



City of Conyers, Georgia Comprehensive Annual Financial Report Year Ended June 30, 2011

Prepared by:
Department of Finance & Administration

Chief Financial Officer: Isabel Rogers
CPA: Twan L. Leonard

**CITY OF CONYERS, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2011**

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INTRODUCTORY SECTION



CITY OF
Conyers

Mayor

Randal S. Mills

City Council

Chris Bowen

Martin Jones

Vince Evans

Cleveland Stroud

Gerald Hinesley Sr.

City Manager

Tony Lucas

Chief Financial Officer

Isabel Rogers

1184 Scott Street
Conyers, GA 30012
(770) 483-4411
Fax (770) 929-4244
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TRANSMITTAL LETTER
CITY OF CONYERS
GEORGIA

November 18, 2011

To the Honorable Mayor, Members of the Governing Council, and Citizens of the City of Conyers:

State Law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the City of Conyers for the fiscal year ended June 30, 2011.

This report consists of management's representations concerning the finances of the City of Conyers. 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 Conyers 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 Conyers' financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Conyers' 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 Conyers' financial statements have been audited by Mauldin & Jenkins, 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 Conyers for the fiscal year ended June 30, 2011, 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 unqualified opinion that the City of Conyers' financial statements for the fiscal year ended June 30, 2011, 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 Conyers' MD&A can be found immediately following the report of the independent auditors.

Profile of the City

The City of Conyers is a municipal corporation created and existing under the laws of the State of Georgia. Conyers is located in the eastern edge of the Atlanta Metropolitan Area, approximately 24 miles east of the City of Atlanta. Conyers is the county seat of Rockdale County, and is the only incorporated city within Rockdale County. The City, originally chartered in 1854, presently has a land area of approximately 12.1 square miles. The City provides a full range of services to approximately 15,195 citizens. Included in these services are traditional municipal functions such as public police protection, sanitation services, security alarm monitoring and maintenance, culture and recreation, street maintenance, stormwater and environmental services.

Policy-making and legislative authority are vested in a governing council consisting of the mayor and five other members. The governing council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring both the City's manager and attorney. The City manager is responsible for carrying out the policies and ordinances of the governing council, for overseeing the day-to-day operations of the government, and for appointing the heads of the various departments. The council is elected on a non-partisan basis. Council members serve four-year staggered terms, with four council members elected every two years. The mayor is elected to serve a four-term also. All of the council members are elected by district. The mayor is elected at large.

The annual budget serves as the foundation for the City's financial planning and control. The Chief Financial Officer may revise appropriations within each department. However, transfers of appropriations between departments and the appropriation of additional funds, require the special approval of the City Council.

Factors Affecting Financial Condition

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

Local economy: The City of Conyers currently enjoys a favorable economic environment and local indicators point to continued stability. The region has a varied manufacturing and industrial base that adds to the relative stability of the unemployment rate. The City's financial forecast for the next five years indicates neutral economic growth. This analysis is based in large measure, on the financial trend analysis of key indicators such as taxable property values and population growth.

Impact numbers provided by the U.S. Travel Association, who conducted an annual study for the Georgia Department of Economic Development (GDEcD), reflect that locally, tourists spent approximately \$106 million in Conyers and Rockdale County in fiscal year 2010.

Conyers and Rockdale County ranked an impressive 28th out of Georgia's 159 counties in the ranking of counties by tourists' expenditure levels. In 2010, tourism in Georgia generated more than \$21 billion and supported nearly \$6.3 billion in payroll income for employees, a 4.5% decrease from 2009. Georgia's state and local governments realized more than \$1.6 billion in tax revenue from visitor expenditures in fiscal year 2010.

Cash Management: Cash temporarily idle during the year was invested in accordance with the City's investment policy. The City's investment performance ranks adequately when compared to average yield rates of U.S. Treasury Bills and U.S. Treasury Notes during the fiscal year. The City earned interest revenue of \$213,487 on all investments for the year ended June 30, 2011.

Risk Management: The City has a limited risk management program for worker's compensation. Each department has a departmental safety program that aids in reducing losses.

Long Term Financial Planning

Zoning and Land-Use Planning

The Department of Planning and Inspections is dedicated to constantly evaluating zoning and land-use planning throughout the city of Conyers. In the best interest of future development and ongoing redevelopment within the city limits, the Department of Planning and Inspections has recommended study and potential action in the coming year of creating a new zoning district, the Mixed-Use District (MxD), to better accommodate the city's potential for beautification, new development, connectivity and economic development.

Another priority identified by Planning and Inspections, which is supported by the City Council, is updating the sign ordinance to improve the aesthetics and appearance of commercial corridors in the city by discouraging, as well as reducing, sign clutter. Likewise, the creation of an ordinance specific to the commercial district of Old Town Conyers regarding street furniture, tables, chairs and sidewalk signage is also a project aimed at improving the aesthetics of the historic downtown area.

Finally, the continued evaluation of the Opportunity Zone and associated job tax credits remains a priority in that the Opportunity Zone will provide incentive for new businesses to open within the zone and serve as stimulus for the local economy.

Relevant Financial Policies

Throughout the years, the Finance Department administers the financial policies outlined by the council. These policies address fund balances, the use of onetime revenues, issuance of debt, purchasing and procurement, capital expenditures, cash and investment management, and accounting practices. In totality, these policies formulate the core criteria for which internal evaluations occur. Each year at the council retreat, the Chief Financial Officer is responsible for the reporting and addressing of the financial management of these policies.

Major Initiatives

Cherokee Run Golf Club

Since assuming operations of Cherokee Run Golf Club in September 2010, there is much to accomplish in ways of improvement of the grounds and facilities at Cherokee Run.

In fiscal year 2012, Cherokee Run will focus on improvements in two major areas: food and beverage (F&B) and golf. Priorities for the F&B division include establishing a price list for rental items, and a price schedule and price structure for rentals of the Palmer Banquet Room at Cherokee Run. Staff is also tasked with creating a variety of menus for special events at the facility, enacting the Fore Reservations program and training new serving staff on its use.

In addition to setting up administrative procedures at Cherokee Run, such as creating monthly sales reports and creating policies for financial controls, the golf division will continue with remediation of the course. Remediation priorities include landscaping, erosion control and aerification of the course. It is also a priority to increase the number of rounds played on the course, as well as build the membership base.

It is the goal of the City Council and staff of the City of Conyers to make each golfer, diner or special event attendee's experience at Cherokee Run Golf Club memorable and one they'll want to experience again and again. It is the intent of the staff of the City of Conyers to make Cherokee Run Golf Club a notable, must-play course in Georgia and throughout the southeast.

Conyers PD Deploys RAPID-ID Fingerprint ID Devices

The ease and speed with which officers identify individuals during traffic stops and other situations is improving thanks to new technology the Conyers Police Department (CPD) is utilizing in the form of RAPID-ID devices.

In August, the Georgia Emergency Management Agency (GEMA) granted \$21,350 to the CPD to purchase six biometric fingerprint identification systems known as RAPID-ID devices. With RAPID-ID, an officer can scan a person's finger on a mobile scanning device and the system automatically searches state and federal arrest databases for a positive match. The officer will be notified within seconds if any positive matches have been found, and any data found in the database can be viewed. Results from the search can include criminal history, warrant information and mug shot images.

Conyers Police officers participated in training with an instructor from DataWorks Plus on proper use of the RAPID-ID devices. The devices, somewhat larger and bulkier than walkie-talkie radios, are now being used in the field.

Conyers Police continue to explore other technological methods of law enforcement to assist officers in the field. The police department is currently underway with its public safety camera initiative which will deploy cameras to the major business districts of Conyers.

Olde Town PATH Trail Open

City of Conyers officials, PATH Foundation representatives and Conyers residents took part in the opening of the Conyers Olde Town PATH Trail on Thursday, May 19 at the Nancy Guinn Memorial Library.

SPLOST Committee members and PATH officials celebrated the opening of the \$600,000 SPLOST and PATH-funded project that stretches nearly 1.7 miles connecting the Nancy Guinn Library to Wheeler Park and the Rockdale Career Academy on Parker Road. The trail will ultimately connect Olde Town Conyers to Johnson Park and eventually the South River Trail. Construction of the Olde Town Trail began in November 2010.

Awards and Acknowledgments

Awards: The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Conyers for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2010. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government 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. A Certificate of Achievement is valid for a period of one year only. The City of Conyers has received a Certificate of Achievement for the last eighteen (18) consecutive years (fiscal years ended 1993-2010). We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

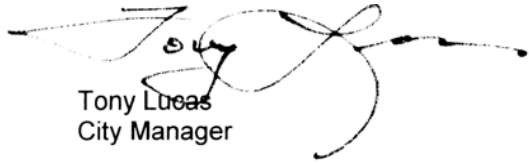
The Government Finance Officers Association of the United States and Canada (GFOA) presented an award for Distinguished Budget Presentation to the City of Conyers for its annual budget for the fiscal year ended June 30, 2011. The City of Conyers has received the Distinguished Budget award for the last twenty (20) consecutive years (fiscal years ended 1992-2011). In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communication device. The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements and we have submitted it to GFOA to determine its eligibility for another award.

Acknowledgements: The preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the dedicated service of the entire staff of the Department of Administration. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report. We would also like to thank the Mayor and City Council for the support they have given us in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,



Isabel Rogers
Chief Financial Officer



Tony Lucas
City Manager

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Conyers
Georgia

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

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



A stylized, handwritten signature in black ink, likely belonging to the President of the GFOA.

President

A handwritten signature in black ink that reads "Jeffrey R. Emer".

Executive Director



Citizens of Conyers

Mayor and City

City Manager
Tony Lucas
770-929-4226

**Department of Public Works
and Transportation**
Brad Sutton
770-785-5043

- Street Repairs and Maintenance
- Solid Waste Collection
- Landscaping Services
- Transportation
- SPLOST Projects
- Vehicle Maintenance
- Stormwater Management

Department of Public Safety
Gene Wilson
770-483-6600

- Crime Prevention
- Criminal Investigations
- D.A.R.E.
- Drug Enforcement
- Fingerprinting
- Narcotics
- Patrol
- Communications
- ACE Program
- Background Checks
- Security Monitoring
- Court Services
 - Probation, Court, Community Services

**Department of Cherokee
Run Golf Course**
Tommy Moon
770-785-7904

- Golf Operations
- Inventory Control
- Tournaments
- Food and Beverages
- Special Events

**Department of
Administration**
Isabel Rogers
770-483-4411

- Accounts Payable
- Accounts Receivable
- Cash Management
- Budget Preparation
- CAFR Preparation
- Grants Management
- Human Resources
- Payroll
- Purchasing
- Customer Services
- Payment for City Services
- Digital Imaging
- Property Tax Management
- Investments
- Technology

**Department of Planning &
Inspections**
Marvin Flanigan
770-929-4280

- Building Maintenance
- Business Licenses
- Nuisances
- Occupational Tax
- Permits
- Zoning
- Land Use Plan
- GIS Mapping System

**Department of Tourism
& Public Relations**
Jennifer Edwards
770-929-4299

- CCVB
- City Volunteer Program
- City Website
- Downtown Program Series
- Event & Ticket Information
- Welcome Center
- Marketing
- Media Relations
- Main Street Program

**Department of Georgia
International Horse Park**
Jennifer Bexley
770-860-4190

- Event Bookings
- Facility Rental
- Horse Park Maintenance
- Sponsorships
- GIHP Merchandise
- GIHP Website
- GIHP Management
- Big Haynes Creek Nature Center

City of Conyers, Georgia
List of Elected and Appointed Officials
June 30, 2011

Elected Officials

Mayor
Council Member: District 1
Council Member: District 2 Post 1
Council Member: District 2 Post 2
Council Member: District 3
Council Member: District 4

Randal S. Mills
Cleveland Stroud
Chris Bowen
Vince Evans
Gerald Hinesley Sr.
Martin Jones

Appointed Officials

City Manager
Chief Financial Officer
Chief Operating Officer
Chief of Police
Director of Planning & Inspections
Director of Georgia International Horse Park
Director of Public Relations & Tourism
Director of Public Works & Transportation
Director of Personnel
Director of Technology
Director of Golf/General Manager
Finance Manager
City Clerk
City Attorney
CPA

Tony Lucas
Isabel Rogers
David Spann
Gene Wilson
Marvin Flanigan
Jennifer Bexley
Jennifer Edwards
Brad Sutton
Dee Buggay
Chris Fisher
Tommy Moon
Yvonne Glumb
Pat Smith
Mike Waldrop
Twan Leonard

FINANCIAL SECTION

Management's Discussion and Analysis

As management of the City of Conyers, we offer readers of the City of Conyers' financial statements this narrative overview and analysis of the financial activities of the City of Conyers for the fiscal year ended June 30, 2011. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-v of this report.

Financial Highlights

- The assets of the City of Conyers exceeded its liabilities at the close of the most recent fiscal year by \$27,807,625 (net assets).
- The City's total net assets were decreased by \$1,732,103.
- As of the close of the current fiscal year, the City of Conyers' governmental funds reported combined ending fund balances of \$5,433,602 a decrease in fund balance of \$4,156,389 in comparison with the prior year.
- The City of Conyers' total long-term debt decreased by \$494,896 or 4.3% during the current fiscal year. The key factors in this change are the reduction in debt service for principal payments totaling \$1,602,082 towards the Certificates of Participation, Commerce Center Revenue Bonds, and Due to Rockdale County; and the increase of OPEB in the amount of \$749,127.
- The City implemented GASB 54. At the end of the current fiscal year, unassigned fund balance for the general fund was \$159,994 or 1% of total General Fund expenditures.
- The City took over operations of the Cherokee Run Golf Course in September 2010. The U.S. Bankruptcy Court ruled that the golf course and related property be surrendered to the City after the former leaseholder defaulted on paying taxes and rent for more than two years.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City of Conyers' basic financial statements. The City of Conyers' 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 of Conyers' finances, in a manner similar to a private-sector business.

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

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flow 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 of Conyers 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 of Conyers include general government, public safety and communications, public works, and culture and recreation. The business-type activities of the City of Conyers include sanitation, stormwater, landfill, and golf operations. The government-wide financial statements can be found beginning on page 16 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Conyers, 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 of Conyers can be divided into two categories: governmental funds and proprietary funds.

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

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

The City of Conyers maintains five 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, hotel/motel fund, and the capital projects fund, all of which are considered to be major funds. Data from the other two 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 basic governmental fund financial statements can be found beginning on page 18 of this report.

Proprietary funds. The City of Conyers maintains only one type of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of Conyers uses enterprise funds to account for its Sanitation, Stormwater, Landfill, and Golf operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the sanitation, stormwater, landfill, and golf operations, all of which are considered to be major funds of the City of Conyers. The basic proprietary fund financial statements can be found beginning on page 24 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 29 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*. The City of Conyers adopts an annual appropriated budget for its governmental funds except the capital projects funds. The capital project fund budget is adopted on the project length basis. A budgetary comparison schedule has been provided for the governmental funds to demonstrate compliance with this budget. Information about the City's infrastructure assets reported using the modified approach is also presented. The City also presents information concerning the City of Conyers' progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found beginning on page 65 of this report.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information about the City's infrastructure assets reported using the modified approach. Combining and individual fund statements and schedules can be found beginning on page 73 of this report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City of Conyers, assets exceeded liabilities by \$27,807,625 at the close of the most recent fiscal year.

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

City of Conyers' Net Assets						
	Governmental Activities		Business-Type Activities		Total	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Current and other assets	\$ 8,144,947	\$ 11,776,230	\$ 798,482	\$ 2,302,588	\$ 8,943,429	\$ 14,078,818
Capital assets	<u>27,682,545</u>	<u>28,329,612</u>	<u>5,884,397</u>	<u>1,615,734</u>	<u>33,566,942</u>	<u>29,945,346</u>
Total assets	<u>35,827,492</u>	<u>40,105,842</u>	<u>6,682,879</u>	<u>3,918,322</u>	<u>42,510,371</u>	<u>44,024,164</u>
Long-term liabilities outstanding	8,739,959	8,901,795	2,918,372	2,641,635	11,658,331	11,543,430
Other liabilities	<u>2,378,712</u>	<u>2,369,387</u>	<u>665,703</u>	<u>571,619</u>	<u>3,044,415</u>	<u>2,941,006</u>
Total liabilities	<u>11,118,671</u>	<u>11,271,182</u>	<u>3,584,075</u>	<u>3,213,254</u>	<u>14,702,746</u>	<u>14,484,436</u>
Net assets:						
Invested in capital assets, net of related debt	24,700,491	25,270,255	4,941,417	1,035,720	29,641,908	26,305,975
Restricted	1,567,846	329,878	-	-	1,567,846	329,878
Unrestricted	<u>(1,559,516)</u>	<u>3,234,527</u>	<u>(1,842,613)</u>	<u>(330,652)</u>	<u>(3,402,129)</u>	<u>2,903,875</u>
Total net assets	<u>\$ 24,708,821</u>	<u>\$ 28,834,660</u>	<u>\$ 3,098,804</u>	<u>\$ 705,068</u>	<u>\$ 27,807,625</u>	<u>\$ 29,539,728</u>

Net assets of the City's governmental activities decreased by 14.3% (\$24,708,821 compared to \$28,834,660). Unrestricted net assets – the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements – changed from \$3,234,527 at June 30, 2010 to (\$1,559,516) at the end of this year.

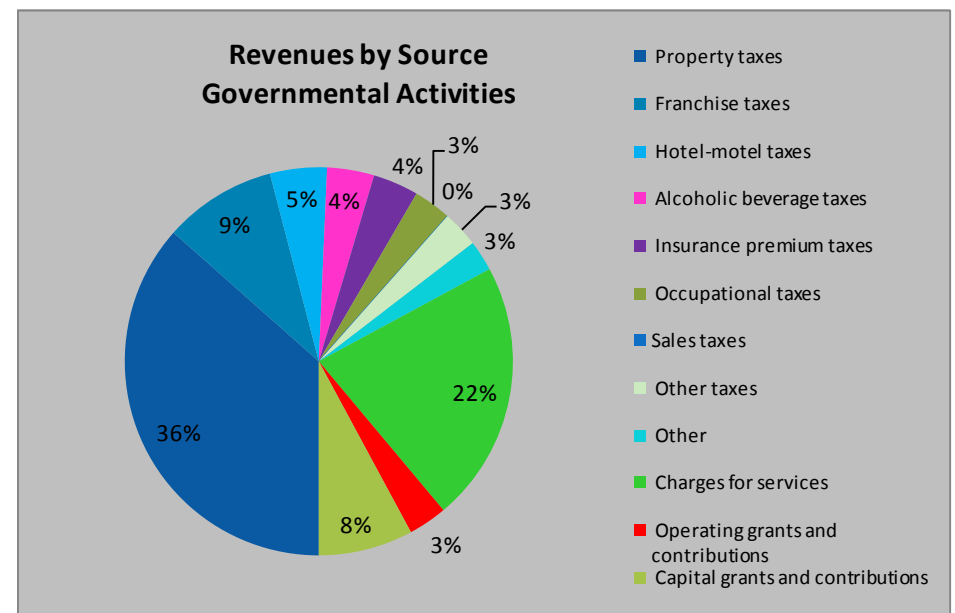
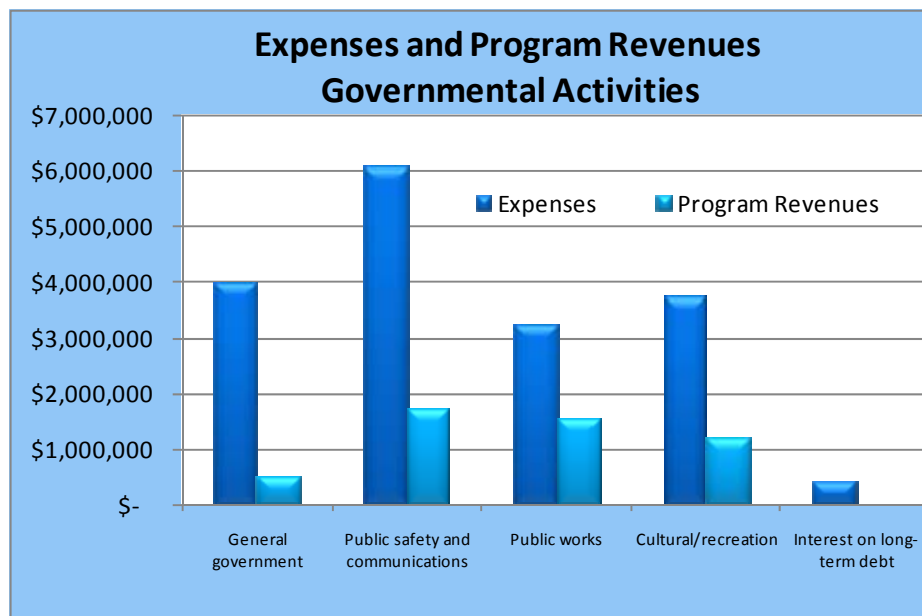
The net assets of our business-type activities increased by \$2,393,736 compared to \$78,469.

City of Conyers' Changes in Net Assets

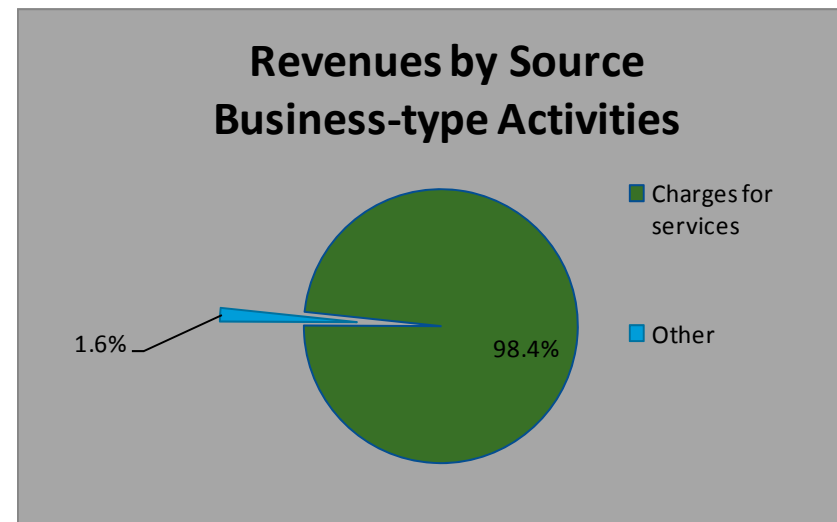
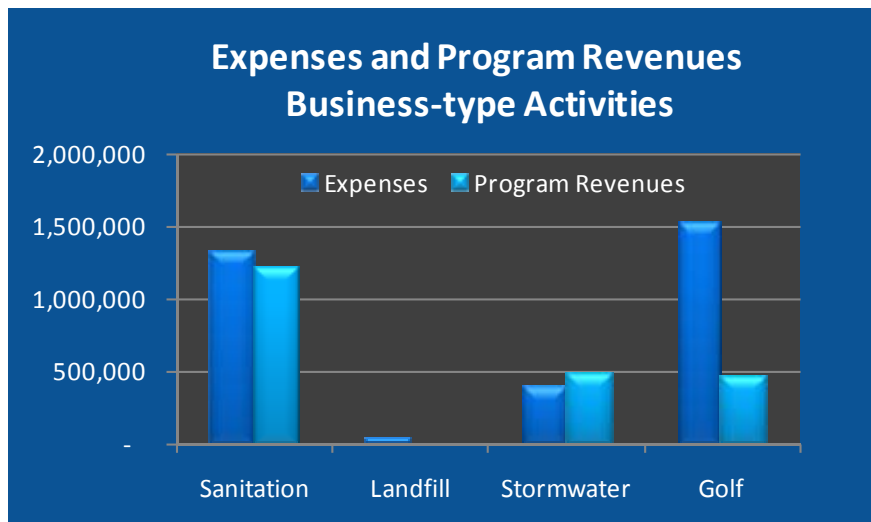
	Governmental		Business-Type		Total	
	Activities		Activities			
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Revenues:						
Program revenues						
Charges for services	\$ 3,303,143	\$ 3,628,533	\$ 2,177,038	\$ 1,659,086	\$ 5,480,181	\$ 5,287,619
Operating grants and contributions	489,458	700,305	-	25,000	489,458	725,305
Capital grants and contributions	1,192,848	2,014,842	1,628,536	-	2,821,384	2,014,842
General revenues:						
Property taxes	5,538,373	5,606,548	-	-	5,538,373	5,606,548
Franchise taxes	1,426,488	1,383,598	-	-	1,426,488	1,383,598
Hotel-motel taxes	720,180	652,881	-	-	720,180	652,881
Alcoholic beverage taxes	593,498	572,443	-	-	593,498	572,443
Insurance premium taxes	575,408	592,632	-	-	575,408	592,632
Occupational taxes	475,937	490,303	-	-	475,937	490,303
Other taxes	461,483	474,172	-	-	461,483	474,172
Other	<u>385,643</u>	<u>648,672</u>	<u>35,245</u>	<u>87,562</u>	<u>420,888</u>	<u>736,234</u>
Total revenues	15,162,459	16,764,929	3,840,819	1,771,648	19,003,278	18,536,577
Expenses						
General government	3,984,947	4,124,636	-	-	3,984,947	4,124,636
Public safety and communications	6,079,027	5,960,899	-	-	6,079,027	5,960,899
Public works	3,229,666	4,027,715	-	-	3,229,666	4,027,715
Cultural/recreation	3,728,216	3,837,541	-	-	3,728,216	3,837,541
Interest on long-term debt	403,522	476,008	-	-	403,522	476,008
Sanitation	-	-	1,331,313	1,334,470	1,331,313	1,334,470
Landfill	-	-	47,982	78,520	47,982	78,520
Stormwater	-	-	395,936	370,870	395,936	370,870
Golf	<u>-</u>	<u>-</u>	<u>1,534,772</u>	<u>-</u>	<u>1,534,772</u>	<u>-</u>
Total expenses	<u>17,425,378</u>	<u>18,426,799</u>	<u>3,310,003</u>	<u>1,783,860</u>	<u>20,735,381</u>	<u>20,210,659</u>
Change in net assets before transfers	(2,262,919)	(1,661,870)	530,816	(12,212)	(1,732,103)	(1,674,082)
Transfers	<u>(1,862,920)</u>	<u>(90,681)</u>	<u>1,862,920</u>	<u>90,681</u>	<u>-</u>	<u>-</u>
Change in net assets	(4,125,839)	(1,752,551)	2,393,736	78,469	(1,732,103)	(1,674,082)
Net assets-beginning	<u>28,834,660</u>	<u>30,587,211</u>	<u>705,068</u>	<u>626,599</u>	<u>29,539,728</u>	<u>31,213,810</u>
Net assets-ending	<u>\$ 24,708,821</u>	<u>\$ 28,834,660</u>	<u>\$ 3,098,804</u>	<u>\$ 705,068</u>	<u>\$ 27,807,625</u>	<u>\$ 29,539,728</u>

The City's total revenues increased by 2.5% (\$466,701). The total cost of all programs and services increased by 2.6% (\$524,722). The primary factor for the increase in revenues and increase in program and services was expenses related to the operation of the Cherokee Run Golf Course.

