% interest. The Authority intends to sell the property and pay off the debt. The balance at December 31, 2012 was \$547,279.

	Beginning Balance	Additions	Reductions	Ending Balance
Business-type activities:				
Notes Payable	\$ --	\$ 169,287	\$ (36,879)	\$ 132,408
	<u>\$ --</u>	<u>\$ 169,287</u>	<u>\$ (36,879)</u>	<u>\$ 132,408</u>
Fitzgerald & Ben Hill Development Authority :				
Notes Payable	\$ 647,279	\$ --	\$ (100,000)	\$ 547,279
	<u>\$ 647,279</u>	<u>\$ --</u>	<u>\$ (100,000)</u>	<u>\$ 547,279</u>

F. Leases

Capital Leases. The City has entered into lease agreements as lessee for financing the acquisition of capital assets. The lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date.

The City entered into a Master Lease and Option Agreement with the Georgia Municipal Association on July 21, 1998 securing a portion of Georgia Local Government 1998 A Grantor Trust Certificates of Participation. A portion of this amount was required to be placed in a reserve fund and the remainder is available to the City for the purchase of equipment. The amount has been reflected as capital leases. The Bank of New York is the trustee and escrow agent for this leasing arrangement. The initial funds were invested and earned interest before being drawn to purchase equipment, resulting in a lower net interest cost to the City. In 2012, the City withdrew \$407,713 for the lease of seven police cars and a garbage truck. The amount remaining to be drawn at December 31, 2012 was \$471,345.

Capital assets subject to lease obligations at December 31, 2012 were as follows:

	Governmental Activities
Machinery and Equipment	\$ 512,270
Less: Accumulated Depreciation	(82,303)
Total	<u>\$ 429,967</u>

CITY OF FITZGERALD, GEORGIA
Notes to the Financial Statements
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The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2012, were as follows:

Year Ending December 31	Governmental Activities
2013	\$ 144,039
2014	108,325
2015	41,370
2016	41,370
Total Minimum Lease Payments	335,104
Less: Amounts Representing Interest	(890)
Present Value Of Minimum Lease Payments	\$ 334,214

G. Long-Term Debt

Notes Payable

On June 17, 2011, the airport hanger note was refinanced with Planters First for \$126,290 at 5.5% variable rate due May 25, 2014 with monthly payments of \$1,814. The balance at December 31, 2012 was \$103,001.

On August 23, 1999, the Downtown Development Authority purchased property and financed the acquisition at a local bank for \$130,000 payable in 180 monthly installments of \$1,098. In 2009 the Authority refinanced the note at Colony Bank at 3.9% with 36 monthly payments of \$2,044. The balance at December 31, 2012 was \$89,235.

On May 15, 2009, the Fitzgerald & Ben Hill County Development Authority entered into a promissory note with the OneGeorgia Authority for \$500,000 to assist Agriproducts, Inc. The loan is being repaid over seven years in quarterly installments at 3% interest. The balance at December 31, 2012 was \$267,858.

Debt service requirements to maturity for the notes payable as of December 31, 2012 were as follows:

Year Ending December 31	Business-type Activities		
	Principal	Interest	Total
2013	\$ 16,515	\$ 5,253	\$ 21,768
2014	86,486	1,917	88,403
Total	\$ 103,001	\$ 7,170	\$ 110,171

Year Ending December 31	Downtown Development Authority		
	Principal	Interest	Total
2013	\$ 19,000	\$ 2,859	\$ 21,859
2014	19,685	2,174	21,859
2015	20,395	1,464	21,859
2016	21,128	731	21,859
2017	9,027	80	9,107
Total	\$ 89,235	\$ 7,308	\$ 96,543

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Year Ending December 31	Fitzgerald & Ben Hill Development Authority		
	Principal	Interest	Total
2013	\$ 71,429	\$ 7,232	\$ 78,661
2014	71,429	5,089	76,518
2015	71,429	2,946	74,375
2016	53,571	804	54,375
Total	<u>\$ 267,858</u>	<u>\$ 16,071</u>	<u>\$ 283,929</u>

Installment Sale Agreement

On August 1, 2005, the City of Fitzgerald entered into an installment sale agreement with Georgia Municipal Association to sell and buy back property to be renovated for a City Hall. The agreement was merely a financing arrangement for the City to borrow \$2,075,000 for the City Hall restoration and other projects. Planters First Bank, as assignee under the agreement, loaned the money to the City and on May 31, 2007, the note was refinanced with the City receiving additional funds of \$756,381 less \$16,963 in issue costs. The interest rate is 4.50% with monthly payments of \$23,583 for ten years. The balance at December 31, 2012 was \$1,129,278. The agreement shall renew automatically from year to year unless terminated by the City due to non-appropriation. Debt service requirements to maturity for the installment sale agreement were as follows:

Year Ending December 31	Governmental Activities		
	Principal	Interest	Total
2013	\$ 236,365	\$ 46,633	\$ 282,998
2014	247,375	35,623	282,998
2015	258,903	24,095	282,998
2016	269,872	13,126	282,998
2017	116,763	1,859	118,622
Total	<u>\$ 1,129,278</u>	<u>\$ 121,336</u>	<u>\$ 1,250,614</u>

CITY OF FITZGERALD, GEORGIA
Notes to the Financial Statements
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Changes in General Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2012, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Capital Leases	\$ 113,283	\$ 407,714	\$ (186,783)	\$ 334,214	\$ 143,149
Installment Sale Agreement	1,354,718	--	(225,440)	1,129,278	236,365
	<u>\$ 1,468,001</u>	<u>\$ 407,714</u>	<u>\$ (412,223)</u>	<u>\$ 1,463,492</u>	<u>\$ 379,514</u>
Business-type Activities:					
Compensated Absences	\$ 120,083	\$ 7,308	\$ --	\$ 127,391	\$ 127,391
Other Post Employment Benefits Obligation	557,743	191,729	(32,949)	716,523	--
Notes Payable	148,529	--	(45,528)	103,001	16,515
Closure and Post-Closure Care Costs	1,351,099	--	--	1,351,099	22,000
	<u>\$ 2,177,454</u>	<u>\$ 199,037</u>	<u>\$ (78,477)</u>	<u>\$ 2,298,014</u>	<u>\$ 165,906</u>
Downtown Development Authority:					
Notes Payable	\$ 8,109	\$ 100,000	\$ (18,874)	\$ 89,235	\$ 19,000
	<u>\$ 8,109</u>	<u>\$ 100,000</u>	<u>\$ (18,874)</u>	<u>\$ 89,235</u>	<u>\$ 19,000</u>
Fitzgerald & Ben Hill Development Authority:					
Notes Payable	\$ 339,286	\$ --	\$ (71,428)	\$ 267,858	\$ 71,429
	<u>\$ 339,286</u>	<u>\$ --</u>	<u>\$ (71,428)</u>	<u>\$ 267,858</u>	<u>\$ 71,429</u>

For governmental activities, claims and judgements, compensated absences, and pension liabilities are generally liquidated by the General Fund.

H. Closure and Post-closure Care Costs

State and federal laws and regulations require that the City place a final cover on its landfills when closed and perform certain maintenance and monitoring functions at the landfill site for five years after closure of landfills prior to April 1994 and thirty years for all other landfills. The City recognizes a portion of the closure and post-closure care costs in each operating period even though actual payouts will not occur until the landfill is closed. The amount recognized each year is based on the landfill capacity used as of the balance sheet date.

During 2003 engineering estimates changed, which reduced projected post-closure costs below the amount which had previously been accrued. For the currently operated landfill, the estimated liability for closure and post-closure was \$1,342,224 as of December 31, 2012, which is based on 37% of landfill capacity used to date. It is estimated that an additional \$2,010,488 will be recognized as closure and post-closure care costs between the date of the balance sheet and the date the landfill is expected to be filled to capacity. The construction and demolition portion is expected to be filled by the year 2022 and the municipal solid waste portion is unknown since this waste is sent elsewhere. Financial assurance requirements are expected to be met by the City's financial condition and funds designated for payment of closure and post-closure in the amount of \$977,377.

For the City's old landfill, which was closed prior to April, 1994, the estimated liability for closure and post-closure was \$8,875, which is based on 100% of landfill capacity used to date.

Actual costs may be higher due to inflation or deflation, revisions to laws or regulations, or changes in technology.

CITY OF FITZGERALD, GEORGIA
Notes to the Financial Statements
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I. Restricted Assets

Restricted assets in the enterprise funds consisted of customer deposit accounts in the amount of \$480,574.

J. Fund Balances

The classifications of fund balances reported in the governmental funds were as follows:

	General	Other Governmental Funds	Total Governmental Funds
Restricted			
Public Safety	\$ --	\$ 2,464	\$ 2,464
Capital Outlay	--	2,106,911	2,106,911
	<u>--</u>	<u>2,109,375</u>	<u>2,109,375</u>
Assigned			
Public Safety	--	31,620	31,620
Culture and Recreation	--	23,271	23,271
Housing and Development	--	46,431	46,431
Capital Outlay	--	638,128	638,128
	<u>--</u>	<u>739,450</u>	<u>739,450</u>
Unassigned, Reported In			
General Fund	357,237	--	357,237
Special Revenue Funds	--	(3,521)	(3,521)
	<u>357,237</u>	<u>(3,521)</u>	<u>353,716</u>
Total Fund Balances	<u>\$ 357,237</u>	<u>\$ 2,845,304</u>	<u>\$ 3,202,541</u>

IV. OTHER INFORMATION

A. 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; and natural disasters. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. To cover the risks, the City is a member of the Georgia Interlocal Risk Management Agency. The agency operates under the authority of O.C.G.A. 36-85-1 et Seq. and administers group self-insurance funds which receive contributions from its members in order to pool the risks of general liability, motor vehicle liability and property damage. Through participation in the agency, members jointly purchase insurance with other municipalities participating in and belonging to the agency and are coinsured under master policies with the total premium apportioned among the participants. The City is jointly and severally liable for all legal obligations of the funds which arise out of an event which occurs while the City is a member of the fund. For its workers compensation coverage, the City carries commercial insurance purchased either directly or indirectly from independent third parties. The City's deductibles for insurance coverage start at \$5,000 with various limits of liability up to an annual aggregate limit of \$23,262,233. The Water, Light and Bond policy deductibles start at \$1,000 to \$750,000 with limits of liability up to \$31,734,876.

B. Commitments and Contingencies

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

Amounts received or receivable from grantor agencies, federal and state, are subject to audit and adjustment by those agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. In the opinion of City management, such disallowances, if any, will not be significant to the City's financial statements.

Under its wholesale power agreement dated October 1, 1975, the Utility Fund is committed to purchase its electric power and energy requirements from Municipal Electric Authority of Georgia (MEAG) for a period not exceeding fifty years. On April 8, 2004, the power sales contract with MEAG was extended an additional 25 years to a total of 50 years. The total anticipated aggregate costs for MEAG projects is payable as a power purchase cost over the contract term. The rates paid for such purchases are subject to review periodically. Participation in MEAG's Power Telecommunications Project to construct a statewide fiber optic network was approved in April, 1996. The Utility Fund's obligation share in this project (Georgia Public Web, Inc.) as approved is 2.7%. Georgia Public Web, Inc. leases, operates and maintains the Telecommunications Project which MEAG constructed and installed for the purpose of providing telecommunications capabilities to participants. As a participant and under the agreement, as amended, the Commission has elected to prepay the amount of its obligation share in respect to the Debt Service attributable to its interest in the Telecommunications Project. The Commission elected to record their unrestricted contribution as a current period intergovernmental transfer equal to the payment made in 2008 of \$675,501.

According to terms of a contract with Municipal Gas Authority of Georgia (MGAG) dated November 1, 1993, the Utility Fund is committed to purchase gas supplies for a period including the final maturity date and payment of all outstanding bonds issued to finance the Utility Fund's share of the allocated Gas Supply Realignment Cost Project. On May 1, 1996 for a term extending through May 31, 2011, a supplemental contract was approved with MGAG authorizing MGAG to issue up to \$220,000,000 in bonds with final maturity not to exceed 10 years from date of issuance. In the event all Project costs payable by MGAG are in excess of the revenues of the Authority available for the purpose of paying the same or reserve funds, the City is obligated to pay its share of such excess. The obligations of the Utility Fund to make payments to the Authority under these contracts constitute a general obligation of the City, contingent upon MGAG's inability to pay. The Utility Fund extended its contract with MGAG for the purchase of its gas supply requirements for an additional 10 years to December 31, 2025.

CITY OF FITZGERALD, GEORGIA
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The Utility Fund's participation with MEAG Power in power sales contracts requires MEAG Power to determine at the end of each power supply year, the sufficiency of the amounts paid by participants to recover MEAG Power's applicable costs for the year. Recent year-end settlements have net billings to participants exceeding actual costs, reserve requirements, and other adjustments. These settlements are finalized after the fiscal year end and the amounts received in the current year are for the previous fiscal years settlement.

The Municipal Competitive Trust was set up by MEAG Power in 1999 with the Utility Fund as a beneficiary to account for and administer the excess of net billings over actual costs allocated to each participant beneficiary. The initial deposits to the Trust were made April 1, 1999 and as of December 31, 2012, the Utility Fund's accumulated benefit in the Flexible Operating Account had grown to a balance of \$15,886,535. These funds are held in trust with the Utility Fund having the right to withdraw part or all of the funds at any time. Since the funds in this subaccount of the Trust represent a current unrestricted asset of the Utility Fund, the balance in the flexible operating account is shown as a cash equivalent item in the balance sheet of the Utility Fund. The Municipal Competitive Trust also administers other subaccounts with the Utility Fund as beneficiary, but the restrictive requirements for use negate the recognition of these subaccounts until such time as the funds are disbursed for the direct benefit of the Utility Fund to mitigate above market costs of electricity that may result from the deregulation of the electric industry in Georgia.

In June 2006, MEAG Power distributed to its participating members a proposed amendment to the terms of the Competitive Trust. The First Amendment to the terms of the Competitive Trust was approved and became effective in September, 2008. The amendment authorizes MEAG Power to apply funds from certain Competitive Trust accounts as a credit to the power sales contract billing of the Electric Utility Participants for the purpose of lowering the annual generation charges from MEAG Power during the period 2009 through 2018. Such credits were applied to offset expenses of the Commission and totaled \$1,309,129 for the year ended December 31, 2012 and \$2,253,477 for the year ended December 31, 2011. The proposed amendment also authorizes the establishment of an additional account within the Competitive Trust to permit the participating members to fund their share of the acquisition and construction costs of any future MEAG Power generation project joined by participating members.

In October, 2008, a proposed Second Amendment to the Competition Trust modified the provisions of the New Generation Capacity Funding Account to provide additional flexibility pertaining to the funding of new generation projects. If not otherwise expended, monies in the Funding Account may be withdrawn after January 1, 2037.

In August, 2009, a proposed Second Replacement Amendment to the Competition Trust and a proposed Second Alternative Amendment to the Competition Trust provide additional flexibility as to the funding of new generation projects and capacity purchases proposed by MEAG Power, the funding of the purchase of additional entitlement shares or obligation shares of existing MEAG Power projects, and for mitigation of certain bulk power supply cost increases.

If not otherwise expended, monies in the Credit Support Operating account and Reserve Funded Debt Service account may be withdrawn on or after December 31, 2018 and 2025, respectively.

On February 15, 1999, Fitzgerald Water, Light & Bond Commission, in seeking to fulfill additional capacity and energy supply needs, entered into a Combustion Turbine Power Sales Contract with MEAG. An amended and restated Combined Cycle Power Sales Contract was signed as of July 15, 2003. The contract calls for MEAG to obtain a General Electric gas-fired and steam-driven combined cycle power plant consisting of two Model PG7241 FA gas turbine units and a General Electric Model D11 steam turbine for the supplemental power needs of the participants in the project. The Utility Fund is obligated for 2.03287% of the costs associated with the project entitling the Commission to up to approximately 10,387 of subscribed kilowatts. The total anticipated aggregate costs for this project is payable as a power purchase cost over the contract term.

The Commission approved a maintenance contract with Utility Service Co. Inc. in 2000 on its five water tanks. After renovation costs, the Commission agreed to pay approximately \$49,827 per year to cover any further painting or repairs as needed. The Commission's cost was \$61,392 in 2012 and \$61,392 in 2011.

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The Commission has entered into forward contracts to purchase gas at a specified time in the future at a guaranteed price. The Commission enters into these contracts to help plan its gas costs for the year and to protect itself against an increase in the market price of the commodity. A portion of the hedging contracts was offset by identical customer directed hedging contracts with industrial customers to whom the gas was sold. Therefore, the net effect of a portion of the hedging contracts was passed along to the customers. Any contracts outstanding at December 31, 2012 were immaterial to the financial statements. Obligations to purchase gas under these contracts are not recognized until the gas is delivered.

