

City of Atlanta, Georgia



Comprehensive Annual Financial Report

KASIM REED
MAYOR



FOR THE YEAR ENDED JUNE 30, 2010



THE CITY OF ATLANTA, GEORGIA
COMPREHENSIVE ANNUAL
FINANCIAL REPORT

For the Year Ended June 30, 2010

Kasim Reed
Mayor

Joya C. De Foor
Chief Financial Officer

CITY OF ATLANTA, GEORGIA
Comprehensive Annual Financial Report
For the Year Ended June 30, 2010

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Introductory Section

Atlanta



CITY OF ATLANTA

KASIM REED
MAYOR

55 TRINITY AVENUE, S.W.
ATLANTA, GEORGIA 30303-0300
TEL (404) 330-6100

December 31, 2010

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

Ladies and Gentlemen:

We are pleased to present the Comprehensive Annual Financial Report (“CAFR”) of the City of Atlanta, Georgia (the “City”) for the fiscal year ended June 30, 2010. 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 these 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 auditors.

Responsibility for both the accuracy of the data and the completeness and 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 Banks, Finley, White & Co; with additional support provided by Tabb & Tabb. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City for the year ended June 30, 2010, are free of material misstatement. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors rendered an unqualified opinion that the City’s financial statements for the year ended June 30, 2010, 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.

The City’s CAFR for the fiscal year ended June 30, 2010 is presented in three sections:

The **Introductory Section** includes this transmittal letter, the Government Finance Officers Association of the United States and Canada (“GFOA”) Certificate of Achievement, the City’s Organization Chart and the list of Elected and Appointed Officials.

The **Financial Section** is prepared in accordance with GAAP and includes the MD&A, the basic financial statements, including the notes, and the Required Supplementary Information. The basic financial statements, include the government-wide financial statements that present an overview of the City’s overall financial operations and the fund financial statements that present the financial information of each of the City’s major funds, as well as the combining and individual fund statements and schedules. The Independent Auditors’ Report on the basic financial statements is also included in this section.

The **Statistical Section** includes select unaudited financial, economic and demographic data depicting historical information on the City, including debt statistics, tax rates and extensions, assessed valuation of property, along with other information that would be of interest to potential bond investors, creditors and other readers.

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 537,958 in the City and 5,376,295 in the Atlanta Metropolitan area, according to the United States Census Bureau (July 1, 2008 estimates). 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 passing 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.

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 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 operates and maintains the world’s busiest airport, financed exclusively with airport-generated income. 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, 2010, 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 (ADA), 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, with the assistance of its designated redevelopment agent, The Atlanta Development Authority (“ADA”), issues limited obligations 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.

ECONOMIC CONDITION AND OUTLOOK

The majority of economists are now reporting the recession is over. The City continues to face the challenges of unemployment which exceeds the national average, as well as a slow economic recovery, in no small measure due to the depressed housing market. However, 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. The vitality of these industries – combined with an increased interest in living in urban centers – has generated substantial population growth in the City. By all accounts the City of Atlanta has achieved its goal of becoming a “global city.”

As the nation and the State of Georgia emerge from one of the worst recessions in decades, the City continues to maintain a conservative fiscal posture due to a slow economic recovery. Unemployment and consumer spending are expected to continue to challenge any meaningful economic growth over the short-term. The fiscal year 2011 economic outlook is consistent with, although slightly more optimistic than FY 2009-2010.

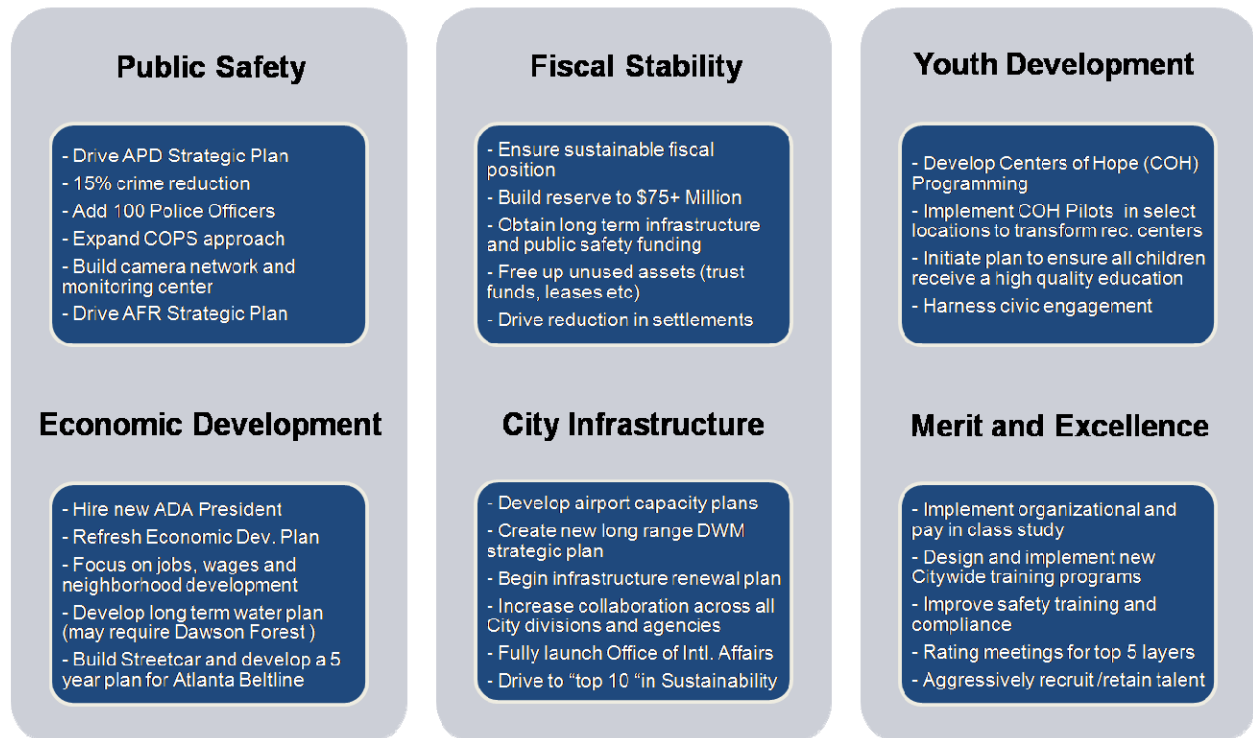
The City is closely monitoring its economically sensitive revenue sources which include building permits, sales taxes, as well as its commercial tax base.

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MAJOR INITIATIVES

The City's FY2011-2012 major initiatives continue from FY2010-2011. They include:

Priorities 2011 – 2012



RISK MANAGEMENT

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.

FIDUCIARY FUNDS

The General Employee, Police and Fire pension plans (the "**Pension Plans**") are defined benefit plans. The General Employee defined benefit plan is a multiple-employer plan whereas the other two defined benefit plans are single employer pension plans. For the City's defined benefit plans, contributions are made to ensure that the City meets its actuarial determined requirement for benefit costs each year. Additionally, the City has a defined contribution pension plan for those employees not eligible for the defined benefit plans. Related to the City's pension plan benefits, but not part of its fiduciary funds, the City has adopted GASB Statement No. 43, Financial Reporting for Postemployment Benefit Plans Other

than Pensions, is included in the actuarial liability and related GASB Statement No. 43 disclosure. An actuarial **valuation** is performed annually by pension actuaries using the State of Georgia statutes which provide that the Entry Age Normal **Cost** Method must be used as the actuarial funding method to compute the actuarial liability for retirement benefits and the necessary contribution requirements for the Pension Fund. As the City continues to fund the pensions, it becomes more difficult to maintain funding as the market value of the pension assets decline.

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, 2009. This was the 25th consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

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

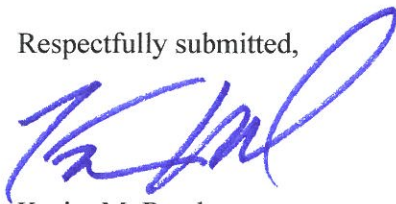
OTHER INFORMATION

Acknowledgements

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



Joya C. De Foor, CGFM, CTP
Chief Financial Officer

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, 2009

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



President

Executive Director

City of Atlanta Officials

Executive



Mayor..... Kasim Reed

Legislative

President of Council Ceasar C. Mitchell

Members of Council:

District 1	Carla Smith	District 7	Howard Shook
District 2	Kwanza Hall	District 8	Yolanda Adrean
District 3	Ivory Lee Young, Jr.	District 9	Felicia Moore
District 4	Cleta Winslow	District 10	C.T. Martin
District 5	Natalyn Mosby Archibong	District 11	Keisha Bottoms
District 6	Alex Wan	District 12	Joyce Sheperd

Members of Council-At-Large:

- Post 1 Michael Julian Bond
- Post 2 Aaron Watson
- Post 3 H. Lamar Willis

Administrative

Chief Operating Officer

Peter T. Aman

Chief of Staff

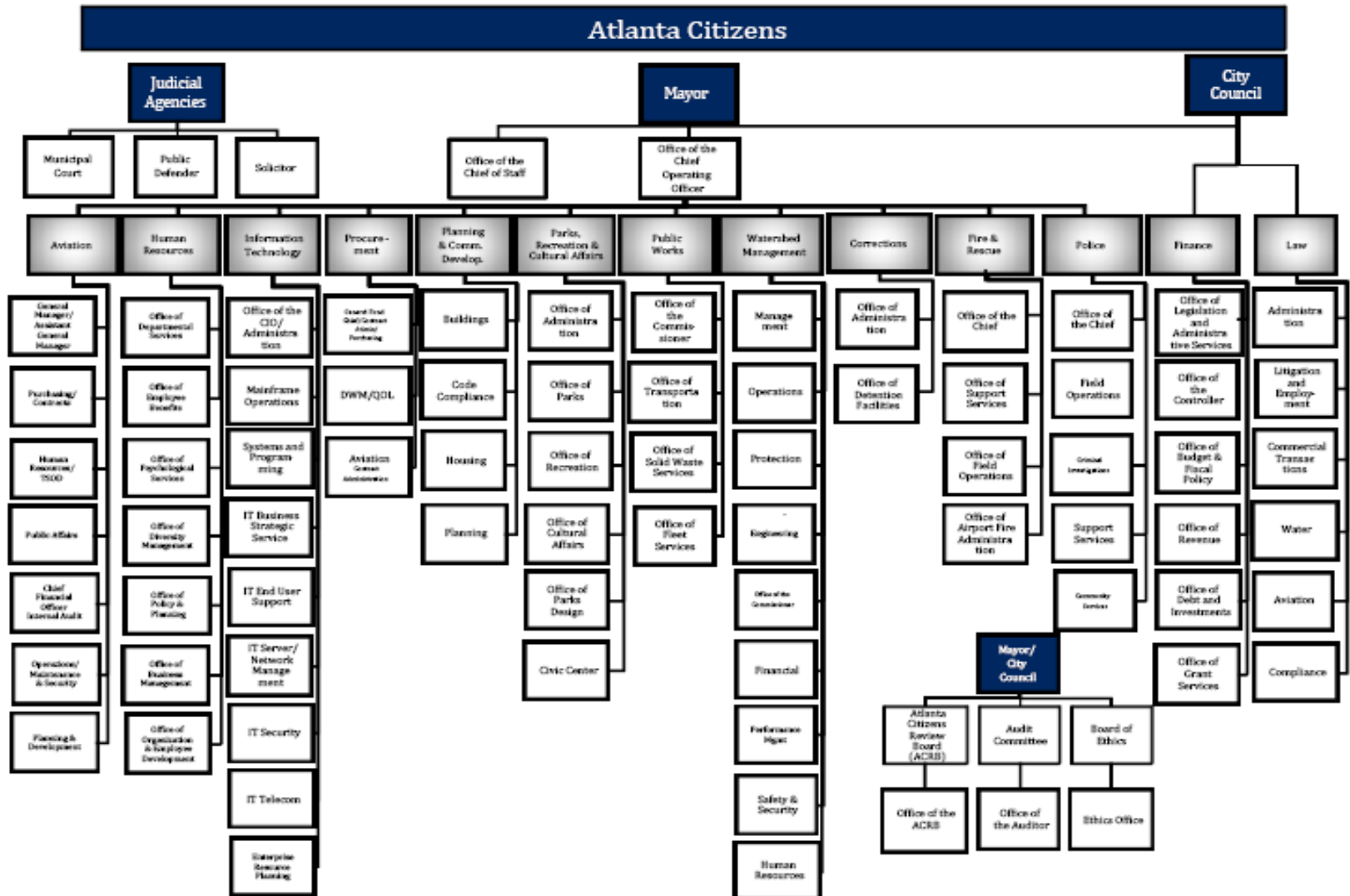
Candace L. Byrd

Chief Financial Officer

Joya C. De Foor

Director City Council Staff	Robert Barger
Commissioner of Parks Recreation & Cultural Affairs	George Dusenbury
Aviation General Manager	Louis E. Miller
City Attorney	Cathy Hampton
Chief Judge, Municipal Court	Crystal Gaines
Commissioner of Watershed Management, Interim.....	Dexter White
Municipal Clerk	Rhonda D. Johnson
Chief Information Officer	Dan Smith
Ethics Officer	Virgina Looney
Chief of Police	George N. Turner
Chief of Corrections, Interim	Patrick Labat
Commissioner of Human Resources	Sherri Dickerson
Fire Chief	Kelvin J. Cochran
Commissioner of Public Works	Richard Mendoza
Commissioner of Planning and Community Development	James E. Shelby
Chief Procurement Officer	Adam Smith
City Internal Auditor	Leslie Ward
Citizens Review Board, Executive Director	Cristina Beamud

City of Atlanta, Georgia 2010 Organizational Chart





Financial Section

Atlanta

Independent Auditors' Report

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

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 funds information of the City of Atlanta, Georgia (the "City"), as of and for the year ended June 30, 2010, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. 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, the Atlanta Development Authority and the Atlanta Housing Opportunity, Inc. representing all of the City's discretely presented component units, which collectively represent total assets of approximately 4.1% as of June 30, 2010 and total revenues of approximately 4.6% for the year then ended. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, in so far as it relates to the amounts included for those entities and funds, is based solely 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as, evaluating the overall financial statement presentation. We believe that our audit and the report of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report 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, 2010, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison of the General Fund and the Municipal Option Sales Tax Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Governmental Auditing Standards* our report on consideration of the City's internal control over financial reporting and on our test of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and does not provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* and should be considered in assessing the results of our audit.



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

The Management's Discussion and Analysis and Schedule of Funding Progress on pages 3 through 17 and 103, respectively, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures to this information, which consists principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and we express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, budgetary comparison schedules and the statistical section, all as listed in the accompanying table of contents, are presented for purpose of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and budgetary comparison schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedure applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Banks, Finley, White & Co.
December 30, 2010.

Management's Discussion and Analysis

As management of the City of Atlanta (the "City"), Georgia 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, 2010, as a part of the overall Comprehensive Annual Financial Report (CAFR). This overview compares the year ended June 30, 2010 with the year ended June 30, 2009. 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 2010 by \$6.6 billion. This amount represents the City's net assets. Of this amount, \$461.0 million in unrestricted net assets may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net assets increased by \$201.9 million or 3.2% in 2010 when compared to total net assets in 2009. Excluding the impact of a prior period reduction of FY09 net assets of \$57.8 million, the increase would have been 4.1%.
- As of the close of 2010, the City's governmental funds reported combined ending fund balances of \$402.4 million. The unreserved General Fund balance of \$65.8 million is available for spending at the City's discretion, and represents approximately 15.3% of General Fund expenditures. During fiscal year 2011, approximately \$16.3 million of this fund balance will be transferred to the Capital Funds in accordance with the City's Code of Ordinances.
- The City's long-term debt, including capital leases, at June 30, 2010 totaled \$6.8 billion, a net decrease of \$180.6 million from the prior year's balance of \$7.0 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 assets* presents information on all of the City's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

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

Airport), Department of Watershed Management (Water and Wastewater System), Parks and Recreational Facilities, Solid Waste Services, Underground Atlanta 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, Atlanta CoRA Inc., Atlanta Development Authority, and the Atlanta Housing Opportunity, Inc., 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 itself, except for Atlanta CoRA, Inc., whose statements are blended with the primary government. Other blended component units of the City include Urban Design Commission, Atlanta Public Safety and Judicial Facilities Authority and Solid Waste Management Authority. Certain organizations are not included within the scope of this report since they were established by the Constitution of the State of Georgia or state laws and are administered by separate boards that act independently of the City. Included in this category are the Atlanta Independent School System and the Atlanta Housing Authority.

