# CITY OF FOREST PARK, GEORGIA

## COMPREHENSIVE ANNUAL FINANCIAL REPORT

## FOR THE FISCAL YEAR ENDED
## JUNE 30, 2016




Prepared By: Finance Department
City of Forest Park, Georgia

# CITY OF FOREST PARK, GEORGIA

## COMPREHENSIVE ANNUAL FINANCIAL REPORT
## FOR THE FISCAL YEAR ENDED
## JUNE 30, 2016

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# CITY OF FOREST PARK, GEORGIA

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# INTRODUCTORY SECTION

# CITY OF FOREST PARK

745 Forest Parkway • Forest Park, Georgia 30297 • Tel: (404) 366-4720 • Fax: (404) 608-2343 • Fax: (404) 608-2344

November 22, 2016

*To the Honorable Mayor, members of the City Council and the Citizens of Forest Park:*

State law requires that all general-purpose local governments publish within six (6) months of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the City of Forest Park for the fiscal year ended June 30, 2016.

The comprehensive annual financial report consists of management's representations concerning the finances of the City of Forest Park. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Forest Park 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 of Forest Park's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Forest Park'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, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Forest Park's basic 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 of Forest Park for the fiscal year ended June 30, 2016, 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 of Forest Park's basic financial statements for the fiscal year ended June 30, 2016, 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.

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

**Profile of the Government**

The City, incorporated in 1908, is located approximately nine minutes and seven miles south of Atlanta's downtown business district. The City enjoys access to Interstate Highways I-75 and I-285, and Hartsfield-Jackson International Airport. The City of Forest Park currently occupies a land area of 9.3 square miles and serves a population of approximately 18,500 based on the latest census. The City is empowered to levy a property tax on both real and personal properties located within its boundaries.

The City operates under the Council-Manager form of government. Policymaking and legislative authority are vested in the governing Council, which consists of a mayor and a five-member council. The governing Council is responsible for, among other things, passing ordinances, adopting the budget, appointing committees and hiring the City Manager and the City's attorney. The City Manager is responsible for carrying out the policies and ordinances of the governing Council and overseeing the day-to-day operations of the City. The Council is elected on a non-partisan basis. Councilmembers are elected to four-year staggered terms with three councilpersons elected every two years. The mayor is elected for a four-year term. All Councilmembers are elected from their districts, while the Mayor is elected at large.

The financial reporting entity (the "City") includes all the funds of the primary government (i.e. the City of Forest Park, Georgia as legally defined), as well as its component units. Component units are legally separate entities for which the primary government is financially accountable. The City provides a full range of services, including police and fire protection; sanitation services; the construction and maintenance of highways, streets, and infrastructure; and recreational activities and cultural events.

The annual budget serves as the foundation for the City of Forest Park's financial planning and control. All departments of the City of Forest Park are required to submit requests for appropriation to the City Manager by mid-March of each year. The City Manager uses these requests as the starting point for developing a proposed budget. The City Manager then presents this proposed budget to the Council for review by mid-May. The Council is required to hold public hearings on the proposed budget and to adopt a final budget by June 30, the close of the City of Forest Park's fiscal year. The appropriated budget is prepared by fund, function (e.g. public safety), and department (e.g., police).

Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated budget has been adopted. For the General Fund, this comparison is presented as part of the basic financial statements for the governmental funds. For governmental funds other than the General Fund, with appropriated annual budgets, this comparison is presented in the combining and individual fund statements and schedules section of this report.

**Factors Affecting Financial Condition**

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

**Local Economy**

The economic outlook for this area remains positive, as the state and national economies improve. Many companies continue to discover that the southside of Atlanta provides much opportunity to build and maintain businesses. The City of Forest Park is located on the southside, in Clayton County. Because of the City of Forest Park's proximity to the City of Atlanta, the City is not dependent on a single industry or entity for any substantial portion of its revenue. The area has a wide variety of businesses and industries. The City of Forest Park has among other businesses: Atlas Logistics Group Retail, Ozark Automotive Distributors (O'Reilly Auto Parts) facility, the Clorox Company, Georgia Power, Bell South, and Ralcorp Frozen Bakery Products (formerly Sara Lee Bakery Group). The City also projects substantial growth from the future development of the Fort Gillem property. Transfer of the majority of the property from the Department of Defense was completed in June 2014. Phase I of the Main Street Project has been completed. Phase II of the project is in the Design / Engineering phase. The City currently has a privately held mixed-use residential and retail development (Jasber Plaza) located on the Main Street corridor underway. The development site is over 4.5 acres; the first phase of the project will consist of 8,000 square feet of retail and restaurants tenant spaces, the second phase of the project will consist of 120 condominium units.

The City of Forest Park continued to experience growth and investment during fiscal year 2016, as indicated by the following areas now under construction or recently completed:

- Gillem Logistics Center (GLC) – building construction - $19,356,900.
- Clayton County Board of Education – building renovations - $10,153,600.
- Robel Realty – roof replacement - $2,426,562.
- Southern Crescent Medical Center – new building construction - $1,920,000.
- Calvary Refuge – construction of homeless shelter - $824,200.
- Technique Concrete – exterior and interior remodel and additions - $250,000.
- First Southern Management – roof replacement - $243,205.
- Loves Travel – installation of racking system - $224,790.
- Weeks Robinson Properties – demolition of warehouse at GLC - $206,400.
- Clorox Company – interior buildout - $190,000.
- J.B. Hunt – breakroom and restroom renovations - $180,000.
- St. George Warehouse – interior finish - $171,147.
- Various other projects totaling $346,248.

The activity reflects the continuing recovery of the economy and the construction industry. The City of Forest Park continues to experience modest growth from construction and improvements to existing structures.

The unemployment rate for Clayton County is 6.4% for August 2016 compared with 7.5% at August 2015. The August 2016 unemployment rate for Metro Atlanta is 5.0%, the State of Georgia is 4.9%, and the U.S. rate is 5.0%. The decrease in unemployment from 2015 to 2016 reflects the continuance of economic recovery for the State of Georgia and Clayton County.

**Long-term Financial Planning.**
**Current and Future Initiatives**

**Main Street Phase II**

Main Street Phase II is a contiuation of the streetscape project on Main Street. The project will consist of constructing brick paver handicap accessible sidewalks, landscaping, bicycle racks, trash receptacles, benches, and decorative pedestrian lighting on Main Street. Phase II continues on Main Street between the eastern end of Phase I Streetscape Improvements eastward to Jonesboro Road and on Coutney Drive to Jonesboro Road. Main Street Phase II is currently in the final stage of the Design / Engineering phase.

***Main Street Redevelopment***

A conceptual master plan developed by Cooper Carry for the Main Street redevelopment project has been approved by the Mayor and City Council. The master plan includes mixed-use commercial/residential, which allows for a mixture of commercial, retail and residential uses in a traditional main street fashion, mixed use office/residential, which allows for a mixture of professional office and residential uses. The master plan also includes mixed use transit village, which allows for a mixture of neighborhood-friendly commercial and retail, office and residential uses in a vertical arrangement with homes over shops and other uses, and is consistent with the transit village as recommended by the Forest Park Livable Centers Initiative Plan. Cooper Carry developed design guidelines which communicate to potential developers, investors and residents the vision for the community, and address specific architectural and specific design components. Planning efforts are being coordinated with the Main Street Redevelopment Plan and Fort Gillem Reuse Plan to project a seamless continuity of compatible land uses and development. The City of Forest Park has established Main Street and Fort Gillem as its first Redevelopment Area and Tax Allocation District.

***Community Development Block Grant Projects***

The City of Forest Park has received the following in Community Block Grant Funds for fiscal years 2013-2016:

- 2013 – West Street Project - $75,000
- 2014 – Neighborhood Stabilization Officer - $46,490
- 2014 – West Street Project - $100,000
- 2015 – West Street Project - $150,000
- 2016 - West Street Project - $61,748

The Neighborhood Stabilization Officer will aid in the implementation of the Quality of Life Program (QOL) facilitated by the Code Enforcement Division. The Neighborhood Stabilization project is scheduled to be completed December 31, 2016. The design/engineering phase of the West Street project has been completed. The Right-of-Way phase is almost complete. The project has been put out to bid for construction. Construction of the project should begin in late November or early December.

The Office of the City Manager will continue to seek grant funding for projects that will improve the quality of life for the residents and businesses in Forest Park.

***Fort Gillem***

Fort Gillem is a 1427 acre military installation which was approved for closure on September 15, 2011. The Fort is home of the First U.S. Army, the Army and Air Force Exchange Service Distribution Center, and other entities, including organizations from the Active Component, Reserve Component, Georgia Army National Guard, and other Department of Defense and federal agencies. The Army will retain approximately 250 acres for use by the Criminal Investigation Laboratory and Reserve units, the Gillem Enclave.

The Forest Park/Fort Gillem Local Redevelopment Authority (FP/FG LRA) created by the Mayor and City Council is the entity responsible for developing a Comprehensive Reuse Plan for Fort Gillem. The FP/FG LRA continues to accomplish planning in three phases: Phase I – Visioning and Market Analysis; Phase II – Outreach and Comprehensive Reuse Planning; and Phase III – Property Conveyance and Redevelopment.

The Forest Park/Fort Gillem Local Redevelopment Authority submitted to the Army, Department of Defense, and U.S. Department of Housing and Urban Development (HUD) a Strategic Reuse Plan for Fort Gillem and a Homeless Assistance Application on August 6, 2007. HUD approved the Reuse Plan and Homeless Assistance Application on September 12, 2008.

The FP/FG LRA continues Phase III- Property Conveyance and Redevelopment. A Master Developer has been selected to assist in preparing an Economic Development Conveyance application and in identifying Developments of Regional Impact entitlements. The LRA completed the Operating Plan for Fort Gillem in December 2008 and a Business Plan for Fort Gillem in September 2009.

On October 5, 2009, the Mayor and Council adopted an ordinance that created the Forest Park/Fort Gillem Implementation LRA (ILRA). The ILRA was recognized by OEA on October 30, 2009 as the sole entity responsible for continued planning and redevelopment. In January, 2010, the ILRA submitted to the Army its EDC Application and a letter proposing a disposition strategy for the remaining property. After extensive negotiatons and discussions, the ILRA and Army met in October 2011 to discuss and refine the application and to negotiate the property that will be transferred to the ILRA by EDC. In January 2012, the ILRA and Army signed a Deal Points Term Sheet whereby the ILRA would purchase all 1168 acres for $30 million, $15 million of which would be paid at initial closing and the balance over seven years in installments. In October 2012, the Army advised that the ILA had submitted an approvable EDC Application. Final negotiations over a future guaranty of payment and other provisions that would be included in the initial Quitclaim Deed, MOA, Guaranty Letter and Intergovernmental Agreement with the City of Forest Park were finalized the first quarter of calendar year 2014. Also in the first quarter of 2014, the City Council created the Urban Redevelopment Agency of the City of Forest Park (URA) which was recognized by OEA as the "ILRA" going forward. A "Gillem Zoning District" has been approved and implemented. The Boundary Survey work has been completed. On June 11, 2014, the Army transferred 770 acres to the URA. The URA immediately transferred 253 acres to Kroger which will complete the development of a 1.2 million square foot regional distribution center by late October 2015. In March 2015, the Forest Park Development Partners exercised their option to purchase approximately 50 acres that will be developed into an 850,000 square foot distribution center opening in mid-2016. The Army continues environmental remediation on the remaining 398 acres and plans to transfer up to 150 additional acres through the Execution of a Finding of Suitability to Transfer (FOST) process in early to mid-2017. The ILRA/URA is funded by OEA grants and City of Forest Park matching funds. The 2009-2010 OEA grant was $945,257 ($848,480 in Federal funds). The 2010-2011 OEA grant was $390,931

($351,005 in Federal funds). The 2011-2012 OEA grant was $348,231 ($312,305 in Federal funds). The 2012-2013 OEA grant was $606,520 ($544,685 in Federal funds). The 2013-extended to 2015 grant is $1,244,596 ($1,118,355 in Federal funds.) The 2014-2015 grant was $626,436 ($561,196 in Federal funds.) The final 2015-2016 grant is $485,525 ($434,306 in Federal funds.) OEA authorized a one-year extension of that grant until June 30, 2017 to cover the Environmental Consultant ($79,560 in Federal funds).

The LRA estimates that the $482.5 million on and off-site redevelopment of Fort Gillem will take 15-20 years. The site will include 300-350,000 square feet of office space and 8 million square feet of industrial warehouse space. The project is expected to generate an estimated 2,500 – 3,000 permanent jobs and over 4,000 construction jobs. The project will more than double real property taxes for the City.

The Governing Body of the City of Forest Park is already authorized to be a Georgia Redevelopment Authority and created a Tax Allocation District, effective December 31, 2008, that includes Fort Gillem. The TAD will produce over $80 million in taxes that will directly benefit this and the Main Street revitalization projects.

**Impact of Financial Policies on Financial Statements**

The following policy has been adopted by the City Council during fiscal year 2011 in order to address the implications of the Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Definitions.* The policy is created in consideration of unanticipated events that could adversely affect the financial condition of the City and jeopardize the continuation of necessary public services. This policy will ensure that the City maintains adequate fund balances and reserves in order to:

- Provide sufficient cash flow for daily financial needs,
- Secure and maintain investment grade bond ratings,
- Offset significant economic downturns or revenue shortfalls, and
- Provide funds for unforeseen expenditures related to emergencies.

The City's cash and investment management policy is to minimize credit and market risks while maintaining a competitive yield on its deposits. As of June 30, 2015, all of the City's bank deposits were insured or collateralized. The City's investment objectives in order of priority are:

- Safety of principal,
- Maintenance of adequate liquidity,
- Return on investment, and
- Legality.

The City of Forest Park maintains a partially self-insured Workers' Compensation program. A third party administrator conducts investigations, handles claims payments, and loss reporting.

The City's safety committee meets on a regular basis to review all claims for property damage and employee injuries and make a determination on whether the accident was chargeable to the employee. Disciplinary action can be taken based on the number of chargeable accidents to an employee. The City's goal is to protect the employee welfare and continue to reduce the City's general liability as well as Workers' Compensation liability.

**Awards**

The City intends to submit this report to the Government Finance Officers Association (GFOA) for its consideration for awarding the Certificate of Achievement for Excellence in Financial Reporting. We believe that the report meets the Certificate of Achievement Program's requirements for the highest standards in government accounting and financial reporting. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Forest Park for its comprehensive annual financial report for the fiscal year ended June 30, 2015. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of State and local government financial reports.

A Certificate of Achievement is valid for a period of one year only. The City of Forest Park has been awarded the Certificate of Achievement for every submission of its CAFR for the past 36 consecutive years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and are submitting it to the GFOA.

**Acknowledgements**

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report. Without the leadership and support of the governing body of the City, preparation of this report would not have been possible.

Sincerely,

Al Wiggins, Jr.
City Manager

Mike Blandenburg
Finance Director

Government Finance Officers Association

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

## City of Forest Park

## Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

**June 30, 2015**



Executive Director/CEO

# CITY OF FOREST PARK, GEORGIA

## PRINCIPAL OFFICIALS

**June 30, 2016**

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### ELECTED OFFICIALS

| | |
|---|---|
| David Lockhart | Mayor |
| Tommy Smith | Mayor Pro-tem (Ward 1) |
| Dabouze Antoine | Council Member (Ward 2) |
| Sandra Bagley | Council Member (Ward 3) |
| Latresa Wells | Council Member (Ward 4) |
| Allan Mears | Council Member (Ward 5) |

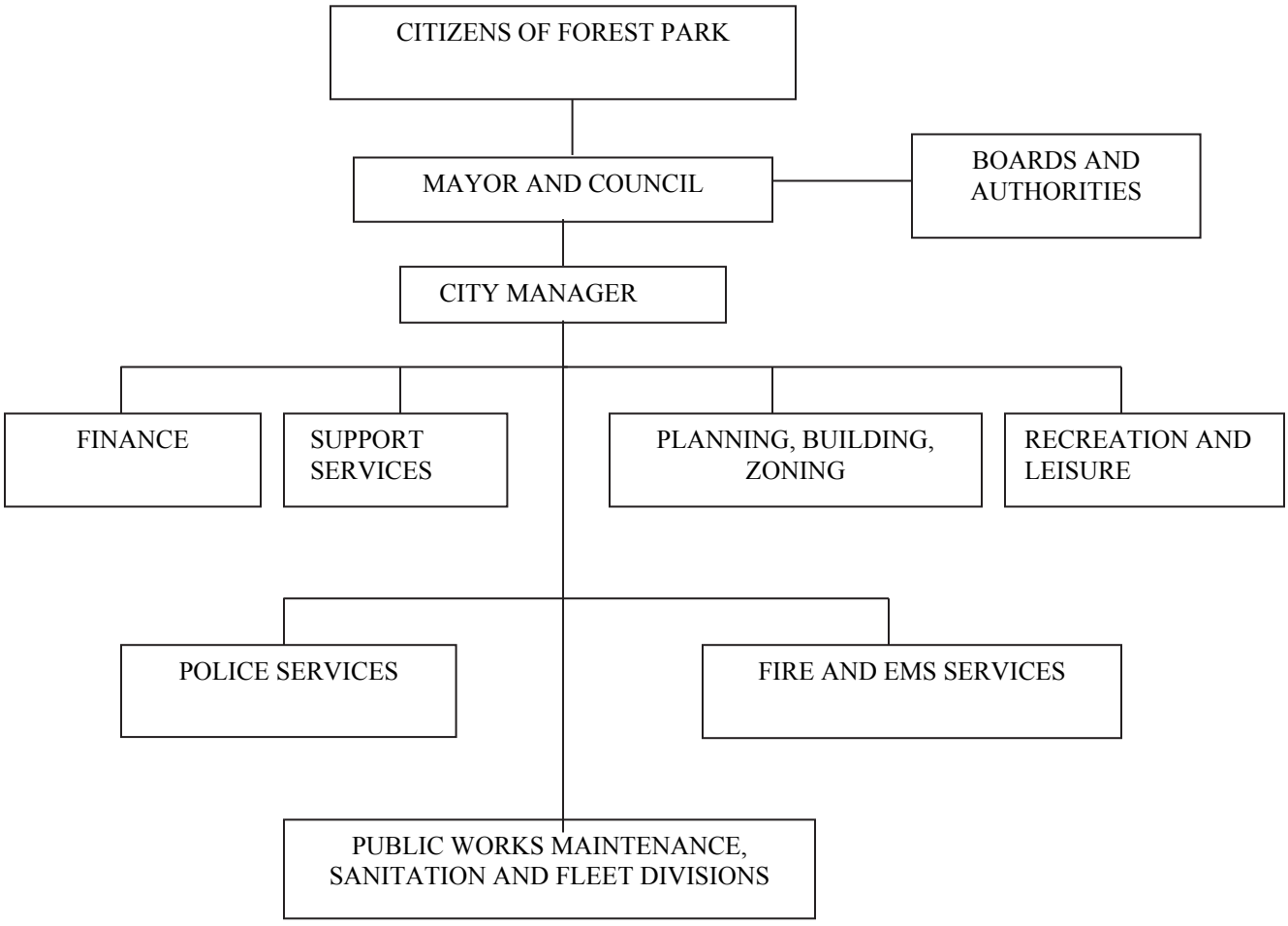
### APPOINTED ADMINISTRATIVE OFFICIALS

| | |
|---|---|
| City Manager | Al Wiggins |
| Director of Finance | Mike Blandenburg |
| Director of Police Services | L. Dwayne Hobbs |
| Director of Fire Services | John E. Buckholts, Jr. |
| Director of Public Works | Jeff Eady |
| Director of Planning, Building and Zoning | Jonathan Jones |
| Director of Recreation and Leisure | Elaine Corley |
| Director of Support Services | Christine Terrell |
| City Attorney | Steve Fincher |
| Municipal Court Judge | Ronald Freeman |

# CITY OF FOREST PARK, GEORGIA

## ORGANIZATIONAL CHART

## June 30, 2016



# FINANCIAL SECTION

MAULDIN & JENKINS

# INDEPENDENT AUDITOR'S REPORT

**Honorable Mayor and Members**
**of the City Council**
**City of Forest Park, Georgia**

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the **City of Forest Park, Georgia (the "City")** as of and for the fiscal year ended June 30, 2016, 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, each major fund, and the aggregate remaining fund information of the City of Forest Park, Georgia as of June 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof, and the budgetary comparison for the General Fund for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Schedule of Funding Progress (on pages 4 through 11 and page 47, 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's basic financial statements. The combining and individual nonmajor fund financial statements and schedules and the schedules of projects constructed with special purpose local option sales tax proceeds (as required by the Official Code of Georgia Annotated 48-8-121), as well as the introductory and 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 nonmajor fund financial statements and schedules and the schedules of projects constructed with 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 the reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules and the schedule of projects constructed with 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 November 22, 2016, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Atlanta, Georgia
November 22, 2016

**City of Forest Park, Georgia**
**Management's Discussion and Analysis**
**For the Fiscal Year Ended June 30, 2016**

As management of the City of Forest Park, 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, 2016. 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 at the close of the most recent fiscal year by $34,503,607 (net position).

- The City had a decrease in net position of $218,973 compared to a decrease of $3,049,433 in the prior fiscal year. In the prior fiscal year, the URA had much lower sales of the remaining tracts of land and furthermore, incurred other redevelopment costs associated with Fort Gillem.

- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of $9,367,515. This represents an increase from the prior fiscal year of $2,436,068. The increase can be attributed primarily to the increase in the SPLOST Fund.

- At the end of the current fiscal year, unassigned fund balance for the General Fund was $1,474,424 or 6.9 percent of total General Fund expenditures. In the prior fiscal year, unassigned fund balance was $1,174,628 or 5.4 percent of General Fund expenditures.

## Overview of the Financial Statements

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

**Government-wide financial statements**. The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. The statement of net position presents information on all of the City's assets and liabilities, with the difference between the two 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 (e.g., uncollected taxes and earned but unused vacation leave).

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, public safety, public works, culture and recreation, housing and development, judicial, and redevelopment and planning. The City's business-type activities consist of a Sanitation Fund used to account for the collection of solid waste from residents and businesses, a Local Redevelopment Authority Fund used to account for fees collected from tenants of rental property owned by the City and for property acquisitions and redevelopment of property throughout the City, and an Urban Redevelopment Agency Fund used to account for the property acquisitions of Fort Gillem from the United States Army and subsequent sale of these properties to developers and third parties to implement the urban development plan for the area.

**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. As shown on page 14, 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 City'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 governmental funds and governmental activities.

The City maintains nine (9) individual governmental funds. 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 the General Fund and SPLOST Capital Projects Fund. Data from the other seven (7) governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its General Fund, SPLOST Fund, and all special revenue funds. A budgetary comparison statement has been provided for each fund to demonstrate compliance with this budget.

