

CITY OF RIVERDALE, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2013



Prepared by:
Riverdale Finance Department

CITY OF RIVERDALE, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2013

TABLE OF CONTENTS

Page

INTRODUCTORY SECTION

Letter of Transmittal	i-iv
Organizational Chart.....	v
List of Principal Officials	vi
Certificate of Achievement for Excellence in Financial Reporting.....	vii

FINANCIAL SECTION

Independent Auditor's Report	1 - 3
Management's Discussion and Analysis	4 - 11
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	12
Statement of Activities	13
Fund Financial Statements:	
Balance Sheet – Governmental Funds	14
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	15
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	16
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget (GAAP Basis) and Actual – General Fund	17 and 18
Statement of Net Position – Proprietary Funds	19
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds	20
Statement of Cash Flows – Proprietary Funds	21
Notes to Financial Statements.....	22 - 53
Required Supplementary Information:	
Other Post-Employment Benefits Plan – Schedule of Funding Progress	54
Combining Statements and Schedules:	
Combining Balance Sheet – Nonmajor Governmental Funds	55
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds.....	56
Special Revenue Funds – Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual:	
Emergency Communication Fund.....	57
Hotel/Motel Tax Fund.....	58
Confiscated Assets Fund.....	59
Red Light Enforcement Fund.....	60

CITY OF RIVERDALE, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

TABLE OF CONTENTS (CONTINUED)

Page

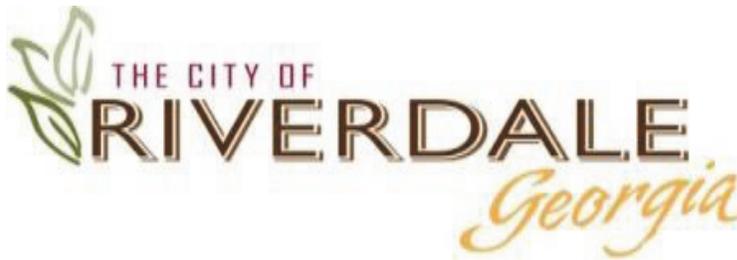
FINANCIAL SECTION (CONTINUED)

Schedule of Expenditures of Special Purpose Local Option Sales Tax	
Proceeds – 2008 Issue	61

STATISTICAL SECTION

Net Position by Activity	62
Changes in Net Position	63 and 64
Fund Balances, Governmental Funds	65 and 66
Changes in Fund Balances, Governmental Funds	67
Assessed Value and Estimated Actual Value of Taxable Property	68
Property Tax Rates	69
Principal Property Taxpayers	70
Property Tax Levies and Collections	71
Local Option Sales Tax History	72
Ratios of Outstanding Debt by Type	73
Legal Debt Margin Information	74
Direct and Overlapping Governmental Activities Debt	75
Demographic and Economic Statistics	76
Ten Largest Employers in Riverdale	77
Full Time Equivalent City Employees by Department	78
Operating Indicators by Function	79
Capital Asset Statistics by Function	80

INTRODUCTORY SECTION



March 6, 2014

To the Honorable Mayor, Distinguished Members of City Council and the Citizens of the City of Riverdale, Georgia:

Ladies and Gentlemen:

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, I hereby issue the comprehensive annual financial report of the City of Riverdale, Georgia (the “City”) for the fiscal year ended June 30, 2013.

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

The City’s financial statements have been audited by Mauldin & Jenkins, LLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended June 30, 2013, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City’s financial statements for the fiscal year ended June 30, 2013, are fairly presented in conformity with GAAP. The independent auditor’s report is presented as the first component of the financial section of this report.

Government Auditing Standards require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and compliance with legal requirements. This report is included in this comprehensive annual financial report.

Profile of the City

The City of Riverdale, incorporated in 1908, is located in Clayton County, Georgia, and lies within the Metropolitan Atlanta area approximately five miles south of Atlanta-Hartsfield International Airport. The City is a municipal corporation created by and chartered through, the laws of the State of Georgia. A Mayor and City Council, composed of four members, govern and direct the legislative affairs of the City. The Mayor is elected at large, without regard to specific residency within the City. Each member of Council is required to reside within the ward from which he/she seeks election, but all citizens who are eligible to vote, may vote for any and all members of Council, as well as the Mayor.

In a manner consistent with the principles and practices of a Council-Manager form of government, the legislative policies and daily operations of the City are executed and/or administered by an appointed City manager. The City Manager is vested with the authority and responsibility to provide for the effective and efficient delivery of municipal services and to attend to the management of municipal affairs within legislative and legal parameters established by federal, state and local laws and legislations.

The City provides a full range of services, including police and fire protection; the construction and maintenance of highways, streets, and other infrastructures; sanitation; planning and zoning; and recreational activities and cultural events. Additional information on the individual funds which perform these services can be found in Note 1 in the notes to the financial statements.

The annual budget serves as the foundation for the City's financial planning and control. All funds and departments of the City are required to submit requests for appropriation to the City Manager in April of each fiscal year. The City Manager uses this request as the starting point for developing a proposed budget. The City Manager then presents this proposed budget to the Council for review prior to June 15. The Council is required to hold public hearings on the proposed budget and to adopt a final budget by no later than June 30, the close of the City's fiscal year. The appropriated budget is prepared by fund and department. Department supervisors may make transfers of appropriations within a department. Transfers of appropriations between departments or an increase in any salary category require the special approval of the governing council. Budget to actual comparisons are provided in this report for the General Fund and each special revenue fund for which an appropriated annual budget has been adopted. These comparisons are presented beginning on page 17 for the General Fund and beginning on page 57 for the special revenue funds.

On January 3, 1996, the City of Riverdale, Georgia received its status as a Certified City by the State of Georgia Department of Community Affairs and it has been recognized by the International City / County Management Association as a Council-Manager form of government since 1970.

Factors Affecting Financial Condition

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

Local Economy

The City, like other municipalities, is still being impacted by the slow economic recovery and the lingering effects of the nationwide housing meltdown. While existing businesses are continuing to remodel and expand albeit on a smaller scale, the City is fortunate to have new businesses such as a funeral home, several retail establishments to include one national store and other service related enterprises open for business. Riverdale voters also approved the sale of alcohol seven days a week which has generated additional revenue.

Construction of the Riverdale Town Center was completed in fiscal year 2011. It includes the new Riverdale Centre for Arts, Business and Leisure Services. The state of the art multi-purpose civic facility, located in the heart of Riverdale Town Center has over 40,000 square feet of space most of which can be leased/rented for private or public functions at customary rates. The Riverdale Centre features an arts room, a dance/aerobics studio, a game room, a multi-purpose room, a board room, a large gymnasium with a stage, a suspended indoor walking track, and exercise room, a warming kitchen, and formal meeting rooms that extend to an outdoor patio. A parking garage supporting the Town Center is nearing completion and will be put into service early in fiscal year 2014. The Riverdale Town Centre has exciting activities for the whole family.

Phase one of the Riverdale Regional Park was completed in September 2012. The park includes football and baseball fields, concession and restroom buildings, walking trails and a playground. Baseball and football league games were held in the park in fiscal year 2013. Most days residents can be seen walking the trails or playing on the playground. The Riverdale Regional Park has been a great addition to the City.

Economic Development within the City of Riverdale accelerated in fiscal year 2012. We have many new projects in the works. The Riverdale Downtown Development Authority (RDDA) is a non-profit volunteer-based organization established to enhance Riverdale's economic environment as a center of commerce, while maintaining the character and integrity of the City's central business district as an attractive place to live, work, and visit.

RDDA is a member of the Georgia Department of Community Affairs Downtown Development Initiative and has adopted certain goals by following the four-point approach developed by the National Main Street Center. The organization's activities are focused in the areas of economic development, design, promotion and organization. Leadership of the RDDA is provided by a volunteer Board of Directors, an active committee structure, as well as an Executive Director, and numerous volunteers.

The economic outlook for the City continues to be positive.

Long-term Financial Planning: The City's long-term financial status is dependent on continuing growth and diversification of the City tax base.

Relevant Financial Policies

The City of Riverdale entered into an agreement with Development Authority of Clayton County for the issuance of the \$5,500,000 Series 2010 Recovery Fund Bonds to be used for the construction of a public park and parking deck. The following actions by a Resolution of the Board of Directors were duly authorized under the laws of the State of Georgia:

- September 27, 2010, resolution to authorize the execution of an intergovernmental contract between the City and the Development Authority of Clayton County to secure payment of the bonds.
- October 1, 2010 Intergovernmental Contract was executed.

Restricted Funds

Governmental Funds restricted assets at the fiscal year end, June 30, 2013, were \$2,100,631. These funds were primarily proceeds from the issuance of the 2009 Certificate of Participation (COPS) and the 2010 Series Recovery Bonds and are classified as restricted assets on the balance sheet because their use is limited to construction and acquisition of the City's Town Center, Park and Parking Deck Projects.

Major Initiatives

The COPS are secured by the City's pledge to annually appropriate rental payments sufficient to pay debt service, and collateral is provided by a lien on the security interest in the financed assets and the land comprising the project site. Total assets available to certificate-holders, in the event of non-appropriation, provides collateralization of approximately 90%. The availability of a debt service reserve fund, which the City plans to satisfy with bond proceeds or a qualified reserve fund substitute, and a legal structure that prevents the release of substitution of assets from collateral pool further protects bondholders. Annual SPLOST proceeds, authorized through December 31, 2014, are expected to pay approximately 70% of the total debt service on the COPS. The remainder (approximately \$510,000 annually) will be paid from General Fund revenues for the life of the certificates.

Management Discussion and Analysis

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

Awards and Acknowledgments

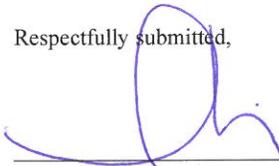
The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Riverdale for its comprehensive annual financial report for the fiscal year ended June 30, 2012. This was the twelfth consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy generally accepted accounting principles and applicable legal requirements.

The Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievements program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

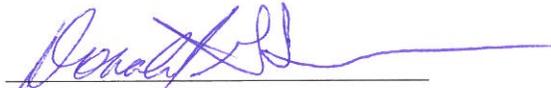
The preparation of this report would not have been possible without the efficient and dedicated services of the Director and Staff of the Finance department. I would like to express my appreciation to all members of the departments who assisted and contributed to the preparation of this report.

I also thank the Finance Director, Finance Staff, Mayor and members of City Council for their interest and support in planning and conducting the financial operations of the City in a professional, responsible and progressive manner.

Respectfully submitted,



Nathaniel Mingo,
Interim City Manager



Donald G. Turner, CPA
Finance Director

CITY OF RIVERDALE, GEORGIA

ORGANIZATIONAL CHART

JUNE 30, 2013

City of Riverdale Organizational Chart

Citizens of Riverdale

Mayor and Council

City Clerk

City Manager
Tax Collector &
Human Resource Dept.

City Attorney

Community, Cultural & Leisure

Community Development and
Neighborhood Community
Development

Court Services

Finance Department Director

General Services & Facilities
Management Director

Information Technology Director

Planning, Zoning & Sanitation

Public Safety Director

Fire Services

Police Services

CITY OF RIVERDALE, GEORGIA

PRINCIPAL OFFICIALS JUNE 30, 2013

LEGISLATIVE BRANCH

CITY COUNCIL

Dr. Evelyn Wynn-Dixon	Mayor
Cynthia Stamps-Jones	Mayor Pro Tem
An'Cel Davis	Council Member
Kenneth Ruffin	Council Member
Wanda Wallace	Council Member

OFFICERS OF THE COUNCIL

Mathew Lavalee	City Attorney
Stephanie Thomas	City Clerk

JUDICIAL BRANCH

Ronald Freeman, Sr.	Municipal Court Judge
Jerry Patrick	City Solicitor
Nathaniel Mingo	Director of Court Services

EXECUTIVE BRANCH

Nathaniel Mingo	Interim City Manager
Carol McGhee	Cultural Affairs
Donald Turner	Finance Director
Samuel Patterson	Director of Public Safety-Police Chief
Brenda Willis	Fire Chief
Lemmy Paskel	Director of Information Technology
Jacquette Jackson	Director of Human Resources
Camilla Moore	Director of Planning, Zoning & Development
Karl Kelly	City Engineer/Project Manager
Bennie Rose	Director of General Services & Facility Management



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Riverdale
Georgia**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2012

Executive Director/CEO

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

**To the Mayor and Members
of the City Council
Riverdale, Georgia**

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the **City of Riverdale, Georgia** (the "City"), as of and for the fiscal year ended June 30, 2013, 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 discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Riverdale, Georgia, as of June 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof, and the budgetary comparisons for the General Fund for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 and Note 16, the City of Riverdale, Georgia implemented Governmental Accounting Standards Board (GASB) Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, as well as Statement No. 65, *Items Previously Reported as Assets and Liabilities*, as of July 1, 2012. These standards modified terminology and presentation of certain accounts and changed the accounting for bond issuance costs. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Schedule of Funding Progress (on pages 4 through 11 and page 54, respectively) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Riverdale, Georgia's basic financial statements. The combining and individual statements and schedules and the schedule of expenditures of special purpose local option sales tax proceeds, as required by the Official Code of Georgia 48-8-121, as well as the introductory and the statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Other Information (Continued)

The combining and individual statements and schedules and the schedule of expenditures of special purpose local option sales tax proceeds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 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 statements and schedules and the schedule of expenditures of special purpose local option sales tax proceeds are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 6, 2014 on our consideration of the City of Riverdale, 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 the City of Riverdale, Georgia's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Atlanta, Georgia
March 6, 2014

**CITY OF RIVERDALE, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

As management of the City of Riverdale, Georgia (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2013. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

Financial Highlights

- The assets of the City exceeded its liabilities and deferred inflows of resources at June 30, 2013 by \$19,907,088.
- The total net position increased by \$1,873,897. Of this amount, an increase of \$1,447,669 was associated with governmental activities and an increase of \$426,228 was associated with business-type activities.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$7,318,472, a decrease of \$1,428,981 in comparison with the prior fiscal year. Of this amount, \$1,956,114 is unassigned and available for spending; \$553,273 is nonspendable; \$3,972,112 is restricted for specific uses; and \$836,973 is committed for capital projects and law enforcement purposes.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$1,996,304 or 18.73% of total General Fund expenditures.
- The City's total debt obligations (including compensated absences) decreased by the net amount of \$1,937,246. This decrease is due to the certificates of participation debt reduction of \$2,469,530, plus the decrease in Recovery Bond debts of \$94,865. Other debt, including compensated absences, increased by \$627,149.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

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

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, judicial, public safety, public works (highways and streets), parks and recreation, economic development, and interest on long-term debt. The business-type activity of the City is solid waste management.

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

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between the two.

The City maintains five (5) major governmental funds. The City's major governmental funds are the General Fund, the Capital Projects SPLOST Fund, the Certificates of Participation (COPS 2009) Fund, the Recovery Bond Fund, and the Capital Projects Fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for all major funds.

The City adopted an annual budget for its General Fund. Budgets were adopted for all special revenue funds, a budgetary comparison statement has been provided for the General Fund to demonstrate compliance with the fiscal year 2013 budget. A project length budget has been adopted for the Capital Projects SPLOST Fund, the COPS 2009 Fund, the Recovery Bond Fund, and the Capital Projects Fund.

Proprietary funds. The City maintains one type of proprietary fund. Enterprise funds (a component of proprietary funds) are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses an enterprise fund to account for its Solid Waste Management Fund.

Proprietary funds provide the same type of information as government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Solid Waste Management Fund.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. In addition to the basic financial statement and accompanying notes, this report also presents certain other supplementary information which consists of individual fund financial statements with prior fiscal year comparisons.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. As of June 30, 2013, the City's assets exceeded deferred inflows of resources and liabilities by \$19,907,088. The City's net position reflects its investment in capital assets (68.8%), less any related debt used to acquire those assets that is still outstanding. Capital assets are used to provide services to citizens and they are not available for future spending. Although the investment in capital assets are reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Of the total net position, \$4,022,079 is unrestricted.

City of Riverdale, Georgia's Summary of Net Position

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2013</u>	<u>Restated 2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>Restated 2012</u>
Current and other assets	\$ 9,452,692	\$ 11,035,181	\$ 1,717,469	\$ 1,279,800	\$ 11,170,161	\$ 12,314,981
Capital assets	<u>29,260,446</u>	<u>28,317,310</u>	<u>8,644</u>	<u>9,467</u>	<u>29,269,090</u>	<u>28,326,777</u>
Total assets	<u>38,713,138</u>	<u>39,352,491</u>	<u>1,726,113</u>	<u>1,289,267</u>	<u>40,439,251</u>	<u>40,641,758</u>
Current liabilities	1,269,491	1,291,103	431,253	420,635	1,700,744	1,711,738
Long-term liabilities	<u>18,592,135</u>	<u>20,529,381</u>	<u>-</u>	<u>-</u>	<u>18,592,135</u>	<u>20,529,381</u>
Total liabilities	<u>19,861,626</u>	<u>21,820,484</u>	<u>431,253</u>	<u>420,635</u>	<u>20,292,879</u>	<u>22,241,119</u>
Deferred inflows of resources	<u>239,284</u>	<u>367,448</u>	<u>-</u>	<u>-</u>	<u>239,284</u>	<u>367,448</u>
Net position:						
Net investment in capital assets	13,691,189	12,940,372	8,644	9,467	13,699,833	12,949,839
Restricted	2,185,176	1,257,973	-	-	2,185,176	1,257,973
Unrestricted	<u>2,735,863</u>	<u>2,966,214</u>	<u>1,286,216</u>	<u>859,165</u>	<u>4,022,079</u>	<u>3,825,379</u>
Total net position	<u>\$ 18,612,228</u>	<u>\$ 17,164,559</u>	<u>\$ 1,294,860</u>	<u>\$ 868,632</u>	<u>\$ 19,907,088</u>	<u>\$ 18,033,191</u>

In the current fiscal year \$2,185,176 or 11% of the net position are subject to external restrictions on how they may be used. The balance of unrestricted net position \$4,022,079 may be used to meet the City's ongoing obligations to citizens and creditors.

