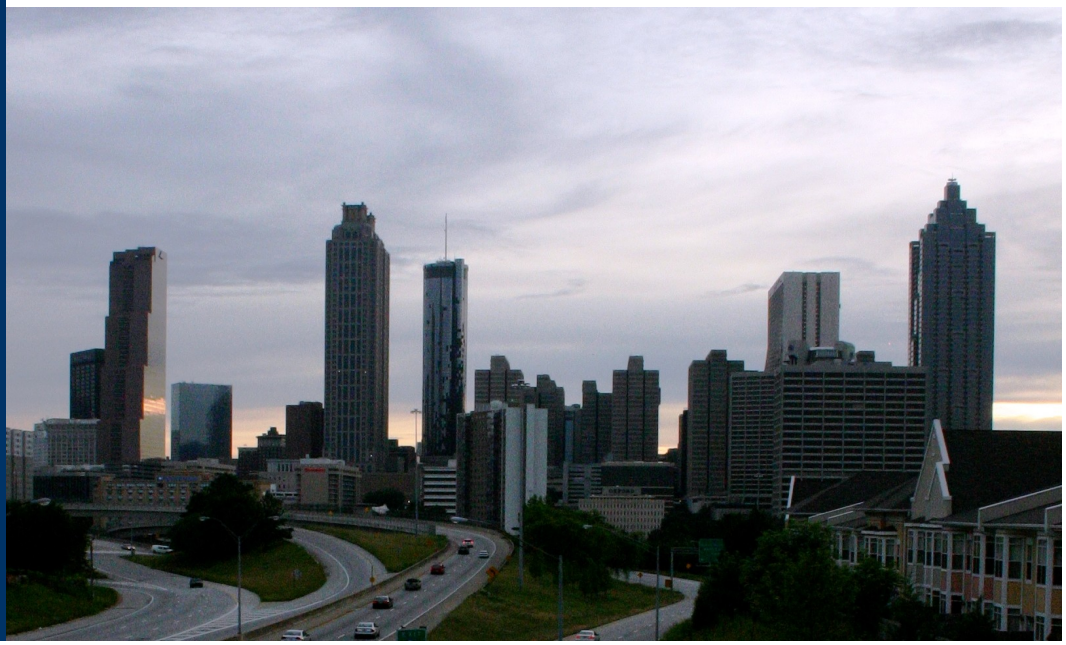
CITY OF
ATLANTA

FOR YEAR ENDED JUNE 30, 2013

COMPREHENSIVE ANNUAL FINANCIAL REPORT

KASIM REED
MAYOR



THE CITY OF ATLANTA, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended June 30, 2013

Kasim Reed
Mayor

J. Anthony Beard
Chief Financial Officer

CITY OF ATLANTA, GEORGIA
Comprehensive Annual Financial Report
For the Year Ended June 30, 2013

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Introductory Section

CITY OF ATLANTA

KASIM REED
MAYOR

DEPARTMENT OF FINANCE
68 MITCHELL STREET, S.W., SUITE 11100
ATLANTA, GEORGIA 30303-0312
TEL (404) 330-6430 · FAX (404) 658-6667

J. ANTHONY "JIM" BEARD, CTP
CHIEF FINANCIAL OFFICER
jbeard@atlantaga.gov

December 12, 2013

The Honorable Ceasar Mitchell, City Council President
The Honorable Members of the Atlanta City Council
The Citizens of the City of Atlanta

Ladies and Gentlemen:

We are pleased to present the Comprehensive Annual Financial Report ("CAFR") of the City of Atlanta, Georgia (the "City") for the fiscal year ended June 30, 2013. State law requires that all general-purpose local governments publish, within six months of the close of each fiscal year, a complete set of audited financial statements, presented in conformity with generally accepted accounting principles in the United States of America ("GAAP"). The law further requires that these statements be audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. The CAFR has been prepared by the City in accordance with those principles and standards. GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of a Management Discussion & Analysis ("MD&A"). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditor.

Responsibility for the accuracy and completeness of the data and, the fairness of the presentation, including all disclosures rests with management. We believe that the data, as presented, is accurate in all material respects, presents fairly the City's financial position and results of operations, as measured by the financial activity of its various funds. To provide a reasonable basis for making these representations, the City has established an internal control framework that is designed both to protect the government's assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of the City's financial statements that are conformance with GAAP. The cost of internal controls should never outweigh their benefits. The City's framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements are free from material misstatement. As management, we assert, to the best of our knowledge and belief, that the CAFR is complete and reliable in all material respects.

The City's financial statements have been audited by *KPMG, LLP*. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City for the year ended June 30, 2013, are free of material misstatements. The independent audit involves examining on a test basis evidence that supports 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 auditors rendered an unmodified opinion that the City's financial statements for the year ended June 30, 2013, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

This report and other historical audited financial statements, prior year(s) fiscal operating budgets, as well as Official Statements of several of the City's previous bond debt issues, may also be accessed via the Internet at www.atlantaga.gov.

CITY OF ATLANTA GOVERNMENT OVERVIEW

The City, incorporated in 1847, is located in the north-central part of the state, which is the top growth area in Georgia and has been one of the highest growth areas of the country for over three decades. The City currently occupies a land area of 131.4 square miles, with a population of 443,775 in the City and 5,457,831 in the Atlanta Metropolitan area, according to 2012 United States Census Bureau estimates. The Atlanta-Sandy Springs-Marietta, GA MSA (commonly referred to as Metropolitan Atlanta) is the ninth largest metropolitan area in the country. The City is empowered to levy a property tax on both real and personal properties located within its boundaries.

The City's policy-making and legislative authority are vested in a governing council (City Council) consisting of fifteen members and an elected City Council President who serves as presiding officer. The City Council's primary responsibilities are adopting ordinances, adopting the budget and setting policy for the City. The City's Mayor is responsible for carrying out the policies and ordinances of the City, for overseeing the day-to-day operations of the City and for appointing and directing the heads of the various departments. The City Council is elected on a non-partisan basis. Council members serve four-year terms, as does the Mayor. The Mayor is limited to two consecutive terms. There are no term limits for Council Members or for the Council President. Twelve of the council members are elected by district. The Mayor, the three remaining Council Members and the Council President are elected at large.

Annual budgets are adopted for the General Fund, Special Revenue Funds, and Debt Service Funds with the level of legal budgetary control established at the office level by City Council. The City is required to adopt a balanced budget each year and maintain budgetary controls to ensure compliance with legal provisions of the annual appropriated budget approved by the Mayor and City Council. The amounts of anticipated revenues and appropriated expenditures for the annual budget are controlled by the City Charter and various ordinances adopted by the City Council. Appropriations for capital projects are adopted by the City Council principally on an individual basis, when the project is initially approved.

PRIMARY CITY FUNCTIONS

The City provides a full range of municipal services including police and fire protection, the maintenance of streets and other infrastructure, recreational activities and cultural events, land use and building regulations, and solid waste collection and disposal. The City's Joint Operations Command Center (JOC) ensures that essential personnel from the Atlanta Police Department, Atlanta Fire and Rescue Department, Department of Public Works, Department of Parks and other key operational agencies can monitor weather, traffic, and reports of power outages and fallen trees to ensure a rapid and coordinated response to weather events or other events affecting public safety. The City accounts for solid waste collection and disposal activities separately within the reporting entity and attempts to recover operating costs of the function through user charges. During fiscal year 2012, the City

established a separate enterprise fund for the building permitting function. The City is responsible for water and wastewater operations and infrastructure and operates the world's busiest airport, financed exclusively with airport-generated income. The City is self-insured for workers' compensation, parts of the medical and dental plan, and general claims liabilities. The City pays for such claims as they become due. The City engages an external actuary to provide an actuarial estimate of its liabilities for self-insured expenses, with the exception of legal claims. The City Council has oversight responsibility for the City's Pension Trust Funds and Group Insurance Fund.

In addition, the City is financially accountable as of June 30, 2013, for the Atlanta-Fulton County Recreation Authority, the Urban Design Commission (UDC), the Solid Waste Management Authority (SWMA), the Atlanta Public Safety and Judicial Facilities Authority (APSJFA), the Atlanta CoRA Inc., Keep Atlanta Beautiful, Atlanta Housing Opportunity, Inc., and the Atlanta Development Authority, (doing business as Invest Atlanta), all of which are included as part of the CAFR. Certain organizations are not included with the scope of this report since they are established by the Constitution of the State of Georgia or state laws and are administered independent of the City of Atlanta. These include the Atlanta Independent School System (School System) and the Atlanta Housing Authority (AHA).

ECONOMIC DEVELOPMENT

To promote economic development in undeveloped or underdeveloped areas, the City, utilizes its redevelopment agent Invest Atlanta, formerly the Atlanta Development Authority. Invest Atlanta issues limited obligation Tax Allocation District ("TAD") bonds on behalf of the City. TAD bonds are not secured by the full faith and credit of the City, but are secured solely by and payable from specified pledged revenues. The pledged revenues are the tax allocation increments, or the amount of property taxes generated within the TAD that exceed the amount collected from the same area prior to development. Tax allocation districts have proven to be an effective and useful economic development tool. The Atlantic Station mixed-use development and the opening of the world's largest Aquarium were products of TAD bonds and further strengthen the City's core business districts. Public transportation initiatives like the Atlanta BeltLine will also play a vital role in ensuring continued building and investing in the City.

LOCAL ECONOMY

Atlanta has a gross domestic product of approximately $260 billion, which ranks it 15th in the world. Home to the world's most traveled airport – Hartsfield-Jackson Atlanta International Airport – metro Atlanta is a leading center for business activity and logistics. Atlanta is a major national and international transportation hub and is among the top three distribution cities in the U.S. – with 40 percent of North American manufacturing and distribution locations within 500 miles of the city. Atlanta is home to 13 FORTUNE 500 company headquarters.

The City has a strong economic base grounded in a diverse set of industries. Substantial concentrations of employers in government, manufacturing, education, finance, logistics and health care provide high paying jobs and a relatively reliable tax revenue base. Over the last 10 years, the largest growth sectors in the City have been education and healthcare, followed by the leisure and hospitality industries. Atlanta was recently ranked 10th in the country as a major technology market, underscoring the sector's role as an economic development engine. The City also ranks high nationally as a top metro for entrepreneurial activity according to multiple 2013 surveys. The vitality of these industries – combined with an increased interest in living in urban centers will continue to support the City's revenue base.

The Atlanta area is home to over 57 colleges and universities enrolling more than 250,000 students annually. The City is poised to benefit from national trends of population shifting from suburbs and exurbs back to urban cores –driven by transportation costs, traffic congestion, and a renewed interest in urban living which is particularly prevalent in the Atlanta metro region.

MAJOR INITIATIVES AND FINANCIAL PLANNING

THE REED COMMITMENT

A SAFE CITY
PUBLIC SAFETY

A FINANCIALLY STRONG CITY
FISCAL ACCOUNTABILITY & EFFICIENT GOVERNEMENT

A CARING CITY
CENTERS OF HOPE & THE MAYOR'S YOUTH PROGRAM

A WORLD CLASS CITY
BUSINESS GROWTH, TOURISM & CONVENTIONS

A LEADING CITY
TRANSPORTATION, SUSTAINABILITY, GREENSPACE

At the close of calendar year 2012, the City's crime statistics had been reduced to historic lows. The City hired an additional 251 police officers during 2012, bringing the total to 1937 and closer the goal of 2000. Operation Shield will continue to expand – the Video Integration Center (VIC) could monitor developments on 700 cameras across the City at December 31, 2012 – the number of cameras online is expected to double during 2013. The City's Fire & Rescue Department invested $4 million in new emergency response vehicles and equipment during the current fiscal year. In the last four years, four new fire stations have been added to help ensure quick response times to the 85,000 emergency calls that Atlanta firefighters respond to annually.

Although property tax collections declined again in fiscal 2013, the City was again able to improve its financial position at the end of the fiscal year. Strong cost control, targeted investment and conservative revenue projections resulted in a general fund operating surplus. Over the last 4 fiscal years the City's general fund has produced over $175 million in operating surplus, which has allowed $29 million to be invested in the Capital Projects Fund and a $125 million increase in unrestricted reserves. The general fund closed fiscal 2013 above the targeted unrestricted reserve balance of 20% of budgeted expenditures, giving the City protection against unforeseen events. During the upcoming development of the 5 year plan, the City will seek to prioritize investment based on different possible economic scenarios or outcomes.

Over the last three years, all of the City's recreation centers have been opened. Renovations to the "Centers of Hope" represent the City's commitment to provide a safe and structured learning environment for the City's most at-risk youth. The Maynard Holbrook Jackson International Terminal began serving passengers in the fourth quarter of fiscal 2012 and completed its first full year of operations during fiscal 2013. This cutting-edge facility is the new global gateway through which travelers throughout the world connect with over 150 American cities. The first Sustainability Plan, "Power to Change," will help the City achieve its goal of becoming a top-ten city in the nation for sustainability. During 2012, the City was able to increase the amount of recycled materials by 71% and reduce greenhouse gas emissions at City facilities by 14.3%. The SHINE initiative will directly impact the City's target to reduce greenhouse gas emissions 25 percent by 2020, 40 percent by 2030, and 80 percent by 2050.

AWARDS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the city in connection with its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2012. This was the 28th consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

OTHER INFORMATION

Acknowledgements

The preparation and completion of this CAFR represents the culmination of numerous efforts by many City employees. We would like to express our sincere appreciation to the Department of Finance's staff, the City's other operating and supporting departments, as well as the certified public accounting firm of KPMG, LLP for making this report possible.

This CAFR reflects our ongoing commitment to the citizens of the City of Atlanta, the Atlanta City Council and all interested readers of this report to provide information in conformance with the highest standards of financial reporting.

Respectfully submitted,

Kasim Reed
Mayor

J. Anthony Beard, CTP
Chief Financial Officer

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Atlanta

Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2012

Executive Director/CEO

ATLANTA CITY COUNCIL MEMBERS

CITY OFFICIALS

Kasim Reed
Mayor

Duriya Farooqui
Chief Operating Officer

Candace L. Byrd
Chief of Staff

J. Anthony Beard
Chief Financial Officer

Cathy Hampton
City Attorney

MEMBERS OF CITY COUNCIL

Ceasar Mitchell
Council President

Carla Smith
District 1

Kwanza Hall
District 2

Ivory Lee Young Jr.
District 3

Cleta Winslow
District 4

Natalyn Mosby Archibong
District 5

Alex Wan
District 6

Howard Shook
District 7

Yolanda Adrean
District 8

Felicia Moore
District 9

C.T. Martin
District 10

Keisha Bottoms
District 11

Joyce M. Sheperd
District 12

Michael Julian Bond
Post 1, At-Large

Aaron Watson
Post 2, At-Large

H. Lamar Willis
Post 3, At-Large

Rhonda Dauphin-Johnson
Municipal Clerk

JUDICIAL OFFICERS

COURT OPERATIONS	Crystal A. Gaines *Chief Judge*
PUBLIC DEFENDER	Rosalie Joy *Interim Public Defender*
SOLICITOR	Raines F. Carter *City Solicitor*

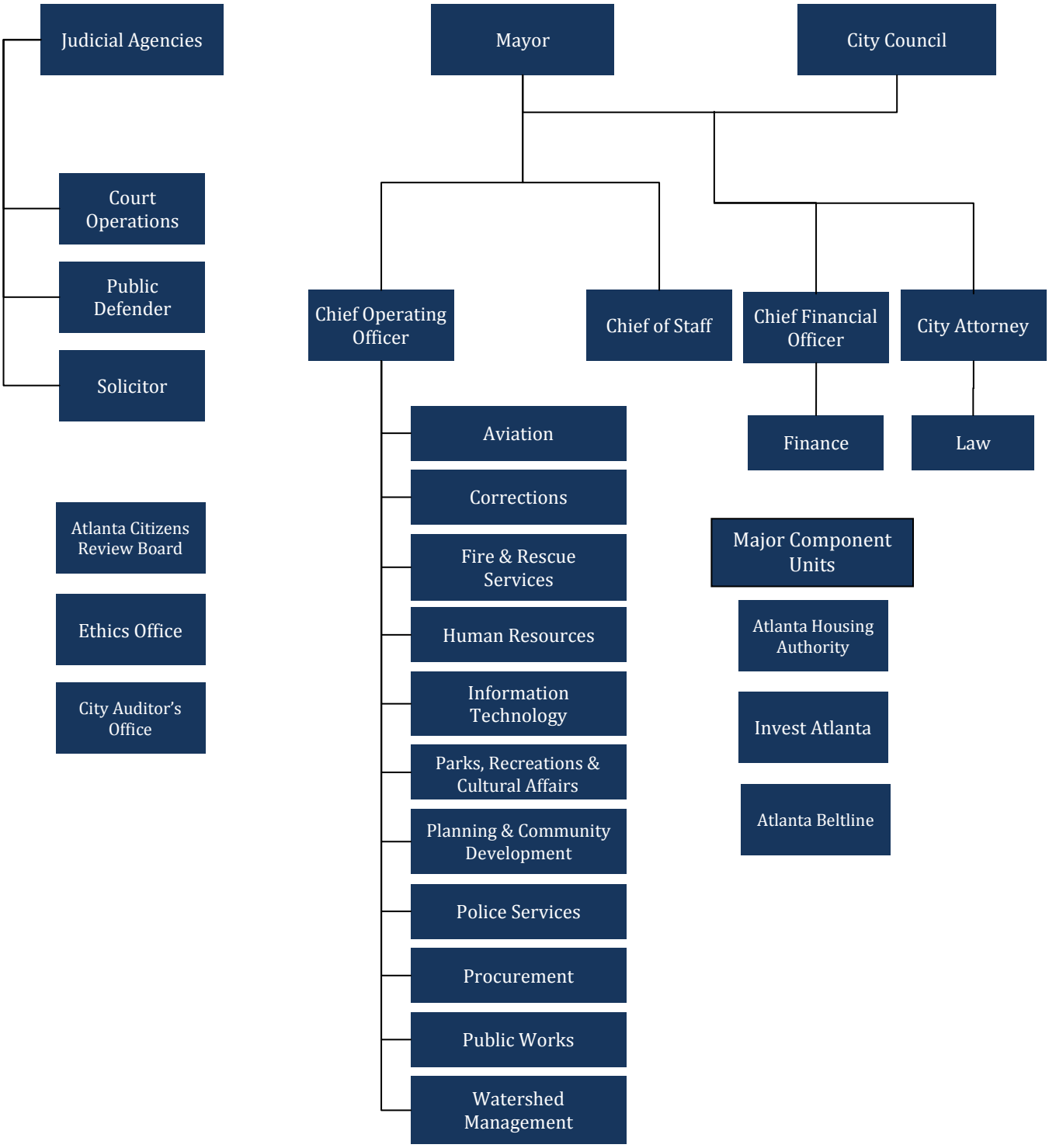
BOARD OFFICERS

ATLANTA CITIZENS REVIEW DIRECTOR	Samuel Lee Reid, III *Executive Director*
ETHICS OFFICER	Nina Hickson *Ethics Officer*
CITY AUDITOR	Leslie Ward *City Auditor*

DEPARTMENT OFFICERS

AVIATION	Louis E. Miller *General Manager*
CORRECTIONS	Patrick Labat *Corrections Chief*
FINANCE	J. Anthony Beard *Chief Financial Officer*
FIRE & RESCUE SERVICES	Kelvin J. Cochran *Fire Chief*
HUMAN RESOURCES	Yvonne Yancy *Commissioner*
INFORMATION TECHNOLOGY	Michael Dogan *Interim Chief Information Officer*
LAW	Cathy Hampton *City Attorney*
PARKS, RECREATION & CULTURAL AFFAIRS	George Dusenbury *Commissioner*
PLANNING & COMMUNITY DEVELOPMENT	James E. Shelby *Commissioner*
POLICE SERVICES	George N. Turner *Police Chief*
PROCUREMENT	Adam L. Smith *Chief Procurement Officer*
PUBLIC WORKS	Richard Mendoza *Commissioner*
WATERSHED MANAGEMENT	Jo Ann J. Macrina *Commissioner*

City Organizational Structure



Financial Section

KPMG LLP
Suite 2000
303 Peachtree Street, N.E.
Atlanta, GA 30308-3210

Independent Auditors' Report

Honorable Mayor and Members of the City Council
City of Atlanta, Georgia:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Atlanta, Georgia (the City), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Atlanta-Fulton County Recreation Authority and the Atlanta Development Authority, which collectively represent all of the City's aggregate discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the aggregate discretely presented component units, is based on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

KPMG LLP is a Delaware limited liability partnership, the U.S. member firm of KPMG International Cooperative ("KPMG International"), a Swiss entity.

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

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Atlanta, Georgia, as of June 30, 2013, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with U.S. generally accepted accounting principles.

Emphasis of Matter

As discussed in note 1G to the basic financial statements, in 2013, the City adopted Governmental Accounting Standards Board Statements No. 65, *Items Previously Reported as Assets and Liabilities*, and No. 61, *The Financial Reporting Entity: Omnibus.* Our opinion is not modified with respect to these matters.

Other Matters

Required Supplementary Information

U.S. generally accepted accounting principles require that the management's discussion and analysis on pages 4-18, the schedule of funding progress for pension plans on page 104, and the budgetary comparison information and related note on pages 105-107, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual non-major fund financial statements and schedules and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2013 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

KPMG LLP

Atlanta, Georgia
December 12, 2013

CITY OF ATLANTA, GEORGIA

Management's Discussion and Analysis (Unaudited)
June 30, 2013

As management of the City of Atlanta (the "City") we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the year ended June 30, 2013, as a part of the overall Comprehensive Annual Financial Report (CAFR). This overview compares the year ended June 30, 2013 with the year ended June 30, 2012. Readers are encouraged to consider the information presented here, in conjunction with the letter of transmittal, which can be found on pages i-v of this report.

Overview of the Financial Statements

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

Financial Highlights

- The assets of the City exceeded its liabilities at the close of 2013 by approximately $7.6 billion. This amount represents the City's Net Position. Of this amount, $1.1 billion in unrestricted net position may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by $445.6 million or 6.3% compared to 2012; an increase of $90.7 from governmental activities and $355.0 million from business-type activities.
- As of the close of fiscal year 2013, the City's governmental funds reported combined ending fund balances of $532.2 million. The unrestricted General Fund balance of $119.0 million is available for spending at the City's discretion, and represents approximately 22% of General Fund budgeted expenditures for fiscal year 2014.
- The City's long-term debt, including capital leases, at June 30, 2013 totaled $7.5 billion, a net decrease of $210 million or 2.7% from the prior year's balance of $7.7 billion.

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

The *Statement of Net Position* presents information on all of the City's assets, liabilities, deferred outflows and deferred inflows with the difference between all of the above reported as *Net Position.* Over time, increases or decreases in Net Position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *Statement of Activities* presents information showing how the City's Net Position changed during the most recent fiscal year. All changes in the Net Position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of the related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave). Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues *(governmental activities)* from other functions that are designed to recover all or a significant portion of their costs through user fees and charges (*business-type activities).* The governmental activities of the City include general

government, public safety, highways and streets, recreation, cultural affairs and economic development.

The business-type activities of the City include the Department of Watershed Management (Water and Wastewater System), the Department of Aviation (Hartsfield-Jackson Atlanta International Airport), Sanitation, Parks and Recreational Facilities, Underground Atlanta, Parking Deck, Building Permits, and the Civic Center.

The government-wide financial statements include not only the City itself (known as the primary government), but also the legally separate Atlanta Fulton County Recreation Authority and the Atlanta Development Authority (doing business as Invest Atlanta) for which the City is financially accountable. Financial information for these *component units* is reported separately from the financial information presented for the primary government. The Atlanta Housing Opportunity, Inc. and Atlanta CoRA, Inc., are also component units but their financial statements are blended with the primary government. Other blended component units of the City include Urban Design Commission, Atlanta Public Safety and Judicial Facilities Authority and Solid Waste Management Authority. Certain organizations are not included within the scope of this report since they were established by the Constitution of the State of Georgia or state laws and are administered by separate boards that act independently of the City. Included in this category are the Atlanta Independent School System and the Atlanta Housing Authority.

The government-wide financial statements can be found following this section of the 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, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary 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 utilizes four generic fund types of governmental funds (see section I note C in the notes to the financial statements). The City maintains twenty six individual governmental funds within the generic fund types. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and municipal option sales tax (MOST) fund, which are considered to be major funds.

Data from the other twenty four governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget in the Required Supplementary Information section of this report. The governmental funds financial statements immediately follow the government-wide financial statements.

The City has a formal fund balance policy applicable to governmental funds included in its Charter. The policy defines fund balance categories consistent with Governmental Accounting Standards Board Statement 54, sets spending priority within the categories, establishes the authority to *commit* or *assign* balances and establishes a minimum fund balance for the general fund. In addition, the policy addresses the time period required for the general fund to replenish any deficiency in the minimum fund balance, as well as specifying how fund balance above the recommended range may be spent. For a full discussion of the City's fund balance policy, please refer to the Notes to the Financial Statements, section I D. Assets, Liabilities, Deferred Outflows\Inflows and Net Position or Fund Balances.

Proprietary funds. The City maintains two different types 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 uses enterprise funds to account for the business-type activities of the Water and Wastewater System, the Hartsfield-Jackson Atlanta International Airport, Sanitation, Parks and Recreational Facilities, Underground Atlanta, Parking Deck, Building Permits, and the Civic Center.

An *internal service fund* is an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for the maintenance and operation of its fleet of vehicles and its group insurance fund for employees and retirees. Because these services benefit both governmental and business-type functions, the Net Position and change in Net Position have been allocated between governmental activities and business-type activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the business-type activities in the government-wide financial statements. The proprietary fund financial statements provide separate information for the Department of Watershed Management and the Department of Aviation, which are considered to be major funds of the City. Conversely, both internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report. The proprietary funds financial statements follow the governmental funds statements.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The fiduciary funds financial statements follow the proprietary funds statements.

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 can be found following the basic financial statements in this report.

Other information. In addition to the basic financial statements, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits to its employees and general fund budgetary compliance. Required supplementary information can be found following the notes in this report. The combining and individual funds statements, referred to earlier in connection with non-major governmental and proprietary funds, are presented immediately following the required supplementary information.

Financial Analysis - Government-wide Statements

As noted earlier, Net Position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by approximately $7.6 billion at the close of the year ended June 30, 2013. Table 1 summarizes the major categories of assets, liabilities and Net Position for governmental activities, business-type activities, and the government as a whole.

Table 1. City of Atlanta Net Position, Year Ended June 30, 2013 and June 30, 2012 (in thousands):

	Governmental Activities		Business-type Activities		Total	
	As of 30-Jun-13	As of 30-Jun-12	As of 30-Jun-13	As of 30-Jun-12	As of 30-Jun-13	As of 30-Jun-12
Current and other assets	$ 628,376	$ 597,030	$ 3,396,902	$ 3,499,263	$ 4,025,278	$ 4,096,293
Capital assets, net of depreciation	1,088,351	1,045,146	10,700,096	10,554,234	11,788,447	11,599,380
Total assets	1,716,727	1,642,176	14,096,998	14,053,497	15,813,725	15,695,673
Deferred outflows of resources	-	-	111,791	29,489	111,791	29,489
Total assets and deferred outflows of resources	1,716,727	1,642,176	14,208,789	14,082,986	15,925,516	15,725,162
Long-term liablities						
Current	151,069	159,274	406,821	432,116	557,890	591,390
Non-Current	1,186,201	1,201,221	6,614,668	6,818,531	7,800,869	8,019,752
Total liabilities	1,337,270	1,360,495	7,021,489	7,250,647	8,358,759	8,611,142
Deferred inflows of resources	7,089	-	-	-	7,089	-
Total liabilities and deferred inflows of resources	1,344,359	1,360,495	7,021,489	7,250,647	8,365,848	8,611,142
Net Position						
Net invesment in capital assets	95,513	7,228	5,015,922	4,721,909	5,111,435	4,729,137
Restricted	408,501	402,652	889,522	869,781	1,298,023	1,272,433
Unrestricted	(131,646)	(128,199)	1,281,856	1,240,649	1,150,210	1,112,450
Total Net Position	$ 372,368	$ 281,681	$ 7,187,300	$ 6,832,339	$ 7,559,668	$ 7,114,020

As of June 30, 2013, the City is able to report positive balances for the government as a whole, and for its governmental activities and business-type activities, respectively.

By far the largest portion of the City's Net Position, $5.1 billion (68.0%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debts used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

Financial Analysis - Government-wide Statements, continued

Although the City's 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.

An additional portion of the City's Net Position, $1.3 billion (17.2%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of $1.1 billion (14.8%) in unrestricted Net Position may be used to meet the government's ongoing obligations of the City.

For business-type activities, the City reported a positive balance of $ 1.3 billion in unrestricted Net Position. For governmental activities, the City reported a negative balance of $160 million in unrestricted Net Position. The City reported a positive balance of $119.0 million in unrestricted fund balance (assigned plus unassigned fund balance) for the general fund at the end of the 2013 fiscal year.

Unrestricted fund balance represents the spendable resources available for governmental activities, without externally enforceable limitation. The major contributing factors to the difference between unrestricted fund balance and unrestricted Net Position are changes in accrued receivables or payables, operating losses in the internal service fund operations, charges related to post-employment benefits and expenses related to workers compensation and vacation obligations.

Table 2. City of Atlanta's Changes in Net Position, Year Ended June 30, 2013 and June 30, 2012 (in thousands):

	Governmental Activities		Business-type Activities		Total	
	Year Ended 30-Jun-13	Year Ended 30-Jun-12	Year Ended 30-Jun-13	Year Ended 30-Jun-12	Year Ended 30-Jun-13	Year Ended 30-Jun-12
Revenues						
Program revenues						
Charges for services	$ 121,455	$ 118,517	$ 1,015,271	$ 929,429	$ 1,136,726	$ 1,047,946
Operating grants and contributions	75,657	56,663	-	-	75,657	56,663
Capital grants and contributions	-	-	260,944	238,639	260,944	238,639
General revenues						
Property taxes	285,789	287,279	-	-	285,789	287,279
Other taxes	374,850	362,733	-	-	374,850	362,733
State formula aid	-	299	-	-	-	299
Investment income (loss)	679	2,748	58,710	(31,724)	59,389	(28,976)
Other	(4,197)	8,185	450	(12)	(3,747)	8,173
Total revenues	854,233	836,424	1,335,375	1,136,332	2,189,608	1,972,756
Expenses:						
General government:	148,288	215,030	-	-	148,288	215,030
Police	210,751	217,777	-	-	210,751	217,777
Fire	92,018	89,016	-	-	92,018	89,016
Corrections	31,128	35,001	-	-	31,128	35,001
Public Works	64,467	47,397	-	-	64,467	47,397
Parks, Recreation and Cultural Affairs	59,732	46,280	-	-	59,732	46,280
Interest on long-term debt	42,731	47,080	-	-	42,731	47,080
Water and Wastewater System	-	-	445,647	441,092	445,647	441,092
Department of Aviation	-	-	585,148	504,918	585,148	504,918
Sanitation	-	-	46,468	39,162	46,468	39,162
Other	-	-	17,582	17,180	17,582	17,180
Total Expenses	649,115	697,581	1,094,845	1,002,352	1,743,960	1,699,933
Increase (decrease) in Net Position before transfers	205,118	138,843	240,530	133,980	445,648	272,823
Transfers in(out)	(114,431)	(104,883)	114,431	104,883	-	-
Increase (decrease) in Net Position	90,687	33,960	354,961	238,863	445,648	272,823
Net Position, Beginning of Period, as adjusted	281,681	247,721	6,832,339	6,593,476	7,114,020	6,841,197
Net Position, End of Period	$ 372,368	$ 281,681	$ 7,187,300	$ 6,832,339	$ 7,559,668	$ 7,114,020

Financial Analysis - Government-wide Statements, continued

Revenue for the City in fiscal year 2013, which totaled approximately $2.2 billion, increased by $216.9 million or 11.0% when compared to the year ended June 30, 2012. Charges for services increased $88.8 million for the primary government as a whole. Charges for governmental activities increased by $2.9 million or 2.5% in contrast with business-type activities charges which increased by $85.8 million or 9.2%. The increased charges for business–type activities were mainly a result of the May 2012 opening of the International Terminal which allowed for a full year of building and land rental revenue. Property taxes during fiscal year 2013 decreased by $1.5 million or 0.5%, primarily due to changes in the assessed value of the tax digest. Capital grants and contributions increased by $22.3 million compared to the year ended June 30, 2012, mainly due to accrued capital contributions from Fulton and Dekalb counties related to inter-jurisdictional agreements involving water and sewer infrastructure. Investment income for increased by $88.4 million, including a $45.1 unrealized gain unrealized recorded for the Department of Watershed in connection with interest rate SWAP agreements. The increase in value related to the DWM interest rate SWAP in fiscal year 2013 compares to a $57.7 million decline in value (unrealized loss) recorded in fiscal year 2012.

Total expenses for the City were $1.7 billion in fiscal year 2013, up $44.0 million or 2.6% when compared to fiscal year 2012. Total expenses for governmental activities, excluding transfers, reflect a decrease of $48.5 million or 6.9% year-over-year. Continued use of effective financial forecasting tools enabled the City to manage overall costs for all departments. Expenses for business-type activities increased by $92.5 million, or 9.2% compared to fiscal 2012. The increase in expenses for business-type activities was mainly the result of additional depreciation expense related to the Harstfield-Jackson International Terminal which was in service for its first full year. Interest expense increased as a result new Department of Aviation debt issued in May 2012 and lower capitalized interest as a result of the new terminal being placed in service.

The City's Net Position increased by $445.6 million, or 6.3% during fiscal 2013. The net position for governmental funds increased by $90.7 or 32.2%, while the net position of business-type funds increased by $355.0 million or 5.2%. The majority of the increase is attributable to charges for services within the business-type activities, capital grants and contributions within both governmental and business-type activities and overall cost containment measures government-wide. During the year, the City implemented new accounting pronouncements (GASB 61 & 65) which resulted in a cumulative $143.3 million decrease to the beginning balance of net position (see Note I E for more information).

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Financial Analysis - Government-wide Statements, continued

Governmental Activities - A comparative analysis of the governmental activities expenses and program revenues is presented below.

Figure 1. Program Revenues Compared to Expenses, Year Ended June 30, 2013 (in thousands):

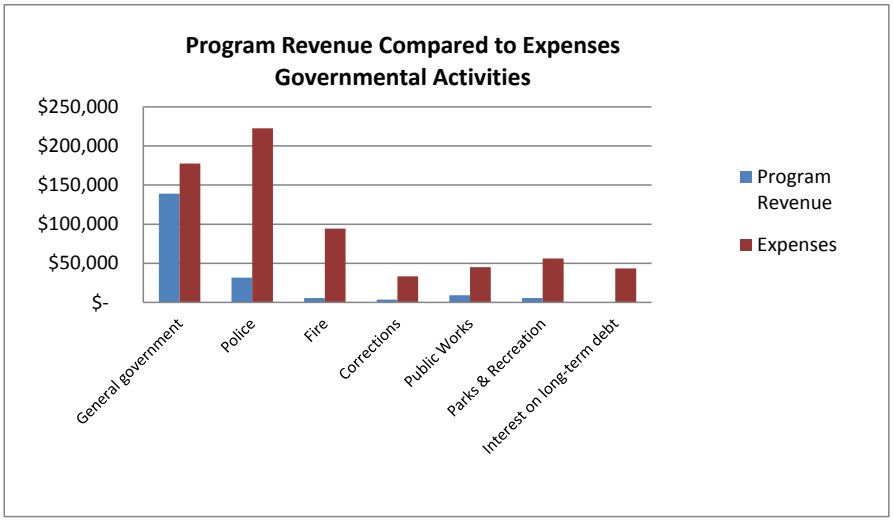
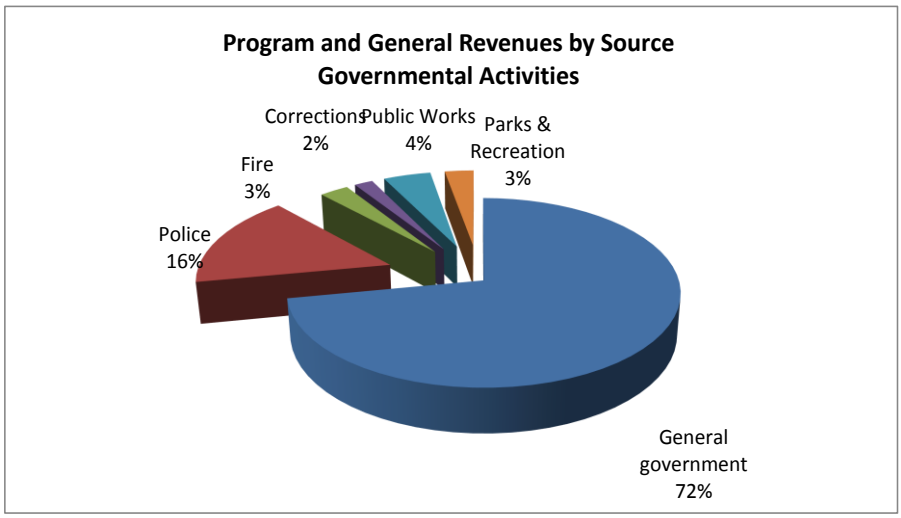


Figure 2. Program Revenues for Governmental Activities, Year Ended June 30, 2013 (in thousands):



Financial Analysis – Business-type activities

Business-type activities - The net position of the City's business-type activities increased by $355.0 million, representing growth of 5.2 % since June 30, 2012. This growth is attributable to the operations of the Departments of Watershed Management and Aviation. A comparative analysis and discussion of expenses and program revenues for these enterprise operations is presented below.

Figure 3. Expenses for Business-type Activities, Year Ended June 30, 2013 (in thousands):

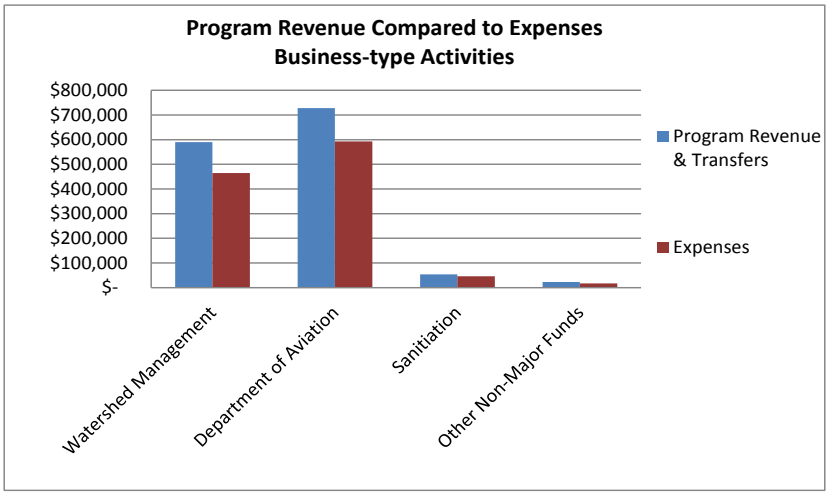
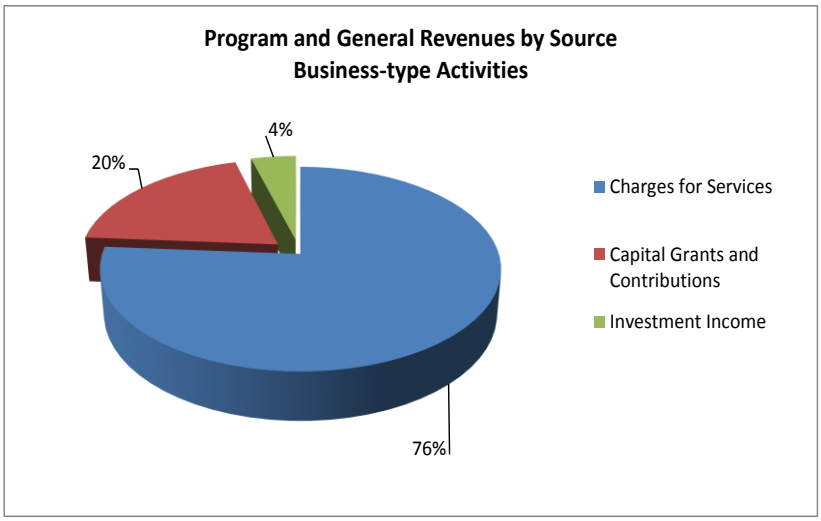


Figure 4. Program Revenues for Business-type Activities, Year Ended June 30, 2013 (in thousands):



Financial Analysis – Business-type activities, continued

Department of Watershed Management (DWM) The net position for DWM for the twelve month period ended June 30, 2013 increased by $175.1 million or 7.4% to $2.6 billion.

Table 3. Department of Watershed Management Revenues and Expenses – Year Ended June 30, 2013 and June 30, 2012 (in thousands):

	Year Ended June 30	
	2013	2012
REVENUES		
Total operating revenues	$ 448,167	$ 466,508
Non-operating revenues	55,450	9,643
Total revenues	$ 503,617	$ 476,151
EXPENSES		
Total operating expenses	$ 296,515	$ 283,844
Non-operating expenses		
Loss on derivitave instrument	-	57,506
Interest expense	154,900	155,349
Total expenses	$ 451,415	$ 496,699
Income before Capital Contributions & Transfers	$ 52,202	$ (20,548)
Capital Contributions	23,077	275
Transfers, net	99,772	96,027
Change In Net Position	$ 175,051	$ 75,754

Total operating revenues which primarily consist of water and wastewater fees, licenses and permits, and intergovernmental revenue, decreased by $18.3 million or 3.9% to $448.2 million. The decrease is a primarily a result of lower sewer service charges to other governmental units. Non-operating revenue increased by $45.8 million and includes investment income or loss. A unrealized gain related to the change in fair value of interest rates swaps of $45.1 million is included for the year ended June 30, 2013, compared to a $57.5 million unrealized loss on the same instruments in the prior fiscal year. Transfer revenue includes the Municipal Option Sales Tax (MOST); for fiscal year 2013 the MOST transfer totaled $118.8 million compared with $115.1 million in fiscal year 2012. Total revenues for the year ended June 30, 2013 increased $27.5 million or 5.8% to $503.6 million.

Total operating expenses were up $12.7 million or 4.5% to $296.5 million when compared to the year ended June 30, 2012. The increase is primarily driven by higher general service costs and increased charges for repairs and maintenance. Total operating revenues less operating expenses, or operating margin, was $151.7 million for fiscal year 2013 and declined by $31.0 million or 17.0% compared to fiscal year 2012.

Net interest expense decreased by $0.4 million year-over-year compared to fiscal year 2012. Gross interest expense remained essentially flat at approximately $184 million and capitalized interest increased $2.4 million to $28.3 million. Total expenses decreased $45.3 million or 9.1% to $587.4 million. Net Position increased by $175.1 million or 7.4% for the year ended June 30, 2013.

Financial Analysis – Business-type activities, continued

Department of Aviation (DOA) The Net Position of the DOA for the twelve month period ended June 30, 2013 increased by $152.0 million or 3.4% to $4.6 billion.

Table 4. Department of Aviation Revenues and Expenses – Year Ended June 30, 2013 and June 30, 2012 (in thousands):

	Year Ended June 30	
	2013	2012
REVENUES		
Operating revenues	$ 490,386	$ 394,132
Investment income (loss)	9,102	16,063
Non-operating revenues	206,610	185,899
Total revenues	$ 706,098	$ 596,094
EXPENSES		
Operating expenses	$ 440,673	$ 381,684
Interest expense	146,718	112,314
Total expenses	$ 587,391	$ 493,998
Income before Capital Contributions & Transfers	$ 118,707	$ 102,096
Capital Contributions	33,500	37,522
Transfers, net	(193)	-
Change In Net Position	$ 152,014	$ 139,618

Total revenues for the year ended June 30, 2013 of $706.1 million were up $110.0 million or 18.5% year over year. Operating revenues are diverse and consist primarily of inside concessions, parking, car rentals, landing fees, terminal rentals, reimbursed operating expenses, and other revenues. Total operating revenues increased $96.3 million, or 24.4% in comparison to fiscal year 2012. The increase was primarily driven by the May 2012 opening of the International Terminal which allowed for a full year of building and land rental revenue. A shift in parking patterns and increased capacity also contributed to a $3.3 million increase in parking revenue in fiscal year 2013.

Non-operating revenues consist of net investment income, passenger facility charges (PFC's), customer facility charges (CFC's), and other non-operating income net of expenses. PFC and CFC net revenues increased by $4.9 million or 2.4% year-over-year. Net investment income decreased by $7.0 million during fiscal year 2013. Additionally, there were fewer federally funded projects in fiscal year 2013 resulting in a decrease of capital contributions of approximately $4 million to $33.5 million for the current fiscal year.

Total expenses increased by $93.4 million or 18.9% to $587.4 million. Operating expenses for the period were $440.7 million which reflect an increase of $59.0 million or 15.5% over June 30, 2012. Interest expense increased by approximately $34.4 million year-over-year in part due to the series 2012 A\B\C bonds issued during in May 2012. Depreciation and amortization expense increased by $49.5 million or 30.6% due mainly to the first full year of depreciation for the Hartsfield-Jackson International Terminal which was placed in-service during May 2012.

Financial Analysis – Business-type activities, continued

The restricted portion of the DOA's Net Position represents bond reserve funds that are restricted under the bond ordinance related to aviation debt, and PFCs restricted by Federal PFC regulations for the purposes authorized including the payment of future indebtedness. Also included are the CFCs used to repay the Consolidated Car Rental Facility (CONRAC) bonds and related expenses. Unrestricted Net Position may be used to meet any of the DOA's ongoing capital and operating obligations. The balance in unrestricted Net Position at June 30, 2013 decreased by $39.1 million or 5.9%.

Financial Analysis of the Government's Funds

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

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

As of June 30, 2013, the City's governmental funds reported combined ending fund balances of $532.2 million, an increase of $14.2 million or 2.7%. Unassigned fund balance is available for spending at the City's discretion. As of June 30, 2013, the City has an unassigned fund balance of $84.0 million, an increase of $27.2 million compared to fiscal year 2012.