In, 2004, Fitzgerald Water, Light & Bond Commission began construction of water and sewer service extensions to Ben Hill – Irwin Joint Development Authority's technology park known as Millennium Technology Pointe located adjacent to Wiregrass Georgia Technical College. As of December 31, 2005, the Commission had incurred costs on this project totaling over \$1.47 million. In regards to this project, the Ben Hill – Irwin County Joint Development Authority signed an agreement with the Commission stating the Authority will pay the Commission funds sufficient to equal the Commission's capital investment in the water and sewer extension for the Millennium Technology Pointe project. Also, as a part of this agreement, the four taxing governmental entities involved (City of Fitzgerald, Ga., Ben Hill County, Ga., City of Ocilla, Ga., and Irwin County, Ga.), have guaranteed the performance of the Joint Development Authority up to \$150,000 each for a total guaranty amount of \$600,000. After taking into consideration the grant monies received on this project, the Commission's net cost to complete the project exceeds \$500,000. As of December 31, 2012, no reimbursement had been received from any of the four taxing governmental entities involved and no final determination as to their liability to the Commission has been agreed to pending the receipt of any additional grant monies.

The Fitzgerald Water, Light & Bond Commission entered into a Wireless Communications' Management Agreement with Utility Service Communications Co., Inc. on March 24, 2003 to provide marketing, ongoing management and installation of all revenue generating wireless communications antennas on the Commission's water storage tanks. The Company will collect the revenue and pay the Commission 70% of the gross annual site rental receipts within 60 days following the end of each calendar year. On June 3, 2003, Utility Service Communications Co., Inc. granted permission to Alltel Communications, Inc. to install, maintain, and operate radio communications equipment (9 antennas) on the Commission's water tanks. Alltel agreed to pay a monthly fee of \$1,800 for the first year with a 4% increase for each renewal period. The term of the agreement began June 15, 2003 and continues for a period of 5 years with 4 additional 5-year renewal periods. Either party may terminate this agreement at the expiration of the initial term or at the expiration of any renewal term. In 2012, the Commission collected \$22,134 in fees for 2011. In 2011, the Commission collected \$21,283 in fees for 2010.

In addition, an amendment was made to an agreement with Utility Service Communications Co., Inc. on March 4, 2010 granting permission to Verizon Wireless of the East LP (d/b/a Verizon Wireless) to install, maintain, and operate certain radio communications equipment on a water tank of the Commission. Verizon agreed to pay a monthly fee of \$2,405 as of March 1, 2010 for the first year with a 3% increase for each renewal period. The term of this agreement initially began on August 1, 2009 and continues for a period of 5 years with 4 additional 5-year renewal periods. The Licensee may terminate this agreement at the expiration of the initial term or at the expiration of any renewal term. In 2012, the Commission collected \$21,068 in fees for 2011. In 2011, the Commission collected \$20,448 in fees for 2010.

C. Pensions

The City and the Water, Light and Bond (WL&B) Commission maintain separate defined benefit plans which cover, separately, substantially all employees of the City and the Water, Light and Bond Commission.

Insured Plans

In 2007, the City closed its single-employer defined benefit plan and began participating in the Georgia Municipal Employees Benefit System (GMEBS), an agent multiple-employer defined benefit plan. For retirees receiving benefit

CITY OF FITZGERALD, GEORGIA
Notes to the Financial Statements
December 31, 2012

payments at that time, a group annuity contract with Principal Life Insurance Company was purchased with pension plan assets under a single premium contract which guarantees payments to the retirees. In 2007, the single premium was paid and the responsibility for making payments to those retirees was effectively transferred to the insurer. No further contributions or premiums are due under the plan.

In 2011, the Fitzgerald Water, Light & Bond Commission closed its single-employer defined benefit plan and began participating in the Georgia Municipal Employees Benefit System (GMEBS), an agent multiple-employer defined benefit plan. For retirees receiving benefit payments, a group annuity contract with Principal Life Insurance Company was purchased with pension plan assets under a single premium contract which guarantees payments to the retirees. In 2011, the single premium was paid and the obligation for benefit payments to those retirees was effectively transferred to the insurer. No further contributions or premiums are due under the plan.

City of Fitzgerald Retirement Plan

The City participates in the Georgia Municipal Employees Benefit System (GMEBS), an agent multiple-employer defined benefit plan. The City's participation in the plan, benefit provisions, and other requirements are established by City ordinance. GMEBS issues a financial report that may be obtained by writing to Georgia Municipal Employees Benefit System, 201 Pryor Street SW, Atlanta, Georgia 30303.

Funding Policy

Employees are not required to contribute to the Plan. The Board of Trustees of GMEBS has adopted an actuarial funding policy for determination of annual required contributions to minimize fluctuations in annual contribution amounts and to accumulate sufficient funds to secure benefits under the plan. The Plan is subject to minimum funding standards of the Public Retirement Systems Standards Law (Georgia Code Section 47-20-10). Annual contributions made in accordance with the funding policy, which requires a different funding level, will meet the minimum funding standards. The City's current required contribution rate is 13.00% of annual covered payroll. The contribution requirements of employees and the City are established by City ordinance.

Annual Pension Cost

For 2012, the City's annual pension cost of \$449,869 was equal to the City's required and actual contributions. For 2013, the City's annual required contribution is \$391,653.

Three Year Trend Information

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/2010	\$ 485,059	100 %	\$ --
12/31/2011	451,062	100	--
12/31/2012	449,869	100	--

Funded Status and Funding Progress

As of July 1, 2012, the most recent actuarial valuation date, the plan was 85.6% funded. The actuarial accrued liability for benefits was \$8,319,327, and the actuarial value of assets was \$7,118,650, resulting in an unfunded actuarial accrued liability (UAAL) of \$1,200,677. The covered payroll (annual payroll of active employees covered by the plan) was \$3,573,653, and the ratio of the UAAL to the covered payroll was 33.6%.

CITY OF FITZGERALD, GEORGIA
Notes to the Financial Statements
December 31, 2012

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Actuarial Methods and Assumptions

The required contribution for 2012 was determined as part of the July 1, 2011, actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included (a) 7.75% investment rate of return, (b) inflation of 3.5%, and (c) projected salary increases based on the following schedule:

<u>Years 1 - 5</u>		<u>Subsequent Years</u>	
<u>Year of Service</u>	<u>Salary Increase</u>	<u>Age</u>	<u>Salary Increase</u>
1	11.00 %	20	6.00 %
2	7.00 %	25	6.00 %
3	6.50 %	30	5.67 %
4	6.25 %	35	5.33 %
5	6.00 %	40	5.00 %
		45	4.83 %
		50	4.67 %
		55	4.50 %
		60	4.00 %

The actuarial value of assets was determined using techniques that smooth the effect of random variations in financial market values of investments. The value of assets is the sum of the actuarial value at the beginning of the year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at the end of the year. The actuarial value is adjusted, if necessary, to be within 32% of market value. The unfunded actuarial accrued liability is being amortized as a closed level dollar amount. The net effective amortization period remaining at July 1, 2012, was 16 years.

Fitzgerald Water, Light & Bond Commission Retirement Plan

The Fitzgerald Water, Light & Bond Commission participates in the Georgia Municipal Employees Benefit System (GMEBS), an agent multiple-employer defined benefit plan. Prior to 2011, the Retirement Plan assets were held as a single-employer defined benefit plan funded through Principal Mutual Life Insurance Company. In April 2011, funds were transferred from Principal Mutual Life Insurance Company to GMEBS effectively transferring pension assets and pension liability for current employees into GMEBS. All full-time employees of the WL&B Commission, who have not attained age 60 on their employment commencement date and have completed two years of service before entry date, are eligible to participate in the plan. The Commission's participation in the plan, benefit provisions, and other requirements are established by governing board approval. GMEBS issues a financial report that may be obtained by writing to Georgia Municipal Employees Benefit System, 201 Pryor Street SW, Atlanta, Georgia 30303.

Funding Policy

Employees are not required to contribute to the Plan. The Board of Trustees of GMEBS has adopted an actuarial funding policy for determination of annual required contributions to minimize fluctuations in annual contribution amounts and to accumulate sufficient funds to secure benefits under the plan. The Plan is subject to minimum funding standards of the Public Retirement Systems Standards Law (Georgia Code Section 47-20-10). Annual contributions made in accordance with the funding policy, which requires a different funding level, will meet the minimum funding standards. The Commission's current required contribution rate is 14.62% of annual covered payroll. The contribution requirements of employees and the Commission are established by governing board approval.

CITY OF FITZGERALD, GEORGIA
Notes to the Financial Statements
December 31, 2012

Annual Pension Cost

For 2012, the Commission's annual pension cost of \$381,289 was equal to the Commission's required and actual contributions. For 2013, the Commission's annual required contribution is \$365,878.

Three Year Trend Information

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/2012	\$ 381,289	100 %	\$ --

Funded Status and Funding Progress

As of July 1, 2012, the most recent actuarial valuation date, the plan was 61.5% funded. The actuarial accrued liability for benefits was \$4,797,791, and the actuarial value of assets was \$2,948,423, resulting in an unfunded actuarial accrued liability (UAAL) of \$1,849,368. The covered payroll (annual payroll of active employees covered by the plan) was \$2,559,549, and the ratio of the UAAL to the covered payroll was 72.3%.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Actuarial Methods and Assumptions

The required contribution for 2012 was determined as part of the July 1, 2011, actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included (a) 7.75% investment rate of return, (b) inflation of 3.5%, and (c) projected salary increases based on the following schedule:

Years 1 - 5		Subsequent Years	
Year of Service	Salary Increase	Age	Salary Increase
1	11.00 %	20	6.00 %
2	7.00 %	25	6.00 %
3	6.50 %	30	5.67 %
4	6.25 %	35	5.33 %
5	6.00 %	40	5.00 %
		45	4.83 %
		50	4.67 %
		55	4.50 %
		60	4.00 %

The actuarial value of assets was determined using techniques that smooth the effect of random variations in financial market values of investments. The value of assets is the sum of the actuarial value at the beginning of the year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at the end of the year. The actuarial value is adjusted, if necessary, to be within 32% of market value. The unfunded actuarial accrued liability is being amortized as a closed level dollar amount. The net effective amortization period remaining at July 1, 2012, was 30 years.

CITY OF FITZGERALD, GEORGIA
Notes to the Financial Statements
December 31, 2012

D. Post Retirement Healthcare Plan

The Fitzgerald Water, Light, and Bond Commission provides post retirement healthcare benefits to its employees on a pay-as-you-go accounting basis. The Plan is a single-employer defined benefit plan. All full-time Commission employees, retiring on or after age 65 with 10 years of service and receiving a pension from the Water, Light, and Bond Commission Retirement Plan, or disabled former employees, are eligible to participate in the plan. The benefit provisions, employee eligibility requirements, and employer obligations to contribute to the Plan are established by the governing board. The Plan does not issue a stand-alone financial report but rather is disclosed as part of the Water, Light, and Bond Commission’s financial report.

Funding Policy

Employees are not required to contribute to the Plan. The Commission contributes amounts sufficient to fund premiums for Medicare Supplement insurance and Medicare Part D drug insurance coverage for each retired former eligible employee. The annual per capita Medicare Supplement claims cost for the year beginning July 1, 2012 was assumed to be \$2,210 for retirees and disabled retirees. The annual per capita Medicare Part D reimbursement claims cost was assumed to be \$365. The Pre-Medicare cost for medical and prescription drugs was assumed to be \$6,632 and the Pre-Medicare cost for dental and vision was assumed to be \$423. The Plan is financed on a pay-as-you-go basis.

Annual OPEB Cost and Net OPEB Obligation

The Commission’s annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (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 accrued liabilities (or funding excess) over a period not to exceed 30 years.

Membership of the plan is as follows:

Active Participants	74
Inactive Participants	0
Retired Participants	<u>15</u>
	<u>89</u>

The following table shows the components of the Commission’s annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Commission’s net OPEB obligation to the plan.

Annual Required Contribution (ARC)	\$ 202,973
Interest On Net OPEB Obligation	22,310
Adjustment To ARC	<u>(33,554)</u>
Annual OPEB Cost	191,729
Contributions Made	<u>(32,949)</u>
Increase (Decrease) In Net OPEB Obligation	158,780
Net OPEB Obligation Beginning Of Year	<u>557,743</u>
Net OPEB Obligation End Of Year	<u>\$ 716,523</u>

CITY OF FITZGERALD, GEORGIA
Notes to the Financial Statements
December 31, 2012

The Commission's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2012 and the two preceding years were as follows:

Three Year Trend Information

Fiscal Year Ending	Annual OPEB Cost	Percentage of OPEB Cost	Net OPEB Obligation
12/31/2010	\$ 214,995	16 %	\$ 377,448
12/31/2011	214,995	16	557,743
12/31/2012	191,729	17	716,523

Funded Status and Funding Progress

As of July 1, 2012, the most recent actuarial valuation date, the plan was 0.0% funded. The actuarial accrued liability for benefits was \$1,952,350, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$1,952,350. The covered payroll (annual payroll of active employees covered by the plan) was \$2,514,757, and the ratio of the UAAL to the covered payroll was 77.6%.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future, and the actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

Calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of the valuation and on the pattern of sharing costs between the employer and plan members. The projection of benefits does not incorporate the potential effect of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future. Actuarial calculations reflect long-term perspective, and the methods and assumptions use techniques designed to reduce short term volatility in accrued liabilities and the actuarial value of assets, if any.

The annual Plan cost and annual required contribution were determined as part of an actuarial valuation performed using the unit credit method as of July 1, 2012. The actuarial assumptions include a 4% investment rate of return, inflation of 3%, and projected salary increases of 3.5%. The health care trend rates shown below are "net" and are applied to the net per capita costs. The trend shown for a particular plan year is the rate that must be applied to that year's cost to yield the next year's projected cost.

Year Ending	Medicare Part D Reimbursement	Medicare Supplemental	Pre-Medicare Medical & Drug	Pre-Medicare Dental & Vision
6/30/2013	5.5 %	7.0 %	7.5 %	5.0 %
6/30/2014	5.0 %	6.5 %	7.0 %	5.0 %
6/30/2015	4.5 %	6.0 %	6.5 %	5.0 %
6/30/2016	4.0 %	5.5 %	6.0 %	5.0 %
6/30/2017	4.0 %	5.0 %	5.5 %	5.0 %
6/30/2018	4.0 %	5.0 %	5.0 %	5.0 %
Thereafter	4.0 %	5.0 %	5.0 %	5.0 %

CITY OF FITZGERALD, GEORGIA
Notes to the Financial Statements
December 31, 2012

The UAAL is being amortized using the level dollar method on a closed basis. The remaining amortization period at January 1, 2012, was 26 years.

Fitzgerald Water, Light, and Bond Commission implemented GASB No. 45 prospectively in 2008, the transition year for implementing GASB No. 45.

E. Related Organizations

Related organizations are excluded from the financial reporting entity because the City's accountability does not extend beyond making appointments. Related organizations are described as follows:

Fitzgerald-Ben Hill County Library - The Fitzgerald-Ben Hill County Library administers the library and its facilities. The City Council is responsible for appointing a majority of the Library's Board. However, the City's accountability for this organization does not extend beyond making the appointments.

Fitzgerald Housing Authority - The Fitzgerald Housing Authority administers Federal funding and/or other financing for improvement of housing conditions in the City. The five citizens who serve as the Governing Board are appointed by the Mayor and approved by the City Council. The City has no significant influence over management, budget, or policies of the Authority. The Authority reports independently.

F. Joint Ventures

Under Georgia law, the City, in conjunction with other cities and counties in the South Georgia area, is a member of the Southern Georgia Regional Commission and is required to pay annual dues thereto. During its year ended December 31, 2012, the City paid \$11,033 in such dues. Membership in a regional commission is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the regional commission in Georgia. The regional commission board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that member governments are liable for any debts or obligations of a regional commission. Separate financial statements may be obtained from:

Southern Georgia Regional Commission
327 West Savannah Ave.
Valdosta, Georgia 31601

The City participates equally with three area governments in the Ben Hill-Irwin Area Joint Development Authority. The Authority is a special-purpose corporation organized to create and foster an economic climate in Ben Hill and Irwin counties conducive to the growth and development of trade, commerce, industry, and employment opportunities. The City does not appoint the voting majority of the Authority's Board of Directors. The City is financially obligated for its twenty five percent share of the debt of the Joint Development Authority which amounted to \$262,629 at December 31, 2012. The Authority has completed its building phase and is currently seeking tenants. Separate financial statements may be obtained from:

Fitzgerald-Ben Hill County Chamber of Commerce
805 South Grant Street
Fitzgerald, Georgia 31750

G. Restatement of 2011 Net Position

In conformity with GAAP, as set forth in the Statement of Governmental Accounting Standards No. 65, "Items Previously Recognized as Assets and Liabilities," 2011 Government-wide net position has been restated for Governmental activities to record the effects of removing unamortized bond issue costs from the statement of net position and treating them as if they had been expensed in the year incurred.