**Proprietary funds**. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements, as shown on page 18. The City uses enterprise funds to account for its trash pickup services and used to account for fees collected from tenants of rental property owned by the City (Local Redevelopment Authority) and to account for property acquisitions and redevelopment of property throughout the City and on the Fort Gillem property.

**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 and begin on page 21.

**Required supplementary information.** In addition to the basic financial statements and accompanying notes, this report presents the schedule of funding progress as required supplementary information on page 47 of this report.

**Combining and individual fund statements and schedules.** In addition to the basic financial statements and accompanying notes, this report also presents combining and individual fund statements and schedules. This section can be found on pages 48-58 of this report.

**Statistical section.** In addition to the basic financial statements and accompanying notes, this report also presents various supplementary and statistical information such as 10 year presentation of revenues, expenditures and tax rates. The statistical section can be found on pages 59-79 of this report.

## Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. For the City, assets exceeded liabilities by $34,503,607 at the close of the most recent fiscal year. Table 1 below is a summary of the City's net position.

**Net Position**

| | Governmental Activities | | Business-type Activities | | Total Primary Government | |
|---|---|---|---|---|---|---|
| | 2015 | 2016 | 2015 | 2016 | 2015 | 2016 |
| Current and other assets | $ 8,591,620 | $ 10,724,441 | $ 26,107,348 | $ 20,806,295 | $ 34,698,968 | $ 31,530,736 |
| Capital assets | 19,437,658 | 18,964,640 | 14,685,778 | 17,318,422 | 34,123,436 | 36,283,062 |
| Total assets | 28,029,278 | 29,689,081 | 40,793,126 | 38,124,717 | 68,822,404 | 67,813,798 |
| Current liabilities | 2,039,421 | 1,859,572 | 2,281,318 | 1,303,982 | 4,320,739 | 3,163,554 |
| Long term liabilities | 2,800,886 | 2,960,318 | 26,978,199 | 27,186,319 | 29,779,085 | 30,146,637 |
| Total liabilities | 4,840,307 | 4,819,890 | 29,259,517 | 28,490,301 | 34,099,824 | 33,310,191 |
| Net position: | | | | | | |
| Net investment in capital assets | 18,964,221 | 18,604,312 | 14,685,778 | 17,318,422 | 33,649,999 | 35,922,734 |
| Restricted | 5,615,883 | 7,298,649 | - | - | 5,615,883 | 7,298,649 |
| Unrestricted (deficit) | (1,391,133) | (1,033,770) | (3,152,169) | (7,684,006) | (4,543,302) | (8,717,776) |
| Total net position | $ 23,188,971 | $ 24,869,191 | $ 11,533,609 | $ 9,634,416 | $ 34,722,580 | $ 34,503,607 |

By far, the largest portion of the City's net position ($35,922,734 or 104%) reflects its investment in capital assets, net of related debt (e.g., land, buildings, machinery, and equipment, net of related debt-capital leases). The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

### Governmental activities

Governmental activities resulted in an increase in net position of $1,680,220. The increase is primarily due to an increase in tax revenues and decrease in Redevelopment and Planning expenses.

### Business-type activities

Business-type activities resulted in a decrease in net position of $1,899,193. The decrease is primarily due to the activity in the Urban Redevelopment Agency Fund. In 2014, concurrently with the acquisition of a significant amount of the property Fort Gillem, the URA sold a large portion of the property to a third party for the development of a distribution center. In the current and prior year, there was no such large sale of property and thus the URA reported a significant decline in revenues. This decline in revenues, combined with on-going costs related to the redevelopment of remaining URA-owned land led to the decrease in net position for the current fiscal year. Revenues are expected to increase, beginning in fiscal year 2016 – 2017.

**Table 2**
**Changes in net position**

| | Governmental Activities | | Business-type Activities | | Total Primary Government | |
|---|---|---|---|---|---|---|
| | 2015 | 2016 | 2015 | 2016 | 2015 | 2016 |
| Revenues: | | | | | | |
| Charges for services | $ 4,427,469 | $ 4,112,923 | $ 3,475,724 | $ 3,479,275 | $ 7,903,193 | $ 7,592,198 |
| Operating grants and Contributions | 820,913 | 519,298 | - | - | 820,913 | 519,298 |
| Capital grants and Contributions | 3,820,567 | 3,143,555 | 450,000 | - | 4,270,567 | 3,143,555 |
| General revenues: | | | | | | |
| Property taxes | 6,334,235 | 6,866,918 | - | - | 6,334,235 | 6,866,918 |
| Sales taxes | 4,991,349 | 5,674,290 | - | - | 4,991,349 | 5,674,290 |
| Hotel/motel taxes | 55,296 | 60,495 | - | - | 55,296 | 60,495 |
| Franchise taxes | 1,373,128 | 1,443,810 | - | - | 1,373,128 | 1,443,810 |
| Insurance premium taxes | 996,067 | 1,068,784 | - | - | 996,067 | 1,068,784 |
| Alcoholic beverage tax | 354,862 | 369,360 | - | - | 354,862 | 369,360 |
| Motor vehicle tax | 948,874 | 851,830 | - | - | 948,874 | 851,830 |
| Business taxes | 996,669 | 1,017,690 | - | - | 996,669 | 1,017,690 |
| Other taxes | 163,544 | 204,132 | - | - | 163,544 | 204,132 |
| Interest income | 3,775 | 8,561 | 5,482 | 9,474 | 9,257 | 18,035 |
| Gain on the sale of capital assets | 10,259 | 76,388 | - | - | 10,259 | 76,388 |
| Miscellaneous revenue | 55,259 | 30,421 | 39,206 | 713 | 94,465 | 31,134 |
| Total revenues | 25,352,266 | 25,448,455 | 3,970,412 | 3,489,462 | 29,322,678 | 28,937,917 |
| Expenses: | | | | | | |
| General government | 2,863,828 | 2,677,825 | - | - | 2,863,828 | 2,677,825 |
| Public safety | 15,451,710 | 15,230,605 | - | - | 15,451,710 | 15,230,605 |
| Culture and recreation | 1,353,839 | 1,331,029 | - | - | 1,353,839 | 1,331,029 |
| Housing and development | 730,914 | 765,987 | - | - | 730,914 | 765,987 |
| Public works | 3,358,782 | 3,892,680 | - | - | 3,358,782 | 3,892,680 |
| Redevelopment and planning | 1,241,205 | 445,708 | 5,087,610 | 2,365,246 | 6,328,815 | 2,810,954 |
| Judicial | 134,087 | 126,397 | - | - | 134,087 | 126,397 |
| Tourism and economic development | 31,098 | 25,455 | - | - | 31,098 | 25,455 |
| Interest paid on long-term debt | 13,582 | 23,284 | | | 13,582 | 23,284 |
| Sanitation | - | - | 2,105,456 | 2,272,674 | 2,105,456 | 2,272,674 |
| Total expenses | 25,179,045 | 24,518,970 | 7,193,066 | 4,637,920 | 32,372,111 | 29,156,890 |
| Increase (decrease) in net position before transfers | 173,221 | 929,485 | (3,222,654) | (1,148,458) | (3,049,433) | (218,973) |
| Transfers | 52,911 | 750,735 | (52,911) | (750,735) | - | - |
| Change in net position | 226,132 | 1,680,220 | (3,275,565) | (1,899,193) | (3,049,433) | (218,973) |
| Net position beginning of fiscal year | 22,962,839 | 23,188,971 | 14,809,174 | 11,533,609 | 37,772,013 | 34,722,580 |
| Net position end of fiscal year | $ 23,188,971 | $ 24,869,191 | $ 11,533,609 | $ 9,634,416 | $ 34,722,580 | $ 34,503,607 |

**Governmental activities**

Overall, governmental activities revenues increased $96,189 or 0.4%, primarily as a net result of decreased operating and capital grants activities, decreased charges for services, and increased taxes. Overall, governmental activities expenses decreased $660,075 or 2.62%, primarily as a result of decreased redevelopment and planning expenses.

**Business-type activities**.

Business-type activities revenues decreased $480,950 or 12.1%, primarily as a result of decreased capital grants and contributions. Business-type activities expenses decreased $2,555,146 or 35.5%, primarily as a result of decreased redevelopment and planning expenses.

## Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Table 3 below compares governmental fund revenues and expenditures for 2015 and 2016.

**Table 3**
**Governmental Revenues, Expenditures, and Changes in Fund Balances**

| | Governmental Funds | |
|---|---|---|
| | 2015 | 2016 |
| Revenues: | | |
| Taxes | $ 16,403,442 | $ 17,741,240 |
| Licenses and permits | 616,160 | 467,915 |
| Intergovernmental revenues | 4,637,977 | 3,658,716 |
| Fines and forfeitures | 2,228,634 | 2,001,275 |
| Charges for services | 1,582,675 | 1,643,733 |
| Interest income | 7,278 | 12,698 |
| Other | 55,259 | 30,421 |
| Total revenues | 25,531,425 | 25,555,998 |
| Expenditures: | | |
| General government | 2,650,559 | 2,501,960 |
| Public safety | 14,487,546 | 14,341,820 |
| Public works | 2,857,706 | 3,269,299 |
| Culture and recreation | 1,223,129 | 1,197,818 |
| Housing and development | 725,130 | 758,647 |
| Judicial | 132,884 | 125,187 |
| Redevelopment and planning | 771,673 | 441,437 |
| Tourism and economic development | 31,098 | 25,455 |
| Capital outlay | 3,553,304 | 1,146,487 |
| Debt service | | |
| Principal | 112,475 | 113,109 |
| Interest | 16,055 | 25,834 |
| Total expenditures | 26,561,559 | 23,947,053 |
| Excess (deficiency) of revenues over (under) expenditures | (1,030,134) | 1,608,945 |
| Other financing sources (uses) | | |
| Proceeds from sale of capital assets | 10,259 | 76,388 |
| Transfers in | 402,859 | 1,175,505 |
| Transfers out | (2,859) | (424,770) |
| Total other financing sources (uses) | 410,259 | 827,123 |
| Net change in fund balances | (619,875) | 2,436,068 |
| Fund balances, beginning of fiscal year | 7,551,322 | 6,931,447 |
| Fund balances, end of fiscal year | $ 6,931,447 | $ 9,367,515 |

**Governmental funds**. The focus of the City's governmental funds 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.

The combined fund balances for all governmental funds is $9,367,515 which is an increase of $2,436,068 from the prior fiscal year. The most notable revenue changes are the increase in taxes and the decrease in intergovernmental revenues. The most notable expenditure change is the decrease of capital outlay.

A detail of the governmental funds can be found on pages 14 and 15 of the Comprehensive Annual Financial Report. The General Fund is the central operating fund of the City. For 2016, this fund had $96,329 of expenditures over revenues compared to expenditures over revenues of $1,344,158 in the prior fiscal year. The deficiency of revenues under expenditures can be primarily attributed to decreased fines and forfeitures.

The SPLOST Capital Projects Fund is used to account for the proceeds of a sales tax levied in Clayton County, which will be used by the City for the exclusive purpose of capital outlay projects. As of fiscal year end, this fund had a fund balance of $5,766,006.

**Proprietary funds**. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The City has a Sanitation Fund which operates much like a private business. As discussed in previous paragraphs, most of the operations of the Sanitation Fund have been transferred to a private company. Operating revenues increased from $2,300,605 in the prior fiscal year to $3,117,709 in the current fiscal year, which represents an increase of $817,104 or 35.5%. Operating expenses increased from $2,105,456 in the prior fiscal year to $2,272,674 in the current fiscal year, which represents an increase of $167,218 or 7.9%. The Local Redevelopment Authority Fund is used to account for the City's property acquisitions and redevelopment of property throughout the City. Net position decreased from $8,138,660 at prior fiscal year end to $7,555,494 in net position at current fiscal year end. As discussed previously, during fiscal year 2014, the City created the Urban Redevelopment Agency to account for the property acquisitions of Fort Gillem from the United States Army and subsequent sale of these properties to developers and third parties to implement the urban development plan for the area. As of June 30, 2015, the Urban Redevelopment Agency Fund reported operating revenues, operating expenses, and operating loss of $1,071,561, $3,713,494, and $(2,641,933) respectively, and incurred interest expense of $1,029,596 on debt. As of June 30, 2016, the Fund reported operating revenues, operating expenses and operating loss of $263,913, $1,141,414 and $ (877,501), respectively, and incurred interest expense of $993,035 on debt.

**General Fund Budgetary Highlights**

A comparison of General Fund actual expenditures compared to budget can be found on page 17 of the Comprehensive Annual Financial Report. General Fund revenues were $1,899,858 less than budgeted. This was offset by expenditures of $2,105,817 less than budgeted. Significant components of the net variance of actual compared to budget are discussed below:

**Revenues:**

*Tax revenues* collected were $1,068,494 less than budgeted, due substantially to property tax collections of $1,463,981 less than budgeted.

*Fines and forfeitures* collected were $908,526 less than budgeted, due primarily to a decrease in the number of traffic violations. Total traffic violations for 2014 were 12,336, for 2015 were 11,460 and for 2016 were 9,879. The decrease is a direct result of a shortage of patrol officers during the entire fiscal year.

*Licenses and permits* were $154,915 more than budgeted, due primarily to permits fees revenue related to construction activity at the Gillem Logistics Center, formerly the Ft. Gillem property.

**Expenditures:**

Significant variances of actual expenditures as compared to budget are discussed below:

*Public safety – Police* expenditures were $1,420,808 below budget, due primarily to salaries and benefits paid being less than budgeted amounts. The Police Department operated with a shortage of patrol officers during the entire fiscal year.

*Public safety – E911* expenditures were $101,745 below budget primarily as a result of actual salaries and benefits paid being less than budgeted amounts.

*Public works* expenditures were $230,588 below budget, primarily due to actual personnel costs being less than budgeted amounts.

*Culture and recreation services* were $194,534 below budget, due primarily to actual expenditures for salaries and benefits being less than projected. Also, costs to operate programs were less than budgeted.

**Capital Asset and Long Term Debt**

**Capital assets**. The City's investment in capital assets for its governmental and business type activities as of June 30, 2016, amounts to $36,283,062 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system, improvements, machinery and equipment, park facilities, roads, highways, and bridges. Table 4 below summarizes capital assets of the City.

| | Governmental Activities | | Business-type Activities | | Total Primary Government | |
|---|---|---|---|---|---|---|
| | 2015 | 2016 | 2015 | 2016 | 2015 | 2016 |
| Land | $ 2,881,500 | $ 2,881,500 | $ 8,217,727 | $ 7,601,134 | $ 11,099,227 | $ 10,482,634 |
| Construction in progress | 1,059,088 | 1,032,279 | 6,457,051 | 292,592 | 7,516,139 | 1,324,871 |
| Buildings and improvements | 5,056,638 | 5,023,894 | - | - | 5,056,638 | 5,023,894 |
| Autos and trucks and other equipment | 4,654,698 | 4,358,514 | 11,000 | 8,800 | 4,665,698 | 4,367,314 |
| Infrastructure | 5,785,734 | 5,668,453 | - | 9,415,896 | 5,785,734 | 15,084,349 |
| Total | $ 19,437,658 | $ 18,964,640 | $ 14,685,778 | $ 17,318,422 | $ 34,123,436 | $ 36,283,062 |

The City's total investment in capital assets increased from $34,123,436 in 2015 to $36,283,062 in 2016. Additional information on the City's capital assets can be found at Note 6 on pages 35 and 36 of this report.

**Long-term debt**. The City's total long-term debt increased by approximately $310,000 from the prior fiscal year. The City's long-term debt can be found in Note 7 on pages 37 through 39 of this report. In June of 2014, the Urban Redevelopment Agency of the City of Forest Park used a combination of revenue bonds and a note payable to finance the acquisition of Fort Gillem property.

| | Governmental Activities | | Business-type Activities | | Total Primary Government | |
|---|---|---|---|---|---|---|
| | 2015 | 2016 | 2015 | 2016 | 2015 | 2016 |
| Claims payable | $ 112,901 | $ 115,238 | $ - | $ - | $ 112,901 | $ 115,238 |
| Capital leases payable | 473,437 | 360,328 | - | - | 473,437 | 360,328 |
| Compensated absences | 1,223,301 | 1,216,516 | 19,038 | 21,458 | 1,242,339 | 1,237,974 |
| Notes payable, net | - | - | 10,838,941 | 11,044,832 | 10,838,941 | 11,044,832 |
| Revenue bonds payable | - | - | 16,130,000 | 16,130,000 | 16,130,000 | 16,130,000 |
| Net OPEB Obligation | 1,840,761 | 2,059,767 | - | - | 1,840,761 | 2,059,767 |
| Total | $ 3,650,400 | $ 3,751,849 | $ 26,987,979 | $ 27,196,290 | $ 30,638,379 | $ 30,948,139 |

**Economic Factors and Next Fiscal Year's Budgets and Rates**

The City had a slight decline in its financial condition in 2016, after a significant decline in its financial condition in 2015. The decrease in net position is $218,973 in fiscal year 2016, compared to a decrease in net position of $3,049,433 in the prior fiscal year. The City plans to improve its financial condition as a result of the following:

- After transfer of sanitation operations to a private operator, the fund has reported operating income for several years. Operating income of $845,035 has been reported for 2016, and significant operating income is projected again for 2017.

- Tax revenues for fiscal year 2017 are projected to increase from 2016. The property tax millage rate will increase from 14.743 for fiscal year 2016 to 16.743 for 2017. Planned development of the Fort Gillem area is expected to generate increased property values and assessments for the City. Also, the overall tax digest for the City reflected approximately a three percent increase in property values for 2016.

- Also, planned revitalization and development of commercial areas would increase property tax and business license revenues.

All of these factors were considered in preparing the City’s fiscal year 2017 budget.

**Requests for Information**

This financial report is designed to provide a general overview of the City’s finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Mike Blandenburg, Director of Finance, City of Forest Park, 745 Forest Parkway, Forest Park, Georgia 30297.

# CITY OF FOREST PARK, GEORGIA

## STATEMENT OF NET POSITION
## JUNE 30, 2016

| | Primary Government | | |
|---|---|---|---|
| **ASSETS** | **Governmental Activities** | **Business-type Activities** | **Total** |
| Current assets: | | | |
| Cash and cash equivalents | $ 9,218,853 | $ 5,150,992 | $ 14,369,845 |
| Investments | 4,899 | - | 4,899 |
| Taxes receivable, net of allowance | 884,406 | - | 884,406 |
| Accounts receivable, net of allowance | - | 91,573 | 91,573 |
| Internal balances | (326,903) | 326,903 | - |
| Other receivables | 172,132 | - | 172,132 |
| Due from other governments | 624,867 | - | 624,867 |
| Restricted cash and cash equivalents | - | 20,284 | 20,284 |
| Prepaid items | 146,187 | 132,668 | 278,855 |
| Land held for resale | - | 15,083,875 | 15,083,875 |
| Total current assets | 10,724,441 | 20,806,295 | 31,530,736 |
| Noncurrent assets: | | | |
| Capital assets: | | | |
| Non-depreciable | 3,913,779 | 7,893,726 | 11,807,505 |
| Depreciable, net of accumulated depreciation | 15,050,861 | 9,424,696 | 24,475,557 |
| Total noncurrent assets | 18,964,640 | 17,318,422 | 36,283,062 |
| Total assets | 29,689,081 | 38,124,717 | 67,813,798 |
| **LIABILITIES** | | | |
| Current liabilities: | | | |
| Accounts payable | 823,589 | 583,993 | 1,407,582 |
| Accrued liabilities | 244,452 | 194,568 | 439,020 |
| Unearned revenue | - | 511,614 | 511,614 |
| Customer deposits | - | 3,836 | 3,836 |
| Claims payable due within one year | 115,238 | - | 115,238 |
| Capital leases payable due within one year | 94,033 | - | 94,033 |
| Compensated absences due within one year | 582,260 | 9,971 | 592,231 |
| Total current liabilities | 1,859,572 | 1,303,982 | 3,163,554 |
| Noncurrent liabilities: | | | |
| Capital leases payable due in more than one year | 266,295 | - | 266,295 |
| Compensated absences due in more than one year | 634,256 | 11,487 | 645,743 |
| Revenue bonds payable due in more than one year | - | 16,130,000 | 16,130,000 |
| Notes payable, net due in more than one year | - | 11,044,832 | 11,044,832 |
| Net OPEB obligation | 2,059,767 | - | 2,059,767 |
| Total noncurrent liabilities | 2,960,318 | 27,186,319 | 30,146,637 |
| Total liabilities | 4,819,890 | 28,490,301 | 33,310,191 |
| **NET POSITION** | | | |
| Net investment in capital assets | 18,604,312 | 17,318,422 | 35,922,734 |
| Restricted for capital construction | 5,774,441 | - | 5,774,441 |
| Restricted for emergency telephone system operations | 51,837 | - | 51,837 |
| Restricted for law enforcement activities | 1,330,669 | - | 1,330,669 |
| Restricted for tourism and economic development | 141,702 | - | 141,702 |
| Unrestricted (deficit) | (1,033,770) | (7,684,006) | (8,717,776) |
| Total net position | $ 24,869,191 | $ 9,634,416 | $ 34,503,607 |