The general fund is the chief operating fund of the City. During fiscal 2013, the fund balance of the general fund increased by $11.4 million or 9.0% to $138.2 million. The increase in fund balance was enabled by revenue collections that were consistent with the adopted budget combined with closely monitored spending. Additionally, the budget included a 3% budget reserve of $15.0 million which was not available for spending at the department level. At the close of the year, $15.3 million of the annual operating surplus was transferred to deficit funds (E911 and Underground). The unassigned fund balance, which is available for use without restriction, increased by $18.2 million to $98.5 million. *Unrestricted* fund balance is the combination of unassigned fund balance ($98.5 million) and assigned fund balance ($20.5 million) and totals $119.0 million. The remainder of the fund balance in the general fund is comprised of nonspendable ($5.0 million) and restricted ($14.2 million). 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.

The Municipal Option Sales Tax (MOST) fund is a special revenue fund used to report a 1% sales and use tax. These proceeds are subsequently transferred to the Department of Watershed Management (DWM) to be used for operations, debt service or renovations to the City's water and sewer system. Collections for fiscal year 2013 increased by $3.7 million or 3.1% to $118.8 million as compared with $115.1 million collected during the fiscal year 2012. The MOST was originally approved by voters in July 2004 and subsequently reauthorized in February 2008 and again in March 2012. It is currently set to expire in 2016. The MOST is a significant funding source for the DWM and represents approximately 20% of total DWM revenue.

Financial Analysis – Business-type activities, continued

Proprietary funds The statements of the City's proprietary funds provide the same type of information as business-type activities in the government-wide financial statements, but in more detail. Factors concerning the finances of these funds were previously addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

The General Fund is the principal operating fund of the City and is used to account for all activities of the City not otherwise accounted for by a specified fund. It is also the largest of the City's funds, is mostly comprised of general tax revenues, and provides basic city services such as Police, Fire & Rescue, and Parks & Recreation Services. Each departmental expenditure budget must be developed and justified each year during the legally required budget adoption process. Total 2013 General Fund revenues were $469.3 million, $29.0 million less than the final budget of $498.3 million. However, the final revenue budget included $15 million of prior year fund balance. Additionally, $18.7 million in pilot and franchise fees from the DWM were budgeted as revenue but properly recorded as transfer-in revenue. Actual revenue anticipations were $4.6 million or 1% above budget. Modest over-collections in property and other taxes as well as licenses and permits, helped offset the budgeted amount of fund balance. The Hotel-Motel excise tax is budgeted as transfer-in revenue and amounted to $13.5 million during the fiscal year.

Total 2013 General Fund expenditures were $453.9 million, $44.4 million or 8.9% less than the final budgeted expenditures. Major contributors to the favorable expense variance included the budgeted reserve of $15 million (3% of total budget, not available for spending at the department level) and a combined public safety budget under run of $12 million. During fiscal year 2013 the General Fund made a $10 million principal payment to the Department of Watershed Management under the 2008 Memorandum of Understanding as repayment of an advance, however, the payment is properly recorded as a balance sheet entry and does not flow through expenditures. Additionally, there was $8.3 million in debt service budgeted and paid by the General Fund, but reflected as a transfer out to a non-major enterprise fund (Underground).

Capital Assets and Debt Administration

Capital assets, net of depreciation, for the governmental and business-type activities are as follows:

Table 5. Capital Assets Schedule

	Governmental Activities		Business-type Activities		Total	
	As of 30-Jun-13	As of 30-Jun-12	As of 30-Jun-13	As of 30-Jun-12	As of 30-Jun-13	As of 30-Jun-12
Land	$ 204,950	$ 148,561	$ 1,030,749	$ 1,028,454	$ 1,235,699	$ 1,177,015
Land improvements	5,208	6,496	1,408,751	1,418,022	1,413,959	1,424,518
Buildings and building improvements	383,556	377,461	7,490,975	7,514,865	7,874,531	7,892,326
Other property and equipment	69,434	76,051	136,274	106,393	205,708	182,444
Infrastructure	287,927	302,373	-	-	287,927	302,373
Construction in progress	137,276	134,204	633,347	486,500	770,623	620,704
Total	$ 1,088,351	$ 1,045,146	$ 10,700,096	$ 10,554,234	$ 11,788,447	$ 11,599,380

Capital Assets and Debt Administration, continued

Capital assets. The City's investment in capital assets (before reductions for debt service) for its governmental and business type activities as of June 30, 2013 totaled $11.8 billion, net of accumulated depreciation. This investment in capital assets includes land, buildings and systems, improvements, construction in progress, machinery and equipment, park facilities, roads, highways, and bridges. The net increase in the City's investment in capital assets for the twelve month period ended June 30, 2013 was $189.1 million or 1.6%.

Major capital asset events during the year ended June 30, 2013 included the following:

- Land increased by $58.7 million in governmental activities during fiscal 2013 primarily due to the addition of $45 million of land where ownership was previously was in question.
- There was $441.1 million added to the Construction-In-Progress (CIP) balance related to various DOA and DWM projects and $19.1 million added to CIP related to governmental projects.
- Depreciation expense during the fiscal year totaled $360.6 million for the primary government.

Additional information on the City's capital assets can be found in Note III.C in the Notes to the Financial Statements.

Table 6. Long-Term Debt Schedule

	Governmental Activities		Business-type Activities		Total	
	As of 30-Jun-13	As of 30-Jun-12	As of 30-Jun-13	As of 30-Jun-12	As of 30-Jun-13	As of 30-Jun-12
General obligation and annual bonds	$ 215,320	$ 230,680	$ -	$ -	$ 215,320	$ 230,680
Premium on bonds	7,242	8,630	-	-	7,242	8,630
SWMA revenue refunding bonds	15,410	16,745	-	-	15,410	16,745
Limited obligation bonds	589,670	614,500	-	-	589,670	614,500
Discount on bonds	1,918	2,210	-	-	1,918	2,210
Section 108 loans	2,180	2,890	-	-	2,180	2,890
Other General Long-term Obligations	79,070	86,537	-	-	79,070	86,537
Intergovernmental agreement-Atl. Housing Opportunity, Inc	28,354	29,541			28,354	29,541
Notes Payable	9,394	11,026	-	-	9,394	11,026
Water and Wastewater Revenue Bonds	-	-	3,069,145	3,117,570	3,069,145	3,117,570
Premium on bonds	-	-	22,391	23,526	22,391	23,526
Other	-	-	-	3,720	0	3,720
GEFA notes payable	-	-	168,829	147,940	168,829	147,940
Airport Facilities Revenue Bonds	-	-	3,059,455	3,156,265	3,059,455	3,156,265
Issuance discount and refunding losses	-	-	108,129	119,464	108,129	119,464
Underground Atlanta	-	-	-	-	-	-
Capital Leases:						
General fund	64,120	69,349	-	-	64,120	69,349
Water and Wastewater System	-	-	5,456	7,611	5,456	7,611
Parking Deck	-	-	20,366	21,040	20,366	21,040
Underground Atlanta	-	-	22,605	29,415	22,605	29,415
Total	$ 1,012,678	$ 1,072,108	$ 6,476,376	$ 6,626,551	$ 7,489,054	$ 7,698,659

Capital Assets and Debt Administration, continued

Long-term debt. The City's long-term debt, including capital leases, reflected a net decrease of $209.6 million or 2.7% during the current twelve-month period. General and limited obligation debt decreased by $43.2 million, Department of Aviation debt decreased by $108.1 and Department of Watershed Management debt, including GEFA notes payable, decreased by $32.4 million. Government-wide capital lease obligations decreased by $14.9 million during the current fiscal year.

The City's underlying ratings for its bond issuances at June 30, 2013 were as follows:

Table 7. City of Atlanta Bond Ratings

CITY OF ATLANTA

MUNICIPAL BOND RATINGS

BOND TYPE	MUNICIPAL CREDIT RATING		
	Moody's Investors Service	Standard & Poor's	Fitch
GENERAL OBLIGATIONS BONDS			
Underlying Rating	Aa2	A	
WATER AND WASTEWATER REVENUE BONDS			
Underlying Rating	A1	A	A
HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT REVENUE BONDS			
Underlying Rating	A1	A+	A+

State statutes limit the amount of general obligation debt a governmental entity may issue to 8% of its total assessed valuation. The City's outstanding general obligation debt is significantly less than the current debt limitation of $2.4 billion. See the Legal Debt Margin Information in the Statistical Section of this report.

Additional information regarding the City's long-term obligations can be found in Note III. G. in the Notes to the Financial Statements.

Economic Factors and Next Year's Budgets and Rates

The City is managing with cautious optimism that the effects of the recession have peaked and stability is returning in certain areas. The City's Local Option Sales Tax (LOST) increased for the fourth year in a row during fiscal 2013 and is now close to 90% of pre-recession levels, compared with a low of 78% in 2008. Residential home prices have also showed signs of firming in certain areas of the City and single-family home starts are expected to increase by 19% in 2013. The recent increases in home prices should have a positive effect on consumer confidence and help in easing tight credit conditions. However, price appreciation in the City's tax digest may significantly lag the real estate market. Mortgage rates are currently above their historic lows, but are still expected to remain attractive until at least 2015.

The economic outlook for Atlanta remains for the City to see slow but steady recovery. Atlanta's real gross metro product is expected to expand by 2.3% compared to the national forecast of 1.8%. Personal income in Georgia is expected to grow by 3.6%, again slightly ahead of the national forecast of 3.4% growth. The regional advantage is driven by the completion of the private sector restructuring that took place during the Great Recession and recent shifts in economic development strategies that make the region attractive relative to other areas when it comes to closing the deal on major projects. Recent examples include Caterpillar's plans to create 1,400 jobs near Athens, Baxter International's plans to add 1,500 jobs to the Covington area and State Farm's planned addition of 500 jobs near Perimeter Mall in Atlanta. The area will also benefit from the job creation related to the recently announced dome project for the Atlanta Falcons.

Atlanta benefits from a reliable economic base, attributable to its diverse employment sectors and its strategic location within the southeast region. Atlanta has a high concentration of service industry jobs and a diverse industry mix anchored by the government, technology, trade, health, education, finance, insurance and real estate sectors. The City also ranks high nationally as a top metro for entrepreneurial activity according to multiple 2013 surveys.

Property tax, sales tax and building permits continue to be monitored closely as the economy continues to recover. These are key indicators for the City in projecting overall revenue performance in fiscal year 2014. Based on the City's internal financial reporting and forecasting processes, administration and management are able to respond quickly to changing economic and business cycles.

Highlights of the fiscal year 2014 budget include:

- General Fund revenue anticipation of $538.6 million, including a slight reduction to the property tax millage rate and assuming a 98% collection rate. This compares to $542.3 million in 2013.

- Department of Watershed Management revenue anticipation of $536.6 million, a decrease of $1.1 million or 0.2 % compared to fiscal 2013.

- Department of Aviation revenue anticipation of $497.7 million, an increase of $14.2 million or 2.85% compared to fiscal 2013.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City's Chief Financial Officer, 11100 City Hall Tower, 68 Mitchell St., SW, Atlanta, Georgia 30303.

Basic Financial Statements

CITY OF ATLANTA, GEORGIA

Statement of Net Position
June 30, 2013

(Dollars in Thousands)

	Governmental Activities	Business-type Activities	**Total**	Component Units
ASSETS				
Current assets:				
Cash and cash equivalents	$ 1,892	$ 24,254	**$ 26,146**	$ 18,014
Restricted cash	388,830	173,537	**562,367**	30,961
Equity in cash management pool	191,845	1,309,052	**1,500,897**	-
Investments	286	-	**286**	673
Receivables (net of allowances for uncollectables)	62,193	112,677	**174,870**	3,247
Due from other governments	16,699	27,678	**44,377**	-
Due from primary government	-	-	**-**	264
Due from component unit	-	-	**-**	1,415
Capital lease receivable, current portion	-	-	**-**	875
Internal balances	(57,646)	57,646	**-**	-
Inventories	-	19,675	**19,675**	-
Other restricted assets	-	39,325	**39,325**	-
Prepaid expenses and other assets	-	1,766	**1,766**	648
Total current assets	604,099	1,765,610	**2,369,709**	56,097
Noncurrent assets:				
Restricted cash	-	1,020,117	**1,020,117**	48,383
Restricted investments	-	489,642	**489,642**	8,315
Investments	-	-	**-**	3,597
Due from primary government	-	-	**-**	16,025
Capital assets:				
Capital assets not being depreciated	342,226	1,664,096	**2,006,322**	139,706
Capital assets being depreciated	1,772,912	13,286,750	**15,059,662**	305,409
Less accumulated depreciation	(1,026,787)	(4,250,750)	**(5,277,537)**	(143,550)
Investments in joint venture	-	82,164	**82,164**	-
Restricted investments in escrow	17,188	-	**17,188**	-
Due from other parties	-	10,320	**10,320**	-
Due from component unit	-	24,000	**24,000**	27,075
Other assets	7,089	5,049	**12,138**	10,679
Long-term receivable	-	-	**-**	50,228
Total noncurrent assets	1,112,628	12,331,388	**13,444,016**	465,867
Total Assets	1,716,727	14,096,998	**15,813,725**	521,964
Deferred outflows of resources				
Accumulated decrease in fair value of derivitive instruments	-	15,323	**15,323**	-
Accumulated deferred losses on refunding	-	96,468	**96,468**	-
Total assets and deferred outflows of resources	1,716,727	14,208,789	**15,925,516**	521,964
LIABILITIES				
Current liabilities				
Accounts payable	61,210	82,878	**144,088**	3,957
Accrued expenses and vacations	9,062	19,629	**28,691**	-
Accrued interest payable	-	106,448	**106,448**	4,676
Claims payable	8,328	8,568	**16,896**	-
Contract retentions	1,592	14,559	**16,151**	-
Due to other governments	10,293	-	**10,293**	-
Due to primary government	-	-	**-**	104
Other liabilities	-	4,459	**4,459**	20,849
Unearned revenues	633	-	**633**	2,679
Current portion of long-term debt, capital leases, SWAPS	50,906	170,280	**221,186**	20,466
Current portion of other liabilities	9,045	-	**9,045**	-
Total current liabilities	151,069	406,821	**557,890**	52,731
Noncurrent liabilities				
Noncurrent portion of long-term debt	869,298	6,267,060	**7,136,358**	322,092
Noncurrent portion of capital leases	64,120	39,036	**103,156**	-
Noncurrent portion of contract retentions	-	3,322	**3,322**	-
Net OPEB obligation	180,356	145,296	**325,652**	-
Due to primary government	-	-	**-**	24,000
Due to component unit	28,354	-	**28,354**	-
Other long-term liabilities	44,073	159,954	**204,027**	25,593
Total non-current liabilities	1,186,201	6,614,668	**7,800,869**	371,685
Total Liabilities	1,337,270	7,021,489	**8,358,759**	424,416
Deferred inflows of resources				
Accumulated increase in fair value of derivitive instruments	7,089	-	**7,089**	-
Total liabilities and deferred inflows of resources	1,344,359	7,021,489	**8,365,848**	424,416
NET POSITION				
Net investment in capital assets	95,513	5,015,922	**5,111,435**	56,070
Restricted for:				
Debt service	287,948	534,521	**822,469**	-
Programs	72,591	-	**72,591**	61,490
Capital projects	47,962	355,001	**402,963**	-
Unrestricted	(131,646)	1,281,856	**1,150,210**	(20,012)
Total Net Position	$ 372,368	$ 7,187,300	**$ 7,559,668**	$ 97,548

The accompanying notes are an integral part of this statement.

CITY OF ATLANTA, GEORGIA
Statement of Activities
For the Year Ended June 30, 2013
(Dollars in Thousands)

		Program Revenues			Net (Expenses) Revenues and Changes in Net Position			
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	**TOTALS**	Component Units
Primary Government								
Governmental activities:								
General government	$ 148,288	$ 92,510	$ 49,392	$ -	$ (6,386)	$ -	**$ (6,386)**	
Police	210,751	17,506	14,057	-	(179,188)	-	**(179,188)**	
Fire	92,018	808	4,700	-	(86,510)	-	**(86,510)**	
Corrections	31,128	3,319	222	-	(27,587)	-	**(27,587)**	
Public Works	64,467	3,731	5,338	-	(55,398)	-	**(55,398)**	
Parks, Recreation and Cultural Affairs	59,732	3,581	1,948	-	(54,203)	-	**(54,203)**	
Interest on long-term debt	42,731	-	-	-	(42,731)	-	**(42,731)**	
Total Governmental activities	649,115	121,455	75,657	-	(452,003)	-	**(452,003)**	
Business-type activities:								
Watershed Management	445,647	448,167	-	23,077	-	25,597	**25,597**	
Aviation	585,148	490,386	-	237,867	-	143,105	**143,105**	
Sanitation	46,468	54,071	-	-	-	7,603	**7,603**	
Parks and Recreational Facilities	556	475	-	-	-	(81)	**(81)**	
Underground Atlanta	6,957	1,707	-	-	-	(5,250)	**(5,250)**	
Parking Deck	1,415	805	-	-	-	(610)	**(610)**	
Permit Fund	6,607	18,464	-	-	-	11,857	**11,857**	
Civic Center	2,047	1,196	-	-	-	(851)	**(851)**	
Total Business-type activities	1,094,845	1,015,271	-	260,944	-	181,370	**181,370**	
Total Primary Government	$ 1,743,960	$ 1,136,726	$ 75,657	$ 260,944	$ (452,003)	$ 181,370	**$ (270,633)**	
Component Units	$ 84,219	$ 18,881	$ 6,615	$ 28,228				$ (30,495)

General revenues:				
Taxes:				
Property Taxes Levied for general purposes	188,099	-	**188,099**	-
Property Taxes Levied for debt service	97,690	-	**97,690**	-
Local and Municipal Option Sales Tax	218,623	-	**218,623**	-
Public utility, alcoholic beverage and other taxes	156,227	-	**156,227**	3,000
Federal and State aid not restricted	-	-	**-**	-
Investment income	679	58,710	**59,389**	140
Loss on sale of assets	(4,197)	-	**(4,197)**	-
Other	-	450	**450**	2,553
Total General revenues	657,121	59,160	**716,281**	5,693
Transfers	(114,431)	114,431	**-**	-
Total general revenues, special items and transfers	542,690	173,591	**716,281**	5,693
Change in net position	90,687	354,961	**445,648**	(24,802)
Net Position - beginning of period as adjusted (Note 1G)	281,681	6,832,339	**7,114,020**	122,350
NET POSITION- END OF PERIOD	**$ 372,368**	**$ 7,187,300**	**$ 7,559,668**	**$ 97,548**

The accompanying notes are an integral part of this statement.

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CITY OF ATLANTA, GEORGIA

Balance Sheet
Governmental Funds
June 30, 2013
(Dollars in Thousands)

	General Fund	Municipal Option Sales Tax (MOST)	Other Governmental Funds	**Total Governmental Funds**
ASSETS				
Cash and cash equivalents	$ 1,277	$ -	$ 381	**$ 1,658**
Cash and cash equivalents, restricted	-	483	388,347	**388,830**
Equity in cash management pool	128,943	-	48,888	**177,831**
Investments	-	-	286	**286**
Receivables:				
Taxes	12,680	9,836	15,464	**37,980**
Accounts	17,016	-	6,558	**23,574**
Due from other governments	-	-	16,699	**16,699**
Due from other funds	90,280	-	4	**90,284**
Investments in escrow	17,188	-	-	**17,188**
TOTAL ASSETS	$ 267,384	$ 10,319	$ 476,627	**$ 754,330**
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES				
Liabilities:				
Accounts payable	$ 32,777	$ -	$ 26,312	**$ 59,089**
Accrued expenses	7,644	-	740	**8,384**
Contract retentions	50	-	1,542	**1,592**
Due to other governments	-	-	10,293	**10,293**
Due to other funds	1,018	10,319	33,561	**44,898**
Advance due to other funds	76,199	-	-	**76,199**
Unearned revenue	-	-	633	**633**
Total Liabilities	117,688	10,319	73,081	**201,088**
Deferred inflows of resources				
Deferred inflows of property taxes	11,532	-	9,535	**21,067**
Total liabilities and deferred inflows of resources	129,220	10,319	82,616	**222,155**
Fund Balances:				
Nonspendable	4,972	-	-	**4,972**
Restricted	14,159	-	408,501	**422,660**
Assigned	20,516	-	-	**20,516**
Unassigned	98,517	-	(14,490)	**84,027**
Total fund balances	138,164	-	394,011	**532,175**
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES	$ 267,384	$ 10,319	$ 476,627	**$ 754,330**

The accompanying notes are an integral part of this statement.

CITY OF ATLANTA, GEORGIA

Reconciliation of Governmental Fund Balance Sheet
To the Government-wide Statement of Net Position
June 30, 2013
(Dollars in Thousands)

Total fund balances		$ 532,175
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Other liabilities are not recognized as current year revenues and, therefore, are classified as deferred in the above funds		21,067
Capital assets used in governmental activities are not financial resources and therefore are not reported in the above funds:		
Land and construction in progress	342,226	
Cost of capital assets	1,772,912	
Less: accumulated depreciation	(1,026,787)	1,088,351
Internal service funds are used by management to charge the costs of automotive services as well as transactions related to the provision of life, accident and medical insurance benefits through outside insurance companies for permanent employees and retirees. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		
Capital assets included above related to the internal service fund	(645)	
Net Position for internal service fund	(14,100)	(14,745)
Long-term liabilities, including capital leases, are not due and payable in the current period and therefore are not reported in governmental funds.		
Due to component unit	(28,354)	
Long-term debt	(215,320)	
SWMA revenue refunding bonds	(15,410)	
Limited obligation bonds	(589,670)	
Capital leases	(64,120)	
Other general long-term obligations	(81,250)	
Unamortized premiums (discounts) on bond issues	(9,160)	
Vacation and compensated absences payable	(18,966)	
Notes payable	(9,394)	
Net OPEB obligation	(180,356)	
Health, dental and general claims payable	(21,372)	
Workers' compensation	(21,108)	(1,254,480)
NET POSITION OF GOVERNMENTAL ACTIVITIES		$ 372,368

The accompanying notes are an integral part of this statement.

CITY OF ATLANTA, GEORGIA

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2013
(Dollars in Thousands)

	General Fund	Municipal Option Sales Tax (MOST)	Other Governmental Funds	**Total Governmental Funds**
REVENUES				
Property taxes	$ 180,229	$ -	$ 97,690	**$ 277,919**
Local and municipal option sales taxes	99,872	118,751	-	**218,623**
Public utility, alcoholic beverage and other taxes	96,781	-	59,446	**156,227**
Licenses and permits	55,641	-	832	**56,473**
Charges for current services	5,293	-	18,611	**23,904**
Fines, forfeitures and penalties	22,202	-	2,091	**24,293**
Investment income	(312)	-	1,011	**699**
Intergovernmental revenues and contributions:				
Federal revenues	-	-	53,278	**53,278**
State and local grants and contributions	-	-	22,379	**22,379**
Building rentals and concessions	6,600	-	800	**7,400**
Other	2,958	-	6,427	**9,385**
Total revenues	469,264	118,751	262,565	**850,580**
EXPENDITURES				
Current:				
General government:	110,733	-	113,719	**224,452**
Police	159,943	-	35,074	**195,017**
Fire	72,730	-	9,748	**82,478**
Corrections	25,311	-	3,892	**29,203**
Public Works	25,515	-	14,001	**39,516**
Parks, recreation and cultural affairs	32,237	-	16,944	**49,181**
Debt Service:				
Principal payments	18,492	-	41,457	**59,949**
Interest payments	8,957	-	35,454	**44,411**
Paying agent fees	9	-	24	**33**
Total Expenditures	453,927	-	270,313	**724,240**
Excess (deficiency) of revenues over expenditures	15,337	118,751	(7,748)	**126,340**
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of assets	109	-	14	**123**
Proceeds from Capital Leases	-		2,198	**2,198**
Transfers in	36,457	-	22,193	**58,650**
Transfers out	(40,459)	(118,751)	(13,871)	**(173,081)**
Total Other Financing Sources (Uses)	(3,893)	(118,751)	10,534	**(112,110)**
Net change in fund balances	11,444	-	2,786	**14,230**
Fund Balance:				
Beginning of the period	126,720	-	391,225	**517,945**
FUND BALANCE, END OF PERIOD	$ 138,164	$ -	$ 394,011	**$ 532,175**

The accompanying notes are an integral part of this statement.

CITY OF ATLANTA, GEORGIA

Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances
To the Government-wide Statement of Activities
For the Year Ended June 30, 2013
(Dollars in Thousands)

Net change in fund balance - total governmental funds		$ 14,230
Amounts reported for governmental activities in the Statement of Activities are different because:		
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the above funds		7,871
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		
Capital outlays	102,174	
Disposal of assets	(4,320)	
Depreciation expense	(54,649)	43,205
The issuance of long-term debt (capitalized leases) provides current financial resources to governmental funds. Repayment of debt (bonds, certificates of participation and capitalized leases) is an expenditure in the governmental funds but the repayments reduce long-term liabilities in the statement of net position. This amount is the net effect of these differences in treatment of long-term debt.		
Payments on long-term debt	57,750	
Capitalization of premiums and discounts	34	
Amortization of premiums and discounts	1,680	59,464
Internal service funds are used by management to charge the costs of automotive services as well as transactions related to the provision of life, accident and medical insurance benefits through outside insurance companies for permanent employees and retirees. The net revenues of these activities are reported as governmental funds for affected departments.		838
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Health, dental and general claims payable	108	
Vacation and compensated absences	329	
Net OPEB obligation	(36,875)	
Workers' compensation	1,517	(34,921)
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES		$ 90,687

The accompanying notes are an integral part of this statement.

CITY OF ATLANTA, GEORGIA

Statement of Net Position
Proprietary Funds
For the Year Ended June 30, 2013
(Dollars in Thousands)

	Business Activities - Enterprise Funds				Governmental Activities
	Department of Watershed Management	Department of Aviation	Other Nonmajor Funds	**Total**	Internal Service Fund
ASSETS					
Current assets:					
Cash and cash equivalents	$ 18,812	$ 5,413	$ 29	**$ 24,254**	$ 234
Restricted cash and cash equivalents	109,975	63,562	-	**173,537**	-
Equity in cash management pool	562,286	712,587	34,179	**1,309,052**	14,014
Receivables:					
Accounts	138,126	18,967	44,028	**201,121**	639
Less allowance for doubtful accounts	(75,863)	(8,534)	(4,664)	**(89,061)**	-
Interest	617	-	-	**617**	-
Total receivables, net	62,880	10,433	39,364	**112,677**	639
Due from other governments	27,678	-	-	**27,678**	-
Due from other funds	11,271	-	62	**11,333**	-
Advance to other funds, current portion	10,000	-	-	**10,000**	-
Inventories	14,298	5,377	-	**19,675**	-
Prepaid expenses	-	1,766	-	**1,766**	-
Restricted assets	-	39,325	-	**39,325**	-
Total current assets	817,200	838,463	73,634	**1,729,297**	14,887
Noncurrent assets:					
Restricted cash and cash equivalents	299,345	720,772	-	**1,020,117**	-
Restricted investments	89,538	400,104	-	**489,642**	-
Advance to other funds, less current portion	66,199	-	-	**66,199**	-
Investment in joint venture	82,164	-	-	**82,164**	-
Due from other parties	-	10,320	-	**10,320**	-
Due from other component units	24,000	-	-	**24,000**	-
Other assets	-	-	5,049	**5,049**	-
Capital assets:					
Land	118,102	584,230	21,621	**723,953**	136
Construction in progress	372,811	259,416	1,119	**633,346**	-
Land improvements	12,195	3,068,825	6,693	**3,087,713**	29
Land purchased for noise abatement	-	306,797	-	**306,797**	-
Buildings and other structures	-	3,653,946	88,866	**3,742,812**	5,508
Water collection and distribution system	4,216,370	-	-	**4,216,370**	-
Water and wastewater plant and treatment facilities	1,757,543	-	-	**1,757,543**	-
Machinery, equipment, and other	204,714	240,986	36,612	**482,312**	6,119
Less accumulated depreciation	(1,972,195)	(2,172,962)	(105,593)	**(4,250,750)**	(11,147)
Capital assets, net	4,709,540	5,941,238	49,318	**10,700,096**	645
Total assets	6,087,986	7,910,897	128,001	**14,126,884**	15,532
DEFERRED OUTFLOWS OF RESOURCES					
Accumulated decrease in fair value of derivitive instruments	15,323	-	-	**15,323**	-
Accumulated losses on debt refunding	32,083	64,385	-	**96,468**	-
Total assets and deferred outflows of resources	$ 6,135,392	$ 7,975,282	$ 128,001	$ 14,238,675	$ 15,532

(continued)

The accompanying notes are an integral part of this statement.

CITY OF ATLANTA, GEORGIA

Statement of Net Position
Proprietary Funds
For the Year Ended June 30, 2012
(Dollars in Thousands)

	Business Activities - Enterprise Funds				Governmental Activities
	Department of Watershed Management	Department of Aviation	Other Nonmajor Funds	**Total**	Internal Service Fund
LIABILITIES					
Liabilities:					
Current liabilities					
Accounts payable	$ 9,952	$ 15,042	$ 2,240	**$ 27,234**	$ 2,121
Accrued expenses	7,463	10,321	1,845	**19,629**	678
Claims payable	6,675	1,893	-	**8,568**	-
Deposits and advances	5,862	-	-	**5,862**	-
Accrued interest payable	-	49,311	-	**49,311**	
Due to other funds	-	-	21,872	**21,872**	34,847
Current portion of other debt	4,434	73,465	-	**77,899**	-
Current portion of other liabilities	-	-	-	**-**	
Current maturities of capital leases	1,526	-	7,865	**9,391**	-
Accrued workers' compensation	2,630	103	1,726	**4,459**	-
Termination fee on interest rate swaps	-	-	-	**-**	-
Curent liabilities	38,542	150,135	35,548	**224,225**	37,646
Current liabilities payable from restricted assets:					
Accounts payable	20,379	29,403	-	**49,782**	-
Accrued interest payable	28,557	28,502	78	**57,137**	-
Contract retention	10,169	4,368	22	**14,559**	-
Current maturities of long-term debt	50,870	32,120	-	**82,990**	-
Total current liabilities payable from restricted assets	109,975	94,393	100	**204,468**	-
Total current liabilities	148,517	244,528	35,648	**428,693**	37,646
Noncurrent liabilities					
Long-term debt, excluding current maturities	3,205,061	3,061,999	-	**6,267,060**	-
Capital lease obligations, excluding current maturities	3,930	-	35,106	**39,036**	-
Net OPEB obligation	82,964	44,561	17,771	**145,296**	-
Claims Payable	12,008	-	-	**12,008**	-
Contract retention, excluding current portion	-	3,322	-	**3,322**	-
Unearned revenue	-	-		**-**	
Accrued workers' compensation	6,916	270	4,539	**11,725**	-
Interest rate SWAP	119,328	-	-	**119,328**	-
Landfill postclosure costs	-	-	16,893	**16,893**	-
Total noncurrent liabilities	3,430,207	3,110,152	74,309	**6,614,668**	-
Total Liabilities	3,578,724	3,354,680	109,957	**7,043,361**	37,646
NET POSITION					
Net investment in capital assets	1,897,985	3,111,590	6,347	**5,015,922**	645
Restricted					
Debt service	-	534,521	-	**534,521**	-
Programs	-	-	-	**-**	-
Capital projects	-	355,001	-	**355,001**	-
Unrestricted	658,683	619,490	11,697	**1,289,870**	(22,759)
Total Net Position	$ 2,556,668	$ 4,620,602	$ 18,044	**$ 7,195,314**	$ (22,114)
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				**(8,014)**	
Net position of business-type activities				**$ 7,187,300**	

The accompanying notes are an integral part of this statement.

CITY OF ATLANTA, GEORGIA

Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2013
(Dollars in Thousands)

	Business Activities - Enterprise Funds				Governmental Activities
	Department of Watershed Management	Department of Aviation	Other Nonmajor Funds	**Total**	Internal Service Fund
Operating revenues:					
Charges for services	$ 440,279	$ 294,009	$ 71,728	**$ 806,016**	$ 152,216
Sewer service charges from other governmental units	5,125	-	-	**5,125**	-
Rentals, admissions and concessions	73	142,893	3,591	**146,557**	-
Other	2,690	53,484	1,399	**57,573**	1,488
Total operating revenues	448,167	490,386	76,718	**1,015,271**	153,704
Operating expenses:					
Salaries and employee benefits	102,631	82,050	29,656	**214,337**	77,233
Utilities	22,148	8,768	833	**31,749**	658
Supplies and materials	20,908	4,353	4,987	**30,248**	16,323
Repairs, maintenance and other contractual services	13,871	9,986	912	**24,769**	3,298
Motor equipment services	5,117	2,358	5,528	**13,003**	4
Engineering and consultant fees	16,388	91,756	9,465	**117,609**	652
General services and other costs	24,457	30,292	6,293	**61,042**	53,792
Depreciation and amortization	90,995	211,110	3,875	**305,980**	185
Total operating expenses	296,515	440,673	61,549	**798,737**	152,145
Operating income	151,652	49,713	15,169	**216,534**	1,559
Non-operating revenues (expenses):					
Investment income (loss), net of capitalized interest	4,548	9,102	(74)	**13,576**	(20)
Unrealized gain (loss) on derivative instrument	45,134	-	-	**45,134**	-
Interest expense	(154,900)	(146,718)	(2,500)	**(304,118)**	(333)
Passenger facility charges	-	180,077	-	**180,077**	-
Customer facility charges	-	24,290	-	**24,290**	-
Other revenue (expenses), net	5,768	2,243	(1)	**8,010**	-
Total nonoperating revenues (expenses), net	(99,450)	68,994	(2,575)	**(33,031)**	(353)
Income before capital contributions and transfers	52,202	118,707	12,594	**183,503**	1,206
Capital contributions	23,077	33,500	-	**56,577**	-
Transfers in	119,365	-	26,164	**145,529**	-
Transfers out	(19,593)	(193)	(11,312)	**(31,098)**	-
Change in net Position	175,051	152,014	27,446	**354,511**	1,206
Net Position, beginning of period as adjusted (Note 1G)	2,381,617	4,468,588	(9,402)	**6,840,803**	(23,320)
Net Position, end of period	$ 2,556,668	$ 4,620,602	18,044	**$ 7,195,314**	$ (22,114)

Change in net position	**354,511**
Adjustments to reflect the consolidation of internal service fund activities related to enterprise funds	**450**
Change in net position of business-type activities	**$ 354,961**

The accompanying notes are an integral part of this statement.

CITY OF ATLANTA, GEORGIA
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2013
(Dollars in Thousands)

	Business Activities - Enterprise Funds				Governmental Activities
	Department of Watershed Management	Department of Aviation	Other Nonmajor Funds	**Total**	Internal Service Fund
Cash flows from operating activities					
Cash received from user charges	$ 448,282	$ 484,946	$ 74,825	**$ 1,008,053**	$ 153,776
Cash received from customers and tenants	11,689	-	-	**11,689**	-
Cash paid for interfund services received	(7,896)	-	-	**(7,896)**	
Cash paid to employees for services	(89,925)	(74,959)	(25,548)	**(190,432)**	(69,905)
Cash paid to suppliers for goods and services	(93,460)	(155,482)	(35,986)	**(284,928)**	(77,217)
Net cash provided by operating activities	268,690	254,505	13,291	**536,486**	6,654
Cash flows from noncapital financing activities					
Non-capital grants and donations	5,768	-	-	**5,768**	-
Transfers in	119,669	-	26,164	**145,833**	-
Transfers out	(19,593)	-	(11,312)	**(30,905)**	-
Net cash provided by noncapital financing activities	105,844	-	14,852	**120,696**	-
Cash flows from capital and related financing activities					
Capital grants and donations	23,077	40,076	-	**63,153**	-
Capital contributions paid to joint venture	(1,290)	-	-	**(1,290)**	-
Principal repayments of long-term debts	(56,074)	(96,810)	(8,666)	**(161,550)**	-
Acquisition, construction and improvements of capital assets	(114,103)	(309,231)	(2,389)	**(425,723)**	-
Passenger and customer facility charges	-	205,783	-	**205,783**	-
Contract retention withheld, net	-	(29,140)	-	**(29,140)**	-
Proceeds from bond/note issuances	26,383	-	-	**26,383**	-
Interest paid on revenue bonds	(183,245)	(148,412)	(2,501)	**(334,158)**	(334)
Net cash used in capital and related financing activities	(305,252)	(337,734)	(13,556)	**(656,542)**	(334)
Cash flows from investing activities					
Change in equity in cash management pool	(124,134)	(125,640)	(14,482)	**(264,256)**	(6,271)
Interest on investments	9,838	21,059	(76)	**30,821**	(20)
Purchases of restricted investments	-	(312,681)	-	**(312,681)**	-
Sales & redemptions of restricted investments	-	200,837	-	**200,837**	-
SWAP Termination payments	(3,720)	-	-	**(3,720)**	-
Net cash used in investing activities	(118,016)	(216,425)	(14,558)	**(348,999)**	(6,291)
Increase (decrease) in cash and cash equivalents	(48,734)	(299,654)	29	**(348,359)**	29
Cash and cash equivalents:					
Beginning of year	476,866	1,089,401	-	**1,566,267**	205
End of year	$ 428,132	$ 789,747	$ 29	**$ 1,217,908**	$ 234

continued

The accompanying notes are an integral part of this statement.

CITY OF ATLANTA, GEORGIA

Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2013
(Dollars in Thousands)

	Business Activities - Enterprise Funds				Governmental Activities
	Department of Watershed Management	Department of Aviation	Other Nonmajor Funds	**Total**	Internal Service Fund
Reconciliation of operating income to net cash provided by operating activities:					
Operating income	$ 151,652	$ 49,713	$ 15,169	**$ 216,534**	$ 1,559
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation and amortization	89,860	211,110	3,875	**304,845**	185
Changes in assets and liabilities					
Accounts receivables - net of allowance	(9,275)	949	(1,890)	**(10,216)**	72
Materials and supplies - net of allowances	2,594	(1,700)	-	**894**	-
Due from other funds	12,932	-	927	**13,859**	-
Prepaid expenses	144	(937)	-	**(793)**	-
Due (from) other governmental units, net	7,561	-	-	**7,561**	-
Investment in Joint Venture	2,192	-	-	**2,192**	-
Accounts payable and accrued expenses	9,409	(12,273)	1,154	**(1,710)**	363
Other Liabilities	-	7,643	1,071	**8,714**	17
Claims payable	1,035	-	-	**1,035**	-
Customer deposits	586	-	-	**586**	-
Due to other funds	-	-	(7,015)	**(7,015)**	4,458
Net cash provided by (used in) operating activities	$ 268,690	$ 254,505	$ 13,291	**$ 536,486**	$ 6,654

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The accompanying notes are an integral part of this statement.

CITY OF ATLANTA, GEORGIA
Statement of Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2013
(Dollars in Thousands)

	Pension Trust Funds	Agency Fund
Assets		
Cash and cash equivalents	$ 282,004	$ 776
Receivables:		
Contributions receivable - employer	13,332	-
Contributions receivable - employee	1,528	-
Due from brokers for securities sold	5,206	-
Accrued interest receivable	4,348	-
Other receivables	1,799	8
Total receivables	26,213	8
Equity in cash management pool	-	23,120
Investments:		
Equities	1,350,715	-
Commingled funds - equities	448,390	
Commingled funds - fixed income	78,224	
U. S. government and agency obligations	183,331	-
Corporate bonds	134,032	-
Other	104,036	-
Total Investments	2,298,728	-
Total assets	2,606,945	23,904
Liabilities:		
Accounts payable	1,345	23,904
Due to brokers for securities purchased	12,894	-
Total liabilities	14,239	23,904
Net Poistion Held in Trust for Pension Benefits	$ 2,592,706	$ -

The accompanying notes are an integral part of this statement.

CITY OF ATLANTA, GEORGIA

Statement of Changes in Fiduciary Net Position

Fiduciary Funds

For the Year Ended June 30, 2013

(Dollars in Thousands)

	Pension Trust Funds
Additions	
Contributions:	
Employer contributions	$ 131,949
Employee contributions	41,826
Refunds and other	96
Total Contributions	173,871
Investment income:	
Net change in fair value of investments	311,921
Investment income	48,023
Securities lending income	163
Less: Investment expenses	(8,668)
Net investment income gain (loss)	351,439
Total Additions	525,310
Deductions	
Accounts payable	
Benefit payments	256,794
Administrative expenses	1,471
Total Deductions	258,265
Change in net position	267,045
Net position held in trust for pension benefits:	
Beginning of period	2,325,661
End of period	$ 2,592,706

The accompanying notes are an integral part of this statement.

Component Units

City of Atlanta and Fulton County Recreation Authority - Established to account for the acquisitions, construction, maintenance, and operation of an athletic stadium, an athletic coliseum, and the Atlanta Zoo.

Invest Atlanta – Formerly known as Atlanta Development Authority, Invest Atlanta is the official economic development authority for the City of Atlanta. Its purpose is to strengthen Atlanta's economy and global competitiveness in order to create increased opportunity and prosperity for the people of Atlanta.

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CITY OF ATLANTA, GEORGIA
Component Units

Statement of Net Position
For the Year Ended June 30, 2013
(Dollars in Thousands)

	Atlanta Fulton County Recreation Authority	Atlanta Development Authority	**Totals**
ASSETS			
Current assets:			
Cash and cash equivalents	$ 5,875	$ 12,139	**$ 18,014**
Restricted cash	-	30,961	**30,961**
Short-term investments	-	673	**673**
Receivables:			
Accounts	84	-	**84**
Other receivables	-	3,163	**3,163**
Total receivables	84	3,163	**3,247**
Due from primary government	-	264	**264**
Due from other component units	-	1,415	**1,415**
Current portion of capital lease receivable	-	875	**875**
Prepaid expenses and other assets	48	600	**648**
Total current assets	6,007	50,090	**56,097**
Noncurrent Assets:			
Unrestricted assets:			
Due from primary government	-	16,025	**16,025**
Investments	-	3,597	**3,597**
Due from others	-	5,543	**5,543**
Mortgage loans receivable	-	3,305	**3,305**
Capital lease receivable	-	41,380	**41,380**
Due from other component units	-	27,075	**27,075**
Bond issues costs	-	5,416	**5,416**
Other assets	-	2,480	**2,480**
Restricted assets:			
Cash and cash equivalents	48,383	-	**48,383**
Investments	8,315	-	**8,315**
Bond issues costs	2,783	-	**2,783**
Total restricted assets	59,481	-	**59,481**
Property and equipment - at cost:			
Land	22,644	67,045	**89,689**
Construction-in-progress	-	50,017	**50,017**
Land improvements	957	7,689	**8,646**
Buildings and improvements	238,405	38,058	**276,463**
Other property and equipment	17,282	3,018	**20,300**
	279,288	165,827	**445,115**
Less accumulated depreciation	(127,329)	(16,221)	**(143,550)**
Property and equipment, net	151,959	149,606	**301,565**
Total assets	217,447	304,517	**521,964**

The accompanying notes are an integral part of this statement.

CITY OF ATLANTA, GEORGIA
Component Units

Statement of Net Position
For the Year Ended June 30, 2012
(Dollars in Thousands)

	Atlanta Fulton County Recreation Authority	Atlanta Development Authority	**Totals**
LIABILITIES			
Current Liabilities:			
Accounts payable and accrued expenses	$ 26	$ 3,931	**$ 3,957**
Accrued interest payable	-	4,676	**4,676**
Due to primary government	-	104	**104**
Other liabilities	15	2,881	**2,896**
Deferred revenues	-	2,679	**2,679**
Current maturities of long-term debt	-	14,436	**14,436**
Total current liabilities	41	28,707	**28,748**
Liabilities payable from restricted assets:			
Current maturities of long-term debt	6,030	-	**6,030**
Other liabilities	17,953	-	**17,953**
Total liabilities payable from restricted assets	23,983	-	**23,983**
Long-term liabilities:			
Long-term debt, less current portion	137,089	185,003	**322,092**
Other long-term liabilities	15,003	10,590	**25,593**
Due to primary government	-	24,000	**24,000**
Total liabilities	176,116	248,300	**424,416**
NET POSITION			
Net investment in capital assets	8,840	47,230	**56,070**
Restricted	23,741	37,749	**61,490**
Unrestricted	8,750	(28,762)	**(20,012)**
Total net position	$ 41,331	$ 56,217	**$ 97,548**

The accompanying notes are an integral part of this statement.

CITY OF ATLANTA, GEORGIA
Component Units

Statement of Activities
For the Year Ended June 30, 2013
(Dollars in Thousands)

		Program Revenues			Net (Expenses) Revenues and Changes in Net Position		
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Atlanta Fulton County Recreation Authority	Atlanta Development Authority	TOTALS
Component Units							
Business-type activities							
Atlanta Fulton County Recreation Authority	$ 20,634	$ 1,781	$ 110	$ 13,579	$ (5,164)	$ -	$ (5,164)
Atlanta Development Authority	63,585	17,100	6,505	14,649	-	(25,331)	(25,331)
Total Business-type activities	84,219	18,881	6,615	28,228	(5,164)	(25,331)	(30,495)
Total Component Units	$ 84,219	$ 18,881	$ 6,615	$ 28,228	$ (5,164)	$ (25,331)	$ (30,495)
General revenues:							
Other taxes					3,000	-	3,000
Investment income					135	5	140
Other					-	2,553	2,553
Total General revenues					3,135	2,558	5,693
Change in net position					(2,029)	(22,773)	(24,802)
Net position - beginning of period as adjusted (Note 1G)					43,360	78,990	122,350
Net position - end of period					**$ 41,331**	**$ 56,217**	**$ 97,548**

Notes to Financial Statements

City of Atlanta, Georgia
Notes to Financial Statements

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I. Summary of Significant Accounting Policies

The accounting principles of the City of Atlanta ("City") conform to accounting principles generally accepted in the United States of America ("GAAP") applicable to governmental entities. The Governmental Accounting Standards Board ("GASB") is the standards-setting body for establishing governmental accounting and financial reporting principles. The significant accounting policies of the City are described herein.