Governmental activities. Governmental activities decreased the City of Conyers' net assets by \$4,125,839.



Business-type activities – Revenues for the City’s business-type activities increased by \$2,069,171 (\$3,840,819 in 2011 compared to \$1,771,648 in 2010) and expenses increased by \$1,526,143 (\$3,310,003 in 2011 compared to \$1,783,860 in 2010). The factors that led to these results included the addition of the Golf Fund. The Golf Fund generated nearly \$476,000 in revenue in the current year; incurred approximately \$1.5 million in expenses; and received \$1.6 million in capital contributions.



Financial Analysis of the Government's Funds

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

Governmental funds. The focus of the City of Conyers' *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City of Conyers' financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City of Conyers' governmental funds reported combined ending fund balances of \$5,433,602, a decrease in the fund balance of \$4,156,389 in comparison with the prior year. Of this amount, \$98,525 is unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is not available for new spending because it has already been restricted or assigned, or is nonspendable.

The general fund is the chief operating fund of the City of Conyers. At the end of the current fiscal year, unassigned fund balance of the general fund was \$159,994 while total fund balance reached \$4,020,039. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 1% of total general fund expenditures, while total fund balance represents 30% of that same amount.

The fund balance of the City of Conyers' general fund decreased by (\$952,500) during the current fiscal year. The key factor in this decrease is as follow:

- The decrease in fines and forfeitures collected.
- The decrease in federal grants received for the police department.

The SPLOST capital projects fund accounts for capital projects financed by a one percent sales and use tax. At fiscal year end the fund balance was \$1,377,476. The entire balance is restricted to the completion of capital projects as established by the SPLOST committee and the mayor and council prior to approval of the 1% sales tax.

The emergency telephone system fund has a total fund deficit of (\$61,196) which is unassigned. The net decrease in fund balance during the current year in the emergency telephone system fund was \$113,509.

The confiscated assets fund has a total fund balance of \$97,556 which is restricted to be used for law enforcement purposes only.

The hotel/motel fund has a total unassigned fund deficit of (\$273).

The City has an unassigned fund balance of \$98,525 of total ending fund balance.

Proprietary funds. The City of Conyers' proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net assets of the sanitation fund at the end of the year amounted to (\$571,007), the landfill operations amounted to (\$309,502), the stormwater amounted to \$32,980, and the golf amounted to (\$995,084). The total increase/(decrease) in net assets for all four funds was (\$144,144), (\$287,227), \$89,842, and \$2,735,265 respectively. Other factors concerning the finances of these four funds have already been addressed in the discussion of the City of Conyers' business-type activities.

General Fund Budgetary Highlights

There was a (\$587,715) difference between the net change in fund balance from the original budget and the final amended budget.

Capital Asset and Debt Administration

Capital assets. The City of Conyers' investment in capital assets for its governmental and business type activities as of June 30, 2011, amounts to \$33,566,942 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, and infrastructure acquired after July 1, 2003. The total change in the City of Conyers' investment in capital assets for the current fiscal year was a \$647,067 decrease for governmental activities and a \$4,268,663 increase for business-type activities.

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

- Completion of the Nature Center improvements which cost approximately \$265,470.
- Completion of the GIHP building which cost approximately \$497,180.
- There were several major road projects started during the fiscal year including Green Space PATH project which included approximately \$533,270 in current year expenditures and the Sigman and Eastview Road project which incurred approximately \$432,637.
- The Golf Fund received \$3.5 million in contributed capital. The contributed capital included existing buildings and inventory and a land transfer in of \$1.9 million from governmental activities.

City of Conyers' Capital Assets
(net of depreciation)

	Governmental Activities		Business-Type Activities		Total	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Land	\$ 11,594,973	\$ 13,125,577	\$ 1,915,577	\$ -	\$ 13,510,550	\$ 13,125,577
Construction in progress	1,333,435	857,994	55,867	9,420	1,389,302	867,414
Buildings	5,516,159	5,238,661	1,673,757	-	7,189,916	5,238,661
Improvements other than buildings	6,369,390	6,652,327	-	-	6,369,390	6,652,327
Infrastructure	250,000	250,000	-	-	250,000	250,000
Equipment	2,618,588	2,205,053	1,035,663	430,977	3,654,251	2,636,030
Stormwater control	-	-	1,203,533	1,175,337	1,203,533	1,175,337.00
	<u>\$ 27,682,545</u>	<u>\$ 28,329,612</u>	<u>\$ 5,884,397</u>	<u>\$ 1,615,734</u>	<u>\$ 33,566,942</u>	<u>\$ 29,945,346</u>

As allowed by GASB Statement No. 34, the City has adopted an alternative process for recording depreciation expense on selected infrastructure assets. Under this alternative method, referred to as the modified approach, the City expenses certain maintenance and preservation costs and does not report depreciation expense. Assets accounted for under the modified approach include the City's network of roads, signs, lighting, culverts, fencing, etc. The City is responsible for maintaining 144 lane miles of roads.

The City's goal is to have no more than 15% of roads in "poor" or "very poor" condition. The most recent condition assessment, completed in May 2011, indicated that .60% of roads were considered poor or very poor.

The City's fiscal year 2011 capital outlay budget, estimated spending was \$1,800,000 for maintenance projects. More detailed information about the City's capital assets is presented in Notes A.8 and E to the financial statements.

Long-term debt

City of Conyers' Outstanding Debt

	Governmental Activities		Business-Type Activities		Total	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Certificates of participation	\$ 90,000	\$ 175,000	\$ -	\$ -	\$ 90,000	\$ 175,000
Commerce Center revenue bonds	1,875,000	2,290,000	-	-	1,875,000	2,290,000
Less deferred loss on bond refunding	(45,416)	(105,972)	-	-	(45,416)	(105,972)
GMA COP capital leases	3,555,000	3,555,000	-	-	3,555,000	3,555,000
Less deferred fair value of interest rate swap	(609,797)	(662,069)	-	-	(609,797)	(662,069)
Due to Rockdale County	-	1,102,082	-	-	-	1,102,082
OPEB	2,577,225	1,837,098	-	-	2,577,225	1,837,098
Compensated absences	530,991	508,335	48,591	36,635	579,582	544,970
Capital leases	157,159	202,321	469,781	-	626,940	202,321
Stormwater revenue bonds	-	-	1,200,000	1,305,000	1,200,000	1,305,000
Landfill postclosure care liability	-	-	1,200,000	1,300,000	1,200,000	1,300,000
	<u>\$ 8,130,162</u>	<u>\$ 8,901,795</u>	<u>\$ 2,918,372</u>	<u>\$ 2,641,635</u>	<u>\$ 11,048,534</u>	<u>\$ 11,543,430</u>

The City of Conyers' total long-term debt decreased by \$494,896 or 4.3% during the current fiscal year. The key factors to the change were:

- 1) Certificates of Participation debt service payment of \$85,000
- 2) Commerce Center Revenue Bonds debt service payment of \$415,000
- 3) Due to Rockdale County debt service payment of \$1,102,082
- 4) OPEB increased by \$740,127

Additional information on the City of Conyers' long-term debt can be found in note F to the financial statements.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the City of Conyers is currently 12%, versus 10.7% a year ago. This compares to the state's average unemployment rate of 10.3% percent and the national average rate of 9.0%.
- Inflationary trends in the region compare favorably to national indices.

All of these factors were considered in preparing the City of Conyers' budget for the 2012 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the City of Conyers' 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 the City of Conyers Administration Office, 1184 Scott Street, Conyers, Georgia 30012.

BASIC FINANCIAL STATEMENTS

City of Conyers, Georgia
STATEMENT OF NET ASSETS
June 30, 2011

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	The Conyers Downtown Development Authority	Main Street Foundation
ASSETS					
Cash and cash equivalents	\$ 2,115,194	\$ 385,172	\$ 2,500,366	\$ 159,485	\$ 18,805
Investments	2,085,308	-	2,085,308	-	-
Receivables (net)	1,165,543	889,212	2,054,755	-	-
Inventory	-	30,580	30,580	-	-
Prepaid items	117,647	52,708	170,355	345	-
Internal balances	1,321,311	(1,321,311)	-	-	-
Deferred bond issuance cost	8,776	35,320	44,096	-	-
Restricted cash	92,814	726,801	819,615	-	-
Assets held for resale	628,557	-	628,557	220,747	-
Fair value of interest rate swap	609,797	-	609,797	-	-
Capital assets not being depreciated	13,178,408	1,971,444	15,149,852	-	-
Capital assets, net of accumulated depreciation	14,504,137	3,912,953	18,417,090	-	-
Total assets	35,827,492	6,682,879	42,510,371	380,577	18,805
LIABILITIES					
Accounts payable and accrued liabilities	\$ 1,173,560	\$ 196,428	\$ 1,369,988	\$ 178	\$ 2,788
Accrued salaries	370,027	31,866	401,893	-	-
Unearned revenue	835,125	437,409	1,272,534	-	-
Long-term liabilities					
Net other post employment benefits obligation	2,577,225	-	2,577,225	-	-
Due within one year	658,961	366,228	1,025,189	5,217	-
Due in more than one year	5,503,773	2,552,144	8,055,917	394,014	-
Total liabilities	11,118,671	3,584,075	14,702,746	399,409	2,788
NET ASSETS					
Invested in capital assets, net of related debt	24,700,491	4,941,417	29,641,908	-	-
Restricted for:					
Capital projects	1,377,476	-	1,377,476	-	-
Public safety	97,556	-	97,556	-	-
Debt service	92,814	-	92,814	-	-
Unrestricted (deficit)	(1,559,516)	(1,842,613)	(3,402,129)	(18,832)	16,017
Total net assets	\$ 24,708,821	\$ 3,098,804	\$ 27,807,625	\$ (18,832)	\$ 16,017

The accompanying notes are an integral part of this statement.

City of Conyers, Georgia

STATEMENT OF ACTIVITIES

For the year ended June 30, 2011

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets			Component Units	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants & Contributions	Primary Government			The Conyers DDA	Main Street
					Governmental Activities	Business-Type Activities	Total		
Primary government:									
Governmental activities:									
General government	\$ 3,984,947	\$ 503,895	\$ 12,967	\$ -	\$ (3,468,085)	-	\$ (3,468,085)		
Public safety and communications	6,079,027	1,521,489	183,105	-	(4,374,433)	-	(4,374,433)		
Public works	3,229,666	81,934	278,962	1,192,848	(1,675,922)	-	(1,675,922)		
Cultural/recreation	3,728,216	1,195,825	14,424	-	(2,517,967)	-	(2,517,967)		
Interest on long-term debt	403,522	-	-	-	(403,522)	-	(403,522)		
Total governmental activities	17,425,378	3,303,143	489,458	1,192,848	(12,439,929)	-	(12,439,929)		
Business-type activities:									
Sanitation	1,331,313	1,217,169	-	-	-	\$ (114,144)	\$ (114,144)		
Landfill	47,982	-	-	-	-	(47,982)	(47,982)		
Stormwater	395,936	483,964	-	-	-	88,028	88,028		
Golf	1,534,772	475,905	-	1,628,536	-	569,669	569,669		
Total business-type activities	3,310,003	2,177,038	-	1,628,536	-	495,571	495,571		
Total primary government	\$ 20,735,381	\$ 5,480,181	\$ 489,458	\$ 2,821,384	(12,439,929)	495,571	(11,944,358)		
Component unit:									
The Conyers DDA	\$ 26,297	\$ 4,300	\$ 5,762	\$ -				(16,235)	-
Main Street	42,841	-	27,016	-				-	(15,825)
Total component unit	\$ 69,138	\$ 4,300	\$ 32,778	\$ -				(16,235)	(15,825)
General revenues:									
Taxes:									
Property taxes					5,538,373	-	5,538,373	-	-
Franchise taxes					1,426,488	-	1,426,488	-	-
Hotel-motel taxes					720,180	-	720,180	-	-
Alcoholic beverage taxes					593,498	-	593,498	-	-
Insurance premium taxes					575,408	-	575,408	-	-
Occupational taxes					475,937	-	475,937	-	-
Other taxes					461,483	-	461,483	-	-
Interest and investment earnings					211,654	1,833	213,487	224	-
Miscellaneous					173,989	33,412	207,401	-	-
Transfers					(1,862,920)	1,862,920	-	-	-
Total general revenues and transfers					8,314,090	1,898,165	10,212,255	224	-
Change in net assets					(4,125,839)	2,393,736	(1,732,103)	(16,011)	(15,825)
Net assets (deficit) -beginning					28,834,660	705,068	29,539,728	(2,821)	31,842
Net assets (deficit) -ending					\$ 24,708,821	\$ 3,098,804	\$ 27,807,625	\$ (18,832)	\$ 16,017

The accompanying notes are an integral part of this statement.

City of Conyers, Georgia

BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2011

	<u>General</u>	<u>Hotel/ Motel</u>	<u>SPLOST Capital Project</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and cash equivalents	\$ 279,048	\$ 319,339	\$ 1,411,104	\$ 105,703	\$ 2,115,194
Investments	2,085,308	-	-	-	2,085,308
Receivables - net of allowances for uncollectible accounts					
Accounts	102,636	-	-	40,152	142,788
Taxes	262,402	102,682	-	-	365,084
Police fines	478,945	-	-	-	478,945
Intergovernmental	28,626	-	150,100	-	178,726
Prepaid items	85,477	-	-	32,170	117,647
Due from other funds	855,165	-	-	2,496	857,661
Assets Held for Resale	628,557	-	-	-	628,557
Restricted cash and cash equivalents	92,814	-	-	-	92,814
Advance to Golf Fund	<u>920,962</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>920,962</u>
 Total assets	 <u>\$ 5,819,940</u>	 <u>\$ 422,021</u>	 <u>\$ 1,561,204</u>	 <u>\$ 180,521</u>	 <u>\$ 7,983,686</u>

Continued

The accompanying notes are an integral part of this statement.

City of Conyers, Georgia

BALANCE SHEET - GOVERNMENTAL FUNDS - CONTINUED

June 30, 2011

	<u>General</u>	<u>Hotel/ Motel</u>	<u>SPLOST Capital Project</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable and accrued liabilities	\$ 898,028	\$ 41,585	\$ 167,732	\$ 21,730	\$ 1,129,075
Accrued salaries	339,281	16,319	-	14,427	370,027
Deferred revenue	560,096	33,574	-	-	593,670
Due to other fund	<u>2,496</u>	<u>330,816</u>	<u>15,996</u>	<u>108,004</u>	<u>457,312</u>
Total liabilities	<u>1,799,901</u>	<u>422,294</u>	<u>183,728</u>	<u>144,161</u>	<u>2,550,084</u>
 Fund balances (deficit):					
Nonspendable	1,634,996	-	-	-	1,634,996
Restricted	2,178,122	-	1,377,476	97,556	3,653,154
Assigned	46,927	-	-	-	46,927
Unassigned	<u>159,994</u>	<u>(273)</u>	<u>-</u>	<u>(61,196)</u>	<u>98,525</u>
Total fund balances (deficit)	<u>4,020,039</u>	<u>(273)</u>	<u>1,377,476</u>	<u>36,360</u>	<u>5,433,602</u>
 Total liabilities and fund balances (deficit)	<u><u>\$ 5,819,940</u></u>	<u><u>\$ 422,021</u></u>	<u><u>\$ 1,561,204</u></u>	<u><u>\$ 180,521</u></u>	<u><u>\$ 7,983,686</u></u>

The accompanying notes are an integral part of this statement.

City of Conyers, Georgia

RECONCILIATION OF THE FUND BALANCE SHEET
OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET ASSETS

For the year ended June 30, 2011

Total governmental fund balance per Fund Balance Sheet	\$ 5,433,602
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	27,682,545
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.	(241,456)
Net other post employment benefits obligations are not due and payable in the current period and therefore are not reported in the funds.	(2,577,225)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	<u>(5,588,645)</u>
Total net assets-ending	<u>\$ 24,708,821</u>

The accompanying notes are an integral part of this statement.

City of Conyers, Georgia

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS**

For the year ended June 30, 2011

	<u>General</u>	<u>Hotel/ Motel</u>	<u>SPLOST Capital Project</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES:					
Taxes	\$ 9,161,557	\$ 720,180	\$ -	\$ -	\$ 9,881,737
Licenses, permits and fees	100,896	-	-	-	100,896
Fines and forfeitures	998,820	-	-	103,447	1,102,267
Charges for services	606,385	-	-	346,422	952,807
GIHP revenue	1,155,305	-	-	-	1,155,305
Other revenue	389,189	-	43,144	182	432,515
Intergovernmental	236,593	-	1,428,666	-	1,665,259
Total revenues	<u>12,648,745</u>	<u>720,180</u>	<u>1,471,810</u>	<u>450,051</u>	<u>15,290,786</u>
Expenditures					
Current					
General government	3,996,680	-	-	-	3,996,680
Public safety	4,837,698	-	-	884,637	5,722,335
Public works	1,903,295	-	-	-	1,903,295
Cultural/Recreation	1,784,510	856,099	-	-	2,640,609
Capital Outlay	-	-	3,264,664	-	3,264,664
Debt service					
Principal	545,162	-	1,102,082	-	1,647,244
Interest	302,521	-	46,179	-	348,700
Total expenditures	<u>13,369,866</u>	<u>856,099</u>	<u>4,412,925</u>	<u>884,637</u>	<u>19,523,527</u>
Excess (deficiency) of expenditures over (under) revenues	(721,121)	(135,919)	(2,941,115)	(434,586)	(4,232,741)

Continued

The accompanying notes are an integral part of this statement.

City of Conyers, Georgia

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS - CONTINUED**

For the year ended June 30, 2011

	<u>General</u>	<u>Hotel/ Motel</u>	<u>SPLOST Capital Project</u>	<u>Other Governmental Funds</u>	<u>Totals Governmental Funds</u>
Other financing sources (uses)					
Sale of capital assets	23,695	-	-	-	23,695
Transfers in	364,297	75,000	-	232,731	672,028
Transfers out	<u>(619,371)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(619,371)</u>
Total other financing sources and (uses)	<u>(231,379)</u>	<u>75,000</u>	<u>-</u>	<u>232,731</u>	<u>76,352</u>
Net change in fund balances (deficit)	(952,500)	(60,919)	(2,941,115)	(201,855)	(4,156,389)
Fund balance, beginning of year	<u>4,972,539</u>	<u>60,646</u>	<u>4,318,591</u>	<u>238,215</u>	<u>9,589,991</u>
Fund balance (deficit), end of year	<u>\$ 4,020,039</u>	<u>\$ (273)</u>	<u>\$ 1,377,476</u>	<u>\$ 36,360</u>	<u>\$ 5,433,602</u>

The accompanying notes are an integral part of this statement.

City of Conyers, Georgia

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES**

For the year ended June 30, 2011

Net change in fund balances - total governmental funds	\$ (4,156,389)
Amounts reported for governmental activities in the Statement of Activities are different because (See Note B):	
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.	1,268,510
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, donations) is to decrease assets.	(1,915,577)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	(152,022)
The issuance of long-term debt (e.g., bonds, leases) 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 assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	1,574,988
Other post employment benefits obligations did not require the use of current financial resources and therefore were not reported as expenditures in governmental funds in the Statement of Net Assets.	(740,127)
Long-term compensated absences & accrued interest expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	<u>(5,222)</u>
	<u><u>\$ (4,125,839)</u></u>

The accompanying notes are an integral part of this statement.

City of Conyers, Georgia
STATEMENT OF FUND NET ASSETS
PROPRIETARY FUNDS

June 30, 2011

	Business-type Activities-Enterprise Funds				
	Sanitation	Landfill	Stormwater	Golf	Total
ASSETS					
Current assets					
Cash and cash equivalents	\$ 2,742	\$ 31,464	\$ 307,143	\$ 43,823	\$ 385,172
Receivables - net of allowance for uncollectible accounts					
Accounts	23,939	-	5,790	-	29,729
Intergovernmental	-	58,312	-	-	58,312
Restricted cash	-	-	726,801	-	726,801
Inventory	-	-	-	30,580	30,580
Prepaid items	52,083	-	625	-	52,708
Total current assets	<u>78,764</u>	<u>89,776</u>	<u>1,040,359</u>	<u>74,403</u>	<u>1,283,302</u>
Noncurrent assets					
Deferred bond issuance cost	-	-	35,320	-	35,320
Capital assets:					
Land	-	-	-	1,915,577	1,915,577
Buildings	-	-	-	1,735,006	1,735,006
Improvements	-	-	1,398,627	-	1,398,627
Equipment	1,683,201	-	76,717	668,166	2,428,084
Construction in progress	-	-	55,867	-	55,867
Less accumulated depreciation	<u>(1,280,232)</u>	<u>-</u>	<u>(249,913)</u>	<u>(118,619)</u>	<u>(1,648,764)</u>
Capital assets, net	402,969	-	1,281,298	4,200,130	5,884,397
Intergovernmental receivable - long-term	-	801,171	-	-	801,171
Total long-term assets	<u>402,969</u>	<u>801,171</u>	<u>1,316,618</u>	<u>4,200,130</u>	<u>6,720,888</u>
Total assets	<u>\$ 481,733</u>	<u>\$ 890,947</u>	<u>\$ 2,356,977</u>	<u>\$ 4,274,533</u>	<u>\$ 8,004,190</u>

The accompanying notes are an integral part of this statement.

Continued

City of Conyers, Georgia

**STATEMENT OF FUND NET ASSETS
PROPRIETARY FUNDS - CONTINUED**

June 30, 2011

Business-type Activities-Enterprise Funds

	<u>Sanitation</u>	<u>Landfill</u>	<u>Stormwater</u>	<u>Golf</u>	<u>Total</u>
LIABILITIES					
Current liabilities					
Accounts payable	\$ 15,127	\$ 449	\$ 59,727	\$ 121,125	\$ 196,428
Due to other funds	400,341	-	8	-	400,349
Accrued salaries	15,381	-	5,218	11,267	31,866
Deferred revenue	193,459	-	236,724	7,226	437,409
Compensated absences - current	6,366	-	3,555	2,227	12,148
Current portion of capital leases payable	-	-	-	144,080	144,080
Current portion of bonds payable	-	-	110,000	-	110,000
Current portion of landfill postclosure care liability	-	100,000	-	-	100,000
Total current liabilities	<u>630,674</u>	<u>100,449</u>	<u>415,232</u>	<u>285,925</u>	<u>1,432,280</u>
Long-term liabilities					
Advance from other fund	-	-	-	920,962	920,962
Compensated absences-long term portion	19,097	-	10,666	6,680	36,443
Capital leases payable - long term portion	-	-	-	325,701	325,701
Bonds payable - long term portion	-	-	1,090,000	-	1,090,000
Landfill postclosure care liability	-	1,100,000	-	-	1,100,000
Total long-term liabilities	<u>19,097</u>	<u>1,100,000</u>	<u>1,100,666</u>	<u>1,253,343</u>	<u>3,473,106</u>
Total liabilities	<u>649,771</u>	<u>1,200,449</u>	<u>1,515,898</u>	<u>1,539,268</u>	<u>4,905,386</u>
NET ASSETS					
Invested in capital assets, net of related debt	402,969	-	808,099	3,730,349	4,941,417
Unrestricted	<u>(571,007)</u>	<u>(309,502)</u>	<u>32,980</u>	<u>(995,084)</u>	<u>(1,842,613)</u>
Total net assets (deficit)	<u>(168,038)</u>	<u>(309,502)</u>	<u>841,079</u>	<u>2,735,265</u>	<u>3,098,804</u>
Total liabilities and net assets	<u>\$ 481,733</u>	<u>\$ 890,947</u>	<u>\$ 2,356,977</u>	<u>\$ 4,274,533</u>	<u>\$ 8,004,190</u>

The accompanying notes are an integral part of this statement.

City of Conyers, Georgia

**STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET ASSETS - PROPRIETARY FUNDS**

For the year ended June 30, 2011

	Business-type Activities-Enterprise Funds				
	Sanitation	Landfill	Stormwater	Golf	Total
Operating revenues:					
Charges for sales and services:					
Sanitation fees	\$ 1,217,169	\$ -	\$ -	\$ -	\$ 1,217,169
Golf fees	-	-	-	475,905	475,905
Stormwater fees	-	-	483,964	-	483,964
Total operating revenues	<u>1,217,169</u>	<u>-</u>	<u>483,964</u>	<u>475,905</u>	<u>2,177,038</u>
Operating expenses:					
Cost of sales and service	1,220,392	47,982	276,429	1,411,874	1,544,803
Depreciation	110,921	-	53,323	118,619	282,863
Total operating expenses	<u>1,331,313</u>	<u>47,982</u>	<u>329,752</u>	<u>1,530,493</u>	<u>1,709,047</u>
Operating income (loss)	<u>(114,144)</u>	<u>(47,982)</u>	<u>154,212</u>	<u>(1,054,588)</u>	<u>(1,062,502)</u>
Nonoperating income (expense):					
Interest income	-	-	1,814	19	1,833
Interest expense	-	-	(66,184)	(4,279)	(66,184)
Intergovernmental	-	33,412	-	-	33,412
Total nonoperating revenue (expenses)	<u>-</u>	<u>33,412</u>	<u>(64,370)</u>	<u>(4,260)</u>	<u>(30,958)</u>
Income (loss) before transfers	(114,144)	(14,570)	89,842	(1,058,848)	(38,872)
Capital contributions	-	-	-	3,544,113	3,544,113
Transfers in	-	91,640	-	250,000	341,640
Transfers out	<u>(30,000)</u>	<u>(364,297)</u>	<u>-</u>	<u>-</u>	<u>(394,297)</u>
Change in net assets	(144,144)	(287,227)	89,842	2,735,265	2,393,736
Total net assets-beginning	<u>(23,894)</u>	<u>(22,275)</u>	<u>751,237</u>	<u>-</u>	<u>705,068</u>
Total net assets-ending	<u>\$ (168,038)</u>	<u>\$ (309,502)</u>	<u>\$ 841,079</u>	<u>\$ 2,735,265</u>	<u>\$ 3,098,804</u>

The accompanying notes are an integral part of this statement.

