

2014 COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR YEAR ENDED JUNE 30, 2014



[*City of Atlanta, Georgia*
MAYOR KASIM REED]



THE CITY OF ATLANTA, GEORGIA
COMPREHENSIVE ANNUAL
FINANCIAL REPORT

For the Year Ended June 30, 2014

Kasim Reed
Mayor

J. Anthony Beard
Chief Financial Officer

CITY OF ATLANTA, GEORGIA
Comprehensive Annual Financial Report
For the Year Ended June 30, 2014

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Introductory Section



CITY OF ATLANTA

Kasim Reed
MAYOR

55 TRINITY AVENUE, S.W.
ATLANTA, GEORGIA 30303-0300

J. Anthony Beard
CHIEF FINANCIAL OFFICER

TEL (404) 330-6100

December 16, 2014

The Honorable Ceasar C. Mitchell, President
Members of City Council
Atlanta City Council
55 Trinity Avenue
Atlanta, GA 30303

Dear President Mitchell and Members of the Atlanta City Council:

The Finance Department is pleased to present the Comprehensive Annual Financial Report (“CAFR”) of the City of Atlanta, Georgia (the “City”) for the fiscal year ended June 30, 2014. 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,

2014, are free of material misstatements. 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 risks of material misstatement of the financial statements, whether due to fraud or error. The independent auditors rendered an unmodified opinion that the City's financial statements for the year ended June 30, 2014, 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 447,841 in the City and 5,522,942 in the Atlanta Metropolitan area, according to 2013 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. The City also uses 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, 2014, 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 the Atlanta Development Authority which does business as InvestAtlanta. 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. The Department of Planning and Community Development (DPCD) manages construction and development activity throughout the City of Atlanta. During the calendar year 2013, the DPCD boasted a 36% decrease in the median permitting time, and permitted over \$2.7 billion in new construction, up 77% over 2012.

LOCAL ECONOMY

Atlanta has a gross domestic product of approximately \$295 billion which ranks it 10th in the nation and makes it larger than 28 states in the union. 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 ranks third in the nation for the number of FORTUNE 500 company headquarters with 13 calling the metro area home.

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 8th nationally in the number of new technology companies being funded. 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

Priorities and Investments	
Public Safety	<ul style="list-style-type: none"> Continue reduction in crime rate, with a goal of a 25% reduction in crimes over Mayor Reed’s two terms in office Achieve Fire Rescue reaccreditation and upgrade in City’s Public Protection Classification (PPC) rating to Class 1 Implement recommendations from the natural disaster preparedness commission
City Infrastructure	<ul style="list-style-type: none"> Successfully issue a \$250-350M bond dedicated to addressing the City’s \$1B backlog of needed infrastructure repairs Meet July 2014 EPA sewer rehabilitation deadlines and initiate a \$250M capital program within the Department of Watershed Management to increase water reliability Successfully launch Atlanta Streetcar
Human Capital and Youth Development	<ul style="list-style-type: none"> Increase youth enrollment and attendance in afterschool, recreation center programs, and Centers of Hope, as well as meet established quality and safety standards Focus on increasing graduate retention rates from local institutions of higher education
Economic Development	<ul style="list-style-type: none"> Maintain #1 global passenger ranking and deliver positive passenger volume growth Westside and downtown redevelopment (Civic Center, Underground) and Ft McPherson Increase venture capital and startup activity in and around the City
Government Efficiency & Excellence	<ul style="list-style-type: none"> Implement reforms recommended by Blue Ribbon Efficiency Commission to achieve savings necessary to finance infrastructure bond without raising property taxes Successfully launch integrated 311 call center Deliver on fifth consecutive budgets under Mayor Reed with no property tax increases and achieve upgrades in bond ratings

The Atlanta Police Department (APD) achieved a 4% reduction in violent crime during 2013. Since the beginning of 2010, major crimes are down 18% in the City. The Video Integration Center (VIC) is a vital tool that APD uses to monitor large-scale events, manage disasters and prevent crime. The VIC utilizes a network of over 3,500 cameras city-wide to monitor and detect problems, deploy resources more effectively and quickly respond to developing situations. The E911 call center achieved a 58% improvement in median dispatch time for priority one fire emergencies from January 2012 to December 2013. The Atlanta Fire and Rescue department (AFR) invested over \$6 million during 2013 to improve the condition of its vehicles and equipment.

Fiscal 2014 marked the 5th year in a row that the City was able to improve the financial position of the general fund. Strong cost control, targeted investment and conservative revenue projections resulted in a general fund pre-closing operating surplus of \$11.5 million. The City subsequently transferred \$7.7 million of the surplus to reduce deficit fund balances, and ended the year with a \$3.8 million addition to fund balance. Since the beginning of 2010, the deficit fund balances have been reduced by over \$60 million. Receivable balances from other funds now represent less than 30% of the general fund assets compared with 45% at the beginning of 2010. The general fund closed fiscal 2014 with an unrestricted reserve balance of \$130.9 million or 23% of the fiscal 2015 budgeted expenditures, giving the City

protection against unforeseen events. In June 2014, the City's general obligation debt received a 3 notch upgrade from Standard & Poor's, from A to Aa. During 2014, the City also received ratings agency upgrades on outstanding debt related to the Department of Aviation and the Department of Watershed Management.

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. Ninety percent of Atlanta's youth now live within 2.5 miles of a Center of Hope or the Chastain Arts Center. The 10 Centers of Hope are all open 6-7 days a week to provide a positive environment for Atlanta's 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, and will help Atlanta Hartsfield Jackson International Airport remain the world's busiest.

The Atlanta Streetcar is set to begin operations in 2014. Phase one, the 2.7 mile streetcar loop, will offer last mile connectivity to the city center for MARTA, the Atlanta BeltLine and other transit options. Additional phases will expand that service even further. The Atlanta Streetcar will make access easier within the city, and it will also function as a metaphorical link between the city's rich history with rail transportation and its evolution into a robust centerpiece of the New South and 21st century connectivity.

In 2013, an infrastructure backlog report was released that detailed \$70 million in critical capital investment needs that are part of an overall infrastructure backlog of \$1.02 billion. To address this backlog, the City is planning to issue, with voter approval, \$250 million in General Obligation Public Improvement Bonds. The Mayor's Blue Ribbon Commission on Waste & Efficiency in Government, convened in 2014, identified strategic initiatives which could generate additional revenue or cost savings that can be used to fund the additional debt service without impacting property taxes.

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, 2013. This was the 29th 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.

During 2014, the City also earned the GFOA's Award for Outstanding Achievement in Popular Annual Financial Reporting to the City of Atlanta for its Popular Annual Financial Report for the fiscal year ended June 30, 2013. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest national standards for preparation of state and local government popular reports.

Finally, the GFOA awarded the City the Distinguished Budget Presentation Award for the adopted budget book for fiscal year 2013. This award recognizes state and local governments that have prepared budget documents of the very highest quality that reflect both the guidelines established by the National Advisory Council on State and Local Budgeting and the GFOA's best practices on budgeting.

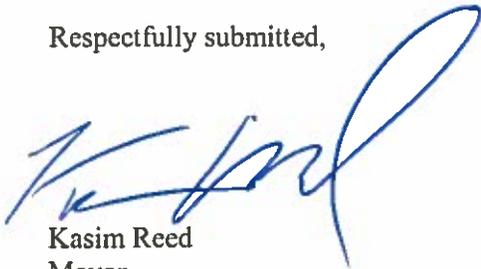
OTHER INFORMATION

Acknowledgements

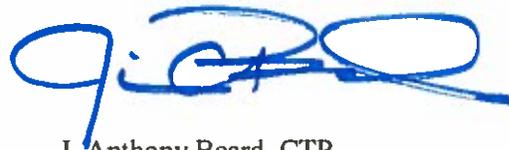
The preparation and completion of this CAFR represents the culmination of numerous efforts by many City employees. We would like to express our sincere appreciation to the Department of Finance's staff, the City's other operating and supporting departments, as well as the certified public accounting 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, 2013

Executive Director/CEO

ATLANTA CITY COUNCIL



Michael Julian Bond
Post 1 At-Large



Mary Norwood
Post 2 At-Large



Andre Dickens
Post 3 At-Large



Carla Smith
District 1



Kwanza Hall
District 2



Ivory Lee Young, Jr.
District 3



Clela Winslow
District 4



Natalyn Archibong
District 5



Alex Wan
District 6



Howard Shook
District 7



Yolanda Adrean
District 8



Felicia A. Moore
District 9



C.T. Martin
District 10



Keisha Lance Bottoms
District 11



Joyce M. Sheperd
District 12



Ceasar C. Mitchell
Atlanta City Council, President



CITY OFFICIALS



Kasim Reed
Mayor

Michael Geisler
Chief Operating Officer

Candace L. Byrd
Chief of Staff

J. Anthony Beard
Chief Financial Officer

Cathy Hampton
City Attorney

MEMBERS OF CITY COUNCIL

Cesar 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

Mary Norwood
Post 2, At-Large

Andre Dickens
Post 3, At-Large

Rhonda Dauphin-Johnson
Municipal Clerk

JUDICIAL OFFICERS

COURT OPERATIONS	Herman L. Sloan <i>Chief Judge</i>
PUBLIC DEFENDER	Rosalie Joy <i>Interim Public Defender</i>
SOLICITOR	Raines F. Carter <i>Solicitor</i>

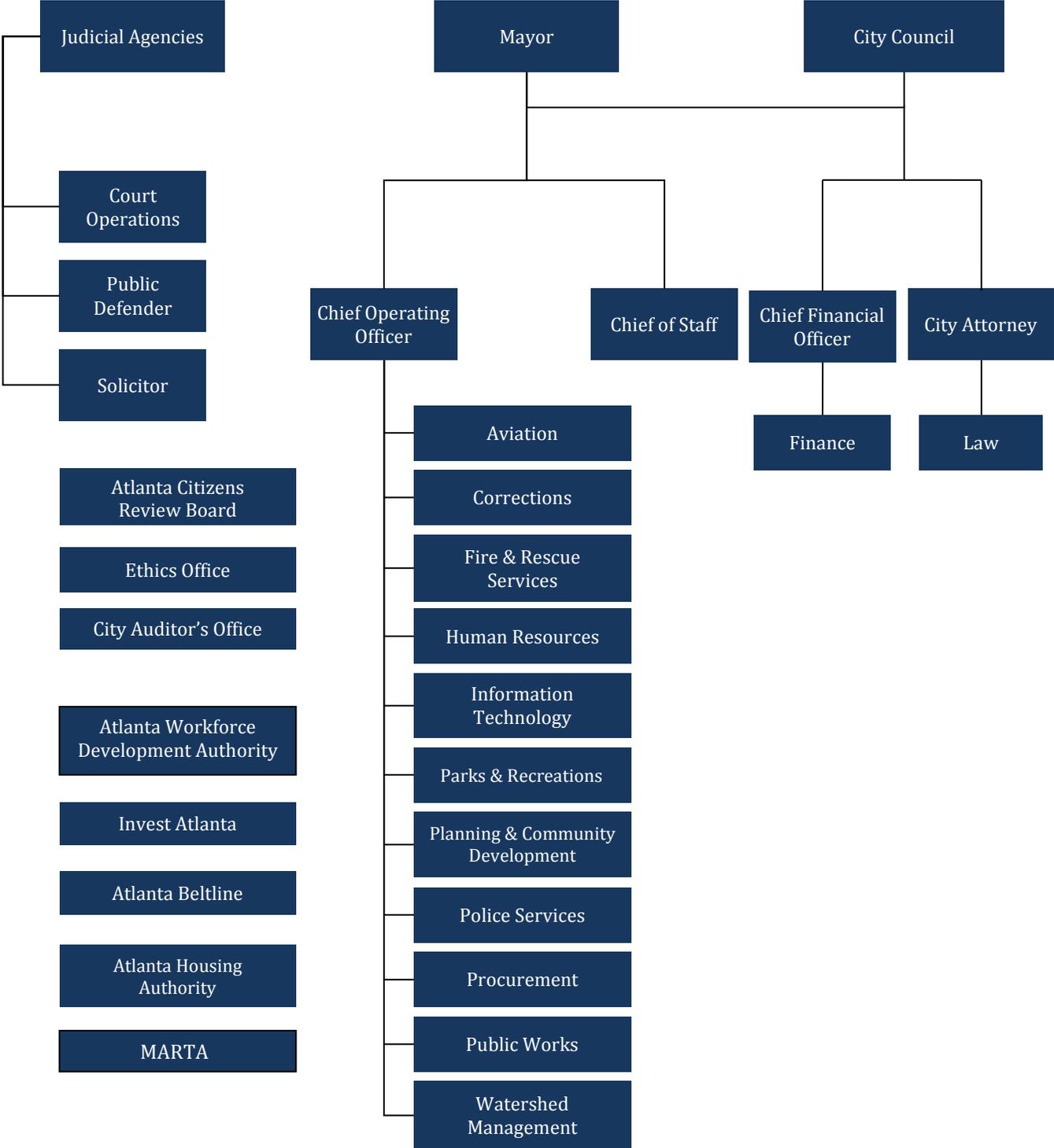
BOARD OFFICERS

ATLANTA CITIZENS REVIEW DIRECTOR	Samuel Reid <i>Executive Director</i>
ETHICS OFFICER	Nina Hickson <i>Ethics Officer</i>
CITY AUDITOR	Leslie Ward <i>City Auditor</i>

DEPARTMENT OFFICERS

AVIATION	Miguel Southwell <i>General Manager</i>
CORRECTIONS	Patrick Labat <i>Corrections Chief</i>
FINANCE	J. Anthony Beard <i>Chief Financial Officer</i>
FIRE & RESCUE SERVICES	Kelvin J. Cochran <i>Fire Chief</i>
HUMAN RESOURCES	Yvonne Yancy <i>Commissioner</i>
INFORMATION TECHNOLOGY	Samir Saini <i>Chief Information Officer</i>
LAW	Cathy Hampton <i>City Attorney</i>
PARKS & RECREATION	Amy Phuong <i>Commissioner</i>
PLANNING & COMMUNITY DEVELOPMENT	Terri Lee <i>Deputy Commissioner</i>
POLICE SERVICES	George N. Turner <i>Police Chief</i>
PROCUREMENT	Adam L. Smith <i>Chief Procurement Officer</i>
PUBLIC WORKS	Richard Mendoza <i>Commissioner</i>
WATERSHED MANAGEMENT	Jo Ann J. Macrina <i>Commissioner</i>

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, 2014, 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 related to the amounts included for the aggregate discretely presented component units, is based on the reports of 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.

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, 2014, 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 1E to the basic financial statements, in 2014, the City adopted Governmental Accounting Standards Board Statement No. 67, *Financial Reporting for Pension Plans*, an amendment of GASB Statement No. 25. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

U.S. generally accepted accounting principles require that the management's discussion and analysis, schedule of funding progress for pension plans, schedule of employers' net pension liability, schedule of changes in net position liability, schedule of employer contributions, schedule of investment returns, and budgetary comparison information on pages 4–19 and 114–124 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 nonmajor fund financial statements 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 nonmajor 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 nonmajor fund financial statements 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 16, 2014 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

December 16, 2014

CITY OF ATLANTA, GEORGIA

Management's Discussion and Analysis (Unaudited) June 30, 2014

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, 2014, as a part of the overall Comprehensive Annual Financial Report (CAFR). This overview compares the year ended June 30, 2014 with the year ended June 30, 2013. 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 2014 by approximately \$7.7 billion. This amount represents the City's Net Position. Of this amount, \$1.3 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 \$148.7 million or 2.0% compared to 2013; a decrease of \$40.0 million from governmental activities and an increase of \$188.7 million from business-type activities.
- As of the close of fiscal year 2014, the City's governmental funds reported combined ending fund balances of \$541.3 million. The unrestricted General Fund balance of \$130.9 million is available for spending at the City's discretion, and represents approximately 23% of General Fund expenditure budget for fiscal year 2015.
- The City's long-term debt, including capital leases, at June 30, 2014 totaled \$7.4 billion, a net decrease of \$131.1 million or 1.8% from the prior year's balance of \$7.5 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 and liabilities, deferred outflows and deferred inflows with the difference between 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

CITY OF ATLANTA, GEORGIA

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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 - Funds 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 seven individual governmental funds within the

CITY OF ATLANTA, GEORGIA

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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 six 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.

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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 and MOST 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 \$7.7 billion at the close of the year ended June 30, 2014. 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, 2014 and June 30, 2013 (in thousands):

	Governmental Activities		Business-type Activities		Total Primary Government Total	
	As of 30-Jun-14	As of 30-Jun-13	As of 30-Jun-14	As of 30-Jun-13	As of 30-Jun-14	As of 30-Jun-13
Current and other assets	\$ 646,652	\$ 628,376	\$ 3,446,411	\$ 3,396,902	\$ 4,093,063	\$ 4,025,278
Capital assets, net of depreciation	1,050,896	1,088,351	10,751,245	10,700,096	11,802,141	11,788,447
Total assets	1,697,548	1,716,727	14,197,656	14,096,998	15,895,204	15,813,725
Deferred outflows of resources	10,412	-	121,823	111,791	132,235	111,791
Total assets and deferred outflows of resources	1,707,960	1,716,727	14,319,479	14,208,789	16,027,439	15,925,516
Long-term liabilities						
Current	166,169	151,069	429,256	406,821	595,425	557,890
Non-Current	1,201,948	1,186,201	6,514,246	6,614,668	7,716,194	7,800,869
Total liabilities	1,368,117	1,337,270	6,943,502	7,021,489	8,311,619	8,358,759
Deferred inflows of resources	7,424	7,089	-	-	7,424	7,089
Total liabilities and deferred inflows of resources	1,375,541	1,344,359	6,943,502	7,021,489	8,319,043	8,365,848
Net Position						
Net investment in capital assets, net of related debt	53,144	95,513	5,032,865	5,015,922	5,086,009	5,111,435
Restricted	412,152	408,501	936,495	889,522	1,348,647	1,298,023
Unrestricted	(132,877)	(131,646)	1,406,617	1,281,856	1,273,740	1,150,210
* Total Net Position	\$ 332,419	\$ 372,368	\$ 7,375,977	\$ 7,187,300	\$ 7,708,396	\$ 7,559,668

* 2013 Beginning Net Position was restated with the implementation of GASB 65

As of June 30, 2014, 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, \$5.09 billion (66.0%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debts used to acquire

CITY OF ATLANTA, GEORGIA

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Financial Analysis - Government-wide Statements, continued

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.

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, \$1.35 billion (17.5%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$1.27 billion (16.5%) in unrestricted net position may be used to meet the government's ongoing obligations of the City.

The City reported a positive balance of \$ 1.41 billion in unrestricted net position for business-type activities. For governmental activities, the City reported a negative balance of \$132.9 million in unrestricted net position. The general fund reported a positive balance of \$130.9 million in unrestricted fund balance. 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 is the exclusion of long term debt and capital asset balances which are not part of the current financial resources measurement focus presentation required of governmental funds.

Table 2. City of Atlanta's Changes in Net Position, Year Ended June 30, 2014 and June 30, 2013 (in thousands):

	Governmental Activities		Business-type Activities		Total Primary Government Total	
	Year Ended 30-Jun-14	Year Ended 30-Jun-13	Year Ended 30-Jun-14	Year Ended 30-Jun-13	Year Ended 30-Jun-14	Year Ended 30-Jun-13
Revenues						
Program revenues						
Charges for services	\$ 145,463	\$ 121,455	\$ 1,015,189	\$ 1,015,271	\$ 1,160,652	\$ 1,136,726
Operating grants and contributions	63,249	75,657	-	-	63,249	75,657
Capital grants and contributions	4,540	-	235,883	260,944	240,423	260,944
General revenues						
Property taxes	280,042	285,789	-	-	280,042	285,789
Other taxes	389,111	374,850	-	-	389,111	374,850
State formula aid	2	-	-	-	2	-
Investment income (loss)	4,228	679	35,429	58,710	39,657	59,389
Other	-	(4,197)	(3,053)	450	(3,053)	(3,747)
Total revenues	<u>886,635</u>	<u>854,233</u>	<u>1,283,448</u>	<u>1,335,375</u>	<u>2,170,083</u>	<u>2,189,608</u>
Expenses:						
General government:	346,897	148,288	-	-	346,897	148,288
Police	210,418	210,751	-	-	210,418	210,751
Fire	87,587	92,018	-	-	87,587	92,018
Corrections	32,324	31,128	-	-	32,324	31,128
Public Works	72,476	64,467	-	-	72,476	64,467
Parks, Recreation and Cultural Affairs	56,124	59,732	-	-	56,124	59,732
Interest on long-term debt	36,508	42,731	-	-	36,508	42,731
Water and Wastewater System	-	-	454,742	445,647	454,742	445,647
Department of Aviation	-	-	638,452	585,148	638,452	585,148
Sanitation	-	-	55,473	46,468	55,473	46,468
Other	-	-	30,354	17,582	30,354	17,582
Total Expenses	<u>842,334</u>	<u>649,115</u>	<u>1,179,021</u>	<u>1,094,845</u>	<u>2,021,355</u>	<u>1,743,960</u>
Increase (decrease) in Net Position before transfers	44,301	205,118	104,427	240,530	148,728	445,648
Transfers in(out)	(84,250)	(114,431)	84,250	114,431	-	-
Increase (decrease) in Net Position	(39,949)	90,687	188,677	354,961	148,728	445,648
* Net Position, Beginning of Period	<u>372,368</u>	<u>281,681</u>	<u>7,187,300</u>	<u>6,832,339</u>	<u>7,559,668</u>	<u>7,114,020</u>
Net Position, End of Period	<u>\$ 332,419</u>	<u>\$ 372,368</u>	<u>\$ 7,375,977</u>	<u>\$ 7,187,300</u>	<u>\$ 7,708,396</u>	<u>\$ 7,559,668</u>

* 2013 Net Beginning Position was restated with the implementation of GASB 65

CITY OF ATLANTA, GEORGIA

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Financial Analysis - Government-wide Statements, continued

Revenue for the City in fiscal year 2014, which totaled approximately \$2.2 billion, decreased by \$19.7 million or 0.9% when compared to the year ended June 30, 2013. Charges for services increased \$23.9 million or 2.1% for the primary government as a whole. Charges for governmental activities increased by \$24.0 million or 19.8 %, in contrast with business-type activities charges which decreased by \$0.1 million. The increased charges for governmental activities were the result of increased charges from a variety of governmental services including police services for the Atlanta Board of Education which increased due to a rate change, Parks services, Film Office permit applications and E911 charges. Capital grants and contributions reflected a decrease of \$20.5 million mainly due to accrued capital contributions during fiscal 2013 from Fulton and DeKalb counties related to inter-jurisdictional agreements involving water and sewer infrastructure. Other taxes increased by \$14.3 million or 3.8% driven primarily by auto title ad valorem taxes and increased jail rental revenue. Investment income decreased by \$20.1 million due in part to a \$45.1 unrealized gain unrealized recorded for the Department of Watershed in connection with interest rate SWAP agreements during fiscal 2013 compared with a \$1 million unrealized loss recorded on the same SWAP agreements during fiscal 2014.

Total expenses for the City were \$2.0 billion in fiscal year 2014, up \$277.4 million or 15.9% when compared to fiscal year 2013. Total expenses for governmental activities, excluding transfers, reflect an increase of \$193.2 million or 29.8% year-over-year. Expenses for business-type activities increased by \$84.2 million, or 7.7% compared to fiscal 2013. A portion of the increase can be attributed to the costs incurred by the Department of Aviation, Public Safety, Public Works and Parks departments in response to two catastrophic winter events during fiscal year 2014.

The City's Net Position increased by \$148.5 million, or 2.0% during fiscal 2014. The net position for governmental funds decreased by \$40.0 million or 10.7%, while the net position of business-type funds increased by \$188.7 million or 2.6%. 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.

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CITY OF ATLANTA, GEORGIA

Management’s Discussion and Analysis (Unaudited) June 30, 2014

Financial Analysis - Government-wide Statements, continued

Governmental Activities - A comparative analysis of the governmental activities expenses and program revenues is presented below. The net position of the City’s governmental activities declined by \$40.0 million or 10.7 % during fiscal year 2014.

Figure 1. Program Revenues Compared to Expenses, Year Ended June 30, 2014 (in thousands):

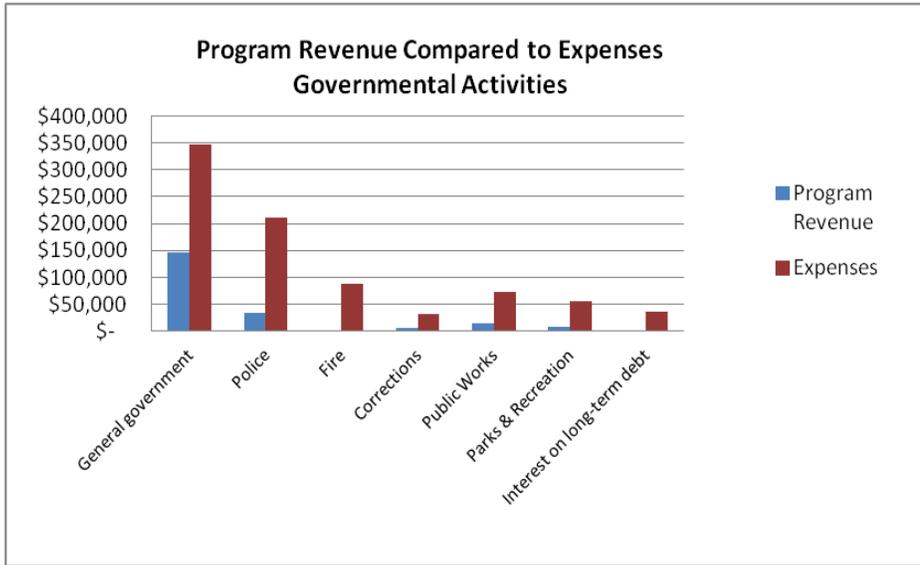
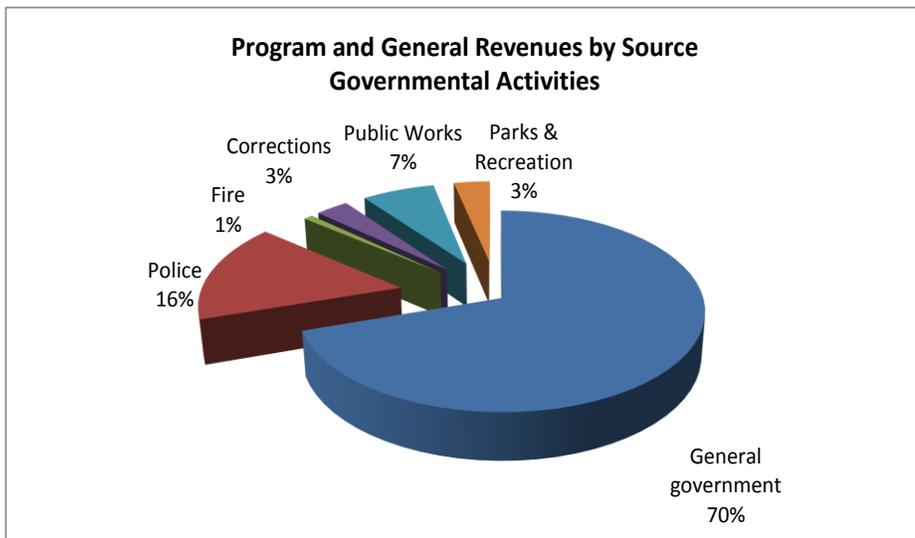


Figure 2. Program Revenues for Governmental Activities, Year Ended June 30, 2014 (in thousands):



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**Management’s Discussion and Analysis (Unaudited)
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Financial Analysis – Business-type activities

Business-type activities - The net position of the City’s business-type activities increased by \$188.7 million, representing growth of 2.6 % since June 30, 2013. 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, 2014 (in thousands):

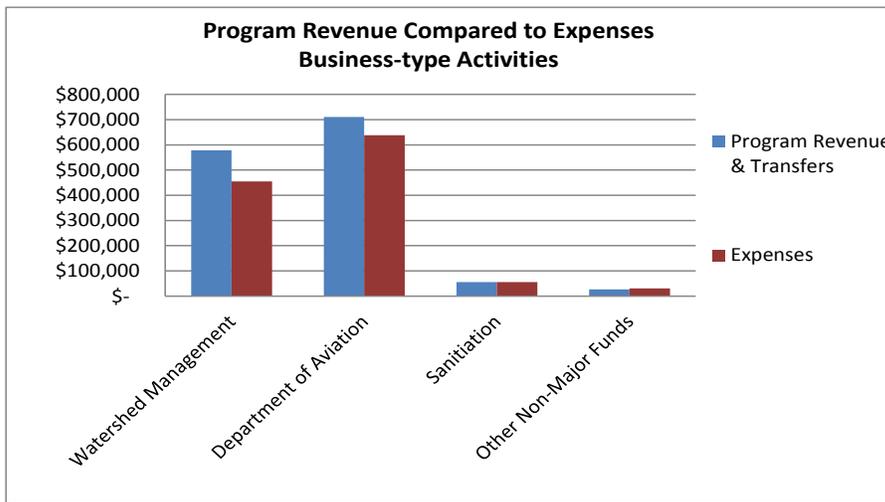
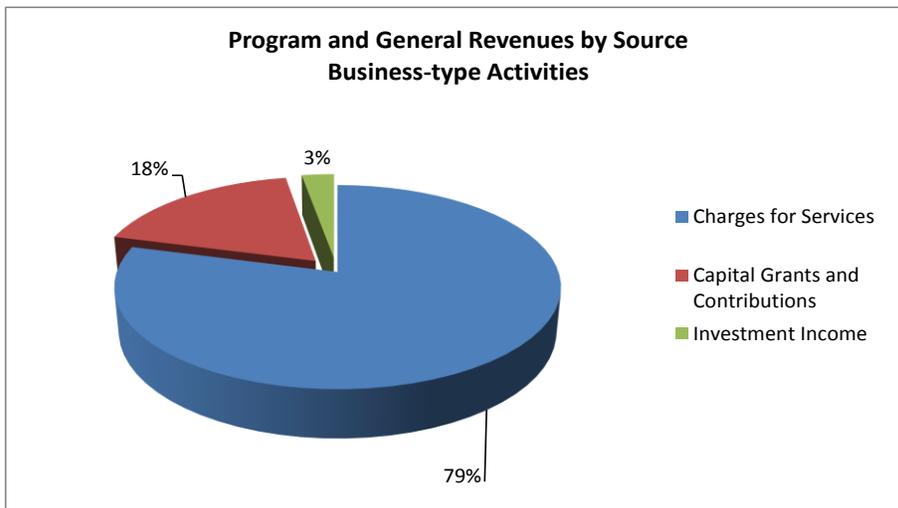


Figure 4 - Program Revenues for Business-type Activities, Year Ended June 30, 2014 (in thousands):



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Management's Discussion and Analysis (Unaudited) June 30, 2014

Financial Analysis – Business-type activities, continued

Department of Watershed Management (DWM) The net position for DWM for the twelve month period ended June 30, 2014 increased by \$100.5 million or 3.9% to \$2.7 billion.

Table 3 - Department of Watershed Management Revenues and Expenses – Year Ended June 30, 2014 and June 30, 2013 (in thousands):

	Year Ended June 30		Change
	2014	2013	
REVENUES			
Total operating revenues	\$ 436,644	\$ 448,167	\$ (11,523)
Non-operating revenues, net	12,626	55,450	(42,824)
Total revenues	<u>\$ 449,270</u>	<u>\$ 503,617</u>	<u>\$ (54,347)</u>
EXPENSES			
Total operating expenses	\$ 301,957	\$ 296,515	\$ 5,442
Non-operating expenses			
Loss on derivative instrument	887	-	887
Interest expense	150,592	154,900	(4,308)
Other expenses	2,193	-	2,193
Total expenses	<u>\$ 455,629</u>	<u>\$ 451,415</u>	<u>\$ 4,214</u>
Income before Capital Contributions & Transfers	<u>\$ (6,359)</u>	<u>\$ 52,202</u>	<u>\$ (58,561)</u>
Capital Contributions	17,171	23,077	(5,906)
Transfers, net	89,709	99,772	(10,063)
Change In Net Position	<u>\$ 100,521</u>	<u>\$ 175,051</u>	<u>\$ (74,530)</u>

Total DWM revenues for the year ended June 30, 2014 decreased \$54.3 million or 10.8% to \$449.3 million. Total operating revenues which primarily consist of water and wastewater fees, licenses and permits, and intergovernmental revenue, decreased by \$11.5 million or 2.6% to \$436.6 million. The decrease was due primarily to an increase in water and wastewater revenue allowance recorded for the period. The allowance recorded reduces revenue directly as required by GASB State No 34.

Non-operating revenue decreased by \$42.8 million due to a reduction in the gain on derivative instruments and other revenue. Transfer revenue includes the Municipal Option Sales Tax (MOST); for fiscal year 2014 the MOST transfer totaled \$124.3 million compared with \$118.8 million in fiscal year 2013. Pilot and Franchise Fees paid by DWM are also included as an offset in net transfer revenue and totaled \$18.7 million.

Total DWM operating expenses were up \$5.4 million or 1.8% to \$302.0 million when compared to the year ended June 30, 2013. The increase is primarily driven by higher consulting costs. Total operating revenues less operating expenses, or operating margin, was \$134.7 million for fiscal year 2014 and declined by \$17.0 million or 11.2% compared to fiscal year 2013. Net interest expense decreased by \$4.3 million year-over-year compared to fiscal year 2013.

CITY OF ATLANTA, GEORGIA

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Financial Analysis – Business-type activities, continued

Department of Aviation (DOA) The Net Position of the DOA for the twelve month period ended June 30, 2014 increased by \$89.0 million or 1.9% to \$4.7 billion.

Table 4 - Department of Aviation Revenues and Expenses – Year Ended June 30, 2014 and June 30, 2013 (in thousands):

	Year Ended June 30		Change
	2014	2013	
REVENUES			
Operating revenues	\$ 496,252	\$ 490,386	\$ 5,866
Investment income (loss)	23,322	9,102	14,220
Non-operating revenues, net	187,356	206,610	(19,254)
Total revenues	<u>\$ 706,930</u>	<u>\$ 706,098</u>	<u>\$ 832</u>
EXPENSES			
Operating expenses	\$ 482,163	\$ 440,673	\$ 41,490
Interest expense	139,826	146,718	(6,892)
Total expenses	<u>\$ 621,989</u>	<u>\$ 587,391</u>	<u>\$ 34,598</u>
Income before Capital Contributions & Transfers	<u>\$ 84,941</u>	<u>\$ 118,707</u>	<u>\$ (33,766)</u>
Capital Contributions	10,888	33,500	(22,612)
Transfers, net	<u>(6,781)</u>	<u>(193)</u>	
Change In Net Position	<u>\$ 89,048</u>	<u>\$ 152,014</u>	<u>\$ (62,966)</u>

Total DOA revenues for the year ended June 30, 2014 of \$706.9 million were up \$0.8 million or 0.1% year over year. Operating revenues are diverse and consist primarily of inside concessions, parking, car rentals, landing fees, terminal rentals and reimbursed operating expenses. Total operating revenues increased \$5.9 million, or 1.2% when compared to fiscal year 2013. Other operating revenues increased by \$5.0 million, due primarily to police, fire, automated ground transportation system (AGTS), and other cost recovery fees.

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. PFCs were \$180.4 million in fiscal 2014 compared with \$180.1 million in fiscal 2013. CFCs, which are collected to fund the financing and operation of the Rental Car Center, were \$23.4 million in fiscal 2014 compared with \$24.3 million in fiscal 2013. Net investment income increased by \$14.2 million during fiscal year 2014. Additionally, there were fewer federally funded projects in fiscal year 2014 resulting in a decrease of capital contributions of approximately \$22.6 million to \$10.9 million for the current fiscal year.

Total DOA expenses increased by \$34.6 million or 5.9% to \$622.0 million. Operating expenses for the period were \$482.2 million which reflect an increase of \$41.5 million or 9.4% over June 30, 2013. Other operating expenses contributed \$12.6 million to this increase which is driven by the cancellation and repayment of supplemental rent paid to the airlines from prior years. Depreciation and amortization expenses contributed \$11.3 million to this increase driven mainly by a \$218 million increase in depreciable assets. Net interest expense decreased by approximately \$6.9 million year-over-year.

CITY OF ATLANTA, GEORGIA

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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, 2014 increased by \$88.5 million or 14.3% to \$708.0 million.

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, 2014, the City's governmental funds reported combined ending fund balances of \$541.3 million, an increase of \$9.1 million or 1.7%. Unassigned fund balance is available for spending at the City's discretion. As of June 30, 2014, the City has an unassigned fund balance of \$105.8 million, an increase of \$21.8 million compared to fiscal year 2013.

The General Fund is the chief operating fund of the City. During fiscal 2014, the fund balance of the general fund increased by \$3.8 million or 2.8% to \$142.0 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 City budgeted a reserve amount equal to 1% of total budget not available for spending at the department level. At the close of the year, \$7.0 million of the annual operating surplus was transferred to deficit funds (E911 and Fleet Services). Deficit funds totaled \$77.3 million at the close of fiscal 2014 and that amount is included in Due From Other Funds on the general fund balance sheet. Unassigned fund balance, which is available for use without restriction, increased by \$20.1 million to \$118.6 million. *Unrestricted* fund balance is the combination of unassigned fund balance (\$118.6 million) and assigned fund balance (\$12.3 million) and totals \$130.9 million. During fiscal 2014, the general fund transferred \$23.0 million in restricted fund balance to a capital fund. 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 2014 increased by \$5.5 million or 4.6% to \$124.3 million as compared with \$118.8 million collected during the fiscal year 2013. The MOST was originally approved by voters in July 2004 and subsequently reauthorized in February 2008 and again in March 2013. It is currently set to expire in 2016. The MOST is a significant funding source for the DWM and represents approximately 22% of total DWM revenue.