Governmental activities. Governmental activities increased the City's net position by \$1,873,897. Key elements of this increase are as follows:

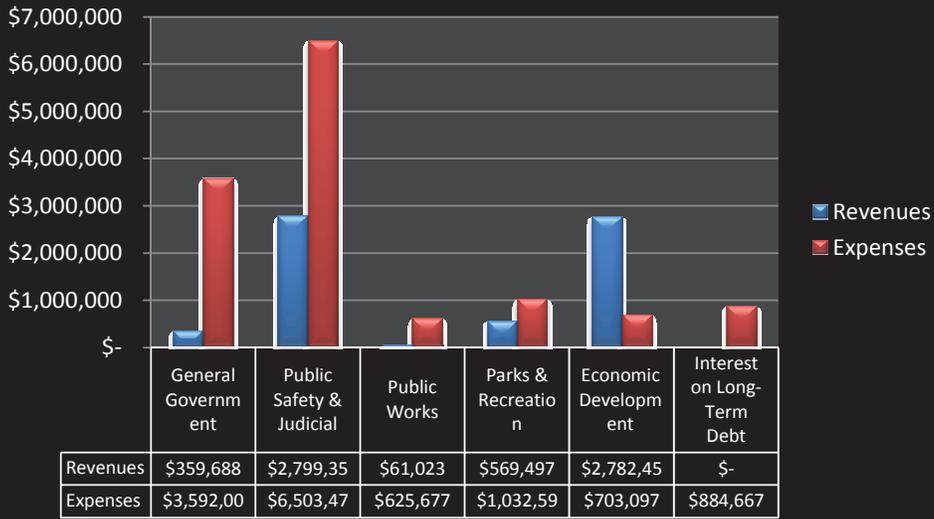
City of Riverdale, Georgia's Summary of Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2013	2012 (Restated)	2013	2012	2013	2012 (Restated)
Revenues:						
Program Revenues -						
Charges for services	\$ 3,611,452	\$ 4,108,426	\$ 897,815	\$ 1,351,549	\$ 4,509,267	\$ 5,459,975
Operating grants and contributions	194,951	122,515	-	-	194,951	122,515
Capital grants and contributions	2,757,325	3,223,703	-	-	2,757,325	3,223,703
General Revenues-						
Property taxes	2,705,058	2,194,301	-	-	2,705,058	2,194,301
Other taxes	5,450,806	5,358,600	-	-	5,450,806	5,358,600
Investment earnings	61,308	62,156	-	-	61,308	62,156
Total Revenues	<u>14,780,900</u>	<u>15,069,701</u>	<u>897,815</u>	<u>1,351,549</u>	<u>15,678,715</u>	<u>16,421,250</u>
Expenses:						
General government	3,592,001	2,912,979	-	-	3,592,001	2,912,979
Judicial	732,181	630,083	-	-	732,181	630,083
Public safety	5,763,012	6,115,912	-	-	5,763,012	6,115,912
Parks and recreation	1,032,596	284,870	-	-	1,032,596	284,870
Public works	625,677	705,044	-	-	625,677	705,044
Economic development	703,097	1,094,948	-	-	703,097	1,094,948
Interest on long-term debt	884,667	820,677	-	-	884,667	820,677
Solid waste	-	-	471,587	1,041,011	471,587	1,041,011
Total Expenses	<u>13,333,231</u>	<u>12,564,513</u>	<u>471,587</u>	<u>1,041,011</u>	<u>13,804,818</u>	<u>13,605,524</u>
Increase in net position before transfers	1,447,669	2,505,188	426,228	310,538	1,873,897	2,815,726
Transfers	-	200,000	-	(200,000)	-	-
Increase in net position	1,447,669	2,705,188	426,228	110,538	1,873,897	2,815,726
Net position- beginning of fiscal year, as restated	<u>17,164,559</u>	<u>14,459,371</u>	<u>868,632</u>	<u>758,094</u>	<u>18,033,191</u>	<u>15,217,465</u>
Net position - end of fiscal year	<u>\$ 18,612,228</u>	<u>\$ 17,164,559</u>	<u>\$ 1,294,860</u>	<u>\$ 868,632</u>	<u>\$ 19,907,088</u>	<u>\$ 18,033,191</u>

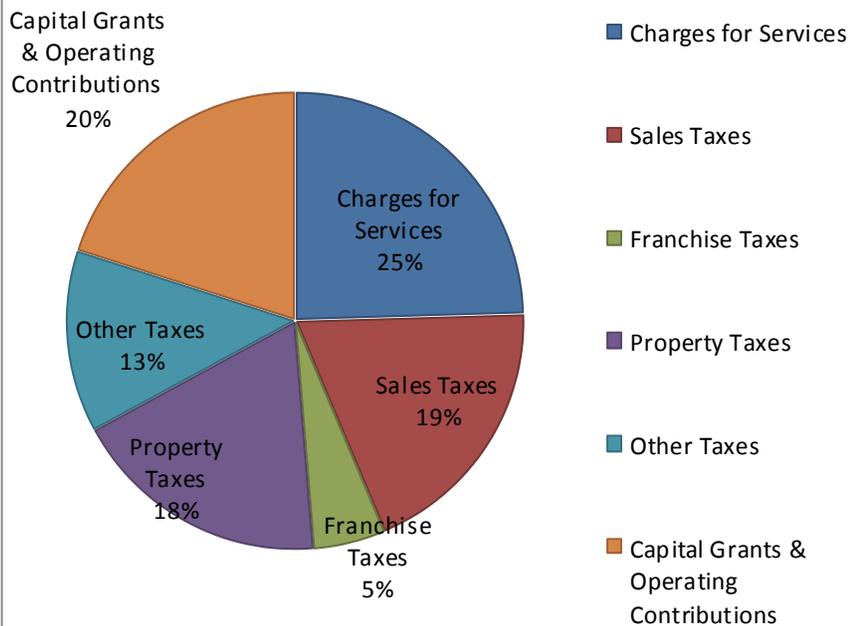
Public safety expenses decreased by 2.6% or \$352,900 due to decreased personnel costs.

- Property taxes increased 23.3%, or \$510,757. This increase is the result of a 2.4% increase in the millage rate from 7.5 mills to 9.98 mills.
- In addition, other taxes increased \$92,206, or 1.7%. due to the distribution of the local option sales taxes increasing as a result of the current economic conditions improving somewhat.
- Charges for services decreased by \$496,974 due to a substantial decrease in citations written.

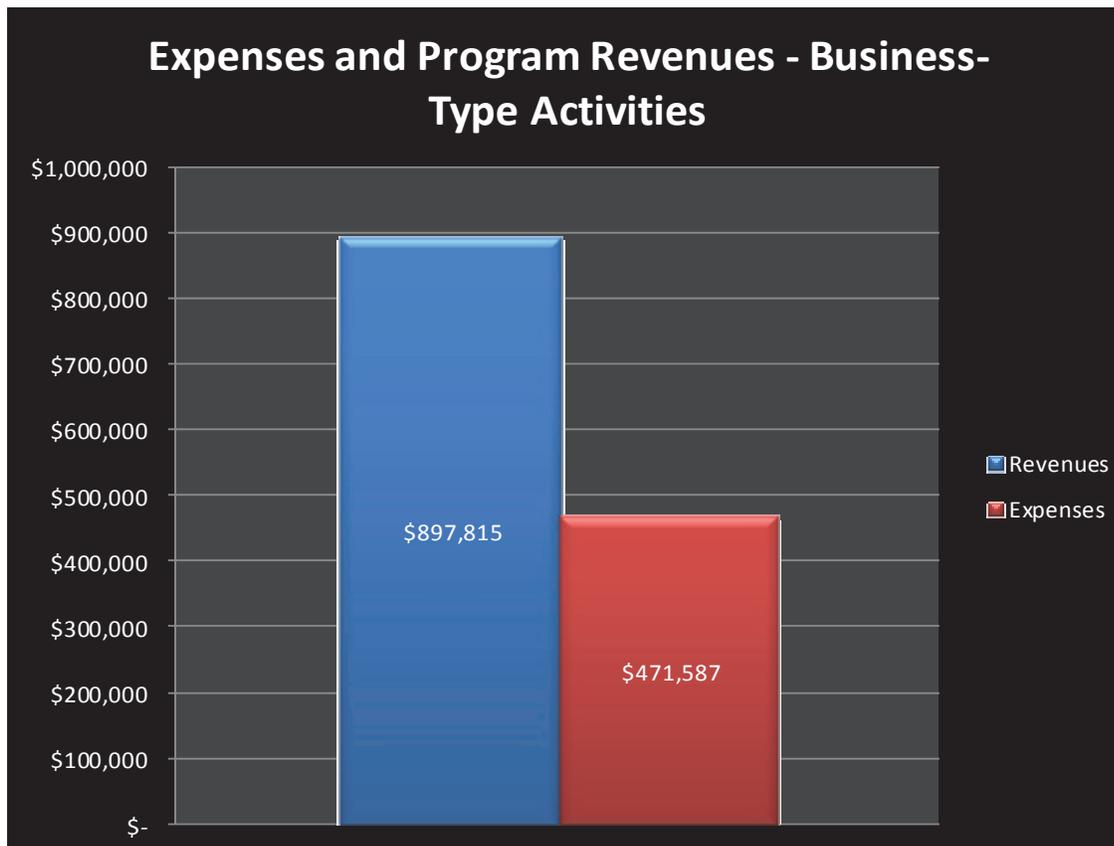
Expenses and Program Revenues - Governmental Activities for FYE 2013



Revenues - Governmental Activities for FYE 2013



Business-type activities. Business-type activities increased the City’s net position by \$426,228. During fiscal year ended 2013, the City continued to see an increase in commercial solid waste services, along with its residential services. The City uses an outside contractor to provide these services.



Financial Analysis of the City’s Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds. The purpose of the City’s governmental fund financial statements is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City’s financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year.

As of June 30, 2013, the City’s governmental funds reported combined ending balances of \$7,318,472, a decrease of \$1,428,981 in comparison to the prior fiscal year. Of this amount, \$1,956,114 (26.7%) is unassigned fund balance, which is available for spending at the City’s discretion. The remainder of fund balance is not available for new spending because it has already been restricted, committed, or reflected as nonspendable items which are not available for current City spending discretion (\$5,362,358).

The General Fund is the City’s chief operating fund. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$1,996,304, while the total fund balance totaled \$2,438,700. As a measure of the General Fund’s liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 18.7% of the total General Fund expenditures, while total fund balance represents 22.9% of that same amount.

During the current fiscal year, the fund balance of the City’s General Fund decreased by \$948,186. The revenues increased by \$607,462 or 5.5% and the expenditures increased by \$1,238,308 or 13.1%, resulting in excess revenues in which revenues exceeded expenditures by \$1,047,189. In addition, the General Fund transferred a net of \$1,995,375 to other funds an increase of \$1,149,475.

The Capital Projects SPLOST Fund has a total fund balance of \$1,146,262 which is an increase of \$118,448 over the prior fiscal year.

The Certificates of Participation Fund (COPS) was created during fiscal year 2009 to account for the proceeds of the COPS that are to be used for the planning and construction of the City's New Town Center Project. The Project consisted of the construction of a new administration building and community center. The total amount of the 2009 COPS lease purchase agreement is \$19,425,000.

The Recovery Bond Fund was created during fiscal year 2012 to account for bond proceeds to be used to finance construction of various improvements to the Town Center and Park. Fund balance decreased by \$1,121,498 or 40% from the prior fiscal year.

The Capital Projects Fund has a total fund balance of \$929,722 which is an increase of \$651,189 over the prior fiscal year as a result of transfers in of \$751,246.

Proprietary Funds. The City's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Solid Waste Management Fund at the end of the current fiscal year was \$1,294,860.

General Fund Budgetary Highlights

Actual revenues fell short of the budgeted revenues by \$1,042,929. The decrease was due in part to decreased property taxes and an unanticipated decrease in licenses and permits. Original budgeted expenditures of \$11,942,011 were amended to \$13,164,214 to account for anticipated increases in property tax license and permit revenue. The final budget ended up with a net change in fund balance of \$948,186. The major variance was transfers out to other funds.

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business-type activities at June 30, 2013 amounts to \$29,269,090 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, automobiles and equipment, sidewalks, bridges and roads.

Major capital asset events during the current fiscal year included the following:

- \$1,027,838 was spent on construction in progress at Riverdale Park and the new Parking Deck
- \$671,929 was spent on vehicles, including related equipment

Additional information on the City's capital assets can be found in Note 5.

Long-term debt. At the end of the current fiscal year, the City had \$18,592,135 in outstanding debt consisting of the following:

	<u>Balance</u>
Governmental Activities -	
Certificates of Participation, net of unamortized premium	\$ 11,862,766
Bonds payable, net of unamortized discount	5,211,033
Capital leases	596,089
Compensated absences	622,606
Other postretirement benefit obligation	<u>299,641</u>
 Total	 <u><u>\$ 18,592,135</u></u>

The City's total debt decreased by a net amount of \$1,937,246. Additional information on the City's long-term debt can be found in Note 6.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10 percent of its total assessed valuation. The current debt limitation for the City is \$23,815,538, which is in excess of the City's outstanding general obligation debt.

Status of the City's Economy

- The unemployment rate for the City is currently 11.2%, which is higher than the State and national rate of 9.1%.
- Building permits, both commercial and residential, decreased due to the state of the economy.
- The occupancy rate for the City's central business district has declined. The total number of businesses opening in the City was 100 less than those closing – 102 vs. 202.
- Sales tax receipts have increased due to the economy recovering somewhat.

Fiscal year 2013 welcomes continued prosperity with the completion of Phase I of the City's New Park Project. The Park opened August 2012 and has hosted football sporting events. The completed project includes a football and baseball field, a concession stand and a walking trail. Future revenues from sporting and other events are expected to help to subsidize repair and maintenance expenditures for park operations. The parking garage at Town Center is also nearing completion and will be completed in fiscal year 2014.