The government-wide financial statements can be found following this section of the report.

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

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

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

The City utilizes four generic fund types of governmental funds (see section I note C in the notes to the financial statements). The City maintains twenty seven individual funds within the generic fund types. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, capital projects fund and municipal option sales tax fund, which are considered to be major funds. Data from the other twenty four governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

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

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 Hartsfield-Jackson Atlanta International Airport, Water and Wastewater System, Parks and Recreational Facilities, Solid Waste Services, Underground Atlanta, 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 assets and change in net assets 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 government-wide financial statements. The proprietary fund financial statements provide separate information for the Department of Aviation, and the Department of Watershed Management, which are considered to be major funds of the City. Conversely, both internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report.

The proprietary funds financial statements follow the governmental funds statements.

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

The fiduciary funds financial statements follow the proprietary funds statements.

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

Other information. In addition to the basic financial statements, this report also presents certain *required supplementary information* concerning the City's progress in funding its obligation to provide pension benefits to its employees. 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 assets may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$6.6 billion at the close of the year ended June 30, 2010. Table 1 summarizes the major categories of assets, liabilities and net assets for governmental activities, business-type activities, and the government as a whole.

Table 1. City of Atlanta Net Assets, Year Ended June 30 2010 (in thousands)

	Governmental Activities		Business-type Activities		Total	
	As of 30-Jun-10	As of 30-Jun-09	As of 30-Jun-10	As of 30-Jun-09	As of 30-Jun-10	As of 30-Jun-09
Current and other assets	\$ 612,376	\$ 533,428	\$ 3,004,480	\$ 3,312,792	\$ 3,616,856	\$ 3,846,220
Capital assets, net of depreciation	1,052,908	1,139,617	9,749,370	9,196,929	10,802,278	10,336,546
Total assets	1,665,284	1,673,045	12,753,850	12,509,721	14,419,134	14,182,766
Long-term liabilities						
Current	265,075	247,329	536,205	496,129	801,280	743,458
Non-Current	1,185,583	1,220,058	5,831,777	5,820,655	7,017,359	7,040,713
Total liabilities	1,450,657	1,467,387	6,367,982	6,316,784	7,818,639	7,784,171
Net assets						
Invested in capital assets, net of related debt	97,291	146,670	5,092,956	4,760,315	5,190,247	4,906,985
Restricted	377,690	365,101	571,529	645,331	949,219	1,010,432
Unrestricted	(260,354)	(306,113)	721,383	787,291	461,029	481,178
Total net assets	\$ 214,627	\$ 205,658	\$ 6,385,868	\$ 6,192,937	\$ 6,600,495	\$ 6,398,596

As of June 30, 2010, the City is able to report positive balances for the government as a whole, as well as for its governmental activities and business-type activities, respectively.

By far the largest portion of the City's net assets, \$5.2 billion (78.6%), reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debts used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

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 assets, \$949.2 million (14.4%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$461.0 million (7.0%) in unrestricted net assets may be used to meet the government's ongoing obligations to citizens and creditors.

For business-type activities, the City reported a positive balance of \$721.4 million in unrestricted net assets and for governmental activities, the City reported a negative balance of \$260.4 million in unrestricted net assets. However, the City did report a positive balance of \$65.8 million in unreserved General Fund balance at the end of the fiscal year. The unreserved fund balance represents the spendable resources available for governmental activities. The major contributing factors to the difference between unreserved fund balance and unrestricted net assets are changes in accounts receivable, operating losses in the internal service fund operations, charges related to post-employment benefits and expenses related to workers compensation and vacation obligations.

Government-wide

Revenue for the City in fiscal year 2010, which totaled nearly \$1.9 billion, decreased marginally when compared to the year ended June 30, 2009. Property taxes during fiscal year 2010 increased by \$83.8 million mostly due to a \$3.12 millage rate increase in overall property tax assessments in calendar year 2009. This increase was offset by an unfavorable performance in investment income compared to last year of \$80.9 million. Termination fees of approximately \$80.0 million for several SWAP instruments associated with variable-rate debt within Aviation and Watershed Management were the main contributors to this decrease.

Total expenses for the City were \$1.6 billion in fiscal year 2010 compared to \$1.53 billion in fiscal year 2009. Comparing overall costs in 2010 to 2009 for governmental activities, excluding transfers, reflects a reduction of \$24.2 million. With more effective financial forecasting tools, the City was better able to manage overall costs for all departments. This allowed the City's management to realize cost savings due to a combination of vacant positions in several governmental departments and a reduction in the City's annual pension cost, which were main factors in the \$24.2 million cost decrease. Business-type activities incurred expenses in 2010 of \$902.3 million, which is an increase of \$98.9 million over the prior year. Watershed Management was the major contributor to this increase with costs in 2010 exceeding those in 2009 by \$84.8 million. This increase was mainly driven by an increase in interest expense as less of the department's overall bond interest cost was capitalized to projects as these projects were completed and placed in service. Additionally, the City recorded approximately \$29.0 million in extraordinary charges related to costs incurred for flood damage.

The City's net assets increased by \$201.9 million, or 3.2%, during the current period. If not for a correction of prior period items of \$57.8 million this increase would have been \$259.7 million, or 4.1%. The majority of the \$259.7 million increase is attributable to increases in property tax revenue, overall cost containment in governmental activities and charges for services within both governmental and business type activities.

Table 2. City of Atlanta's Changes in Net Assets, Year Ended June 30, 2010 and June 30, 2009 (in thousands)

	Governmental Activities		Business-type Activities		Total	
	Year Ended 30-Jun-10	Year Ended 30-Jun-09	Year Ended 30-Jun-10	Year Ended 30-Jun-09	Year Ended 30-Jun-10	Year Ended 30-Jun-09
Revenues						
Program revenues						
Charges for services	\$ 101,361	\$ 117,383	\$ 838,355	\$ 792,289	\$ 939,716	\$ 909,672
Operating grants and contributions	78,533	42,336	-	-	78,533	42,336
Capital grants and contributions	-	-	201,492	275,033	201,492	275,033
General revenues						
Property taxes	334,445	250,649	-	-	334,445	250,649
Other taxes	350,345	358,394	-	-	350,345	358,394
State formula aid	-	3,407	-	-	-	3,407
Investment Income	3,962	6,834	(37,323)	40,739	(33,361)	47,573
Other	17,947	14,255	-	-	17,947	14,255
Total revenues	886,593	793,258	1,002,524	1,108,061	1,889,116	1,901,319
Expenses:						
General government:	260,414	265,596	-	-	260,414	265,596
Police	187,800	192,161	-	-	187,800	192,161
Fire	79,190	84,454	-	-	79,190	84,454
Corrections	29,301	37,264	-	-	29,301	37,264
Public Works	50,056	56,814	-	-	50,056	56,814
Parks, Recreation and Cultural Affairs	39,976	34,161	-	-	39,976	34,161
Nondepartmental	-	-	-	-	-	-
Interest on long-term debt	51,274	51,784	-	-	51,274	51,784
Water and Wastewater System	-	-	404,630	319,790	404,630	319,790
Department of Aviation	-	-	448,980	423,198	448,980	423,198
Sanitation	-	-	37,298	46,121	37,298	46,121
Other	-	-	11,435	14,323	11,435	14,323
Total Expenses	698,011	722,235	902,343	803,432	1,600,354	1,525,667
Increase (decrease) in net assets before extraordinary, items, special items and transfers	188,582	71,023	100,181	304,629	288,763	375,652
Extraordinary Loss	(2,231)	-	(26,840)	-	(29,070)	-
Special Items	-	-	-	(14,672)	-	(14,672)
Transfers in(out)	(119,590)	(118,523)	119,590	118,523	-	-
Increase (decrease) in net assets	66,761	(47,500)	192,931	408,480	259,693	360,980
Net Assets, Beginning of Period as previously reported	205,658	269,532	6,192,937	5,871,866	6,398,596	6,141,398
Correction of Prior Year Error	(57,792)	(16,373)	-	(87,409)	(57,792)	(103,783)
Net Assets, Beginning of Period as restated	147,866	253,158	6,192,937	5,784,457	6,340,803	6,037,615
Net Assets, End of Period	<u>\$ 214,627</u>	<u>\$ 205,658</u>	<u>\$ 6,385,868</u>	<u>\$ 6,192,937</u>	<u>\$ 6,600,496</u>	<u>\$ 6,398,596</u>

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

Figure 1. Program Revenues Compared to Expenses, Year Ended June 30, 2010 (in thousands)

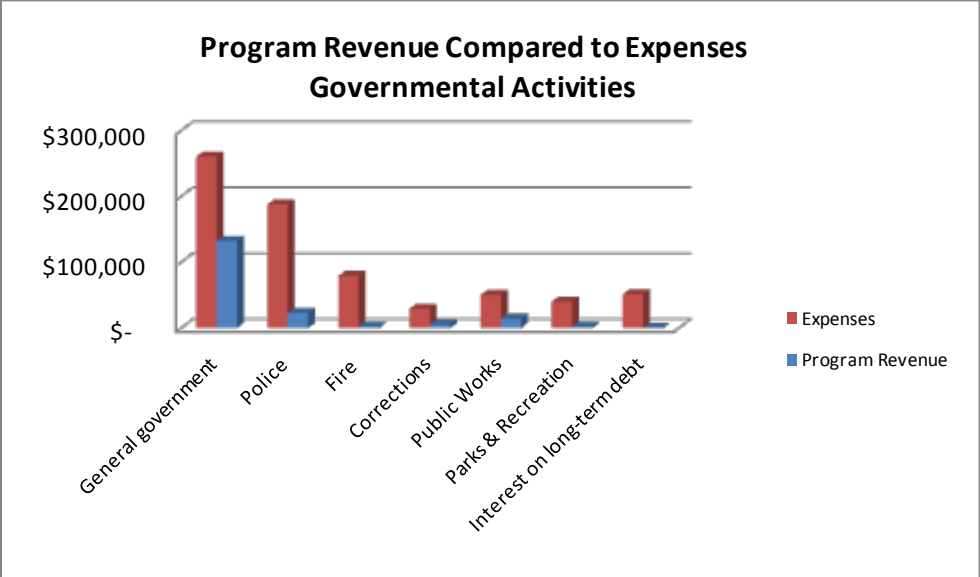
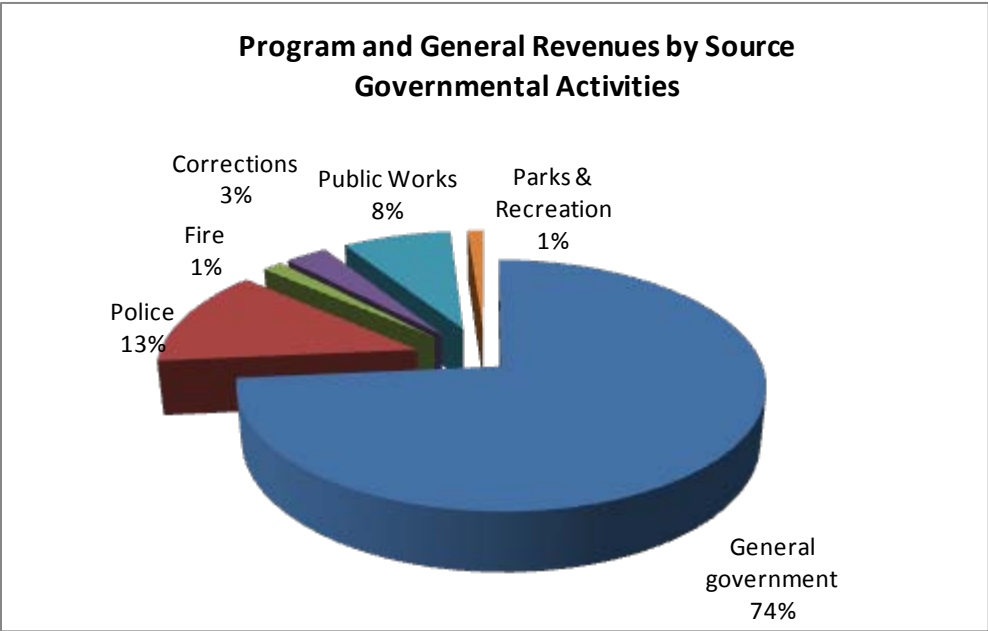


Figure 2. Program Revenues for Governmental Activities, Year Ended June 30, 2010



Business-type activities - The net assets of the City’s business-type activities increased by \$193.0 million, representing growth of 3.1% since June 30, 2009. This growth is attributable to the

Business-type activities - The net assets of the City's business-type activities increased by \$193.0 million, representing growth of 3.1% since June 30, 2009. This growth is attributable to the operations of the City's airport and water and waste water systems. 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, 2010 (in thousands)

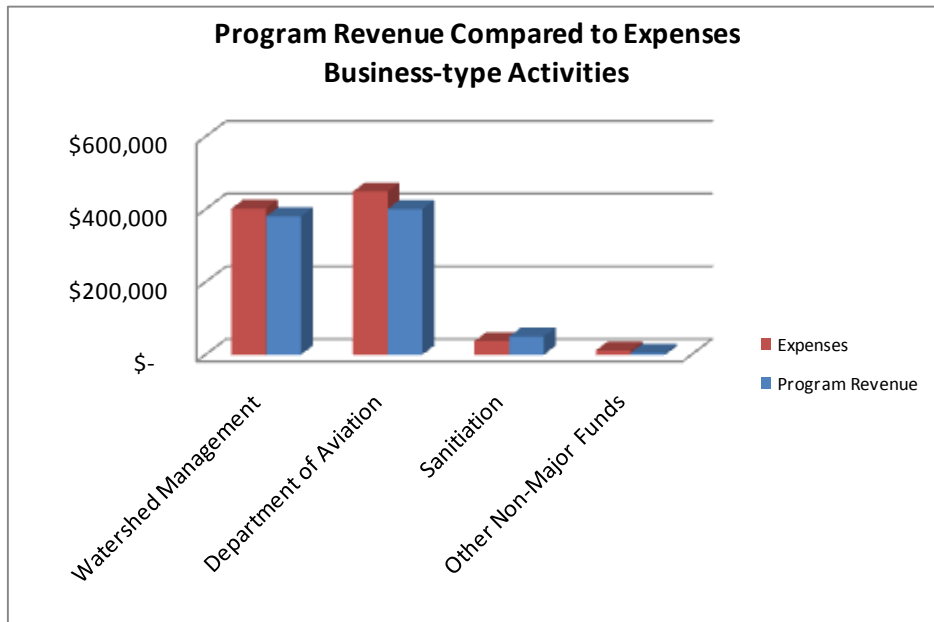
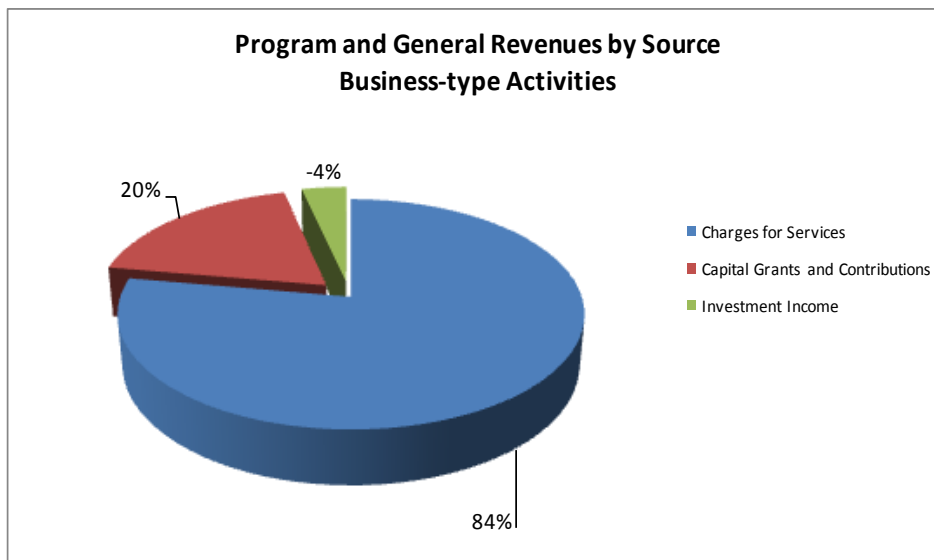


Figure 4. Program Revenues for Business-type Activities, Year Ended June 30, 2010 (in thousands)



Department of Watershed Management (DWM) The DWM's Net Assets for the twelve month period ended June 30, 2010 increased by \$56.8 million or 2.5% as compared to the same period ended June 30, 2009.