City of Conyers, Georgia

STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS

For the year ended June 30, 2011

	Business-type Activities-Enterprise Funds				
	Sanitation	Landfill	Stormwater	Golf	Total
Cash flows from operating activities:					
Receipts from customers and users	\$ 1,213,703	\$ -	\$ 478,478	\$ 483,131	\$ 2,175,312
Payments to suppliers	(715,558)	(161,640)	(27,232)	(816,338)	(1,720,768)
Payments to employees	(563,131)	-	(214,366)	(484,817)	(1,262,314)
Payments for interfund services used	138,438	-	839	-	139,277
Net cash provided by (used in) operating activities	<u>73,452</u>	<u>(161,640)</u>	<u>237,719</u>	<u>(818,024)</u>	<u>(668,493)</u>
Cash flow from noncapital financing activities:					
Receipts from intergovernmental agreement	-	95,212	-	-	95,212
Advances from other funds	-	-	-	920,962	920,962
Transfers in	-	91,640	-	250,000	341,640
Transfers in (out)	<u>(30,000)</u>	<u>(364,297)</u>	<u>-</u>	<u>-</u>	<u>(394,297)</u>
Net cash provided by (used in) noncapital financing activities	<u>(30,000)</u>	<u>(177,445)</u>	<u>-</u>	<u>1,170,962</u>	<u>963,517</u>
Cash flows from capital and related financing activities:					
Purchases of capital assets	(112,678)	-	(120,099)	(774,636)	(1,007,413)
Issuance of capital lease	-	-	-	552,603	552,603
Principal paid on capital leases	-	-	-	(82,822)	(82,822)
Principal paid on bonds	-	-	(105,000)	-	(105,000)
Interest paid on capital debt	<u>-</u>	<u>-</u>	<u>(62,147)</u>	<u>(4,279)</u>	<u>(66,426)</u>
Net cash (used in) capital and related financing activities	<u>(112,678)</u>	<u>-</u>	<u>(287,246)</u>	<u>(309,134)</u>	<u>(709,058)</u>
Cash provided from investing activities:					
Interest received on investments	<u>-</u>	<u>-</u>	<u>1,814</u>	<u>19</u>	<u>1,833</u>
Net increase (decrease) in cash and cash equivalents	(69,226)	(339,085)	(47,713)	43,823	(456,024)
Cash and equivalents, at the beginning of year	<u>71,968</u>	<u>370,549</u>	<u>1,081,657</u>	<u>-</u>	<u>1,524,174</u>
Cash and equivalents, at the end of year	<u><u>\$ 2,742</u></u>	<u><u>\$ 31,464</u></u>	<u><u>\$ 1,033,944</u></u>	<u><u>\$ 43,823</u></u>	<u><u>\$ 1,068,150</u></u>
Classified as:					
Cash and cash equivalents	\$ 2,742	\$ 31,464	\$ 307,143	\$ 43,823	\$ 385,172
Restricted cash	-	-	726,801	-	726,801
	<u><u>\$ 2,742</u></u>	<u><u>\$ 31,464</u></u>	<u><u>\$ 1,033,944</u></u>	<u><u>\$ 43,823</u></u>	<u><u>\$ 1,111,973</u></u>

The accompanying notes are an integral part of this statement.

Continued

City of Conyers, Georgia

STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS - CONTINUED

For the year ended June 30, 2011

	Business-type Activities-Enterprise Funds				
	Sanitation	Landfill	Stormwater	Golf	Total
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	\$ (114,144)	\$ (47,982)	\$ 154,212	\$ (1,054,588)	\$ (1,062,502)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	110,921	-	53,323	118,619	282,863
(Increase) decrease in:					
Accounts receivable	(4,007)	-	416	-	(3,591)
Inventory	-	-	-	(30,580)	(30,580)
Increase (decrease) in:					
Accounts payable	(62,703)	(13,658)	33,389	121,125	78,153
Due to other funds	138,438	-	839	-	139,277
Accrued salaries	1,968	-	831	11,267	14,066
Deferred revenue	541	-	(5,902)	7,226	1,865
Compensated absences	2,438	-	611	8,907	11,956
Postclosure care liability	-	(100,000)	-	-	(100,000)
Net cash provided by (used in) operating activities	<u>\$ 73,452</u>	<u>\$ (161,640)</u>	<u>\$ 237,719</u>	<u>\$ (818,024)</u>	<u>\$ (668,493)</u>
Net cash investing, capital, and financing activities:					
Donated assets:					
From outside parties				\$ 1,628,536	
From governmental activities				<u>1,915,577</u>	
				<u>\$ 3,544,113</u>	

The accompanying notes are an integral part of this statement.

City of Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2011

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Conyers, 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.

1. Reporting Entity

The City operates under a council/manager form of government and provides the following services to its citizens: public safety, street maintenance and construction, solid waste collection and disposal, parks and recreation, public improvements, security monitoring, environmental services, and general and administrative services.

As required by generally accepted accounting principles, these financial statements include the activities of the City and the following component units for which the City is considered to be financially accountable. The blended component unit, although a legally separate entity, is, in substance, part of the City's operations and is included as part of the primary government. The discretely presented component units are reported in separate columns in the government-wide financial statements to emphasize that they are legally separate from the City.

Blended Component Unit

The Development Authority of Conyers, Georgia (the "Authority") was established to finance certain capital projects for the City. The Authority is governed by a seven member board appointed by the City's mayor and council. The Authority is included in these financial statements as a blended component unit since its only activity has been to act as a financing mechanism for the City. The proceeds from the sale of the Authority's bonds were received by the City's General Fund and were therefore accounted for in the General Fund. Separate financial statements are not prepared for the Authority. At June 30, 2011, the Authority had no assets, liabilities, or fund equity. In addition, during 2011, the Authority had no revenues or expenses.

Discretely Presented Component Units

The Conyers Downtown Development Authority (the "DDA") was established to be a catalyst for revitalization, promotion, development and redevelopment of Old Town Conyers. The DDA is governed by a six member board appointed by the City's mayor and council. Separate financial statements are not prepared for the DDA.

The Conyers Main Street Foundation ("Main Street") was established to stimulate downtown economic development while preserving and enhancing the City's historic character. Main Street is governed by a six member board appointed by the City's mayor and council. Separate financial statements are not prepared for Main Street.

City of Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2011

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Change in Reporting Entity

On September 27, 2010, the City took over the operations of Cherokee Run Golf Course. For more than two years, the City was in legal discussions with the former leaseholder for default matters including failure to pay taxes on the property, failure to pay minimum rent and poor management and maintenance of the golf course. The U.S. Bankruptcy Court ruled that the golf course, furniture, fixtures, equipment and related property be surrendered to the City on September 27, 2010. Contributed capital to this fund totaled \$3.5 million. This included existing buildings and inventory, and governmental activities land of \$1.9 million.

2. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) 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. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

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

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

The government-wide financial statements are reported using the *economic resources measurement* focus and the *accrual basis of accounting*, as are the proprietary funds. 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.

City of Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2011

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

3. Measurement Focus, Basis of Accounting and Basis of Presentation - Continued

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City considers all revenues to be available if they are collected within 90 days (60 days for property tax) after year-end. Expenditures are recorded when the related liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to certain compensated absences, are recorded only when payment is due.

Property taxes, franchise taxes, alcoholic and hotel-motel taxes, licenses, police fines, confiscated assets, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Other receipts and taxes become measurable and available when cash is received by the City, and are recognized as revenue at that time. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

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 *hotel/motel fund* accounts for the occupancy tax collected by the City from area hotels and motels, and distributed based upon state statute. The City is currently collecting this tax at a rate of 8%.

The *SPLOST capital projects fund* accounts for capital projects financed by a one percent sales and use tax.

The City reports the following major proprietary funds:

The *sanitation fund* accounts for the collection and disposal of solid waste.

The *landfill enterprise fund* accounts for postclosure care costs related to the solid waste landfill which was closed in 1993.

City of Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2011

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

3. **Measurement Focus, Basis of Accounting and Basis of Presentation -Continued**

The *stormwater enterprise fund* accounts for the Department of Environmental Services' cost to implement the Stormwater Management Plan and the National Pollution Elimination System Phase II compliance program.

The *golf fund* accounts for all of the activities at the Cherokee Run Golf Course.

Additionally, the City reports the following nonmajor special revenue funds:

The *emergency telephone fund* accounts for revenues received from users of the Emergency 911 System. Revenues received from the City are paid directly from wired or wireless telecommunication providers, with expenditures occurring to maintain and run the system within the City.

The *confiscated assets fund* accounts for funds received from the enforcement of drug laws and shared revenues resulting from the confiscation of property from drug offenders' arrests.

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

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

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

City of Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2011

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

4. Cash, Cash Equivalents and Investments

The City's cash and cash equivalents includes cash on hand, amounts in demand deposits, and investments with original maturities of three months or less from the date of acquisition.

State of Georgia statutes authorize the City to invest in obligations of the U. S. Treasury or agencies, obligations of state and local governments, bankers' acceptances, repurchase agreements, local government investment pool sponsored by the State of Georgia and certificates of deposit in federally insured financial institutions.

Investments are stated at fair value based upon quoted market prices.

5. Receivables and Payables

During the course of operations, transactions occur between individual funds for goods provided or services rendered. The receivables and payables which result from these transactions are classified as "due from other funds" or "due to other funds" on the balance sheet.

All trade and property tax receivables are shown net of an allowance for uncollectibles. Trade accounts receivable in excess of 120 days comprise the trade accounts receivable allowance for uncollectibles. The property tax receivable allowance is equal to 17 percent of outstanding property taxes at June 30, 2011.

Property taxes are levied based on a calendar year (January 1 through December 31). The property tax assessment is formally levied on September 1, based on property values as of the previous January 1. Tax bills are mailed in September. The billings are considered due upon receipt and become past due 60 days after they are mailed. Thereafter, penalties and interest may be assessed by the City. Property tax liens are generally filed by December 31 of each year.

Advances between funds, as reported in the fund financial statements, are offset by a nonspendable fund balance classification in the applicable governmental fund to indicate that they are not available for appropriation and are not expendable available financial resources.

City of Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2011

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

6. Restricted Assets

Certain proceeds of the certificates of participation issued by the City, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because they are maintained in separate bank accounts and their use is limited by applicable covenants and agreements.

Certain proceeds of the Stormwater Revenue Bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because they are maintained in a separate bank account and their use is limited by applicable covenants and agreements. The “stormwater projects fund” account is used to report those proceeds of revenue bonds issuances that are restricted for use in construction.

7. Inventories and Prepaid Items

The City utilizes the consumption method to report inventory and prepaid items. Under this method, items are expensed when consumed. At year end, the City had no significant unused inventory. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

8. Capital Assets

Capital assets, which include property, plant, and equipment, and infrastructure assets (e.g., roads, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. In accordance with GASB 34, infrastructure assets acquired prior to July 1, 2003 are not reported in these financial statements since the City is a Phase III government (government with revenues less than \$10 million for the fiscal year ended June 30, 1999). Capital assets are defined by the City as assets with an initial, individual cost of more than \$2,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital

City of Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2011

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

8. Capital Assets-Continued

assets of business-type activities is included as part of the capitalized value of the assets constructed. No interest was capitalized for the fiscal year ended June 30, 2011.

The City has elected to use the modified approach for accounting for its roads. Under this approach, the City has made the commitment to preserve and maintain these assets at levels established by the Department of Public Works and Transportation. No depreciation expense is reported for such assets, nor are amounts capitalized in connection with improvements that lengthen the lives of such assets unless the improvements also increase their service potential. The City maintains an inventory of these assets and performs periodic condition assessments to establish that the predetermined condition level is being maintained. In addition, the City makes annual estimates of the amounts that must be expended to preserve and maintain these assets at the predetermined condition levels. Refer to the Required Supplementary Information for additional information on infrastructure using the modified approach.

Property, plant, and equipment of the City are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	35
Improvements other than buildings	20
Infrastructure improvements (depreciable)	30
Furniture	20
Vehicles – trucks, vans, trailers	10
Vehicles – cars	5
Computer software	7
Computer hardware & office equipment	5

9. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the City does not have a policy to pay any amounts when employees separate from service with the City, except when an employee retires from the City. The retiring employee is eligible to be paid for a maximum of 720 hours. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

City of Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2011

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

10. 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 assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

11. Fund Equity

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

Fund Balance- Generally, fund balance represents the differences between the current assets and current liabilities. Governmental funds will now report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

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

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

Committed- Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the City Council through the adoption of a resolution. The City Council also may modify or rescind the commitment.

City of Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2011

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

11. Fund Equity-Continued

Assigned- Fund balances are reported as assigned when amounts are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the City Council has authorized the City's Chief Finance Officer to assign fund balances.

Unassigned- Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The City reports positive unassigned fund balance only in the general fund. Negative unassigned fund balance may be reported in all funds.

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

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

The City's policy is to apply restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

12. Pension Plans

The City provides a defined benefit pension plan to all eligible employees. It is the City's policy to fund this plan's normal cost annually, as determined by actuarial valuation. The City also provides a 457(b) deferred compensation plan and an employer matching defined contribution plan 401(a) to all eligible employees.

City of Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2011

NOTE B – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

The reconciliation of the fund balance of governmental funds to the statement of net assets includes reconciliation between fund balance – total governmental funds and net assets – governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of this \$5,588,645 difference are as follows:

Bonds payable:	\$ 1,875,000
Less: Deferred charge for issuance costs (to be amortized over life of debt)	(8,776)
Less: Deferred charge on refunding (to be amortized as interest expense)	(45,416)
Accrued interest payable	44,484
Due to Rockdale County	-
Certificates of participation	90,000
GMA COPs lease pool	3,555,000
Fair value of interest rate swap	(609,797)
Capital lease payable	157,159
Compensated absences	<u>530,991</u>
Net adjustment to reduce <i>fund balance – total governmental funds</i> to arrive at <i>net assets- governmental activities</i>	<u>\$ 5,588,645</u>

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlay 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.” The details of this \$1,268,510 difference are as follows:

Capital outlay	\$ 3,238,738
Depreciation expense	<u>(1,970,228)</u>
Net adjustment to increase <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	<u>\$ 1,268,510</u>

City of Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2011

NOTE B – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS – CONTINUED

Another element of that reconciliation states that “the issuance of long-term debt (e.g., bonds, leases) 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 assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.” The details of this \$1,574,988 difference are as follows:

Principal repayments:	
General obligation debt	\$ 500,000
Payment on due to Rockdale County	1,102,082
Payment on capital leases	45,162
Amortization of bond issuance costs and deferred loss	<u>(72,256)</u>
Net adjustment to increase <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	<u>\$ 1,574,988</u>

Another element of the reconciliation states that “long-term compensated absences & accrued interest expense 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 (\$5,222) difference are as follows:

Long-term compensated absences	\$ (22,656)
Accrued interest expense	<u>17,434</u>
Net adjustment to decrease <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	<u>\$ (5,222)</u>

City of Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2011

NOTE C - DEPOSITS AND INVESTMENT

Total deposits and investments as of June 30, 2011, are summarized as follows:

	<u>2011</u>
As reported in Statement of Net Assets	
Cash and cash equivalents	\$ 2,500,366
Investments	2,085,308
Restricted cash and cash equivalents	819,615
	<u>\$ 5,405,289</u>
 Cash/investments deposited with financial institutions	 \$ 3,319,981
Investments in guaranteed investments contract	2,085,308
	<u>\$ 5,405,289</u>

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 banker's acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia. As of June 30, 2011, the City's investment in the guaranteed investment contract was rated AA- by Standard & Poors.

At June 30, 2011, the City had the following investments:

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value</u>
Guaranteed investment contract	June 1, 2028	\$ 2,085,308
		<u>\$ 2,085,308</u>

Interest rate risk. The City limits investment maturities to three years unless it is matched to a specific cash flow as a means of managing its exposure to fair value losses arising from increasing interest rates.

Custodial credit risk – deposits. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the City 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.

At June 30, 2011, the City did not have any deposits which were uninsured and uncollateralized as defined by GASB pronouncements.

City of Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2011

NOTE D – RECEIVABLES

Receivables as of year end for the City's funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General	E-911	Confiscated Assets	Hotel/Motel	SPLOST	Sanitation	Landfill	Stormwater	Total
Receivables									
Accounts	\$ 112,382	\$ 36,226	\$ 3,926	\$ -	\$ -	\$ 23,939	\$ -	\$ 5,790	\$ 182,263
Taxes	300,933	-	-	160,678	-	-	-	-	461,611
Police fines	1,147,364	-	-	-	-	-	-	-	1,147,364
Intergovernmental	<u>28,626</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>150,100</u>	<u>-</u>	<u>859,483</u>	<u>-</u>	<u>1,038,209</u>
Total receivables	1,589,305	36,226	3,926	160,678	150,100	23,939	859,483	5,790	2,829,447
Allowance for uncollectible receivables	<u>(716,696)</u>	<u>-</u>	<u>-</u>	<u>(57,996)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(774,692)</u>
Net receivables	<u>\$ 872,609</u>	<u>\$ 36,226</u>	<u>\$ 3,926</u>	<u>\$ 102,682</u>	<u>\$ 150,100</u>	<u>\$ 23,939</u>	<u>\$ 859,483</u>	<u>\$ 5,790</u>	<u>\$ 2,054,755</u>

City of Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2011

NOTE E - CAPITAL ASSETS

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

	Balance June 30, 2010	Increases	Decreases	Balance June 30, 2011
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 13,125,577	\$ 384,973	\$ (1,915,577)	\$ 11,594,973
Construction in progress	857,994	1,019,465	(544,024)	1,333,435
Infrastructure	250,000	-	-	250,000
	<u>14,233,571</u>	<u>1,404,438</u>	<u>(2,459,601)</u>	<u>13,178,408</u>
Capital assets, being depreciated:				
Buildings	8,263,779	497,184	-	8,760,963
Improvements other than building	24,081,168	917,744	-	24,998,912
Equipment	8,843,092	963,396	(113,424)	9,693,064
Total capital assets being depreciated	<u>41,188,039</u>	<u>2,378,324</u>	<u>(113,424)</u>	<u>43,452,939</u>
Less accumulated depreciation for:				
Buildings	(3,025,118)	(219,686)	-	(3,244,804)
Improvements other than building	(17,428,841)	(1,200,681)	-	(18,629,522)
Equipment	(6,638,039)	(549,861)	113,424	(7,074,476)
Total accumulated depreciation	<u>(27,091,998)</u>	<u>(1,970,228)</u>	<u>113,424</u>	<u>(28,948,802)</u>
Total capital assets, being depreciated, net	<u>14,096,041</u>	<u>408,096</u>	<u>-</u>	<u>14,504,137</u>
Governmental activities capital assets, net	<u>\$ 28,329,612</u>	<u>\$ 1,812,534</u>	<u>\$ (2,459,601)</u>	<u>\$ 27,682,545</u>

City of Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2011

NOTE E - CAPITAL ASSETS – CONTINUED

	Balance June 30, 2010	Increases	Decreases	Balance June 30, 2011
Business-type activities				
Capital assets, not being depreciated:				
Land	\$ -	\$ 1,915,577	\$ -	\$ 1,915,577
Construction in progress	9,420	46,447	-	55,867
Total capital assets not being depreciated	9,420	1,962,024	-	1,971,444
Capital assets, being depreciated:				
Road improvements	1,324,975	73,652	-	1,398,627
Buildings	-	1,735,006	-	1,735,006
Equipment	1,647,240	780,844	-	2,428,084
Total capital assets being depreciated	2,972,215	2,589,502	-	5,561,717
Less accumulated depreciation for:				
Road improvements	(149,638)	(45,456)	-	(195,094)
Buildings	-	(61,249)	-	(61,249)
Equipment	(1,216,263)	(176,158)	-	(1,392,421)
Total accumulated depreciation	(1,365,901)	(282,863)	-	(1,648,764)
Total capital assets, being depreciated, net	1,606,314	2,306,639	-	3,912,953
Business-type activities capital assets, net	\$ 1,615,734	\$ 4,268,663	\$ -	\$ 5,884,397

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

Governmental activities:

General government	\$ 134,365
Public safety	300,189
Public works	180,979
Cultural/recreation	1,354,695
Total depreciation expense-governmental activities	\$ 1,970,228

Business-type activities:

Golf	\$ 118,619
Sanitation	110,921
Stormwater	53,323
Total depreciation expense-business-type activities	\$ 282,863

City of Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2011

NOTE F - LONG-TERM DEBT

Long-term liability activity for the year ended June 30, 2011, was as follows:

	Balance June 30, 2010	Additions	Deletions	Balance June 30, 2011	Due Within One Year
Governmental activities:					
Bonds payable:					
Certificates of participation- 91 Series	\$ 175,000	\$ -	\$ (85,000)	\$ 90,000	\$ 90,000
GMA certificates of participation lease pool	3,555,000	-	-	3,555,000	-
Less: Deferred fair value of interest rate swap	(662,069)	-	52,272	(609,797)	-
Commerce Center revenue bonds- 04 Series	2,290,000	-	(415,000)	1,875,000	435,000
Less deferred amounts:					
On refunding	(105,972)	-	60,556	(45,416)	(45,416)
Total bonds payable	5,251,959	-	(387,172)	4,864,787	479,584
Due to Rockdale County	1,102,082	-	(1,102,082)	-	-
OPEB	1,837,098	829,503	(89,376)	2,577,225	-
Compensated absences	508,335	505,487	(482,831)	530,991	132,748
Capital leases	202,321	-	(45,162)	157,159	46,629
Governmental activity					
Long-term liabilities	<u>\$ 8,901,795</u>	<u>\$ 1,334,990</u>	<u>\$ (2,106,623)</u>	<u>\$ 8,130,162</u>	<u>\$ 658,961</u>
Business-type activities					
Bonds payable:					
Stormwater revenue bonds - 05 Series	\$ 1,305,000	\$ -	\$ (105,000)	\$ 1,200,000	\$ 110,000
Compensated absences	36,635	58,192	(46,236)	48,591	12,148
Capital leases	-	552,603	(82,822)	469,781	144,080
Landfill postclosure care liability	1,300,000	-	(100,000)	1,200,000	100,000
Business-type activity					
Long-term liabilities	<u>\$ 2,641,635</u>	<u>\$ 610,795</u>	<u>\$ (334,058)</u>	<u>\$ 2,918,372</u>	<u>\$ 366,228</u>

The beginning balance of governmental activities above has been increased by \$1,837,098 to reflect the implementation of GASB 45.

City of Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2011

NOTE F - LONG-TERM DEBT – CONTINUED

1. Certificates of Participation

In 1991, the City entered into an agreement with the Georgia Municipal Association ("GMA") whereby the City sold certificates of participation totaling \$1,000,000 in a lease agreement between the City and GMA for certain vehicle maintenance facilities to be constructed with proceeds of the certificates and leased by the City. The proceeds of such sale were also used to improve the City's public safety building. Interest on these certificates is paid semi-annually by the general fund, at rates ranging from 5.2% to 7%. The agreement expires December 31, 2011, subject to the City's right to terminate this agreement as of each December 31.

In June 1998, the City entered into a lease pool agreement with the Georgia Municipal Association (the "Association"). The funding of the lease pool was provided by the issuance of \$150,126,000 Certificates of Participation by the Association. The Association passed the net proceeds through to the participating municipalities with the City's participation totaling \$3,555,000. The lease pool agreement with the Association provides that the City owns their portion of the assets invested by the pool and is responsible for the payment of their portion of the principal and interest of the Certificates of Participation. The principal is due in a lump sum payment on June 1, 2028. Interest is payable at a rate of 4.75% each year. The City draws from the investment to lease equipment from the Association. The lease pool agreement requires the City to make lease payments back into its investment account to fund the principal and interest requirements of the 1998 GMA Certificates of Participation.

As part of the issuance of the certificates of participation, the City entered into an interest rate swap agreement. Under the Swap Agreement, the City is required to pay (1) a semiannual (and beginning July 1, 2003, a monthly) floating rate of interest based on the Securities Industry and Financial Markets Association (SIFMA) Municipal Swap Index (plus a 31 basis points spread) to, or on behalf of, the Swap Counterparty (the "Swap Payment"); and the Swap Counterparty will pay to, or on behalf of, the City a semi-annual payment based on a rate equal to the fixed rate on the certificates of participation (4.75%) times a notional amount specified in the Swap Agreement, but generally equal to the outstanding unpaid principal portion of such Contract, less the amount originally deposited in the Reserve Fund relating to the Contract, and (ii) a one-time Swap Premium to be paid on the effective date of the Swap Agreement. The semiannual payments from the Swap Counterparty with respect to the City are structured, and expected, to be sufficient to make all interest payments due under the Contract, and related distributions of interest on the Certificates. Monthly interest payments between the City, the holders of the Certificates of Participation, and the Swap Counterparty can be made in net settlement form as part of this agreement. Under the Swap Agreement, the City's obligation to pay floating payments to the Swap Counterparty in any calendar year may not exceed an amount equal to the SIFMA Municipal Swap Index plus 5% to be determined on the first business day of December in the preceding year. This agreement matures on June 1, 2028, at the same time of the certificates of participation. This derivative qualifies as a fair market hedge.