CITY OF FITZGERALD, GEORGIA
Notes to the Financial Statements
December 31, 2012

These restatements affected the beginning net position in the government-wide statements as follows:

	Governmental Activities
2011 Net Position, as previously reported	<u>\$ 42,368,529</u>
Effect of removing unamortized issue costs from the Statement of Position	<u>(9,615)</u>
2011 Net Position, as restated	<u><u>\$ 42,358,914</u></u>

**REQUIRED SUPPLEMENTARY
INFORMATION**

CITY OF FITZGERALD, GEORGIA

General Fund

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2012**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 3,785,062	\$ 3,785,062	\$ 3,467,411	\$ (317,651)
Licenses and Permits	23,700	23,700	11,814	(11,886)
Intergovernmental	323,119	323,119	365,811	42,692
Charges for Services	1,856,700	1,856,700	1,971,382	114,682
Fines and Forfeitures	190,500	190,500	134,664	(55,836)
Interest Revenue	10,000	10,000	1,965	(8,035)
Contributions and Donations	--	--	3,500	3,500
Miscellaneous	104,200	104,200	102,721	(1,479)
Total Revenues	<u>6,293,281</u>	<u>6,293,281</u>	<u>6,059,268</u>	<u>(234,013)</u>
EXPENDITURES				
Legislative	100,500	100,500	106,079	(5,579)
Executive	126,759	126,759	126,987	(228)
Elections	5,000	5,000	--	5,000
Financial Administration	510,001	510,001	464,477	45,524
Government Buildings	69,030	69,030	56,860	12,170
Police	1,843,999	1,843,999	1,736,038	107,961
Custody of Prisoners	85,000	85,000	78,750	6,250
Fire	1,222,026	1,222,026	1,164,613	57,413
Animal Control	118,982	118,982	111,710	7,272
Highways and Streets	710,055	710,055	593,040	117,015
Sanitation	956,946	956,946	820,588	136,358
Public Works Shop	152,556	152,556	113,143	39,413
Cemetery	181,157	181,157	170,588	10,569
Welfare/Charity	500	500	200	300
Recreation	517,064	517,064	480,922	36,142
Participant Recreation	63,700	63,700	58,111	5,589
Swimming Pools	7,200	7,200	10,855	(3,655)
Sports Facilities	35,500	35,500	42,447	(6,947)
Museums	34,679	34,679	26,416	8,263
Grand Theatre	165,775	165,775	162,092	3,683
The Carnegie Center	5,000	5,000	3,638	1,362
Parks	149,941	149,941	123,651	26,290
Library	131,800	131,800	131,800	--
Building Inspections	60,715	60,715	55,717	4,998
Urban Development and Housing	151,032	151,032	170,604	(19,572)
Code Enforcement	53,159	53,159	51,978	1,181
Tourism	118,242	118,242	108,829	9,413
Community Action Programs	3,600	3,600	3,600	--
Capital Outlay-Furniture and Fixtures	2,500	2,500	3,439	(939)
Capital Outlay-Buildings	--	--	20,900	(20,900)
Capital Outlay-Machinery	27,890	27,890	45,849	(17,959)
Capital Outlay-Vehicles	187,900	187,900	406,438	(218,538)
Capital Outlay-Other Equipment	96,015	96,015	66,000	30,015
Debt Service	117,482	117,482	100,978	16,504
Total Expenditures	<u>8,011,705</u>	<u>8,011,705</u>	<u>7,617,337</u>	<u>394,368</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,718,424)</u>	<u>(1,718,424)</u>	<u>(1,558,069)</u>	<u>160,355</u>

CITY OF FITZGERALD, GEORGIA

General Fund

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2012**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
OTHER FINANCING SOURCES (USES)				
Transfers In				
Utility Enterprise Fund	1,650,000	1,650,000	1,505,398	(144,602)
Industrial Development and Promotion Special Revenue F	(110,000)	(110,000)	--	110,000
Airport Enterprise Fund	(39,476)	(39,476)	(39,476)	--
Proceeds of Capital Asset Dispositions	30,000	30,000	25,614	(4,386)
Capital Leases	187,900	187,900	407,714	219,814
Total Other Financing Sources (Uses)	<u>1,718,424</u>	<u>1,718,424</u>	<u>1,899,250</u>	<u>180,826</u>
Net Change in Fund Balances	--	--	341,181	341,181
Fund Balances - Beginning	16,056	16,056	16,056	--
Fund Balances - Ending	<u>\$ 16,056</u>	<u>\$ 16,056</u>	<u>\$ 357,237</u>	<u>\$ 341,181</u>

CITY OF FITZGERALD, GEORGIA
City of Fitzgerald Pension Plan
Schedule of Funding Progress
December 31, 2012

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a % of Covered Payroll</u>
7/1/2008	\$ 4,513,681	\$ 5,879,777	\$ 1,366,096	76.8 %	\$ 3,274,428	41.7 %
7/1/2009	4,307,392	6,575,679	2,268,287	65.5	3,499,075	64.8
7/1/2010	5,644,672	7,222,922	1,578,250	78.1	3,631,071	43.5
7/1/2011	6,375,092	7,880,086	1,504,994	80.9	3,693,953	40.7
7/1/2012	7,118,650	8,319,327	1,200,677	85.6	3,573,653	33.6

CITY OF FITZGERALD, GEORGIA
Fitzgerald Water, Light & Bond Commission Retirement Plan
Schedule of Funding Progress
December 31, 2012

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a % of Covered Payroll</u>
7/1/2011	\$ 2,629,246	\$ 4,727,347	\$ 2,098,101	55.6 %	\$ 2,562,885	81.9 %
7/1/2012	2,948,423	4,797,791	1,849,368	61.5	2,559,549	72.3

CITY OF FITZGERALD, GEORGIA

Fitzgerald Water, Light & Bond Commission Post Retirement Healthcare Plan

Schedule of Funding Progress

December 31, 2012

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a % of Covered Payroll</u>
1/1/2008	\$ --	\$ 1,414,088	\$ 1,414,088	-- %	\$ 1,901,122	74.4 %
7/1/2010	--	2,286,540	2,286,540	--	2,112,552	108.2
7/1/2012	--	1,952,350	1,952,350	--	2,514,757	77.6

CITY OF FITZGERALD, GEORGIA
Notes to the Required Supplementary Information
December 31, 2012

A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. The presentation of expenditures reported in the General Fund *Schedule Of Revenues, Expenditures, & Changes In Fund Balances – Budget & Actual* differs from the *Statement Of Revenues, Expenditures, & Changes In Fund Balance – Governmental Funds* due to the functional classification of certain expenditures. The following schedule presents a reconciliation of those amounts.

	Budget Schedule	Reconciliation	Governmental Fund Statement
EXPENDITURES			
Current			
General Government	\$ 754,403	\$ --	\$ 754,403
Public Safety			
Police	1,736,038	--	1,736,038
Custody of Prisoners	78,750	--	78,750
Fire	1,164,613	--	1,164,613
Animal Control	111,710	(37,954)	73,756
	<u>3,091,111</u>	<u>(37,954)</u>	<u>3,053,157</u>
Public Works	1,697,359	--	1,697,359
Health and Welfare	200	--	200
Culture and Recreation			
Recreation	480,922	--	480,922
Participant Recreation	58,111	--	58,111
Swimming Pools	10,855	--	10,855
Sports Facilities	42,447	--	42,447
Museums	26,416	(875)	25,541
Grand Theatre	162,092	--	162,092
The Carnegie Center	3,638	--	3,638
Parks	123,651	--	123,651
Library	131,800	--	131,800
	<u>1,039,932</u>	<u>(875)</u>	<u>1,039,057</u>
Housing and Development	390,728	--	390,728
Capital Outlay	542,626	875	543,501
Debt Service	100,978	--	100,978
Total Expenditures	<u>7,617,337</u>	<u>(37,954)</u>	<u>7,579,383</u>
OTHER FINANCING SOURCES (USES)			
Transfers Out	39,476	37,954	77,430
Total	<u>\$ 7,656,813</u>	<u>\$ --</u>	<u>\$ 7,656,813</u>

**COMBINING AND INDIVIDUAL FUND
STATEMENTS**

Major Governmental Funds

General Fund

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

CITY OF FITZGERALD, GEORGIA
General Fund
Balance Sheet
December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
ASSETS		
Cash and Cash Equivalents	\$ 575,813	\$ 393,890
Receivables (Net of Allowance for Uncollectibles)		
Taxes	279,638	318,801
Accounts	36,510	14,742
Intergovernmental	107,483	110,736
Due from Other Funds		
Family Connection Special Revenue Fund	10,000	12,788
Monitor Enrichment Special Revenue Fund	--	4,936
Humane Society Special Revenue Fund	--	503
Utility Enterprise Fund	222,625	223,839
Landfill Enterprise Fund	4,663	3,425
Airport Enterprise Fund	281	743
Total Assets	<u>\$ 1,237,013</u>	<u>\$ 1,084,403</u>
LIABILITIES		
Accounts Payable	\$ 98,827	\$ 101,473
Accrued Liabilities	226,543	215,792
Intergovernmental Payable	--	2,401
Due to Other Funds		
Industrial Development and Promotion Special Revenue Fund	237,035	237,035
Police Technology Special Revenue Fund	190	401
SPLOST Capital Projects Fund	1,855	--
SPLOST 2011 Capital Projects Fund	4,000	--
Landfill Enterprise Fund	75,000	--
Other Current Liabilities	22,549	39,306
Advances from Other Funds		
Landfill Enterprise Fund	--	228,528
Total Liabilities	<u>665,999</u>	<u>824,936</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenue		
Property Taxes	213,777	243,411
Total Deferred Inflows of Resources	<u>213,777</u>	<u>243,411</u>
FUND BALANCES		
Unassigned	357,237	16,056
Total Fund Balances	<u>357,237</u>	<u>16,056</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,237,013</u>	<u>\$ 1,084,403</u>

CITY OF FITZGERALD, GEORGIA

General Fund

**Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Years Ended December 31, 2012 and 2011**

	<u>2012</u>	<u>2011</u>
REVENUES		
Taxes	\$ 3,467,411	\$ 3,368,657
Licenses and Permits	11,814	13,131
Intergovernmental	365,811	347,896
Charges for Services	1,971,382	1,859,736
Fines and Forfeitures	134,664	116,493
Interest Revenue	1,965	4,201
Contributions and Donations	3,500	--
Miscellaneous	102,721	104,378
Total Revenues	<u>6,059,268</u>	<u>5,814,492</u>
EXPENDITURES		
Current		
General Government	754,403	804,129
Public Safety	3,053,157	3,138,916
Public Works	1,697,359	1,888,132
Health and Welfare	200	500
Culture and Recreation	1,039,057	1,095,858
Housing and Development	390,728	388,637
Capital Outlay	543,501	103,662
Debt Service	100,978	131,003
Total Expenditures	<u>7,579,383</u>	<u>7,550,837</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,520,115)</u>	<u>(1,736,345)</u>
OTHER FINANCING SOURCES (USES)		
Transfers In		
Utility Enterprise Fund	1,505,398	1,600,034
Transfers Out		
Monitor Enrichment Special Revenue Fund	--	(2,500)
Humane Society Special Revenue Fund	(37,954)	(38,476)
Recreation Capital Improvement Special Revenue Fund	--	(22,420)
SPLOST Capital Projects Fund	--	(10,725)
Grand Theatre Special Revenue Fund	--	(3,303)
Police Technology Special Revenue Fund	--	(4,136)
Airport Enterprise Fund	(39,476)	(56,485)
Proceeds of Capital Asset Dispositions	25,614	--
Capital Leases	407,714	47,473
Total Other Financing Sources (Uses)	<u>1,861,296</u>	<u>1,509,462</u>
Net Change in Fund Balances	<u>341,181</u>	<u>(226,883)</u>
Fund Balances - Beginning	16,056	242,939
Fund Balances - Ending	<u>\$ 357,237</u>	<u>\$ 16,056</u>

Nonmajor Governmental Funds

Special Revenue Funds

Special revenue 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.

Police Technology Fund - This fund is used to account for fines collected through the imposition of a technology surcharge.

Community Home Investment Fund - This fund is used to account for grant funds received for the purpose of rehabilitating low to moderate income housing to meet HUD Housing Quality Standards.

NSP Program Fund - This fund is used to account for grant funds received for the purpose of redevelopment including financing, purchasing and rehabilitating homes, and demolishing blighted structures.

Hotel/Motel Tax Fund - This fund is used to account for the excise tax imposed on motels for the purpose of promoting, attracting, stimulating, and developing tourism in the City.

Tourism And Convention - This fund is used to account for promotion of tourism, conventions, and trade for the City of Fitzgerald.

Humane Society Fund - This fund is used to account for the operations of the city animal shelter.

Monitor Enrichment Fund - This fund is used to account for grant funds received for conducting early childhood and school-age care programs.

Grand Theatre Fund - This fund is used to account for the operations of the Grand Theatre.

Recreation Capital Improvement Fund - This fund is used to account for the City's recreation equipment needs funded by donations.

Industrial Development & Promotion Fund - This fund is used to account for tax revenue levied for the purpose of attracting and maintaining industry.

Community Development Fund - This fund is used to account for grant funds received for the purpose of establishing a revolving loan program to assist local industry and businesses.

Family Connection Fund - This fund is used to account for grant funds received for the purpose of providing services which improve the lives of children and families through community-based collaboration and planning.

Capital Projects Funds

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

SPLOST Fund - This fund is used to account for the City's share of the County one-percent Special Purpose Local Option Sales Tax in effect from July 1, 2005 to June 30, 2011.

SPLOST 2011 Fund - This fund is used to account for the City's share of the County one-percent Special Purpose Local Option Sales Tax in effect from July 1, 2011 to June 30, 2017.

Civil War Heritage Trail Fund - This fund is used to account for road improvements funded by grants and matching funds from various other governments.

CITY OF FITZGERALD, GEORGIA
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2012

	Special Revenue Funds							
	Police Technology	Community Home Investment	NSP Program	Hotel/Motel Tax	Tourism & Convention	Humane Society	Monitor Enrichment	Grand Theatre
ASSETS								
Cash and Cash Equivalents	\$ 2,274	\$ 10,535	\$ 29,701	\$ 8,263	\$ 7,103	\$ 32,578	\$ 3,101	\$ 13,624
Receivables (Net of Allowance for Uncollectibles)	--	108,003	--	2,563	--	--	--	--
Due from Other Funds	190	--	--	--	--	--	--	--
Due from Component Unit	--	--	--	--	--	--	--	--
Total Assets	<u>\$ 2,464</u>	<u>\$ 118,538</u>	<u>\$ 29,701</u>	<u>\$ 10,826</u>	<u>\$ 7,103</u>	<u>\$ 32,578</u>	<u>\$ 3,101</u>	<u>\$ 13,624</u>
LIABILITIES								
Accounts Payable	--	--	21,063	--	326	1,063	461	--
Accrued Liabilities	--	--	--	--	--	1,568	967	--
Intergovernmental Payable	--	--	--	--	--	--	--	--
Due to Other Funds	--	--	3,969	--	--	--	--	--
Other Current Liabilities	--	--	--	--	--	--	--	--
Total Liabilities	<u>--</u>	<u>--</u>	<u>25,032</u>	<u>--</u>	<u>326</u>	<u>2,631</u>	<u>1,428</u>	<u>--</u>
DEFERRED INFLOWS OF RESOURCES								
Unavailable Revenue								
Property Taxes	--	--	--	--	--	--	--	--
Development and Redevelopment Property	--	108,003	--	--	--	--	--	--
Total Deferred Inflows of Resources	<u>--</u>	<u>108,003</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
FUND BALANCES								
Restricted	2,464	--	--	--	--	--	--	--
Assigned	--	10,535	4,669	10,826	6,777	29,947	1,673	13,624
Unassigned	--	--	--	--	--	--	--	--
Total Fund Balances	<u>2,464</u>	<u>10,535</u>	<u>4,669</u>	<u>10,826</u>	<u>6,777</u>	<u>29,947</u>	<u>1,673</u>	<u>13,624</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 2,464</u>	<u>\$ 118,538</u>	<u>\$ 29,701</u>	<u>\$ 10,826</u>	<u>\$ 7,103</u>	<u>\$ 32,578</u>	<u>\$ 3,101</u>	<u>\$ 13,624</u>