Table 3. Department of Watershed Management Revenues and Expenses – Year Ended June 30, 2010 and June 30, 2009 (in thousands)

	Year Ended June 30	
	2010	2009
REVENUES		
Total operating revenues	\$ 380,413	\$ 351,743
Non-operating revenues	12,287	19,165
Transfers, net	110,528	118,568
Total revenues	<u>\$ 503,228</u>	<u>\$ 489,476</u>
EXPENSES		
Total operating expenses	\$ 219,274	\$ 231,897
Depreciation expenses	88,782	76,390
Non-operating expenses	111,541	14,806
Extraordinary Item	26,840	-
Total expenses	<u>\$ 446,436</u>	<u>\$ 323,093</u>
 Change In Net Assets	 <u>\$ 56,791</u>	 <u>\$ 166,383</u>

Total revenues for the year ended June 30, 2010 increased \$13.7 million or 2.8%. Total operating revenues which primarily consist of water and wastewater fees, licenses and permits, and intergovernmental revenue, increased by \$28.7 million or 8.2%. An increase in Water and Sewer Service revenue was due primarily to a rate increase which became effective July 1, 2009.

Total operating expenses for the year ended June 30, 2010 were down \$12.6 million or 5.4%, compared to the year ended June 30, 2009. The combination of operating revenue increases and operating expense reductions resulted in an operating margin increase of \$41.3 million or 34.5%.

Non-operating expenses increased \$96.7 million compared to 2009. With major projects being completed and placed in service, interest expense on outstanding bond debt, which was capitalized to the various projects last year, was recorded as interest expense in fiscal year 2010. The \$26.8 million extraordinary item in 2010 relates to costs incurred to recover from flood damage.

Department of Aviation (DOA) The DOA's Net Assets for the year ended June 30, 2010 increased by \$119.3 million or 3.0%, as compared to the same period ended June 30, 2009.

Table 4. Department of Aviation Revenues and Expenses – Year Ended June 30, 2010 and June 30, 2009 (in thousands)

	Year Ended June 30	
	2010	2009
REVENUES		
Operating revenues	\$ 400,799	\$ 389,535
Investment income	(38,382)	27,254
Other income	205,729	257,456
Total revenues	<u>\$ 568,146</u>	<u>\$ 674,245</u>
EXPENSES		
Operating expenses	\$ 210,169	\$ 178,563
Interest expenses	64,572	81,559
Other non-operating expenses	-	2,116
Depreciation and amortizations	174,124	150,133
Impairment losses	-	14,672
Total expenses	<u>\$ 448,865</u>	<u>\$ 427,043</u>
Change In Net Assets	<u>\$ 119,281</u>	<u>\$ 247,202</u>

Total revenues for the year ended June 30, 2010 were \$568.1 million, down \$106.1 million year over year. Operating revenues are diverse and consist primarily of inside concessions, parking, ground transportation, landing fees, terminal rentals, reimbursed operating expenses, and other revenues. Total operating revenues increased \$11.3 million, or 2.9%, in comparison to fiscal year 2009.

Non-operating revenues consist of investment income and revenues from passenger facility charges (PFC's) and customer facility charges (CFC's). Investment income reflects a decrease from last year of \$65.6 million due to fees paid of approximately \$58 million for two SWAPS the DOA elected to terminate during fiscal year 2010. Additionally federally funded projects were less frequent in fiscal year 2010 resulting in a decrease of grant revenue of approximately \$60.8 million.

Total expenses for the year ended June 30, 2010 were \$448.9 million. Total expenses consist of operating, non-operating, depreciation, amortization, and impairment losses. Operating expenses for the period were \$210.1 million or 46.8% of total expenses, and reflect an increase of \$31.6 million over June 30, 2009. This increase is due to increased operating costs related to the new Rental Car Center, increased planning and development costs for projects, and the impact of significant cost credits received in FY 2009 for indirect cost and litigation accruals. Additionally, depreciation increased over last year as several significant projects and assets were placed in service during the year. Offsetting these increases are reductions in interest expense and the fact we had no impairment loss in fiscal year 2010 compared to the \$14.7 million loss recorded last year.

The restricted portion of the DOA's net assets represents bond reserve funds that are restricted under the bond ordinance, and Passenger Facility Charges (PFCs) restricted by Federal PFC regulations for the purposes authorized including the payment of future indebtedness. Also included are the Customer Facility Charges (CFCs) used to repay the Consolidated Car Rental Facility (CONRAC) bonds and related expenses. Unrestricted net assets may be used to meet any of the DOA's ongoing capital and operating obligations. The balance in unrestricted net assets at June 30, 2010 was \$435.5 million compared to \$389.0 million at June 30, 2009.

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 *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of June 30, 2010, the City's governmental funds reported combined ending fund balances of \$402.4 million, an increase of \$49.5 million or 14.0%. Unreserved fund balance is available for spending at the City's discretion. As of June 30, 2010, the City has an unreserved fund balance of \$18.1 million, of which \$16.3 million is designated for transfer to the Capital Fund in fiscal year 2011. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed to 1) liquidate contracts and purchase orders of the period (\$70.2 million), 2) fund ongoing programs (\$36.6 million), 3) fund ongoing and future projects (\$225.6 million) and 4) pay debt service (\$51.9 million).

The general fund is the chief operating fund of the City. At the end of the current fiscal year, unreserved fund balance of the general fund was \$65.8 million, while total fund balance within the general fund reached \$72.4 million. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures.

The capital fund incurred a net decrease in its fund balance during fiscal year 2010 of \$28.9 million resulting in an overall fund balance for the year of \$14.3 million. In fiscal year 2011 the capital fund will receive a transfer of \$16.3 million from the general fund, in accordance with city ordinances, to offset certain costs absorbed by the capital fund.

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

General Fund Budgetary Highlights

The General Fund is the principal operating fund of the City and is used to account for all activities of the City not otherwise accounted for by a specified fund. It is also the largest of the City's funds, is mostly comprised of general tax revenues, and provides basic city services such as Police, Fire & Rescue, and Parks & Recreation Services.

Total 2010 General Fund revenues on a non-GAAP budgetary basis were \$535.6 million, 2.0% more than the final budgetary revenue anticipations. The modest over-collection is due to the conservative strategy employed by the City in the budget development process, and the collection efforts of the Revenue department.

Total 2010 General Fund expenditures on a non-GAAP budgetary basis were \$460.4 million, 12.5% less than the final budgeted appropriations. A majority of the savings relate to cost containment measures adopted by the City during the last half of the fiscal year. Additionally, the 2010 budget included the General Fund payment of \$14 million in principal to Watershed Management under the two Memorandums of Understanding as debt service; however, their payments are recorded in the balance sheet only and do not impact actual expenses.

Capital Assets and Debt Administration

Capital assets. The City's investment in capital assets (before reductions for debt service) for its governmental and business type activities as of June 30, 2010 totaled \$10.8 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, 2010 was \$523.5 million or 5.1 %.

Major capital asset events during the year ended June 30, 2010 included the following:

- Buildings, improvements and equipment increased by \$1.235 billion due to construction in progress being completed on various projects at the DWM and the DOA.
- Construction in progress decreased by a net \$674 million due mostly to additions to various DWM and DOA projects of \$834 million, offset by the close-out of the above DWM and DOA projects totaling \$1.235 billion.
- Depreciation expense during the fiscal year totaled \$312.1 million

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

Table 5. Capital Assets Schedule Fiscal 2010

	Governmental Activities		Business-type Activities		Total	
	As of 30-Jun-10	As of 30-Jun-09	As of 30-Jun-10	As of 30-Jun-09	As of 30-Jun-10	As of 30-Jun-09
Land	\$ 124,085	\$ 122,447	\$ 981,324	\$ 984,695	\$ 1,105,409	\$ 1,107,142
Land improvements	9,958	14,357	1,542,868	1,557,065	1,552,826	1,571,422
Buildings and building improvements	379,743	378,473	5,750,560	4,518,706	6,130,303	4,897,179
Other property and equipment	94,420	95,525	103,881	100,759	198,301	196,284
Infrastructure	337,845	354,889	-	-	337,845	354,889
Construction in progress	<u>106,857</u>	<u>116,133</u>	<u>1,370,738</u>	<u>2,035,704</u>	<u>1,477,595</u>	<u>2,151,837</u>
Total	<u>\$ 1,052,908</u>	<u>\$ 1,081,824</u>	<u>\$ 9,749,370</u>	<u>\$ 9,196,929</u>	<u>\$ 10,802,278</u>	<u>\$ 10,278,753</u>

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

Long-term debt. The City's long-term debt, including capital leases, decreased by \$197.0 million during the current twelve-month period. The City issued no new debt in fiscal year 2010, so the decrease is a direct result of principal payments on the City's various debt obligations.

Table 6. Long-Term Debt Schedule Fiscal 2010

	Governmental Activities		Business-type Activities		Total	
	As of	As of	As of	As of	As of	As of
	30-Jun-10	30-Jun-09	30-Jun-10	30-Jun-09	30-Jun-10	30-Jun-09
General obligation and annual bonds	\$ 260,490	\$ 277,190	\$ -	\$ -	\$ 260,490	\$ 277,190
Premium on bonds	14,779	17,059	-	-	14,779	17,059
SWMA revenue refunding bonds	19,235	20,265	-	-	19,235	20,265
Less: Deferred amount on refunding	(398)	(452)	-	-	(398)	(452)
Limited obligation bonds	648,150	652,075	-	-	648,150	652,075
Discount on bonds	(132)	(1,981)	-	-	(132)	(1,981)
Less: Deferred amount on refunding	(14,212)	(13,804)	-	-	(14,212)	(13,804)
Section 108 loans	5,115	6,175	-	-	5,115	6,175
Certificates of participation	103,062	158,324	-	-	103,062	158,324
Notes Payable	14,083	15,509	-	-	14,083	15,509
Water and Wastewater Revenue Bonds	-	-	3,202,025	3,218,275	3,202,025	3,218,275
Premium on bonds	-	-	25,830	26,680	25,830	26,680
Other	-	-	18,120	-	18,120	-
GEFA notes payable	-	-	145,353	148,768	145,353	148,768
Airport Facilities Revenue Bonds	-	-	2,235,572	2,343,835	2,235,572	2,343,835
Issuance discount and refunding losses	-	-	(1,737)	(1,404)	(1,737)	(1,404)
Underground Atlanta	-	-	-	-	-	-
Capital Leases:						
General fund	83,396	69,005	-	-	83,396	69,005
Water and Wastewater System	-	-	11,603	13,644	11,603	13,644
Parking Deck	-	-	22,305	-	-	-
Underground Atlanta	-	-	42,090	48,065	42,090	48,065
Total	\$ 1,133,568	\$ 1,199,365	\$ 5,701,161	\$ 5,797,863	\$ 6,834,729	\$ 6,997,228

The City's underlying ratings for its bond issuances at June 30, 2010 were as follows:

Table 7. City of Atlanta Bond Rating Fiscal 2010

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

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

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

Economic Factors and Next Year's Budgets and Rates

The City continues to manage its activities through the remnants of an historical recession that started in the fall of 2008. The City's ability to persevere in these tough conditions is the result of a reliable economic base, primarily attributable to its diverse employment sectors and its strategic location within the southeast region. The City's diverse industry mix is anchored by the government, services, trade, health, education, finance, insurance and real estate, and manufacturing sectors.

The 2010-2011 economic outlook for Atlanta is for the City to see slow but steady recovery; however, it will continue to struggle with an unemployment rate that exceeds both the state and national averages. Key sectors that are critical to the rebound are construction, business service, and retail trade. The City is seeing a gradual rise in tourism and travel which is also providing positive signs of an overall recovery.

Property tax, sales tax and building permits continue to be monitored closely as the economy recovers. These are key indicators for the City in projecting overall revenue performance in fiscal year 2011. 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.

During the fiscal year 2011 budget cycle the Mayor introduced several initiatives that were paramount to his campaign, and were subsequently included in the 2011 operating budget for the General Fund. Public Safety and Youth Outreach were major pieces of the budget as the City included the following expenses:

- The addition of 100 new sworn police officers to the Atlanta Police Department during fiscal year 2011
- An increase of 3.5% to the compensation of all sworn fire and police officers effective January 1, 2011
- Repair, remodel and staffing expenditures to restore and reopen the various recreation centers that had been closed over the years, and rebranding them as Centers of Hope.

The City created a Strategic Planning Unit (SPU), dedicated to the enhancement of the City's ability to apply a long-range perspective to critical planning and funding decisions. The unit is organized around four key tasks:

- Articulate the City's strategic objectives
- Apply a long-range perspective to City budgetary planning
- Align City funding choices with strategic objectives
- Monitor progress towards strategic objectives

The unit will be responsible for identifying and monitoring key internal and external impacts and trends that affect the City's fiscal outcome; translating key impacts into long-range forecasts of City operating needs, capital requirements and funding policy; and assessing fiscal and economic impact of major economic development proposals and projects.

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.

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Basic Financial Statements

Atlanta

CITY OF ATLANTA, GEORGIA

Statement of Net Assets

June 30, 2010

(In Thousands)

	Governmental Activities	Business-type Activities	Total	Component Units
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 83,579	\$ 28,709	\$ 112,288	\$ 17,602
Restricted cash	110,604	102,886	213,490	36,049
Investments in pooled investment fund	157,735	547,100	704,835	-
Investments	3,536	-	3,536	4,836
Receivables (net of allowances for uncollectables)	64,057	83,042	147,099	2,451
Due from other governments	24,779	28,947	53,726	2,189
Internal balances	(102,463)	102,463	-	-
Inventories	-	18,742	18,742	256
Other restricted assets	-	73,985	73,985	-
Prepaid expenses and other assets	2,686	755	3,441	6,359
Total current assets	<u>344,514</u>	<u>986,629</u>	<u>1,331,143</u>	<u>69,742</u>
Noncurrent assets:				
Restricted cash	-	-	-	29,669
Restricted investments	206,802	1,611,309	1,818,111	14,489
Capital assets:				
Land and construction in progress	230,942	2,352,062	2,583,004	133,880
Other capital assets, net of depreciation	484,121	7,397,308	7,881,429	212,753
Infrastructure, net of depreciation	337,845	-	337,845	-
Investments in joint venture	-	82,756	82,756	-
Investments in escrow	14,427	-	14,427	-
Due from component unit	-	25,000	25,000	32,040
Other assets	46,632	298,785	345,417	36,699
Total noncurrent assets	<u>1,320,770</u>	<u>11,767,220</u>	<u>13,087,989</u>	<u>527,511</u>
Total Assets	<u>1,665,284</u>	<u>12,753,849</u>	<u>14,419,132</u>	<u>597,253</u>
LIABILITIES				
Current liabilities				
Accounts payable	60,590	17,742	78,332	13,806
Accrued expenses and vacations	18,990	18,061	37,052	-
Claims payable	26,675	25,850	52,525	-
Contract retentions	1,848	-	1,848	-
Due to other governments	6,962	-	6,962	-
Other liabilities	-	4,517	4,517	2,199
Unearned revenues	2,663	-	2,663	3,872
Liabilities payable from restricted assets	-	187,649	187,649	30,606
Notes payable	80,000	148,857	228,857	-
Current portion of long-term debt	47,787	121,191	168,978	17,782
Current portion of other liabilities	9,178	3,543	12,721	-
Current portion of capital leases	10,381	8,796	19,177	-
Total current liabilities	<u>265,074</u>	<u>536,206</u>	<u>801,280</u>	<u>68,265</u>
Noncurrent liabilities				
Noncurrent portion of long-term debt	1,002,385	5,493,052	6,495,437	356,148
Noncurrent portion of capital leases	73,015	67,202	140,217	-
Deferred revenue	-	-	-	-
OPEB liabilities	81,335	73,206	154,541	-
Due to primary government	-	-	-	56,889
Other long-term liabilities	28,848	198,317	227,165	-
Total non-current liabilities	<u>1,185,583</u>	<u>5,831,777</u>	<u>7,017,359</u>	<u>413,037</u>
Total Liabilities	<u>1,450,657</u>	<u>6,367,982</u>	<u>7,818,639</u>	<u>481,302</u>
NET ASSETS				
Invested in capital assets, net of related debt	97,291	5,092,956	5,190,247	90,765
Restricted for:				
Debt service	51,828	206,232	258,060	-
Programs	75,482	-	75,482	47,593
Capital projects	250,380	365,297	615,677	-
Unrestricted	(260,354)	721,383	461,029	(22,407)
Total Net Assets	<u>\$ 214,627</u>	<u>\$ 6,385,868</u>	<u>\$ 6,600,495</u>	<u>\$ 115,951</u>

The accompanying notes are an integral part of the statements.