CITY OF ATLANTA, GEORGIA

**Management’s Discussion and Analysis (Unaudited)
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Financial Analysis – Business-type activities, continued

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 2014 General Fund revenues on a GAAP basis were \$498.6 million, \$4.8 million less than the final budget of \$503.4 million. However, the final revenue budget included \$11.7 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 \$17.1 million or 3.1% above budget. Current year property taxes were \$174.8 million, \$5.3 million or 3.1% above budget. General business license revenue was \$48.6 million, \$8.1 million or 20.1% above budget. The Hotel-Motel excise tax is budgeted as transfer-in revenue, amounted to \$14.5 million, \$2.0 million or 15.9% above budget.

Total 2014 General Fund expenditures on a GAAP basis were \$487.1 million, \$11.3 million or 2.3% less than the final budgeted expenditures. Although the Police, Public Works and Parks departments exceeded budgets due to the responses to two significant winter events, budget under runs in other City operating departments were able to absorb the unforeseen costs. Additionally, the City budgeted a reserve amount 1% or \$5.4 million of total budget, not available for spending at the department level. During fiscal year 2014 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 \$10.4 million in debt service budgeted and paid by the General Fund, but reflected as a transfer out to a non-major enterprise fund.

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 (in thousands)

	Governmental Activities		Business-type Activities		Total	
	As of 30-Jun-14	As of 30-Jun-13	As of 30-Jun-14	As of 30-Jun-13	As of 30-Jun-14	As of 30-Jun-13
Land	\$ 205,184	\$ 204,950	\$ 1,017,353	\$ 1,030,750	\$ 1,222,537	\$ 1,235,700
Land improvements	3,936	5,208	1,836,484	1,899,488	1,840,420	1,904,696
Buildings and building improvements	373,292	383,556	6,982,534	7,000,237	7,355,826	7,383,793
Other property and equipment	55,836	69,434	185,054	136,275	240,890	205,709
Infrastructure	293,189	287,927	-	-	293,189	287,927
Construction in progress	119,459	137,276	729,820	633,346	849,279	770,622
Total	\$ 1,050,896	\$ 1,088,351	\$ 10,751,245	\$ 10,700,096	\$ 11,802,141	\$ 11,788,447

CITY OF ATLANTA, GEORGIA

Management's Discussion and Analysis (Unaudited) June 30, 2014

Capital Assets and Debt Administration, continued

Capital assets - The City's investment in capital assets for its governmental and business type activities as of June 30, 2014 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, 2014 was \$13.7 million or 0.1%.

Highlights of capital asset activity during the year ended June 30, 2014 included the following:

- \$163.8 million was added to the Construction-In-Progress (CIP) balance for various Department of Watershed Management projects and \$49.6 million was removed from CIP and placed in-service.
- \$197.7 million was added to the Construction-In-Progress (CIP) balance related to various Department of Aviation projects and \$216.6 million was removed from CIP and placed in-service.
- Depreciation expense during fiscal year 2014 totaled \$363.7 million city-wide.

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

Long-term debt balances for governmental and business-type activities are as follows:

Table 6 - Long-Term Debt Schedule (in thousands)

	Governmental Activities		Business-type Activities		Total	
	As of 30-Jun-14	As of 30-Jun-13	As of 30-Jun-14	As of 30-Jun-13	As of 30-Jun-14	As of 30-Jun-13
General obligation and annual bonds	\$ 199,215	\$ 215,320	\$ -	\$ -	\$ 199,215	\$ 215,320
Premium on bonds	5,961	7,242	-	-	5,961	7,242
SWMA revenue refunding bonds	14,005	15,410	-	-	14,005	15,410
Limited obligation bonds	518,415	512,485	-	-	518,415	512,485
Discount on bonds	1,106	1,024	-	-	1,106	1,024
Section 108 loans	1,175	2,180	-	-	1,175	2,180
Other general long-term obligations	62,224	66,579	-	-	62,224	66,579
Intergovernmental agreements-AHOI	133,358	118,924	-	-	133,358	118,924
Notes Payable	7,683	9,394	-	-	7,683	9,394
Water and Wastewater Revenue Bonds	-	-	3,006,165	3,069,145	3,006,165	3,069,145
Premium on bonds	-	-	37,783	22,391	37,783	22,391
GEFA notes payable	-	-	172,445	168,829	172,445	168,829
Airport Facilities Revenue Bonds	-	-	2,923,325	3,059,455	2,923,325	3,059,455
Issuance discounts and premiums	-	-	178,917	108,129	178,917	108,129
Capital Leases:						
General fund	57,129	64,120	-	-	57,129	64,120
Water and Wastewater System	-	-	3,930	5,456	3,930	5,456
Parking Deck	-	-	19,660	20,366	19,660	20,366
Underground Atlanta	-	-	15,445	22,605	15,445	22,605
Total	\$ 1,000,271	\$ 1,012,678	\$ 6,357,670	\$ 6,476,376	\$ 7,357,941	\$ 7,489,054

CITY OF ATLANTA, GEORGIA

**Management’s Discussion and Analysis (Unaudited)
June 30, 2014**

Capital Assets and Debt Administration, continued

Long-term debt - The City’s long-term debt, including capital leases, reflected a net decrease of \$131.1 million or 1.8% during the current twelve-month period. General and limited obligation debt decreased by \$12.8 million, Department of Aviation debt decreased by \$65.3 and Department of Watershed Management debt, including GEFA notes payable, decreased by \$44.0 million. Government-wide capital lease obligations decreased by \$16.4 million during the current fiscal year.

The City’s underlying ratings for its bond issuances at June 30, 2014 were as follows:

Table 7 - City of Atlanta Bond Ratings

City of Atlanta Municipal Bond Ratings	Moody's Investor Services	Standard & Poor's	Fitch
GENERAL OBLIGATION BONDS	Aa2	Aa	-
WATER AND WASTEWATER REVENUE BONDS	Aa3	A+	A+
HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT REVENUE BONDS	Aa3	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.

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CITY OF ATLANTA, GEORGIA

Management's Discussion and Analysis (Unaudited) June 30, 2014

Economic Factors and Next Year's Budgets and Rates

The 2014 US economic forecast indicates that the economic recovery that began in the second half of 2009 will be sustained. The Georgia GDP growth for 2014 is forecast to be 3.3% versus 2.5% nationally. Housing and real estate development will position Georgia's economy to outperform the nation's economy in 2014. Single-family housing starts are forecasted to grow by 29% year over year versus the national forecast of 25% growth. Existing single-family home prices are forecast to grow by 8% in Georgia during 2014. Increases in home prices should have a positive effect on consumer confidence and help in easing tight credit conditions. Mortgage rates are currently above their historic lows, but are expected to remain attractive until at least 2015.

In the Atlanta MSA, population growth and housing recovery will strongly underpin ongoing economic recovery. A high concentration of college-educated workers will continue to attract high technology companies in life sciences, information technology, professional services and high-tech manufacturing. The regional advantage is also 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. InvestAtlanta, the City's economic development arm, attracted over \$480 million in private sector capital and helped create 8,300 jobs in Atlanta during 2013. The Atlanta MSA is expected to add 67,500 jobs in 2014 on an average annual basis.

Atlanta benefits from a reliable economic base, attributable to its diverse employment sectors and its strategic location within the southeast region. Atlanta's newly completed international terminal helps the City maintain its reputation as one of the most desirable logistical locations in the country. Atlanta's large information industry will continue to benefit from expanding film and television production as well as demand for more sophisticated wireless services. The recent openings of the College Football Hall of Fame and the National Center for Civil and Human Rights should help position Atlanta as an attractive tourist destination.

Property tax, sales tax and building permits continue to be monitored closely. These are key indicators for the City in projecting overall revenue performance in fiscal year 2015. 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 2015 budget include:

- General Fund revenue anticipation of \$564.5 million, excluding fund balance and a slight reduction to the property tax millage rate. This represents a 5.8 % increase over the fiscal 2014 revenue anticipation of \$533.1 million.
- Department of Watershed Management revenue anticipation of \$514.7 million, a decrease of \$21.9 million or 4.1 % compared to fiscal 2014.
- Department of Aviation revenue anticipation of \$489.3 million, a decrease of \$8.4 million or 1.7 % compared to fiscal 2014.

CITY OF ATLANTA, GEORGIA

**Management's Discussion and Analysis (Unaudited)
June 30, 2014**

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, 2014

(Dollars in Thousands)

	Governmental Activities	Business-type Activities	Total	Component Units
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 1,728	\$ 18,891	\$ 20,619	\$ 20,006
Restricted cash	359,238	175,506	534,744	19,183
Equity in cash management pool	208,529	1,466,606	1,675,135	-
Investments	285	-	285	697
Receivables (net of allowances for uncollectables)	68,381	113,253	181,634	6,956
Due from other governments	9,000	47,041	56,041	-
Due from primary government	-	-	-	446
Due from component unit	-	-	-	1,475
Capital lease receivable, current portion	-	-	-	2,070
Internal balances	(31,137)	31,137	-	-
Inventories	-	19,141	19,141	-
Other restricted assets	-	38,172	38,172	-
Prepaid expenses and other assets	-	1,172	1,172	587
Total current assets	<u>616,024</u>	<u>1,910,919</u>	<u>2,526,943</u>	<u>51,420</u>
Noncurrent assets:				
Restricted cash	-	892,858	892,858	47,350
Restricted investments	-	524,436	524,436	3,639
Investments	-	-	-	1,859
Due from primary government	-	-	-	33,580
Capital assets:				
Capital assets not being depreciated	324,643	1,747,173	2,071,816	150,549
Capital assets being depreciated	1,789,384	13,570,915	15,360,299	308,494
Less accumulated depreciation	(1,063,131)	(4,566,843)	(5,629,974)	(155,022)
Investments in joint venture	-	80,192	80,192	-
Restricted investments in escrow	23,204	-	23,204	-
Due from other parties	-	10,640	10,640	-
Due from component unit	-	24,000	24,000	25,754
Other assets	7,424	3,366	10,790	10,616
Long-term receivable	-	-	-	40,710
Total noncurrent assets	<u>1,081,524</u>	<u>12,286,737</u>	<u>13,368,261</u>	<u>467,529</u>
Total Assets	<u>1,697,548</u>	<u>14,197,656</u>	<u>15,895,204</u>	<u>518,949</u>
Deferred outflows of resources				
Accumulated decrease in fair value of derivative instruments	-	16,707	16,707	-
Accumulated deferred losses on refunding	10,412	105,116	115,528	-
Total assets and deferred outflows of resources	<u>1,707,960</u>	<u>14,319,479</u>	<u>16,027,439</u>	<u>518,949</u>
LIABILITIES				
Current liabilities				
Accounts payable	66,909	114,299	181,208	7,173
Accrued expenses and vacations	11,484	26,126	37,610	-
Accrued interest payable	-	88,241	88,241	4,621
Claims payable	8,723	8,575	17,298	-
Contract retentions	2,749	14,273	17,022	-
Due to other governments	9,824	-	9,824	-
Due to primary government	-	-	-	104
Other liabilities	-	4,916	4,916	17,896
Unearned revenues	700	-	700	1,061
Current portion of long-term debt, capital leases, SWAPS	56,612	172,826	229,438	21,088
Current portion of other liabilities	9,168	-	9,168	-
Total current liabilities	<u>166,169</u>	<u>429,256</u>	<u>595,425</u>	<u>51,943</u>
Noncurrent liabilities				
Noncurrent portion of long-term debt	753,172	6,155,457	6,908,629	302,385
Noncurrent portion of capital leases	57,129	29,387	86,516	-
Noncurrent portion of contract retentions	-	1,448	1,448	-
Net OPEB obligation	215,106	169,720	384,826	-
Due to primary government	-	-	-	24,000
Due to component unit	133,358	-	133,358	-
Other long-term liabilities	43,183	158,234	201,417	28,925
Total non-current liabilities	<u>1,201,948</u>	<u>6,514,246</u>	<u>7,716,194</u>	<u>355,310</u>
Total Liabilities	<u>1,368,117</u>	<u>6,943,502</u>	<u>8,311,619</u>	<u>407,253</u>
Deferred inflows of resources				
Accumulated increase in fair value of derivative instruments	7,424	-	7,424	-
Total liabilities and deferred inflows of resources	<u>1,375,541</u>	<u>6,943,502</u>	<u>8,319,043</u>	<u>407,253</u>
NET POSITION				
Net investment in capital assets	53,144	5,032,865	5,086,009	25,861
Restricted for:				
Debt service	259,422	382,414	641,836	-
Programs	65,332	-	65,332	48,098
Capital projects	87,398	554,081	641,479	-
Unrestricted	(132,877)	1,406,617	1,273,740	37,737
Total Net Position	<u>\$ 332,419</u>	<u>\$ 7,375,977</u>	<u>\$ 7,708,396</u>	<u>\$ 111,696</u>

The accompanying notes are an integral part of this statement.

CITY OF ATLANTA, GEORGIA

Statement of Activities

For the Year Ended June 30, 2014

(Dollars in Thousands)

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position		TOTALS	Component Units
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities		
Primary Government								
Governmental activities:								
General government	\$ 346,897	\$ 108,164	\$ 38,677	\$ -	\$ (200,056)	\$ -	\$ (200,056)	
Police	210,418	22,351	10,474	-	(177,593)	-	(177,593)	
Fire	87,587	998	710	4,540	(81,339)	-	(81,339)	
Corrections	32,324	6,393	(46)	-	(25,977)	-	(25,977)	
Public Works	72,476	4,152	9,882	-	(58,442)	-	(58,442)	
Parks, Recreation and Cultural Affairs	56,124	3,405	3,552	-	(49,167)	-	(49,167)	
Interest on long-term debt	36,508	-	-	-	(36,508)	-	(36,508)	
Total Governmental activities	842,334	145,463	63,249	4,540	(629,082)	-	(629,082)	
Business-type activities:								
Watershed Management	454,742	436,644	-	17,171	-	(927)	(927)	
Aviation	638,452	496,252	-	214,707	-	72,507	72,507	
Sanitation	55,473	55,565	-	4,005	-	4,097	4,097	
Parks and Recreational Facilities	586	513	-	-	-	(73)	(73)	
Underground Atlanta	16,268	2,309	-	-	-	(13,959)	(13,959)	
Parking Deck	1,385	805	-	-	-	(580)	(580)	
Permit Fund	9,914	21,541	-	-	-	11,627	11,627	
Civic Center	2,201	1,560	-	-	-	(641)	(641)	
Total Business-type activities	1,179,021	1,015,189	-	235,883	-	72,051	72,051	
Total Primary Government	\$ 2,021,355	\$ 1,160,652	\$ 63,249	\$ 240,423	\$ (629,082)	\$ 72,051	\$ (557,031)	
Component Units	\$ 69,317	\$ 21,140	\$ 18,459	\$ 20,368				\$ (9,350)

General revenues:

Taxes:

Property Taxes Levied for general purposes	183,109	-	183,109	-
Property Taxes Levied for debt service	96,933	-	96,933	-
Local and Municipal Option Sales Tax	223,976	-	223,976	-
Public utility, alcoholic beverage and other taxes	165,135	-	165,135	2,509
Federal and State aid not restricted	2	-	2	-
Investment income	4,228	35,429	39,657	233
Other	-	(3,053)	(3,053)	60
Total General revenues	673,383	32,376	705,759	2,802
Transfers	(84,250)	84,250	-	-
Total general revenues, special items and transfers	589,133	116,626	705,759	2,802
Change in net position	(39,949)	188,677	148,728	(6,548)
Net Position - beginning of period	372,368	7,187,300	7,559,668	118,244
NET POSITION- END OF PERIOD	\$ 332,419	\$ 7,375,977	\$ 7,708,396	\$ 111,696

The accompanying notes are an integral part of this statement.

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CITY OF ATLANTA, GEORGIA

Balance Sheet
 Governmental Funds
 June 30, 2014
 (Dollars in Thousands)

	<u>General Fund</u>	<u>Municipal Option Sales Tax (MOST)</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and cash equivalents	\$ 1,561	\$ -	\$ -	\$ 1,561
Cash and cash equivalents, restricted	-	155	359,083	359,238
Equity in cash management pool	135,723	-	60,591	196,314
Investments	-	-	285	285
Receivables:				
Taxes	11,645	10,311	14,344	36,300
Accounts	17,205	-	14,236	31,441
Due from other governments	-	-	9,000	9,000
Due from other funds	91,693	-	5,868	97,561
Investments in escrow	-	-	23,204	23,204
TOTAL ASSETS	<u>\$ 257,827</u>	<u>\$ 10,466</u>	<u>\$ 486,611</u>	<u>\$ 754,904</u>
 LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 27,642	\$ -	\$ 37,200	\$ 64,842
Accrued expenses	9,996	-	694	10,690
Contract retentions	5	-	2,744	2,749
Due to other governments	-	-	9,824	9,824
Due to other funds	827	10,466	27,545	38,838
Advance due to other funds	66,199	-	-	66,199
Unearned revenue	38	-	662	700
Total Liabilities	<u>104,707</u>	<u>10,466</u>	<u>78,669</u>	<u>193,842</u>
 Deferred inflows of resources				
Deferred inflows of property taxes	11,135	-	8,605	19,740
Total liabilities and deferred inflows of resources	<u>115,842</u>	<u>10,466</u>	<u>87,274</u>	<u>213,582</u>
 Fund Balances:				
Nonspendable	11,101	-	-	11,101
Restricted	-	-	412,152	412,152
Assigned	12,287	-	-	12,287
Unassigned	118,597	-	(12,815)	105,782
Total fund balances	<u>141,985</u>	<u>-</u>	<u>399,337</u>	<u>541,322</u>
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES	<u>\$ 257,827</u>	<u>\$ 10,466</u>	<u>\$ 486,611</u>	<u>\$ 754,904</u>

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, 2014
 (Dollars in Thousands)

Total fund balances		\$	541,322
<p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p>			
Other liabilities are not recognized as current year revenues and, therefore, are classified as deferred inflows in the above funds			19,740
Capital assets used in governmental activities are not financial resources and therefore are not reported in the above funds:			
Land and construction in progress	324,643		
Cost of capital assets	1,789,384		
Less: accumulated depreciation	<u>(1,063,131)</u>		1,050,896
Other assets include amounts that used current financial resources at the fund level but will be offset against future revenues in the government-wide statements	<u>10,412</u>		10,412
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	(521)		
Net Position for internal service fund	<u>(12,979)</u>		(13,500)
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	(133,358)		
Long-term debt	(199,215)		
SWMA revenue refunding bonds	(14,005)		
Limited obligation bonds	(518,415)		
Capital leases	(57,129)		
Other general long-term obligations	(63,399)		
Unamortized premiums (discounts) on bond issues	(7,067)		
Vacation and compensated absences payable	(17,039)		
Notes payable	(7,683)		
Net OPEB obligation	(215,106)		
Health, dental and general claims payable	(20,618)		
Workers' compensation	<u>(23,417)</u>		<u>(1,276,451)</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES		\$	<u>332,419</u>

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, 2014
(Dollars in Thousands)

	General Fund	Municipal Option Sales Tax (MOST)	Other Governmental Funds	Total Governmental Funds
REVENUES				
Property taxes	\$ 184,436	\$ -	\$ 96,933	\$ 281,369
Local and municipal option sales taxes	99,708	124,268	-	223,976
Public utility, alcoholic beverage and other taxes	101,417	-	63,718	165,135
Licenses and permits	67,075	-	919	67,994
Charges for current services	8,476	-	21,547	30,023
Fines, forfeitures and penalties	24,206	-	1,913	26,119
Investment income	2,546	-	1,569	4,115
Intergovernmental revenues and contributions:				
Federal revenues	-	-	40,839	40,839
State and local grants and contributions	2	-	22,410	22,412
Building rentals and concessions	7,036	-	1,142	8,178
Other	3,688	-	9,461	13,149
Total revenues	498,590	124,268	260,451	883,309
EXPENDITURES				
Current:				
General government	119,177	-	184,960	304,137
Police	170,058	-	34,772	204,830
Fire	78,989	-	3,429	82,418
Corrections	30,140	-	1,968	32,108
Public Works	36,787	-	15,345	52,132
Parks, recreation and cultural affairs	29,050	-	18,434	47,484
Debt Service:				
Principal payments	15,456	-	31,550	47,006
Interest payments	7,401	-	28,936	36,337
Bond issuance costs	-	-	1,583	1,583
Payment to escrow agent	6	-	-	6
Paying agent fees	25	-	33	58
Total Expenditures	487,089	-	321,010	808,099
Excess (deficiency) of revenues over expenditures	11,501	124,268	(60,559)	75,210
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of assets	2,547	-	-	2,547
Proceeds from capital leases	363	-	-	363
Proceeds from general bonds	-	-	21,000	21,000
Premium from bond sold	-	-	277	277
Transfers in	36,553	-	64,632	101,185
Transfers out	(47,143)	(124,268)	(20,024)	(191,435)
Total Other Financing Sources (Uses)	(7,680)	(124,268)	65,885	(66,063)
Net change in fund balances	3,821	-	5,326	9,147
Fund Balance:				
Beginning of the period	138,164	-	394,011	532,175
FUND BALANCE, END OF PERIOD	\$ 141,985	\$ -	\$ 399,337	\$ 541,322

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, 2014
 (Dollars in Thousands)

Net change in fund balance - total governmental funds		\$	9,147
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			(1,327)
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	27,065	
	Capital contributions	4,540	
	Disposal of assets	(23,140)	
	Depreciation expense	<u>(45,920)</u>	(37,455)
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	53,316	
	Proceeds from long-term debt	(21,363)	
	Recognition of intergovernmental agreement	(20,745)	
	Capitalization of premiums and discounts	(277)	
	Amortization of premiums and discounts	<u>1,476</u>	12,407
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.			1,245
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.			
	Amortization of deferred losses on refunding	10,412	
	Change in health, dental and general claims payable	754	
	Change in vacation and compensated absences	1,927	
	Change in net OPEB obligation	(34,750)	
	Change in workers' compensation	<u>(2,309)</u>	(23,966)
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES			<u><u>\$ (39,949)</u></u>

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, 2014
(Dollars in Thousands)

	Business Activities - Enterprise Funds			Governmental	
	Department of Watershed Management	Department of Aviation	Other Nonmajor Funds	Internal Service Fund	
			Total		
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 18,823	\$ 67	\$ 1	\$ 18,891	\$ 167
Restricted cash and cash equivalents	107,887	67,619	-	175,506	-
Equity in cash management pool	632,866	799,071	34,669	1,466,606	12,215
Receivables:					
Accounts	153,934	15,222	47,328	216,484	640
Less allowance for doubtful accounts	(94,842)	(3,780)	(5,214)	(103,836)	-
Interest	605	-	-	605	-
Total receivables, net	59,697	11,442	42,114	113,253	640
Due from other governments	47,041	-	-	47,041	-
Due from other funds	11,293	-	-	11,293	-
Advance to other funds, current portion	10,000	-	-	10,000	-
Inventories	11,164	7,977	-	19,141	-
Prepaid expenses	-	1,172	-	1,172	-
Restricted assets	-	38,172	-	38,172	-
Total current assets	898,771	925,520	76,784	1,901,075	13,022
Noncurrent assets:					
Restricted cash and cash equivalents	231,842	661,016	-	892,858	-
Restricted investments	87,676	436,760	-	524,436	-
Advance to other funds, less current portion	56,199	-	-	56,199	-
Investment in joint venture	80,192	-	-	80,192	-
Due from other parties	-	10,640	-	10,640	-
Due from other component units	24,000	-	-	24,000	-
Other assets	-	-	3,366	3,366	-
Capital assets:					
Land	118,295	584,230	21,621	724,146	136
Construction in progress	487,021	240,473	2,326	729,820	-
Land improvements	12,195	3,093,749	6,693	3,112,637	29
Land purchased for noise abatement	-	293,207	-	293,207	-
Buildings and other structures	-	3,800,125	88,866	3,888,991	5,508
Water collection and distribution system	4,258,615	-	-	4,258,615	-
Water and wastewater plant and treatment facilities	1,757,543	-	-	1,757,543	-
Machinery, equipment, and other	207,963	288,296	56,870	553,129	6,092
Less accumulated depreciation	(2,062,409)	(2,394,010)	(110,424)	(4,566,843)	(11,244)
Capital assets, net	4,779,223	5,906,070	65,952	10,751,245	521
Total assets	6,157,903	7,940,006	146,102	14,244,011	13,543
DEFERRED OUTFLOWS OF RESOURCES					
Accumulated decrease in fair value of derivative instruments	16,707	-	-	16,707	-
Accumulated losses on debt refunding	30,825	74,291	-	105,116	-
Total assets and deferred outflows of resources	\$ 6,205,435	\$ 8,014,297	\$ 146,102	\$ 14,365,834	\$ 13,543

(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, 2014
 (Dollars in Thousands)

	Business Activities - Enterprise Funds			Total	Governmental
	Department of	Department of	Other		Activities
	Watershed Management	Aviation	Nonmajor Funds		Internal Service Fund
LIABILITIES					
Liabilities:					
Current liabilities					
Accounts payable	\$ 22,136	\$ 16,327	\$ 3,540	\$ 42,003	\$ 2,067
Accrued expenses	8,353	15,586	2,187	26,126	794
Claims payable	6,675	1,900	-	8,575	-
Deposits and advances	6,351	-	-	6,351	-
Accrued interest payable	-	42,146	-	42,146	-
Due to other funds	-	-	35,288	35,288	34,728
Current portion of other debt	4,353	71,385	-	75,738	-
Current portion of other liabilities	-	-	-	-	-
Current maturities of capital leases	1,388	-	8,260	9,648	-
Accrued workers' compensation	1,993	156	2,767	4,916	-
Termination fee on interest rate swaps	-	-	-	-	-
Current liabilities	<u>51,249</u>	<u>147,500</u>	<u>52,042</u>	<u>250,791</u>	<u>37,589</u>
Current liabilities payable from restricted assets:					
Accounts payable	19,292	46,653	-	65,945	-
Accrued interest payable	25,676	20,344	75	46,095	-
Contract retention	9,209	5,064	-	14,273	-
Current maturities of long-term debt	<u>53,710</u>	<u>33,730</u>	<u>-</u>	<u>87,440</u>	<u>-</u>
Total current liabilities payable from restricted assets	<u>107,887</u>	<u>105,791</u>	<u>75</u>	<u>213,753</u>	<u>-</u>
Total current liabilities	<u>159,136</u>	<u>253,291</u>	<u>52,117</u>	<u>464,544</u>	<u>37,589</u>
Noncurrent liabilities					
Long-term debt, excluding current maturities	3,158,330	2,997,127	-	6,155,457	-
Capital lease obligations, excluding current maturities	2,542	-	26,845	29,387	-
Net OPEB obligation	95,238	52,300	22,182	169,720	-
Claims Payable	5,235	-	-	5,235	-
Contract retention, excluding current portion	-	1,448	-	1,448	-
Unearned revenue	-	-	-	-	-
Accrued workers' compensation	6,166	481	8,559	15,206	-
Interest rate SWAP	121,599	-	-	121,599	-
Landfill postclosure costs	-	-	16,194	16,194	-
Total noncurrent liabilities	<u>3,389,110</u>	<u>3,051,356</u>	<u>73,780</u>	<u>6,514,246</u>	<u>-</u>
Total Liabilities	<u>3,548,246</u>	<u>3,304,647</u>	<u>125,897</u>	<u>6,978,790</u>	<u>37,589</u>
NET POSITION					
Net investment in capital assets	1,936,843	3,065,175	30,847	5,032,865	521
Restricted					
Debt service	-	382,414	-	382,414	-
Programs	-	-	-	-	-
Capital projects	-	554,081	-	554,081	-
Unrestricted	<u>720,346</u>	<u>707,980</u>	<u>(10,642)</u>	<u>1,417,684</u>	<u>(24,567)</u>
Total Net Position	<u>\$ 2,657,189</u>	<u>\$ 4,709,650</u>	<u>\$ 20,205</u>	<u>\$ 7,387,044</u>	<u>\$ (24,046)</u>
				<u>(11,067)</u>	
					<u>\$ 7,375,977</u>

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds

Net position of business-type activities

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, 2014
 (Dollars in Thousands)

	Business Activities - Enterprise Funds			Total	Governmental
	Department of	Department of	Other		Activities
	Watershed Management	Aviation	Nonmajor Funds		Internal Service Fund
Operating revenues:					
Charges for services	\$ 418,534	\$ 301,131	\$ 75,653	\$ 795,318	\$ 156,930
Sewer service charges from other governmental units	17,372	-	-	17,372	-
Rentals, admissions and concessions	103	136,603	4,507	141,213	-
Other	635	58,518	2,133	61,286	911
Total operating revenues	436,644	496,252	82,293	1,015,189	157,841
Operating expenses:					
Salaries and employee benefits	98,153	91,691	41,676	231,520	84,991
Utilities	21,681	8,990	952	31,623	675
Supplies and materials	22,657	4,720	1,816	29,193	15,564
Repairs, maintenance and other contractual services	12,464	14,455	773	27,692	2,568
Motor equipment services	5,331	2,765	6,905	15,001	-
Engineering and consultant fees	26,780	98,221	11,669	136,670	458
General services and other costs	23,199	38,875	14,634	76,708	61,250
Depreciation and amortization	91,692	222,446	5,319	319,457	136
Total operating expenses	301,957	482,163	83,744	867,864	165,642
Operating income (loss)	134,687	14,089	(1,451)	147,325	(7,801)
Non-operating revenues (expenses):					
Investment income (loss), net of capitalized interest	12,626	23,322	368	36,316	113
Unrealized gain (loss) on derivative instrument	(887)	-	-	(887)	-
Interest expense	(150,592)	(139,826)	(2,082)	(292,500)	(244)
Passenger facility charges	-	180,382	-	180,382	-
Customer facility charges	-	23,437	-	23,437	-
Other revenue (expenses), net	(2,193)	(16,463)	(1)	(18,657)	-
Total nonoperating revenues (expenses), net	(141,046)	70,852	(1,715)	(71,909)	(131)
Income before capital contributions and transfers	(6,359)	84,941	(3,166)	75,416	(7,932)
Capital contributions	17,171	10,888	4,005	32,064	-
Transfers in	124,268	-	10,352	134,620	6,000
Transfers out	(34,559)	(6,781)	(9,030)	(50,370)	-
Change in net Position	100,521	89,048	2,161	191,730	(1,932)
Net Position, beginning of period	2,556,668	4,620,602	18,044	7,195,314	(22,114)
Net Position, end of period	\$ 2,657,189	\$ 4,709,650	20,205	\$ 7,387,044	\$ (24,046)
				Change in net position	191,730
				Adjustments to reflect the consolidation of internal service fund activities related to enterprise funds	(3,053)
				Change in net position of business-type activities	\$ 188,677

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, 2014
(Dollars in Thousands)

	Business Activities - Enterprise Funds			Governmental	
	Department of Watershed Management	Department of Aviation	Other Nonmajor Funds	Internal Service Fund	
			Total		
Cash flows from operating activities					
Cash received from user charges	\$ 408,859	\$ 499,254	\$ 79,961	\$ 988,074	\$ 157,840
Cash received for interfund services received	12,082	-	-	12,082	-
Cash paid for interfund services received	(10,017)	-	-	(10,017)	-
Cash paid to employees for services	(84,989)	(83,714)	(31,851)	(200,554)	(84,875)
Cash paid to suppliers for goods and services	(102,039)	(168,740)	(22,083)	(292,862)	(80,688)
Net cash provided by operating activities	223,896	246,800	26,027	496,723	(7,723)
Cash flows from noncapital financing activities					
Non-capital grants and donations	(2,193)	-	-	(2,193)	-
Transfers in	124,268	-	10,352	134,620	6,000
Transfers out	(34,559)	-	(9,030)	(43,589)	-
Net cash provided by noncapital financing activities	87,516	-	1,322	88,838	6,000
Cash flows from capital and related financing activities					
Capital grants and donations	17,171	8,482	4,005	29,658	-
Principal repayments of long-term debts	(598,343)	(982,615)	(8,565)	(1,589,523)	-
Acquisition, construction and improvements of capital assets	(117,365)	(186,936)	(21,952)	(326,253)	(12)
Passenger and customer facility charges	-	207,378	-	207,378	-
Contract retention withheld, net	-	(1,178)	-	(1,178)	-
Proceeds from bond/note issuances	537,452	929,738	-	1,467,190	-
Premium from issuance of debt	19,988	-	-	19,988	-
Interest paid on revenue bonds	(184,059)	(182,576)	(324)	(366,959)	(284)
Net cash used in capital and related financing activities	(325,156)	(207,707)	(26,836)	(559,699)	(296)
Cash flows from investing activities					
Change in equity in cash management pool	(70,580)	(85,101)	(908)	(156,589)	1,799
Interest on investments	14,744	19,314	367	34,425	153
Purchases of restricted investments	-	(126,728)	-	(126,728)	-
Sales & redemptions of restricted investments	-	92,377	-	92,377	-
Net cash used in investing activities	(55,836)	(100,138)	(541)	(156,515)	1,952
Increase (decrease) in cash and cash equivalents	(69,580)	(61,045)	(28)	(130,653)	(67)
Cash and cash equivalents:					
Beginning of year	428,132	789,747	29	1,217,908	234
End of year	\$ 358,552	\$ 728,702	\$ 1	\$ 1,087,255	\$ 167

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, 2014
 (Dollars in Thousands)

	Business Activities - Enterprise Funds			Governmental	
	Department of Watershed Management	Department of Aviation	Other Nonmajor Funds	Internal Service Fund	
			Total		
Reconciliation of operating income to net cash provided by operating activities:					
Operating income	\$ 134,687	\$ 14,089	\$ (1,451)	\$ 147,325	\$ (7,801)
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation and amortization	91,692	222,446	5,319	319,457	136
Changes in assets and liabilities					
Accounts receivables - net of allowance	3,171	(1,009)	(2,332)	(170)	(1)
Materials and supplies - net of allowances	3,134	(2,600)	-	534	-
Due from other funds	9,978	-	62	10,040	-
Prepaid expenses	-	594	-	594	-
Due (from) other governmental units, net	(19,363)	-	-	(19,363)	-
Investment in Joint Venture	1,972	-	-	1,972	-
Accounts payable and accrued expenses	4,909	5,541	1,199	11,649	(54)
Other Liabilities	-	7,739	9,814	17,553	116
Claims payable	(6,773)	-	-	(6,773)	-
Customer deposits	489	-	-	489	-
Due to other funds	-	-	13,416	13,416	(119)
Net cash provided by (used in) operating activities	<u>\$ 223,896</u>	<u>\$ 246,800</u>	<u>\$ 26,027</u>	<u>\$ 496,723</u>	<u>\$ (7,723)</u>

The accompanying notes are an integral part of this statement.

CITY OF ATLANTA, GEORGIA

Statement of Fiduciary Net Position

Fiduciary Funds

June 30, 2014

(Dollars in Thousands)

	<u>Pension Trust Funds</u>	<u>Agency Funds</u>
ASSETS		
Cash and Cash Equivalents	\$ 297,573	\$ 777
Securities Lending	178,848	-
Equity in cash management pool	-	21,055
Receivables:		
Other AR Employee Contribution	1,608	-
Other AR Employer Contribution	6,381	-
Due from Broker	2,934	-
Other AR Accrued Interest	5,481	-
Prepaid expenses	-	2,194
Other receivables	2,841	76
Total Receivables:	<u>19,245</u>	<u>2,270</u>
Investments:		
Domestic fixed income securities	421,204	-
Domestic equities	2,095,764	-
International fixed income	10,205	-
International equities	149,866	-
Alternative investments:		
Limited partnerships	30,982	-
Total Investments	<u>2,708,021</u>	<u>-</u>
Total Assets	<u>3,203,687</u>	<u>24,102</u>
LIABILITIES		
Accounts Payable	3,735	24,102
Due to brokers for securities purchased	7,907	-
Collateral payable for securities lending	178,848	-
Total Liabilities	<u>190,490</u>	<u>24,102</u>
Net Position Held in Trust for Pension Benefits	<u>\$ 3,013,197</u>	<u>\$ -</u>

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 Ending June 30, 2014

(Dollars in Thousands)

	<u>Pension Trust Funds</u>
Additions	
Contributions:	
Employer contributions	\$ 148,439
Employee contributions	42,980
Total Contributions	<u>191,419</u>
Investment income:	
Net change in fair value of investments	464,413
Investment income	49,494
Securities lending income	572
Less: Investment expenses	<u>(11,342)</u>
Net investment income gain	<u>503,137</u>
Refund and other	178
Total Additions	<u>694,734</u>
Deductions	
Benefit Payments	263,150
Administrative Expense	<u>11,093</u>
Total Deductions	<u>274,243</u>
Change in Net Position	<u>420,491</u>
Net Position Held in Trust for Pension Benefits:	
Beginning of period	<u>2,592,706</u>
End of Period	<u>\$ 3,013,197</u>

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.