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

# CITY OF FOREST PARK, GEORGIA

## STATEMENT OF ACTIVITIES
## FOR THE FISCAL YEAR ENDED JUNE 30, 2016

| Functions/Programs | Expenses | Program Revenues: Charges for Services | Program Revenues: Operating Grants and Contributions | Program Revenues: Capital Grants and Contributions | Net (Expenses) Revenues and Changes in Net Position: Primary Government: Governmental Activities | Net (Expenses) Revenues and Changes in Net Position: Primary Government: Business-type Activities | Net (Expenses) Revenues and Changes in Net Position: Primary Government: Total |
|---|---|---|---|---|---|---|---|
| **Primary government:** | | | | | | | |
| Governmental activities: | | | | | | | |
| General government | $ 2,677,825 | $ 467,915 | $ - | $ 1,668,111 | $ (541,799) | $ - | $ (541,799) |
| Public safety | 15,230,605 | 3,414,799 | - | 455,635 | (11,360,171) | - | (11,360,171) |
| Public works | 3,892,680 | - | 133,774 | 649,161 | (3,109,745) | - | (3,109,745) |
| Culture and recreation | 1,331,029 | 230,209 | - | 318,493 | (782,327) | - | (782,327) |
| Housing and development | 765,987 | - | - | - | (765,987) | - | (765,987) |
| Redevelopment and planning | 445,708 | - | 385,524 | 52,155 | (8,029) | - | (8,029) |
| Judicial | 126,397 | - | - | - | (126,397) | - | (126,397) |
| Tourism and economic development | 25,455 | - | - | - | (25,455) | - | (25,455) |
| Interest paid on long-term debt | 23,284 | - | - | - | (23,284) | | (23,284) |
| Total governmental activities | 24,518,970 | 4,112,923 | 519,298 | 3,143,555 | (16,743,194) | - | (16,743,194) |
| Business-type activities: | | | | | | | |
| Sanitation | 2,272,674 | 3,117,709 | - | - | - | 845,035 | 845,035 |
| Local Redevelopment Authority | 230,797 | 97,653 | - | - | - | (133,144) | (133,144) |
| Urban Redevelopment Agency | 2,134,449 | 263,913 | - | - | - | (1,870,536) | (1,870,536) |
| Total business-type activities | 4,637,920 | 3,479,275 | - | - | - | (1,158,645) | (1,158,645) |
| Total primary government | $ 29,156,890 | $ 7,592,198 | $ 519,298 | $ 3,143,555 | (16,743,194) | (1,158,645) | (17,901,839) |
| General revenues: | | | | | | | |
| Property taxes | | | | | 6,866,918 | - | 6,866,918 |
| Sales taxes | | | | | 5,674,290 | - | 5,674,290 |
| Franchise taxes | | | | | 1,443,810 | - | 1,443,810 |
| Insurance premium taxes | | | | | 1,068,784 | - | 1,068,784 |
| Alcoholic beverage taxes | | | | | 369,360 | - | 369,360 |
| Motor vehicle taxes | | | | | 851,830 | - | 851,830 |
| Business taxes | | | | | 1,017,690 | - | 1,017,690 |
| Hotel/motel taxes | | | | | 60,495 | - | 60,495 |
| Other taxes | | | | | 204,132 | - | 204,132 |
| Unrestricted investment earnings | | | | | 8,561 | 9,474 | 18,035 |
| Gain on the sale of capital assets | | | | | 76,388 | - | 76,388 |
| Miscellaneous revenue | | | | | 30,421 | 713 | 31,134 |
| Transfers | | | | | 750,735 | (750,735) | - |
| Total general revenues and transfers | | | | | 18,423,414 | (740,548) | 17,682,866 |
| Change in net position | | | | | 1,680,220 | (1,899,193) | (218,973) |
| Net position, beginning of fiscal year | | | | | 23,188,971 | 11,533,609 | 34,722,580 |
| Net position, end of fiscal year | | | | | $ 24,869,191 | $ 9,634,416 | $ 34,503,607 |

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

# CITY OF FOREST PARK, GEORGIA

## BALANCE SHEET
## GOVERNMENTAL FUNDS
## JUNE 30, 2016

| ASSETS | General Fund | SPLOST Fund | Nonmajor Governmental Funds | Total Governmental Funds |
|---|---|---|---|---|
| Cash and cash equivalents | $ 773,000 | $ 6,135,806 | $ 2,310,047 | $ 9,218,853 |
| Investments | 4,899 | - | - | 4,899 |
| Taxes receivable, net of allowance | 879,640 | - | 4,766 | 884,406 |
| Other receivables | 128,568 | - | 43,564 | 172,132 |
| Due from other governments | - | 521,571 | 103,296 | 624,867 |
| Due from other funds | 647,895 | - | - | 647,895 |
| Prepaid items | 6,228 | - | 139,959 | 146,187 |
| Total assets | $ 2,440,230 | $ 6,657,377 | $ 2,601,632 | $ 11,699,239 |
| **LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES** | | | | |
| **LIABILITIES** | | | | |
| Accounts payable | $ 378,810 | $ 413,358 | $ 31,421 | $ 823,589 |
| Accrued liabilities | 232,453 | - | 967 | 233,420 |
| Due to other funds | 48,398 | 478,013 | 448,387 | 974,798 |
| Total liabilities | 659,661 | 891,371 | 480,775 | 2,031,807 |
| **DEFERRED INFLOWS OF RESOURCES** | | | | |
| Unavailable revenues - property taxes | 299,917 | - | - | 299,917 |
| **FUND BALANCES** | | | | |
| Fund balances: | | | | |
| Nonspendable: | | | | |
| Prepaid items | 6,228 | - | 139,959 | 146,187 |
| Restricted for: | | | | |
| Capital construction | - | 5,766,006 | 8,435 | 5,774,441 |
| Emergency telephone system operations | - | - | 51,837 | 51,837 |
| Tourism and economic development | - | - | 141,702 | 141,702 |
| Law enforcement activities | - | - | 1,330,669 | 1,330,669 |
| Committed for: | | | | |
| Redevelopment and planning | - | - | 448,255 | 448,255 |
| Unassigned | 1,474,424 | - | - | 1,474,424 |
| Total fund balances | 1,480,652 | 5,766,006 | 2,120,857 | 9,367,515 |
| Total liabilities, deferred inflows of resources, and fund balances | $ 2,440,230 | $ 6,657,377 | $ 2,601,632 | |

| | |
|---|---|
| Amounts reported for governmental activities in the statement of net position are different because: | |
| Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds. | 18,964,640 |
| Some receivables are not available to pay for current-period expenditures and, therefore, are deferred inflows of resources in the funds. | 299,917 |
| Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds. | (3,762,881) |
| Net positon of governmental activities | $ 24,869,191 |

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

# CITY OF FOREST PARK, GEORGIA

## STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2016

| | General Fund | SPLOST Fund | Nonmajor Governmental Funds | Total Governmental Funds |
|---|---|---|---|---|
| **Revenues** | | | | |
| Taxes | $ 17,464,581 | $ - | $ 276,659 | $ 17,741,240 |
| Fines and forfeitures | 1,951,474 | - | 49,801 | 2,001,275 |
| Charges for services | 1,337,924 | - | 305,809 | 1,643,733 |
| Licenses and permits | 467,915 | - | - | 467,915 |
| Intergovernmental | 133,774 | 3,063,515 | 461,427 | 3,658,716 |
| Interest income | 4,412 | 4,137 | 4,149 | 12,698 |
| Miscellaneous | 30,421 | - | - | 30,421 |
| Total revenues | 21,390,501 | 3,067,652 | 1,097,845 | 25,555,998 |
| **Expenditures** | | | | |
| Current: | | | | |
| General government | 2,501,960 | - | - | 2,501,960 |
| Public safety | 14,003,991 | - | 337,829 | 14,341,820 |
| Public works | 2,886,975 | 382,324 | - | 3,269,299 |
| Culture and recreation | 1,197,818 | - | - | 1,197,818 |
| Housing and development | 758,647 | - | - | 758,647 |
| Judicial | 125,187 | - | - | 125,187 |
| Redevelopment and planning | - | - | 441,437 | 441,437 |
| Tourism and economic development | - | - | 25,455 | 25,455 |
| Capital outlay: | | | | |
| Public safety | - | - | 26,095 | 26,095 |
| Public works | - | - | 48,896 | 48,896 |
| Redevelopment and planning | - | 1,071,496 | - | 1,071,496 |
| Debt service: | | | | |
| Principal | - | 32,136 | 80,973 | 113,109 |
| Interest and fiscal charges | 12,252 | - | 13,582 | 25,834 |
| Total expenditures | 21,486,830 | 1,485,956 | 974,267 | 23,947,053 |
| Excess (deficiency) of revenues over (under) expenditures | (96,329) | 1,581,696 | 123,578 | 1,608,945 |
| **Other financing sources (uses):** | | | | |
| Transfers in | 750,735 | - | 424,770 | 1,175,505 |
| Transfers out | (424,770) | - | - | (424,770) |
| Proceeds from the sale of capital assets | 76,388 | - | - | 76,388 |
| Total other financing sources (uses) | 402,353 | - | 424,770 | 827,123 |
| Net change in fund balance | 306,024 | 1,581,696 | 548,348 | 2,436,068 |
| **Fund balances, beginning of fiscal year** | 1,174,628 | 4,184,310 | 1,572,509 | 6,931,447 |
| **Fund balances, end of fiscal year** | $ 1,480,652 | $ 5,766,006 | $ 2,120,857 | $ 9,367,515 |

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

# CITY OF FOREST PARK, 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, 2016

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

| | | |
|---|---|---|
| Net change in fund balances - total governmental funds. | $ | 2,436,068 |
| 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 depreciation expense exceeded capital outlay in the current period. | | (473,018) |
| Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. | | (183,931) |
| 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 total of current year principal payments on the City's capital leases. | | 113,109 |
| 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. | | (212,008) |
| Change in net position - governmental activities. | $ | 1,680,220 |

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

# CITY OF FOREST PARK, GEORGIA

## GENERAL FUND
## STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
## FOR THE FISCAL YEAR ENDED JUNE 30, 2016

| | Budget | | | Variance With |
|---|---|---|---|---|
| | Original | Final | Actual | Final Budget |
| **Revenues** | | | | |
| Taxes | $ 18,533,075 | $ 18,533,075 | $ 17,464,581 | $ (1,068,494) |
| Fines and forfeitures | 2,860,000 | 2,860,000 | 1,951,474 | (908,526) |
| Charges for services | 1,397,784 | 1,397,784 | 1,337,924 | (59,860) |
| Licenses and permits | 313,000 | 313,000 | 467,915 | 154,915 |
| Intergovernmental | 135,000 | 135,000 | 133,774 | (1,226) |
| Interest | 10,000 | 10,000 | 4,412 | (5,588) |
| Miscellaneous | 41,500 | 41,500 | 30,421 | (11,079) |
| Total revenues | 23,290,359 | 23,290,359 | 21,390,501 | (1,899,858) |
| **Expenditures** | | | | |
| Current: | | | | |
| General government: | | | | |
| General administration | 1,809,864 | 1,809,864 | 1,827,693 | (17,829) |
| Legislative | 449,339 | 449,339 | 406,990 | 42,349 |
| Executive | 329,363 | 329,363 | 267,277 | 62,086 |
| Total general government | 2,588,566 | 2,588,566 | 2,501,960 | 86,606 |
| Judicial: | | | | |
| Municipal court | 132,927 | 132,927 | 125,187 | 7,740 |
| Total judicial | 132,927 | 132,927 | 125,187 | 7,740 |
| Public safety: | | | | |
| Police | 8,996,447 | 8,996,447 | 7,575,639 | 1,420,808 |
| Fire | 3,948,330 | 3,948,330 | 4,018,185 | (69,855) |
| EMS | 1,750,940 | 1,750,940 | 1,678,838 | 72,102 |
| E911 | 563,406 | 563,406 | 461,661 | 101,745 |
| Animal control | 114,808 | 114,808 | 111,305 | 3,503 |
| Emergency management | 169,737 | 169,737 | 158,363 | 11,374 |
| Total public safety | 15,543,668 | 15,543,668 | 14,003,991 | 1,539,677 |
| Public works | 3,117,563 | 3,117,563 | 2,886,975 | 230,588 |
| Culture and recreation | 1,392,352 | 1,392,352 | 1,197,818 | 194,534 |
| Housing and development: | | | | |
| Planning and zoning | 817,571 | 817,571 | 758,647 | 58,924 |
| Debt service: | | | | |
| Interest and fiscal charges | - | - | 12,252 | (12,252) |
| Total expenditures | 23,592,647 | 23,592,647 | 21,486,830 | 2,105,817 |
| Deficiency of revenues under expenditures | (302,288) | (302,288) | (96,329) | 205,959 |
| **Other financing sources (uses)** | | | | |
| Transfers in | 285,808 | 302,288 | 750,735 | 448,447 |
| Transfers out | - | - | (424,770) | (424,770) |
| Proceeds from the sale of capital assets | - | - | 76,388 | 76,388 |
| Total other financing sources | 285,808 | 302,288 | 402,353 | 100,065 |
| Net change in fund balances | (16,480) | - | 306,024 | 306,024 |
| **Fund balances, beginning of fiscal year** | 1,174,628 | 1,174,628 | 1,174,628 | - |
| **Fund balances, end of fiscal year** | $ 1,158,148 | $ 1,174,628 | $ 1,480,652 | $ 306,024 |

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

# CITY OF FOREST PARK, GEORGIA

## STATEMENT OF NET POSITION
## PROPRIETARY FUNDS
## JUNE 30, 2016

| | Business-type Activities - Enterprise Funds | | | |
|---|---|---|---|---|
| **ASSETS** | **Sanitation Fund** | **Local Redevelopment Authority Fund** | **Urban Redevelopment Agency Fund** | **Total Enterprise Funds** |
| Current assets: | | | | |
| Cash | $ 1,332,228 | $ 153,883 | $ 3,664,881 | $ 5,150,992 |
| Accounts receivable, net of allowance | 90,573 | 1,000 | - | 91,573 |
| Due from other funds | - | 48,398 | 303,505 | 351,903 |
| Restricted cash | - | - | 20,284 | 20,284 |
| Prepaid items | - | - | 132,668 | 132,668 |
| Land held for resale | - | - | 15,083,875 | 15,083,875 |
| Total current assets | 1,422,801 | 203,281 | 19,205,213 | 20,831,295 |
| Noncurrent assets: | | | | |
| Capital assets: | | | | |
| Non-depreciable | 34,853 | 7,349,768 | 509,105 | 7,893,726 |
| Depreciable, net of accumulated depreciation | - | 8,800 | 9,415,896 | 9,424,696 |
| Total noncurrent assets | 34,853 | 7,358,568 | 9,925,001 | 17,318,422 |
| Total assets | 1,457,654 | 7,561,849 | 29,130,214 | 38,149,717 |
| **LIABILITIES** | | | | |
| Current liabilities: | | | | |
| Accounts payable | 259,503 | 6,355 | 318,135 | 583,993 |
| Accrued liabilities | 1,008 | - | 193,560 | 194,568 |
| Compensated absences payable | 9,971 | - | - | 9,971 |
| Customer deposits | 3,836 | - | - | 3,836 |
| Unearned revenue | 511,614 | - | - | 511,614 |
| Due to other funds | - | - | 25,000 | 25,000 |
| Total current liabilities | 785,932 | 6,355 | 536,695 | 1,328,982 |
| Noncurrent liabilities: | | | | |
| Revenue bonds payable | - | - | 16,130,000 | 16,130,000 |
| Notes payable | - | - | 11,044,832 | 11,044,832 |
| Compensated absences payable | 11,487 | - | - | 11,487 |
| Total noncurrent liabilities | 11,487 | - | 27,174,832 | 27,186,319 |
| Total liabilities | 797,419 | 6,355 | 27,711,527 | 28,515,301 |
| **NET POSITION** | | | | |
| Investment in capital assets | 34,853 | 7,358,568 | 9,925,001 | 17,318,422 |
| Unrestricted (deficit) | 625,382 | 196,926 | (8,506,314) | (7,684,006) |
| Total net position | $ 660,235 | $ 7,555,494 | $ 1,418,687 | $ 9,634,416 |

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

# CITY OF FOREST PARK, GEORGIA

## STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
## PROPRIETARY FUNDS
## FOR THE FISCAL YEAR ENDED JUNE 30, 2016

| | Business-type Activities - Enterprise Funds | | | |
|---|---|---|---|---|
| | Sanitation Fund | Local Redevelopment Authority Fund | Urban Redevelopment Agency Fund | Total Enterprise Funds |
| **OPERATING REVENUE** | | | | |
| Charges for sales and services | $ 3,117,709 | $ 97,653 | $ 263,913 | $ 3,479,275 |
| Miscellaneous revenue | - | 713 | - | 713 |
| Total operating revenues | 3,117,709 | 98,366 | 263,913 | 3,479,988 |
| **OPERATING EXPENSES** | | | | |
| Cost of sales and services | 2,034,844 | 4,270 | 80,099 | 2,119,213 |
| Personnel services | 192,079 | - | - | 192,079 |
| Depreciation | - | 2,200 | 47,013 | 49,213 |
| Other operating expenses | 45,751 | 58,469 | 1,014,302 | 1,118,522 |
| Total operating expenses | 2,272,674 | 64,939 | 1,141,414 | 3,479,027 |
| Operating income (loss) | 845,035 | 33,427 | (877,501) | 961 |
| **NONOPERATING REVENUES (EXPENSES)** | | | | |
| Interest earnings | - | - | 9,474 | 9,474 |
| Loss on disposal of capital assets | - | (165,858) | - | (165,858) |
| Interest expense and fiscal charges | - | - | (993,035) | (993,035) |
| Total nonoperating revenues (expenses) | - | (165,858) | (983,561) | (1,149,419) |
| Income (loss) before transfers | 845,035 | (132,431) | (1,861,062) | (1,148,458) |
| Transfers out | (300,000) | (450,735) | - | (750,735) |
| Change in net position | 545,035 | (583,166) | (1,861,062) | (1,899,193) |
| **Total net position, beginning of fiscal year** | 115,200 | 8,138,660 | 3,279,749 | 11,533,609 |
| **Total net position, ending of fiscal year** | $ 660,235 | $ 7,555,494 | $ 1,418,687 | $ 9,634,416 |

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

## CITY OF FOREST PARK, GEORGIA

### STATEMENT OF CASH FLOWS
### PROPRIETARY FUNDS
### FOR THE FISCAL YEAR ENDED JUNE 30, 2016

| | Business-type Activities - Enterprise Funds | | | |
|---|---|---|---|---|
| | Sanitation Fund | Local Redevelopment Authority Fund | Urban Redevelopment Agency Fund | Total Enterprise Funds |
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | | |
| Receipts from customers and users | $ 3,105,372 | $ 98,366 | $ 263,913 | $ 3,467,651 |
| Payments to suppliers | (2,033,202) | (67,762) | (1,012,478) | (3,113,442) |
| Payments to employees | (189,732) | - | - | (189,732) |
| Net cash provided by (used in) operating activities | 882,438 | 30,604 | (748,565) | 164,477 |
| **CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:** | | | | |
| Transfers to other funds | (300,000) | (450,735) | - | (750,735) |
| Net cash used in non-capital financing activities | (300,000) | (450,735) | - | (750,735) |
| **CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:** | | | | |
| Purchases of capital assets | - | - | (4,284,755) | (4,284,755) |
| Interest paid on long-term borrowings | - | - | (787,144) | (787,144) |
| Proceeds from the sale of capital assets | - | 450,735 | - | 450,735 |
| Net cash provided by (used in) capital and relating financing activities | - | 450,735 | (5,071,899) | (4,621,164) |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | | |
| Proceeds from maturities of investments | - | - | 1,001,821 | 1,001,821 |
| Interest received | - | - | 9,474 | 9,474 |
| Net cash provided by investing activities | - | - | 1,011,295 | 1,011,295 |
| Net increase (decrease) in cash | 582,438 | 30,604 | (4,809,169) | (4,196,127) |
| Cash, beginning of fiscal year | 749,790 | 123,279 | 8,494,334 | 9,367,403 |
| Cash, end of fiscal year | $ 1,332,228 | $ 153,883 | $ 3,685,165 | $ 5,171,276 |
| **Classified as:** | | | | |
| Unrestricted cash | $ 1,332,228 | $ 153,883 | $ 3,664,881 | $ 5,150,992 |
| Restricted cash | - | - | 20,284 | 20,284 |
| | $ 1,332,228 | $ 153,883 | $ 3,685,165 | $ 5,171,276 |
| **RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:** | | | | |
| Operating income (loss) | $ 845,035 | $ 33,427 | $ (877,501) | $ 961 |
| Adjustments to reconcile operating income (loss) to net cash provided by operating activities: | | | | |
| Depreciation | - | 2,200 | 47,013 | 49,213 |
| Change in assets and liabilities: | | | | |
| Increase in accounts receivable | (16,842) | - | - | (16,842) |
| Increase in due from other funds | - | (4,375) | - | (4,375) |
| Decrease in prepaid items | - | - | 44,223 | 44,223 |
| Decrease in land acquired for resale | - | - | 80,099 | 80,099 |
| Increase (decrease) in accounts payable | 47,393 | (648) | (42,399) | 4,346 |
| Decrease in accrued liabilities | (73) | - | - | (73) |
| Increase in compensated absences payable | 2,420 | - | - | 2,420 |
| Increase in unearned revenue | 4,505 | - | - | 4,505 |
| Net cash provided by (used in) operating activities | $ 882,438 | $ 30,604 | $ (748,565) | $ 164,477 |

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

# NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

## A. Reporting Entity

The City operates under a council/manager form of government and provides the following services to its citizens: public safety, public works, parks and recreation, public improvements, and general and administrative services.

Based upon criteria set forth by Governmental Accounting Standards Board (GASB) 61 "The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and 34," the accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable. The City's blended component units, although legally separate entities, have a governing body which is substantively the same as the City's governing body and management of the City has operational responsibility for the component unit; therefore, data from these entities are combined with data of the primary government. Substantively the same means sufficient representation of the primary government's entire governing body on the component unit's governing body to allow complete control of the component unit's activities. To illustrate, the Board of a component unit may be composed entirely of the City Council and the Mayor, serving ex officio. The primary government is, essentially, serving as the governing body of the component unit. The blended component units of the City of Forest Park, Georgia have a June 30th fiscal year-end.

**Blended Component Units:**

The Forest Park/Fort Gillem Local Redevelopment Authority (the "FGLRA") was established for purposes of planning the reuse and economic development of the real estate and other assets presently comprising Fort Gillem, Georgia, a military installation which was selected for closure by the United States Department of Defense and the Independent Base Realignment and Closure Commission.

The FGLRA is governed by a Board of Directors consisting of ten (10) members, all of whom are appointed by or are members of the City of Forest Park's Council. The Mayor, City Manager, and five (5) members of the City Council serve as board members and the remaining three (3) board members are appointed by the Mayor and confirmed by City Council. The FGLRA is reported in the City's financial statements as a blended component unit (special revenue fund) as the governing body is substantively the same as the governing body of the primary government and there is a financial benefit or burden relationship as the City has assumed the obligation to finance the deficits of and provide support to the FGLRA. Separate financial statements for the FGLRA are not prepared.

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### A. Reporting Entity (Continued)

**Blended Component Units (Continued):**

The Local Redevelopment Authority was created for the purpose of attracting development, industry, and employment opportunities to the City. The Mayor serves as a board member and the remaining board members are members of the City of Forest Park's Council. The Local Redevelopment Authority is reported in the City's financial statements as a blended component unit (enterprise fund) as the governing body is substantively the same as the governing body of the primary government and there is a financial benefit or burden relationship as the City has assumed the obligation to finance the deficits of and provide support to the Local Redevelopment Authority. Separate financial statements for the Local Redevelopment Authority are not prepared.