Recreation Capital Improvement	Industrial Development & Promotion	Community Development	Family Connection	Total	Capital Projects Funds				Total Nonmajor Governmental Funds
					SPLOST	SPLOST 2011	Civil War Heritage Trail	Total	
\$ 23,044	\$ 337,450	\$ 286	\$ 699	\$ 468,658	\$ 885,534	\$ 1,018,607	\$ 9,043	\$ 1,913,184	\$ 2,381,842
227	30,088	46,081	9,322	196,284	2,589	202,384	--	204,973	401,257
--	237,035	3,969	--	241,194	1,928	4,000	--	5,928	247,122
--	50,000	--	--	50,000	--	--	--	--	50,000
<u>\$ 23,271</u>	<u>\$ 654,573</u>	<u>\$ 50,336</u>	<u>\$ 10,021</u>	<u>\$ 956,136</u>	<u>\$ 890,051</u>	<u>\$ 1,224,991</u>	<u>\$ 9,043</u>	<u>\$ 2,124,085</u>	<u>\$ 3,080,221</u>
--	--	418	--	23,331	4,746	3,385	--	8,131	31,462
--	--	--	1,221	3,756	--	--	--	--	3,756
--	909	--	--	909	--	--	--	--	909
--	--	--	10,000	13,969	--	--	--	--	13,969
--	--	6,158	--	6,158	--	--	--	--	6,158
--	909	6,576	11,221	48,123	4,746	3,385	--	8,131	56,254
--	24,579	--	--	24,579	--	--	--	--	24,579
--	--	46,081	--	154,084	--	--	--	--	154,084
--	24,579	46,081	--	178,663	--	--	--	--	178,663
--	--	--	--	2,464	885,305	1,221,606	--	2,106,911	2,109,375
23,271	629,085	--	--	730,407	--	--	9,043	9,043	739,450
--	--	(2,321)	(1,200)	(3,521)	--	--	--	--	(3,521)
<u>23,271</u>	<u>629,085</u>	<u>(2,321)</u>	<u>(1,200)</u>	<u>729,350</u>	<u>885,305</u>	<u>1,221,606</u>	<u>9,043</u>	<u>2,115,954</u>	<u>2,845,304</u>
<u>\$ 23,271</u>	<u>\$ 654,573</u>	<u>\$ 50,336</u>	<u>\$ 10,021</u>	<u>\$ 956,136</u>	<u>\$ 890,051</u>	<u>\$ 1,224,991</u>	<u>\$ 9,043</u>	<u>\$ 2,124,085</u>	<u>\$ 3,080,221</u>

CITY OF FITZGERALD, GEORGIA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
December 31, 2012

	Special Revenue Funds							
	Police Technology	Community Home Investment	NSP Program	Hotel/Motel Tax	Tourism & Convention	Humane Society	Monitor Enrichment	Grand Theatre
REVENUES								
Taxes	\$ --	\$ --	\$ --	\$ 36,221	\$ --	\$ --	\$ --	\$ --
Intergovernmental	--	63,332	36,497	--	--	37,954	39,214	--
Charges for Services	--	--	133,896	25	76	12,086	5,801	--
Fines and Forfeitures	5,203	--	--	--	--	--	--	--
Interest Revenue	--	398	2	8	10	34	--	8
Contributions and Donations	--	--	--	--	--	4,084	7,432	--
Miscellaneous	--	--	3,584	--	94	--	--	--
Total Revenues	<u>5,203</u>	<u>63,730</u>	<u>173,979</u>	<u>36,254</u>	<u>180</u>	<u>54,158</u>	<u>52,447</u>	<u>8</u>
EXPENDITURES								
Current								
Public Safety	2,383	--	--	--	--	83,484	--	--
Health and Welfare	--	--	--	--	--	--	--	--
Culture and Recreation	--	--	--	--	--	--	--	10,594
Housing and Development	--	71,192	142,511	5	32,126	--	48,926	--
Capital Outlay	4,406	--	--	--	700	799	--	799
Debt Service	--	--	--	--	--	--	1,013	--
Total Expenditures	<u>6,789</u>	<u>71,192</u>	<u>142,511</u>	<u>5</u>	<u>32,826</u>	<u>84,283</u>	<u>49,939</u>	<u>11,393</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,586)	(7,462)	31,468	36,249	(32,646)	(30,125)	2,508	(11,385)
OTHER FINANCING SOURCES (USES)								
Transfers In	--	--	--	--	33,000	37,954	598	3,882
Transfers Out	--	--	--	(33,000)	--	--	--	--
Proceeds of Capital Asset Dispositions	--	17,997	--	--	--	--	--	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>17,997</u>	<u>--</u>	<u>(33,000)</u>	<u>33,000</u>	<u>37,954</u>	<u>598</u>	<u>3,882</u>
Net Change in Fund Balances	(1,586)	10,535	31,468	3,249	354	7,829	3,106	(7,503)
Fund Balances - Beginning	4,050	--	(26,799)	7,577	6,423	22,118	(1,433)	21,127
Fund Balances - Ending	<u>\$ 2,464</u>	<u>\$ 10,535</u>	<u>\$ 4,669</u>	<u>\$ 10,826</u>	<u>\$ 6,777</u>	<u>\$ 29,947</u>	<u>\$ 1,673</u>	<u>\$ 13,624</u>

Recreation Capital Improvement	Industrial Development & Promotion	Community Development	Family Connection	Total	Capital Projects Funds				Total Nonmajor Governmental Funds
					SPLOST	SPLOST 2011	Civil War Heritage Trail	Total	
\$ --	\$ 142,682	\$ --	\$ --	\$ 178,903	\$ --	\$ --	\$ --	\$ --	\$ 178,903
--	--	--	41,865	218,862	--	1,460,267	--	1,460,267	1,679,129
--	--	20,030	--	171,914	--	--	--	--	171,914
--	--	--	--	5,203	--	--	--	--	5,203
192	1,017	1,542	--	3,211	7,310	2,434	256	10,000	13,211
--	--	--	--	11,516	--	--	--	--	11,516
--	100	10,913	44	14,735	--	--	--	--	14,735
<u>192</u>	<u>143,799</u>	<u>32,485</u>	<u>41,909</u>	<u>604,344</u>	<u>7,310</u>	<u>1,462,701</u>	<u>256</u>	<u>1,470,267</u>	<u>2,074,611</u>
--	--	--	--	85,867	--	--	--	--	85,867
--	--	--	42,118	42,118	--	--	--	--	42,118
2,443	--	--	--	13,037	--	--	--	--	13,037
--	38,433	59,195	--	392,388	--	17,915	--	17,915	410,303
29,127	--	--	--	35,831	84,102	248,360	68,419	400,881	436,712
--	--	--	--	1,013	42,841	323,098	--	365,939	366,952
<u>31,570</u>	<u>38,433</u>	<u>59,195</u>	<u>42,118</u>	<u>570,254</u>	<u>126,943</u>	<u>589,373</u>	<u>68,419</u>	<u>784,735</u>	<u>1,354,989</u>
<u>(31,378)</u>	<u>105,366</u>	<u>(26,710)</u>	<u>(209)</u>	<u>34,090</u>	<u>(119,633)</u>	<u>873,328</u>	<u>(68,163)</u>	<u>685,532</u>	<u>719,622</u>
--	--	--	--	75,434	--	--	--	--	75,434
--	--	--	(598)	(33,598)	--	(3,882)	--	(3,882)	(37,480)
603	--	--	--	18,600	--	--	--	--	18,600
603	--	--	(598)	60,436	--	(3,882)	--	(3,882)	56,554
(30,775)	105,366	(26,710)	(807)	94,526	(119,633)	869,446	(68,163)	681,650	776,176
54,046	523,719	24,389	(393)	634,824	1,004,938	352,160	77,206	1,434,304	2,069,128
<u>\$ 23,271</u>	<u>\$ 629,085</u>	<u>\$ (2,321)</u>	<u>\$ (1,200)</u>	<u>\$ 729,350</u>	<u>\$ 885,305</u>	<u>\$ 1,221,606</u>	<u>\$ 9,043</u>	<u>\$ 2,115,954</u>	<u>\$ 2,845,304</u>

CITY OF FITZGERALD, GEORGIA
Police Technology Special Revenue Fund
Balance Sheet
December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
ASSETS		
Cash and Cash Equivalents	\$ 2,274	\$ 3,649
Due from Other Funds		
General Fund	190	401
Total Assets	<u>\$ 2,464</u>	<u>\$ 4,050</u>
FUND BALANCES		
Restricted	\$ 2,464	\$ 4,050
Total Fund Balances	<u>\$ 2,464</u>	<u>\$ 4,050</u>

CITY OF FITZGERALD, GEORGIA
Police Technology Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Years Ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
REVENUES		
Fines and Forfeitures	\$ 5,203	\$ 4,624
Total Revenues	<u>5,203</u>	<u>4,624</u>
EXPENDITURES		
Current		
Public Safety	2,383	440
Capital Outlay		
Capital Outlay-Other Equipment	4,406	6,389
Total Expenditures	<u>6,789</u>	<u>6,829</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,586)</u>	<u>(2,205)</u>
OTHER FINANCING SOURCES (USES)		
Transfers In		
General Fund	--	4,136
Total Other Financing Sources (Uses)	<u>--</u>	<u>4,136</u>
Net Change in Fund Balances	(1,586)	1,931
Fund Balances - Beginning	4,050	2,119
Fund Balances - Ending	<u>\$ 2,464</u>	<u>\$ 4,050</u>

CITY OF FITZGERALD, GEORGIA
Police Technology Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2012

	Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES			
Fines and Forfeitures	\$ 4,500	\$ 5,203	\$ 703
Total Revenues	<u>4,500</u>	<u>5,203</u>	<u>703</u>
EXPENDITURES			
Current			
Public Safety	--	2,383	(2,383)
Capital Outlay	4,500	4,406	94
Total Expenditures	<u>4,500</u>	<u>6,789</u>	<u>(2,289)</u>
Excess (Deficiency) of Revenues Over (Under)			
Expenditures	<u>--</u>	<u>(1,586)</u>	<u>(1,586)</u>
Net Change in Fund Balances	<u>--</u>	<u>(1,586)</u>	<u>(1,586)</u>
Fund Balances - Beginning	4,050	4,050	--
Fund Balances - Ending	<u>\$ 4,050</u>	<u>\$ 2,464</u>	<u>\$ (1,586)</u>

CITY OF FITZGERALD, GEORGIA
Community Home Investment Special Revenue Fund
Balance Sheet
December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
ASSETS		
Cash and Cash Equivalents	\$ 10,535	\$ --
Receivables		
Notes	108,003	--
Total Assets	<u>\$ 118,538</u>	<u>\$ --</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenue		
Development and Redevelopment Property	\$ 108,003	\$ --
Total Deferred Inflows of Resources	<u>108,003</u>	<u>--</u>
FUND BALANCES		
Assigned	<u>10,535</u>	<u>--</u>
Total Fund Balances	<u>10,535</u>	<u>--</u>
Total Deferred Inflows of Resources and Fund Balances	<u>\$ 118,538</u>	<u>\$ --</u>

CITY OF FITZGERALD, GEORGIA
Community Home Investment Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Years Ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
REVENUES		
Intergovernmental	\$ 63,332	\$ 231,007
Interest Revenue	398	--
Total Revenues	<u>63,730</u>	<u>231,007</u>
EXPENDITURES		
Current		
Housing and Development	71,192	190,287
Capital Outlay	--	42,549
Total Expenditures	<u>71,192</u>	<u>232,836</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(7,462)</u>	<u>(1,829)</u>
OTHER FINANCING SOURCES (USES)		
Proceeds of Capital Asset Dispositions	<u>17,997</u>	--
Total Other Financing Sources (Uses)	<u>17,997</u>	--
Net Change in Fund Balances	10,535	(1,829)
Fund Balances - Beginning	--	1,829
Fund Balances - Ending	<u>\$ 10,535</u>	<u>\$ --</u>

CITY OF FITZGERALD, GEORGIA
Community Home Investment Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2012

	Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES			
Intergovernmental	\$ 37,300	\$ 63,332	\$ 26,032
Interest Revenue	--	398	398
Miscellaneous	100	--	(100)
Total Revenues	<u>37,400</u>	<u>63,730</u>	<u>26,330</u>
EXPENDITURES			
Current			
Housing and Development	37,400	71,192	(33,792)
Total Expenditures	<u>37,400</u>	<u>71,192</u>	<u>(33,792)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>--</u>	<u>(7,462)</u>	<u>(7,462)</u>
OTHER FINANCING SOURCES (USES)			
Proceeds of Capital Asset Dispositions	--	17,997	17,997
Total Other Financing Sources (Uses)	<u>--</u>	<u>17,997</u>	<u>17,997</u>
Net Change in Fund Balances	<u>--</u>	<u>10,535</u>	<u>10,535</u>
Fund Balances - Beginning	--	--	--
Fund Balances - Ending	<u>\$ --</u>	<u>\$ 10,535</u>	<u>\$ 10,535</u>

CITY OF FITZGERALD, GEORGIA
NSP Program Special Revenue Fund
Balance Sheet
December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
ASSETS		
Cash and Cash Equivalents	\$ 29,701	\$ 829
Total Assets	<u>\$ 29,701</u>	<u>\$ 829</u>
LIABILITIES		
Accounts Payable	\$ 21,063	\$ --
Due to Other Funds		
Community Development Special Revenue Fund	3,969	27,628
Total Liabilities	<u>25,032</u>	<u>27,628</u>
FUND BALANCES		
Assigned	4,669	--
Unassigned	--	(26,799)
Total Fund Balances	<u>4,669</u>	<u>(26,799)</u>
Total Liabilities and Fund Balances	<u>\$ 29,701</u>	<u>\$ 829</u>

CITY OF FITZGERALD, GEORGIA
NSP Program Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Years Ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
REVENUES		
Intergovernmental	\$ 36,497	\$ 137,165
Charges for Services	133,896	187,285
Interest Revenue	2	--
Miscellaneous	3,584	--
Total Revenues	<u>173,979</u>	<u>324,450</u>
EXPENDITURES		
Current		
Housing and Development	142,511	377,181
Total Expenditures	<u>142,511</u>	<u>377,181</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>31,468</u>	<u>(52,731)</u>
Net Change in Fund Balances	31,468	(52,731)
Fund Balances - Beginning	(26,799)	25,932
Fund Balances - Ending	<u>\$ 4,669</u>	<u>\$ (26,799)</u>

CITY OF FITZGERALD, GEORGIA
NSP Program Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2012

	<u>Budget</u>	<u>Actual</u>	Variance with Final Budget - Positive (Negative)
REVENUES			
Intergovernmental	\$ 36,496	\$ 36,497	\$ 1
Charges for Services	123,000	133,896	10,896
Interest Revenue	--	2	2
Miscellaneous	200	3,584	3,384
Total Revenues	<u>159,696</u>	<u>173,979</u>	<u>14,283</u>
EXPENDITURES			
Current			
Housing and Development	159,696	142,511	17,185
Total Expenditures	<u>159,696</u>	<u>142,511</u>	<u>17,185</u>
Excess (Deficiency) of Revenues Over (Under)			
Expenditures	--	31,468	31,468
Net Change in Fund Balances	--	31,468	31,468
Fund Balances - Beginning	(26,799)	(26,799)	--
Fund Balances - Ending	<u>\$ (26,799)</u>	<u>\$ 4,669</u>	<u>\$ 31,468</u>

CITY OF FITZGERALD, GEORGIA
Hotel/Motel Tax Special Revenue Fund
Balance Sheet
December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
ASSETS		
Cash and Cash Equivalents	\$ 8,263	\$ 5,543
Receivables		
Taxes	2,563	5,024
Total Assets	<u>\$ 10,826</u>	<u>\$ 10,567</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenue		
Hotel/Motel Taxes	\$ --	\$ 2,990
Total Deferred Inflows of Resources	<u>--</u>	<u>2,990</u>
FUND BALANCES		
Assigned	<u>10,826</u>	<u>7,577</u>
Total Fund Balances	<u>10,826</u>	<u>7,577</u>
Total Deferred Inflows of Resources and Fund Balances	<u>\$ 10,826</u>	<u>\$ 10,567</u>

CITY OF FITZGERALD, GEORGIA
Hotel/Motel Tax Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Years Ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
REVENUES		
Taxes	\$ 36,221	\$ 35,552
Charges for Services	25	25
Interest Revenue	8	7
Total Revenues	<u>36,254</u>	<u>35,584</u>
EXPENDITURES		
Current		
Housing and Development	5	119
Total Expenditures	<u>5</u>	<u>119</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>36,249</u>	<u>35,465</u>
OTHER FINANCING SOURCES (USES)		
Transfers Out		
Tourism and Convention Special Revenue Fund	<u>(33,000)</u>	<u>(33,000)</u>
Total Other Financing Sources (Uses)	<u>(33,000)</u>	<u>(33,000)</u>
Net Change in Fund Balances	3,249	2,465
Fund Balances - Beginning	7,577	5,112
Fund Balances - Ending	<u>\$ 10,826</u>	<u>\$ 7,577</u>

CITY OF FITZGERALD, GEORGIA
Hotel/Motel Tax Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2012

	Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES			
Taxes	\$ 33,000	\$ 36,221	\$ 3,221
Charges for Services	--	25	25
Interest Revenue	50	8	(42)
Total Revenues	<u>33,050</u>	<u>36,254</u>	<u>3,204</u>
EXPENDITURES			
Current			
Housing and Development	50	5	45
Total Expenditures	<u>50</u>	<u>5</u>	<u>45</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>33,000</u>	<u>36,249</u>	<u>3,249</u>
OTHER FINANCING SOURCES (USES)			
Transfers Out			
Tourism and Convention Special Revenue Fund	(33,000)	(33,000)	--
Total Other Financing Sources (Uses)	<u>(33,000)</u>	<u>(33,000)</u>	<u>--</u>
Net Change in Fund Balances	--	3,249	3,249
Fund Balances - Beginning	7,577	7,577	--
Fund Balances - Ending	<u>\$ 7,577</u>	<u>\$ 10,826</u>	<u>\$ 3,249</u>