Atlanta Development Authority – Atlanta Development Authority, d/b/a 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, 2014
(Dollars in Thousands)

	Atlanta Fulton County Recreation Authority	Atlanta Development Authority	Totals
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 6,275	\$ 13,731	\$ 20,006
Restricted cash	-	19,183	19,183
Short-term investments	-	697	697
Receivables:			
Accounts	58	-	58
Other receivables	-	6,898	6,898
Total receivables	<u>58</u>	<u>6,898</u>	<u>6,956</u>
Due from primary government	-	446	446
Due from other component units	-	1,475	1,475
Current portion of capital lease receivable	-	2,070	2,070
Prepaid expenses and other assets	45	542	587
Total current assets	<u>6,378</u>	<u>45,042</u>	<u>51,420</u>
Noncurrent Assets:			
Unrestricted assets:			
Due from primary government	-	33,580	33,580
Investments	-	1,859	1,859
Other receivable	-	3,613	3,613
Mortgage loans receivable	-	3,574	3,574
Capital lease receivable	-	33,523	33,523
Due from other component units	-	25,754	25,754
Other assets	-	8,014	8,014
Restricted assets:			
Cash and cash equivalents	47,350	-	47,350
Investments	3,639	-	3,639
Other assets	2,602	-	2,602
Total restricted assets	<u>53,591</u>	<u>-</u>	<u>53,591</u>
Property and equipment - at cost:			
Land	22,644	67,703	90,347
Construction-in-progress	-	60,202	60,202
Land improvements	969	7,689	8,658
Buildings and improvements	241,174	38,058	279,232
Other property and equipment	17,482	3,122	20,604
	<u>282,269</u>	<u>176,774</u>	<u>459,043</u>
Less accumulated depreciation	<u>(137,134)</u>	<u>(17,888)</u>	<u>(155,022)</u>
Property and equipment, net	<u>145,135</u>	<u>158,886</u>	<u>304,021</u>
Total assets	<u>205,104</u>	<u>313,845</u>	<u>518,949</u>

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, 2014
(Dollars in Thousands)

	Atlanta Fulton County Recreation Authority	Atlanta Development Authority	Totals
LIABILITIES			
Current Liabilities:			
Accounts payable and accrued expenses	\$ 39	\$ 7,134	\$ 7,173
Accrued interest payable	-	4,621	4,621
Due to primary government	-	104	104
Other liabilities	14	2,723	2,737
Deferred revenues	-	1,061	1,061
Current maturities of long-term debt	-	14,763	14,763
Total current liabilities	<u>53</u>	<u>30,406</u>	<u>30,459</u>
Liabilities payable from restricted assets:			
Current maturities of long-term debt	6,325	-	6,325
Other liabilities	15,159	-	15,159
Total liabilities payable from restricted assets	<u>21,484</u>	<u>-</u>	<u>21,484</u>
Long-term liabilities:			
Long-term debt, less current portion	131,106	171,279	302,385
Other long-term liabilities	15,010	13,915	28,925
Due to primary government	-	24,000	24,000
Total liabilities	<u>167,653</u>	<u>239,600</u>	<u>407,253</u>
NET POSITION			
Net investment in capital assets	7,705	18,156	25,861
Restricted	20,819	27,279	48,098
Unrestricted	8,927	28,810	37,737
Total net position	<u>\$ 37,451</u>	<u>\$ 74,245</u>	<u>\$ 111,696</u>

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, 2014
(Dollars in Thousands)

<u>Functions/Programs</u>	<u>Program Revenues</u>				<u>Net (Expenses) Revenues and Changes in Net Position</u>		
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Atlanta Fulton County Recreation Authority</u>	<u>Atlanta Development Authority</u>	<u>TOTALS</u>
Component Units							
Business-type activities							
Atlanta Fulton County Recreation Authority	\$ 21,129	\$ 1,778	\$ 102	\$ 12,628	\$ (6,621)	\$ -	\$ (6,621)
Atlanta Development Authority	48,188	19,362	18,357	7,740	-	(2,729)	(2,729)
Total Business-type activities	<u>69,317</u>	<u>21,140</u>	<u>18,459</u>	<u>20,368</u>	<u>(6,621)</u>	<u>(2,729)</u>	<u>(9,350)</u>
Total Component Units	<u>\$ 69,317</u>	<u>\$ 21,140</u>	<u>\$ 18,459</u>	<u>\$ 20,368</u>	<u>\$ (6,621)</u>	<u>\$ (2,729)</u>	<u>\$ (9,350)</u>
General revenues:							
Other taxes					2,509	-	2,509
Investment income					232	1	233
Other					-	60	60
Total General revenues					<u>2,741</u>	<u>61</u>	<u>2,802</u>
Change in net position					(3,880)	(2,668)	(6,548)
Net position - beginning of period as adjusted					41,331	76,913	118,244
Net position - end of period					<u>\$ 37,451</u>	<u>\$ 74,245</u>	<u>\$ 111,696</u>



Notes to Financial Statements

City of Atlanta, Georgia

Notes to Financial Statements

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CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

Notes to the Financial Statements - Continued

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"), Solid Waste Management Authority ("SWMA"), and Atlanta Housing Opportunity, Inc. (AHOI) are legally separate from the City, but governed by boards appointed by the Mayor and/or the City Council. The City Council has the ability to impose their will on these entities and/or there exists a financial benefit/burden relationship between the City and the entity. APSJFA, SWMA, and AHOI 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 fund of AHOI is reported as a special revenue fund of the City. APSJFA and SWMA's capital project funds are reported as capital project funds of the City.

Separate audited financial statements for AHOI may be obtained from Atlanta Development Authority, d/b/a Invest Atlanta, 133 Peachtree Street, NE, Suite 2900, Atlanta, GA 30303. Separate financial statements are not prepared for APSJFA and SWMA.

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

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

Notes to the Financial Statements - Continued

A. Reporting Entity, continued

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.

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 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.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

Notes to the Financial Statements - Continued

A. Reporting Entity, continued

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 \$82,000 during the fiscal year ended June 30, 2014. 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 \$2,874,000 for the year ended June 30, 2014. The costs are reflected in operating costs. At June 30, 2014 the City owes the County approximately \$392,000 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, 2013 (in thousands):

Total assets (net property, plant, and equipment)	<u>\$ 163,334</u>
Total fund net position	<u>\$ 157,855</u>
Total operating revenue	<u>\$ 8,477</u>
Total operating expenses	<u>\$ 13,366</u>
Total nonoperating losses	<u>\$ (193)</u>
Net loss	<u>\$ (5,082)</u>

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, 2014, the City paid approximately \$290,000 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 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.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

Notes to the Financial Statements - Continued

A. Reporting Entity, continued

Related Organizations

The City is also responsible for appointing a majority of the members of the boards of the Atlanta Housing Authority (AHA), Atlanta Urban Redevelopment Agency (AURA), and the Downtown Development Authority of the City of Atlanta (DDA). The City's accountability for AHA does not extend beyond making appointments to the Board. AURA and DDA are reported as blended component units of Invest Atlanta.

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. The effect of material 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. Interfund services provided and used are not eliminated in the process of consolidation.

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

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

Notes to the Financial Statements - Continued

B. Basis of Presentation, continued

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.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

Notes to the Financial Statements - Continued

C. Measurement Focus and Basis of Accounting

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.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

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's investment policy authorizes portfolios that consist of U.S. Treasuries, U.S. Agencies/Instrumentalities, Obligations of Other Political in the State of Georgia, Municipal Securities, Bankers Acceptances, Local Government Investment Pools and Certificate of Deposit. According to City policy up to 75% may consist of U.S. corporate equity securities. 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 2014, 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.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

Notes to the Financial Statements - Continued

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

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).

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.

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CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

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
Aircraft, Helicopter	17 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
Land Improvements	20 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

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

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 \$27,005,000 and \$11,601,000, respectively, in net interest costs during the year ended June 30, 2014.

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, 2014, 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 and Discounts

In the government-wide financial statements, the unamortized balances of bond premiums and bond discounts are presented as adjustments to the respective liability balances. Bond premiums and discounts are amortized over the life of the bonds using the bonds outstanding method, which approximates the effective-interest method.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

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.

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.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

Notes to the Financial Statements - Continued

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

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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CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

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, 2014 (Dollars in thousands).

	<u>GENERAL FUND</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
Nonspendable			
Net Advances Receivables	11,101	-	11,101
	<u>11,101</u>	<u>-</u>	<u>11,101</u>
Restricted			
HUD -Community Development	-	231	231
Tax Allocation Districts	-	15,610	15,610
Debt Service	-	259,422	259,422
Expendable Trust	-	35,860	35,860
HUD Section 108 Loans	-	5,633	5,633
HUD Home Investment	-	424	424
Federal grants	-	512	512
Other Special Revenue	-	7,062	7,062
Capital Projects	-	87,398	87,398
	<u>-</u>	<u>412,152</u>	<u>412,152</u>
Assigned			
Fund balance used to balance FY14 budget	3,466	-	3,466
Encumbrances	8,821	-	8,821
	<u>12,287</u>	<u>-</u>	<u>12,287</u>
Unassigned			
E911	-	(12,815)	(12,815)
General Fund	118,597	-	118,597
	<u>118,597</u>	<u>(12,815)</u>	<u>105,782</u>
Total Fund Balance	<u>\$ 141,985</u>	<u>\$ 399,337</u>	<u>\$ 541,322</u>

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.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

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

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

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, 2014, such allocated expenses amounted to \$10,017,000 for the Department of Watershed Management, \$8,463,000 for the Department of Aviation, \$4,284,000 for the Sanitation Fund, and \$245,000 for the Internal Service Funds.

E. New Accounting Pronouncements

Pronouncements effective for the 2014 Financial Statements:

With this financial report the City has changed its financial reporting to comply with Governmental Accounting Standards Board (GASB) No. 67, *Financial Reporting for Pension Plans, an amendment of GASB Statement No. 25*. This Statement establishes new financial reporting standards for state and local governmental pension plans that are administered through a trust or similar arrangement. This statement resulted in changes to the actuarial calculation of total and net pension liability and the related note disclosures and required supplementary information. The implementation did not impact the recorded amounts in the financial statements.

In April 2013, the GASB issued Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*. This statement pertains to governments who extend financial guarantees for the obligations of another government or organization. It requires that a government who extends a nonexchange financial guarantee to recognize a liability when qualitative factors and historical data indicate that it is more likely than not that the government will be required to make payment on the guarantee. The City does have one such guarantee, but there is not any indication that it will be more likely than not that the City will need to make payments at June 30, 2014.

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

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.

In November 2013, the GASB issue Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date, an amendment of GASB Statement No. 68*. This statement amends paragraph 137 of Statement 68 to clarify the recognition of a net pension liability having a measurement date other than the end of the fiscal year. The City's measurement date is the end of the fiscal year. Therefore, this Statement will have no impact on the City's financial statements. This Statement will be effective for the City in fiscal year 2015.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

Notes to the Financial Statements - Continued

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.

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, 2014.

B. Budgets and Budgetary Accounting

Detailed information pertaining to the budget is included in the Required Supplementary Information section, page 122.

C. Deficit Fund Balances

The following funds reported deficits in fund balance at June 30, 2014 (Dollars in thousands):

- Emergency Telephone System had an accumulated deficit of \$12,815. 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 \$8,636. This deficit increased by approximately \$4.6M during fiscal 2014. 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 \$306 due mainly to an operating revenue shortfall related to the Cyclorama.
- Civic Center had an accumulated deficit of \$1,479 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 \$36,922. Fleet operations were reviewed as part of the Mayor's Blue Ribbon Commission on Waste and Efficiency. Managed competition, including potentially outsourcing certain functions of the operation was recommended and is expected to yield \$5-7 million annually.

CITY OF ATLANTA, GEORGIA
Notes to Financial Statements
Year Ended June 30, 2014

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, 2014 (Dollars in thousands).

	Primary Government				Total	Component Units	
	Unrestricted	Restricted	Pension Restricted	Agencies Restricted		Unrestricted	Restricted
Cash and Cash Equivalents	\$ 20,619	\$ 1,427,602	\$ 297,573	\$ 777	\$ 1,746,571	\$ 20,006	\$ 66,533
Equity in cash management pool	1,675,135	-	-	21,055	1,696,190	-	-
Investments	285	547,640	2,708,021	-	3,255,946	2,556	3,639
	<u>\$ 1,696,039</u>	<u>\$ 1,975,242</u>	<u>\$ 3,005,594</u>	<u>\$ 21,832</u>	<u>\$ 6,698,707</u>	<u>\$ 22,562</u>	<u>\$ 70,172</u>

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; alternative investments, 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.

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 investment portfolios, in aggregate, should be diversified to limit market and credit risk in general accord with the following limitations.

Investment Type	Maximum Maturity	Portfolio Limitation	
		Minimum	Maximum
U.S. Treasuries	5 years	15%	100%
U.S. Agencies/Instrumentalities	5 years	0%	75%
Obligations of other political in the State of Georgia	5 years	0%	25%
Other Municipal Securities	5 years	0%	25%
Repurchase Agreements (Repos)	180 days	0%	50%
Bankers Acceptances (BA's)	270 days	0%	10%
Local Government Investment Pools	N/A	0%	40%
Certificates of Deposits (CD's)	3 years	0%	25%

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

Notes to the Financial Statements - Continued

A. Deposits and Investments, continued

The allocation may be adjusted in response to changing market conditions, cash flow requirements and according to the discretion of the 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.

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, 2014, 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	\$ 1,764,235	\$ 55,557	\$ 1,681,419	\$ 27,259
Corporate bonds	961,839	961,839	-	-
Other investments	431,254	354,786	-	76,469
	<u>\$ 3,157,328</u>	<u>\$ 1,372,182</u>	<u>\$ 1,681,419</u>	<u>\$ 103,728</u>

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, 2014, 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.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

Notes to the Financial Statements - Continued

A. Deposits and Investments, continued

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.

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

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

Notes to the Financial Statements – Continued

A. Deposits and Investments, continued

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 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 2014, the Plans made a combined capital commitment of \$64,000,000 to a limited partnership. As of June 30, 2014, the Plans had an alternative investment in a limited partnership totaling \$30,982,000. 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 purchasable 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, 2014, was approximately 2.2 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.

CITY OF ATLANTA, GEORGIA
Notes to Financial Statements
Year Ended June 30, 2014

Notes to the Financial Statements – Continued

A. Deposits and Investments, continued

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.

As of June 30, 2014, the City had the following fixed income investments with the corresponding credit ratings and maturities (Dollars in thousands):

Type of Investments	Credit Rating	Maturity					Carrying Value
		Under 30 Days	31 - 180 Days	181 - 365 Days	1 - 5 Years	Over 5 Years	
U.S. Government Obligations	Aaa/AAA	\$ 10,013	\$ 25,090	\$ 20,454	\$ 1,348,931	\$ 27,259	\$ 1,431,747
U.S. Government Treasuries	Exempt	-	-	-	332,488	-	332,488
GIC's	*	-	-	-	-	130,808	130,808
		<u>\$ 10,013</u>	<u>\$ 25,090</u>	<u>\$ 20,454</u>	<u>\$ 1,681,419</u>	<u>\$ 158,067</u>	<u>\$ 1,895,043</u>

*All Guaranteed Investment Contracts (GIC's) are fully collateralized by U.S. Government Obligations or Agency securities.

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, 2014.

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, 2014, individual issuers that represent 5% or more of total financial instruments by reporting unit were as follows:

<u>Issuer</u>	<u>Investment Type</u>	<u>Investment %</u>	<u>Reporting Unit</u>
WestLB	GIC	16.63%	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

CITY OF ATLANTA, GEORGIA
Notes to Financial Statements
Year Ended June 30, 2014

Notes to the Financial Statements – Continued

A. Deposits and Investments, continued

its investment policy does not provide for investments in foreign currency denominated securities.

Pension Trust Fund Activities

Interest Rate and Credit Risks. As of June 30, 2014, the City’s Pension Plans had the following fixed income investments with the corresponding credit ratings and maturities (Dollars in thousands):

Type of Investments	Credit Rating	Maturity					Total Fair Value
		Under 1 year	1 - 3 years	3 - 5 years	5 - 10 years	Over 10 years	
U.S. Government Agencies	AAA/AA-	\$ 1,506	\$ 19,346	\$ 8,144	\$ 18,841	\$ 47,879	\$ 95,716
U.S. Government Agencies	NR	-	-	-	1,143	686	1,829
U.S. Government Agencies	AGY	-	4,451	2,385	15,135	66,596	88,567
Corporate Bonds	AA/BBB	11,411	26,931	34,768	49,390	22,893	145,393
State and Local Obligations	AAA/AA-	-	227	3,368	6,315	7,444	17,354
State and Local Obligations	NR	-	1,100	-	-	-	1,100
Mutual Bonds	NR	10,533	-	-	-	-	10,533
Automobile Loan Receivables	A+/AAA	-	48	-	321	-	369
Automobile Loan Receivables	NR	-	1,407	1,418	-	-	2,825
Credit Card Receivables	AAA/AA-	-	739	1,049	-	-	1,788
Asset Backed Securities	AAA/AA-	-	5,415	4,596	2,377	158	12,546
Asset Backed Securities	NR	-	3,405	2,592	649	704	7,350
Corporate CMO's	AAA/B-	-	-	56	-	12,990	13,046
Corporate CMO's	NR	-	-	24	196	5,471	5,691
CMO's	AAA/B+	-	-	170	277	5,632	6,079
CMO's	NR	-	-	-	-	906	906
Other Fixed Income	NR	-	1,230	1,467	244	-	2,941
		<u>\$ 23,450</u>	<u>\$ 64,299</u>	<u>\$ 60,037</u>	<u>\$ 94,888</u>	<u>\$ 171,359</u>	<u>\$ 414,033</u>

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, 2014, the Plans had no funds under a securities lending agreement.

Custodial Risk. As of June 30, 2014, the Pension Plans had no deposits or investments with custodial risk.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

Notes to the Financial Statements – Continued

A. Deposits and Investments, continued

Concentration Credit Risk. Investments in any one issuer that represent 5% or more of total investments *by individual plan* are as follows (dollars in thousands):

<u>Issuer</u>	<u>Investment Type</u>	<u>Market Value</u>
Firefighters' Pension Plan:		
Baring	Equities	\$ 31,414
Johnston	Equities	\$ 30,951
Rhumblin	Equities	\$ 89,123
Police Officers' Pension Plan:		
Artisan Partners	Equities	\$ 42,949
Collection	Bond index fund	\$ 164,200
General Pension Plan:		
Artisan Funds	International Equities	\$ 76,442
Ishares Select Dividend ETF	Domestic Equities	\$ 165,886
Johnston International Equity Group	Domestic Equities	\$ 65,061
Northern Trust	Domestic Equities	\$ 80,588
Rhumblin	Domestic Equities	\$ 82,819
Vanguard	Domestic Equities	\$ 178,359

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

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

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):

	<u>Short Term</u>	<u>Debt</u>	<u>Equity</u>	<u>Total</u>
Australia	\$ -	\$ 276	\$ -	\$ 276
Bermuda	-	-	8,283	8,283
Canada	-	4,505	1,785	6,290
Cayman Islands	-	-	286	286
China	-	-	2,700	2,700
France	-	448	-	448
Germany	-	-	577	577
Guernsey, CI	-	-	5	5
Ireland	-	-	5,184	5,184
Israel	-	-	3,911	3,911
Japan	-	-	1,235	1,235
Liberia	-	-	254	254
Luxembourg	-	-	24	24
Panama	-	-	466	466
Peru	-	426	282	708
Netherlands	-	729	358	1,087
Singapore	-	-	458	458
Switzerland	-	-	642	642
United Kingdom	-	1,614	2,358	3,972
<i>Total Securities subject to Foreign Currency Risk</i>	<u>\$ -</u>	<u>\$ 7,998</u>	<u>\$ 28,808</u>	<u>\$ 36,805</u>
International Region	\$ -	\$ -	\$ 121,057	121,057
Multinational	-	2,207	-	2,207
<i>Total International subject to Foreign Currency Risk</i>	<u>-</u>	<u>10,205</u>	<u>\$ 149,865</u>	<u>160,070</u>
<i>Total US dollars Securities</i>	<u>\$ 147,444</u>	<u>\$ 460,155</u>	<u>\$ 2,124,416</u>	<u>\$ 2,732,015</u>
<i>Total International & US Investment Securities</i>	<u>\$ 147,444</u>	<u>\$ 470,360</u>	<u>\$ 2,274,281</u>	<u>\$ 2,892,085</u>

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

Notes to the Financial Statements – Continued

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. Senate Bill 177, Act 431 was signed April 30, 1999 and became effective January 1, 2000 (Taxpayers Bill of Rights). One key component of this legislation pertains to prevention of indirect tax increases due to property value appreciation and/or inflation. O.C.G.A. 48-5-32.1 requires levying authorities; municipalities, counties, and school boards to either rollback property millage rates for property value appreciation by a corresponding millage equivalent or follow specific requirements if the levying authority chooses not to rollback their millage rate. 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 45 days from the date of billing. The distribution of the City's 2013 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	10.050
General Obligation Bond Sinking Fund:	
City Bonds	1.200
School Bonds	0.100
Park Improvement Fund (included in Capital Projects Funds)	0.500
Board of Education (operations)	21.640
Special Tax District DeKalb County	1.163
	<u>34.653</u>

The Fulton and DeKalb County Tax Assessors establish assessed values at 40% of the fair market value. The property valuation in calendar year 2013 resulted in a gross assessed value of \$24,098,063,404 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 \$2,237,103 in fiscal year 2014. 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.

CITY OF ATLANTA, GEORGIA
Notes to Financial Statements
Year Ended June 30, 2014

Notes to the Financial Statements – Continued

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

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.

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CITY OF ATLANTA, GEORGIA
Notes to Financial Statements
Year Ended June 30, 2014

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, 2014 follows (Dollars in thousands):

	Balance at June 30, 2013	Additions	Deletions and Retirements	Transfers	Balance at June 30, 2014
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 204,950	\$ -	\$ -	\$ 234	\$ 205,184
Construction in progress	137,276	28,345	(20,803)	(25,359)	119,459
Total capital assets not being depreciated	<u>342,226</u>	<u>28,345</u>	<u>(20,803)</u>	<u>(25,125)</u>	<u>324,643</u>
Capital assets being depreciated:					
Land improvements	84,772	31	-	-	84,803
Buildings and building improvements	549,589	3,290	(2,224)	-	550,655
Other property and equipment	255,857	9,810	(8,340)	(11,220)	246,107
Infrastructure	882,694	-	-	25,125	907,819
Total capital assets being depreciated	<u>1,772,912</u>	<u>13,131</u>	<u>(10,564)</u>	<u>13,905</u>	<u>1,789,384</u>
Totals at historical cost	<u>2,115,138</u>	<u>41,476</u>	<u>(31,367)</u>	<u>(11,220)</u>	<u>2,114,027</u>
Less: Accumulated Depreciation					
Land improvements	79,564	1,303	-	-	80,867
Buildings and building improvements	166,033	11,504	(174)	-	177,363
Other property and equipment	186,423	13,250	(8,053)	(1,349)	190,271
Infrastructure	594,767	19,863	-	-	614,630
Total accumulated depreciation	<u>1,026,787</u>	<u>45,920</u>	<u>(8,227)</u>	<u>(1,349)</u>	<u>1,063,131</u>
Governmental activities capital assets, net	<u>1,088,351</u>	<u>(4,444)</u>	<u>(23,140)</u>	<u>(9,871)</u>	<u>1,050,896</u>
Business-type activities:					
Capital assets not being depreciated:					
Land	\$ 1,030,750	\$ 316	\$ (13,906)	\$ 193	\$ 1,017,353
Construction in progress	633,346	362,717	(7,023)	(259,220)	729,820
Total capital assets not being depreciated	<u>1,664,096</u>	<u>363,033</u>	<u>(20,929)</u>	<u>(259,027)</u>	<u>1,747,173</u>
Capital assets being depreciated:					
Land improvements	3,087,713	66	-	24,858	3,112,637
Buildings and other structures	9,716,725	-	-	188,424	9,905,149
Other property and equipment	482,312	16,885	(3,033)	56,965	553,129
Total capital assets being depreciated	<u>13,286,750</u>	<u>16,951</u>	<u>(3,033)</u>	<u>270,247</u>	<u>13,570,915</u>
Totals at historical cost	<u>14,950,846</u>	<u>379,984</u>	<u>(23,962)</u>	<u>11,220</u>	<u>15,318,088</u>
Less: Accumulated Depreciation					
Land improvements	1,188,225	87,928	-	-	1,276,153
Buildings and other structures	2,716,488	206,127	-	-	2,922,615
Other property and equipment	346,037	23,719	(3,030)	1,349	368,075
Total accumulated depreciation	<u>4,250,750</u>	<u>317,774</u>	<u>(3,030)</u>	<u>1,349</u>	<u>4,566,843</u>
Business-type activities capital assets, net	<u>\$ 10,700,096</u>	<u>\$ 62,210</u>	<u>\$ (20,932)</u>	<u>\$ 9,871</u>	<u>\$ 10,751,245</u>

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

Notes to the Financial Statements – Continued

C. Capital Assets, continued

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

General government	\$ 8,178
Police	3,642
Fire	5,175
Corrections	278
Public Works	20,127
Parks, Recreation and Cultural Affairs	<u>8,520</u>
Total	<u>\$ 45,920</u>

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, 2014 there is approximately \$60,118,000 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. 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, 2014, total project costs to date were \$23,890,000.

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.

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.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

Notes to the Financial Statements – Continued

D. Interfund Receivables, Payables, and Transfers, continued

Interfund receivable and payable balances as of June 30, 2014, are as follows (Dollars in thousands):

Due To:	General Fund	Watershed Management	Non-major Government	Total
Due From:				
General Fund	\$ -	\$ 67,026	\$ -	\$ 67,026
Internal Service	34,728	-	-	34,728
MOST	-	10,466	-	10,466
Non-major Enterprise	29,421	-	5,867	35,288
Non-major Government	27,544	-	1	27,545
Total From	<u>\$ 91,693</u>	<u>\$ 77,492</u>	<u>\$ 5,868</u>	<u>\$ 175,053</u>

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, 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, 2014 is \$66,199,000 in principal and \$827,000 in interest.

During the year ended June 30, 2008, the DWM advanced funds to a component unit, Invest Atlanta, 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, 2014, are as follows (Dollars in thousands):

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

CITY OF ATLANTA, GEORGIA
Notes to Financial Statements
Year Ended June 30, 2014

Notes to the Financial Statements – Continued

D. Interfund Receivables, Payables, and Transfers, continued

Transfers

Transfers for the year ended June 30, 2014, 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			\$ 19,551		\$ 2,492	\$ 14,510	\$ 36,553
Department of Watershed Management	-	-	-	124,268	-	-	124,268
Non-major Enterprise	10,352	-	-	-	-	-	10,352
Internal Services	6,000	-	-	-	-	-	6,000
Non-major Government	30,791	6,781	15,008	-	6,538	5,514	64,632
Total Out	<u>\$ 47,143</u>	<u>\$ 6,781</u>	<u>\$ 34,559</u>	<u>\$ 124,268</u>	<u>\$ 9,030</u>	<u>\$ 20,024</u>	<u>\$ 241,805</u>

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.

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, a majority of which terminate no later than 2017. The total cost of the facilities described above that are substantially leased to various tenants is \$5.2 billion with a carrying value of \$3.5 billion. Depreciation expense for fiscal 2014 on the facilities was \$152.6 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

CITY OF ATLANTA, GEORGIA
Notes to Financial Statements
Year Ended June 30, 2014

Notes to the Financial Statements – Continued

E. Leases, continued

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, 2014 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):

2015	\$	320,168
2016		326,079
2017		253,937
2018		231,945
2019		170,011
2020 - 23		409,283
		\$ 1,711,423

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 \$118.5 million for the year ended June 30, 2014.

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.

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 \$17,484,000 of equipment acquired under capital leases. The accumulated amortization on this equipment is \$14,728,000 as of June 30, 2014. Amortization expense was \$1,166,000 for the fiscal year ended June 30, 2014.

CITY OF ATLANTA, GEORGIA
Notes to Financial Statements
Year Ended June 30, 2014

Notes to the Financial Statements – Continued

E. Leases, continued

The present values of the future minimum capital lease payments as of June 30, 2014, are as follows (Dollars in thousands):

	2015	\$ 1,572
	2016	1,463
	2017	1,219
Total minimum payments		\$ 4,254
Less amounts representing interest		(324)
Present value of minimum capital lease payments		\$ 3,930

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	Digital Radio Upgrade	Total
2015	\$ 3,924	\$ 4,892	\$ 8,816
2016	3,919	4,892	8,811
2017	3,909	4,892	8,801
2018	3,907	4,892	8,799
2019	3,903	1,953	5,856
2020-2024	19,477	-	19,477
2025-2027	11,631	-	11,631
Total minimum payments	50,670	21,521	72,191
Less amounts representing interest	(13,950)	(1,112)	(15,062)
Present value of minimum capital lease payments	\$ 36,720	\$ 20,409	\$ 57,129
Gross Capital Asset Value	\$ 55,195	\$ 43,300	\$ 98,495
Accumulated Depreciation	(8,830)	(25,703)	(34,533)
Net Capital Asset Value	\$ 46,365	\$ 17,597	\$ 63,962

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

CITY OF ATLANTA, GEORGIA
Notes to Financial Statements
Year Ended June 30, 2014

Notes to the Financial Statements – Continued

E. Leases, continued

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):

	2015	\$ 8,302
	2016	<u>8,311</u>
Total minimum payments		16,613
Less amounts representing interest		<u>(1,168)</u>
Present value of minimum capital lease payments		<u>\$ 15,445</u>

The capitalized asset cost related to Underground as of June 30, 2014 is \$92,112,000 and accumulated depreciation of \$68,807,000.

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 the government-wide financial statements at the present value of the future minimum lease payments as of the date of inception.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

Notes to the Financial Statements – Continued

E. Leases, continued

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

2015	\$	1,619
2016		1,623
2017		1,620
2018		1,621
2019		1,620
2020-2024		8,091
2025-2029		7,995
2030-2032		<u>4,861</u>
Total minimum payments		29,050
Less amounts representing interest		<u>(9,390)</u>
Present value of minimum capital lease payments	\$	<u>19,660</u>

The capital asset cost of the parking deck as of June 30, 2014 is \$23,480,000 and accumulated depreciation totals \$2,974,000.

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):

2015	\$	2,547
2016		2,553
2017		2,260
2018		1,184
2019		994
Thereafter		<u>20,499</u>
Total minimum payments	\$	<u>30,037</u>

The amount of lease expenditures for the year ended June 30, 2014 amounted to \$5,869,000.

F. Notes Payable

General Fund

On February 27, 2008 the City, through the Atlanta Public Safety and Judicial Facilities Authority, 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 and is scheduled to be paid in full by February 1, 2018. The outstanding principal balance as of June 30, 2014 is \$7,683,000.

CITY OF ATLANTA, GEORGIA
Notes to Financial Statements
Year Ended June 30, 2014

Notes to the Financial Statements – Continued

G. Long Term Obligations

Changes in long-term liabilities for governmental activities during the fiscal year ended June 30, 2014, follow (Dollars in thousands):

	Balance at June 30, 2013	Additions	Reductions	Balance at June 30, 2014	Due within One Year
Governmental activities:					
Long-term debt					
General obligation and annual bonds	\$ 215,320	\$ -	\$ (16,105)	\$ 199,215	\$ 17,060
Deferred issuance premiums	7,242	-	(1,281)	5,961	-
	<u>222,562</u>	<u>-</u>	<u>(17,386)</u>	<u>205,176</u>	<u>17,060</u>
SWMA revenue refunding bonds	15,410	-	(1,405)	14,005	1,475
Limited obligation bonds	512,485	21,000	(15,070)	518,415	18,560
Deferred issuance premiums	2,130	277	(297)	2,110	-
Deferred issuance discounts	(1,106)	-	102	(1,004)	-
	<u>513,509</u>	<u>21,277</u>	<u>(15,265)</u>	<u>519,521</u>	<u>18,560</u>
Other long-term debt					
Notes payable	9,394	-	(1,711)	7,683	1,791
Section 108 loans	2,180	-	(1,005)	1,175	-
1998 GMA lease pool	32,444	-	-	32,444	-
Intergovernmental agreements	118,924	20,745	(6,311)	133,358	6,632
Installment sale program	34,135	-	(4,355)	29,780	4,585
Capital leases	64,120	363	(7,354)	57,129	6,509
	<u>1,012,678</u>	<u>42,385</u>	<u>(54,792)</u>	<u>1,000,271</u>	<u>56,612</u>
Other long-term liabilities					
Vacation and compensation payable	18,966	-	(1,927)	17,039	-
Health and dental claims payable	7,150	59,622	(60,692)	6,080	3,447
General claims payable	14,222	9,060	(8,744)	14,538	8,723
Net OPEB obligation	180,356	64,606	(29,856)	215,106	-
Workers' compensation	21,108	4,702	(2,393)	23,417	5,721
	<u>241,802</u>	<u>137,990</u>	<u>(103,612)</u>	<u>276,180</u>	<u>17,891</u>
Governmental activities long-term liabilities					
	<u>\$ 1,254,480</u>	<u>\$ 180,375</u>	<u>\$ (158,404)</u>	<u>\$ 1,276,451</u>	<u>\$ 74,503</u>

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

CITY OF ATLANTA, GEORGIA
Notes to Financial Statements
Year Ended June 30, 2014

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, 2014, follow (Dollars in thousands):

	Balance at June 30, 2013	Additions	Reductions	Balance at June 30, 2014	Due within One Year
Business-type activities:					
Long-term debt					
Department of Aviation					
Facilities revenue bonds	\$ 3,059,455	\$ 846,485	\$ (982,615)	\$ 2,923,325	\$ 105,115
Bond issuance premiums	115,020	83,253	(19,163)	179,110	-
Bond issuance discounts	(6,891)	-	6,698	(193)	-
Department of Watershed Management					
System revenue bonds	3,069,145	528,875	(591,855)	3,006,165	53,710
Deferred issuance premiums	35,190	19,987	(5,423)	49,754	-
Deferred issuance discounts	(12,799)	-	828	(11,971)	-
GEFA notes payable	168,829	8,577	(4,961)	172,445	4,353
Capital lease obligations (equipment)	5,456	-	(1,526)	3,930	1,388
Nonmajor funds					
Capital lease obligation (Parking Deck)	20,366	-	(706)	19,660	730
Capital lease obligation (Underground Atlanta Project)	22,605	-	(7,160)	15,445	7,530
Total long-term debt	<u>6,476,376</u>	<u>1,487,177</u>	<u>(1,605,883)</u>	<u>6,357,670</u>	<u>172,826</u>
Other long-term liabilities					
Landfill postclosure liability	16,893		(699)	16,194	-
General claims payable	20,576	3,025	(9,791)	13,810	8,575
Net OPEB obligation	145,296	39,159	(14,735)	169,720	-
Workers' compensation	16,184	5,806	(1,868)	20,122	4,916
Interest rate swaps	119,328	2,271	-	121,599	-
Total other long-term liabilities	<u>318,277</u>	<u>50,261</u>	<u>(27,093)</u>	<u>341,445</u>	<u>13,491</u>
Total business-type activities long-term liabilities	<u>\$ 6,794,653</u>	<u>\$ 1,537,438</u>	<u>\$ (1,632,976)</u>	<u>\$ 6,699,115</u>	<u>\$ 186,317</u>
Component Units					
Long-term Debt					
Atlanta Fulton County Recreation Authority					
Revenue bonds	\$ 148,070	\$ -	\$ (6,030)	\$ 142,040	\$ 6,325
Unamortized charges	(4,951)	-	342	(4,609)	-
Total Atlanta Fulton County Recreation Authority	<u>\$ 143,119</u>	<u>\$ -</u>	<u>\$ (5,688)</u>	<u>\$ 137,431</u>	<u>\$ 6,325</u>
Atlanta Development Authority					
Revenue and other bonds	\$ 167,669	\$ 415	\$ (11,360)	\$ 156,724	\$ 12,215
Bond issuance premiums	668	-	(328)	340	-
Bond issuance discounts	(146)	-	7	(139)	-
Capital leases	35	38	(32)	41	29
Notes payable	25,874	459	(2,246)	24,087	2,169
Other long-term liabilities:					
Loans payable	5,339	-	(350)	4,989	350
Due to primary government	24,000	-	-	24,000	-
Total Atlanta Development Authority	<u>\$ 223,439</u>	<u>\$ 912</u>	<u>\$ (14,309)</u>	<u>\$ 210,042</u>	<u>\$ 14,763</u>
Total component units long-term debt	<u>\$ 366,558</u>	<u>\$ 912</u>	<u>\$ (19,997)</u>	<u>\$ 347,473</u>	<u>\$ 21,088</u>

CITY OF ATLANTA, GEORGIA
Notes to Financial Statements
Year Ended June 30, 2014

Notes to the Financial Statements – Continued

G. Long-Term Obligations, continued

Governmental-type Activities

General Obligation Bonds and Annual 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.

On May 1, 2008, the Solid Waste Management Authority (“SWMA”), (a blended component unit of the City), issued \$20,265,000 in refunding revenue bonds, Series 2008 for the purpose of (a) refunding and redeeming all of the Solid Waste Management Authority Revenue Bonds (Landfill Closure Project), Series 1996, and (b) paying the costs of issuance related to the bonds. Pursuant to a contract dated May 1, 2008 (the “Contract”), between SWMA and the City, the City is unconditionally obligated to make payments to the Issuer in amounts sufficient to provide for, among other things, the payment of the principal of, redemption premium (if any) and the interest on the bonds as the same become due and payable.