Requests for Information

This financial report is designed to provide a general overview of the City of Riverdale, Georgia's finances, comply with finance-related laws and regulations, and demonstrate the City's commitment to public accountability. Questions concerning this report or requests for additional information can be obtained by contacting the City Finance Director at (770) 909-5507 or at the following address:

City of Riverdale
Finance Department
6690 Church Street
Riverdale, GA, 30274

CITY OF RIVERDALE, GEORGIA

STATEMENT OF NET POSITION JUNE 30, 2013

ASSETS	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total Primary Government	Downtown Development Authority
Cash and cash equivalents	\$ 4,487,963	\$ 126,261	\$ 4,614,224	\$ 2,702
Investments	1,816,640	-	1,816,640	-
Taxes receivable	527,131	-	527,131	-
Accounts receivable	855,995	68,635	924,630	-
Internal balances	(1,522,573)	1,522,573	-	-
Due from other governments	394,348	-	394,348	-
Advances to component unit	200,000	-	200,000	-
Prepaid items	353,273	-	353,273	-
Restricted assets, cash	2,100,631	-	2,100,631	-
Other assets	239,284	-	239,284	-
Capital assets:				
Nondepreciable	2,366,047	-	2,366,047	20,289
Depreciable, net of accumulated depreciation	26,894,399	8,644	26,903,043	9,971
Total assets	38,713,138	1,726,113	40,439,251	32,962
LIABILITIES				
Accounts payable	807,302	79,143	886,445	9,926
Accrued interest payable	142,180	-	142,180	-
Accrued liabilities	320,009	720	320,729	17,500
Advances from primary government	-	-	-	200,000
Unearned revenues	-	351,390	351,390	-
Certificates of participation due within one year	2,540,000	-	2,540,000	-
Certificates of participation due in more than one year	9,322,766	-	9,322,766	-
Capital leases due within one year	51,663	-	51,663	1,512
Capital leases due in more than one year	544,426	-	544,426	-
Bonds payable due in more than one year	5,211,033	-	5,211,033	-
Compensated absences due within one year	500,040	-	500,040	-
Compensated absences due in more than one year	122,566	-	122,566	-
Other Postretirement benefit obligation (OPEB) due in more than one year	299,641	-	299,641	-
Total liabilities	19,861,626	431,253	20,292,879	228,938
DEFERRED INFLWS OF RESOURCES				
Cumulative change in fair value of effective hedge	239,284	-	239,284	-
Total deferred inflows of resources	239,284	-	239,284	-
NET POSITION				
Net investment in capital assets	13,691,189	8,644	13,699,833	28,748
Restricted for:				
Capital projects	1,836,302	-	1,836,302	-
Emergency communications	159,108	-	159,108	-
Federal and state programs	91,388	-	91,388	-
Public safety	97,171	-	97,171	-
Tourism	1,207	-	1,207	-
Unrestricted (deficit)	2,735,863	1,286,216	4,022,079	(224,724)
Total net position	\$ 18,612,228	\$ 1,294,860	\$ 19,907,088	\$ (195,976)

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

CITY OF RIVERDALE, GEORGIA

**STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

Functions/Programs	Program Revenues			Net (Expenses) Revenues and Changes in Net Position			Component Unit
	Primary Government			Downtown Development Authority			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	
Primary government:							
Governmental activities:							
Judicial	\$ 3,592,001	\$ 359,688	\$ -	\$ -	\$ (3,232,313)	\$ -	\$ (3,232,313)
Public safety	732,181	-	-	-	(732,181)	-	(732,181)
Public works	5,771,295	2,604,401	194,951	-	(2,971,943)	-	(2,971,943)
Parks and recreation	625,677	61,023	-	-	(564,654)	-	(564,654)
Economic development	1,032,596	569,497	-	-	(463,099)	-	(463,099)
Interest on long-term debt	703,097	25,126	-	2,757,325	2,079,354	-	2,079,354
Total governmental activities	884,667	-	-	-	(884,667)	-	(884,667)
	13,341,514	3,619,735	194,951	2,757,325	(6,769,503)	-	(6,769,503)
Business-type activities:							
Solid waste management	471,587	897,815	-	-	-	426,228	426,228
Total business-type activities	471,587	897,815	-	-	-	426,228	426,228
Total primary government	\$ 13,813,101	\$ 4,517,550	\$ 194,951	\$ 2,757,325	\$ (6,769,503)	\$ 426,228	\$ (6,343,275)
Component unit:							
Downtown Development Authority	\$ 182,430	\$ 79,797	\$ 99,280	\$ -	-	-	\$ (3,353)
General revenues:							
Property taxes					2,705,058	-	2,705,058
Sales taxes					2,812,355	-	2,812,355
Insurance premium tax					753,977	-	753,977
Alcoholic beverage taxes					375,168	-	375,168
Other taxes					764,487	-	764,487
Franchise taxes					744,819	-	744,819
Unrestricted investment earnings					61,308	-	61,308
Total general revenues					8,217,172	-	8,217,172
Change in net position					1,447,669	426,228	1,873,897
Net position (deficit), beginning of fiscal year, as restated					17,164,559	868,632	18,033,191
Net position (deficit), end of fiscal year					\$ 18,612,228	\$ 1,294,860	\$ 19,907,088

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

CITY OF RIVERDALE, GEORGIA

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2013**

ASSETS	General Fund	Capital Projects SPLOST Fund	COPS 2009 Fund	Recovery Bond Fund	Capital Projects Fund	Nonmajor Governmental Funds	Totals Governmental Funds
Cash and cash equivalents	\$ 2,979,411	\$ 774,790	\$ -	\$ -	\$ -	\$ 733,762	\$ 4,487,963
Investments	1,126,600	-	-	-	690,040	-	1,816,640
Taxes receivable	525,207	-	-	-	-	1,924	527,131
Accounts receivable	822,397	-	-	-	-	33,598	855,995
Due from other governments	-	394,348	-	-	-	-	394,348
Advances to component unit	-	-	-	-	-	200,000	200,000
Due from other funds	201,640	-	-	-	239,682	118,597	559,919
Prepaid items	351,008	-	-	-	-	2,265	353,273
Restricted assets, cash	-	-	148,700	1,951,931	-	-	2,100,631
Total assets	\$ 6,006,263	\$ 1,169,138	\$ 148,700	\$ 1,951,931	\$ 929,722	\$ 1,090,146	\$ 11,295,900
LIABILITIES							
Accounts payable	\$ 512,450	\$ -	\$ -	\$ 271,552	\$ -	\$ 23,300	\$ 807,302
Accrued liabilities	314,237	-	-	-	-	5,772	320,009
Due to other funds	1,973,251	22,876	11,910	30,233	-	44,222	2,082,492
Total liabilities	2,799,938	22,876	11,910	301,785	-	73,294	3,209,803
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - property taxes	190,240	-	-	-	-	-	190,240
Unavailable revenue - fines	577,385	-	-	-	-	-	577,385
Total deferred inflows of resources	767,625	-	-	-	-	-	767,625
FUND BALANCES							
Fund balances:							
Nonspendable:							
Prepaid items	351,008	-	-	-	-	2,265	353,273
Advances to component unit	-	-	-	-	-	200,000	200,000
Restricted for:							
Capital projects	-	1,146,262	136,790	1,650,146	690,040	-	3,623,238
Emergency communications	-	-	-	-	-	159,108	159,108
Federal and state programs	91,388	-	-	-	-	-	91,388
Law enforcement purposes	-	-	-	-	-	97,171	97,171
Promotion of tourism	-	-	-	-	-	1,207	1,207
Committed for:							
Capital projects	-	-	-	-	239,682	596,735	836,417
Law enforcement purposes	-	-	-	-	-	556	556
Unassigned (deficit)	1,996,304	-	-	-	-	(40,190)	1,956,114
Total fund balances	2,438,700	1,146,262	136,790	1,650,146	929,722	1,016,852	7,318,472
Total liabilities, deferred inflows of resources, and fund balances	\$ 6,006,263	\$ 1,169,138	\$ 148,700	\$ 1,951,931	\$ 929,722	\$ 1,090,146	

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.	29,260,446
Fair value of interest rate swap agreement on Certificates of Participation	239,284
Some receivables are not available to pay for current-period expenditures and, therefore, are deferred inflows of resources in the funds.	767,625
Interest rate swaps (cumulative change in fair value) are reported as deferred inflows of resources for governmental activities.	(239,284)
Certain liabilities are not due and payable in the current period and are therefore not reported in the funds.	<u>(18,734,315)</u>

Net position of governmental activities \$ 18,612,228

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

CITY OF RIVERDALE, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

	General Fund	Capital Projects SPLOST Fund	COPS 2009 Fund	Recovery Bond Fund	Capital Projects Fund	Nonmajor Governmental Funds	Totals Governmental Funds
Revenues							
Property taxes	\$ 2,646,889	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,646,889
Sales taxes	2,812,355	-	-	-	-	-	2,812,355
Other taxes	1,878,245	-	-	-	-	15,387	1,893,632
Charges for services	704,319	-	-	-	-	200,352	904,671
Licenses and permits	282,842	-	-	-	-	-	282,842
Intergovernmental	190,826	2,657,648	-	113,596	-	-	2,962,070
Franchise fees	744,819	-	-	-	-	-	744,819
Fines and forfeitures	2,385,063	-	-	-	-	38,552	2,423,615
Investment income	-	-	48	1,605	59,655	-	61,308
Other revenues	60,927	-	-	-	-	-	60,927
Total revenues	<u>11,706,285</u>	<u>2,657,648</u>	<u>48</u>	<u>115,201</u>	<u>59,655</u>	<u>254,291</u>	<u>14,793,128</u>
Expenditures							
Current:							
General government	3,544,925	-	-	-	-	-	3,544,925
Judicial	676,651	-	-	-	-	-	676,651
Public safety	4,875,217	-	-	-	-	541,904	5,417,121
Public works	79,003	-	-	-	-	-	79,003
Culture and recreation	902,585	-	-	-	-	-	902,585
Economic development	579,347	-	-	-	-	121,054	700,401
Capital outlay	-	-	137,730	1,163,303	707,256	39,948	2,048,237
Debt service:							
Principal	-	-	2,445,000	100,000	-	-	2,545,000
Interest	1,368	-	589,119	265,243	48,545	-	904,275
Total expenditures	<u>10,659,096</u>	<u>-</u>	<u>3,171,849</u>	<u>1,528,546</u>	<u>755,801</u>	<u>702,906</u>	<u>16,818,198</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,047,189</u>	<u>2,657,648</u>	<u>(3,171,801)</u>	<u>(1,413,345)</u>	<u>(696,146)</u>	<u>(448,615)</u>	<u>(2,025,070)</u>
Other financing sources (uses)							
Capital leases	-	-	-	-	596,089	-	596,089
Transfers in	-	-	3,034,080	305,766	751,246	457,402	4,548,494
Transfers out	(1,995,375)	(2,539,200)	-	(13,919)	-	-	(4,548,494)
Total other financing sources (uses)	<u>(1,995,375)</u>	<u>(2,539,200)</u>	<u>3,034,080</u>	<u>291,847</u>	<u>1,347,335</u>	<u>457,402</u>	<u>596,089</u>
Net change in fund balances:	(948,186)	118,448	(137,721)	(1,121,498)	651,189	8,787	(1,428,981)
Fund balances, beginning of fiscal year, as restated	<u>3,386,886</u>	<u>1,027,814</u>	<u>274,511</u>	<u>2,771,644</u>	<u>278,533</u>	<u>1,008,065</u>	<u>8,747,453</u>
Fund balances, end of fiscal year	<u>\$ 2,438,700</u>	<u>\$ 1,146,262</u>	<u>\$ 136,790</u>	<u>\$ 1,650,146</u>	<u>\$ 929,722</u>	<u>\$ 1,016,852</u>	<u>\$ 7,318,472</u>

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

CITY OF RIVERDALE, GEORGIA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED JUNE 30, 2013

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

Net change in fund balances - total governmental funds	\$	(1,428,981)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		943,136
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(3,945)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt.		1,948,911
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		<u>(11,452)</u>
Change in net position	\$	<u>1,447,669</u>

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

CITY OF RIVERDALE, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Property taxes	\$ 2,672,829	\$ 3,244,829	\$ 2,646,889	\$ (597,940)
Sales taxes	2,812,000	2,812,000	2,812,355	355
Other taxes	1,903,500	1,903,500	1,878,245	(25,255)
Charges for services	530,616	530,616	704,319	173,703
Licenses and permits	283,550	325,550	282,842	(42,708)
Intergovernmental	64,500	64,500	190,826	126,326
Franchise fees	797,000	797,000	744,819	(52,181)
Fines and forfeitures	2,973,754	2,973,754	2,385,063	(588,691)
Investment income	2,890	2,890	-	(2,890)
Other revenues	68,625	94,575	60,927	(33,648)
Total revenues	<u>12,109,264</u>	<u>12,749,214</u>	<u>11,706,285</u>	<u>(1,042,929)</u>
Expenditures:				
Current:				
General government:				
Mayor and Council	119,715	145,483	125,565	19,918
General administration	587,560	599,335	741,366	(142,031)
Finance	1,962,808	2,703,076	1,755,590	947,486
General government buildings	887,855	919,050	922,404	(3,354)
Total general government	<u>3,557,938</u>	<u>4,366,944</u>	<u>3,544,925</u>	<u>822,019</u>
Judicial:				
Municipal court	659,447	765,702	676,651	89,051
Public safety:				
Police	3,032,033	3,129,330	3,085,387	43,943
Fire	1,737,686	1,867,911	1,789,830	78,081
Total public safety	<u>4,769,719</u>	<u>4,997,241</u>	<u>4,875,217</u>	<u>122,024</u>
Public works:				
Administration	106,994	120,494	79,003	41,491
Parks and recreation	969,170	1,012,530	902,585	109,945
Economic development	706,041	727,231	579,347	147,884
Debt service	1,172,702	1,174,072	1,368	1,172,704
Total expenditures	<u>11,942,011</u>	<u>13,164,214</u>	<u>10,659,096</u>	<u>2,505,118</u>
Excess (deficiency) of revenues over (under) expenditures	<u>167,253</u>	<u>(415,000)</u>	<u>1,047,189</u>	<u>1,462,189</u>

(Continued)

CITY OF RIVERDALE, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Other financing sources (uses)				
Proceeds from sale of capital assets	\$ 40,000	\$ 40,000	\$ -	\$ (40,000)
Capital leases	75,000	75,000	-	(75,000)
Transfers in	300,000	300,000	-	(300,000)
Transfers out	(582,253)	-	(1,995,375)	(1,995,375)
Total other financing sources (uses)	<u>(167,253)</u>	<u>415,000</u>	<u>(1,995,375)</u>	<u>(2,410,375)</u>
Net change in fund balances	-	-	(948,186)	(948,186)
Fund balances, beginning of fiscal year, as restated	<u>3,386,886</u>	<u>3,386,886</u>	<u>3,386,886</u>	<u>-</u>
Fund balances, end of fiscal year	<u>\$ 3,386,886</u>	<u>\$ 3,386,886</u>	<u>\$ 2,438,700</u>	<u>\$ (948,186)</u>

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

CITY OF RIVERDALE, GEORGIA

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2013**

		Business-type Activities - Enterprise Fund Solid Waste Management
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents		\$ 126,261
Accounts receivable, net of allowance for uncollectible accounts		68,635
Due from other funds		1,614,972
Total current assets		<u>1,809,868</u>
NONCURRENT ASSETS		
Capital assets - depreciable, net		<u>8,644</u>
Total assets		<u>1,818,512</u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable		79,143
Accrued liabilities		720
Unearned revenues		351,390
Due to other funds		92,399
Total current liabilities		<u>523,652</u>
NET POSITION		
Investment in capital assets		8,644
Unrestricted		1,286,216
Total net position		<u>\$ 1,294,860</u>

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

CITY OF RIVERDALE, GEORGIA

**STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

	Business-type Activities - Enterprise Fund Solid Waste Management
OPERATING REVENUES	
Charges for services	\$ 897,815
Total operating revenues	<u>897,815</u>
OPERATING EXPENSES	
Purchased or contracted services	470,764
Depreciation	823
Total operating expenses	<u>471,587</u>
Change in net position	<u>426,228</u>
NET POSITION, beginning of fiscal year	<u>868,632</u>
NET POSITION, end of fiscal year	<u><u>\$ 1,294,860</u></u>

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

CITY OF RIVERDALE, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Business-type Activities - Enterprise Fund Solid Waste Management
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	\$ 998,274
Payments to suppliers and other funds	(1,238,570)
Net cash used in operating activities	<u>(240,296)</u>
 Net decrease in cash and cash equivalents	 (240,296)
Cash and cash equivalents:	
Beginning of fiscal year	<u>366,557</u>
End of fiscal year	<u>\$ 126,261</u>
 Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 426,228
Adjustments to reconcile operating income to net cash used in operating activities:	
Depreciation expense	823
Changes in assets and liabilities:	
Increase in accounts receivable	7,581
Increase in due from other funds	(777,945)
Increase in accounts payable	9,419
Increase in accrued liabilities	720
Increase in unearned revenues	479
Increase in due to other funds	92,399
Net cash used in operating activities	<u>\$ (240,296)</u>

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

NOTES TO FINANCIAL STATEMENTS

CITY OF RIVERDALE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. The Financial Reporting Entity

The City was incorporated in 1908 and is located in the northern part of Clayton County approximately 10 miles south of Atlanta. The City provides a full range of services to 15,493 residents and a service population of 70,000. These services are provided in whole by the City and include public safety (police, fire, and emergency communications); community development; highways and streets; sanitation; public improvements; planning and zoning; and general administrative services.

Based upon criteria set forth by the Governmental Accounting Standards Board, the accompanying financial statements present the City and its component unit, for which the City is considered to be financially accountable. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City. At June 30, 2013, the City's only component unit is the Riverdale Downtown Development Authority. The Riverdale Downtown Development Authority (the “Downtown Development Authority”) was created to revitalize and redevelop the City's central business district. Board members are appointed by the City of Riverdale, Georgia (the City can impose its will on the Authority), and the City provides an annual supplement to cover the cost of operations. Separate financial statements are prepared for the Downtown Development Authority and may be obtained from Riverdale's City Hall, 6690 Church Street, Riverdale, Georgia 30274.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the primary government and its component units. (For the most part, the effect of interfund activity has been removed from these statements except for interfund services provided and used which are not eliminated in the process of consolidation). Government-wide financial statements do not provide information by fund, but distinguish between the City's governmental activities and business-type activities. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from the discretely presented component unit. The statement of net position will include non-current assets, deferred outflows of resources, deferred inflows of resources, and non-current liabilities. In addition, the government-wide statement of activities reflects depreciation expense on the City's capital assets.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-wide and Fund Financial Statements (Continued)

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

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period 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, sales taxes, franchise taxes, licenses, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

In accordance with GASB Statement No. 33, "Accounting and Financial Reporting for Non-exchange Transactions," the corresponding assets (receivables) in non-exchange transactions are recognized in the period in which the underlying exchange occurs, when an enforceable legal claim has arisen, when all eligibility requirements have been met, or when resources are received, depending on the revenue source.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

In accordance with GASB Statement No. 34, major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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 **Capital Projects SPLOST Fund** accounts for the financing and construction of facilities and improvements in accordance with sales tax referendums.