CITY OF ATLANTA, GEORGIA

Statement of Activities

For the Year Ended June 30, 2010

(In Thousands)

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Indirect Expenses Allocation</u>	<u>Program Revenues</u>		
			<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary Government					
Governmental activities:					
General government	\$ 260,413	\$ -	\$ 66,148	\$ 66,125	\$ -
Police	187,800	-	14,643	8,383	-
Fire	79,190	-	428	2,174	-
Corrections	29,301	-	5,556	-	-
Public Works	50,056	-	13,168	1,204	-
Parks, Recreation and Cultural Affairs	39,976	-	1,418	647	-
Interest on long-term debt	51,274	-	-	-	-
Total Governmental activities	<u>698,010</u>	<u>-</u>	<u>101,361</u>	<u>78,533</u>	<u>-</u>
Business-type activities:					
Watershed Management	404,629	-	380,413	-	(4,112)
Aviation	448,979	-	400,799	-	205,604
Sanitation	37,298	-	51,414	-	-
Parks and Recreational Facilities	529	-	472	-	-
Underground Atlanta	6,493	-	2,220	-	-
Parking Deck	2,201	-	1,340	-	-
Civic Center	2,214	-	1,697	-	-
Total Business-type activities	<u>902,343</u>	<u>-</u>	<u>838,355</u>	<u>-</u>	<u>201,492</u>
Total Primary Government	<u>\$ 1,600,354</u>	<u>\$ -</u>	<u>\$ 939,716</u>	<u>\$ 78,533</u>	<u>\$ 201,492</u>
Component Units	<u>\$ 82,281</u>	<u>\$ -</u>	<u>\$ 53,277</u>	<u>\$ 20,824</u>	<u>\$ 200</u>

General revenues:

Taxes:

Property Taxes Levied for general purposes

Property Taxes Levied for debt service

Local and Municipal Option Sales Tax

Public Utility Franchise Taxes

Business Taxes

Federal and State aid not restricted for specific purposes

Investment income

Gain on sale of assets

Other

Total General revenues

Extraordinary Loss (Note III-C)

Transfers

Total general revenues, special items and transfers

Change in net assets

Net assets - beginning of period, as previously stated

Correction of prior year errors

Net assets - beginning of period, as restated

NET ASSETS - END OF PERIOD

Net (Expenses) Revenues and
Changes in Net Assets

Governmental Activities	Business-type Activities	TOTALS	Component Units
\$ (128,140)	\$ -	\$ (128,140)	
(164,774)	-	(164,774)	
(76,588)	-	(76,588)	
(23,745)	-	(23,745)	
(35,684)	-	(35,684)	
(37,911)	-	(37,911)	
(51,274)	-	(51,274)	
<u>(518,116)</u>	<u>-</u>	<u>(518,116)</u>	
-	(28,329)	(28,329)	
-	157,424	157,424	
-	14,116	14,116	
-	(57)	(57)	
-	(4,273)	(4,273)	
-	(861)	(861)	
-	(517)	(517)	
<u>-</u>	<u>137,503</u>	<u>137,503</u>	
<u>(518,116)</u>	<u>137,503</u>	<u>(380,613)</u>	
			<u>\$ (7,981)</u>
222,087	-	222,087	-
112,358	-	112,358	-
202,014	-	202,014	4,832
54,312	-	54,312	-
94,020	-	94,020	-
-	-	-	-
3,962	(37,323)	(33,361)	7,530
456	-	456	-
17,491	-	17,491	10
<u>706,698</u>	<u>(37,323)</u>	<u>669,375</u>	<u>12,372</u>
(2,231)	(26,840)	(29,070)	-
<u>(119,590)</u>	<u>119,590</u>	<u>-</u>	<u>-</u>
<u>584,878</u>	<u>55,427</u>	<u>640,305</u>	<u>12,372</u>
<u>66,761</u>	<u>192,931</u>	<u>259,692</u>	<u>4,391</u>
<u>205,658</u>	<u>6,192,937</u>	<u>6,398,595</u>	<u>111,560</u>
<u>(57,792)</u>	<u>-</u>	<u>(57,792)</u>	<u>-</u>
<u>147,866</u>	<u>6,192,937</u>	<u>6,340,803</u>	<u>111,560</u>
<u>\$ 214,627</u>	<u>\$ 6,385,868</u>	<u>\$ 6,600,495</u>	<u>\$ 115,951</u>

CITY OF ATLANTA, GEORGIA

Balance Sheet
Governmental Funds
June 30, 2010
(In Thousands)

	General Fund	Capital Projects Fund	Municipal Option Sales Tax (MOST)	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 29	\$ 1,611	\$ -	\$ 81,716	\$ 83,356
Cash and cash equivalents, Restricted	-	-	-	110,604	110,604
Investments in pooled investment fund	116,096	332	-	40,581	157,009
Investments	1,273	-	147	2,116	3,536
Receivables:					
Taxes	11,536	-	17,982	5,583	35,101
Accounts	21,187	-	-	3,109	24,296
Due from other governments	-	-	-	24,779	24,779
Due from other funds	168,077	972	-	165	169,214
Restricted investments	-	61,186	-	145,616	206,802
Other assets	2,686	-	-	-	2,686
Investments in escrow	14,427	-	-	-	14,427
TOTAL ASSETS	\$ 335,311	\$ 64,101	\$ 18,129	\$ 414,269	\$ 831,810
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 26,916	\$ 1,365	\$ -	\$ 26,055	\$ 54,336
Accrued liabilities, vacations, and compensatory pay	5,185	46	-	407	5,638
Contract retentions	-	1,258	-	590	1,848
Notes payable	80,000	-	-	-	80,000
Due to other governments	-	-	-	6,962	6,962
Due to other funds	137,815	47,089	18,129	60,915	263,948
Deferred revenue	11,330	-	-	2,685	14,015
Unearned Revenue	1,632	-	-	1,031	2,663
Total Liabilities	262,878	49,758	18,129	98,645	429,410
Fund Balances (Deficit):					
Reserved for:					
Encumbrances	6,622	18,516	-	45,097	70,235
Special revenue funds	-	-	-	36,638	36,638
Capital improvements	-	-	-	225,611	225,611
Debt service	-	-	-	51,828	51,828
Unreserved:					
Designated	16,260	-	-	-	16,260
Undesignated, reported in:					
General fund	49,551	-	-	-	49,551
Capital projects fund	-	(4,173)	-	-	(4,173)
Special revenue funds	-	-	-	(43,550)	(43,550)
Total fund balances	72,433	14,343	-	315,624	402,400
TOTAL LIABILITIES AND FUND BALANCES	\$ 335,311	\$ 64,101	\$ 18,129	\$ 414,269	\$ 831,810

The accompanying notes are an integral part of the statements.

CITY OF ATLANTA, GEORGIA
 Reconciliation of Governmental Fund Balance Sheet
 To the Government-wide Statement of Net Assets
 June 30, 2010
 (In Thousands)

Total fund balances \$ 402,400

Amounts reported for governmental activities in the Statement of Net Assets are different because:

Accounts receivable used in governmental activities represents amounts that are not financial resources and therefore are not reported in the above funds:

	\$	11,398	
Accounts receivable			
Allowance for uncollectible receivables		(7,283)	4,115

Other liabilities are not recognized as current year revenues and, therefore, are classified as deferred in the above funds		14,015
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Capital assets used in governmental activities are not financial resources and therefore are not reported in the above funds:

Land and construction in progress	230,942	
Cost of Capital Assets	1,702,219	
Less: Accumulated Depreciation	(880,253)	1,052,908

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

Deferred costs		46,632
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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 assets.

Net assets for internal service fund	(13,281)	(13,281)
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Long-term liabilities, including capital leases, are not due and payable in the current period and therefore are not reported in the above funds.

General obligation and annual bonds	(260,490)	
SWMA revenue refunding bonds	(19,235)	
Limited obligation bonds	(648,150)	
Section 108 loans	(5,115)	
Capital Leases	(83,396)	
Certificates of participation	(103,062)	
Unamortized premiums (discounts) on bond issues	(37)	
Vacation pay	(21,218)	
Notes Payable	(14,083)	
OPEB obligation	(81,335)	
Health, Dental and General claims payable	(34,975)	
Arbitrage rebate	-	
Workers' compensation	(21,068)	(1,292,162)

NET ASSETS OF GOVERNMENTAL ACTIVITIES		\$ 214,627
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The accompanying notes are an integral part of the statements.

CITY OF ATLANTA, GEORGIA
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2010
(In Thousands)

	General Fund	Capital Projects Fund	Municipal Option Sales Tax (MOST)	Other Governmental Funds	Total Governmental Funds
REVENUES					
Property taxes	\$ 216,769	\$ -	\$ -	\$ 112,358	\$ 329,127
Local and municipal option sales taxes	92,955	-	109,059	-	202,014
Public utility, alcoholic beverage and other taxes	106,429	-	-	41,903	148,332
Licenses and permits	58,130	-	-	-	58,130
Charges for current services	4,418	-	-	13,425	17,843
Fines, forfeitures and penalties	13,020	-	-	2,827	15,847
Investment income	1,263	57	-	2,656	3,976
Intergovernmental revenues and contributions:					
Federal revenues	1,196	-	-	64,226	65,422
State and local grants and contributions	-	-	-	14,307	14,307
Building rentals and concessions	8,339	5	-	-	8,344
Other	3,174	286	-	14,031	17,491
Total revenues	505,693	348	109,059	265,733	880,833
EXPENDITURES					
Current:					
General government:	107,312	10,580	-	132,665	250,557
Police	149,703	-	-	29,752	179,455
Fire	71,079	1,186	-	2,915	75,180
Corrections	23,496	-	-	4,541	28,037
Public Works	20,145	12,784	-	12,548	45,477
Parks, Recreation and Cultural Affairs	21,708	5,651	-	8,507	35,866
Debt Service:					
Principal payments	21,144	-	-	34,586	55,730
Interest payments	15,937	344	-	31,336	47,617
Bond issuance costs	-	-	-	4,446	4,446
Total Expenditures	430,524	30,545	-	261,296	722,365
Excess (deficiency) of revenues over expenditures	75,169	(30,197)	109,059	4,437	158,468
OTHER FINANCING SOURCES (USES)					
Discount on bonds sold	-	-	-	(1,257)	(1,257)
Refunding bonds issued	-	-	-	78,120	78,120
Payment of refunded bonds to escrow agent	-	-	-	(64,500)	(64,500)
Proceeds from sale of assets	447	-	-	9	456
Transfers in (out)	(8,345)	1,256	(109,059)	(3,442)	(119,590)
Total Other Financing Sources (Uses)	(7,898)	1,256	(109,059)	8,930	(106,771)
Extraordinary Loss	(2,231)	-	-	-	(2,231)
Net change in fund balances	65,040	(28,941)	-	13,367	49,466
Fund Balance:					
Beginning of the period	7,393	43,284	-	302,257	352,934
FUND BALANCE, END OF PERIOD	\$ 72,433	\$ 14,343	\$ -	\$ 315,624	\$ 402,400

The accompanying notes are an integral part of the statements.

CITY OF ATLANTA, GEORGIA

Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances
To the Statement of Activities
For the Year Ended June 30, 2010
(In Thousands)

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

Net change in fund balance - total governmental funds	\$	49,466
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Some revenues reported in the statement of activities are not available as current financial resources and, therefore are not reported as revenue in governmental funds.

Taxes revenues	\$	<u>2,129</u>	2,129
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the above funds

3,189

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	51,122	
Disposal of assets	-	
Depreciation Expense	<u>(57,654)</u>	(6,532)

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 assets. This amount is the net effect of these differences in treatment of long-term debt.

Proceeds from refunding of debt	(78,120)	
Proceeds from capital leases	-	
Payment of refunded debt	64,500	
Proceeds from long-term debt	-	
Payments on long-term debt	55,730	
Capitalization of issuance costs, premiums and discounts	5,703	
Amortization of issuance costs, premiums and discounts	<u>(3,657)</u>	44,156

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.

(2,592)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Health, Dental and General claims payable	(4,207)	
Compensated absences	1,234	
OPEB liability	(20,495)	
Long-term workers' compensation	<u>413</u>	<u>(23,055)</u>

CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES

\$ 66,761

The accompanying notes are an integral part of the statements.

CITY OF ATLANTA, GEORGIA
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2010
(In Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Property taxes	\$ 198,647	\$ 198,647	\$ 216,769	\$ 18,122
Local option sales tax	94,000	94,000	92,955	(1,045)
Sales, public utility, alcoholic beverage, and other taxes	98,906	98,906	106,429	7,523
Licenses and permits	59,255	59,255	58,130	(1,125)
Intergovernmental revenues:				
State and local grants and contributions	-	-	-	-
Federal	-	-	1,196	1,196
Charges for services:				
Recreation fees and other	4,198	4,198	4,418	220
Fines, forfeitures, and penalties	21,981	21,981	13,020	(8,961)
Revenues from use of money and property:				
Investment income	18	18	1,263	1,245
Building rentals and concessions	13,038	13,038	8,339	(4,699)
Other income	34,879	34,879	33,042	(1,837)
	<u>\$ 524,922</u>	<u>\$ 524,922</u>	<u>\$ 535,561</u>	<u>\$ 10,639</u>
Total revenues	<u>\$ 524,922</u>	<u>\$ 524,922</u>	<u>\$ 535,561</u>	<u>\$ 10,639</u>

CITY OF ATLANTA, GEORGIA
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2010
(In Thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES				
Current:				
General government:				
Executive offices	\$ 18,819	18,997	17,361	\$ 1,636
Personnel and human resources	2,776	2,776	2,497	279
City council	6,697	6,667	5,824	843
Courts and judicial agencies	8,064	8,064	7,913	151
Finance	11,527	11,530	10,528	1,002
Department of information technology	27,087	27,087	22,451	4,636
Planning and community development	10,167	10,232	9,519	713
Law	4,970	4,970	4,599	371
Procurement	951	951	866	85
Total general government	<u>91,058</u>	<u>91,274</u>	<u>81,558</u>	<u>9,716</u>
Public safety:				
Police	154,439	154,541	149,703	4,838
Fire	72,238	72,293	71,079	1,214
Corrections	23,078	23,078	23,496	(418)
Total public safety	<u>249,755</u>	<u>249,912</u>	<u>244,278</u>	<u>5,634</u>
Public works	23,460	23,518	20,145	3,373
Parks, recreation, and cultural affairs	25,015	26,220	21,708	4,512
Nondepartmental expenditures	94,560	76,723	55,622	21,101
Debt service				
Bond principal payments	48,273	37,265	21,144	16,121
Interest on bonds	4,175	21,185	15,937	5,248
Total debt service	<u>52,448</u>	<u>58,450</u>	<u>37,081</u>	<u>21,369</u>
Total expenditures	<u>536,296</u>	<u>526,097</u>	<u>460,392</u>	<u>65,705</u>
Excess of revenues over expenditures (under) expenditures	<u>(11,374)</u>	<u>(1,175)</u>	<u>75,169</u>	<u>76,344</u>
OTHER FINANCING SOURCES (USES):				
Proceeds from general long-term debt	-	-	-	-
Transfers in (out)	11,374	1,175	(8,345)	(9,520)
Other revenue	-	-	-	-
Proceeds from sale of assets	-	-	447	447
Total other financial sources and uses	<u>11,374</u>	<u>1,175</u>	<u>(7,898)</u>	<u>(9,073)</u>
Extraordinary Loss	-	-	(2,231)	(2,231)
Excess of revenues and other sources over expenditures and other uses	<u>-</u>	<u>-</u>	<u>65,040</u>	<u>\$ 65,040</u>
Fund balance, beginning of period				
Beginning of the period	7,393	7,393	7,393	
Correction of prior year error	-	-	-	
Beginning of year, as restated	<u>7,393</u>	<u>7,393</u>	<u>7,393</u>	
End of period	<u>\$ 7,393</u>	<u>\$ 7,393</u>	<u>\$ 72,433</u>	