The Urban Redevelopment Agency of the City of Forest Park (the "URA") was created pursuant to Chapter 61 of Title 36 of the Official Code of Georgia Annotated, known as the Urban Redevelopment Law, which creates in each municipality in the State of Georgia a public body corporate and politic to be known as the urban redevelopment agency of the municipality for the purpose of exercising the urban redevelopment project powers. The URA was created for the purpose of acquiring approximately 1,170 acres of land known as Fort Gillem and will oversee the various redevelopment projects established in the urban redevelopment plan for the area. The URA is governed by a Board of Commissioners consisting of five members, nominated by the Mayor and City Council and confirmed by the City Council. The URA is reported in the City's financial statements as a blended component unit (enterprise fund) as the URA's debt will be repaid entirely or almost entirely with resources of the primary government pursuant to an Intergovernmental Redevelopment Cooperation and Assistance Agreement between the City and the URA. Separate financial statements for the URA are not prepared.

### 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 are normally 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 discretely presented component units (if any). The statement of net position will include non-current assets and non-current liabilities. In addition, the government-wide statement of activities reflects depreciation expense on the City's capital assets.

## 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 and interest earnings restricted for a particular function or segment. Taxes and other items not considered 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 resource 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 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. Property taxes are recognized as revenue in the period for which they were levied if they are collected within sixty (60) days of year end. All other revenues are considered to be available when they are collectible within one hundred eighty (180) days of year end. Expenditures are generally 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, intergovernmental revenue, and interest associated with the current fiscal year are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year. 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.

## 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 **SPLOST (Special Purpose Local Option Sales Tax) Fund** is used to account for the proceeds of a sales tax levied in Clayton County, which will be used by the City for the exclusive purpose of capital outlay projects.

Additionally, the City reports the following fund types within the nonmajor governmental funds:

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

The **capital projects funds** account for acquisition and construction of major capital facilities other than those financed by propriety funds.

The City reports the following major proprietary funds:

The **Sanitation Fund** is used to account for the City's solid waste collection, recycling and disposal activities.

The **Local Redevelopment Authority Fund** is used to account for the City's property acquisitions and redevelopment of property throughout the City.

The **Urban Redevelopment Agency** is used to account for the property acquisitions of Fort Gillem from the United States Army and subsequent sale of these properties to developers and third parties to implement the urban redevelopment plan for the area.

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

### D. Budgets

Annual appropriated budgets are adopted for all funds. The budgets for the proprietary funds are for management control purposes and are not required to be reported. Budgets are adopted on a basis consistent with generally accepted accounting principles. Capital outlay expenditures are budgeted in each department rather than separately as capital outlay. All appropriations lapse at fiscal year end. Expenditures may not legally exceed budgeted appropriations at the department level (e.g. Administration).

### E. Deposits and Investments

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

The local government investment pool, "Georgia Fund 1," created by OCGA 36-83-8 is a stable asset value investment pool, which follows Standard and Poor's criteria for AAAf rated money market funds and is regulated by the Georgia Office of the State Treasurer. 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). The 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 pool also adjusts the value of its investments to fair market value as of year-end and the City's investment in the Georgia Fund 1 is reported at fair value.

The City's remaining investments are recorded at fair value. Increases or decreases in the fair value during the year are recognized as a component of interest income.

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### F. Receivables and Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year, as well as all other outstanding balances between funds is reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

### G. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2016, are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items are accounted for using the consumption method by recording an asset for the prepaid amount when acquired and subsequently reflecting the expenditure/expense in the fiscal year in which the services are consumed. At the fund reporting level, an equal amount of fund balance is reported as nonspendable, as this amount is not available for general appropriation.

### H. Capital Assets

Capital assets, which include property, plant, equipment, computer software, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets (including intangible assets) are defined by the City as assets with an initial, individual cost of more than $2,500 and an estimated useful life in excess of two (2) years. Such assets are recorded at acquisition value or estimated historical cost if purchased or constructed. Infrastructure (e.g., roads, bridges, sidewalks, and similar items) prior to June 30, 1980 has been reported. The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend assets' lives are not capitalized. Major outlays for capital improvements are capitalized as projects are constructed. Interest incurred during the construction period of capital assets is included as part of the capitalized value of the assets constructed. No interest expense was capitalized during the fiscal year ended June 30, 2016.

Capital assets of the primary government are depreciated using the straight line method over the following estimated useful lives:

| Assets | Years |
|---|---|
| Buildings and improvements | 15-40 |
| Infrastructure | 30-50 |
| Equipment | 5 |
| Vehicles | 5 |

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### I. Compensated Absences

The City offers all full-time employees a maximum of 640 hours of "buyback" sick time at the end of their employment. Employees must have twenty-four (24) days to participate in the buyback incentive program. Employees with more than ten (10) years services are vested. Vested employees have the right to receive 20% of accrued sick leave upon termination. The maximum number of days that the employee can buy back is limited to 60 days. Vested vacation and sick leave that is expected to be liquidated with expendable available resources is reported as expenditures and a fund liability at the fund level financial statements, for example, as a result of employee resignations and retirements. All vested vacation pay and sick leave expected to be paid at retirement are accrued when incurred in the government-wide and proprietary fund financial statements.

### J. Deferred Inflows of Resources

In addition to liabilities, the financial statements 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 one type of item that qualifies for reporting in this category. The deferred inflow of resource, *unavailable revenue*, arises only under a modified accrual basis of accounting and, accordingly, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes as these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available.

### K. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

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 (if any) are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable (if any) are reported net of the applicable bond premium or discount. Bond issuance costs (if any) are expensed when incurred.

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### K. Long-Term Obligations (Continued)

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

### L. 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, liabilities, and deferred inflows of resources under the current financial resources management 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 purpose for which amounts in those funds can be spent.

Fund balances are classified as follows:

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

*Restricted* – Fund balances are reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, 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 a formal vote and passage of an Ordinance of the City Council. Only the 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. The fund balance policy approved by an Ordinance of the City Council expressly delegates the authority to assign fund balance to the City's Finance Director.

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### L. Fund Equity and Net Position (Continued)

Fund balances are classified as follows (continued):

*Unassigned* – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The City reports positive unassigned fund balance only in the General Fund. Only deficits in fund balances may be reported as unassigned fund balance in other governmental funds.

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

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

### M. 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 amount of assets, deferred outflows of resources (if any), liabilities, and deferred inflows of resources, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenditures/expenses during the current fiscal year. Actual results could differ from those estimates.

### N. Interfund Transactions

Interfund services provided and used in the fund financial statements are accounted for as revenue, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

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

### A. Explanation of Certain Differences between the Governmental Funds Balance Sheet and the Government-wide Statement of Net Position

The governmental funds 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 "long-term liabilities are not due and payable in the current period and therefore are not reported in the funds." The details of this $3,762,881 difference are as follows:

| | | |
|---|---|---|
| Claims payable | $ | (115,238) |
| Capital leases payable | | (360,328) |
| Net OPEB obligation | | (2,059,767) |
| Compensated absences | | (1,216,516) |
| Accrued interest payable | | (11,032) |
| Net adjustment to reduce *fund balance - total governmental funds* to arrive at *net position - governmental activities* | $ | (3,762,881) |

### 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 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 $473,018 difference are as follows:

| | | |
|---|---|---|
| Capital outlay | $ | 1,056,381 |
| Depreciation expense | | (1,529,399) |
| Net adjustment to decrease *net changes in fund balances - total governmental funds* to arrive at *changes in net position of governmental activities* | $ | (473,018) |

## 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 $212,008 difference are as follows:

| | | |
|---|---|---|
| Claims and judgments | $ | (2,337) |
| Compensated absences | | 6,785 |
| Accrued interest | | 2,550 |
| Other post employment benefit (OPEB) obligation | | (219,006) |
| Net adjustment to decrease *net changes in fund balances - total governmental funds* to arrive at *change in net position of governmental activities* | $ | (212,008) |

## NOTE 3. LEGAL COMPLIANCE - BUDGETS

By mid-March of each fiscal year, all departments of the City submit requests for appropriations to the City Manager so that a budget may be prepared. The budget is prepared by fund, function and activity, and includes information on the prior fiscal year, current fiscal year estimates, and requested appropriations for the next fiscal year.

Before May 31, the proposed budget is presented to the City Council for review. City Council holds public hearings and may add to, subtract from or change appropriations. The budget is then approved by an affirmative vote of a majority of the City's council. Expenditures may not legally exceed budgeted appropriations at the department level (e.g. administration).

For fiscal year ended June 30, 2016, the following General Fund departments and special revenue funds, had excesses of actual expenditures over appropriations:

| | | |
|---|---|---|
| General Fund departments: | | |
| General government - General administration | $ | 17,829 |
| Public safety - Fire | | 69,855 |
| Debt service - interest | | 12,252 |
| Transfers out | | 424,770 |
| Emergency Telephone System Fund | | 43,130 |

The expenditures in excess of appropriations were funded by greater than anticipated revenues as well as available fund balance.

## NOTE 4. DEPOSITS AND INVESTMENTS

As of June 30, 2016, the City had $4,899 of its funds invested as follows:

| Investment | Maturities | Fair Value |
|---|---|---|
| Ginnie Mae II Pool Asset Backed Security | November 20, 2022 | $ 4,184 |
| Georgia Fund 1 | 42 days | 715 |
| Total | | $ 4,899 |

**Interest rate risk:** On June 15, 2009, the City adopted a formal investment policy that limits investment maturities as a means of managing its exposure to fair value loses arising from increasing interest rates. The City minimizes the risk that the market value of securities in the portfolio will fall due to changes in general interest rates, by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity. The City minimizes risk by investing operating funds primarily in shorter-term securities, money market accounts, or similar investment pools.

**Credit risk:** State statutes authorize the City to invest in obligations of the State of Georgia or other states; obligations issued by the U.S. government; obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime bankers' acceptances; the local government investment pool established by State law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia. The City has an investment policy that would further limit its investment choices by investing operating funds primarily in shorter-term securities, money market accounts, or similar investment pools.

The Ginnie Mae II Pool Asset Backed securities are based on cash flows from principal payments on underlying mortgages. Therefore, they are sensitive to less than expected prepayments by mortgagees, which may result from an increase in interest rates. For example, if interest rates rise and homeowners do not refinance their mortgages, thereby not prepaying the mortgages underlying theses securities, the cash flows from principal payments may be slower than expected and the value of these securities declines. Likewise, if homeowners prepay mortgages faster than anticipated, the cash flows are greater and the return on the initial investment would be higher than anticipated.

The City’s investments in mortgage backed securities pool is either insured or registered or are held by the City or its agent in the City’s name.

As of June 30, 2016, the City’s investment in the Ginnie Mae II Pool Asset Back Securities was not rated by any of the major rating agencies, since they are fully backed by mortgages.

## NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

**Fair Value Measurements:** The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The City only has one (1) recurring fair value measurement as of June 30, 2016 and that is its investment in the Ginnie Mae Pool which is considered Level 2. This security is valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

The Georgia Fund 1 is an investment pool which does not meet the criteria of GASB Statement No. 79 and is thus valued at fair value in accordance with GASB Statement No. 31. As a result, the City does not disclose its investment in the Georgia Fund 1 within the fair value hierarchy.

**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 and City policy, require all deposits and investments (other than Federal or State government instruments) to be collateralized at 110% by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of June 30, 2016, the City's deposits with financial institutions were insured or properly collateralized in accordance with state statutes.

## NOTE 5. RECEIVABLES

Property taxes are recognized in the governmental funds as revenue when levied to the extent they result in current receivables (i.e., amounts received within 60 days of fiscal year-end). The property tax assessment is formally levied on September 1, based on property values as of the previous January 1 (the lien date). Tax billings are mailed in the month of October, with a due date of sixty days after the mail date. On the sixty-first date, after they have been mailed, the bills become delinquent at which time, penalties and interest may be assessed by the City.

Property taxes are recorded as receivables and deferred inflows of resources when assessed. Revenues are recognized when available.

## NOTE 5. RECEIVABLES (CONTINUED)

For the City's Sanitation enterprise fund, residential sanitation fees are billed annually on the same date as the property tax bill as noted above while commercial sanitation fees are billed monthly.

Receivables at June 30, 2016, for the City's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts are as follows:

| | General Fund | SPLOST Fund | Nonmajor Governmental Funds | Governmental Activities Total |
|---|---|---|---|---|
| Receivables: | | | | |
| Taxes | $ 1,491,116 | $ - | $ 4,766 | $ 1,495,882 |
| Less allowance for uncollectible | (611,476) | - | - | (611,476) |
| Taxes receivable, net | 879,640 | - | 4,766 | 884,406 |
| Due from other governments | - | 521,571 | 103,296 | 624,867 |
| Other | 128,568 | - | 43,564 | 172,132 |
| Net total receivable | $ 1,008,208 | $ 521,571 | $ 151,626 | $ 1,681,405 |

| | Sanitation Fund | Local Redevelopment Authority Fund | Business-type Activities Total |
|---|---|---|---|
| Receivables: | | | |
| Accounts | $ 401,987 | $ 1,000 | $ 402,987 |
| Less allowance for uncollectible | (311,414) | - | (311,414) |
| Accounts receivable, net | $ 90,573 | $ 1,000 | $ 91,573 |

## NOTE 6. CAPITAL ASSETS

### Primary Government

Capital asset activity for the fiscal year ended June 30, 2016, is as follows:

| | Beginning Balance | Increases | Decreases | Transfers | Ending Balance |
|---|---|---|---|---|---|
| **Governmental activities:** | | | | | |
| Capital assets, not being depreciated: | | | | | |
| Land | $ 2,881,500 | $ - | $ - | $ - | $ 2,881,500 |
| Construction in progress | 1,059,088 | 406,091 | - | (432,900) | 1,032,279 |
| Total | 3,940,588 | 406,091 | - | (432,900) | 3,913,779 |
| Capital assets, being depreciated: | | | | | |
| Buildings | 9,575,947 | - | - | 270,930 | 9,846,877 |
| Improvements | 3,593,418 | - | - | - | 3,593,418 |
| Computer & office equipment | 1,030,387 | 304,744 | - | - | 1,335,131 |
| Machinery & equipment | 6,327,140 | 45,427 | (64,414) | - | 6,308,153 |
| Vehicles | 7,660,013 | 300,119 | (350,020) | - | 7,610,112 |
| Infrastructure | 13,742,671 | - | - | 161,970 | 13,904,641 |
| Total | 41,929,576 | 650,290 | (414,434) | 432,900 | 42,598,332 |
| Less accumulated depreciation for: | | | | | |
| Buildings | (5,344,266) | (229,834) | - | - | (5,574,100) |
| Improvements | (2,768,461) | (73,840) | - | - | (2,842,301) |
| Computer & office equipment | (685,827) | (106,628) | - | - | (792,455) |
| Machinery and equipment | (3,956,438) | (450,665) | 64,414 | - | (4,342,689) |
| Vehicles | (5,720,577) | (389,181) | 350,020 | - | (5,759,738) |
| Infrastructure | (7,956,937) | (279,251) | - | - | (8,236,188) |
| Total | (26,432,506) | (1,529,399) | 414,434 | - | (27,547,471) |
| Total capital assets, being depreciated, net | 15,497,070 | (879,109) | - | 432,900 | 15,050,861 |
| Governmental activities capital assets, net | $ 19,437,658 | $ (473,018) | $ - | $ - | $ 18,964,640 |

## NOTE 6. CAPITAL ASSETS (CONTINUED)

| | Beginning Balance | Increases | Decreases and Transfers | Ending Balance |
|---|---|---|---|---|
| **Business-type activities:** | | | | |
| Capital assets, not being depreciated: | | | | |
| Land | $ 8,217,727 | $ - | $ (616,593) | $ 7,601,134 |
| Construction in progress | 6,457,051 | 3,298,450 | (9,462,909) | 292,592 |
| Total | 14,674,778 | 3,298,450 | (10,079,502) | 7,893,726 |
| Capital assets, being depreciated: | | | | |
| Building | 113,299 | - | - | 113,299 |
| Building improvement | 223,790 | - | - | 223,790 |
| Infrastructure | - | - | 9,462,909 | 9,462,909 |
| Equipment | 66,209 | - | - | 66,209 |
| Vehicles | 803,730 | - | - | 803,730 |
| Total | 1,207,028 | - | 9,462,909 | 10,669,937 |
| Less accumulated depreciation for: | | | | |
| Building | (113,299) | - | - | (113,299) |
| Building improvement | (223,790) | - | - | (223,790) |
| Infrastructure | - | (47,013) | - | (47,013) |
| Equipment | (55,209) | (2,200) | - | (57,409) |
| Vehicles | (803,730) | - | - | (803,730) |
| Total | (1,196,028) | (49,213) | - | (1,245,241) |
| Total capital assets, being depreciated, net | 11,000 | (49,213) | 9,462,909 | 9,424,696 |
| Business-type activities capital assets, net | $ 14,685,778 | $ 3,249,237 | $ (616,593) | $ 17,318,422 |

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

| | |
|---|---|
| Governmental activities: | |
| General government | $ 160,588 |
| Public safety | 755,679 |
| Public works | 475,525 |
| Culture and recreation | 137,607 |
| Total depreciation expense - governmental activities | $ 1,529,399 |
| Business-type activities: | |
| Local Redevelopment Authority Fund | $ 2,200 |
| Urban Redevelopment Agency Fund | 47,013 |
| Total depreciation expense - business-type activities | $ 49,213 |

## NOTE 7. LONG-TERM DEBT

**Primary Government**

Long-term liability activity for the fiscal year ended June 30, 2016, was as follows:

| | Beginning Balance | Additions | Reductions | Ending Balance | Due Within One Fiscal Year |
|---|---|---|---|---|---|
| **Governmental activities:** | | | | | |
| Claims payable | $ 112,901 | $ 53,402 | $ (51,065) | $ 115,238 | $ 115,238 |
| Capital leases payable | 473,437 | - | (113,109) | 360,328 | 94,033 |
| Compensated absences | 1,223,301 | 1,058,554 | (1,065,339) | 1,216,516 | 582,260 |
| Net OPEB Obligation | 1,840,761 | 277,473 | (58,467) | 2,059,767 | - |
| Governmental activities Long-term liabilities | $ 3,650,400 | $ 1,389,429 | $ (1,287,980) | $ 3,751,849 | $ 791,531 |

| | Beginning Balance | Additions | Reductions | Ending Balance | Due Within One Fiscal Year |
|---|---|---|---|---|---|
| **Business-type activities:** | | | | | |
| Compensated absences | $ 19,038 | $ 15,930 | $ (13,510) | $ 21,458 | $ 9,971 |
| Note payable | 11,745,000 | - | - | 11,745,000 | - |
| Less discount | (906,059) | - | 205,891 | (700,168) | - |
| Note payable, net | 10,838,941 | - | 205,891 | 11,044,832 | - |
| Revenue bonds payable | 16,130,000 | - | - | 16,130,000 | - |
| Business-type activities Long-term liabilities | $ 26,987,979 | $ 15,930 | $ 192,381 | $ 27,196,290 | $ 9,971 |

For governmental funds, compensated absences are liquidated by the General Fund and capital leases are liquidated by the SPLOST Fund and Emergency Telephone System Fund. For business-type activities, compensated absences are liquidated by the Sanitation Fund. The claims payable and the net OPEB obligations for the City are liquidated by the General Fund.

**Capital Leases - Equipment.** The City has entered into lease agreements as lessee for financing the acquisition of communication equipment used in governmental activities. The lease agreements qualify as capital leases for accounting purposes (the lease term covers at least 75% of the asset's economic life and/or includes a bargain purchase option at the expiration of the leasing term), and therefore have been recorded at the present value of the future minimum lease payments as of the date of their inception. The original cost of the City's assets under capital lease arrangements at June 30, 2016 is $743,535 and there has been $218,566 of accumulated depreciation as of fiscal year-end. Annual depreciation ($61,588) of these assets is included in depreciation expense.

## NOTE 7. LONG-TERM DEBT (CONTINUED)

**Primary Government (Continued)**

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

| | Governmental Activities |
|---|---|
| Fiscal Year Ending June 30, | |
| 2017 | $ 105,065 |
| 2018 | 94,555 |
| 2019 | 94,555 |
| 2020 | 94,555 |
| Total minimum lease payments | 388,730 |
| Less amount representing interest | 28,402 |
| Present value of future minimum lease payments | $ 360,328 |

**Urban Redevelopment Agency**

In June 2014, the Urban Redevelopment Agency of the City of Forest Park (the "URA") completed the first phase of acquiring Fort Gillem, a previously active military installation, from the United States Department of the Army. The URA used a combination of revenue bonds and a note payable to finance the acquisition of the property and additional information regarding these items is below.

**Revenue Bonds.** URA Revenue Bonds, Series 2014 were issued in June 2014 to provide part of the financing for acquiring Fort Gillem. The taxable revenue bonds were issued at a par value of $16,130,000 and bear interest at 4.80%. Interest payments are due semi-annually on March 31 and September 30 and commenced on September 30, 2014. Principal repayments on the bonds are due on September 30 as well and commence on September 30, 2017. Future debt service requirements to maturity on the revenue bonds are as follows:

| Fiscal Year Ending June 30 | Principal | Interest | Total |
|---|---|---|---|
| 2017 | $ - | $ 774,240 | $ 774,240 |
| 2018 | 340,000 | 766,080 | 1,106,080 |
| 2019 | 350,000 | 749,520 | 1,099,520 |
| 2020 | 370,000 | 732,240 | 1,102,240 |
| 2021 | 440,000 | 712,800 | 1,152,800 |
| 2022-2026 | 2,620,000 | 3,214,080 | 5,834,080 |
| 2027-2030 | 12,010,000 | 1,823,760 | 13,833,760 |
| | $ 16,130,000 | $ 8,772,720 | $ 24,902,720 |

## NOTE 7. LONG-TERM DEBT (CONTINUED)

**Urban Redevelopment Agency (Continued)**

**Note Payable.** To provide for the remaining part of the financing needed to acquire Fort Gillem, the URA executed a note payable to the U.S. Department of the Army. An initial payment of $15,000,000 was made at closing (funded by the URA Revenue Bonds, Series 2014 discussed above) and the remaining balance of $11,745,000 is due in accordance with the following payment schedule per the note agreement:

- A payment of $1,000,000 is due in June 2017
- A payment of $2,000,000 is due in June 2018
- A payment of $3,000,000 is due in June 2019
- A payment of $4,000,000 is due in June 2020
- A payment of $1,745,000 is due in June 2021

In addition to the above schedule, the final payment due in June 2021 may be increased to $5,000,000 contingent upon the Department of the Army completing environmental cleanup and remediation projects on the remaining Fort Gillem property and transferring that property to the URA. As of June 30, 2016, those projects were still in progress.

As a condition to the note payable, the URA has obtained a declining revolving line of credit from a financial institution which may be used, as needed, to meet the regularly scheduled obligations to the Department of the Army detailed above. The total amount available to the URA to be drawn on the line of credit is $15,000,000 and declines each year in accordance with the payment schedule to the Department of the Army noted above. Outstanding balances which have been drawn on the line of credit will bear interest at an annual rate equal to the sum of 1-month LIBOR plus 1.75% The line of credit also carries and unused balance fee of 0.21% and is payable quarterly.