The **COPS 2009 Fund** accounts for the proceeds from the 2009 issuance of Certificates of Participation used for financing the construction of the City's Town Center Promenade project.

The **Recovery Bond Fund** accounts for the proceeds from the Series 2010A and 2010B revenue bonds issued to finance construction of a new parking garage for the Riverdale Town Center, as well as capital improvements to the City's Regional Park.

The **Capital Projects Fund** accounts for the proceeds from the 1998 issuance of Certificates of Participation used for financing the purchase of major items of machinery and equipment, and for the proceeds from grant revenues used for construction of major capital facilities.

The City reports the following major proprietary fund:

The **Solid Waste Management Fund** accounts for the revenues generated from the charges for sanitation and recycling services provided to the residential and commercial users of the City. All activities necessary to provide such services are accounted for in this fund.

Additionally, the City reports the following fund types:

The **special revenue funds** account for revenue sources that are legally restricted or committed to expenditure for specific purposes.

The **capital projects funds** are used to account for the acquisition and construction of major capital outlays other than those financed by proprietary funds.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

In accounting and reporting for its proprietary operations, the City applies all GASB pronouncements. For the fiscal year ended June 30, 2013, the City implemented GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. This statement incorporated into the GASB's authoritative literature certain accounting and financial reporting guidance issued on or before November 30, 1989.

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 provided. 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. Budgets and Budgetary Accounting

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

1. Budget requests are completed in April.
2. Proposed budgets are reviewed and prepared by the Finance Director for submission to the City Manager, Mayor, and the City Council in May.
3. Public hearings on the proposed budget are held in May and June.
4. The budget is legally adopted by the Mayor and City Council prior to June 30.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Budgets and Budgetary Accounting (Continued)

5. All budget revisions or changes must be approved as required by Georgia law and administrative policy. Transfer of budgeted amounts in excess of \$5,000 between departments requires the approval of the City Council. This is consistent with the legal level of budgetary control as the budget is adopted at the department level. Revisions that alter the total expenditures of any department or fund must be approved by the Mayor and City Council. The Mayor and City Council made several immaterial supplemental budget appropriations during the fiscal year.
6. Formal budgetary integration is employed as a management control device during the fiscal year for all the governmental funds and the enterprise fund. The budget for the enterprise fund is prepared for planning and control purposes only.
7. Budgets for the governmental funds and the enterprise fund are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

During fiscal year 2013, annual budgets were not legally adopted for the capital projects funds.

E. Cash and Investments

Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the City. For purposes of the statement of cash flows, the City considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

The City's investments other than for the Capital Projects Fund include State of Georgia's Georgia Fund 1, certificates of deposit with a maturity date greater than three months from the date of purchase, and direct and agency obligations of the U.S. Government. Investments in the Capital Projects Fund consist of guaranteed investment contracts. For reporting purposes, all investments are recorded at fair value.

In applying GASB Statement No. 31, the City utilized the following methods and assumptions as of June 30, 2013:

1. Fair value is based on quoted market prices as of the valuation date;
2. The investment portfolio did not hold investments in any of the following: a) items required to be reported at amortized costs; b) items subject to involuntary participation in an external investment pool; and, c) items associated with a fund other than the fund to which the income is assigned.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Prepaid Items

Prepaid items are accounted for using the consumption method. A prepaid item is recognized when a cash expenditure/expense is made for goods or services that were purchased for consumption, but not consumed as of June 30.

G. Short-Term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. For the most part, the effect of interfund activity has been removed from the government-wide statement of net position. Any residual balances outstanding between the governmental and business-type activities are reported in the government-wide statement of net position as "internal balances." In the fund financial statements, these receivables and payable are classified as "due from other funds" and "due to other funds".

H. Restricted Assets

Proceeds from the issuance of the 2009 Certificates of Participation and 2010 Recovery Bonds are classified as restricted assets on the balance sheet because their use is limited to specific construction and acquisition activity.

I. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), 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 of \$3,500 and an estimated useful life in excess of one fiscal year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation. In accordance with GASB 34, the City has elected not to include infrastructure acquired or constructed prior to July 1, 2003. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend useful lives are expensed as incurred.

Major outlays for capital assets and major improvements are capitalized as projects are constructed. Interest incurred during the construction period of capital assets of the business-type activities is included as part of the capitalized value of the assets constructed. The amount of interest capitalized is calculated by offsetting interest expense incurred (from the date of borrowing until the date of completion of the project) with interest earned on investment proceeds over the same period. No interest was capitalized during the fiscal year ended June 30, 2013.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Capital Assets (Continued)

Depreciation is provided on the straight-line method over the following estimated useful lives:

Buildings and improvements	30-40 years
Improvement other than buildings	20-40 years
Furniture and equipment	5-15 years
Infrastructure	40-50 years
Vehicles	5-10 years

J. Long-Term Liabilities

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight line method, which is not materially different from the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when incurred.

In the fund financial statements, governmental fund types recognize bond premiums, discounts, and bond issuance costs, during the current period. The face amount of debt issued and any premium 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Compensated Absences

City employees accrue vacation in different amounts, according to the number of years of service. Employees under five years of service accrue two weeks of vacation each year. Upon reaching five years of service, employees can accrue three weeks per year. These days can be taken either through time off or by payment upon termination. Upon reaching 10 years, employees can accrue 20 days. For 20 years of service and over, an employee can accrue 25 days.

City employees may carry over no more than 250 hours of accrued annual leave to the following year. Annual leave accrued by City employees in excess of the 250 hours limit will be lost if not used by the end of the fiscal year in which the hours are accumulated.

Employees earn sick leave in proportion to actual hours worked. Sick leave, however, is not paid upon termination. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations or retirements.

L. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve the portion of the applicable appropriation, is not employed by the City.

M. Fund Equity and Net Position

Fund equity at the governmental fund financial reporting level is classified as “fund balance.” Fund equity for all other reporting is classified as “net position.”

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

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Fund Equity and Net Position (Continued)

- **Restricted** – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Mayor and City Council or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- **Committed** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal vote and passage of an ordinance of the Mayor and City Council. Only the Mayor and City Council may modify or rescind the commitment by passage of a subsequent ordinance.
- **Assigned** – Fund balances are reported as assigned when amounts are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the Mayor and City Council has authorized the City Manager to assign fund balance.
- **Unassigned** – Fund balances are reported as unassigned when the balances do not meet any of the above criterion. The City reports positive unassigned fund balance only in the General Fund. Negative unassigned fund balances (or deficits in fund balances) may be reported in all funds.

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

- Committed
- Assigned
- Unassigned

Net Position - Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources in reporting which utilizes the economic resources measurement focus. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the City has spent) for the acquisition, construction or improvement of those assets. Net position is reported as restricted using the same definition as used for restricted fund balance as described in the section above. All other net position is reported as unrestricted.

The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available. Restrictions on the government-wide statement of net position represent amounts segregated to meet debt covenants and capital projects as restricted by Federal and State laws.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Management Estimates

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

O. Deferred Outflows of Resources and Deferred Inflows of Resources

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

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that is applicable to a future reporting period. The City has no items which qualify as deferred outflows of resources.

In addition to liabilities, the statement of net position and balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two types of deferred inflows of resources that qualify for reporting in this category. One (1) arises only under a modified accrual basis of accounting. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes and certain fines as these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available. The City also has a deferred inflow of resources reported only under full accrual accounting which arises from the deferral of the cumulative change in fair market value an effective hedge related to an interest rate swap.

NOTES TO FINANCIAL STATEMENTS

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

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that “certain liabilities are not due and payable in the current period and therefore are not reported in the funds.” The details of this \$18,734,315 difference are as follows:

Certificates of participation	\$ (11,647,000)
Plus: Issuance premium (to be amortized against interest expense)	(215,766)
Capital lease payable	(596,089)
Bonds payable	(5,300,000)
Less: Issuance Discount (to be amortized against interest expense)	88,967
Compensated absences	(622,606)
Accrued interest	(142,180)
Other postretirement benefit obligation (OPEB)	<u>(299,641)</u>
Net adjustment to reduce <i>fund balance - total governmental funds to arrive at net position - governmental activities</i>	<u><u>\$ (18,734,315)</u></u>

Another element of this reconciliation explains that “some receivables are not available to pay for current period expenditures and, therefore, are deferred inflows of resources in the funds.” The details of this \$767,625 difference are as follows:

Unavailable property tax revenue	\$ 190,240
Unavailable fines	<u>577,385</u>
Net adjustment to increase <i>fund balance - total governmental funds to arrive at net position- governmental activities</i>	<u><u>\$ 767,625</u></u>

NOTES TO FINANCIAL STATEMENTS

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

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their useful lives and reported as depreciation expense.” The details of this \$943,136 difference are as follows:

Capital outlay	\$ 2,057,305
Depreciation expense	(1,114,169)
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	\$ 943,136

Another element of that reconciliation explains that “The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.” The details of this \$1,948,911 difference are as follows:

Principal repayments:	
Certificates of participation	\$ 2,445,000
Bonds payable	100,000
Capital lease issuance	(596,089)
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	\$ 1,948,911

NOTES TO FINANCIAL STATEMENTS

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

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities (Continued)

Another element of that reconciliation explains that “Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.” The details of this (\$11,452) difference are as follows:

Change in accrued interest	\$ 213
Amortization of premium	24,530
Amortization of discount	(5,135)
Change in compensated absences	21,703
Change in OPEB obligation	<u>(52,763)</u>
Net adjustment to decrease <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u><u>\$ (11,452)</u></u>

NOTE 3. DEPOSITS AND INVESTMENTS

Total deposits and investments as of June 30, 2013, are summarized as follows:

As reported in the Statement of Net Position:	
Cash and cash equivalents	\$ 4,614,224
Investments	1,816,640
Restricted assets, cash	2,100,631
Total	<u><u>\$ 8,531,495</u></u>
Cash deposited with financial institutions	\$ 6,627,974
Cash deposited with Georgia Fund 1	348,990
Money Market funds	86,881
Investment in U.S. Government Securities	777,610
Guaranteed Investment Contract	690,040
Total	<u><u>\$ 8,531,495</u></u>

Credit risk. The City's financial policies authorize investment in any securities approved by the State of Georgia for local governments. Authorized investments include certificates of deposit, repurchase agreements, direct and agency obligations of the United States, obligations of the State of Georgia, and the local government investment pool established by State law.

NOTES TO FINANCIAL STATEMENTS

NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

At June 30, 2013, the City had the following investments:

Investments	Maturities	Fair Value
Georgia Fund 1	43 day average maturity	\$ 348,990
U.S. Government Securities	261 day weighted average	777,610
Guaranteed Investment Contract	June 1, 2028	690,040
Total		\$ 1,816,640

As of June 30, 2013, the City's investment in Georgia Fund 1 was rated AAf by Standard & Poor's, and the City's investment in the Guaranteed Investment Contract was rated A+ by Standard & Poor's.

Georgia Fund 1 was created under OCGA 36-83-8 and operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal (\$1 per share value). Net asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participants' shares sold and redeemed based on \$1 per share. The fair value of the City's position in the pool is the same as the value of pool shares (\$1 per share value). The pool is regulated by the Georgia Office of the State Treasurer. The pool distributes earnings (net of management fees) on a monthly basis and determines participants' shares sold and redeemed based on \$1.00 per share.

Interest rate risk. The City has a formal investment policy that limits investment maturities to 18 months from the date of purchase as a means of managing its exposure to fair value losses arising from increasing interest rates.

Custodial credit risk – deposits. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than Federal or State government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties or municipalities. As of June 30, 2013, the deposits of the City were properly collateralized as defined by GASB pronouncements and the State of Georgia.

NOTES TO FINANCIAL STATEMENTS

NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

Custodial Credit Risk – Investments. Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require all investments (other than Federal or State government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities.

Concentration of Credit Risk. The City's investment policy sets a maximum percentage of certain investments to total investments on the following investment types: 1) repurchase agreements 25%; 2) certificates of deposit 65%; and 3) State investment pools 10%. As of June 30, 2013, approximately 19% of the City's investments were in the State of Georgia's investment pool. In addition, approximately 38% of the City's investments were in repurchase agreements (the guaranteed investment contract). However, the repurchase agreement was obtained in connection with the 1998 issuance of the certificates of participation and was approved by the Mayor and City Council.

NOTE 4. RECEIVABLES

Receivables as of June 30, 2013, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	Nonmajor Governmental Funds	Solid Waste Management Fund
Receivables:			
Taxes	\$ 540,477	\$ 4,693	\$ -
Accounts	1,399,782	33,598	119,980
	1,940,259	38,291	119,980
Less: Allowance for uncollectible accounts	(592,655)	(2,769)	(51,345)
	\$ 1,347,604	\$ 35,522	\$ 68,635

Property Taxes

Property taxes were levied on September 17, 2012 (Levy Date) based upon property values assessed as of January 1. The City's millage rate is levied on taxable property, which is assessed at 40% of estimated fair market value. Tax bills were mailed on September 7, 2012, and payable on or before November 19, 2012, for the 2012 taxes. Taxes not paid within 90 days of the November 19th due date were subject to property tax liens on March 31, 2013. Property tax revenues are recognized when levied to the extent they result in current receivables.

The tax rate levied during fiscal year 2013 for the City's operations was 9.98 mills (mill equals \$1 per thousand dollars of assessed value).

NOTES TO FINANCIAL STATEMENTS

NOTE 5. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2013 was as follows:

	Restated Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 1,810,494	\$ -	\$ -	\$ -	\$ 1,810,494
Construction in progress	2,462,140	1,206,306	-	(3,112,893)	555,553
Total capital assets, not being depreciated	<u>4,272,634</u>	<u>1,206,306</u>	<u>-</u>	<u>(3,112,893)</u>	<u>2,366,047</u>
Capital assets, being depreciated:					
Buildings and improvements	23,544,466	157,515	-	-	23,701,981
Improvements other than buildings	-	-	-	3,112,893	3,112,893
Infrastructure	1,285,930	-	-	-	1,285,930
Vehicles and related equipment	3,420,818	671,929	-	-	4,092,747
Furniture and other equipment	3,350,793	21,555	-	-	3,372,348
Total capital assets, being depreciated	<u>31,602,007</u>	<u>850,999</u>	<u>-</u>	<u>3,112,893</u>	<u>35,565,899</u>
Less accumulated depreciation for:					
Buildings and improvements	(2,138,219)	(564,386)	-	-	(2,702,605)
Improvements other than buildings	-	(114,372)	-	-	(114,372)
Infrastructure	(210,533)	(35,737)	-	-	(246,270)
Vehicles and related equipment	(2,759,529)	(232,394)	-	-	(2,991,923)
Furniture and other equipment	(2,449,050)	(167,280)	-	-	(2,616,330)
Total accumulated depreciation	<u>(7,557,331)</u>	<u>(1,114,169)</u>	<u>-</u>	<u>-</u>	<u>(8,671,500)</u>
Total capital assets, being depreciated, net	<u>24,044,676</u>	<u>(263,170)</u>	<u>-</u>	<u>3,112,893</u>	<u>26,894,399</u>
Total capital assets, net	<u>\$ 28,317,310</u>	<u>\$ 943,136</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 29,260,446</u>

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

Governmental activities:	
General government	\$ 73,988
Judicial	42,435
Public safety	322,620
Public works	546,039
Parks and recreation	126,391
Economic development	2,696
Total depreciation - governmental activities	<u>\$ 1,114,169</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 5. CAPITAL ASSETS (CONTINUED)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities:				
Capital assets, being depreciated:				
Buildings, grounds, and improvements	\$ 16,464	\$ -	\$ -	\$ 16,464
Total capital assets, being depreciated	<u>16,464</u>	<u>-</u>	<u>-</u>	<u>16,464</u>
Less accumulated depreciation for:				
Buildings, grounds, and improvements	(6,997)	(823)	-	(7,820)
Total accumulated depreciation	<u>(6,997)</u>	<u>(823)</u>	<u>-</u>	<u>(7,820)</u>
Total capital assets, being depreciated, net	<u>9,467</u>	<u>(823)</u>	<u>-</u>	<u>8,644</u>
Total capital assets, net	<u>\$ 9,467</u>	<u>\$ (823)</u>	<u>\$ -</u>	<u>\$ 8,644</u>

Capital asset activity for the Downtown Development Authority for the fiscal year ended June 30, 2013, is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, not being depreciated				
Land	\$ 20,289	\$ -	\$ -	\$ 20,289
Total capital assets, not being depreciated	<u>20,289</u>	<u>-</u>	<u>-</u>	<u>20,289</u>
Capital assets, being depreciated:				
Furniture and other equipment	22,753	550	-	23,303
Total capital assets, being depreciated	<u>22,753</u>	<u>550</u>	<u>-</u>	<u>23,303</u>
Less accumulated depreciation for:				
Furniture and other equipment	(9,394)	(3,938)	-	(13,332)
Total accumulated depreciation	<u>(9,394)</u>	<u>(3,938)</u>	<u>-</u>	<u>(13,332)</u>
Total capital assets, being depreciated, net	<u>13,359</u>	<u>(3,388)</u>	<u>-</u>	<u>9,971</u>
Total capital assets, net	<u>\$ 33,648</u>	<u>\$ (3,388)</u>	<u>\$ -</u>	<u>\$ 30,260</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT

Long-term liability activity for the fiscal year ended June 30, 2013, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
2009 Certificates of participation	\$ 13,070,000	\$ -	\$ (2,445,000)	\$ 10,625,000	\$ 2,540,000
Plus unamortized premium	240,296	-	(24,530)	215,766	-
1998 Certificates of participation	1,022,000	-	-	1,022,000	-
Certificates of participation, net	14,332,296	-	(2,469,530)	11,862,766	2,540,000
Bonds payable	5,400,000	-	(100,000)	5,300,000	-
Less unamortized discount	(94,102)	-	5,135	(88,967)	-
Bonds payable, net	5,305,898	-	(94,865)	5,211,033	-
Capital leases	-	596,089	-	596,089	51,663
Compensated absences	644,309	485,476	(507,179)	622,606	500,040
Other Postretirement benefit obligation (OPEB)	246,878	101,296	(48,533)	299,641	-
Governmental activities Long-term liabilities	<u>\$ 20,529,381</u>	<u>\$ 1,182,861</u>	<u>\$ (3,120,107)</u>	<u>\$ 18,592,135</u>	<u>\$ 3,091,703</u>

Capital leases, compensated absences and the other postretirement benefit obligation are generally liquidated by the General Fund.