A. Reporting Entity

The Financial Reporting Entity

The City is a municipal corporation governed by the Mayor and the City Council. In evaluating how to define the City for financial reporting purposes, the management of the City has considered all potential component units. The decision to include a potential component unit in the reporting entity is made by applying the criteria set forth by the GASB. The concept underlying the definition of the reporting entity is that elected officials are accountable. The component units discussed below are included because of the significance of their operational or financial relationships with the City.

All blended component units have a June 30 year end. Of the discretely presented component units, the Atlanta Fulton County Recreation Authority has a December 31 year end and the Atlanta Development Authority has a June 30 fiscal year end.

Blended Presented Component Units

Atlanta Public Safety and Judicial Facilities Authority (“APSJFA”), and Solid Waste Management Authority ("SWMA") are governed by boards appointed by the Mayor and/or the City Council who have the ability to impose their will on APSJFA and SWMA. Although they are legally separate from the City, APSJFA, and SWMA are reported as if they are a part of the primary government because their primary purpose is to provide services to the City. The general funds of each of these entities are reported as special revenue funds of the City. APSJFA and SWMA's capital project funds are reported as capital project funds of the City.

Separate financial statements are not prepared for the blended component units described above.

Based on amended criteria set forth in GASB 61, the City determined that, effective with fiscal year 2013, the Atlanta Housing Opportunity, Inc. (AHOI) will be reported as a blended presented component unit of the City. Atlanta Housing Opportunity, Inc. was created on January 17, 2007, for the purpose to issue notes and other obligations to provide funds to make direct loans for eligible housing units as defined in the Housing Authorities Law and such community facilities as may be incidental or appurtenant thereto. The City, through an agreement with AHOI, is responsible for making payments to AHOI in sufficient amounts to enable payment of any bonds, and therefore a blended component unit. AHOI does not have a legally adopted budget, therefore there is no budgetary comparison presented.

Notes to the Financial Statements - Continued

A. Reporting Entity, continued

Separate financial statements for AHOI may be obtained from the Atlanta Development Authority, 133 Peachtree Street, N.E., Suite 2900, Atlanta, Georgia 30303.

Discretely Presented Component Units

The component unit column in the government-wide financial statements includes the Atlanta Fulton County Recreation Authority ("Recreation Authority"), and The Atlanta Development Authority, d/b/a Invest Atlanta ("Invest Atlanta"). They are reported in a separate column because the governing body of each of these component units is not substantively the same as the primary government. All the discretely presented component units are accounted for as proprietary fund types.

Atlanta Fulton County Recreation Authority - Created in 1961, the principal activities of the Recreation Authority include the maintenance and oversight of an athletic stadium (the "Stadium"), an athletic coliseum (the "Arena"), and the Atlanta Fulton County Zoo, Inc. ("Zoo"), for which the Recreation Authority acts as lessee under a leasehold interest granted by the City. The Mayor appoints the majority (two-thirds, or six of nine) of the governing body of the Recreation Authority. The City has a two-thirds interest in the Recreation Authority and Fulton County has one-third interest. The separate financial statements which comprise the Recreation Authority may be obtained from the Atlanta Fulton County Recreation Authority, 755 Hank Aaron Drive, Atlanta, Georgia 30315.

The City, Fulton County ("the County"), and the Zoo by contractual agreement with the Recreation Authority, will fund any deficiencies in principal and interest payments on the applicable revenue bonds issued for construction and capital improvements of the Arena and the Zoo. The funding of any deficiencies related to the Arena is based on the proportionate ownership interest noted above for the City and the County. For the Arena, there were no such deficiencies during the fiscal year that required funding by the City or County. When the related Arena revenue bonds have been fully paid, the Recreation Authority will convey fee simple title of the Arena to the City and the County based on their proportionate shares noted above, upon joint request of the City and the County. The component unit presentation in these financial statements of the Recreation Authority consolidates the operations of the Stadium and Arena.

Invest Atlanta - Invest Atlanta, is the economic development agency for the City of Atlanta. Invest Atlanta was created effective January 1, 1997, to promote the revitalization and growth of the City through a comprehensive and centralized program focusing on community development and redevelopment. It combines several organizations, including the Downtown Development Authority (DDA), which perform similar economic development functions. The Mayor and City Council are responsible for appointing the members of the Board of Directors of Invest Atlanta and have the ability to impose their will on Invest Atlanta. In addition, Invest Atlanta has the potential to impose a financial burden on the City. The separate audited financial statements of Invest Atlanta may be obtained from Invest Atlanta, 133 Peachtree Street, N.E., Suite 2900, Atlanta, Georgia 30303.

Notes to the Financial Statements - Continued

A. Reporting Entity, continued

Joint Venture

The Atlanta-Fulton County Water Resource Commission ("Commission") is a joint venture between Fulton County ("the County") and the City for the construction and operation of a water treatment plant accounted for under the equity method of accounting. The Commission is governed by a seven-member management commission; three members are appointed by the City, three by the County, and one independent member is elected by majority vote of the other members. The City and County also approve the annual budget of the Commission.

Under the terms of the amended Joint Venture Agreement, the City and the County equally share the costs of all capital expenditures. Capital contributions are recorded during the year in which the additions to capital assets are accrued, whether paid or recorded as a liability, including retainage. The City and County each contributed $1,290,000 during the fiscal year ended June 30, 2013. These capital costs are reflected as Investment in the Joint Venture.

The costs of operations of the plant are paid directly by the County as incurred. The County is subsequently reimbursed by the City for its pro rata share of the cost of operations, net of personnel costs paid by the City. The costs of operations, including personnel cost, are allocated between the City and the County on the basis of water delivered to each. The City's share of those operating costs was $2,768,000 for the year ended June 30, 2013. The costs are reflected in operating costs. At June 30, 2013 the City owes the County approximately $404,000 for expenses and capital costs associated with the joint venture.

Financial information for the Commission summarized below is as of and for the year ended December 31, 2012 (in thousands):

Total assets (net property, plant, and equipment)	$169,221
Total fund net position	$162,174
Total operating revenue	$ 9,189
Total operating expenses	$ 13,771
Net loss	$ (4,582)

The separate financial statements of the Commission may be obtained from the Commission, 9750 Spruill Road, Alpharetta, Georgia 30022.

Atlanta Regional Commission

Under Georgia law, the City, in conjunction with other cities and counties in metropolitan Atlanta, is a member of the Atlanta Regional Commission ("ARC)" and is required to pay annual dues thereto. During the fiscal year ended June 30, 2013, the City paid approximately $354,000 in such dues. Membership in the ARC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the ARC. The ARC Board

Notes to the Financial Statements - Continued

A. Reporting Entity, continued

membership includes the chief elected official of each county and municipality in the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of the ARC.

Separate financial statements may be obtained from the Atlanta Regional Commission at 40 Courtland St. NE, Atlanta, Georgia 30303.

Related Organizations

The City is also responsible for appointing a majority of the members of the boards of the Atlanta Housing Authority and the First Source Job Program but the City's accountability for these organizations does not extend beyond making appointments.

B. Basis of Presentation

Government –wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the City 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 user fees and charges for support. City activities are reported separately from certain legally separate component units for which the City is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments 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 applicants who 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 meeting the definition of program revenues are reported as *general revenues*.

Fund Financial Statements

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services or producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and

Notes to the Financial Statements - Continued

B. Basis of Presentation, continued

depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The City reports the following major governmental funds:

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

The *Municipal Option Sales Tax (MOST) Fund* is used to account for a special 1% sales tax collected by the City for use by the Department of Watershed Management. The fund is accounted for as a special revenue fund, and carries no fund balance as all revenue collections are subsequently transferred to the Department of Watershed Management. The amount of revenue collected on an annual basis by the MOST Fund qualifies it to be reported as a major governmental fund.

The City reports the following major enterprise funds:

The *Department of Watershed Management Fund (DWM)* accounts for all activities associated with the provision and management of clean water, wastewater and storm water systems, and water pollution control services to individuals, organizations and other governmental units within and around the City.

The *Department of Aviation Fund (DOA)* accounts for the activities of the William B. Hartsfield – Maynard H. Jackson Atlanta International Airport.

Additionally, the City reports the following fund types:

Internal Service Funds account for the services and activities that provide services to the other funds and departments on a cost-reimbursement basis. Over time, the internal service funds function basically on a break-even basis. Such services include the Fleet Services as well as Group Insurance transactions related to the provisions of life, accident, and medical insurance benefits through outside insurance companies for permanent employees and retirees of the City.

Fiduciary Fund Types:

The *Trust Funds* account for activities in which the City acts as trustee for an individual or organization. Additionally, these funds account for *Pension Trust Funds* which accumulate resources for pension benefit payments to members of the Plans and their beneficiaries.

The *Agency Fund* accounts for various taxes and other receipts held in escrow for individuals, outside organizations, other governments and/or other funds.

Notes to the Financial Statements - Continued

C. Measurement Focus and Basis of Accounting, continued

The government-wide, proprietary funds and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. 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. Agency funds, as part of fiduciary funds, while on the accrual basis do not have a measurement focus since they do not report net position.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, principal and interest on general long-term debt, compensated absences, claims and judgments, and worker's compensation are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

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

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balances

Cash Equivalents

The City considers all highly liquid debt securities with an original maturity of three months or less to be cash equivalents. The Georgia Fund 1 (Georgia Fund) is a stable net asset value investment pool managed by the State of Georgia (Office of State Treasurer) and is not registered with the SEC. The Georgia Fund operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered a 2a-7- like pool. The fair value of the participant shares is computed weekly with pool earnings distributed on a monthly basis based on equivalent shares owned by participants based on $1.00 per share.

Separate financial statements of the Georgia Fund 1 may be obtained from the Office of the Georgia State Treasurer, 200 Piedmont Avenue, Suite 1202, West Tower, Atlanta, Georgia 30334-5527.

Notes to the Financial Statements - Continued

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balances, continued

Investments

The O.C.G.A. 36-83-4 authorizes the City to invest in U.S. Government obligations, U.S. Government agency obligations, State of Georgia obligations, and obligations of a corporation of the U.S. Government. The City invests in repurchase agreements only when collateralized by U.S. Government or agency obligations. By statute, up to 55% of the cost basis of the investment portfolio for the General Employees' Pension Plan, the Firefighters' Pension Plan and the Police Officers' Pension Plan (The Plans) may consist of U.S. corporate equity securities. Additionally, in accordance with authorized investment laws, The Plans can invest in various mortgage-backed securities, such as collateralized mortgage obligations ("CMOs") and government backed mortgage securities. These are separately identified in the disclosure of custodial credit risk (see Note III. A). In 2013, the General Employees' Pension Board, the Firefighters' Pension Board and the Police Officers' Pension Board (The Pension Boards) authorized The Plans to invest in alternative investments, not to exceed 5% of the total investments.

Investments, other than repurchase agreements, are reported at fair value, based on quoted market prices, and include any accrued interest. Repurchase agreements are reported at amortized cost.

The City maintains a cash management pool whereby operating cash is held. This pool is not considered a separate accounting entity for financial reporting purposes; instead, each participating fund's equity in the cash management pool is recorded as such on its statement of net position. Related interest income is allocated to each participating fund based on each fund's recorded equity in the pool.

Materials and Supplies

Materials and supplies are stated at cost (substantially first-in, first-out) which is not in excess of market. Inventories are accounted for using the purchase method whereby inventories are recorded as expenditures or expenses when they are used.

Prepaid Items

Payments for services that benefit future periods are recorded as prepaid expenses in accordance with the consumption method.

Restricted Assets

Restricted assets represent amounts which are required to be maintained pursuant to City ordinances relating to the passenger and customer facility charges (Department of Aviation only); construction, renewal and extension and sinking funds; funds received for specific purposes pursuant to U. S. Government grants; and municipal option sales tax (Department of Watershed Management only).

Notes to the Financial Statements - Continued

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balances, continued

Capital Assets

Capital assets, which include property, easements, plant, equipment and infrastructure (e.g. roads, bridges, sidewalks, and similar items) used in governmental and business-type activities of the City, are recorded in the statement of net position at historical cost (or estimated historical cost). Capital assets are defined by the City as assets with an initial, individual cost of $5,000 and an estimated useful life in excess of one year. Donated capital assets are recorded at their estimated fair value at the date of donation. Expenses for replacements, maintenance, repairs, and betterments which do not materially prolong the life of the related asset are charged to expenditures/expenses when incurred. All reported capital assets except land and construction in progress are depreciated.

Notes to the Financial Statements - Continued

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balances, continued

Depreciation is computed using the straight-line method over the following estimated useful lives:

Governmental-type activities:	
Buildings	20-50 years
Building improvements	20 years
Furniture and equipment	5-15 years
Vehicles	5-15 years
Infrastructure	25-50 years
Business-type activities:	
Department of Aviation:	
Runways, taxiways, and other land improvements	15-35 years
Terminal and maintenance buildings and other structures	15-35 years
Other property and equipment	2-20 years
Department of Watershed Management:	
Water and wastewater plant and treatment facilities	50-75 years
Water collection and distribution system	75 years
Wastewater system	67 years
Stormwater drainage system	75 years
Machinery, equipment, and other	4-10 years
Sanitation:	
Buildings	20-50 years
Equipment	5-15 years
Parks and Recreational Facilities:	
Buildings	20-50 years
Other property and equipment	5-20 years
Underground Atlanta:	
Parking garage	20-50 years
Buildings	20-50 years
Machinery, equipment, and other	5-15 years
Internal Service Fund:	
Buildings	20-50 years
Other property and equipment	5-15 years
City of Atlanta and Fulton County Recreation Authority	
(as a discretely presented component unit):	
Buildings and improvements	7-30 years
Other property and equipment	3- 20 years
Atlanta Development Authority	
(as a discretely presented component unit):	
Buildings and improvements	26-30 years
Furniture and equipment	3-5 years

Notes to the Financial Statements - Continued

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balances, continued

The City has elected not to capitalize works of art and historical treasures based on its policy that these items are not held for financial gain. They will be preserved and any proceeds from the sale of the items will be used to acquire other collections.

Interest is capitalized on proprietary fund assets constructed with the proceeds of tax-exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the project against interest earned on invested proceeds over the same period. The Department of Watershed Management and the Department of Aviation capitalized $28,298,000 and $13,873,000, respectively, in net interest costs during the year ended June 30, 2013.

Compensated Absences

City Employees are awarded sick and vacation time as determined by personnel policies. A maximum accrual of 25 to 45 days of vacation leave is authorized, depending upon length of service. The liability for compensated absences reported in the government-wide and proprietary fund statements consists of unpaid, accumulated vacation leave balance. The liability has been calculated using the vesting method, in which vacation amounts for employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included. The liability for compensated absences is only reported in governmental funds if they have matured.

Employees can accrue unlimited amounts of sick leave. Sick leave can be taken only due to personal illness or, in certain cases, illness of family members. Sick leave is not intended to be paid out except under special circumstances where the City Council has given approval and the necessary funds are available. Consequently the City does not record an accrued liability for accumulated sick pay. As of June 30, 2013, no sick leave was approved, nor paid.

Deferred Outflows/Inflows of Resources

The City has deferred outflows and deferred inflows of resources. The deferred outflows of resources are a consumption of net assets by the City that is applicable to a future reporting period and include the accumulated decreases in fair value of derivative instruments and the unamortized amounts for losses on the refunding of bond debt. The deferred inflows of resources are an acquisition of net assets by the City that is applicable to a future reporting period and consist of the accumulated increases in fair value of derivative instruments.

Bond Premiums, Discounts, and Deferred Amounts on Refunding

In the government-wide financial statements, the unamortized balances of bond premiums and bond discounts are presented as adjustments to the respective liability balances. With the implementation of GASB 63 in fiscal year 2013, losses on bond refundings are presented as deferred outflows of resources. Bond premiums, discounts and losses on refundings are amortized over the life of the bonds using the bonds outstanding method, which approximates the effective-interest method.

Notes to the Financial Statements - Continued

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balances, continued

Bonds payable are reported net of the applicable bond premium or discount. Insurance costs related to the issuance of bonds are reported as prepaid insurance and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts in the statement of revenues, expenses, and changes in fund balance in the period incurred. The face amount of debt issued is reported as other financing sources. Premiums on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses.

Fund Balance

City of Atlanta Code of Ordinances Section 6-315 provides authority pertaining to fund balances. Fund balances are classified as: (1) Nonspendable, (2) Restricted, (3) Committed, (4) Assigned, and (5) Unassigned. *Nonspendable fund balance* refers to amounts that are not in spendable form or are legally required to remain intact. *Restricted fund balance* refers to amounts that are subject to externally enforceable legal restrictions by either debt covenants, or laws or regulations of other governments. *Committed fund balance* refers to amounts that can only be used for specific purposes pursuant to constraints imposed by ordinance of the City Council prior to the end of the fiscal year. The same formal action is required to remove the limitation. *Assigned fund balance* refers to amounts that are intended to be used for specific purposes. The Chief Financial Officer of the City may recommend assignment of fund balances subject to approval of the City Council. *Unassigned fund balance* refers to the residual net resources and are the excess of nonspendable, restricted, committed, and assigned. Fund expenditures are from restricted fund balance to the extent of the restricted fund revenue and followed by committed then assigned and unassigned fund balance.

Spending Prioritization Policy

When an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, restricted amounts shall be considered to have been reduced first. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, committed amounts are reduced first, followed by assigned amounts and then unassigned amounts.

Notes to the Financial Statements - Continued

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balances, continued

Authority to Commit or Assign Funds Policy

Commitments or assignments of funds will only be used for specific purposes. Committed balances or assigned balances will only be established pursuant to formal action by the City Council, upon recommendation from the Chief Financial Officer. Such commitments or assignments cannot exceed the available fund balance in any particular fund.

Minimum Unrestricted Balance in the General Fund Policy

The City maintains a minimum unrestricted fund balance in the General Fund ranging from no less than 15% to 20% of the subsequent year's budgeted expenditures and outgoing transfers. At any time the unrestricted fund balance is within the range of 15% to 20% of the subsequent year's budgeted expenditures and outgoing transfers, upon recommendation by the Chief Financial Officer, the City Council may authorize additional transfers to a fund at its discretion, up to a maximum of 5% per year of the subsequent year's budgeted revenues in preparation for adoption of the upcoming year's budget. If the unrestricted fund balance falls below the minimum 15% of the subsequent year's budgeted expenditures and outgoing transfers, replenishment of shortages/deficiencies will be made within specified time periods and upon the recommendation of the Chief Financial Officer. Should the unrestricted fund balance of the General Fund exceed the maximum of 20%, such surplus fund balance may be considered for transfer to deficit balances in other funds and for one-time expenditures that are nonrecurring. At least 50% of surplus fund balance must be used to reduce any deficit fund balance prior to allocation for any one-time expenditure.

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Notes to the Financial Statements - Continued

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balances, continued

Below are the fund balance classifications for the governmental funds at June 30, 2013 (Dollars in thousands).

	GENERAL FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Nonspendable			
Total Advances Receivable	$ 78,142	$ -	$ 78,142
Total Advances Payable	(76,199)	-	(76,199)
GMA Leasepool Deposit	3,029	-	3,029
	4,972	-	4,972
Restricted			
GMA Lease Pool	14,159	-	14,159
HUD -Community Development	-	89	89
Tax Allocation Districts	-	17,938	17,938
Debt Service	-	287,948	287,948
Expendable Trust	-	37,488	37,488
HUD Section 108 Loans	-	6,140	6,140
HUD Home Investment	-	974	974
Federal grants	-	2,429	2,429
AHOI	-	7,533	7,533
Capital Projects	-	47,962	47,962
	14,159	408,501	422,660
Committed	-	-	-
Assigned			
Fund balance used to balance FY14 budget	11,651	-	11,651
Encumbrances	8,865	-	8,865
	20,516	-	20,516
Unassigned			
E911	-	(14,490)	(14,490)
Intergovernmental Grants	-	-	-
General Fund	98,517	-	98,517
	98,517	(14,490)	84,027
Total Fund Balance	$ 138,164	$ 394,011	$ 532,175

In the event expenditures are incurred for purposes under which the amounts in any unrestricted fund balance could be used, committed funds would be reduced first, followed by assigned amounts, and then unassigned amounts.

Notes to the Financial Statements - Continued

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balances, continued

Net Position

Net position is classified and displayed in three components, as applicable:

Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is excluded from the calculation of net investment in capital assets.

Restricted – Consists of assets with constraints placed on the use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. When an expense is incurred for purposes for which there are both restricted and unrestricted assets available, it is the City's policy to apply those expenses to restricted assets, to the extent such are available, and then to unrestricted assets.

Unrestricted – All other assets that constitute the components of net position that do not meet the definition of "restricted" or "investment in capital assets."

Grants from Other Governments

Federal and state governmental units represent an important source of supplementary funding used to finance housing, employment, construction programs, and other activities beneficial to the community. This funding, primarily in the form of grants, is recorded in the governmental and proprietary funds. All grant contributions in the proprietary funds are for the purpose of construction activities, principal debt service reimbursements, or land or easement acquisitions. They are recorded in the statement of revenues, expenses, and changes in net position on a separate line as capital contributions after non-operating revenues and expenses. For all funds, a grant receivable is recorded when all applicable eligibility requirements have been met.

General Services Costs

The City allocates a portion of general services costs (such as purchasing, accounting, budgeting, personnel administration, and certain other costs based on allocation methods determined by an independent study) to the Department of Aviation, the Department of Watershed Management, the

Notes to the Financial Statements - Continued

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balances, continued

Sanitation Fund and the Internal Service Fund in order to more fully reflect the actual cost of providing these services. For the year ended June 30, 2013, such allocated expenses amounted to $7,896,000 for the Department of Watershed Management, $11,738,000 for the Department of Aviation, $4,011,000 for the Sanitation Fund, and $462,000 for the Internal Service Funds.

E. New Accounting Pronouncements

Pronouncements Effective for the 2013 Financial Statements – With this financial report the City has changed its financial reporting to comply with Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity: Omnibus*. The requirements of Statements No. 14, The *Financial Reporting Entity*, and the related financial reporting requirements of Statement No. 34, *Basic Financial Statements-Management's Discussion and Analysis-for State and Local Governments,* modifies current requirements for assessing potential component units in determining what should be included in the financial reporting entity and financial reporting entity display and disclosure requirements. Application is effective for financial statements whose fiscal year began after June 15, 2012. The impact of this pronouncement was that one component unit (Atlanta Housing Opportunity, Inc.) that previously was presently discretely is now blended.

In March 2013, GASB issued Statement No. 65, *Items Previously Reported as Assets and Liabilities.* This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognized as outflows of resources or inflow of resources, certain items previously reported as assets and liabilities. (see note 1G)

Pronouncements issued, but not yet effective, which will be adopted by the City in future years:

In March 2013, GASB issued Statement No. 66, *Technical Corrections-2013*. The objective of this Statement is to improve accounting and financial reporting for government reporting by resolving conflicting guidance that resulted from the issuance of Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions,* and Statement 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements.* The effective date for this Statement is for financial statements whose fiscal year begins after December 15, 2012. The City does not anticipate any material impact on the financial statements.

In June 2012, the GASB issued Statement No. 67, *Financial Reporting for Pension Plans, an amendment of GASB Statement No. 25*. This Statement improves financial reporting by state and local governmental pension plans. This Statement results from a comprehensive review of the effectiveness of existing standards governing accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency.

Notes to the Financial Statements - Continued

E. New Accounting Pronouncements, continued

This Statement will be effective for the City's Plans in fiscal year 2014. Management is evaluating the impact of this pronouncement on the Plans' financial statements.

In June 2012, the GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions, an amendment of GASB Statement No. 27*. This Statement improves accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards governing accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency. This Statement will be effective for the City in fiscal year 2015. The City is in the process of evaluating the impact of this pronouncement on its financial statements.

F. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, expenditures/expenses and disclosures. Actual results could differ from those estimates.

G. Change in Accounting Principle

In March 2013, GASB issued Statement No. 65, *Items Previously Reported as Assets and Liabilities.* This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognized as outflows of resources or inflow of resources, certain items previously reported as assets and liabilities. As a result, costs related to the issuance of bonds which were previously deferred have been reclassified as if they had been reported as an outflow of resources when incurred.

		Business-Type Activities					
	Governmental Activities	Department of Watershed Management	Department of Aviation	Nonmajor Enterprise	Internal Services adjusted	Total Business Activities	Component Units
Net Position - beginning of period, as previously reported	$ 367,099	$ 2,401,237	$ 4,506,862	$ (9,402)	$ (8,464)	$ 6,890,233	$ 102,132
GASB 65- unamortized bond issuance costs	(63,636)	(19,620)	(38,274)	-	-	(57,894.00)	(1,564)
GASB 61- AHOI component units	(21,782)	-	-	-	-	-	21,782
Net Position - beginning of period, as adjusted	$ 281,681	$ 2,381,617	$ 4,468,588	$ (9,402)	$ (8,464)	$ 6,832,339	$ 122,350

Notes to the Financial Statements - Continued

II. Stewardship, Compliance and Accountability

A. Compliance with Finance Related Legal and Contractual Provisions

Management, in coordination with the Law Department, is not aware the City has any material violations of finance related legal and contractual provisions as of June 30, 2013.

B. Budgets and Budgetary Accounting

Detailed information pertaining to the budget is included in the Required Supplementary Information section, page 104.

C. Deficit Fund Balances

The following funds reported deficits in fund balance at June 30, 2013 (Dollars in thousands):

- Emergency Telephone System had an accumulated deficit of $14,490. The City has taken measures to control costs and includes budgeted subsidies for the fund each year. The City will continue to support an effort for fee increases with the State legislature.

- Sanitation Fund had an accumulated deficit of $4,073. This deficit was reduced by approximately $5.6M during fiscal 2013. Substantially the entire fund deficit is related to landfill post-closure costs which are being amortized over the next 15 years. Ongoing cost control measures should continue to address and eliminate this deficit.

- Parks and Recreation Facilities Fund had an accumulated deficit of $233 due mainly to an operating revenue shortfall related to the Cyclorama.

- Civic Center had an accumulated deficit of $843 related to ongoing deficiencies in operating revenue. Economic conditions have caused a down-turn in use of the facility.

- Fleet Services had an accumulated deficit of $36,434. Management intends to review various options of allocating for the services provided, as well as overall operations.

Notes to the Financial Statements - Continued

III. Detailed Notes on All Funds

A. Deposits and Investments

Following are components of the City's cash and cash equivalents, and investments (including the Pension and Agency Funds and the Component Units) at June 30, 2013 (Dollars in thousands).

	Primary Government					Component Units	
	Unrestricted	Restricted	Pension Restricted	Agencies Restricted	Total	Unrestricted	Restricted
Cash and Cash Equivalents	$ 26,146	$ 1,582,484	$ 282,004	$ 776	$1,891,410	$ 18,014	$ 79,344
Equity in cash management pool	1,500,897	-	-	23,120	1,524,017	-	-
Investments	286	506,830	2,298,728	-	2,805,844	4,270	8,315
	$ 1,527,329	$ 2,089,314	$ 2,580,732	$ 23,896	$6,221,271	$ 22,284	$ 87,659

The O.C.G.A. 50-5A-7 authorize the City to invest in obligations of the United States Treasury or agencies, banker's acceptances, bank money market accounts, repurchase agreements, and the Georgia Fund 1 Investment pool (a local government investment pool). The General Employees' Pension Fund is also authorized to invest in corporate bonds and debentures which are not in default as to principal and interest; corporate stocks, common or preferred; first loans on real estate where the loans are guaranteed by the Administrator of Veterans Affairs or by the Federal Housing Authority of the United States; certificates of deposit in national banks and state banks insured by the FDIC; and any other investments approved by the Pension Board. The Pension Trust Funds also invest in collateralized mortgage obligations (CMOs). These securities are based on cash flows from interest and principal payments on underlying mortgages. CMOs are sensitive to prepayments of mortgages, which may result from a decline in interest rates. The City invests in these securities in part to maximize yields and in part to hedge against a rise in interest rates. In 2013, the Pension Boards authorized the Plans to invest in alternative investments.

Concentration of Credit Risk – Primary Government
The City diversifies its use of investment instruments to avoid incurring unreasonable risks inherent in over-investing in specific instruments, individual financial institutions, or maturities. The City's primary government investment policy limits City investments to the following maximum percentages: U.S. Treasury Obligations 100%, Obligations of U.S. Government Agencies 75%, Repurchase Agreements 50%, Certificates of Deposit (Commercial Banks) 25%, Certificates of Deposits (S&L Associations) 25%, Local Government Investment Pool (State-Sponsored) 40% and Commercial Bank Money Market Accounts 10%. Maximums may be exceeded temporarily with the prior approval of the City's Chief Financial Officer.

Custodial Credit Risk – Deposits
To control custodial credit risk, the City's investment policy requires all securities and collateral to be held by an independent third-party custodian in the City's name. The custodian provides the City with monthly values.

Notes to the Financial Statements - Continued

A. Deposits and Investments, continued

Concentration of Credit Risk – Investments
The City's investment policy also requires that the weighted-average maturity of the total portfolio not exceed three (3) years, and shall limit the maturity of any single security to five (5) years. The City's pension funds' investment policy sets targets of 60% invested in domestic equity, 10% in international equity, and 30% in domestic fixed income.

As of June 30, 2013, the City's reporting entity had the following investments:

	Fair Value	Investment Maturities (in Years)		
		< 1 year	1-5 years	> 5 years
U.S. government and agency obligations	$ 1,709,453	$ 129,833	$ 1,419,363	$ 160,257
Corporate bonds	134,032	12,854	42,554	78,624
Other investments	913,090	713,427	35,762	163,901
	$ 2,756,575	$ 856,114	$ 1,497,679	$ 402,782

Pooled Cash and Investments Held in City Treasury

The City maintains a cash and investment pool that is available for use by all funds. Each participating fund's portion of this pool is displayed on the accompanying financial statements as "Equity in cash management pool". The Georgia Fund 1 is designed to maximize current income while preserving principal and providing daily liquidity. It is managed to maintain a $1.00 value and a weighted maturity of 60 days or less, with the maximum maturity of any investment limited to 397 days. At June 30, 2013, portfolio composition in Georgia Fund 1 consisted of bonds. Other investments in the cash pool consisted of Federal Home Loan Bank ("FHLB"), Federal Home Loan Mortgage Corporation ("FHLMC"), Federal National Mortgage Association ("FNMA"), Federal Farm Credit Bank ("FFCB"), repurchase agreements, and Negotiated Investment Deposit Agreements.

Investments Authorized by the Georgia State Code Section 36-83-4 and the City of Atlanta Investment Policy

The City has adopted an investment policy (the "Policy") to minimize the inherent risks associated with deposits and investments. The primary objective of the Policy is to invest funds to provide for the maximum safety of principal.

Identified below are the investment types that are authorized for the City by the Policy. The Policy also identifies certain provisions of the Official Code of Georgia ("OCGA") that address interest rate risk, credit risk and concentration of credit risk. The Policy governs all governmental and business-type activities for the City, but does not govern the City of Atlanta Pension Plans.

Notes to the Financial Statements - Continued

A. Deposits and Investments, continued

The City's investments are limited to U.S. Government securities and U.S. government agency securities which are limited to issues of the Federal Farm Credit Bank ("FFCB"), Federal Home Loan Bank System ("FHLBS"), Federal Home Loan Mortgage Corporation ("FHLMC"), and Federal National Mortgage Association ("FNMA"). Under the Policy, the City restricts investments in eligible obligations to discount notes and callable or non-callable fixed-rate securities with a fixed principal repayment amount.

The City may also invest in fully collateralized repurchase agreements provided the City has on file a signed Master Repurchase Agreement, approved by the City Attorney, detailing eligible collateral, collateralization ratios, standards for collateral custody and control, collateral valuation, and conditions for agreement termination. It also requires the securities being purchased by the City to be assigned to the City, held in the City's name, and deposited at the time the investment is made with the City or with a third party selected and approved by the City; and is placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in the state of Georgia, and is rated no less than A or its equivalent by two nationally recognized rating services.

Under the Policy, the City's investment portfolio, in aggregate, is to be diversified to limit its exposure to interest rate, credit and concentration risks by observing the above limitations.

Investments in Employee Retirement Plans

The City has three defined benefit pension plans for full-time employees; the General Employees' Pension Plan, the Police Officers' Pension Plan and the Firefighters' Pension Plan (the "Plans"). Each Plan is administered by its own Board of Trustees. The respective Boards are ultimately responsible for making all decisions with regard to the administration of their respective Plans, including the management of Plan assets, and for carrying out the investment policy on behalf of their respective Plans. The Plans' investments are managed by various investment managers under contracts with the respective Plans who have discretionary authority over the assets managed by them, within the investment guidelines, established by the respective Boards. The investments are held in trust by the Plans' custodians in the Plans' name. These assets are held exclusively for the purpose of providing benefits to members of the Plans and their beneficiaries.

Identified below are the investment types authorized by the respective Boards for each of the Plans. The investment policies also identify certain provisions addressing interest rate risk, credit risk and concentration of credit risk.

The Plans, by policy, are to invest their cash in domestic equities, domestic fixed income securities and cash equivalents. These instruments consist of common and preferred stock, obligations of the U.S. government and agencies (GNMA, FHLMC, and FNMA securities and

Notes to the Financial Statements - Continued

A. Deposits and Investments, continued

CMO's), corporate bonds, and certificates of deposit. The Plans have strict limitations on the amounts managers are allowed to invest in any one issuer in all classes of securities. The Plans also invest in repurchase agreements which must be fully collateralized by U.S. government or agency guaranteed securities.

During 2013, the Plans made a combined capital commitment of $64,000,000 to a limited partnership. As of June 30, 2013, the Plans had an alternative investment in a limited partnership totaling $24,953,000. As part of the partnership agreement, the Plan may not voluntarily withdraw from the partnership prior to its dissolution, and no limited partnership interest is redeemable or repurchasable by the partnership at the option of the Plan.

INVESTMENT RISK DISCLOSURES

Governmental and Business-Type Activities

Interest Rate Risk. Interest rate risk is the risk that changes in market rates will adversely affect the fair market value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. Additionally, the fair values of the investments may be highly sensitive to interest rate fluctuations. By policy, the City establishes maximum maturity dates by investment type in order to limit interest rate risk. The City manages its exposure to interest rate risk by purchasing a combination of shorter-term and longer-term investments, and by timing cash flows from maturities so that a portion is maturing, or coming close to maturing, evenly over time as necessary to provide the cash flow and liquidity needs for operations.
The City has the ability and generally has the intent to hold all investments until their respective maturity dates. The average maturity of the City's pooled cash and investments governed by the Policy as of June 30, 2013, was approximately 2.8 years. If it becomes necessary or strategically prudent for the City to sell a security prior to maturity, the Policy allows for occasional restructuring of the portfolio to minimize the loss of market value and/or to maximize cash flows.

Credit Risk. Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This risk is measured by the assignment of a rating by a nationally recognized statistical rating organization. The City's investment policy does not specify a minimum bond rating for investments.

Notes to the Financial Statements - Continued

A. Deposits and Investments, continued

As of June 30, 2013, the City had the following fixed income investments with the corresponding credit ratings and maturities (Dollars in thousands):

		Maturity					
Type of Investments	**Credit Rating**	**Under 30 Days**	**31 - 180 Days**	**181 - 365 Days**	**1 - 5 Years**	**Over 5 Years**	**Carrying Value**
U.S. Government Obligations	Aaa/AAA	$ -	$ 35,044	$ 93,684	$1,065,871	$ 24,075	$1,218,674
U.S. Government Treasuries	Exempt	-	-	-	317,823	-	317,823
GIC's	*	-	-	-	-	129,516	129,516
		-	$ 35,044	$ 93,684	$1,383,694	$ 153,591	$1,666,013

Custodial Credit Risk. 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 its deposits or will not be able to recover collateral securities that are in the possession of an outside party. Custodial credit risk for *investments* is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

The City requires that all uninsured collected balances plus accrued interest in depository accounts be collateralized and that the market value of collateralized pledged securities must be at least 110% of the deposit balances, and 102% for repurchase agreements. All investments of the City are either held by the City or by counterparties in the City's name; therefore the City's investments had no custodial risk as of June 30, 2013.

Concentration Credit Risk. The City's investment policy contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the OCGA. At June 30, 2013, individual issuers that represent 5% or more of total financial instruments by reporting unit were as follows:

Issuer	**Investment Type**	**Investment %**	**Reporting Unit**
WestLB	GIC	13.88%	Department of Watershed Management

Foreign Currency Risk. Foreign currency risk is the risk that changes in exchange rates could adversely affect an investment's or deposit's fair value. The City is not exposed to this risk and its investment policy does not provide for investments in foreign currency denominated securities.

Notes to the Financial Statements - Continued

A. Deposits and Investments, continued

Pension Trust Fund Activities

Interest Rate and Credit Risks. As of June 30, 2013, the City's Pension Plans had the following fixed income investments with the corresponding credit ratings and maturities (Dollars in thousands):

		Maturity					Total
Type of Investments	**Credit Rating**	**Under 1 year**	**1 - 3 years**	**3 - 5 years**	**5 - 10 years**	**Over 10 Years**	**Fair Value**
U.S.Government Agencies	AAA	$ 1,106	$ 6,250	$ 11,446	$ 44,525	$ 110,914	$ 174,241
Corporate Bonds	AA/BBB	12,854	21,095	21,459	59,936	18,688	134,032
State and Local Obligations	AAA/AA-	-	747.00	-	2,394	5,949	9,090
Credit Card Receivables	AAA	-	538	755	-	-	1,293
Asset Backed Securities	AAA/AA+	-	11,777	11,190	9,296	213	32,476
Asset Backed Securities	NR	840	4,435	6,289	4,882	-	16,446
Corporate CMO's	AAA/B-	-	-	31	713	3,481	4,225
Corporate CMO's	NR	-	-	-	36	1,075	1,111
CMO's	AAA/BBB	-	-	-	-	18,254	18,254
CMO's	NR	-	-	-	-	5,280	5,280
		$ 14,800	$ 44,842	$ 51,170	$ 121,782	$ 163,854	$ 396,448

Securities Lending Transactions. State statutes and Pension Board policies permit the Plans to lend their securities to broker dealers and other entities, provided that the securities are fully collateralized for at least 102% of securities loaned and that collateral is received prior to the release of the securities by the custodian. All securities lending can be terminated on demand by either the Plans or the borrower, with securities to the Plan within a specified period of time. At June 30, 2013, the Plans had no funds under a securities lending agreement.

Custodial Risk. As of June 30, 2013, the Pension Plans had no deposits or investments with custodial risk.

Concentration Credit Risk. There were no investments in any one issuer representing 5% or more of the net assets held in trust for pension benefits at June 30, 2013 and 2012, respectively.

Foreign Currency Risk. The Plans' investment policies allow domestic equities, domestic fixed income, cash equivalents and foreign equity securities.

Notes to the Financial Statements - Continued

A. Deposits and Investments, continued

The following table provides the value in U.S. dollars by foreign currency denominations and investment type for all Pension Plan investments denominated in foreign currencies (Dollars in thousands):

Currency	Debt	Equity	Total
Netherlands	$ 1,031	$ 5,634	$ 6,665
Canada	3,258	1,651	4,909
Greece	-	2,139	2,139
Israel	-	3,937	3,937
United Kingdom	1,636	2,995	4,631
Germany	-	261	261
Bermuda	-	7,185	7,185
Ireland	-	3,583	3,583
Peru	-	2,050	2,050
Guernsey, CI	-	58	58
Cayman Islands	-	468	468
Bahamas	-	576	576
Switzerland	-	1,076	1,076
Panama	-	429	429
Total Securities subject to Foreign Currency Risk	$ 5,925	$ 32,043	$ 37,968
International Region	$ -	$ 33,585	$ 33,585
Multinational	1,048	-	1,048
United States	403,166	1,822,961	2,426,304
Total US dollars Securities	$ 404,214	$ 1,856,546	$ 2,260,760
Total International & US Investment Securites	$ 410,139	$ 1,888,589	$ 2,298,728

B. Property Taxes, Local Option Sales Taxes, Municipal Option Sales Tax, and Car Rental Taxes

Property taxes include amounts levied on all real, public utility, and tangible property within the City corporate limits. The City's tax digest is coterminous with the Atlanta Independent School System, and overlaps portions of Fulton and DeKalb counties (the "Counties"), and Grady Hospital. Property taxes are normally levied and billed by July 1, on the assessed value of all real and personal property and property owner of record as of January 1. City property taxes are due

Notes to the Financial Statements - Continued

B. Property Taxes, Local Option Sales Taxes, Municipal Option Sales Tax, and Car Rental Taxes, continued

45 days from the date of billing. The distribution of the City's 2012 millage rate (tax rate per $1,000 assessed taxable value) to its funds and to the Atlanta Independent School System (which operates as a separate legal entity and is not included in the City's financial reporting entity) is as follows:

Millage Rates:	
General Fund	10.240
General Obligation Bond Sinking Fund:	
City Bonds	1.200
School Bonds	0.054
Park Improvement Fund (included in Capital Projects Funds)	0.500
Board of Education (operations)	21.640
Special Tax District DeKalb County	1.163
	34.797

The Fulton and DeKalb County Tax Assessors establish assessed values at 40% of the fair market value. The property valuation in calendar year 2012 resulted in a gross assessed value of $24,031,100,965 which includes tax exempt values. The City's millage rates are set in June of each year. Public utility values are assessed by the State Board of Equalization and billed and collected by the Fulton and DeKalb Tax Commissioner's Offices.

The Fulton and DeKalb County Tax Commissioners' offices act as the City's billing and collection agents. The contracted fees due to the Counties for billing and collection services amounted to $1,859,814 in fiscal year 2013. Real and tangible property taxes are payable to the Counties on August 15th and become delinquent on August 16th. Interest accrues at the rate of 1% per month on the 16th of each month and a 10% tax penalty accrues 90 days after the due date. Any remaining unpaid property tax amounts will attach as an enforceable lien on property as of January 1 of the following year.

A 1% local option sales tax is levied in Fulton County, of which the City receives a percentage of that amount based on a pre-defined formula. This amount is collected by the State of Georgia and remitted to the City on a one-month lag. The tax law requires an offsetting reduction in property tax during each subsequent year of assessment equal to the amount of sales tax revenue received in the prior year.

A 3% excise tax on all rental motor vehicles was implemented in June 1996. This car rental tax is intended to be used to promote industry trade, commerce, and tourism and to fund various capital outlay projects throughout the City. The capital outlay projects include infrastructure improvements necessary for the City to continue building a community that is stable, diverse and economically sound. See Note Section IV-C- First Amended – Consent Decree regarding the levy of a 1% Municipal Option Sales Tax.

Notes to the Financial Statements - Continued

C. Capital Assets

A summary of capital assets activity and changes in accumulated depreciation for the year ended June 30, 2013 follows (Dollars in thousands):

	Balance at June 30, 2012	Additions	Deletions and Retirements	Transfers	Balance at June 30, 2013
Governmental activities:					
Capital assets not being depreciated:					
Land	$ 148,561	$ 55,539	$ -	$ 850	$ 204,950
Construction in progress	134,204	19,127	(4,320)	(11,735)	137,276
Total capital assets not being depreciated	282,765	74,666	(4,320)	(10,885)	342,226
Capital assets being depreciated:					
Land improvements	84,645	16	-	111	84,772
Buildings and building improvements	532,770	13,137	-	3,682	549,589
Other property and equipment	242,745	14,221	(1,109)	-	255,857
Infrastructure	875,468	134	-	7,092	882,694
Total capital assets being depreciated	1,735,628	27,508	(1,109)	10,885	1,772,912
Totals at historical cost	2,018,393	102,174	(5,429)	-	2,115,138
Less: Accumulated Depreciation					
Land improvements	78,149	1,415	-	-	79,564
Buildings and building improvements	155,309	10,724	-	-	166,033
Other property and equipment	166,694	20,838	(1,109)	-	186,423
Infrastructure	573,095	21,672	-	-	594,767
Total accumulated depreciation	973,247	54,649	(1,109)	-	1,026,787
Governmental activities capital assets, net	$ 1,045,146	$ 47,525	$ (4,320)	$ -	$ 1,088,351
Business-type activities:					
Capital assets not being depreciated					
Land	$ 1,028,454	$ 2,296	$ -	$ -	$ 1,030,750
Construction in progress	486,500	441,050	-	(294,204)	633,346
Total capital assets not being depreciated	1,514,954	443,346	-	(294,204)	1,664,096
Capital assets being depreciated					
Land improvements	2,552,811	123	(35,828)	79,870	2,596,976
Buildings and other structures	10,041,126	1,199	(3,008)	168,145	10,207,462
Other property and equipment	429,686	6,485	(48)	46,189	482,312
Total capital assets being depreciated	13,023,623	7,807	(38,884)	294,204	13,286,750
Totals at historical cost	14,538,577	451,153	(38,884)	-	14,950,846
Less: Accumulated Depreciation					
Land improvements	1,134,789	89,192	(35,756)	-	1,188,225
Buildings and other structures	2,526,261	192,312	(2,085)	-	2,716,488
Other property and equipment	323,293	22,792	(48)	-	346,037
Total accumulated depreciation	3,984,343	304,296	(37,889)	-	4,250,750
Business-type activities capital assets, net	$10,554,234	$ 146,857	$ (995)	$ -	$ 10,700,096

Notes to the Financial Statements - Continued

C. Capital Assets, continued

Depreciation expense was charged to governmental funds as follows (Dollars in thousands):

General government	$	13,600
Police		5,201
Fire		4,939
Corrections		288
Public Works		22,793
Parks, Recreation and Cultural Affairs		7,828
Total	$	54,649

Construction in Progress

In addition to the capital assets and construction in progress (CIP) already recorded in the City's financial statements there are development and redevelopment projects ongoing through Invest Atlanta, a component unit of the City, where the CIP is recorded. Upon completion of those projects and acceptance by the City, the appropriate recording as capital assets on the City's financial statements will take place. Through June 30, 2013 there is approximately $50,017,000 of CIP recorded in Invest Atlanta financial statements for corridor design and development that are expected to become assets of the City.