CITY OF FITZGERALD, GEORGIA
Tourism & Convention Special Revenue Fund
Balance Sheet
December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
ASSETS		
Cash and Cash Equivalents	\$ 7,103	\$ 6,726
Total Assets	<u>\$ 7,103</u>	<u>\$ 6,726</u>
LIABILITIES		
Accounts Payable	\$ 326	\$ 303
Total Liabilities	<u>326</u>	<u>303</u>
FUND BALANCES		
Assigned	<u>6,777</u>	<u>6,423</u>
Total Fund Balances	<u>6,777</u>	<u>6,423</u>
Total Liabilities and Fund Balances	<u>\$ 7,103</u>	<u>\$ 6,726</u>

CITY OF FITZGERALD, GEORGIA
Tourism & Convention Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Years Ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
REVENUES		
Intergovernmental	\$ --	\$ 1,600
Charges for Services	76	143
Interest Revenue	10	3
Miscellaneous	94	--
Total Revenues	<u>180</u>	<u>1,746</u>
EXPENDITURES		
Current		
Housing and Development	32,126	33,458
Capital Outlay	700	--
Total Expenditures	<u>32,826</u>	<u>33,458</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(32,646)</u>	<u>(31,712)</u>
OTHER FINANCING SOURCES (USES)		
Transfers In		
Hotel/Motel Tax Special Revenue Fund	33,000	33,000
Total Other Financing Sources (Uses)	<u>33,000</u>	<u>33,000</u>
Net Change in Fund Balances	354	1,288
Fund Balances - Beginning	6,423	5,135
Fund Balances - Ending	<u>\$ 6,777</u>	<u>\$ 6,423</u>

CITY OF FITZGERALD, GEORGIA

Tourism & Convention Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

For the Year Ended December 31, 2012

	<u>Budget</u>	<u>Actual</u>	Variance with Final Budget - Positive (Negative)
REVENUES			
Charges for Services	\$ 100	\$ 76	\$ (24)
Interest Revenue	5	10	5
Miscellaneous	--	94	94
Total Revenues	<u>105</u>	<u>180</u>	<u>75</u>
EXPENDITURES			
Current			
Housing and Development	33,105	32,126	979
Capital Outlay	--	700	(700)
Total Expenditures	<u>33,105</u>	<u>32,826</u>	<u>279</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(33,000)</u>	<u>(32,646)</u>	<u>354</u>
OTHER FINANCING SOURCES (USES)			
Transfers In			
Hotel/Motel Tax Special Revenue Fund	33,000	33,000	--
Total Other Financing Sources (Uses)	<u>33,000</u>	<u>33,000</u>	<u>--</u>
Net Change in Fund Balances	--	354	354
Fund Balances - Beginning	6,423	6,423	--
Fund Balances - Ending	<u>\$ 6,423</u>	<u>\$ 6,777</u>	<u>\$ 354</u>

CITY OF FITZGERALD, GEORGIA
Humane Society Special Revenue Fund
Balance Sheet
December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
ASSETS		
Cash and Cash Equivalents	\$ 32,578	\$ 24,112
Total Assets	<u>\$ 32,578</u>	<u>\$ 24,112</u>
LIABILITIES		
Accounts Payable	\$ 1,063	\$ 1,491
Accrued Liabilities	1,568	--
Due to Other Funds		
General Fund	--	503
Total Liabilities	<u>2,631</u>	<u>1,994</u>
FUND BALANCES		
Assigned	<u>29,947</u>	<u>22,118</u>
Total Fund Balances	<u>29,947</u>	<u>22,118</u>
Total Liabilities and Fund Balances	<u>\$ 32,578</u>	<u>\$ 24,112</u>

CITY OF FITZGERALD, GEORGIA
Humane Society Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Years Ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
REVENUES		
Intergovernmental	\$ 37,954	\$ 38,476
Charges for Services	12,086	13,568
Interest Revenue	34	24
Contributions and Donations	4,084	2,496
Total Revenues	<u>54,158</u>	<u>54,564</u>
EXPENDITURES		
Current		
Public Safety	83,484	87,434
Capital Outlay	799	980
Total Expenditures	<u>84,283</u>	<u>88,414</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(30,125)</u>	<u>(33,850)</u>
OTHER FINANCING SOURCES (USES)		
Transfers In		
General Fund	37,954	38,476
Total Other Financing Sources (Uses)	<u>37,954</u>	<u>38,476</u>
Net Change in Fund Balances	7,829	4,626
Fund Balances - Beginning	22,118	17,492
Fund Balances - Ending	<u>\$ 29,947</u>	<u>\$ 22,118</u>

CITY OF FITZGERALD, GEORGIA
Humane Society Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2012

	Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES			
Intergovernmental	\$ 37,954	\$ 37,954	\$ --
Charges for Services	18,300	12,086	(6,214)
Interest Revenue	500	34	(466)
Contributions and Donations	3,250	4,084	834
Miscellaneous	500	--	(500)
Total Revenues	<u>60,504</u>	<u>54,158</u>	<u>(6,346)</u>
EXPENDITURES			
Current			
Public Safety	92,958	83,484	9,474
Capital Outlay	5,500	799	4,701
Total Expenditures	<u>98,458</u>	<u>84,283</u>	<u>14,175</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(37,954)</u>	<u>(30,125)</u>	<u>7,829</u>
OTHER FINANCING SOURCES (USES)			
Transfers In			
General Fund	37,954	37,954	--
Total Other Financing Sources (Uses)	<u>37,954</u>	<u>37,954</u>	<u>--</u>
Net Change in Fund Balances	--	7,829	7,829
Fund Balances - Beginning	22,118	22,118	--
Fund Balances - Ending	<u>\$ 22,118</u>	<u>\$ 29,947</u>	<u>\$ 7,829</u>

CITY OF FITZGERALD, GEORGIA
Monitor Enrichment Special Revenue Fund
Balance Sheet
December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
ASSETS		
Cash and Cash Equivalents	\$ 3,101	\$ 3,594
Total Assets	<u>\$ 3,101</u>	<u>\$ 3,594</u>
LIABILITIES		
Accounts Payable	\$ 461	\$ 91
Accrued Liabilities	967	--
Due to Other Funds		
General Fund	--	4,936
Total Liabilities	<u>1,428</u>	<u>5,027</u>
FUND BALANCES		
Assigned	1,673	--
Unassigned	--	(1,433)
Total Fund Balances	<u>1,673</u>	<u>(1,433)</u>
Total Liabilities and Fund Balances	<u>\$ 3,101</u>	<u>\$ 3,594</u>

CITY OF FITZGERALD, GEORGIA
Monitor Enrichment Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Years Ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
REVENUES		
Intergovernmental	\$ 39,214	\$ 19,205
Charges for Services	5,801	8,695
Contributions and Donations	7,432	1,976
Total Revenues	<u>52,447</u>	<u>29,876</u>
EXPENDITURES		
Current		
Housing and Development	48,926	42,428
Debt Service	1,013	6,182
Total Expenditures	<u>49,939</u>	<u>48,610</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,508</u>	<u>(18,734)</u>
OTHER FINANCING SOURCES (USES)		
Transfers In		
General Fund	--	2,500
Family Connection Special Revenue Fund	598	--
Total Other Financing Sources (Uses)	<u>598</u>	<u>2,500</u>
Net Change in Fund Balances	3,106	(16,234)
Fund Balances - Beginning	(1,433)	14,801
Fund Balances - Ending	<u>\$ 1,673</u>	<u>\$ (1,433)</u>

CITY OF FITZGERALD, GEORGIA

Monitor Enrichment Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

For the Year Ended December 31, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES			
Intergovernmental	\$ 50,000	\$ 39,214	\$ (10,786)
Charges for Services	6,400	5,801	(599)
Contributions and Donations	3,700	7,432	3,732
Total Revenues	<u>60,100</u>	<u>52,447</u>	<u>(7,653)</u>
EXPENDITURES			
Current			
Housing and Development	59,584	48,926	10,658
Capital Outlay	516	--	516
Debt Service	--	1,013	(1,013)
Total Expenditures	<u>60,100</u>	<u>49,939</u>	<u>10,161</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>--</u>	<u>2,508</u>	<u>2,508</u>
OTHER FINANCING SOURCES (USES)			
Transfers In			
Family Connection Special Revenue Fund	--	598	598
Total Other Financing Sources (Uses)	<u>--</u>	<u>598</u>	<u>598</u>
Net Change in Fund Balances	<u>--</u>	<u>3,106</u>	<u>3,106</u>
Fund Balances - Beginning	(1,433)	(1,433)	--
Fund Balances - Ending	<u>\$ (1,433)</u>	<u>\$ 1,673</u>	<u>\$ 3,106</u>

CITY OF FITZGERALD, GEORGIA
Grand Theatre Special Revenue Fund
Balance Sheet
December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
ASSETS		
Cash and Cash Equivalents	\$ 13,624	\$ 25,009
Total Assets	<u>\$ 13,624</u>	<u>\$ 25,009</u>
LIABILITIES		
Accounts Payable	\$ --	\$ 3,882
Total Liabilities	<u>--</u>	<u>3,882</u>
FUND BALANCES		
Assigned	13,624	21,127
Total Fund Balances	<u>13,624</u>	<u>21,127</u>
Total Liabilities and Fund Balances	<u>\$ 13,624</u>	<u>\$ 25,009</u>

CITY OF FITZGERALD, GEORGIA
Grand Theatre Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Years Ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
REVENUES		
Interest Revenue	\$ 8	\$ 34
Miscellaneous	--	799
Total Revenues	<u>8</u>	<u>833</u>
EXPENDITURES		
Current		
Culture and Recreation	10,594	389
Capital Outlay	799	--
Total Expenditures	<u>11,393</u>	<u>389</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(11,385)</u>	<u>444</u>
OTHER FINANCING SOURCES (USES)		
Transfers In		
General Fund	--	3,303
SPLOST 2011 Capital Projects Fund	3,882	--
Total Other Financing Sources (Uses)	<u>3,882</u>	<u>3,303</u>
Net Change in Fund Balances	<u>(7,503)</u>	<u>3,747</u>
Fund Balances - Beginning	21,127	17,380
Fund Balances - Ending	<u>\$ 13,624</u>	<u>\$ 21,127</u>

CITY OF FITZGERALD, GEORGIA
Grand Theatre Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2012

	Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES			
Interest Revenue	\$ 50	\$ 8	\$ (42)
Total Revenues	<u>50</u>	<u>8</u>	<u>(42)</u>
EXPENDITURES			
Current			
Culture and Recreation	150	10,594	(10,444)
Capital Outlay	2,400	799	1,601
Total Expenditures	<u>2,550</u>	<u>11,393</u>	<u>(8,843)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,500)</u>	<u>(11,385)</u>	<u>(8,885)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In			
General Fund	2,500	--	(2,500)
SPLOST 2011 Capital Projects Fund	--	3,882	3,882
Total Other Financing Sources (Uses)	<u>2,500</u>	<u>3,882</u>	<u>1,382</u>
Net Change in Fund Balances	--	(7,503)	(7,503)
Fund Balances - Beginning	21,127	21,127	--
Fund Balances - Ending	<u>\$ 21,127</u>	<u>\$ 13,624</u>	<u>\$ (7,503)</u>

CITY OF FITZGERALD, GEORGIA
Recreation Capital Improvement Special Revenue Fund
Balance Sheet
December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
ASSETS		
Cash and Cash Equivalents	\$ 23,044	\$ 53,819
Receivables		
Interest	227	227
Total Assets	<u>\$ 23,271</u>	<u>\$ 54,046</u>
FUND BALANCES		
Assigned	\$ 23,271	\$ 54,046
Total Fund Balances	<u>\$ 23,271</u>	<u>\$ 54,046</u>

CITY OF FITZGERALD, GEORGIA
Recreation Capital Improvement Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Years Ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
REVENUES		
Interest Revenue	\$ 192	\$ 316
Total Revenues	<u>192</u>	<u>316</u>
EXPENDITURES		
Current		
Culture and Recreation	2,443	4,782
Capital Outlay	29,127	2,630
Total Expenditures	<u>31,570</u>	<u>7,412</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(31,378)</u>	<u>(7,096)</u>
OTHER FINANCING SOURCES (USES)		
Transfers In		
General Fund	--	22,420
Proceeds of Capital Asset Dispositions	603	--
Total Other Financing Sources (Uses)	<u>603</u>	<u>22,420</u>
Net Change in Fund Balances	<u>(30,775)</u>	<u>15,324</u>
Fund Balances - Beginning	54,046	38,722
Fund Balances - Ending	<u>\$ 23,271</u>	<u>\$ 54,046</u>

CITY OF FITZGERALD, GEORGIA

Recreation Capital Improvement Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

For the Year Ended December 31, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES			
Interest Revenue	\$ 350	\$ 192	\$ (158)
Total Revenues	<u>350</u>	<u>192</u>	<u>(158)</u>
EXPENDITURES			
Current			
Culture and Recreation	850	2,443	(1,593)
Capital Outlay	13,000	29,127	(16,127)
Total Expenditures	<u>13,850</u>	<u>31,570</u>	<u>(17,720)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(13,500)</u>	<u>(31,378)</u>	<u>(17,878)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In			
General Fund	13,000	--	(13,000)
Proceeds of Capital Asset Dispositions	500	603	103
Total Other Financing Sources (Uses)	<u>13,500</u>	<u>603</u>	<u>(12,897)</u>
Net Change in Fund Balances	--	(30,775)	(30,775)
Fund Balances - Beginning	54,046	54,046	--
Fund Balances - Ending	<u>\$ 54,046</u>	<u>\$ 23,271</u>	<u>\$ (30,775)</u>

CITY OF FITZGERALD, GEORGIA
Industrial Development & Promotion Special Revenue Fund
Balance Sheet
December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
ASSETS		
Cash and Cash Equivalents	\$ 337,450	\$ 233,049
Receivables (Net of Allowance for Uncollectibles)		
Interest	564	564
Taxes	29,524	32,033
Due from Other Funds		
General Fund	237,035	237,035
Due from Component Unit	50,000	50,000
Total Assets	<u>\$ 654,573</u>	<u>\$ 552,681</u>
LIABILITIES		
Accounts Payable	\$ --	\$ 100
Intergovernmental Payable	909	866
Total Liabilities	<u>909</u>	<u>966</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenue		
Property Taxes	24,579	27,996
Total Deferred Inflows of Resources	<u>24,579</u>	<u>27,996</u>
FUND BALANCES		
Assigned	629,085	523,719
Total Fund Balances	<u>629,085</u>	<u>523,719</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 654,573</u>	<u>\$ 552,681</u>

CITY OF FITZGERALD, GEORGIA

Industrial Development & Promotion Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balances

For the Years Ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
REVENUES		
Taxes	\$ 142,682	\$ 136,728
Interest Revenue	1,017	1,051
Miscellaneous	100	--
Total Revenues	<u>143,799</u>	<u>137,779</u>
EXPENDITURES		
Current		
Housing and Development	<u>38,433</u>	<u>96,789</u>
Total Expenditures	<u>38,433</u>	<u>96,789</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>105,366</u>	<u>40,990</u>
Net Change in Fund Balances	<u>105,366</u>	<u>40,990</u>
Fund Balances - Beginning	<u>523,719</u>	<u>482,729</u>
Fund Balances - Ending	<u>\$ 629,085</u>	<u>\$ 523,719</u>

CITY OF FITZGERALD, GEORGIA
Industrial Development & Promotion Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2012

	Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES			
Taxes	\$ 115,000	\$ 142,682	\$ 27,682
Interest Revenue	1,600	1,017	(583)
Miscellaneous	--	100	100
Total Revenues	<u>116,600</u>	<u>143,799</u>	<u>27,199</u>
EXPENDITURES			
Current			
Housing and Development	116,600	38,433	78,167
Total Expenditures	<u>116,600</u>	<u>38,433</u>	<u>78,167</u>
Excess (Deficiency) of Revenues Over (Under)			
Expenditures	--	105,366	105,366
Net Change in Fund Balances	--	105,366	105,366
Fund Balances - Beginning	523,719	523,719	--
Fund Balances - Ending	<u>\$ 523,719</u>	<u>\$ 629,085</u>	<u>\$ 105,366</u>

CITY OF FITZGERALD, GEORGIA
Community Development Special Revenue Fund
Balance Sheet
December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
ASSETS		
Cash and Cash Equivalents	\$ 286	\$ 13,576
Receivables		
Notes	46,081	41,922
Due from Other Funds		
NSP Program Special Revenue Fund	3,969	27,628
Total Assets	<u>\$ 50,336</u>	<u>\$ 83,126</u>
LIABILITIES		
Accounts Payable	\$ 418	\$ 3,485
Other Current Liabilities	6,158	13,330
Total Liabilities	<u>6,576</u>	<u>16,815</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenue		
Development and Redevelopment Property	46,081	41,922
Total Deferred Inflows of Resources	<u>46,081</u>	<u>41,922</u>
FUND BALANCES		
Assigned	--	24,389
Unassigned	(2,321)	--
Total Fund Balances	<u>(2,321)</u>	<u>24,389</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 50,336</u>	<u>\$ 83,126</u>