Tax Allocation District Bonds are not General Obligations of the City, but Limited Obligations of the City secured solely by and payable solely from Tax Allocation Increments and Local Option Sales Tax Revenues, the income of any, derived from the investment thereof, certain reserves and payments and the Credit and Liquidity Facility and the Standby Guaranty. Neither the faith and credit nor the taxing power of the State of Georgia or any political subdivision thereof, including the City and Fulton County, is pledged as a security for the payment of principal, of redemption premium, if any and interest on the bonds.

On October 1, 2006, the Atlanta Public Safety and Judicial Facilities Authority (“APSJFA”), (a blended component unit of the City), issued \$50,000,000 in revenue bonds, Public Safety Facility Project Series 2006 for the purpose of (i) financing all or a portion of the cost of acquiring, designing, constructing, improving and equipping a public safety headquarters and a parking deck and the parcel or parcels of property on which such facilities will be situated, all for lease to the City (the “Project”); and (ii) paying the costs of issuance of the bonds, including the premium for the municipal bond insurance policy. Under a lease agreement dated October 1, 2006, between APSJFA and the City, the City is obligated to make payments to APSJFA sufficient in time and amount to enable APSJFA to pay the principal of and interest on the bonds.

Section 108 is the loan guarantee provision of the Community Development Block Grant (“CDBG”) program. The Section 108 Program provides communities with a source of financing for economic development, housing rehabilitation, public facilities, and large-scale physical development projects. This makes it one of the most potent and important public investment tools that HUD offers to local governments. Proceeds from the loan allows communities to leverage a small portion of their CDBG funds into federally guaranteed loans large enough to undertake physical and economic revitalization projects that can renew entire neighborhoods. Such public investment is often needed to encourage private economic activity, providing the initial resources

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

Notes to the Financial Statements – Continued

G. Long-Term Obligations, continued

or the confidence that private firms and individuals may need to invest in distressed areas. Section 108 loans are not risk-free, however; local governments borrowing funds guaranteed by Section 108 must pledge their current and future CDBG allocations to cover the loan amount as security for the loan. Although the repayment of these loans is guaranteed through the obligation of future CDBG allocations, the City does its due diligence during the evaluation process to select the types of projects that will generate the necessary returns to flows to repay the loans from non-City sources.

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.

The Georgia Municipal Association, Inc. (“GMA”) issued Certificates of Participation (City of Atlanta, Georgia Detention Center, Municipal Court and City Hall East Projects), Series 1998 in the aggregate amount of \$103,130,000 which has evidenced proportionate and undivided ownership interest in Installment Payments that has been paid by the City of Atlanta pursuant to the annual renewable Installment Sale Agreement, dated as of November 1, 1998 (the “Agreement”) between GMA, as the seller and the City, as purchaser. The Agreement will automatically renew for additional and consecutive on-year renewal terms with a final renewal term commencing January 1, 2023 and ending on December 1, 2023, subject to the City’s right to terminate the Agreement each year.

On December 15, 2005, the Atlanta Fulton County Recreation Authority (“AFCRA”) issued \$75,510,000 in revenue bonds, Series 2005A and \$12,650,000 in revenue refunding bonds, Series 2005B to finance projects that include the acquisition, construction, equipping, maintenance and operation of recreation centers and areas owned and operated by the City. Upon issuance of the Series 2005B Bonds, \$12,265,000 was refunded in aggregate principal amount of prior bonds Series 2000. Under an intergovernmental contract dated December 1, 2005, between AFCRA and the City, the City is obligated to make payments to AFCRA amounts sufficient in time and amount to pay the principal and interest on the Series 2005 bonds.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

Notes to the Financial Statements – Continued

G. Long-Term Obligations, continued

On June 1, 2007, the Atlanta Fulton County Recreation Authority (“AFCRA”) issued \$14,315,000 in revenue bonds, Zoo Series 2007A and \$7,515,000 in revenue bonds, Zoo Series 2007B to finance or refinance: (a) the cost of: (i) repair and replacement of various animal exhibits at the Zoo, (ii) improvements to the giant panda exhibit, (iii) repair and replacement of certain Zoo infrastructure, facilities, and equipment, including, administrative offices, programs offices, guest areas, computer systems, golf carts and vehicles used in connection with the operation of the Zoo, and (iv) required payments to the Chinese Association of Zoological Gardens in connection with Zoo Atlanta’s use agreement regarding its giant pandas, and (b) paying issuance costs with respect to the Series 2007 bonds (collectively, the “Zoo Project”). The Series 2007 bonds are secured by a pledge of the Issuer’s interest in semiannual payments under a Governmental Agreement Regarding the Atlanta Zoo dated as of June 1, 2007 (the “Governmental Agreement”) among the Issuer, the City and the County under which the City and the County (the “Participating Governments”) are obligated to make payments to AFCRA in amounts sufficient in time and amount to pay the principal and interest on the Series 2007 Bonds. The City has a two-thirds interest in AFCRA and Fulton County has one-third interest. The payments related to the Zoo bonds are based on this proportionate ownership.

On April 11, 2007, the Urban Residential Finance Authority (“URFA”) issued \$35,000,000 of Georgia Taxable Revenue Bonds (Housing Opportunity Program), Series 2007A, for the purpose of loaning the proceeds from the sale of the bonds to Atlanta Housing Opportunity, Inc. (“AHOI”), a blended component unit of the City. AHOI uses the bond proceeds to finance single-family and multi-family housing purchases in the City of Atlanta. Under an intergovernmental agreement dated April 1, 2007, between AHOI and the City, the City has guaranteed that it will make payments to AHOI sufficient in time and amount to enable AHOI to pay the loan payments due to URFA.

On October 28, 2010, the Atlanta Urban Redevelopment Agency (“AURA”), issued \$22,775,000 of Taxable Recovery Zone Economic Development Bonds. The Series 2010 bonds were used to finance the costs of implementing the Urban Redevelopment Plan including certain costs in connection with (1) the acquisition, rehabilitation, and improvement of real property and buildings; (2) certain public transportation projects in the Urban Redevelopment Area; and (3) the acquisition, construction and installation of other related improvements of the Urban Redevelopment Plan. Under an intergovernmental agreement dated October 28, 2010, between AURA and the City, the City has guaranteed that it will make payments to AURA sufficient in time and amount to enable AURA to pay the principal and interest on the Series 2010 bonds.

On December 11, 1997, the Atlanta Fulton County Recreation Authority (“AFCRA”), a discretely presented component unit of the City, issued taxable revenue bonds, Series 1997 (Arena Bonds) to finance the cost of privately financed improvements, primarily the new arena (“Phillips Arena”), in the aggregate principal amount of \$147,510,000. The Arena Bonds were secured by gross revenues of the operator of the Arena, certain other guaranties and pledges

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

Notes to the Financial Statements – Continued

G. Long-Term Obligations, continued

provided by TBD (Turner Broadcasting System) and its related entities and by an intergovernmental secured by gross revenues of the Operator of the arena, certain other guaranties and pledges provided by TBS (Turner Broadcasting System) and its related entities and by an intergovernmental lease agreement between AFCRA, the City, and Fulton County. The Atlanta Hawks NBA Franchise executed a 30-year lease with the Operator to use the arena for their home games. As further security for the bonds, TBS provided an irrevocable standby letter of credit, not to exceed \$15,000,000. TBS sold its interest in the Operator (Arena Operations, LLC) to the Atlanta Spirit. Effective November 8, 2007, the letter of credit and the \$60,000,000 perfected lien on the Atlanta Hawks NBA Franchise was released, subject to reinstatement in accordance with the Hawks Security agreement.

On November 9, 2010, AFCRA issued \$124,515,000 in revenue refunding and improvement bonds, Series 2010 to current refund the outstanding bonds Series 1997 taxable revenue bonds (Arena Bonds). The proceeds of the bond issue, along with a contribution of Arena Operations, LLC (the “Operator”) are intended to be used to refund and redeem AFCRA’s Series 1997 bonds, provide funds for certain permitted recreation and cultural facility and program costs and expenses of the City and Fulton County, pay the costs of a debt service reserve insurance policy to fund the deposit to the debt service reserve fund in the amount of the reserve requirement, with respect to the Series 2010 bonds and pay the costs of issuance with respect to the 2010 bonds, including premium of the municipal bond insurance policy insuring the Series 2010 bonds. The bonds are payable from various sources delineated in the trust indenture, including Operator revenues pursuant to the Operation Agreement, collectively amended. Pursuant to the lease agreement between AFCRA, the City, and Fulton County, the City and Fulton County are obligated to fund any deficiencies in principal or interest payments on the Series 2010 bonds. The City has a two-thirds interest in AFCRA and Fulton County has one-third interest. Any payments related to the Series 2010 bonds will be based on this proportionate ownership. For the Arena, there were no such deficiencies during the fiscal year that required funding by the City.

On February 3, 2014, the City of Atlanta issued the Tax Allocation Bonds (Perry Bolton Project), Series 2014 (the “Series 2014 Bonds”) in the amount of \$21,000,000. The Series 2014 Bonds are being issued to finance or reimburse, as the case may be, a portion of the Redevelopment Costs related to the Series 2014 Projects. The Series 2014 Bonds will be payable from amounts on deposit in the funds and accounts in the Indenture, and the Pledged Revenues.

CITY OF ATLANTA, GEORGIA
Notes to Financial Statements
Year Ended June 30, 2014

Notes to the Financial Statements – Continued

G. Long-Term Obligations, continued

A summary of governmental-type activities bonds payable and other general long-term obligations as of June 30, 2014, is as follows (Dollars in thousands):

Bonds payable:	
General Obligation Bonds:	
2001B Infrastructure Issue, \$61,220, 4.00% - 5.00%, due December 1, 2021	\$ 3,445
2004B Issue, \$47,500, 5.00%, due December 1, 2021	19,120
2005A Refunding Issue, \$85,980, 3% - 4.125%, due December 1, 2025	58,805
2008 Public Imp. Issue, \$36,820, 4%, due December 1, 2021	24,160
2009A Refunding Issue, \$78,028, 3.00%-5.00%, due December 1, 2023	66,290
Annual G.O. Bond Issues:	
2001A Issue, \$8,000, 4.00% - 5.00%, due December 1, 2022	925
2002 Issue, \$8,000, 3.00% - 5.00%, due December 1, 2022	4,460
2003 Issue, \$8,000, 3.60% - 4.60%, due December 1, 2023	4,745
2004A Issue, \$8,000, 3.00% - 4.40%, due December 1, 2024	5,460
2005B Issue, \$8,000, 4.00% - 4.5%, due December 1, 2025	5,480
2007 Issue, \$8,000, 4.00% - 4.5%, due December 1, 2025	6,325
	<u>199,215</u>
Deferred amount on bond issuance premiums	5,961
Total general obligation and annual bonds payable	<u>205,176</u>
SWMA Revenue Refunding Bonds:	
Series 2008, \$20,265, 4.00% - 5.00% issued by the Solid Waste Management Authority due December 1, 2021	<u>14,005</u>
Limited Obligation Bonds:	
2001 Westside Project, \$14,995, variable, due December 1, 2021	7,235
2005A Westside Project, \$72,350, variable, due December 1, 2023	46,520
2005B Westside Project, \$10,215, variable, due December 1, 2023	7,100
2005A Eastside Project, \$9,480, 5.625%, due December 1, 2016	1,620
2005B Eastside Project, \$38,000, 5.40%-5.60%, due December 1, 2030	38,000
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 Public Safety Facility Project, \$50,000, 4.00%-5.00%, issued by the Atlanta Public Safety Facilities Authority, due December 1, 2026	37,230
2007 Atlantic Station, \$85,495 4.75%-5.00%, due December 1, 2024	64,100
2008A BeltLine Reoffering, \$26,420 7.5% due January 1, 2031	24,885
2008B BeltLine Reoffering, \$33,725 6.75% term bond due January 1, 2020; and 7.375% term bond due January 1, 2031	31,735
2008C BeltLine, \$4,355 7.50%, due January 1, 2031	4,105
2009B BeltLine, \$12,590, 6.75% term bond due January 1, 2020; and 7.375% term bond due January 1, 2031	11,860
2009C BeltLine, \$1,030 7.50% term bond due January 1, 2031	975
2008 Westside, \$63,760 3.27%, due December 1, 2037	57,445
2014 Perry Bolton Project, \$21,000,000, 2.00%-5.00%, due July 1, 2041	21,000
	<u>518,415</u>
Deferred amounts:	
Bond issuance premiums	2,110
Bond issuance discounts	(1,004)
Total limited obligation bonds payable	<u>519,521</u>
Total bonds payable	<u>738,702</u>

CITY OF ATLANTA, GEORGIA
Notes to Financial Statements
Year Ended June 30, 2014

Notes to the Financial Statements – Continued

G. Long-Term Obligations, continued

Other general long-term debt	
Section 108 Loans, \$4,850, 5.40% - 7.96%, due August 1, 2019 (MMPH II & Mechanicsville)	1,175
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)	29,780
2005 Intergovernmental Agreement Guaranteed payments toward 2005A Park Improvement Revenue Bonds, \$75,510, 4.00%-5.00%, issued by the Atlanta Fulton County Recreation Authority, due December 1, 2025	64,807
2005 Intergovernmental Agreement Guaranteed payments toward 2005B Park Improvement, Revenue Refunding Bonds, \$12,650, 4.00%-4.50%, issued by the Atlanta Fulton County Recreation Authority, due December 1, 2025	10,330
2007 Intergovernmental Agreement Guaranteed payments toward 2007A Zoo Revenue Bonds, \$14,315, 4.125%-5.00%, issued by the Atlanta Fulton County Recreation Authority, due December 1, 2022	10,736
2007 Intergovernmental Agreement Guaranteed payments toward 2007B Zoo Revenue Bonds, \$7,515, 5.450%-5.480%, issued by the Atlanta Fulton County Recreation Authority, due December 1, 2014	761
2007 Intergovernmental Agreement guaranteed payments toward 2007A Georgia Taxable (Housing Opportunity Program) Revenue Bonds, \$35,000,000, 5.238%-5.802%, issued by the Urban Residential Finance Authority, due December 1, 2027	27,099
2010 Intergovernmental Agreement guaranteed payments toward Series 2010 Taxable Recovery Zone Economic Development Bonds, \$22,775,000, 5.370%, issued by the Atlanta Urban Redevelopment Agency, due January 1, 2028	19,625
Total other general long-term debt	<u>196,757</u>
Notes payable	<u>7,683</u>
Capital leases	<u>57,129</u>
Total long-term debt	<u>\$ 1,000,271</u>

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, 2014, the City had no arbitrage rebate liability.

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, 2014, the City believes it is in compliance with all significant limitations and restrictions.

CITY OF ATLANTA, GEORGIA
Notes to Financial Statements
Year Ended June 30, 2014

Notes to the Financial Statements – Continued

G. Long-Term Obligations, continued

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.

Department of Aviation (DOA)

Summary of Department of Aviation long-term debt at June 30, 2014, consists of the following (Dollars in thousands):

Facilities Revenue Bonds:	
General Revenue Bonds:	
Airport General Revenue and Refunding Bonds, Series 2004F and 2004G combination serial at 4.0% – 5.25% and term at 5.0% through 2030	\$ 14,885
Airport General Revenue and Refunding Bonds, Series 2010A, combination serial at 2.0% – 5.0% and term at 4.625% – 5.0% through 2040	174,670
Airport General Revenue and Refunding Bonds, Series 2010C, combination serial at 2.0% – 5.875% and term at 5.25% – 6.0% through 2030	470,330
Airport General Revenue and Refunding Bonds, Series 2011A at 4% and 2011B at 5% due serially through 2030	394,230
Airport General Revenue and Refunding Bonds, Series 2012A, 2012B and 2012C at 2% – 5% due serially through 2042	470,750
Airport General Revenue and Refunding Bonds, Series 2014B and 2014C at 2% – 5% due serially through 2033	<u>322,880</u>
Total General Revenue Bonds	<u>1,847,745</u>
Passenger Facility Charge (PFC) Subordinate Revenue Bonds:	
PFC and Subordinate Lien General Revenue Bonds, Series 2010B, at 2.0% – 5.0%, due serially through 2026	359,850
PFC and Subordinate Lien General Revenue Bonds, Series 2014A, at 4.0% – 5.0%, due serially through 2034	<u>523,605</u>
Total PFC and Subordinate Lien General Revenue Bonds	<u>883,455</u>
Customer Facility Charge (CFC) Bonds:	
City of College Park Taxable Revenue Bonds, (Hartsfield-Jackson Atlanta International Airport Consolidated Rental Car Facility Project), Series 2006A at 5.658% – 5.97%	174,740
City of College Park Revenue Bonds, (Hartsfield-Jackson Atlanta International Airport Automated People Mover System Maintenance Facility Project), Series 2006B at 4.25% – 4.50%	<u>17,385</u>
Total Customer Facility Charge (CFC) Bonds	<u>192,125</u>
Total Bonds	2,923,325
Unamortized bond premiums	179,110
Unamortized bond discounts	(193)
Less: current maturity	<u>(105,115)</u>
Total Long Term Debt	<u>\$ 2,997,127</u>

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

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, 2014, the balance of outstanding conduit debt totaled \$192.1 million.

On April 10, 2014, the City of Atlanta issued approximately \$523.6 million of its Airport Passenger Facility Charge and Sub-ordinate Lien General Revenue Refunding Bonds, Series 2014A (Non-AMT), \$141.0 million of its Airport General Revenue Refunding Bond, Series 2014B (Non-AMT), and \$181.9 million of its General Airport Revenue Refunding Bond Series 2014C, collectively referred to as the “Series 2014 Bonds”. The Series 2014 Bonds were issued to refund and redeem all of the outstanding principal amount of the City’s Airport Passenger Facility Charge and Subordinate Lien General Revenue Bonds, Series 2004C and 2004J, the City’s Airport General Revenue Refunding Bonds, Series 2003 RF-D, the City’s Airport General Revenue Bonds, Series 2004A, Series 2004B, and a portion of the Series 2004F, and Series 2004G (the Refunded Bonds), to fund a deposit to the respective subaccounts in the Debt Service Reserve Account securing the Outstanding PFC Revenue Bonds and the Outstanding Senior Lien General Revenue Bonds, and to pay the costs of issuance with respect to the Refunded Bonds. The refunding of the Series 2014 Bonds resulted in a net present value savings of \$73.6 million and a reduction in annual debt service of \$3.2 million.

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CITY OF ATLANTA, GEORGIA
Notes to Financial Statements
Year Ended June 30, 2014

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, 2014 consists of the following (Dollars in thousands):

Revenue Bonds	
Water and Wastewater Revenue Bonds, \$1,096,140 Series 1999A, (5.00% - 5.50%), due serially and term through 2038	\$ 284,770
Water and Wastewater Revenue Bonds, \$415,310 Series 2001A, (4.50% - 5.50%), due serially through and term 2039	315,970
Water and Wastewater Revenue Bonds, \$849,330 Series 2004, combination serial (4.125% - 5.75%) and term bonds (5.00%), due serially through 2043	624,665
Water and Wastewater Revenue Bonds, \$106,795 Series 2008, variable rate (.76% at June 30, 2014), due serially through 2041	106,795
Water and Wastewater Revenue Bonds, \$750,000 Series 2009A, combination serial (4.00% - 5.00%) and term bonds (6.25%), through 2039	699,060
Water and Wastewater Revenue Bonds, \$448,965 Series 2009B, combination serial (2.50% - 5.50%) and term bonds (5.25-5.375%), due serially through 2039	446,530
Water and Wastewater Revenue Bonds, \$178,735 Series 2013A1, (1.50%), due serially and term through 2038	178,735
Water and Wastewater Revenue Bonds, \$50,000 Series 2013A2A, (.90%), due serially and term through 2038	49,750
Water and Wastewater Revenue Bonds, \$50,000 Series 2013A2B (.90%), due serially and term through 2038	49,750
Water and Wastewater Revenue Bonds, \$50,000 Series 2013A2C (.90%), due serially and term through 2038	50,000
Water and Wastewater Revenue Bonds, \$200,140 Series 2013B (5.50% - 5.25%), due serially and term through 2031	<u>200,140</u>
Total Revenue bonds	<u>3,006,165</u>
Other Debt	
Georgia Environmental Facilities Authority (GEFA) \$4,669 Loan (3.00%), due serially through 2023	2,578
Georgia Environmental Facilities Authority (GEFA) \$19,006 Loan (3.82%), due serially through 2035	15,566
Georgia Environmental Facilities Authority (GEFA) \$19,034 Loan (3.92%), due serially through 2036	16,129
Georgia Environmental Facilities Authority (GEFA) \$31,409 Loan (3.00%), due serially through 2027	26,781
Georgia Environmental Facilities Authority (GEFA) \$19,021 Loan (4.12%), due serially through 2038	16,661
Georgia Environmental Facilities Authority (GEFA) \$31,216 Loan (3.00%), due serially through 2027	26,195
Georgia Environmental Facilities Authority (GEFA) \$31,053 Loan (3.00%), due serially through 2028	26,596
Georgia Environmental Facilities Authority (GEFA) \$5,500 Loan (3.00%), due serially through 2032	5,139
Georgia Environmental Facilities Authority (GEFA) \$3,000 Loan (3.81%), due serially through 2032	2,828
Georgia Environmental Facilities Authority (GEFA) \$40,000 maximum gross Loan (3.00%), due serially through a date to be determined	<u>33,972</u>
Total other debt	<u>172,445</u>
Unamortized bond premiums	49,754
Unamortized bond discounts	(11,971)
Less: current maturity	<u>(58,063)</u>
Total long-term debt	<u>\$ 3,158,330</u>

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

Notes to the Financial Statements – Continued

G. Long-Term Obligations, continued

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 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 2014, The Department received \$8,577,000 in GEFA funding. As of June 30, 2014, the Department had \$172,455,000 in short-term and long-term loans outstanding to GEFA. 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).

On September 12, 2013 the City of Atlanta issued approximately \$328.7 million of its Water and Wastewater Revenue Refunding Bonds, Series 2013A, and \$200.1 million of its Water and Wastewater Revenue Refunding Bonds Series 2013B, collectively referred to as the “Series 2013 Bonds.” Of these amounts, \$178.7 million of the Series 2013A Bonds were issued as sub-series A-1 and sold to respective bond trading institutions, and \$149.5 million issued as sub-series A – 2 Bonds and privately placed. All of the Series 2013A bonds were issued as Variable Rate Bonds with a LIBOR index rate. The Series 2013 Bonds were issued to refinance portions of the outstanding Water and Wastewater Revenue Bonds Series 1999A, Series 2001A, Series 2004 Water, and pay all costs with respect to the issuance of the Series 2013 Bonds.

Interest Rate Exchange Agreements (Swap’s)

Department of Watershed Management (DWM) (“Department”)

At June 30, 2014, 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

CITY OF ATLANTA, GEORGIA
Notes to Financial Statements
Year Ended June 30, 2014

Notes to the Financial Statements – Continued

G. Long-Term Obligations, continued

have notional amounts of \$328,235,000 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, 2014, classified by type, and the changes in fair value of such derivative instruments for the year then ended are as follows (Dollars in thousands):

<u>Swap</u>	<u>Cash Flow Hedges</u>	<u>Changes in Fair Value</u>		<u>Fair Value at June 30, 2014</u>		<u>Notional</u>
		<u>Classifications</u>	<u>Amount</u>	<u>Classification</u>	<u>Amount</u>	
3	Pay-fixed interest rate 4.09%	Investment expense	\$ (887)	Investment	\$ (100,080)	\$ 328,235
4a (partial)	Pay-fixed interest rate 4.09%	Investment expense	\$ -	Investment	\$ (4,812)	\$ 25,265
4b (partial)	Pay-fixed interest rate 4.09%	Deferred outflow	\$ (1,384)	Debt	<u>\$ (16,707)</u>	\$ 80,440
				Total	<u><u>\$ (121,599)</u></u>	

The fair value of the swaps was estimated using the zero coupon method. This method calculates the future net settlement payments required by the swaps, assuring that the current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement of the swaps. The net cash outflow (payments) related to these derivative instruments during fiscal year 2014 was approximately \$17,320,000.

CITY OF ATLANTA, GEORGIA
Notes to Financial Statements
Year Ended June 30, 2014

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, 2014, 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-fixed interest rate swaps	Hedge of changes in cash flows of fixed debt obligations	\$ 80,440	1/2/2002	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, 2014, 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, 2014, 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 and 67 percent of LIBOR is 0.104 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 UBS. The amendment to the swap transaction, dated February 26, 2010, allow UBS to terminate and cancel each of the transaction in whole or in part, on any business day, upon one business day's prior written notice to the Department.

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

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

Notes to the Financial Statements – Continued

G. Long-Term Obligations, continued

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.

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 \$16,194,000 reported as the landfill post-closure costs liability at June 30, 2014, 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.

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CITY OF ATLANTA, GEORGIA
Notes to Financial Statements
Year Ended June 30, 2014

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, 2014 (Dollars in thousands):

Year Ended June 30	Governmental Activities					
	General Obligations		Annual Bonds		SWMA Revenue Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
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	18,350	4,728	2,255	796	1,780	318
2020-2024	87,210	9,783	13,440	2,292	5,885	399
2025-2029	1,995	78	3,680	185	-	-
	<u>\$ 171,820</u>	<u>\$ 41,401</u>	<u>\$ 27,395</u>	<u>\$ 7,332</u>	<u>\$ 14,005</u>	<u>\$ 2,802</u>

Year Ended June 30	APSJFA Note Payable		Limited Obligations		Other General LT Obligations	
	Principal	Interest	Principal	Interest	Principal	Interest
	2015	\$ 1,791	\$ 334	\$ 18,560	\$ 23,559	\$ 11,217
2016	1,875	250	18,900	22,784	11,958	7,398
2017	1,962	163	19,875	21,840	12,531	6,780
2018	2,055	71	20,885	20,845	13,075	6,137
2019	-	-	21,935	19,810	8,922	5,595
2020-2024	-	-	133,265	77,540	47,326	20,825
2025-2029	-	-	236,555	24,973	63,901	10,960
2030-2034	-	-	35,030	5,894	18,948	4,445
2035-2039	-	-	12,290	1,285	8,879	426
2040-2044	-	-	1,120	86	-	-
	<u>\$ 7,683</u>	<u>\$ 818</u>	<u>\$ 518,415</u>	<u>\$ 218,616</u>	<u>\$ 196,757</u>	<u>\$ 70,501</u>

Year Ended June 30	Business-Type Activities						
	Aviation		GA Environmental Facilities-DWM		Watershed Management		Interest Rate Swaps, Net
	Principal	Interest	Principal	Interest	Principal	Interest	
2015	\$ 105,115	\$ 136,294	\$ 4,353	\$ 5,643	\$ 53,710	\$ 146,111	\$ 17,332
2016	116,085	143,013	4,498	5,456	56,310	143,298	17,310
2017	121,480	137,403	4,652	5,260	59,010	140,311	17,288
2018	127,675	131,377	4,808	5,060	62,505	137,151	17,264
2019	134,710	124,996	4,970	4,853	65,655	133,723	17,239
2020-2024	662,390	522,835	27,245	20,903	385,965	609,697	85,244
2025-2029	797,880	343,557	65,100	12,685	502,955	498,912	73,277
2030-2034	587,990	142,749	49,107	3,878	613,325	362,555	54,708
2035-2039	170,460	51,266	7,712	459	762,865	199,891	31,722
2040-2044	99,540	9,517	-	-	443,865	37,433	6,275
	<u>\$ 2,923,325</u>	<u>\$ 1,743,007</u>	<u>\$ 172,445</u>	<u>\$ 64,197</u>	<u>\$ 3,006,165</u>	<u>\$ 2,409,082</u>	<u>\$ 337,659</u>

Year Ended June 30	Component Units			
	Recreation Authority		Atlanta Development Authority	
	Principal	Interest	Principal	Interest
2015	\$ 6,370	\$ 8,414	\$ 15,084	\$ 8,417
2016	6,770	8,018	15,478	7,688
2017	7,170	7,601	16,101	6,973
2018	7,600	7,162	8,255	6,446
2019	8,050	6,701	8,689	6,104
2020-2024	48,040	25,510	47,508	24,430
2025-2029	58,040	9,041	36,915	14,400
2030-2034	-	-	17,230	6,877
2035-2039	-	-	13,485	1,906
2040-2044	-	-	-	-
	<u>\$ 142,040</u>	<u>\$ 72,447</u>	<u>\$ 178,745</u>	<u>\$ 83,241</u>

CITY OF ATLANTA, GEORGIA
Notes to Financial Statements
Year Ended June 30, 2014

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, 2014 (Dollars in thousands):

Description of Bonds	Date		Redemption Call Date	Date Defeased	Maturities Defeased	Interest Rate		Outstanding 6/30/2014
	Originally Issued	Original par Amount				Defeased Bonds %	Amount Defeased	
General Obligation Bonds								
1993 School Improvement	11/1/1993	94,000	12/1/2003	2/28/2001	2002-2018	5.5-5.6	5,705	37,225
1996A Various Purpose	12/1/1996	8,000	12/1/2006	5/1/2005	2008-2016	5.0	-	885
1997A Various Purpose	11/1/1997	8,000	12/1/2007	5/1/2005	2009-2021	5.0-5.125	185	1,135
1998 Various Purpose	12/1/1998	8,000	12/1/2008	5/1/2005	2012-2020	4.4-4.9	160	175
1999 Various Purpose	12/1/1999	8,000	12/1/2009	5/1/2005	2011-2024	5.125-5.8	155	2,400
2000 Various Purpose	11/1/2000	8,000	12/1/2010	5/1/2005	2013-2025	5.0-5.5	135	1,950
		<u>\$ 134,000</u>					<u>\$ 6,340</u>	<u>\$ 43,770</u>

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, 2014 is as follows (Dollars in thousands):

	Department of Aviation
Debt service and debt service reserve	\$ 382,414
Capital Projects	<u>554,081</u>
Total	<u>\$ 936,495</u>

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

Notes to the Financial Statements – Continued

H. Restricted Net Position and Restricted Assets, continued

The General Fund, because of covenants required by the 1998 Georgia Municipal Association Certificates of Participation, is required to keep certain restricted balances. This includes the investment account related to the 1998 lease pool, as discussed further in Note III. G. The Municipal Option Sales Tax Fund (MOST), as required by City ordinance, is required to transfer all revenue collections to the Department of Watershed Management for the purpose of funding water, wastewater and storm water infrastructure improvement and repair. The Other Governmental Funds contain restricted assets representing amounts which are required to be maintained pursuant to City ordinances for capital purposes, renewal and extension and sinking funds, and funds received for specific purposes pursuant to U. S. Government grants.

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. Restricted assets of the enterprise funds at June 30, 2014 are as follows (Dollars in thousands):

	<u>Department of Watershed Management</u>	<u>Department of Aviation</u>	<u>Total</u>
Airport Revenue Fund:			
Cash and cash equivalents	\$ -	\$ 5,047	\$ 5,047
Renewal and Extension Fund:			
Cash and cash equivalents	-	34,991	34,991
Other assets	-	7,068	7,068
Passenger Facility Charge Fund:			
Cash and cash equivalents	-	110,786	110,786
Other assets	-	28,326	28,326
Investments	-	413,970	413,970
Customer Facility Charge Fund:			
Cash and cash equivalents	-	25,373	25,373
Other assets	-	2,778	2,778
Construction Fund:			
Cash and cash equivalents	-	192,813	192,813
Sinking Funds:			
Cash and cash equivalents	-	359,625	359,625
Investments	-	22,790	22,790
Construction Revenue Funds:			
Cash and cash equivalents	175,558	-	175,558
Sinking Fund:			
Cash and cash equivalents	164,171	-	164,171
Investments - Guaranteed Investment Contract:	87,676	-	87,676
	<u>\$ 427,405</u>	<u>\$ 1,203,567</u>	<u>\$ 1,630,972</u>
Total			

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

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 2014. 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

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

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, 2014 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:					
2013	\$ 39,310	\$ 2,223	\$ (4,242)	\$ 37,291	
2014	\$ 37,292	\$ 10,508	\$ (4,261)	\$ 43,539	\$ 10,637
Health and Dental claims:					
2013	\$ 5,110	\$ 58,900	\$ (56,860)	\$ 7,150	
2014	\$ 7,150	\$ 59,622	\$ (60,692)	\$ 6,080	\$ 3,447
General claims liability:					
2013	\$ 35,911	\$ 8,377	\$ (9,490)	\$ 34,798	
2014	\$ 34,798	\$ 12,085	\$ (18,535)	\$ 28,348	\$ 17,298

B. 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 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, 2014, the total estimated remaining costs on committed projects are \$412,100,000 for the Department of Aviation, and \$211,289,000 for the Department of Watershed Management.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

Notes to the Financial Statements – Continued

B. Commitments and Contingent Liabilities, continued

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, 2014 as follows (Dollars in thousands):

	<u>General Fund</u>
Contract Services	\$ 4,825
Supplies	2,551
Capital	1,419
Other	<u>26</u>
Total	<u>\$ 8,821</u>

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, 2014, a restricted noncurrent asset is recorded for approximately \$5.0 million as a result of this settlement.

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, 2014, 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").

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

Notes to the Financial Statements – Continued

B. Commitments and Contingent Liabilities, continued

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 \$17,372,000 for the period ended June 30, 2014. 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 \$17,171,000 for the year ended June 30, 2014. These payments are treated as non-operating revenue and are included in capital contributions. The amounts receivable from the 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.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

Notes to the Financial Statements – Continued

B. Commitments and Contingent Liabilities, continued

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, 2014, 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 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, 2015. 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 2015 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

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

Notes to the Financial Statements – Continued

B. Commitments and Contingent Liabilities, continued

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 2014. 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 2014 were \$124,268,000, of which \$10,311,000 were receivable from the Georgia Department of Revenue at June 30, 2014.
- Federal Appropriation – Some small Federal grants have been obtained and efforts to secure additional Federal grants continue.
- 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. In fiscal year 2014, the City received \$8,577,000 in GEFA funding. As of June 30, 2014, the City had \$ \$172,445,000 in short and long-term loans outstanding to GEFA.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

Notes to the Financial Statements – Continued

B. Commitments and Contingent Liabilities, continued

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 2009-2014 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 Water Rate Structure:

<u>Water Consumption</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Base charge	\$5.21	\$5.86	\$6.56	\$6.56	\$6.56
1-3 ccf	\$2.04	\$2.30	\$2.58	\$2.58	\$2.58
4-6 ccf	\$4.24	\$4.77	\$5.34	\$5.34	\$5.34
Above 7 ccf	\$4.89	\$5.50	\$6.16	\$6.16	\$6.16

Graduated Monthly Wastewater Rate Structure:

<u>Water Consumption</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Base charge	\$5.21	\$5.86	\$6.56	\$6.56	\$6.56
1-3 ccf	\$7.73	\$8.70	\$9.74	\$9.74	\$9.74
4-6 ccf	\$10.83	\$12.18	\$13.64	\$13.64	\$13.64
Above 7 ccf	\$12.45	\$14.01	\$15.69	\$15.69	\$15.69

Class-action lawsuit

In May 2014, Plaintiffs plead for a class-action lawsuit and allege that a Payment-in-lieu-of-taxes (PILOT) and Franchise Fee paid by the Water and Wastewater enterprise fund to the City's General Fund is an illegal tax that must cease. The class seeks a refund for all allegedly illegal taxes paid since June 29, 2009, plus interest. The estimated maximum potential liability in that litigation is \$62 million, and based on the information we have at this time, the City believes it is more likely than not that it will be successful in its defense.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

Notes to the Financial Statements – Continued

B. 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 \$5.28 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 <u>(In Millions)</u>
Wastewater Projects:	
CSO Consent Decree	\$ 714
First Amended Decree	1,620
Regulatory	96
Renewal & Extension Fund Projects	809
Subtotal	<u>3,239</u>
Water Projects:	
Consent Order	80
Non-Consent Order	1,966
Subtotal	<u>2,046</u>
Grand total	<u>\$ 5,285</u>

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

Notes to the Financial Statements – Continued

V. Pension and Postemployment Benefits

A. Pension

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.

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 Employees' 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 Employees' Pension Plan.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

Notes to the Financial Statements – Continued

A. Pension, continued

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.

Defined Benefit Plans

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 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 2014, the City's contributions were \$92,998,000, while

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

Notes to the Financial Statements – Continued

A. Pension, continued

the covered payroll was \$275,445,000, or 33.8%. It is expected for fiscal year 2015 the cap will not be exceeded. If an overage exists 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%.