Additionally, the DWM advanced $25 million to Invest Atlanta related to the development of the Clear Creek Project. During fiscal year 2013, Atlanta Beltline, Inc., a component unit of Invest Atlanta, had $1 million of unspent project dollars that was returned to the City. Upon completion of the project, both the project costs and any portion of the advance not expended will revert to the DWM. At June 30, 2013, total project costs to date were $23,834,000.

Finally, Invest Atlanta is holding title to land in the amount of $45 million related to a redevelopment project. Upon completion of this project, it is anticipated that title to the land will be transferred to the City.

Notes to the Financial Statements - Continued

D. Interfund Receivables, Payables, and Transfers

During the course of its operations, the City makes transfers between funds to finance operations, provide services, acquire assets and service debt. To the extent that certain transfers between funds had not occurred as of year-end, balances of interfund amounts receivable or payable have been recorded.

Interfund receivable and payable balances as of June 30, 2013, are as follows (Dollars in thousands):

Due To:	General Fund	Watershed Management	Non-major Enterprise	Non-major Government	Total
Due From:					
General Fund	$ -	$ 77,151	$ 62	$ 4	$ 77,217
Internal Service	$ 34,847	-	-	-	34,847
MOST	-	10,319	-	-	10,319
Non-major Enterprise	21,872	-	-	-	21,872
Non-major Government	33,561	-	-	-	33,561
Total From	**$ 90,280**	**$ 87,470**	**$ 62**	**$ 4**	**$ 177,816**

In December of 2008, the City and Department of Watershed Management (DWM) executed a Memoranda of Understanding (MOU) related to amounts owed to the DWM by the General Fund of the City.

This MOU established a repayment plan in the amount of $10,000,000 per year plus interest at 3%, until paid and in full for amounts borrowed by various governmental funds from DWM equity in the cash pool. During fiscal year 2013, legislation was passed by City Council for the purpose of reducing the repayment interest rate from 3% to 1.25% per annum. The balance owed to the DWM by the City's General Fund under this MOU at June 30, 2013 is $76,199,000 in principal and $952,000 in interest.

Notes to the Financial Statements - Continued

D. Interfund Receivables, Payables, and Transfers, continued

During the year ended June 30, 2008, the DWM advanced funds to a component unit, ADA, for future work on a consent decree project. Due to the nature of this transaction, the interfund balances are considered long-term for financial reporting purposes. Balances as of June 30, 2013, are as follows (Dollars in thousands):

	Due from Component Units	Due to Primary Government
Department of Watershed Management	$ 24,000	$ -
Atlanta Development Authority	-	24,000
Total	$ 24,000	$ 24,000

Transfers

Transfers for the year ended June 30, 2013, are as follows (Dollars in thousands):

Transfers From:	General Fund	Department of Aviation	Department of Watershed Management	MOST	Non-major Enterprise	Non-major Government	Total In
Transfers To:							
General Fund	$ -	$ -	$ 19,593	$ -	$ 3,336	$ 13,528	$ 36,457
Capital Projects	$ -	-	-	-	-	-	-
Department of Aviation	-		-	-	-	-	-
Department of Watershed Management	614	-		118,751	-	-	119,365
Non-major Enterprise	18,188	-	-	-	7,976	-	26,164
Non-major Government	21,657	193	-	-	-	343	22,193
Total Out	**$ 40,459**	**$ 193**	**$ 19,593**	**$ 118,751**	**$ 11,312**	**$ 13,871**	**$ 204,179**

Transfers are used (1) to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) to move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments are due, and (3) to use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Notes to the Financial Statements - Continued

E. Leases

Department of Aviation (DOA) – Tenant and concession agreements

The DOA leases terminal space, aircraft maintenance and overhaul facilities, cargo facilities, hangars, and other structures to air carriers and other tenants at the Airport under various operating leases which terminate no later than 2017. The total cost of the facilities described above which are substantially leased to various tenants is $5.0 billion with a carrying value of $3.5 billion**.** Depreciation expense for 2013 on the facilities was $145.0 million.

Certain of the leases provide for fixed and variable rental payments, and all are generally designed to allow the DOA to meet its debt service requirements and recover certain operating and maintenance costs. Rental receipts related to the terminal are based on the cost of the facilities. In addition, certain of the agreements under which the DOA receives revenue from the operation of concessions at the Airport, provide for the payment of a fee based on the greater of an aggregated percentage of gross receipts or a guaranteed minimum.

The agreement covering the operation of the parking facilities does not provide for a minimum fee and is therefore not included in the following table.

At June 30, 2013 minimum future rentals and fees to be received under non-cancelable leases or concession agreements for each fiscal year are as follows (Dollars in thousands):

2014	$ 347,731
2015	332,220
2016	331,815
2017	247,986
2018	155,932
2019 - 2023	342,413
Total	$ 1,758,097

The agreement covering the operation of the parking lot does not provide for a minimum fee and is therefore not included in the above table. Revenue from this source, which is solely a function of parking receipts as defined were $117.4 million for the year ended June 30, 2013.

The City and most of the airlines serving the airport have entered into operating lease agreements that extend to 2017 relating to the use of the airfield. All of the Central Passenger Terminal Complex leases related to the airlines expire in 2017. The City expects to negotiate renewals of these operating lease agreements with the airlines.

Notes to the Financial Statements - Continued

E. Leases, continued

Department of Watershed Management (DWM) – Capital Lease Obligations

The DWM has entered into several lease agreements as lessee for power generators. These lease agreements qualify as capital leases for accounting purposes and the lease payments are reflected as capital lease obligations at the present value of the aggregate payments due over the remaining

life of the leases. Included in machinery and equipment is $28,592,000 of equipment acquired under capital leases. The accumulated amortization on this equipment is $24,670,000 as of June 30, 2013. Amortization expense was $1,681,000 for the fiscal year ended June 30, 2013.

The present values of the future minimum capital lease payments as of June 30, 2013, are as follows (Dollars in thousands):

2014	$ 1,793
2015	1,572
2016	1,463
2017	1,219
Total minimum payments	6,047
Less amounts representing interest	(591)
Present value of minimum capital lease payments	$ 5,456

Governmental Activities – Capital Lease Obligations

The City has entered into multiple lease agreements as lessee for various purposes. These lease agreements qualify as capital leases for accounting purposes.

The present value of the future minimum lease payments is as follows (Dollars in thousands):

	Municipal Traffic Court	Furniture, Fixtures and Equipment	Digital Radio Upgrade	Total
2014	$ 3,926	$ 780	$ 5,654	$ 10,360
2015	3,924	-	5,654	9,578
2016	3,919	-	5,654	9,573
2017	3,909	-	4,892	8,801
2018	3,907		4,892	8,799
2019-2023	19,495	-	-	19,495
2024-2027	15,517	-	-	15,517
Total minimum payments	54,597	780	26,746	82,123
Less amounts representing interest	(15,932)	(15)	(2,056)	(18,003)
Present value of minimum capital lease payments	$ 38,665	$ 765	$ 24,690	$ 64,120
Gross Capital Asset Value	$ 55,195	$ 6,415	$ 43,300	$ 104,910
Accumulated Depreciation	(7,901)	(2,472)	(21,373)	(31,746)
Net Capital Asset Value	$ 47,294	$ 3,943	$ 21,927	$ 73,164

Notes to the Financial Statements - Continued

E. Leases, continued

Downtown Development Authority of the City of Atlanta (DDA)

In 2009, the Atlanta Development Authority, through DDA issued $52,790,000 of refunding revenue bonds ($44,975,000, Series 2009A, and $7,815,000, Series 2009B). The bonds were used in part to refund the principal of the City of Atlanta Series 2002, Variable Rate Refunding Revenue Bonds (Underground Atlanta Project). The principal and interest on the Series 2009 Revenue Bonds are special limited obligations of DDA and are payable solely from monies payable to DDA by the City of Atlanta under a capital lease arrangement for the Underground Atlanta Project.

The lease agreement qualifies as a capital lease for accounting purposes (titles transfer at the end of the lease term) and has been recorded in business activities of the government-wide financial statements at the present value of the future minimum lease payments as of the date of inception. See schedule of lease payments on the following page.

The present value of the future minimum lease payments is as follows (Dollars in thousands):

2014	$ 8,290
2015	8,302
2016	8,311
Total minimum payments	24,903
Less amounts representing interest	(2,298)
Present value of minimum capital lease payments	$ 22,605

The capitalized asset cost related to Underground as of June 30, 2013 is $92,112,000 and accumulated depreciation of $67,650,000.

In 2006, the Atlanta Development Authority, through DDA, issued Revenue Bonds (Downtown Parking Deck Project) Series 2006A in the aggregate principal amount of $17,990,000 and Series 2006B $5,490,000. The Series 2006 Bonds were issued for the purpose of financing the acquisition of land, and construction, equipping and installation of a five story parking facility consisting of approximately 836 spaces. The Series 2006 Bonds are special limited obligations of DDA, payable solely from rental payments to be made by the City to DDA under a capital lease arrangement for the parking facility project.

The lease agreement qualifies as a capital lease for accounting purposes (bargain purchase price at the end of the lease term) and has been recorded in business activities of the government-wide financial statements at the present value of the future minimum lease payments as of the date of inception.

Notes to the Financial Statements - Continued

E. Leases, continued

The present value of the future minimum lease payments is as follows (Dollars in thousands):

2014	1,623
2015	1,619
2016	1,623
2017	1,620
2018	1,621
2019-2023	8,087
2024-2028	8,097
2029-2032	6,383
Total minimum payments	30,673
Less amounts representing interest	(10,308)
Present value of minimum capital lease payments	$ 20,365

The capital asset cost of the parking deck as of June 30, 2013 is $23,480,000 and accumulated depreciation totals $2,504,000.

General Fund

For its General Fund, the City has entered into several lease agreements for operating purposes. These lease agreements qualify as operating leases for accounting purposes.

The future minimum lease payments are as follows (Dollars in thousands):

2014	3,050
2015	2,876
2016	2,444
2017	2,149
2018	1,071
Thereafter	21,426
Total minimum payments	$ 33,016

The amount of lease expenditures for the year ended June 30, 2013 amounted to $5,837,000.

F. Notes Payable

General Fund

On February 27, 2008 the City borrowed $17,000,000 for construction and build-out expenses related to the Public Safety Annex. The loan, in the form of a note payable, has a ten year term

Notes to the Financial Statements - Continued

G. Long Term Obligations

and is scheduled to be paid in full by February 1, 2018. The outstanding principal balance as of June 30, 2013 is $9,394,000.

Changes in long-term liabilities for governmental activities during the fiscal year ended June 30, 2013, follow (Dollars in thousands):

	Balance at June 30, 2012	Additions	Reductions	Balance at June 30, 2013	Due within One Year
Governmental activities:					
Long-term debt					
General obligation and annual bonds	$ 230,680	$ -	$ (15,360)	$ 215,320	$ 16,105
Deferred premiums	8,630	-	(1,388)	7,242	-
	239,310	-	(16,748)	222,562	16,105
SWMA revenue refunding bonds	16,745	-	(1,335)	15,410	1,405
Limited obligation bonds	614,500	-	(24,830)	589,670	17,925
Bond issuance premiums	3,422	-	(398)	3,024	-
Bond issuance discounts	(1,212)	-	106	(1,106)	-
	616,710	-	(25,122)	591,588	17,925
Other Long-term debt					
Notes Payable	11,026	-	(1,632)	9,394	1,712
Section 108 loans	2,890	-	(710)	2,180	760
1998 GMA lease pool	32,444	-	-	32,444	-
2007 Intergovernmental agreement	13,433	-	(942)	12,491	994
Installment sale program	40,660	-	(6,525)	34,135	4,355
Atlanta Housing Opportunity Inc.					
Intergovernmental agreement	29,541	-	(1,187)	28,354	1,279
Capital leases	69,349	2,198	(7,427)	64,120	7,650
Total long-term debt	1,072,108	2,198	(61,628)	1,012,678	52,185
Other long-term liabilities					
Vacation and compensatory payable	19,295	-	(329)	18,966	-
Health and dental claims payable	5,110	58,900	(56,860)	7,150	3,230
General claims payable	16,370	4,467	(6,615)	14,222	8,328
Other postemployement benefit liability	143,481	61,730	(24,855)	180,356	-
Workers' compensation	22,625	828	(2,345)	21,108	5,815
Total other long-term liabilities	206,881	125,925	(91,004)	241,802	17,373
Governmental Activities Long-term Liabilities	$ 1,278,989	$ 128,123	$ (152,632)	$ 1,254,480	$ 69,558

For the governmental activities, other long-term liabilities are primarily liquidated by the General Fund.

Notes to the Financial Statements - Continued

G. Long Term Obligations, continued

Changes in long-term liabilities for business-type activities during the fiscal year ended June 30, 2013, follow (Dollars in thousands):

	Balance at June 30, 2012	Additions	Reductions	Balance at June 30, 2013	Due within One Year
Business-type activities					
Long-term debt					
Department of Aviation:					
Facilities revenue bonds	$ 3,156,265	$ -	$ (96,810)	$ 3,059,455	$ 105,585
Bond issuance premiums	126,808	-	(11,788)	115,020	-
Bond issuance discounts	(7,344)	-	453	(6,891)	-
Department of Watershed Management:					
System revenue bonds	3,117,570	-	(48,425)	3,069,145	50,870
Bond issuance premiums	37,060	-	(1,870)	35,190	-
Bond issuance discounts	(13,534)	-	735	(12,799)	-
GEFA notes payable	147,940	26,383	(5,494)	168,829	4,434
Capital lease obligation	7,611	-	(2,155)	5,456	1,526
Interest rate SWAP termination fee	3,720	-	(3,720)	-	-
Nonmajor funds:					
Capital lease obligation (Parking Deck)	21,040	-	(674)	20,366	705
Capital lease obligation (Underground Atlanta)	29,415	-	(6,810)	22,605	7,160
Total long-term debt	6,626,551	26,383	(176,558)	6,476,376	170,280
Other long-term liabilities:					
Landfill postclosure liability	17,516	-	(623)	16,893	-
General Claims Payable	19,541	3,910	(2,875)	20,576	8,568
Other postemployement benefit liability	120,651	38,255	(13,610)	145,296	-
Workers' compensation	16,685	1,396	(1,897)	16,184	4,459
Interest rate SWAP	178,628	-	(59,300)	119,328	-
Total other long-term liabilities	353,021	43,561	(78,305)	318,277	13,027
Total business-type long-term liabilities	$ 6,979,572	$ 69,944	$ (254,863)	$ 6,794,653	$ 183,307
Component Units					
Long-term debt:					
Atlanta Fulton County Recreation Authority	$ 153,985	$ -	$ (5,915)	$ 148,070	$ 6,030
Unamortized charges	(5,292)	-	341	(4,951)	-
	$ 148,693	$ -	$ (5,574)	$ 143,119	$ 6,030
Atlanta Downtown Development Auth.					
Revenue and other bonds	177,507	512	(10,350)	167,669	12,201
Deferred issuance premiums	1,096	-	(428)	668	-
Deferred issuance discounts	(154)	-	8	(146)	-
Capital Leases	97	-	(62)	35	21
Other Long term liabilities					
Notes payables	27,596	-	(1,722)	25,874	1,864
Loan payables	5,713	-	(374)	5,339	350
Due to primary goverments	25,000	-	(1,000)	24,000	-
	236,855	512	(13,928)	223,439	14,436
Total component unit long-term debt	$ 385,548	$ 512	$ (19,502)	$ 366,558	$ 20,466

Notes to the Financial Statements - Continued

G. Long-Term Obligations, continued

Governmental-type Activities

General Obligation Bonds are direct general obligations secured by the full faith and credit of the City. Principal and interest are payable through the general and debt service funds from ad valorem taxes levied on all taxable property within the City.

A summary of governmental-type activities bonds payable and other general long-term obligations as of June 30, 2013, is as follows (Dollars in thousands):

Bonds payable:	
General Obligation Bonds:	
2001B Infrastructure Issue, $61,220, 4.00% - 5.00%, due December 1, 2021	$ 5,560
2004B Issue, $47,500, 5.00%, due December 1, 2021	21,090
2005A Refunding Issue, $85,980, 3% - 4.125%, due December 1, 2025	62,850
2008 Public Imp. Issue, $36,820, 4%, due December 1, 2021	26,150
2009A Refunding Issue, $78,028, 3.00%-5.00%, due December 1, 2023	70,190
Annual G.O. Bond Issues:	
2001A Issue, $8,000, 4.00% - 5.00%, due December 1, 2022	1,230
2002 Issue, $8,000, 3.00% - 5.00%, due December 1, 2022	4,860
2003 Issue, $8,000, 3.60% - 4.60%, due December 1, 2023	5,120
2004A Issue, $8,000, 3.00% - 4.40%, due December 1, 2024	5,805
2005B Issue, $8,000, 4.00% - 4.5%, due December 1, 2025	5,830
2007 Issue, $8,000, 4.00% - 4.5%, due December 1, 2025	6,635
	215,320
Deferred amount on bond issuance premiums	7,242
Total general obligation and annual bonds payable	222,562
SWMA Revenue Refunding Bonds:	
Series 2008, $20,265, 4.00% - 5.00% issued by the Solid Waste Management Authority due December 1, 2021	15,410
Limited Obligation Bonds:	
2001 Westside Project, $14,995, variable, due December 1, 2021	8,065
2005A Westside Project, $72,350, variable, due December 1, 2023	49,605
2005B Westside Project, $10,215, variable, due December 1, 2023	7,595
2005A Eastside Project, $9,480, 5.625%, due December 1, 2016	3,120
2005B Eastside Project, $38,000, 5.40^-5.60%, due December 1, 2030	38,000
2005A Park Imp Rev, $75,510, 4.00%-5.00%, due Dec. 1, 2025	65,770
2005B Park Imp Rev Refunding, $12,650, 4.00%-4.50%, due Dec. 1, 2020	11,415
2006 Atlantic Station, $166,515, variable, December 1, 2024	151,425
2006 Princeton Lakes Project,$21,000, 5.50, due January 1, 2031	13,180
2006 Atlanta Public Safety Authority, $50,000, 4.00% - 5.00%, due December 1, 2026	39,265
2007 Atlantic Station, $85,495 4.75%-5.00%, due December 1, 2024	68,435
2008A BeltLine Reoffering, $26,420 7.5% due January 1, 2031	25,460
2008B BeltLine Reoffering, $33,725 6.75% term bond due January 1, 2020; and 7.375% term bond due January 1, 2031	32,560
2008C BeltLine, $4,355 7.50%, due January 1, 2031	4,215
2009B BeltLine, $12,590, 6.75% term bond due January 1, 2020; and 7.375% term bond due January 1, 2031	12,165
2009C BeltLine, $1,030 7.50% term bond due January 1, 2031	1,000
2008 Westside, $63,760 3.27%, due December 1, 2037	58,395
	589,670
Deferred amounts:	
Bond issuance premiums	3,024
Bond issuance discounts	(1,106)
Total limited obligation bonds payable	591,588
Total bonds payable	829,560

Notes to the Financial Statements - Continued

G. Long-Term Obligations, continued

Other general long-term debt	
Section 108 Loans, $5,030, 5.40%-7.96%, due August 1, 2019 (MMPH I)	515
Section 108 Loans, $4,850, 5.40%-7.96%, due August 1, 2019 (MMPH II & Mechanicsville)	1,665
Total Section 108 Loans	2,180
1998 GMA Loan Pool, $32,444, 4.75%, due November 30, 2028	32,444
1998 Installment Sale Program, $103,130, 3.10%-5.00%, due December 1, 2023 (1998 COPS)	34,135
2007 Intergovernmental Agreement Guaranteed payments toward 2007A Zoo, $14,315, 4.125%-5.00% revenue bonds, due December 1, 2022	10,736
2007 Intergovernmental Agreement Guaranteed payments toward 2007B Zoo, $7,515, 5.450%-5.480% revenue bonds, due December 1, 2014	1,755
2007 Intergovernmental Agreement Guaranteed payments toward Georgia Taxable (Housing Opportunity Program) 5.06%-5.802% revenue bonds, due December 1, 2027	28,354
Total Intergovernmental Agreements	40,845
Total other general long-term debt	109,604
Notes payable	9,394
Capital leases	64,120
Total long-term debt	$1,012,678

The City participates in a lease pool arrangement with 29 other local governments through the Georgia Municipal Association, Inc. ("GMA"). GMA issued Certificates of Participation ("COP") in 1998 which are governed by a master lease agreement. The 1998 GMA grantor trust proceeds are restricted for the purchase of qualified capital equipment including rolling stock, construction and maintenance equipment, street lighting and traffic control equipment with a useful life ranging from 3-10 years. The purpose of the COP is to fund the purchase of eligible capital assets that are leased back to each of the participating governments. The City's interest in this arrangement functions similar to a line of credit whereby eligible capital assets may be purchased up to the City's share. The lease of eligible capital assets decreases the City's net available credit and repayments of principal increase the City's net available credit. Lease terms are generally between three and five years from the date the equipment is purchased. The agreements terminate upon the financial due date of the COP in 2028.

Arbitrage Rebate

The arbitrage rebate liability on all City issued obligations is treated as a claim or judgment upon occurrence. Certain City long-term debt obligations are subject to Section 148 of the Internal Revenue Code which requires that interest earned on proceeds from tax-exempt debt be rebated to the Federal government to the extent that those earnings exceed the interest cost on the related tax-exempt debt. At June 30, 2013, the City had an arbitrage rebate liability in the amount of $767,520 for the Downtown Development Authority Parking Deck Series 2006 and $11,020 for the Public Safety Judicial Facility Series 2006. This liability is recorded as an accounts payable in the General Fund.

Notes to the Financial Statements - Continued

G. Long-Term Obligations, continued

Business-type Activities

Revenue bonds are payable solely from revenues generated by enterprise fund activities. The various revenue bond indentures contain significant limitations and restrictions on annual debt service requirements, maintenance of a flow of monies through various restricted accounts, minimum amounts to be maintained in various sinking funds, and minimum revenue bond coverage. There are a number of limitations and restrictions contained in the various bond indentures. As of June 30, 2013, the City believes it is in compliance with all significant limitations and restrictions.

The Department of Watershed Management entered into three loan agreements with the Georgia Environmental Facilities Authority (GEFA) totaling $50 million for projects to: (1) replace the East Point sewer trunk line; (2) provide sewer rehabilitation, replacement, and capacity relief; and (3) provide piping and equipment to capture digester gas and convert it to power for use at the RM Clayton Wastewater Treatment Plant. In February 2012, the Department entered into three loan agreements totaling $41 million, with the purpose of financing final payments on three existing loans due February 2027, September 2027, and February 2028. Liabilities for these loans will be recorded at the time the funds are drawn. In fiscal year 2013, The Department received $26,383,000 in GEFA funding. As of June 30, 2013, the Department had $168,828,000 in short-term and long-term loans outstanding to GEFA.

The City has issued various revenue bonds on behalf of the Department of Watershed Management to refinance existing bonds or finance capital improvements for its Water and Wastewater projects. The revenue bonds issued are authorized under the Master Bond Ordinance adopted March 31, 1999 as amended and supplemented from time to time with the issuance of any additional bonds. Net operating revenues from the system are pledged as security for the bonds as defined in the Constitution and laws of the State of Georgia, including the Revenue Bond Law of Georgia, as amended (the "Revenue Bond Law"). Debt service payments on outstanding bonds are made semi-annually on the first of November and May or as defined by the applicable bond indenture.

The City has issued various revenue bonds on behalf of the Department of Aviation to finance its extensive airport capital improvement projects. The net revenues, as defined in the 2000 Airport Master Bond Ordinance as supplemented and amended, generated by operating activities are pledged as security for the bonds. Interest is payable semi-annually on the first of January and July.

Notes to the Financial Statements - Continued

G. Long-Term Obligations, continued

Department of Aviation (DOA)

Summary of Department of Aviation long-term debt at June 30, 2013, consists of the following (Dollars in thousands):

Facilities Revenue Bonds:	
General Revenue and Refunding Bonds:	
Airport General Revenue Refunding Bonds, Series 2003RF-A, at 5.0%, due serially through 2014	$ 5,000
Airport General Revenue and Refunding Bonds, Series 2003RF-D, at 4.375% - 5.25%, due serially through 2019	60,920
Airport General Revenue Bonds, Series 2004A, combination serial (at 5.25% - 5.375%) and term bond (5.125%) through 2030	148,945
Airport General Revenue Bonds, Series 2004B, at 5.25%, term bond due January 1, 2033	58,655
Airport General Revenue and Refunding Bonds, Series 2004F and Series 2004G combination serial (at 4.0% - 5.25%) and term (at 5.0%) through 2030	115,750
Airport General Revenue and Refunding Bonds, Series 2010A, combination serial (at 2.0% - 5.0%) and term (4.625% - 5.0%) through 2040	177,990
Airport General Revenue and Refunding Bonds, Series 2010C, combination serial at 2.0% - 5.875%) and term (at 5.25% - 6.0%) through 2030	488,835
Airport General Revenue Refunding Bonds, Series 2011A, at 4.0%, due serially through 2021	220,500
Airport General Revenue Refunding Bonds, Series 2011B, at 5.0%, due serially through 2030	196,825
Airport General Revenue Refunding Bonds, Series 2012A, at 2.0% - 5.0%, due serially through 2042	63,515
Airport General Revenue Refunding Bonds, Series 2012B, at 3.0% - 5.0%, due serially through 2042	184,280
Airport General Revenue Refunding Bonds, Series 2012C, at 4.0% - 5.0%, due serially through 2042	225,215
Total General Revenue and Refunding Bonds	1,946,430
Passenger Facility Charge (PFC) and Subordinate Lien General Revenue Bonds:	
PFC and Subordinate Lien General Revenue Bonds, Series 2004C, at 5.0%, a term bond due January 1, 2033	293,070
PFC and Subordinate Lien General Revenue Bonds, Series 2004J, combination serial bond (4.75%-5.0%) and term bond (5.0%) through 2034	235,860
PFC and Subordinate Lien General Revenue Bonds, Series 2010B, at 2.0% - 5.0%, due serially through 2026	385,420
Total PFC and Subordinate Lien General Revenue Bonds	914,350
Customer Facility Charge (CFC) Restriced Revenue Bonds:	
City of College Park Taxable Revenue Bonds, (Hartsfield-Jackson Atlanta International Airport Consolidated Rental Car Facility Project, Series 2006A at 5.557% - 5.965% (Conduit Debt)	180,595
City of College Park Revenue Bonds, (Hartsfield-Jackson Atlanta International Airport Automated People Mover System Maintenance Facility Project), Series 2006B at 4% - 4.5% (Conduit Debt)	18,080
	198,675
Total Facilities Revenue Bonds	3,059,455
Deferred amounts:	
Unamortized Bond discounts	(6,891)
Unamortized Bond premiums	115,020
Less current maturities	(105,585)
Total long-term debt	$ 3,061,999

Notes to the Financial Statements - Continued

G. Long-Term Obligations, continued

On June 21, 2006, the City of College Park, Georgia issued $211.9 million in Taxable Revenue Bonds (Hartsfield Jackson Atlanta International Airport Rental Car Center Project), Series 2006A for the purpose of acquiring, constructing and installing a consolidated rental car facility. In addition, College Park issued $22.0 million in Revenue Bonds (Hartsfield Jackson Atlanta International Airport Automated People Mover System Maintenance Facility Project), Series 2006B for the purpose of acquiring, constructing and installing a maintenance facility for an automated people mover. The City (the Purchaser) pursuant to the terms of an Installment Purchase Agreement dated June 1, 2006 (the Agreement) with the City of College Park (the Issuer) obligates the Purchaser to make installment payment to the Issuer to cover the principal, premium and interest of the Series 2006A/B Bonds. The City has adopted an Ordinance imposing a customer facility charge (CFC) effective October 1, 2005. The CFC revenues have been pledged to secure the payments due under the Agreement. At June 30, 2013, the balance of outstanding conduit debt totaled $198.7 million.

On July 21, 2011, the City of Atlanta issued approximately $224.2 million of its Airport General Revenue Bond, Series 2011A and $216.2 million of its Airport General Revenue Bond, Series 2011B, respectively (Series 2011 A/B Bonds). The Series 2011 A/B Bonds were issued to refund and redeem all of the outstanding principal of the City's Airport General Revenue and Refunding Bonds, Series 2000A, Series 2000B and Series 2000C (the Refunded Bonds), to pay the redemption premiums with respect to the Refunded Bonds and pay the costs of issuance with respect the Series 2011 A/B Bonds.

On April 18, 2012, the City issued approximately $63.7 million of its Airport General Revenue Bond, Series 2012A (non-AMT), $184.7 million of its Airport General Revenue Bond, Series 2012B (non-AMT) AMT) and $225.7 million of its Airport General Revenue Bond, Series 2012C (AMT), collectively referred to as the "Series 2012 Bonds". The Series 2012 Bonds were issued to finance or refinance the costs of the acquisition, construction and installation of various terminal, concourse, and other improvements throughout the Airport that are part of the Capital Improvement Plan, to refund and redeem, together with other available Airport funds, all the amounts previously drawn and outstanding under the Series 2010A/B Commercial Paper Program, to pay interest on portions of the 2012 Bonds during construction of the various projects, to fund the increase in the Debt Service Reserve Requirement resulting from this issuance, and pay certain costs of issuance with respect to the Series 2012 Bonds.

Notes to the Financial Statements - Continued

G. Long-Term Obligations, continued

Department of Watershed Management

Summary of revenue bonds payable and GEFA notes payable at June 30, 2013 consists of the following (Dollars in thousands):

A summary of Department of Watershed Management long-term debt at June 30, 2013 is as follows (Dollars in thousands):

System Revenue Bonds	
Revenue and Refunding Revenue Bonds:	
Water and Wastewater Revenue Bonds, $1,096,140 Series 1999A, 5.00% - 5.50%, due serially and term through 2038	$ 601,440
Water and Wastewater Revenue Bonds, $415,310 Series 2001A, 4.50% - 5.50%, due serially and term through 2039	414,800
Water and Wastewater Revenue Bonds, $849,330 Series 2004, combination serial (4.125% - 5.75%) and term bonds (5.00%) through 2043	784,915
Water and Wastewater Revenue Bonds, $106,795 Series 2008, variable rate demand, due serially through 2041	106,795
Water and Wastewater Refunding Revenue Bonds, $750,000 Series 2009A, combination serial (4.00% - 5.00%) and term bonds (6.25%) through 2039	714,065
Water and Wastewater Refunding Revenue Bonds, $448,965 Series 2009B, combination serial (2.00% - 5.50%) and term bonds (5.250% - 5.375%) through 2039	447,130
	3,069,145
Deferred amounts:	
Bond issuance premiums	35,190
Bond issuance discounts	(12,799)
Total system revenue bonds	3,091,536
Georgia Environmental Facilities Authority (GEFA) Notes Payable:	
Georgia Environmental Facilities Authority (GEFA) $4,669 Loan, 3.00% due serially through 2023	2,816
Georgia Environmental Facilities Authority (GEFA) $19,006 Loan, 3.82%, due serially through 2035	16,028
Georgia Environmental Facilities Authority (GEFA) $19,034 Loan, 3.92%, due serially through 2036	16,568
Georgia Environmental Facilities Authority (GEFA) $19,021 Loan, 4.12%, due serially through 2038	17,071
Georgia Environmental Facilities Authority (GEFA) $31,216 Loan, 3.00%, due serially through 2027	26,970
Georgia Environmental Facilities Authority (GEFA) $31,053 Loan, 3.00%, due serially through 2028	27,356
Georgia Environmental Facilities Authority (GEFA) $31,409 Loan, 3.00%, due serially through 2027	27,595
Georgia Environmental Facilities Authority (GEFA) $5,500 Loan, 3.00%, due serially through 2032	5,348
Georgia Environmental Facilities Authority (GEFA) $3,000 Loan, 3.81%, due serially through 2032	2,932
Georgia Environmental Facilities Authority (GEFA) $40,000 Maximum Gross, Loan, 3.00%, due date TBD	26,145
Total GEFA notes payable	168,829
Less: Current maturities	(55,304)
Total long-term debt	$ 3,205,061

Notes to the Financial Statements - Continued

G. Long-Term Obligations, continued

The proceeds of the GEFA loans were used to finance a portion of the cost associated with the DWM Clean Water Atlanta Program (See Note IV. C. First Amended Consent Decree).

Interest Rate Exchange Agreements (SWAPs)

Department of Watershed Management (DWM) ("Department")

At June 30, 2013, the Department has two derivative instruments that are interest rate swaps referred to as Swap Three and Swap Four.

The Department entered into two interest rate swap agreements in December 2001. These swap agreements are currently associated with the Department's Water and Wastewater Revenue Bonds, Series 2004 and 2009B (Swap Three), and Series 2004 and Series 2008 (Swap Four), and have notional amounts of $328,735,000 and $105,705,000, respectively. Swap Three became effective on January 3, 2002 and will mature on November 1, 2038. Swap Four became effective on January 3, 2002 and will mature on November 1, 2041.

The fair value balances and notional amounts of derivative instruments outstanding at June 30, 2013, classified by type, and the changes in fair value of such derivative instruments for the year then ended are as follows (Dollars in thousands):

		Changes in Fair Value		Fair Value at June 30, 2013		
Swap	Cash Flow Hedges	Classifications	Amount	Classification	Amount	Notional
3	Pay-fiixed interest rate swaps	Investment income	$ 40,684	Investment	$ (99,193)	$ 328,735
4a (partial)	Pay-fiixed interest rate swaps	Investment income	4,450	Investment	(4,812)	25,265
4b (partial)	Pay-fiixed interest rate swaps	Deferred outflow	14,166	Debt	(15,323)	80,440
				Total	$ (119,328)	

The fair value of the swaps was estimated using the proprietary pricing model of an independent derivative valuation service. The net cash outflow (payments) related to these derivative instruments during fiscal year 2013 was approximately $17,255,000.

Notes to the Financial Statements - Continued

G. Long-Term Obligations, continued

Objective and Terms of Hedging Derivative Instruments - The following table displays the objective and terms of the Department's hedging derivative instrument outstanding at June 30, 2013, along with the credit rating of the associated counterparty.

Swap	Type	Objective	Notional Amount	Effective Date	Maturity Date	Terms	Counterparty Credit Rating
4b (partial)	Pay-fiixed interest rate swaps	Hedge of changes in cash flows of variable debt obligations	$ 80,440	1/3/2002	11/1/2041	Receive SIFMA Municipal Swap Index; pay 4.09%	A/A2/A

Risks

Credit Risk. Credit risk is the risk that the counterparty will not fulfill its obligations. As of June 30, 2013, the two swaps were in liability positions; therefore, the Department is not exposed to credit risks. However, should interest rates change and the fair market value of the swaps become asset positions, the Department would be exposed to credit risks.

The Department executes hedging derivatives with one counterparty, comprising 100% of the net exposure to credit risk. This one counterparty is rated A as issued by Fitch, London, A2 as issued by Moody's, New York, and A as issued by Standard & Poor's, New York.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair values of the Department's financial instruments or its cash flows. The Department is exposed to interest rate risk on its pay-fixed, receive-variable interest rate swaps. As LIBOR or the SIFMA swap index decreases, the Department's net obligation on the swap increases.

Basis Risk. Basis risk is the risk that arises when variable rates or prices of a hedging derivative instrument and a hedge item are based on different reference rates. The Department is exposed to basis risk on its pay-fixed interest rate swap hedging instruments because the variable-rate payments received by the Department on these hedging derivative instruments are based on a rate or index other than interest rates the Department pays on its hedged variable-rate debt. As of June 30, 2013, the interest rate on the Department's hedged variable-rate debt is 0.81 percent, while the SIFMA swap index rate is 0.060 percent.

Termination Risk. Termination risk is the risk that a hedging derivative instrument's unscheduled end will affect the Department's asset and liability strategy or will present the Department with potentially significant unscheduled termination payments to the counterparty. Amendments to the swap transactions, dated February 26, 2010, allow either party to terminate and cancel each of the transactions in whole or in part, on any business day, upon one business day's prior written notice to the other party.

Notes to the Financial Statements - Continued

G. Long-Term Obligations, continued

Additionally, Swap 3 contains a barrier option, which provides the counterparty the right, but not the obligation, on providing 30 calendar days notice prior to any payment date, to terminate the transaction, if the Average Rate has exceeded 7% per annum within the preceding 180 days. The Averaged Rate is defined as the arithmetic mean of the Municipal Swap Index as determined by the Calculation Agent on each reset date during the preceding 180 days.

Such termination would not require the consent of the City and no fees, payments or other amounts would be payable by either party in respect of the termination, without prejudice to any obligation to pay a scheduled payment on or prior to such early termination. Any such termination would serve to extinguish all rights or obligations of either party to the other party which would otherwise accrue or have accrued since the last payment date.

Rollover Risk. Rollover risk is the risk that a hedging instrument associated with hedgeable item does not extend to the maturity of that hedgeable item. The Department is not exposed to rollover risks because the hedging derivative instruments associated with the hedgeable debt items extend to the maturity of the hedgeable debt items.

Cancellation. On March 4, 2010, the Department terminated the agreements for Swap One and Swap Two and has made subsequent payments as scheduled through January 2013. The Department payments totaled $3,720,000 during fiscal year 2013. At June 30, 2013 no balance remained on the termination payments.

Sanitation Fund

State and federal laws and regulations require the City to place final covers on its four landfill sites when each site stops accepting waste and to perform certain maintenance and monitoring functions at the sites for 30 years after closure. The City has landfill sites at Cascade Road, Key Road, Gun Club Road, and East Confederate Road. All City landfills were certified by the State of Georgia as closed during 2001 and only post-closure care costs will be incurred in the future. Although post-closure care costs will be paid over the remaining number of post-closure years, the City accrued a liability for those costs as the landfills were accepting waste. The $16,893,000 reported as the landfill post-closure costs liability at June 30, 2013, represents the cumulative amount of post-closure costs expected to be incurred over the required 30 year monitoring period which began in 2001. These amounts are estimates calculated by the management of the City of what it would cost to perform all post-closure care. Actual costs may differ from estimates due to inflation, changes in technology or regulations. Post-closure care costs will be funded by future sanitary charges of the Sanitation Fund or from future contributions from the General Fund if necessary.

Notes to the Financial Statements - Continued

G. Long-Term Obligations, continued

Debt Service Requirements

The following summarizes the debt service requirements of long-term debt at June 30, 2013 (Dollars in thousands):

Governmental Activities

Year Ended	General Obligations		Annual Bonds		SWMA Revenue Bonds	
June 30	Principal	Interest	Principal	Interest	Principal	Interest
2014	$ 14,020	$ 8,451	$ 2,085	$ 1,217	$ 1,405	$ 703
2015	15,195	7,791	1,865	1,137	1,475	631
2016	15,590	7,079	1,955	1,059	1,550	561
2017	16,265	6,357	2,050	975	1,620	488
2018	17,215	5,585	2,150	888	1,695	405
2019-2023	92,235	14,085	13,410	2,883	7,665	717
2024-2028	15,320	504	5,965	390	-	-
	$ 185,840	$ 49,852	$ 29,480	$ 8,549	$ 15,410	$ 3,505

Year Ended	APSJFA Note Payable		Limited Obligations		Other General LT Obligations	
June 30	Principal	Interest	Principal	Interest	Principal	Interest
2014	$ 1,712	$ 414	$ 17,925	$ 27,194	$ 7,388	$ 3,905
2015	1,791	334	20,145	26,304	7,200	3,524
2016	1,875	250	21,145	25,297	7,546	3,149
2017	1,962	163	22,255	24,215	7,934	2,755
2018	2,054	71	23,405	23,089	8,275	2,337
2019-2023	-	-	134,315	96,457	23,319	7,418
2024-2028	-	-	261,295	39,433	15,498	2,333
2029-2033	-	-	62,665	12,994	32,444	-
2034-2038	-	-	26,520	2,186	-	-
	$ 9,394	$ 1,232	$ 589,670	$ 277,169	$ 109,604	$ 25,421

Business-Type Activities

Year Ended	Aviation		GA Environmental Facilities-DWM		Watershed Management		
June 30	Principal	Interest	Principal	Interest	Principal	Interest	Interest Rate Swaps, Net
2014	$ 105,585	$ 155,626	$ 4,434	$ 5,743	$ 50,870	$ 161,699	$ 17,235
2015	105,510	150,725	5,711	5,643	53,540	159,046	17,215
2016	116,900	145,545	5,898	5,456	56,415	156,191	17,193
2017	123,030	139,666	6,094	5,260	59,455	153,168	17,171
2018	129,300	133,509	6,294	5,060	62,685	149,963	17,147
2019-2023	669,085	566,422	34,722	22,046	370,340	693,179	85,346
2024-2028	764,645	389,892	77,297	15,072	466,705	579,421	76,027
2029-2033	692,385	183,980	17,787	4,034	584,825	433,207	58,366
2034-2038	215,900	62,088	10,592	829	746,920	255,172	36,504
2039-2043	137,115	16,373	-	-	568,795	61,838	10,485
2044-2048	-	-	-	-	48,595	1,245	-
	$ 3,059,455	$ 1,943,826	$ 168,829	$ 69,143	$ 3,069,145	$ 2,804,129	$ 352,689

Component Units

Year Ended	Recreation Authority		Atlanta Development Authority	
June 30	Principal	Interest	Principal	Interest
2014	$ 6,030	$ 14,810	$ 12,201	$ 8,708
2015	6,370	14,784	12,215	8,090
2016	6,770	14,788	12,820	7,455
2017	7,170	14,771	13,455	6,786
2018	7,600	14,762	5,815	6,291
2019-2023	45,335	73,625	33,630	26,004
2024-2028	57,585	70,183	41,200	16,615
2029-2033	11,210	11,574	17,865	7,864
2034-2038	-	-	16,335	2,903
	$ 148,070	$ 229,297	$ 165,536	$ 90,716

Notes to the Financial Statements - Continued

G. Long-Term Debt, continued

Defeased Debt

The City has defeased various bond issues by creating separate irrevocable trust funds. New debt was issued and the proceeds were used to purchase U.S. government securities that were placed in trust funds. The investments and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the debt has been considered defeased and therefore, removed as a liability from the City's government-wide and proprietary fund financial statements.

Below is a description of the City's defeased bonds and the outstanding balances as of June 30, 2013 (Dollars in thousands):

Description of Bonds	Date Originally Issued	Original par Amount	Redemption Call Date	Date Defeased	Maturities Defeased	Interest Rate Defeased Bonds %	Amount Defeased	Outstanding 6/30/2013
General Obligation Bonds								
1993 School Improvement	11/1/1993	94,000	12/1/2003	2/28/2001	2002-2018	5.5-5.6	81,760	42,930
1996A Various Purpose	12/1/1996	8,000	12/1/2006	5/1/2005	2008-2016	5.0	2,290	885
1997A Various Purpose	11/1/1997	8,000	12/1/2007	5/1/2005	2009-2021	5.0-5.125	2,720	1,320
1998 Various Purpose	12/1/1998	8,000	12/1/2008	5/1/2005	2012-2020	4.4-4.9	1,710	335
1999 Various Purpose	12/1/1999	8,000	12/1/2009	5/1/2005	2011-2024	5.125-5.8	2,840	2,555
2000 Various Purpose	11/1/2000	8,000	12/1/2010	5/1/2005	2013-2025	5.0-5.5	2,960	2,085
		$ 134,000					$ 94,280	$ 50,110

H. Restricted Net Position and Restricted Assets

The various bond covenants require certain restrictions of Net Position of the Department of Aviation. Restricted Net Position at June 30, 2013 are as follows (Dollars in thousands):

	Department of Aviation
Debt service and debt service reserve	$ 355,001
Capital Projects	534,521
Total	$ 889,522

Notes to the Financial Statements - Continued

H. Restricted Net Position and Restricted Assets, continued

Enterprise Funds, because of certain bond covenants, are required to establish and maintain prescribed amounts of resources that may be used only to service outstanding debt. Other assets are restricted by bond ordinances for capital purposes. The General Fund, because of covenants required by various Certificates of Participation is required to keep certain reserve balances. This includes the investment account established by the 1998 Georgia Municipal Association Certificates of Participation related to the 1998 lease pool, as discussed further in Note III. G. related to long-term obligations. Restricted assets of the enterprise funds at June 30, 2013 are as follows (Dollars in thousands):

	Department of Watershed Management	Department of Aviation	Total
Renewal and Extension Fund:			
Cash and cash equivalents	$ -	$ 34,817	$ 34,817
Other assets	-	4,661	4,661
Airport Reserve Fund:			
Cash and cash equivalents	-	5,047	5,047
Passenger Facility Charges Fund:			
Cash and cash equivalents	-	122,399	122,399
Investments	-	377,314	377,314
Other assets	-	31,675	31,675
Customer Facility Charge Fund:			
Cash and cash equivalents	-	31,852	31,852
Other assets	-	2,989	2,989
Construction Funds:			
Construction			
Cash and cash equivalents	250,710	258,008	508,718
Investments			
Sinking Fund:			
Cash and cash equivalents	158,610	332,211	490,821
Investments	89,538	22,790	112,328
Total	$ 498,858	$ 1,223,763	$ 1,722,621

Notes to the Financial Statements - Continued

IV. Other Information

A. Risk Management

General

The City purchases a variety of insurance policies, including but not limited to all risks property and specific liability policies. The City also purchases distinct and separate insurance policies for Hartsfield-Jackson Atlanta International Airport, including but not limited to property, airport owners and operators liability, and environmental liability. The policy limits are established in order to maximize potential recovery via insurance in the event of loss. Policy limits may range up to $1 billion based on exposure to loss, and policies are subject to a range of deductibles.