The following is a summary of long-term debt activity for the Downtown Development Authority for the fiscal year ended June 30, 2013:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Capital lease payable	\$ 3,024	\$ -	\$ (1,512)	\$ 1,512	\$ 1,512
Due to City of Riverdale	200,000	-	-	200,000	-
Long-term liabilities	<u>\$ 203,024</u>	<u>\$ -</u>	<u>\$ (1,512)</u>	<u>\$ 201,512</u>	<u>\$ 1,512</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

Certificates of Participation-1998. The City has entered into a lease pool agreement with the Georgia Municipal Association (the "Association"). The funding of the lease pool was provided by the issuance of \$150,126,000 Certificates of Participation by the Association. The Association passed the net proceeds through to the participating governments with the City's participation totaling \$1,022,000. The lease pool agreement with the Association provides that the City owns their portion of the assets invested in the pool and is responsible for the payment of their portion of the principal and interest of the Certificates of Participation. The principal of \$1,022,000 is due in a lump sum payment on June 1, 2028. Interest is payable at a rate of 4.75% each year. The City draws from the investment to lease equipment from the Association. The lease pool agreement requires the City to make lease pool payments back to its investment account to fund the principal and interest requirements of the 1998 Georgia Municipal Association Certificates of Participation.

As part of the issuance of the certificates of participation, the City entered into an interest rate swap agreement. Under the Swap Agreement, the City is required to pay (1) a semi-annual (and beginning July 1, 2003, a monthly) floating rate of interest based on the Securities Industry and Financial Markets Association (SIFMA) Municipal Swap Index (plus a 31 basis points spread) to, or on behalf of, the Swap Counterparty (the "Swap Payment"); and the Swap Counterparty will pay to, or on behalf of, the City a semi-annual payment based on a rate equal to the fixed rate on the Contract times a notional amount specified in the Swap Agreement, but generally equal to the outstanding unpaid principal portion of such Contract, less the amount originally deposited in the Reserve Fund relating to the Contract, and (ii) a one-time Swap Premium to be paid on the effective date of the Swap Agreement. The semi-annual payments from the Swap Counterparty with respect to the City are structured, and expected, to be sufficient to make all interest payments due under the Contract, and related distributions of interest on the Certificates. Monthly interest payments between the City, the holders of the Certificates of Participation, and the Swap Counterparty can be made in net settlement form as part of this agreement. Under the Swap Agreement, the City's obligation to pay floating payments to the Swap Counterparty in any calendar year may not exceed an amount equal to the SIFMA Municipal Swap Index plus 5% to be determined on the first business day of December in the preceding year. This agreement matures on June 1, 2028, at the same time of the certificates of participation. This derivative qualifies as a fair market hedge. In the unlikely event that the Swap Counterparty becomes insolvent, or fails to make payments as specified in the Swap Agreement, the City would be exposed to credit risk in the amount of the Swap's fair value. To minimize this risk, the City executed this agreement with counterparties of appropriate credit strength, with the counterparty being rated Aa1 by Moody's. At June 30, 2013, the floating rate being paid by the City is 0.40% and the market value of the agreement is \$239,284, a decrease of \$128,165 from the market value at the end of the previous fiscal year. The market value of the hedge was determined using settlement prices at the end of the day on June 30, 2013, based on the derivative contract. This market value is reported as other assets in the statement of net position. As this derivative is an effective hedge, qualifying for hedge accounting, the inflow from the hedge (any change in fair value from inception until fiscal year-end) is deferred and reported as a deferred inflow of resources in the statement of net position.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

The City's Capital Project Fund has been created to account for the activities related to the issuance and repayment of the Certificates of Participation. The City's General Fund is required to repay the Capital Projects Fund for equipment purchased with the proceeds from the Certificates. The repayment period is determined by the estimated useful life of the asset purchased.

Certificates of Participation-2009. During the fiscal year 2009, the City also entered into a lease-purchase agreement with the Association for the construction and acquisition of the Town Center Promenade project. Certificates of participation in the amount of \$19,425,000 with an interest rate from 4.00% to 5.50% were issued in connection with the lease purchase agreement. The City will make base rental payments to the Association over a 30-year period to fund the principal and interest requirements of the certificates. For fiscal years 2010 through 2016, these payments will be funded by appropriations from the General Fund and the Capital Projects SPLOST Fund. In connection with the lease-purchase agreement, the City must obtain certification that funds on deposit in connection with the certificates will not be used in a manner which will cause the Certificates to be classified as "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code.

Annual repayment requirements under both the 1998 and 2009 certificates of participation are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 2,540,000	\$ 539,864	\$ 3,079,864
2015	2,435,000	438,264	2,873,264
2016	140,000	340,864	480,864
2017	145,000	335,264	480,264
2018	150,000	329,464	479,464
2019 - 2023	860,000	1,546,831	2,406,831
2024 - 2028	2,107,000	1,315,475	3,422,475
2029 - 2033	1,420,000	747,756	2,167,756
2034 - 2038	1,850,000	316,250	2,166,250
	<u>\$ 11,647,000</u>	<u>\$ 5,910,032</u>	<u>\$ 17,557,032</u>

Revenue Bonds. On September 29, 2010, the Development Authority of Clayton County ("the Authority") issued \$5,500,000 in Series 2010A and Series 2010B Taxable Revenue Bonds. These bonds were issued to finance the construction of a new parking garage in the Riverdale Town Center, as well as capital improvements to the City's Regional Park. The bonds are payable from and secured by moneys to be received by the Authority from the City pursuant to an Intergovernmental Contract signed October 1, 2010.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

Annual principal payments on the revenue bonds are due on May 1 of each year, and semi-annual interest payments are due on May 1 and November 1 of each year. Interest rates on the Series 2010A rates range from 2.750% to 5.625%, and payments are due through May 2040. Interest rates on the Series 2010B bonds range from 1.375% to 1.750%, and payments are due through May 2013. Annual repayment requirements are as follows:

Fiscal Year	Principal	Interest	Total
2014	\$ -	\$ 263,493	\$ 263,493
2015	-	263,492	263,492
2016	155,000	263,493	418,493
2017	160,000	259,230	419,230
2018	160,000	254,030	414,030
2019 - 2023	860,000	1,176,172	2,036,172
2024 - 2028	975,000	972,785	1,947,785
2029 - 2033	1,115,000	708,513	1,823,513
2034 - 2038	1,295,000	384,944	1,679,944
2039 - 2040	580,000	49,219	629,219
	<u>\$ 5,300,000</u>	<u>\$ 4,595,371</u>	<u>\$ 9,895,371</u>

Capital Lease. During the fiscal year ended June 30, 2013, the City entered in a lease agreement for financing the acquisition of a fire truck. The lease agreement qualifies as a capital lease for accounting purposes and, therefore has been recorded at the present value of the future minimum lease payments as of the lease inception date. As of June 30, 2013, the City has vehicles with a net book value of \$536,480 under capital leases as reported in its governmental activities.

The following is an analysis of the leased equipment under capital lease as of June 30, 2013:

Vehicles and related equipment	\$ 596,089
Less: current year depreciation	(59,609)
	<u>\$ 536,480</u>

The City's total capital lease debt service requirements to maturity are as follows:

Fiscal year ending June 30,	
2014	\$ 70,380
2015	70,380
2016	70,380
2017	70,380
2018	70,380
2019 - 2023	351,900
Total minimum lease payments	<u>703,800</u>
Less amount representing interest	107,711
Present value of future minimum lease payments	<u>\$ 596,089</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

Due to the City of Riverdale. In fiscal years 2008 and 2009, the Authority received a total of \$200,000 from the City to fund its operational expenses. The 2007 Intergovernmental Agreement, as amended, requires that the loan be repaid by the Authority as the funds become available, up to but not exceeding, 50 years. The outstanding balance of the loan at June 30, 2013 is \$200,000.

NOTE 7. EMPLOYEE BENEFIT PLANS

Deferred Compensation Plan (the "Plan")

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The Plan available to all City employees permits them to defer a portion of their salary until future years. Participation in the Plan is optional. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency (as defined by IRS regulations). This Plan is not reported in these financial statements.

Defined Contribution Plan (the "Plan")

As authorized by City Council, the City provides pension benefits for all of its full-time employees through a defined contribution plan, the City of Riverdale Pension Plan (the "Plan"). Under the terms of the Plan, benefits depend solely on amounts contributed to the Plan plus investment earnings. Employees are eligible to participate from the date of employment. The Plan is administered by ICMA Retirement Corporation. A complete report of the pension plan can be obtained from the City Clerk's office. Contributions to the Plan are established and may be amended by the Mayor and City Council. The City's contribution to the Plan depends upon each participant's salary.

The City's contribution to the plan is based on the following formula:

<u>Participant's Salary Reduction Amount</u>	<u>City's Contribution</u>
2% of employee's regular bi-weekly wages	4% of employee's regular bi-weekly wages

Employees who are participants in the Police Officers' Annuity and Benefit Fund of the State of Georgia or the Georgia Fireman's Pension Fund shall have the first \$10 and \$15, respectively, of the City's contribution contributed to such funds. The City's contribution for each employee vests in accordance with the following schedule:

NOTES TO FINANCIAL STATEMENTS

NOTE 7. EMPLOYEE BENEFIT PLANS (CONTINUED)

Completed Years Of Service	Vested Percentage
1	20%
2	40%
3	60%
4	80%
5	100%

A terminated participant who is not 100% vested shall forfeit the nonvested portion of the City's contribution. Such forfeiture shall be used to reduce the City's future contributions under the plan. The City's required and actual contribution to the Plan for the fiscal year ended June 30, 2013, was \$79,335. This contribution represented approximately 1.29% of the City's current fiscal year payroll for all eligible employees, which was \$6,172,932. Contributions from employees were \$80,091 representing approximately 1.30% of covered payroll.

NOTE 8. OTHER POST-EMPLOYMENT BENEFITS (OPEB)

Plan Description

The City of Riverdale Postretirement Medical Plan (the "Plan") is a single-employer defined benefit healthcare plan. The plan provides post-employment health care benefits to all retirees who have reached age 55 and who have been employed by the City for at least 15 years. A complete report of the Plan can be obtained from the City Clerk's office. The City pays 100% of the base HMO policy for each retiree's health insurance premium for up to three years or age 65, whichever occurs first. The City will pay up to the Social Security Medicare rate if the retiree elects a Medicare supplement, for the remainder of the three year period. There are six individuals who have been grandfathered under a previous plan, which does not have a cap on the length of this benefit and also provides for payment of dental insurance premiums. As of July 1, 2012, monthly premium rates were \$264 for medical and \$28 for dental.

Funding Policy

The provisions and obligations to contribute are established and may be amended by the Mayor and City Council. The City finances the plan on a pay-as-you-go basis. The amount paid for these benefits for the year ended June 30, 2013 was \$48,533. There are a total of 143 participants of this plan which include 136 active participants and seven (7) individuals are currently eligible to receive these benefits.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Annual OPEB Cost and Net OPEB Obligation. The City's annual Other Postemployment Benefit (OPEB) cost is calculated based on the Annual Required Contribution of the Employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following schedules show the components of the City's annual OPEB cost for the year beginning July 1, 2012, (the most recent actuarial valuation date) and the changes in the City's net OPEB obligation:

Derivation of Annual OPEB Cost

Annual Required Contribution for fiscal year ending June 30, 2013	\$	104,247
Interest on Net OPEB Obligation		12,344
Adjustment to annual required contribution		<u>(15,295)</u>
Annual OPEB Cost	\$	<u><u>101,296</u></u>

Derivation of Net OPEB Obligation

Annual OPEB Cost for Current Fiscal Year	\$	101,296
Actual Employer Contributions Made		<u>(48,533)</u>
Increase in Net OPEB Obligation		52,763
Net OPEB Obligation - June 30, 2012		<u>246,878</u>
Net OPEB Obligation - June 30, 2013	\$	<u><u>299,641</u></u>

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

Fiscal Year	Annual OPEB Cost	Employer Contribution	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2009	98,534	17,368	17.6%	81,166
2010	98,216	38,025	38.7%	141,357
2011	91,456	43,471	47.5%	189,342
2012	106,773	49,237	46.1%	246,878
2013	101,296	48,533	47.9%	299,641

NOTES TO FINANCIAL STATEMENTS

NOTE 8. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Funded Status and Funding Progress. As of July 1, 2012, the most recent actuarial valuation date, the funded status of the plan was as follows:

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Covered Payroll	UAAL as % of Covered Payroll
7/1/2012	\$ -	\$ 838,124	\$ 838,124	- %	\$ 6,194,206	13.5%

Actuarial Methods and Assumptions. The investment return assumption (or discount rate) is to be selected as the estimated long-term investment return on the investments that are expected to be used to finance the payment of benefits. If the excess of the Annual Required Contribution over the current fiscal year's cost is set aside annually in a trust or other fund to pay future benefits, the discount rate represents the long-term rate of return expected to be earned on fund assets. If, however, benefits continue to be funded on a pay-as-you-go basis, the discount rate should reflect the return on unrestricted general funds of the employer. The assumptions used in the July 1, 2012 actuarial valuation are as follows:

Basis of Valuation

Actuarial Cost Method	Projected Unit Credit
Discount Rate for Benefit Obligations	5%
Health Care Trend Rate	5%
Premium Trend Rate	5%
Amortization Method	Level Percent of Pay (open)
Remaining Amortization Period	30 years
Assumed Inflation Rate	5%

A payroll inflation rate is not presented above, as none of the benefits valued for this Plan are related to salary.

The required schedule of funding progress immediately following the notes to the financial statements presents multi-year trend information about whether actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare cost trends. Amounts determined regarding the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. BUDGET COMPLIANCE

Excess of Expenditures over Appropriations

For the fiscal year ended June 30, 2013, expenditures exceeded budget appropriations, as follows:

Department	Excess
General Fund:	
General administration	\$ 142,031
General government buildings	3,354
Transfers out	1,995,375
Confiscated Assets Fund:	
Public safety	5,796
Hotel/Motel Tax Fund:	
Economic development	174
Emergency Communication Fund:	
Public safety	55,855

These over expenditures were funded by greater than anticipated revenues, under expenditures in other departments, and available fund balance.

NOTE 10. INTERFUND BALANCES AND TRANSFERS

Interfund receivable and payable balances as of June 30, 2013, are as follows:

Due From	Due To				Total
	General Fund	Capital Projects Fund	Nonmajor Governmental	Solid Waste Management Fund	
General Fund	\$ -	\$ 239,682	\$ 118,597	\$ 1,614,972	\$ 1,973,251
Capital Projects SPLOST Fund	22,876	-	-	-	22,876
COPS 2009 Fund	11,910	-	-	-	11,910
Recovery Bond Fund	30,233	-	-	-	30,233
Nonmajor Governmental Funds	44,222	-	-	-	44,222
Solid Waste Management Fund	92,399	-	-	-	92,399
Total	\$ 201,640	\$ 239,682	\$ 118,597	\$ 1,614,972	\$ 2,174,891

The outstanding balances between funds results 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. These amounts also include the amount of working capital loans made to the General Fund that the General Fund expects to repay in the subsequent fiscal year.

NOTES TO FINANCIAL STATEMENTS

NOTE 10. INTERFUND BALANCES AND TRANSFERS (CONTINUED)

Interfund transfers for the fiscal year ended June 30, 2013, consisted of the following:

	Transfer In				Total
	COPS 2009 Fund	Recovery Bond Fund	Capital Projects Fund	Nonmajor Governmental	
Transfer From					
General Fund	\$ 494,880	\$ 305,766	\$ 751,246	\$ 443,483	\$ 1,995,375
SPLOST Capital Projects Fund	2,539,200	-	-	-	2,539,200
Recovery Bond Fund	-	-	-	13,919	13,919
Total	<u>\$ 3,034,080</u>	<u>\$ 305,766</u>	<u>\$ 751,246</u>	<u>\$ 457,402</u>	<u>\$ 4,548,494</u>

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

NOTE 11. RISK MANAGEMENT

The City is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. The City carries commercial insurance coverage for these risks to the extent deemed prudent by management. Settled claims in the past three years have not exceeded the coverages.