In the unlikely event that the Swap Counterparty becomes insolvent, or fails to make payments as specified in the Swap Agreement, the City would be exposed to credit risk in the amount of the Swap's fair value. To minimize this risk, the City executed this agreement with agreement with

City of Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2011

NOTE F - LONG-TERM DEBT – CONTINUED

1. Certificates of Participation-Continued

counterparties of appropriate credit strength, with the counterparty being rated Aa1 by Moody's. At June 30, 2011, the floating rate being paid by the City is 0.40% and the market value of this agreement is \$609,797 a decrease of \$52,272 from the market value at the end of the previous fiscal year. The market value of the hedge was determined using settlement prices at the end of the day on June 30, 2011 based on the derivative contract. This market value is reported as a component of the certificates of participation in long-term debt in the statement of net assets. As this derivative is an effective hedge, qualifying for hedge accounting, the inflow from the hedge (any change in fair value from inception until fiscal year end) is deferred and reported as deferred revenue in the statement of net assets.

2. Commerce Center Revenue Bonds

The Development Authority of Conyers, Georgia (the "Authority"), a blended component unit of the City, issued \$4,345,000 of Series 2004 Conyers Commerce Center Revenue Refunding Bonds to provide resources to purchase U.S. Government securities. These securities were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the Series 1997 Taxable Revenue Bonds. At year-end, the aggregate principal amount of the refunded debt outstanding was \$600,000. For financial accounting and reporting purposes, all of the refunded bonds are considered retired, and along with the funds held in trust, are not included in the accompanying financial statements. Interest on the bonds is paid semi-annually by the general fund at a rate of 5.16%.

The City has an intergovernmental agreement with the Authority authorizing the City to levy up to 3 mills on an ad valorem tax if the sales of the property are not adequate to cover the debt payments of the bonds. Currently, a 3 mill tax levy will generate money to exceed the debt payments of the bond.

3. Due to Rockdale County

In August 2004, the City entered into an intergovernmental agreement with Rockdale County (the "County") to provide resources to finance roads, streets and bridges, a vehicle maintenance facility, building repairs and renovations, vehicles, and greenspace. The County issued \$44,300,000 of 2005 Special Purpose Local Option Sales Tax General Obligation Bonds. The bond issue is a general obligation debt of the County and has been recorded on the County's books. Pursuant to the County's agreement with the City, the County advanced the City \$4,200,000 of the bond proceeds. The City has agreed to repay the County's advance and proportional portion of interest and issuance costs. The advance was repaid from the City's portion of the proceeds from the 1% SPLOST levy started April 2005. At year-end the outstanding principal balance was \$0. Interest on the advance was payable at various rates from 2.2 to 4.0%.

City of Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2011

NOTE F - LONG-TERM DEBT – CONTINUED

4. Stormwater Revenue Bonds

In May 2005, the City entered into an agreement with the Rockdale County Water & Sewerage Authority (“Authority”) whereby the Authority issued \$1,750,000 of Series 2005 Revenue Bonds to provide resources for the City of Conyers Stormwater Utility Project. In the agreement, the City agreed to pay to the Authority the entire debt service of the bonds from the revenues derived from the operation of the Stormwater facilities. The City may also levy taxes to meet its obligation. Interest on the Bonds is paid semi-annually by the Stormwater Projects Fund at 4.86%.

Annual debt service requirements to maturity on the City’s outstanding Stormwater revenue bonds were as follows at June 30, 2011:

<u>Year</u>	<u>2005 Stormwater Revenue Bonds</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2012	\$ 110,000	\$ 58,320	\$ 168,320
2013	115,000	52,974	167,974
2014	120,000	47,385	167,385
2015	125,000	41,553	166,553
2016	130,000	35,478	165,478
2017-2020	<u>600,000</u>	<u>74,601</u>	<u>674,601</u>
	<u>\$ 1,200,000</u>	<u>\$ 310,311</u>	<u>\$ 1,510,311</u>

5. Compensated Absences

Earned and vested paid time off is recorded as a liability in the government-wide statement of net assets and the proprietary fund statement of net assets. The compensated absences have been paid in prior years mainly from the General Fund.

City of Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2011

NOTE F - LONG-TERM DEBT – CONTINUED

6. Capital Leases

The City has entered into lease agreements as a lessee for financing the acquisition of various equipment. The lease agreements qualify as capital leases for accounting purposes (title transfers at the end of the lease term) and have been recorded at the present value of the future minimum lease payments as of the date of inception. The governmental activities lease is being serviced by General Fund payments with an annual interest rate of 3.21%. During 2011, the City financed various equipment for the Golf Fund with annual interest rates from 2.5% to 2.7%.

The carrying value of assets subject to capital leases is as follows:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Asset:		
Equipment	\$ 200,910	\$ 552,603
Less: Accumulated depreciation	<u>(47,273)</u>	<u>(46,290)</u>
Total	<u>\$ 153,637</u>	<u>\$ 506,313</u>

The following is a schedule of the future minimum lease payments required under these capital lease obligations and the present value of minimum lease payments at June 30, 2011:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Year ending June 30,		
2012	\$ 51,116	\$ 154,960
2013	51,116	154,960
2014	51,116	82,417
2015	12,779	58,236
2016	<u>-</u>	<u>43,677</u>
Total minimum lease payments	166,127	494,250
Less amount representing interest	<u>(8,968)</u>	<u>(23,411)</u>
Present value of future minimum lease payments	<u>\$ 157,159</u>	<u>\$ 470,839</u>

City of Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2011

NOTE F - LONG-TERM DEBT – CONTINUED

7. Future Debt Service Requirements

Annual debt service requirements to maturity on the City's outstanding revenue bonds and certificates of participation were as follows at June 30, 2011:

Year	2004 Commerce Center Revenue Refunding Bonds		Certificates of Participation		GMA Certificates of Participation Capital Lease Pool		Total	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2012	\$ 435,000	\$ 96,750	\$ 90,000	\$ 6,480	\$ -	\$ 168,863	\$ 525,000	\$ 272,093
2013	455,000	74,304	-	-	-	168,863	455,000	243,167
2014	480,000	50,826	-	-	-	168,863	480,000	219,689
2015	505,000	26,058	-	-	-	168,863	505,000	194,921
2016	-	-	-	-	-	168,863	-	168,863
2017-2021	-	-	-	-	-	844,315	-	844,315
2022-2026	-	-	-	-	-	844,315	-	844,315
2027-2028	-	-	-	-	3,555,000	337,726	3,555,000	337,726
	<u>\$ 1,875,000</u>	<u>\$ 247,938</u>	<u>\$ 90,000</u>	<u>\$ 6,480</u>	<u>\$ 3,555,000</u>	<u>\$ 2,870,671</u>	<u>\$ 5,520,000</u>	<u>\$ 3,125,089</u>

City of Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2011

NOTE G - INTERFUND RECEIVABLES AND PAYABLES

The composition of interfund balances as of June 30, 2011, is as follows:

Due to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Sanitation	\$ 400,341
General	Stormwater	8
General	Emergency Telephone	108,004
General	Hotel/Motel	330,816
General	SPLOST	15,996
Confiscated Assets	General Fund	2,496
		<u>\$ 857,661</u>

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

Interfund transfers:

	<u>Transfer In:</u>					
	<u>General Fund</u>	<u>Hotel/Motel Fund</u>	<u>Emergency Telephone Fund</u>	<u>Golf Fund</u>	<u>Landfill Fund</u>	<u>Total</u>
Transfer out:						
General Fund	\$ -	\$ 75,000	\$ 232,731	\$ 250,000	\$ 61,640	\$ 619,371
Sanitation Fund	-	-	-	-	30,000	30,000
Landfill Fund	364,297	-	-	-	-	364,297
Total transfers out	<u>\$ 364,297</u>	<u>\$ 75,000</u>	<u>\$ 232,731</u>	<u>\$ 250,000</u>	<u>\$ 91,640</u>	<u>\$ 1,013,668</u>

City of Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2011

NOTE G - INTERFUND RECEIVABLES AND PAYABLES-CONTINUED

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

The General Fund and Sanitation Fund transfer funds to the Emergency Telephone Fund and Landfill Fund, respectively, to cover operating deficits.

Advances to/from other funds:

Advance to/from other funds:		
<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Golf	<u>\$ 920,962</u>

The Golf Fund will repay the General Fund within four years.

NOTE H - PENSION PLANS

Defined Benefit Pension Plan

1. Plan Description

The City, as authorized by the City Council, has established a non-contributory defined benefit pension plan (The City of Conyers Retirement Plan) covering all full-time employees. The City's pension plan is affiliated with the Georgia Municipal Employee Benefit System (GMEBS), an agent multiple-employer pension plan administered by the Georgia Municipal Association. Contributions made by the City are commingled with contributions made by other members of GMEBS for investment purposes. The City does not own any securities on its own. Investment income from the securities is allocated on a pro rata basis. The Georgia Municipal Association issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS. That report may be obtained by writing to Georgia Municipal Association, Risk Management and Employee Benefit Services, 201 Pryor Street, SW, Atlanta, Georgia 30303 or by calling (404) 688-0472.

City of Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2011

NOTE H - PENSION PLANS-CONTINUED

As provided by state law, benefit provisions for participants in GMEBS are established by the respective employers. As authorized by City Council, the plan provides pension benefits and death and disability benefits for all employees that have been employed full time for one year. Members may retire on reaching the age of 65, depending on their classification. Early retirement is possible on reaching the age of 55, depending on the member's classification. In addition, police officers can retire at age 55 and 10 years of service with full benefits. Benefits are calculated at 1.0% to 1.75% of the average monthly earnings for the period of the five highest years' earnings prior to retirement.

As of January 1, 2011, the plan membership included the following categories of participants.

Retirees and beneficiaries receiving benefits	45
Terminated vested participants not yet receiving benefits	74
Active participants	<u>154</u>
Total membership	<u><u>273</u></u>

2. Funding Policy

The plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of GMEBS has adopted a recommended actuarial funding policy for the plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the plan. The funding policy for the plan is to contribute an amount equal to the recommended contribution described below. For 2011, the actuarially determined contribution rate was 9.5% of covered payroll. For 2011 the City's recommended and actual contribution totaled \$620,000. See the required supplementary information for actuarial assumptions.

3. Annual Pension Cost

The City's annual pension cost and net pension obligation for 2011 were computed as follows:

Annual required contribution/pension cost	\$ 620,000
Contributions made	<u>(620,000)</u>
Increase in net pension obligation	-
Net pension obligation, beginning of year	<u>-</u>
Net pension obligation, end of year	<u><u>\$ -</u></u>

City of Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2011

NOTE H - PENSION PLANS-CONTINUED

4. Schedule of Employer Contributions

<u>Year ended</u>	<u>Recommended Pension Contribution (RPC)</u>	<u>Percentage of RPC Contributed</u>	<u>Net Pension Obligation</u>
June 30, 2011	\$ 620,000	100%	\$ -
June 30, 2010	\$ 574,283	100%	\$ -
June 30, 2009	\$ 467,392	100%	\$ -

The information presented in the supplementary information was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

Valuation date	January 1, 2011
Actuarial cost method	Projected Unit Credit
Amortization method	Closed Level Dollar Amount
Amortization period	Remaining amortization period varies for the base, with a net effective amortization period of 11 years
Asset valuation method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at end of year. The actuarial value is adjusted, if necessary, to be within 50% of market value for 2009, 44% of market value for 2010, 38% of market value for 2011, 32% of market value for 2012, 26% of market value for 2013, and 20% of market value for 2014 and later years.
Actuarial assumptions:	
Investment rate of return	7.75%
Projected salary increases	3.00%
Includes inflation at	0%
Merit increases at	.50%

City of Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2011

NOTE H - PENSION PLANS-CONTINUED

5. Schedule of Funding Progress

The information presented below is based on the annual actuarial valuations as of January 1 of each year.

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded/ (Surplus) AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
January 1, 2011	\$ 7,531,148	\$ 10,120,860	\$ (2,589,712)	74.4%	\$ 6,512,000	-39.77%

The required schedule of funding progress immediately following 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 liability.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect long-term perspective. Calculations are based on the substantive plan in effect as of January 1, 2011.

Deferred Compensation Plan

Plan Description and Funding Requirements

The City maintains a supplemental retirement plan for employees entitled "The 457(b) Deferred Compensation Plan". Both full- time and part-time employees of the City are eligible to participate. The plan is administered by AIG VALIC as a 401(a) and 457(b) plan, as defined by the Internal Revenue Service. The City Council of Conyers is the authority to establish and amend plan provisions. At June 30, 2010 there were 49 plan members.

The contribution requirements of plan members are established and amended by the City Council. Employees may elect to contribute a portion of their pay not to exceed the IRS guidelines, into the 457(b) plan. Upon hire date for full-time and part-time employees, the City will contribute up to 2% of the salary for employees contributing to the 457(b) plan into the 401(a). The City matches 33 cents on the dollar up to 2% of the employee's salary. In order for an employee to get the maximum benefit, the employee needs to contribute 6% or more of their gross salary wages to the 457(b)

City of Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2011

NOTE H - PENSION PLANS-CONTINUED

Deferred Compensation Plan-Continued

plan. An employee will become vested in the 401(a) five years from their hire date. For the fiscal year ended June 30, 2011, the City's contribution to the 401(a) plan was \$36,624. The amount contributed by employees in the 457(b) plan was \$127,438.

NOTE I - LANDFILL POSTCLOSURE CARE COSTS

The landfill which had been operated by the City for the benefit of the City and Rockdale County residents was closed in September 1993. State and Federal laws and regulations require the City to perform certain maintenance and monitoring functions (postclosure care) at the site for thirty years after the certification of its closure plan by the State of Georgia. The City has recognized a liability of approximately \$1,200,000 (\$1,100,000 long term and \$100,000 current) for postclosure care costs based on what it would cost to perform all postclosure care at June 30, 2011. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. These costs will be funded by resources of the City and by Rockdale County. Rockdale County has agreed to fund 70% of these post closure care costs. Accordingly, a receivable from the County equal to the County's share of this liability has been recorded in the landfill enterprise fund.

NOTE J - OTHER POST-EMPLOYMENT BENEFITS

In accordance with GASB 45 requirements, the City of Conyers is required to attribute the cost of post retirement benefits to the time during which the employee is working for the employer. GASB 45 requires allocation of the costs of a post retirement benefit plan onto the years of active employment; it does not require the funding of such benefits. GASB 45 requirements have been implemented by the City of Conyers for the year ended June 30, 2011. 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, 2011.

The City provides post-retirement health care insurance and life insurance, in accordance with City policies, to all employees who retire from the City, and meet the eligibility requirements for retirement as set forth in the City's pension plan. The City has contracted with Greater Georgia Life Insurance Company to administer post retirement life insurance benefits to all employees who retire under early or normal retirement provisions.

The City of Conyers currently contracts with Blue Cross Blue Shield of Georgia to administer post retirement health care benefits. Upon termination of employment, eligible employees are entitled to continue coverage, at their own cost. After 10 years of service, the City pays 100% of the retiree's share of the charges. Currently, 20 retirees are enrolled in post retirement health care benefits. These post-retirement benefits are funded on a pay-as-you-go-basis. In 2011, the net cost of premiums for providing post-retirement benefits was \$89,376.

City of Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2011

NOTE J - OTHER POST-EMPLOYMENT BENEFITS-CONTINUED

1. Membership

The following schedule (derived from the most recent actuarial valuation report) reflects membership for the OPEB Plan as of January 1, 2011.

Active members	154
Retired members	<u>20</u>
Total membership	<u><u>174</u></u>

2. Contributions

The annual required contribution amount is determined using actuarial methods and assumptions approved by the City Council. The City Council established and may amend the funding policy for the OPEB Plan.

Schedule of Employer Cost and Contributions:

Annual required contribution	\$	829,503
Annual OPEB cost		829,503
Actual contributions		89,376
Percentage of ARC contributed		10.77%
Net OPEB liability, beginning of year	\$	1,837,098
Net OPEB liability, end of year	\$	2,577,225

City of Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2011

NOTE J - OTHER POST-EMPLOYMENT BENEFITS-CONTINUED

3. OPEB Plan

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

Actuarial Value of Asset	\$ -
Actuarial Accrued Liability (AAL)	6,071,205
Unfunded Actuarial Accrued Liability (UAAL)	6,071,205
Funded Ratio	0.00%
Covered Payroll	6,398,040
Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll	94.89%

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continued revision as are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Actuarial calculations are based on the OPEB benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing costs between the employer and plan members to that point. Calculations are based on the plan in effect at July 1, 2010. The assumptions used in the January 1, 2011 actuarial valuation is as follows:

Cost method	Projected Unit Credit
Actuarial asset valuation method	Market Value of Assets
Assumed rate of return on investments	4.0%
Medical cost trend rate	9.0%
Ultimate medical cost trend rate	5.0%
Year of ultimate trend rate	2018
Amortization method	Level dollar, closed
Remaining amortization period	23 years
Payroll inflation rate	3.5%

City of Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2011

NOTE K – FUND EQUITY/DEFICIT

1. **Fund Balances**

Nonspendable- The following fund balance is nonspendable because it is allocated to:

General Fund:

Prepaid items	85,477
Assets held for resale	628,557
Advance to other funds	<u>920,962</u>

Total	<u><u>\$ 1,634,996</u></u>
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Restricted- The following fund balances are restricted for:

General Fund:

Capital equipment purchases	2,085,308
Debt service	<u>92,814</u>

Total	<u><u>\$ 2,178,122</u></u>
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Special Revenue Fund:

Confiscated Assets Fund- used to account for funds received from the enforcement of drug laws and confiscation of property.

\$ 97,556

Capital Projects Fund:

SPLOST- used to account for capital projects financed with SPLOST.

\$ 1,377,476

City of Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2011

NOTE K – FUND EQUITY/DEFICIT-CONTINUED

Assigned- The following fund balance is assigned to:

General Fund:

Encumbered commitment	<u>\$ 46,927</u>
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Unassigned- The City's policy is to maintain an adequate General Fund unassigned fund balance to provide liquidity in the event of an economic downturn or natural disaster.

2. Fund Deficit

At June 30, 2011, the Hotel/Motel, Emergency Telephone, Sanitation, and Landfill funds reflected deficit balances of \$273, \$61,196, \$168,038 and \$309,502 , respectively, in net assets. The deficit of the Hotel/Motel, Emergency Telephone, and Sanitation funds will be eliminated through future transfers from other funds. Management of the City expects to reduce the Landfill fund's deficit by operating transfers from the General Fund and possible future reduction of postclosure care cost.

NOTE L - CONTINGENCIES

1. 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 arising in the course of City operations. In the opinion of City management, the resolution of these matters will not have a material adverse effect on the financial condition of the City.

2. Risk Management

The City is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disaster for which the City carries commercial insurance in amounts deemed prudent by City management. There was no significant reduction in insurance coverage during the year. The City has also joined together with other municipalities in the state as part of the

City of Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2011

NOTE L – CONTINGENCIES-CONTINUED

2. Risk Management-continued

Georgia Municipal Association Group Self-Insurance Workers' Compensation Fund, a public entity risk pool currently operating as a common risk management and insurance program for member local governments.

As part of this risk pool, the City is obligated to pay all contributions and assessments as prescribed by the pool, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the fund and to report as promptly as possible and in accordance with any coverage descriptions issued, all incidents which could result in the fund being required to pay any claim of loss. The City is also to allow the pool's agents and attorneys to represent the City in investigation, settlement discussions and all levels of litigation arising out of any claim made against the City within the scope of loss protection furnished by the fund.

The fund is to defend and protect the members of the fund against liability or loss as prescribed in the member government contract and in accordance with the workers' compensation law of Georgia. The fund is to pay all cost taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment and all expenses incurred for investigation, negotiation or defense.

Settlements did not exceed insurance coverage for the past three fiscal years.

City of Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2011

NOTE M - OPERATING LEASE REVENUE

The City leases a portion of the Georgia International Horse Park land (with an original cost and carrying value of \$750,000) for use as a hotel resort. The lease is accounted for as an operating lease. Rental income under this lease totaled approximately \$50,000 during the year ended June 30, 2011. This lease expires in 2047 but contains options to renew for additional fifty year terms. The following schedule presents minimum future rentals on the noncancellable operating lease as of June 30, 2011. Contingent rentals which may be received under certain instances of high revenue performance are not included.

<u>Year ending June 30,</u>	<u>Resort Lease</u>	<u>Total</u>
2012	50,000	50,000
2013	50,000	50,000
2014	50,000	50,000
2015	50,000	50,000
2016	50,000	50,000
2017-2021	250,000	250,000
2022-2026	250,000	250,000
2027-2031	250,000	250,000
2032-2036	250,000	250,000
2037-2041	250,000	250,000
2042-2046	250,000	250,000
2047	<u>50,000</u>	<u>50,000</u>
Total minimum future rentals	<u>\$ 1,800,000</u>	<u>\$ 1,800,000</u>

City of Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2011

NOTE N - JOINT VENTURE

Under Georgia law, the City, in conjunction with other cities and counties in the Metropolitan Atlanta Georgia area, is a member of the Atlanta Regional Commission (ARC) and is required to pay annual dues, if assessed. Membership in ARC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of ARC. ARC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of ARC. Separate financial statements may be obtained from ARC, 200 North Creek, Suite 300, 3715 Northside Parkway, Atlanta, Georgia 30327.

NOTE O - RELATED ORGANIZATION

The City's Mayor is responsible for appointing all board members of the Conyers Housing Authority (the "Authority"). However, the City has no further accountability for the Authority.

NOTE P – SUBSEQUENT EVENT

On September 13, 2011, the City received a \$1 million short-term loan from United Community Bank. The City entered into this temporary loan for the purpose of paying its current expenses. The loan has a maturity date of December 31, 2011.

NOTE Q – HOTEL/MOTEL TAX

The City of Conyers imposes a 8% hotel/motel tax for the purpose of promoting tourism. Expenditures paid with this hotel/motel tax were used to promote tourism as required by O.C.G.A. 48-13-51. A summary of transactions for the fiscal year ended June 30, 2011 is as follows:

2011 tax receipts	\$ 720,180
2011 expenditures	
City of Conyers Tourism and Public Affairs	(856,099)
Current year expenditures in excess of receipts	<u>\$ (135,919)</u>
Expenditures as a percentage of tax receipts	<u>118.9%</u>

City of Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2011

NOTE R – BUDGET AND COMPLIANCE INFORMATION

1. General

Annual appropriated budgets are adopted for all funds at the department level. The SPLOST capital projects fund is adopted on the project length basis. Budgets for the enterprise funds are for management control purposes and are not required to be reported. Budgets are adopted on a non-GAAP basis. All unencumbered appropriations lapse at fiscal year end. Expenditures may not legally exceed budgeted appropriations at the department level.

Encumbrances represent commitments related to unfulfilled contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is utilized in the governmental funds. Encumbrances outstanding at year-end are reported as reservations of fund balance and are carried forward to the forthcoming year. They do not constitute expenditures or liabilities until the related goods or services are received during the subsequent year. The following process is used by the City in establishing the budgetary data reflected in the financial statements.

Each year, by January 15th for capital budgets and March 15th for operating budgets, all departments of the City submit requests for appropriations to the Chief Financial Officer so that a budget may be prepared. The budget is prepared by department for each fund, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year.

Before May 25th, the proposed budget is presented to the City Council for review. The 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 Council at the first regular meeting following the public hearing, and by June 17th of each year. As expenditures may not legally exceed budgeted appropriations at the department total level, the Chief Financial Officer is authorized to revise appropriations within each department, but may not change total appropriations for a department.

City of Conyers, Georgia

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2011

NOTE R – BUDGET AND COMPLIANCE INFORMATION-CONTINUED

2. Excess of Expenditures Over Appropriations

For the year ended June 30, 2011, expenditures exceeded appropriations as follows:

<u>Fund or Department</u>	<u>Excess</u>
Confiscated Assets	\$ 44,539
Hotel/Motel	\$ 101,861
General Fund	
City Manager's Office	\$ 1,021
Administration	83,091
Technology	91,727
Building Maintenance	6,374
Conyers Security Alert	6,886
Vehicle Maintenance	99,988
Police	343,623
Planning & City Services	56,688
Planning & Inspections	66,385
Landscape Services	10,477
Infrastructure Services	107,081
GIHP Administration	122,849
GIHP Maintenance	7,662
Debt Service	168,862

These over expenditures were funded by greater than anticipated revenues and by available fund balance. The City will continue to monitor budget versus actual expenditures monthly. When proposed expenditures appear that they will exceed the budget, the City will obtain approval from the City Council for those expenditures.