CITY OF FITZGERALD, GEORGIA
Community Development Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Years Ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
REVENUES		
Charges for Services	\$ 20,030	\$ 30,599
Interest Revenue	1,542	1,372
Miscellaneous	10,913	35,966
Total Revenues	<u>32,485</u>	<u>67,937</u>
EXPENDITURES		
Current		
Housing and Development	59,195	100,143
Capital Outlay		
Capital Outlay-Site Improvements	--	5,233
Capital Outlay-Machinery	--	7,100
Total Expenditures	<u>59,195</u>	<u>112,476</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(26,710)</u>	<u>(44,539)</u>
Net Change in Fund Balances	(26,710)	(44,539)
Fund Balances - Beginning	24,389	68,928
Fund Balances - Ending	<u>\$ (2,321)</u>	<u>\$ 24,389</u>

CITY OF FITZGERALD, GEORGIA

Community Development Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

For the Year Ended December 31, 2012

	<u>Budget</u>	<u>Actual</u>	Variance with Final Budget - Positive (Negative)
REVENUES			
Charges for Services	\$ 40,000	\$ 20,030	\$ (19,970)
Interest Revenue	250	1,542	1,292
Miscellaneous	26,856	10,913	(15,943)
Total Revenues	<u>67,106</u>	<u>32,485</u>	<u>(34,621)</u>
EXPENDITURES			
Current			
Housing and Development	67,106	59,195	7,911
Total Expenditures	<u>67,106</u>	<u>59,195</u>	<u>7,911</u>
Excess (Deficiency) of Revenues Over (Under)			
Expenditures	--	(26,710)	(26,710)
Net Change in Fund Balances	--	(26,710)	(26,710)
Fund Balances - Beginning	24,389	24,389	--
Fund Balances - Ending	<u>\$ 24,389</u>	<u>\$ (2,321)</u>	<u>\$ (26,710)</u>

CITY OF FITZGERALD, GEORGIA
Family Connection Special Revenue Fund
Balance Sheet
December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
ASSETS		
Cash and Cash Equivalents	\$ 699	\$ 1,192
Receivables		
Interest	11	11
Intergovernmental	9,311	11,235
Total Assets	<u>\$ 10,021</u>	<u>\$ 12,438</u>
LIABILITIES		
Accounts Payable	\$ --	\$ 43
Accrued Liabilities	1,221	--
Due to Other Funds		
General Fund	10,000	12,788
Total Liabilities	<u>11,221</u>	<u>12,831</u>
FUND BALANCES		
Unassigned	<u>(1,200)</u>	<u>(393)</u>
Total Fund Balances	<u>(1,200)</u>	<u>(393)</u>
Total Liabilities and Fund Balances	<u>\$ 10,021</u>	<u>\$ 12,438</u>

CITY OF FITZGERALD, GEORGIA
Family Connection Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Years Ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
REVENUES		
Intergovernmental	\$ 41,865	\$ 44,524
Miscellaneous	44	--
Total Revenues	<u>41,909</u>	<u>44,524</u>
EXPENDITURES		
Current		
Health and Welfare	42,118	45,217
Total Expenditures	<u>42,118</u>	<u>45,217</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(209)</u>	<u>(693)</u>
OTHER FINANCING SOURCES (USES)		
Transfers Out		
Monitor Enrichment Special Revenue Fund	(598)	--
Total Other Financing Sources (Uses)	<u>(598)</u>	<u>--</u>
Net Change in Fund Balances	(807)	(693)
Fund Balances - Beginning	(393)	300
Fund Balances - Ending	<u>\$ (1,200)</u>	<u>\$ (393)</u>

CITY OF FITZGERALD, GEORGIA
Family Connection Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES			
Intergovernmental	\$ 44,000	\$ 41,865	\$ (2,135)
Miscellaneous	--	44	44
Total Revenues	<u>44,000</u>	<u>41,909</u>	<u>(2,091)</u>
EXPENDITURES			
Current			
Health and Welfare	44,000	42,118	1,882
Total Expenditures	<u>44,000</u>	<u>42,118</u>	<u>1,882</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>--</u>	<u>(209)</u>	<u>(209)</u>
OTHER FINANCING SOURCES (USES)			
Transfers Out			
Monitor Enrichment Special Revenue Fund	--	(598)	(598)
Total Other Financing Sources (Uses)	<u>--</u>	<u>(598)</u>	<u>(598)</u>
Net Change in Fund Balances	--	(807)	(807)
Fund Balances - Beginning	(393)	(393)	--
Fund Balances - Ending	<u>\$ (393)</u>	<u>\$ (1,200)</u>	<u>\$ (807)</u>

CITY OF FITZGERALD, GEORGIA
SPLOST Capital Projects Fund
Balance Sheet
December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
ASSETS		
Cash and Cash Equivalents	\$ 885,534	\$ 1,004,461
Receivables		
Interest	2,589	2,589
Due from Other Funds		
General Fund	1,855	--
Landfill Enterprise Fund	73	--
Total Assets	<u>\$ 890,051</u>	<u>\$ 1,007,050</u>
LIABILITIES		
Accounts Payable	\$ 4,746	\$ 2,112
Total Liabilities	<u>4,746</u>	<u>2,112</u>
FUND BALANCES		
Restricted	<u>885,305</u>	<u>1,004,938</u>
Total Fund Balances	<u>885,305</u>	<u>1,004,938</u>
Total Liabilities and Fund Balances	<u>\$ 890,051</u>	<u>\$ 1,007,050</u>

CITY OF FITZGERALD, GEORGIA
SPLOST Capital Projects Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Years Ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
REVENUES		
Intergovernmental	\$ --	\$ 514,735
Interest Revenue	7,310	10,588
Total Revenues	<u>7,310</u>	<u>525,323</u>
EXPENDITURES		
Capital Outlay	84,102	618,431
Debt Service	42,841	230,364
Total Expenditures	<u>126,943</u>	<u>848,795</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(119,633)</u>	<u>(323,472)</u>
OTHER FINANCING SOURCES (USES)		
Transfers In		
General Fund	--	10,725
Total Other Financing Sources (Uses)	<u>--</u>	<u>10,725</u>
Net Change in Fund Balances	<u>(119,633)</u>	<u>(312,747)</u>
Fund Balances - Beginning	1,004,938	1,317,685
Fund Balances - Ending	<u>\$ 885,305</u>	<u>\$ 1,004,938</u>

CITY OF FITZGERALD, GEORGIA
SPLOST 2011 Capital Projects Fund
Balance Sheet
December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
ASSETS		
Cash and Cash Equivalents	\$ 1,018,607	\$ 199,662
Receivables		
Intergovernmental	202,384	152,498
Due from Other Funds		
General Fund	4,000	--
Total Assets	<u>\$ 1,224,991</u>	<u>\$ 352,160</u>
LIABILITIES		
Accounts Payable	\$ 3,385	\$ --
Total Liabilities	<u>3,385</u>	<u>--</u>
FUND BALANCES		
Restricted	1,221,606	352,160
Total Fund Balances	<u>1,221,606</u>	<u>352,160</u>
Total Liabilities and Fund Balances	<u>\$ 1,224,991</u>	<u>\$ 352,160</u>

CITY OF FITZGERALD, GEORGIA
SPLOST 2011 Capital Projects Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Years Ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
REVENUES		
Intergovernmental	\$ 1,460,267	\$ 451,372
Interest Revenue	2,434	5
Total Revenues	<u>1,462,701</u>	<u>451,377</u>
EXPENDITURES		
Current		
Housing and Development	17,915	--
Capital Outlay	248,360	4,649
Debt Service	323,098	94,568
Total Expenditures	<u>589,373</u>	<u>99,217</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>873,328</u>	<u>352,160</u>
OTHER FINANCING SOURCES (USES)		
Transfers Out		
Grand Theatre Special Revenue Fund	<u>(3,882)</u>	--
Total Other Financing Sources (Uses)	<u>(3,882)</u>	--
Net Change in Fund Balances	869,446	352,160
Fund Balances - Beginning	352,160	--
Fund Balances - Ending	<u>\$ 1,221,606</u>	<u>\$ 352,160</u>

CITY OF FITZGERALD, GEORGIA
Civil War Heritage Trail Capital Projects Fund
Balance Sheet
December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
ASSETS		
Cash and Cash Equivalents	\$ 9,043	\$ 77,206
Total Assets	<u>\$ 9,043</u>	<u>\$ 77,206</u>
FUND BALANCES		
Assigned	\$ 9,043	\$ 77,206
Total Fund Balances	<u>\$ 9,043</u>	<u>\$ 77,206</u>

CITY OF FITZGERALD, GEORGIA
Civil War Heritage Trail Capital Projects Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Years Ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
REVENUES		
Interest Revenue	\$ 256	\$ 550
Total Revenues	<u>256</u>	<u>550</u>
EXPENDITURES		
Capital Outlay	<u>68,419</u>	<u>2,587</u>
Total Expenditures	<u>68,419</u>	<u>2,587</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(68,163)</u>	<u>(2,037)</u>
Net Change in Fund Balances	<u>(68,163)</u>	<u>(2,037)</u>
Fund Balances - Beginning	<u>77,206</u>	<u>79,243</u>
Fund Balances - Ending	<u>\$ 9,043</u>	<u>\$ 77,206</u>

Major Proprietary Funds

Enterprise Funds

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the City's Council is that costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the City's Council has decided that periodic determination of net income is appropriate for accountability purposes.

Utility Fund - This fund is used to account for the activities of the City's water, sewer, gas, and electric distribution operations.

Landfill Fund - This fund is used to account for the operation of a landfill to dispose of solid waste of the City and County.

CITY OF FITZGERALD, GEORGIA
Utility Enterprise Fund
Statement of Net Position
December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 17,459,215	\$ 17,313,278
Receivables (Net of Allowance for Uncollectibles)		
Accounts	971,117	1,164,456
Inventories	805,477	808,958
Prepaid Items	331,147	154,048
Restricted Assets		
Cash and Cash Equivalents	480,574	450,304
Total Current Assets	<u>20,047,530</u>	<u>19,891,044</u>
Noncurrent Assets		
Capital Assets Not Being Depreciated		
Land	238,153	238,153
Capital Assets Net of Accumulated Depreciation		
Buildings and System	2,737,768	2,807,637
Water System and Equipment	21,076,396	21,082,734
Electric Distribution System	8,390,677	8,383,646
Gas Distribution System	2,560,532	2,542,251
Machinery and Equipment	2,792,955	2,688,439
Accumulated Depreciation	<u>(20,377,165)</u>	<u>(19,732,193)</u>
Total Capital Assets Net of Accumulated Depreciation	<u>17,419,316</u>	<u>18,010,667</u>
Total Noncurrent Assets	<u>17,419,316</u>	<u>18,010,667</u>
Total Assets	<u>37,466,846</u>	<u>37,901,711</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Charges	945,127	947,490
Total Deferred Outflows of Resources	<u>945,127</u>	<u>947,490</u>
LIABILITIES		
Current Liabilities		
Accounts Payable	1,978,924	1,933,022
Accrued Liabilities	106,112	95,919
Due to Other Funds		
General Fund	222,625	223,839
Accrued Interest Payable	--	96
Short-Term Notes Payable	132,408	--
Customer Deposits	476,233	456,283
Compensated Absences	127,391	120,083
Total Current Liabilities	<u>3,043,693</u>	<u>2,829,242</u>
Noncurrent Liabilities		
Other Post Employment Benefits Obligation	716,523	557,743
Notes Payable	--	29,895
Total Noncurrent Liabilities	<u>716,523</u>	<u>587,638</u>
Total Liabilities	<u>3,760,216</u>	<u>3,416,880</u>
NET POSITION		
Net Investment in Capital Assets	17,419,316	17,980,772
Unrestricted	17,232,441	17,451,549
Total Net Position	<u>\$ 34,651,757</u>	<u>\$ 35,432,321</u>

CITY OF FITZGERALD, GEORGIA
Utility Enterprise Fund
Statement of Revenues, Expenses, and Changes in Net Position
For the Years Ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
OPERATING REVENUES		
Charges for Services	\$ 26,931,532	\$ 28,276,486
Other	1,285,225	1,197,423
Total Operating Revenues	<u>28,216,757</u>	<u>29,473,909</u>
OPERATING EXPENSES		
Personal Services and Employee Benefits	4,705,309	4,756,857
Purchased/Contracted Services	1,307,484	1,529,721
Supplies	19,890,879	18,456,478
Depreciation	952,382	932,599
Other	895,096	1,354,054
Total Operating Expenses	<u>27,751,150</u>	<u>27,029,709</u>
Operating Income (Loss)	<u>465,607</u>	<u>2,444,200</u>
NONOPERATING REVENUES (EXPENSES)		
Intergovernmental	--	4,391
Interest Revenue	16,379	42,348
Contributions and Donations	209,138	106,617
Miscellaneous	35,642	38,937
Interest	(1,971)	(2,448)
Gain/Loss on Disposition of Capital Assets	39	35,241
Total Nonoperating Revenues (Expenses)	<u>259,227</u>	<u>225,086</u>
Income (Loss) Before Contributions and Transfers	<u>724,834</u>	<u>2,669,286</u>
Transfers Out		
General Fund	<u>(1,505,398)</u>	<u>(1,600,034)</u>
Changes in Net Position	<u>(780,564)</u>	<u>1,069,252</u>
Net Position - Beginning	35,432,321	34,363,069
Net Position - Ending	<u>\$ 34,651,757</u>	<u>\$ 35,432,321</u>

CITY OF FITZGERALD, GEORGIA
Utility Enterprise Fund
Statement of Cash Flows
For the Years Ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers and Users	\$ 28,618,895	\$ 29,355,692
Payments to Suppliers	(22,226,508)	(21,049,681)
Payments to Employees	(4,710,181)	(4,552,388)
Net Cash Provided (Used) by Operating Activities	<u>1,682,206</u>	<u>3,753,623</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Contributions - MEAG	209,138	106,617
Transfers to Other Funds		
General Fund	(1,506,612)	(1,615,896)
Proceeds from Notes Payable	169,287	--
Principal Paid on Notes Payable	(36,879)	--
Interest Paid on Notes Payable	(1,918)	--
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(1,166,984)</u>	<u>(1,509,279)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and Construction of Capital Assets	(360,991)	(624,240)
Principal Paid on Capital Debt	(29,895)	(114,114)
Interest Paid on Capital Debt	(149)	(2,827)
Grants	--	4,391
Computer Charges	20,640	20,640
Other	--	68,500
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(370,395)</u>	<u>(647,650)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	16,379	42,348
Discounts Received	9,542	10,444
Other	5,459	8,055
Net Cash Provided (Used) by Investing Activities	<u>31,380</u>	<u>60,847</u>
Net Increase (Decrease) in Cash and Cash Equivalents	176,207	1,657,541
Cash and Cash Equivalents - Beginning of Year	17,763,582	16,106,041
Cash and Cash Equivalents - End of Year	<u>\$ 17,939,789</u>	<u>\$ 17,763,582</u>

CITY OF FITZGERALD, GEORGIA
Utility Enterprise Fund
Statement of Cash Flows
For the Years Ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	\$ 465,607	\$ 2,444,200
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities		
Depreciation Expense	952,382	932,599
Provision for Bad Debts	(188,850)	461,976
(Increase) Decrease in Accounts Receivable	382,188	(124,003)
(Increase) Decrease in Inventories	3,481	(24,457)
(Increase) Decrease in Prepaid Items	(177,098)	10,059
(Increase) Decrease in Unearned Revenue	2,363	139,777
Increase (Decrease) in Accounts Payable	45,902	(286,882)
Increase (Decrease) in Accrued Wages and Withholdings	10,193	1,526
Increase (Decrease) in Compensated Absences Payable	7,308	12,749
Increase (Decrease) in Other Post Employment Benefits Obligation	158,780	180,295
Increase (Decrease) in Current Liabilities Payable from Restricted Assets	19,950	5,784
Net Cash Provided (Used) by Operating Activities	<u>\$ 1,682,206</u>	<u>\$ 3,753,623</u>

CITY OF FITZGERALD, GEORGIA
Landfill Enterprise Fund
Statement of Net Position
December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 1,173,857	\$ 1,252,129
Receivables (Net of Allowance for Uncollectibles)		
Interest	--	390
Accounts	80,081	93,869
Due from Other Funds		
General Fund	75,000	--
Total Current Assets	<u>1,328,938</u>	<u>1,346,388</u>
Noncurrent Assets		
Advances to Other Funds		
General Fund	--	228,528
Capital Assets Not Being Depreciated		
Land	550,824	550,824
Capital Assets Net of Accumulated Depreciation		
Landfill	3,460,409	3,460,409
Machinery and Equipment	1,181,643	1,088,021
Accumulated Depreciation	<u>(4,301,211)</u>	<u>(4,379,358)</u>
Total Capital Assets Net of Accumulated Depreciation	891,665	719,896
Total Noncurrent Assets	<u>891,665</u>	<u>948,424</u>
Total Assets	<u>2,220,603</u>	<u>2,294,812</u>
LIABILITIES		
Current Liabilities		
Accounts Payable	49,703	46,770
Accrued Liabilities	3,056	--
Due to Other Funds		
General Fund	4,663	3,425
SPLOST Capital Projects Fund	73	--
Closure and Post-Closure Care Costs	22,000	22,000
Total Current Liabilities	<u>79,495</u>	<u>72,195</u>
Noncurrent Liabilities		
Closure and Post-Closure Care Costs	1,329,099	1,329,099
Total Noncurrent Liabilities	<u>1,329,099</u>	<u>1,329,099</u>
Total Liabilities	<u>1,408,594</u>	<u>1,401,294</u>
NET POSITION		
Investment In Capital Assets	891,665	719,896
Unrestricted	<u>(79,656)</u>	<u>173,622</u>
Total Net Position	<u>\$ 812,009</u>	<u>\$ 893,518</u>