The accompanying notes are an integral part of the statements

CITY OF ATLANTA, GEORGIA
Municipal Option Sales Tax (MOST) Fund
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2010
(In Thousands)

	Municipal Option Sales Tax Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Public utility, alcoholic beverage and other taxes	\$ 105,708	\$ 126,935	\$ 109,059	\$ (17,876)
Investment Income	-	-	-	-
Other income	-	-	-	-
Total revenues	<u>105,708</u>	<u>126,935</u>	<u>109,059</u>	<u>(17,876)</u>
EXPENDITURES				
Current:				
General government:				
Executive offices	-	-	-	-
Finance	-	-	-	-
Planning and community development	-	-	-	-
Court	-	-	-	-
Total general government	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Public safety:				
Fire	-	-	-	-
Corrections	-	-	-	-
Total public safety	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Public works	-	-	-	-
Parks, recreation, and cultural affairs	-	-	-	-
Nondepartmental expenditures	-	-	-	-
Debt Service:				
Bond principal payments	-	-	-	-
Interest on Bonds	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>105,708</u>	<u>126,935</u>	<u>109,059</u>	<u>\$ (17,876)</u>
OTHER FINANCING SOURCES (USES):				
Transfer in (out)	<u>(105,708)</u>	<u>(126,935)</u>	<u>(109,059)</u>	<u>17,876</u>
Total other financial sources and uses	<u>(105,708)</u>	<u>(126,935)</u>	<u>(109,059)</u>	<u>17,876</u>
Excess of revenues and other sources over expenditures and other uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - beginning	-	-	-	
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	

The accompanying notes are an integral part of the statements

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CITY OF ATLANTA, GEORGIA

Statement of Net Assets

Proprietary Funds

June 30, 2010

(In Thousands)

	Business Activities - Enterprise Funds			Total	Governmental
	Department of Watershed Management	Department of Aviation	Other Nonmajor Funds		Internal Service Fund
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 16,854	\$ 11,855	\$ -	\$ 28,709	\$ 223
Restricted cash	9,686	93,200	-	102,886	-
Investments in pooled investment fund	103,568	442,954	578	547,100	726
Receivables:					
Accounts	92,565	11,273	33,710	137,548	545
Less allowance for doubtful accounts	(50,306)	(4,382)	(4,121)	(58,809)	-
Interest	4,303	-	-	4,303	-
Total receivables	46,562	6,891	29,589	83,042	545
Due from other governments	28,947	-	-	28,947	-
Due from other funds	36,004	-	306	36,310	-
Inventories	15,376	3,366	-	18,742	-
Prepaid expenses	-	755	-	755	-
Restricted assets	37,636	36,349	-	73,985	-
Total current assets	294,633	595,370	30,473	920,476	1,494
Noncurrent assets:					
Restricted Investments	845,051	766,258	-	1,611,309	-
Due from other funds	110,249	-	-	110,249	-
Capital assets:					
Land	111,532	583,067	21,621	716,220	136
Land purchased for noise abatement	-	265,104	-	265,104	-
Construction in progress	246,070	1,124,668	-	1,370,738	-
Land improvements	12,072	2,517,187	6,692	2,535,951	29
Buildings and other structures	5,588,229	2,280,207	88,866	7,957,302	5,508
Other property and equipment	198,837	159,285	35,179	393,301	6,610
Less accumulated depreciation	(1,697,984)	(1,693,391)	(97,871)	(3,489,246)	(10,783)
Capital assets, net	4,458,756	5,236,127	54,487	9,749,370	1,500
Investment in joint venture	82,756	-	-	82,756	-
Due from component units	25,000	-	-	25,000	-
Deferred Outflow of Resources	123,177	-	-	123,177	-
Other assets	58,002	107,509	10,097	175,608	-
Total noncurrent assets	5,702,991	6,109,894	64,584	11,877,469	1,500
Total Assets	\$ 5,997,624	\$ 6,705,264	\$ 95,057	\$ 12,797,945	\$ 2,994

The accompanying notes are an integral part of the statements.

	Business Activities - Enterprise Funds				Governmental
	Department of Watershed Management	Department of Aviation	Other Nonmajor Funds	Total	Internal Service Fund
LIABILITIES					
Liabilities:					
Current liabilities					
Accounts payable	\$ 8,802	\$ 7,642	\$ 1,298	\$ 17,742	\$ 2,048
Accrued expenses, vacations, and compensatory pay	7,090	9,685	1,286	18,061	792
Claims payable	17,850	8,000	-	25,850	-
Deposits and advance	4,517	-	-	4,517	-
Due to other funds	-	109	37,356	37,465	18,564
Current maturities of other debt	3,530	-	-	3,530	-
Current maturities of capital leases	1,981	-	6,815	8,796	-
Termination fee on interest rate swaps	7,200	-	-	7,200	-
Current portion of other liabilities	1,614	288	1,641	3,543	-
	<u>52,584</u>	<u>25,724</u>	<u>48,396</u>	<u>126,704</u>	<u>21,404</u>
Current liabilities payable from restricted assets:					
Accounts payable	30,307	45,264	-	75,571	-
Accrued interest payable	29,474	46,984	-	76,458	-
Contract retention	16,202	17,634	-	33,836	-
Deposits and advances	-	1,784	-	1,784	-
Commercial paper notes payable	-	148,857	-	148,857	-
Current maturities of long-term debt	38,370	72,091	-	110,461	-
	<u>114,353</u>	<u>332,614</u>	<u>-</u>	<u>446,967</u>	<u>-</u>
Total current liabilities payable from restricted assets	<u>114,353</u>	<u>332,614</u>	<u>-</u>	<u>446,967</u>	<u>-</u>
Total current liabilities	<u>166,937</u>	<u>358,338</u>	<u>48,396</u>	<u>573,671</u>	<u>21,404</u>
Noncurrent liabilities					
Long-term debt, excluding current maturities	3,331,308	2,161,744	-	5,493,052	-
Capital lease obligations, excluding current maturities	9,622	-	57,580	67,202	-
Other postemployment benefit liability	40,911	24,426	7,869	73,206	-
Contract retention, excluding current portion	-	25,526	-	25,526	-
Accrued workers' compensation	6,336	1,133	6,437	13,906	-
Termination fee on interest rate swaps	10,920	-	-	10,920	-
Deferred outflow of resources	123,177	-	-	123,177	-
Landfill postclosure costs	-	-	24,788	24,788	-
Total noncurrent liabilities	<u>3,522,274</u>	<u>2,212,829</u>	<u>96,674</u>	<u>5,831,777</u>	<u>-</u>
Total Liabilities	<u>3,689,211</u>	<u>2,571,167</u>	<u>145,070</u>	<u>6,405,448</u>	<u>21,404</u>
NET ASSETS (Deficit)					
Invested in capital assets, net of related debt	1,975,812	3,127,052	(9,908)	5,092,956	1,500
Restricted for:					
Debt service	-	206,232	-	206,232	-
Capital projects	-	365,297	-	365,297	-
Unrestricted	<u>332,601</u>	<u>435,516</u>	<u>(40,105)</u>	<u>728,012</u>	<u>(19,910)</u>
Total net assets (deficit)	<u>\$ 2,308,413</u>	<u>\$ 4,134,097</u>	<u>\$ (50,013)</u>	<u>\$ 6,392,497</u>	<u>\$ (18,410)</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				<u>(6,629)</u>	
Net assets of business-type activities				<u>\$ 6,385,868</u>	

CITY OF ATLANTA, GEORGIA
Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended June 30, 2010
(In Thousands)

	Business Activities - Enterprise Funds			Total	Governmental Activities
	Department of Watershed Management	Department of Aviation	Other Nonmajor Funds		Internal Service Fund
Operating revenues:					
Charges for services	\$ 379,307	\$ 202,881	\$ 51,167	\$ 633,355	\$ 131,290
Rentals, admissions and concessions	-	159,310	3,645	162,955	-
Other	1,106	38,608	2,331	42,045	1,404
Total operating revenues	<u>380,413</u>	<u>400,799</u>	<u>57,143</u>	<u>838,355</u>	<u>132,694</u>
Operating expenses:					
Salaries and employee benefits	103,703	90,912	21,202	215,817	116,120
Utilities	19,480	8,420	635	28,535	529
Supplies and materials	16,855	4,164	631	21,650	13,559
Repairs, maintenance and other contractual services	8,427	82,461	885	91,773	1,915
Motor equipment services	6,026	-	5,259	11,285	2
Engineering and consultant fees	27,178	-	8,436	35,614	485
General services	34,869	15,550	3,100	53,519	4,133
Programs services and other costs	2,736	8,662	1	11,399	16
Total operating expenses	<u>219,274</u>	<u>210,169</u>	<u>40,149</u>	<u>469,592</u>	<u>136,759</u>
Operating income (loss) before depreciation and amortization	161,139	190,630	16,994	368,763	(4,065)
Depreciation and amortization	88,782	174,124	3,642	266,548	622
Operating income (loss)	<u>72,357</u>	<u>16,506</u>	<u>13,352</u>	<u>102,215</u>	<u>(4,687)</u>
Non-operating revenues (expenses):					
Investment income	982	(38,382)	77	(37,323)	(14)
Interest expense	(111,541)	(64,572)	(3,859)	(179,972)	(49)
Passenger facility charges	-	165,022	-	165,022	-
Customer facility charges	-	21,316	-	21,316	-
Other revenue (expenses)	15,417	125	-	15,542	-
Total nonoperating revenues (expenses)	<u>(95,142)</u>	<u>83,509</u>	<u>(3,782)</u>	<u>(15,415)</u>	<u>(63)</u>
Income (loss) before capital contributions, special items and transfers	(22,785)	100,015	9,570	86,800	(4,750)
Capital Contributions	(4,112)	19,266	-	15,154	-
Transfers in (out)	110,528	-	9,062	119,590	-
Changes in net assets before extraordinary item	83,631	119,281	18,632	221,544	(4,750)
Extraordinary Item	(26,840)	-	-	(26,840)	-
Change in net assets	56,791	119,281	18,632	194,704	(4,750)
Net assets, beginning of year	2,251,622	4,014,816	(68,645)	6,197,793	(13,660)
Net assets (deficit), end of period	<u>\$ 2,308,413</u>	<u>\$ 4,134,097</u>	<u>\$ (50,013)</u>	<u>\$ 6,392,497</u>	<u>\$ (18,410)</u>
			Change in net assets	194,704	
			Adjustments to reflect the consolidation of internal service fund activities related to enterprise funds	(1,774)	
			Change in net assets of business-type activities	<u>\$ 192,931</u>	

The accompanying notes are an integral part of the statements.

CITY OF ATLANTA, GEORGIA
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2010
(In Thousands)

	Business Activities - Enterprise Funds			Total	Governmental Activities
	Department of Watershed Management	Department of Aviation	Other Nonmajor Funds		Internal Service Fund
Cash flows from operating activities					
Cash received from user charges	\$ 387,553	\$ 405,237	\$ 53,392	\$ 846,182	\$ 132,149
Cash received from interfund services provided	7,276	-	-	7,276	-
Cash payments to employees for services	(90,266)	(82,894)	(19,106)	(192,266)	(116,117)
Cash payments to suppliers for goods and services	(107,979)	(118,161)	(32,008)	(258,148)	(14,501)
Cash payments to general government for ad valorem taxes and franchise fees	(11,086)	-	-	(11,086)	-
Net cash provided by (used in) operating activities	<u>185,498</u>	<u>204,182</u>	<u>2,279</u>	<u>391,959</u>	<u>1,531</u>
Cash flows from noncapital financing activities					
Non-capital grants and donations	1,675	-	-	1,675	-
Disbursement for extraordinary item	(26,840)	-	-	(26,840)	-
Transfers in (out)	110,528	-	9,062	119,590	-
Net cash provided by (used in) noncapital financing activities	<u>85,363</u>	<u>-</u>	<u>9,062</u>	<u>94,425</u>	<u>-</u>
Cash flows from capital and related financing activities					
Capital contributions	(3,300)	17,151	-	13,851	-
Principal repayments of long-term debts	(458,791)	(108,263)	(8,181)	(575,235)	-
Acquisition, construction and improvements of capital assets	(229,053)	(491,726)	(2)	(720,781)	(617)
Passenger and customer facility charges	-	185,045	-	185,045	-
Proceeds from sale of capital assets	-	-	-	-	-
Accounts payable from restricted assets	-	4,254	-	4,254	-
Proceeds from bond/note issuances	448,965	55,625	-	504,590	-
Refunding of revenue bonds	-	-	-	-	-
Proceeds from refunded bonds as capital lease	-	-	-	-	-
Arbitrage Liability	-	-	-	-	-
Interest paid on revenue bonds	(199,320)	(117,245)	(3,294)	(319,859)	(49)
Net cash provided by (used in) capital and related financing activities	<u>(441,499)</u>	<u>(455,159)</u>	<u>(11,477)</u>	<u>(908,135)</u>	<u>(666)</u>
Cash flows from investing activities					
Interest on investments	20,726	26,731	77	47,534	(14)
Purchases of nonpooled investments	(179,397)	(774,791)	-	(954,188)	-
Sales of nonpooled investments	325,711	1,045,889	-	1,371,600	-
SWAP Termination payments	-	(58,470)	-	(58,470)	-
Net change in investment in pooled funds	7,077	11,899	59	19,035	(726)
Net cash provided by (used in) investing activities	<u>174,117</u>	<u>251,258</u>	<u>137</u>	<u>425,512</u>	<u>(740)</u>
Net change in cash and cash equivalents	<u>3,479</u>	<u>281</u>	<u>-</u>	<u>3,760</u>	<u>125</u>
Cash and cash equivalents, beginning of period	<u>23,061</u>	<u>104,774</u>	<u>-</u>	<u>127,835</u>	<u>97</u>
CASH AND CASH EQUIVALENTS, END OF PERIOD	<u>\$ 26,540</u>	<u>\$ 105,055</u>	<u>\$ -</u>	<u>\$ 131,595</u>	<u>\$ 223</u>

Continued

CITY OF ATLANTA, GEORGIA
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2010
(In Thousands)

	Business Activities - Enterprise Funds			Total	Governmental Activities
	Department of Watershed Management	Department of Aviation	Other Nonmajor Funds		Internal Service Fund
Reconciliation of operating income (loss) to net cash provided by					
(used in) operating activities:					
Operating income (loss)	\$ 72,357	\$ 16,506	\$ 13,352	\$ 102,215	\$ (4,687)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation and amortization	88,782	174,124	3,642	266,548	622
Changes in assets and liabilities					
Receivables - net of allowance	(13,229)	4,437	(3,032)	(11,824)	(545)
Inventories	(1,026)	(2,002)	-	(3,028)	-
Due from other funds	11,393	-	(229)	11,164	-
Prepaid expenses and other assets	-	779	192	971	-
Due (from) other governmental units, net	16,159	-	-	16,159	-
Investment in Joint Venture	1,696	-	-	1,696	-
Accounts payable and accrued expenses	7,294	2,318	2,042	11,654	1,164
Other Liabilities	-	8,020	-	8,020	2
Claims payable	1,979	-	-	1,979	-
Deposits and advances	93	-	-	93	-
Due to other funds	-	-	(13,688)	(13,688)	4,976
Net cash provided by (used in) operating activities	<u>\$ 185,498</u>	<u>\$ 204,182</u>	<u>\$ 2,279</u>	<u>\$ 391,959</u>	<u>\$ 1,531</u>
Supplemental schedule of non-cash financing activities:					
Appreciation of capital appreciation bonds	<u>\$ -</u>	<u>\$ 3,648</u>	<u>\$ -</u>	<u>\$ 3,648</u>	<u>\$ -</u>

The accompanying notes are an integral part of the statements.