REQUIRED SUPPLEMENTARY INFORMATION

City of Conyers, Georgia

REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**

GENERAL FUND

	For the year ended June 30, 2011			
	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 8,660,000	\$ 9,038,600	\$ 9,161,557	\$ 122,957
Licenses, permits and fees	216,500	216,500	100,896	(115,604)
Fines and forfeitures	1,057,000	1,058,500	998,820	(59,680)
Charges for services	625,000	625,000	606,385	(18,615)
Other revenues	1,618,900	1,462,874	1,544,494	81,620
Intergovernmental	220,810	231,577	236,593	5,016
Total revenues	12,398,210	12,633,051	12,648,745	15,694
Expenditures				
General government				
Mayor and Council	219,101	294,101	286,611	7,490
City Manager's Office	496,712	496,712	497,733	(1,021)
Administration	779,342	793,892	876,983	(83,091)
Technology	621,097	1,064,253	1,155,980	(91,727)
Building maintenance	281,000	360,030	366,404	(6,374)
Conyers Security Alert	182,361	198,361	205,247	(6,886)
Vehicle maintenance	470,079	506,379	606,367	(99,988)
Public safety				
Police	3,999,228	4,116,262	4,459,885	(343,623)
Court services	472,753	409,598	399,982	9,616
Public works				
Planning & City Services	379,710	404,710	461,398	(56,688)
Planning & Inspections	252,274	247,774	314,159	(66,385)
Landscape services	263,442	274,972	285,449	(10,477)
Infrastructure services	698,920	749,914	856,995	(107,081)

Continued

City of Conyers, Georgia

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

GENERAL FUND – CONTINUED

For the year ended June 30, 2011

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
Cultural/Recreation				
GIHP Administration	437,166	449,166	572,015	(122,849)
GIHP Maintenance	1,091,880	1,005,380	1,013,042	(7,662)
GIHP Events	239,000	229,000	203,501	25,499
Nondepartmental	478,500	533,500	-	533,500
Debt service	627,704	678,821	847,683	(168,862)
Total expenditures	11,990,269	12,812,825	13,409,434	(596,609)
Excess (deficiency) of revenues over expenditures	407,941	(179,774)	(760,689)	(580,915)
Other financing sources (uses)				
Sale of capital assets	20,000	20,000	23,695	3,695
Operating transfers in	-	-	364,297	364,297
Transfers out	(427,941)	(427,941)	(619,371)	(191,430)
Total other financing sources (uses)	(407,941)	(407,941)	(231,379)	(176,562)
Net change in fund balance	-	(587,715)	(992,068)	(404,353)
Fund balance, beginning of year	4,972,539	4,972,539	4,972,539	-
Fund balance, end of year	<u>\$ 4,972,539</u>	<u>\$ 4,384,824</u>	<u>\$ 3,980,471</u>	<u>\$ (404,353)</u>

City of Conyers, Georgia

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL

HOTEL/MOTEL FUND

For the year ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues				
Taxes	\$ 600,000	\$ 600,000	\$ 720,180	\$ 120,180
Intergovernmental	2,500	2,500	-	(2,500)
Other Revenue	-	-	-	-
Total revenues	602,500	602,500	720,180	117,680
Expenditures				
Cultural/Recreation	754,238	754,238	856,099	(101,861)
Total expenditures	754,238	754,238	856,099	(101,861)
Excess (deficiency) of revenues under expenditures	(151,738)	(151,738)	(135,919)	15,819
Other financing sources				
Operating transfers in	151,738	151,738	75,000	(76,738)
Total other financing sources	151,738	151,738	75,000	(76,738)
Excess of revenues and other financing sources over				
Net change in fund balance	-	-	(60,919)	(60,919)
Fund balance, beginning of year	60,646	60,646	60,646	-
Fund balance, end of year	\$ 60,646	\$ 60,646	\$ (273)	\$ (60,919)

City of Conyers, Georgia

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2011

Note A- Reconciliation of GAAP Basis and Budget Basis Amounts

The major difference between the budget basis used by the City and GAAP is that encumbrances are recognized as expenditures (budget) as opposed to reservations of fund balance (GAAP). A reconciliation of net change in fund balance as reported on a budgetary basis to those as reported in accordance with generally accepted accounting principles for the General Fund for the year ended June 30, 2011, is as follows:

	<u>General Fund</u>
Net change in fund balance	\$ (992,068)
Decrease in encumbrances	<u>39,568</u>
Net change in fund balance - GAAP budget basis	<u><u>\$ (952,500)</u></u>

City of Conyers, Georgia

REQUIRED SUPPLEMENTARY INFORMATION

INFORMATION ABOUT INFRASTRUCTURE ASSETS REPORTED USING THE MODIFIED APPROACH

As allowed by GASB Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis for State and Local Governments, the City has adopted an alternative process for recording depreciation expense on selected infrastructure assets. Under this alternative method, referred to as the modified approach, the City expenses certain maintenance and preservation costs and does not report depreciation expense. Assets accounted for under the modified approach include 144 lane miles of roads that the City is responsible for maintaining.

In order to utilize the modified approach, the City is required to:

- Maintain an asset management system that includes an up-to date inventory of eligible infrastructure assets.
- Perform condition assessments of eligible assets and summarize the results using a measurement scale.
- Estimate each year the annual amount to maintain and preserve the assets at the condition level established and disclosed by the City.
- Document that the assets are being preserved approximately at, or above, the established condition level.

Measurement Scale of Roads

The City uses the Georgia Department of Transportation Resurfacing Needs Rating Scale to determine the condition of roadway pavements. The scale is used to formally measure and monitor pavement conditions. The rating is determined through visual analysis conducted by experienced crews, as follows:

TYPE OF DISTRESS	PAVEMENT CONDITION (CIRCLE APPROPRIATE SCORE FOR EACH CONDITION)				
	Very Good	Good	Fair	Poor	Very Poor
Transverse Cracking	0	2	4	6	8
Longitudinal Cracking	0	2	4	6	8
Alligator Cracking	0	3	6	9	12
Patching or Potholes	0	2	4	6	8
Rutting	0	1	2	3	4
Edge Raveling	0	1	2	3	4
Roughness	0	1	2	3	4
Oxidation	0	1	2	3	4
Bleeding	0	1	2	3	4
Missing Stone	0	1	2	3	4
TOTAL SCORE PAVEMENT CONDITIONS -					

Overall Rating: 0 - Very Good; 15 - Good; 30 - Fair; 45 - Poor; 60 - Very Poor

City of Conyers, Georgia

REQUIRED SUPPLEMENTARY INFORMATION

**INFORMATION ABOUT INFRASTRUCTURE ASSETS
REPORTED USING THE MODIFIED APPROACH - CONTINUED**

Established Condition Level

The City's standard is to achieve and maintain at least a fair rating on City roads. No more than 15% of the roads should be rated poor or very poor.

Condition Rating

The City will assess conditions each year. The conditions for the last three assessments:

Assessed Date	Standard Rating	Poor Rating
May 2011	99.4%	.60%
April 2010	97.23%	2.77%
February 2008	99.87%	.13%

Budgeted and Estimated Costs to Maintain

The following table presents the City's estimate of spending necessary to preserve and maintain the roads at, or above, the "Established Condition Levels" cited above, and the actual amounts spent during the past five fiscal years:

FISCAL YEAR	ESTIMATED SPENDING	ACTUAL SPENDING
2011	\$1,800,000	\$1,068,718
2010	\$1,000,000	\$1,158,607
2009	\$741,701	\$198,757
2008	\$2,500,000	\$674,646
2007	\$917,000	\$347,222

The City determines its program needs annually. The estimated spending provided above are for estimated expenses and commitments relating to appropriate projects at the time of the budget request. Projects may be added, deleted, adjusted, or postponed during the year. The difference between the estimated and actual spending amounts above reflects these changes.

City of Conyers, Georgia

OTHER REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULES OF FUNDING PROGRESS

GMEBS Plan

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded (Surplus) AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
January 1, 2011	\$ 7,531,148	\$ 10,120,860	\$ (2,589,712)	74.4%	\$ 6,512,000	-39.8%
January 1, 2010	6,914,425	9,625,154	(2,710,729)	71.8%	6,184,000	-43.8%
May 1, 2009	5,296,469	9,180,508	(3,884,039)	57.7%	5,888,000	-66.0%
May 1, 2008	7,527,897	8,556,745	(1,028,848)	88.0%	5,529,133	-18.6%

Note: GMEBS changed the actuarial valuation date from May 1 to January 1 in fiscal year 2010.

OPEB Health Care Plan

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded (Surplus) AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
January 1, 2011	\$ -	\$ 6,071,205	\$ (6,071,205)	0.0%	\$ 6,398,040	-94.9%
May 1, 2008	-	7,675,208	(7,675,208)	0.0%	6,423,670	-119.5%

SUPPLEMENTARY INFORMATION

COMBINING STATEMENTS AND

INDIVIDUAL FUND STATEMENTS AND SCHEDULES

City of Conyers, Georgia
Nonmajor Governmental Funds

COMBINING BALANCE SHEET
June 30, 2011

	<u>Special Revenue</u>		<u>Total Nonmajor Governmental Funds</u>
	<u>Emergency Telephone</u>	<u>Confiscated Assets</u>	
ASSETS			
Cash and cash equivalents	\$ 3,099	\$ 102,604	\$ 105,703
Receivables - net of allowances for uncollectible accounts			
Accounts	36,226	3,926	40,152
Due from other funds	-	2,496	2,496
Prepaid items	32,170	-	32,170
Total assets	<u>\$ 71,495</u>	<u>\$ 109,026</u>	<u>\$ 180,521</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable and accrued liabilities	\$ 10,260	\$ 11,470	\$ 21,730
Accrued salaries	14,427	-	14,427
Due to other funds	108,004	-	108,004
Total liabilities	132,691	11,470	144,161
Fund balances (deficit):			
Restricted	-	97,556	97,556
Unassigned	(61,196)	-	(61,196)
Total fund balances (deficit)	(61,196)	97,556	36,360
Total liabilities and fund balances	<u>\$ 71,495</u>	<u>\$ 109,026</u>	<u>\$ 180,521</u>

City of Conyers, Georgia
Nonmajor Governmental Funds

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

For the year ended June 30, 2011

	<u>Special Revenue</u>		Total Nonmajor Governmental Funds
	<u>Emergency Telephone</u>	<u>Confiscated Assets</u>	
Revenues			
Fines and forfeitures	\$ -	\$ 103,447	\$ 103,447
Charges for services	346,422	-	346,422
Interest income	182	-	182
Total revenues	<u>346,604</u>	<u>103,447</u>	<u>450,051</u>
Expenditures			
Current			
Public safety	<u>692,844</u>	<u>191,793</u>	<u>884,637</u>
Total expenditures	<u>692,844</u>	<u>191,793</u>	<u>884,637</u>
Excess (deficiency) of expenditures under revenues	(346,240)	(88,346)	(434,586)
Other financing sources			
Transfers in: General Fund	<u>232,731</u>	<u>-</u>	<u>232,731</u>
Total other financing sources	<u>232,731</u>	<u>-</u>	<u>232,731</u>
Net change in fund balances	(113,509)	(88,346)	(201,855)
Fund balance, beginning of year	<u>52,313</u>	<u>185,902</u>	<u>238,215</u>
Fund balance, end of year	<u>\$ (61,196)</u>	<u>\$ 97,556</u>	<u>\$ 36,360</u>

City of Conyers, Georgia
Emergency Telephone Fund

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL**

For the year ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for services:				
Emergency 911 charges	\$ 390,000	\$ 390,000	\$ 346,422	\$ (43,578)
Other revenue	-	-	182	182
Total revenues	390,000	390,000	346,604	(43,396)
Expenditures				
Public safety				
Communications administration	903,859	915,859	692,844	223,015
Total expenditures	903,859	915,859	692,844	223,015
Deficiency of revenues under expenditures	(513,859)	(525,859)	(346,240)	179,619
Other financing sources				
Transfers in	513,859	513,859	232,731	(281,128)
Total other financing sources	513,859	513,859	232,731	(281,128)
Net change in fund balance	-	(12,000)	(113,509)	(101,509)
Fund balance, beginning of year	52,313	52,313	52,313	-
Fund balance, end of year	\$ 52,313	\$ 40,313	\$ (61,196)	\$ (101,509)

**City of Conyers, Georgia
Confiscated Assets Fund**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL**

For the year ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Fines and forfeitures	\$ 124,000	\$ 124,000	\$ 103,447	\$ (20,553)
Total revenues	124,000	124,000	103,447	(20,553)
Expenditures				
Public safety	114,000	147,254	191,793	(44,539)
Total expenditures	114,000	147,254	191,793	(44,539)
Net change in fund balance	10,000	(23,254)	(88,346)	(65,092)
Fund balance, beginning of year	185,902	185,902	185,902	-
Fund balance, end of year	<u>\$ 195,902</u>	<u>\$ 162,648</u>	<u>\$ 97,556</u>	<u>\$ (65,092)</u>

City of Conyers, Georgia

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS – 2004 ISSUE

For the year ended June 30, 2011

Project	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year	Total
Maintenance Building	\$ 700,000	\$ 790,455	\$ 782,127	\$ -	\$ 782,127
Veal Street Community Center	120,000	177,000	150,729	-	150,729
Bald Rock Church	325,000	23,230	12,030	11,200	23,230
Green Space Purchase	500,000	500,000	105,359	918,244	1,023,603
Capital Debt	1,500,000	1,500,000	1,085,810	664,548	1,750,358
Sigman Road @ East View Road	665,000	665,000	318,860	432,637	751,497
Parking Improvements (old town)	600,000	600,000	43,026	62,411	105,437
Green Street @ Scott Street	590,000	731,600	9,682	1,845	11,527
West Avenue Street Scape	825,000	1,800,000	1,173,793	-	1,173,793
SR 138 @ East View Parkway	230,000	230,000	1,737	-	1,737
Resurfacing	1,007,000	1,007,000	1,676,283	543,105	2,219,388
Main Street (Pine Log Road to Rockbridge)	2,305,000	2,305,000	4,968	-	4,968
Bank Street (Main Street to Pine Street)	255,000	255,000	123,500	-	123,500
Striping	50,000	50,000	39,229	47,141	86,370
Rockbridge Rd (Main Street to Sigman)	1,040,000	1,040,000	130,406	-	130,406
Old Covington Road @ Gees Mill Road	740,000	1,396,000	118,158	480	118,638
Sigman Road @ East Park Drive	540,000	840,000	103,414	14,322	117,736
Railroad Street (Center St. to West Ave)	805,000	998,200	85,830	25,611	111,441
College Ave. (Main Street to Milstead Ave)	740,000	740,000	506,763	-	506,763
West Avenue @ Green Street	590,000	785,000	-	-	-
Northside Dr. @ Milstead Ave	-	850,500	899,459	45,837	945,296
State Route 20 @ Millers Chapel Road	-	96,544	96,544	-	96,544
Eastview Sidewalks and Resurfacing	-	850,000	67,279	99	67,378
GIHP Building	-	301,770	-	497,184	497,184
Debt Service	-	-	3,837,835	1,148,261	4,986,096
Other Consulting Fees	-	-	37,489	-	37,489
Total	\$ 14,127,000	\$ 18,532,299	\$ 11,410,310	\$ 4,412,925	\$ 15,823,235

* The original budget column has been amended from the 2005 report to include the complete and final original budget for the City's SPLOST projects.

City of Conyers, Georgia

**BALANCE SHEET
COMPONENT UNITS**

June 30, 2011

	The Conyers Downtown Development Authority	Main Street Foundation
	<u>Authority</u>	<u>Foundation</u>
ASSETS		
Cash and cash equivalents	\$ 159,485	\$ 18,805
Prepaid items	345	-
Assets held for resale	<u>220,747</u>	<u>-</u>
Total assets	<u><u>380,577</u></u>	<u><u>18,805</u></u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable and accrued liabilities	178	2,788
Loans payable	<u>399,231</u>	<u>-</u>
Total liabilities	399,409	2,788
Fund balances (deficit):		
Nonspendable	345	-
Unassigned	<u>(19,177)</u>	<u>16,017</u>
Total fund balances (deficit)	<u>(18,832)</u>	<u>16,017</u>
Total liabilities and fund balances	<u><u>380,577</u></u>	<u><u>18,805</u></u>

City of Conyers, Georgia

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
COMPONENT UNITS**

For the year ended June 30, 2011

	<u>The Conyers Downtown Development Authority</u>	<u>Main Street Foundation</u>
Revenues		
Contributions and donations	\$ 5,762	\$ 5,255
Rental income	4,300	-
Special events	-	21,761
Interest income	224	-
Total revenues	<u>10,286</u>	<u>27,016</u>
Expenditures		
Current		
Development	<u>11,602</u>	<u>42,812</u>
Debt service		
Interest	<u>14,695</u>	<u>29</u>
Total expenditures	<u>26,297</u>	<u>42,841</u>
(Deficiency) of expenditures under revenues	(16,011)	(15,825)
Net change in fund balances	(16,011)	(15,825)
Fund balance (deficit), beginning of year	<u>(2,821)</u>	<u>31,842</u>
Fund balance (deficit), end of year	<u>\$ (18,832)</u>	<u>\$ 16,017</u>

CAPITAL ASSETS
USED IN THE OPERATION
OF GOVERNMENTAL FUNDS

City of Conyers, Georgia

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS

COMPARATIVE SCHEDULES BY SOURCE

June 30,

	<u>2011</u>	<u>2010</u>
Governmental funds capital assets:		
Land	\$ 11,594,973	\$ 13,125,577
Building	8,760,963	8,263,779
Improvements	24,998,912	24,081,168
Infrastructure	250,000	250,000
Construction in Progress	1,333,435	857,994
Equipment	<u>9,693,064</u>	<u>8,843,092</u>
Total governmental funds capital assets	<u>\$ 56,631,347</u>	<u>\$ 55,421,610</u>
Investments in governmental funds capital assets by source:		
Acquired prior to 1993	\$ 4,231,237	\$ 4,231,237
General fund	20,570,939	22,087,190
Special revenues funds	759,213	472,516
Capital projects fund	2,801,340	2,277,626
Enterprise fund	28,018,618	26,103,041
Donations	<u>250,000</u>	<u>250,000</u>
Total governmental funds capital assets	<u>\$ 56,631,347</u>	<u>\$ 55,421,610</u>

City of Conyers, Georgia

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS

SCHEDULE BY FUNCTION AND ACTIVITY

June 30, 2011

<u>Function and Activity</u>	<u>Land</u>	<u>Buildings</u>	<u>Improvements</u>	<u>Infrastructure</u>	<u>Equipment</u>	<u>Construction in Progress</u>	<u>Total</u>
General government:							
Administrative	\$ 2,439,622	\$ 354,499	\$ 379,518	\$ -	\$ 365,938	\$ -	\$ 3,539,577
Technology	-	-	-	-	1,124,969	-	1,124,969
Conyers' Commerce Center	100,000	-	-	-	-	-	100,000
Security alert	-	-	-	-	134,193	-	134,193
Total general government	<u>2,539,622</u>	<u>354,499</u>	<u>379,518</u>	<u>-</u>	<u>1,625,100</u>	<u>-</u>	<u>4,898,739</u>
Public safety:							
Police department	-	622,635	1,350	-	4,855,596	-	5,479,581
Fire	-	<u>141,126</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>141,126</u>
Total public safety	-	763,761	1,350	-	4,855,596	-	5,620,707
Public works	<u>2,131,626</u>	<u>2,276,045</u>	<u>2,085,246</u>	<u>250,000</u>	<u>1,777,540</u>	<u>1,069,699</u>	<u>9,590,156</u>
Total public works	2,131,626	2,276,045	2,085,246	250,000	1,777,540	1,069,699	9,590,156
Cultural/Recreation:							
Horse Park	6,666,725	4,374,051	22,532,798	-	781,342	76,631	34,431,547
Tourism	<u>257,000</u>	<u>992,607</u>	<u>-</u>	<u>-</u>	<u>653,486</u>	<u>187,105</u>	<u>2,090,198</u>
Total cultural/recreation	6,923,725	5,366,658	22,532,798	-	1,434,828	263,736	36,521,745
 Total	<u>\$ 11,594,973</u>	<u>\$ 8,760,963</u>	<u>\$ 24,998,912</u>	<u>\$ 250,000</u>	<u>\$ 9,693,064</u>	<u>\$ 1,333,435</u>	<u>\$ 56,631,347</u>

City of Conyers, Georgia

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS

SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY

For the fiscal year ended June 30, 2011

<u>Function and Activity</u>	<u>June 30, 2010</u>	<u>Additions</u>	<u>Deductions</u>	<u>June 30, 2011</u>
General government:				
Administrative	\$ 3,539,577	\$ -	\$ -	\$ 3,539,577
Technology	924,730	200,239	-	1,124,969
Conyers' Commerce Center	100,000	-	-	100,000
Security alert	134,193	-	-	134,193
Total general government	<u>4,698,500</u>	<u>200,239</u>	<u>-</u>	<u>4,898,739</u>
Public safety:				
Police department	4,854,621	714,700	(89,740)	5,479,581
Fire	<u>141,126</u>	<u>-</u>	<u>-</u>	<u>141,126</u>
Total public safety	<u>4,995,747</u>	<u>714,700</u>	<u>(89,740)</u>	<u>5,620,707</u>
Public works	<u>7,266,357</u>	<u>2,867,823</u>	<u>(544,024)</u>	<u>9,590,156</u>
Total public works	<u>7,266,357</u>	<u>2,867,823</u>	<u>(544,024)</u>	<u>9,590,156</u>
Cultural/Recreation:				
Horse Park	36,370,808	-	(1,939,261)	34,431,547
Tourism	<u>2,090,198</u>	<u>-</u>	<u>-</u>	<u>2,090,198</u>
Total cultural/recreation	<u>38,461,006</u>	<u>-</u>	<u>(1,939,261)</u>	<u>36,521,745</u>
Total	<u>\$ 55,421,610</u>	<u>\$ 3,782,762</u>	<u>\$ (2,573,025)</u>	<u>\$ 56,631,347</u>

STATISTICAL SECTION

This part of the City's comprehensive 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 government's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends <i>These schedules contain trend information to help the reader understand how the City's financial performance and well-being has changed over time.</i>	86-93
Revenue Capacity <i>These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.</i>	94-100
Debt Capacity <i>These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.</i>	101-103
Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.</i>	104-106
Operating Information <i>These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.</i>	107-108

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive financial reports for the relevant year. The City implemented GASB Statement 34 for the year ended June 30, 2004; schedules presenting government-wide information include information beginning in that year.

City of Conyers, Georgia

Net Assets by Component
Last Eight Fiscal Years

	Fiscal Year							
	2004	2005	2006	2007	2008	2009	2010	2011
Governmental Activities								
Invested in capital assets, net of related debt	\$ 25,209,871	\$ 24,072,565	\$ 23,372,964	\$ 24,314,961 (1)	\$ 24,601,917	\$ 24,676,592	\$ 25,270,255	\$ 24,700,491
Restricted	441,595	2,641,994	3,097,716	3,430,288	3,304,303	2,830,625	329,878 (7)	1,567,846
Unrestricted	(1,034,132)	(1,247,831)	1,699,508	1,473,530	2,657,240 (6)	3,079,994	3,234,527	(1,559,516) (9)
Subtotal Governmental Activities Net Assets	<u>\$ 24,617,334</u>	<u>\$ 25,466,728</u>	<u>\$ 28,170,188</u>	<u>\$ 29,218,779</u>	<u>\$ 30,563,460</u>	<u>\$ 30,587,211</u>	<u>\$ 28,834,660</u>	<u>\$ 24,708,821</u>
Business-type Activities								
Invested in capital assets, net of related debt	\$ 255,966	\$ 753,321	\$ 700,755	\$ 1,787,556 (2)	\$ 1,724,454	\$ 1,048,511	\$ 1,035,720	\$ 4,941,417 (10)
Restricted	-	1,750,000	1,740,995	766,383 (3)	712,805	-	-	-
Unrestricted	(648,047)	(2,643,438)	(2,392,081)	(2,210,434)	(1,883,514)	(421,912)	(330,652)	(1,842,613)
Subtotal Business-type Activities Net Assets	<u>\$ (392,081)</u>	<u>\$ (140,117)</u>	<u>\$ 49,669</u>	<u>\$ 343,505</u>	<u>\$ 553,745</u>	<u>\$ 626,599</u>	<u>\$ 705,068</u>	<u>\$ 3,098,804</u>
Primary Government								
Invested in capital assets, net of related debt	\$ 25,465,837	\$ 24,825,886	\$ 24,073,719	\$ 26,102,517 (4)	\$ 26,326,371	\$ 25,725,103	\$ 26,305,975	\$ 29,641,908 (11)
Restricted	441,595	4,391,994	4,838,711	4,196,671 (5)	4,017,108	2,830,625	329,878 (8)	1,567,846
Unrestricted	(1,682,179)	(3,891,269)	(692,573)	(736,904)	773,726	2,658,082	2,903,875	(3,402,129)
Total Primary Government Net Assets	<u>\$ 24,225,253</u>	<u>\$ 25,326,611</u>	<u>\$ 28,219,857</u>	<u>\$ 29,562,284</u>	<u>\$ 31,117,205</u>	<u>\$ 31,213,810</u>	<u>\$ 29,539,728</u>	<u>\$ 27,807,625</u>

(1) The increase from prior period is mainly due to construction of barns at the GIHP.

(2) The increase from prior period is mainly due to the completion of a \$1 million stormwater project on College Avenue.

(3) The decrease from prior period is due to the City using the restricted cash funds on the stormwater projects (see (2) above).

(4) See explanations at (1) and (2).

(5) See explanation at (3).

(6) The increase from prior period is mainly due to an increase in property taxes, occupational taxes, and SPLOST.

(7) The decrease from prior year is mainly due to reclassing \$2.5 million restricted for capital equipment purchases to invested in capital assets net of related debt.

(8) See explanation at (7).

(9) The decrease is due to the City implementing GASB 54 in fiscal year 2011.

(10) The increase is due to the City taking over Cherokee Run Golf Course, which had \$4.2 million of capital assets.

(11) See explanation at (10).