The City accounts for, in the General Fund, a self-insurance program for claims up to certain amounts. Workers' Compensation claims exceeding \$225,000 are funded by private insurance carriers, whereas claims below \$225,000 are funded by premiums from other funds.

Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. The basis for estimating the liabilities for unpaid claims is "IBNR" established by an actuary.

NOTES TO FINANCIAL STATEMENTS

NOTE 11. RISK MANAGEMENT (CONTINUED)

Changes in the balance of claims liabilities, which are accrued liabilities in the General Fund as they are expected to be repaid by current available resources, during the fiscal year are as follows:

	June 30,	
	2012	2013
Balance - beginning of fiscal year	\$ 117,033	\$ 100,336
Current year claims and changes in estimates	142,473	192,090
Claim payments	<u>(159,170)</u>	<u>(155,439)</u>
Balance - end of fiscal year	<u>\$ 100,336</u>	<u>\$ 136,987</u>

NOTE 12. HOTEL/MOTEL LODGING TAX

The City has levied a 3% lodging tax. For the fiscal year ended June 30, 2013, \$15,387 of hotel/motel tax was collected. A total of \$21,774, or 141.5%, was used for the promotion of tourism within the City and was considered to be in compliance with the state laws regulating hotel/motel taxes and the related expenditures as of June 30, 2013.

NOTE 13. JOINT VENTURES

Under Georgia law, the City, in conjunction with other cities and counties in the Metro Atlanta area, is a member of the Atlanta Regional Commission (ARC). During its year ended June 30, 2013, the City's membership dues were paid by Clayton County, Georgia on the City's behalf. Membership in an ARC is required by the Official Code of Georgia Annotated (OCGA), Section 50-8-34, which provides for the organizational structure of the ARC in Georgia. The ARC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of a regional commission. Separate financial statements may be obtained from: Atlanta Regional Commission, 3715 Northside Parkway, 200 North Creek Suite 300, Atlanta, Georgia 30327.

NOTES TO FINANCIAL STATEMENTS

NOTE 14. COMMITMENTS AND CONTINGENCIES

Litigation

The City is involved in various claims and matters of litigation resulting from normal operations. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City attorney, the resolution of these matters will not have a materially adverse effect on the financial condition of the City.

Grants from Governments

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the Federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial.

Contractual Commitments

For the fiscal year ended June 30, 2013, the City had an active construction project related to the Town Center Parking Deck project. At fiscal year end, the City's commitments with contractors totaled approximately \$1,513,470.

NOTES TO FINANCIAL STATEMENTS

NOTE 15. CHANGE IN REPORTING ENTITIES

As a result of the changes in reporting entities, the City has determined that the Workers' Compensation Insurance Fund, EDI Grant Special Revenue Fund, the LCI Grant Special Revenue Fund, and the Cultural/Recreational Special Revenue Fund were no longer needed which resulted in the restatement of beginning fund balance of the General Fund and nonmajor governmental funds. This treatment is preferred in order to account for these services in the General Fund for which these services are mainly provided for. As a result, beginning fund balances of the General Fund and nonmajor governmental funds have been adjusted by a net amount of \$98,595 and \$183,936, respectively, while beginning net position for the internal service fund has been adjusted by \$85,341 to close this fund out and report activity in the General Fund.

General Fund

Fund Balance, June 30, 2012, as previously reported	\$ 3,288,291
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Change in Reporting Entities - Restatements:

Adjustment needed to record changes in reporting entities:

Elimination of EDI Grant Fund and recording activity in the General Fund	84
Elimination of LCI Grant Fund and recording activity in the General Fund	(1,309)
Elimination of Cultural/Recreational Fund and recording activity in the General Fund	185,161
Elimination of Workers' Compensation Insurance Fund and recording activity in the General Fund	<u>(85,341)</u>

Fund Balance, June 30, 2012, restated	<u><u>\$ 3,386,886</u></u>
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Nonmajor Governmental Funds

Fund Balance, June 30, 2012, as previously reported	\$ 1,192,001
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Change in Reporting Entities - Restatements:

Adjustment needed to record changes in reporting entities:

Elimination of EDI Grant Fund and recording activity in the General Fund	(84)
Elimination of LCI Grant Fund and recording activity in the General Fund	1,309
Elimination of Cultural/Recreational Fund and recording activity in the General Fund	<u>(185,161)</u>

Fund Balance, June 30, 2012, restated	<u><u>\$ 1,008,065</u></u>
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NOTES TO FINANCIAL STATEMENTS

NOTE 15. CHANGE IN REPORTING ENTITIES (CONTINUED)

Internal Service Fund - Workers Compensation Insurance	
Net Position, June 30, 2012, as previously reported	\$ (85,341)
Change in Reporting Entity - Restatement:	
Adjustment needed to record change in reporting entity:	
Elimination of Workers' Compensation Insurance Fund and recording activity in the General Fund	85,341
Net Position, June 30, 2012, restated	\$ -

NOTE 16. RESTATEMENT OF BEGINNING NET POSITION

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

Therefore, in conjunction with the implementation of Statement No. 65, the following restatement was required to the beginning net position of the Governmental Activities to properly recognize debt issuance costs as an expense in the periods in which they were incurred in the amount of \$833,203.

The City has determined that a restatement of beginning net position for governmental activities is required to correct capital assets and related accumulated depreciation in the amount of \$173,336 was required. In addition, the City has determined that a restatement of beginning net position for governmental activities is required to correct the recording of deferred inflows of resources for the cumulative change in fair value of a hedge, determined to be effective in all prior years, in the amount of \$367,448. The effect of the above restatements on beginning net position is as follows:

Governmental Activities	
Net Position, June 30, 2012, as previously reported	\$ 18,191,874
The above restatements:	
Change in accounting principale - write off of prior years bond issuance costs	(833,203)
Correction of the omission of recording the cumulative change in fair value of effective hedge	(367,448)
Correction of capital assets and related accumulated depreciation	173,336
Net Position, June 30, 2012, restated	\$ 17,164,559

NOTES TO FINANCIAL STATEMENTS

NOTE 17. SUBSEQUENT EVENTS

On July 26, 2013, the Riverdale Downtown Development Authority entered into a promissory note with the Bank of North Georgia in the amount of \$32,300 at an interest rate of 5.5% and matures on February 5, 2014. Loan proceeds are to be used for leasehold improvements. The promissory note was repaid on February 4, 2014.

On July 1, 2013, the Riverdale Downtown Development Authority entered into a sublease agreement with Scholars Academy for a one-year term with automatic renewals of up to four (4) additional one year terms. Scholars Academy agrees to pay the Authority for \$110,019.25 in year 1, \$120,021 in year 2 and year 3, and \$140,024.50 in year 4 and year 5 for a total amount of \$630,110.25 over the 5 year term.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF RIVERDALE, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION

OTHER POST-EMPLOYMENT BENEFITS PLAN SCHEDULE OF FUNDING PROGRESS

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability</u>	<u>Unfunded Actuarial Accrued Liability (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as % of Covered Payroll</u>
7/1/2012	\$ -	\$ 838,124	\$ 838,124	- %	\$ 6,194,206	13.5%
7/1/2011	-	879,060	879,060	- %	5,854,744	15.0%
7/1/2010	-	816,253	816,253	- %	4,538,934	18.0%
7/1/2009	-	881,268	881,268	- %	4,712,235	18.7%
7/1/2008	-	874,844	874,844	- %	N/A	N/A

The assumptions used in the preparation of the above schedule are disclosed in Note 8 in the Notes to the Financial Statements.

**COMBINING STATEMENTS
AND SCHEDULES**

CITY OF RIVERDALE, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2013

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes.

The **Emergency Communication Fund** accounts for the fee collection and operations of the Emergency 911 system within the City.

The **Hotel/Motel Tax Fund** accounts for the Hotel/Motel tax receipts and distributions of funds used to promote tourism within the City.

The **Confiscated Assets Fund** accounts for the collection and use of funds confiscated from convicted offenders.

The **Red Light Enforcement Fund** accounts for the collection and use of funds related to red light violation citations.

CAPITAL PROJECTS FUNDS

The **Capital Budget Reserve Fund** accounts for financial resources to be used for the acquisition or construction of major capital facilities.

The **CDBG Grant Fund** accounts for proceeds and expenditures of the Community Development Block Grants received from Clayton County, Georgia.

The **Transportation Grant Fund** accounts for proceeds and expenditures of various transportation grants received from the Georgia Department of Transportation.

The **Economic Development Fund** accounts for activities that are directed toward economically developing the area encompassed by the government and providing assistance to, and opportunity for, economically disadvantaged persons and businesses.

CITY OF RIVERDALE, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2013

	Special Revenue Funds				Capital Project Funds				Totals
	Emergency Communication Fund	Hotel/Motel Tax Fund	Confiscated Assets Fund	Red Light Enforcement Fund	Capital Budget Reserve Fund	CDBG Grant Fund	Transportation Grant Fund	Economic Development Fund	
ASSETS									
Cash and cash equivalents	\$ 55,134	\$ 2,834	\$ 77,971	\$ 556	\$ 596,735	\$ -	\$ -	\$ 532	\$ 733,762
Taxes receivable	-	1,924	-	-	-	-	-	-	1,924
Accounts receivable	30,098	-	-	-	-	-	-	3,500	33,598
Advances to component unit	-	-	-	-	-	-	-	200,000	200,000
Due from other funds	95,265	-	23,332	-	-	-	-	-	118,597
Prepaid items	1,665	-	600	-	-	-	-	-	2,265
Total assets	\$ 182,162	\$ 4,758	\$ 101,903	\$ 556	\$ 596,735	\$ -	\$ -	\$ 204,032	\$ 1,090,146
LIABILITIES AND FUND BALANCES									
LIABILITIES									
Accounts payable	\$ 15,696	\$ 3,472	\$ 4,132	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,300
Accrued expenses	5,693	79	-	-	-	-	-	-	5,772
Due to other funds	-	-	-	-	-	-	-	44,222	44,222
Total liabilities	21,389	3,551	4,132	-	-	-	-	44,222	73,294
FUND BALANCES									
Nonspendable for:									
Prepaid items	1,665	-	600	-	-	-	-	-	2,265
Advances to component unit	-	-	-	-	-	-	-	200,000	200,000
Restricted for:									
Emergency communications	159,108	-	-	-	-	-	-	-	159,108
Law enforcement purposes	-	-	97,171	-	-	-	-	-	97,171
Promotion of tourism	-	1,207	-	-	-	-	-	-	1,207
Committed:									
Capital projects	-	-	-	-	596,735	-	-	-	596,735
Law enforcement purposes	-	-	-	556	-	-	-	-	556
Unassigned (deficit)	-	-	-	-	-	-	-	(40,190)	(40,190)
Total fund balances	160,773	1,207	97,771	556	596,735	-	-	159,810	1,016,852
Total liabilities and fund balances	\$ 182,162	\$ 4,758	\$ 101,903	\$ 556	\$ 596,735	\$ -	\$ -	\$ 204,032	\$ 1,090,146

CITY OF RIVERDALE, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Special Revenue Funds				Capital Project Funds				Totals
	Emergency Communication Fund	Hotel/Motel Tax Fund	Confiscated Assets Fund	Red Light Enforcement Fund	Capital Budget Reserve Fund	CDBG Grant Fund	Transportation Grant Fund	Economic Development Fund	
Revenues:									
Other taxes	\$ -	\$ 15,387	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,387
Charges for services	200,352	-	-	-	-	-	-	-	200,352
Fines and forfeitures	-	-	38,381	171	-	-	-	-	38,552
Total revenues	200,352	15,387	38,381	171	-	-	-	-	254,291
Expenditures:									
Current:									
Public safety	501,108	-	40,796	-	-	-	-	-	541,904
Economic development	-	21,774	-	-	-	-	-	99,280	121,054
Capital outlay	-	-	-	-	-	39,948	-	-	39,948
Total expenditures	501,108	21,774	40,796	-	-	39,948	-	99,280	702,906
Excess (deficiency) of revenues over (under) expenditures	(300,756)	(6,387)	(2,415)	171	-	(39,948)	-	(99,280)	(448,615)
Other financing sources									
Transfers in	337,073	2,462	-	-	-	39,948	13,919	64,000	457,402
Total other financing sources	337,073	2,462	-	-	-	39,948	13,919	64,000	457,402
Net change in fund balances	36,317	(3,925)	(2,415)	171	-	-	13,919	(35,280)	8,787
Fund balances (deficit), beginning of fiscal year, as restated	124,456	5,132	100,186	385	596,735	-	(13,919)	195,090	1,008,065
Fund balances, end of fiscal year	\$ 160,773	\$ 1,207	\$ 97,771	\$ 556	\$ 596,735	\$ -	\$ -	\$ 159,810	\$ 1,016,852

**CITY OF RIVERDALE, GEORGIA
EMERGENCY COMMUNICATION FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Charges for services	\$ 157,000	\$ 157,000	\$ 200,352	\$ 43,352
Total revenues	<u>157,000</u>	<u>157,000</u>	<u>200,352</u>	<u>43,352</u>
Expenditures				
Public safety	445,253	445,253	501,108	(55,855)
Total expenditures	<u>445,253</u>	<u>445,253</u>	<u>501,108</u>	<u>(55,855)</u>
Deficiency of revenues under expenditures	<u>(288,253)</u>	<u>(288,253)</u>	<u>(300,756)</u>	<u>(12,503)</u>
Other financing sources:				
Transfers in	288,253	288,253	337,073	48,820
Total other financing sources	<u>288,253</u>	<u>288,253</u>	<u>337,073</u>	<u>48,820</u>
Net change in fund balance	-	-	36,317	36,317
Fund balances, beginning of fiscal year	<u>124,456</u>	<u>124,456</u>	<u>124,456</u>	<u>-</u>
Fund balances, end of fiscal year	<u>\$ 124,456</u>	<u>\$ 124,456</u>	<u>\$ 160,773</u>	<u>\$ 36,317</u>

**CITY OF RIVERDALE, GEORGIA
HOTEL/MOTEL TAX FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Other taxes	\$ 21,600	\$ 21,600	\$ 15,387	\$ (6,213)
Total revenues	<u>21,600</u>	<u>21,600</u>	<u>15,387</u>	<u>(6,213)</u>
Expenditures				
Economic development	21,600	21,600	21,774	(174)
Total expenditures	<u>21,600</u>	<u>21,600</u>	<u>21,774</u>	<u>(174)</u>
Deficiency of revenues under expenditures	-	-	(6,387)	(6,387)
Other financing sources:				
Transfers in	-	-	2,462	2,462
Total other financing sources	<u>-</u>	<u>-</u>	<u>2,462</u>	<u>2,462</u>
Net change in fund balance	-	-	(3,925)	(3,925)
Fund balances, beginning of fiscal year	<u>5,132</u>	<u>5,132</u>	<u>5,132</u>	<u>-</u>
Fund balances, end of fiscal year	<u>\$ 5,132</u>	<u>\$ 5,132</u>	<u>\$ 1,207</u>	<u>\$ (3,925)</u>

**CITY OF RIVERDALE, GEORGIA
CONFISCATED ASSETS FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Fines and forfeitures	\$ 35,000	\$ 50,000	\$ 38,381	\$ (11,619)
Total revenues	<u>35,000</u>	<u>50,000</u>	<u>38,381</u>	<u>(11,619)</u>
Expenditures				
Public safety	35,000	35,000	40,796	(5,796)
Total expenditures	<u>35,000</u>	<u>35,000</u>	<u>40,796</u>	<u>(5,796)</u>
Net change in fund balance	-	15,000	(2,415)	(17,415)
Fund balances, beginning of year	<u>100,186</u>	<u>100,186</u>	<u>100,186</u>	<u>-</u>
Fund balances, end of year	<u>\$ 100,186</u>	<u>\$ 115,186</u>	<u>\$ 97,771</u>	<u>\$ (17,415)</u>

**CITY OF RIVERDALE, GEORGIA
RED LIGHT ENFORCEMENT FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Fines and forfeitures	\$ 100	\$ 100	\$ 171	\$ 71
Total revenues	<u>100</u>	<u>100</u>	<u>171</u>	<u>71</u>
Expenditures				
Current:				
Public safety	100	100	-	100
Total expenditures	<u>100</u>	<u>100</u>	<u>-</u>	<u>100</u>
Net change in fund balance	-	-	171	171
Fund balances, beginning of fiscal year	<u>385</u>	<u>385</u>	<u>385</u>	<u>-</u>
Fund balances, end of fiscal year	<u>\$ 385</u>	<u>\$ 385</u>	<u>\$ 556</u>	<u>\$ 171</u>

CITY OF RIVERDALE, GEORGIA

**SCHEDULE OF EXPENDITURES OF
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS - 2008 ISSUE
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

<u>Project</u>	<u>Original Estimated Cost</u>	<u>Current Estimated Cost</u>	<u>Prior Fiscal Years</u>	<u>Current Fiscal Year</u>	<u>Total</u>
Road improvements	\$ 2,954,728	\$ -	\$ -	\$ -	\$ -
Streetscapes	2,401,465	1,829,273	-	-	-
Park improvements	5,045,271	5,045,271	-	-	-
Community Center	4,000,000	9,825,456	6,937,751	2,539,200	9,476,951
Acquisition of land for parks and greenspace	<u>3,000,000</u>	<u>500,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Totals	<u>\$ 17,401,464</u>	<u>\$ 17,200,000</u>	<u>\$ 6,937,751</u>	<u>\$ 2,539,200</u>	<u>\$ 9,476,951</u>

NOTE: Current fiscal year expenditures of \$2,539,200 as shown above are reflected as a transfer out to the COPS 2009 Fund on the Statement of Revenues, Expenditures and Changes in Fund Balance for repayment of the debt associated with the construction of the Town Center.