Plan Membership

As of June 30, 2014, participation in the plans were as follows:

	<u>General Employees' Plan</u>			<u>Police Officers</u>
	<u>City/ Employer</u>	<u>School System</u>	<u>Firefighters</u>	
Inactive plan members or beneficiaries currently receiving benefits	3,875	2,151	994	1,405
Inactive plan members entitled to, but not yet receiving benefits	167	50	9	30
Active plan members	<u>2,822</u>	<u>653</u>	<u>1,045</u>	<u>2,021</u>
	<u>6,864</u>	<u>2,854</u>	<u>2,048</u>	<u>3,456</u>

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.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

Notes to the Financial Statements – Continued

A. Pension, continued

The required contribution percentages, developed in the actuarial valuations for the Plans for the year ended June 30, 2014, and the actual contributions made are as follows (dollars in thousands):

	<u>General Employees' Plan</u>			
	<u>City/ Employer</u>	<u>School System</u>	<u>Firefighters</u>	<u>Police Officers</u>
Service cost	5.89%	17.25%	27.94%	24.29%
Amortization of the unfunded actuarial accrued liability	<u>39.65%</u>	<u>241.16%</u>	<u>25.83%</u>	<u>19.19%</u>
Total required contributions as a percentage of covered payroll	<u>45.54%</u>	<u>258.41%</u>	<u>53.77%</u>	<u>43.48%</u>
2014 actual employee contributions				
Dollar amount (in thousands)	\$ 17,366	\$ 1,554	\$ 5,670	\$ 11,232
Percent of covered payroll	11.95%	6.78%	12.74%	12.23%
2014 actual City contributions				
Dollar amount (in thousands)	\$ 42,145	\$ 48,000	\$ 20,656	\$ 30,197
Percent of covered payroll	28.99%	209.48%	46.41%	32.88%

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, 2014, were as follows for the respective plans:

General Employees' Plan:	
City/Employer	\$ 42,145
School System	\$ 48,000
Firefighters'	\$ 20,656
Police Officers'	\$ 30,197

These amounts equaled the required and actual contributions for each of the respective plans except for the School System which exceeded the required contribution of \$43,679.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

Notes to the Financial Statements – Continued

A. Pension Plans, continued

The City's annual pension cost and net pension obligation for the current year ended June 30, 2014 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 6/30/09	\$ 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%	\$ -
Year Ended 6/30/14	\$ 42,145	\$ 42,145	100%	\$ -
General Employees' Plan (School System):				
Year Ended 6/30/09	\$ 42,005	\$ 39,600	106.1%	\$ -
Year Ended 6/30/10	\$ 45,500	\$ 43,585	104.4%	\$ -
Year Ended 6/30/11	\$ 47,333	\$ 37,217	127.2%	\$ -
Year Ended 6/30/12	\$ 39,000	\$ 38,830	100%	\$ -
Year Ended 6/30/13	\$ 43,013	\$ 43,679	98.5%	\$ -
Year Ended 6/30/14	\$ 48,000	\$ 43,679	109.9%	\$ -
Firefighters:				
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%	\$ -
Year Ended 6/30/14	\$ 20,656	\$ 20,656	100%	\$ -
Police Officers:				
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%	\$ -
Year Ended 6/30/14	\$ 30,197	\$ 30,197	100%	\$ -

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

Notes to the Financial Statements – Continued

A. Pension Plans, 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, 2013 calculations for funding purposes) are:

	<u>Firefighters</u>	<u>Police Officers</u>
Investment rate of return	7.50%	7.50%
Projected salary increases for inflation	4.00%	4.00%
Post-retirement benefit increases	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, 2014:

	<u>General Employees' Plan</u>		<u>Firefighters</u>	<u>Police Officers</u>
	<u>City</u>	<u>School</u>		
Basis of accounting	Accrual	Accrual	Accrual	Accrual
Asset Valuation Method	Market Value	Market Value	Market Value	Market Value

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CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

Notes to the Financial Statements – Continued

A. Pension Plans, continued

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		Firefighters	Police Officers
	City as Employer	School System		
Plan/Valuation Date	July 1, 2013	July 1, 2013	July 1, 2013	July 1, 2013
Value of Assets	\$ 954,965	\$ 115,509	\$ 561,450	\$ 828,815
Actuarial Accrued Liability (AAL)	\$ 1,863,533	\$ 648,514	\$ 785,195	\$ 1,170,414
Percentage Funded	51.2%	17.8%	71.5%	70.8%
Unfunded Accrued Liabilities	\$ 908,568	\$ 533,005	\$ 223,745	\$ 341,599
Covered Payroll	\$ 133,069	\$ 21,786	\$ 44,886	\$ 92,245
Unfunded AAL as a Percentage of Covered Payroll	682.8%	2446.5%	498.5%	370.3%

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 Benefit Plan Reporting Requirements in Accordance With GASB 67

Beginning in fiscal year 2014, the City is required, in accordance with GASB 67, to report certain Plan information pertaining to the three defined benefit plans. The Firefighters' and Police Officers' Pension Plans are single-employer plans and are required to disclose more information than the General Employees' Plan because it is an agent multiple-employer plan. The Plan Actuaries provided a revised actuarial valuation to reflect updated asset value as of June 30, 2014.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

Notes to the Financial Statements – Continued

A. Pension Plans, continued

During fiscal year 2014 the investment policies for the Firefighters’ and Police Officers’ Pension Plan were revised to update the asset allocations to the changing economic conditions and various investment opportunities perceived by the Boards. The Boards have the authority to amend the investment policy with a majority vote by its members.

	<u>Minimum</u>	<u>Target</u>	<u>Maximum</u>
Domestic Equity:			
All/Flex Cap	5%	7%	10%
Large Cap	25	30	35
Mid Cap	10	15	20
Small Cap	4	9	14
International Equity	<u>4</u>	<u>9</u>	<u>14</u>
Total Equity	<u>48%</u>	<u>70%</u>	<u>93%</u>
Alternative Investments	<u>0%</u>	<u>5%</u>	<u>5%</u>
Total alternative investments	<u>0%</u>	<u>5%</u>	<u>5%</u>
Fixed Income:			
Core	10%	14%	19%
Intermediate	5	10	15
Cash	<u>-</u>	<u>1</u>	<u>2</u>
Total fixed income and cash	<u>15%</u>	<u>25%</u>	<u>36%</u>

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans’ target asset allocations as of June 30, 2014, are summarized in the following table:

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

Notes to the Financial Statements – Continued

A. Pension Plans, continued

Firefighters and Police Officers

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Expected Long-Term Real Rate</u>
Broad equity market	7%	6.01%
Domestic large-cap equity	30	6.91
Domestic mid-cap equity	15	8.91
Domestic small-cap equity	9	5.01
International equity	9	3.31
Domestic fixed income	25	0.81
Alternative investments	5	7.51
	<u>100%</u>	

Net Pension Liability of the Plans

The components of the net pension liability at June 30, 2014 were as follows:

	<u>Firefighters</u>	<u>Police Officers</u>
Total pension liability	\$ 846,325	\$ 1,270,494
Fiduciary net position	\$ 658,508	\$ 987,507
Net pension liability	\$ 187,817	\$ 282,987
Fiduciary net position as a percentage of total pension liability	77.81%	77.73%

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CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

Notes to the Financial Statements – Continued

A. Pension Plans, continued

Sensitivity of the net pension liability to changes in the discount rate.

The following presents the net pension liability of the Plans, calculated using the discount rate, as well as what the Plan net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower, or 1 percentage higher than the current rate (dollars in thousands):

	1% Decrease (6.41%)	Current Discount Rate (7.41%)	1% Increase (8.41%)
Firefighters' Pension Plan Net Pension Liability	\$ 299,424	\$ 187,817	\$ 96,219
Police Officers' Pension Plan Net Pension Liability	\$ 460,925	\$ 282,987	\$ 138,238

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 Employees' 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 Employees' Pension Plan.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

Notes to the Financial Statements – Continued

A. Pension Plans, continued

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, 2014, there were 1,267 participants in the General Employees' Defined Contribution Plan. The covered payroll for employees in the Plan was approximately \$85,020,000. Employer contributions for the year ended June 30, 2014, were approximately \$7,441,000 and employee contributions were approximately \$7,158,000, totaling 17.7% of covered payroll. In addition, there were another 1,643 Defined Contribution Plan participants in the hybrid plans.

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.

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CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

Notes to the Financial Statements – Continued

A. Pension Plans, continued

Condensed financial statement information for the Defined Contribution Plan for the year ended June 30, 2014 is shown below (dollars in thousands):

	<u>FY 2014</u>
Current assets:	
Investments	\$ 90,756
Other Assets	1,738
Total assets	<u>\$ 92,494</u>
Current liabilities:	
Accounts payable	-
Accounts payable	-
Due to other funds	-
Total current liabilities	<u>\$ -</u>
Additions:	
Employer contributions	7,441
Employee contributions	7,158
Refunds and other	-
Net Investment income (loss)	10,007
Other additions	-
Total additions	<u>24,606</u>
Deductions:	
Benefit Payments	4,365
Administrative expenses	250
Total deductions:	<u>4,615</u>
Change in Net Assets held in trust	19,991
Net Assets held in trust for pension benefits:	
Beginning of period	<u>72,503</u>
End of period	<u>\$ 92,494</u>

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

Notes to the Financial Statements – Continued

B. 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.

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, 2014, the City made \$44.6 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 \$46.1 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, 2014 (Dollars in thousands):

	June 30, 2014				
	City-Wide	DWM	DOA	Other Business-type	General Government
Annual Required Contribution	\$ 104,311	\$ 19,613	\$ 13,231	\$ 6,522	\$ 64,945
Interest on Net OPEB Obligation	13,021	2,448	1,652	813	8,108
Adjustment to Annual Required Contribution	(13,566)	(2,551)	(1,721)	(847)	(8,447)
Annual OPEB Cost (expense)	103,766	19,510	13,162	6,488	64,606
"Pay As You Go" Payments Made	(44,591)	(7,236)	(5,423)	(2,076)	(29,856)
Increase in Net OPEB Obligation	59,175	12,274	7,739	4,412	34,750
Net OPEB Obligation - Beginning of Year	325,651	82,964	44,561	17,770	180,356
Net OPEB Obligation - End of Year	\$ 384,826	\$ 95,238	\$ 52,300	22,182	215,106

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

Notes to the Financial Statements – Continued

B. Post-Employment Benefits, continued

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, 2012 - 2014 were as follows (Dollars in thousands):

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Paid</u>	<u>Net OPEB Obligation</u>
June 30, 2012	\$ 93,711	40.0%	\$ 264,132
June 30, 2013	\$ 99,986	38.5%	\$ 325,652
June 30, 2014	\$ 103,766	42.1%	\$ 384,826

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%.

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 result 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.

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

Notes to the Financial Statements – Continued

C. Post-Employment Benefits, continued

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.

VI. Subsequent Events

As described below, the City retired and refunded portions of its outstanding General Obligation (G.O) Public Improvement and Various Purpose bonds, and refunded all of the outstanding City of Atlanta and Atlanta Fulton County Recreation Authority (AFCRA) Series 2005A Park Improvement Bonds and the City of Atlanta and Atlanta Fulton County Recreation Authority Series 2005B Park Improvement Bonds. The G.O bonds retired or refunded were issued to finance citywide capital improvement projects; and the City of Atlanta and Atlanta Fulton County Recreation Authority Series 2005A Park Improvement and the Atlanta and Fulton County Recreation Authority Series 2005B Park Improvement Bonds were issued to finance capital projects authorized under the agreement between the City of Atlanta and the Atlanta Fulton County Recreational Authority (AFCRA).

On October 8, 2014, the City placed in escrow an amount sufficient to make the final maturity and accrued interest payments on seven (G.O) bonds issuances. On December 1, 2014 the Series 2001A Various Purpose (\$925,000), Series 2001B Public Improvement (\$3,445,000), Series 2002 Various Purpose (\$4,045,000), Series 2003 Various Purpose (\$4,355,000), Series 2004A Various Purpose (\$5,005,000), and Series 2004B Public Improvement Bonds (\$17,070,000) were retired. The Series 2005B Various Purpose Bonds (\$4,735,000) are expected to be retired on December 1, 2015.

On November 6, 2014 the City refunded all of the outstanding Series 2005A G.O Refunding Bonds (\$37,775,000), the Series 2007A Various Purpose Bonds (\$5,270,000) and the Series 2008A Public Improvement Bonds (\$10,940,000) by issuing the Series 2014A and Series 2014B Taxable General Obligation Refunding Bonds. The Series 2014A Refunding Bonds (\$15,355,000) were issued to refund the series 2007A and series 2008A bonds, and pay all costs associated with the bond issuance. The Series 2014B Taxable Refunding Bonds (\$40,020,000) were issued to refund the Series 2005A G.O Refunding Bonds and pay all costs associated with the bond issuance.

On December 4, 2014 the City of Atlanta and Atlanta Fulton County Recreational Authority (AFRCA) refunded all of the outstanding City of Atlanta and the Atlanta Fulton County Recreational Authority Series 2005A Park Improvement Bonds (\$60,550,000) and the City of Atlanta and the Atlanta Fulton County Recreational Authority Series 2005B Taxable Park Improvement Bonds (\$7,630,000) by issuing the City of Atlanta and Fulton County Recreation Authority Series 2014A Refunding Revenue

CITY OF ATLANTA, GEORGIA

Notes to Financial Statements

Year Ended June 30, 2014

Notes to the Financial Statements – Continued

VI. Subsequent Events, continued

Bonds (\$55,965,000), and the City of Atlanta and Atlanta Fulton County Recreation Authority Series 2014B Refunding Revenue Bonds (\$8,055,000).

The City of Atlanta and Atlanta Fulton County Recreation Authority Series 2014A Refunding Revenue Bonds were issued to refund the City of Atlanta and Atlanta Fulton County Recreation Authority Series 2005A Park Improvement Bonds, and pay all costs associated with the bond issuance. The City of Atlanta and Atlanta Fulton County Recreation Authority Series 2014B Taxable Refunding Revenue Bonds were issued to refund the City of Atlanta and Atlanta Fulton County Recreation Authority Series 2005B Taxable Park Improvement Bonds, and pay all costs associated with the bond issuance.



Required Supplementary Information

CITY OF ATLANTA, GEORGIA
Required Supplementary Information
Schedule of Funding Progress for Pension Plans
Year Ended June 30, 2014
(Dollars in thousands)
(Unaudited)

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						
July 1, 2008	\$ 829,734	\$ 1,483,733	55.9%	\$ 653,999	\$ 179,982	363.4%
July 1, 2009	\$ 881,009	\$ 1,481,563	59.5%	\$ 600,554	\$ 150,312	399.5%
July 1, 2010	\$ 866,906	\$ 1,614,267	53.7%	\$ 747,361	\$ 142,597	524.1%
July 1, 2011	\$ 868,799	\$ 1,697,083	51.2%	\$ 828,284	\$ 135,636	610.7%
July 1, 2012	\$ 917,486	\$ 1,798,404	51.0%	\$ 880,918	\$ 139,393	632.0%
July 1, 2013	\$ 954,965	\$ 1,863,532	51.2%	\$ 908,568	\$ 133,069	682.8%
General Employees: School System						
July 1, 2008	\$ 150,876	\$ 655,110	23.0%	\$ 504,234	\$ 28,273	1783.4%
July 1, 2009	\$ 112,295	\$ 644,788	17.4%	\$ 532,493	\$ 29,405	1810.9%
July 1, 2010	\$ 114,616	\$ 669,033	17.1%	\$ 554,417	\$ 26,304	2107.7%
July 1, 2011	\$ 113,553	\$ 646,444	17.6%	\$ 532,891	\$ 24,563	2169.5%
July 1, 2012	\$ 101,273	\$ 633,672	16.0%	\$ 532,399	\$ 22,914	2323.5%
July 1, 2013	\$ 115,509	\$ 648,514	17.8%	\$ 533,005	\$ 21,786	2446.5%
Firefighters						
January 1, 2008	\$ 340,075	\$ 652,816	52.1%	\$ 312,741	\$ 45,561	686.4%
January 1, 2009	\$ 408,090	\$ 708,347	57.6%	\$ 300,257	\$ 43,275	693.8%
January 1, 2010	\$ 422,791	\$ 699,175	60.5%	\$ 276,384	\$ 43,910	629.4%
January 1, 2011	\$ 481,640	\$ 732,357	65.8%	\$ 250,717	\$ 42,963	583.6%
July 1, 2011	\$ 509,590	\$ 730,535	69.8%	\$ 220,945	\$ 39,482	559.6%
July 1, 2012	\$ 505,692	\$ 727,803	69.5%	\$ 222,111	\$ 42,797	519.0%
July 1, 2013	\$ 561,450	\$ 785,195	71.5%	\$ 223,745	\$ 44,886	498.5%
Police Officers						
January 1, 2008	\$ 596,457	\$ 909,410	65.6%	\$ 312,953	\$ 84,016	372.5%
January 1, 2009	\$ 571,768	\$ 986,376	58.0%	\$ 414,608	\$ 82,030	505.4%
January 1, 2010	\$ 591,981	\$ 990,600	59.8%	\$ 398,619	\$ 78,520	507.7%
January 1, 2011	\$ 697,668	\$ 1,056,240	66.1%	\$ 358,572	\$ 83,551	429.2%
July 1, 2011	\$ 735,470	\$ 1,036,001	71.0%	\$ 300,531	\$ 73,688	407.8%
July 1, 2012	\$ 733,546	\$ 1,059,362	69.2%	\$ 325,816	\$ 88,297	369.0%
July 1, 2013	\$ 828,815	\$ 1,170,414	70.8%	\$ 341,599	\$ 92,245	370.3%

CITY OF ATLANTA, GEORGIA
Required Supplementary Information
Schedule of Funding Progress for Pension Plans
Year Ended June 30, 2014
(Dollars in thousands)
(Unaudited)

Schedule of Funding Progress for OPEB
(in thousands)

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

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

CITY OF ATLANTA, GEORGIA
Required Supplementary Information
Schedule of Employers' Net Position Liability
Year ended June 30, 2014
(Dollars in thousands)
(Unaudited)

	<u>Firefighters</u>	<u>Police Officers</u>
Total pension liability	\$ 846,325	\$ 1,270,494
Plan fiduciary net position	\$ 658,508	\$ 987,507
Employers' net pension liability	\$ 187,817	\$ 282,987
Plan fiduciary net position as a percentage of total pension liability	77.81%	77.73%
Covered-employee payroll	\$ 44,508	\$ 91,840
Employers' and nonemployers' net pension liability as a percentage of covered-employee payroll	421.99%	308.13%

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See accompanying notes to required supplementary information and accompanying independent auditors' report.

CITY OF ATLANTA, GEORGIA
Required Supplementary Information
Schedule of Changes in Net Position Liability
Firefighters' Pension Plan
Year ended June 30, 2014
(Dollars in thousands)
(Unaudited)

Total pension liability	
Service cost	\$ 13,044
Interest	111,009
Changes of benefit terms	-
Differences between expected and actual experiences	-
Changes of assumptions	(21,655)
Benefit payments, including refunds of member contributions	<u>(41,268)</u>
Net change in total pension liability	61,130
Total pension liability - beginning	<u>785,195</u>
Total pension liability - ending	<u><u>846,325</u></u>
Plan fiduciary net position	
Contributions - employer	20,656
Contributions - member	5,670
Net investment income	112,371
Other income	3
Benefit payments, including member refunds	(41,268)
Administrative expenses	<u>(374)</u>
Net change in plan fiduciary net position	97,058
Plan fiduciary net position - beginning	<u>561,450</u>
Plan fiduciary net position - ending	<u><u>658,508</u></u>
Plan net pension liability - ending	<u><u>\$ 187,817</u></u>

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as the information becomes available.

See accompanying notes to required supplementary information and accompanying independent auditors' report.

CITY OF ATLANTA, GEORGIA
Required Supplementary Information
Schedule of Changes in Net Position Liability
Police Officers' Pension Plan
Year ended June 30, 2014
(Dollars in thousands)
(Unaudited)

Total pension liability	
Service cost	\$ 23,302
Interest	170,229
Changes of benefit terms	-
Differences between expected and actual experiences	-
Changes of assumptions	(40,172)
Benefit payments, including refunds of member contributions	<u>(53,279)</u>
Net change in total pension liability	100,080
Total pension liability - beginning	<u>1,170,414</u>
Total pension liability - ending	<u><u>1,270,494</u></u>
Plan fiduciary net position	
Contributions - employer	30,197
Contributions - member	11,232
Net investment income	171,192
Other income	3
Benefit payments, including member refunds	(53,279)
Administrative expenses	<u>(653)</u>
Net change in plan fiduciary net position	158,692
Plan fiduciary net position - beginning	<u>828,815</u>
Plan fiduciary net position - ending	<u>987,507</u>
Plan net pension liability - ending	<u>\$ 282,987</u>

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as the information becomes available.

See accompanying notes to required supplementary information and accompanying independent auditors' report.

CITY OF ATLANTA, GEORGIA
Required Supplementary Information
Schedule of Employer Contributions
Year ended June 30, 2014
(Dollars in thousands)
(Unaudited)

<u>Firefighters'</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>*2006</u>	<u>2005</u>
Actuarially determined contributions	\$ 20,656	\$ 17,491	\$ 21,092	\$ 24,912	\$ 25,865	\$ 28,752	\$ 26,373	\$ 25,727	\$ 8,284	\$ 10,040
Contributions in relation to the actuarially determined contribution	20,656	17,491	21,092	24,912	25,865	28,752	26,373	25,727	8,284	10,040
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>								
Covered-employee payroll	\$ 44,508	\$ 42,797	\$ 39,482	\$ 42,963	\$ 43,910	\$ 43,275	\$ 45,561	\$ 45,686	\$ 36,440	\$ 38,774
Contributions as a percentage of covered-employee payroll	46.4%	40.9%	53.4%	58.0%	58.9%	66.4%	57.9%	56.3%	22.7%	25.9%
 <u>Police Officers'</u>	 <u>2014</u>	 <u>2013</u>	 <u>2012</u>	 <u>2011</u>	 <u>2010</u>	 <u>2009</u>	 <u>2008</u>	 <u>2007</u>	 <u>*2006</u>	 <u>2005</u>
Actuarially determined contributions	\$ 30,197	\$ 26,525	\$ 33,748	\$ 19,568	\$ 40,422	\$ 41,213	\$ 44,434	\$ 45,229	\$ 15,687	\$ 25,271
Contributions in relation to the actuarially determined contribution	30,197	26,525	33,748	19,568	40,422	41,213	44,434	45,229	15,687	25,271
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>								
Covered-employee payroll	\$ 91,840	\$ 88,297	\$ 73,688	\$ 83,551	\$ 78,519	\$ 82,030	\$ 84,015	\$ 77,168	\$ 73,515	\$ 70,973
Contributions as a percentage of covered-employee payroll	32.9%	30.0%	45.8%	23.4%	51.5%	50.2%	52.9%	58.6%	21.3%	35.6%

* Six months ended June 30, 2006.

See accompanying notes to required supplementary information and accompanying independent auditors' report.

CITY OF ATLANTA, GEORGIA
Required Supplementary Information
Schedule of Investment Returns
Year ended June 30, 2014
(Unaudited)

General Employees' Pension Plan

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Annual money-weight rate of return	19.26%	17.55%	0.93%	19.69%	12.92%	-9.56%

Firefighters' Pension Plan

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Annual money-weight rate of return	21.01%	15.34%	1.68%	25.58%	14.40%	-13.86%

Police Officers' Pension Plan

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Annual money-weight rate of return	21.37%	15.73%	0.99%	21.30%	12.07%	-13.15%

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as the information becomes available.

See accompanying notes to required supplementary information and accompanying independent auditors' report.

CITY OF ATLANTA, GEORGIA
Notes Required Supplementary Information
Year ended June 30, 2014
(Unaudited)

(1) Schedule of Changes in the Net Pension Liability

The total pension liability contained in this schedule was provided by the Plan's actuary, Southern Actuarial Services. A separate actuarial valuation is completed separately for The City and the School System. The net pension liability is measured as the total pension liability less the amount of the fiduciary net position of the Plan.

(2) Schedule of Employer Contributions

The required contributions and percentage of those contributions actually made are presented in the schedule.

(3) Actuarial Methods and Assumptions

Changes of assumptions: The assumed interest (or discount) rate was decreased from 7.75% per annum to 7.50% per annum. The mortality basis was changed from the RP-2000 Mortality Table, projected to 2007 by Scale AA, to the RP 2000 Combined Healthy Mortality Table.

Method and assumptions used in calculations of actuarially determined contributions: The actuarially determined contribution rates in the schedule of contributions are calculated as of June 30, one year prior to the end of the fiscal year in which contributions are reported. The following actuarial methods and assumptions were used to determine the most recent contribution rate reported in that schedule:

	The City	School System	Firefighters'	Police Officers'
Valuation date	July 1, 2013	July 1, 2013	July 1, 2013	July 1, 2013
Actuarial cost method	Entry age	Entry age	Entry age	Entry age
Amortization method	Level percentage, closed	Level percentage, closed	Level percentage, closed	Level percentage, closed
Remaining amortization period	27 years	12.5 years	28 years	28 years
Asset valuation method	Market value	Market value	Market value	Market value
Inflation rate	2.75%	2.75%	2.25%	2.25%
Salary increases	3.50%	3.50%	4.00%	4.00%
Investment rate of return	7.50%	7.50%	7.41%	7.41%

CITY OF ATLANTA, GEORGIA
Notes Required Supplementary Information
Year ended June 30, 2014
(Unaudited)

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, 2014.

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 2014, neither the General Fund nor the MOST funds 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 Ending June 30, 2014
(Dollars in Thousands)

Total revenue for Original and final, per Council approval, was \$544,778

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 adjustment:

Total Budget for Revenues:	544,780	
less: Operating Transfer Budget	(12,506)	Reflected in other financing sources and uses, as a transfer in
less: Proceeds from sales of assets	-	Reflected in other financing sources and uses
less: Indirect Cost Recovery	(28,864)	Reflected as an offset to General Government expenditures
Total Revenues	(503,410)	

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property Taxes	\$ 175,491	\$ 175,491	\$ 184,436	8,945
Local and Municipal Option Sales	102,982	102,982	99,708	(3,274)
Public Utility, Alcoholic Beverages and Other Taxes	116,166	116,166	101,417	(14,749)
Licenses & Permits	56,823	56,823	67,075	10,252
Charges for Recurring Services	9,304	9,304	8,476	(828)
Fines , Forfeitures and Penalties	24,173	24,173	24,206	33
Investment Income	1,592	1,592	2,546	954
State and Local Grants and Contributions	-	-	2	2
Building Rentals and Concessions	4,353	4,353	7,036	2,683
Other	876	876	3,688	2,812
Fund Balance Appropriation	11,650	11,650	-	(11,650)
Total Revenues	503,410	503,410	498,590	(4,820)
EXPENDITURES				
Current:				
General Government	142,111	142,111	119,177	(22,934)
Police	167,496	167,496	170,058	2,562
Fire	79,127	79,127	78,989	(138)
Corrections	28,519	28,519	30,140	1,621
Public Works	23,958	23,958	36,787	12,829
Parks, recreation and cultural affairs	26,841	26,841	29,050	2,209
Debt Service:				
Paying agent fees	44	44	25	(19)
Principal payment	20,783	20,783	15,456	(5,327)
Interest payments	9,497	9,497	7,401	(2,096)
Payment to escrow agent	-	-	6	6
Total Expenditures	498,376	498,376	487,089	(11,287)
Excess (deficiency) of revenues over (under) expenditures	5,034	5,034	11,501	6,467
Other Financing Sources (Uses):				
Proceeds from sale of assets	-	-	2,547	2,547
Proceeds from general bond	-	-	363	363
Transfers in	12,506	12,506	36,553	24,047
Transfers out	(17,540)	(17,540)	(47,143)	(29,603)
Total Other Financing Sources (Uses)	(5,034)	(5,034)	(7,680)	(2,646)
Excess (deficiency) of revenues over (under) expenditures and other uses	-	-	3,821	3,821
FUND BALANCE:				
Beginning of the period	138,164	138,164	138,164	
Fund Balance, End of Period	\$ 138,164	\$ 138,164	\$ 141,985	

The accompanying notes are an integral part of this statement

CITY OF ATLANTA, GEORGIA
Municipal Option Sales Tax (MOST) Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ending June 30, 2014
(Dollars 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	\$ 113,085	\$ 113,085	\$ 124,268	\$ 11,183
Total Revenues	113,085	113,085	124,268	11,183
EXPENDITURES				
Current:				
Parks, recreation and cultural affairs	-	-	-	-
Total Expenditures	-	-	-	-
Excess (deficiency) of revenues Over (under) expenditures	113,085	113,085	124,268	11,183
Other Financing Sources (Uses):				
Transfers out	(113,085)	(113,085)	(124,268)	(11,183)
Total Other Financing Sources (Uses)	(113,085)	(113,085)	(124,268)	(11,183)
Excess (deficiency) of revenues over (under) expenditures and other uses	-	-	-	-
FUND BALANCE:				
Fund balances, beginning of period	-	-	-	-
Fund Balance, End of Period	\$ -	\$ -	\$ -	-

See accompanying notes to the Auditor's report



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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 Telephone System Fund - Established to account for the revenues and expenditures associated with the operation and management of the Emergency Telephone System.

Inter-Governmental Grant Fund - Established to account for the revenues and expenditures for miscellaneous grants except for those recorded in the Department of Aviation, Department of Watershed Management, 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:

<i>Northwest Atlanta</i>	<i>Metropolitan Parkway</i>
<i>Hollowell/M.L. King</i>	<i>Stadium Neighborhoods</i>
<i>Campbelton Road</i>	

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:

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

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:

<i>Atlantic Station</i>	<i>Eastside</i>
<i>Westside</i>	<i>Atlanta Beltline</i>
<i>Princeton Lake</i>	

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 funds 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

Combining Balance Sheet
 Nonmajor Governmental Funds
 For the Year Ending June 30, 2014
 (Dollars in Thousands)

	<u>Special Revenue Funds</u>				
	<u>Community Development</u>	<u>Emergency Telephone System</u>	<u>Inter - Governmental Grants</u>	<u>Tax Allocations Districts</u>	<u>Other Special Revenue</u>
ASSETS					
Cash and cash equivalents, restricted	\$ 2,576	\$ -	\$ 10,519	\$ 16,529	\$ 12,586
Equity in cash management pool	-	-	-	-	39,094
Investments	-	-	-	-	285
Receivables:					
Taxes	-	-	-	2,005	5,292
Accounts	1,245	1,291	6,387	42	3,498
Due from other governments	455	-	7,462	-	1,083
Due from other funds	-	-	-	-	-
Investments in escrow	-	-	-	-	-
TOTAL ASSETS	<u>\$ 4,276</u>	<u>\$ 1,291</u>	<u>\$ 24,368</u>	<u>\$ 18,576</u>	<u>\$ 61,838</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES					
Liabilities:					
Account payable	\$ 2,572	\$ 493	\$ 14,525	\$ 837	\$ 6,143
Accrued expenses	48	299	93	-	215
Contract retentions	148	-	885	190	187
Due to other governments	-	-	-	-	5,826
Due to Other Funds	752	13,314	8,302	6	52
Unearned revenue	525	-	51	-	86
Total liabilities	<u>4,045</u>	<u>14,106</u>	<u>23,856</u>	<u>1,033</u>	<u>12,509</u>
Deferred inflows of resources					
Deferred inflows of property taxes	-	-	-	1,933	350
Total liabilities and deferred inflows of resources	<u>4,045</u>	<u>14,106</u>	<u>23,856</u>	<u>2,966</u>	<u>12,859</u>
Fund Balances:					
Nonspendable	-	-	-	-	-
Restricted	231	-	512	15,610	48,979
Assigned	-	-	-	-	-
Unassigned	-	(12,815)	-	-	-
Total Fund Balances	<u>231</u>	<u>(12,815)</u>	<u>512</u>	<u>15,610</u>	<u>48,979</u>
TOTAL LIABILITIES, DEFERRED INLOWS, AND FUND BALANCES	<u>\$ 4,276</u>	<u>\$ 1,291</u>	<u>\$ 24,368</u>	<u>\$ 18,576</u>	<u>\$ 61,838</u>

The accompanying notes are an integral part of this statement

CITY OF ATLANTA, GEORGIA

Combining Balance Sheet
 Nonmajor Governmental Funds
 For the Year Ending June 30, 2014
 (Dollars in Thousands)

<u>Debt Service Funds</u>		<u>Capital Project Funds</u>					<u>Total</u>
<u>Bond</u> <u>Service</u> <u>Fund</u>	<u>Tax Allocation</u> <u>Districts</u>	<u>Park</u> <u>Improvement</u>	<u>Capital Project</u>	<u>Special</u> <u>Assessment</u>	<u>General</u> <u>Governmental</u> <u>Capital Outlay</u>	<u>Solid Waste</u> <u>Management</u> <u>Authority</u>	<u>Total</u> <u>Nonmajor</u> <u>Governmental</u> <u>Funds</u>
\$ 66,460	\$ 204,286	\$ -	\$ 13,917	\$ -	\$ 29,691	\$ 2,519	\$ 359,083
-	-	3,587	15,523	2,387	-	-	60,591
-	-	-	-	-	-	-	285
1,875	4,566	606	-	-	-	-	14,344
33	1,698	25	-	17	-	-	14,236
-	-	-	-	-	-	-	9,000
-	1	-	5,867	-	-	-	5,868
-	-	-	23,204	-	-	-	23,204
<u>\$ 68,368</u>	<u>\$ 210,551</u>	<u>\$ 4,218</u>	<u>\$ 58,511</u>	<u>\$ 2,404</u>	<u>\$ 29,691</u>	<u>\$ 2,519</u>	<u>\$ 486,611</u>
\$ 2	\$ 9,738	\$ 557	\$ 2,152	\$ -	\$ 161	\$ 20	\$ 37,200
-	-	39	-	-	-	-	694
-	-	19	1,240	-	75	-	2,744
-	3,998	-	-	-	-	-	9,824
(89)	108	-	5,011	-	60	29	27,545
-	-	-	-	-	-	-	662
(87)	13,844	615	8,403	-	296	49	78,669
1,809	3,931	582	-	-	-	-	8,605
1,722	17,775	1,197	8,403	-	296	49	87,274
-	-	-	-	-	-	-	-
66,646	192,776	3,021	50,108	2,404	29,395	2,470	412,152
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	(12,815)
66,646	192,776	3,021	50,108	2,404	29,395	2,470	399,337
<u>\$ 68,368</u>	<u>\$ 210,551</u>	<u>\$ 4,218</u>	<u>\$ 58,511</u>	<u>\$ 2,404</u>	<u>\$ 29,691</u>	<u>\$ 2,519</u>	<u>\$ 486,611</u>

The accompanying notes are an integral part of this statement

CITY OF ATLANTA, GEORGIA
 Nonmajor Governmental Funds
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 For the Year Ending June 30, 2014
 (Dollars in Thousands)

	Special Revenue Funds				
	Community Development	Emergency Telephone System	Inter- governmental Grants	Tax Allocation Districts	Other Special Revenues
REVENUES					
Property Taxes	\$ -	\$ -	\$ 37	\$ 3,192	\$ -
Other taxes	-	-	-	-	60,726
Licenses and permits	-	-	-	-	919
Charges for current services	-	10,853	-	-	5,887
Fines , forfeitures and penalties	-	-	-	-	1,913
Investment Income	-	-	1	19	439
Intergovernmental Revenues and Contributions:					
U.S. Government grants	10,992	-	28,296	-	1,551
State and local governments	297	-	19,127	-	2,986
Total intergovernmental revenues	11,289	-	47,423	-	4,537
Building Rentals and Concessions	-	-	-	-	1,142
Other	-	-	(659)	-	3,578
Total Revenues	11,289	10,853	46,802	3,211	79,141
EXPENDITURES					
Current:					
Executive Offices	1,829	-	20,059	652	1,929
Courts and judicial agencies	19	-	131	-	49
Finance	959	-	445	-	531
Housing, planning and development	4,576	-	7,496	-	3,945
Nondepartmental	-	393	-	24,581	48,496
Total general government	7,383	393	28,131	25,233	54,950
Police	401	15,948	10,279	-	3,579
Fire	-	-	781	-	1,051
Corrections	-	-	21	-	1,716
Public Works	204	-	9,158	-	2,063
Parks, recreation and cultural affairs	2,141	-	854	-	4,876
Debt Service:					
Principal payment	849	-	-	-	156
Interest payments	169	-	-	-	15
Bond issuance costs	-	-	-	1,583	-
Paying agent fees	-	-	-	-	-
Total Expenditures	11,147	16,341	49,224	26,816	68,406
Excess (Deficiency) of Revenues Over (under) Expenditures	142	(5,488)	(2,422)	(23,605)	10,735
OTHER FINANCING SOURCES (USES)					
Proceeds from general bond	-	-	-	21,000	-
Premium from bond sold	-	-	-	277	-
Transfers in	-	7,163	505	-	983
Transfers out	-	-	-	-	(14,874)
Total Other Financing Sources (Uses)	-	7,163	505	21,277	(13,891)
Net Change in Fund Balances	142	1,675	(1,917)	(2,328)	(3,156)
FUND BALANCE:					
Beginning of the period	89	(14,490)	2,429	17,938	52,135
FUND BALANCE, END OF PERIOD	\$ 231	\$ (12,815)	\$ 512	\$ 15,610	\$ 48,979

See accompanying independent auditors report

CITY OF ATLANTA, GEORGIA
 Nonmajor Governmental Funds
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 For the Year Ending June 30, 2014
 (Dollars in Thousands)