The City also administers an Owner Controlled Insurance Program (OCIP) that provides insurance coverage for enrolled contractors for certain construction projects at the airport. These policies include but are not limited to builders risk, general liability, workers' compensation and pollution liability.

Insurance requirements are established with contractors and consultants that do business with the City based on the scope of services and nature of the project(s). Contractors and consultants are generally required to maintain certain types of insurance coverage including but not limited to general liability, automobile liability, workers' compensation and professional liability. There has not been any material change to insurance coverage from the previous year.

Self-insurance

The City is self-insured for workers' compensation, parts of the medical and dental plan, and general claims liabilities. The City pays for such claims as they become due. These claim liabilities are accounted for in the governmental activities of the government-wide financial statements and the applicable enterprise funds.

Workers' Compensation

The City's workers' compensation liability is calculated by an outside actuary. Liabilities are reported when it is probable a loss has occurred and the amount can be reasonably estimated including amounts for claims incurred but not yet reported. The calculation of the present value of future workers' compensation liabilities, as calculated by the outside actuary, is based on a discount rate of 3.5% for 2013. The City has annual excess insurance coverage with a $5 million per occurrence retention with no annual aggregate limit.

Health and Dental Insurance

The City's medical plan under Blue Cross Blue Shield Point of Service and its dental plan under Cigna are fully self-insured. The Kaiser HMO, OHS dental access plan and Spectra vision plan are fully insured. The City's health and dental liability is calculated by an outside actuary firm. Liabilities are

Notes to the Financial Statements - Continued

A. Risk Management, continued

reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported.

Changes in the balances of claims liabilities for workers' compensation, health/dental insurance and general claims liabilities during the year ended June 30, 2013 were as follows (Dollars in thousands):

	Beginning of period liability	Period claims and changes in estimates	Claim payments	End of period liability	Payments Within One Year
Workers' compensation:					
2012	$ 39,105	$ 5,078	$ (6,050)	$ 39,310	
2013	$ 39,310	$ 2,223	$ (4,242)	$ 37,292	$ 10,274
Health and Dental claims:					
2012	$ 4,657	$ 54,084	$ (53,630)	$ 5,110	
2013	$ 5,110	$ 58,900	$ (56,860)	$ 7,150	$ 3,230
General claims liability:					
2012	$ 40,669	$ 6,933	$ (11,691)	$ 35,911	
2013	$ 35,911	$ 8,377	$ (9,490)	$ 34,798	$ 16,896

B. Employee Retirement Systems and Pension Plans

Pension Plans

The City maintains the following separately administered pension plans:

Plan Type	**Plan Name**
Agent, multiple-employer, defined benefit	The General Employees' Pension Plan
Single employer, defined benefit	Firefighters' Pension Plan
Single employer, defined benefit	Police Officers' Pension Plan
Single employer, defined contribution	General Employees' Defined Contribution Plan

The funding methods and determination of benefits payable were established by the legislative acts creating such plans, as amended, and in general, provide that the pension funds are to be accumulated from employee contributions, City contributions, and income from the investment of accumulated funds.

Notes to the Financial Statements - Continued

B. Employee Retirement Systems and Pension Plan, continued

The plans are administered by separate boards of trustees which include an appointee of the Mayor, the City's Chief Financial Officer, a member of City Council, and members elected from active and retired employees of the respective plans.

Prior to July 1, 2001, all permanent employees of the City, excluding sworn personnel of the Police and Fire Departments and including employees of the Atlanta Independent School System (the "School System") who were not covered under the Teachers Retirement System of Georgia, were eligible to participate in the General Employees' Pension Plan. Certain School System employees, employed prior to July 1, 1979, also participate in the City's General Employees' Pension Plan (the "Plan"). Unless previously enrolled in the Plan, the City has no obligation to pay any costs related to retirement benefits of employees of the School System.

Effective July 1, 2001, all new, permanent employees of the City, excluding sworn personnel of the Police and Fire Departments, are only eligible to participate in the Defined Contribution Plan. During 2002 persons employed prior to July 1, 2001 were given the option of transferring to the Defined Contribution Plan. As of December 31, 2002, employees previously participating in the General Employees' Defined Benefit Plan do not have the option of transferring to the new Defined Contribution Plan. Sworn personnel of the Police and Fire Departments are eligible to participate in the Police Officers' and Firefighters' plans, respectively.

Effective September 1, 2005, classified employees and certain non-classified employees pay grade 18 and below enrolled in the Defined Contribution Plan had a one-time option of transferring to the General Employee's Pension Plan. Classified employees and certain non-classified employees pay grade 18 and below not covered by either the Police Officers or Firefighters' Pension Plans, and hired after September 1, 2005, are required to become members of the General Employee's Pension Plan.

Complete financial statements for all Plans, except the General Employees' Defined Contribution Plan, can be obtained at the following address:

City of Atlanta
68 Mitchell Street, S.W.
Suite 1600
Atlanta, Georgia 30335

Separate financial statements have not been prepared for the General Employees' Defined Contribution Plan.

<u>Defined Benefit Plans</u>

In June 2011, the City Council approved changes to the City's three separate defined benefit plans, effective on September 1, 2011 for new hires, and November 1, 2011 for existing employees. Sworn personnel employed by the Atlanta Police Department are required to participate in the Police Officers' Pension Fund. Sworn personnel employed by the Atlanta Fire Rescue Department are

Notes to the Financial Statements - Continued

B. Employee Retirement Systems and Pension Plan, continued

required to participate in the Firefighters' Pension Fund. All non-sworn employees hired prior to July 1, 2001 regardless of payroll grade, and all non-sworn employees hired after July 1, 2001 below payroll grade 19 or its equivalent, are required to contribute to the General Employees' Pension Fund.

Beginning on November 1, 2011, all *current* employees participating in any one of the three defined benefit plans and hired before September 1, 2011, but after January 1, 1984, had an increase of 5% in their mandatory employee contributions into the Plans in which they participate. The contribution is such that the new required contribution is 12% of salary (without a designated beneficiary) or 13% of salary (with a designated beneficiary.)

Employees hired on or after September 1, 2011 who are either sworn members of the police department or the fire department, or who are below payroll grade 19 are required to participate in a hybrid defined benefit plan with a mandatory defined contribution component (see discussion below regarding Amendments to the Defined Contribution Plan). The defined benefit portion of this plan includes a 1% multiplier, the employee contribution is 8% of salary with or without beneficiary, and the retirement age increased to age 57 for participants in the Police Officers' and Firefighters' Pension Funds and to age 62 for participants in the General Employees' Pension Fund. Early Retirement Age is changed from any age (as long as vested) with penalty to age 52 for hires after September 1, 2011. Upon retirement, these participants will receive an annually calculated cost of living increase to their pension benefit that may not exceed 1% and is based upon the Consumer Price Index. Sick and vacation leave are no longer applied to retirement benefit for hires after September 1, 2011.

Beginning in fiscal year 2012, there is a cap on the maximum amount of the City's contribution to the three defined benefit pension funds measured as a percentage of payroll. The City's annual contribution to the funds may not exceed 35% of payroll of the participants in the three Plans in aggregate. In the event that this 35% cap is reached, the City will fund any overage for the first 12 month period from its reserves. For fiscal year 2013, the City's contributions were $82,710,000, while the covered payroll was $270,487,000, or 30.6%. It is expected for fiscal year 2014 the cap will not be exceeded. If an overage exits during the 12 months period which the City will fund the overage from reserve, the City's Management must agree on an alternative method to reduce the overage. If no alternative is reached, beginning in the second 12 month period, the City and the participants will equally split the cost of the overage, subject only to a provision that employee contributions may not increase more than 5%.

Notes to the Financial Statements - Continued

B. Employee Retirement Systems and Pension Plan, continued

The City's practice is to have actuarial valuations of its defined benefit pension plans performed annually by an enrolled actuary. The membership as of the latest actuarial valuation reports (July 1, 2012), in the three defined benefit plans and related current period payrolls are as follows:

	General Employees' Plan				
	City/ Employer	School System	Firefighters	Police Officers	Total
Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	3,826	2,253	992	1,402	8,473
Current active employees					
Fully vested	1,683	501	428	726	3,338
Partially vested	834	144	267	429	1,674
Not vested	642	118	154	715	1,629
	3,159	763	849	1,870	6,641
Total membership	6,985	3,016	1,841	3,272	15,114

The latest valuation reports for purposes of fiscal year 2013 funding are as of July 1, 2012 for the three Plans.

Funding Policy

The City's funding policy for its defined benefit plans is to contribute a percentage of each plan's covered employee payroll as developed in the actuarial valuation for the individual plan. Active participants are required to contribute 12% of base pay (or 13% if participant has a covered beneficiary). The City's contribution percentage is the actuarially determined amount necessary to fund plan benefits after consideration of employee contributions.

The actuarially determined annual required contribution amount is the sum of the annual normal cost (determined under the entry age normal actuarial cost method) and the amortization of the unfunded actuarial accrued liability as a level percentage of future payrolls. The amortization period for the unfunded pension liability (UAAL) is a closed 30 year period. The significant actuarial assumptions used to compute the contribution requirements are the same as those used to compute the actuarial accrued liability.

Notes to the Financial Statements - Continued

B. Employee Retirement Systems and Pension Plan, continued

The required contribution percentages, developed in the most recent actuarial valuations for the plans, to cover pension liabilities and the actual 2013 contribution amounts are (Dollars in thousands):

	General Employees' Plan			
	City/ Employer	School System	Firefighters	Police Officers
Normal cost	5.98%	14.58%	28.23%	23.48%
Amortization of the unfunded actuarial accrued liability	34.00%	183.79%	27.05%	19.23%
Total required contributions as a percentage of covered payroll	39.98%	198.37%	55.28%	42.71%
2013 actual employee contributions				
Dollar amount (in thousands)	$ 17,322	$ 1,689	$ 5,676	$ 11,157
Percent of covered payroll	12.43%	7.37%	13.26%	12.64%
2013 actual City contributions				
Dollar amount (in thousands)	$ 38,694	$ 43,013	$ 17,491	$ 26,525
Percent of covered payroll	27.76%	187.72%	40.87%	30.04%

With respect to the General Employees' Pension Plan, which is a multiple-employer plan, the Plan's separately calculated actuarially determined contributions required are displayed separately for the City's portion (as "Employer") and for the School System. The actual City and Schools contributions shown above include amounts used to fund retiree supplemental cost of living increases and other minimum benefits. These amounts are components of the City's contributions for purposes of meeting its actuarially determined funding requirements.

Annual Pension Cost

The City's annual pension cost for the year ended June 30, 2013, were as follows for the respective plans:

General Employees' Plan:	
City/Employer	$ 38,694
School System	$ 43,013
Firefighters'	$ 17,491
Police Officers'	$ 26,525

These amounts equaled the required and actual contributions for each of the respective plans.

Notes to the Financial Statements - Continued

B. Employee Retirement Systems and Pension Plan, continued

The City's annual pension cost and net pension obligation for the current year ended June 30, 2013 and each of the five preceding years were as follows (Dollars in thousands):

Plan/Period	Annual Pension Cost (APC)	Annual Required Contribution	Percentage of ARC Contributed	Net Pension Obligation
General Employees' Plan (City as Employer):				
Year Ended 6/30/08	$ 70,335	$ 69,078	101.8%	$ -
Year Ended 6/30/09	$ 69,991	$ 69,991	100%	$ -
Year Ended 6/30/10	$ 51,762	$ 51,699	100%	$ -
Year Ended 6/30/11	$ 46,068	$ 46,068	100%	$ -
Year Ended 6/30/12	$ 35,327	$ 35,327	100%	$ -
Year Ended 6/30/13	$ 38,694	$ 38,694	100%	$ -
General Employees' Plan (School System):				
Year Ended 6/30/08	$ 54,567	$ 38,582	141.0%	$ -
Year Ended 6/30/09	$ 42,005	$ 39,600	106.0%	$ -
Year Ended 6/30/10	$ 45,500	$ 43,585	104.0%	$ -
Year Ended 6/30/11	$ 47,333	$ 37,217	127.0%	$ -
Year Ended 6/30/12	$ 39,000	$ 38,830	100.0%	$ -
Year Ended 6/30/13	$ 43,013	$ 43,679	98.5%	$ -
Firefighters:				
Year Ended 6/30/08	$ 26,373	$ 26,373	100%	$ -
Year Ended 6/30/09	$ 28,752	$ 28,752	100%	$ -
Year Ended 6/30/10	$ 25,865	$ 25,865	100%	$ -
Year Ended 6/30/11	$ 24,912	$ 24,912	100%	$ -
Year Ended 6/30/12	$ 21,092	$ 21,092	100%	$ -
Year Ended 6/30/13	$ 17,491	$ 17,491	100%	$ -
Police Officers:				
Year Ended 6/30/08	$ 45,730	$ 45,730	100%	$ -
Year Ended 6/30/09	$ 44,810	$ 44,810	100%	$ -
Year Ended 6/30/10	$ 41,712	$ 41,712	100%	$ -
Year Ended 6/30/11	$ 39,135	$ 39,135	100%	$ -
Year Ended 6/30/12	$ 33,748	$ 33,748	100%	$ -
Year Ended 6/30/13	$ 26,525	$ 26,525	100%	$ -

Notes to the Financial Statements - Continued

B. Employee Retirement Systems and Pension Plan, continued

The actuarial cost method used for funding purposes and to calculate the actuarial accrued liability is the Entry Age Normal Cost Method. This method is one of the approved methods for such plans in Georgia, and provides for contributions estimated to be a level percentage of future payrolls. Effective July 1, 2011, the valuation amortization period for the UAAL changed from the 30-year open period to a closed amortization period designed to eliminate the UAAL by July 1, 2042.

Other actuarial assumptions used to perform the most recent calculation (July 1, 2012 calculations for funding purposes) are:

	General Employees' Plan			
	City as Employer	School System	Firefighters	Police Officers
Investment rate of return	8.00%	8.00%	7.75%	7.75%
Projected salary increases for inflation	4.50%	4.50%	4.00%	4.00%
Post-retirement benefit increases	3.00%	3.00%	3.00%	3.00%

The following schedule (derived from the most recent actuarial valuation reports) reflects accounting policies, liabilities, and funding provisions for the City's three plans as of June 30, 2013:

	General Employees' Plan		Firefighters	Police Officers
	City	School		
Basis of accounting	Accrual	Accrual	Accrual	Accrual
Asset Valuation Method	Market Value	Actuarial Value	Market Value	Market Value

Funded Status and Funding Progress

The following table is a summary by plan of Funding Status and Funding Progress (Dollars in thousands):

	General Employees' Plan			
	City as Employer	School System	Firefighters	Police Officers
Plan/Valuation Date	7/1/2012	7/1/2012	7/1/2012	7/1/2012
Value of Assets	$917,486	$101,273	$505,692	$733,546
Actuarial Accrued Liability (AAL)	$1,798,404	$633,672	$727,803	$1,059,362
Percentage Funded	51.0%	16.0%	69.5%	69.2%
Unfunded Accrued Liabilities	$880,918	$532,399	$222,111	$325,816
Covered Payroll	$139,393	$22,914	$42,797	$88,297
Unfunded AAL as a Percentage of Covered Payroll	632.0%	2323.0%	519.0%	369.0%

Notes to the Financial Statements - Continued

B. Employee Retirement Systems and Pension Plan, continued

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

Defined Contribution Plan

The City's General Employees' Defined Contribution Plan provides funds at retirement for employees of the City and in the event of death, provides funds for their beneficiaries, through an arrangement by which contributions are made to the Plan by employees and the City. The current contribution of the City is 6% of employee payroll.

Employees also make a mandatory pretax contribution of 6% plus have the option to contribute amounts up to the amount legally limited for retirement contributions. All modifications to the Plan, including contribution requirements, must receive the recommendations and advice from the offices of the Chief Financial Officer and the City Attorney, respectively. Each pension law modification must be adopted by at least two-thirds vote of the City Council and approved by the Mayor.

All new employees, hired after July 1, 2001, who previously would have been enrolled in the General Employees' Defined Benefit Plan, were enrolled in the General Employees' Defined Contribution Plan.

During 2002, persons employed prior to July 1, 2001 were given the option to transfer to the General Employees' Defined Contribution Plan.

Effective September 1, 2005, classified employees and certain non-classified employees pay grade 18 and below then enrolled in the General Employees' Defined Contribution Plan had the one-time option of transferring to the General Employee's Pension Plan. Classified employees and certain non-classified employees pay grade 18 and below, not covered by either the Police Officers or Firefighters' Pension Plans, hired after September 1, 2005 are required to become members of the General Employee's Pension Plan.

Amendments to Defined Contribution Plan

Employees hired on or after September 1, 2011, who are either sworn members of the police department or the fire department, or who are below payroll grade 19 or its equivalent, are required to participate in the mandatory defined contribution component which includes a mandatory employee salary contribution of 3.75% and is matched 100% by the City. Additionally, these employees may voluntarily contribute up to an additional 4.25% of salary which is also matched 100% by the City. Employees vest in the amount of the City's contributions at a rate of 20% per year and become fully vested in the City's contribution after 5 years of participation.

As of June 30, 2013, there were 1,207 participants in the General Employees' Defined Contribution Plan. The covered payroll for employees in the Plan was approximately $79,191,000. Employer contributions for the year ended June 30, 2013, were approximately $6,227,000 and employee contributions were approximately $5,982,000, totaling 15.4% of covered payroll.

Notes to the Financial Statements - Continued

B. Employee Retirement Systems and Pension Plan, continued

The General Employees' Defined Contribution Plan uses the accrual basis of accounting. Investments are reported at fair value, based on quoted market prices and there were no nongovernmental individual investments that exceeded 5% of the net position of the Plan.

Condensed financial statement information for the Defined Contribution Plan for the year ended June 30, 2013 is shown below (in thousands):

	FY 2013
Current assets:	
Cash and cash equivalents	$ 71,818
Other Assets	685
Total assets	$ 72,503
Current liabilities:	
Accounts payable	-
Accounts payable	-
Due to other funds	-
Total current liabilities	$ -
Additions:	
Employer contributions	6,226
Employee contributions	5,982
Net Investment income	5,643
Other additions	-
Total additions	17,851
Deductions:	
Benefit Payments	3,876
Administrative expenses	126
Total deductions:	4,002
Change in Net Assets held in trust for pension benefits	13,849
Net Assets held in trust for pension benefits:	
Beginning of period	58,654
End of period	$ 72,503

Post-Employment Benefits

Plan Description: The City of Atlanta Retiree Healthcare Plan (Plan) is a single-employer defined benefit healthcare plan which provides Other Post-employment Benefits (OPEB) to eligible retirees, dependents and their beneficiaries. The Plan was established by legislative acts and functions in accordance with existing City laws. OPEB of the City includes health, dental, and vision care and life insurance. Separate financial statements are not prepared for the Plan.

Notes to the Financial Statements - Continued

B. Employee Retirement Systems and Pension Plan, continued

Funding Policy: The City is not required by law or contractual agreement to provide funding for OPEB other than the pay-as-you-go amounts necessary to provide current benefits to retirees, eligible dependents and beneficiaries. For the fiscal year ended June 30, 2013, the City made $38.5 million "pay-as-you-go" payments on behalf of the Plan. Retiree contributions vary based on the plan elected, dependent coverage and Medicare eligibility. Eligible retirees receiving benefits contributed $47.7 million through their required contributions.

Annual OPEB Cost and Net OPEB Obligation: The City's annual OPEB cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined using the Projected Unit Credit Actuarial Cost Method. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years.

The following table shows the elements of the City's OPEB cost for the year, the amount actually contributed on behalf of the Plan, and changes in the City's net OPEB obligation to the Plan for the year ended June 30, 2013 (Dollars in thousands):

	June 30, 2013				
	City-Wide	**DWM**	**DOA**	**Other Business-type**	**General Government**
Annual Required Contribution	$ 99,986	$ 19,486	$ 12,606	$ 6,164	$ 61,730
Interest on Net OPEB Obligation	10,565	2,059	1,332	651	6,523
Adjustment to Annual Required Contribution	(10,565)	(2,059)	(1,332)	(651)	(6,523)
Annual OPEB Cost (expense)	99,986	19,486	12,606	6,164	61,730
"Pay As You Go" Payments Made	(38,466)	(6,720)	(4,962)	(1,929)	(24,855)
Increase in Net OPEB Obligation	61,520	12,766	7,644	4,235	36,875
Net OPEB Obligation - Beginning of Year	264,132	70,198	36,918	13,535	143,481
Net OPEB Obligation - End of Year	$ 325,652	$ 82,964	$ 44,562	$ 17,770	$ 180,356

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for the fiscal years ended June 30, 2010 - 2013 were as follows (Dollars in thousands):

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Paid	Net OPEB Obligation
June 30, 2011	$ 89,554	40.4%	$ 207,921
June 30, 2012	$ 93,711	38.5%	$ 264,132
June 30, 2013	$ 99,986	38.5%	$ 325,652

Funded Status and Funding Progress: As of June 30, 2012, the most recent actuarial valuation date, the Plan was not funded, except "pay-as-you-go" payments. The unfunded actuarial accrued liability (UAAL) for benefits was $1.48 billion. The covered payroll was $321 million, and the ratio of the UAAL to the covered payroll was 461.9%.

Notes to the Financial Statements - Continued

B. Employee Retirement Systems and Pension Plan, continued

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. The determined actuarial valuations of OPEB provided under the Plan incorporated the use of various assumptions including demographic and salary increases among others. Amounts determined regarding the funded status of the Plan and the annual required contributions of the City are subject to continual revisions as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, shown as required supplementary information following the notes to the financial statements, presents multiyear trend information on the actuarial value of plan assets relative to the actuarial accrued liability for benefits. The results of the OPEB valuation is as of June 30, 2012. Under the provisions of GASB 45 the City elected to use the June 30, 2012, actuarial report as the basis for determining the current year ARC requirement.

Actuarial Methods and Assumptions: Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of the sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the June 30, 2012, actuarial valuation, the Individual Entry Age Normal actuarial cost method was used. It is amortized as a level percent of payroll over a 25 year period and a closed amortization method. The actuarial assumptions included 4.0 percent investment rate of return (net of administrative expenses) and an annual medical cost trend rate of 8 percent initially, reduced by decrements to an ultimate trend rate of 5 percent after ten years. Both rates include a 3 percent inflation assumption. Currently there are no assets set aside that are legally held exclusively for OPEB.

Deferred Compensation Plan

The City has adopted a deferred compensation plan in accordance with the 1997 revisions of Section 457 of the Internal Revenue Code. The plan, available to all City employees, allows an employee to voluntarily defer up to 25% of his/her gross compensation, not to exceed certain limits per year. Each participant selects one of three providers to administer the investment of the deferred funds. Administrative costs of the plan are deducted from the participants' accounts. The plan assets are held in custodial accounts for the exclusive benefit of the plan participants and their beneficiaries, and are therefore not included in the City's financial statements.

C. Commitments and Contingent Liabilities

Litigation

The City is subject to various suits and proceedings arising in the ordinary conduct of its affairs and has been named as defendant in numerous lawsuits. The City has accrued amounts related to litigation

Notes to the Financial Statements - Continued

C. Commitments and Contingent Liabilities, continued

where an outcome unfavorable to the City is probable and the amount can be reasonably estimated. The City has been named as defendant in several other suits and actions claiming personal and property damages. In the opinion of the City Attorney, all suits and actions now pending, or likely to be filed, will be resolved without a material effect on the financial position of the City.

Grants from Governments

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

Construction and Commitments

At June 30, 2013, the total estimated remaining costs on committed projects are $297,700,000 for the Department of Aviation, and $303,101,000 for the Department of Watershed Management.

Encumbrances

Encumbrances are commitments to unfilled purchase orders or unfilled contracts. Funds have been committed to a specific order, but the goods or services have not been billed or received. The City has outstanding encumbrances at June 30, 2013 as follows (Dollars in thousands):

	General Fund
Contract Services	$ 3,998
Supplies	1,956
Capital	2,897
Other	14
Total	$ 8,865

Department of Aviation

In an Assignment, Assumption and Release Agreement and Claim Resolution Agreement dated February 25, 2011, the City entered into settlement agreements with Northwest and the Georgia Environmental Protection Division (EPD) to settle all claims in exchange for transfer and assumption of environmental obligations of Leased Space formerly between Northwest and the Georgia EPD.

In full and final satisfaction of the claims, the City received shares of the common stock of Delta Air Lines, Inc., as successor to Northwest Airlines Corporation, in an amount equal to a percentage of the claim as determined and allowed by the Bankruptcy Court. The City sold the shares of common stock and the proceeds are restricted for future environmental requirements of the space that may arise. As of June 30, 2013, a restricted noncurrent asset is recorded for approximately $5.0 million as a result of this settlement.

Notes to the Financial Statements - Continued

C. Commitments and Contingent Liabilities, continued

The City assumed control of the Leased Space during the first quarter 2011 and assumed control of post-closure environmental monitoring activities. From assumption of the Leased Space through June 30, 2013, the City expects to spend $116,332 for initial environmental activities related to the transfer of the site to the City. At this time, the City estimates that it will spend approximately $30,000 per year for at least the next 25 years, not including adjustments for inflation, to conduct groundwater monitoring at the Leased Space. The City's current maximum estimate involving possible environmental remediation at the site of the Leased Space is $9.3 million.

Department of Watershed Management

Other Governments

In July 1968, the City and DeKalb County, Georgia (DeKalb County) entered into an agreement (the "Clayton Agreement") providing for the construction of a 120 million gallons per day (MGD) water pollution control facility to be known as the R.M. Clayton Water Reclamation Center (the "Plant"). Pursuant to the Clayton Agreement, the City agreed to assume responsibility for the financing, construction, operation, and maintenance of the Plant. The Clayton Agreement gives DeKalb County the right to use 25 MGD, or 20.83%, of the plant capacity. The Clayton Agreement with DeKalb County was amended in 1999, to increase DeKalb County's capacity in the Plant to 50 MGD, which is 48.54% of the 103 MGD of average daily flow capacity.

In 1977, DeKalb County entered into an agreement for 2.62 MGD, or 5.82%, of the capacity rights in the South River Water Reclamation Center and 2.60 MGD, or 12.38%, of the capacity rights in the Intrenchment Creek Water Reclamation Center.

Additional capital improvements may be made to the Plants to relieve excessive flows and/or loads that impair the efficient operation of the City's sewer system, to improve existing processes, to improve the efficiency of current operations, or to comply with applicable laws. In any such event, the DWM and DeKalb County have agreed to share the costs of such capital improvements, generally upon the basis of relative sewerage flow contributed by the City and DeKalb County, respectively.

DeKalb County, Fulton County, the City of Hapeville, the City of Forest Park, the City of East Point and the City of College Park (collectively, the "Municipalities") share in the costs of the operation and maintenance of the R.M. Clayton, South River, Intrenchment Creek and Utoy Creek Water Reclamation Centers based upon the ratio that their sewerage flow bears to the total flows to the plants. The Municipalities' share of the operation and maintenance costs for the plants was $5,125,000 for the period ended June 30, 2013. These payments are treated as operating revenue for the Department of Watershed Management.

The Municipalities have agreed to share in the capital improvement costs made to certain plants with their share being based on their portion of the sewerage flow. The Municipalities' shares of the capital improvement costs was $23,077,000 for the year ended June 30, 2013. These payments are treated as non-operating revenue and are included in capital contributions. The amounts receivable from the

Notes to the Financial Statements - Continued

C. Commitments and Contingent Liabilities, continued

Municipalities is included in the amount due from other governmental units in the accompanying financial statements.

Consent Decrees for Wastewater System

The Department is subject to two related consent decrees the City entered into to resolve alleged violations of the Federal Clean Water Act and the Georgia Water Quality Control Act.

On October 10, 1995, the Upper Chattahoochee Riverkeeper Fund, Inc. (the "Riverkeeper"), brought suit against the City pursuant to the citizen suit provision of the Clean Water Act seeking injunctive relief and the assessment of civil penalties. Subsequently, the United States of America, acting at the request and on behalf of the Environment Protection Agency (EPA), and the State of Georgia, at the request of the Georgia Environmental Protection Division (EPD), also filed a complaint against the City alleging violations of the Clean Water Act and seeking similar relief. The actions were consolidated.

The plaintiffs alleged that the City violated the terms of its permits that authorize discharge of wastewater from the City's Combined Sewer Overflows (CSO) Control Facilities and its wastewater treatment facilities. In 1998, the plaintiffs and the City agreed to the entry of a consent decree relating to the CSO Control Facilities. On December 20, 1999, the First Amended Consent Decree (the "FACD") was entered with the United States District Court for the Northern District of Georgia. The United States, the State of Georgia, and the City are the parties to the FACD. Because claims brought by Riverkeeper were resolved under the CSO Consent Decree, Riverkeeper is not a party to the FACD.

CSO Consent Decree

With respect to the October 10, 1995, action brought against the City by the Riverkeeper, the court dismissed allegations regarding the phosphorus reduction program and common law nuisance claims, but found that the City violated federal and State water pollution laws with regard to the City's operation of its Tanyard Creek, Proctors Creek/North Avenue, and Proctor Creek/Greensferry CSO treatment facilities. As mentioned, the City and the citizen plaintiffs settled the lawsuit in what is referred to as the CSO Consent Decree (EPA and the EPD also joined). The CSO Consent Decree required the City to study the performance of the existing CSO treatment facilities, evaluate treatment alternatives that may be necessary for meeting State water quality standards, and improve the performance, maintenance, operation, and management of the existing treatment facilities. As of June 30, 2013, all projects required under the CSO Consent Decree were substantially complete.

First Amended Consent Decree

The FACD resolved allegations regarding the City's wastewater treatment facilities, inter-jurisdictional requirements, and the City's sewerage collection and transmission system. For the wastewater treatment facilities, the FACD requires the City to: continue its ongoing wastewater treatment facilities Capital Improvement Program to complete upgrades at the R.M. Clayton, Utoy Creek, Intrenchment Creek, and South River Water Reclamation Centers; install and implement a maintenance management

Notes to the Financial Statements - Continued

C. Commitments and Contingent Liabilities, continued

system, revise the current operations program, and implement upgrades to the current laboratory information system; and review its inter-jurisdictional agreements to address over-loading and pretreatment issues. There are milestones that must be completed on schedule. All capital improvements, upgrades, and repairs under the FACD had an original completion date of July 1, 2014. The provisions regarding the wastewater treatment facilities were completed in March 2004.

Amendment to the First Amended Consent Decree

On September 24, 2012, the court entered an amendment to the FACD. This amendment contained five changes: (1) it extended the deadlines on the work to rehabilitate and provide capacity relief in the City's sewerage collection and transmission system with the final deadline for this work under the FACD extended from 2014 to 2027; (2) it eliminated the requirement that sewer lines that were merely surcharging as opposed to overflowing be upgraded; (3) it required that the City complete one major project -- the Peachtree Creek Storage and Pump Station by July 1, 2014; (4) it required the City reassess its financial capability on July 1, 2020 and accelerate remaining projects if financial conditions substantially improve; and (5) it required the City report certain performance metrics to federal and state environmental protection agencies on a semi-annual basis as opposed to a quarterly basis. This amendment will allow the City to continue to improve the financial condition of its water and wastewater system, balance its competing system needs, and prevent a substantial increase in the burden on its ratepayers

Clean Water Atlanta Program

The City is actively seeking federal and state grants and loans and other sources of funding to perform the tasks outlined above as part of its Clean Water Atlanta (the "CWA") Program. Key elements of the comprehensive funding and financing plan include:

- Municipal Option Sales Tax (MOST) – Effective October 1, 2004, the Georgia General Assembly enacted a statute that allowed the City of Atlanta to impose a 1% sale and use tax dedicated to water and wastewater purposes subject to approval through a referendum of the voters in the City. The statute provided that the tax would be for an initial four-year term with up to two four-year extensions that were also subject to voter referendum. In 2010, the statute was amended to allow for up to three four-year extensions. The voters approved the first term in July 2004, the second term in March 2008, and the third term in February 2013. The statute allows the City to place before the voters a referendum to approve a fourth four-year term during the presidential preference primary election in 2016. The third four-year term ends on September 30, 2016. A fourth four-year term would end on September 30, 2020. Since October 1, 2004, a 1% Municipal sales and use tax has been collected for retail sales and use occurring in the incorporated city limits of Atlanta. Proceeds from this tax are specifically for funding renovations to the City's water and sewer system. Each four year term of the MOST may raise an amount of revenue not to exceed $750,000,000. Proceeds from the MOST for fiscal year 2013 were $118,751,000, of which $10,319,000 were receivable from the Georgia Department of Revenue at June 30, 2013.

Notes to the Financial Statements - Continued

C. Commitments and Contingent Liabilities, continued

- State GEFA Loans – The State of Georgia passed legislation to provide up to $50 million per year in low interest Georgia Environmental Facilities Authority (GEFA) loans to the City. The City is pursuing the maximum loan amount for each year of the CWA Program. Liabilities for these loans will be recorded at the time funds are drawn. The agreements also include loan forgiveness up to $2.25 million, contingent upon certain conditions. In fiscal year 2013, the City received $26,328,000 in GEFA funding. As of June 30, 2013, the City had $ $168,829,000 in short and long-term loans outstanding to GEFA.

- The Atlanta City Council approved annual increases to the current water and wastewater rates to support revenue bonds financing the five year portion (2008 – 2012) of the CWA Capital Improvement Program. The graduated three tiered rate structure is intended to minimize, to the extent possible, the impact of rate increases on ratepayers to maintain affordability and to permit water conservation. The fiscal year 2009-2013 rates are summarized below. In addition to the rates shown below, each water and wastewater bill includes a $.15 per 100 cubic feet security surcharge. In July 2012, the City Council approved holding the current water and wastewater rates at fiscal year 2012 levels through fiscal year 2016.

Graduated Monthly Wastewater Rate Structure:

Water Consumption	2009	2010	2011	2012	2013
Base charge	$4.63	$5.21	$5.86	$6.56	$6.56
1-3 ccf	$1.81	$2.04	$2.30	$2.58	$2.58
4-6 ccf	$3.77	$4.24	$4.77	$5.34	$5.34
Above 7 ccf	$4.35	$4.89	$5.50	$6.16	$6.16

Graduated Monthly Water Rate Structure:

Water Consumption	2009	2010	2011	2012	2013
Base charge	$4.63	$5.21	$5.86	$6.56	$6.56
1-3 ccf	$6.87	$7.73	$8.70	$9.74	$9.74
4-6 ccf	$9.63	$10.83	$12.18	$13.64	$13.64
Above 7 ccf	$11.07	$12.45	$14.01	$15.69	$15.69

Notes to the Financial Statements - Continued

C. Commitments and Contingent Liabilities, continued

Consent Orders for Drinking Water System

The City is subject to two administrative Consent Orders issued by the Georgia Department of Natural Resources Environmental Protection Division. They are dated December 9, 1997, and March 21, 2003. Those Orders require capital improvement at the Chattahoochee and Hemphill Treatment Plants, as well as operational improvement to ensure compliance with Georgia Rules for Safe Drinking water. While the City is in substantial compliance with the provisions of both Orders, certain aspects of the capital program remain to be completed.

Estimated Capital Costs to Complete Compliance with Decrees and Orders

The DWM is in the midst of a Capital Improvement Program mandated by court orders, regulatory and priority requirements. This Capital Improvement Program details all of the improvements needed through 2027 to meet the aforementioned objectives. The current cost estimate of the overall Capital Improvement Program is approximately $5.33 billion.

The following is a summary of the funded and unfunded future costs to complete projects by type based on the current estimate:

Project Types	Total 2006-2027 CIP (In Millions)
Wastewater Projects:	
CSO Consent Decree	$ 714
First Amended Decree	1,617
Regulatory	96
Renewal & Extension Fund Projects	815
Subtotal	3,242
Water Projects:	
Consent Order	80
Non-Consent Order	2,006
Subtotal	2,086
Grand total	$ 5,328

Notes to the Financial Statements - Continued

D. Subsequent Events

Department of Watershed Management

On September 12, 2013, the Department of Watershed Management issued Water and Wastewater Revenue Refunding Bonds Series 2013A and Series 2013B for $328,735,000 and $200,140,000 respectively. The Series 2013A bonds were comprised of $178,735,000 of bonds sold to the public market, and $150,000,000 of directly purchased bonds. The Series 2013A bonds were issued for the purpose of refunding a portion of the Department's outstanding Water and Wastewater Revenue Bonds, Series 1999A and Series 2001A, and to pay the costs of issuance related to the Series 2013A Bonds. The Series 2013B Bonds were issued for the purpose of refunding a portion of the Department's outstanding Water and Wastewater Revenue Bonds, Series 2001A and Series 2004, and to pay the costs of issuance related to the Series 2013B Bonds.

Required Supplementary Information

CITY OF ATLANTA, GEORGIA
Required Supplementary Information
Year Ended June 30, 2013

Schedule of Funding Progress for Pension Plans (Unaudited)
(Dollars in thousands)

Plan/Valuation Date	Value of Assets	Actuarial Accrued Liability (AAL)	Percentage Funded	Unfunded Accrued Liabilities	Current Year Covered Payroll	Unfunded AAL as a Percentage of Covered Payroll
General Employees: City as Employer						
7/1/2007	$ 749,352	$ 1,436,278	52.2%	$ 686,925	$ 155,185	442.6%
7/1/2008	$ 829,734	$ 1,483,733	55.9%	$ 653,999	$ 179,982	363.4%
7/1/2009	$ 881,009	$ 1,481,563	59.5%	$ 600,554	$ 150,312	399.5%
7/1/2010	$ 866,906	$ 1,614,267	53.7%	$ 747,361	$ 142,597	524.1%
7/1/2011	$ 868,799	$ 1,697,083	51.2%	$ 828,284	$ 135,636	610.7%
7/1/2012	$ 917,486	$ 1,798,404	51.0%	$ 880,918	$ 139,393	632.0%
General Employees: School System						
7/1/2007	$ 133,058	$ 643,302	20.7%	$ 510,244	$ 29,105	1753.1%
7/1/2008	$ 150,876	$ 655,110	23.0%	$ 504,234	$ 28,273	1783.4%
7/1/2009	$ 112,295	$ 644,788	17.4%	$ 532,493	$ 29,405	1810.9%
7/1/2010	$ 114,616	$ 669,033	17.1%	$ 554,417	$ 26,304	2107.7%
7/1/2011	$ 113,553	$ 646,444	17.6%	$ 532,891	$ 24,563	2169.5%
7/1/2012	$ 101,273	$ 633,672	16.0%	$ 532,399	$ 22,914	2323.5%
Firefighters						
1/1/2007	$ 371,456	$ 577,271	64.3%	$ 205,815	$ 45,686	450.5%
1/1/2008	$ 340,075	$ 652,816	52.1%	$ 312,741	$ 45,561	686.4%
1/1/2009	$ 408,090	$ 708,347	57.6%	$ 300,257	$ 43,275	693.8%
1/1/2010	$ 422,791	$ 699,175	60.5%	$ 276,386	$ 43,910	629.4%
1/1/2011	$ 481,640	$ 732,357	65.8%	$ 250,717	$ 42,963	583.6%
7/1/2011	$ 509,590	$ 730,535	69.8%	$ 220,945	$ 39,482	559.6%
7/1/2012	$ 505,692	$ 727,803	69.5%	$ 222,111	$ 42,797	519.0%
Police						
1/1/2007	$ 512,259	$ 850,886	60.2%	$ 338,627	$ 77,168	438.8%
1/1/2008	$ 596,457	$ 909,410	65.6%	$ 312,953	$ 84,016	372.5%
1/1/2009	$ 571,768	$ 986,376	58.0%	$ 414,608	$ 82,030	505.4%
1/1/2010	$ 591,981	$ 990,600	59.8%	$ 398,619	$ 78,520	507.7%
1/1/2011	$ 697,668	$ 1,056,240	66.1%	$ 358,572	$ 83,551	429.2%
7/1/2011	$ 735,470	$ 1,036,001	71.0%	$ 300,531	$ 73,688	407.8%
7/1/2012	$ 733,546	$ 1,059,362	69.2%	$ 325,816	$ 88,297	369.0%

Schedule of Funding Progress for OPEB
(in thousands)

Actuarial Valuation Date	Actuarial Value of Assets	AAL Projected Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	Percentage of Covered Payroll
7/1/2008	-	$ 1,085,315	$ 1,085,315	-	$ 278,039	390.3%
7/1/2010	-	$ 1,408,268	$ 1,408,268	-	$ 312,984	449.9%
7/1/2012	-	$ 1,482,842	$ 1,482,842	-	$ 321,056	461.9%

See accompanying notes to required supplementary schedules and accompanying Auditors' report

Budgetary Data

The City is required to adopt a balanced budget each year and maintains budgetary controls to ensure compliance with legal provisions of the annual appropriated budget approved by the Mayor and City Council. Annual budgets are adopted for the Major funds consisting of the General Fund, MOST fund, as well as the following non-Major funds: Community Development, Emergency Telephone System, Intergovernmental Grant, Tax Allocation Districts,

Other Special Revenue, and the Debt Service Fund with the level of legal budgetary control established by the City Council at the department level. The budgetary comparisons for these non-major funds are included in the combining statements. The Capital Projects Funds adopt project-length budgets. In preparing the budgets, the Government utilizes generally accepted accounting principles (GAAP) for all legally required budgeted funds.

The amounts of anticipated revenues and appropriated expenditures for the annual budget are controlled by the City Charter and various ordinances adopted by the City Council.

The responsibility for revenue anticipations and specified appropriations is fixed by law by the Budget Commission, which is composed of the Mayor, the Chief Financial Officer, the Chair of the City Council Finance Committee, and two other members of City Council. The Budget Commission may not anticipate in any year an amount in excess of 99% of the normal revenues of the City actually collected during the previous year (unless tax rates or fees are increased) plus any accumulated cash surplus carried forward from the previous year. Grant revenues are anticipated in the Community Development and Intergovernmental Grant Funds in the year the grant is awarded to the City, although the funds may not be received in the same year. Grant revenue is therefore not considered to be over-anticipated until the activity for which the funds were granted is completed, and actual revenues are less than anticipated revenues.

After the initial annual budget is adopted, it may be amended for interdepartmental transfers of appropriations with the approval of City Council. Intradepartmental transfers of appropriations among individual budgetary accounts may be initiated by a department head with the approval of the Chief Operating Officer, the Chair of the City Council Finance Committee, and the Chief Financial Officer.

Total appropriations for any fund may be increased if, during the year, sources of revenue become available to the City in excess of original anticipations, and these amounts are anticipated by the Budget Commission and subsequently appropriated by City Council. No such additional appropriations were required during the year ended June 30, 2013.

All appropriations, except for the General Fund's construction, bond proceed funds, and Special Revenue funds, lapse at the end of the year, but are considered during the following year's budgeting process. Contractually encumbered appropriations and certain unencumbered appropriations in the General Fund do not lapse, but are carried forward to the ensuing budget year as budgetary amendments.

During 2013, neither the General Fund nor the MOST fund had expenditures that exceeded appropriations at the fund level.

CITY OF ATLANTA, GEORGIA

General Fund
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2013
(In Thousands)

Total revenue for Original and Final, per Council approval, was $550,620
To ensure the Actual Column is consistent with the Statement of Revenues, Expenses and Changes in Fund Balance, the Original and Final Budget figures reflect the following adjustments:

Total Budget for Revenues:	$ 543,176	
less: Operating Transfer Budget	(12,546)	Reflected in other financing sources and uses, as a transfer in
less: Proceeds from sales of assets	(200)	Reflected in other financing sources and uses
less: Indirect Cost Recovery	(32,096)	Reflected as an offset to General Government expenditures
Total Revenues	$ 498,334	

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
REVENUES				
Taxes:				
Property taxes	$ 166,955	$ 166,955	$ 180,229	$ 13,274
Local option sales tax	107,000	107,000	99,872	(7,128)
Sales, public utility, alcoholic beverage, and other taxes	113,700	113,700	96,781	(16,919)
Licenses and permits	54,761	54,761	55,641	880
Intergovernmental revenues:				
State and local grants and contributions	-	-	-	-
Federal	-	-	-	-
Charges for current services	4,985	4,985	5,293	308
Fines, forfeitures, and penalties	22,266	22,266	22,202	(64)
Investment income	2,250	2,250	(312)	(2,562)
Building rentals and concessions	8,700	8,700	6,600	(2,100)
Other income	2,084	17,717	2,958	(14,759)
Fund Balance Appropriation	15,633	-	-	-
Total revenues	498,334	498,334	469,264	(29,070)
EXPENDITURES				
Current:				
General government	137,337	137,195	110,733	(26,462)
Police	168,651	168,190	159,943	(8,247)
Fire	76,810	76,232	72,730	(3,502)
Corrections	25,606	25,606	25,311	(295)
Public Works	24,964	23,906	25,515	1,609
Parks, recreation and cultural affairs	31,651	31,193	32,237	1,044
Debt Service:				
Principal payments	23,372	23,372	18,491	(4,881)
Interest payments	12,552	12,552	8,957	(3,595)
Paying agent fees	44	38	10	(28)
Total expenditures	500,987	498,284	453,927	(44,357)
Excess (deficiency) of revenues over (under) expenditures	(2,653)	50	15,337	15,287
OTHER FINANCING SOURCES (USES):				
Proceeds from sale of assets	200	200	109	(91)
Transfers in	11,650	12,546	36,457	23,911
Transfers out	(9,197)	(12,796)	(40,459)	(27,663)
Total other financial sources and uses	2,653	(50)	(3,893)	(3,843)
Excess (deficiency) of revenues over (under) expenditures	-	-	11,444	11,444
Fund balance - beginning	126,720	126,720	126,720	
Fund balance - ending	126,720	126,720	138,164	

See accompanying notes to the Auditor's report

CITY OF ATLANTA, GEORGIA

Municipal Option Sales Tax (MOST) Fund
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2013
(In Thousands)

	Municipal Option Sales Tax Fund			
	Original Budgeted Amounts	**Final Budgeted Amounts**	**Actual Amounts**	**Variance with Final Budget**
REVENUES				
Local and municipal option sales taxes	$ 113,000	$ 113,085	$ 118,751	$ 5,666
Investment Income	-	-	-	-
Other income	-	-	-	-
Total revenues	113,000	113,085	118,751	5,666
EXPENDITURES				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	113,000	113,085	118,751	5,666
OTHER FINANCING SOURCES (USES):				
Transfer out	(113,000)	(113,085)	(118,751)	(5,666)
Total other financial sources and uses	(113,000)	(113,085)	(118,751)	(5,666)
Excess of revenues and other sources over expenditures and other uses	-	-	-	-
Fund balance - beginning	-	-	-	
Fund balance - ending	$ -	$ -	$ -	

See accompanying notes to the Auditor's report

Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for specific purposes.