CITY OF ATLANTA, GEORGIA

Statement of Fiduciary Net Assets

Fiduciary Funds

June 30, 2010

(In Thousands)

	<u>Pension Trust Funds</u>	<u>Agency Fund</u>
ASSETS		
Cash and cash equivalents	\$ 215,968	\$ 203
Investments in pooled investment fund	-	27,708
Investments:		
Equities	947,736	581
U. S. government and agency obligations	416,280	-
Corporate bonds	161,138	-
Other	<u>251,451</u>	<u>2,168</u>
Total Investments	<u>1,776,605</u>	<u>2,749</u>
Securities lending collateral investment pool	279,846	-
Due from brokers for securities sold	4,588	-
Other receivables	7,164	-
Due from other funds	<u>4,206</u>	<u>-</u>
 Total assets	 <u>\$ 2,288,377</u>	 <u>\$ 30,660</u>
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable	\$ 3,285	\$ 30,660
Other liabilities	84,155	-
Liability for securities lending agreement	<u>279,846</u>	<u>-</u>
Total liabilities	367,286	30,660
Net Assets		
Held in trust for pension benefits		
(See Schedule of Funding Progress on page 103)	<u>1,921,091</u>	<u>-</u>
Total net assets	<u>\$ 1,921,091</u>	<u>\$ -</u>

The accompanying notes are an integral part of the statements.

CITY OF ATLANTA, GEORGIA
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Year Ended June 30, 2010
(In Thousands)

	Pension Trust Funds
Additions	
Employer contributions	\$ 123,609
Employee contributions	25,784
Refunds and other	307
Investment income:	
Net change in	
fair value of investments	173,954
Investment income	46,909
Securities lending income	453
Less: Investment expenses	<u>(7,951)</u>
Net investment loss	<u>213,365</u>
Total Additions	<u>363,065</u>
Deductions	
Accounts payable	
Benefit payments	168,802
Administrative expenses	<u>2,052</u>
Total Deductions	<u>170,854</u>
Change in net assets	192,211
Net assets held in trust for pension benefits:	
Beginning of period	<u>1,728,880</u>
End of period	<u>\$ 1,921,091</u>

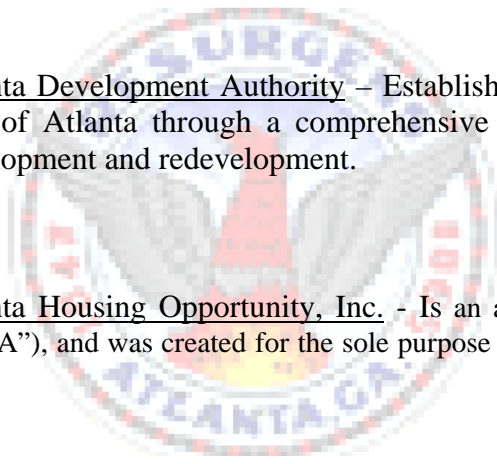
The accompanying notes are an integral part of the statements.

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 – Established to promote the revitalization and growth of the City of Atlanta through a comprehensive and centralized program focusing on community development and redevelopment.

Atlanta Housing Opportunity, Inc. - Is an affiliate organization of the Atlanta Housing Authority (“AHA”), and was created for the sole purpose of facilitating the Housing Opportunity Program for the City.



Atlanta

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CITY OF ATLANTA, GEORGIA
Component Units

Statement of Net Assets
June 30, 2010
(In Thousands)

	Atlanta Fulton County Recreation Authority	Atlanta Development Authority	Atlanta Housing Opportunity, Inc.	Totals
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 3,370	\$ 11,734	\$ 2,498	\$ 17,602
Restricted cash	-	25,858	10,191	36,049
Short-term investments	4,162	674	-	4,836
Receivables:				
Accounts	258	-	-	258
Pledges	512	-	-	512
Other receivable	-	1,681	-	1,681
	770	1,681	-	2,451
Total receivables				
Due from other governmental units and agencies	-	2,189	-	2,189
Inventories	256	-	-	256
Prepaid expenses and other assets	299	6,056	4	6,359
	8,857	48,192	12,693	69,742
Total current assets				
Noncurrent Assets:				
Restricted assets:				
Cash and cash equivalents	29,669	-	-	29,669
Investments	8,607	5,882	-	14,489
Due from other governmental units and agencies	-	21,824	-	21,824
Mortgage loans receivable	-	4,282	900	5,182
Capital lease receivable	-	62,799	-	62,799
Due from component units	-	31,890	150	32,040
Bond issues costs and discounts	1,916	7,222	-	9,138
Other restricted assets	-	5,737	-	5,737
	40,192	139,636	1,050	180,878
Total restricted assets				
Property and equipment - at cost:				
Land	22,591	85,921	-	108,512
Construction-in-progress	2,233	23,135	-	25,368
Land improvements	927	3,271	-	4,198
Buildings and improvements	291,587	39,792	-	331,379
Other property and equipment	29,663	3,269	-	32,932
	347,001	155,388	-	502,389
Less accumulated depreciation	(143,640)	(12,116)	-	(155,756)
	203,361	143,272	-	346,633
Property and equipment, net				
Total assets	\$ 252,410	\$ 331,100	\$ 13,743	\$ 597,253

The accompanying notes are an integral part of the statements.

	Atlanta Fulton County Recreation Authority	Atlanta Development Authority	Atlanta Housing Opportunity, Inc.	Totals
LIABILITIES				
Current Liabilities:				
Accounts payable and accrued expenses	\$ 5,156	\$ 8,650	\$ -	\$ 13,806
Other liabilities	<u>10</u>	<u>2,189</u>	<u>-</u>	<u>2,199</u>
Total current liabilities	<u>5,166</u>	<u>10,839</u>	<u>-</u>	<u>16,005</u>
Liabilities payable from restricted assets:				
Current maturities of long-term debt	4,840	12,942	-	17,782
Accrued interest payable	-	4,476	-	4,476
Other liabilities	17,477	8,653	-	26,130
Deferred revenues	<u>151</u>	<u>3,721</u>	<u>-</u>	<u>3,872</u>
Total liabilities payable from restricted assets	<u>22,468</u>	<u>29,792</u>	<u>-</u>	<u>52,260</u>
Long-term liabilities:				
Long-term debt, excluding current maturities	150,190	205,958	-	356,148
Due to primary government	<u>-</u>	<u>25,000</u>	<u>31,889</u>	<u>56,889</u>
Total liabilities	<u>177,824</u>	<u>271,589</u>	<u>31,889</u>	<u>481,302</u>
NET ASSETS				
Investment in capital assets, net of related debt	50,248	40,517	-	90,765
Restricted for grant programs	20,797	16,604	10,192	47,593
Unrestricted	<u>3,541</u>	<u>2,390</u>	<u>(28,338)</u>	<u>(22,407)</u>
Total net assets	<u>\$ 74,586</u>	<u>\$ 59,511</u>	<u>\$ (18,146)</u>	<u>\$ 115,951</u>

CITY OF ATLANTA, GEORGIA
Component Units

Statement of Activities
For the Year Ended June 30, 2010
(In Thousands)

<u>Functions/Programs</u>	Program Revenues				Net (Expenses) Revenues and Changes in Net Assets			TOTALS
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Atlanta Fulton County Recreation Authority	Atlanta Development Authority	Atlanta Housing Opportunity, Inc.	
Component Units								
Business-type activities								
Atlanta Fulton County Recreation Authority	\$ 42,970	\$ 28,378	\$ 5,637	\$ 200	\$ (8,755)	\$ -	\$ -	\$ (8,755)
Atlanta Development Authority	30,890	18,831	15,187	-	-	3,127	-	3,127
Atlanta Housing Opportunity, Inc.	8,421	6,068	-	-	-	-	(2,353)	(2,353)
Total Business-type activities	<u>82,281</u>	<u>53,277</u>	<u>20,824</u>	<u>200</u>	<u>(8,755)</u>	<u>3,127</u>	<u>(2,353)</u>	<u>(7,981)</u>
Total Component Units	<u>\$ 82,281</u>	<u>\$ 53,277</u>	<u>\$ 20,824</u>	<u>\$ 200</u>	<u>(8,755)</u>	<u>3,127</u>	<u>(2,353)</u>	<u>(7,981)</u>
General revenues:								
Other taxes					4,832	-	-	4,832
Investment income					1,253	6,277	-	7,530
Other					-	-	10	10
Total General revenues					<u>6,085</u>	<u>6,277</u>	<u>10</u>	<u>12,372</u>
Change in net assets					(2,670)	9,404	(2,343)	4,391
Net assets - beginning of period, restated					77,256	50,107	(15,803)	111,560
Net assets - end of period					<u>\$ 74,586</u>	<u>\$ 59,511</u>	<u>\$ (18,146)</u>	<u>\$ 115,951</u>

The accompanying notes are an integral part of the financial statements



**Notes to
Financial Statements**

Atlanta

City of Atlanta, Georgia

Notes to Financial Statements

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CITY OF ATLANTA, GEORGIA

Notes to Financial Statements
Year ended June 30, 2010

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. All discretely presented component units have a December 31 year end with the exception of the Atlanta Development Authority, which has a June 30 fiscal year end.

Blended Component Units

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

UDC and KAB did not have any financial activity during the year ended June 30, 2010. Separate financial statements are not prepared for the blended component units.

Notes to the Financial Statements - Continued

A. Reporting Entity, continued

Discretely Presented Component Units

The component unit column in the government-wide financial statements includes the Atlanta Fulton County Recreation Authority ("Recreation Authority"), the Atlanta Development Authority ("ADA"), and the Atlanta Housing Opportunity, Inc. ("AHOI"). They are reported in a separate column to emphasize that they are legally separate from the City. All the discretely presented component units are accounted for as proprietary fund types.

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 Zoo ("Zoo"), in which the Recreation Authority acts as lessee under a leasehold interest granted by the City. The Mayor appoints the majority of the governing body of the Recreation Authority. The City has a two-thirds interest in the Recreation Authority. Fulton County's one-third interest is reported as minority interest in the accompanying financial statements. 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 and Fulton County ("County"), 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. There were no such deficiencies during the fiscal year that required funding by the City or County related to the Arena. 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 consolidate the operations of the Stadium, Zoo and Arena.

Notes to the Financial Statements - Continued

A. Reporting Entity, continued

ADA - ADA 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 combined many previously separate organizations, including the Downtown Development Authority (DDA), which were performing similar economic development functions. The Mayor and City Council are responsible for appointing the members of the Board of Directors of ADA and have the ability to impose their will on ADA. The separate audited financial statements of ADA may be obtained from the Atlanta Development Authority, 86 Pryor St. S.W., Suite 300, Atlanta, Georgia 30303.

AHOI – The AHOI is an affiliate organization of the Atlanta Housing Authority (“AHA”) whose board members are indirectly appointed by the Mayor in that only members of the AHA’s Board of Commissioners can fill these roles. AHOI was created for the sole purpose of facilitating the Housing Opportunity Program for the City. AHOI is financially dependent on the City to pay its debt and cover its operating costs. AHOI was included as a separate component unit for the first time in 2009. The separate audited financial statements of AHOI may be obtained from the Atlanta Development Authority, 86 Pryor St. S.W., Suite 300, Atlanta, Georgia 30303.

Joint Venture

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

Under the terms of the amended Joint Venture Agreement, the City and the County equally share the costs of all capital expenditures. Capital contributions are recorded during the year in which the additions to capital assets are accrued, whether paid or recorded as a liability, including retainage. The City and the County each contributed \$300,000 during the fiscal year ended June 30, 2010. 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 \$3,494,000 for the year ended June 30, 2010. The costs are reflected in operating costs. At June 30, 2010 the City owes the County approximately \$649,000 for expenses associated with the joint venture.

Notes to the Financial Statements - Continued

A. Reporting Entity, continued

Financial information for the Commission summarized below is as of and for the year ended December 31, 2009 (in thousands):

Total assets (net property, plant, and equipment)	<u>\$173,770</u>
Total fund net assets	<u>\$164,887</u>
Total operating revenue	\$ 8,864
Total operating expenses	<u>\$ 12,869</u>
Net loss	<u>\$ (4,005)</u>

The separate financial statements of the Commission may be obtained from the City's Department of Finance, 68 Mitchell Street, Suite 11100, Atlanta, Georgia 30335.

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, 2010, the City paid approximately \$288,000 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.

Related Organizations

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

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the City and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on user fees and charges for support. City activities are reported separately from certain legally separate component units for which the City is financially accountable.

Notes to the Financial Statements - Continued

B. Government-Wide and Fund Financial Statements, continued

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include; 1) charges to 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*.

Interfund activity has been eliminated from the government-wide financial statements except for charges between the governmental and business-type activities. Elimination of these charges would distort the direct costs and program revenues reported in the various functions concerned.

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.

C. Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Agency funds, as part of fiduciary funds, while on the accrual basis do not have a measurement focus since they do not report equity.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, 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.

Notes to the Financial Statements - Continued

C. Measurement Focus and Basis of Accounting, 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 *Capital Projects Fund (Annual Bond Fund only)* is used to account for capital project activities funded by General Obligation Bonds, which are issued pursuant to special referenda, or annual issues authorized by the City of Atlanta Charter. The annual issues of \$8 million are allocated equally between the City and the Atlanta Independent School System.

The *Municipal Option Sales Tax Fund* is used to account for a special 1% sales tax collected by the City for use in 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.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. 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.

The City reports the following major proprietary funds:

Internal Service Funds account for the activities of Motor Transport Services, as well as group insurance transactions related to the provision of life, accident, and medical insurance benefits through outside insurance companies for permanent employees and retirees of the City.

Enterprise Funds

The *Department of Watershed Management Fund (DWM)* accounts for all activities associated with the provision and management of clean water, wastewater and stormwater 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.

Notes to the Financial Statements, Continued

C. Measurement Focus and Basis of Accounting, continued

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

Fiduciary Fund Types

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

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

Notes to the Financial Statements, Continued

D. Assets, Liabilities and Net Assets or Equity

1. Cash Equivalents

The City considers all highly liquid debt securities with an original maturity of three months or less to be cash equivalents.

2. Investments

Statutes authorize the City to invest in U.S. Government obligations, U.S. Government agency obligations, State of Georgia obligations, obligations of a corporation of the U.S. Government, and the Georgia Fund 1 (a local government investment pool maintained by the State of Georgia). 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 pension plans may consist of U.S. corporate equity securities. Additionally, in accordance with authorized investment laws, the City, in its pension funds, 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).

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

The City maintains a pooled investment fund. All investments, except those held in debt service, special revenue, pension funds, various capital project funds, and for construction projects of enterprise funds, are held in this fund. This fund is not considered a separate accounting entity for financial reporting purposes; instead, each participating fund's equity in the pooled investment fund is recorded as investments in the pooled fund on the accompanying combined balance sheet. Investment income of this pooled fund is allocated to each participating fund based on that fund's recorded equity in the pooled fund.

The Georgia Fund 1 is a stable net asset value investment pool managed by the State of Georgia (Office of Treasury and Fiscal Services) and is not registered with the SEC. The 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 Treasury and Fiscal Services, 200 Piedmont Avenue, Suite 1202, West Tower, Atlanta Georgia 30334-5527.

The activity related to certain short-term investments of the component units is reported as a net change in the investment balance in the cash flow statements as their turnover is quick and their maturities are generally short-term.

Notes to the Financial Statements, Continued

D. Assets, Liabilities and Net Assets or Equity, continued

3. *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 consumption method.

4. *Prepaid Items*

Payments for services that benefit future periods are recorded as prepaid expenses in accordance with the consumption method. This method is also used for budgetary purposes; accordingly, no reservation of fund balance is required.

5. *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; municipal option sales tax (Department of Watershed Management only); various reserves required under certain bond agreements; and investments related to a state wide municipal lease pool agreement (General Fund only).

The City's policy is to use restricted resources first, then unrestricted resources, when both are available for use to fund an activity.

6. *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 assets at historical cost (or estimated historical cost). This capitalization includes infrastructure that could be identified and has been acquired since July 1, 1980. 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 two years. Donated capital assets are recorded at their estimated fair value at the date of donation.