The note exchanged between the URA and the Department of the Army does not include a stated interest rate. In accordance with Governmental Accounting Standards Board (GASB) Statement No. 62, the URA has calculated the present value of the future payments on the note using an imputed interest rate of 1.90% resulting in a discount with an unamortized balance of $700,168 as of June 30, 2016.

As security for the payments required, the City and the URA have executed an Intergovernmental Redevelopment Cooperation and Assistance Agreement whereby the City of Forest Park has pledged its full faith and credit and unlimited taxing power such that funds are available for the URA to make all debt service payments required by the note payable and line of credit.

## NOTE 8. SHORT-TERM BORROWINGS

The City utilized a short-term note payable in the form of a tax anticipation note (TAN) during the fiscal year ended June 30, 2016. Pursuant to the agreement between the City and a local financial institution, the lender agreed to advance the City up to $1,000,000 secured by tax revenues. Interest accrued on the TAN equal to one-month LIBOR plus 3.5 percent. Total short-term borrowings interest incurred and expensed for the period ended June 30, 2016 was $12,252.

The following is a summary of the City's short-term borrowings for the fiscal year ended June 30, 2016:

| | Beginning Balance | Additions | Reductions | Ending Balance |
|---|---|---|---|---|
| Tax anticipation note | $ - | $ 1,000,000 | $ (1,000,000) | $ - |

## NOTE 9. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of June 30, 2016, is as follows:

Due to / from other funds:

| Receivable Entity | Payable Entity | Amount |
|---|---|---|
| General Fund | Nonmajor governmental funds | $ 144,882 |
| General Fund | SPLOST Fund | 478,013 |
| General Fund | Urban Redevelopment Agency | 25,000 |
| | | $ 647,895 |
| Urban Redevelopment Agency | Nonmajor governmental funds | $ 303,505 |
| Local Redevelopment Authority | General Fund | $ 48,398 |

All interfund balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures/expenses occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

## NOTE 9. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (CONTINUED)

Interfund transfers:

| Transfers In | Transfers Out | Amount |
|---|---|---|
| General Fund | Sanitation Fund | $ 300,000 |
| General Fund | Local Redevelopment Authority | 450,735 |
| Nonmajor governmental funds | General Fund | 424,770 |
| | | $ 1,175,505 |

Transfers were used to move unrestricted revenues collected in other funds to finance various programs of the City accounted for in the General Fund in accordance with budgetary authorizations.

## NOTE 10. DEFERRED COMPENSATION PLAN

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The Deferred Compensation Plan for the City of Forest Park, Georgia, available to all full-time employees, is a defined contribution plan and permits employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. As required by Federal regulations, these plan assets are held in a trust for the exclusive benefit of participants and their beneficiaries. The Plan is administered by a third party administrator, Swerdlin & Co. The trustee of the Plan is Reliance Trust Co. The City has no fiduciary relationship with the trust. Accordingly, the plan assets are not reported in the City's financial statements.

Employee contributions range from a minimum of 1% of the employees' base salary to a maximum of $18,000 per year for employees less than 50 years old, $24,000 for employees 50 years of age or older (as elected by the employee). Under the Plan authorized by the City Council, the City is required to make a fixed contribution equal to 5% of the aggregate annual compensation of all participants allocated as a 50% match. Additionally, the City can make discretionary contributions if deemed necessary or desirable. The City's contribution and related investment earnings allocated to an employee's account are fully vested after 5 years of continuous service. City contributions and interest forfeited by employees who leave employment before becoming vested are held in the Plan and are distributed to remaining participants.

The City contributed $337,188 and Plan participants contributed $726,592 to the Plan during the fiscal year ended June 30, 2016. At the beginning of the fiscal year, there were 388 participants with account balances. During the current fiscal year, 283 made contributions, 40 entered into the Plan, and 34 left the Plan, resulting in 394 participants with account balances at the end of the current fiscal year. Total value of the deferred compensation and thrift plans as of the current fiscal year-end is $17,101,540 which results in an average participant balance of $43,405.

## NOTE 11. OTHER POST EMPLOYMENT BENEFITS (OPEB)

### A. Plan Description

In accordance with GASB 45 requirements, the City of Forest Park is required to attribute the cost of postretirement benefits to the time during which the employee is working for the employer. GASB 45 requires allocation of the costs of a postretirement benefit plan onto the years of active employment; it does not require the funding of such benefits. GASB 45 requirements were implemented by the City of Forest Park during the fiscal year ended June 30, 2009. The City has elected not to establish a separate trust fund to account for other post-employment benefits, and has not funded the Plan as of June 30, 2016; therefore, there are no separate financial statements for the City's OPEB Plan.

The City's OPEB Plan is a single employer defined benefit post-retirement plan which provides post-retirement health, dental, and vision insurance benefits to certain retired employees. The benefit plan was established by the City's Mayor and Council under the provisions of the Plan documents on July 1, 1998, with provisions, similar to those provided for active employees. The City's Mayor and Council are authorized to approve amendments to the Plan.

Under the Plan, all employees retiring after July 1, 1998 and meeting the following requirements are eligible to participate. Disabled employees are also eligible to participate, but benefits are only paid for two (2) years maximum. Insurance coverage is provided for the retiree from the time of retirement until the retiree reaches 65 years of age or is eligible for Medicare coverage, whichever comes first.

| Age at Retirement | Number of Years of Employment | Percent of Insurance Cost Paid by City for Retired Employee | Percent of Insurance Cost Paid by City for Retiree's Dependent |
|---|---|---|---|
| 55 | 15 | 60% | 0% |
| 60 | 20 | 80% | 0% |
| 62 | 25 | 100% | 0% |
| Disabled | 15 | 50% | 0% |

Expenditures for post-employment health care benefits are funded on pay-as-you-go basis. The City will pay between 60% and 100% of individual premium costs based on age and years of service according to the chart above.

At July 1, 2015, the date of the most recent actuarial valuation, there were 256 participants consisting of the following:

| | |
|---|---|
| Retirees | 6 |
| Active employees | 250 |
| Total | 256 |

## NOTE 11. OTHER POST EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

### B. Funding Policy

The City is not required to make any contributions to the Plan. The City of Forest Park has yet to adopt any funding requirements to the Plan other than pay-as-you-go.

For 2016, the City's annual required contribution was $310,294 and actual employer contributions totaled $58,467. The annual required contribution was determined as part of the July 1, 2015 actuarial valuation using the projected unit credit actuarial cost method.

### C. Annual OPEB Cost

The City's actuarially required contribution (ARC), OPEB cost, and increase in net OPEB obligation for the fiscal year ended June 30, 2016, were computed as follows:

| | | |
|---|---|---|
| Actuarially required contribution | $ | 310,294 |
| Interest on prior fiscal year net OPEB obligation | | 73,630 |
| Adjustment to ARC | | (106,451) |
| Annual OPEB cost | | 277,473 |
| Actual contributions made | | (58,467) |
| Increase in net OPEB obligation | | 219,006 |
| Net OPEB obligation, June 30, 2015 | | 1,840,761 |
| Net OPEB obligation, June 30, 2016 | $ | 2,059,767 |

| Fiscal Year Ended June 30, | Annual OPEB Cost | Actual OPEB Contribution | Percentage of OPEB Cost Contributed | Net OPEB Obligation |
|---|---|---|---|---|
| 2016 | $ 277,473 | $ 58,467 | 21.1 % | $ 2,059,767 |
| 2015 | 281,055 | 74,186 | 26.4 | 1,840,761 |
| 2014 | 312,382 | 57,196 | 18.3 | 1,633,892 |

The required schedule of funding progress immediately following the notes to the financial statements presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability.

## NOTE 11. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

### C. Annual OPEB Cost (Continued)

As of the most recent valuation date, July 1, 2015, the funded status of the OPEB Plan was as follows:

| Actuarial Value of Assets [a] | Actuarial Accrued Liability (AAL) [b] | Unfunded AAL (UAAL) [b-a] | Funded Ratio [a/b] | Covered Payroll [c] | UAAL as a % of Covered Payroll [(b-a)/c] |
|---|---|---|---|---|---|
| $ - | $ 2,147,717 | $ (2,147,717) | 0.0% | 12,257,737 | 17.5% |

Actuarial valuation involves estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continued revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the Plan in effect at July 1, 2015 and are based on the types of benefits provided under the terms of the substantive plan at the time of the valuation. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future.

The assumptions used in the July 1, 2015 actuarial valuation are as follows:

| | |
|---|---|
| Cost Method | Projected Unit Credit |
| Actuarial Asset Valuation Method | N/A |
| Discount Rate | 4% * per annum, compounded annually |
| Pre-retirement Mortality Rates | RP-2014 Mortality Table projected with MP-2015 |
| Post-retirement Mortality Rates | RP-2014 Mortality Table projected with MP-2015 |
| Amortization Method | Level dollar for remaining unfunded liability |
| Remaining Amortization Period | 30 years-open |
| Health Care Trend Rates | 6.5% grades to 4.5% over 9 years |

* The inflation rate assumption is included in the discount rate of 4%

## NOTE 12. JOINT VENTURE

Under Georgia law, the City, in conjunction with other cities and counties in the Atlanta, Georgia area, is a member of the Atlanta Regional Commission (ARC). Dues to the ARC are assessed at the County level and are, accordingly, paid by Clayton County. Membership in the 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 various municipalities of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of the ARC. Separate financial statements may be obtained from ARC, 40 Courtland Street, NE, Atlanta, Georgia 30303.

## NOTE 13. RISK MANAGEMENT

The City is exposed to various risks of losses related to: torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City is self-insured for employee disability claims and partially self-insured for workers' compensation claims. The City purchases commercial insurance for all other risks of loss. Settled claims resulting from these insured risks have not exceeded the City's insurance coverage in any of the past three fiscal years.

**Disability Benefits**

The City provides disability benefits to employees under a plan adopted by the City Council. Under the City's plan, employees who become disabled are eligible to receive a weekly benefit of $150 to $300, depending on job classification. This disability benefit begins only after 30 days of disability and after the employee's accumulated sick leave has been exhausted. An employee may not draw disability benefits for more than twenty-four weeks. These disability benefits are not payable for disabilities covered by workers' compensation benefits. These benefits are paid by the City's General Fund. Disability benefit expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Changes in the disability benefit liability during the last two (2) fiscal years are as follows:

| Fiscal Year ended June 30, | Beginning of Year liability | Current Fiscal Year Accrual and Changes in Estimates | Benefit Payments | End of Fiscal Year Liability |
|---|---|---|---|---|
| 2016 | $ - | $ 620 | $ 620 | $ - |
| 2015 | - | 1,540 | 1,540 | - |

**Workers' Compensation Insurance**

The City is partially self-insured for workers' compensation claims. The City pays annual aggregate claims up to $1,000,000 per year. These benefits are paid by the City's General Fund. Workers' compensation claims expense/expenditure and liability are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported.

Changes in the workers' compensation claims liability during the last two (2) fiscal years are as follows:

| Fiscal Year | Beginning of Year Claims Liability | Current Year Claims and Changes in Estimates | Claims Paid | End of Year Claims Liability |
|---|---|---|---|---|
| 2016 | $ 112,901 | $ 53,402 | $ (51,065) | $ 115,238 |
| 2015 | 31,013 | 184,843 | (102,955) | 112,901 |

## NOTE 14. COMMITMENTS AND CONTINGENCIES

### Contracts:

As of June 30, 2016, the City has $175,400 in uncompleted construction contracts outstanding.

### Litigation:

The City is a defendant in certain legal actions in the nature of claims for alleged damages to persons and property and other similar types of actions rising in the course of City operations. Liability, if any, which might result from these proceedings, would not, in the opinion of management and legal counsel, have a material adverse effect on the financial position of the City.

### Grant Contingencies:

The City has received Federal and State grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to the disallowance of certain expenditures previously reimbursed by those agencies. Based upon prior experience, management of the City believes such disallowances, if any, will not be significant.

### Other:

The City has provided lump-sum payments to the estates of deceased employees. The amount of these payments, if any, is at the discretion of the City Council and does not represent a formal commitment of the City. Furthermore, when paid, these benefits are paid from the City's General Fund. The City had no such payments for the fiscal year ended June 30, 2016.

## NOTE 15. HOTEL/MOTEL LODGING TAX

The City imposes a hotel/motel tax on lodging facilities within the City. The tax was assessed at 3%. Revenues were $60,495 for the fiscal year ended June 30, 2016. Of this amount, 42% or $25,455 was expended. Expenditures of the tax were used to promote tourism, conventions, and trade shows to operate, maintain, and market a conference center facility as required by the Official Code of Georgia Annotated (O.C.G.A.) §48-13-51.

## NOTE 16. SUBSEQUENT EVENT

On October 3, 2016, the Mayor and City Council approved the issuance and sale of a Tax Anticipation Note (TAN) in the principal amount of $1,000,000. Upon receipt of the TAN proceeds, the City anticipates repaying the TAN by December 31, 2016.

# CITY OF FOREST PARK, GEORGIA

## REQUIRED SUPPLEMENTARY INFORMATION
## JUNE 30, 2016

### Schedule of Funding Progress

**Post-employment Benefits:**

The information presented below is based on the annual actuarial valuations as of July 1 of the respective fiscal year.

| Actuarial Valuation Date | Actuarial Value of Assets | Actuarial Accrued Liability (AAL) | Unfunded Actuarial Accrued Liability (UAAL) | Funded Ratio | Covered Payroll | UAAL as a Percentage of Covered Payroll |
|---|---|---|---|---|---|---|
| 7/1/2015 | $ - | $ 2,147,717 | $ (2,147,717) | 0.0 % | $ 12,257,737 | 17.5 % |
| 7/1/2014 | - | 2,104,231 | (2,104,231) | 0.0 | 12,405,731 | 17.0 |
| 7/1/2013 | - | 2,262,158 | (2,262,158) | 0.0 | 12,268,343 | 18.4 |
| 7/1/2012 | - | 2,052,492 | (2,052,492) | 0.0 | 11,947,457 | 17.2 |
| 7/1/2011 | - | 2,186,339 | (2,186,339) | 0.0 | 11,928,408 | 18.3 |
| 7/1/2010 | - | 1,888,756 | (1,888,756) | 0.0 | 11,334,489 | 16.7 |

See notes to financial statements for actuarial assumptions used in the above calculations.

# CITY OF FOREST PARK, GEORGIA

# NONMAJOR GOVERNMENTAL FUNDS

## SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt services or capital projects.

**Emergency Telephone System Fund** - To account for emergency services which are provided to all City taxpayers; financing is provided through user fees and charges. The charges from the telephone providers are restricted by the Official Code of Georgia Annotated (O.C.G.A.) 46-5-134.

**Police Seizure Fund** - To account for the collection of confiscated and seized assets obtained by the City's Police Department. These revenues are restricted by State law to be expended on investigations and other law enforcement activities of the City's Police Department.

**Hotel/Motel Tax Fund** - To account for the 3% lodging tax levied in the City. The tax revenues are restricted by the O.C.G.A. 48-13-51.

**Multiple Grants Fund** - To account for grants received from various Federal and State agencies and for which projected expenditures do not exceed 2% of the General Fund's budgeted total operating expenditures. The fund's revenues are restricted by the various external resource providers from whom the City has received the grant funds.

**Forest Park/Ft. Gillem LRA Fund** - To account for grants received from the United States Department of Defense – Office of Economic Adjustment for the base reuse planning and redevelopment of the Ft. Gillem army base. The fund's revenues are restricted by the grantor agency for the use described previously.

**Tax Allocation District One – Ft. Gillem and Main Street Fund** - To account for incremental property tax revenues received from the district as well as the redevelopment and planning expenditures made as amounts are collected. The City Council has committed all revenues generated by the TAD for the purpose of redevelopment and planning in the area.

## CAPITAL PROJECTS FUNDS

The Capital Projects Funds are used to account for financial resources restricted, committed or assigned to expenditure for the acquisition or construction of capital assets.

**Capital Improvement Fund** - To account for locally funded acquisition and construction of major capital facilities financed by restricted local funds.

# CITY OF FOREST PARK, GEORGIA

## COMBINING BALANCE SHEET
## NONMAJOR GOVERNMENTAL FUNDS
## JUNE 30, 2016

| ASSETS | Special Revenue Funds | | | | | | Capital Projects Fund | Total Nonmajor Governmental Funds |
|---|---|---|---|---|---|---|---|---|
| | Emergency Telephone System Fund | Police Seizure Fund | Hotel/Motel Tax Fund | Multiple Grants Fund | Forest Park/ Ft. Gillem LRA Fund | Tax Allocation District One Ft. Gillem & Main Street Fund | Capital Improvement Fund | |
| Cash and cash equivalents | $ 148,357 | $ 1,316,730 | $ 145,480 | $ 5,720 | $ 252,070 | $ 433,255 | $ 8,435 | $ 2,310,047 |
| Taxes receivable | - | - | 4,766 | - | - | - | - | 4,766 |
| Accounts receivable | 43,564 | - | - | - | - | - | - | 43,564 |
| Due from other governments | - | - | - | 15,674 | 87,622 | - | - | 103,296 |
| Prepaid items | 139,959 | - | - | - | - | - | - | 139,959 |
| Total assets | $ 331,880 | $ 1,316,730 | $ 150,246 | $ 21,394 | $ 339,692 | $ 433,255 | $ 8,435 | $ 2,601,632 |
| **LIABILITIES AND FUND BALANCES** | | | | | | | | |
| **LIABILITIES** | | | | | | | | |
| Accounts payable | $ 2,030 | $ - | $ 8,544 | $ 627 | $ 20,220 | $ - | $ - | $ 31,421 |
| Accrued liabilities | - | - | - | - | 967 | - | - | 967 |
| Due to other funds | 138,054 | 6,828 | - | - | 303,505 | - | - | 448,387 |
| Total liabilities | 140,084 | 6,828 | 8,544 | 627 | 324,692 | - | - | 480,775 |
| **FUND BALANCES** | | | | | | | | |
| Nonspendable: | | | | | | | | |
| Prepaid items | 139,959 | - | - | - | - | - | - | 139,959 |
| Restricted for: | | | | | | | | |
| Capital construction | - | - | - | - | - | - | 8,435 | 8,435 |
| Emergency telephone system operations | 51,837 | - | - | - | - | - | - | 51,837 |
| Tourism and economic development | - | - | 141,702 | - | - | - | - | 141,702 |
| Law enforcement activities | - | 1,309,902 | - | 20,767 | - | - | - | 1,330,669 |
| Committed for: | | | | | | | | |
| Redevelopment and planning | - | - | - | - | 15,000 | 433,255 | - | 448,255 |
| Total fund balances | 191,796 | 1,309,902 | 141,702 | 20,767 | 15,000 | 433,255 | 8,435 | 2,120,857 |
| Total liabilities and fund balances | $ 331,880 | $ 1,316,730 | $ 150,246 | $ 21,394 | $ 339,692 | $ 433,255 | $ 8,435 | $ 2,601,632 |

# CITY OF FOREST PARK, GEORGIA

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
## NONMAJOR GOVERNMENTAL FUNDS
## FOR THE FISCAL YEAR ENDED JUNE 30, 2016

| | Special Revenue Funds | | | | | | Capital Projects Fund | |
|---|---|---|---|---|---|---|---|---|
| | Emergency Telephone System Fund | Police Seizure Fund | Hotel/Motel Tax Fund | Multiple Grants Fund | Forest Park/ Ft. Gillem LRA Fund | Tax Allocation District One Ft. Gillem & Main Street Fund | Capital Improvement Fund | Total Nonmajor Governmental Funds |
| **REVENUES** | | | | | | | | |
| Taxes | $ - | $ - | $ 60,495 | $ - | $ - | $ 216,164 | $ - | $ 276,659 |
| Fines and forfeitures | - | 49,801 | - | - | - | - | - | 49,801 |
| Charges for services | 305,809 | - | - | - | - | - | - | 305,809 |
| Intergovernmental | - | - | - | 75,903 | 385,524 | - | - | 461,427 |
| Interest | - | 2,734 | - | - | - | 1,415 | - | 4,149 |
| Total revenues | 305,809 | 52,535 | 60,495 | 75,903 | 385,524 | 217,579 | - | 1,097,845 |
| **EXPENDITURES** | | | | | | | | |
| Current: | | | | | | | | |
| Redevelopment and planning | - | - | - | - | 441,437 | - | - | 441,437 |
| Public safety | 272,767 | 38,379 | - | 26,683 | - | - | - | 337,829 |
| Tourism and economic development | - | - | 25,455 | - | - | - | - | 25,455 |
| Capital outlay: | | | | | | | | |
| Public safety | 25,808 | - | - | 287 | - | - | - | 26,095 |
| Public works | - | - | - | 48,896 | - | - | - | 48,896 |
| Debt service: | | | | | | | | |
| Principal | 80,973 | - | - | - | - | - | - | 80,973 |
| Interest and fiscal charges | 13,582 | - | - | - | - | - | - | 13,582 |
| Total expenditures | 393,130 | 38,379 | 25,455 | 75,866 | 441,437 | - | - | 974,267 |
| Excess (deficiency) of revenues over (under) expenditures | (87,321) | 14,156 | 35,040 | 37 | (55,913) | 217,579 | - | 123,578 |
| **OTHER FINANCING SOURCES** | | | | | | | | |
| Transfers in | 266,195 | - | - | - | 158,575 | - | - | 424,770 |
| Total other financing uses | 266,195 | - | - | - | 158,575 | - | - | 424,770 |
| Net change in fund balances | 178,874 | 14,156 | 35,040 | 37 | 102,662 | 217,579 | - | 548,348 |
| **FUND BALANCES (deficits), beginning of fiscal year** | 12,922 | 1,295,746 | 106,662 | 20,730 | (87,662) | 215,676 | 8,435 | 1,572,509 |
| **FUND BALANCES, end of fiscal year** | $ 191,796 | $ 1,309,902 | $ 141,702 | $ 20,767 | $ 15,000 | $ 433,255 | $ 8,435 | $ 2,120,857 |