CITY OF FITZGERALD, GEORGIA
Landfill Enterprise Fund
Statement of Revenues, Expenses, and Changes in Net Position
For the Years Ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
OPERATING REVENUES		
Charges for Services	\$ 856,777	\$ 842,360
Other	4,169	6,261
Total Operating Revenues	<u>860,946</u>	<u>848,621</u>
OPERATING EXPENSES		
Personal Services and Employee Benefits	118,496	106,980
Purchased/Contracted Services	766,230	631,086
Supplies	47,055	48,683
Depreciation	17,405	2,006
Other	3,267	2,271
Total Operating Expenses	<u>952,453</u>	<u>791,026</u>
Operating Income (Loss)	<u>(91,507)</u>	<u>57,595</u>
NONOPERATING REVENUES (EXPENSES)		
Interest Revenue	5,498	9,442
Gain/Loss on Disposition of Capital Assets	4,500	--
Total Nonoperating Revenues (Expenses)	<u>9,998</u>	<u>9,442</u>
Changes in Net Position	<u>(81,509)</u>	<u>67,037</u>
Net Position - Beginning	893,518	826,481
Net Position - Ending	<u>\$ 812,009</u>	<u>\$ 893,518</u>

CITY OF FITZGERALD, GEORGIA
Landfill Enterprise Fund
Statement of Cash Flows
For the Years Ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers and Users	\$ 874,734	\$ 836,606
Payments to Suppliers	(813,546)	(710,333)
Payments to Employees	(114,202)	(106,796)
Net Cash Provided (Used) by Operating Activities	<u>(53,014)</u>	<u>19,477</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Due from Other Funds	153,528	--
Net Cash Provided (Used) by Noncapital Financing Activities	<u>153,528</u>	<u>--</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and Construction of Capital Assets	(189,174)	(8,999)
Proceeds from Sales of Capital Assets	4,500	--
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(184,674)</u>	<u>(8,999)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	5,888	15,936
Net Cash Provided (Used) by Investing Activities	<u>5,888</u>	<u>15,936</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(78,272)	26,414
Cash and Cash Equivalents - Beginning of Year	1,252,129	1,225,715
Cash and Cash Equivalents - End of Year	<u>\$ 1,173,857</u>	<u>\$ 1,252,129</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	\$ (91,507)	\$ 57,595
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities		
Depreciation Expense	17,405	2,006
(Increase) Decrease in Accounts Receivable	13,788	(12,015)
Increase (Decrease) in Accounts Payable	2,933	(5,626)
Increase (Decrease) in Accrued Wages and Withholdings	3,056	--
Increase (Decrease) in Due to Other Funds	1,311	492
Increase (Decrease) in Closure and Postclosure Care Costs	--	(22,975)
Net Cash Provided (Used) by Operating Activities	<u>\$ (53,014)</u>	<u>\$ 19,477</u>

Nonmajor Proprietary Funds

Enterprise Funds

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the City's Council is that the costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the City's Council has decided that periodic determination of net income is appropriate for accountability purposes.

Airport Fund - This fund is used to account for the operation of the municipal airport.

EIP Revolving Loan Fund - This fund is used to account for the employment incentive program community development block grant and related loans for capital expenditures to qualifying employers in the City of Fitzgerald.

CITY OF FITZGERALD, GEORGIA
Nonmajor Proprietary Funds
Combining Statement of Net Position
December 31, 2012

	Enterprise Funds		
	EIP		
	Airport	Revolving Loan	Total
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 475,506	\$ 103,115	\$ 578,621
Receivables (Net of Allowance for Uncollectibles)	7,281	21,110	28,391
Inventories	25,113	--	25,113
Total Current Assets	<u>507,900</u>	<u>124,225</u>	<u>632,125</u>
Noncurrent Assets			
Notes Receivable	--	266,390	266,390
Capital Assets Not Being Depreciated	299,325	--	299,325
Capital Assets Net of Accumulated Depreciation	2,107,649	--	2,107,649
Total Noncurrent Assets	<u>2,406,974</u>	<u>266,390</u>	<u>2,673,364</u>
Total Assets	<u>2,914,874</u>	<u>390,615</u>	<u>3,305,489</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	3,441	--	3,441
Accrued Liabilities	2,020	--	2,020
Due to Other Funds	281	--	281
Notes Payable - Current	16,515	--	16,515
Total Current Liabilities	<u>22,257</u>	<u>--</u>	<u>22,257</u>
Noncurrent Liabilities			
Notes Payable	86,486	--	86,486
Total Noncurrent Liabilities	<u>86,486</u>	<u>--</u>	<u>86,486</u>
Total Liabilities	<u>108,743</u>	<u>--</u>	<u>108,743</u>
NET POSITION			
Net Investment in Capital Assets	2,303,973	--	2,303,973
Unrestricted	502,158	390,615	892,773
Total Net Position	<u>\$ 2,806,131</u>	<u>\$ 390,615</u>	<u>\$ 3,196,746</u>

CITY OF FITZGERALD, GEORGIA
Nonmajor Proprietary Funds
Combining Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended December 31, 2012

	Enterprise Funds		
	Airport	EIP Revolving Loan	Total
OPERATING REVENUES			
Charges for Services	\$ 190,581	\$ --	\$ 190,581
Other	300	--	300
Total Operating Revenues	<u>190,881</u>	<u>--</u>	<u>190,881</u>
OPERATING EXPENSES			
Personal Services and Employee Benefits	66,593	--	66,593
Purchased/Contracted Services	33,875	--	33,875
Supplies	124,716	--	124,716
Depreciation	120,755	--	120,755
Total Operating Expenses	<u>345,939</u>	<u>--</u>	<u>345,939</u>
Operating Income (Loss)	<u>(155,058)</u>	<u>--</u>	<u>(155,058)</u>
NONOPERATING REVENUES (EXPENSES)			
Intergovernmental	556,653	--	556,653
Interest Revenue	1,787	2,624	4,411
Interest	(6,135)	--	(6,135)
Gain/Loss on Disposition of Capital Assets	(25,183)	--	(25,183)
Total Nonoperating Revenues (Expenses)	<u>527,122</u>	<u>2,624</u>	<u>529,746</u>
Income (Loss) Before Contributions and Transfers	372,064	2,624	374,688
Transfers In	39,476	--	39,476
Changes in Net Position	<u>411,540</u>	<u>2,624</u>	<u>414,164</u>
Net Position - Beginning	2,394,591	387,991	2,782,582
Net Position - Ending	<u>\$ 2,806,131</u>	<u>\$ 390,615</u>	<u>\$ 3,196,746</u>

CITY OF FITZGERALD, GEORGIA
Nonmajor Proprietary Funds
Combining Statement of Cash Flows
For the Year Ended December 31, 2012

	Enterprise Funds		
	EIP		
	Airport	Revolving Loan	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers and Users	\$ 193,200	\$ --	\$ 193,200
Payments to Suppliers	(164,884)	--	(164,884)
Payments to Employees	(64,573)	--	(64,573)
Net Cash Provided (Used) by Operating Activities	<u>(36,257)</u>	<u>--</u>	<u>(36,257)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Intergovernmental	26,317	--	26,317
Loans to Businesses	--	(287,500)	(287,500)
Transfers from Other Funds	39,476	--	39,476
Net Cash Provided (Used) by Noncapital Financing Activities	<u>65,793</u>	<u>(287,500)</u>	<u>(221,707)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and Construction of Capital Assets	(515,285)	--	(515,285)
Principal Paid on Capital Debt	(15,633)	--	(15,633)
Interest Paid on Capital Debt	(6,135)	--	(6,135)
Grants	530,336	--	530,336
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(6,717)</u>	<u>--</u>	<u>(6,717)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Received	1,912	2,624	4,536
Net Cash Provided (Used) by Investing Activities	<u>1,912</u>	<u>2,624</u>	<u>4,536</u>
Net Increase (Decrease) in Cash and Cash Equivalents	24,731	(284,876)	(260,145)
Cash and Cash Equivalents - Beginning of Year	450,775	387,991	838,766
Cash and Cash Equivalents - End of Year	<u>\$ 475,506</u>	<u>\$ 103,115</u>	<u>\$ 578,621</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	\$ (155,058)	\$ --	\$ (155,058)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities			
Depreciation Expense	120,755	--	120,755
(Increase) Decrease in Accounts Receivable	2,319	--	2,319
(Increase) Decrease in Inventories	3,454	--	3,454
(Increase) Decrease in Prepaid Items	1,687	--	1,687
Increase (Decrease) in Accounts Payable	(10,972)	--	(10,972)
Increase (Decrease) in Accrued Wages and Withholdings	2,020	--	2,020
Increase (Decrease) in Due to Other Funds	(462)	--	(462)
Net Cash Provided (Used) by Operating Activities	<u>\$ (36,257)</u>	<u>\$ --</u>	<u>\$ (36,257)</u>

CITY OF FITZGERALD, GEORGIA
Airport Enterprise Fund
Statement of Net Position
December 31, 2012 and 2011

	2012	2011
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 475,506	\$ 450,775
Receivables		
Interest	219	344
Accounts	7,062	9,381
Inventories	25,113	28,567
Prepaid Items	--	1,687
Total Current Assets	<u>507,900</u>	<u>490,754</u>
Noncurrent Assets		
Capital Assets Not Being Depreciated		
Land	289,245	288,370
Construction in Progress	10,080	71,333
Capital Assets Net of Accumulated Depreciation		
Airport Improvement Projects	4,638,019	4,169,276
Machinery and Equipment	209,807	209,807
Accumulated Depreciation	<u>(2,740,177)</u>	<u>(2,701,159)</u>
Total Capital Assets Net of Accumulated Depreciation	<u>2,406,974</u>	<u>2,037,627</u>
Total Noncurrent Assets	<u>2,406,974</u>	<u>2,037,627</u>
Total Assets	<u>2,914,874</u>	<u>2,528,381</u>
LIABILITIES		
Current Liabilities		
Accounts Payable	3,441	14,413
Accrued Liabilities	2,020	--
Due to Other Funds		
General Fund	281	743
Notes Payable - Current	<u>16,515</u>	<u>15,633</u>
Total Current Liabilities	<u>22,257</u>	<u>30,789</u>
Noncurrent Liabilities		
Notes Payable	<u>86,486</u>	<u>103,001</u>
Total Noncurrent Liabilities	<u>86,486</u>	<u>103,001</u>
Total Liabilities	<u>108,743</u>	<u>133,790</u>
NET POSITION		
Net Investment in Capital Assets	2,303,973	1,918,993
Unrestricted	<u>502,158</u>	<u>475,598</u>
Total Net Position	<u>\$ 2,806,131</u>	<u>\$ 2,394,591</u>

CITY OF FITZGERALD, GEORGIA
Airport Enterprise Fund
Statement of Revenues, Expenses, and Changes in Net Position
For the Years Ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
OPERATING REVENUES		
Charges for Services	\$ 190,581	\$ 227,976
Other	300	400
Total Operating Revenues	<u>190,881</u>	<u>228,376</u>
OPERATING EXPENSES		
Personal Services and Employee Benefits	66,593	63,124
Purchased/Contracted Services	33,875	42,065
Supplies	124,716	154,476
Depreciation	120,755	121,784
Total Operating Expenses	<u>345,939</u>	<u>381,449</u>
Operating Income (Loss)	<u>(155,058)</u>	<u>(153,073)</u>
NONOPERATING REVENUES (EXPENSES)		
Intergovernmental	556,653	37,657
Interest Revenue	1,787	2,829
Interest	(6,135)	(7,549)
Gain/Loss on Disposition of Capital Assets	(25,183)	--
Total Nonoperating Revenues (Expenses)	<u>527,122</u>	<u>32,937</u>
Income (Loss) Before Contributions and Transfers	<u>372,064</u>	<u>(120,136)</u>
Transfers In		
General Fund	39,476	56,485
Changes in Net Position	411,540	(63,651)
Net Position - Beginning	2,394,591	2,458,242
Net Position - Ending	<u>\$ 2,806,131</u>	<u>\$ 2,394,591</u>

CITY OF FITZGERALD, GEORGIA
Airport Enterprise Fund
Statement of Cash Flows
For the Years Ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers and Users	\$ 193,200	\$ 227,417
Payments to Suppliers	(164,884)	(198,090)
Payments to Employees	(64,573)	(62,885)
Net Cash Provided (Used) by Operating Activities	<u>(36,257)</u>	<u>(33,558)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Intergovernmental	26,317	37,657
Transfers from Other Funds		
General Fund	39,476	56,485
Net Cash Provided (Used) by Noncapital Financing Activities	<u>65,793</u>	<u>94,142</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and Construction of Capital Assets	(515,285)	(46,846)
Principal Paid on Capital Debt	(15,633)	(12,218)
Interest Paid on Capital Debt	(6,135)	(7,549)
Grants	530,336	--
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(6,717)</u>	<u>(66,613)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	1,912	2,784
Net Cash Provided (Used) by Investing Activities	<u>1,912</u>	<u>2,784</u>
Net Increase (Decrease) in Cash and Cash Equivalents	24,731	(3,245)
Cash and Cash Equivalents - Beginning of Year	450,775	454,020
Cash and Cash Equivalents - End of Year	<u>\$ 475,506</u>	<u>\$ 450,775</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	\$ (155,058)	\$ (153,073)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities		
Depreciation Expense	120,755	121,784
(Increase) Decrease in Accounts Receivable	2,319	(959)
(Increase) Decrease in Inventories	3,454	(14,747)
(Increase) Decrease in Prepaid Items	1,687	--
Increase (Decrease) in Accounts Payable	(10,972)	13,183
Increase (Decrease) in Accrued Wages and Withholdings	2,020	--
Increase (Decrease) in Due to Other Funds	(462)	254
Net Cash Provided (Used) by Operating Activities	<u>\$ (36,257)</u>	<u>\$ (33,558)</u>

CITY OF FITZGERALD, GEORGIA
EIP Revolving Loan Enterprise Fund
Statement of Net Position
December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 103,115	\$ 387,991
Receivables		
Notes	21,110	--
Total Current Assets	<u>124,225</u>	<u>387,991</u>
Noncurrent Assets		
Notes Receivable	266,390	--
Total Noncurrent Assets	<u>266,390</u>	<u>--</u>
Total Assets	<u>390,615</u>	<u>387,991</u>
NET POSITION		
Unrestricted	390,615	387,991
Total Net Position	<u>\$ 390,615</u>	<u>\$ 387,991</u>

CITY OF FITZGERALD, GEORGIA
EIP Revolving Loan Enterprise Fund
Statement of Revenues, Expenses, and Changes in Net Position
For the Years Ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
NONOPERATING REVENUES (EXPENSES)		
Interest Revenue	\$ 2,624	\$ 2,715
Total Nonoperating Revenues (Expenses)	<u>2,624</u>	<u>2,715</u>
Changes in Net Position	2,624	2,715
Net Position - Beginning	387,991	385,276
Net Position - Ending	<u>\$ 390,615</u>	<u>\$ 387,991</u>

CITY OF FITZGERALD, GEORGIA
EIP Revolving Loan Enterprise Fund
Statement of Cash Flows
For the Years Ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Loans to Businesses	\$ (287,500)	\$ --
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(287,500)</u>	<u>--</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	2,624	2,715
Net Cash Provided (Used) by Investing Activities	<u>2,624</u>	<u>2,715</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(284,876)	2,715
Cash and Cash Equivalents - Beginning of Year	387,991	385,276
Cash and Cash Equivalents - End of Year	<u>\$ 103,115</u>	<u>\$ 387,991</u>