City of Conyers, Georgia

**Changes in Net Assets
Last Eight Fiscal Years
(accrual basis of accounting)**

	Fiscal Year							
	2004	2005	2006	2007	2008	2009	2010	2011
Expenses								
Governmental activities:								
General government	\$ 2,673,017	\$ 2,405,705	\$ 3,011,942	\$ 4,958,543 ⁽¹⁾	\$ 3,541,577 ⁽⁵⁾	\$ 3,487,979	\$ 4,124,636 ⁽¹¹⁾	\$ 3,984,947
Public safety and communications	4,046,066	4,195,801	4,205,292	4,115,435	4,431,729	5,548,570 ⁽⁹⁾	5,960,899	6,079,027
Public works	1,482,622	1,379,613	1,517,136	542,304 ⁽²⁾	3,558,120 ⁽⁶⁾	2,905,316 ⁽¹⁰⁾	4,027,715 ⁽¹²⁾	3,229,666
Culture and recreation	3,066,638	3,019,046	3,204,920	4,889,715 ⁽³⁾	3,751,736 ⁽⁷⁾	4,103,848	3,837,541	3,728,216
Interest on long-term debt	385,169	710,420	650,977	527,848	685,179	537,622	476,008	403,522
Total governmental activities expenses	<u>11,653,512</u>	<u>11,710,585</u>	<u>12,590,267</u>	<u>15,033,845</u>	<u>15,968,341</u>	<u>16,583,335</u>	<u>18,426,799</u>	<u>17,425,378</u>
Business-type activities:								
Sanitation	1,346,465	849,582	989,532	1,066,845	1,139,270	1,247,683	1,334,470	1,331,313
Landfill	7,963	139,736	20,780	147,238	56,117	56,596	78,520	47,982
Stormwater	264,613	135,802	352,909	314,796	514,395	339,260	370,870	395,936
Golf	-	-	-	-	-	-	-	1,534,772 ⁽¹⁵⁾
Total business-type activities expenses	<u>1,619,041</u>	<u>1,125,120</u>	<u>1,363,221</u>	<u>1,528,879</u>	<u>1,709,782</u>	<u>1,643,539</u>	<u>1,783,860</u>	<u>3,310,003</u>
Total primary government expenses	<u>\$ 13,272,553</u>	<u>\$ 12,835,705</u>	<u>\$ 13,953,488</u>	<u>\$ 16,562,724</u>	<u>\$ 17,678,123</u>	<u>#####</u>	<u>\$20,210,659</u>	<u>\$20,735,381</u>
Program Revenues								
Governmental activities:								
Charges for services:								
General government	\$ 379,291	\$ 472,218	\$ 465,068	\$ 515,613	\$ 517,796	\$ 468,001	\$ 469,365	\$ 503,895
Public safety and communications	1,560,600	1,237,555	1,589,643	1,895,094	1,902,106	1,648,268	1,844,407	1,521,489
Public works	220,084	339,504	464,207	588,068	306,414	129,086	112,606	81,934
Cultural/recreation	1,054,339	1,244,006	1,126,181	1,099,480	1,281,316	1,227,102	1,202,155	1,195,825
Operating grants and contributions	287,983	101,774	88,875	199,822	214,125	306,664	700,305	489,458
Capital grants and contributions	318,702	72,722	-	-	-	-	2,014,842 ⁽¹³⁾	1,192,848 ⁽¹⁶⁾
Total governmental activities program revenues	<u>3,820,999</u>	<u>3,467,779</u>	<u>3,733,974</u>	<u>4,298,077</u>	<u>4,221,757</u>	<u>3,779,121</u>	<u>6,343,680</u>	<u>4,985,449</u>
Business-type activities:								
Charges for services:								
Sanitation	718,751	898,651	988,547	1,051,199	1,195,655	1,195,998	1,204,127	1,217,169
Stormwater	385,737	389,519	399,048	414,318	424,537	446,141	454,959	483,964
Golf	-	-	-	-	-	-	-	475,905 ⁽¹⁷⁾
Operating grants and contributions	(152,133)	-	-	-	136,296	-	25,000	1,628,536
Total business-type activities program revenues	<u>952,355</u>	<u>1,288,170</u>	<u>1,387,595</u>	<u>1,465,517</u>	<u>1,756,488</u>	<u>1,642,139</u>	<u>1,684,086</u>	<u>3,805,574</u>
Total primary government program revenues	<u>\$ 4,773,354</u>	<u>\$ 4,755,949</u>	<u>\$ 5,121,569</u>	<u>\$ 5,763,594</u>	<u>\$ 5,978,245</u>	<u>\$ 5,421,260</u>	<u>\$ 8,027,766</u>	<u>\$ 8,791,023</u>

(Continued)

City of Conyers, Georgia

**Changes in Net Assets
Last Eight Fiscal Years
(accrual basis of accounting)**

	Fiscal Year							
	2004	2005	2006	2007	2008	2009	2010	2011
Net (expense)/revenue								
Governmental activities	\$ (7,832,513)	\$ (8,242,806)	\$ (8,856,293)	\$ (10,735,768)	\$ (11,746,584)	\$ (12,804,214)	\$ (12,083,119)	\$ (12,439,929)
Business-type activities	(666,686)	163,050	24,374	(63,362)	46,706	(1,400)	(99,774)	495,571
Total primary government net expenses	\$ (8,499,199)	\$ (8,079,756)	\$ (8,831,919)	\$ (10,799,130)	\$ (11,699,878)	\$ (12,805,614)	\$ (12,182,893)	\$ (11,944,358)
General Revenues and Other Changes in Net Assets								
Governmental activities:								
Taxes								
Property taxes	\$ 3,232,572	\$ 4,460,921	\$ 4,789,305	\$ 5,096,930	\$ 5,572,416	\$ 5,775,513	\$ 5,606,548	\$ 5,538,373
Other taxes	3,637,269	3,886,726	5,280,203 (4)	5,799,634	6,505,320 (8)	6,168,140	4,166,029 (14)	4,252,994
Interest and investment earnings	5,378	258,842	466,243	581,095	655,450	585,475	250,620	211,654
Gain on sale of capital assets	-	79,372	943,709	-	-	-	-	-
Miscellaneous	33,262	132,879	110,519	418,167	414,771	332,970	398,052	173,989
Transfers	(660,323)	(81,451)	(30,226)	(142,288)	(56,692)	(34,133)	(90,681)	(1,862,920) (18)
Total governmental activities	<u>6,248,158</u>	<u>8,737,289</u>	<u>11,559,753</u>	<u>11,753,538</u>	<u>13,091,265</u>	<u>12,827,965</u>	<u>10,330,568</u>	<u>8,314,090</u>
Business-type activities:								
Interest and investment earnings	84	7,463	86,382	111,844	67,560	18,666	14,210	1,833
Gain on sale of capital assets	-	-	3,857	-	-	-	-	-
Miscellaneous	1,244	-	44,947	103,066	39,282	21,455	73,352	33,412
Transfers	660,323	81,451	30,226	142,288	56,692	34,133	90,681	1,862,920 (19)
Total business-type activities	<u>661,651</u>	<u>88,914</u>	<u>165,412</u>	<u>357,198</u>	<u>163,534</u>	<u>74,254</u>	<u>178,243</u>	<u>1,898,165</u>
Total primary government	<u>\$ 6,909,809</u>	<u>\$ 8,826,203</u>	<u>\$ 11,725,165</u>	<u>\$ 12,110,736</u>	<u>\$ 13,254,799</u>	<u>\$ 12,902,219</u>	<u>\$ 10,508,811</u>	<u>\$ 10,212,255</u>
Change in Net Assets								
Governmental activities	\$ (1,584,355)	\$ 494,483	\$ 2,703,460	\$ 1,017,770	\$ 1,344,681	\$ 23,751	\$ (1,752,551)	\$ (4,125,839)
Business-type activities	(5,035)	251,964	189,786	293,836	210,240	72,854	78,469	2,393,736
Total primary government	<u>\$ (1,589,390)</u>	<u>\$ 746,447</u>	<u>\$ 2,893,246</u>	<u>\$ 1,311,606</u>	<u>\$ 1,554,921</u>	<u>\$ 96,605</u>	<u>\$ (1,674,082)</u>	<u>\$ (1,732,103)</u>

(1) The increase from prior period is mainly due to a \$1.7 million loss on the sale of land.

(2) The decrease from prior period is mainly due to reclassing the public works building to capital assets.

(3) The increase from prior period is mainly due to the construction of barns at the GIHP costing approximately \$2.4 million.

(4) The increase from prior period is due to the City receiving SPLOST proceeds for the entire fiscal year verses three months in the prior year.

(5) The decrease from prior period is mainly due to a \$1.7 million loss on the sale of land.

(6) The increase from prior period to mainly due to several new road resurfacing projects.

(7) The decrease from prior period is mainly due to the construction of barns at the GIHP

in FY 2007 costing approximately \$2.4 million.

(8) The increase from prior period is mainly due to the increase in SPLOST proceeds.

(9) The increase from prior period is mainly due to the increase in salaries, retiree payouts, the renovation

of the court services building, and the purchase of furniture for communications from grant funds.

(10) The decrease from prior year is due to fewer road projects in the current year.

(11) The increase from prior year is mainly due to a \$241,000 contribution to DDA and purchases of technology

equipment upgrades totaling approximately \$200,000.

(12) The increase from prior year is mainly due to the increased road resurfacing projects totaling approximately \$724,000.

(13) The increase from prior year is due to reclassing sales tax proceeds from other taxes to

capital grants and contributions.

(14) See explanation at (13).

(15) The increase is due to the City taking over Cherokee Run Golf Course in fiscal year 2011.

(16) The decrease is mainly due to the City not receiving as many federal grants for the police department.

(17) The increase is due to the City taking over Cherokee Run Golf Course in fiscal year 2011.

(18) The general government transferred \$1.9 million of land to the Golf Course.

(19) The City took over Cherokee Run Golf Course and received \$3.5 million in contributed capital.

City of Conyers, Georgia

**Governmental Activities Tax Revenues by Source
Last Eight Fiscal Years
(accrual basis of accounting)**

Fiscal Year	Property Tax	Franchise Tax	Hotel-Motel Tax	Alcoholic Beverage Tax	Insurance Premium Tax	Occupational Tax	Sales Tax	Other Taxes	Total
2004	\$ 3,232,572	\$ 1,146,944	\$ 680,375	\$ 515,200	\$ 459,147	\$ 456,837	\$ -	\$ 378,766	\$6,869,841
2005	4,460,921	1,039,959	620,177	489,806	497,591	455,969	477,525 ⁽¹⁾	305,699	8,347,647
2006	4,789,305	1,161,643	672,655	533,780	535,342	467,564	1,470,140	439,079	10,069,508
2007	5,096,930	1,271,367	644,839	576,860	560,102	503,049	1,758,726	484,691	10,896,564
2008	5,572,416	1,469,528	580,227	588,944	584,249	491,660	2,285,451	505,261	12,077,736
2009	5,775,513	1,435,988	695,348	542,949	598,244	467,372	2,005,115	423,124	11,943,653
2010	5,606,548	1,383,598	652,881	572,443	592,632	490,303	- ⁽²⁾	474,172	9,772,575
2011	5,538,373	1,426,488	720,180	593,498	575,408	475,937	-	461,483	9,791,367

(1) First year of tax

(2) Reclassed sales taxes to capital grants and contributions.

City of Conyers, Georgia

**Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)**

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
General Fund										
Reserved	\$ 207,068	\$ 235,114	\$ 119,270	\$ 348,686	\$ 2,298,092	\$3,107,618	\$3,477,445	\$3,250,577	\$3,214,320	\$3,313,153
Unreserved	<u>(522,480)</u>	<u>(591,120)</u>	<u>(391,014)</u>	<u>(1,099,092)</u>	<u>550,426</u>	<u>2,209,656</u>	<u>1,318,745</u>	<u>2,452,673</u>	<u>2,222,064</u>	<u>1,659,386</u>
Total general fund	<u><u>\$ (315,412)</u></u>	<u><u>\$ (356,006)</u></u>	<u><u>\$ (271,744)</u></u>	<u><u>\$ (750,406)</u></u>	<u><u>\$ 2,848,518</u></u> ⁽¹⁾	<u><u>\$5,317,274</u></u> ⁽³⁾	<u><u>\$4,796,190</u></u>	<u><u>\$5,703,250</u></u> ⁽⁵⁾	<u><u>\$5,436,384</u></u>	<u><u>\$4,972,539</u></u> ⁽⁶⁾
All Other Governmental Funds										
Reserved	\$ 1,545	\$ -	\$ -	\$ 102,211	\$ 356,729	\$ 355,276	\$348,641	\$268,105	\$288,764	\$298,861
Unreserved, reported in:										
Special revenue funds	28,140	74,479	94,710	(191,193)	(108,017)	-	-	-	-	-
Capital projects funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,723,394</u> ⁽²⁾	<u>5,689,003</u> ⁽⁴⁾	<u>5,963,937</u>	<u>5,908,955</u>	<u>5,640,503</u>	<u>4,318,591</u>
Total all other governmental funds	<u><u>\$ 29,685</u></u>	<u><u>\$ 74,479</u></u>	<u><u>\$ 94,710</u></u>	<u><u>\$ (88,982)</u></u>	<u><u>\$ 4,972,106</u></u>	<u><u>\$6,044,279</u></u>	<u><u>\$6,312,578</u></u>	<u><u>\$6,177,060</u></u>	<u><u>\$5,929,267</u></u>	<u><u>\$4,617,452</u></u> ⁽⁷⁾

(1) The increase from the prior period is mainly attributable to an increase in property taxes, which generated an additional \$1.3 million in general fund revenues.

(2) The increase from the prior period is due to the Capital projects fund being established in 2005. The City received a \$4.2 million advance from Rockdale County for bond proceeds from the 2005 SPLOST general obligation bonds.

(3) The increase from prior period is due to a property tax revenue increase of \$682,623 and \$1.06 million sale of capital assets.

(4) The increase from prior period is due to the City receiving SPLOST proceeds for the entire fiscal year versus three months in the prior year.

(5) The increase from prior period is mainly due to an increase in property taxes.

(6) The decrease from prior period is mainly due to overall increase in expenditures with revenues remaining constant.

(7) The decrease from prior period is mainly due to increased road resurfacing projects.

City of Conyers, Georgia

**Fund Balances, Governmental Funds
Current Fiscal Year
(modified accrual basis of accounting)**

	2011
General Fund	
Nonspendable	\$ 1,634,996
Restricted	2,178,122
Assigned	46,927
Unassigned	159,994
Total General fund	<u>\$ 4,020,039</u>
 All Other Governmental Funds	
Restricted, reported in:	
Special revenue funds	\$ 97,556
Capital projects fund	1,377,476
Unassigned, reported in:	
Special revenue funds	(61,469)
Total all other governmental funds	<u>\$ 1,413,563</u>
 Total all governmental funds	<u>\$ 5,433,602</u>

Note: GASB 54 was implemented during fiscal year 2011.

City of Conyers, Georgia

**Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)**

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Revenues										
Taxes	\$ 6,136,979	\$ 6,187,347	\$ 6,841,476	\$ 8,358,499	\$ 10,086,215	\$ 10,936,275	\$ 11,998,621 (6)	\$ 11,875,594	\$ 9,681,700 (8)	\$ 9,881,737
Licenses, permits and fees	228,577	191,498	215,019	345,141	480,235	593,775	332,966	146,295	123,741	100,896
Fines and forfeitures	991,893	1,013,563	1,023,287	970,764	1,156,497	1,452,457	1,338,972	1,149,604	1,336,108	1,102,267
Charges for services	1,099,211	1,107,127	403,458	809,140	838,927	923,280	1,045,544	976,835	926,960	952,807
GIHP Revenue	-	-	-	-	1,126,181 (2)	1,099,480	1,281,316	1,227,102	1,124,435	1,155,305
Other revenue	1,402,887	1,376,152	1,146,516	1,722,948	584,437	1,006,283 (3)	1,084,218	934,721	971,717	432,515
Contributions and donations	-	-	-	-	-	1,035	-	-	-	-
Intergovernmental	195,350	295,410	337,143	4,367,960 (1)	81,199	191,764	200,128	290,389	2,469,822 (9)	1,665,259 (12)
Emergency 911 charges	351,188	372,231	329,308	-	-	-	-	-	-	-
Total revenues	<u>\$ 10,406,085</u>	<u>\$ 10,543,328</u>	<u>\$ 10,296,207</u>	<u>\$ 16,574,452</u>	<u>\$ 14,353,691</u>	<u>\$ 16,204,349</u>	<u>\$ 17,281,765</u>	<u>\$ 16,600,540</u>	<u>\$ 16,634,483</u>	<u>\$ 15,290,786</u>
Expenditures										
General government	\$ 2,794,398	\$ 2,321,696	\$ 2,446,512	\$ 2,123,847	\$ 2,890,020	\$ 3,312,032	\$ 3,702,488	\$ 3,698,449	\$ 4,061,255	\$ 3,996,680
Public safety	2,322,653	2,533,596	2,941,877	3,757,969	3,962,911	4,158,576	4,671,451	5,155,913	5,808,121 (10)	5,722,335
Public works	1,602,864	1,490,750	1,264,313	1,206,272	1,262,055	1,486,666	1,816,615	2,009,961	1,885,396	1,903,295
Cultural/Recreation	-	1,721,377	1,704,705	1,658,365	2,063,071	4,749,929 (4)	2,731,965 (7)	2,873,212	2,584,946	2,640,609
Communications administration	523,136	517,456	673,093	-	-	-	-	-	-	-
Nondepartmental	396,162	532,244	442,816	590,345	-	-	-	-	-	-
Georgia International Horse Park	1,013,961	-	-	-	-	-	-	-	-	-
Capital outlay	1,470,769	737,278	768,669	-	563,919	1,471,152 (5)	1,718,215	1,487,267	2,294,433 (11)	3,264,664 (13)
Debt service:										
Principal	860,989	1,076,468	1,093,684	472,377	481,677	734,647	1,303,758	1,390,548	1,521,936	1,647,244
Interest	495,922	416,805	385,169	471,311	624,272	512,306	528,227	478,716	419,144	348,700
Total expenditures	<u>\$ 11,480,854</u>	<u>\$ 11,347,670</u>	<u>\$ 11,720,838</u>	<u>\$ 10,280,486</u>	<u>\$ 11,847,925</u>	<u>\$ 16,425,308</u>	<u>\$ 16,472,719</u>	<u>\$ 17,094,066</u>	<u>\$ 18,575,231</u>	<u>\$ 19,523,527</u>
Excess of revenues over expenditures	\$ (1,074,769)	\$ (804,342)	\$ (1,424,631)	\$ 6,293,966	\$ 2,505,766	\$ (220,959)	\$ 809,046	\$ (493,526)	\$ (1,940,748)	\$ (4,232,741)
(Continued)										

City of Conyers, Georgia

**Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)**

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Other Financing Sources (uses)										
Proceeds from capital leases	\$ 1,079,136	\$ 471,799	\$ 656,743	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 236,365	\$ -
Proceeds from bond refunding	-	-	4,345,000	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	(4,338,050)	-	-	-	-	-	-	-
Sale of capital assets	-	446,049	122,037	393,446	1,065,389	110,462	19,188	13,000	19,404	23,695
Transfers in	293,189	234,891	278,240	570,690	422,986	462,217	432,883	393,921	447,107	672,028
Transfers out	(293,356)	(243,904)	(301,693)	(570,690)	(453,212)	(604,505)	(489,575)	(428,054)	(537,788)	(619,371)
Total other financing sources (uses)	<u>\$ 1,078,969</u>	<u>\$ 908,835</u>	<u>\$ 762,277</u>	<u>\$ 393,446</u>	<u>\$ 1,035,163</u>	<u>\$ (31,826)</u>	<u>\$ (37,504)</u>	<u>\$ (21,133)</u>	<u>\$ 165,088</u>	<u>\$ 76,352</u>
Net change in fund balances	\$ 4,200	\$ 104,493	\$ (662,354)	\$ 6,687,412	\$ 3,540,929	\$ (252,785)	\$ 771,542	\$ (514,659)	\$ (1,775,660)	\$ (4,156,389)
Debt service as a percentage of noncapital expenditures	13.56%	14.07%	13.50%	9.18%	9.80%	10.21%	12.21%	12.36%	11.37%	12.26%

(1) Amount included \$4.2 million advance from Rockdale County.

(2) GIHP revenue was included in other revenue in prior years.

(3) The increase from period is mainly due to increased interest income, nearly \$150,000 from treebank proceeds, and \$100,000 from the Cherokee Run agreement.

(4) The increase from period is mainly due to the construction of barns costing \$2.4 million at GIHP.

(5) The increase from prior period is mainly due to the completion of the Vehicle Maintenance building (approximately \$439,000); Veal Street Center (approximately \$150,000) and the purchase of several police cars (approximately \$274,000).

(6) The increase from prior period is mainly due to a \$600K increase in property taxes due to new residents in the City and an approximately \$527K increase in SPLOST revenue.

(7) The decrease from prior period is mainly due to the construction of GIHP barns costing approximately \$2.4 million.

(8) The decrease from prior period is due to reclassing sales tax revenues to intergovernmental.

(9) See explanation at (8).

(10) The increase from prior period is mainly due to receipt of federal grants for the police department.

(11) The increase from prior period is mainly due to increased road resurfacing projects.

(12) The decrease from prior period is mainly due to decreased federal grants for the police department.

(14) The increase from prior period is mainly due to construction of new GIHP building.

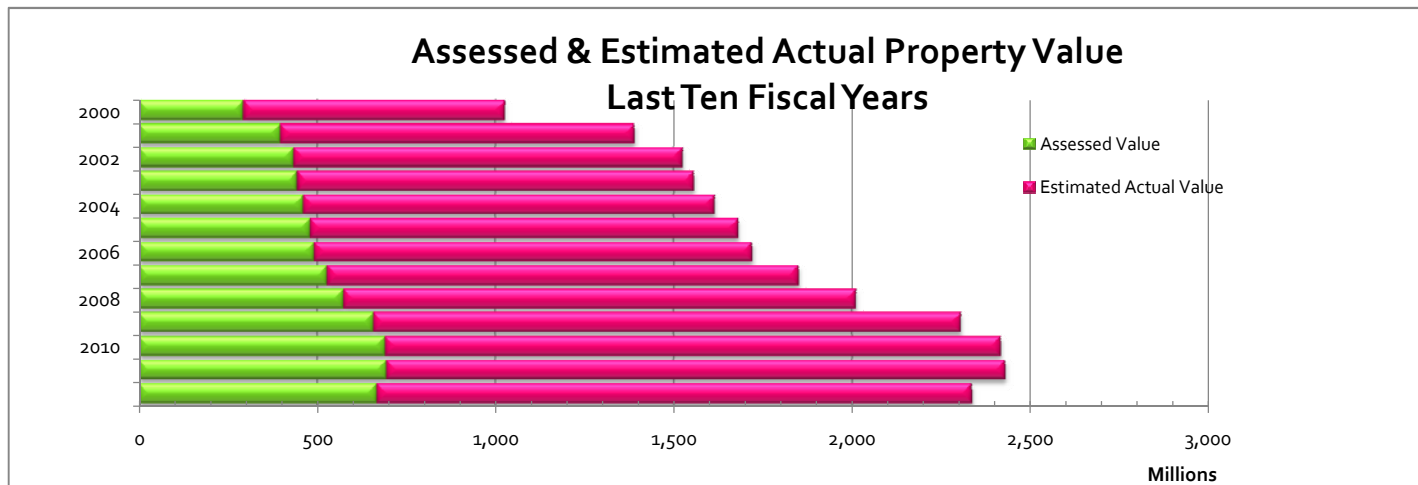
City of Conyers, Georgia

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years

<u>Year (1)</u>	<u>Real and Personal Property</u>		<u>Motor Vehicle & Mobile Home</u>		<u>Total Direct Tax Rate</u>	<u>Total</u>		<u>Ratio of Assessed Value to Total</u>
	<u>Assessed Value</u>	<u>Value</u>	<u>Assessed Value</u>	<u>Value</u>		<u>Assessed Value</u>	<u>Value</u>	
2002	\$424,657,165	\$1,061,642,913	\$20,478,281	\$51,195,703	7.4	\$445,135,446	\$1,112,838,615	40%
2003	\$440,778,010	\$1,101,945,025	\$20,831,577	\$52,078,943	7.4	\$461,609,587	\$1,154,023,968	40%
2004	\$461,702,398	\$1,154,255,995	\$19,005,720	\$47,514,300	7.4	\$480,708,118	\$1,201,770,295	40%
2005	\$472,458,454	\$1,181,146,135	\$19,578,412	\$48,946,030	9.9	\$492,036,866	\$1,230,092,165	40%
2006	\$510,854,058	\$1,277,135,145	\$17,958,125	\$44,895,313	9.9	\$528,812,183	\$1,322,030,458	40%
2007	\$558,678,879	\$1,396,697,198	\$17,000,718	\$42,501,795	9.9	\$575,679,597	\$1,439,198,993	40%
2008	\$639,591,885	\$1,598,979,713	\$19,931,608	\$49,829,020	9.5	\$659,523,493	\$1,648,808,733	40%
2009	\$665,258,978	\$1,663,147,445	\$25,967,508	\$64,918,770	9.4	\$691,226,486	\$1,728,066,215	40%
2010	\$668,590,984	\$1,671,477,460	\$26,481,278	\$66,203,195	9.4	\$695,072,262	\$1,737,680,655	40%
2011	\$645,223,736	\$1,613,059,340	\$23,161,578	\$57,903,945	9.4	\$668,385,314	\$1,670,963,285	40%

Source: Rockdale County Tax Commissioner

(1) Fiscal Year Ended June 30th



City of Conyers, Georgia

**General Governmental Expenditures by Function (1)
Last Ten Fiscal Years**

Fiscal Year (2)	General Government	Public Safety (3)	Planning & City Services (4)	Non- Departmental	Capital Outlay (5)	Debt Service	Total
2002	\$2,076,596	\$2,852,801	\$3,334,627	\$396,162	\$1,463,757	\$1,356,911	\$11,480,854
2003	\$2,321,696	\$3,051,052	\$3,212,127	\$532,244	\$737,278	\$1,493,273	\$11,347,670
2004	\$2,446,512	\$3,614,970	\$2,969,018	\$442,816	\$768,669	\$1,572,456	\$11,814,441
2005	\$2,123,847	\$3,757,969	\$2,864,637	\$590,345	-	\$943,688	\$10,280,486
2006	\$2,890,020	\$3,962,911	\$3,325,126	-	\$563,919	\$1,105,949	\$11,847,925
2007	\$3,312,032	\$4,158,576	\$6,236,595	-	\$1,471,152	\$1,246,953	\$16,425,308
2008	\$3,702,488	\$4,671,451	\$4,548,580	-	\$1,718,215	\$1,831,985	\$16,472,719
2009	\$3,698,449	\$5,155,913	\$4,883,173	-	\$1,487,267	\$1,869,264	\$17,094,066
2010	\$4,061,255	\$5,808,121	\$4,470,342	-	\$2,294,433	\$1,941,080	\$18,575,231
2011	\$3,996,680	\$5,722,335	\$4,543,904	-	\$3,264,664	\$1,995,944	\$19,523,527