Debt Service Funds		Capital Projects Funds					Totals Nonmajor Governmental Funds	
Bond Service Fund	Tax Allocation Disticts	Park Improvement	Capital Projects Funds	Special Assessment	General Governmental Capital Outlay	Solid Waste Management Authority		
\$ 27,997	\$ 56,615	\$ 9,092	\$ -	\$ -	\$ -	\$ -	\$ 96,933	
2,170	-	822	-	-	-	-	63,718	
-	-	-	-	-	-	-	919	
-	32	-	-	185	4,590	-	21,547	
-	-	-	-	-	-	-	1,913	
75	713	80	184	24	31	3	1,569	
-	-	-	-	-	-	-	40,839	
-	-	-	-	-	-	-	22,410	
-	-	-	-	-	-	-	63,249	
-	-	-	-	-	-	-	1,142	
-	-	-	6,542	-	-	-	9,461	
<u>30,242</u>	<u>57,360</u>	<u>9,994</u>	<u>6,726</u>	<u>209</u>	<u>4,621</u>	<u>3</u>	<u>260,451</u>	
-	-	-	2,744	-	-	-	27,213	
-	-	-	84	-	-	-	283	
-	27,162	-	-	-	-	2	29,099	
-	-	-	-	-	(33)	-	15,984	
315	31,512	6,540	407	-	137	-	112,381	
<u>315</u>	<u>58,674</u>	<u>6,540</u>	<u>3,235</u>	<u>-</u>	<u>104</u>	<u>2</u>	<u>184,960</u>	
-	-	-	4,035	530	-	-	34,772	
-	-	-	1,352	-	245	-	3,429	
-	-	-	231	-	-	-	1,968	
-	(52)	-	3,007	-	849	116	15,345	
-	-	7,358	3,038	-	167	-	18,434	
16,105	13,035	-	-	-	-	1,405	31,550	
9,668	18,351	-	30	-	-	703	28,936	
-	-	-	-	-	-	-	1,583	
4	28	1	-	-	-	-	33	
<u>26,092</u>	<u>90,036</u>	<u>13,899</u>	<u>14,928</u>	<u>530</u>	<u>1,365</u>	<u>2,226</u>	<u>321,010</u>	
4,150	(32,676)	(3,905)	(8,202)	(321)	3,256	(2,223)	(60,559)	
-	-	-	-	-	-	-	21,000	
-	-	-	-	-	-	-	277	
-	-	-	53,873	-	-	2,108	64,632	
-	-	-	(5,150)	-	-	-	(20,024)	
-	-	-	48,723	-	-	2,108	65,885	
4,150	(32,676)	(3,905)	40,521	(321)	3,256	(115)	5,326	
<u>62,496</u>	<u>225,452</u>	<u>6,926</u>	<u>9,587</u>	<u>2,725</u>	<u>26,139</u>	<u>2,585</u>	<u>394,011</u>	
<u>\$ 66,646</u>	<u>\$ 192,776</u>	<u>\$ 3,021</u>	<u>\$ 50,108</u>	<u>\$ 2,404</u>	<u>\$ 29,395</u>	<u>\$ 2,470</u>	<u>\$ 399,337</u>	

See accompanying independent auditors report

CITY OF ATLANTA, GEORGIA
Combining Balance Sheet
Nonmajor Governmental Funds-Tax Allocation Districts
For the Year Ending June 30, 2014
(Dollars in Thousands)

	Special Revenue Funds						Debt Service Funds					
	NW Atlanta	Hollowell/ M.L.King	Campbelton Road	Metropolitan Parkway	Stadium Neighborhoods	Total	Atlantic Station	Westside	Princeton Lake	Eastside	Atlanta Beltline	Total
ASSETS												
Cash and cash equivalents, restricted	\$ 10,499	\$ 2,152	\$ 2,548	\$ 1,245	\$ 85	\$ 16,529	\$ 33,360	\$ 78,938	\$ 5,864	\$ 67,917	\$ 18,207	\$ 204,286
Receivables:												
Taxes	1,494	324	119	59	9	2,005	151	2,294	48	460	1,613	4,566
Accounts	29	4	4	5	-	42	37	338	-	95	1,228	1,698
Due from other funds	-	-	-	-	-	-	-	-	-	1	-	1
TOTAL ASSETS	<u>\$ 12,022</u>	<u>\$ 2,480</u>	<u>\$ 2,671</u>	<u>\$ 1,309</u>	<u>\$ 94</u>	<u>\$ 18,576</u>	<u>\$ 33,548</u>	<u>\$ 81,570</u>	<u>\$ 5,912</u>	<u>\$ 68,473</u>	<u>\$ 21,048</u>	<u>\$ 210,551</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES												
Liabilities:												
Account payable	772	9	8	14	34	837	20	767	-	246	8,705	9,738
Contract retentions	190	-	-	-	-	190	-	-	-	-	-	-
Due to other governments	-	-	-	-	-	-	495	1	-	3,502	-	3,998
Due to Other Funds	-	2	2	2	-	6	4	83	2	13	6	108
Total liabilities	<u>962</u>	<u>11</u>	<u>10</u>	<u>16</u>	<u>34</u>	<u>1,033</u>	<u>519</u>	<u>851</u>	<u>2</u>	<u>3,761</u>	<u>8,711</u>	<u>13,844</u>
Deferred inflows of resources												
Deferred inflows of property taxes	1,440	309	118	58	8	1,933	-	2,190	31	301	1,409	3,931
Total liabilities and deferred inflows of resources	<u>2,402</u>	<u>320</u>	<u>128</u>	<u>74</u>	<u>42</u>	<u>2,966</u>	<u>519</u>	<u>3,041</u>	<u>33</u>	<u>4,062</u>	<u>10,120</u>	<u>17,775</u>
Fund Balances:												
Nonspendable	-	-	-	-	-	-	-	-	-	-	-	-
Restricted	9,620	2,160	2,543	1,235	52	15,610	33,029	78,529	5,879	64,411	10,928	192,776
Assigned	-	-	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-	-	-
Total Fund Balances	<u>9,620</u>	<u>2,160</u>	<u>2,543</u>	<u>1,235</u>	<u>52</u>	<u>15,610</u>	<u>33,029</u>	<u>78,529</u>	<u>5,879</u>	<u>64,411</u>	<u>10,928</u>	<u>192,776</u>
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES	<u>\$ 12,022</u>	<u>\$ 2,480</u>	<u>\$ 2,671</u>	<u>\$ 1,309</u>	<u>\$ 94</u>	<u>\$ 18,576</u>	<u>\$ 33,548</u>	<u>\$ 81,570</u>	<u>\$ 5,912</u>	<u>\$ 68,473</u>	<u>\$ 21,048</u>	<u>\$ 210,551</u>

The accompanying notes are an integral part of this statement

CITY OF ATLANTA, GEORGIA
 Nonmajor Governmental Funds-Tax Allocation Districts
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 For the Year Ending June 30, 2014
 (Dollars in Thousands)

	Special Revenue Funds					Debt Services Funds						
	NW Atlanta	Hollowell/ M.L.King	Campbelton Road	Metropolitan Parkway	Stadium Neighborhoods	Total	Atlantic Station	Westside	Princeton Lake	Eastside	Atlanta Beltline	Total
REVENUES												
Property Taxes	\$ 2,554	\$ 339	\$ 154	\$ 144	\$ 1	\$ 3,192	\$ 14,282	\$ 12,328	\$ 1,863	\$ 9,828	\$ 18,314	\$ 56,615
Charges for current services	-	-	-	-	-	-	-	22	-	10	-	32
Investment Income	13	2	3	1	0	19	414	75	4	208	12	713
Total Revenues	2,567	341	157	145	1	3,211	14,696	12,425	1,867	10,046	18,326	57,360
EXPENDITURES												
Current:												
Executive Offices	652	-	-	-	-	652	-	-	-	-	-	-
Finance	-	-	-	-	-	-	-	27,155	-	7	-	27,162
Nondepartmental	24,334	54	58	97	38	24,581	153	6,534	47	1,019	23,759	31,512
Total general government	24,986	54	58	97	38	25,233	153	33,689	47	1,026	23,759	58,674
Public Works	-	-	-	-	-	-	-	(52)	-	-	-	(52)
Debt Service:												
Bond issuance costs	1,583	-	-	-	-	1,583	-	-	-	-	-	-
Paying agent fees	-	-	-	-	-	-	13	8	-	4	3	28
Principal payment	-	-	-	-	-	-	4,335	5,360	-	1,500	1,840	13,035
Interest payments	-	-	-	-	-	-	8,169	1,639	725	2,285	5,533	18,351
Total Expenditures	26,569	54	58	97	38	26,816	12,670	40,644	772	4,815	31,135	90,036
Excess (Deficiency) of Revenues Over (under) Expenditures	(24,002)	287	99	48	(37)	(23,605)	2,026	(28,219)	1,095	5,231	(12,809)	(32,676)
OTHER FINANCING SOURCES (USES)												
Proceeds from general bond	21,000	-	-	-	0	21,000	-	-	-	-	-	-
Premium from bond sold	277	-	-	-	0	277	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	21,277	-	-	-	0	21,277	-	-	-	-	-	-
Net Change in Fund Balances	(2,725)	287	99	48	(37)	(2,328)	2,026	(28,219)	1,095	5,231	(12,809)	(32,676)
FUND BALANCE:												
Beginning of the period	12,345	1,873	2,444	1,187	89	17,938	31,003	106,748	4,784	59,180	23,737	225,452
FUND BALANCE, END OF PERIOD	\$ 9,620	\$ 2,160	\$ 2,543	\$ 1,235	\$ 52	\$ 15,610	\$ 33,029	\$ 78,529	\$ 5,879	\$ 64,411	\$ 10,928	\$ 192,776

See accompanying independent auditors report

CITY OF ATLANTA, GEORGIA
Combining Balance Sheet
Nonmajor Governmental Funds-Other Special Revenue Funds
For the Year Ending June 30, 2014
(Dollars in Thousands)

	Other Special Revenue Funds						Total Other Special Revenue
	Expendable Trust	Home Investment Partnership	Section 108 Loan Trust	Car Rental Excise Tax	Hotel/Motel Excise Tax	Atlanta Housing Opportunity	
ASSETS							
Cash and cash equivalents, restricted	\$ 2,567	\$ 1,398	\$ 4,681	\$ -	\$ -	\$ 3,940	\$ 12,586
Equity in cash management pool	38,659	-	-	188	247	-	39,094
Investments	285	-	-	-	-	-	285
Receivables:							
Taxes	-	-	-	-	5,292	-	5,292
Accounts	230	47	-	-	-	3,221	3,498
Due from other governments	-	72	1,011	-	-	-	1,083
TOTAL ASSETS	\$ 41,741	\$ 1,517	\$ 5,692	\$ 188	\$ 5,539	\$ 7,161	\$ 61,838
LIABILITIES , DEFERRED INFLOWS AND FUND BALANCES							
Liabilities:							
Account payable	5,130	954	59	-	-	-	6,143
Accrued expenses	210	5	-	-	-	-	215
Contract retentions	187	-	-	-	-	-	187
Due to other governments	-	-	-	188	5,539	99	5,826
Due to Other Funds	-	52	-	-	-	-	52
Unearned revenue	4	82	-	-	-	-	86
Total liabilities	5,531	1,093	59	188	5,539	99	12,509
Deferred inflows of resources							
Deferred inflows of property taxes	350	-	-	-	-	-	350
Total liabilities and deferred inflows of resources	5,881	1,093	59	188	5,539	99	12,859
Fund Balances:							
Nonspendable	-	-	-	-	-	-	-
Restricted	35,860	424	5,633	-	-	7,062	48,979
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total Fund Balances	35,860	424	5,633	-	-	7,062	48,979
TOTAL LIABILITIES, DEFERRED INLOWS, AND FUND BALANCES	\$ 41,741	\$ 1,517	\$ 5,692	\$ 188	\$ 5,539	\$ 7,161	\$ 61,838

The accompanying notes are an integral part of this statement

CITY OF ATLANTA, GEORGIA
 Nonmajor Governmental Funds-Other Special Revenue Funds
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 For the Year Ending June 30, 2014
 (Dollars in Thousands)

	Other Special Revenue Funds						Total Other Special Revenue
	Expendable Trust	Home Investment Partnership	Section 108 Loan Trust	Car Rental Excise Tax	Hotel/Motel Excise Tax	Atlanta Housing Opportunity	
REVENUES							
Other taxes	\$ 1,566	\$ -	\$ -	\$ 1,146	\$ 58,014	\$ -	\$ 60,726
Licenses and permits	919	-	-	-	-	-	919
Charges for current services	2,611	-	-	-	-	3,276	5,887
Fines, forfeitures and penalties	1,913	-	-	-	-	-	1,913
Investment Income	389	-	2	-	-	48	439
Intergovernmental Revenues and Contributions:							
U.S. Government grants	-	1,551	-	-	-	-	1,551
State and local governments	2,986	-	-	-	-	-	2,986
Total intergovernmental revenues	2,986	1,551	-	-	-	-	4,537
Building Rentals and Concessions	1,142	-	-	-	-	-	1,142
Other	3,578	-	-	-	-	-	3,578
Total Revenues	15,104	1,551	2	1,146	58,014	3,324	79,141
EXPENDITURES							
Current:							
Executive Offices	1,819	110	-	-	-	-	1,929
Courts and judicial agencies	49	-	-	-	-	-	49
Finance	299	-	232	-	-	-	531
Housing, planning and development	1,848	1,991	106	-	-	-	3,945
Nondepartmental	39	-	-	1,146	43,516	3,795	48,496
Total general government	4,054	2,101	338	1,146	43,516	3,795	54,950
Police	3,579	-	-	-	-	-	3,579
Fire	1,051	-	-	-	-	-	1,051
Corrections	1,716	-	-	-	-	-	1,716
Public Works	2,063	-	-	-	-	-	2,063
Parks, recreation and cultural affairs	4,876	-	-	-	-	-	4,876
Debt Service:							
Principal payment	-	-	156	-	-	-	156
Interest payments	-	-	15	-	-	-	15
Total Expenditures	17,339	2,101	509	1,146	43,516	3,795	68,406
Excess (Deficiency) of Revenues Over (under) Expenditures	(2,235)	(550)	(507)	-	14,498	(471)	10,735
OTHER FINANCING SOURCES (USES)							
Transfers in	983	-	-	-	-	-	983
Transfers out	(376)	-	-	-	(14,498)	-	(14,874)
Total Other Financing Sources (Uses)	607	-	-	-	(14,498)	-	(13,891)
Net Change in Fund Balances	(1,628)	(550)	(507)	-	-	(471)	(3,156)
FUND BALANCE:							
Beginning of the period	37,488	974	6,140	-	-	7,533	52,135
FUND BALANCE, END OF PERIOD	\$ 35,860	\$ 424	\$ 5,633	\$ -	\$ -	\$ 7,062	\$ 48,979

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 Ending June 30, 2014

(Dollars in Thousands)

	Community Development Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Intergovernmental Revenues:				
Federal Revenues	\$ 16,207	\$ 16,207	\$ 10,992	\$ (5,215)
State and local governments	-	-	297	297
Total intergovernmental revenues	<u>16,207</u>	<u>16,207</u>	<u>11,289</u>	<u>(4,918)</u>
Total Revenues	<u>16,207</u>	<u>16,207</u>	<u>11,289</u>	<u>(4,918)</u>
EXPENDITURES				
Current:				
Executive Offices	1,569	1,569	1,829	260
Courts and judicial agencies	4	4	19	15
Finance	5,240	5,240	959	(4,281)
Housing, planning and development	<u>6,200</u>	<u>6,200</u>	<u>4,576</u>	<u>(1,624)</u>
General government	<u>13,013</u>	<u>13,013</u>	<u>7,383</u>	<u>(5,630)</u>
Police	159	159	401	242
Fire	37	37	-	(37)
Corrections	<u>8</u>	<u>8</u>	<u>-</u>	<u>(8)</u>
Total public safety	<u>204</u>	<u>204</u>	<u>401</u>	<u>197</u>
Public Works	112	112	204	92
Parks, recreation and cultural affairs	2,878	2,878	2,141	(737)
Debt Service:				
Principal payment	-	-	849	849
Interest payments	<u>-</u>	<u>-</u>	<u>169</u>	<u>169</u>
Total Expenditures	<u>16,207</u>	<u>16,207</u>	<u>11,147</u>	<u>(5,060)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>142</u>	<u>142</u>
FUND BALANCE:				
Fund balances, beginning of period	<u>89</u>	<u>89</u>	<u>89</u>	
Fund Balance, End of Period	<u>\$ 89</u>	<u>\$ 89</u>	<u>\$ 231</u>	

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 Ending June 30, 2014

(Dollars in Thousands)

	Emergency Telephone System Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Charges for Recurring Services	\$ 10,341	\$ 10,341	\$ 10,853	\$ 512
Total Revenues	10,341	10,341	10,853	512
EXPENDITURES				
Current:				
Nondepartmental	422	422	393	(29)
General government	422	422	393	(29)
Police	16,082	16,082	15,948	(134)
Total public safety	16,082	16,082	15,948	(134)
Total Expenditures	16,504	16,504	16,341	(163)
Excess (deficiency) of revenues over (under) expenditures	(6,163)	(6,163)	(5,488)	675
Other Financing Sources (Uses):				
Transfers in	6,163	6,163	7,163	1,000
Total Other Financing Sources (Uses)	6,163	6,163	7,163	1,000
Excess (deficiency) of revenues over (under) expenditures and other uses	-	-	1,675	1,675
FUND BALANCE (DEFICIT)				
Fund deficit, beginning of period	(14,490)	(14,490)	(14,490)	
Fund Deficit, End of Period	\$ (14,490)	\$ (14,490)	\$ (12,815)	

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 Ending June 30, 2014
(Dollars in Thousands)

	Intergovernmental Grant Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Property Taxes	\$ -	\$ -	\$ 37	\$ 37
Investment Income	-	-	1	1
Intergovernmental Revenues:				
Federal Revenues	46,369	46,369	28,296	(18,073)
State and local governments	26,206	26,206	19,127	(7,079)
Total intergovernmental revenues	<u>72,575</u>	<u>72,575</u>	<u>47,423</u>	<u>(25,152)</u>
Other	-	-	(659)	(659)
Total Revenues	<u>72,575</u>	<u>72,575</u>	<u>46,802</u>	<u>(25,773)</u>
EXPENDITURES				
Current:				
Executive Offices	28,373	28,373	20,059	(8,314)
Courts and judicial agencies	334	334	131	(203)
Finance	1,128	1,128	445	(683)
Housing, planning and development	<u>12,888</u>	<u>12,888</u>	<u>7,496</u>	<u>(5,392)</u>
General government	<u>42,723</u>	<u>42,723</u>	<u>28,131</u>	<u>(14,592)</u>
Police	12,861	12,861	10,279	(2,582)
Fire	2,475	2,475	781	(1,694)
Corrections	<u>1</u>	<u>1</u>	<u>21</u>	<u>20</u>
Total public safety	<u>15,337</u>	<u>15,337</u>	<u>11,081</u>	<u>(4,256)</u>
Public Works	18,917	18,917	9,158	(9,759)
Parks, recreation and cultural affairs	<u>1,227</u>	<u>1,227</u>	<u>854</u>	<u>(373)</u>
Total Expenditures	<u>78,204</u>	<u>78,204</u>	<u>49,224</u>	<u>(28,980)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,629)</u>	<u>(5,629)</u>	<u>(2,422)</u>	<u>3,207</u>
Other Financing Sources (Uses):				
Transfers in	<u>5,629</u>	<u>5,629</u>	<u>505</u>	<u>(5,124)</u>
Total Other Financing Sources (Uses)	<u>5,629</u>	<u>5,629</u>	<u>505</u>	<u>(5,124)</u>
Excess (deficiency) of revenues over (under) expenditures and other uses	<u>-</u>	<u>-</u>	<u>(1,917)</u>	<u>(1,917)</u>
FUND BALANCE:				
Fund balances, beginning of period	<u>2,429</u>	<u>2,429</u>	<u>2,429</u>	
Fund Balance, End of Period	<u>\$ 2,429</u>	<u>\$ 2,429</u>	<u>\$ 512</u>	

CITY OF ATLANTA, GEORGIA
Nonmajor Governmental Funds
Tax Allocation Districts-Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ending June 30, 2014
(Dollars in Thousands)

	NW Atlanta Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Property Taxes	\$ 1,146	\$ 1,146	\$ 2,554	\$ 1,408
Investment Income	-	-	13	13
Other	11,863	11,863	-	(11,863)
Total Revenues	13,009	13,009	2,567	(10,442)
EXPENDITURES				
Current:				
Executive Offices	815	815	652	(163)
Nondepartmental	12,194	12,194	24,334	12,140
General government	13,009	13,009	24,986	11,977
Bond issuance costs	-	-	1,583	1,583
Total Expenditures	13,009	13,009	26,569	13,560
Excess (deficiency) of revenues over (under) expenditures	-	-	(24,002)	(24,002)
Other Financing Sources (Uses):				
Proceeds from general bond	-	-	21,000	21,000
Premium from bond sold	-	-	277	277
Total Other Financing Sources (Uses)	-	-	21,277	21,277
Excess (deficiency) of revenues over (under) expenditures and other uses	-	-	(2,725)	(2,725)
FUND BALANCE:				
Fund balances, beginning of period	12,345	12,345	12,345	
Fund Balance, End of Period	\$ 12,345	\$ 12,345	\$ 9,620	

CITY OF ATLANTA, GEORGIA
Nonmajor Governmental Funds
Tax Allocation Districts-Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ending June 30, 2014
(Dollars in Thousands)

	Hollowell-Martin Luther King Dr. Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Property Taxes	\$ 333	\$ 333	\$ 339	\$ 6
Investment Income	-	-	2	2
Other	<u>1,674</u>	<u>1,674</u>	-	<u>(1,674)</u>
Total Revenues	<u>2,007</u>	<u>2,007</u>	<u>341</u>	<u>(1,666)</u>
EXPENDITURES				
Current:				
Nondepartmental	<u>2,007</u>	<u>2,007</u>	<u>54</u>	<u>(1,953)</u>
General government	<u>2,007</u>	<u>2,007</u>	<u>54</u>	<u>(1,953)</u>
Total Expenditures	<u>2,007</u>	<u>2,007</u>	<u>54</u>	<u>(1,953)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>287</u>	<u>287</u>
FUND BALANCE:				
Fund balances, beginning of period	<u>1,873</u>	<u>1,873</u>	<u>1,873</u>	
Fund Balance, End of Period	<u><u>\$ 1,873</u></u>	<u><u>\$ 1,873</u></u>	<u><u>\$ 2,160</u></u>	

CITY OF ATLANTA, GEORGIA
Nonmajor Governmental Funds
Tax Allocation Districts-Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ending June 30, 2014
(Dollars in Thousands)

	Campbellton Road Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Property Taxes	\$ -	\$ -	\$ 154	\$ 154
Investment Income	-	-	3	3
Other	1,585	1,585	-	(1,585)
Total Revenues	1,585	1,585	157	(1,428)
EXPENDITURES				
Current:				
Nondepartmental	1,585	1,585	58	(1,527)
General government	1,585	1,585	58	(1,527)
Total Expenditures	1,585	1,585	58	(1,527)
Excess (deficiency) of revenues over (under) expenditures	-	-	99	99
Other Financing Sources (Uses):				
Total Other Financing Sources (Uses)	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures and other uses	-	-	99	99
FUND BALANCE:				
Fund balances, beginning of period	2,444	2,444	2,444	
Fund Balance, End of Period	\$ 2,444	\$ 2,444	\$ 2,543	

CITY OF ATLANTA, GEORGIA
Nonmajor Governmental Funds
Tax Allocation Districts-Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ending June 30, 2014
(Dollars in Thousands)

	Stadium Neighborhoods Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Property Taxes	\$ -	\$ -	\$ 1	1
Other	<u>5</u>	<u>5</u>	<u>-</u>	<u>(5)</u>
Total Revenues	<u>5</u>	<u>5</u>	<u>1</u>	<u>(4)</u>
EXPENDITURES				
Current:				
Nondepartmental	<u>5</u>	<u>5</u>	<u>38</u>	<u>33</u>
General government	<u>5</u>	<u>5</u>	<u>38</u>	<u>33</u>
Total Expenditures	<u>5</u>	<u>5</u>	<u>38</u>	<u>33</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(37)</u>	<u>(37)</u>
Other Financing Sources (Uses):				
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures and other uses	<u>-</u>	<u>-</u>	<u>(37)</u>	<u>(37)</u>
FUND BALANCE:				
Fund balances, beginning of period	<u>89</u>	<u>89</u>	<u>89</u>	<u>-</u>
Fund Balance, End of Period	<u><u>\$ 89</u></u>	<u><u>\$ 89</u></u>	<u><u>\$ 52</u></u>	<u>-</u>

CITY OF ATLANTA, GEORGIA
Nonmajor Governmental Funds
Tax Allocation Districts-Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ending June 30, 2014
(Dollars in Thousands)

	Metropolitan Parkway Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Property Taxes	\$ 107	\$ 107	\$ 144	37
Investment Income	-	-	1	1
Other	<u>1,050</u>	<u>1,050</u>	<u>-</u>	<u>(1,050)</u>
Total Revenues	<u>1,157</u>	<u>1,157</u>	<u>145</u>	<u>(1,012)</u>
EXPENDITURES				
Current:				
Nondepartmental	<u>1,157</u>	<u>1,157</u>	<u>97</u>	<u>(1,060)</u>
General government	<u>1,157</u>	<u>1,157</u>	<u>97</u>	<u>(1,060)</u>
Total Expenditures	<u>1,157</u>	<u>1,157</u>	<u>97</u>	<u>(1,060)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>48</u>	<u>48</u>
Other Financing Sources (Uses):				
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures and other uses	<u>-</u>	<u>-</u>	<u>48</u>	<u>48</u>
FUND BALANCE:				
Fund balances, beginning of period	<u>1,187</u>	<u>1,187</u>	<u>1,187</u>	<u>-</u>
Fund Balance, End of Period	<u><u>\$ 1,187</u></u>	<u><u>\$ 1,187</u></u>	<u><u>\$ 1,235</u></u>	<u>-</u>

CITY OF ATLANTA, GEORGIA
Nonmajor Governmental Funds
Tax Allocation Districts-Debt Services Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ending June 30, 2014
(Dollars in Thousands)

	Atlantic Station Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Property Taxes	\$ 15,110	\$ 15,110	\$ 14,282	\$ (828)
Investment Income	380	380	414	34
Other	17,962	17,962	-	(17,962)
Total Revenues	<u>33,452</u>	<u>33,452</u>	<u>14,696</u>	<u>(18,756)</u>
EXPENDITURES				
Current:				
Finance	21	21	-	(21)
Nondepartmental	12,123	12,123	153	(11,970)
General government	12,144	12,144	153	(11,991)
Debt Service:				
Paying agent fees	10	10	13	3
Principal payment	13,115	13,115	4,335	(8,780)
Interest payments	8,183	8,183	8,169	(14)
Total Expenditures	<u>33,452</u>	<u>33,452</u>	<u>12,670</u>	<u>(20,782)</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	2,026	2,026
Other Financing Sources (Uses):				
Total Other Financing Sources (Uses)	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures and other uses	-	-	2,026	2,026
FUND BALANCE:				
Fund balances, beginning of period	31,003	31,003	31,003	
Fund Balance, End of Period	<u>\$ 31,003</u>	<u>\$ 31,003</u>	<u>\$ 33,029</u>	

CITY OF ATLANTA, GEORGIA
Nonmajor Governmental Funds
Tax Allocation Districts-Debt Services Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ending June 30, 2014
(Dollars in Thousands)

	Westside Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Property Taxes	\$ 11,516	\$ 11,516	\$ 12,328	812
Charges for Recurring Services	-	-	22	22
Investment Income	-	-	75	75
Other	91,092	91,092	-	(91,092)
Total Revenues	102,608	102,608	12,425	(90,183)
EXPENDITURES				
Current:				
Finance	36,366	36,366	27,155	(9,211)
Nondepartmental	55,395	55,395	6,534	(48,861)
General government	91,761	91,761	33,689	(58,072)
Public Works	408	408	(52)	(460)
Debt Service:				
Paying agent fees	18	18	8	(10)
Principal payment	5,360	5,360	5,360	-
Interest payments	5,061	5,061	1,639	(3,422)
Total Expenditures	102,608	102,608	40,644	(61,964)
Excess (deficiency) of revenues over (under) expenditures	-	-	(28,219)	(28,219)
FUND BALANCE:				
Fund balances, beginning of period	106,748	106,748	106,748	
Fund Balance, End of Period	\$ 106,748	\$ 106,748	\$ 78,529	

CITY OF ATLANTA, GEORGIA
Nonmajor Governmental Funds
Tax Allocation Districts-Debt Services Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ending June 30, 2014
(Dollars in Thousands)

	Princeton Lakes Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Property Taxes	\$ 1,520	\$ 1,520	\$ 1,863	\$ 343
Investment Income	5	5	4	(1)
Other	2,241	2,241	-	(2,241)
Total Revenues	3,766	3,766	1,867	(1,899)
EXPENDITURES				
Current:				
Nondepartmental	32	32	47	15
General government	32	32	47	15
Debt Service:				
Paying agent fees	9	9	-	(9)
Principal payment	3,000	3,000	-	(3,000)
Interest payments	725	725	725	-
Total Expenditures	3,766	3,766	772	(2,994)
Excess (deficiency) of revenues over (under) expenditures	-	-	1,095	1,095
Other Financing Sources (Uses):				
Total Other Financing Sources (Uses)	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures and other uses	-	-	1,095	1,095
FUND BALANCE:				
Fund balances, beginning of period	4,784	4,784	4,784	-
Fund Balance, End of Period	\$ 4,784	\$ 4,784	\$ 5,879	-

CITY OF ATLANTA, GEORGIA
Nonmajor Governmental Funds
Tax Allocation Districts-Debt Services Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ending June 30, 2014
(Dollars in Thousands)

	Eastside Fund			
	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUES				
Property Taxes	\$ 7,587	\$ 7,587	\$ 9,828	\$ 2,241
Charges for Recurring Services	-	-	10	10
Investment Income	240	240	208	(32)
Other	60,171	60,171	-	(60,171)
Total Revenues	<u>67,998</u>	<u>67,998</u>	<u>10,046</u>	<u>(57,952)</u>
EXPENDITURES				
Current:				
Finance	20,917	20,917	7	(20,910)
Nondepartmental	43,288	43,288	1,019	(42,269)
General government	64,205	64,205	1,026	(63,179)
Debt Service:				
Paying agent fees	8	8	4	(4)
Principal payment	1,500	1,500	1,500	-
Interest payments	2,285	2,285	2,285	-
Total Expenditures	<u>67,998</u>	<u>67,998</u>	<u>4,815</u>	<u>(63,183)</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	5,231	5,231
Other Financing Sources (Uses):				
Total Other Financing Sources (Uses)	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures and other uses	-	-	5,231	5,231
FUND BALANCE:				
Fund balances, beginning of period	59,180	59,180	59,180	-
Fund Balance, End of Period	<u>\$ 59,180</u>	<u>\$ 59,180</u>	<u>\$ 64,411</u>	-

CITY OF ATLANTA, GEORGIA
Nonmajor Governmental Funds
Tax Allocation Districts-Debt Services Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ending June 30, 2014
(Dollars in Thousands)

	Atlanta Beltline Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Property Taxes	\$ 16,451	\$ 16,451	\$ 18,314	\$ 1,863
Investment Income	-	-	12	12
Other	14,302	14,302	-	(14,302)
Total Revenues	30,753	30,753	18,326	(12,427)
EXPENDITURES				
Current:				
Finance	306	306	-	(306)
Nondepartmental	23,071	23,071	23,759	688
General government	23,377	23,377	23,759	382
Debt Service:				
Paying agent fees	3	3	3	-
Principal payment	1,840	1,840	1,840	-
Interest payments	5,533	5,533	5,533	-
Total Expenditures	30,753	30,753	31,135	382
Excess (deficiency) of revenues over (under) expenditures	-	-	(12,809)	(12,809)
FUND BALANCE:				
Fund balances, beginning of period	23,737	23,737	23,737	
Fund Balance, End of Period	\$ 23,737	\$ 23,737	\$ 10,928	

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 Ending June 30, 2014
(Dollars in Thousands)

	Expendable Trust Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Other Taxes	\$ 1,005	\$ 1,005	\$ 1,566	\$ 561
Licenses & Permits	1,096	1,096	919	(177)
Charges for Recurring Services	2,852	2,852	2,611	(241)
Fines , Forfeitures and Penalties	464	464	1,913	1,449
Investment Income	195	195	389	194
Intergovernmental Revenues:				
State and local governments	2,566	2,566	2,986	420
Total intergovernmental revenues	<u>2,566</u>	<u>2,566</u>	<u>2,986</u>	<u>420</u>
Building Rentals and Concessions	2,177	2,177	1,142	(1,035)
Other	<u>30,654</u>	<u>30,654</u>	<u>3,578</u>	<u>(27,076)</u>
Total Revenues	<u>41,009</u>	<u>41,009</u>	<u>15,104</u>	<u>(25,905)</u>
EXPENDITURES				
Current:				
Executive Offices	2,759	2,759	1,819	(940)
Personnel and human servoces	78	78	-	(78)
City Council	(15)	(15)	-	15
Courts and judicial agencies	433	433	49	(384)
Finance	3,212	3,212	299	(2,913)
Housing, planning and development	11,352	11,352	1,848	(9,504)
Nondepartmental	<u>(6,764)</u>	<u>(6,764)</u>	<u>39</u>	<u>6,803</u>
Total general government	<u>11,055</u>	<u>11,055</u>	<u>4,054</u>	<u>(7,001)</u>
Police	10,644	10,644	3,579	(7,065)
Fire	990	990	1,051	61
Corrections	<u>336</u>	<u>336</u>	<u>1,716</u>	<u>1,380</u>
Total public safety	<u>11,970</u>	<u>11,970</u>	<u>6,346</u>	<u>(5,624)</u>
Public Works	10,524	10,524	2,063	(8,461)
Parks, recreation and cultural affairs	8,524	8,524	4,876	(3,648)
Debt Service:				
Paying agent fees	<u>6</u>	<u>6</u>	<u>-</u>	<u>(6)</u>
Total Expenditures	<u>42,079</u>	<u>42,079</u>	<u>17,339</u>	<u>(24,740)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,070)</u>	<u>(1,070)</u>	<u>(2,235)</u>	<u>(1,165)</u>
Other Financing Sources (Uses):				
Proceeds from sale of assets	1,070	1,070	-	(1,070)
Transfers in	-	-	983	983
Transfers out	<u>-</u>	<u>-</u>	<u>(376)</u>	<u>(376)</u>
Total Other Financing Sources (Uses)	<u>1,070</u>	<u>1,070</u>	<u>607</u>	<u>(463)</u>
Excess (deficiency) of revenues over (under) expenditures and other uses	<u>-</u>	<u>-</u>	<u>(1,628)</u>	<u>(1,628)</u>
FUND BALANCE:				
Fund balances, beginning of period	<u>37,488</u>	<u>37,488</u>	<u>37,488</u>	
Fund Balance, End of Period	<u>\$ 37,488</u>	<u>\$ 37,488</u>	<u>\$ 35,860</u>	

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 Ending June 30, 2014
(Dollars in Thousands)

	Home Investment Partnership Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Intergovernmental Revenues:				
Federal Revenues	\$ 9,918	\$ 9,918	\$ 1,551	\$ (8,367)
Total intergovernmental revenues	9,918	9,918	1,551	(8,367)
Total Revenues	9,918	9,918	1,551	(8,367)
EXPENDITURES				
Current:				
Executive Offices	121	121	110	(11)
Finance	819	819	-	(819)
Housing, planning and development	8,978	8,978	1,991	(6,987)
General government	9,918	9,918	2,101	(7,817)
Total Expenditures	9,918	9,918	2,101	(7,817)
Excess (deficiency) of revenues over (under) expenditures	-	-	(550)	(550)
FUND BALANCE:				
Fund balances, beginning of period	974	974	974	
Fund Balance, End of Period	\$ 974	\$ 974	\$ 424	

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 Ending June 30, 2014
(Dollars in Thousands)

	Section 108 Loan Trust Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Investment Income	\$ -	\$ -	\$ 2	\$ 2
Intergovernmental Revenues:				
Federal Revenues	5,005	5,005	-	(5,005)
Total intergovernmental revenues	<u>5,005</u>	<u>5,005</u>	-	<u>(5,005)</u>
Total Revenues	<u>5,005</u>	<u>5,005</u>	<u>2</u>	<u>(5,003)</u>
EXPENDITURES				
Current:				
Finance	3,307	3,307	232	(3,075)
Housing, planning and development	<u>1,036</u>	<u>1,036</u>	<u>106</u>	<u>(930)</u>
General government	<u>4,343</u>	<u>4,343</u>	<u>338</u>	<u>(4,005)</u>
Public Works	625	625	-	(625)
Parks, recreation and cultural affairs	37	37	-	(37)
Principal payment	-	-	156	156
Interest payments	<u>-</u>	<u>-</u>	<u>15</u>	<u>15</u>
Total Expenditures	<u>5,005</u>	<u>5,005</u>	<u>509</u>	<u>(4,496)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(507)</u>	<u>(507)</u>
FUND BALANCE:				
Fund balances, beginning of period	<u>6,140</u>	<u>6,140</u>	<u>6,140</u>	
Fund Balance, End of Period	<u><u>\$ 6,140</u></u>	<u><u>\$ 6,140</u></u>	<u><u>\$ 5,633</u></u>	

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 Ending June 30, 2014
(Dollars in Thousands)

	Car Rental Excise Tax Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Other Taxes	\$ 867	\$ 867	\$ 1,146	\$ 279
Total Revenues	<u>867</u>	<u>867</u>	<u>1,146</u>	<u>279</u>
EXPENDITURES				
Current:				
Nondepartmental	<u>867</u>	<u>867</u>	<u>1,146</u>	<u>279</u>
General government	<u>867</u>	<u>867</u>	<u>1,146</u>	<u>279</u>
Total Expenditures	<u>867</u>	<u>867</u>	<u>1,146</u>	<u>279</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE:				
Fund balances, beginning of period	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, End of Period	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>

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 Ending June 30, 2014
(Dollars in Thousands)

	Hotel Motel Excise Tax Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Other Taxes	\$ 49,325	\$ 49,325	\$ 58,014	\$ 8,689
Other	(1)	(1)	-	1
Total Revenues	49,324	49,324	58,014	8,690
EXPENDITURES				
Current:				
Nondepartmental	36,998	36,998	43,516	6,518
General government	36,998	36,998	43,516	6,518
Total Expenditures	36,998	36,998	43,516	6,518
Excess (deficiency) of revenues over (under) expenditures	12,326	12,326	14,498	2,172
Other Financing Sources (Uses):				
Transfers out	(12,326)	(12,326)	(14,498)	(2,172)
Total Other Financing Sources (Uses)	(12,326)	(12,326)	(14,498)	(2,172)
Excess (deficiency) of revenues over (under) expenditures and other uses	-	-	-	-
FUND BALANCE:				
Fund balances, beginning of period	-	-	-	-
Fund Balance, End of Period	\$ -	\$ -	\$ -	-

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 Ending June 30, 2014

(Dollars in Thousands)

	Bond Service Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Property Taxes	\$ 25,531	\$ 25,531	\$ 27,997	\$ 2,466
Other Taxes	891	891	2,170	1,279
Investment Income	89	89	75	(14)
Other	63	63	-	(63)
Total Revenues	26,574	26,574	30,242	3,668
EXPENDITURES				
Current:				
Nondepartmental	1,379	1,379	315	(1,064)
General government	1,379	1,379	315	(1,064)
Debt Service:				
Paying agent fees	78	78	4	(74)
Principal payment	16,105	16,105	16,105	-
Interest payments	9,668	9,668	9,668	-
Total Expenditures	27,230	27,230	26,092	(1,138)
Excess (deficiency) of revenues over (under) expenditures	(656)	(656)	4,150	4,806
FUND BALANCE:				
Fund balances, beginning of period	62,496	62,496	62,496	-
Fund Balance, End of Period	\$ 61,840	\$ 61,840	\$ 66,646	-

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 Recreational Facilities, Underground Atlanta Project, Parking Deck, Building Permits and Civic Center are accounted for as enterprise funds. The latter six were determined to be nonmajor proprietary funds and are presented herein.