STATISTICAL SECTION

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

<u>Contents</u>	<u>Page</u>
Financial Trends	62 - 67
<i>These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</i>	
Revenue Capacity	68 - 72
<i>These schedules contain information to help the reader assess the City's most significant local revenue sources.</i>	
Debt Capacity	73 - 75
<i>These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.</i>	
Demographic and Economic Information	76 and 77
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.</i>	
Operating Information	78 - 80
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.</i>	

Sources: Unless otherwise noted, the information in these schedules is derived from the City's financial reports for the relevant fiscal year.

CITY OF RIVERDALE, GEORGIA

NET POSITION BY ACTIVITY
LAST TEN FISCAL YEARS

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012 (Restated)	2013
Governmental activities										
Net investment in capital assets	\$ 3,585,173	\$ 4,078,190	\$ 3,922,209	\$ 7,017,066	\$ 4,242,952	\$ 6,411,299	\$ 10,242,814	\$ 10,953,227	\$ 12,940,372	\$ 13,691,189
Restricted	1,245,430	884,358	1,267,166	45,030	-	264,461	1,318,609	230,669	1,257,973	2,185,176
Unrestricted	3,135,700	2,013,891	3,099,296	2,933,600	6,344,978	4,934,319	2,213,959	4,302,790	2,966,214	2,735,863
Total governmental activities net position	\$ 7,966,303	\$ 6,976,439	\$ 8,288,671	\$ 9,995,696	\$ 10,587,930	\$ 11,610,079	\$ 13,775,382	\$ 15,486,686	\$ 17,164,559	\$ 18,612,228
Business-type activities										
Investment in capital assets	\$ 16,052	\$ 15,229	\$ 14,406	\$ 13,583	\$ 12,760	\$ 11,936	\$ 11,113	\$ 10,290	\$ 9,467	\$ 8,644
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	51,552	32,771	12,710	176,507	312,500	434,173	540,937	747,804	859,165	1,286,216
Total business-type activities net position	\$ 67,604	\$ 48,000	\$ 27,116	\$ 190,090	\$ 325,260	\$ 446,109	\$ 552,050	\$ 758,094	\$ 868,632	\$ 1,294,860
Primary government										
Net investment in capital assets	\$ 3,601,225	\$ 4,093,419	\$ 3,936,615	\$ 7,030,649	\$ 4,255,712	\$ 6,423,235	\$ 10,253,927	\$ 10,963,517	\$ 12,949,839	\$ 13,699,833
Restricted	1,245,430	884,358	1,267,166	45,030	-	264,461	1,318,609	230,669	1,257,973	2,185,176
Unrestricted	3,187,252	2,046,662	3,112,006	3,110,107	6,657,478	5,368,492	2,754,896	5,050,594	3,825,379	4,022,079
Total primary government net position	\$ 8,033,907	\$ 7,024,439	\$ 8,315,787	\$ 10,185,786	\$ 10,913,190	\$ 12,056,188	\$ 14,327,432	\$ 16,244,780	\$ 18,033,191	\$ 19,907,088

Note: GASB 63 and 65 were implemented during fiscal year 2013.

CITY OF RIVERDALE, GEORGIA

**CHANGES IN NET POSITION
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Expenses										
Governmental activities:										
General government	\$ 1,588,029	\$ 1,773,608	\$ 1,776,563	\$ 2,452,383	\$ 3,018,326	\$ 2,941,426	\$ 3,122,313	\$ 2,893,857	\$ 2,912,979	\$ 3,592,001
Judicial	-	-	-	469,683	526,835	604,712	1,600,470	669,343	630,083	732,181
Public safety	7,584,870	7,379,922	6,698,532	5,541,456	5,920,902	5,971,501	6,195,634	6,023,012	6,115,912	5,771,295
Parks and recreation	1,210,422	1,164,175	991,823	717,264	389,957	352,519	136,078	187,608	284,870	625,677
Economic development	9,538	6,015	32,394	623,675	1,314,469	867,159	158,075	610,173	705,044	1,032,596
Interest on long-term debt	325,594	345,623	359,149	4,800	74,717	55,470	904,257	896,357	1,094,948	703,097
Total governmental activities expenses	76,091	75,378	66,772	63,059	55,990	386,349	896,089	841,790	820,677	884,667
Business-type activities:	10,794,544	10,744,721	9,925,233	9,872,120	11,301,196	11,179,136	13,012,916	12,122,140	12,564,513	13,341,514
Solid waste management	214,111	14,941	254,309	517,666	534,347	587,569	608,091	1,093,854	1,041,011	471,587
Total business-type activities expenses	214,111	14,941	254,309	517,666	534,347	587,569	608,091	1,093,854	1,041,011	471,587
Total primary government expenses	11,008,655	10,759,662	10,179,542	10,389,806	11,835,543	11,766,705	13,821,007	13,215,994	13,605,524	13,813,101
Program revenues										
Governmental activities:										
Charges for services:										
General government	97,861	115,127	56,610	154,202	415,245	353,985	349,130	352,035	474,938	359,688
Public safety	2,611,597	1,988,542	2,462,458	2,482,951	2,373,397	2,745,833	3,914,311	2,740,028	3,256,824	2,604,401
Parks and recreation	-	-	-	-	94,039	54,547	62,577	60,217	51,869	61,023
Economic development	182,566	151,251	323,348	-	28,158	29,351	44,481	103,789	287,102	569,497
Operating grants and contributions	-	-	60,504	81,932	32,981	47,021	110,203	94,316	122,515	25,126
Capital grants and contributions	230,708	137,606	271,534	75,040	259,350	683,922	2,700,785	2,826,965	3,223,703	194,951
Total governmental activities program revenues	3,122,732	2,362,526	3,174,454	2,794,125	3,203,170	3,914,659	7,181,487	6,232,580	7,454,644	6,572,011
Business-type activities:										
Charges for services	330,526	183,939	397,854	680,560	669,517	708,418	1,045,790	1,299,898	1,351,549	897,815
Operating grants and contributions	-	-	60,504	-	-	-	-	-	-	-
Capital grants and contributions	7,500	-	-	-	-	-	-	-	-	-
Total business-type activities program revenues	338,026	183,939	458,358	680,560	669,517	708,418	1,045,790	1,299,898	1,351,549	897,815
Total primary government program revenues	3,460,758	2,546,465	3,632,812	3,474,685	3,872,687	4,623,077	8,227,277	7,532,478	8,806,193	7,469,826
Net (expense)/revenue	(7,671,812)	(8,382,195)	(6,750,779)	(7,077,995)	(8,098,026)	(7,264,477)	(5,831,429)	(5,889,560)	(5,109,869)	(6,769,503)
Governmental activities	123,915	168,998	204,049	162,874	135,170	120,849	237,699	206,044	310,538	426,228
Business-type activities	(7,547,897)	(8,213,197)	(6,546,730)	(6,915,121)	(7,962,856)	(7,143,628)	(5,593,730)	(5,683,516)	(4,799,331)	(6,343,275)
Total primary government net expense										

(Continued)

CITY OF RIVERDALE, GEORGIA

**CHANGES IN NET POSITION
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General revenues and other changes in net position										
Governmental activities:										
Taxes										
Property taxes	2,190,570	2,344,313	2,444,245	2,752,436	2,986,777	2,835,424	2,606,937	2,359,879	2,194,301	2,705,058
Sales taxes	2,613,731	2,703,653	3,045,895	3,007,401	3,010,800	2,813,210	2,703,283	2,625,328	2,724,260	2,812,355
Franchise taxes	526,519	626,884	591,386	680,363	697,891	734,939	713,508	764,745	786,874	744,819
Occupational taxes	469,768	511,688	508,156	-	-	-	-	-	-	-
Insurance premium tax	535,994	580,872	624,942	653,845	682,034	698,371	691,819	671,713	709,848	753,977
Alcoholic beverage taxes	394,605	391,749	382,259	413,326	403,651	375,650	387,806	354,841	369,861	375,168
Other taxes	99,614	71,101	89,031	1,095,497	782,583	688,894	694,402	723,573	767,757	764,487
Miscellaneous	40,088	39,134	18,179	25,125	-	-	-	-	-	-
Unrestricted investment earnings	107,819	132,246	149,817	156,927	98,134	78,588	65,859	71,292	62,156	61,308
Gain on sale of capital assets	13,885	-	42,278	-	28,390	11,550	1,360	29,493	-	-
Transfers	56,311	197,873	166,823	(100)	-	-	131,758	-	200,000	-
Total governmental activities general revenues and other changes in net position	7,048,904	7,599,513	8,063,011	8,785,020	8,690,260	8,236,626	7,996,732	7,600,864	7,815,057	8,217,172
Business-type activities:										
Investment earnings	-	9,271	2,394	-	-	-	-	-	-	-
Transfers	(56,311)	(197,873)	(166,823)	100	-	-	(131,758)	-	(200,000)	-
Total business type activities general revenues and other changes in net position	(56,311)	(188,602)	(164,429)	100	-	-	(131,758)	-	(200,000)	-
Total primary government general revenues and other changes in net position	6,992,593	7,410,911	7,898,582	8,785,120	8,690,260	8,236,626	7,864,974	7,600,864	7,615,057	8,217,172
Change in net position										
Governmental activities	(622,908)	(782,682)	1,312,232	1,707,025	592,234	972,149	2,165,303	1,711,304	2,705,188	1,447,669
Business-type activities	67,604	(19,604)	39,620	162,974	135,170	120,849	105,941	206,044	110,538	426,228
Total primary government change in net position	\$ (555,304)	\$ (802,286)	\$ 1,351,852	\$ 1,869,999	\$ 727,404	\$ 1,092,998	\$ 2,271,244	\$ 1,917,348	\$ 2,815,726	\$ 1,873,897

CITY OF RIVERDALE, GEORGIA

FUND BALANCES, GOVERNMENTAL FUNDS FISCAL YEARS 2004 - 2010

	2004	2005	2006	2007	2008	2009	2010
General Fund							
Reserved	\$ 642,829	\$ 441,885	\$ 444,365	\$ 259,087	\$ 180,393	\$ 324,781	\$ 256,931
Unreserved	2,913,300	2,541,493	3,623,115	4,499,412	4,089,676	4,134,857	3,401,640
Total General fund	<u>\$ 3,556,129</u>	<u>\$ 2,983,378</u>	<u>\$ 4,067,480</u>	<u>\$ 4,758,499</u>	<u>\$ 4,270,069</u>	<u>\$ 4,459,638</u>	<u>\$ 3,658,571</u>
All Other Governmental Funds							
Unreserved, reported in:							
Special revenue funds	\$ 1,245,431	\$ 884,358	\$ 199,640	\$ 948,086	\$ 976,928	\$ 646,666	\$ 593,519
Capital projects funds		-	874,734	831,357	1,347,725	17,556,176	5,628,291
Total all other governmental funds	<u>\$ 1,245,431</u>	<u>\$ 884,358</u>	<u>\$ 1,074,374</u>	<u>\$ 1,779,443</u>	<u>\$ 2,324,653</u>	<u>\$ 18,202,842</u>	<u>\$ 6,221,810</u>

Note: Amount of unreserved fund balance by type not available prior to 2006.

CITY OF RIVERDALE, GEORGIA

FUND BALANCES, GOVERNMENTAL FUNDS CURRENT AND PRIOR TWO FISCAL YEARS

	Fiscal Year		
	2011	2012 (Restated)	2013
General Fund			
Restricted	-	-	\$ 91,388
Nonspendable	247,706	317,845	351,008
Unassigned	2,204,550	3,069,041	1,996,304
Total General Fund	<u>\$ 2,452,256</u>	<u>\$ 3,386,886</u>	<u>\$ 2,438,700</u>
All Other Governmental Funds			
Nonspendable, reported in:			
Special revenue funds	-	-	\$ 2,265
Capital projects funds	-	-	200,000
Restricted, reported in:			
Special revenue funds	151,483	44,998	257,486
Capital project funds	6,070,803	4,352,502	3,623,238
Committed, reported in:			
Special revenue funds	-	-	556
Capital project funds	-	-	836,417
Assigned, reported in:			
Special revenue funds	59,469	380,251	-
Capital project funds	788,686	596,735	-
Unassigned (deficit), reported in:			
Special revenue funds	(2,195)	(13,919)	-
Capital projects funds	-	-	(40,190)
Total all other governmental funds	<u>\$ 7,068,246</u>	<u>\$ 5,360,567</u>	<u>\$ 4,879,772</u>

Note: GASB 54 was implemented during fiscal year 2011.

CITY OF RIVERDALE, GEORGIA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenues:										
Taxes	\$ 6,860,170	\$ 7,189,197	\$ 7,711,595	\$ 8,138,608	\$ 8,344,262	\$ 7,962,354	\$ 7,789,960	\$ 7,573,484	\$ 7,575,147	\$ 8,097,695
Licenses and permits	273,213	257,641	323,348	373,705	324,787	266,167	289,219	315,875	288,431	282,842
Intergovernmental	175,708	137,606	298,132	156,972	273,473	659,901	2,726,135	3,057,459	3,327,139	2,962,070
Charges for services	307,937	303,691	362,451	355,953	513,494	513,690	474,219	524,651	653,521	904,671
Fines, forfeitures, and fees	2,318,405	1,723,058	2,224,364	2,222,713	2,018,225	2,388,661	3,584,387	2,307,477	2,983,431	2,423,615
Investment earnings	107,096	131,172	149,729	156,927	98,134	78,588	65,859	71,292	62,156	61,308
Miscellaneous	46,391	38,972	42,030	25,125	101,581	26,514	26,974	38,416	143,873	60,927
Total revenues	10,088,920	9,781,337	11,111,649	11,430,003	11,673,956	11,895,875	14,956,753	13,888,654	15,023,698	14,793,128
Expenditures:										
General government	1,539,608	1,640,892	1,864,107	2,387,395	2,838,844	2,822,119	2,871,716	3,198,537	3,116,073	3,544,925
Judicial	891,283	812,225	825,046	454,913	514,076	591,127	1,682,394	677,397	632,219	676,651
Public safety	6,285,646	6,183,625	5,899,321	5,170,877	5,727,710	5,699,540	5,722,595	5,488,204	4,989,339	5,417,121
Public works	1,081,953	1,062,864	921,828	656,396	408,017	297,026	85,674	117,184	69,668	79,003
Parks and recreation	2,500	-	27,535	617,083	1,100,065	861,852	149,666	636,404	641,944	902,585
Community development	323,903	347,536	361,631	4,800	92,500	45,614	893,991	836,451	627,425	700,401
Capital outlay	576,805	792,287	45,061	645,768	730,447	4,397,803	13,912,491	5,256,331	2,395,556	2,048,237
Debt service:										
Principal	156,957	111,495	111,872	123,707	147,394	126,812	1,760,527	2,270,000	2,445,000	2,545,000
Interest and fiscal charges	25,444	69,452	64,506	60,932	58,123	238,320	892,916	968,163	988,082	904,275
Issuance costs	-	-	-	-	-	637,941	-	249,625	-	-
Total expenditures	10,884,099	11,020,376	10,120,907	10,121,671	11,617,176	15,588,154	27,871,970	19,698,296	15,915,306	16,818,198
Excess (deficiency) of revenues over (under) expenditures	(795,179)	(1,239,039)	990,742	1,308,332	56,780	(3,692,279)	(12,915,217)	(5,809,642)	(891,608)	(2,025,070)
Other financing sources (uses)										
Proceeds from the issuance of debt	-	-	-	87,856	-	19,697,078	-	5,399,981	-	-
Proceeds from the sale of capital assets	13,885	-	65,528	-	-	12,959	1,360	49,782	3,900	-
Proceeds from capital leases	-	-	-	-	-	-	-	-	-	596,089
Insurance reimbursements	-	-	51,025	-	-	-	-	-	-	-
Transfers in	-	197,873	166,823	1,045,624	1,486,901	1,486,901	4,755,466	4,012,238	3,931,642	4,548,494
Transfers out	(5,938)	-	-	(1,045,724)	(1,486,901)	(1,486,901)	(4,623,709)	(4,012,238)	(3,731,642)	(4,548,494)
Total other financing sources (uses)	7,947	197,873	283,376	87,756	-	19,710,037	133,118	5,449,763	203,900	596,089
Net change in fund balances	\$ (787,232)	\$ (1,041,166)	\$ 1,274,118	\$ 1,396,088	\$ 56,780	\$ 16,017,758	\$ (12,782,099)	\$ (359,879)	\$ (687,708)	\$ (1,428,981)
Debt service as a percentage of noncapital expenditures	1.77%	1.77%	1.75%	1.95%	1.89%	3.26%	7.67%	9.61%	14.36%	14.49%

CITY OF RIVERDALE, GEORGIA

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN TAX DIGEST YEARS

Tax Digest Year	Real and Personal Property	Motor Vehicles	Public Utility	Less: Taxpayer Exemptions	Net Taxable Assessed Value (1)	Total Direct Tax Rate	Estimated Actual Value	Assessed Value as a Percentage of Actual Value
2003	\$ 293,262,686	\$ 23,547,831	\$ 3,253,383	(723,880)	319,340,020	7.50	\$ 800,159,750	40%
2004	312,555,583	22,912,020	3,360,807	(792,551)	338,035,859	7.50	847,071,025	40%
2005	336,047,298	21,153,260	3,654,056	(756,414)	360,098,200	7.50	902,036,535	40%
2006	347,088,353	23,187,360	3,156,395	(798,206)	372,633,902	7.50	933,580,270	40%
2007	354,555,207	22,500,660	4,153,520	(826,083)	380,383,304	7.50	953,023,468	40%
2008	335,635,644	22,228,660	4,188,365	-	362,052,669	7.50	905,131,673	40%
2009	293,480,487	19,513,950	4,188,360	(640,214)	316,542,583	7.50	792,956,993	40%
2010	275,570,541	18,169,900	4,203,858	(28,140,867)	269,803,432	7.50	674,508,580	40%
2011	240,441,693	26,412,300	6,400,050	(27,823,089)	245,430,954	7.50	613,577,385	40%
2012	229,470,100	28,023,150	6,741,259	(26,079,127)	238,155,382	9.98	595,388,455	40%

Note: Tax rates are per \$1,000 of assessed value.