# CITY OF FOREST PARK, GEORGIA
## EMERGENCY TELEPHONE SYSTEM FUND - SPECIAL REVENUE FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2016

| | Budget | | | Variance With |
|---|---|---|---|---|
| | Original | Final | Actual | Final Budget |
| **REVENUES** | | | | |
| Charges for services | $ 315,000 | $ 350,000 | $ 305,809 | $ (44,191) |
| Total revenue | 315,000 | 350,000 | 305,809 | (44,191) |
| **EXPENDITURES** | | | | |
| Current: | | | | |
| Public safety | 230,445 | 240,445 | 272,767 | (32,322) |
| Capital outlay: | | | | |
| Public safety | 50,000 | 15,000 | 25,808 | (10,808) |
| Debt service: | | | | |
| Principal | 80,000 | 80,000 | 80,973 | (973) |
| Interest and fiscal charges | 14,555 | 14,555 | 13,582 | 973 |
| Total expenditures | 375,000 | 350,000 | 393,130 | (43,130) |
| Deficiency of revenues under expenditures | (60,000) | - | (87,321) | (87,321) |
| **OTHER FINANCING SOURCES** | | | | |
| Transfers in | - | - | 266,195 | 266,195 |
| Total other financing sources | - | - | 266,195 | 266,195 |
| Net change in fund balances | (60,000) | - | 178,874 | 178,874 |
| **FUND BALANCES, beginning of fiscal year** | 12,922 | 12,922 | 12,922 | - |
| **FUND BALANCES (DEFICITS), end of fiscal year** | $ (47,078) | $ 12,922 | $ 191,796 | $ 178,874 |

# CITY OF FOREST PARK, GEORGIA
## POLICE SEIZURE FUND - SPECIAL REVENUE FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2016

| | Budget | | | Variance With |
|---|---|---|---|---|
| | Original | Final | Actual | Final Budget |
| **REVENUES** | | | | |
| Fines and forfeitures | $ 50,000 | $ 50,000 | $ 49,801 | $ (199) |
| Interest income | - | - | 2,734 | 2,734 |
| Total revenues | 50,000 | 50,000 | 52,535 | 2,535 |
| **EXPENDITURES** | | | | |
| Current - public safety | 50,000 | 50,000 | 38,379 | 11,621 |
| Total expenditures | 50,000 | 50,000 | 38,379 | 11,621 |
| Net change in fund balances | - | - | 14,156 | 14,156 |
| **FUND BALANCES, beginning of fiscal year** | 1,295,746 | 1,295,746 | 1,295,746 | - |
| **FUND BALANCES, end of fiscal year** | $ 1,295,746 | $ 1,295,746 | $ 1,309,902 | $ 14,156 |

# CITY OF FOREST PARK, GEORGIA
## HOTEL/MOTEL TAX FUND - SPECIAL REVENUE FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2016

| | Budget | | | Variance With |
|---|---|---|---|---|
| | Original | Final | Actual | Final Budget |
| **REVENUES** | | | | |
| Taxes | $ 35,000 | $ 55,000 | $ 60,495 | $ 5,495 |
| Total revenue | 35,000 | 55,000 | 60,495 | 5,495 |
| **EXPENDITURES** | | | | |
| Current - tourism and economic development | 35,000 | 55,000 | 25,455 | 29,545 |
| Total expenditures | 35,000 | 55,000 | 25,455 | 29,545 |
| Net change in fund balances | - | - | 35,040 | 35,040 |
| **FUND BALANCES, beginning of fiscal year** | 106,662 | 106,662 | 106,662 | - |
| **FUND BALANCES, end of fiscal year** | $ 106,662 | $ 106,662 | $ 141,702 | $ 35,040 |

# CITY OF FOREST PARK, GEORGIA
## MULTIPLE GRANTS FUND - SPECIAL REVENUE FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2016

| | Budget | | | Variance With |
|---|---|---|---|---|
| | Original | Final | Actual | Final Budget |
| **REVENUES** | | | | |
| Intergovernmental | $ 294,602 | $ 294,602 | $ 75,903 | $ (218,699) |
| Total revenue | 294,602 | 294,602 | 75,903 | (218,699) |
| **EXPENDITURES** | | | | |
| Current - public safety | 40,523 | 40,523 | 26,683 | 13,840 |
| Capital outlay - public safety | 19,156 | 19,156 | 287 | 18,869 |
| Capital outlay - public works | 234,923 | 234,923 | 48,896 | 186,027 |
| Total expenditures | 294,602 | 294,602 | 75,866 | 218,736 |
| Net change in fund balances | - | - | 37 | 37 |
| **FUND BALANCES, beginning of fiscal year** | 20,730 | 20,730 | 20,730 | - |
| **FUND BALANCES, end of fiscal year** | $ 20,730 | $ 20,730 | $ 20,767 | $ 37 |

# CITY OF FOREST PARK, GEORGIA
## FOREST PARK/FT. GILLEM LRA FUND - SPECIAL REVENUE FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2016

| | Budget | | | Variance With |
|---|---|---|---|---|
| | Original | Final | Actual | Final Budget |
| **REVENUES** | | | | |
| Intergovernmental | $ 434,306 | $ 434,306 | $ 385,524 | $ (48,782) |
| Total revenue | 434,306 | 434,306 | 385,524 | (48,782) |
| **EXPENDITURES** | | | | |
| Redevelopment and planning | 485,525 | 485,525 | 441,437 | 44,088 |
| Total expenditures | 485,525 | 485,525 | 441,437 | 44,088 |
| Excess (deficiency) of revenues over (under) expenditures | (51,219) | (51,219) | (55,913) | (4,694) |
| **OTHER FINANCING SOURCES** | | | | |
| Transfers in | 51,219 | 51,219 | 158,575 | 107,356 |
| Total other financing sources | 51,219 | 51,219 | 158,575 | 107,356 |
| Net change in fund balances | - | - | 102,662 | 102,662 |
| **FUND BALANCES (DEFICITS), beginning of fiscal year** | (87,662) | (87,662) | (87,662) | - |
| **FUND BALANCES (DEFICITS), end of fiscal year** | $ (87,662) | $ (87,662) | $ 15,000 | $ 102,662 |

# CITY OF FOREST PARK, GEORGIA
## TAX ALLOCATION DISTRICT ONE - FT. GILLEM AND MAIN STREET
## SPECIAL REVENUE FUND

### SCHEDULE OF REVENUES, EXPENDITURES,
### AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
### FOR THE FISCAL YEAR ENDED JUNE 30, 2016

| | Budget | | | Variance With |
|---|---|---|---|---|
| | Original | Final | Actual | Final Budget |
| **REVENUES** | | | | |
| Taxes | $ 50,000 | $ 50,000 | $ 216,164 | $ 166,164 |
| | - | - | 1,415 | 1,415 |
| Total revenue | 50,000 | 50,000 | 217,579 | 166,164 |
| **EXPENDITURES** | | | | |
| Redevelopment and planning | 105,000 | 105,000 | - | 105,000 |
| Total expenditures | 105,000 | 105,000 | - | 105,000 |
| Net change in fund balances | (55,000) | (55,000) | 217,579 | 272,579 |
| **FUND BALANCES, beginning of fiscal year** | 215,676 | 215,676 | 215,676 | - |
| **FUND BALANCES, end of fiscal year** | $ 160,676 | $ 160,676 | $ 433,255 | $ 272,579 |

# CITY OF FOREST PARK, GEORGIA
## SPLOST FUND - CAPITAL PROJECTS FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2016

| | Budget | | | Variance With |
|---|---|---|---|---|
| | Original | Final | Actual | Final Budget |
| **REVENUES** | | | | |
| Intergovernmental | $ - | $ - | $ 3,063,515 | $ 3,063,515 |
| Interest income | - | - | 4,137 | 4,137 |
| Total revenue | - | - | 3,067,652 | 3,067,652 |
| **EXPENDITURES** | | | | |
| Public works | 385,000 | 385,000 | 382,324 | 2,676 |
| Capital outlay | 2,530,000 | 2,530,000 | 1,071,496 | 1,458,504 |
| Debt service | | | | |
| Principal | - | - | 32,136 | (32,136) |
| Total expenditures | 2,915,000 | 2,915,000 | 1,485,956 | 1,429,044 |
| Net change in fund balances | (2,915,000) | (2,915,000) | 1,581,696 | 4,496,696 |
| **FUND BALANCES, beginning of fiscal year** | 4,184,310 | 4,184,310 | 4,184,310 | - |
| **FUND BALANCES, end of fiscal year** | $ 1,269,310 | $ 1,269,310 | $ 5,766,006 | $ 4,496,696 |

# CITY OF FOREST PARK, GEORGIA

## SCHEDULE OF PROJECTS CONSTRUCTED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS SERIES 2008 FOR THE FISCAL YEAR ENDED JUNE 30, 2016

| Projects | Project | Original Estimated Cost (1) | Revised Estimated Cost (1) | Expenditures | | | Estimated Percentage of Completion (2) |
|---|---|---|---|---|---|---|---|
| | | | | Prior Fiscal Years | Current Fiscal Year | Total | |
| LCI Main Street - Phase I | A | $ 1,900,000 | $ 560,210 | $ 560,210 | $ - | $ 560,210 | 100.00% |
| Underground Utilities - Main Street | B | 2,500,000 | 2,500,000 | 547,786 | - | 547,786 | 21.91% |
| Sidewalks to Schools - Phase III Transit Oriented Pedestrian Improvements - design, construction, & right of way acquisition. | C | 2,500,000 | 195,996 | 195,996 | - | 195,996 | 100.00% |
| Recreational Center - design & construction | D | 9,500,000 | 1,875,161 | 1,836,724 | 32,460 | 1,869,184 | 99.68% |
| Property Acquisition - Street improvements, transit purchase, recreational areas, & greenspace. | E | 6,000,000 | 10,318,399 | 10,318,399 | - | 10,318,399 | 100.00% |
| Transit Station - design & construction | F | 3,000,000 | 30,000 | 30,000 | - | 30,000 | 100.00% |
| City Hall - Expansion and parking - design & construction | G | 2,300,000 | 296,583 | 287,652 | 8,931 | 296,583 | 100.00% |
| New Computer System - City Hall - computers, software, & installation. | H | 650,000 | 766,204 | 704,879 | 61,325 | 766,204 | 100.00% |
| Walkover Bridge over Forest Parkway - design & construction | I | 1,200,000 | - | - | - | - | 0.00% |
| LCI Main Street Project - Phase II | J | 2,700,000 | 1,565,956 | 203,858 | 41,300 | 245,158 | 15.66% |
| Paving of remaining streets not completed in current SPLOST | K | 3,400,000 | 680,355 | 680,355 | - | 680,355 | 100.00% |
| Annex Expansion - design & construction | L | 1,900,000 | 205,845 | 201,427 | 4,418 | 205,845 | 100.00% |
| Sidewalks to Schools - Phase I & II - design, construction, & right of way acquisition. | M | 2,800,000 | 46,741 | 46,741 | - | 46,741 | 100.00% |
| Recreational Miscellaneous Projects - athletic field development, senior building addition, starr park & athletic field lighting, outdoor pool & water park, skate park, walking trail, & mini golf new construction. | N | 6,500,000 | 436,866 | 434,255 | 2,611 | 436,866 | 100.00% |
| Sidewalks, curbs, & gutters - right of way acquisition & additional streets. | O | 1,500,000 | 531,668 | 531,668 | - | 531,668 | 100.00% |
| Capital equipment for parks & streets | P | 750,000 | 805,797 | 615,809 | 149,892 | 765,701 | 95.02% |
| Fire equipment - quint ladder truck, 1 engine, & 3 ambulances | Q | 1,500,000 | 1,639,021 | 1,624,444 | 14,577 | 1,639,021 | 100.00% |
| Police vehicle purchases | R | 700,000 | 1,529,115 | 1,529,115 | - | 1,529,115 | 100.00% |
| Program administration | S | 800,000 | 11,029 | 11,029 | - | 11,029 | 100.00% |
| Transportation projects - miscellaneous | T | 1,300,000 | 358,375 | 357,838 | 537 | 358,375 | 100.00% |
| Construction & Design Community - buildings phase I, III, IV | U | 2,600,000 | 952,827 | 695,018 | 257,809 | 952,827 | 100.00% |
| New Fire Station - Station 3 - design, construction, & property acquisition. | V | 3,500,000 | - | - | - | - | 100.00% |
| Totals | | $ 59,500,000 | $ 25,306,148 | $ 21,413,203 | $ 573,860 | $ 21,987,063 | 86.88% |

**Notes:**

(1) Unaudited

(2) Estimated percentage of completion represents total expenditures divided by revised estimated costs.

- For Projects F, I, L, M, N, O, S, T, U, and V, per the original County SPLOST Resolution, these projects were to be completed if additional SPLOST Funds were available. However, the City only received 42% of the original estimated 2008 SPLOST funding as of June 30, 2015. Due to the lack of additional funding, these projects will either not be completed or will be completed in the future through other funding sources. The original estimated costs have been revised to reflect these changes.

- For Project V, prior to June 30, 2015, the U.S. Department of Defense donated the Fire Station that is located on the Ft. Gillem Army Military Base to the City of Forest Park prior to the City's acquisition of the military base. This Project was initially included in the County Resolution to support this additional area upon acquisition. Since the Fire Station was donated, there was no need for the City to use SPLOST funding to build a new fire station. Therefore, the original estimated cost was revised to zero and the project is assumed to be 100% completed.

# CITY OF FOREST PARK, GEORGIA

## SCHEDULE OF PROJECTS CONSTRUCTED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS SERIES 2015 FOR THE FISCAL YEAR ENDED JUNE 30, 2016

| Projects | Original Estimated Cost (1) | Revised Estimated Cost (1) | Expenditures: Prior Fiscal Years | Expenditures: Current Fiscal Year | Expenditures: Total | Estimated Percentage of Completion (2) |
|---|---|---|---|---|---|---|
| City Hall Equipment | $ 150,000 | $ 150,000 | $ 46,824 | $ 15,626 | $ 62,450 | 41.63% |
| Streetscape Improvements, sidewalks, curb & gutter and landscaping on misc. streets | 1,500,000 | 1,500,000 | - | - | - | 0.00% |
| Landscaping (Median areas city wide) | 500,000 | 500,000 | - | - | - | 0.00% |
| Multi Purpose Special Event Center | 2,000,000 | 2,000,000 | - | - | - | 0.00% |
| City Hall Renovation, Parking & Equipment (Continuation) | 1,500,000 | 1,500,000 | - | 16,050 | 16,050 | 1.07% |
| Support Services Computer & Other Equipment | 22,000 | 22,000 | 9,445 | - | 9,445 | 42.93% |
| City Hall Annex Improvements | 6,000 | 6,000 | - | - | - | 0.00% |
| Police Vehicles | 800,000 | 800,000 | 442,067 | 18,854 | 460,921 | 57.62% |
| Police Computer Equipment | 215,000 | 215,000 | 358,226 | 265,788 | 624,014 | 290.24% |
| Police Firearms Training Systems | 235,000 | 235,000 | - | - | - | 0.00% |
| Police Facility Improvements | 35,000 | 35,000 | 18,986 | 8,464 | 27,450 | 78.43% |
| Pool renovation, pool addition, tennis courts & equipment | 2,567,048 | 2,567,048 | 4,000 | 7,821 | 11,821 | 0.46% |
| Kiwanis Stadium Construction/Renovation | 2,000,000 | 2,000,000 | 2,115 | 2,925 | 5,040 | 0.25% |
| Memorial Park | 1,000,000 | 1,000,000 | - | - | - | 0.00% |
| Street Resurfacing | 2,000,000 | 2,000,000 | - | 382,324 | 382,324 | 19.12% |
| Public Works Building Construction | 1,500,000 | 1,500,000 | 27,464 | 11,456 | 38,920 | 2.59% |
| Public Works Vehicles | 100,000 | 100,000 | - | 55,687 | 55,687 | 55.69% |
| Planning, Building & Zoning Equipment | 85,000 | 85,000 | 32,564 | 1,494 | 34,058 | 40.07% |
| Planning, Building & Zoning Vehicles | 84,500 | 84,500 | - | - | - | 0.00% |
| Agnes Bateman Community Building | 85,000 | 85,000 | - | 5,225 | 5,225 | 6.15% |
| Fire Vehicle / Equipment Replacement | 1,000,000 | 1,000,000 | 166,676 | 114,296 | 280,972 | 28.10% |
| Fire Facility Improvements / Renovation | 2,000,000 | 2,000,000 | - | 6,086 | 6,086 | 0.30% |
| Totals | $ 19,384,548 | $ 19,384,548 | $ 1,108,367 | $ 912,096 | $ 2,020,463 | 10.42% |

| | |
|---|---|
| Total Expenditures - 2008 SPLOST: | 573,860 |
| Total SPLOST Expenditures - Fiscal Year Ended June 30, 2016: | $ 1,485,956 |

Reconciliation of the Schedule of Projects Constructed with Special Sales Tax Proceeds to the Statement of Revenues, Expenditures, and Changes in Fund Balances Governmental Funds:

| | |
|---|---|
| Public Works: | $ 382,324 |
| Capital Outlay: | $ 1,071,496 |
| Debt Service: | 32,136 |
| | $ 1,485,956 |

(1) Unaudited

(2) Estimated percentage of completion represents total expenditures divided by revised estimated costs.

# STATISTICAL SECTION

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


| | Page |
|---|---|
| **Financial Trends** | **59** |
| **These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.** | |
| **Revenue Capacity** | **65** |
| **These schedules contain information to help the reader assess the City's most significant local revenue source, property tax.** | |
| **Debt Capacity** | **71** |
| **These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.** | |
| **Demographic and Economic Information** | **75** |
| **These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.** | |
| **Operating Information** | **78** |
| **These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.** | |


Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year. The City implemented GASB 54 in Fiscal Year 2011; fund balance for governmental funds under the categories nonspendable, restricted, committed, assigned, and unassigned will be reflected in Fiscal Year 2011 and subsequent periods. The City also implemented GASB 63; Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position in Fiscal Year 2013.

**SCHEDULE 1**
**CITY OF FOREST PARK, GEORGIA**
**Net Position by Component**
**Last Ten Fiscal Years**
**(Accrual basis of accounting)**

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|---|---|---|---|---|---|---|---|---|---|---|
| Governmental activities | | | | | | | | | | |
| Net investment in capital assets | $ 9,956,448 | $ 10,321,785 | $ 10,421,731 | $ 11,491,984 | $ 13,779,462 | $ 15,242,947 | $ 16,185,806 | $ 17,669,695 | $ 18,964,221 | $ 18,604,312 |
| Restricted | 2,213,195 | 2,624,834 | 3,891,311 | 1,727,509 | 2,391,207 | 1,426,846 (2) | 3,623,381 | 5,242,867 | 5,615,883 | 7,298,649 |
| Unrestricted (deficit) | 1,230,074 | 2,743,819 | 1,859,062 | 6,376,416 | 5,249,219 | 2,577,470 (3) | 1,690,027 | 50,277 | (1,391,133) | (1,033,770) |
| Total governmental activities net position | 13,399,717 | 15,690,438 | 16,172,104 | 19,595,909 | 21,419,888 | 19,247,263 | 21,499,214 | 22,962,839 | 23,188,971 | 24,869,191 |
| Business-type activities | | | | | | | | | | |
| Net investment in capital assets | 121,706 | 106,788 | 1,930,490 | 3,658,321 | 7,682,310 (1) | 8,013,467 | 8,001,214 | 8,001,214 | 14,685,778 | 17,318,422 |
| Unrestricted | 512,423 | 774,337 | (882,512) | (983,364) | (2,762,344) | 572,360 (3) | 200,431 (4) | 6,807,960 | (3,152,169) | (7,684,006) |
| Total business-type activities net position | 634,129 | 881,125 | 1,047,978 | 2,674,957 | 4,919,966 | 8,585,827 | 8,201,645 | 14,809,174 | 11,533,609 | 9,634,416 |
| Primary government | | | | | | | | | | |
| Net investment in capital assets | 10,078,154 | 10,428,573 | 12,352,221 | 15,150,305 | 21,461,772 (1) | 23,256,414 | 24,187,020 | 25,670,909 | 33,649,999 | 35,922,734 |
| Restricted | 2,213,195 | 2,624,834 | 3,891,311 | 1,727,509 | 2,391,207 | 1,426,846 | 3,623,381 | 5,242,867 | 5,615,883 | 7,298,649 |
| Unrestricted | 1,742,497 | 3,518,156 | 976,550 | 5,393,052 | 2,486,875 | 3,149,830 | 1,890,458 | 6,858,237 | (4,543,302) | (8,717,776) |
| Total primary government net position | $ 14,033,846 | $ 16,571,563 | $ 17,220,082 | $ 22,270,866 | $ 26,339,854 | $ 27,833,090 | $ 29,700,859 | $ 37,772,013 | $ 34,722,580 | $ 34,503,607 |

Notes:

(1) Increase due to land and property purchases throughout the City for redevelopment purposes.

(2) Decrease due to the City expending resources for technological upgrades and improvements to its E911 system.

(3) Changes due to transfers from governmental activities to fund property acquisitions for redevelopment purposes.

(4) Changes due to unspent committed debt proceeds and operating income to be used for future land acquisition and redevelopment projects.