Sanitation Services 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

Combining Statement of Net Position
 Nonmajor Proprietary Funds
 For the Year Ending June 30, 2014
 (Dollars in Thousands)

	Parks and		Underground	Parking Deck	Building	Civic	Total
	Sanitation	Recreation					
	Services	Facilities	Atlanta		Permits	Center	
ASSETS							
Current Assets:							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ 1	\$ -	\$ 1
Equity in cash management pool	4,730	-	-	156	29,189	594	34,669
Receivables:							
Accounts	46,824	-	419	85	-	-	47,328
Less allowance for doubtful accounts	(5,214)	-	-	-	-	-	(5,214)
Total Receivables, Net	<u>41,610</u>	<u>-</u>	<u>419</u>	<u>85</u>	<u>-</u>	<u>-</u>	<u>42,114</u>
Due From Other Funds	-	-	-	-	-	-	-
Total Current Assets	<u>46,340</u>	<u>-</u>	<u>419</u>	<u>241</u>	<u>29,190</u>	<u>594</u>	<u>76,784</u>
Non Current Assets:							
Other Assets	-	-	3,366	-	-	-	3,366
Capital Assets:							
Land	-	-	21,621	-	-	-	21,621
Construction in Progress	1,164	-	-	-	1,162	-	2,326
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	41,652	134	12,670	-	1,862	552	56,870
Less Accumulated Depreciation	(26,665)	(966)	(68,807)	(2,974)	(1,186)	(9,826)	(110,424)
Capital assets, net	<u>19,662</u>	<u>192</u>	<u>23,305</u>	<u>20,506</u>	<u>1,838</u>	<u>449</u>	<u>65,952</u>
Total Assets	<u>66,002</u>	<u>192</u>	<u>27,090</u>	<u>20,747</u>	<u>31,028</u>	<u>1,043</u>	<u>146,102</u>
LIABILITIES AND NET POSITION							
Current liabilities:							
Accounts Payable	2,918	12	263	1	220	126	3,540
Accrued expenses	1,569	28	-	-	531	59	2,187
Due To Other Funds	23,284	163	10,195	-	-	1,646	35,288
Current maturities of capital leases	-	-	7,530	730	-	-	8,260
Accrued workers' compensation	2,767	-	-	-	-	-	2,767
Current Liabilities	<u>30,538</u>	<u>203</u>	<u>17,988</u>	<u>731</u>	<u>751</u>	<u>1,831</u>	<u>52,042</u>
Current Liabilities Payable From Restricted Assets:							
Accrued interest payable	-	-	-	75	-	-	75
Total current liabilities payable from restricted assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>75</u>	<u>-</u>	<u>-</u>	<u>75</u>
Total Current Liabilities	<u>30,538</u>	<u>203</u>	<u>17,988</u>	<u>806</u>	<u>751</u>	<u>1,831</u>	<u>52,117</u>
NonCurrent Liabilities:							
Capital lease obligations, excluding current maturities	-	-	7,915	18,930	-	-	26,845
Net OPEB obligation	19,347	295	-	-	1,849	691	22,182
Accrued workers' compensation	8,559	-	-	-	-	-	8,559
Landfill postclosure cost	16,194	-	-	-	-	-	16,194
Total noncurrent liabilities	<u>44,100</u>	<u>295</u>	<u>7,915</u>	<u>18,930</u>	<u>1,849</u>	<u>691</u>	<u>73,780</u>
Total Liabilities	<u>74,638</u>	<u>498</u>	<u>25,903</u>	<u>19,736</u>	<u>2,600</u>	<u>2,522</u>	<u>125,897</u>
NET POSITION							
Net investment in capital assets	19,662	192	7,860	846	1,838	449	30,847
Unrestricted	(28,298)	(498)	(6,673)	165	26,590	(1,928)	(10,642)
Total Net Position	<u>\$ (8,636)</u>	<u>\$ (306)</u>	<u>\$ 1,187</u>	<u>\$ 1,011</u>	<u>\$ 28,428</u>	<u>\$ (1,479)</u>	<u>\$ 20,205</u>

The accompanying notes are an integral part of this statement

CITY OF ATLANTA, GEORGIA
Nonmajor Proprietary Funds
Combining Statement of Revenue, Expenses and Changes in Net Position
For the Year Ending June 30, 2014
(Dollars in Thousands)

	Sanitation Services	Parks and Recreation Facilities	Underground Atlanta	Parking Deck	Building Permits	Civic Center	Total
Operating revenue:							
Charges for Services	\$ 53,422	\$ 513	\$ -	\$ -	\$ 21,540	\$ 178	\$ 75,653
Rental Admissions	11	-	2,309	805	-	1,382	4,507
Other	2,132	-	-	-	1	-	2,133
Total operating revenue	55,565	513	2,309	805	21,541	1,560	82,293
Operating expenses:							
Salaries and Employee Benefits	32,248	352	-	-	8,208	868	41,676
Utilities	188	42	-	-	1	721	952
Supplies and Materials	1,690	3	-	-	76	47	1,816
Repairs, maintenance, and other contractual services	212	5	-	-	171	385	773
Motor Equipment Services	6,881	-	-	-	24	-	6,905
Engineering and Consultant Fees	7,444	139	3,363	-	715	8	11,669
General Services and Other Costs	5,047	22	8,932	-	615	18	14,634
Depreciation and Amortization	1,742	22	2,839	470	104	142	5,319
Total operating expenses	55,452	585	15,134	470	9,914	2,189	83,744
Operating Income	113	(72)	(12,825)	335	11,627	(629)	(1,451)
Investment income (loss)	123	-	24	-	216	5	368
Interest expense	(24)	(1)	(1,130)	(915)	-	(12)	(2,082)
Other revenue (expenses), net	3	-	(4)	-	-	-	(1)
Total nonoperating revenues (expenses), net	102	(1)	(1,110)	(915)	216	(7)	(1,715)
Income before and transfers:	215	(73)	(13,935)	(580)	11,843	(636)	(3,166)
Capital contributions	4,005	-	-	-	-	-	4,005
Transfers in	-	-	9,197	1,155	-	-	10,352
Transfers out	(8,783)	-	-	(247)	-	-	(9,030)
Change in Net Position	(4,563)	(73)	(4,738)	328	11,843	(636)	2,161
Net position, beginning of period	(4,073)	(233)	5,925	683	16,585	(843)	18,044
Net position, end of period	\$ (8,636)	\$ (306)	\$ 1,187	\$ 1,011	\$ 28,428	\$ (1,479)	\$ 20,205

The accompanying notes are an integral part of this statement

CITY OF ATLANTA, GEORGIA
Nonmajor Proprietary Funds

Combining Statement of Cash Flows
For the Year Ended June 30, 2014
(Dollars in Thousands)

	Sanitation Services	Parks and Recreational Facilities	Underground Atlanta	Parking Deck	Building Permits	Civic Center	Total
Cash flow from operating activities							
Cash received from user charges	\$ 53,230	\$ 513	\$ 2,309	\$ 808	\$ 21,541	\$ 1,560	\$ 79,961
Cash payments to employees for services	(23,570)	(302)	-	-	(7,224)	(755)	(31,851)
Cash payments to suppliers for goods and services	(16,206)	(211)	(3,151)	(15)	(1,707)	(793)	(22,083)
Net cash provided by (used in) operating activities	<u>13,454</u>	<u>-</u>	<u>(842)</u>	<u>793</u>	<u>12,610</u>	<u>12</u>	<u>26,027</u>
Cash flows from noncapital financing activities							
Transfers in	-	-	9,197	1,155	-	-	10,352
Transfers out	(8,783)	-	-	(247)	-	-	(9,030)
Net cash provided by (used in) noncapital financing activities	<u>(8,783)</u>	<u>-</u>	<u>9,197</u>	<u>908</u>	<u>-</u>	<u>-</u>	<u>1,322</u>
Cash flows from capital and related financing activities							
Capital grants and donations	4,005	-	-	-	-	-	4,005
Principal paid on long term debt	(699)	-	(7,161)	(705)	-	-	(8,565)
Interest paid on bonds	(21)	-	549	(840)	-	(12)	(324)
Acquisition of capital assets	(18,889)	-	(1,681)	-	(1,382)	-	(21,952)
Net cash provided by (used in) capital and related financing activities:	<u>(15,604)</u>	<u>-</u>	<u>(8,293)</u>	<u>(1,545)</u>	<u>(1,382)</u>	<u>(12)</u>	<u>(26,836)</u>
Cash flows from investing activities							
Change in equity in cash management pool	10,810	-	(86)	(156)	(11,472)	(4)	(908)
Interest on investments	123	-	24	-	216	4	367
Net cash provided by (used in) investing activities	<u>10,933</u>	<u>-</u>	<u>(62)</u>	<u>(156)</u>	<u>(11,256)</u>	<u>-</u>	<u>(541)</u>
Net increase (decrease) in cash and cash equivalents	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(28)</u>	<u>-</u>	<u>(28)</u>
Cash and cash equivalents, beginning of period	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>29</u>	<u>-</u>	<u>29</u>
CASH AND CASH EQUIVALENTS, END OF PERIOD	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 1</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:							
Operating income (loss)	\$ 113	\$ (72)	\$ (12,825)	\$ 335	\$ 11,627	\$ (629)	\$ (1,451)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:							
Depreciation and amortization	1,742	22	2,839	470	104	142	5,319
Increase (decrease) in receivables	(2,335)	-	-	3	-	-	(2,332)
Increase (decrease) in other assets	-	-	-	-	-	-	-
Increase (decrease) in due from other funds	-	-	-	62	-	-	62
Increase (decrease) in accounts payable	1,372	(22)	(15)	(77)	(93)	34	1,199
Increase (decrease) in other liabilities	8,678	51	-	-	972	113	9,814
Increase (decrease) in due to other funds	3,884	21	9,159	-	-	352	13,416
Net cash provided by (used in) operating activities	<u>\$ 13,454</u>	<u>\$ -</u>	<u>\$ (842)</u>	<u>\$ 793</u>	<u>\$ 12,610</u>	<u>\$ 12</u>	<u>\$ 26,027</u>

See accompanying independent auditors report

CITY OF ATLANTA, GEORGIA

Statement of Net Position

Internal Service Funds

For the Year Ending June 30, 2014
(Dollars in Thousands)

	<u>Fleet Services</u>	<u>Group Insurance</u>	<u>Total</u>
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ -	\$ 167	\$ 167
Equity in cash management pool	-	12,215	12,215
Receivables:			
Accounts	-	640	640
Less allowance for doubtful accounts	-	-	-
Total Receivables, Net	-	640	640
Total Current Assets	-	13,022	13,022
Non Current Assets:			
Capital Assets:			
Land	136	-	136
Construction in Progress	-	-	-
Land Improvements	29	-	29
Buildings and other structures	5,508	-	5,508
Other Property and Equipment	6,092	-	6,092
Less Accumulated Depreciation	(11,244)	-	(11,244)
Capital assets, net	521	-	521
Total Assets	521	13,022	13,543
LIABILITIES			
Liabilities:			
Current liabilities:			
Accounts Payable	2,006	61	2,067
Accrued expenses	709	85	794
Due To Other Funds	34,728	-	34,728
Current Liabilities	37,443	146	37,589
NonCurrent Liabilities:			
Total Liabilities	37,443	146	37,589
NET POSITION			
Net investment in capital assets	521	-	521
Unrestricted	(37,443)	12,876	(24,567)
Total Net Position	\$ (36,922)	\$ 12,876	\$ (24,046)

The accompanying notes are an integral part of this statement

CITY OF ATLANTA, GEORGIA
Internal Service Funds
Combining Statement of Revenue, Expenses and Changes in Net Position
For the Year Ending June 30, 2014
(Dollars in Thousands)

	<u>Fleet</u> <u>Services</u>	<u>Group</u> <u>Insurance</u>	<u>Total</u>
Operating Revenue:			
Charges for Services	\$ 28,032	\$ 128,898	\$ 156,930
Other	<u>22</u>	<u>889</u>	<u>911</u>
Total operating revenue	<u>28,054</u>	<u>129,787</u>	<u>157,841</u>
Operating Expenses:			
Salaries and Employee Benefits	10,720	74,271	84,991
Utilities	675	-	675
Supplies and Materials	15,544	20	15,564
Repairs, maintenance, and other contractual services	2,568	-	2,568
Engineering and Consultant Fees	429	29	458
General Services and Other Costs	4,186	57,064	61,250
Depreciation and Amortization	<u>136</u>	<u>-</u>	<u>136</u>
Total operating expenses	<u>34,258</u>	<u>131,384</u>	<u>165,642</u>
Operating Income	<u>(6,204)</u>	<u>(1,597)</u>	<u>(7,801)</u>
Non operating revenues (expenses):			
Investment income (loss)	-	113	113
Interest expense	<u>(284)</u>	<u>40</u>	<u>(244)</u>
Total non operating revenues (expenses), net	<u>(284)</u>	<u>153</u>	<u>(131)</u>
Income (loss) before transfers:	(6,488)	(1,444)	(7,932)
Transfers in	6,000	-	6,000
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position	(488)	(1,444)	(1,932)
Net position, beginning of period	<u>(36,434)</u>	<u>14,320</u>	<u>(22,114)</u>
Net position, end of period	<u><u>\$ (36,922)</u></u>	<u><u>\$ 12,876</u></u>	<u><u>\$ (24,046)</u></u>

The accompanying notes are an integral part of this statement

CITY OF ATLANTA, GEORGIA
Internal Service Funds

Combining Statement of Cash Flows
For the Year Ended June 30, 2014
(Dollars in Thousands)

	Fleet Services	Group Insurance	Total
Cash flow from operating activities			
Cash received from user charges	\$ 28,054	\$ 129,786	\$ 157,840
Cash payments to employees for services	(10,619)	(74,256)	(84,875)
Cash payments to suppliers for goods and services	(23,139)	(57,549)	(80,688)
Net cash provided by (used in) operating activities	(5,704)	(2,019)	(7,723)
Cash flows from noncapital financing activities			
Transfers in	6,000	-	6,000
Transfers out	-	-	-
Net cash used in noncapital financing activities	6,000	-	6,000
Cash flows from capital and related financing activities			
Interest paid on bonds	(284)	-	(284)
Acquisition of capital assets	(12)	-	(12)
Net cash provided by (used in) capital and related financing activities	(296)	-	(296)
Cash flows from investing activities			
Change in equity in cash management pool	-	1,799	1,799
Interest on investments	-	153	153
Net cash provided by (used in) investing activities	-	1,952	1,952
Net increase (decrease) in cash and cash equivalents	-	(67)	(67)
Cash and cash equivalents, beginning of period	-	234	234
CASH AND CASH EQUIVALENTS, END OF PERIOD	\$ -	\$ 167	\$ 167
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ (6,204)	\$ (1,597)	\$ (7,801)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation and amortization	136	-	136
(Increase) decrease in accounts receivable	-	(1)	(1)
Increase (decrease) in accounts payable	382	(436)	(54)
Increase (decrease) in other liabilities	101	15	116
Increase (decrease) in due to other funds	(119)	-	(119)
Net cash provided by (used in) operating activities	\$ (5,704)	\$ (2,019)	\$ (7,723)

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
Statement of Net Position-Pension Trust Funds
Fiduciary Funds
For the Year Ending June 30, 2014
(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	\$ 79,694	\$ 90,756	\$ 52,600	\$ 74,523	\$ 297,573
Securities Lending	178,848	-	-	-	178,848
Receivables:					
Other AR Employee Contribution	643	284	243	438	1,608
Other AR Employer Contribution	2,548	545	1,634	1,654	6,381
Due from Broker	296	-	951	1,687	2,934
Other AR Accrued Interest	1,649	-	1,479	2,353	5,481
Other receivables	1,847	909	18	67	2,841
Total Receivables:	6,983	1,738	4,325	6,199	19,245
Investments:					
Domestic fixed income securities	140,294	-	115,873	165,037	421,204
Domestic equities	938,251	-	474,158	683,355	2,095,764
International fixed income	-	-	4,132	6,073	10,205
International equities	99,665	-	2,876	47,325	149,866
Alternative partnerships:					
Limited partnerships	13,606	-	7,478	9,898	30,982
Total Investments	1,191,816	-	604,517	911,688	2,708,021
Total Assets	1,457,341	92,494	661,442	992,410	3,203,687
LIABILITIES AND NET POSITION HELD IN TRUST FOR PENSION BENEFITS					
Accounts Payable	1,984	-	773	978	3,735
Due to brokers for securities purchased	1,821	-	2,161	3,925	7,907
Collateral payable for securities lending	178,848	-	-	-	178,848
Total Liabilities	182,653	-	2,934	4,903	190,490
Net Position Held in Trust for Pension Benefits	\$ 1,274,688	\$ 92,494	\$ 658,508	\$ 987,507	\$ 3,013,197

The accompanying notes are an integral part of this statement

CITY OF ATLANTA, GEORGIA

Statement of Changes in Net Position-Pension Trust Funds Fiduciary Funds For the Year Ending June 30, 2014 (Dollars in Thousands)

	Pension Trust Funds				
	General Employees' Defined Benefit	General Employees' Defined Contribution	Firefighters'	Police Officers'	Totals
Additions					
Contributions:					
Employer contributions	90,145	\$ 7,441	\$ 20,656	\$ 30,197	\$ 148,439
Employee contributions	18,920	7,158	5,670	11,232	42,980
Total Contributions	109,065	14,599	26,326	41,429	191,419
Investment income:					
Net change in fair value of investments	194,400	9,132	103,894	156,987	464,413
Investment income	18,887	901	11,661	18,045	49,494
Securities lending income	572	-	-	-	572
Less: Investment expenses	(4,292)	(26)	(3,184)	(3,840)	(11,342)
Net investment income gain (loss)	209,567	10,007	112,371	171,192	503,137
Other	172	-	3	3	178
Total Additions	318,804	24,606	138,700	212,624	694,734
Deductions					
Benefit Payments	164,238	4,365	41,268	53,279	263,150
Administrative Expense	9,816	250	374	653	11,093
Total Deductions	174,054	4,615	41,642	53,932	274,243
Change in Net Position	144,750	19,991	97,058	158,692	420,491
Net Position Held in Trust for Pension Benefits:					
Beginning of period	1,129,938	72,503	561,450	828,815	2,592,706
End of Period	1,274,688	\$ 92,494	\$ 658,508	\$ 987,507	\$ 3,013,197

The accompanying notes are an integral part of this statement

CITY OF ATLANTA, GEORGIA
Agency Fund

Statement of Changes in Assets and Liabilities
For the Year Ended June 30, 2014
(Dollars in Thousands)

ASSETS

	June 30, 2013	Additions	Deductions	June 30, 2014
Assets:				
Cash and cash equivalents	\$ 776	\$ 1	\$ -	\$ 777
Equity in cash management pool	23,120	-	(2,065)	21,055
Investments:				
Equities	-	-	-	-
Prepaid expenses	-	2,194	-	2,194
Other receivables	8	68	-	76
 Total Assets	 \$ 23,904	\$ 2,263	\$ (2,065)	\$ 24,102

LIABILITIES

Liabilities:				
Accounts payable	\$ 23,904	\$ 2,263	\$ (2,065)	\$ 24,102
 Total Liabilities	 \$ 23,904	\$ 2,263	\$ (2,065)	\$ 24,102

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.



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City of Atlanta

2014 Comprehensive Annual Financial Report

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

	Fiscal Period									
	2005	2006	2007	2008	2009	2010	2011	2012*	2013	2014
Governmental Activities										
Net investment in capital assets	\$ 543,166	\$ 482,373	\$ 488,569	\$ 237,415	\$ 146,670	\$ 97,291	\$ 58,841	\$ 7,228	\$ 95,513	\$ 53,144
Restricted for										
Debt service	39,818	36,532	40,162	45,479	47,912	51,828	265,371	284,933	287,948	259,422
Programs	207,039	173,138	113,914	87,259	79,096	75,482	76,517	69,776	72,591	65,332
Capital projects	104,529	127,021	137,651	219,921	238,093	250,380	49,827	47,943	47,962	87,398
Unrestricted	(159,662)	(199,434)	(207,696)	(320,542)	(306,113)	(260,354)	(118,112)	(128,199)	(131,646)	(132,877)
Total Governmental Activities Net Positions	\$ 734,890	\$ 619,630	\$ 572,600	\$ 269,532	\$ 205,658	\$ 214,627	\$ 332,445	\$ 281,681	\$ 372,368	\$ 332,419
Business-type Activities										
Net investment in capital assets	\$ 3,237,337	\$ 3,177,702	\$ 3,466,892	\$ 4,484,709	\$ 4,760,260	\$ 5,092,956	\$ 4,879,760	\$ 4,721,909	\$ 5,015,922	\$ 5,032,865
Restricted										
Debt service	76,817	104,864	40,253	114,869	174,761	206,232	349,001	869,781	534,521	382,414
Programs	-	-	-	-	-	-	-	-	-	-
Capital projects	565,012	565,012	565,012	383,694	470,590	365,297	418,473	-	355,001	554,081
Unrestricted	373,465	612,037	787,003	888,594	787,326	721,383	1,004,136	1,240,649	1,281,856	1,406,617
Total Business-type Activities Net Positions	\$ 4,252,631	\$ 4,459,615	\$ 4,859,160	\$ 5,871,866	\$ 6,192,937	\$ 6,385,868	\$ 6,651,370	\$ 6,832,339	\$ 7,187,300	\$ 7,375,977
Primary Government										
Net investment in capital assets	\$ 3,780,503	\$ 3,660,075	\$ 3,955,461	\$ 4,722,124	\$ 4,906,930	\$ 5,190,247	\$ 4,938,602	\$ 4,729,137	\$ 5,111,435	\$ 5,086,009
Restricted										
Debt service	116,635	141,396	80,415	160,348	222,673	258,060	614,372	1,154,714	822,469	641,836
Programs	207,039	173,138	113,914	87,259	79,096	75,482	76,517	69,776	72,591	65,332
Capital projects	669,541	692,033	702,663	603,615	708,683	615,677	468,300	47,943	402,963	641,479
Unrestricted	213,803	412,603	579,307	568,052	481,213	461,029	886,024	1,112,450	1,150,210	1,273,740
Total Primary Government Activities Net Positions	\$ 4,987,521	\$ 5,079,245	\$ 5,431,760	\$ 6,141,398	\$ 6,398,595	\$ 6,600,495	\$ 6,983,814	\$ 7,114,020	\$ 7,559,668	\$ 7,708,396

* 2012 Net Position was restated with the implementation of GASB 65

City of Atlanta

2014 Comprehensive Annual Financial Report

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

	Fiscal Period									
	2005	2006*	2007	2008	2009	2010	2011	2012	2013	2014
EXPENSES										
Governmental Activities										
General government	\$ 207,529	\$ 113,068	\$ 264,221	\$ 234,198	\$ 265,596	\$ 260,413	\$ 239,306	\$ 215,030	\$ 148,288	\$ 346,897
Police	150,007	97,514	222,490	219,614	192,161	187,800	197,598	217,777	210,751	210,418
Fire	69,425	35,715	86,775	94,871	84,454	79,190	83,596	89,016	92,018	87,587
Corrections	39,028	20,921	45,178	50,714	37,264	29,301	25,520	35,001	31,128	32,324
Public works	81,954	45,231	47,707	79,823	56,814	50,056	54,442	47,397	64,467	72,476
Parks, recreation and cultural affairs	37,611	10,768	20,387	48,626	34,161	39,976	41,939	46,280	59,732	56,124
Interest on long-term debt	33,429	19,546	40,949	43,734	51,784	51,274	47,629	47,080	42,731	36,508
Total Governmental Activities Expenses	618,983	342,763	727,707	771,580	722,234	698,010	690,030	697,581	649,115	842,334
Business-type Activities										
Watershed Management	232,514	140,848	334,755	326,279	319,790	404,629	444,133	441,092	445,647	454,742
Aviation	230,933	126,399	315,104	386,316	423,198	448,979	437,659	504,918	585,148	638,452
Other	60,064	31,500	62,898	62,630	60,446	48,735	47,694	56,342	64,050	85,827
Total Business-type Activities Expenses	523,511	298,747	712,757	775,225	803,434	902,343	929,486	1,002,352	1,094,845	1,179,021
Total Primary Government Expenses	\$ 1,142,494	\$ 641,510	\$ 1,440,464	\$ 1,546,805	\$ 1,525,668	\$ 1,600,353	\$ 1,619,516	\$ 1,699,933	\$ 1,743,960	\$ 2,021,355
Program Revenues										
Governmental activities										
Charges for services										
General government	\$ 77,279	\$ 72,668	\$ 85,490	\$ 93,169	\$ 67,795	\$ 66,148	\$ 94,307	\$ 91,008	\$ 92,510	\$ 108,164
Public safety	32,311	1,747	36,849	31,989	31,218	20,627	21,277	19,669	21,633	29,742
Public works	5,084	-	-	-	16,438	13,168	2,383	2,421	3,731	4,152
Parks recreation and cultural affairs	2,431	-	-	-	1,932	1,418	2,267	2,556	3,581	3,405
Operating grants and contributions	51,365	21,182	48,620	49,832	42,336	78,533	100,943	56,663	75,657	63,249
Capital grants and contributions	-	-	-	-	-	-	-	-	-	4,540
Total Governmental Activities Program Revenues	168,470	95,597	170,959	174,990	159,719	179,894	221,627	172,317	197,112	213,252
Business-type Activities										
Charges for services										
Watershed Management	242,573	113,377	302,273	319,087	351,743	380,413	433,183	466,052	448,167	436,644
Aviation	289,478	147,221	330,228	386,206	389,535	400,799	411,213	394,132	490,386	496,252
Other	53,736	3,519	53,050	54,337	51,011	57,143	56,754	69,245	76,718	82,293
Capital grants and contributions	254,797	141,741	259,916	250,113	275,033	201,492	241,456	238,639	260,944	235,883
Total Business-type Activities Revenues	840,584	405,858	945,467	1,009,743	1,067,322	1,039,847	1,142,606	1,168,068	1,276,215	1,251,072
Total primary Government Revenues	\$ 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	\$ 1,464,324
Net (expense) revenue										
Governmental activities	(450,513)	(247,166)	(556,748)	(596,590)	(562,515)	(518,116)	(468,403)	(525,264)	(452,003)	(629,082)
Business-type activities	317,073	107,111	232,710	234,518	263,888	137,504	213,120	165,716	181,370	72,051
Total Primary Government Net Expense	\$ (133,440)	\$ (140,055)	\$ (324,038)	\$ (362,072)	\$ (298,627)	\$ (380,613)	\$ (255,283)	\$ (359,548)	\$ (270,633)	\$ (557,031)
GENERAL REVENUES and OTHER CHANGES in NET POSITION										
Governmental Activities										
Taxes										
Property taxes levied for general purposes	\$ 127,738	\$ 8,739	\$ 125,999	\$ 141,913	\$ 154,567	\$ 222,087	\$ 190,406	\$ 184,021	\$ 188,099	\$ 183,109
Property taxes levied for debt service	54,278	1,522	61,736	89,628	96,082	112,358	129,965	103,258	97,690	96,933
Local and municipal option sales tax	90,488	50,460	111,978	104,101	87,789	202,014	203,887	212,536	218,623	223,976
Public utilities franchise taxes	37,534	8,488	39,364	16,230	51,381	54,312	72,450	63,327	60,825	40,125
Business taxes	79,571	38,234	97,662	126,005	219,224	94,020	100,177	105,567	95,402	125,010
Federal and state aid not restricted for specific purposes	4,723	334	4,229	4,461	3,407	-	-	299	-	2
Investment income	13,171	9,312	23,920	18,302	6,834	3,962	3,825	2,728	679	4,228
Gain on Sale of Assets	-	-	-	5,764	517	456	6,391	8,185	(4,197)	-
Other	21,814	11,398	26,822	8,710	13,738	17,491	-	-	-	-
Extraordinary Loss	-	-	-	-	-	(2,231)	-	-	-	-
Transfers	2,349	(5)	6,314	2,311	(118,523)	(119,590)	(120,880)	(123,580)	(114,431)	(84,250)
Total Governmental Activities	\$ 431,666	\$ 128,482	\$ 498,024	\$ 517,425	\$ 515,016	\$ 584,879	\$ 586,221	\$ 556,341	\$ 542,690	\$ 589,133
Business-Type Activities										
Property taxes levied for debt service	-	-	-	-	-	-	-	-	-	-
Local option sales tax	102,171	59,035	120,954	127,470	-	-	-	-	-	-
Investment income	145,900	40,831	91,596	96,244	40,739	(37,323)	(68,499)	(31,724)	58,710	35,429
Other	-	-	(39,401)	1,474	(14,672)	-	-	(12)	450	(3,053)
Extraordinary Loss	-	-	-	-	-	(26,840)	-	-	-	-
Transfers	(2,349)	5	(6,314)	(2,311)	118,523	119,590	120,880	123,580	114,431	84,250
Total Business-type Activities	245,722	99,871	166,835	222,877	144,590	55,427	52,381	91,844	173,591	116,626
Total Primary Government	\$ 677,388	\$ 228,353	\$ 664,859	\$ 740,302	\$ 659,606	\$ 640,306	\$ 638,602	\$ 648,185	\$ 716,281	\$ 705,759
Change in Net Position										
Governmental activities	(18,847)	(118,684)	(58,724)	(79,165)	(47,499)	66,763	117,818	31,077	90,687	(39,949)
Business-type activities	562,795	206,982	399,545	457,395	408,478	192,931	265,501	257,560	354,961	188,677
Total Primary Government	\$ 543,948	\$ 88,298	\$ 340,821	\$ 378,230	\$ 360,979	\$ 259,693	\$ 383,319	\$ 288,637	\$ 445,648	\$ 148,728

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

City of Atlanta

2014 Comprehensive Annual Financial Report

Schedule 3

City of Atlanta, Georgia

Program Revenues by Function/Program

Last Ten Fiscal Periods

(accrual basis of accounting)

(Dollars in thousands)

Function/Program	Fiscal Period									
	2005	2006*	2007	2008	2009	2010	2011	2012	2013	2014
Primary Government										
Governmental activities:										
Charges for Services										
General government	\$ 77,279	\$ 72,668	\$ 85,490	\$ 93,169	\$ 67,795	\$ 66,148	\$ 94,307	\$ 91,008	\$ 92,510	\$ 108,164
Police	22,417	1,374	19,103	15,258	14,976	14,643	19,228	16,729	17,506	22,351
Fire	346	1	316	258	253	428	496	640	808	998
Corrections	9,548	372	17,430	16,473	15,989	5,556	2,003	2,300	3,319	6,393
Public works	5,084	2,857	9,907		16,438	13,168	2,383	2,421	3,731	4,152
Parks, Recreation, and Cultural Affairs	2,431	568	1,787		1,932	1,418	2,267	2,556	3,581	3,405
Total Governmental activities	\$ 117,105	\$ 77,840	\$ 134,033	\$ 125,158	\$ 117,383	\$ 101,361	\$ 120,684	\$ 115,654	\$ 121,455	\$ 145,463
Operating Grants	\$ 51,365	\$ 21,182	\$ 48,620	\$ 49,832	\$ 42,336	\$ 78,533	#REF!	\$ 56,663	\$ 75,657	\$ 63,249
Capital Grants and Contributions	\$ -	\$ -	\$ -	\$ -	\$ 4,540					
Business-type activities:										
Charges for Services										
Watershed Management	\$ 242,573	\$ 113,377	\$ 302,273	\$ 319,087	\$ 351,743	\$ 380,413	\$ 433,183	\$ 466,052	\$ 448,167	\$ 436,644
Aviation	289,478	147,221	330,228	386,206	389,535	400,799	411,213	394,132	490,386	496,252
Sanitation	49,351	663	47,951	49,768	46,513	51,414	51,985	53,993	54,071	55,565
Parks and Recreational Facilities	564	386	522	509	498	472	487	512	475	513
Underground Atlanta	2,414	1,507	2,509	2,563	2,340	2,220	1,941	1,898	1,707	2,309
Parking Deck						1,340	740	698	805	805
Permit Fund								10,716	18,464	21,541
Civic Center	1,407	963	2,068	1,497	1,660	1,697	1,601	1,428	1,196	1,560
Total Business-type activities	\$ 585,787	\$ 264,117	\$ 685,551	\$ 759,630	\$ 792,289	\$ 838,355	\$ 901,150	\$ 929,429	\$ 1,015,271	\$ 1,015,189
Total Primary Government	\$ 754,257	\$ 363,139	\$ 868,204	\$ 934,620	\$ 952,008	\$ 1,018,249	#REF!	\$ 1,101,746	\$ 1,212,383	\$ 1,228,441

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

City of Atlanta

2014 Comprehensive Annual Financial Report

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									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Fund										
Reserved	\$ 5,783	\$ 7,602	\$ 2,614	\$ 4,367	\$ 3,382	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	140,193	92,947	91,808	5,763	4,011	-	-	-	-	-
Nonspendable	-	-	-	-	-	10,383	7,834	4,377	4,972	11,101
Restricted	-	-	-	-	-	11,398	6,388	15,231	14,159	-
Committed	-	-	-	-	-	16,260	-	-	-	-
Assigned	-	-	-	-	-	9,919	6,912	26,877	20,516	12,287
Unassigned	-	-	-	-	-	24,473	73,216	80,235	98,517	118,597
Total General Fund	\$ 145,976	\$ 100,549	\$ 94,422	\$ 10,130	\$ 7,393	\$ 72,433	\$ 94,350	\$ 126,720	\$ 138,164	\$ 141,985
MOST										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total MOST	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
All Other Governmental Funds										
Reserved	\$ 386,245	\$ 329,089	\$ 104,325	\$ 119,182	\$ 65,518	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in										
Special revenue funds	(9,240)	(9,240)	(20,091)	(50,392)	(19,560)	-	-	-	-	-
Restricted	-	-	-	-	-	363,183	579,842	406,854	408,501	412,152
Committed	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	(33,216)	(28,661)	(23,388)	(14,490)	(12,815)
Total All other Governmental Funds	\$ 377,005	\$ 319,849	\$ 84,234	\$ 68,790	\$ 45,958	\$ 329,967	\$ 551,181	\$ 383,466	\$ 394,011	\$ 399,337

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.