Community Development Fund - Established to account for the revenue and expenditures provided under the Title I of the Housing and Community Development Act of 1974 which provides for development of viable urban communities, including decent housing and suitable living environments and expansion of economic opportunities, principally for persons of low and moderate incomes.

Emergency 9-1-1 Fund - Established to account for the revenues and expenditures associated with the operation and management of the emergency 9-1-1 system.

Intergovernmental Grant Fund - Established to account for the revenues and expenditures for miscellaneous grants except for those recorded in the Department of Aviation, Water and Wastewater System Fund, and the Community Development Funds.

Tax Allocation Districts – Established by the law creating the district to account for the use of tax increments to develop a specific area. The Districts include:

Northwest Atlanta
Hollowell/M.L. King
Campbelton Road
Metropolitan Parkway
Stadum Neighborhoods

Other Special Revenue – Accounts for other restricted monies (expendable trust funds) that are classified as Special Revenue Funds. Established to account for activities in which the city acts as trustee for an individual organization, or other governmental units. These funds include:

Expendable Trust Fund
Home Investment Trust Fund
Section 108 Loan Trust
Car Rental Excise Tax Fund
Hotel/Motel Excise Tax Fund
Atlanta Housing Opportunity, Inc.

Debt Service Fund

Bond Service Fund - Established for the accumulation of resources to meet current and future debt service requirements on general long-term debt. Additionally, Tax Allocation Districts were established to account for the proceeds of bonds issued and the collection of the tax increments created for developments within the specific Districts and repayment of the bonds. The Districts include:

Atlanta Station
Westside
Princeton Lake
Eastside
Atlanta Beltline

Capital Projects Funds

Park Improvement Fund – For permanent improvements to parks, the zoo, and recreation facilities funded by an ad valorem tax levy.
Capital Project funds - For the acquisition and construction of major capital facilities other than those financed by proprietary fund and trust funds.

Special Assessment Fund – For the accumulation and expenditures of resources for various public improvements, which are financed through assessment to individual property owners.

General Government Capital Outlay Fund – Established to record the acquisition, construction or improvement of capital assets which are funded by working capital obtained from certificates of participation and funds allocated from general government resources (transfers): dedicated taxes or a combination of financing sources which are not funded by the issuance of general obligation bonds.

Solid Waste Management Authority Fund – Established to account for the revenues and expenditures associated with the operation and management of debt financings related to post closure costs of City landfills. The Solid Waste Management Authority, a blended component unit of the City, is legally separate from the City, and is governed by a board appointed by the Mayor and City Council.

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CITY OF ATLANTA, GEORGIA
Nonmajor Governmental Funds

Combining Balance Sheet
For the Year Ended June 30, 2012
(Dollars in Thousands)

	Special Revenue Funds				
	Community Development	Emergency Telephone System	Inter - governmental Grants	Tax Allocation Districts	Other Special Revenue
ASSETS					
Cash, Unrestricted	$ -	$ -	$ -	-	$ 381
Cash, Restricted	2,355	-	8,622	17,905	15,057
Equity in cash management pool	-	-	-	-	37,929
Investments	-	-	-	-	286
Receivables					
Taxes	-	-	-	2,461	4,833
Accounts	-	1,369	-	-	3,899
Due from other governmental units and agencies	1,945	-	13,562	-	1,192
Due from other funds	-	-	-	-	-
Total assets	$ 4,300	$ 1,369	$ 22,184	$ 20,366	$ 63,577
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES					
Liabilities:					
Accounts payable	$ 1,521	$ 251	$ 12,490	$ 104	$ 5,568
Accrued salaries, vacation, and compensatory pay	25	229	305	-	135
Contract retentions	61	-	371	190	22
Due to other governments	-	-	-	1	4,635
Due to other funds	2,079	15,379	6,580	40	654
Unearned revenue	525	-	9	-	99
Total liabilities	4,211	15,859	19,755	335	11,113
Deferred inflows of resources					
Deferred inflows of property taxes	-	-	-	2,093	329
Total liabilities and deferred inflows of resources	4,211	15,859	19,755	2,428	11,442
Fund balances:					
Nonspendable	-	-	-	-	-
Restricted	89	-	2,429	17,938	52,135
Assigned	-	-	-	-	-
Unassigned	-	(14,490)	-	-	-
Total fund balances	89	(14,490)	2,429	17,938	52,135
Total liabilities, deferred inflows, and fund balances	$ 4,300	$ 1,369	$ 22,184	$ 20,366	$ 63,577

See accompanying independent auditors report

Debt Service Fund		Capital Projects Funds					
Bond Service Fund	Tax Allocation Districts	Park Improvement	Capital Project	Special Assessment	General Governmental Capital Outlay	Solid Waste Management Authority	**Total Nonmajor Governmental Funds**
$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ 381**
62,291	230,720	-	22,042	-	26,703	2,652	**388,347**
-	-	7,536	710	2,713	-	-	**48,888**
-	-	-	-	-	-	-	**286**
2,082	5,422	666	-	-	-	-	**15,464**
84	1,159	35	-	12	-	-	**6,558**
-	-	-	-	-	-	-	**16,699**
4	-	-	-	-	-	-	**4**
$ 64,461	$ 237,301	$ 8,237	$ 22,752	$ 2,725	$ 26,703	$ 2,652	**$ 476,627**
$ -	$ 1,080	$ 655	$ 4,126	$ -	$ 496	$ 21	**$ 26,312**
-	-	45		-	1	-	**740**
-	-	3	854	-	41	-	**1,542**
-	5,657	-	-	-	-	-	**10,293**
-	572	-	8,185	-	26	46	**33,561**
-	-	-	-	-	-	-	**633**
-	7,309	703	13,165	-	564	67	**73,081**
1,965	4,540	608	-	-	-	-	**9,535**
1,965	11,849	1,311	13,165	-	564	67	**82,616**
-	-	-	-	-	-	-	**-**
62,496	225,452	6,926	9,587	2,725	26,139	2,585	**408,501**
-	-	-	-	-	-	-	**-**
-	-	-	-	-	-	-	**(14,490)**
62,496	225,452	6,926	9,587	2,725	26,139	2,585	**394,011**
$ 64,461	$ 237,301	$ 8,237	$ 22,752	$ 2,725	$ 26,703	$ 2,652	**$ 476,627**

See accompanying independent auditors report

CITY OF ATLANTA, GEORGIA
Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2013
(Dollars in Thousands)

	Special Revenue Funds				
	Community Development	Emergency Telephone System	Inter - governmental Grants	Tax Allocation Districts	Other Special Revenue
Revenues:					
Property taxes	$ -	$ -	$ -	3,348	-
Other taxes	-	-	-	-	$ 56,618
Licenses and Permits	-	-	-	-	832
Charges for current services	-	9,868	-	-	5,124
Building rentals and concession	-	-	-	-	800
Fines, forfeitures and penalties	-	-	-	-	2,091
Investment income	-	-	3	31	(18)
Intergovernmental revenues:					
U.S. Government grants	12,440	-	37,139	-	3,699
State and local governments	1,933	-	16,440	-	4,006
Total intergovernmental revenues	14,373	-	53,579	-	7,705
Other	-	-	2,160	-	4,157
Total revenues	14,373	9,868	55,742	3,379	77,309
Expenditures:					
Current:					
General government:					
Executive Offices	2,577	-	20,776	2,785	693
City Council	-	-	-	-	5
Nondepartmental	1	225	-	855	44,866
Courts and judicial agencies	30	-	101	-	61
Finance	1,784	-	498	-	633
Housing, planning and development	8,697	-	7,071	-	5,273
Total general government	13,089	225	28,446	3,640	51,531
Police	51	14,459	13,126	-	4,691
Fire	-	-	4,749	-	-
Corrections	-	-	-	-	3,158
Public Works	407	-	6,732	-	2,285
Parks, Recreation, and Cultural Affairs	2,295	-	643	-	4,493
Debt service:					
Principal payments	710	-	-	-	1,187
Interest payments	171	-	-	-	1,647
Paying agent fees	-	-	-	-	-
Total debt service	881	-	-	-	2,834
Total expenditures	16,723	14,684	53,696	3,640	68,992
Excess (Deficiency) of revenues over (under) expenditures	(2,350)	(4,816)	2,046	(261)	8,317
Other financing sources (uses):					
Transfers in	171	12,775	493	-	497
Transfers out	-	-	(171)	-	(13,700)
Proceeds of capital leases	-	-	-	-	-
Proceeds of sales of capital assets	-	-	-	-	14
Total other financing sources (uses)	171	12,775	322	-	(13,189)
Net change in fund balances	(2,179)	7,959	2,368	(261)	(4,872)
Fund balances, beginning of period	2,268	(22,449)	61	18,199	57,007
Fund balances, end of period	$ 89	$ (14,490)	$ 2,429	$ 17,938	$ 52,135

See accompanying independent auditors report

Debt Service Funds		Capital Projects Funds					
Bond Service Fund	Tax Allocation Districts	Park Improvement	Capital Projects Funds	Special Assessment	General Governmental Capital Outlay	Solid Waste Management Authority	**Totals**
$ 27,053	$ 58,606	$ 8,683	$ -	$ -	$ -	$ -	**$ 97,690**
2,027	-	801	-	-	-	-	**$ 59,446**
-	-	-	-	-	-	-	**832**
-	-	-	-	91	3,528	-	**18,611**
-	-	-	-	-	-	-	**800**
-	-	-	-	-	-	-	**2,091**
107	810	14	16	-	44	4	**1,011**
-	-	-	-	-	-	-	**53,278**
-	-	-	-	-	-	-	**22,379**
-	-	-	-	-	-	-	**75,657**
-	-	-	106	-	4	-	**6,427**
29,187	59,416	9,498	122	91	3,576	4	**262,565**
-	-	-	426	-	-	-	**27,257**
-	-	-	-	-	-	-	**5**
102	12,620	124	3,017	-	-	1	**61,811**
-	-	-	-	-	-	-	**192**
-	461	-	-	-	-	1	**3,377**
-	-	-	-	-	36	-	**21,077**
102	13,081	124	3,443	-	36	2	**113,719**
-	-	-	2,147	-	600	-	**35,074**
-	-	-	4,700	-	299	-	**9,748**
-	-	-	734	-	-	-	**3,892**
-	22	-	2,987	-	1,483	85	**14,001**
-	-	5,961	2,210	-	1,342	-	**16,944**
15,360	20,145	2,720	-	-	-	1,335	**41,457**
10,376	18,724	3,697	67	-	-	772	**35,454**
3	18	1	-	-	-	2	**24**
25,739	38,887	6,418	67	-	-	2,109	**76,935**
25,841	51,990	12,503	16,288	-	3,760	2,196	**270,313**
3,346	7,426	(3,005)	(16,166)	91	(184)	(2,192)	**(7,748)**
-	-	-	6,147	-	-	2,110	**22,193**
-	-	-	-	-	-	-	**(13,871)**
-	-	-	2,198	-	-	-	**2,198**
-	-	-	-	-	-	-	**14**
-	-	-	8,345	-	-	2,110	**10,534**
3,346	7,426	(3,005)	(7,821)	91	(184)	(82)	**2,786**
59,150	218,026	9,931	17,408	2,634	26,323	2,667	**391,225**
$ 62,496	$ 225,452	$ 6,926	$ 9,587	$ 2,725	$ 26,139	$ 2,585	**$ 394,011**

See accompanying independent auditors report

CITY OF ATLANTA, GEORGIA

Nonmajor Governmental Funds - Tax Allocation Districts

Combining Balance Sheet
For the Year Ended June 30, 2013
(Dollars in Thousands)

	Special Revenue Funds						Debt Service Funds					
	NW Atlanta	Hollowell/ M.L.King	Campbellton Road	Metropolitan Parkway	Stadium Neighborhoods	**Total**	Atlantic Station	Westside	Princeton Lake	Eastside	Atlanta Beltline	**Total**
ASSETS												
Cash, Restricted	$ 12,272	$ 1,863	$ 2,451	$ 1,223	$ 96	**$ 17,905**	$ 31,894	$ 106,667	$ 4,781	$ 62,502	$ 24,876	**230,720**
Receivables												
Taxes	1,972	315	122	42	10	**2,461**	194	2,297	44	832	2,055	**5,422**
Accounts	-	-	-	-	-	**-**	224	-	-	76	859	**1,159**
Total assets	$ 14,244	$ 2,178	$ 2,573	$ 1,265	$ 106	**$ 20,366**	$ 32,312	$ 108,964	$ 4,825	$ 63,410	$ 27,790	**$ 237,301**
LIABILITIES AND FUND BALANCES												
Liabilities:												
Accounts payable	$ 77	$ 1	$ 3	$ 22	$ 1	**$ 104**	$ 3	$ 25	$ -	$ 8	$ 1,044	**$ 1,080**
Contract retentions	190	-	-	-	-	**190**	-	-	-	-	-	**-**
Due to other governments	-	1	-	-	-	**1**	1,098	24	-	3,503	1,032	**5,657**
Due to other funds	5	7	7	15	6	**40**	16	123	-	47	386	**572**
Total liabilities	272	9	10	37	7	**335**	1,117	172	-	3,558	2,462	**7,309**
Deferred inflows of resources												
Deferred inflows of property taxes	1,627	296	119	41	10	**2,093**	192	2,044	41	672	1,591	**4,540**
Total liabilities and deferred inflows of resources	1,899	305	129	78	17	**2,428**	1,309	2,216	41	4,230	4,053	**11,849**
Fund balances:												
Nonspendable	-	-	-	-	-	**-**	-	-	-	-	-	**-**
Restricted	12,345	1,873	2,444	1,187	89	**17,938**	31,003	106,748	4,784	59,180	23,737	**225,452**
Committed	-	-	-	-	-	**-**	-	-	-	-	-	**-**
Assigned	-	-	-	-	-	**-**	-	-	-	-	-	**-**
Unassigned	-	-	-	-	-	**-**	-	-	-	-	-	**-**
Total fund balances	12,345	1,873	2,444	1,187	89	**17,938**	31,003	106,748	4,784	59,180	23,737	**225,452**
Total liabilities and fund balances	$ 14,244	$ 2,178	$ 2,573	$ 1,265	$ 106	**$ 20,366**	$ 32,312	$ 108,964	$ 4,825	$ 63,410	$ 27,790	**237,301**

See accompanying independent auditors report

CITY OF ATLANTA, GEORGIA
Nonmajor Governmental Funds - Tax Allocation Districts

Combining Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2013
(Dollars in Thousands)

	Special Revenue Funds						Debt Service Funds					
	NW Atlanta	Hollowell/ M.L.King	Campbellton Road	Metropolitan Parkway	Stadium Neighborhoods	**Total**	Atlantic Station	Westside	Princeton Lake	Eastside	Atlanta Beltline	**Total**
Revenues:												
Property taxes	$ 2,512	$ 344	$ 321	$ 170	$ 1	**$ 3,348**	$ 14,205	$ 13,696	$ 1,704	$ 10,665	$ 18,336	**$ 58,606**
Investment income	22	3	4	2	-	**31**	434	119	4	231	22	**810**
Total revenues	2,534	347	325	172	1	**3,379**	14,639	13,815	1,708	10,896	18,358	**59,416**
Expenditures:												
Current:												
General government:												
Executive Offices	2,785	-	-	-	-	**2,785**	-	-	-	-	-	-
General government	483	77	78	139	78	**855**	140	751	48	254	11,427	**12,620**
Finance	-	-	-	-	-	**-**	-	272	-	189	-	**461**
General government	3,268	77	78	139	78	**3,640**	140	1,023	48	443	11,427	**13,081**
Police	-	-	-	-	-	**-**	-	-	-	-	-	-
Fire	-	-	-	-	-	**-**	-	-	-	-	-	-
Corrections	-	-	-	-	-	**-**	-	-	-	-	-	-
Public Works	-	-	-	-	-	**-**	-	22	-	-	-	**22**
Parks, Recreation, and Cultural Affairs	-	-	-	-	-	**-**	-	-	-	-	-	-
Capital Outlays	-	-	-	-	-	**-**	-	-	-	-	-	-
Debt service:												
Principal payments	-	-	-	-	-	**-**	12,330	4,560	-	1,420	1,835	**20,145**
Interest payments	-	-	-	-	-	**-**	8,452	1,519	725	2,365	5,663	**18,724**
Paying agent fees	-	-	-	-	-	**-**	6	8	-	1	3	**18**
Total debt service	-	-	-	-	-	**-**	20,788	6,087	725	3,786	7,501	**38,887**
Total expenditures	3,268	77	78	139	78	**3,640**	20,928	7,132	773	4,229	18,928	**51,990**
Excess (Deficiency) of revenues over (under) expenditures	(734)	270	247	33	(77)	**(261)**	(6,289)	6,683	935	6,667	(570)	**7,426**
Other financing sources (uses):												
Transfers in (out)	-	-	-	-	-	**-**	-	-	-	-	-	-
Total other financing sources	-	-	-	-	-	**-**	-	-	-	-	-	-
Net change in fund balances	(734)	270	247	33	(77)	**(261)**	(6,289)	6,683	935	6,667	(570)	**7,426**
Fund balances, beginning of period	13,079	1,603	2,197	1,154	166	**18,199**	37,292	100,065	3,849	52,513	24,307	**218,026**
Fund balances, end of period	$ 12,345	$ 1,873	$ 2,444	$ 1,187	$ 89	**$ 17,938**	$ 31,003	$ 106,748	$ 4,784	$ 59,180	$ 23,737	**$ 225,452**

See accompanying independent auditors report

CITY OF ATLANTA, GEORGIA
Nonmajor Governmental Funds

Combining Balance Sheet
For the Year Ended June 30, 2013
(Dollars in Thousands)

	Other Special Revenue Funds						
	Expendable Trust	Home Investment Partnership	Section 108 Loan Trust	Car Rental Excise Tax	Hotel/Motel Excise Tax	Affordable Housing	**Total Other Special Revenue**
ASSETS							
Cash	$ -	$ -	$ -	$ -	$ -	$ 381	**$ 381**
Cash, restricted	4,722	1,684	5,229	-	-	3,422	**15,057**
Equity in cash management pool	37,833	-	-	96	-	-	**37,929**
Investments	286	-	-	-	-	-	**286**
Receivables						-	**-**
Taxes	-	-	-	-	4,833	-	**4,833**
Accounts	169	-	-	-	-	3,730	**3,899**
Due from other governmental units and agencies	76	105	1,011	-	-	-	**1,192**
Due from other funds	-	-	-	-	-	-	**-**
Total assets	$ 43,086	$ 1,789	$ 6,240	$ 96	$ 4,833	$ 7,533	**$ 63,577**
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	$ 5,101	$ 455	$ 12	$ -	$ -	$ -	**$ 5,568**
Accrued salaries, vacation, and compensatory pay	129	6	-	-	-	-	**-** **135**
Contract retentions	22	-	-	-	-	-	**22**
Due to other governments	-	-	-	96	4,539	-	**4,635**
Due to other funds	-	272	88	-	294	-	**654**
Unearned revenues	17	82	-	-	-	-	**99**
Total liabilities	5,269	815	100	96	4,833	-	**11,113**
Deferred inflows of resources							
Deferred inflows of property taxes	329	-	-	-	-	-	**329**
Total liabilities and deferred inflows of resources	5,598	815	100	96	4,833	-	**11,442**
Fund balances:							
Nonspendable	-	-	-	-	-	-	-
Restricted	37,488	974	6,140	-	-	7,533	**52,135**
Committed	-	-	-	-	-	-	**-**
Assigned	-	-	-	-	-	-	**-**
Unassigned	-	-	-	-	-	-	**-**
Total fund balances	37,488	974	6,140	-	-	7,533	**52,135**
Total liabilities and fund balances	$ 43,086	$ 1,789	$ 6,240	$ 96	$ 4,833	$ 7,533	**$ 63,577**

See accompanying independent auditors report

CITY OF ATLANTA, GEORGIA
Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2013
(Dollars in Thousands)

	Other Special Revenue Funds						
	Expendable Trust	Home Investment Partnership	Section 108 Loan Trust	Car Rental Excise Tax	Hotel/Motel Excise Tax	Affordable Housing	**Total Other Special Revenue**
Revenues:							
Other taxes	$ 1,235	$ -	$ -	$ 964	$ 54,419	$ -	**$ 56,618**
Licenses and Permits	832	-	-	-	-	-	**832**
Charges for current services	2,151	-	-	-	-	2,973	**5,124**
Building rentals and concession	800	-	-	-	-	-	**800**
Fines, forfeitures and penalties	2,091	-	-	-	-	-	**2,091**
Investment income	(36)	-	3	-	-	15	**(18)**
Intergovernmental revenues:							**-**
U.S. Government grants	-	3,699	-	-	-	-	**3,699**
State and local governments	4,006	-	-	-	-	-	**4,006**
Total intergovernmental revenues	4,006	3,699	-	-	-	-	**7,705**
Other	4,157	-	-	-	-	-	**4,157**
Total revenues	15,236	3,699	3	964	54,419	2,988	**77,309**
Expenditures:							
Current:							
General government:							
Executive Offices	428	265	-	-	-	-	**693**
Personnel and human services	-	-	-	-	-	-	**-**
City Council	5	-	-	-	-	-	**5**
Nondepartmental	2,632	-	-	964	40,890	380	**44,866**
Courts and judicial agencies	61	-	-	-	-	-	**61**
Finance	34	-	599	-	-	-	**633**
Housing, planning and development	1,821	3,371	81	-	-	-	**5,273**
General government	4,981	3,636	680	964	40,890	380	**51,531**
Police	4,691	-	-	-	-	-	**4,691**
Fire	-	-	-	-	-	-	**-**
Corrections	3,158	-	-	-	-	-	**3,158**
Public Works	2,285	-	-	-	-	-	**2,285**
Parks, Recreation, and Cultural Affairs	4,493	-	-	-	-	-	**4,493**
Debt service:							
Principal payments	-	-	-	-	-	1,187	**1,187**
Interest payments	-	-	-	-	-	1,647	**1,647**
Total debt service	-	-	-	-	-	2,834	**2,834**
Total expenditures	19,608	3,636	680	964	40,890	3,214	**68,992**
Excess (Deficiency) of revenues over (under) expenditures	(4,372)	63	(677)	-	13,529	(226)	**8,317**
Other financing sources (uses):							
Transfers in	86	411	-	-	-	-	**497**
Transfers out	-	-	(171)	-	(13,529)	-	**(13,700)**
Proceeds from sale of capital assets	14	-				-	**14**
Total other financing sources (uses)	100	411	(171)	-	(13,529)	-	**(13,189)**
Net changes in fund balances	(4,272)	474	(848)	-	-	(226)	**(4,872)**
Fund balances, beginning of period	41,760	500	6,988	-	-	7,759	**57,007**
Fund balances, end of period	$ 37,488	$ 974	$ 6,140	$ -	$ -	$ 7,533	**$ 52,135**

See accompanying independent auditors report

CITY OF ATLANTA, GEORGIA

Nonmajor Governmental Funds
Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2013
(Dollars in Thousands)

	Community Development Fund			
	Original Budgeted Amounts	**Final Budgeted Amounts**	**Actual Amounts**	**Variance with Final Budget**
REVENUES				
Intergovernmental revenues-				
U.S. government grants	$ 24,580	$ 34,128	$ 12,440	$ (21,688)
State of Georgia grants	-	-	1,933	1,933
Total revenues	24,580	34,128	14,373	(19,755)
EXPENDITURES				
Current:				
General government:				
Executive offices	1,847	4,064	2,577	(1,487)
Nondepartmental expenditures			1	1
Courts and judicial agencies	28	53	30	(23)
Finance	7,959	10,001	1,784	(8,217)
Planning and community development	11,099	14,051	8,697	(5,354)
Total general government	20,933	28,169	13,089	(15,080)
Public safety:				
Fire	37	37	-	(37)
Police		200	51	(149)
Corrections	8	9	-	(9)
Total public safety	45	246	51	(195)
Public works	248	548	407	(141)
Parks, recreation, and cultural affairs	3,354	5,165	2,295	(2,870)
Debt Service:				
Bond principal payments	-	-	710	710
Interest on Bonds	-	-	171	171
Total expenditures	24,580	34,128	16,723	(17,405)
Excess (deficiency) of revenues over (under) expenditures	-	-	(2,350)	(2,350)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	171	171
Excess (deficiency) of revenues over (under) expenditures	-	-	(2,179)	(2,179)
Fund balance - beginning	2,268	2,268	2,268	
Fund balance - ending	$ 2,268	$ 2,268	$ 89	

CITY OF ATLANTA, GEORGIA

Nonmajor Governmental Funds
Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2013
(Dollars in Thousands)

	Emergency Telephone System Fund			
	Original Budgeted Amounts	**Final Budgeted Amounts**	**Actual Amounts**	**Variance with Final Budget**
REVENUES				
Other Revenue	$ 5,623	$ 5,623		$ (5,623)
Charges for Services	10,300	10,300	$ 9,868	(432)
Total revenues	15,923	15,923	9,868	(6,055)
EXPENDITURES				
Current:				
Police Services	15,501	15,501	14,459	(1,042)
Nondepartmental	422	422	225	(197)
Total expenditures	15,923	15,923	14,684	(1,239)
Excess (deficiency) of revenues over (under) expenditures	-	-	(4,816)	(4,816)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	12,775	12,775
	-	-	12,775	12,775
Excess (deficiency) of revenues over (under) expenditures	-	-	7,959	7,959
Fund balance - beginning	(22,449)	(22,449)	(22,449)	
Fund balance - ending	$ (22,449)	$ (22,449)	$ (14,490)	

CITY OF ATLANTA, GEORGIA

Nonmajor Governmental Funds
Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2013
(Dollars in Thousands)

	Intergovernmental Grant Fund			
	Original Budgeted Amounts	**Final Budgeted Amounts**	**Actual Amounts**	**Variance with Final Budget**
REVENUES				
Investment income	$ -	$ -	$ 3	$ 3
Intergovernmental revenues				
U.S. Government grants	61,327	79,426	37,139	$ (42,287)
State of Georgia grants	34,792	46,179	16,440	(29,739)
Other	-	-	2,160	2,160
Total revenues	96,119	125,605	55,742	(69,863)
EXPENDITURES				
Current:				
General government:				
Executive offices	42,718	52,362	20,776	(31,586)
City Council	4	-	-	-
Courts and judicial agencies	361	165	101	(64)
Nondepartmental	-	-	-	-
Finance	1,338	1,550	498	(1,052)
Planning and community development	10,172	18,929	7,071	(11,858)
Total general government	54,593	73,006	28,446	(44,560)
Public safety:				
Police	17,622	22,807	13,126	(9,681)
Fire	6,319	7,068	4,749	(2,319)
Corrections	1	1	-	(1)
Total public safety	23,942	29,876	17,875	(12,001)
Public works	22,102	27,346	6,732	(20,614)
Parks, recreation, and cultural affairs	842	1,385	643	(742)
Debt Service:				
Bond principal payments	-	-	-	-
Total expenditures	101,479	131,613	53,696	(77,917)
Excess (deficiency) of revenues over (under) expenditures	(5,360)	(6,008)	2,046	8,054
OTHER FINANCING SOURCES (USES):				
Transfers in	5,360	6,008	493	(5,515)
Transfers out	-	-	(171)	(171)
Total other financial sources and uses	5,360	6,008	322	(5,515)
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	-	2,368	2,539
Fund balance - beginning	61	61	61	
Fund balance - ending	$ 61	$ 61	$ 2,429	

CITY OF ATLANTA, GEORGIA

Nonmajor Governmental Funds
Tad Allocation Districts - Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2013
(Dollars in Thousands)

	NW Atlanta Fund			
	Original Budgeted Amounts	**Final Budgeted Amounts**	**Actual Amounts**	**Variance with Final Budget**
REVENUES				
Taxes				
Taxes, Current Property Increment	$ 2,662	$ 2,662	$ 2,512	$ (150)
Investment income	-	-	22	22
Other Revenues	11,513	11,513	-	(11,513)
Total revenues	14,175	14,175	2,534	(11,641)
EXPENDITURES				
Current:				
Executive offices	6,375	10,581	2,785	(7,796)
General government	7,800	3,594	483	(3,111)
Total expenditures	14,175	14,175	3,268	(10,907)
Excess (deficiency) of revenues over (under) expenditures	-	-	(734)	(734)
Fund balance - beginning	13,079	13,079	13,079	
Fund balance - ending	$ 13,079	$ 13,079	$ 12,345	

CITY OF ATLANTA, GEORGIA

Nonmajor Governmental Funds
Tad Allocation Districts - Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2013
(Dollars in Thousands)

	Hollowell -Martin Luther King Dr. Fund			
	Original Budgeted Amounts	**Final Budgeted Amounts**	**Actual Amounts**	**Variance with Final Budget**
REVENUES				
Taxes				
Taxes, Current Property Increment	$ 425	$ 425	$ 344	$ (81)
Investment income	-	-	3	3
Other Revenues	1,514	1,514	-	(1,514)
Total revenues	1,939	1,939	347	(1,592)
EXPENDITURES				
Current:				
Planning and Community Development	-	-	-	-
Nondepartmental	1,939	1,939	77	(1,862)
Total expenditures	1,939	1,939	77	(1,862)
Excess (deficiency) of revenues over under expenditures	-	-	270	270
Fund balance - beginning	1,603	1,603	1,603	
Fund balance - ending	$ 1,603	$ 1,603	$ 1,873	

CITY OF ATLANTA, GEORGIA

Nonmajor Governmental Funds
Tad Allocation Districts - Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
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(Dollars in Thousands)

	Campbellton Road Fund			
	Original Budgeted Amounts	**Final Budgeted Amounts**	**Actual Amounts**	**Variance with Final Budget**
REVENUES				
Taxes				
Taxes, Current Property Increment	$ 382	$ 382	$ 321	$ (61)
Investment income	-	-	4	4
Other Revenues	2,140	2,140	-	(2,140)
Total revenues	2,522	2,522	325	(2,197)
EXPENDITURES				
Current:				
Nondepartmental	2,522	2,522	78	2,444
Total expenditures	2,522	2,522	78	(2,444)
Excess (deficiency) of revenues over under expenditures	-	-	247	247
Fund balance - beginning	2,197	2,197	2,197	
Fund balance - ending	$ 2,197	$ 2,197	$ 2,444	

CITY OF ATLANTA, GEORGIA

Nonmajor Governmental Funds
Tad Allocation Districts - Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2013
(Dollars in Thousands)

	Metropolitan Parkway Fund			
	Original Budgeted Amounts	**Final Budgeted Amounts**	**Actual Amounts**	**Variance with Final Budget**
REVENUES				
Taxes				
Taxes, Current Property Increment	$ 155	$ 155	$ 170	$ 15
Investment income	-	-	2	2
Other Revenues	1,142	1,142	-	(1,142)
Total revenues	1,297	1,297	172	(1,125)
EXPENDITURES				
Current:				
Nondepartmental	1,297	1,297	139	(1,158)
Total expenditures	1,297	1,297	139	(1,158)
Excess (deficiency) of revenues over under expenditures	-	-	33	33
Fund balance - beginning	1,154	1,154	1,154	
Fund balance - ending	$ 1,154	$ 1,154	$ 1,187	

CITY OF ATLANTA, GEORGIA

Nonmajor Governmental Funds
Tad Allocation Districts - Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2013
(Dollars in Thousands)

	Stadium Neighborhoods Fund			
	Original Budgeted Amounts	**Final Budgeted Amounts**	**Actual Amounts**	**Variance with Final Budget**
REVENUES				
Taxes				
Taxes, Current Property Increment	$ -	$ -	$ 1	$ 1
Other Revenues	172	172	-	(172)
Total revenues	172	172	1	(171)
EXPENDITURES				
Current:				
Nondepartmental	172	172	78	(94)
Total expenditures	172	172	78	(94)
Excess (deficiency) of revenues over under expenditures	-	-	(77)	(77)
Fund balance - beginning	166	166	166	
Fund balance - ending	$ 166	$ 166	$ 89	

CITY OF ATLANTA, GEORGIA

Nonmajor Governmental Funds
Tad Allocation Districts - Debt Services Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
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(Dollars in Thousands)

	Atlantic Station Fund			
	Original Budgeted Amounts	**Final Budgeted Amounts**	**Actual Amounts**	**Variance with Final Budget**
REVENUES				
Taxes				
Taxes, Current Property Increment	15,168	15,168	14,205	(963)
Investment income	388	388	434	46
Other Revenue	28,373	28,373	-	(28,373)
Total revenues	43,929	43,929	14,639	(29,290)
EXPENDITURES				
Current:				
General government:	-	21	140	119
Nondepartmental	22,409	22,388	-	(22,388)
Debt Service:				
Bond principal payments	12,940	12,940	12,330	(610)
Interest payments	8,571	8,571	8,452	(119)
Paying agent fees	9	9	6	(3)
Total expenditures	43,929	43,929	20,928	(23,001)
Excess (deficiency) of revenues over (under) expenditures	-	-	(6,289)	(6,289)
Fund balance - beginning	37,292	37,292	37,292	
Fund balance - ending	$ 37,292	$ 37,292	$ 31,003	

CITY OF ATLANTA, GEORGIA

Nonmajor Governmental Funds

Tad Allocation Districts - Debt Services Funds

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

For the Year Ended June 30, 2013

(Dollars in Thousands)

	Westside Fund			
	Original Budgeted Amounts	**Final Budgeted Amounts**	**Actual Amounts**	**Variance with Final Budget**
REVENUES				
Taxes				
Taxes, Current Property Increment	$ 12,995	$ 12,995	$ 13,696	$ 701
Investment income	-	-	119	119
Other Revenues	99,294	99,294	-	(99,294)
Total revenues	112,289	112,289	13,815	(98,474)
EXPENDITURES				
Current:				
Executive offices	66,615	66,615	751	(65,864)
Finance	36,637	36,637	272	(36,365)
Public Works	378	378	22	(356)
Debt Service:				
Bond principal payments	4,560	4,560	4,560	-
Interest payments	4,081	4,081	1,519	(2,562)
Paying agent fees	18	18	8	(10)
Total debt service	8,659	8,659	6,087	(2,572)
Total expenditures	112,289	112,289	7,132	(105,157)
Excess (deficiency) of revenues over (under) expenditures	-	-	6,683	6,683
Fund balance - beginning	100,065	100,065	100,065	
Fund balance - ending	$ 100,065	$ 100,065	$ 106,748	

CITY OF ATLANTA, GEORGIA

Nonmajor Governmental Funds
Tad Allocation Districts - Debt Services Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2013
(Dollars in Thousands)

	Princeton Lakes Fund			
	Original Budgeted Amounts	**Final Budgeted Amounts**	**Actual Amounts**	**Variance with Final Budget**
REVENUES				
Taxes				
Taxes, Current Property Increment	$ 1,726	$ 1,726	$ 1,704	$ (22)
Investment income	-	-	4	4
Other Revenues	3,839	3,839	-	(3,839)
Total revenues	5,565	5,565	1,708	(3,857)
EXPENDITURES				
Current:				
Finance	4,065	-	-	-
Nondepartmental	74	146	48	(98)
Debt Service:				
Principal payments	697	3,116	-	(3,116)
Interest payments	725	840	725	(115)
Paying agent fees	4	1,463	-	(1,463)
Total expenditures	5,565	5,565	773	(4,792)
Excess (deficiency) of revenues over under expenditures	-	-	935	$ 935
OTHER FINANCING SOURCES (USES):				
Discount on sale of bonds	-	-	-	-
Total other financial sources and uses	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	935	935
Fund balance - beginning	3,849	3,849	3,849	
Fund balance - ending	$ 3,849	$ 3,849	$ 4,784	

CITY OF ATLANTA, GEORGIA

Nonmajor Governmental Funds
Tad Allocation Districts - Debt Services Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
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(Dollars in Thousands)

	Eastside Fund			
	Original Budgeted Amounts	**Final Budgeted Amounts**	**Actual Amounts**	**Variance with Final Budget**
REVENUES				
Taxes				
Taxes, Current Property Increment	$ 8,767	$ 8,767	$ 10,665	$ 1,898
Investment income	-	-	231	231
Other Revenues	52,292	52,292	-	(52,292)
Total revenues	61,059	61,059	10,896	(50,163)
EXPENDITURES				
Current:				
General government:				
Executive offices	21,105	21,105	254	(20,851)
Finance	36,161	36,161	189	(35,972)
Debt Service:				
Principal payments	1,420	1,420	1,420	-
Interest payments	2,365	2,365	2,365	-
Paying agent fees	8	8	1	(7)
Total expenditures	61,059	61,059	4,229	(56,830)
Excess (deficiency) of revenues over under expenditures	-	-	6,667	6,667
Fund balance - beginning	52,513	52,513	52,513	
Fund balance - ending	$ 52,513	$ 52,513	$ 59,180	

CITY OF ATLANTA, GEORGIA

Nonmajor Governmental Funds
Tad Allocation Districts - Debt Services Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2013
(Dollars in Thousands)

	Atlanta Beltline Fund			
	Original Budgeted Amounts	**Final Budgeted Amounts**	**Actual Amounts**	**Variance with Final Budget**
REVENUES				
Taxes				
Taxes, Current Property Increment	$ 17,261	$ 17,261	$ 18,336	$ 1,075
Investment income	14	14	22	8
Other Revenues	21,284	21,284	-	(21,284)
Total revenues	38,559	38,559	18,358	(20,201)
EXPENDITURES				
Current:				
Finance	306	306	-	(306)
Nondepartmental	30,827	30,827	11,427	(19,400)
Debt Service:				
Principal payments	1,760	1,760	1,835	75
Interest payments	5,663	5,663	5,663	-
Paying agent fees	3	3	3	-
Total expenditures	38,559	38,559	18,928	(19,631)
Excess (deficiency) of revenues over under expenditures	-	-	(570)	(570)
Fund balance - beginning	24,307	24,307	24,307	
Fund balance - ending	$ 24,307	$ 24,307	$ 23,737	

CITY OF ATLANTA, GEORGIA

Nonmajor Governmental Funds
Other Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2012
For the Year Ended June 30, 2012

	Expendable Trust Fund			
	Original Budgeted Amounts	**Final Budgeted Amounts**	**Actual Amounts**	**Variance with Final Budget**
REVENUES				
Other taxes	$ 900	$ 3,286	$ 1,235	$ (2,051)
Licenses and Permits	176	1,385	832	(553)
Charges for current services	1,229	3,340	2,151	(1,189)
Fines, forfeitures and penalties	2,465	4,536	2,091	(2,445)
Investment income	216	253	(36)	(289)
Building rentals and concession	884	1,409	800	(609)
Intergovernmental revenues-				$ -
State of Georgia grants	3,249	8,749	4,006	(4,743)
Other income				-
Other Revenue	33,625	32,713	4,157	(28,556)
Total revenues	42,744	55,671	15,236	(40,435)
EXPENDITURES				
Current:				
General government:				
Executive offices	1,157	1,996	428	(1,568)
Personnel and human resources	81	81	-	(81)
City council	-	-	5	5
Nondepartmental expenditures	362	810	2,632	1,822
Courts and judicial agencies	448	448	61	(387)
Finance	332	2,648	34	(2,614)
Planning and community development	8,092	12,498	1,821	(10,677)
Total general government	10,472	18,481	4,981	(13,500)
Public safety:				
Police	12,479	11,312	4,691	(6,621)
Fire	1,012	1,021	-	(1,021)
Corrections	2,448	4,259	3,158	(1,101)
Total public safety	15,939	16,592	7,849	(8,743)
Public works	6,882	7,568	2,285	(5,283)
Parks, recreation, and cultural affairs	9,451	13,116	4,493	(8,623)
Total Expenditures	42,744	55,757	19,608	(36,149)
Excess (deficiency) of revenues over (under) expenditures	-	(86)	(4,372)	(4,286)
Other Financing Sources				
Transfer in	-	86	86	-
Proceeds from sale of assets	-	-	14	14
Total other financial sources and uses	-	86	100	14
Excess (deficiency) of revenues over (under) expenditures	-	-	(4,272)	(4,272)
Fund balance - beginning	41,760	41,760	41,760	
Fund balance - ending	$ 41,760	$ 41,760	$ 37,488	

CITY OF ATLANTA, GEORGIA

Nonmajor Governmental Funds
Other Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2013
(Dollars in Thousands)

	Home Investment Partnership Fund			
	Original Budgeted Amounts	**Final Budgeted Amounts**	**Actual Amounts**	**Variance with Final Budget**
REVENUES				
Intergovernmental revenues-				
U.S. Government grants	$ 14,459	$ 16,218	$ 3,699	$ (12,519)
State of Georgia grants	-	-	-	-
Total revenues	14,459	16,218	3,699	(12,519)
EXPENDITURES				
Current:				
General government:				
Executive offices	286	386	265	(121)
Finance	1,517	1,517	-	(1,517)
Planning and community development	12,656	14,315	3,371	(10,944)
Total expenditures	14,459	16,218	3,636	(12,582)
Excess (deficiency) of revenues over (under) expenditures	-	-	63	63
Other Financing Sources				
Transfer in	-	-	411	411
Total other financial sources and uses	-	-	411	411
Excess (deficiency) of revenues over (under) expenditures	-	-	474	474
Fund balance - beginning	500	500	500	
Fund balance - ending	$ 500	$ 500	$ 974	

CITY OF ATLANTA, GEORGIA

Nonmajor Governmental Funds
Other Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2013
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	Section 108 Loan Trust Fund			
	Original Budgeted Amounts	**Final Budgeted Amounts**	**Actual Amounts**	**Variance with Final Budget**
REVENUES				
Intergovernmental revenues-				
U.S. Government grants	$ 5,342	$ 5,772	$ -	$ (5,772)
Other income				
Interest Income	-	-	3	3
Total revenues	5,342	5,772	3	(5,769)
EXPENDITURES				
Current:				
Nondepartment	-	-	-	-
Finance	3,994	3,994	599	(3,395)
Planning and community development	687	1,117	81	(1,036)
Total general government	4,681	5,111	680	(4,431)
Public works	625	625	-	(625)
Parks, recreation, and cultural affairs	36	36	-	(36)
Debt service fund:				
Bond Principal Payment	-	-	-	-
Interest on Bond	-	-	-	-
Total Debt Service	-	-	-	-
Total expenditures	5,342	5,772	680	(5,092)
Excess (deficiency) of revenues over (under) expenditures	-	-	(677)	(677)
Other Financing Sources				
Transfer out	-	-	(171)	$ (171)
Total other financial sources and uses	-	-	(171)	(171)
Excess (deficiency) of revenues over (under) expenditures	-	-	(848)	(848)
Fund balance - beginning	6,988	6,988	6,988	
Fund balance - ending	$ 6,988	$ 6,988	$ 6,140	

CITY OF ATLANTA, GEORGIA

Nonmajor Governmental Funds
Other Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2013
(Dollars in Thousands)

	Car Rental Excise Tax Fund			
	Original Budgeted Amounts	**Final Budgeted Amounts**	**Actual Amounts**	**Variance with Final Budget**
REVENUES				
Taxes				
Taxes, Current Property Increment	$ 750	$ 750	$ 964	$ 214
Total Revenues	750	750	964	214
EXPENDITURES				
Current:				
General government	750	750	964	214
Total expenditures	750	750	964	214
Excess (deficiency) of revenues over under expenditures	-	-	-	-
Fund balance - beginning	-	-	-	
Fund balance - ending	$ -	$ -	$ -	

CITY OF ATLANTA, GEORGIA

Nonmajor Governmental Funds
Other Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2013
(Dollars in Thousands)

	Hotel Motel Excise Tax Fund			
	Original Budgeted Amounts	**Final Budgeted Amounts**	**Actual Amounts**	**Variance with Final Budget**
REVENUES				
Taxes				
Taxes, Current Property Increment	$ 46,619	$ 46,619	$ 54,419	$ 7,800
Investment income	-	-	-	-
Total Revenues	46,619	46,619	54,419	7,800
EXPENDITURES				
Current:				
General government:	34,969	34,969	40,890	5,921
Debt Service:				
Interest on bond	-	-	-	-
Bond principal payments	-	-	-	-
Total expenditures	34,969	34,969	40,890	5,921
Excess (deficiency) of revenues over under expenditures	11,650	11,650	13,529	1,879
OTHER FINANCING SOURCES (USES):				
Transfer out	(11,650)	(11,650)	(13,529)	(1,879)
Total other financial sources and uses	(11,650)	(11,650)	(13,529)	(1,879)
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
Fund balance - beginning	-	-	-	
Fund balance - ending	$ -	$ -	$ -	

CITY OF ATLANTA, GEORGIA

Nonmajor Governmental Funds
Debt Service Funds
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2013
(Dollars in Thousands)

	Bond Service Fund			
	Original Budgeted Amounts	**Final Budgeted Amounts**	**Actual Amounts**	**Variance with Final Budget**
REVENUES				
Taxes				
Property taxes	$ 23,203	$ 23,203	$ 27,053	$ 3,850
Other taxes	430	430	2,027	1,597
Other revenues	2,127	2,127	-	(2,127)
Investment income	63	63	107	44
Total revenues	25,823	25,823	29,187	3,364
EXPENDITURES				
Current:				
General government	-	-	102	102
Nondepartmental				-
Debt Service:				
Principal payments	15,360	15,360	15,360	-
Interest payments	10,376	10,376	10,376	-
Paying agent fees	87	87	3	(84)
Total expenditures	25,823	25,823	25,841	18
Excess (deficiency) of revenues over under expenditures	-	-	3,346	3,346
Fund balance - beginning	59,150	59,150	59,150	
Fund balance - ending	$ 59,150	$ 59,150	$ 62,496	

Nonmajor Proprietary Funds

Enterprise Funds

Enterprise funds are used to report any activity for which a fee is charged to external users for good or services.