Source: Clayton County Tax Commissioner

CITY OF RIVERDALE, GEORGIA

PROPERTY TAX RATES LAST TEN TAX DIGEST YEARS

Tax Digest Year	State of Georgia	City of Riverdale			Clayton County	School District	Total Millage Rate
		Maintenance and Operations	Sales Tax Reduction	Total City			
2003	0.250	-	-	7.50	7.78	18.92	34.45
2004	0.250	-	-	7.50	7.78	18.92	34.45
2005	0.250	-	-	7.50	8.76	18.92	35.43
2006	0.250	14.80	7.30	7.50	8.76	18.92	35.43
2007	0.250	15.74	8.24	7.50	13.45	20.00	41.20
2008	0.250	15.23	7.73	7.50	13.45	19.84	41.04
2009	0.250	15.93	8.43	7.50	16.45	19.84	44.04
2010	0.250	16.37	8.87	7.50	16.45	20.00	44.20
2011	0.250	15.30	7.80	7.50	20.46	20.00	48.21
2012	0.200	20.95	10.97	9.98	20.46	20.00	50.64

Source: Clayton County Tax Commissioner.

Note: Information regarding components of City rates not available prior to 2006.

CITY OF RIVERDALE, GEORGIA

PRINCIPAL PROPERTY TAXPAYERS CURRENT YEAR AND FIVE YEARS AGO (amounts expressed in thousands)

Taxpayer	2013			2008		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Tramlaw LP	\$ 6,326	1	2.385%	\$		
Tritex Real Estate Advisors	3,906	2	1.473%			
HD Development of Maryland	3,809	3	1.436%			
Wal Mart Supercenter	3,780	4	1.425%	3,447	6	0.99%
Georgia Power	3,753	5	1.415%			
IPF / Merchants LP	3,073	6	1.159%	4,902	3	1.41%
Brooks Crossing of Atlanta	2,916	7	1.099%			
Riverdale Market Owners LLC	2,492	8	0.940%			
Institute for Radiation	2,103	9	0.793%			
Atlanta Gas Light Co	1,968	10	0.742%			
Chateau Forrest Associates LP				8,064	1	2.32%
Edward C & Clarice B Ellis				6,459	2	1.86%
H/S Riverlo LLC				4,373	4	1.26%
Brookscrossing Apts Ltd				4,324	5	1.24%
Lowe's				2,776	7	0.80%
Home Depot Inc #178				2,464	8	0.71%
Wrens Crossing LLC				2,234	9	0.64%
Kroeger				895	10	0.26%
Total	\$ 34,126		12.866%	\$ 39,938		11.49%

Source: City of Riverdale tax records.

CITY OF RIVERDALE, GEORGIA

PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN FISCAL YEARS

Fiscal Year	Taxes Levied (1)(2)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	% of Levy		Amount	% of Levy
2004	\$ 2,041,543	\$ 1,996,621	97.80%	\$ 41,343	\$ 2,037,964	99.82%
2005	2,237,853	2,188,429	97.79%	38,789	2,227,218	99.52%
2006	2,333,063	2,250,107	96.44%	31,678	2,301,385	98.64%
2007	2,343,613	2,254,666	96.20%	82,801	2,343,613	100.00%
2008	2,416,377	2,110,139	87.33%	297,915	2,263,681	93.68%
2009	2,592,901	2,435,314	93.92%	150,171	2,592,901	100.00%
2010	2,374,069	2,339,869	98.56%	19,399	2,374,069	100.00%
2011	2,230,527	1,905,031	85.41%	309,127	2,082,964	93.38%
2012	2,721,710	1,946,162	71.51%	736,111	2,111,002	77.56%
2013	2,328,747	2,224,716	95.53%	-	2,224,716	95.53%

Source: City of Riverdale, Georgia's tax records.

Notes:

- (1) Includes only real and personal property. Does not include motor vehicle assessments.
- (2) Amounts include the State of Georgia Property Tax Relief Grant.

CITY OF RIVERDALE, GEORGIA

**LOCAL OPTION SALES TAX HISTORY
LAST TEN FISCAL YEARS**

Month	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
July	\$ 213,514	\$ 233,207	\$ 245,122	\$ 243,399	\$ 226,243	\$ 295,465	\$ 197,211	\$ 178,791	\$ 220,980	\$ 230,136
August	210,086	198,079	254,520	246,578	209,473	243,640	271,417	213,764	236,392	222,554
September	205,186	268,309	241,795	299,373	235,595	303,520	239,166	204,668	225,280	211,924
October	213,699	248,033	290,360	280,150	282,265	288,907	227,532	199,768	176,187	211,897
November	224,234	229,773	258,340	320,254	234,307	198,126	240,286	193,986	186,298	202,957
December	177,046	223,412	253,802	186,560	252,340	267,135	236,917	298,740	196,786	257,800
January	229,305	30,503	207,160	236,504	223,146	209,355	211,529	227,762	240,721	246,294
February	216,306	245,955	285,760	267,811	234,204	165,211	236,184	239,511	275,437	256,005
March	231,232	185,124	252,086	211,423	230,511	289,328	220,880	240,873	215,409	214,999
April	204,340	245,389	138,594	210,772	304,153	223,019	206,017	224,796	234,656	339,290
May	226,323	254,058	347,384	247,498	281,196	234,654	210,608	230,855	272,608	205,641
June	237,492	262,612	274,357	263,495	292,412	94,849	273,493	220,980	236,518	212,858
Adjustment	17,282	10,845	-	12,067	4,955	-	-	-	-	-
Total	\$ 2,606,045	\$ 2,635,299	\$ 3,049,280	\$ 3,025,884	\$ 3,010,800	\$ 2,813,210	\$ 2,771,240	\$ 2,674,494	\$ 2,717,272	\$ 2,812,355

Notes:

(1) The difference of \$67,957 in the total 2009 local option sales taxes as compared to the sales taxes reported in the General Fund for the year ended June 30, 2009, relates to deferred sales tax revenue recorded as of June 30, 2009.

(2) The difference of \$49,166 in the total 2010 local option sales taxes as compared to the sales taxes reported in the General Fund for the year ended June 30, 2010, relates to deferred sales tax revenue recorded as of June 30, 2010.

Source: City of Riverdale, Georgia's records.

CITY OF RIVERDALE, GEORGIA

RATIOS OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities				Total Primary Government	Percentage of Estimated Actual Value of Taxable Property	Percentage of Personal Income	Per Capita	Personal Income	Population
	Certificates of Participation	Bonds Payable	Notes Payable	Capital Leases						
2004	\$ 1,022,000	\$ -	\$ 545,828	\$ 8,124	\$ 1,575,952	0.49%	0.34%	\$ 90.05	\$ 458,532	17,500
2005	1,022,000	-	440,382	2,074	1,464,456	0.45%	0.21%	100.44	691,775	14,580
2006	1,022,000	-	330,584	-	1,352,584	0.40%	0.23%	87.40	576,347	15,475
2007	1,022,000	-	216,236	78,497	1,316,733	0.37%	0.22%	84.94	611,727	15,502
2008	1,022,000	-	97,168	50,171	1,169,339	0.31%	0.19%	75.21	612,794	15,548
2009	20,447,000	-	-	20,527	20,467,527	5.38%	3.33%	1,073.68	615,079	19,063
2010	18,707,000	-	-	-	18,707,000	5.17%	2.36%	997.44	792,258	18,755
2011	16,437,000	5,500,000	-	-	21,937,000	6.93%	3.14%	1,431.36	698,061	15,326
2012	14,092,000	5,400,000	-	-	19,492,000	6.55%	3.29%	1,278.08	591,783	15,251
2013	11,647,000	5,300,000	-	596,089	17,543,089	7.15%	1.64%	18,621	288,495	15,493

Notes:

(1) Details regarding the City's long term debt can be found in the notes to the financial statements.

CITY OF RIVERDALE, GEORGIA

LEGAL DEBT MARGIN INFORMATION LAST TEN FISCAL YEARS

Fiscal Year	Assessed value of taxable property	Debt Limit (10% of assessed value)	Amount of outstanding debt applicable to debt limit	Legal debt margin	Total net debt applicable to the limit as a percentage of debt limit
2004	\$ 319,340,020	\$ 31,934,002	-	\$ 31,934,002	\$ 0.00%
2005	322,680,392	32,268,039	-	32,268,039	0.00%
2006	338,035,859	33,803,586	-	33,803,586	0.00%
2007	360,098,200	36,009,820	-	36,009,820	0.00%
2008	372,633,902	37,263,390	-	37,263,390	0.00%
2009	380,383,304	38,038,330	-	38,038,330	0.00%
2010	362,052,669	36,205,267	-	36,205,267	0.00%
2011	316,542,583	31,654,258	-	31,654,258	0.00%
2012	297,403,691	29,740,369	-	29,740,369	0.00%
2013	238,155,382	23,815,538	-	23,815,538	0.00%

Note:

(1) The City has no general obligation debt that is subject to the debt limitation.

CITY OF RIVERDALE, GEORGIA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT AS OF JUNE 30, 2013

Jurisdiction	Debt Outstanding	Percentage Applicable to the City of Riverdale ^(a)	Amount Applicable to the City of Riverdale
Clayton County, Georgia- Overlapping Debt	\$ 34,169,223	4.80%	\$ 1,639,203
Subtotal Overlapping Debt			1,639,203
City of Riverdale, Georgia- Direct Debt	17,543,089	100.00%	17,543,089
Total Direct and Overlapping Debt			\$ 23,576,203

Sources: Assessed value data used to estimate applicable percentages provided by the County. Debt outstanding provided by the County (as of June 30, 2013) and City Finance Departments.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that could place burden on the residents and businesses of the City of Riverdale. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account.

^(a) The percentage of overlapping debt applicable is estimated using the assessed gross digest. Applicable percentages were estimated by determining the portion of the City's assessed taxable value that is within the County's boundaries and dividing it by the County's total gross digest.

CITY OF RIVERDALE, GEORGIA

DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN FISCAL YEARS

Fiscal Year	Population (1)	Total Personal (1)	Per Capita Personal Income (1)	Median Age(1)	Unemployment Rate (2)	School Enrollment (3)
2004	17,500	691,775	39,530	29.50	4.10%	4,503
2005	14,580	576,347	39,530	29.50	5.30%	4,292
2006	15,475	611,727	39,530	29.50	5.30%	4,373
2007	15,502	612,794	39,530	29.50	5.95%	4,481
2008	15,548	615,079	39,560	29.50	6.01%	4,458
2009	19,063	792,258	41,560	30.40	10.90%	8,583
2010	18,755	698,061	37,220	30.40	13.75%	8,355
2011	15,326	591,783	38,613	29.50	11.90%	4,682
2012	15,251	565,965	37,110	32.30	11.20%	4,349
2013	15,493	288,495	38,853	32.80	11.20%	4,588

Sources:

- (1) U.S. Census Bureau
- (2) State of Georgia Department of Labor
- (3) Clayton County Board of Education

CITY OF RIVERDALE, GEORGIA

TEN LARGEST EMPLOYERS IN RIVERDALE CURRENT YEAR AND FIVE YEARS AGO

<u>Business</u>	<u>2013</u>			<u>2008</u>		
	<u>Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Wal-Mart	512	1	6.12%	332	1	0.23%
Kroger	280	2	3.35%	130	3	0.09%
City of Riverdale	138	3	1.65%	128	4	0.09%
Riverdale Senior High School	124	4	1.48%	141	2	0.10%
Riverdale Place Care	113	5	1.35%			
Home Depot	102	6	1.22%	102	6	0.07%
Church Street Elementary	90	7	1.08%	92	9	0.07%
Riverdale Dwarf House	75	8	0.90%			
Dr. Devendra Koganti	71	9	0.85%			
Super H Mart	70	10	0.84%			
Publix				103	5	0.07%
Cattle Exchange, Inc.				99	7	0.06%
Lowe's				96	8	0.07%
Riverdale Elementary School				88	10	0.06%

Source: Georgia Department of Labor

Note: Information prior to 2007 was not available.

CITY OF RIVERDALE, GEORGIA

FULL TIME EQUIVALENT CITY EMPLOYEES BY DEPARTMENT LAST NINE FISCAL YEARS

Fiscal Year	General Government	Police Department	Fire Department	Cultural/ Recreation	Public Works	Community Development	E-911	Total
2005	17	45	35	-	13	3	11	124
2006	20	43	28	-	10	4	11	116
2007	17	44	30	-	13	10	11	125
2008	17	48	29	-	15	9	10	128
2009	27	52	31	-	7	12	9	138
2010	24	52	31	-	2	11	9	129
2011	24	53	27	10	4	10	10	138
2012	25	51	27	11	4	10	10	138
2013	20	52	24	12	4	9	9	130

(1) During fiscal year 2009, the City reduced the number of employees in its Public Works Department and used prison labor as an alternative.

(2) During fiscal year 2011, the City opened its new Town Center complex, thus increasing the number of employees needed for staffing of special events.

Source: City of Riverdale, Georgia's Finance Department

Note: Information prior to 2005 was not available.

CITY OF RIVERDALE, GEORGIA

OPERATING INDICATORS BY FUNCTION LAST TEN FISCAL YEARS

Function	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Police										
Number of stations	1	1	1	1	1	1	1	1	1	1
Physical arrests	1,862	848	2,030	2,054	2,367	2,464	2,656	2,787	2,568	2,671
Traffic violations	11,070	6,760	12,152	21,302	18,483	19,263	19,518	17,199	21,016	17,802
Fire										
Number of stations	2	2	2	2	2	2	2	2	2	2
Number of fire related calls	247	789	374	359	285	317	333	370	301	441
Number of EMS related calls	1,817	1,621	1,748	1,678	1,758	1,712	2,063	2,455	2,296	1,988
Inspections	910	565	245	214	180	517	339	353	439	671
Public Works										
Street resurfacing (miles)	3.03	3.87	3.41	5.00	-	-	-	0.09	-	-
Potholes repaired	38	20	18	24	-	-	-	28	32	26
Community Development										
Business licenses issued	N/A	N/A	294	1,214	1,150	1,089	1,252	1,243	1,267	1,078
Building permits issued	N/A	N/A	144	67	66	45	60	44	44	96

Source: City of Riverdale, Georgia's records.

Note: Records related to Community Development activities were not available prior to 2006.

CITY OF RIVERDALE, GEORGIA

CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Police										
Stations	2	1	1	1	1	1	1	1	1	1
Zone offices	1	1	1	1	1	1	1	1	1	1
Patrol units	N/A	N/A	34	35	35	38	38	41	40	40
Fire stations	2	2	2	2	2	2	2	2	2	2
Public works										
Streets (miles)	5.45	5.45	5.45	5.45	5.45	5.45	5.45	5.70	5.70	5.70
Parks and recreation										
Acreage	2.27	2.27	2.27	2.27	2.27	(3)	0.00	(4)	16.50	16.50
Playgrounds	1	1	1	1	1	0	0	1	1	1

Source: Various City of Riverdale departments

Notes:

- (1) No capital asset indicators are available for the general government functions. Number of patrol units not available for years 2004 and 2005.
- (2) Information not available prior to fiscal year 2004.
- (3) During FY2009, construction on the new Town Center project began, utilizing the City's sole park.
- (4) During FY2011, the City's new Town Center plaza and park were opened.