City of Atlanta

2014 Comprehensive Annual Financial Report

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									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
REVENUES										
Property taxes	\$ 179,685	\$ 10,261	\$ 195,048	\$ 227,563	\$ 253,204	\$ 329,127	\$ 321,425	\$ 288,771	\$ 277,919	\$ 281,369
Local and municipal option sales taxes *	90,488	50,460	111,978	104,101	87,789	202,014	203,887	212,536	218,623	223,976
Public utility, alcoholic beverages and other taxes *	122,015	8,488	137,922	142,235	270,605	148,332	172,597	168,894	156,227	165,135
Licenses and permits	58,285	38,234	76,915	69,127	62,503	58,130	63,889	59,922	56,473	67,994
Charges for current services	21,576	65,235	23,482	27,729	20,765	17,843	17,312	16,745	23,904	30,023
Fines, forfeitures and penalties	17,895	6,727	14,710	18,323	15,820	15,847	22,368	24,550	24,293	26,119
Investment income	12,926	9,312	23,468	18,182	6,750	3,975	3,819	2,698	699	4,115
Intergovernmental revenues and contributions										
Federal revenues	30,480	334	28,784	34,709	36,649	65,422	43,437	40,671	53,278	40,839
State and local grants and contributions	20,500	21,182	24,065	17,358	9,094	14,307	16,576	16,291	22,379	22,412
Other	4,723	-	-	-	-	-	-	-	-	-
Building rentals and contributions	11,339	5,877	18,926	18,962	18,295	8,344	7,153	7,583	7,400	8,178
Other	26,584	11,398	19,844	8,710	13,738	17,491	9,995	6,854	9,385	13,149
TOTAL REVENUES	\$ 596,496	\$ 227,508	\$ 675,142	\$ 686,999	\$ 795,212	\$ 880,832	\$ 882,458	\$ 845,515	\$ 850,580	\$ 883,309
EXPENDITURES										
Current										
General government	\$ 231,207	\$ 113,068	\$ 290,882	\$ 285,698	\$ 319,202	\$ 250,558	\$ 215,655	\$ 217,879	\$ 224,452	\$ 304,137
Police	149,450	97,514	225,815	230,571	186,364	179,455	189,309	190,917	195,017	204,830
Fire	67,486	35,715	83,506	87,559	82,581	75,180	74,608	78,018	82,478	82,418
Corrections	38,678	20,921	44,456	47,711	36,503	28,037	23,929	30,675	29,203	32,108
Public works	59,679	45,231	48,393	69,004	45,032	45,477	51,622	41,547	39,516	52,132
Parks, recreation and cultural affairs	42,764	10,768	44,939	53,542	39,569	35,866	43,799	40,565	49,181	47,484
Capital outlay	-	-	-	-	-	-	-	-	-	-
Debt service										
Principal	26,573	-	36,290	39,293	54,919	55,730	49,155	52,648	59,949	47,006
Interest	32,706	19,546	40,949	42,879	50,429	47,617	48,909	46,460	44,411	36,337
Bond issuance costs	723	1,996	4,438	6,065	4,446	1,433	311	311	33	1,647
TOTAL EXPENDITURES	\$ 649,266	\$ 342,763	\$ 817,226	\$ 860,695	\$ 820,664	\$ 722,366	\$ 698,419	\$ 699,020	\$ 724,240	\$ 808,099
Excess of Revenues Over (Under) Expenditures	(52,770)	(115,255)	(142,084)	(173,696)	(25,452)	158,466	184,039	146,495	126,340	75,210
Other Financing Sources (Uses)										
Proceeds from borrowing	\$ 145,809	\$ -	\$ 58,000	\$ 53,820	\$ 134,042	\$ 78,120	\$ -	\$ -	\$ -	\$ 21,000
Capital leases	7,097	-	-	23,480	48,602	-	-	-	2,198	363
Insurance Proceeds	-	-	-	-	-	-	-	-	-	-
Premium on bonds sold	6,221	-	2,548	5,787	4,027	-	-	-	-	277
Other Revenue	-	-	-	-	-	-	-	-	-	-
Discount on bonds sold	(1,581)	-	(77)	-	(484)	(1,257)	-	-	-	-
Refunding bonds issued	85,980	-	-	105,760	78,025	-	-	-	-	-
Payment to 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	2,547
Extraordinary Loss	-	-	-	-	-	-	-	-	-	-
Transfers in (out)	1,149	(5)	19,280	2,311	(118,523)	(119,590)	(120,880)	(123,580)	(114,431)	(90,250)
Total Other Financing Sources (Uses)	\$ 160,670	\$ 7,031	\$ 89,055	\$ 91,775	\$ 65,990	\$ (106,771)	\$ (113,791)	\$ (108,957)	\$ (112,110)	\$ (66,063)
Extraordinary Loss						(2,231)	-	-	-	-
Correction of a Prior Year Error	(6,108)	-	-	37,800	-	-	-	-	-	-
NET CHANGE IN FUND BALANCE	\$ 101,792	\$ (108,224)	\$ (53,029)	\$ (44,121)	\$ 40,538	\$ 49,466	\$ 70,248	\$ 37,538	\$ 14,230	\$ 9,147
Debt service as a percentage of noncapital expenditures	10.1%	6.0%	10.5%	13.5%	18.4%	19.1%	63.5%	17.4%	16.78%	10.88%

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

City of Atlanta

2014 Comprehensive Annual Financial Report

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

<u>Fiscal Period Ended</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Industrial Property</u>	<u>Other Property(1)</u>	<u>Less: Tax-exempt Property(2)</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>
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%
June 30, 2014	11,183,385,556	10,556,075,940	687,309,657	1,671,292,251	2,430,432,837	21,667,630,567	33.49%

(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.

City of Atlanta

2014 Comprehensive Annual Financial Report

Schedule 7

City of Atlanta, Georgia

Direct and Overlapping Property Tax Rates (unaudited)

Last Ten Fiscal Periods

(per \$1,000 of assessed value)

Fiscal Period Ended	City Direct Rates						Total Direct Tax Rate
	General Levy	School Levy	Parks Levy	City Bond Levy	School Bond Levy		
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		33.53
June 30, 2013	10.24	21.64	0.50	1.20	0.10		33.68
June 30, 2014	10.05	21.64	0.50	1.20	0.10		33.49

Fiscal Period Ended	Overlapping Rates						Total
	Atlanta/DeKalb County Special Tax District	Downtown Improvement District Special Tax District(1)	Fulton County, Georgia				
			County Levy	County Bond Levy	Georgia State Levy		
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
June 30, 2014	1.16	5.00	10.21	0.27	0.15		10.63

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

City of Atlanta

2014 Comprehensive Annual Financial Report

Schedule 8

City of Atlanta, Georgia

Principal Property Tax Payers (unaudited)

Last Ten Fiscal Periods

Taxpayer	Type of Business	Fiscal Periods																			
		2004				2005				2006				2007				2008			
		Taxable Value	Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Value	Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Value	Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Value	Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Value	Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Bell South	Communication Service	\$ 155,936,542		1	0.79%	\$ 386,047,492		1	1.90%	\$ 266,293,651		1	1.29%	\$ 244,693,204		1	1.04%	\$ 332,146,406		2	1.04%
Coca-Cola Company	Marketing and Manufacturing	154,860,290		2	0.79%	154,932,948		2	0.76%	184,395,886		2	0.89%	172,011,442		4	0.73%	174,796,651		4	0.73%
Georgia Power Company	Utility Service	57,103,706		10	0.29%	139,188,340		3	0.69%	137,147,337		3	0.66%	197,766,434		2	0.84%	206,701,589		3	0.84%
Post Apartment Homes	Residential Real Estate	120,304,178		3	0.61%	117,829,980		4	0.58%	128,834,887		4	0.62%	154,997,343		5	0.66%	168,194,137		5	0.66%
Georgia Pacific Company	Pulp and Paper Manufacturing	97,673,647		4	0.50%					97,202,770			0.47%	104,165,251		8	0.44%	105,231,889		8	0.44%
CSC Associates	Commercial Real Estate	87,321,645		6	0.44%	77,663,640		10	0.38%	107,004,930		10	0.52%								
SunTrust Plaza Association	Commercial Real Estate	81,513,618		9	0.41%	92,889,700		5	0.46%	92,735,881		5	0.45%	115,924,129		7	0.49%	119,200,000		7	0.49%
One Ninety One Peachtree Association	Commercial Real Estate	82,035,928		8	0.42%					84,919,630			0.41%								
Sumito Life Realty, Inc.	Commercial Real Estate					82,034,230		7	0.004			7	0.00%								
Atlanta Center LTD	Commercial Real Estate									83,443,109			0.40%								
Peachtree TSG Associates LLC	Commercial Real Estate	93,540,108		5	0.48%	80,353,590		9	0.40%	-		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					86,232,080		6	0.0042			6	0.00%								
GA Promenade LLC	Residential Real Estate													84,941,760		9	0.36%				0.36%
Development Authority of Fulton	Government													181,620,042		3	0.78%	333,432,299		1	0.78%
BF ATL, LLC	Commercial Real Estate													135,349,359		6	0.59%	158,985,279		6	0.59%
Hines One Atlantic Center LP	Commercial Real Estate													83,995,120		10	0.36%	101,252,131		9	0.36%
Kan AM Grund America LP	Commercial Real Estate																	91,507,582		10	
Total		1,014,246,948			5.16%	1,298,316,630			6.39%	1,267,652,300			6.13%	1,475,464,084			6.30%	1,791,447,963			6.30%

Taxpayer	Type of Business	Fiscal Periods																					
		2009				2010				2011				2012				2013					
		Taxable Value	Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Value	Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Value	Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Value	Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Value	Assessed Value	Rank	Percentage of Total City Taxable Assessed Value		
Bell South	Communication Service	197,316,319		3	0.86%	288,336,703		3	1.37%														
Coca-Cola Company	Marketing and Manufacturing	166,718,521		4	0.73%	239,494,269		4	1.13%	160,539,113		3	0.76%	158,398,076		3	0.77%	154,658,325			0.75%		
Georgia Power Company	Utility Service	222,362,604		2	0.97%	355,267,690		2	1.68%	258,789,449		2	1.23%	278,823,406		2	1.36%	287,889,088			1.39%		
Post Apartment Homes	Residential Real Estate	148,085,301		5	0.65%	129,959,779		8	0.62%	128,772,451		5	0.61%	154,833,309		4	0.76%	164,277,960			0.79%		
Georgia Pacific Company	Pulp and Paper Manufacturing	98,028,880		8	0.43%					84,328,320		8	0.40%					78,922,880			0.39%		
SunTrust Plaza Association	Commercial Real Estate	103,661,410		7	0.45%	103,532,500		9	0.49%	96,150,900		6	0.46%	96,136,850		5	0.47%	96,130,950			0.46%		
Development Authority of Fulton	Government	505,772,282		1	2.21%	864,964,916		1	4.10%	652,260,501		1	3.09%	643,688,110		1	3.15%	708,697,642			3.42%		
BF ATL, LLC	Commercial Real Estate	135,349,360		6	0.59%	135,349,360		7	0.64%	135,349,360		4	0.64%	76,031,870		8	0.37%						
Coporate Property Corporation	Commercial Real Estate Investment									87,232,239		9	0.41%	87,837,149		6	0.43%	87,232,240			0.42%		
Hines One Atlantic Center LP	Commercial Real Estate	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																						
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	0.35%	72,222,920			0.35%		
AT&T	Communication Service					233,061,383		5	1.10%									144,069,022			0.70%		
Delta Airlines	Transportation					144,071,482		6	0.68%														
Google, Inc.	Information Technology																				99,021,890	0.48%	
JP Morgan Chase	Financial Institution Consulting																					80,772,360	0.39%
Total		1,755,981,157			7.66%	2,587,317,692			12.25%	1,769,589,263			8.39%	1,719,053,510			8.41%	1,894,972,397			9.15%		

2010 Based on Net Assessed Value of \$ 22,924,256,395
 2011 Based on Net Assessed Value of \$ 21,120,062,847
 2012 Based on Net Assessed Value of \$ 20,451,081,662
 2013 Based on Net Assessed Value of \$ 20,716,616,552

City of Atlanta

2014 Comprehensive Annual Financial Report

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

Fiscal Period Ended	Taxes Levied 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, 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%	8,165	181,195	99.55%
June 30, 2009	198,378	190,475	96.02%	6,615	197,091	99.35%
June 30, 2010	264,371	257,062	97.24%	5,311	262,373	99.24%
June 30, 2011	240,586	234,895	97.63%	3,720	238,615	99.18%
June 30, 2012	222,633	218,472	98.13%	2,676	221,148	99.33%
June 30, 2013	219,177	214,494	97.86%	2,638	217,132	99.07%
June 30, 2014	222,103	218,184	98.24%	-	218,184	98.24%

(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.

City of Atlanta

2014 Comprehensive Annual Financial Report

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

Local Option Sales Tax

	Fiscal Period									
	2005	2006*	2007**	2008	2009	2010	2011	2012	2013	2014
Food	\$ 18,227,462	\$ 21,181,670	\$ 12,524,653	\$ 21,525,653	\$ 20,038,407	\$ 18,811,248	\$ 18,665,973	\$ 19,260,191	\$ 20,170,413	\$ 20,421,886
Apparel	3,657,878	4,043,395	2,503,914	4,191,287	5,594,865	5,619,424	7,607,374	8,735,985	9,191,131	9,916,645
General	9,816,473	10,542,134	6,748,029	10,710,270	10,374,329	118,036,570	11,459,576	11,840,986	12,082,498	12,062,397
Automotive	8,986,665	10,704,116	6,322,706	11,180,684	9,275,605	6,007,107	6,781,055	7,620,570	6,842,220	2,350,901
Home	11,420,684	12,488,531	7,223,408	11,335,795	9,939,476	7,437,672	7,721,742	8,237,476	8,006,529	8,180,418
Lumber	6,590,849	7,436,668	4,228,072	6,228,429	4,235,049	728,285	587,895	587,895	645,845	896,719
Miscellaneous Services	10,575,829	12,396,264	6,765,846	12,651,427	12,773,311	12,220,815	10,259,330	11,682,787	12,799,653	14,187,954
Manufacturers	3,025,195	4,333,126	2,195,509	3,636,616	3,425,878	5,640,201	5,253,551	5,043,131	5,023,612	5,910,241
Utilities	8,016,539	9,234,770	5,247,921	9,691,811	10,274,982	6,472,235	6,556,758	5,653,587	6,423,578	6,283,211
Miscellaneous	8,228,806	8,651,981	6,688,032	11,774,540	9,864,146	17,721,003	18,365,457	20,689,057	19,160,653	19,497,898
Total	\$ 88,546,380	\$ 101,012,655	\$ 60,448,090	\$ 102,926,512	\$ 95,796,047	\$ 198,694,560	\$ 93,258,711	\$ 99,351,665	\$ 100,346,132	\$ 99,708,270
City direct sales tax rate	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Municipal Option Sales Tax (1)

	Fiscal Period									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Food	\$ 20,262,057	\$ 12,415,988	\$ 26,529,627	\$ 27,367,773	\$ 25,487,704	\$ 23,115,908	\$ 24,249,636	\$ 24,474,659	\$ 25,875,374	\$ 27,193,787
Apparel	5,268,202	3,200,528	6,232,358	6,537,725	8,265,601	6,819,859	7,411,259	7,844,861	8,659,305	9,081,924
General	9,817,354	5,876,141	10,818,855	10,801,409	10,829,434	13,496,332	14,539,307	15,198,078	15,821,702	16,527,598
Automotive	2,951,697	3,770,532	4,125,484	5,190,562	5,489,521	929,297	1,021,811	1,006,061	1,088,903	862,640
Home	13,940,445	1,686,685	16,480,009	15,614,925	13,952,527	8,302,473	10,528,843	11,254,508	10,342,273	10,625,539
Lumber	6,870,413	8,952,687	8,107,471	7,926,075	5,591,719	991,117	858,527	811,933	937,818	1,257,158
Miscellaneous Services	13,772,985	3,472,644	17,745,384	19,228,289	19,360,539	15,006,917	14,608,176	12,914,807	17,624,898	17,454,787
Manufacturers	2,827,119	8,352,696	3,680,987	4,804,876	4,399,557	6,763,647	7,374,252	6,797,657	6,283,568	7,090,205
Utilities	9,725,057	1,730,697	11,045,370	11,307,471	12,691,282	7,177,663	8,488,688	12,243,140	7,232,826	7,386,966
Miscellaneous	11,969,607	5,573,612	15,347,660	16,126,286	15,976,758	25,295,149	24,720,146	26,593,552	25,199,982	26,787,112
Total	\$ 97,404,936	\$ 55,032,210	\$ 120,113,205	\$ 124,905,391	\$ 122,044,642	\$ 107,898,362	\$ 113,800,645	\$ 119,139,256	\$ 119,066,649	\$ 124,267,716
City direct sales tax rate	1.00%	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

City of Atlanta

2014 Comprehensive Annual Financial Report

Schedule 11

City of Atlanta, Georgia

Direct and Overlapping Sales Tax Rates (unaudited)

Last Ten Fiscal Periods

<u>Fiscal Year</u>	<u>City Direct Rate</u>	<u>Fulton County</u>
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%
2014	1.00%	7.00%

Source: Sales Tax Rates, Georgia Department of Revenue

City of Atlanta

2014 Comprehensive Annual Financial Report

Schedule 12

City of Atlanta, Georgia

Principal Sales Tax Remitters (unaudited)

Last Nine Fiscal Periods

Tax Remitters	2006		2007		2008		2009		2010	
	Tax Liability	Percentage of Total	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%	\$ 23,115,908	21.42%
Apparel	3,200,528	5.82%	\$ 24,474,659	5.19%	6,537,725	5.23%	8,265,601	6.77%	6,819,859	6.32%
General	5,876,141	10.68%	7,844,861	9.01%	10,801,409	8.65%	10,829,434	8.88%	13,496,332	12.51%
Automotive	3,770,532	6.85%	15,198,078	3.43%	5,190,562	4.16%	5,489,521	4.50%	929,297	0.86%
Home	1,686,685	3.06%	1,006,061	13.72%	15,614,925	12.50%	13,952,527	11.44%	8,302,473	7.69%
Lumber	8,952,687	16.27%	11,254,508	6.75%	7,926,075	6.35%	5,591,719	4.58%	991,117	0.92%
Miscellaneous Services	3,472,644	6.31%	811,933	14.77%	19,228,289	15.39%	19,360,539	15.87%	15,006,917	13.91%
Manufacturers	8,352,696	15.18%	12,914,807	3.06%	4,804,876	3.85%	4,399,557	3.61%	6,763,647	6.27%
Utilities	1,730,697	3.14%	6,797,657	9.20%	11,307,471	9.05%	12,691,282	10.40%	7,177,663	6.65%
Miscellaneous	5,573,612	10.13%	12,243,140	12.78%	16,126,286	12.91%	15,941,494	13.07%	25,295,149	23.44%
Total	\$ 55,032,209	100%	\$ 119,075,331	100%	\$ 124,905,391	100%	\$ 122,009,378	100%	\$ 107,898,362	100%

Tax Remitters	2011		2012		2013		2014	
	Tax Liability	Percentage of Total						
Food	\$ 24,249,636	21.31%	\$ 24,474,659	20.54%	\$ 25,875,374	21.73%	\$ 27,193,787	21.88%
Apparel	7,411,259	6.51%	7,844,861	6.58%	8,659,305	7.27%	9,081,924	7.31%
General	14,539,307	12.78%	15,198,078	12.76%	15,821,702	13.29%	16,527,598	13.30%
Automotive	1,021,811	0.90%	1,006,061	0.84%	1,088,903	0.91%	862,640	0.69%
Home	10,528,843	9.25%	11,254,508	9.45%	10,342,273	8.69%	10,625,539	8.55%
Lumber	858,527	0.75%	811,933	0.68%	937,818	0.79%	1,257,158	1.01%
Miscellaneous Services	14,608,176	12.84%	12,914,807	10.84%	17,624,898	14.80%	17,454,787	14.05%
Manufacturers	7,374,252	6.48%	6,797,657	5.71%	6,283,568	5.28%	7,090,205	5.71%
Utilities	8,488,688	7.46%	12,243,140	10.28%	7,232,826	6.07%	7,386,966	5.94%
Miscellaneous	24,720,146	21.72%	26,593,552	22.32%	25,199,982	21.16%	26,787,112	21.56%
Total	\$ 113,800,645	100%	\$ 119,139,256	100%	\$ 119,066,649	100.00%	\$ 124,267,716	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 Atlanta

City of Atlanta

2014 Comprehensive Annual Financial Report

Schedule 13
 City of Atlanta, Georgia
 Ratio of Outstanding Debt by Type (unaudited)
 Last Ten Fiscal Periods
 (Dollars in thousands, except per capita)

Fiscal Period Ended	Governmental Activities											Total Governmental Activities	% - Personal Income (a)	Per Capita (a)
	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			
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	4.73%	2,282
June 30, 2014	205,176	14,005	519,521	1,175	57,129	-	32,444	-	29,780	133,358	7,683	1,000,271	4.51%	2,234

Fiscal Period Ended	Business-Type Activities											Total Business-Type Activities	Total Primary Government	% - Personal Income (a)	Per Capita (a)
	Department of Aviation		Department of Watershed Management				Nonmajor Proprietary								
	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					
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	7,489,048	34.96%	16,876	
June 30, 2014	2,923,325	178,917	3,006,165	37,783	172,445	3,930	-	-	19,660	15,445	6,357,670	7,357,941	33.17%	16,430	

* 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.

City of Atlanta

2014 Comprehensive Annual Financial Report

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, 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	0	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
June 30, 2014	205,176	14,005	519,521	133,358	1,175	57,129	930,364	4.29%	2,077

* Net of any discount or premium.

City of Atlanta

2014 Comprehensive Annual Financial Report

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			
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
2014	569,819	76.70%	437,063

(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.

City of Atlanta

2014 Comprehensive Annual Financial Report

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

	Fiscal Period									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Debt limit	\$ 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	2,166,763,057
Total net debt applicable to limit	<u>239,360,000</u>	<u>302,654,250</u>	<u>673,185,000</u>	<u>699,290,000</u>	<u>795,340,000</u>	<u>260,490,000</u>	<u>244,965,000</u>	<u>230,680,000</u>	<u>215,320,000</u>	<u>199,215,000</u>
Legal debt margin	\$ <u>2,109,767,724</u>	\$ <u>2,355,123,592</u>	\$ <u>1,790,859,067</u>	\$ <u>2,244,545,276</u>	\$ <u>1,934,675,271</u>	\$ <u>2,365,590,388</u>	\$ <u>2,189,219,113</u>	<u>2,123,518,460</u>	\$ <u>1,986,283,385</u>	<u>1,967,548,057</u>
Total net det applicable to the limit as a percentage of debt limit	10.19%	11.39%	27.32%	23.75%	29.13%	9.92%	10.06%	9.80%	9.78%	9.19%

City of Atlanta

2014 Comprehensive Annual Financial Report

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

Period (4)	Operating Revenue (1)	Current Operating Expenses(2)	Net Revenue available for Debt Service	Debt Service Requirements (5)				
				Principal	Interest(3)	Net Swap Payments & Liquidity Fees (6)	Total	% Coverage(7)
2005	305,484	148,728	156,756	33,935	64,167	5,470	103,572	1.51
2006	152,601	74,353	78,248	26,253	23,727	334	50,314	1.56
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	165,995	238,729	42,502	67,392	19,187	129,081	1.85
2010	414,898	184,275	230,623	53,061	70,104	3,670	126,835	1.82
2011	416,748	169,799	246,949	38,395	52,665	4,293	95,353	2.59
2012	407,094	186,808	220,286	55,310	57,206	4,549	117,065	1.88
2013	497,165	211,196	285,969	66,215	86,268	4,754	157,237	1.82
2014	509,891	224,276	285,615	73,465	85,470	-	158,935	1.80

- (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 Ordinance (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.

City of Atlanta

2014 Comprehensive Annual Financial Report

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

<u>Period(1)</u>	<u>Operating Revenue</u>	<u>Current Operating Expenses(3)</u>	<u>Net Revenue available for Debt Service</u>	<u>Debt Service Requirements</u>			
				<u>Principal</u>	<u>Interest</u>	<u>Total(4)</u>	<u>Coverage Ratio</u>
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	511,667	206,186	305,481	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	192,177	404,503	46,085	180,893	226,978	1.78
2013	576,474 (2)	205,520	370,954	48,425	178,763	227,188	1.63
2014	575,656	210,265	365,391	51,370	158,893	210,263	1.74

- (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.

City of Atlanta

2014 Comprehensive Annual Financial Report

Schedule 18

City of Atlanta, Georgia

Demographic and Economic Statistics (unaudited)

Last Ten Fiscal Periods

Fiscal Year Ended	Population	Personal Income (millions of dollars)	Per Capita Personal income	Median Age	Educational Attainment	School Enrollment	Unemployment Rate
2004	442,100	167,157	35,874	34.7	82.9	50,188	5.3%
2005	451,600	179,175	37,556	34.7	82.9	49,924	4.7%
2006	451,600	193,258	39,186	34.7	82.9	49,707	5.0%
2007	461,956	203,924	40,251	32.0	87.0	51,377	6.2%
2008	477,300	206,232	39,889	35.0	83.4	48,093	9.7%
2009	480,700	210,501	40,715	35.0	87.3	48,696	10.1%
2010	420,003	203,023	38,739	34.0	85.5	49,874	9.8%
2011	432,427	203,351	38,334	32.9	86.8	49,474	8.8%
2012	443,775	214,235	39,860	33.0	87.3	48,831	7.9%
2013	447,841 ¹	221,843 ²	40,647 ³	33.2 ⁴	87.4 ⁵	49,384 ⁶	7.2% ⁷

1-U.S. Census Bureau, QuickFacts population estimate 2013.

2-U.S. Department of Commerce, Bureau of Economic Analysis - data reported annually, available through 2012 for Atlanta MSA. This figure is inclusive of Atlanta-Sandy Springs-Roswell.

3-U.S. Department of Commerce, Bureau of Economic Analysis - data reported annually, available through 2012 for Atlanta MSA. This figure is inclusive of Atlanta-Sandy Springs-Roswell.

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.

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 institutions, college dormitories, & other group quarters.

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 2014 is July 2013 through June 2014. This figure is inclusive of Atlanta-Sandy Springs-Roswell.

City of Atlanta

2014 Comprehensive Annual Financial Report

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

		2004				2005	
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	3,864	1.97%	International Business Machine Corp.	Technology Services	3,697	1.81%
Georgia-Pacific Corporation	Pulp and Paper Manufacturing	3,358	1.71%	The Coca-Cola Company	Marketing and Manufacturing	3,096	1.52%
The Coca-Cola Company	Marketing and Manufacturing	3,062	1.56%	Accenture LLP	Consulting	3,000	1.47%
Cable News Network, Inc.		1,953	0.99%	Georgia-Pacific Corporation	Pulp and Paper Manufacturing	2,434	1.19%
Atlanta Journal and Constitution	Media	1,407	0.72%	Cable News Network, Inc.	Media	1,922	0.94%
Tenet Healthsystem, Inc.	Healthcare	1,377	0.70%	Allied Barton Security Services	Security Services	1,896	0.93%
Turner Entertainment Networks	Entertainment	1,067	0.54%	Tenet Healthsystem, Inc.	Healthcare	1,410	0.69%
Turner Broadcasting System, Inc.		974	0.50%	Turner Broadcasting System, Inc.	Media/Entertainment	1,351	0.66%
Atlanta Spirit, Inc.	Sports	797	0.41%	Turner Entertainment Networks	Entertainment	1,118	0.55%
Air Serv Corp.	Transportation	767	0.39%	Atlanta Journal and Constitution	Media	1,017	0.50%
Total		18,626	9.49%	Total		20,941	10.26%
		2006				2007	
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	4,225	2.00%	The Coca-Cola Company	Marketing and Manufacturing	3,029	1.65%
The Coca-Cola Company	Marketing and Manufacturing	3,178	1.51%	Allied Barton Security Services	Security Services	2,395	1.30%
Allied Barton Security Services	Security Services	2,148	1.02%	Accenture LLP	Consulting	2,100	1.14%
Cable News Network, Inc.	Media	1,924	0.91%	Cable News Network, Inc.	Media	1,809	0.98%
Air Serv Corp.	Transportation	1,721	0.82%	Turner Broadcasting System, Inc.	Media/Entertainment	1,710	0.93%
Accenture LLP	Consulting	1,700	0.81%	Air Serv Corp.	Transportation	1,391	0.76%
Turner Broadcasting System, Inc.	Media/Entertainment	1,528	0.72%	Turner Entertainment Networks	Entertainment	1,290	0.70%
Tenet Healthsystem, Inc.	Healthcare	1,408	0.67%	Tenet Healthsystem, Inc.	Healthcare	1,279	0.69%
Turner Entertainment Networks	Entertainment	1,054	0.50%	Georgia-Pacific Corporation	Pulp and Paper Manufacturing	1,106	0.60%
Atlanta Journal and Constitution	Media	1,036	0.49%	Earthlink, Inc.	Internet	1,106	0.60%
Total		19,922	9.45%	Total		17,215	9.35%
		2008				2009	
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	3,827	1.95%	Allied Barton Security Services	Security Services	4,058	2.11%
Allied Barton Security Services	Security Services	3,702	1.88%	International Business Machine Corp.	Technology Services	3,739	1.94%
The Coca-Cola Company	Marketing and Manufacturing	3,009	1.53%	The Coca-Cola Company	Marketing and Manufacturing	3,020	1.57%
Accenture LLP	Consulting	1,900	0.97%	Accenture LLP	Consulting	2,100	1.09%
Cable News network	Media	1,871	0.95%	Turner Broadcasting System, Inc.	Media/Entertainment	1,868	0.97%
Turner Broadcasting System, Inc.	Media/Entertainment	1,781	0.91%	Cable News network	Media	1,792	0.93%
Tenet Health System, Inc.	Healthcare	1,251	0.64%	Air Service Corp	Transportation	1,386	0.72%
Georgia-Pacific Corporation	Pulp and Paper Manufacturing	1,099	0.56%	AT & T Services Inc.	Telecommunication	1,172	0.61%
Air Service Corp	Transportation	1,060	0.54%	Tenet Health System, Inc.	Healthcare	1,164	0.60%
Atlanta Journal and Constitution	Media	1,008	0.51%	Georgia-Pacific Corporation	Pulp and Paper Manufacturing	1,139	0.59%
Total		20,508	10.44%	Total		21,438	11.13%
		2010				2011	
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	4,205	2.24%	Delta Air Lines, Inc.	Transportation	3,678	1.87%
International Business Machine Corp.	Technology Services	3,769	2.01%	The Coca-Cola Company	Marketing and Manufacturing	3,670	1.87%
The Coca-Cola Company	Marketing and Manufacturing	3,608	1.92%	International Business Machine Corp.	Technology Services	3,561	1.81%
Turner Broadcasting System, Inc.	Media/Entertainment	2,000	1.07%	Turner Broadcasting System, Inc.	Media/Entertainment	2,090	1.06%
Cable News network	Media	1,889	1.01%	Cable News network	Media	1,884	0.96%
Air Service Corp	Transportation	1,665	0.89%	AT & T Services Inc.	Telecommunication	1,845	0.94%
Accenture LLP	Consulting	1,555	0.83%	Air Service Corp	Transportation	1,733	0.88%
AT & T Services Inc.	Telecommunication	1,247	0.67%	Accenture LLP	Consulting	1,725	0.88%
Georgia-Pacific Corporation	Pulp and Paper Manufacturing	1,170	0.62%	Allied Barton Security Services	Security Services	1,465	0.74%
Tenet Health System, Inc.	Healthcare	1,164	0.62%	Tenet Health System, Inc.	Healthcare	1,166	0.59%
Total		22,272	11.88%	Total		22,817	11.60%
		2012				2013	
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	3,815	1.98%	Delta Air Lines, Inc.	Transportation	4,357	2.20%
The Coca-Cola Company	Marketing and Manufacturing	3,469	1.80%	The Coca-Cola Company	Marketing and Manufacturing	3,498	1.77%
International Business Machine Corp.	Technology Services	4,228	2.20%	Accenture LLP	Consulting	2,200	1.11%
Turner Broadcasting System, Inc.	Media/Entertainment	2,163	1.12%	AT & T Services Inc.	Telecommunication	2,179	1.10%
Cable News network	Media	1,873	0.97%	Turner Broadcasting System, Inc.	Media/Entertainment	2,057	1.04%
AT & T Services Inc.	Telecommunication	1,845	0.96%	Cable News network	Media	1,823	0.92%
Air Service Corp	Transportation	1,733	0.90%	Air Service Corp	Transportation	1,733	0.88%
Accenture LLP	Consulting	1,791	0.93%	Allied Barton Security Services	Security Services	1,467	0.74%
Allied Barton Security Services	Security Services	1,448	0.75%	Tenet Health System, Inc.	Healthcare	1,359	0.69%
Tenet Health System, Inc.	Healthcare	1,140	0.59%	Deloitte Consulting LLP	Consulting	1,195	0.60%
Total		23,505	12.20%	Total		21,868	11.05%

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

Note: 2013 date not available

City of Atlanta

2014 Comprehensive Annual Financial Report

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

	Fiscal Period									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Government										
Mayors Office	4	4	4	3	3	3	4	5	5	5
City Council	49	49	46	42	39	39	40	46	46	47
Finance	200	239	233	210	183	174	159	153	159	161
Planning	322	354	388	295	227	181	167	193	153	164
Procurement	50	56	56	50	40	39	34	34	40	46
Human Resources	53	73	74	73	62	56	56	57	148	143
Police										
Officers	1,585	1,647	1,780	1,836	1,786	1,751	1,772	1,959	2,001	1,973
Civilian	473	483	527	543	434	445	452	475	490	444
Fire										
Officers	976	1,005	1,054	1,070	939	938	975	985	1,060	1,060
Civilian	65	67	83	49	38	46	46	49	49	49
Corrections										
Officers	551	615	620	560	473	313	313	309	313	313
Public Works										
Streets	358	358	416	399	468	397	396	390	383	371
Refuse Collection	418	418	453	452	385	337	336	348	346	346
Parks, Recreation and Cultural Affairs	346	405	405	441	377	304	352	358	362	347
Water/Wastewater	1,133	1,351	1,547	1,964	1,816	1,680	1,545	1,535	1,475	1,515
Aviation	593	606	633	690	707	705	575	594	583	600
Total full-time equivalent employees	7,176	7,730	8,319	8,677	7,977	7,408	7,222	7,490	7,613	7,584

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

City of Atlanta

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

Function/Program	Fiscal Period									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Police										
Arrests	38,609	39,954	59,374	142,361	42,670	38,628	37,276	38,773	46,974	44,428
Parking violations	39,619	37,339	42,668	79,546	52,577	56,692	17,599	17,105	13,613	14,818
Traffic violations	115,573	102,878	113,925	102,264	107,050	125,011	138,244	167,848	168,699	167,421
Fire										
Emergency responses	58,334	41,886	24,847	54,756	57,292	53,089	58,943	67,420	83,662	91,379
Fires extinguished	2,247	1,620	1,235	2,263	2,096	1,994	2,252	1,892	1,756	1,701
Inspections	9,996	9,317	7,261	7,200	6,439	10,777	9,987	1,155	12,112	17,843
Refuse collection										
Refuse collected (tons per day)	NA	NA	NA	198,954	113,204	115,142	111,312	99,236	457	467 *
Other public works										
Miles of streets resurfaced	81	64	78	-	33	13	17	5	21	12
Potholes repaired	3,710	1,158	1,944	1,953	1,152	5,892	6,367	3,255	1,784	5,006 **
Parks and recreation										
Athletic field permits issued	46	59	59	185	172	165	180	109	249	326
Community center admissions	58,000	59,000	64,900	N/A	97,264	474,945	522,440	478,535	758,000	600,000
Water										
New connections	25,989	27,288	15,716	2,057	1,084	1,100	947	820	1,104	1,041
Water main breaks	224	154	241	329	475	495	431	401	432	50
Average daily consumption (thousands of gallons)	106,600,000	107,600,000	113,875,000	101,655,000	93,100,000	90,320,000	94,130,000	95,030,000	91,700,000	90,880,000
Peak daily consumption (thousands of gallons)	132,700,000	138,100,000	144,908,000	143,530,000	111,370,000	101,690,000	118,820,000	119,230,000	117,570,000	129,510,000
Wastewater										
Average daily sewage treatment (thousands of gallons)	144,500,000	132,000,000	128,337,000	119,900,000	112,194,000	131,709,000	121,950,000	111,000,000	119,394,000	127,900,000
Aviation										
Number of passengers served	86,583,210	42,546,000	85,037,680	87,700,000	88,648,633	88,430,343	90,852,787	94,393,355	95,155,163	94,778,483

* 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

City of Atlanta

2014 Comprehensive Annual Financial Report

Schedule 22

City of Atlanta, Georgia

Capital Asset Statistics by Function/Program (unaudited)

Last Ten Fiscal Periods

Function/Program	Fiscal Period									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Police										
Stations	10	10	10	10	10	9	10	15	14	16
Zone offices	6	6	6	6	6	6	6	6	6	6
Patrol units	355	355	338	336	336	311	376	355	357	337
Fire stations	35	35	36	37	36	36	35	35	35	35
Refuse collection										
Collection trucks	66	83	83	73	66	66	78	84	85	95
Parks and recreation										
Acreage	3,533	3,533	3,682	3,748	3,755	3,781	3,818	3,904	3,922	4,395
Playgrounds	101	101	101	105	106	107	109	109	109	111
Baseball/softball diamonds	82	82	82	82	82	82	84	85	86	86
Soccer/football fields	5	5	5	21	26	26	26	31	32	32
Community centers	49	49	49	41	42	42	42	42	42	42
Water										
Water mains (miles)	2,424	2,424	2,424	2,766	2,766	2,766	2,766	2,766	2,766	2,766
Storage capacity (thousands of gallons)	247	247	247	247	246	246	246	246	246	247
Wastewater										
Sanitary sewers (miles)	2,000	2,000	2,000	2,259	2,259	2,259	2,259	2,259	2,259	2,259
Treatment capacity (thousands of gallons)	154MGD	170MGD	181.7MGD	181.7MGD	181.7MGD	181.7MGD	181.7MGD	155.3MGD	181.7MGD	188.0MGD
Aviation										
Number of Runways	4	5	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