Operations of enterprise funds are designed to be self-supporting. The Department of Watershed Management, Department of Aviation, Sanitation Services, Parks and Recreation Facilities, Underground Atlanta Project, Parking Deck and Civic Center are accounted for as enterprise funds. The latter five were determined to be nonmajor proprietary funds and are presented herein.

Sanitation Fund – Established to account for the operation of sanitary services activities, including collection and disposal of garbage, recycled materials and yard trimmings.

Parks and Recreation Facilities Fund - Established to account for the financial activities of the Cyclorama.

Underground Atlanta – Established to account for the City's portion of a major public/private downtown economic development project paid for by public funds, and expenses associated with project.

Parking Deck – Established to account for the operations of the parking deck located between Capital Avenue and Washington Street, south of Trinity Avenue and adjacent to City Hall.

Building Permits – Established to account for the City's building permit activities including certain occupancy taxes.

Civic Center- Established to account for the fiscal activities of the Boisfeuillet Jones Atlanta Civic Center.

CITY OF ATLANTA, GEORGIA
Nonmajor Proprietary Funds

Combining Statement of Net Position
For the Year Ended June 30, 2013
(Dollars in Thousands)

	Sanitation	Parks and Recreational Facilities	Underground Atlanta	Parking Deck	Building Permits Fund	Civic Center	**Totals**
ASSETS							
Current assets:							
Cash and cash equivalents	$ -	$ -	$ -	$ -	$ 29	$ -	**$ 29**
Equity in cash management pool	15,540	-	333	-	17,717	589	**34,179**
Receivables:							
Accounts	43,939	-	-	89	-	-	**44,028**
Less allowance for doubtful accounts	(4,664)	-	-	-	-	-	**(4,664)**
Total receivables	39,275	-	-	89	-	-	**39,364**
Due from other funds	-	-	-	62	-	-	**62**
Total current assets	54,815	-	333	151	17,746	589	**73,634**
Noncurrent assets:							
Other assets	-	-	5,049	-	-		**5,049**
Capital assets:							
Land	-	-	21,621	-	-	-	**21,621**
Construction-in-progress	559	-	-	-	560	-	**1,119**
Land improvements	1,327	-	-	-	-	5,366	**6,693**
Buildings and other structures	2,184	1,024	57,821	23,480	-	4,357	**88,866**
Other property and equipment	22,029	134	12,671	-	1,226	552	**36,612**
Less accumulated depreciation	(23,584)	(944)	(67,650)	(2,505)	(1,226)	(9,684)	**(105,593)**
Property and equipment, net	2,515	214	24,463	20,975	560	591	**49,318**
Total assets	$ 57,330	$ 214	$ 29,845	$ 21,126	$ 18,306	$ 1,180	**$ 128,001**
LIABILITIES AND NET POSITION							
Current liabilities:							
Accounts payable	$ 1,535	$ 33	$ 278	$ -	$ 302	$ 92	**$ 2,240**
Accrued salaries and vacation	1,369	25	-	-	400	51	**1,845**
Due to other funds	19,400	142	1,036	-		1,294	**21,872**
Current maturities of capital leases	-	-	7,160	705		-	**7,865**
Accrued workers' compensation	1,726	-	-	-	-	-	**1,726**
Current liabilities	24,030	200	8,474	705	702	1,437	**35,548**
Liabilities payable from restricted assets:							
Accrued interest payable	-	-	-	78	-	-	**78**
Contract retention	11	-	-	-	11	-	**22**
Total liabilities payable from restricted assets	11	-	-	78	11	-	**100**
Total current liabilities	24,041	200	8,474	783	713	1,437	**35,648**
Long-term liabilities :							
Capital lease obligation, excluding current maturities shown above	-	-	15,446	19,660	-	-	**35,106**
Other postemployment benefit liability	15,930	247	-	-	1,008	586	**17,771**
Accrued workers' compensation	4,539	-	-	-	-	-	**4,539**
Landfill postclosure costs	16,893	-	-	-	-	-	**16,893**
Total long-term liabilities	37,362	247	15,446	19,660	1,008	586	**74,309**
Total liabilities	61,403	447	23,920	20,443	1,721	2,023	**109,957**
Net Position:							
Net investment in capital assets	2,515	214	1,857	610	560	591	**6,347**
Unrestricted	(6,588)	(447)	4,068	73	16,025	(1,434)	**11,697**
Total net position	(4,073)	(233)	5,925	683	16,585	(843)	**18,044**

See accompanying independent auditors report

CITY OF ATLANTA, GEORGIA
Nonmajor Proprietary Funds

Combining Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended June 30, 2013
(Dollars in Thousands)

	Sanitation	Parks and Recreational Facilities	Underground Atlanta	Parking Deck	Building Permits Fund	Civic Center	**Total**
Operating revenues:							
Charges for services	$ 52,654	$ 474	$ -	$ -	$ 18,461	$ 139	**$ 71,728**
Rentals, admissions, and concessions	21	1	1,707	805	-	1,057	**3,591**
Other	1,396	-	-	-	3	-	**1,399**
Total operating revenues	54,071	475	1,707	805	18,464	1,196	**76,718**
Operating expenses:							
Salaries and employee benefits	22,589	310	-	-	5,956	801	**29,656**
Utilities	187	40	-	-	-	606	**833**
Materials and supplies	4,880	-	-	-	63	44	**4,987**
Repairs, maintenance, and other contractual services	553	12	-	-	4	343	**912**
Motor equipment service	5,463	-	-	-	63	2	**5,528**
Engineering and consultant fees	6,661	151	2,566	2	28	57	**9,465**
General services and other costs	5,708	19	41	-	496	29	**6,293**
Depreciation and amortization	391	22	2,839	470	-	153	**3,875**
Total operating expenses	46,432	554	5,446	472	6,610	2,035	**61,549**
Operating income (loss)	7,639	(79)	(3,739)	333	11,854	(839)	**15,169**
Nonoperating revenues (expenses):							
Interest expense	(36)	(2)	(1,507)	(943)	-	(12)	**(2,500)**
Other revenues (expenses)	-	-	(4)	-	3		**(1)**
Investment income (loss)	(12)	-	(12)	-	(49)	(1)	**(74)**
Total nonoperating revenues (expenses)	(48)	(2)	(1,523)	(943)	(46)	(13)	**(2,575)**
Income (loss) before transfers	7,591	(81)	(5,262)	(610)	11,808	(852)	**12,594**
Transfers in	7,977	-	16,967	1,220	-	-	**26,164**
Transfers out	(10,016)	-	-	(1,296)	-	-	**(11,312)**
Net income (loss)	5,552	(81)	11,705	(686)	11,808	(852)	**27,446**
Net Position, beginning of period	(9,625)	(152)	(5,780)	1,369	4,777	9	**(9,402)**
Net Position, end of period	$ (4,073)	$ (233)	$ 5,925	$ 683	$ 16,585	$ (843)	**$ 18,044**

See accompanying independent auditors report

CITY OF ATLANTA, GEORGIA
Nonmajor Proprietary Funds

Combining Statement of Cash Flows
For the Year Ended June 30, 2013
(Dollars in Thousands)

	Sanitation	Parks and Recreational Facilities	Underground Atlanta	Parking Deck	Building Permits Fund	Civic Center	**Total**
Cash flow from operating activities							
Cash received from user charges	$ 52,217	$ 471	$ 1,707	$ 768	$ 18,466	$ 1,196	**$ 74,825**
Cash payments to employees for services	(24,457)	(208)	-	-	(391)	(492)	**(25,548)**
Cash payments to suppliers for goods and services	(22,372)	(260)	(8,326)	925	(5,262)	(691)	**(35,986)**
Net cash provided by (used in) operating activities	5,388	3	(6,619)	1,693	12,813	13	**13,291**
Cash flows from noncapital financing activities							
Transfers in	7,977	-	16,967	1,220	-	-	**26,164**
Transfers out	(10,016)	-	-	(1,296)	-	-	**(11,312)**
Net cash used in noncapital financing activities	(2,039)	-	16,967	(76)	-	-	**14,852**
Cash flows from capital and related financing activities							
Principal paid on long term debt	(623)	-	(6,809)	(674)	(560)	-	**(8,666)**
Interest paid on bonds	(36)	(3)	(1,507)	(943)	-	(12)	**(2,501)**
Acquisition of capital assets	(706)	-	(1,683)	-	-	-	**(2,389)**
Net cash used in capital and related financing activities	(1,365)	(3)	(9,999)	(1,617)	(560)	(12)	**(13,556)**
Cash flows from investing activities							
Change in equity in cash management pool	(1,972)	-	(333)	-	(12,178)	1	**(14,482)**
Interest on investments	(12)	-	(16)	-	(46)	(2)	**(76)**
Net cash used in investing activities	(1,984)	-	(349)	-	(12,224)	(1)	**(14,558)**
Net increase (decrease) in cash and cash equivalents	-	-	-	-	29	-	**29**
Cash and cash equivalents, beginning of period	-	-	-	-	-	-	**-**
CASH AND CASH EQUIVALENTS, END OF PERIOD	$ -	$ -	$ -	$ -	$ 29	$ -	**$ 29**
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:							
Operating income (loss)	$ 7,639	$ (79)	$ (3,739)	$ 333	$ 11,854	$ (839)	**$ 15,169**
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:							
Depreciation and amortization	391	22	2,839	470	-	153	**3,875**
Increase (decrease) in receivables	(1,854)	(3)	-	(35)	2	-	**(1,890)**
Increase (decrease) in other assets	-	-	-	-	-	-	**-**
Increase (decrease) in due from other funds	-	-	-	927	-	-	**927**
Increase (decrease) in accounts payable	857	(3)	24	(2)	263	15	**1,154**
Increase (decrease) in other liabilities	217	50	-	-	694	110	**1,071**
Increase (decrease) in due to other funds	(1,862)	16	(5,743)	-	-	574	**(7,015)**
Net cash provided by (used in) operating activities	$ 5,388	$ 3	$ (6,619)	$ 1,693	$ 12,813	$ 13	**$ 13,291**

See accompanying independent auditors report

CITY OF ATLANTA, GEORGIA
Internal Service Funds

Combining Statement of Net Position
For the Year Ended June 30, 2013
(Dollars in Thousands)

	Fleet Services	Group Insurance	**Totals**
ASSETS			
Current assets:			
Cash and cash equivalents	$ -	$ 234	**$ 234**
Equity in cash managemet pool	-	14,014	**14,014**
Receivables:			
Accounts	-	639	**639**
Less allowance for doubtful accounts	-	-	**-**
Total receivables	-	639	**639**
Total current assets	-	14,887	**14,887**
Property and equipment - at cost:			
Land	136	-	**136**
Construction-in-progress	-	-	**-**
Land purchased for noise abatement	-	-	**-**
Land improvements	29	-	**29**
Buildings and other structures	5,508	-	**5,508**
Other property and equipment	6,119	-	**6,119**
Less accumulated depreciation	(11,147)	-	**(11,147)**
Property and equipment, net	645	-	**645**
Total assets	$ 645	$ 14,887	**$ 15,532**
LIABILITIES AND NET POSITION			
Current liabilities:			
Accounts payable	$ 1,624	$ 497	**$ 2,121**
Accrued salaries and vacation,	608	70	**678**
Due to other funds	34,847	-	**34,847**
	34,847		
Total current liabilities	37,079	567	**37,646**
Total liabilities	37,079	567	**37,646**
Net Position:			
Net investment in capital assets	645	-	**645**
Unrestricted	(37,079)	14,320	**(22,759)**
Total net position	(36,434)	14,320	**(22,114)**

See accompanying independent auditors report

CITY OF ATLANTA, GEORGIA
Internal Service Funds

Combining Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended June 30, 2013
(Dollars in Thousands)

	Fleet Services	Group Insurance	**Total**
Operating revenues:			
Charges for services	$ 25,716	$ 126,500	**$ 152,216**
Other	6	1,482	**1,488**
Total operating revenues	25,722	127,982	**153,704**
Operating expenses:			
Salaries and employee benefits	8,948	68,285	**77,233**
Utilities	658	-	**658**
Materials and supplies	16,308	15	**16,323**
Repairs, maintenance, and other contractual services	3,298	-	**3,298**
Motor equipment service	-	4	**4**
Engineering and consultant fees	499	153	**652**
General services and other costs	130	53,662	**53,792**
Depreciation and amortization	185	-	**185**
Total operating expenses	30,026	122,119	**152,145**
Operating income (loss)	(4,304)	5,863	**1,559**
Nonoperating revenues (expenses):			
Investment income (loss)	-	(20)	**(20)**
Interest expense	(333)	-	**(333)**
Total nonoperating revenues (expenses)	(333) 0	(20)	**(353)**
Income (loss) before transfers	(4,637)	5,843	**1,206**
Transfers in	-	-	**-**
Transfers out	-	-	**-**
Net income (loss)	(4,637)	5,843	**1,206**
Net position, beginning of period			
Beginning of the period	(31,797)	8,477	**(23,320)**
Net position, end of period	$ (36,434)	$ 14,320	**$ (22,114)**

See accompanying independent auditors report

CITY OF ATLANTA, GEORGIA
Internal Service Funds

Combining Statement of Cash Flows
For the Year Ended June 30, 2013
(Dollars in Thousands)

	Fleet Services	Group Insurance	**Total**
Cash flow from operating activities			
Cash received from user charges	$ 25,722	$ 128,054	**$ 153,776**
Cash payments to employees for services	(16,460)	(53,445)	**(69,905)**
Cash payments to suppliers for goods and services	(8,928)	(68,289)	**(77,217)**
Net cash provided by (used in) operating activities	334	6,320	**6,654**
Cash flows from capital and related financing activities			
Interest paid on bonds	(334)	-	**(334)**
Acquisition of capital assets	-	-	**-**
Net cash provided by (used in) capital and related financing activities	(334)	-	**(334)**
Cash flows from investing activities			
Change in equity in cash management pool	-	(6,271)	**(6,271)**
Interest on investments	-	(20)	**(20)**
Net cash provided by (used in) investing activities	-	(6,291)	**(6,291)**
Net increase (decrease) in cash and cash equivalents	-	29	**29**
Cash and cash equivalents, beginning of period	-	205	**205**
CASH AND CASH EQUIVALENTS, END OF PERIOD	$ -	$ 234	**$ 234**
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	$ (4,304)	$ 5,863	**$ 1,559**
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation and amortization	185	-	**185**
(Increase) decrease in accounts receivable	-	72	**72**
Increase (decrease) in accounts payable	(26)	389	**363**
Increase (decrease) in other liabilities	21	(4)	**17**
Increase (decrease) in due to other funds	4,458	-	**4,458**
Net cash provided by operating activities	$ 334	$ 6,320	**$ 6,654**

See accompanying independent auditors report

Fiduciary Funds

Fiduciary Funds are used to report assets held in a trustee or agency capacity for others and therefore cannot be used to support the government's own programs.

PENSION TRUST FUNDS

General Employees' Defined Benefit Pension Fund – To account for the operations of the defined benefits pension plan covering general officers and employees of the City.

General Employees' Defined Contribution Pension Fund – To account for the operation of the defined contribution pension plan covering general officers and employees of the City.

Firefighters' Pension Fund – To account for the operations of the defined benefit pension plan covering fire fighting employees of the City.

Police Officers' Pension Fund – To account for the operations of the defined benefit pension plan covering sworn police employees of the City.

AGENCY FUNDS

Agency Fund – To account for various taxes, bond deposits and other receipts held in escrow for individuals, outside organizations, other governments or other funds.

CITY OF ATLANTA, GEORGIA
Pension Trust Funds

Combining Statement of Plan Net Position
For the Year Ended June 30, 2013
(Dollars in Thousands)

	Pension Trust Funds				
	General Employees' Defined Benefit	General Employees' Defined Contribution	Firefighters'	Police Officers'	**Totals**
ASSETS					
Current assets:					
Cash and cash equivalents	$ 85,950	$ 71,818	$ 48,240	$ 75,996	**$ 282,004**
Receivables					
Contributions receivable - employer	10,652	438	1,044	1,198	**13,332**
Contributions receivable - employee	613	247	244	424	**1,528**
Due from brokers for securities sold	835		1,744	2,627	**5,206**
Accrued interest receivable	1,588		1,142	1,618	**4,348**
Other receivables	1,770		29	-	**1,799**
Total receivables	15,458	685	4,203	5,867	**26,213**
Investments:					
Equities	688,166	-	272,786	389,763	**1,350,715**
Commingled funds - equities	123,977	-	123,675	200,738	**448,390**
Commingled funds - fixed income	78,224	-	-	-	**78,224**
U. S. government and agency obligations	64,122	-	49,634	69,575	**183,331**
Corporate bonds	48,635	-	36,763	48,634	**134,032**
Other investments	26,855	-	30,942	46,239	**104,036**
Total Investments	1,029,979	-	513,800	754,949	**2,298,728**
Total assets	1,131,387	72,503	566,243	836,812	**2,606,945**
LIABILITIES AND NET POSITION HELD IN TRUST FOR PENSION BENEFITS					
Current liabilities:					
Accounts payable and other liabilities	$ 963	$ -	$ 153	$ 229	**$ 1,345**
Due to brokers for securities purchased	486		4,640	7,768	**12,894**
Liability for securities lending agreement	-	-	-	-	**-**
Total current liabilities	1,449	-	4,793	7,997	**14,239**
Net Position Held in Trust for Pension Benefits:	$ 1,129,938	$ 72,503	$ 561,450	$ 828,815	**$ 2,592,706**

See accompanying independent auditors report

CITY OF ATLANTA, GEORGIA
Pension Trust Funds

Combining Statement of Changes in Plan Net Position
For the Year Ended June 30, 2013
(Dollars in Thousands)

	Pension Trust Funds				
	General Employees' Defined Benefit	General Employees' Defined Contribution	Firefighters'	Police Officers'	**Totals**
Additions:					
Contributions:					
Employer contributions	$ 81,707	$ 6,226	$ 17,491	$ 26,525	**$ 131,949**
Employee contributions	19,011	5,982	5,676	11,157	**41,826**
Refunds and other	79	-	17	-	**96**
Total contributions	100,797	12,208	23,184	37,682	**173,871**
Investment income:					
Net appreciation (depreciation) in fair value of investments	146,171	4,829	64,208	96,713	**311,921**
Investment income	20,731	839	11,134	15,319	**48,023**
Securities lending income	163	-	-	-	**163**
Less: Investment expenses	(3,537)	(25)	(2,287)	(2,819)	**(8,668)**
Net investment income	163,528	5,643	73,055	109,213	**351,439**
Total additions	264,325	17,851	96,239	146,895	**525,310**
Deductions:					
Benefit payments	161,439	3,876	40,180	51,299	**256,794**
Administrative expenses	717	126	301	327	**1,471**
Total deductions	162,156	4,002	40,481	51,626	**258,265**
Net increase in net position held in trust for pension benefits	102,169	13,849	55,758	95,269	**267,045**
Net position held in trust for pension benefits:					
Beginning of period	1,027,769	58,654	505,692	733,546	**2,325,661**
End of period	$ 1,129,938	$ 72,503	$ 561,450	$ 828,815	**$ 2,592,706**

See accompanying independent auditors report

CITY OF ATLANTA, GEORGIA
Agency Fund

Statement of Changes in Assets and Liabilities
For the Year Ended June 30, 2013
(Dollars in Thousands)

ASSETS

	June 30, 2012	Additions	Deductions	June 30, 2013
Assets:				
Cash and cash equivalents	$ 752	$ 24	$ -	$ 776
Equity in cash management pool	25,349	-	(2,229)	23,120
Investments:				
Equities	32	-	(32)	-
Other receivables	-	-	8	8
Total Assets	$ 26,133	$ 24	$ (2,253)	$ 23,904

LIABILITIES

Liabilities:				
Accounts payable	$ 26,133	$ 24	$ (2,253)	**$ 23,904**
Total Liabilities	$ 26,133	$ 24	$ (2,253)	**$ 23,904**

See accompanying independent auditors report

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Statistical Section

(Unaudited)

The financial information presented provides detailed data on the financial, economic, and physical characteristics of the City. These tables cover multiple fiscal years and provide financial report users with a broader and more complete understanding of the City and its financial affairs.

City of Atlanta, Georgia
Statistical Section

Contents

Financial Trends (Schedule 1 through 5)

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity (Schedule 6 through 12)

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.

Debt Capacity (Schedule 13 through 17)

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information (Schedule 18 through 19)

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information (Schedule 20 through 22)

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

Sources

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 34 in 2002; schedules presenting government-wide information include information beginning in that year.

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Schedule 1
City of Atlanta, Georgia
Net Position by Component (unaudited)
Last Ten Periods
(accrual basis of accounting)
(Dollars in thousands)

	Fiscal Period									
	2004	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**
Governmental Activities										
Net investment in capital assets	$ 541,003	$ 543,166	$ 482,373	$ 488,569	$ 237,415	$ 146,670	$ 97,291	$ 58,841	$ 7,228	$ 95,513
Restricted for										
Debt service	37,556	39,818	36,532	40,162	138,640	47,912	51,828	265,371	284,933	287,948
Programs	69,511	207,039	173,138	113,914	87,259	79,096	75,482	76,517	69,776	72,591
Capital projects	139,431	104,529	127,021	137,651	219,921	238,093	250,380	49,827	47,943	47,962
Unrestricted	(26,666)	(159,662)	(199,434)	(207,696)	(320,542)	(306,113)	(260,354)	(118,112)	(128,199)	(131,646)
Total Governmental Activities Net Positions	$ 760,835	$ 734,890	$ 619,630	$ 572,600	$ 362,693	$ 205,658	$ 214,627	$ 332,445	$ 281,681	$ 372,368
Business-type Activities										
Net investment in capital assets	$ 2,826,354	$ 3,237,337	$ 3,177,702	$ 3,466,892	$ -	$ 4,760,260	$ 5,092,956	$ 4,879,760	$ 4,721,909	$ 5,015,922
Restricted										
Debt service	528,879	76,817	104,864	40,253	(5,552)	174,761	206,232	349,001	869,781	889,522
Programs	-	-	-	-	-	-	-		-	-
Capital projects	-	565,012	565,012	565,012	-	470,590	365,297	418,473	-	-
Unrestricted	329,966	373,465	612,037	787,003	888,594	787,326	721,383	1,004,136	1,240,649	1,281,856
Total Business-type Activities Net Positions	$ 3,685,199	$ 4,252,631	$ 4,459,615	$ 4,859,160	$ 883,042	$ 6,192,937	$ 6,385,868	$ 6,651,370	$ 6,832,339	$ 7,187,300
Primary Government										
Net investment in capital assets	$ 3,367,357	$ 3,780,503	$ 3,660,075	$ 3,955,461	$ 237,415	$ 4,906,930	$ 5,190,247	$ 4,938,602	$ 4,729,137	$ 5,111,435
Restricted										
Debt service	566,435	116,635	141,396	80,415	133,088	222,673	258,060	614,372	1,154,714	1,177,470
Programs	69,511	207,039	173,138	113,914	87,259	79,096	75,482	76,517	69,776	72,591
Capital projects	139,431	669,541	692,033	702,663	219,921	708,683	615,677	468,300	47,943	47,962
Unrestricted	303,300	213,803	412,603	579,307	568,052	481,213	461,029	886,024	1,112,450	1,150,210
Total Primary Government Activities Net Positions	$ 4,446,034	$ 4,987,521	$ 5,079,245	$ 5,431,760	$ 1,245,735	$ 6,398,595	$ 6,600,495	$ 6,983,814	$ 7,114,020	$ 7,559,668

Schedule 2
City of Atlanta, Georgia
Changes in Net Position (unaudited)
Last Ten Fiscal Periods
(accrual basis of accounting)
(Dollars in thousands)

	Fiscal Period									
	2004	**2005**	**2006***	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**
EXPENSES										
Governmental Activities										
General government	$ 167,074	$ 207,529	$ 113,068	$ 264,221	$ 234,198	$ 265,596	$ 260,413	$ 239,306	$ 215,030	$ 148,288
Police	134,950	150,007	97,514	222,490	219,614	192,161	187,800	197,598	217,777	210,751
Fire	63,714	69,425	35,715	86,775	94,871	84,454	79,190	83,596	89,016	92,018
Corrections	35,107	39,028	20,921	45,178	50,714	37,264	29,301	25,520	35,001	31,128
Public works	68,675	81,954	45,231	47,707	79,823	56,814	50,056	54,442	47,397	64,467
Parks, recreation and cultural affairs	32,739	37,611	10,768	20,387	48,626	34,161	39,976	41,939	46,280	59,732
Interest on long-term debt	22,101	33,429	19,546	40,949	43,734	51,784	51,274	47,629	47,080	42,731
Total Governmental Activities Expenses	**524,360**	**618,983**	**342,763**	**727,707**	**771,580**	**722,234**	**698,010**	**690,029**	**697,581**	**649,115**
Business-type Activities										
Watershed Management	228,554	232,514	140,848	334,755	326,279	319,790	404,629	444,133	441,092	445,647
Aviation	303,703	230,933	126,399	315,104	386,316	423,198	448,979	437,659	504,918	585,148
Other	60,828	60,064	31,500	62,898	62,630	60,446	48,735	47,694	56,342	64,050
Total Business-type Activities Expenses	**593,085**	**523,511**	**298,747**	**712,757**	**775,225**	**803,434**	**902,343**	**929,485**	**1,002,352**	**1,094,845**
Total Primary Government Expenses	**$ 1,117,445**	**$ 1,142,494**	**$ 641,510**	**$ 1,440,464**	**$ 1,546,805**	**$ 1,525,668**	**$ 1,600,353**	**$ 1,619,515**	**$ 1,699,933**	**$ 1,743,960**
Program Revenues										
Governmental activities										
Charges for services										
General government	$ 77,014	$ 77,279	$ 72,668	$ 85,490	$ 93,169	$ 67,795	$ 66,148	$ 94,307	$ 91,008	$ 92,510
Public safety	27,619	32,311	1,747	36,849	31,989	31,218	20,627	21,727	19,669	21,633
Public works	3,876	5,084				16,438	13,168	2,383	2,421	3,731
Parks recreation and cultural affairs	1,622	2,431				1,932	1,418	2,267	2,556	3,581
Operating grants and contributions	48,194	51,365	21,182	48,620	49,832	42,336	78,533	100,943	56,663	75,657
Total Governmental Activities Program Revenues	**158,325**	**168,470**	**95,597**	**170,959**	**174,990**	**159,719**	**179,894**	**221,627**	**172,317**	**197,112**
Business-type Activities										
Charges for services										
Watershed Management	252,007	242,573	113,377	302,273	319,087	351,743	380,413	433,183	466,052	448,167
Aviation	273,575	289,478	147,221	330,228	386,206	389,535	400,799	411,213	394,132	490,386
Other	51,756	53,736	3,519	53,050	54,337	51,011	57,143	56,754	69,245	76,718
Capital grants and contributions	229,610	254,797	141,741	259,916	250,113	275,033	201,492	241,456	238,639	260,944
Total Business-type Activities Revenues	**806,948**	**840,584**	**405,858**	**945,467**	**1,009,743**	**1,067,322**	**1,039,847**	**1,142,606**	**1,168,068**	**1,276,215**
Total primary Government Revenues	$ 965,273	$ 1,009,054	$ 501,455	$ 1,116,426	$ 1,184,733	$ 1,227,041	$ 1,219,740	$ 1,364,233	$ 1,340,385	$ 1,473,327
Net (expense) revenue										
Governmental activities	(366,035)	(450,513)	(247,166)	(556,748)	(596,590)	(562,515)	(518,116)	(468,402)	(525,264)	(452,003)
Business-type activities	213,863	317,073	107,111	232,710	234,518	263,888	137,504	213,121	165,716	181,370
Total Primary Government Net Expense	**$ (152,172)**	**$ (133,440)**	**$ (140,055)**	**$ (324,038)**	**$ (362,072)**	**$ (298,627)**	**$ (380,613)**	**$ (255,282)**	**$ (359,548)**	**$ (270,633)**
GENERAL REVENUES and OTHER CHANGES in NET POSITION										
Governmental Activities										
Taxes										
Property taxes levied for general purposes	$ 198,875	$ 127,738	$ 8,739	$ 125,999	$ 141,913	$ 154,567	$ 222,087	$ 190,406	$ 184,021	$ 188,099
Property taxes levied for debt service	-	54,278	1,522	61,736	89,628	96,082	112,358	129,965	103,258	97,690
Local and municipal option sales tax	83,518	90,488	50,460	111,978	104,101	87,789	202,014	203,887	212,536	218,623
Public utilities franchise taxes	46,809	37,534	8,488	39,364	16,230	51,381	54,312	72,450	63,327	60,825
Business taxes	38,262	79,571	38,234	97,662	126,005	219,224	94,020	100,177	105,567	95,402
Federal and state aid not restricted for specific purposes	542	4,723	334	4,229	4,461	3,407	-	-	299	-
Investment income	5,022	13,171	9,312	23,920	18,302	6,834	3,962	3,825	2,728	679
Gain on Sale of Assets	-	-	-	-	5,764	517	456	6,391	8,185	(4,197)
Other	9,657	21,814	11,398	26,822	8,710	13,738	17,491	-	-	-
Extraordinary Loss	-	-	-	-	-	-	(2,231)	-	-	-
Transfers	4,208	2,349	(5)	6,314	2,311	(118,523)	(119,590)	(120,880)	(123,580)	(114,431)
Total Governmental Activities	**$ 386,893**	**$ 431,666**	**$ 128,482**	**$ 498,024**	**$ 517,425**	**$ 515,016**	**$ 584,878**	**$ 586,221**	**$ 556,341**	**$ 542,690**
Business-Type Activities										
Property taxes levied for debt service	20,449	-	-	-	-	-	-	-	-	
Local option sales tax	-	102,171	59,035	120,954	127,470	-	-	-	-	
Investment income	44,452	145,900	40,831	91,596	96,244	40,739	(37,323)	(68,499)	(31,724)	58,710
Other	-	-	-	(39,401)	1,474	(14,672)	-	-	(12)	450
Extraordinary Loss				-	-	-	(26,840)	-	-	-
Transfers	(4,208)	(2,349)	5	(6,314)	(2,311)	118,523	119,590	120,880	123,580	114,431
Total Business-type Activities	**60,693**	**245,722**	**99,871**	**166,835**	**222,877**	**144,590**	**55,427**	**52,381**	**91,844**	**173,591**
Total Primary Government	**$ 447,586**	**$ 677,388**	**$ 228,353**	**$ 664,859**	**$ 740,302**	**$ 659,606**	**$ 640,306**	**$ 638,602**	**$ 648,185**	**$ 716,281**
Change in Net Position										
Governmental activities	20,858	(18,847)	(118,684)	(58,724)	(79,165)	(47,499)	66,762	117,818	31,077	90,687
Business-type activities	274,556	562,795	206,982	399,545	457,395	408,478	192,931	265,502	257,560	354,961
Total Primary Government	**$ 295,414**	**$ 543,948**	**$ 88,298**	**$ 340,821**	**$ 378,230**	**$ 360,979**	**$ 259,693**	**$ 383,320**	**$ 288,637**	**$ 445,648**

* The City changed its year-end from 12/31 to 06/30, therefore 2006 revenue shown is only for 6 months

Schedule 3
City of Atlanta, Geogia
Program Revenues by Function/Program
Last Ten Fiscal Periods
(accrual basis of accounting)
(Dollars in thousands)

	Program Revenues									
	2004	**2005**	**2006***	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**
Function/Program										
Primary Government										
Governmental activities:										
Charges for Services										
General government	$ 77,014	$ 77,279	$ 72,668	$ 85,490	$ 93,169	$ 67,795	$ 66,148	$ 94,307	$ 91,008	$ 92,510
Police	19,135	22,417	1,374	19,103	15,258	14,976	14,643	19,228	16,729	17,506
Fire	416	346	1	316	258	253	428	496	640	808
Corrections	8,068	9,548	372	17,430	16,473	15,989	5,556	2,003	2,300	3,319
Public works	3,876	5,084	2,857	9,907		16,438	13,168	2,383	2,421	3,731
Parks, Recreation,and Cultural Affairs	1,622	2,431	568	1,787		1,932	1,418	2,267	2,556	3,581
Total Governmental activities	**$ 110,131**	**$ 117,105**	**$ 77,840**	**$ 134,033**	**$ 125,158**	**$ 117,383**	**$ 101,361**	**$ 120,684**	**$ 115,654**	**$ 121,455**
Operating Grants	**$ 48,194**	**$ 51,365**	**$ 21,182**	**$ 48,620**	**$ 49,832**	**$ 42,336**	**$ 78,533**	**$ -**	**$ - 56,663**	**$ 75,657**
Business-type activities:										
Charges for Services										
Watershed Management	$ 252,007	$ 242,573	$ 113,377	$ 302,273	$ 319,087	$ 351,743	$ 380,413	$ 433,183	$ 466,052	$ 448,167
Aviation	273,575	289,478	147,221	330,228	386,206	389,535	400,799	411,213	394,132	490,386
Sanitation**	47,219	49,351	663	47,951	49,768	46,513	51,414	51,985	53,993	54,071
Parks and Recreational Facilities**	539	564	386	522	509	498	472	487	512	475
Underground Atlanta**	2,651	2,414	1,507	2,509	2,563	2,340	2,220	1,941	1,898	1,707
Parking Deck**							1,340	740	698	805
Permit Fund									10,716	18,464
Civic Center**	1,347	1,407	963	2,068	1,497	1,660	1,697	1,601	1,428	1,196
Total Business-type activities	**$ 577,338**	**$ 585,787**	**$ 264,117**	**$ 685,551**	**$ 759,630**	**$ 792,289**	**$ 838,355**	**$ 901,150**	**$ 929,429**	**$ 1,015,271**
Total Primary Government	**$ 735,663**	**$ 754,257**	**$ 363,139**	**$ 868,204**	**$ 934,620**	**$ 952,008**	**$ 1,018,249**	**$ 1,021,834**	**$ 1,101,746**	**$ 1,212,383**

* The City changed its year-end from 12/31 to 06/30, therefore 2006 revenue shown is for 6 months only.
** Prior to 2004, non-major Business-type activities were classified as "Other".

Schedule 4
City of Atlanta, Georgia
Fund Balances, Governmental Funds (unaudited)
Last Ten Fiscal Periods
(modified accrual basis of accounting)
(Dollars in thousands)

	Fiscal Period									
	2004	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**
General Fund										
Reserved	$ 6,353	$ 5,783	$ 7,602	$ 2,614	$ 4,367	$ 3,382	$ -	$ -	$ -	$ -
Unreserved	151,349	140,193	92,947	91,808	5,763	4,011	-	-	-	-
Nonspendable							10,383	7,834	4,377	4,972
Restricted							11,398	6,388	15,231	14,159
Committed							16,260	-	-	-
Assigned							9,919	6,912	26,877	20,516
Unassigned							24,473	73,216	80,235	98,517
Total General Fund	**$ 157,702**	**$ 145,976**	**$ 100,549**	**$ 94,422**	**$ 10,130**	**$ 7,393**	**$ 72,433**	**$ 94,350**	**$ 126,720**	**$ 138,164**
Capital Projects Fund										
Reserved	$ -	$ 95,129	$ 47,397	$ 64,163	$ 73,703	$ 17,606	$ -	$ -	$ -	$ -
Unreserved	-	-	-	-	6,936	25,678	-	-	-	-
Restricted							18,516	21,632	-	-
Unassigned							(4,173)	-	-	-
Total Capital Projects Fund	**$ -**	**$ 95,129**	**$ 47,397**	**$ 64,163**	**$ 80,639**	**$ 43,284**	**$ 14,343**	**$ 21,632**	**$ -**	**$ -**
Debt Service Fund										
Reserved	$ -	$ 39,818	$ 36,532	$ 40,162	$ 45,479	$ 47,912	$ -	$ -	$ -	$ -
Restricted							51,828	265,371	-	-
	$ -	**$ 39,818**	**$ 36,532**	**$ 40,162**	**$ 45,479**	**$ 47,912**	**$ 51,828**	**$ 265,371**	**$ -**	**$ -**
All Other Governmental Funds										
Reserved	$ 285,892	$ 251,298	$ 245,160	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Unreserved, reported in										-
Special revenue funds	(21,416)	(9,240)	(9,240)	(20,091)	(57,328)	(45,238)	-	-	-	-
Restricted							292,839	292,839	406,854	408,501
Committed							-	-	-	
Unassigned							(29,043)	(28,661)	(23,388)	(14,490)
Total All other Governmental Funds	**$ 264,476**	**$ 242,058**	**$ 235,920**	**$ (20,091)**	**$ (57,328)**	**$ (45,238)**	**$ 263,796**	**$ 264,178**	**$ 383,466**	**$ 394,011**

Notes:
Prior to 2005, the General Fund was considered the only major governmental fund.
The Municipal Option Sales Tax Fund is considered a major governmental fund but has no fund balance.
Beginning in FY11, GASB 54 was implemented and the Governmental Fund balances are presented accordingly.

Schedule 5
City of Atlanta, Georgia
Changes in Fund Balances, Governmental Funds (unaudited)
Last Ten Fiscal Periods
(modified accrual basis of accounting)
(Dollars in thousands)

	Fiscal Period									
	2004	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**
REVENUES										
Property taxes	$ 192,927	$ 179,685	$ 10,261	$ 195,048	$ 227,563	$ 253,204	$ 329,127	$ 321,425	$ 288,771	$ 277,919
Local and municipal option sales taxes *	83,518	90,488	50,460	111,978	104,101	87,789	202,014	203,887	212,536	218,623
Public utility, alcoholic beverages and other taxes *	106,449	122,015	8,488	137,922	142,235	270,605	148,332	172,597	168,894	156,227
Licenses and permits	54,327	58,285	38,234	76,915	69,127	62,503	58,130	63,889	59,922	56,473
Charges for current services	24,761	21,576	65,235	23,482	27,729	20,765	17,843	17,312	16,745	23,904
Fines, forfeitures and penalties	18,504	17,895	6,727	14,710	18,323	15,820	15,847	22,368	24,550	24,293
Investment income	4,934	12,926	9,312	23,468	18,182	6,750	3,975	3,819	2,698	699
Intergovernmental revenues and contributions										
Federal revenues	31,659	30,480	334	28,784	34,709	36,649	65,422	43,437	40,671	53,278
State and local grants and contributions	16,991	20,500	21,182	24,065	17,358	9,094	14,307	16,576	16,291	22,379
Other	542	4,723	-	-	-	-	-	-	-	-
Building rentals and contributions	10,394	11,339	5,877	18,926	18,962	18,295	8,344	7,153	7,583	7,400
Other	9,657	26,584	11,398	19,844	8,710	13,738	17,491	9,995	6,854	9,385
TOTAL REVENUES	**$ 554,663**	**$ 596,496**	**$ 227,508**	**$ 675,142**	**$ 686,999**	**$ 795,212**	**$ 880,832**	**$ 882,458**	**$ 845,515**	**$ 850,580**
EXPENDITURES										
Current										
General government	$ 173,027	$ 231,207	$ 113,068	$ 290,882	$ 285,698	$ 319,202	$ 250,558	$ 215,655	$ 217,879	$ 224,452
Police	142,958	149,450	97,514	225,815	230,571	186,364	179,455	189,309	190,917	195,017
Fire	61,011	67,486	35,715	83,506	87,559	82,581	75,180	74,608	78,018	82,478
Corrections	35,283	38,678	20,921	44,456	47,711	36,503	28,037	23,929	30,675	29,203
Public works	34,506	59,679	45,231	48,393	69,004	45,032	45,477	51,622	41,547	39,516
Parks, recreation and cultural affairs	33,006	42,764	10,768	44,939	53,542	39,569	35,866	43,799	40,565	49,181
Capital outlay	15,330	-	-	-	-	-	-	-	-	
Debt service										
Principal	13,348	26,573	-	36,290	39,293	54,919	55,730	49,155	52,648	59,949
Interest	25,646	32,706	19,546	40,949	42,879	50,429	47,617	48,909	46,460	44,411
Bond issuance costs	31	723		1,996	4,438	6,065	4,446	1,433	311	33
TOTAL EXPENDITURES	**$ 534,146**	**$ 649,266**	**$ 342,763**	**$ 817,226**	**$ 860,695**	**$ 820,664**	**$ 722,366**	**$ 698,419**	**$ 699,020**	**$ 724,240**
Excess of Revenues Over (Under) Expenditures	**20,517**	**(52,770)**	**(115,255)**	**(142,084)**	**(173,696)**	**(25,452)**	**158,466**	**184,039**	**146,495**	**126,340**
Other Financing Sources (Uses)										
Proceeds from borrowing	$ 58,553	$ 145,809	$ -	$ 58,000	$ 53,820	$ 134,042	$ 78,120	$ -	$ -	$ -
Capital leases	-	7,097	-	-	23,480	48,602	-	-	-	2,198
Insurance Proceeds	-	-	-	-	-	-	-	-	-	
Premium on bonds sold	3,576	6,221	-	2,548	5,787	4,027	-	-	-	
Other Revenue	-	-	-	-	-	-	-	-	-	
Discount on bonds sold	-	(1,581)	-	(77)	-	(484)	(1,257)	-	-	
Refunding bonds issued	-	85,980	-	-	105,760	78,025	-	-	-	
Payment ro refunded bond escrow agent	-	(85,605)	-	-	(106,177)	(80,550)	(64,500)	-	-	
Sales of assets	-	1,600	7,036	9,304	6,794	851	456	7,089	14,623	123
Transfers in (out)	3,322	1,149	(5)	19,280	2,311	(118,523)	(119,590)	(120,880)	(123,580)	(114,431)
Total Other Financing Sources (Uses)	**$ 65,451**	**$ 160,670**	**$ 7,031**	**$ 89,055**	**$ 91,775**	**$ 65,990**	**$ (106,771)**	**$ (113,791)**	**$ (108,957)**	**$ (112,110)**
Extraordinary Loss							(2,231)	-	-	
Correction of a Prior Year Error	**14,988**	**(6,108)**	**-**	**-**	**37,800**	**-**	**-**	**-**	**-**	**-**
NET CHANGE IN FUND BALANCE	**$ 100,956**	**$ 101,792**	**$ (108,224)**	**$ (53,029)**	**$ (44,121)**	**$ 40,538**	**$ 49,466**	**$ 70,248**	**$ 37,538**	**$ 14,230**
Debt service as a percentage of noncapital expenditures	8.1%	11.1%	15.0%	12.3%	12.8%	17.4%	18.3%	18.1%	17.4%	16.8%

* Prior to 2010, the Municipal Option Sales Tax was included in Public utility, alcoholic beverages and other taxes

Schedule 6
City of Atlanta, Georgia
Assessed Value and Estimated Actual Value of Taxable Property (unaudited)
Last Ten Fiscal Periods

Fiscal Period Ended	Residential Property	Commercial Property	Industrial Property	Other Property(1)	Less: Tax-exempt Property(2)	Total Taxable Assessed Value	Total Direct Tax Rate
December 31, 2004	$ 10,282,698,452	$ 7,433,699,007	$ 308,725,135	$ 1,626,457,946	$ 1,732,722,383	$ 17,918,858,157	31.00%
December 31, 2005	10,842,205,309	7,255,025,020	618,322,584	1,590,005,363	186,756,118	20,118,802,158	30.09%
June 30, 2006	11,954,278,920	8,069,483,015	699,409,813	1,621,488,855	1,720,017,791	20,624,642,812	32.13%
June 30, 2007 (3)	13,202,618,136	9,744,120,546	776,908,905	1,595,456,173	1,887,341,520	23,431,762,240	31.61%
June 30, 2008	13,980,076,949	13,067,992,615	1,031,326,231	1,615,241,347	2,093,949,974	27,600,687,168	30.49%
June 30, 2009	13,872,372,979	11,249,746,299	890,877,231	1,720,999,874	1,910,282,501	25,823,713,882	30.49%
June 30, 2010	12,749,326,810	11,746,535,282	806,421,455	1,542,422,321	2,831,876,995	24,012,828,873	33.63%
June 30, 2011	12,609,751,900	10,924,151,062	775,954,220	1,525,316,851	2,731,195,758	23,103,978,275	33.63%
June 30, 2012	11,506,413,986	11,148,297,009	758,400,890	1,528,992,043	2,880,803,214	22,061,300,714	33.63%
June 30, 2013	10,896,664,314	10,752,062,104	723,400,082	1,658,974,465	2,660,010,749	21,371,090,216	33.68%

(1) Other Property consist of Historical, Agricultural, Conservation, Utility, Motor Vehicle, Heavy Equipment, Timber, Mobile Homes, etc… .
(2) Tax Exempt Property consist of Basic Homestead, Elderly, Disabled Veteran, Freeport, etc… .

Source: Assessed values are established by the Fulton & Dekalb Counties Board of Tax Assessors on January 1 of each year at 40% of the market value as required by State Law.