**SCHEDULE 2**
**CITY OF FOREST PARK, GEORGIA**
**Changes in Net Position**
**Last Ten Fiscal Years**
**(Accrual basis of accounting)**

| Expenses | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|---|---|---|---|---|---|---|---|---|---|---|
| Governmental activities: | | | | | | | | | | |
| General government | $ 2,347,243 | $ 2,114,016 | $ 2,687,936 | $ 2,091,985 | $ 2,906,736 | $ 3,142,120 | $ 3,124,003 | $ 2,855,909 | $ 2,863,828 | $ 2,677,825 |
| Public safety | 12,184,123 | 11,754,730 | 11,961,092 | 12,846,730 | 14,067,567 | 15,782,226 | 15,857,835 | 15,756,330 | 15,451,710 | 15,230,605 |
| Public works | 2,317,216 | 2,269,108 | 2,364,117 | 2,448,999 | 3,164,165 | 3,146,528 | 3,254,195 | 3,196,689 | 3,358,782 | 3,892,680 |
| Culture and recreation | 935,614 | 1,208,130 | 1,223,290 | 1,495,372 | 1,261,707 | 1,366,783 | 1,286,548 | 1,353,806 | 1,353,839 | 1,331,029 |
| Housing and development | 525,315 | 561,177 | 835,343 | 827,490 | 896,377 | 985,641 | 1,126,218 | 769,672 | 730,914 | 765,987 |
| Redevelopment and planning | 675,990 | 169,885 | 1,456,053 | 340,056 | 299,604 | 395,892 | 725,506 | 1,260,977 | 1,241,205 | 445,708 |
| Judicial | - | 125,734 | 257,385 | 325,629 | 207,360 | 141,786 | 130,288 | 140,667 | 134,087 | 126,397 |
| Tourism and economic development | - | 12,147 | 6,703 | 18,137 | 27,552 | 32,499 | 42,707 | 29,944 | 31,098 | 25,455 |
| Interest on long-term debt | 41,150 | 16,011 | - | - | - | - | 18,452 | 16,055 | 13,582 | 23,284 |
| Total governmental activities expenses | 19,026,651 | 18,230,938 | 20,791,919 | 20,394,398 | 22,831,068 | 24,993,475 | 25,565,752 | 25,380,049 | 25,179,045 | 24,518,970 |
| Business-type activities: | | | | | | | | | | |
| Local Redevelopment Authority | - | - | 41,020 | 125,873 | 61,471 | 109,697 | 62,249 | 82,945 | 344,520 | 230,797 |
| Urban Redevelopment Agency | - | - | - | - | - | - | - (3) | 15,388,137 | 4,743,090 | 2,134,449 |
| Sanitation | 2,068,182 | 2,236,962 | 2,368,069 | 2,480,845 | 2,572,496 | 2,622,834 | 2,511,093 | 2,379,596 | 2,105,456 | 2,272,674 |
| Total business-type activities expenses | 2,068,182 | 2,236,962 | 2,409,089 | 2,606,718 | 2,633,967 | 2,732,531 | 2,573,342 | 17,850,678 | 7,193,066 | 4,637,920 |
| **Program Revenues** | | | | | | | | | | |
| Governmental activities | | | | | | | | | | |
| Charges for services: | | | | | | | | | | |
| General government | - | 384,799 | 429,780 | 321,727 | 344,247 | 199,891 | 226,944 | 208,726 | 616,160 | 467,915 |
| Public safety | 5,177,480 | 4,207,547 | 4,055,775 | 3,968,207 | 4,617,257 | 4,192,881 | 4,059,079 | 3,346,648 | 3,585,768 | 3,414,799 |
| Public works | 600 | 836 | 775 | 380 | 247 | 970 | 1,995 | 1,225 | - | - |
| Culture and Recreation | 179,569 | 178,558 | 168,564 | 186,687 | 204,537 | 216,339 | 202,393 | 667,820 | 225,541 | 230,209 |
| Housing and development | 1,034,505 | - | - | - | - | - | - | - | - | - |
| Judicial | - | 41,217 | - | - | - | - | - | - | - | - |
| Operating grants and contributions | 362,576 | 453,070 | 965,305 | 366,483 | 741,451 | 695,971 | 751,815 | 1,136,655 | 820,913 | 519,298 |
| Capital grants and contributions | 913,590 | 132,050 | 5,965,531 (2) | 4,834,667 | 5,347,809 | 5,246,034 | 5,444,621 | 4,506,932 | 3,820,567 | 3,143,555 |
| Total governmental activities program revenues | 7,668,320 | 5,398,077 | 11,585,730 | 9,678,151 | 11,255,548 | 10,552,086 | 10,686,847 | 9,868,006 | 9,068,949 | 7,775,776 |
| Business-type activities | | | | | | | | | | |
| Charges for services: | | | | | | | | | | |
| Local Redevelopment Authority | - | - | 17,500 | 24,290 | 33,810 | 82,810 | 71,960 | 85,916 | 103,558 | 97,653 |
| Urban Redevelopment Agency | - | - | - | - | - | - | - (3) | 22,093,933 | 1,071,561 | 263,913 |
| Sanitation | 2,326,625 | 2,483,958 | 2,512,347 | 2,450,277 | 2,523,583 | 2,406,240 | 2,691,874 | 2,778,338 | 2,300,605 | 3,117,709 |
| Operating grants and contributions | - | - | 44,895 | - | - | - | - | - | - | - |
| Capital grants and contributions | - | - | - | - | - | - | - | - | 450,000 | - |
| Total business-type activities program revenues | 2,326,625 | 2,483,958 | 2,574,742 | 2,474,567 | 2,557,393 | 2,489,050 | 2,763,834 | 24,958,187 | 3,925,724 | 3,479,275 |
| Total primary government program revenues | 9,994,945 | 7,882,035 | 14,160,472 | 12,152,718 | 13,812,941 | 13,041,136 | 13,450,681 | 34,826,193 | 12,994,673 | 11,255,051 |

## SCHEDULE 2 (CONTINUED)
## CITY OF FOREST PARK, GEORGIA
## Changes in Net Position
## Last Ten Fiscal Years
## (Accrual basis of accounting)

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Net (Expense) Revenue** | | | | | | | | | | |
| Governmental activities | $ (11,358,331) | $ (12,832,861) | $ (9,206,189) | $ (10,716,247) | $ (11,575,520) | $ (14,441,389) | $ (14,878,905) | $ (15,512,043) | $ (16,110,096) | $ (16,743,194) |
| Business-type activities | 258,443 | 246,996 | 165,653 | (132,151) | (76,574) | (243,481) | 190,492 | 7,107,509 | (3,267,342) | (1,158,645) |
| Total primary government net expense | (11,099,888) | (12,585,865) | (9,040,536) | (10,848,398) | (11,652,094) | (14,684,870) | (14,688,413) | (8,404,534) | (19,377,438) | (17,901,839) |
| **General Revenues and Other Changes in Net Position** | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Property and other taxes | 11,588,735 | 15,008,117 (1) | 55,433 (2) | 88,372 | 102,415 | 16,121,874 | 16,449,435 | 16,419,905 | 16,214,024 | 17,557,309 |
| Unrestricted investment earnings | 156,513 | 115,465 | 93,732 | 127,788 | 18,987 | 12,390 | 10,673 | 6,775 | 3,775 | 8,561 |
| Miscellaneous | 50,809 | - | - | - | - | 32,137 | 96,060 | 48,988 | 55,259 | 30,421 |
| Gains on sale of capital assets | 49,507 | - | 23,731 | 13,501 | 22,292 | - | - | - | 10,259 | 76,388 |
| Transfers | - | - | - | (1,759,079) | (2,319,609) | (3,897,637) | 574,688 | 500,000 | 52,911 | 750,735 |
| Total governmental activities | 11,845,564 | 15,123,582 | 172,896 | (1,529,418) | (2,175,915) | 12,268,764 | 17,130,856 | 16,975,668 | 16,336,228 | 18,423,414 |
| Business-type activities | | | | | | | | | | |
| Gains on sale of capital assets | - | - | 1,200 | - | - | - | - | - | - | - |
| Unrestricted investment earnings | - | - | - | - | - | - | - | - | 5,482 | 9,474 |
| Miscellaneous | - | - | - | 51 | 1,974 | 11,705 | 14 | 20 | 39,206 | 713 |
| Transfers | - | - | - | 1,759,079 | 2,319,609 | 3,897,637 | (574,688) | (500,000) | (52,911) | (750,735) |
| Total business-type activities | - | - | 1,200 | 1,759,130 | 2,321,583 | 3,909,342 | (574,674) | (499,980) | (8,223) | (740,548) |
| Total primary government | 11,845,564 | 15,123,582 | 174,096 | 229,712 | 145,668 | 16,178,106 | 16,556,182 | 16,475,688 | 16,328,005 | 17,682,866 |
| **Change in Net Position** | | | | | | | | | | |
| Governmental activities | 487,233 | 2,290,721 (1) | (9,033,293) | (12,245,665) | (13,751,435) | (2,172,625) | 2,251,951 | 1,463,625 | 226,132 | 1,680,220 |
| Business-type activities | 258,443 | 246,996 | 166,853 | 1,626,979 | 2,245,009 | 3,665,861 | (384,182) (3) | 6,607,529 | (3,275,565) | (1,899,193) |
| Total primary government | $ 745,676 | $ 2,537,717 | $ (8,866,440) | $ (10,618,686) | $ (11,506,426) | $ 1,493,236 | $ 1,867,769 | $ 8,071,154 | $ (3,049,433) | $ (218,973) |

Notes:

(1) FY 2008 property and other taxes increased significantly over previous years due to increase in the millage rate for 2007; therefore, governmental activities change in net assets increased significantly as well compared to previous fiscal years.

(2) Reclassed sales tax revenues as program revenues instead of general tax revenues in order to be comparable to fiscal years 2010 and 2011.

(3) Increase is due to the creation of the Urban Redevelopment Agency during fiscal year 2014 and its completion of phase one of acquiring certain property from Fort Glillem through the issuance of debt and then the sale of certain land that was held for resell to other parties during the month of June 2014.

# SCHEDULE 3
# CITY OF FOREST PARK, GEORGIA
## Governmental Activities Tax Revenues by Source
## Last Ten Fiscal Years
## (Accrual basis of accounting)

| Fiscal Year | Property Tax | Motor Vehicle Tax | Hotel/Motel Tax | Alcoholic Beverage Tax | Sales Tax | Franchise Tax | Insurance Premium Tax | Business Tax | Other Tax | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| 2007 | $ 3,054,543 | $ 287,256 | $ 44,565 | $ 461,762 | $ 5,262,427 | $ 1,248,488 | $ 1,150,973 | $ - | $ 78,721 | $ 11,588,735 |
| 2008 | 5,526,403 (1) | 381,481 | 36,728 | 461,655 | 5,268,900 | 1,345,197 | 1,172,269 | 752,154 (2) | 63,330 | 15,008,117 |
| 2009 | 5,490,624 | 415,949 | 35,505 | 445,697 | 5,639,071 | 1,417,693 | 1,200,350 | 913,553 | 43,921 | 15,602,363 |
| 2010 | 6,604,492 | 432,328 | 28,212 | 422,215 | 4,864,063 (3) | 1,278,493 | 1,189,089 | 883,517 | 55,433 | 15,757,842 |
| 2011 | 6,694,917 | 477,619 | 29,985 | 382,636 | 4,627,030 (3) | 1,406,851 | 1,157,906 | 812,513 | 88,372 | 15,677,829 |
| 2012 | 7,156,546 | 546,084 | 27,143 | 372,190 | 4,767,454 (3) | 1,468,944 | 866,227 | 814,871 | 102,415 | 16,121,874 |
| 2013 | 7,065,068 | 754,280 (4) | 33,605 | 361,014 | 4,921,326 (3) | 1,375,538 | 930,353 | 857,492 | 150,759 | 16,449,435 |
| 2014 | 6,833,432 | 1,216,563 (4) | 54,297 | 350,268 | 4,770,385 (3) | 1,323,377 | 957,003 | 810,737 | 103,843 | 16,419,905 |
| 2015 | 6,334,235 | 948,874 | 55,296 | 354,862 | 4,991,349 (3) | 1,373,128 | 996,067 | 996,669 | 163,544 | 16,214,024 |
| 2016 | 6,866,918 | 851,830 | 60,495 | 369,360 | 5,674,290 (3) | 1,443,810 | 1,068,784 | 1,017,690 | 204,132 | 17,557,309 |

Notes:

(1) FY 2008 property taxes increased significantly over previous fiscal years due to an increase in the millage rate from 2007.

(2) For FY 2007 and prior fiscal years, business tax revenue was reported as licenses and permits revenue on the statement of revenues, expenditures, and changes in fund balance for governmental funds. Beginning in FY 2008, the revenue is reported as business tax revenue.

(3) Beginning in FY 2010, sales tax revenue only includes local option sales tax. Special purpose local option sales taxes are reported as capital grants and contributions on the statement of activities.

(4) The increase from fiscal year 2012 to fiscal year 2013 and from fiscal year 2013 to fiscal year 2014 is due to a new law in the State of Georgia. Motor vehicle taxes changed from an annual ad-valorem tax on the assessed value to a one-time title ad-valorem tax (TAVT).

**SCHEDULE 4**
**CITY OF FOREST PARK, GEORGIA**
**Fund Balances of Governmental Funds**
**Last Ten Fiscal Years**
**(Modified accrual basis of accounting)**

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|---|---|---|---|---|---|---|---|---|---|---|
| General Fund | | | | | | | | | | |
| Reserved | $ - | $ 579,481 | $ 1,160,408 | $ 595,959 | | | | | | |
| Unreserved, designated | 94,953 | 97,261 | 97,436 | 97,493 | | | | | | |
| Unreserved, undesignated | 2,992,155 | 3,640,758 | 4,036,190 | 6,042,890 | | | | | | |
| Total General Fund | $ 3,087,108 | $ 4,317,500 | $ 5,294,034 | $ 6,736,342 | | | | | | |
| All Other Governmental Funds | | | | | | | | | | |
| Reserved | $ 1,296,217 | $ 1,718,824 | $ 1,663,282 | $ 1,744,276 | | | | | | |
| Unreserved, reported in: | | | | | | | | | | |
| Special revenue funds | - | (5,132) | (42,668) | (42,668) | | | | | | |
| Capital projects funds | (12,298) | (55) | (565,672) | 765,395 | | | | | | |
| Total all other governmental funds | $ 1,283,919 | $ 1,713,637 | $ 1,054,942 | $ 2,467,003 | | | | | | |
| General Fund | | | | | | | | | | |
| Nonspendable | | | | | $ - | $ 7,812 | $ - | $ 965 | $ - | $ 6,228 |
| Restricted | | | | | - | - | - | - | - | - |
| Committed | | | | | - | - | - | - | - | - |
| Unassigned | | | | | 6,977,391 | 5,267,019 | 3,919,818 | 2,104,703 | 1,174,628 | 1,474,424 |
| Total General Fund | | | | | $ 6,977,391 | $ 5,274,831 | $ 3,919,818 | $ 2,105,668 | $ 1,174,628 | $ 1,480,652 |
| All Other Governmental Funds | | | | | | | | | | |
| Nonspendable | | | | | $ - | $ - | $ 94,555 | $ 94,555 | $ 94,555 | $ 139,959 |
| Restricted for: | | | | | | | | | | |
| Capital construction | | | | | 406,301 | 11,290 | 2,158,259 | 3,950,678 | 4,192,745 | 5,774,441 |
| Law enforcement activities | | | | | 965,942 | 979,739 | 1,113,377 | 1,204,521 | 1,295,746 | 1,330,669 |
| E911 operations | | | | | 946,380 | 368,604 | 276,945 | - | - | - |
| Tourism and economic development | | | | | 72,584 | 67,213 | 58,111 | 82,464 | 106,662 | 141,702 |
| Public safety operations | | | | | - | - | 16,689 | 5,204 | 20,730 | 51,837 |
| Committed for: | | | | | | | | | | |
| Redevelopment and planning | | | | | 1,979 | 1,728 | 1,477 | 156,818 | 215,676 | 448,255 |
| Unassigned (deficits) | | | | | - | (664,659) | - | (48,586) | (169,295) | - |
| Total all other governmental funds | | | | | $ 2,393,186 | $ 763,915 | $ 3,719,413 | $ 5,445,654 | $ 5,756,819 | $ 7,886,863 |

Note: Beginning in fiscal year 2011, fund balance is reported under categories using the definitions provided by GASB Statement No. 54.

# SCHEDULE 5
# CITY OF FOREST PARK, GEORGIA
## Changes in Fund Balances of Governmental Funds
## Last Ten Fiscal Years
## (Modified accrual basis of accounting)

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Revenues** | | | | | | | | | | |
| Taxes | $ 11,546,947 | $ 14,937,833 | $ 15,175,604 | $ 15,731,987 (1 | $ 15,670,092 (1) | $ 16,069,979 | $ 16,353,022 | $ 16,254,647 | $ 16,403,442 | $ 17,741,240 |
| Licenses and permits | 1,034,505 | 311,536 | 355,105 | 311,470 | 280,584 | 199,891 | 223,944 | 208,726 | 616,160 | 467,915 |
| Intergovernmental revenues | 1,570,611 | 585,120 | 1,291,765 | 5,433,497 (1 | 6,320,425 (1) | 5,941,362 | 6,195,949 | 5,642,165 | 4,637,977 | 3,658,716 |
| Fines and forfeitures | 2,200,211 | 3,448,869 | 3,203,838 | 3,040,492 | 3,643,479 | 3,343,140 | 3,240,878 | 2,582,055 | 2,228,634 | 2,001,275 |
| Charges for services | 561,920 | 984,239 | 1,026,558 | 1,118,670 | 1,185,947 | 1,067,050 | 1,025,589 | 1,433,638 | 1,582,675 | 1,643,733 |
| Investment earnings | 128,718 | 115,465 | 93,732 | 127,788 | 19,428 | 13,033 | 11,160 | 8,197 | 7,278 | 12,698 |
| Miscellaneous | 100,314 | 68,313 | 69,393 | 6,369 | 56,278 | 32,137 | 96,060 | 48,988 | 55,259 | 30,421 |
| Total revenues | 17,143,226 | 20,451,375 | 21,215,995 | 25,770,273 | 27,176,233 | 26,666,592 | 27,146,602 | 26,178,416 | 25,531,425 | 25,555,998 |
| **Expenditures** | | | | | | | | | | |
| General government | 2,190,658 | 2,122,684 | 2,614,437 | 2,390,000 | 2,740,971 | 2,722,016 | 2,899,138 | 2,620,594 | 2,650,559 | 2,501,960 |
| Public safety | 9,246,602 | 11,294,851 | 12,092,642 | 12,239,237 | 13,224,338 | 14,709,791 | 14,832,907 | 15,056,084 | 14,487,546 | 14,341,820 |
| Public works | 2,132,034 | 2,327,652 | 2,342,649 | 2,234,788 | 2,552,843 | 2,725,321 | 2,841,158 | 2,721,928 | 2,857,706 | 3,269,299 |
| Culture and recreation | 830,901 | 1,137,210 | 1,174,419 | 1,392,167 | 1,105,475 | 1,238,552 | 1,153,437 | 1,232,398 | 1,223,129 | 1,197,818 |
| Housing and development | 507,878 | 548,238 | 819,258 | 803,362 | 852,072 | 968,516 | 1,104,605 | 753,559 | 725,130 | 758,647 |
| Judicial | - | 132,632 | 130,487 | 125,615 | 136,622 | 139,854 | 128,701 | 139,163 | 132,884 | 125,187 |
| Redevelopment and planning | - | 169,885 | 1,456,053 | 336,036 | 294,656 | 406,220 | 529,312 | 1,090,659 | 771,673 | 441,437 |
| Tourism and economic development | - | 12,308 | 6,069 | 17,184 | 27,552 | 32,514 | 42,707 | 29,944 | 31,098 | 25,455 |
| Animal control | 46,846 | - | - | - | - | - | - | - | - | - |
| Capital outlay | 1,300,448 | 404,782 | - | - | - | - | - | - | - | - |
| Capital outlay - redevelopment and planning | - | - | 435,873 | 1,584,850 | 2,495,142 | 1,863,877 | 1,709,733 | 2,332,246 | 3,473,560 | 1,071,496 |
| Capital outlay - public safety | - | - | - | - | 111,242 | 705,559 | 696,256 | 369,024 | 53,381 | 26,095 |
| Capital outlay - public works | - | - | - | - | 1,158,617 | 730,831 | 737,034 | 291,738 | 26,363 | 48,896 |
| Capital outlay - culture and recreation | - | - | - | 47,087 | 12,154 | - | - | - | - | - |
| Debt service | | | | | | | | | | |
| Principal | 531,761 | 408,692 | - | - | - | 15,479 | 31,609 | 110,536 | 112,475 | 113,109 |
| Interest and fees | 41,149 | 16,011 | - | - | - | - | - | 18,452 | 16,055 | 25,834 |
| Total expenditures | 16,828,277 | 18,574,945 | 21,071,887 | 21,170,326 | 24,711,684 | 26,258,530 | 26,706,597 | 26,766,325 | 26,561,559 | 23,947,053 |
| Excess (deficiency) of revenues over (under) expenditures | 314,949 | 1,876,430 | 144,108 | 4,599,947 | 2,464,549 | 408,062 | 440,005 | (587,909) | (1,030,134) | 1,608,945 |
| Other Financing Sources (Uses) | | | | | | | | | | |
| Proceeds from issuance of debt | - | - | - | - | - | 157,744 | 585,792 | - | - | - |
| Proceeds from sale of capital assets | - | - | 23,731 | 13,501 | 22,292 | - | - | - | 10,259 | 76,388 |
| Transfers in | 665,308 | 920,238 | 58,014 | 170,646 | 280,019 | 108,477 | 756,227 | 608,628 | 402,859 | 1,175,505 |
| Transfers out | (665,308) | (920,238) | (58,014) | (1,929,725) | (2,599,628) | (4,006,114) | (181,539) | (108,628) | (2,859) | (424,770) |
| Total other financing sources (uses) | - | - | 23,731 | (1,745,578) | (2,297,317) | (3,739,893) | 1,160,480 | 500,000 | 410,259 | 827,123 |
| Net change in fund balances | $ 314,949 | $ 1,876,430 | $ 167,839 | $ 2,854,369 | $ 167,232 | $ (3,331,831) | $ 1,600,485 | $ (87,909) | $ (619,875) | $ 2,436,068 |
| Debt service as a percentage of noncapital expenditures | 3.83% | 2.39% | 0.00% | 0.00% | 0.00% | 0.07% | 0.13% | 0.55% | 0.56% | 0.61% |

(1) For FY 2010 and 2011, special purpose local option sales tax revenue is reported as intergovernmental revenue where as in prior fiscal years, this revenue was reported under taxes.

# SCHEDULE 6
# CITY OF FOREST PARK, GEORGIA
## General Government Tax Revenues by Source (1)
## Last Ten Fiscal Years
## (Modified accrual basis of accounting)

| Fiscal Year | Property Taxes (2) | Insurance Premium Taxes | Alcoholic Beverage Taxes | Sales Taxes | Franchise Taxes | Other Taxes | Total |
|---|---|---|---|---|---|---|---|
| 2007 | $ 3,328,809 | $ 1,150,973 | $ 461,762 | $ 5,262,427 | $ 1,248,488 | $ 786,678 | $ 12,239,137 |
| 2008 | 5,839,206 (3) | 1,172,269 | 461,655 | 5,268,900 | 1,345,197 | 813,881 | 14,901,108 |
| 2009 | 5,527,818 | 1,200,350 | 445,697 | 5,175,118 | 1,417,693 | 1,408,928 | 15,175,604 |
| 2010 | 6,578,637 (3) | 1,189,089 | 422,215 | 4,864,063 (4) | 1,278,493 | 1,399,490 | 15,731,987 |
| 2011 | 6,687,180 | 1,157,906 | 382,636 | 4,627,030 | 1,406,851 | 1,408,489 | 15,670,092 |
| 2012 | 7,687,245 (3) | 866,227 | 372,190 | 4,767,454 | 1,468,944 | 907,919 | 16,069,979 |
| 2013 | 7,811,228 | 930,353 | 361,014 | 4,921,326 | 1,375,538 | 953,563 | 16,353,022 |
| 2014 | 7,884,737 | 957,003 | 350,268 | 4,770,385 | 1,323,377 | 968,877 | 16,254,647 |
| 2015 | 7,471,925 | 996,669 | 354,862 | 4,991,349 | 1,373,128 | 1,215,509 | 16,403,442 |
| 2016 | 7,902,679 | 1,068,784 | 369,360 | 5,674,290 | 1,443,810 | 1,282,317 | 17,741,240 |

Notes:

(1) Includes all governmental fund type tax revenues.

(2) Includes ad valorem and intangible taxes.

(3) Increases in property tax revenues due to increases in the City's millage rate for maintenance and operations (M&O).