Notes to the Financial Statements - Continued

D. Assets, Liabilities and Net Assets or Equity, continued

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. 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	3-10 years
Vehicles	5-8 years
Infrastructure	25-50 years

Business-type activities:

Department of Aviation:

Runways, taxiways and other land improvements	15-35 years
Terminal and maintenance buildings and other structures	15-35 years
Other property and equipment	2-20 years

Department of Watershed Management:

Water and wastewater plant and treatment facilities	50-75 years
Water collection and distribution system	75 years
Wastewater system	67 years
Stormwater drainage system	75 years
Machinery, equipment, and other	4-10 years

Sanitation:

Buildings	20-25 years
Equipment	5-20 years

Parks and Recreational Facilities:

Buildings	40 years
Other property and equipment	15-20 years

Underground Atlanta:

Parking garage	30 years
Buildings	15-30 years
Machinery, equipment, and other	5 years

Internal Service Fund:

Buildings	40 years
Other property and equipment	3-8 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

Atlanta Housing Opportunity, Inc.

(as a discretely presented component unit):

No capital assets recorded

Notes to the Financial Statements - Continued

D. Assets, Liabilities and Net Assets or Equity, 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 \$72,721,000 and \$36,527,000 respectively, in net interest costs during the year ended June 30, 2010.

7. *Compensated Absences*

City employees can accrue a maximum of 25 to 45 days of annual leave, depending upon their length of service. Vested or accumulated vacation expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported as a long-term liability in the government-wide financial statements. Amounts are reported in governmental funds only to the extent they have matured. Vested or accumulated vacation leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees.

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.

8. *Long-term Obligations*

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities, and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However claims and judgments, the noncurrent portion of capital leases, compensated absences, health and dental claims, contractually required pension contributions and special termination benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable, available financial resources. In general, payments made within 60 days after year end are considered to have been made with current available financial resources. Bonds and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements until due.

Notes to the Financial Statements - Continued

D. Assets, Liabilities and Net Assets or Equity, continued

Bond discounts and issuance costs in the government-wide financial statements are deferred and amortized over the term of the bonds using the bonds outstanding method, which approximates the effective interest method. Bond discounts are presented as other assets in the financial statements. Gains and losses from refundings of government-wide and proprietary fund types are deferred and amortized over the shorter of the life of the new or old debt on a straight-line basis.

9. Reservations of Net Assets / Fund Balances

The unreserved fund balances for governmental funds represent the amount available for future operations. The reserved fund balances for governmental funds represent the amounts that have been legally identified for specific purposes. Unreserved net assets for proprietary funds represent the net assets available for future operations or distribution. Reserved net assets for proprietary funds represent the net assets that have been legally restricted for specific purposes. The following reservations have been established by the City:

- *Net Assets - Restricted for Capital Projects and Debt Service* - This portion of net assets represents various restricted assets of the Enterprise Funds, less liabilities payable from such assets that are not available for appropriation.
- *Fund Balance - Reserved for Special Revenue Funds* - This portion of net assets represents various restricted assets of the Special Revenue Funds, less liabilities payable from such assets that are not available for appropriation. This includes funds that recognize revenues for restricted purposes such as the Hotel Motel Excise Tax Fund, Car Rental Excise Tax fund and the Expendable Trust Fund.
- *Fund Balance - Reserved for Encumbrances, Special Programs and Capital Improvements* - This portion of fund balance represents various restricted assets or resources of the City which have been encumbered or appropriated for purchase orders or contractual obligations.
- *Fund Balance - Reserved for Debt Service* - This portion of fund balance represents resources of the City which have been formally set aside for future debt service payments.
- *Fund Balance – Unreserved, Designated* - This portion of fund balance represents resources of the City which have been set aside for specific purposes according to the Code of Ordinance of the City.

10. Net Assets Classifications

Equity for government-wide and proprietary fund statements is classified as net assets and displayed in three components:

Invested in capital assets, net of related debt – 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.

Restricted net assets – Consists of net 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.

Notes to the Financial Statements - Continued

D. Assets, Liabilities and Net Assets or Equity, continued

Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt”.

11. 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. Accordingly, they are recorded in the statement of revenues, expenses, and changes in net assets as a separate line item after non-operating revenues and expenses as capital contributions. For all funds, a grant receivable is recorded when the City has met all applicable eligibility requirements.

12. 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 Sanitation Fund, and the Internal Service Fund in order to more fully reflect the actual cost of operating these Proprietary Funds. For the year ended June 30, 2010, such allocated expenses amounted to \$8,432,000 for the Department of Aviation, \$12,325,000 for the Department of Watershed Management, \$3,443,000 for the Sanitation Fund, and \$3,767,000 for the Internal Service Fund.

Costs allocated to the Community Development Fund are based upon a negotiated indirect cost rate, based on allocation methods determined by an independent study. The City's indirect cost rate is based upon the prior year's cost calculation, documented in the Cost Allocation Plan. Such expenditures charged to Community Development for the year ended June 30, 2010 amounted to approximately \$114,000. The reimbursement of these costs to the General Fund is recorded as a reduction in expenditures.

Notes to the Financial Statements - Continued

E. New Accounting Pronouncements

During the fiscal year 2010 the City implemented the following GASB pronouncements:

GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, which addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments. This statement improves the financial reporting by requiring governments to measure derivative instruments, with the exception of synthetic guaranteed investment contracts that are fully benefit-responsive, at fair value in their economic resources measurement financial statements. See Note III G (DWM) for the accounting treatment and financial impact related to the City's remaining Interest Rate Swaps.

GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*, provides additional guidance to state and local governments to determine whether and when intangible assets should be considered capital assets for financial reporting purposes. The statement requires that an intangible asset be recognized in the statement of net assets only if it is considered identifiable. This statement establishes guidance on recognizing internally generated computer software as an intangible asset, as well as guidance specific to intangible assets related to amortization. It also provides guidance on determining the useful life of intangible assets when the length of their life is limited by contractual or legal provisions. Application of this statement was effective for the City's fiscal year ended June 30, 2010. In conjunction with the 2010 fiscal year audit, a review of land easements currently owned by the City was performed in order to determine if the useful life of any of these assets was limited by contractual or legal provisions. As a result of this review, the City has properly applied the standards and the adoption of this statement had no significant impact on the City's financial statements.

The City will adopt the following new accounting pronouncements in future years:

In March 2009, GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which is intended to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental type definitions. Application of this statement is effective for the City's fiscal year ending June 30, 2011.

In June 2010, GASB issued Statement No. 59, *Financial Instruments Omnibus*. The Statement updates and improves existing standards regarding financial reporting of certain financial instruments and external investment pools. The Statement is effective for financial statements prepared by state and local governments for periods beginning after June 15, 2010.

The impact of these pronouncements on the City's financial statements has not been determined.

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.

Notes to the Financial Statements - Continued

II. Stewardship, Compliance and Accountability

A. Budgets and Budgetary Accounting

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 General Fund, MOST, 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 Capital Projects Funds adopt project-length budgets.

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 accompanying Statement (Schedules) of Revenues, Expenditures and Changes in Fund Balances Budget and Actual Comparison for the General Fund, the Special Revenue Funds as defined above and the MOST Fund, presents comparisons of the legally adopted budget, and legally adopted interdepartmental transfers of appropriations, with actual operating results on a budgetary basis.

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, 2010.

Encumbrance accounting, under which purchase orders and contracts are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of the formal budgetary process. All appropriations, except for the General Fund's reserved fund balance, 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.

Notes to the Financial Statements - Continued

B. Excess of Expenditures Over Appropriations

The City, within its General Fund, had the following departmental expenditures in excess of appropriations for the fiscal year ended June 30, 2010 (in thousands):

Corrections	\$ 418
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C. Deficit Fund Equity

The following funds reported deficits in fund balance at June 30, 2010:

- Sanitation Fund had an accumulated deficit of \$40,216,000 due to deficiencies in operating revenues. Approximately \$25 million of the fund deficit is related to landfill post-closure costs which are being amortized over 15 years.
- Emergency Telephone System had an accumulated deficit of \$29,042,000
- Underground Atlanta Fund had an accumulated deficit of \$10,721,000 due to deficiencies in operating revenue.
- Parks and Recreation Facilities Fund had an accumulated deficit of \$105,000.
- Parking Deck Fund had an accumulated deficit of \$6,000

Notes to the Financial Statements - Continued

III. Detailed Notes on All Funds

A. Deposits and Investments

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 "Investment in pooled investments fund".

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 guaranteed 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 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.

Notes to the Financial Statements – Continued

A. Deposits and Investments, continued

Investments in Employee Retirement Plans

The City has three defined benefit pension plans for full-time employees; the General Employees' Pension Plan, the Police Officers' Pension Plan and the Firefighters' Pension Plan (the "Plans"). Each Plan is administered by its own Board of Trustees. The respective Boards are ultimately responsible for making all decisions with regard to the administration of their respective Plans, including the management of Plan assets, and for carrying out the investment policy on behalf of their respective Plans.

The Plans' investments are managed by various investment managers under contracts with the respective Plans who have discretionary authority over the assets managed by them, within the investment guidelines, established by the respective Boards. The investments are held in trust by the Plans' custodians in the Plans' name. These assets are held exclusively for the purpose of providing benefits to members of the plans and their beneficiaries.

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

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

Respective Board policies permit the Plans to engage in securities lending transactions with an authorized agent, 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.

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.

Notes to the Financial Statements – Continued

A. Deposits and Investments, continued

The City has the ability and generally has the intention 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, 2010, was approximately six months. If it becomes necessary or strategically prudent for the City to sell a security prior to maturity, the Policy allows for occasional restructuring of the portfolio to minimize the loss of market value and/or to maximize cash flows.

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

As of June 30, 2010, the City had the following fixed income investments with the corresponding credit ratings and maturities (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 Obligation:	Aaa/AAA	\$ -	\$ 47,903	\$ 10,684	\$ 502,705	\$ 56,485	\$ 617,777	
State Pool	AAA	278,921	-	-	-	-	278,921	
Money Markets	AAA	1,319,517	-	-	-	-	1,319,517	
GICs	*	-	-	-	-	129,650	129,650	
		<u>\$ 1,598,438</u>	<u>\$ 47,903</u>	<u>\$ 10,684</u>	<u>\$ 502,705</u>	<u>\$ 186,135</u>	<u>\$ 2,345,865</u>	

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 risks 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. Counterparty risk for the City’s investments include \$507,750,000 held by a counterparty, not in the City’s name as of June 30, 2010.

Notes to the Financial Statements - Continued

A. Deposits and Investments, continued

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, 2010 there were no investments in any one issuer that were over 5% by reporting unit.

The City is a voluntary participant in the Georgia Local Government Investment Pool (Georgia Fund 1) that is managed by the Office of Treasury and Fiscal Services. As of June 30, 2010, the City's investment in the Georgia Fund 1 is approximately \$278,921,000. The total amount recorded by all public agencies in Georgia Fund 1 at that date is approximately \$9.06 billion.

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

Pension Trust Fund Activities

Interest Rate and Credit Risks. As of June 30, 2010, the City's Pension Plans had the following fixed income investments, with the corresponding credit ratings and maturities (in thousands):

Type of Investments	Credit Rating	Maturity					Fair Value
		Under 1 year	1 - 3 years	3 - 5 years	5 - 10 years	Over 10 Years	
U.S. Government Agencies	AAA	\$ 62,773	\$ 18,798	\$ 24,038	\$ 58,942	\$ 163,708	\$ 328,259
U.S. Government Obligations	A+/AAA	-	-	-	-	-	-
Corporate Bonds	AA/A-	7,121	14,347	24,151	55,493	17,447	118,559
Corporate Bonds	B+/BBB	714	7,215	13,614	21,649	10,284	53,476
State and Local Obligations	AA-	-	-	-	-	1,469	1,469
Automobile Loan Receivables	A+/AAA	-	9,719	15,553	3,297	-	28,569
Automobile Loan Receivables	BBB	-	-	-	-	-	-
Credit Card Receivables	AAA	-	5,010	3,826	5,631	-	14,467
Miscellaneous Asset Backed Securities	AAA	-	195	2,508	-	1,091	3,794
Mortgage Pass-Through Certificates	AGY/AAA	-	-	-	-	-	-
Mortgage Pass-Through Certificates	NR	-	-	-	-	-	-
Asset Back Securities	AAA	806	5,165	9,738	9,287	-	24,996
Corporate CMO's	AAA	-	-	-	5,856	12,159	18,015
CMO's	AAA	-	-	-	-	38,317	38,317
CMO's	NR	-	-	-	-	2,380	2,380
Other Fixed Income	NR	100,023	-	-	-	-	100,023
		<u>\$ 171,437</u>	<u>\$ 60,449</u>	<u>\$ 93,428</u>	<u>\$ 160,155</u>	<u>\$ 246,855</u>	<u>\$ 732,324</u>

Securities Lending Transactions

At June 30, 2010, the Plans had no credit risk exposure to borrowers because the amounts the Plans owed the borrowers exceeded the amounts the borrowers owed the Plans. The contract with the Plans' custodians requires them to indemnify the Plans if the custodians fail to recover borrowed securities and distributions made during the term of the loans. There were no losses resulting from borrower default during the period nor were there any recoveries of prior period losses. All securities loans can be terminated on demand by either the Plans or the borrower, with the borrower returning equivalent securities to the Plans within a specified period of time.

Notes to the Financial Statements – Continued

A. Deposits and Investments, continued

Custodial Risk. The Pension Plans had no deposits or investments with custodial risk as of June 30, 2010.

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

Issuer	Investment Type	% of Total Investments
Police Officer's Pension Plan:		
Collective	Bond Index Fund	17.03%
COLTV	Equities	9.00%
Northern TR Corp	Equities	5.81%
Northern Trust Bank N.A.	Equities	5.61%
Fireman's Pension Plan:		
Rhumline	Equities	11.81%
US Treasury NTS	US Government Security	10.28%
FNMA	Federal Agency Security	8.31%
COLTV	Equities	5.57%
General Pension Plan:		
FNMA	Federal Agency Security	11.08%
FHLMC	Federal Agency Security	6.26%

Foreign Currency Risk. The Plans' policies state the portfolio will consist of domestic equities, domestic fixed income and cash equivalents. At June 30, 2010, the Plans were not in compliance with the provisions of its policy requirements for authorized investment purchases. As of June 30, 2010, the Plans had investments in foreign equity securities totaling \$7,073,000.

Although all the foreign equity securities are American Depository Receipts, this does not eliminate the foreign currency risk involved in purchasing foreign securities.

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 (in thousands):

Currency	Short Term	Debt	Equity	Total
Canada	\$ -	\$ -	\$ 1,636	\$ 1,636
China	-	-	385	385
Ireland	-	-	598	598
Israel	-	-	26	26
Netherlands	-	-	3,517	3,517
Switzerland	-	-	21	21
United Kingdom	-	-	890	890
<i>Total Securities subject to Foreign Currency Risk</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ 7,073</i>	<i>\$ 7,073</i>
Puerto Rico	-	-	\$ 376	\$ 376
United States	192,497	840,545	943,189	1,976,231
<i>Total US dollars Securities</i>	<i>\$ 192,497</i>	<i>\$ 840,545</i>	<i>\$ 943,565</i>	<i>\$ 1,976,607</i>
<i>Total International & US Investment Securities</i>	<i>\$ 192,497</i>	<i>\$ 840,545</i>	<i>\$ 950,638</i>	<i>\$ 1,983,680</i>

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 against all real, public utility, and tangible property. The City shares a common tax base with the Atlanta Independent School System, portions of Fulton and DeKalb counties (the "Counties"), and a hospital authority. Property taxes are normally levied and billed by July 1, on the assessed value, as of January 1, (lien date), of all real and personal property located in the City. Taxes are due within 45 days of the date billed. The distribution of the City's 2009 levy (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 Rate:	
General Fund	\$ 10.240
General Obligation Bond Sinking Fund	
City Bonds	1.200
School Bonds	0.054
Park Improvement Fund (incl in Capital Projects Funds)	0.500
Board of Education (operations)	21.640
Special Tax District Dekalb County	<u>1.000</u>
	<u>\$ 34.634</u>

The City's annual tax millage rates are established in May or June after receipt of the certified tax digest from the Fulton County Board of Tax Assessors. The millage rate is based on the anticipated tax digest submitted to the State of Georgia on May 30. The tax digest is based on real and tangible assessed property values as of January 1. The tax assessment is the responsibility of Fulton County.

Assessed values are established by the Tax Assessors' Office at 40% of appraised market value as required by the State of Georgia. A revaluation of all property is done annually, based on statistical analysis. That valuation in 2009 resulted in an assessed value, prior to freeport exemption, of approximately \$26,845,000,000.