Schedule 7
City of Atlanta, Georgia
Direct and Overlapping Property Tax Rates (unaudited)
Last Ten Fiscal Periods
(per $1,000 of assessed value)

	City Direct Rates					
Fiscal Period Ended	**General Levy**	**School Levy**	**Parks Levy**	**City Bond Levy**	**School Bond Levy**	**Total Direct Tax Rate**
December 31, 2004	8.25	20.87	0.50	1.27	0.11	31.00
December 31, 2005	7.64	20.42	0.50	1.43	0.10	30.09
June 30, 2006	7.53	22.64	0.50	1.41	0.05	32.13
June 30, 2007	7.09	22.64	0.50	1.33	0.05	31.61
June 30, 2008	7.12	21.64	0.50	1.18	0.05	30.49
June 30, 2009	7.12	21.64	0.50	1.18	0.05	30.49
June 30, 2010	10.24	21.64	0.50	1.20	0.05	33.63
June 30, 2011	10.24	21.64	0.50	1.20	0.05	33.63
June 30, 2012	10.24	21.54	0.50	1.20	0.05	33.63
June 30, 2013	10.24	21.64	0.50	1.20	0.10	33.68

	Overlapping Rates					
			Fulton County, Georgia			
Fiscal Period Ended	**Atlanta/DeKalb County Special Tax District**	**Downtown Improvement District Special Tax District(1)**	**County Levy**	**County Bond Levy**	**Georgia State Levy**	**Total**
December 31, 2004	1.05	4.20	11.59	0.07	0.25	11.91
December 31, 2005	2.05	5.00	11.58	0.06	0.25	11.89
June 30, 2006	0.99	5.00	11.41	0.06	0.25	11.72
June 30, 2007	0.96	5.00	10.28	0.06	0.25	10.59
June 30, 2008	0.83	5.00	10.28	0.06	0.25	10.59
June 30, 2009	0.83	5.00	10.28	-	0.25	10.53
June 30, 2010	1.00	5.00	10.28	-	0.25	10.53
June 30, 2011	0.88	5.00	10.28	-	0.25	10.53
June 30. 2012	1.02	5.00	10.28	-	0.25	10.53
June 30, 2013	1.22	5.00	10.21	-	0.25	10.46

(1) Tax imposed by property owners in the district pursuant to state authorization.

Schedule 8
City of Atlanta, Georgia
Principal Property Tax Payers (unaudited)
Last Ten Fiscal Periods

		2003			2004			2005			2006			2007		
Taxpayer	**Type of Business**	**Taxable Assessed Value**	**Rank**	**Percentage of Total City Taxable Assessed Value**	**Taxable Assessed Value**	**Rank**	**Percentage of Total City Taxable Assessed Value**	**Taxable Assessed Value**	**Rank**	**Percentage of Total City Taxable Assessed Value**	**Taxable Assessed Value**	**Rank**	**Percentage of Total City Taxable Assessed Value**	**Taxable Assessed Value**	**Rank**	**Percentage of Total City Taxable Assessed Value**
Bell South	Communication Service	$ 311,493,227	1	1.69%	$ 155,936,542	1	0.79%	$ 386,047,492	1	1.90%	$ 266,293,651	1	1.29%	244,693,204	1	1.04%
Coca-Cola Company	Marketing and Manufacturing	162,670,820	2	0.88%	154,860,290	2	0.79%	154,932,948	2	0.76%	184,395,886	2	0.89%	172,011,442	4	0.73%
Georgia Power Company	Utility Service	138,389,311	3	0.75%	57,103,706	10	0.29%	139,188,340	3	0.69%	137,147,337	3	0.66%	197,766,434	2	0.84%
Post Apartment Homes	Residential Real Estate	116,171,210	4	0.63%	120,304,178	3	0.61%	117,829,980	4	0.58%	128,834,887	4	0.62%	154,997,343	5	0.66%
Georgia Pacific Company	Pulp and Paper Manufacturing	90,792,750	5	0.49%	97,673,647	4	0.50%		#	#	97,202,770		0.47% #	104,165,251	8	0.44%
CSC Associates	Commercial Real Estate	87,338,740	6	0.47%	87,321,645	6	0.44%	77,663,640	10 #	0.38% #	107,004,930	10	0.52% #			
SunTrust Plaza Association	Commercial Real Estate	82,038,220	7	0.44%	81,513,618	9	0.41%	92,889,700	5 #	0.46% #	92,735,881	5	0.45% #	115,924,129	7	0.49%
One Ninety One Peachtree Association	Commercial Real Estate	76,478,710	8	0.41%	82,035,928	8	0.42%		#	#	84,919,630		0.41% #			
Sumito Life Realty, Inc	Commercial Real Estate	63,170,490	9	0.34%				82,034,230	7	0.40%	0	7	0.00%			
Atlanta Center LTD	Commercial Real Estate	58,083,570	10	0.31%					#	#	83,443,109		0.40% #			
Peachtree TSG Associates LLC	Commercial Real Estate				93,540,108	5	0.48%	80,353,590	9 #	0.40% #	0	9	0.00% #			
Trizec Alliance Center LLC	Commercial Real Estate				83,957,286	7	0.43%	81,144,630	8 #	0.40% #	85,674,219	8	0.42% #			
Overseas Partners	Commercial Real Estate				0	0		86,232,080 0	6 0	0.42% 0	0	6	0.00% 0			
GA Promenade LLC	Residential Real Estate													84,941,760	9	0.36%
Development Authority of Fulton	Government													181,620,042	3	0.78%
BF ATL, LLC	Commercial Real Estate													135,349,359	6	0.59%
Hines One Atlantic Center LP	Commercial Real Estate													83,995,120	10	0.36%
Total		$ 1,186,627,048		6.41%	$ 1,014,246,948		5.16%	$ 1,298,316,630	#	6.39% #	$ 1,267,652,300		6.13% #	$ 1,475,464,084		6.30%

		2008			2009			2010*			2011**			2012***		
Taxpayer	**Type of Business**	**Taxable Assessed Value**	**Rank**	**Percentage of Total City Taxable Assessed Value**	**Taxable Assessed Value**	**Rank**	**Percentage of Total City Taxable Assessed Value**	**Taxable Assessed Value**	**Rank**	**Percentage of Total City Taxable Assessed Value**	**Taxable Assessed Value**	**Rank**	**Percentage of Total City Taxable Assessed Value**	**Taxable Assessed Value**	**Rank**	**Percentage of Total City Taxable Assessed Value**
Bell South	Communication Service	332,146,406	2	1.36%	197,316,319	3	0.86%	288,336,703	3	1.37%						
Coca-Cola Company	Marketing and Manufacturing	174,796,651	4	0.72%	166,718,521	4	0.73%	239,494,269	4	1.13%	160,539,113	3	0.76%	158,398,076	3	0.77%
Georgia Power Company	Utility Service	206,701,589	3	0.85%	222,362,604	2	0.97%	355,267,690	2	1.68%	258,789,449	2	1.23%	278,823,406	2	1.36%
Post Apartment Homes	Residential Real Estate	168,194,137	5	0.69%	148,085,301	5	0.65%	129,959,779	8	0.62%	128,772,451	5	0.61%	154,833,309	4	0.47%
Georgia Pacific Company	Pulp and Paper Manufacturing	105,231,889	8	0.43%	98,028,880	8	0.43%	-			84,328,320	8	0.40%	78,922,880	7	0.37%
SunTrust Plaza Association	Commercial Real Estate	119,200,000	7	0.49%	103,661,410	7	0.45%	103,532,500	9	0.49%	96,150,900	6	0.46%	96,136,850	5	0.43%
Development Authority of Fulton	Government	333,432,299	1	1.36% $	505,772,282	1	2.21% $	864,964,916	1	4.10% $	652,260,501	1	3.09%	643,688,110	1	3.15%
BF ATL, LLC	Commercial Real Estate	158,985,279	6	0.65%	135,349,360	6	0.59%	135,349,360	7	0.64%	135,349,360	4	0.64%	76,031,870	8	0.76%
Coporate Property Corporation	Commercial Real Estate Investment										87,232,239	9	0.41%	87,837,149	6	0.35%
Hines One Atlantic Center LP	Commercial Real Estate	101,252,131	9	0.41%	86,807,370	10	0.38%				74,287,820	10	0.35%	72,158,940	10	0.35%
Kan AM Grund America LP	Commercial Real Estate Investment	91,507,582	10	0.37%												
IEP Peachtree, LLC	Unclassified				91,879,110	9	0.40%	93,279,610	10	0.44%	91,879,110	7	0.44%	72,222,920	9	0.39%
AT&T								233,061,383	5	1.10%						
Delta Airlines								144,071,482	6	0.68%						
Total		$ 1,791,447,963		7.33%	$ 1,755,981,157		7.66%	$ 2,587,317,692		12.25%	$ 1,769,589,263		8.38%	$ 1,719,053,510		8.41%

* 2010 Based on Net Assessed Value of $22,924,256,395
** 2011 Based on Net Assessed Value of $21,120,062,847

Schedule 9
City of Atlanta, Georgia
Property Tax Levies and Collections (unaudited)
Last Ten Fiscal Periods
(Dollars in thousands)

Fiscal Period Ended	Taxes Levy for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount(1)	Percentage of Levy		Amount	Percentage of Levy
December 31, 2004	180,734	170,502	94.34%	9,752	180,255	99.74%
December 31, 2005	178,703	160,301	89.70%	17,910	178,211	99.72%
June 30, 2006	6,750	6,750	100.00%	-	6,750	100.00%
June 30, 2007	179,607	164,976	91.85%	13,851	178,827	99.57%
June 30, 2008	182,021	173,030	95.06%	7,844	180,874	99.37%
June 30, 2009	198,378	190,475	96.02%	5,882	196,358	98.98%
June 30, 2010	264,371	257,062	97.24%	3,606	260,669	98.60%
June 30, 2011	240,586	234,895	97.63%	-	234,895	97.63%
June 30, 2012	222,633	218,472	98.13%	-	218,472	98.13%
June 30, 2013	219,177	214,494	97.86%	-	214,494	97.86%

(1) Does not include tax revenues retained by Fulton and Dekalb County for administrative expenses, therefore the collection rate shown is slightly less than actual.

Schedule 10
City of Atlanta, Georgia
Taxable Sales by Category (unaudited)
Last Nine Fiscal Periods
(Dollars in thousands)

Local Option Sales Tax	**Fiscal Period**								
	2004	**2005**	**2006***	**2007****	**2008**	**2009**	**2010**	**2011**	**2012**
Food	$ 17,085,817	$ 18,227,462	$ 21,181,670	$ 12,524,653	$ 21,525,653	$ $ 20,038,407	$ $ 18,811,248	$ 18,665,973	$ 19,260,191
Apparel	3,391,724	3,657,878	4,043,395	2,503,914	4,191,287	5,594,865	5,619,424	7,607,374	8,735,985
General	9,378,994	9,816,473	10,542,134	6,748,029	10,710,270	10,374,329	11,803,657	11,459,576	11,840,986
Automotive	8,576,677	8,986,665	10,704,116	6,322,706	11,180,684	9,275,605	6,007,107	6,781,055	7,620,570
Home	9,656,318	11,420,684	12,488,531	7,223,408	11,335,795	9,939,476	7,437,672	7,721,742	8,237,476
Lumber	6,215,037	6,590,849	7,436,668	4,228,072	6,228,429	4,235,049	728,285	587,895	587,895
Miscellaneous Services	10,144,407	10,575,829	12,396,264	6,765,846	12,651,427	12,773,311	12,220,815	10,259,330	11,682,787
Manufacturers	2,614,909	3,025,195	4,333,126	2,195,509	3,636,616	3,425,878	5,640,201	5,253,551	5,043,131
Utilities	7,679,384	8,016,539	9,234,770	5,247,921	9,691,811	10,274,982	6,472,235	6,556,758	5,653,587
Miscelleaneous	7,965,956	8,228,806	8,651,981	6,688,032	11,774,540	9,864,146	17,721,003	18,365,457	20,689,057
Total	**$ 82,709,224**	**$ 88,546,378**	**$ 101,012,655**	**$ 60,448,090**	**$ 102,926,512**	**$ 95,796,048**	**$ 92,461,649**	**$ 93,258,711**	**$ 99,351,665**
City direct sales tax rate	0%	0%	0%	0%	0%	0%	0%	0%	0%

Municipal Option Sales Tax (1)	**Fiscal Period**								
	2004	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**
Food	$ 1,244,484	$ 20,262,057	$ 12,415,988	$ 26,529,627	$ 27,367,773	$ 25,487,704	$ 23,115,908	$ 24,249,636	$ 24,474,659
Apparel	329,493	5,268,202	3,200,528	6,232,358	6,537,725	8,265,601	6,819,859	7,411,259	7,844,861
General	560,254	9,817,354	5,876,141	10,818,855	10,801,409	10,829,434	13,496,332	14,539,307	15,198,078
Automotive	185,286	2,951,697	3,770,532	4,125,484	5,190,562	5,489,521	929,297	1,021,811	1,006,061
Home	723,835	13,940,445	1,686,685	16,480,009	15,614,925	13,952,527	8,302,473	10,528,843	11,254,508
Lumber	453,282	6,870,413	8,952,687	8,107,471	7,926,075	5,591,719	991,117	858,527	811,933
Miscellaneous Services	857,201	13,772,985	3,472,644	17,745,384	19,228,289	19,360,539	15,006,917	14,608,176	12,914,807
Manufacturers	132,360	2,827,119	8,352,696	3,680,987	4,804,876	4,399,557	6,763,647	7,374,252	6,797,657
Utilities	534,743	9,725,057	1,730,697	11,045,370	11,307,471	12,691,282	7,177,663	8,488,688	12,243,140
Miscelleaneous	578,069	11,969,607	5,573,612	15,347,660	16,126,286	15,976,758	25,295,149	24,720,146	26,593,552
Total	**$ 5,599,006**	**$ 97,404,935**	**$ 55,032,209**	**$ 120,113,206**	**$ 124,905,391**	**$ 122,044,642**	**$ 107,898,362**	**$ 113,800,645**	**$ 119,139,256**
City direct sales tax rate	**1.00%**	**1.00%**	**1.00%**	**1.00%**	**1.00%**	**1.00%**	**1.00%**	**1.00%**	**1.00%**

* 2006 data represents the 2006 Calanedar year
** 2007 represents six months of activity, January through June 2007

Schedule 11
City of Atlanta, Georgia
Direct and Overlapping Sales Tax Rates (unaudited)
Last Ten Fiscal Periods

Fiscal Year	City Direct Rate	Fulton County
2004	0.00%	7.00%
2005	1.00%	7.00%
2006	1.00%	7.00%
2007	1.00%	7.00%
2008	1.00%	7.00%
2009	1.00%	7.00%
2010	1.00%	7.00%
2011	1.00%	7.00%
2012	1.00%	7.00%
2013	1.00%	7.00%

Source: Sales Tax Rates, Georgia Department of Revenue

Schedule 12
City of Atlanta, Georgia
Principal Sales Tax Remitters (unaudited)
Last Eight Fiscal Periods

	2006		2007		2008		2009	
Tax Remitters	**Tax Liability**	**Percentage of Total**	**Tax Liability**	**Percentage of Total**	**Tax Liability**	**Percentage of Total**	**Tax Liability**	**Percentage of Total**
Food	$ 12,415,988	22.56%	$ 26,529,627	22.09%	$ 27,367,773	21.91%	$ 25,487,704	20.89%
Apparel	3,200,528	5.82%	6,232,358	5.19%	6,537,725	5.23%	8,265,601	6.77%
General	5,876,141	10.68%	10,818,855	9.01%	10,801,409	8.65%	10,829,434	8.88%
Automotive	3,770,532	6.85%	4,125,484	3.43%	5,190,562	4.16%	5,489,521	4.50%
Home	1,686,685	3.06%	16,480,009	13.72%	15,614,925	12.50%	13,952,527	11.44%
Lumber	8,952,687	16.27%	8,107,471	6.75%	7,926,075	6.35%	5,591,719	4.58%
Miscellaneous Services	3,472,644	6.31%	17,745,384	14.77%	19,228,289	15.39%	19,360,539	15.87%
Manufacturers	8,352,696	15.18%	3,680,987	3.06%	4,804,876	3.85%	4,399,557	3.61%
Utilities	1,730,697	3.14%	11,045,370	9.20%	11,307,471	9.05%	12,691,282	10.40%
Miscelleaneous	5,573,612	10.13%	15,347,660	12.78%	16,126,286	12.91%	15,941,494	13.07%
Total	$ 55,032,209	100%	$ 120,113,205	100%	$ 124,905,391	100%	$ 122,009,378	100%

	2010		2011		2012		2013	
Tax Remitters	**Tax Liability**	**Percentage of Total**	**Tax Liability**	**Percentage of Total**		**Percentage of Total**	**Tax Liability**	**Percentage of Total**
Food	$ 23,115,908	21.42%	$ 24,249,636	21.31%	$ 24,474,659	20.54%	$ 25,875,374	21.73%
Apparel	6,819,859	6.32%	7,411,259	6.51%	7,844,861	6.58%	8,659,305	7.27%
General	13,496,332	12.51%	14,539,307	12.78%	15,198,078	12.76%	15,821,702	13.29%
Automotive	929,297	0.86%	1,021,811	0.90%	1,006,061	0.84%	1,088,903	0.91%
Home	8,302,473	7.69%	10,528,843	9.25%	11,254,508	9.45%	10,342,273	8.69%
Lumber	991,117	0.92%	858,527	0.75%	811,933	0.68%	937,818	0.79%
Miscellaneous Services	15,006,917	13.91%	14,608,176	12.84%	12,914,807	10.84%	17,624,898	14.80%
Manufacturers	6,763,647	6.27%	7,374,252	6.48%	6,797,657	5.71%	6,283,568	5.28%
Utilities	7,177,663	6.65%	8,488,688	7.46%	12,243,140	10.28%	7,232,826	6.07%
Miscelleaneous	25,295,149	23.44%	24,720,146	21.72%	26,593,552	22.32%	25,199,982	21.16%
Total	$ 107,898,362	100%	$ 113,800,645	100%	$ 119,139,255	100.00%	$ 119,066,648	100.00%

Source: Georgia Department of Revenue, Local Government Division

Note: Effective October 1, 2004, the City began collection 1% Municipal Option Sale Tax (MOST) for retail sales and use within the incorporated city limits of

Schedule13
City of Atlanta, Georgia
Ratio of Outstanding Debt by Type (unaudited)
Last Ten Fiscal Periods
(Dollars in thousands, except per capita)

	Governmental Activities													
Fiscal Period Ended	General Obligation Debt*	SWMA Revenue Refunding Bonds	Limited Obligation Bonds*	Section 108 Loans	Capital Leases	1990 GMA Lease Pool	1998 GMA Lease Pool	2002 Certificates of Participation	Installment Sale Program	Inter-Govt Agreements	Notes Payable	Total Governmental Activities	%- Personal Income (a)	Per Capita (a)
December 31, 2004	$ 290,365	$ 23,965	$ 90,935	$ 11,250	$ -	$ 3,053	$ 32,444	$ 51,280	$ 78,780	$ -	$ -	$ 582,072	3.59%	$ 1,338
December 31, 2005	283,865	23,035	218,740	9,515	5,835	10,054	32,444	49,950	74,080	-	-	707,518	4.09%	1,600
June 30, 2006	283,865	23,035	406,255	9,515	5,835	11,800	32,444	49,950	74,080	-	-	896,779	48.70%	1,986
June 30, 2007	276,510	22,060	396,675	8,200	4,499	9,055	32,444	48,550	69,190	-	-	867,183	4.71%	1,920
June 30, 2008	296,915	20,265	540,205	6,720	26,564	5,782	32,444	47,080	63,995	16,373	17,000	1,073,343	5.46%	2,323
June 30, 2009	277,190	20,265	652,075	6,175	69,005	5,782	32,444	45,540	58,575	15,983	15,509	1,198,543	6.04%	2,511
June 30, 2010	275,269	18,837	633,806	5,115	83,396	2,555	32,444	-	52,885	15,177	14,083	1,133,567	5.49%	2,358
June 30, 2011	255,077	17,658	623,602	4,025	76,567	-	32,444	-	46,905	14,329	12,590	1,083,197	5.33%	2,579
June 30, 2012	239,310	16,419	603,862	2,890	69,349	-	32,444	-	40,660	13,432	11,027	1,029,393	5.05%	2,381
June 30, 2013	222,562	15,410	591,587	2,180	64,121	-	32,444	-	34,135	40,841	9,394	1,012,674	4.76%	2,282

	Business-Type Activities													
	Department of Aviation		Deparment of Watershed Management				Nonmajor Proprietary							
Fiscal Period Ended	Facilities Revenue Bonds	Issuance Premiums and Discounts	System Revenue Bonds	Issuance Premiums and Discounts	GEFA Notes Payable	Capital Lease/Other Obligations	Sanitation Fund Capital Lease Obligation	Underground Atlanta Revenue Bonds	Parking Deck Capital Lease	Underground Atlanta Capital Lease	Total Business-Type Activities	Total Primary Government	%- Personal Income (a)	Per Capita (a)
December 31, 2004	$ 2,927,307	$ 1,521	$ 2,558,000	$ 39,867	$ -	$ 22,299	$ 3,217	$ 65,330	$ -	$ -	$ 5,617,541	$ 6,199,613	38.20%	$ 14,255
December 31, 2005	2,805,127	662	2,542,765	38,881	23,373	20,520	2,205	61,280	-	-	5,494,813	6,202,331	35.82%	14,029
June 30, 2006	2,984,043	(19)	2,542,765	38,388	23,106	19,614	1,134	61,280	-	-	5,670,311	6,567,090	35.65%	14,542
June 30, 2007	2,890,474	(575)	2,518,555	37,402	95,701	17,651	-	57,055	-	-	5,616,263	6,483,446	35.20%	14,357
June 30, 2008	2,419,898	(1,037)	2,494,575	849	152,073	15,710	-	52,610	-	-	5,134,678	6,208,021	31.56%	13,439
June 30, 2009	2,343,835	(1,404)	3,218,275	3,330	148,767	-	-	-	-	-	5,712,803	6,911,346	34.80%	14,480
June 30, 2010	2,235,572	(1,737)	3,202,025	25,830	145,353	-	-	-	-	-	5,607,043	6,740,610	32.65%	14,022
June 30, 2011	2,801,655	55,478	3,163,655	24,675	141,823	20,563	-	-	21,685	35,895	6,265,429	7,348,626	36.18%	17,497
June 30, 2012	3,156,265	46,345	3,117,570	23,526	147,940	-	-	-	21,040	29,415	6,542,101	7,571,494	37.38%	17,509
June 30, 2013	3,059,455	108,129	3,069,145	22,390	168,829	5,456	-	-	20,365	22,605	6,476,374	7,559,571	37.21%	17,999

* Net of any discount or premium
(a) See Schedule 18 for personal income and population data.

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

Schedule 14
City of Atlanta, Georgia
Ratio of General Bonded Debt Outstanding (unaudited)
Last Ten Fiscal Periods
(Dollars in thousands, except per capita)

Fiscal Period Ended	General Obligation Debt *	SWMA Revenue Refunding Bonds	Limited Obligation Bonds*	Inter-Governmental Agreements	Section 108 Loans	Capital Leases	Total	Percentage of Actual Taxable Value of Property	Per Capita
December 31, 2004	$ 290,365	$ 23,965	$ 90,935	$ -	$ 11,250	$ -	$ 416,515	2.32%	942
December 31, 2005	283,865	23,035	218,740	-	9,515	5,835	540,990	2.69%	1,198
June 30, 2006	283,865	23,035	406,235	-	9,515	5,835	728,485	3.53%	1,613
June 30, 2007	276,510	22,060	399,985	-	8,200	4,499	711,254	3.04%	1,575
June 30, 2008	296,915	20,265	540,205	16,373	6,720	26,564	907,042	3.29%	1,963
June 30, 2009	277,190	20,265	652,075	15,983	6,175	69,605	1,041,293	4.03%	2,182
June 30, 2010	275,269	18,837	633,806	15,177	5,115	83,396	1,031,600	4.30%	2,146
June 30, 2011	255,077	17,658	623,602	14,329	4,025	76,567	991,258	4.29%	2,360
June 30, 2012	230,680	16,745	606,045	13,433	2,890	69,349	939,142	4.26%	2,172
June 30, 2013	222,562	15,410	591,587	40,841	2,180	64,120	936,700	4.25%	2,047

* Net of any discount or premium.

Schedule 15
City of Atlanta, Georgia
Direct and Overlapping Governmental Activities Debt (unaudited)
Last Ten Fiscal Periods
(Dollars in thousands)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (a)	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
2004	$ 606,651	58.31%	$ 353,731
2005	720,722	65.77%	473,999
2006	720,722	65.77%	473,999
2007	707,593	66.88%	473,246
2008	761,811	62.11%	473,154
2009	696,259	62.66%	436,255
2010	638,210	64.58%	412,126
2011	665,229	71.48%	475,497
2012	666,127	74.20%	494,281
2013	602,192	74.59%	449,163

(a) For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the City's boundaries and dividing it by each unit's total taxable assessed value. This approach was also used by the City's capital leases and other debt.

Sources: Assessed value data used to estimate applicable percentage provided by Fulton County Tax Assessor. Debt outstanding data provided by each governmental unit.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when taking into consideration the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore, responsible for repaying the debt, of each overlapping government.

Schedule 16
City of Atlanta, Georgia
Legal Debt Margin Information (unaudited)
Last Ten Fiscal Periods

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Debt limit	$ 2,278,113,865	$ 2,349,127,724	$ 2,657,777,842	$ 2,464,044,067	$ 2,943,835,276	$ 2,730,015,271	$ 2,626,080,388	$ 2,434,184,113	2,354,198,460	$ 2,201,603,385
Total net debt applicable to limit	290,365,000	239,360,000	302,654,250	673,185,000	699,290,000	795,340,000	260,490,000	244,965,000	230,680,000	215,320,000
Legal debt margin	$ 1,987,748,865	$ 2,109,767,724	$ 2,355,123,592	$ 1,790,859,067	$ 2,244,545,276	$ 1,934,675,271	$ 2,365,590,388	$ 2,189,219,113	2,123,518,460	$ 1,986,283,385
Total net det applicable to the limit as a percentage of debt limit	12.75%	10.19%	11.39%	27.32%	23.75%	29.13%	9.92%	10.06%	9.80%	9.78%

SCHEDULE 17A
City of Atlanta, Georgia
Department of Aviation
Schedule of Revenue Bond Coverage (unaudited)
Last Ten Fiscal Periods
(Dollars in thousands)

				Debt Service Requirements (5)				
Period (4)	Operating Revenue (1)	Current Operating Expenses(2)	Net Revenue available for Debt Service	Principal	Interest(3)	Net Swap Payments & Liquidity Fees (6)	Total	% Coverage(7)
2004	292,375	134,528	157,847	52,183	40,362	10,990	103,535	1.52
2005	305,484	148,728	156,756	33,935	64,167	5,470	103,572	1.51
2006	152,601	74,353	78,248	-	23,727	334	24,061	3.25
2007	339,164	133,440	205,724	37,487	56,186	(1,186)	92,487	2.22
2008	405,868	166,274	239,594	40,906	70,131	3,275	114,312	2.10
2009	404,724	173,404	231,320	42,502	67,392	19,187	129,081	1.79
2010	414,898	201,056	213,842	53,061	70,104	3,670	126,835	1.69
2011	416,748	197,308	219,440	38,395	52,665	4,293	95,353	2.30
2012	407,094	209,548	197,546	55,310	57,206	4,549	117,066	1.69
2013	497,165	230,441	266,724	66,215	86,268	4,754	157,237	1.70

(1) Represents total operating revenues on a cash basis and includes interest earnings from the Operating Fund and Renewal and Extension Fund as permitted under the Master Bond Ordinance. Beginning in 2006, parking revenues are reported on a gross basis.
(2) Represents total operating expenses on a cash basis. Beginning in 2006, parking expenses are included in the Operating Expense amount.
(3) Net of capitalized interest.
(4) Periods 2000 through 2005 are each 12-month periods beginning on January 1 and ending on December 31. Period 2006 is a 6-month period beginning on January 1, 2006 and ending on June 30, 2006. All subsequent periods are 12-month periods beginning on July 1 and ending on June 30.
(5) Debt Service Requirements are calculated per the requirements of the Master Bond Ordiance (dated March 20, 2000) as amended.
(6) Per the Master Bond Ordinance, net SWAP payments and liquidity fees are included in the debt service requirements.
(7) Coverage ratios for the years 2003 thru 2008 have been restated due to a Material Events Notice filed by the City in October 2009, and a correction of the coverage ratio calculation.

Schedule 17B
City of Atlanta, Georgia
Department of Watershed Management
Schedule of Revenue Bond Coverage (unaudited)
Last Ten Fiscal Periods
(Dollars in thousands)

				Debt Service Requirements			
Period(1)	Operating Revenue	Current Operating Expenses(3)	Net Revenue available for Debt Service	Principal	Interest	Total(4)	Coverage Ratio
2003	227,441	137,284	90,157	325	69,667	69,992	1.29
2004	287,778	133,146	154,632	9,375	82,284	91,659	1.69
2005	385,697	159,081	226,616	10,655	81,519	92,174	2.46
2006	189,844	96,345	93,499	-	61,842	61,842	1.51
2007	435,715	240,848	194,867	24,210	128,435	152,645	1.28
2008	460,285	236,316	223,969	27,647	126,285	153,932	1.45
2009	498,216	220,962	277,254	26,300	127,452	153,752	1.80
2010	511,649	206,170	305,479	28,980	172,074	201,054	1.52
2011	561,485	191,816	369,669	38,370	182,157	220,527	1.68
2012	596,680	192,179	404,501	46,085	180,893	226,978	1.78
2013	576,474 (2)	205,520	370,954	48,425	178,763	227,188	1.63

(1) Fiscal years 2003 thru 2005 are 12 month periods beginning January 1 and ending December 31. Fiscal year 2006 is a six month period beginning January 1, 2006 and ending June 30, 2006. Fiscal years 2007 thru 2013 are each 12 month periods beginning July 1 and ending June 30.
(2) Total operation revenue plus investment income and sales tax (Sales Tax Revenue in the amount of $119 million was transferred for Special Revenue Fund to DWM for operating expenses.)
(3) Total operating expenses exclusive of the payment in lieu of taxes and franchise fee, depreciation and amortization, bond interest and contingent liabilities.
(4) Annual debt service includes sinking fund requirements of the Water and Sewerage Revenue Fund.

Schedule 18
City of Atlanta, Georgia
Demographic and Economic Statistics (unaudited)
Last Ten Years

Fiscal Year Ended	Population[1]	Personal Income (thousands of dollars)[2]	Per Capita Personal income[3]	Median Age[4]	Educational Attainment[5]	School Enrollment[6]	Unemployment Rate[7]
December 31, 2004	434,900	162,297	33,838	33.8	81.7	51,358	7.4%
December 31, 2005	442,100	173,159	34,825	34.7	82.9	50,188	5.9%
June 30, 2006	451,600	184,186	35,846	34.7	82.9	49,924	5.3%
June 30, 2007	451,600	184,186	35,846	34.7	82.9	49,707	4.5%
June 30, 2008	461,956	196,683	36,309*	32*	87.0	51,377*	5.9%
June 30, 2009	477,300	198,580	37,744	35.0	83.4	48,093	10.3%**
June 30, 2010	480,700	206,462	38,336	35.0	87.3	48,696	10.0%
June 30, 2011	420,003	203,137	37,101	34.0	85.5	49,874	10.5%
June 30, 2012	432,427	202,577	38,321	32.9	86.8	49,474	8.9%
June 30, 2013	443,775	212,830	39,713	33.0	87.3	48,831	8.6%

[1]U.S. Census Bureau, QuickFacts population estimate 2012.

[2]U.S. Department of Commerce, Bureau of Economic Analysis - data reported annually, available through 2011 for Atlanta MSA this figure is inclusive of Atlanta-Sandy Springs-Marietta.

[3]U.S. Department of Commerce, Bureau of Economic Analysis - data reported annually, available through 2011 for Atlanta MSA

[4]U.S. Census Bureau, American Community Survey data for City of Atlanta; data limited to household population, excludes institutions, college dormitories, & other group quarters; data available 2007 through 2011.

[5]U.S. Census Bureau, American Community Survey for City of Atlanta, % of population that attained high school degree or higher educational degrees; data based on population 25 years and over and limited to household population, excludes institiutions, college dormitories, & other group quarters; data available 2007 through 2011

[6]Georgia Department of Education - Enrollment as of March of each fiscal year end

[7]U.S. Department of Labor, Bureau of Labor Statistics; City of Atlanta data for fiscal year 2012 is July 2012 through June 2013. This figure is inclusive of Atlanta-Sandy Springs-Marietta.

* Figures taken from First Multiple Listing Service and are specific to the City of Atlanta.

**Georgia Department of Labor City Labor force Estimates City of Atlanta May 2009

Schedule 19
City of Atlanta, Georgia
Principal Employers (unaudited)
Last Ten Years

		2003				2004	
Employer	**Type of Business**	**Employees**	**Percentage of Total City Employment**	**Employer**	**Type of Business**	**Employees**	**Percentage of Total City Employment**
International Business Machine Corp.	Technology Services	3,683	1.90%	International Business Machine Corp.	Technology Services	3,864	1.97%
Georgia-Pacific Corporation	Pulp and Paper Manufacturing	3,352	1.73%	Georgia-Pacific Corporation	Pulp and Paper Manufacturing	3,358	1.71%
Efficiency Plus Consultants	Consulting	3,200	1.65%	The Coca-Cola Company	Marketing and Manufacturing	3,062	1.56%
The Coca-Cola Company	Marketing and Manufacturing	3,095	1.60%	Cable News Network, Inc.		1,953	0.99%
Cable News Network, Inc.	Media	2,087	1.08%	Atlanta Journal and Constitution	Media	1,407	0.72%
Atlanta Journal and Constitution	Media	1,664	0.86%	Tenet Healthsystem, Inc.	Healthcare	1,377	0.70%
Tenet Healthsystem, Inc.	Healthcare	1,400	0.72%	Turner Entertainment Networks	Entertainment	1,067	0.54%
Turner Entertainment Networks	Entertainment	1,029	0.53%	Turner Broadcasting System, Inc.		974	0.50%
Turner Broadcasting System, Inc.	Media/Entertainment	912	0.47%	Atlanta Spirit, Inc.	Sports	797	0.41%
Skanska USA Building, Inc.	Construction-related Services	793	0.41%	Air Serv Corp.	Transportation	767	0.39%
Total		21,215	10.95%	Total		18,626	9.49%

		2005				2006	
Employer	**Type of Business**	**Employees**	**Percentage of Total City Employment**	**Employer**	**Type of Business**	**Employees**	**Percentage of Total City Employment**
International Business Machine Corp.	Technology Services	3,697	1.81%	International Business Machine Corp.	Technology Services	4,225	2.00%
The Coca-Cola Company	Marketing and Manufacturing	3,096	1.52%	The Coca-Cola Company	Marketing and Manufacturing	3,178	1.51%
Accenture LLP	Consulting	3,000	1.47%	Allied Barton Security Services	Security Services	2,148	1.02%
Georgia-Pacific Corporation	Pulp and Paper Manufacturing	2,434	1.19%	Cable News Network, Inc.	Media	1,924	0.91%
Cable News Network, Inc.	Media	1,922	0.94%	Air Serv Corp.	Transportation	1,721	0.82%
Allied Barton Security Services	Security Services	1,896	0.93%	Accenture LLP	Consulting	1,700	0.81%
Tenet Healthsystem, Inc.	Healthcare	1,410	0.69%	Turner Broadcasting System, Inc.	Media/Entertainment	1,528	0.72%
Turner Broadcasting System, Inc.	Media/Entertainment	1,351	0.66%	Tenet Healthsystem, Inc.	Healthcare	1,408	0.67%
Turner Entertainment Networks	Entertainment	1,118	0.55%	Turner Entertainment Networks	Entertainment	1,054	0.50%
Atlanta Journal and Constitution	Media	1,017	0.50%	Atlanta Journal and Constitution	Media	1,036	0.49%
Total		20,941	10.26%	Total		19,922	9.44%

		2007				2008	
Employer	**Type of Business**	**Employees**	**Percentage of Total City Employment**	**Employer**	**Type of Business**	**Employees**	**Percentage of Total City Employment**
The Coca-Cola Company	Marketing and Manufacturing	3,029	1.65%	International Business Machine Corp.	Technology Services	3,827	1.95%
Allied Barton Security Services	Security Services	2,395	1.30%	Allied Barton Security Services	Security Services	3,702	1.88%
Accenture LLP	Consulting	2,100	1.14%	The Coca-Cola Company	Marketing and Manufacturing	3,009	1.53%
Cable News Network, Inc.	Media	1,809	0.98%	Accenture LLP	Consulting	1,900	0.97%
Turner Broadcasting System, Inc.	Media/Entertainment	1,710	0.93%	Cable News network	Media	1,871	0.95%
Air Serv Corp.	Transportation	1,391	0.76%	Turner Broadcasting System, Inc.	Media/Entertainment	1,781	0.91%
Turner Entertainment Networks	Entertainment	1,290	0.70%	Tenet Health System , Inc.	Healthcare	1,251	0.64%
Tenet Healthsystem, Inc.	Healthcare	1,279	0.69%	Georgia-Pacific Corporation	Pulp and Paper Manufacturing	1,099	0.56%
Georgia-Pacific Corporation	Pulp and Paper Manufacturing	1,106	0.60%	Air Service Corp	Transportation	1,060	0.54%
Earthlink, Inc.	Internet	1,106	0.60%	Atlanta Journal and Constitution	Media	1,008	0.51%
Total		17,215	9.35%	Total		20,508	10.43%

		2009				2010	
Employer	**Type of Business**	**Employees**	**Percentage of Total City Employment**	**Employer**	**Type of Business**	**Employees**	**Percentage of Total City Employment**
Allied Barton Security Services	Security Services	4,058	2.11%	Allied Barton Security Services	Security Services	4,205	2.24%
International Business Machine Corp.	Technology Services	3,739	1.94%	International Business Machine Corp.	Technology Services	3,769	2.01%
The Coca-Cola Company	Marketing and Manufacturing	3,020	1.57%	The Coca-Cola Company	Marketing and Manufacturing	3,608	1.92%
Accenture LLP	Consulting	2,100	1.09%	Turner Broadcasting System, Inc.	Media/Entertainment	2,000	1.07%
Turner Broadcasting System, Inc.	Media/Entertainment	1,868	0.97%	Cable News network	Media	1,889	1.01%
Cable News network	Media	1,792	0.93%	Air Service Corp	Transportation	1,665	0.89%
Air Service Corp	Transportation	1,386	0.72%	Accenture LLP	Consulting	1,555	0.83%
AT & T Services Inc.	Telecommunication	1,172	0.61%	AT & T Services Inc.	Telecommunication	1,247	0.67%
Tenet Health System , Inc.	Healthcare	1,164	0.60%	Georgia-Pacific Corporation	Pulp and Paper Manufacturing	1,170	0.62%
Georgia-Pacific Corporation	Pulp and Paper Manufacturing	1,139	0.59%	Tenet Health System , Inc.	Healthcare	1,164	0.62%
Total		21,438	11.13%	Total		22,272	11.88%

		2011				2012	
Employer	**Type Of Business**	**Employees**	**Percentage of Total City Employment**	**Employer**	**Type Of Business**	**Employees**	**Percentage of Total City Employment**
Delta Air Lines, Inc.	Transportation	3,678	1.87%	Delta Air Lines, Inc.	Transportation	3815	1.98%
The Coca-Cola Company	Marketing and Manufacturing	3,670	1.87%	The Coco-Cola Company	Marketing and Manufacturing	3469	1.80%
International Business Machine Corp.	Technology Services	3,561	1.81%	International Business Machine Corp.	Technology Services	4228	2.20%
Turner Broadcasting System, Inc.	Media/Entertainment	2,090	1.06%	Turner Broadcasting System, Inc.	Media/Entertainment	2163	1.12%
Cable News network	Media	1,884	0.96%	Cable News network	Media	1873	0.97%
AT & T Services Inc.	Telecommunication	1,845	0.94%	AT & T Services Inc.	Telecommunication	1845	0.96%
Air Service Corp	Transportation	1,733	0.88%	Air Service Corp	Transportation	1733	0.90%
Accenture LLP	Consulting	1,725	0.88%	Accenture LLP	Consulting	1791	0.93%
Allied Barton Security Services	Security Services	1,465	0.74%	Allied Barton Security Services	Security Services	1448	0.75%
Tenet Health System , Inc.	Healthcare	1,166	0.59%	Tenet Health System , Inc.	Healthcare	1140	0.59%
Total		**22,817**	**11.60%**	**Total**		**23,505**	**12.21%**

Source: Total employment data from City of Atlanta, Office of Revenue, Business License division

Schedule 20
City of Atlanta, Georgia
Full-time Equivalent City Government Employees by Function/Program (unaudited)
Last Ten Fiscal Periods

		Fiscal Period									
		2004	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**
General Government											
	Mayors Office	4	4	4	4	3	3	3	4	5	5
	City Council	48	49	49	46	42	39	39	40	46	46
	Finance	187	200	239	233	210	183	174	159	153	159
	Planning	310	322	354	388	295	227	181	167	193	153
	Procurement	49	50	56	56	50	40	39	34	34	40
	Human Resources	49	53	73	74	73	62	56	56	57	148
Police											
	Officers	1,558	1,585	1,647	1,780	1,836	1,786	1,751	1,772	1,959	2,001
	Civilian	466	473	483	527	543	434	445	452	475	490
Fire											
	Officers	949	976	1,005	1,054	1,070	939	938	975	985	1,060
	Civilian	63	65	67	83	49	38	46	46	49	49
Corrections		454	551	615	620	560	473	313	313	309	313
	Officers										
Public Works											
	Streets	354	358	358	416	399	468	397	396	390	383
	Refuse Collection	418	418	418	453	452	385	337	336	348	346
Parks, Recreation and Cultural Affairs		341	346	405	405	441	377	304	352	358	362
Water/Wastewater		1,064	1,133	1,351	1,547	1,964	1,816	1,680	1,545	1,535	1,475
Aviation		488	593	606	633	690	707	705	575	594	583
Total full-time equivalent employees		**6,802**	**7,176**	**7,730**	**8,319**	**8,677**	**7,977**	**7,408**	**7,222**	**7,490**	**7,613**

Source: Department of Human Resources and MSO (Police and Fire)

Schedule 21
City of Atlanta, Georgia
Operating Indicators by Function/Program (unaudited)
Last Ten Fiscal Periods

	Fiscal Period								
	2004	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**
Function/Program									
Police									
Arrests	41,107	38,609	39,954	59,374	142,361	42,670	38,628	37,276	38,773
Parking violations	54,730	39,619	37,339	42,668	79,546	52,577	56,692	17,599	17,105
Traffic violations	136,043	115,573	102,878	113,925	102,264	107,050	125,011	138,244	167,848
Fire									
Emergency responses	49,450	58,334	41,886	24,847	54,756	57,292	53,089	58,943	67,420
Fires extinguished	2,464	2,247	1,620	1,235	2,263	2,096	1,994	2,252	1,892
Inspections	11,961	9,996	9,317	7,261	7,200	6,439	10,777	9,987	1,155
Refuse collection									
Refuse collected (tons per day)	153,630	NA	NA	NA	198,954	113,204	115,142	111,312	99,236
Other public works									
Miles of streets resurfaced	43	81	64	78	-	33	13	17	5
Potholes repaired	6,251	3,710	1,158	1,944	1,953	1,152	5,892	6,367	3,255
Parks and recreation									
Athletic field permits issued	85	46	59	59	185	172	165	180	109
Community center admissions	57,500	58,000	59,000	64,900	N/A	97,264	474,945	522,440	478,535
Water									
New connections	N/A	25,989	27,288	15,716	2,057	1,084	1,100	947	820
Water main breaks	204	224	154	241	329	475	495	431	401
Average daily consumption (thousands of gallons)	107,900,000	106,600,000	107,600,000	113,875,000	101,655,000	93,100,000	90,320,000	94,130,000	95,030,000
Peak daily consumption (thousands of gallons)	141,000,000	132,700,000	138,100,000	144,908,000	143,530,000	111,370,000	101,690,000	118,820,000	119,230,000
Wastewater									
Average daily sewage treatment (thousands of gallons)	135,700,000	144,500,000	132,000,000	128,337,000	119,900,000	112,194,000	131,709,000	121,950,000	111,000,000
Aviation									
Number of passengers served	83,606,583	86,583,210	42,546,000	85,037,680	87,700,000	88,648,633	88,430,343	90,852,787	94,393,355

* Numbers previously reported were full year tonnage;118,733.44 is full year tonnage collected.
** Prior numbers included repairs that were considered "point repairs" or larger than 3x3; DPW completed 1590 point repairs in FY13.

Sources: Various city departments

Schedule 22
City of Atlanta, Georgia
Capital Asset Statistics by Function/Program (unaudited)
Last Ten Fiscal Periods

	Fiscal Period									
Function/Program	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**
Police										
Stations	10	10	10	10	10	10	9	10	15	14
Zone offices	6	6	6	6	6	6	6	6	6	6
Patrol units	355	355	355	338	336	336	311	376	355	357
Fire stations	34	35	35	36	37	36	36	35	35	35
Refuse collection										
Collection trucks	66	66	83	83	73	66	66	78	84	85
Parks and recreation										
Acreage	3,354	3,533	3,533	3,682	3,748	3,755	3,781	3,818	3,904	3,922
Playgrounds	105	101	101	101	105	106	107	109	109	109
Baseball/softball diamonds	81	82	82	82	82	82	82	84	85	86
Soccer/football fields	5	5	5	5	21	26	26	26	31	32
Community centers	49	49	49	49	41	42	42	42	42	42
Water										
Water mains (miles)	2,424	2,424	2,424	2,424	2,766	2,766	2,766	2,766	2,766	2,766
Storage capacity (thousands of gallons)	247	247	247	247	247	246	246	246	246	246
Wastewater										
Sanitary sewers (miles)	2,000	2,000	2,000	2,000	2,259	2,259	2,259	2,259	2,259	2,259
Treatment capacity (thousands of gallons)	135 MGD	154MGD	170MGD	181.7MGD	181.7MGD	181.7MGD	181.7MGD	181.7MGD	155.3MGD	181.7MGD
Aviation										
Number of Runways	4	4	5	5	5	5	5	5	5	5
Number of Feet for each Runway:										
9R 27L 9,000 feet or 2,743 meters										
9L 27R 11,889 feet or 3,624 meters										
8R 27L 10,000 feet or 3,048 meters										
8L 26R 9,000 feet or 1,743 meters										
10-28 9,000 feet or 2,743 meters										

Sources: Various city departments