Source: Audited Financial Statements

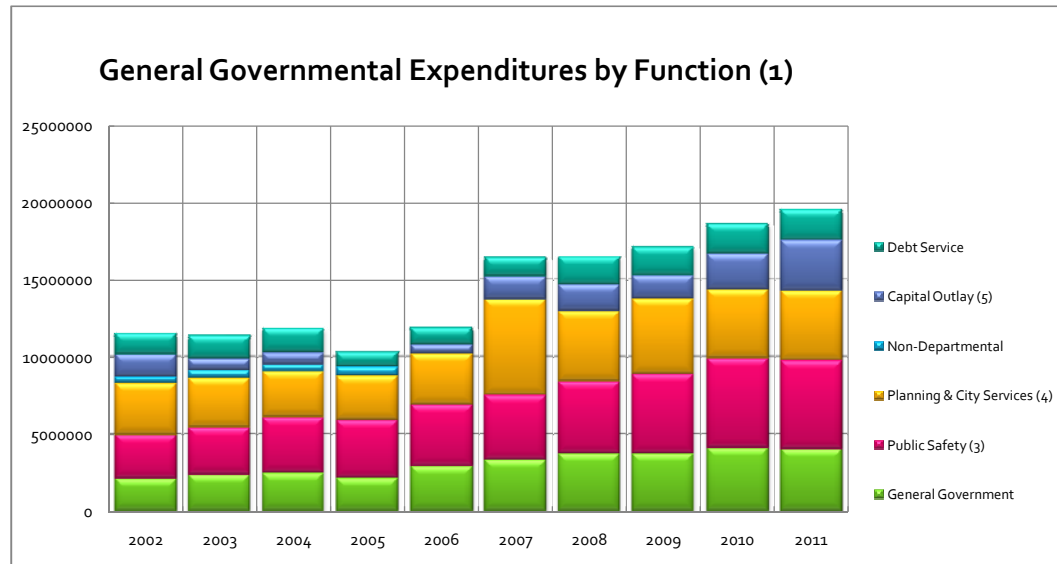
(1) Includes General Fund, Special Revenue Funds, and Capital Projects Fund

(2) Fiscal Year Ended June 30th

(3) Public Safety Includes Communications

(4) Planning & City Services includes Public Works and Cultural/Recreation

(5) Capital outlay is included in the functional department in 2005



City of Conyers, Georgia

**General Governmental Revenues by Source (1)
Last Ten Fiscal Years**

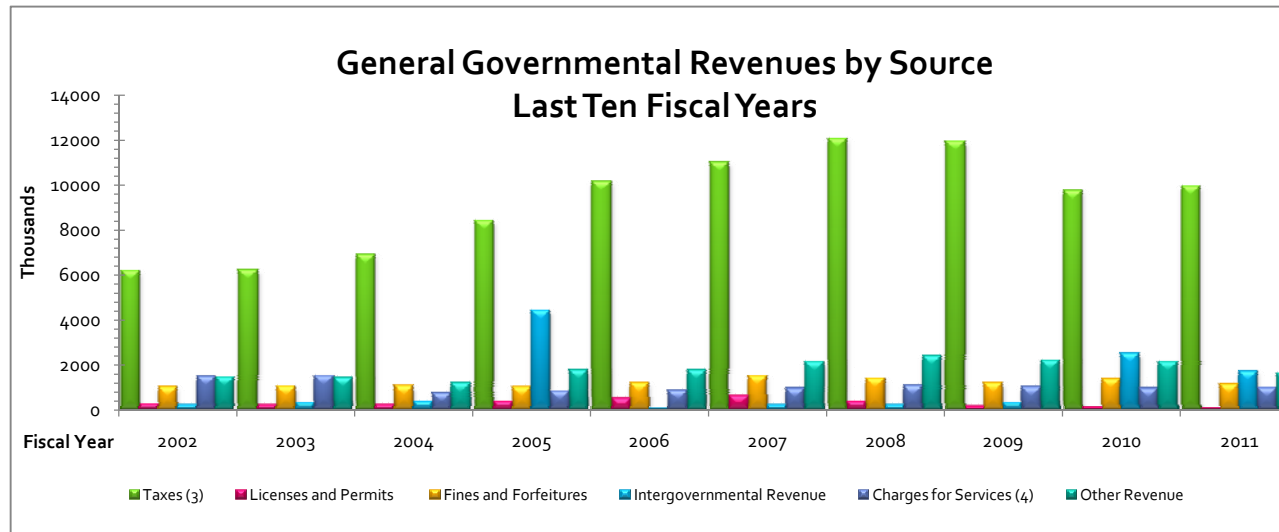
Fiscal Year (2)	Taxes (3)	Licenses and Permits	Fines and Forfeitures	Intergovernmental Revenue	Charges for Services (4)	Other Revenue	Total
2002	\$6,136,979	\$228,577	\$991,893	\$195,350	\$1,450,399	\$1,402,887	\$10,406,085
2003	\$6,187,347	\$191,498	\$1,013,563	\$295,410	\$1,479,358	\$1,376,152	\$10,543,328
2004	\$6,841,476	\$215,019	\$1,023,287	\$337,143	\$732,766	\$1,146,516	\$10,296,207
2005	\$8,358,499	\$345,141	\$970,764	\$4,367,960	\$809,140	\$1,722,948	\$16,574,452
2006	\$10,086,215	\$480,235	\$1,156,497	\$81,199	\$838,927	\$1,710,618	\$14,353,691
2007	\$10,936,275	\$593,775	\$1,452,457	\$191,764	\$923,280	\$2,106,798	\$16,204,349
2008	\$11,998,621	\$332,966	\$1,338,972	\$200,128	\$1,045,544	\$2,365,534	\$17,281,765
2009	\$11,875,594	\$146,295	\$1,149,604	\$290,389	\$976,835	\$2,161,823	\$16,600,540
2010	\$9,681,700	\$123,741	\$1,336,108	\$2,469,822	\$926,960	\$2,096,152	\$16,634,483
2011	\$9,881,737	\$100,896	\$1,102,267	\$1,665,259	\$952,807	\$1,587,820	\$15,290,786

(1) Includes General Fund, Special Revenue Funds, and Capital Projects Fund

(2) Fiscal Year Ended June 30th

(3) Occupational taxes are included in taxes as regulated by the new GA Uniform Chart of Accts.

(4) Prior to 2004, charges for services included sanitation fees.

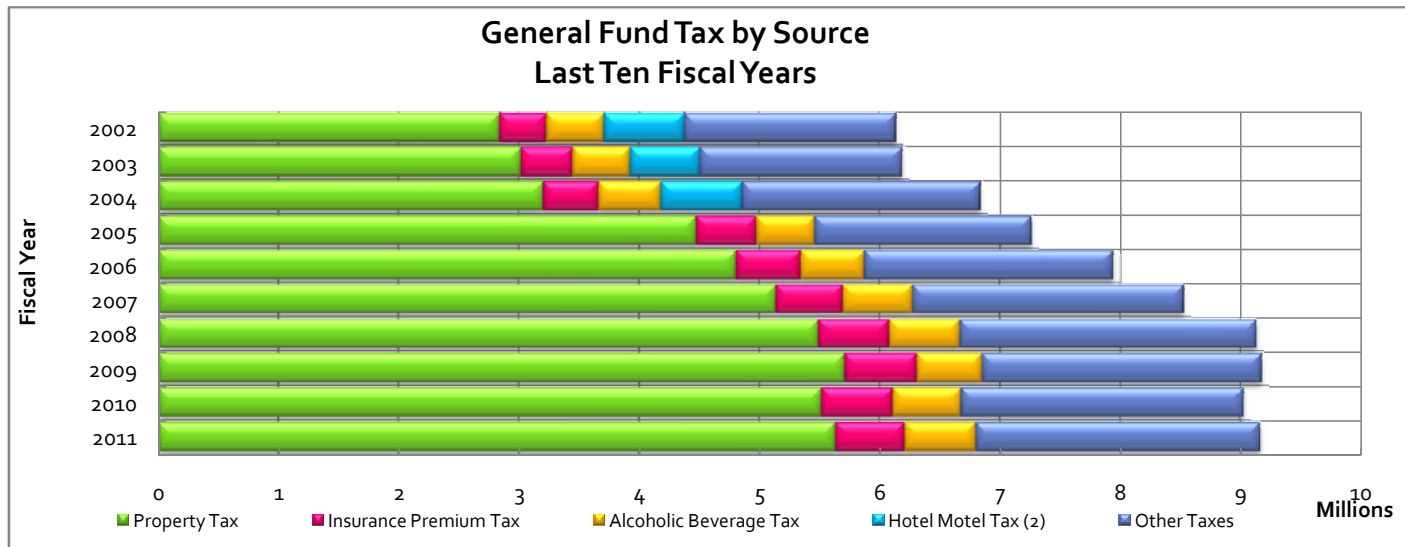


City of Conyers, Georgia

General Fund Tax Revenue by Source

Last Ten Fiscal Years

Fiscal Year (1)	Property Tax	Insurance Premium Tax	Alcoholic Beverage Tax	Hotel Motel Tax (2)	Other Taxes	Total
2002	\$2,841,246	\$388,268	\$480,532	\$665,597	\$1,761,336	\$6,136,979
2003	\$3,020,495	\$426,019	\$477,975	\$580,777	\$1,682,081	\$6,187,347
2004	\$3,204,207	\$459,147	\$515,200	\$680,375	\$1,982,547	\$6,841,476
2005	\$4,474,045	\$497,591	\$489,806	-	\$1,799,355	\$7,260,797
2006	\$4,806,012	\$535,342	\$533,780	-	\$2,068,286	\$7,943,420
2007	\$5,136,641	\$560,102	\$576,860	-	\$2,259,107	\$8,532,710
2008	\$5,493,300	\$584,249	\$588,944	-	\$2,466,450	\$9,132,943
2009	\$5,707,454	\$598,244	\$542,949	-	\$2,326,484	\$9,175,131
2010	\$5,515,670	\$592,632	\$572,443	-	\$2,348,074	\$9,028,819
2011	\$5,628,743	\$575,408	\$593,498	-	\$2,363,908	\$9,161,557



City of Conyers, Georgia

**PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$1000 OF ASSESSED VALUE)
Last Ten Fiscal Years**

Fiscal Year (1)	City of Conyers	Rockdale County (2)	Rockdale County Board of Education (2)	State of Georgia (2)
2002	7.4	12.69	22.88	0.25
2003	7.4	11.68	22.88	0.25
2004	7.4	13.64	21.80	0.25
2005	9.9	14.69	21.48	0.25
2006	9.9	14.86	21.44	0.25
2007	9.9	14.83	21.00	0.25
2008	9.5	14.83	21.00	0.25
2009	9.4	14.73	21.00	0.25
2010	9.4	15.75	22.99	0.25
2011	9.4	17.15	24.50	0.25

(1)Fiscal Year Ended June 30th

(2) Source: Rockdale County Tax Assessor



City of Conyers, Georgia

**PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO**

Taxpayer	2011			Taxpayer	2002		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value		Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Visy Paper Inc	\$ 29,268,276	1	4.83%	Visy Paper	\$31,050,676	1	7.77%
Rockdale Hospital LLC	\$ 21,828,655	2	3.60%	Media One of Rockdale	\$ 7,675,676	2	1.92%
NP/I&G Conyers Crossroads LLC	\$ 15,578,520	3	2.57%	Jet Corr	\$ 7,485,811	3	1.87%
AT&T Communications	\$ 8,466,918	4	1.40%	Horse Park Partners LP	\$ 7,200,000	4	1.80%
EL-AD Keswick Village LLC	\$ 7,995,240	5	1.32%	BellSouth Telecommunication	\$ 7,188,108	5	1.80%
Liochem Incorporated	\$ 7,576,962	6	1.25%	Wal-Mart	\$ 6,786,216	6	1.70%
Jet Corr Millugator	\$ 7,217,663	7	1.19%	Conyers Crossroads LLC	\$ 5,943,919	7	1.49%
Almand Creek LLC	\$ 6,600,002	8	1.09%	First Industrial	\$ 5,829,730	8	1.46%
Carlyle Centennial Lakeside LLC	\$ 6,040,000	9	1.00%	RHA/Affordable Housing	\$ 5,824,595	9	1.46%
IBG Conyers Commons LLC	\$ 5,588,040	10	0.92%	Maxell America	\$ 5,569,865	10	1.39%
	<u>\$116,160,276</u>		<u>19.16%</u>		<u>\$90,554,596</u>		<u>22.65%</u>

Source: 2010 Tax Digest and 2001 Tax Digest

City of Conyers, 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	
		Amount	Percentage of Levy		Amount	Percent of Levy
2002	2,957,960	2,841,246	96.1%	6,008	2,847,254	96.3%
2003	3,014,323	3,020,495	100.2%	13,962	3,034,457	100.7%
2004	3,245,983	3,204,207	98.7%	22,475	3,226,682	99.4%
2005	4,313,294	4,385,941	101.7%	15,955	4,401,896	102.1%
2006	4,829,443	4,806,011	99.5%	19,122	4,825,133	99.9%
2007	5,092,946	5,136,641	100.9%	49,802	5,186,443	101.8%
2008	5,613,997	5,493,300	97.9%	-	5,493,300	97.9%
2009	5,771,982	5,707,455	98.9%	56,979	5,764,434	99.9%
2010	5,849,692	5,515,671	94.3%	37,408	5,553,079	94.9%
2011	5,703,661	5,628,743	98.7%	29,059	5,657,802	99.2%

City of Conyers, Georgia

**Ratios of Outstanding Debt by Type
Last Ten Fiscal years**

Governmental Activities								Business Type Activities					
Fiscal Year	Tax Anticipation Note	Due to Rockdale County	Commerce Center Revenue Bonds-1997	Commerce Center Revenue Refunding Bonds-2004	Certificates of Participation 1991 Series	Capital Leases	GMA Certificates of Participation Capital Lease Pool	Landfill Revenue Bonds-1991	Stormwater Revenue Bonds	Capital Leases	Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
2002	-	-	4,405,000	-	660,000	2,332,249	3,555,000	475,000	-	-	11,427,249	549.03%	156.27
2003	-	-	4,095,000	-	610,000	2,087,580	3,555,000	245,000	-	-	10,592,580	498.63%	141.30
2004	1,000,000	-	-	4,345,000	560,000	1,670,605	3,555,000	-	-	-	11,130,605	498.07%	144.89
2005	-	4,200,000	-	4,075,000	505,000	-	3,555,000	-	1,750,000	-	14,085,000	609.09%	185.01
2006	-	4,200,000	-	3,755,000	445,000	-	3,555,000	-	1,675,000	-	13,630,000	562.04%	176.29
2007	-	3,949,280	-	3,415,000	385,000	-	3,555,000	-	1,590,000	-	12,894,280	505.20%	164.26
2008	-	3,065,522	-	3,060,000	320,000	-	3,555,000	-	1,500,000	-	11,500,522	420.75%	144.33
2009	-	2,119,974	-	2,685,000	250,000	-	3,555,000	-	1,405,000	-	10,014,974	371.52%	118.42
2010	-	1,102,082	-	2,290,000	175,000	202,321	3,555,000	-	1,305,000	-	8,629,403	n/a	101.27
2011	-	-	-	1,875,000	90,000	157,159	3,555,000	-	1,200,000	470,839	7,347,998	n/a	85.73

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

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.

City of Conyers, Georgia

COMPUTATION OF DIRECT AND OVERLAPPING DEBT

June 30, 2011

Direct Debt

General Obligation Indebtedness of City	\$ -
Contract-Backed Indebtedness of City	3,075,000
Lease-Purchase Obligations of City ¹	<u>4,271,940</u>
Total Direct Debt	\$ 7,346,940

Overlapping Debt ²

General Obligation Indebtedness of Rockdale County	\$ 406,863
Contract-Backed Indebtedness of Rockdale County ³	581,663
Lease-Purchase Obligations of Rockdale County	3,623,860
General Obligation Indebtedness of Rockdale County Schools	-
Lease-Purchase Obligations of Rockdale County Schools	<u>-</u>
Total Overlapping Debt	\$ 4,612,386

Total Direct and Overlapping Debt	<u>\$ 11,959,326</u>
--	-----------------------------

¹ Lease-purchase indebtedness of the City is not a general obligation of the City to which its full faith and credit and taxing power are pledged, but is subject to and depends upon annual appropriations of general revenues.

² The percentage and amount of each overlapping entity's outstanding debt chargeable to property in the City is calculated by dividing the gross assessed valuation of property in the City by the gross assessed valuation of property in the overlapping entity multiplied by the outstanding debt balance. The City's assessed valuation constitutes approximately 22.23% of the assessed value of property in Rockdale County and the Rockdale County School District.

³ Contract-backed indebtedness of the County represents contractual obligations of the County to which its full faith and credit and taxing powers are pledged, but it is not counted against the County's debt limitation. The Rockdale County Water and Sewerage Authority Revenue Bonds, Series 2005, currently outstanding in the aggregate principal amount of \$105,050,000, the Conyers-Rockdale Big Haynes Impoundment Authority Revenue Bonds, Series 1998, currently outstanding in the principal amount of \$8,900,000, and the Snapping Shoals EMC Note Payable, currently outstanding in the principal amount of \$56,812, are contract-backed indebtedness of the County, but are not included in this number because the County makes the payments from the net revenues of its water and sewerage system.

City of Conyers, Georgia

**Legal Debt Margin Information
Last Ten Fiscal Years**

	Fiscal Year Ended June 30,									
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Debt limit	\$44,513,545	\$46,160,959	\$48,070,812	\$ 49,203,687	\$ 52,881,218	\$ 53,627,960	\$ 65,317,649	\$ 65,317,649	\$ 65,574,905	\$ 66,838,531
Total net debt applicable to limit	-	-	-	4,245,604	4,083,927	3,940,000	3,875,000	3,805,000	3,932,321	4,271,940
Legal debt margin	<u>\$44,513,545</u>	<u>\$46,160,959</u>	<u>\$48,070,812</u>	<u>\$ 44,958,083</u>	<u>\$ 48,797,291</u>	<u>\$ 49,687,960</u>	<u>\$ 61,442,649</u>	<u>\$ 61,512,649</u>	<u>\$61,642,584</u>	<u>\$ 62,566,591</u>
Total net debt applicable to the limit as a percentage of debt limit	-	-	-	8.63%	7.72%	7.35%	5.93%	5.83%	6.00%	6.39%

Legal Debt Margin Calculation for Fiscal Year 2011

Assessed value	\$668,385,314
Debt limit (10% of assessed value)	66,838,531
Debt applicable to limit:	
Total capital lease liability	4,271,940
Total net debt applicable to limit	<u>4,271,940</u>
Legal debt margin	<u>\$ 62,566,591</u>

City of Conyers, Georgia

**Demographic and Economic Statistics
Last Ten Fiscal Years**

Year	Population (2)	Personal Income (2)	Per Capita Income (2)	School Enrollment (3)	Unemployment Rate (1)
2002	72,579	\$2,081,346	\$28,530	13,327	4.2%
2003	73,763	\$2,131,976	\$28,571	14,094	4.6%
2004	74,947	\$2,206,147	\$28,920	14,719	4.4%
2005	76,131	\$2,312,480	\$29,738	15,049	5.2%
2006	77,315	\$2,425,091	\$30,524	15,147	5.2%
2007	78,499	\$2,552,303	\$32,774	15,371	4.9%
2008	79,683	\$2,733,356	\$32,638	15,551	7.5%
2009	84,569	\$2,695,660	\$31,875	15,895	11.6%
2010	85,215	n/a	n/a	15,877	10.7%
2011	85,711(a)	n/a	n/a	15,727	11.6%

Note: The information presented is for the City of Conyers and Rockdale County, Georgia.

(a) estimated

Sources:

(1) Department of Labor

(2) Georgia State Office of Planning & Budget/US Bureau of Economic Analysis

(3) Rockdale County Board of Education

City of Conyers, Georgia

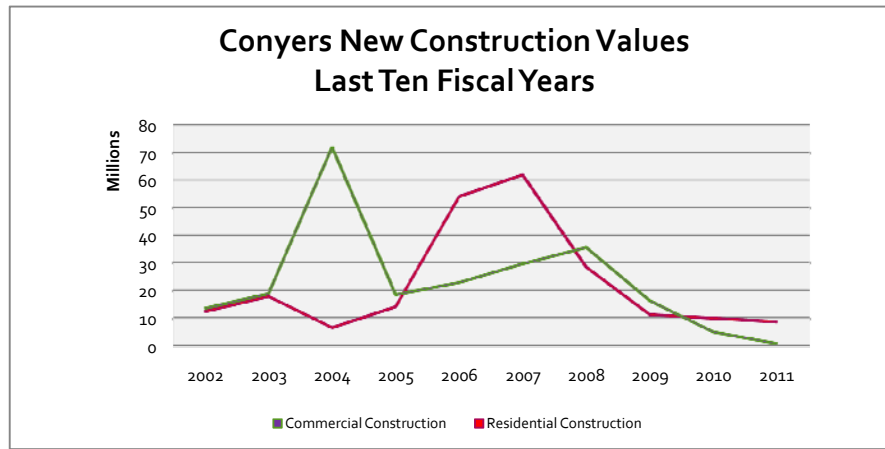
**PROPERTY VALUE and CONSTRUCTION
Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Commercial Construction</u> (1)		<u>Residential Construction</u> (1)		<u>Real Property Value (2)</u>
	<u>Number of Units</u>	<u>Value</u>	<u>Number of Units</u>	<u>Value</u>	
2002	8	\$13,370,505	31	\$12,176,604	\$296,202,484
2003	39	\$18,715,644	178	\$17,680,124	\$315,645,315
2004	57	\$71,928,327	63	\$6,333,790	\$364,409,692
2005	70	\$18,317,126	195	\$13,933,117	\$380,563,362
2006	26	\$22,718,626	425	\$53,969,200	\$412,543,235
2007	34	\$29,504,557	251	\$61,855,674	\$455,663,858
2008	35	\$35,465,475	126	\$28,343,935	\$522,887,102
2009	20	\$16,136,285	71	\$11,082,910	\$549,926,869
2010	14	\$4,756,599	30	\$9,752,974	\$556,510,816
2011	3	\$555,000	27	\$8,462,106	\$514,331,365

Sources:

(1) City of Conyers Planning & Development Office

(2) Rockdale County Tax Commissioner



City of Conyers, Georgia

**PRINCIPAL EMPLOYERS
CURRENT YEAR AND SEVEN YEARS AGO**

Taxpayer	2011			Taxpayer	2004		
	Employees (1)	Rank	Percentage of Total City Employment (2)		Employees	Rank	Percentage of Total City Employment
Rockdale County Public School System	2,400	1	15.79%	Rockdale County Public School System	2,025	1	n/a
Rockdale Medical Center	1,250	2	8.23%	Rockdale Medical Center	1,175	2	n/a
Acuity Brands/Lithonia Lighting	650	3	4.28%	Biolab, Inc.	1,000	3	n/a
AT&T	650	4	4.28%	Pratt Industries	670	4	n/a
PRATT Industries	600	5	3.95%	Solo Cup Company	525	5	n/a
Hill-Phoenix	600	6	3.95%	Georgia Dept. of Transportation	500	6	n/a
Solo Cup Company	500	7	3.29%	Wal-Mart Supercenter	500	7	n/a
Golden State Foods	500	8	3.29%	Golden State Foods Corp.	450	8	n/a
Wal-mart Supercenter	400	9	2.63%	AT&T Communications	400	9	n/a
Bio-Lab	325	10	2.14%	Hill-Phoenix	350	10	n/a
Totals	7,875		51.83%		7,595		

Note: The information presented is for the City of Conyers and Rockdale County, Georgia

Note: The information for nine years ago was not available.

(1) Source: Conyers-Rockdale Economic Development Council

(2) Source: Georgia Department of Labor

City of Conyers, Georgia

**Full-time Equivalent City Government Employees by Function
Last Ten Fiscal Years**

Function	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
General Government										
Mayor and Council	6	6	6	6	6	6	6	6	6	6
City Manager's Office	0	0	3	3	3	3	3	3	3	3
Administration	9	9	8	9	9	9	9	9	10	9
E-Services	2	2	0	0	0	0	2	2	3	3
Conyers Security Alert	2	2	3	3	3	3	3	3	2	2
Vehicle maintenance	3	3	3	4	4	4	4	4	4	4
Public Safety										
Police										
Officers	47	47	47	50	50	50	53	55	59	65
Civilians	9	6	3	1	1	2	3	3	4	4
Court services	0	0	5	8	8	6	6	8	6	8
Communications	13	13	12	13	13	14	14	15	15	18
Public Works & Transportation										
Planning & City Services *	29	0	0	0	0	0	0	0	0	0
Planning & Inspections	0	8	8	8	8	7	8	8	9	9
Landscape services	0	4	4	4	4	4	4	6	5	5
Infrastructure	0	11	10	10	10	11	11	11	11	9
Sanitation	0	8	8	10	10	12	13	14	13	14
Stormwater	0	1	1	1	1	2	3	3	3	4
Cultural and Recreation										
GIHP Administration	5	5	5	5	5	6	6	6	6	6
GIHP Maintenance	11	10	16	16	16	14	15	15	14	14
Public Relations & Tourism	6	7	7	7	7	8	7	7	7	7
Cherokee Run Golf Course	0	0	0	0	0	0	0	0	0	14
Total	<u>142</u>	<u>142</u>	<u>149</u>	<u>158</u>	<u>158</u>	<u>161</u>	<u>170</u>	<u>178</u>	<u>180</u>	<u>204</u>

* Prior to fiscal year ending June 30, 2003, Public Works & Transportation and Planning & Inspections were in the same department.

** Cherokee Run Golf Course is a new department in fiscal year 2011.

City of Conyers, Georgia

**Operating Indicators by Function
Last Ten Fiscal Years**

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Function										
General Government										
Tax bills generated	4,330	4,330	4,486	4,485	4,862	4,885	5,270	5,494	5,698	5,849
Number of liens processed	200	200	220	205	284	342	358	418	337	207
Building permits issued	60	60	221	179	508	365	159	126	108	116
New occupational tax	1,530	1,530	226	286	270	338	228	318	260	262
Police										
Physical arrests	1,250	1,250	1,670	1,752	1,961	2,408	2,063	1,966	2,104	2,071
Citations issued	7,500	7,500	8,916	8,272	7,837	8,951	7,207	6,600	10,612	8,155
Number of accidents reported	1,500	1,500	1,532	1,628	1,747	1,672	1,510	1,546	1,618	1,544
Number of incidents reported	3,500	3,500	2,959	3,295	3,311	3,702	3,337	3,127	3,256	3,268
Public Works & Transportation										
Traffic lights repaired	n/a	n/a	45	40	32	72	103	84	92	108
Potholes repaired	n/a	n/a	203	350	316	400	471	356	174	283
Tons of refuse collected	6,600	6,600	n/a	6,393	6,713	8,114	7,977	5,889	6,730	6,426
Miles of roads cleaned	n/a	n/a	n/a	n/a	n/a	n/a	n/a	548	3,858	3,397
Cultural and Recreation										
Number of events held	147	147	398	184	194	246	220	180	187	176

Note: Departments maintain statistical information on a fiscal year basis.