SUPPLEMENTAL SCHEDULES

CITY OF FITZGERALD, GEORGIA
General Fund
Schedule of Revenues
For the Years Ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
REVENUES		
Taxes		
Real Property	\$ 1,167,227	\$ 1,125,749
Personal Property	120,555	114,685
Real Estate Transfer (Intangible)	2,709	1,116
Franchise	172,262	172,242
General Sales and Use	1,173,349	1,162,704
Selective Sales and Use	181,540	184,441
Business		
Business and Occupation	105,453	104,223
Insurance Premium	451,021	424,624
Financial Institution	71,180	66,149
Penalties and Interest on Delinquent Taxes	22,115	12,724
	<u>3,467,411</u>	<u>3,368,657</u>
Licenses and Permits		
Non-Business	1,100	1,125
Regulatory	9,331	10,861
Penalties and Interest	1,383	1,145
	<u>11,814</u>	<u>13,131</u>
Intergovernmental	<u>365,811</u>	<u>347,896</u>
Charges for Services		
General Government	28,200	30,936
Public Safety	478,371	383,109
Street and Public Improvements	8,930	161
Public Works	1,251,710	1,254,918
Culture and Recreation	139,178	129,252
Other Charges for Services	64,993	61,360
	<u>1,971,382</u>	<u>1,859,736</u>
Fines and Forfeitures	<u>134,664</u>	<u>116,493</u>
Interest Revenue	<u>1,965</u>	<u>4,201</u>
Contributions and Donations	<u>3,500</u>	<u>--</u>
Miscellaneous	<u>102,721</u>	<u>104,378</u>
Total Revenues	<u>\$ 6,059,268</u>	<u>\$ 5,814,492</u>

CITY OF FITZGERALD, GEORGIA
General Fund
Schedule of Expenditures
For the Years Ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
EXPENDITURES		
Current		
General Government		
Legislative		
Personal Services and Employee Benefits	\$ 71,722	\$ 64,581
Purchased/Contracted Services	33,641	26,594
Supplies	716	725
Total Legislative	<u>106,079</u>	<u>91,900</u>
Executive		
Personal Services and Employee Benefits	109,211	110,458
Purchased/Contracted Services	15,257	7,398
Supplies	2,519	4,670
Total Executive	<u>126,987</u>	<u>122,526</u>
Elections		
Purchased/Contracted Services	--	16,943
Supplies	--	906
Total Elections	<u>--</u>	<u>17,849</u>
Financial Administration		
Personal Services and Employee Benefits	316,323	334,456
Purchased/Contracted Services	133,154	161,689
Supplies	14,950	15,726
Other Costs	50	--
Total Financial Administration	<u>464,477</u>	<u>511,871</u>
Government Buildings		
Personal Services and Employee Benefits	--	945
Purchased/Contracted Services	52,966	49,236
Supplies	3,894	9,802
Total Government Buildings	<u>56,860</u>	<u>59,983</u>
Total General Government	<u>754,403</u>	<u>804,129</u>
Public Safety		
Police		
Personal Services and Employee Benefits	1,444,508	1,507,443
Purchased/Contracted Services	156,012	151,932
Supplies	113,883	121,228
Capital Outlay	1,794	1,330
Other Costs	19,841	19,841
Total Police	<u>1,736,038</u>	<u>1,801,774</u>
Custody of Prisoners		
Purchased/Contracted Services	78,750	79,984
Total Custody of Prisoners	<u>78,750</u>	<u>79,984</u>

CITY OF FITZGERALD, GEORGIA
General Fund
Schedule of Expenditures
For the Years Ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Fire		
Personal Services and Employee Benefits	1,090,249	1,098,482
Purchased/Contracted Services	47,487	57,902
Supplies	25,756	26,133
Capital Outlay	1,121	74
Total Fire	<u>1,164,613</u>	<u>1,182,591</u>
Animal Control		
Personal Services and Employee Benefits	62,946	62,418
Purchased/Contracted Services	3,762	4,679
Supplies	6,547	7,470
Other Costs	501	--
Total Animal Control	<u>73,756</u>	<u>74,567</u>
Total Public Safety	<u>3,053,157</u>	<u>3,138,916</u>
Public Works		
Highways and Streets		
Personal Services and Employee Benefits	445,174	456,235
Purchased/Contracted Services	81,368	100,188
Supplies	66,498	63,321
Total Highways and Streets	<u>593,040</u>	<u>619,744</u>
Sanitation		
Personal Services and Employee Benefits	334,290	375,077
Purchased/Contracted Services	375,380	461,844
Supplies	110,918	110,860
Total Sanitation	<u>820,588</u>	<u>947,781</u>
Public Works Shop		
Personal Services and Employee Benefits	92,446	127,407
Purchased/Contracted Services	7,587	8,208
Supplies	13,110	16,927
Total Public Works Shop	<u>113,143</u>	<u>152,542</u>
Cemetery		
Personal Services and Employee Benefits	150,208	150,348
Purchased/Contracted Services	8,026	7,209
Supplies	12,354	10,508
Total Cemetery	<u>170,588</u>	<u>168,065</u>
Total Public Works	<u>1,697,359</u>	<u>1,888,132</u>
Health and Welfare		
Welfare/Charity		
Other Costs	200	500
Total Welfare/Charity	<u>200</u>	<u>500</u>
Total Health and Welfare	<u>200</u>	<u>500</u>

CITY OF FITZGERALD, GEORGIA
General Fund
Schedule of Expenditures
For the Years Ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Culture and Recreation		
Recreation		
Personal Services and Employee Benefits	376,383	403,068
Purchased/Contracted Services	29,008	34,791
Supplies	75,531	72,598
Total Recreation	<u>480,922</u>	<u>510,457</u>
Participant Recreation		
Purchased/Contracted Services	21,404	20,813
Supplies	36,707	37,247
Total Participant Recreation	<u>58,111</u>	<u>58,060</u>
Swimming Pools		
Purchased/Contracted Services	5,819	2,571
Supplies	5,036	7,756
Total Swimming Pools	<u>10,855</u>	<u>10,327</u>
Sports Facilities		
Legion Park Facility	3,866	3,803
Monitor Facility	4,807	4,691
Ball Parks and Fields	26,473	26,016
Tennis Courts	20	--
Paulk Park Camp Site	4,028	2,556
Ceramic Shop	609	406
Skeet Range	722	1,065
Monitor Enrichment	1,922	1,657
Total Sports Facilities	<u>42,447</u>	<u>40,194</u>
Museums		
Personal Services and Employee Benefits	20,886	24,498
Purchased/Contracted Services	3,734	4,455
Supplies	921	2,928
Total Museums	<u>25,541</u>	<u>31,881</u>
Arts Council		
Other Costs	--	5,000
Total Arts Council	<u>--</u>	<u>5,000</u>
Grand Theatre		
Personal Services and Employee Benefits	49,239	47,476
Purchased/Contracted Services	27,846	30,092
Supplies	85,007	91,741
Total Grand Theatre	<u>162,092</u>	<u>169,309</u>
The Carnegie Center		
Purchased/Contracted Services	3,211	2,613
Supplies	427	744
Total The Carnegie Center	<u>3,638</u>	<u>3,357</u>

CITY OF FITZGERALD, GEORGIA
General Fund
Schedule of Expenditures
For the Years Ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Parks		
Personal Services and Employee Benefits	103,908	117,517
Purchased/Contracted Services	14,323	11,603
Supplies	5,311	5,696
Capital Outlay	109	657
Total Parks	<u>123,651</u>	<u>135,473</u>
Library		
Other Costs	131,800	131,800
Total Library	<u>131,800</u>	<u>131,800</u>
Total Culture and Recreation	<u>1,039,057</u>	<u>1,095,858</u>
Housing and Development		
Building Inspections		
Personal Services and Employee Benefits	47,393	49,499
Purchased/Contracted Services	4,215	3,975
Supplies	4,109	4,924
Total Building Inspections	<u>55,717</u>	<u>58,398</u>
Urban Development and Housing		
Personal Services and Employee Benefits	132,616	126,450
Purchased/Contracted Services	33,249	23,445
Supplies	4,739	5,774
Total Urban Development and Housing	<u>170,604</u>	<u>155,669</u>
Code Enforcement		
Personal Services and Employee Benefits	44,728	43,577
Purchased/Contracted Services	3,780	4,306
Supplies	3,470	3,310
Total Code Enforcement	<u>51,978</u>	<u>51,193</u>
Tourism		
Personal Services and Employee Benefits	99,847	100,502
Purchased/Contracted Services	6,113	3,605
Supplies	2,869	3,771
Total Tourism	<u>108,829</u>	<u>107,878</u>
Community Action Programs		
Other Costs	3,600	15,499
Total Community Action Programs	<u>3,600</u>	<u>15,499</u>
Total Housing and Development	<u>390,728</u>	<u>388,637</u>
Capital Outlay	<u>543,501</u>	<u>103,662</u>
Debt Service	<u>100,978</u>	<u>131,003</u>
Total Expenditures	<u>\$ 7,579,383</u>	<u>\$ 7,550,837</u>

CITY OF FITZGERALD, GEORGIA
Utility Enterprise Fund
Schedule of General Fund Distribution
For the Year Ended December 31, 2012

Annual Gross Income	<u>\$ 27,752,997</u>
Less	
Contract Electric Receipts (Connected Load Greater Than 900 KW)	5,989,125
Contract Natural Gas Receipts (Annual Consumption Greater Than 34,000 MCF)	2,051,441
Deep South Water and Sewer	336,363
Rent	<u>203,877</u>
	<u>8,580,806</u>
Adjusted Gross Income	19,172,191
Add	
Other Receipts	
Computer Fees	20,640
Recovery of Old Accounts	(112)
Cash Overage (Shortage)	<u>(374)</u>
	<u>20,154</u>
Gross Income Subject to Transfer	<u><u>\$ 19,192,345</u></u>
8% of 19,192,345	<u><u>\$ 1,535,388</u></u>

The City ordinance establishing a required annual remittance to the General Fund of a percentage of the Utility Fund's gross receipts is subject to interpretation. The effects of applying other alternative interpretations have not been calculated. The income recognized as contributions from MEAG Power in the Municipal Competitive Trust has not been included in the above calculation.

CITY OF FITZGERALD, GEORGIA
Schedule of Hotel/Motel Taxes Expended
For the Year Ended December 31, 2012

Total Expenditures	
Tourism, Promotions, Conventions, Trade Shows, and Facility Support	\$ 33,005
	<u>33,005</u>
Taxes Collected	
Tax Collections @ 3%	21,733
Tax Collections Greater Than 3%	14,488
	<u>36,221</u>
Percentage Of Current Year Taxes Expended	<u>91%</u>

CITY OF FITZGERALD, GEORGIA
Schedule of DHR Grants
For the Year Ended December 31, 2012

	93-121200014-99	93-131300026-99	40-0000011278
Contract Number	93-121200014-99	93-131300026-99	40-0000011278
Contract Period	7/1/11 - 6/30/12	7/1/12 - 6/30/13	10/1/11 - 9/30/12
Contract Amount	\$ 44,000	\$ 45,000	\$ 36,000
Revenues - DHR			
FYE 12/31/11	\$ 10,986	\$ --	\$ --
FYE 12/31/12	33,014	10,773	36,000
	<u>44,000</u>	<u>10,773</u>	<u>36,000</u>
Expenditures			
FYE 12/31/11	22,221	--	--
FYE 12/31/12	21,779	20,084	36,000
	<u>44,000</u>	<u>20,084</u>	<u>36,000</u>
Due from DHR	\$ --	\$ 9,311	\$ --

CITY OF FITZGERALD, GEORGIA

**Schedule of Projects Constructed with Special Purpose Local Option Sales Tax Proceeds
For the Year Ended December 31, 2012**

Project	Original Estimated Cost	Revised Estimated Cost	Expenditures			Estimated Percentage of Completion
			Prior Years	Current Year	Total	
Sales Tax Referendum 7/1/2005 - 6/30/2011						
Transportation Improvement	\$ 1,500,000	\$ 1,532,776	\$ 1,486,179	\$ 46,597	\$ 1,532,776	100%
Old City Hall Restoration	1,550,000	2,679,126	2,679,126	1,072	2,680,198	100%
Carnegie Library	500,000	524,641	524,641	--	524,641	100%
Depot Renovation	300,000	300,000	31,471	523	31,994	11%
Capital Equipment	700,000	700,000	582,951	69,471	652,422	93%
Cemetery Improvements	50,000	65,169	65,169	--	65,169	100%
City Hall / Carnegie Furnishings	200,000	200,000	191,871	4,611	196,482	98%
Telecommunications	200,000	200,000	124,501	4,669	129,170	65%
	<u>\$ 5,000,000</u>	<u>\$ 6,201,712</u>	<u>\$ 5,685,909</u>	<u>\$ 126,943</u>	<u>\$ 5,812,852</u>	
SPLOST Capital Projects Fund						
Total Expenditures				<u>\$ 126,943</u>		
				<u>\$ 126,943</u>		
Sales Tax Referendum 7/1/2011 - 6/30/2017						
Humane Society	\$ 25,000	\$ 25,000	\$ --	\$ --	\$ --	0%
Library	75,000	75,000	--	--	--	0%
Grand Conference Center	100,000	100,000	4,540	3,882	8,422	8%
Transportation Improvements	2,100,000	2,100,000	--	244,140	244,140	12%
City Hall Debt	1,500,000	1,500,000	94,677	283,038	377,715	25%
Capital Equipment	700,000	700,000	--	40,100	40,100	6%
Public Works	150,000	150,000	--	--	--	0%
Fire Museum; Fire and Rescue Vehicles and Equipment	75,000	75,000	--	--	--	0%
Jaycee Stadium Improvements	900,000	900,000	--	--	--	0%
Carnegie Center Improvements	100,000	100,000	--	--	--	0%
Cemetery Improvements	75,000	75,000	--	4,180	4,180	6%
City and County Joint Projects						
Development Authority of Ben Hill County	150,000	150,000	--	17,915	17,915	12%
Fitzgerald & Ben Hill County Development Authority	1,500,000	1,500,000	--	--	--	0%
	<u>\$ 7,450,000</u>	<u>\$ 7,450,000</u>	<u>\$ 99,217</u>	<u>\$ 593,255</u>	<u>\$ 692,472</u>	
SPLOST 2011 Capital Projects Fund						
Total Expenditures				\$ 589,373		
Transfers Out				3,882		
				<u>\$ 593,255</u>		

CITY OF FITZGERALD, GEORGIA
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2012

Federal Grantor/Pass-Through Grantor/Program Or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
U.S. Department of Housing & Urban Development			
Small Cities Program			
Pass-through Program From			
Georgia Department of Community Affairs			
Neighborhood Stabilization Program	14.228	08-ns-5060	95,705
			<u>95,705</u>
Community Home Investment Program	14.239	BHO810	37,332
Community Home Investment Program	14.239	07-mr-x-009-2-2969	26,000
			<u>63,332</u>
Total U.S. Department of Housing & Urban Development			<u>159,037</u>
U.S. Department of Justice			
Bulletproof Vest Program	16.607	7036906	3,011
Total U.S. Department of Justice			<u>3,011</u>
U.S. Department of Transportation			
Pass-through Program From			
Georgia Department of Transportation			
Federal Aviation Administration			
Airport Improvement Program	20.106	T004216	518,263
			<u>518,263</u>
Georgia Governor's Office of Highway Safety			
Small Agency Incentive Grant	20.600	GA-2012-000-00505	10,000
			<u>10,000</u>
Total U.S. Department of Transportation			<u>528,263</u>
U.S. Department of Health & Human Services			
Pass-through Program From			
Georgia Department of Human Services			
Afterschool Care Program	93.558	40-0000011278	36,000
Total U.S. Department of Health & Human Services			<u>36,000</u>
U.S. Department of Homeland Security			
Pass-through Program From			
Georgia Emergency Management Agency			
Emergency Services	97.036	1833-DR-GA-037-02928-00	30,336
			<u>30,336</u>
Total U.S. Department of Homeland Security			<u>30,336</u>
Total Expenditures of Federal Awards			<u>\$ 756,647</u>

Basis Of Presentation

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

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CARRIE E. PUTNAL, CPA

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 Council
City of Fitzgerald, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Fitzgerald, Georgia, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise City of Fitzgerald, Georgia's basic financial statements, and have issued our report thereon dated September 30, 2013.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

MEEKS CPA, LLP

MEEKS CPA, LLP

Ocilla, Georgia

September 30, 2013

MEEKS CPA, LLP

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

To The Honorable Mayor and Council
City of Fitzgerald, Georgia

Report on Compliance for Each Major Federal Program

We have audited City of Fitzgerald, Georgia's compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement that could have a direct and material effect on each of City of Fitzgerald, Georgia's major federal programs for the year ended December 31, 2012. City of Fitzgerald, Georgia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, City of Fitzgerald, Georgia, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2012.

Report on Internal Control Over Compliance

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

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

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

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

MEEKS CPA, LLP
MEEKS CPA, LLP
Ocilla, Georgia

September 30, 2013

CITY OF FITZGERALD, GEORGIA
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2012

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: unqualified

Internal control over financial reporting:

Material weakness(es) identified? yes no

Significant deficiency(ies) identified? yes none reported

Noncompliance material to financial statements noted? yes no

Federal Awards

Internal control over major programs:

Material weakness(es) identified? yes no

Significant deficiency(ies) identified? 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 Section 510(a) of OMB Circular A-133? yes no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
20.106	Airport Improvement Program

Dollar threshold used to distinguish between type A and type B programs: \$ 300,000

Auditee qualified as low-risk auditee? yes no

Section II - Financial Statement Findings

None

Section III - Federal Award Findings and Questioned Costs

None