(4) Beginning in FY 2010, special purpose local option sales tax revenue is reported as intergovernmental revenue for governmental funds whereas in prior fiscal years, this was reported as sales tax revenue.

## SCHEDULE 7
## CITY OF FOREST PARK, GEORGIA
## Assessed Value and Estimated Actual Value - All Taxable Property
## Last Ten Calendar Years

| Year of Levy | Real Property | | Exemptions Real Property | | Personal Property | | Utilities | | Total | | Assessed Value as a Percentage of actual value (1) | City Direct Property Tax Rate |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Assessed actual value | Estimated actual value | Assessed value | Estimated actual value | Assessed value | Estimated actual value | Assessed value | Estimated actual value | Assessed value | Estimated actual value | | |
| 2006 | $ 406,399,017 | $ 1,015,997,543 | $29,085,577 | $72,713,943 | $ 137,230,626 | $ 343,076,565 | $46,146,467 | $115,366,168 | $ 618,861,687 | $1,547,154,219 | 40% | 6.593 |
| 2007 | 427,138,210 | 1,067,845,525 | 103,716,207 | 259,290,518 | 178,392,371 | 445,980,927 | 52,800,604 | 132,001,510 | 762,047,392 | 1,905,118,480 | 40% | 10.343 |
| 2008 | 447,325,739 | 1,118,314,348 | 101,752,134 | 254,380,335 | 184,496,097 | 461,240,243 | 50,866,049 | 127,165,123 | 784,440,019 | 1,961,100,049 | 40% | 10.343 |
| 2009 | 432,547,172 | 1,081,367,930 | 94,040,401 | 235,101,003 | 206,204,834 | 515,512,085 | 50,972,142 | 127,430,355 | 783,764,549 | 1,959,411,373 | 40% | 12.343 |
| 2010 | 379,715,899 | 949,289,748 | 67,562,283 | 168,905,708 | 173,811,076 | 434,527,690 | 50,973,170 | 127,432,925 | 672,062,428 | 1,680,156,070 | 40% | 13.343 |
| 2011 | 357,210,127 | 893,025,318 | 61,895,455 | 154,738,638 | 184,321,293 | 460,803,233 | 51,143,833 | 127,859,583 | 654,570,708 | 1,636,426,770 | 40% | 14.743 |
| 2012 | 324,741,454 | 811,853,635 | 47,808,851 | 119,522,128 | 180,816,802 | 452,042,005 | 58,036,374 | 145,090,935 | 611,403,481 | 1,528,508,703 | 40% | 14.743 |
| 2013 | 310,759,693 | 776,899,233 | 37,750,632 | 94,376,580 | 172,212,901 | 430,532,253 | 62,099,094 | 155,247,735 | 582,822,320 | 1,457,055,800 | 40% | 14.743 |
| 2014 | 313,989,974 | 784,974,935 | 30,431,401 | 76,078,503 | 166,721,594 | 416,803,985 | 62,099,285 | 155,248,213 | 573,242,254 | 1,433,105,635 | 40% | 14.743 |
| 2015 | 341,447,587 | 853,618,968 | 30,792,549 | 76,981,373 | 167,709,435 | 419,273,588 | 67,609,090 | 169,022,725 | 607,558,661 | 1,518,896,653 | 40% | 14.743 |

Source: Clayton County Tax Commissioner Office

Notes:

(1) Under Georgia law, property is assessed for taxes at 40% of fair market value.

# SCHEDULE 8
# CITY OF FOREST PARK, GEORGIA
## Property Tax Rates - All Overlapping Governments
## Direct and Overlapping Governments
## Last Ten Calendar Years

Per $1,000 of net assessed value

| Calendar year | City of Forest Park Operating Millage (1) | Clayton County Schools Millage | Clayton County Operating Millage | State of Georgia Millage | Total |
|---|---|---|---|---|---|
| 2006 | 6.593 | 20.000 | 12.664 | 0.250 | 39.507 |
| 2007 | 10.343 | 19.836 | 8.535 | 0.250 | 38.964 |
| 2008 | 10.343 | 19.836 | 8.962 | 0.250 | 39.391 |
| 2009 | 12.343 | 20.000 | 11.436 | 0.250 | 44.029 |
| 2010 | 13.343 | 20.000 | 11.327 | 0.250 | 44.920 |
| 2011 | 14.743 | 20.000 | 15.813 | 0.250 | 50.806 |
| 2012 | 14.743 | 20.000 | 14.912 | 0.200 | 49.855 |
| 2013 | 14.743 | 20.000 | 20.953 | 0.150 | 55.846 |
| 2014 | 14.743 | 19.095 | 20.953 | 0.100 | 54.891 |
| 2015 | 14.743 | 19.095 | 20.862 | 0.050 | 54.750 |

Source: Clayton County Tax Commissioner Office

Notes: (1) There are no other components of the City's direct property tax rate. It only consists of the City's operating millage rate.

# SCHEDULE 9
# CITY OF FOREST PARK, GEORGIA
## Principal Property Taxpayers
## Current Calendar Year and Nine Years Ago

| | 2015 | | | 2006 | | |
|---|---|---|---|---|---|---|
| Taxpayer | Assessed valuation | Rank | Percentage of total assessed valuation | Assessed valuation | Rank | Percentage of total assessed valuation |
| Georgia Power Company | $ 59,841,023 | 1 | 9.85% | $ 30,037,068 | 1 | 4.85% |
| Clorox Products, Inc. | 40,750,433 | 2 | 6.71% | 14,789,336 | 2 | 2.39% |
| Ozark Automotive Distributors | 13,713,878 | 3 | 2.26% | 8,347,911 | 5 | 1.35% |
| Ralcorp Frozen Bakery Products | 11,648,284 | 4 | 1.92% | 11,368,486 | 3 | 1.84% |
| Atlas Logistics Group Retail | 11,201,600 | 5 | 1.84% | --- | | --- |
| United Rentals, Inc. | 8,978,320 | 6 | 1.48% | --- | | --- |
| K Mart Apparel of Atlanta Corp. | 7,366,887 | 7 | 1.21% | 7,991,985 | 6 | 1.29% |
| IIT Southpoint Industrial LLC | 7,167,770 | 8 | 1.18% | --- | | --- |
| Sanofi Pasteur Inc. | 6,718,298 | 9 | 1.11% | --- | | --- |
| LIT Industrial Limited | 6,460,000 | 10 | 1.06% | --- | | --- |
| BellSouth Telecommunication | --- | | --- | 8,775,078 | 4 | 1.42% |
| James Campbell Company | --- | | --- | 7,132,400 | 7 | 1.15% |
| Rexan Beverage Company | --- | | --- | 6,159,382 | 8 | 1.00% |
| Airtran Airways Inc. | --- | | --- | 3,873,358 | 9 | 0.63% |
| Industrial Developments | --- | | --- | 3,600,000 | 10 | 0.58% |
| Total | $ 173,846,493 | | 28.60% | $ 102,075,004 | | 16.48% |

Source: Clayton County Tax Commissioner Office

# SCHEDULE 10
# CITY OF FOREST PARK, GEORGIA
## Property Tax Levies and Collections
## Last Ten Fiscal Years

| Fiscal Year Ended June 30, | Taxes Levied for the Fiscal Year | Collected within the Fiscal Year of the Levy | | Collections in Subsequent Years | Total Collections to Date | | Outstanding Delinquent Taxes (1) | Percent of Delinquent Taxes to Tax Levy |
|---|---|---|---|---|---|---|---|---|
| | | Amount | Collected | | Amount | Percentage of Levy | | |
| 2007 | 2,771,049 | 2,582,266 | 93% | 173,153 | 2,755,419 | 99% | 15,630 | 1% |
| 2008 | 4,793,497 | 4,536,765 | 95% | 230,660 | 4,767,425 | 99% | 26,072 | 1% |
| 2009 | 5,551,181 | 5,304,425 | 96% | 193,063 | 5,497,488 | 99% | 52,932 | 1% |
| 2010 | 6,928,385 | 6,401,329 | 92% | 412,202 | 6,813,531 | 98% | 55,707 | 1% |
| 2011 | 6,618,835 | 6,291,877 | 95% | 258,900 | 6,550,777 | 99% | 67,860 | 1% |
| 2012 | 7,211,134 | 6,808,577 | 94% | 313,990 | 7,122,567 | 99% | 88,358 | 1% |
| 2013 | 6,882,967 | 6,559,641 | 95% | 192,218 | 6,751,859 | 98% | 104,723 | 2% |
| 2014 | 6,707,089 | 6,211,543 | 93% | 260,999 | 6,472,542 | 97% | 117,072 | 2% |
| 2015 | 6,441,240 | 6,093,557 | 95% | 115,950 | 6,209,507 | 96% | 168,594 | 3% |
| 2016 | 6,965,980 | 6,728,025 | 97% | - | 6,728,025 | 97% | 237,955 | 3% |

Source: Clayton County Tax Commissioner Office

Note: (1) After write off of taxes and before allowance for doubtful accounts

**SCHEDULE 11**
**CITY OF FOREST PARK, GEORGIA**
**Sanitation Revenues**
**Last Ten Fiscal Years**

| Fiscal Year | Sanitation Revenues |
|---|---|
| 2007 | $ 2,326,625 |
| 2008 | 2,483,958 |
| 2009 | 2,512,347 |
| 2010 | 2,450,277 |
| 2011 | 2,523,583 |
| 2012 | 2,406,240 |
| 2013 | 2,691,874 |
| 2014 | 2,778,338 |
| 2015 | 2,300,605 |
| 2016 | 3,117,709 |

Source: The City of Forest Park Finance Department

## SCHEDULE 12
## CITY OF FOREST PARK, GEORGIA
## Ratios of Outstanding Debt by Type
## Last Ten Fiscal Years

| Fiscal year | Governmental Activities | Business-Type Activities | | Total Primary Government | Percentage of Personal Income(1) | Per Capita(1) |
|---|---|---|---|---|---|---|
| | Notes Payable and Capital Lease Payable | Notes Payable | Revenue Bonds Payable | | | |
| 2007 | $ 408,810 | - | - | $ 408,810 | 0.13% | 19 |
| 2008 | - | - | - | - | 0.00% | - |
| 2009 | - | - | - | - | 0.00% | - |
| 2010 | - | - | - | - | 0.00% | - |
| 2011 | - | - | - | - | 0.00% | - |
| 2012 | 142,265 | - | - | 142,265 | 0.06% | 8 |
| 2013 | 696,448 | - | - | 696,448 | 0.27% | 38 |
| 2014 | 585,912 | 10,633,050 | 16,130,000 | 27,348,962 | 10.75% | 1,480.88 |
| 2015 | 473,437 | 10,838,941 | 16,130,000 | 27,442,378 | 10.78% | 1,485.94 |
| 2016 | 360,328 | 11,044,832 | 16,130,000 | 27,535,160 | 10.82% | 1,490.97 |

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

(1) See Schedule 16 for personal income and population data.

# SCHEDULE 13
# CITY OF FOREST PARK, GEORGIA
## Ratios of General Bonded Debt Outstanding
## Last Ten Fiscal Years

| Fiscal Year | General Obligation Bonds | Percentage of Estimated Taxable Value of Property | Per Capita |
|---|---|---|---|
| 2007 | - | - | - |
| 2008 | - | - | - |
| 2009 | - | - | - |
| 2010 | - | - | - |
| 2011 | - | - | - |
| 2012 | - | - | - |
| 2013 | - | - | - |
| 2014 | - | - | - |
| 2015 | - | - | - |
| 2016 | | | |

Note 1: The City's governmental activities did not have any general obligation bonds outstanding in the last ten (10) years.

Note 2: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

**SCHEDULE 14**
**CITY OF FOREST PARK, GEORGIA**
**Direct and Overlapping Governmental Activities Debt**
**As of June 30, 2016**

| Governmental Unit | Debt Outstanding | Estimated Percentage Applicable (1) | Estimated Share of Overlapping Debt |
|---|---|---|---|
| Direct General Obligation Debt: | | | |
| City of Forest Park, Georgia | $ 360,328 | 100% | $ 360,328 |
| Subtotal | | | 360,328 |
| Overlapping General Obligation Debt: | | | |
| Clayton County Board of Education | - | 9% | - |
| Clayton County | 105,548,059 | 9% | 9,499,325 |
| Landfill Authority | 13,385,060 | 9% | 1,204,655 |
| Subtotal | | | 10,703,981 |
| Total direct and overlapping debt | | | $ 11,064,309 |

Sources: Assessed value data used to estimate applicable percentages provided by the Clayton County Finance Department website. Debt outstanding data provided by Clayton County Finance Department.

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 is borne by the residents and businesses of the City of Forest Park, Georgia. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the resident and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and, therefore, responsible for repaying the debt, of each overlapping government.

(1) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the government's boundaries and dividing it by the county's total taxable assessed value.

**SCHEDULE 15**
**CITY OF FOREST PARK, GEORGIA**
**Legal Debt Margin Information**
**Last Ten Calendar Years**

| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
|---|---|---|---|---|---|---|---|---|---|---|
| Debt limit | $ 61,886,169 | $ 76,204,739 | $ 78,444,002 | $ 78,376,455 | $ 67,206,243 | $ 65,457,071 | $ 61,140,348 | $ 58,282,232 | $ 57,324,225 | $ 60,755,866 |
| Total net debt applicable to limit | - | - | - | - | - | - | - | - | - | - |
| Legal debt margin | $ 61,886,169 | $ 76,204,739 | $ 78,444,002 | $ 78,376,455 | $ 67,206,243 | $ 65,457,071 | $ 61,140,348 | $ 58,282,232 | $ 57,324,225 | $ 60,755,866 |
| Total net debt applicable to the limit as a percentage of debt limit | - | - | - | - | - | - | - | | | |

**Legal Debt Margin Calculation for Fiscal Year 2016**

| | |
|---|---|
| Assessed value | $ 607,558,661 |
| Debt limit (10% of total assessed value) | $ 60,755,866 |
| Debt applicable to limit | |
| General obligation bonds | - |
| Legal debt margin | $ 60,755,866 |

Note - 1: The Constitution of the State of Georgia provides that the City may not incur long-term obligations payable out of general property taxes in excess of ten (10) percent of the assessed value of all taxable property within the City.

Note - 2: The City has no outstanding general obligation debt.

# SCHEDULE 16
# CITY OF FOREST PARK, GEORGIA
## Demographic and Economic Statistics Information
## Last Ten Fiscal Years

| Fiscal year | Population | Personal Income | Per Capita Income | Median Age(3) | Level in Years of Formal Schooling(1) | School Enrollment(4) | Unemployment Rate(5) |
|---|---|---|---|---|---|---|---|
| 2007 | 21,447 (1) | 320,246,604 | 14,932 (1) | 29.1 | 14.7 | 5,193 | 5.8% |
| 2008 | 21,447 (1) | 320,246,604 | 14,932 (1) | 29.1 | 14.7 | 4,920 | 7.5% |
| 2009 | 21,447 (1) | 320,246,604 | 14,932 (1) | 29.1 | 14.7 | 4,864 | 12.2% |
| 2010 | 18,468 (2) | 254,452,104 | 13,778 (2) | 29.1 | 14.7 | 5,407 | 12.5% |
| 2011 | 18,468 (2) | 254,452,104 | 13,778 (2) | 30.6 (2) | 14.7 | 5,321 | 12.9% |
| 2012 | 18,468 (2) | 254,452,104 | 13,778 (2) | 30.6 (2) | 14.7 | 5,691 | 11.1% |
| 2013 | 18,468 (2) | 254,452,104 | 13,778 (2) | 30.6 (2) | 14.7 | 6,430 | 10.3% |
| 2014 | 18,468 (2) | 254,452,104 | 13,778 (2) | 30.6 (2) | 14.7 | 6,430 | 9.8% |
| 2015 | 18,468 (2) | 254,452,104 | 13,778 (2) | 30.6 (2) | 14.7 | 6,224 | 7.5% |
| 2016 | 18,468 (2) | 254,452,104 | 13,778 (2) | 30.6 (2) | 14.7 | 6,945 | 6.4% |

Sources:
1 - United States Bureau of Census (2000)
2 - United States Bureau of Census (2010)
3 - Georgia Department of Industry and Trade
4 - Clayton County Board of Education
5 - Georgia Department of Labor

# SCHEDULE 17
# CITY OF FOREST PARK, GEORGIA
## Principal Employers
## Current and Nine Years Ago

| | 2016 | | | 2007 | | |
|---|---|---|---|---|---|---|
| Employer | Employees | Rank | Percentage of Total City Employment | Employees | Rank | Percentage of Total City Employment |
| Atlas Logistics Group Retail | 450 | 1 | 9.55% | --- | --- | --- |
| Ozark Automotive Distributors | 425 | 2 | 9.02% | 268 | 3 | 3.58% |
| J.B. Hunt Transport, Inc. | 316 | 3 | 6.70% | 120 | 8 | 1.60% |
| Clorox Products | 265 | 4 | 5.62% | 190 | 6 | 2.54% |
| McLane Food Service | 260 | 5 | 5.52% | 194 | 5 | 2.59% |
| Ralcorp Frozen Bakery Products | 198 | 6 | 4.20% | 310 | 1 | 4.14% |
| Bulloch & Bulloch, Inc. | 154 | 7 | 3.27% | --- | --- | --- |
| Mid-South Roof Systems | 150 | 8 | 3.18% | 200 | 4 | 2.67% |
| Forward Air | 104 | 9 | 2.21% | 112 | 9 | 1.50% |
| DHL Global Mail | 65 | 10 | 1.38% | --- | --- | --- |
| Kmart | --- | --- | --- | 292 | 2 | 3.90% |
| Premier Transportation | --- | --- | --- | 190 | 7 | 2.54% |
| Stewart Auto Finance | --- | --- | --- | 108 | 10 | 1.44% |
| Total | 2,387 | | 41.10% | 1,984 | | 26.50% |

Source: City of Forest Park's Business License Division

**SCHEDULE 18**
**CITY OF FOREST PARK, GEORGIA**
**Full-time Equivalent City Government Employees by Function**
**Last Ten Fiscal Years**

| Function/Program | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|---|---|---|---|---|---|---|---|---|---|---|
| Administrative | | | | | | | | | | |
| City Manager Office | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Finance Department | 10 | 10 | 10 | 10 | 11 | 11 | 11 | 11 | 11 | 8 |
| Support Services | 3 | 3 | 3 | 6 | 6 | 6 | 6 | 6 | 6 | 4 |
| Police | | | | | | | | | | |
| Officers | 70 | 70 | 70 | 70 | 93 | 89 | 89 | 89 | 89 | 89 |
| Communications | 14 | 14 | 14 | 14 | 14 | 14 | 14 | 14 | 14 | 14 |
| Administrative | 11 | 11 | 11 | 11 | 11 | 12 | 12 | 12 | 12 | 12 |
| Recreation & Leisure | 25 | 25 | 25 | 25 | 28 | 28 | 28 | 28 | 28 | 28 |
| Public Works | | | | | | | | | | |
| Maintenance | 33 | 33 | 33 | 33 | 39 | 39 | 39 | 40 | 41 | 39 |
| Sanitation | 4 | 4 | 4 | 5 | 6 | 6 | 6 | 6 | 3 | 3 |
| Fleet | 7 | 7 | 7 | 7 | 8 | 8 | 8 | 8 | 6 | 6 |
| Planning, Building and Zoning | 8 | 8 | 8 | 9 | 13 | 13 | 13 | 13 | 12 | 12 |
| Fire and EMS | | | | | | | | | | |
| Firefighters and Officers | 49 | 50 | 50 | 50 | 69 | 69 | 69 | 69 | 69 | 69 |
| Administrative | 2 | 2 | 2 | 2 | 2 | 3 | 3 | 3 | 3 | 3 |

Source: City Budgets

**SCHEDULE 19**
**CITY OF FOREST PARK, GEORGIA**
**Operating Indicators by Function**
**Last Ten Fiscal Years**

| Function/Program | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|---|---|---|---|---|---|---|---|---|---|---|
| Police | | | | | | | | | | |
| Physical arrests | 4,648 | 4,289 | 3,758 | 3,837 | 3,694 | 3,616 | 3,557 | 3,548 | 2,901 | 2,786 |
| Parking violations | 115 | 153 | 78 | 71 | 112 | 115 | 79 | 124 | 63 | 73 |
| Traffic violations | 17,769 | 19,654 | 16,379 | 16,652 | 23,622 | 21,390 | 19,414 | 12,336 | 11,460 | 9,879 |
| Fire and EMS | | | | | | | | | | |
| Emergency responses | 4,163 | 4,688 | 4,459 | 5,177 | 5,324 | 4,315 | 4,485 | 4,575 | 4,689 | 4,367 |
| Fires extinguished | 127 | 199 | 115 | 100 | 119 | 95 | 94 | 88 | 76 | 83 |
| Inspections | 316 | 430 | 637 | 1,249 | 1,067 | 939 | 955 | 879 | 1,167 | 964 |
| Recreation & Leisure | | | | | | | | | | |
| Athletic field permits issued | 1,580 | 1,618 | 1,498 | 1,256 | 1,840 | 1,826 | 1,794 | 1,863 | 1,413 | 1,100 |
| Community Center admissions | 12,044 | 10,710 | 14,897 | 15,133 | 14,468 | 19,442 | 21,120 | 15,840 | 13,450 | 23,356 |

Sources: Various City Departments

**SCHEDULE 20**
**CITY OF FOREST PARK, GEORGIA**
**Capital Asset Statistics by Function**
**Last Ten Fiscal Years**

| Function/Program | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|---|---|---|---|---|---|---|---|---|---|---|
| Police | | | | | | | | | | |
| Stations | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Patrol units | 35 | 35 | 34 | 42 | 46 | 46 | 45 | 48 | 48 | 46 |
| Fire stations | 2 | 2 | 2 | 2 | 3 | 3 | 3 | 3 | 3 | 3 |
| Public Works | | | | | | | | | | |
| Streets (miles) | 80 | 80 | 80 | 80 | 80 | 80 | 80 | 80 | 80 | 80 |
| Streetlights | 1655 | 1655 | 1655 | 1659 | 1659 | 1778 | 1778 | 1778 | 1778 | 1778 |
| Traffic signals | 42 | 42 | 42 | 42 | 42 | 47 | 47 | 47 | 47 | 47 |
| Recreation & Leisure | | | | | | | | | | |
| Acreage | 62.6 | 62.6 | 72.51 | 72.51 | 78.9 | 78.9 | 78.9 | 78.9 | 78.9 | 78.9 |
| Playgrounds | 6 | 6 | 6 | 6 | 7 | 7 | 7 | 7 | 7 | 7 |
| Baseball / Softball diamonds | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 |
| Soccer / football fields | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Community centers | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Senior Center | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Activity Buildings | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Museum | - | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |

Sources: Various City Departments