City of Conyers, Georgia

**Capital Asset Statistics by Function
Last Ten Fiscal Years**

Function/Program	Fiscal Year									
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	n/a	n/a	n/a	43	43	44	44	44	51	59
Patrol zones	3	3	3	3	3	3	4	4	4	4
Public Works										
Streets (miles)	73	82	82	82	82	82	82	84.54	84.54	84.54
Traffic signals	10	10	10	12	12	12	12	12	13	14
Street lights	655	800	800	800	800	870	870	1414	1,414	1,414
Culture and Recreation										
Parks and playgrounds	8	8	8	8	8	8	8	8	8	9
Community centers	1	1	1	1	1	1	1	1	1	1

City of Conyers, Georgia

**STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET ASSETS - PROPRIETARY FUNDS**

For the year ended June 30, 2011

	Business-type Activities-Enterprise Funds				
	Sanitation	Landfill	Stormwater	Golf	Total
Operating revenues:					
Charges for sales and services:					
Sanitation fees	\$ 1,217,169	\$ -	\$ -	\$ -	\$ 1,217,169
Golf fees	-	-	-	475,905	475,905
Stormwater fees	-	-	483,964	-	483,964
Total operating revenues	<u>1,217,169</u>	<u>-</u>	<u>483,964</u>	<u>475,905</u>	<u>2,177,038</u>
Operating expenses:					
Cost of sales and service	1,220,392	47,982	276,429	1,411,874	2,956,677
Depreciation	110,921	-	53,323	118,619	282,863
Total operating expenses	<u>1,331,313</u>	<u>47,982</u>	<u>329,752</u>	<u>1,530,493</u>	<u>3,239,540</u>
Operating income (loss)	<u>(114,144)</u>	<u>(47,982)</u>	<u>154,212</u>	<u>(1,054,588)</u>	<u>(1,062,502)</u>
Nonoperating income (expense):					
Interest income	-	-	1,814	19	1,833
Interest expense	-	-	(66,184)	(4,279)	(70,463)
Intergovernmental	-	33,412	-	-	33,412
Total nonoperating revenue (expenses)	<u>-</u>	<u>33,412</u>	<u>(64,370)</u>	<u>(4,260)</u>	<u>(35,218)</u>
Income (loss) before transfers	(114,144)	(14,570)	89,842	(1,058,848)	(1,097,720)
Capital contributions	-	-	-	3,544,113	3,544,113
Transfers in	-	91,640	-	250,000	341,640
Transfers out	<u>(30,000)</u>	<u>(364,297)</u>	<u>-</u>	<u>-</u>	<u>(394,297)</u>
Change in net assets	(144,144)	(287,227)	89,842	2,735,265	2,393,736
Total net assets-beginning	<u>(23,894)</u>	<u>(22,275)</u>	<u>751,237</u>	<u>-</u>	<u>705,068</u>
Total net assets-ending	<u>\$ (168,038)</u>	<u>\$ (309,502)</u>	<u>\$ 841,079</u>	<u>\$ 2,735,265</u>	<u>\$ 3,098,804</u>

The accompanying notes are an integral part of this statement.

City of Conyers, Georgia

Net Assets by Component
Last Eight Fiscal Years

	Fiscal Year							
	2004	2005	2006	2007	2008	2009	2010	2011
Governmental Activities								
Invested in capital assets, net of related debt	\$ 25,209,871	\$ 24,072,565	\$ 23,372,964	\$ 24,314,961 (1)	\$ 24,601,917	\$ 24,676,592	\$ 25,270,255	\$ 24,700,491
Restricted	441,595	2,641,994	3,097,716	3,430,288	3,304,303	2,830,625	329,878 (7)	1,567,846
Unrestricted	(1,034,132)	(1,247,831)	1,699,508	1,473,530	2,657,240 (6)	3,079,994	3,234,527	(1,559,516) (9)
Subtotal Governmental Activities Net Assets	<u>\$ 24,617,334</u>	<u>\$ 25,466,728</u>	<u>\$ 28,170,188</u>	<u>\$ 29,218,779</u>	<u>\$ 30,563,460</u>	<u>\$ 30,587,211</u>	<u>\$ 28,834,660</u>	<u>\$ 24,708,821</u>
Business-type Activities								
Invested in capital assets, net of related debt	\$ 255,966	\$ 753,321	\$ 700,755	\$ 1,787,556 (2)	\$ 1,724,454	\$ 1,048,511	\$ 1,035,720	\$ 4,941,417 (10)
Restricted	-	1,750,000	1,740,995	766,383 (3)	712,805	-	-	-
Unrestricted	(648,047)	(2,643,438)	(2,392,081)	(2,210,434)	(1,883,514)	(421,912)	(330,652)	(1,842,613)
Subtotal Business-type Activities Net Assets	<u>\$ (392,081)</u>	<u>\$ (140,117)</u>	<u>\$ 49,669</u>	<u>\$ 343,505</u>	<u>\$ 553,745</u>	<u>\$ 626,599</u>	<u>\$ 705,068</u>	<u>\$ 3,098,804</u>
Primary Government								
Invested in capital assets, net of related debt	\$ 25,465,837	\$ 24,825,886	\$ 24,073,719	\$ 26,102,517 (4)	\$ 26,326,371	\$ 25,725,103	\$ 26,305,975	\$ 29,641,908 (11)
Restricted	441,595	4,391,994	4,838,711	4,196,671 (5)	4,017,108	2,830,625	329,878 (8)	1,567,846
Unrestricted	(1,682,179)	(3,891,269)	(692,573)	(736,904)	773,726	2,658,082	2,903,875	(3,402,129)
Total Primary Government Net Assets	<u>\$ 24,225,253</u>	<u>\$ 25,326,611</u>	<u>\$ 28,219,857</u>	<u>\$ 29,562,284</u>	<u>\$ 31,117,205</u>	<u>\$ 31,213,810</u>	<u>\$ 29,539,728</u>	<u>\$ 27,807,625</u>

(1) The increase from prior period is mainly due to construction of barns at the GIHP.

(2) The increase from prior period is mainly due to the completion of a \$1 million stormwater project on College Avenue.

(3) The decrease from prior period is due to the City using the restricted cash funds on the stormwater projects (see (2) above).

(4) See explanations at (1) and (2).

(5) See explanation at (3).

(6) The increase from prior period is mainly due to an increase in property taxes, occupational taxes, and SPLOST.

(7) The decrease from prior year is mainly due to reclassing \$2.5 million restricted for capital equipment purchases to invested in capital assets net of related debt.

(8) See explanation at (7).

(9) The decrease is due to the City implementing GASB 54 in fiscal year 2011.

(10) The increase is due to the City taking over Cherokee Run Golf Course, which had \$4.2 million of capital assets.

(11) See explanation at (10).

City of Conyers, Georgia

**Changes in Net Assets
Last Eight Fiscal Years
(accrual basis of accounting)**

	Fiscal Year							
	2004	2005	2006	2007	2008	2009	2010	2011
Expenses								
Governmental activities:								
General government	\$ 2,673,017	\$ 2,405,705	\$ 3,011,942	\$ 4,958,543 ⁽¹⁾	\$ 3,541,577 ⁽⁵⁾	\$ 3,487,979	\$ 4,124,636 ⁽¹¹⁾	\$ 3,984,947
Public safety and communications	4,046,066	4,195,801	4,205,292	4,115,435	4,431,729	5,548,570 ⁽⁹⁾	5,960,899	6,079,027
Public works	1,482,622	1,379,613	1,517,136	542,304 ⁽²⁾	3,558,120 ⁽⁶⁾	2,905,316 ⁽¹⁰⁾	4,027,715 ⁽¹²⁾	3,229,666
Culture and recreation	3,066,638	3,019,046	3,204,920	4,889,715 ⁽³⁾	3,751,736 ⁽⁷⁾	4,103,848	3,837,541	3,728,216
Interest on long-term debt	385,169	710,420	650,977	527,848	685,179	537,622	476,008	403,522
Total governmental activities expenses	<u>11,653,512</u>	<u>11,710,585</u>	<u>12,590,267</u>	<u>15,033,845</u>	<u>15,968,341</u>	<u>16,583,335</u>	<u>18,426,799</u>	<u>17,425,378</u>
Business-type activities:								
Sanitation	1,346,465	849,582	989,532	1,066,845	1,139,270	1,247,683	1,334,470	1,331,313
Landfill	7,963	139,736	20,780	147,238	56,117	56,596	78,520	47,982
Stormwater	264,613	135,802	352,909	314,796	514,395	339,260	370,870	395,936
Golf	-	-	-	-	-	-	-	1,534,772 ⁽¹⁵⁾
Total business-type activities expenses	<u>1,619,041</u>	<u>1,125,120</u>	<u>1,363,221</u>	<u>1,528,879</u>	<u>1,709,782</u>	<u>1,643,539</u>	<u>1,783,860</u>	<u>3,310,003</u>
Total primary government expenses	<u>\$ 13,272,553</u>	<u>\$ 12,835,705</u>	<u>\$ 13,953,488</u>	<u>\$ 16,562,724</u>	<u>\$ 17,678,123</u>	<u>\$ 18,226,874</u>	<u>\$ 20,210,659</u>	<u>\$ 20,735,381</u>
Program Revenues								
Governmental activities:								
Charges for services:								
General government	\$ 379,291	\$ 472,218	\$ 465,068	\$ 515,613	\$ 517,796	\$ 468,001	\$ 469,365	\$ 503,895
Public safety and communications	1,560,600	1,237,555	1,589,643	1,895,094	1,902,106	1,648,268	1,844,407	1,521,489
Public works	220,084	339,504	464,207	588,068	306,414	129,086	112,606	81,934
Cultural/recreation	1,054,339	1,244,006	1,126,181	1,099,480	1,281,316	1,227,102	1,202,155	1,195,825
Operating grants and contributions	287,983	101,774	88,875	199,822	214,125	306,664	700,305	489,458
Capital grants and contributions	318,702	72,722	-	-	-	-	2,014,842 ⁽¹³⁾	1,192,848 ⁽¹⁶⁾
Total governmental activities program revenues	<u>3,820,999</u>	<u>3,467,779</u>	<u>3,733,974</u>	<u>4,298,077</u>	<u>4,221,757</u>	<u>3,779,121</u>	<u>6,343,680</u>	<u>4,985,449</u>
Business-type activities:								
Charges for services:								
Sanitation	718,751	898,651	988,547	1,051,199	1,195,655	1,195,998	1,204,127	1,217,169
Stormwater	385,737	389,519	399,048	414,318	424,537	446,141	454,959	483,964
Golf	-	-	-	-	-	-	-	475,905 ⁽¹⁷⁾
Operating grants and contributions	(152,133)	-	-	-	136,296	-	25,000	1,628,536
Total business-type activities program revenues	<u>952,355</u>	<u>1,288,170</u>	<u>1,387,595</u>	<u>1,465,517</u>	<u>1,756,488</u>	<u>1,642,139</u>	<u>1,684,086</u>	<u>3,805,574</u>
Total primary government program revenues	<u>\$ 4,773,354</u>	<u>\$ 4,755,949</u>	<u>\$ 5,121,569</u>	<u>\$ 5,763,594</u>	<u>\$ 5,978,245</u>	<u>\$ 5,421,260</u>	<u>\$ 8,027,766</u>	<u>\$ 8,791,023</u>

(Continued)

City of Conyers, Georgia

**Changes in Net Assets
Last Eight Fiscal Years
(accrual basis of accounting)**

	Fiscal Year							
	2004	2005	2006	2007	2008	2009	2010	2011
Net (expense)/revenue								
Governmental activities	\$ (7,832,513)	\$ (8,242,806)	\$ (8,856,293)	\$ (10,735,768)	\$ (11,746,584)	\$ (12,804,214)	\$ (12,083,119)	\$ (12,439,929)
Business-type activities	(666,686)	163,050	24,374	(63,362)	46,706	(1,400)	(99,774)	495,571
Total primary government net expenses	\$ (8,499,199)	\$ (8,079,756)	\$ (8,831,919)	\$ (10,799,130)	\$ (11,699,878)	\$ (12,805,614)	\$ (12,182,893)	\$ (11,944,358)
General Revenues and Other Changes in Net Assets								
Governmental activities:								
Taxes								
Property taxes	\$ 3,232,572	\$ 4,460,921	\$ 4,789,305	\$ 5,096,930	\$ 5,572,416	\$ 5,775,513	\$ 5,606,548	\$ 5,538,373
Other taxes	3,637,269	3,886,726	5,280,203 (4)	5,799,634	6,505,320 (8)	6,168,140	4,166,029 (14)	4,252,994
Interest and investment earnings	5,378	258,842	466,243	581,095	655,450	585,475	250,620	211,654
Gain on sale of capital assets	-	79,372	943,709	-	-	-	-	-
Miscellaneous	33,262	132,879	110,519	418,167	414,771	332,970	398,052	173,989
Transfers	(660,323)	(81,451)	(30,226)	(142,288)	(56,692)	(34,133)	(90,681)	(1,862,920) (18)
Total governmental activities	<u>6,248,158</u>	<u>8,737,289</u>	<u>11,559,753</u>	<u>11,753,538</u>	<u>13,091,265</u>	<u>12,827,965</u>	<u>10,330,568</u>	<u>8,314,090</u>
Business-type activities:								
Interest and investment earnings	84	7,463	86,382	111,844	67,560	18,666	14,210	1,833
Gain on sale of capital assets	-	-	3,857	-	-	-	-	-
Miscellaneous	1,244	-	44,947	103,066	39,282	21,455	73,352	33,412
Transfers	660,323	81,451	30,226	142,288	56,692	34,133	90,681	1,862,920 (19)
Total business-type activities	<u>661,651</u>	<u>88,914</u>	<u>165,412</u>	<u>357,198</u>	<u>163,534</u>	<u>74,254</u>	<u>178,243</u>	<u>1,898,165</u>
Total primary government	<u>\$ 6,909,809</u>	<u>\$ 8,826,203</u>	<u>\$ 11,725,165</u>	<u>\$ 12,110,736</u>	<u>\$ 13,254,799</u>	<u>\$ 12,902,219</u>	<u>\$ 10,508,811</u>	<u>\$ 10,212,255</u>
Change in Net Assets								
Governmental activities	\$ (1,584,355)	\$ 494,483	\$ 2,703,460	\$ 1,017,770	\$ 1,344,681	\$ 23,751	\$ (1,752,551)	\$ (4,125,839)
Business-type activities	(5,035)	251,964	189,786	293,836	210,240	72,854	78,469	2,393,736
Total primary government	<u>\$ (1,589,390)</u>	<u>\$ 746,447</u>	<u>\$ 2,893,246</u>	<u>\$ 1,311,606</u>	<u>\$ 1,554,921</u>	<u>\$ 96,605</u>	<u>\$ (1,674,082)</u>	<u>\$ (1,732,103)</u>

(1) The increase from prior period is mainly due to a \$1.7 million loss on the sale of land.

(2) The decrease from prior period is mainly due to reclassing the public works building to capital assets.

(3) The increase from prior period is mainly due to the construction of barns at the GIHP costing approximately \$2.4 million.

(4) The increase from prior period is due to the City receiving SPLOST proceeds for the entire fiscal year versus three months in the prior year.

(5) The decrease from prior period is mainly due to a \$1.7 million loss on the sale of land.

(6) The increase from prior period to mainly due to several new road resurfacing projects.

(7) The decrease from prior period is mainly due to the construction of barns at the GIHP

in FY 2007 costing approximately \$2.4 million.

(8) The increase from prior period is mainly due to the increase in SPLOST proceeds.

(9) The increase from prior period is mainly due to the increase in salaries, retiree payouts, the renovation

of the court services building, and the purchase of furniture for communications from grant funds.

(10) The decrease from prior year is due to fewer road projects in the current year.

(11) The increase from prior year is mainly due to a \$241,000 contribution to DDA and purchases of technology equipment upgrades totaling approximately \$200,000.

(12) The increase from prior year is mainly due to the increased road resurfacing projects totaling approximately \$724,000.

(13) The increase from prior year is due to reclassing sales tax proceeds from other taxes to capital grants and contributions.

(14) See explanation at (13).

(15) The increase is due to the City taking over Cherokee Run Golf Course in fiscal year 2011.

(16) The decrease is mainly due to the City not receiving as many federal grants for the police department.

(17) The increase is due to the City taking over Cherokee Run Golf Course in fiscal year 2011.

(18) The general government transferred \$1.9 million of land to the Golf Course.

(19) The City took over Cherokee Run Golf Course and received \$3.5 million in contributed capital.

City of Conyers, Georgia

**Governmental Activities Tax Revenues by Source
Last Eight Fiscal Years
(accrual basis of accounting)**

Fiscal Year	Property Tax	Franchise Tax	Hotel-Motel Tax	Alcoholic Beverage Tax	Insurance Premium Tax	Occupational Tax	Sales Tax	Other Taxes	Total
2004	\$ 3,232,572	\$ 1,146,944	\$ 680,375	\$ 515,200	\$ 459,147	\$ 456,837	\$ -	\$ 378,766	\$6,869,841
2005	4,460,921	1,039,959	620,177	489,806	497,591	455,969	477,525 ⁽¹⁾	305,699	8,347,647
2006	4,789,305	1,161,643	672,655	533,780	535,342	467,564	1,470,140	439,079	10,069,508
2007	5,096,930	1,271,367	644,839	576,860	560,102	503,049	1,758,726	484,691	10,896,564
2008	5,572,416	1,469,528	580,227	588,944	584,249	491,660	2,285,451	505,261	12,077,736
2009	5,775,513	1,435,988	695,348	542,949	598,244	467,372	2,005,115	423,124	11,943,653
2010	5,606,548	1,383,598	652,881	572,443	592,632	490,303	- ⁽²⁾	474,172	9,772,575
2011	5,538,373	1,426,488	720,180	593,498	575,408	475,937	-	461,483	9,791,367

(1) First year of tax

(2) Reclassed sales taxes to capital grants and contributions.

City of Conyers, Georgia

**Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)**

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
General Fund										
Reserved	\$ 207,068	\$ 235,114	\$ 119,270	\$ 348,686	\$ 2,298,092	\$3,107,618	\$3,477,445	\$3,250,577	\$3,214,320	\$3,313,153
Unreserved	<u>(522,480)</u>	<u>(591,120)</u>	<u>(391,014)</u>	<u>(1,099,092)</u>	<u>550,426</u>	<u>2,209,656</u>	<u>1,318,745</u>	<u>2,452,673</u>	<u>2,222,064</u>	<u>1,659,386</u>
Total general fund	<u><u>\$ (315,412)</u></u>	<u><u>\$ (356,006)</u></u>	<u><u>\$ (271,744)</u></u>	<u><u>\$ (750,406)</u></u>	<u><u>\$ 2,848,518</u></u> ⁽¹⁾	<u><u>\$5,317,274</u></u> ⁽³⁾	<u><u>\$4,796,190</u></u>	<u><u>\$5,703,250</u></u> ⁽⁵⁾	<u><u>\$5,436,384</u></u>	<u><u>\$4,972,539</u></u> ⁽⁶⁾
All Other Governmental Funds										
Reserved	\$ 1,545	\$ -	\$ -	\$ 102,211	\$ 356,729	\$ 355,276	\$348,641	\$268,105	\$288,764	\$298,861
Unreserved, reported in:										
Special revenue funds	28,140	74,479	94,710	(191,193)	(108,017)	-	-	-	-	-
Capital projects funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,723,394</u> ⁽²⁾	<u>5,689,003</u> ⁽⁴⁾	<u>5,963,937</u>	<u>5,908,955</u>	<u>5,640,503</u>	<u>4,318,591</u>
Total all other governmental funds	<u><u>\$ 29,685</u></u>	<u><u>\$ 74,479</u></u>	<u><u>\$ 94,710</u></u>	<u><u>\$ (88,982)</u></u>	<u><u>\$ 4,972,106</u></u>	<u><u>\$6,044,279</u></u>	<u><u>\$6,312,578</u></u>	<u><u>\$6,177,060</u></u>	<u><u>\$5,929,267</u></u>	<u><u>\$4,617,452</u></u> ⁽⁷⁾

(1) The increase from the prior period is mainly attributable to an increase in property taxes, which generated an additional \$1.3 million in general fund revenues.

(2) The increase from the prior period is due to the Capital projects fund being established in 2005. The City received a \$4.2 million advance from Rockdale County for bond proceeds from the 2005 SPLOST general obligation bonds.

(3) The increase from prior period is due to a property tax revenue increase of \$682,623 and \$1.06 million sale of capital assets.

(4) The increase from prior period is due to the City receiving SPLOST proceeds for the entire fiscal year versus three months in the prior year.

(5) The increase from prior period is mainly due to an increase in property taxes.

(6) The decrease from prior period is mainly due to overall increase in expenditures with revenues remaining constant.

(7) The decrease from prior period is mainly due to increased road resurfacing projects.

City of Conyers, Georgia

**Fund Balances, Governmental Funds
Current Fiscal Year
(modified accrual basis of accounting)**

	2011
General Fund	
Nonspendable	\$ 1,634,996
Restricted	2,178,122
Assigned	46,927
Unassigned	159,994
Total General fund	<u>\$ 4,020,039</u>
 All Other Governmental Funds	
Restricted, reported in:	
Special revenue funds	\$ 97,556
Capital projects fund	1,377,476
Unassigned, reported in:	
Special revenue funds	(61,469)
Total all other governmental funds	<u>\$ 1,413,563</u>
 Total all governmental funds	<u>\$ 5,433,602</u>

Note: GASB 54 was implemented during fiscal year 2011.

City of Conyers, Georgia

**Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)**

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Revenues										
Taxes	\$ 6,136,979	\$ 6,187,347	\$ 6,841,476	\$ 8,358,499	\$ 10,086,215	\$ 10,936,275	\$ 11,998,621 (6)	\$ 11,875,594	\$ 9,681,700 (8)	\$ 9,881,737
Licenses, permits and fees	228,577	191,498	215,019	345,141	480,235	593,775	332,966	146,295	123,741	100,896
Fines and forfeitures	991,893	1,013,563	1,023,287	970,764	1,156,497	1,452,457	1,338,972	1,149,604	1,336,108	1,102,267
Charges for services	1,099,211	1,107,127	403,458	809,140	838,927	923,280	1,045,544	976,835	926,960	952,807
GIHP Revenue	-	-	-	-	1,126,181 (2)	1,099,480	1,281,316	1,227,102	1,124,435	1,155,305
Other revenue	1,402,887	1,376,152	1,146,516	1,722,948	584,437	1,006,283 (3)	1,084,218	934,721	971,717	432,515
Contributions and donations	-	-	-	-	-	1,035	-	-	-	-
Intergovernmental	195,350	295,410	337,143	4,367,960 (1)	81,199	191,764	200,128	290,389	2,469,822 (9)	1,665,259 (12)
Emergency 911 charges	351,188	372,231	329,308	-	-	-	-	-	-	-
Total revenues	<u>\$ 10,406,085</u>	<u>\$ 10,543,328</u>	<u>\$ 10,296,207</u>	<u>\$ 16,574,452</u>	<u>\$ 14,353,691</u>	<u>\$ 16,204,349</u>	<u>\$ 17,281,765</u>	<u>\$ 16,600,540</u>	<u>\$ 16,634,483</u>	<u>\$ 15,290,786</u>
Expenditures										
General government	\$ 2,794,398	\$ 2,321,696	\$ 2,446,512	\$ 2,123,847	\$ 2,890,020	\$ 3,312,032	\$ 3,702,488	\$ 3,698,449	\$ 4,061,255	\$ 3,996,680
Public safety	2,322,653	2,533,596	2,941,877	3,757,969	3,962,911	4,158,576	4,671,451	5,155,913	5,808,121 (10)	5,722,335
Public works	1,602,864	1,490,750	1,264,313	1,206,272	1,262,055	1,486,666	1,816,615	2,009,961	1,885,396	1,903,295
Cultural/Recreation	-	1,721,377	1,704,705	1,658,365	2,063,071	4,749,929 (4)	2,731,965 (7)	2,873,212	2,584,946	2,640,609
Communications administration	523,136	517,456	673,093	-	-	-	-	-	-	-
Nondepartmental	396,162	532,244	442,816	590,345	-	-	-	-	-	-
Georgia International Horse Park	1,013,961	-	-	-	-	-	-	-	-	-
Capital outlay	1,470,769	737,278	768,669	-	563,919	1,471,152 (5)	1,718,215	1,487,267	2,294,433 (11)	3,264,664 (13)
Debt service:										
Principal	860,989	1,076,468	1,093,684	472,377	481,677	734,647	1,303,758	1,390,548	1,521,936	1,647,244
Interest	495,922	416,805	385,169	471,311	624,272	512,306	528,227	478,716	419,144	348,700
Total expenditures	<u>\$ 11,480,854</u>	<u>\$ 11,347,670</u>	<u>\$ 11,720,838</u>	<u>\$ 10,280,486</u>	<u>\$ 11,847,925</u>	<u>\$ 16,425,308</u>	<u>\$ 16,472,719</u>	<u>\$ 17,094,066</u>	<u>\$ 18,575,231</u>	<u>\$ 19,523,527</u>
Excess of revenues over expenditures	\$ (1,074,769)	\$ (804,342)	\$ (1,424,631)	\$ 6,293,966	\$ 2,505,766	\$ (220,959)	\$ 809,046	\$ (493,526)	\$ (1,940,748)	\$ (4,232,741)
(Continued)										