Tax bills are normally sent to property owners in July. Fulton County acts as the City's agent in billing and collecting property taxes levied for property within the City limits and in Fulton County. DeKalb County acts as the City's agent in billing and collecting property taxes levied for property within the City limits and in DeKalb County. The billing and collection fees due to the Counties are withheld from cash remitted to the City and are reported as a reduction to property tax revenue. Such fees amounted to approximately \$2,622,000 in 2010. Real and tangible property taxes are payable to the Counties on August 15th and, if not paid, become delinquent on August 16th. Public utility taxes are due in December and, if not paid before December 20th, become delinquent. Once taxes become delinquent, the Tax Commissioner's Office adds penalties to the original tax and sends past due notices. The delinquent taxpayer then has 30 days to remit payment. After the 30 day period, the Tax Commissioner's Office may begin procedures to sell the property for the collection of the past due tax. The collection period for the City is typically from July 1 to December 31, with pursuance of delinquent taxes early in the following calendar year.

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 and 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 feasible.

See Note Section IV-C- First Amended – Consent Decree regarding the levy of a 1% Municipal Option Sales Tax.

Notes to the Financial Statements – Continued

C. Capital Assets

A summary of capital assets activity and changes in accumulated depreciation for the year ended June 30, 2010 follows (in thousands):

	Balance at June 30, 2009, As restated (Note IV.D)	Additions	Deletions and Retirements	Transfers	Balance at June 30, 2010
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 122,447	\$ 1,638	\$ -	\$ -	\$ 124,085
Construction in progress	116,133	30,085	-	(39,361)	106,857
Total capital assets not being depreciated	<u>238,580</u>	<u>31,723</u>	<u>-</u>	<u>(39,361)</u>	<u>230,942</u>
Capital assets being depreciated:					
Land improvements	84,590	-	-	-	84,590
Buildings and building improvements	506,429	-	-	10,622	517,051
Other property and equipment	228,102	14,898	(15,611)	5,259	232,648
Infrastructure	863,428	4,502	-	-	867,930
Total capital assets being depreciated	<u>1,682,549</u>	<u>19,400</u>	<u>(15,611)</u>	<u>15,881</u>	<u>1,702,219</u>
Totals at historical cost	<u>1,921,129</u>	<u>51,123</u>	<u>(15,611)</u>	<u>(23,480)</u>	<u>1,933,161</u>
Less: Accumulated Depreciation					
Land improvements	70,233	4,399	-	-	74,632
Buildings and building improvements	127,956	10,448	-	(1,096)	137,308
Other property and equipment	132,577	21,262	(15,611)	-	138,228
Infrastructure	508,539	21,546	-	-	530,085
Total accumulated depreciation	<u>839,305</u>	<u>57,655</u>	<u>(15,611)</u>	<u>(1,096)</u>	<u>880,253</u>
Governmental activities capital assets, net	<u>\$ 1,081,824</u>	<u>\$ (6,532)</u>	<u>\$ -</u>	<u>\$ (22,384)</u>	<u>\$ 1,052,908</u>
Business-type activities:					
Capital assets not being depreciated:					
Land	\$ 984,694	\$ 2,132	\$ 5,502	\$ -	\$ 981,324
Land purchased for noise abatement	-	-	-	-	-
Construction in progress	2,035,705	781,979	-	(1,446,946)	1,370,738
Total capital assets not being depreciated	<u>3,020,399</u>	<u>784,111</u>	<u>5,502</u>	<u>(1,446,946)</u>	<u>2,352,062</u>
Capital assets being depreciated:					
Land improvements	2,473,092	33	-	62,826	2,535,951
Buildings and other structures	6,569,461	657	-	1,387,184	7,957,302
Other property and equipment	367,706	6,633	1,454	20,416	393,301
Total capital assets being depreciated	<u>9,410,259</u>	<u>7,323</u>	<u>1,454</u>	<u>1,470,426</u>	<u>10,886,554</u>
Totals at historical cost	<u>12,430,658</u>	<u>791,434</u>	<u>6,956</u>	<u>23,480</u>	<u>13,238,616</u>
Less: Accumulated Depreciation					
Furniture	-	-	-	-	-
Land improvements	916,023	77,060	-	-	993,083
Buildings and other structures	2,051,389	154,257	-	1,096	2,206,742
Other property and equipment	266,318	23,102	-	-	289,420
Total accumulated depreciation	<u>3,233,730</u>	<u>254,420</u>	<u>-</u>	<u>1,096</u>	<u>3,489,246</u>
Business-type activities capital assets, net	<u>\$ 9,196,928</u>	<u>\$ 537,014</u>	<u>\$ 6,956</u>	<u>\$ 22,384</u>	<u>\$ 9,749,370</u>

Notes to the Financial Statements – Continued

C. Capital Assets, continued

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

General government	\$	18,589
Police		3,960
Fire		4,599
Correction		365
Public Works		19,778
Parks, Recreation & Cultural Affairs		10,364
Total governmental funds capital assets	\$	57,655

Extraordinary Item

In September 2009 there was significant damage due to heavy rains and flooding to various areas within the City. During the year ended June 30, 2010, the Department of Watershed Management incurred capital expenditures totaling approximately \$14,000,000 as a result of the flood damage. In connection with these expenditures, a \$1,450,000 loss on disposal of existing assets is included in the total Extraordinary Loss of \$26,840,000, net of \$5,800,00 of insurance proceeds, reported on the Statement of Revenues, Expenditures and Changes in Net Assets of the Department of Watershed Management. Within the general government, the City incurred expenditures of approximately \$6,400,000 as a result of the flood. After insurance recoveries, a \$2,231,000 extraordinary loss has been recorded in the General Fund within the governmental activities in the government-wide financial statements.

D. Interfund Receivables, Payables, and Transfers

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

Interfund receivable and payable balances as of June 30, 2010, are as follows (in thousands):

Due To:	General Fund	Internal Service	Capital Projects	MOST	Dept of Aviation	Watershed Management	Non-major Enterprise	Non-major Government	Fiduciary	Total To
Due From:										
General Fund		\$ -	\$ 972	\$ -	\$ 4,041	\$ 128,125	\$ 306	\$ 165	\$ 4,206	\$ 137,815
Internal Service	\$ 18,564		-	-	-	-	-	-	-	18,564
Capital Projects	47,089	-		-	-	-	-	-	-	47,089
MOST	-	-	-		-	18,129	-	-	-	18,129
Dept of Aviation	4,150	-	-	-		-	-	-	-	4,150
Watershed Management	-	-	-	-	-		-	-	-	-
Non-major Enterprise	37,357	-	-	-	-	-		-	-	37,357
Non-major Government	60,916	-	-	-	-	-	-		-	60,916
Fiduciary	-	-	-	-	-	-	-	-		-
Total From	\$ 168,077	\$ -	\$ 972	\$ -	\$ 4,041	\$ 146,253	\$ 306	\$ 165	\$ 4,206	\$ 324,020

**note that there are some amounts which have been netted on the face of the financial statements*

Notes to the Financial Statements – Continued

D. Interfund Receivables, Payables, and Transfers, continued

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

The first MOU acknowledged amounts owed to the DWM by the General Fund and established a repayment plan in the amount of \$4,000,000 per year plus interest on the outstanding balance beginning on July 1, 2009. The amounts owed by the City’s General Fund to the DWM are for water and wastewater services provided to the various departments of the City, for overcharges of indirect costs and for work performed by the DWM on behalf of the City. Additionally, this MOU provides the excess of \$9,800,000 (“Fixed Fees”) in ad valorem taxes and franchise fees that the City charges the DWM will be used to further reduce this obligation and that current and future water charges to the departments of the City will be paid to the DWM on a monthly basis. The balance owed to the DWM by the City’s General Fund under this MOU at June 30, 2010 is \$17,622,000 including accrued interest.

The second MOU established a repayment plan in the amount of \$10,000,000 per year plus interest until paid in full for amounts borrowed by various governmental funds from DWM equity in the Cash Pool. The balance owed to the DWM by the City’s General Fund under this MOU at June 30, 2010 is \$109,385,000 including accrued interest.

During the year ended June 30, 2008, the DWM advanced funds to a component unit, ADA, for future work on a consent decree project. Due to the nature of this transaction, the interfund balances are considered long-term for financial reporting purposes. During 2010, approximately \$13.8 million was spent toward this project by ADA. Balances as of June 30, 2010, are as follows (in thousands):

	Due from Component Units	Due to Primary Government	
Department of Watershed Management	\$ 25,000	\$ -	
Atlanta Development Authority	-	25,000	
Total	\$ 25,000	\$ 25,000	

Notes to the Financial Statements – Continued

D. Interfund Receivables, Payables, and Transfers, continued

Transfers

Transfers for the year ended June 30, 2010, are as follows:

Transfers From:	General Fund	Capital Projects	Dept of Aviation	Dept of Watershed Management	MOST	Non-major Enterprise	Non-major Government	Total In
Transfers To:								
General Fund		\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,230	\$ 12,230
Capital Projects	\$ 1,256		-	-	-	-	-	\$ 1,256
Dept of Aviation	-	-		-	-	-	-	\$ -
Dept of Watershed Management	1,469	-	-		109,059	-	-	\$ 110,528
MOST	-	-	-	-		-	-	\$ -
Non-major Enterprise	9,062	-	-	-	-		-	\$ 9,062
Non-major Government	8,788	-	-	-	-	-		\$ 8,788
Total Out	\$ 20,575	\$ -	\$ -	\$ -	\$ 109,059	\$ -	\$ 12,230	\$ 141,864

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 which terminate no later than 2017. The total cost of the facilities described above which are substantially leased to various tenants is \$3,598,045,000 with a carrying value of \$2,387,252,000. Depreciation expense for 2010 on the facilities was \$ 115,618,000.

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

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.

At June 30, 2010 minimum future rentals and fees to be received under non-cancelable leases or concession agreements for each fiscal year are as follows (in thousands):

2011	\$	309,782
2012		315,977
2013		322,297
2014		328,743
2015		335,318
2016-2017		<u>690,889</u>
Total	\$	<u>2,303,006</u>

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 parking is solely a function of parking receipts and totaled approximately \$95,577,000 for the year ended June 30, 2010.

All of the Central Passenger Terminal Complex and the Rental Car Center leases expired in 2010. The City and the airlines serving the airport have entered into new operating lease agreements that extend to 2017 relating to the use of the airfields.

Department of Watershed Management (DWM) – Capital Lease Obligations

The DWM has entered into several lease agreements as lessee for power generators. These lease agreements qualify as capital leases for accounting purposes and the lease payments are reflected as capital lease obligations at the present value of the aggregate payments due over the remaining life of the leases. Included in machinery and equipment is \$28,592,000 of equipment acquired under capital leases. The accumulated amortization on this equipment is \$19,511,000 as of June 30, 2010, and is recorded as a component of depreciation expense. Amortization expense was \$1,914,000 for the fiscal year ended June 30, 2010.

The present values of the future minimum capital lease payments as of June 30, 2010, are as follows (in thousands):

2011	\$	2,598
2012		2,533
2013		2,533
2014		1,793
2015		1,572
2016-2017		<u>2,682</u>
Total minimum payments		13,711
Less amounts representing interest		<u>(2,108)</u>
Present value of minimum capital lease payments	\$	<u>11,603</u>

Notes to the Financial Statements – Continued

E. Leases, continued

Governmental Activities – Capital Lease Obligations

The City has entered into multiple lease agreements 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 (in thousands):

	<u>Traffic Court</u>	<u>Furniture, Fixtures and Equipment</u>	<u>Digital Radio Upgrade</u>	<u>Total</u>
2011	\$ 3,928	\$ 1,561	\$ 4,892	\$ 10,381
2012	3,927	1,561	4,892	10,380
2013	3,923	1,561	4,892	10,376
2014	3,926	780	4,892	9,598
2015	3,924	-	4,892	8,816
2016-2020	19,540	-	14,676	34,216
2021-2025	19,456	-	-	19,456
2026-2030	<u>7,751</u>	<u>-</u>	<u>-</u>	<u>7,751</u>
Total minimum payments	66,375	5,463	39,136	110,974
Less amounts representing interest	<u>(22,440)</u>	<u>(415)</u>	<u>(4,723)</u>	<u>(27,578)</u>
Present value of minimum capital lease payments	<u>\$ 43,935</u>	<u>\$ 5,048</u>	<u>\$ 34,413</u>	<u>\$ 83,396</u>
Gross Capital Asset Value (000's)	\$ 55,195	\$ 6,482	\$ 41,102	\$ 102,779
Accumulated Depreciation (000's)	<u>(5,112)</u>	<u>(73)</u>	<u>(9,024)</u>	<u>(14,209)</u>
Net Capital Asset Value (000's)	<u>\$ 50,083</u>	<u>\$ 6,409</u>	<u>\$ 32,078</u>	<u>\$ 88,570</u>

Downtown Development Authority of the City of Atlanta (DDA)

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

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

Notes to the Financial Statements – Continued

E. Leases (continued)

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

	2011	\$ 1,021
	2012	8,114
	2013	8,113
	2014	8,111
	2015 - 2017	<u>24,338</u>
Total minimum payments		49,697
Less amounts representing interest		<u>(7,607)</u>
Present value of minimum capital lease payments		<u>\$ 42,090</u>

In 2006, the Atlanta Development Authority, through DDA issued Revenue Bonds (Downtown Parking Deck Project) Series 2006A \$17,990,000 and Series 2007B \$5,490,000. The 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 Obligation bonds payable solely from rental payments to be made by the City to the DDA.

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.

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

	2011	\$ 1,617
	2012	1,617
	2013	1,620
	2014	1,623
	2015	1,619
	2016-2020	8,100
	2021-2025	8,093
	2026-2030	7,998
	2031-2032	<u>3,239</u>
Total minimum payments		35,526
Less amounts representing interest		<u>(13,221)</u>
Present value of minimum capital lease payments		<u>\$ 22,305</u>

Notes to the Financial Statements – Continued

E. Leases, continued

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 (in thousands):

2011	\$	5,942
2012		5,219
2013		4,598
		<hr/>
	\$	15,759
		<hr/>

F. Notes Payable

General Fund

On February 27, 2008 the City borrowed \$17,000,000 for construction and build-out expenses related to the Public Safety Annex. The loan, in the form of a note payable, has a ten year term and is scheduled to be paid in full by February 1, 2018. The outstanding principal balance as of June 30, 2010 is \$14,083,000.

On December 7, 2009, the City authorized the issuance of the Tax Anticipation Notes, Series 2010, in the amount of \$80,000,000. The Notes were issued to pay the “cumulative cash flow deficit” of the general fund of the City during calendar year 2010. The Series 2010 Notes are general obligations of the City and the principal and interest are payable from taxes levied or to be levied in calendar year 2010 for the General Fund of the City for the payment of the Note on its maturity. The Series 2010 Notes bear interest at the rate of .75% per annum, calculated on the basis of the 360-day year comprised of twelve 30-day months. The Series 2010 Notes will mature on December 31, 2010.

Department of Aviation

In July 2005, the City issued Airport General Revenue Commercial Paper Notes, Series 2005A-1 (AMT) and Series 2005A-2 (Non-AMT) up to the amount of \$350,000,000 (the “Series 2005A Notes”) and Airport Passenger Facility Charge and Subordinate Lien General Revenue Commercial Paper Notes, Series 2005B-1 (AMT) and 2005B-2 (Non-AMT) up to the amount of \$200,000,000 (the “Series 2005B Notes”). These notes were issued to finance on an interim basis a portion of the capital improvements for the Hartsfield-Jackson Atlanta International Airport. General revenues are pledged as security for payment on the Series 2005A Notes and PFC Revenues and a subordinate pledge of General Revenues secure the Series 2005B Notes. The Series 2005A Notes and the Series 2005B Notes do not constitute a debt, liability, or obligation of the City, or a pledge of the faith and credit or taxing power of the City. The Series 2005A Notes and the Series 2005B Notes are not considered a long-term obligation of the City of Atlanta Department of Aviation and may be repaid and reissued as often as necessary to affect the

Notes to the Financial Statements – Continued

F. Notes Payable, continued

purposes set out in the respective program. The Series 2005A Notes and Series 2005B Notes when due, are secured by irrevocable, direct pay letter of credit issued by a consortium of four banks. The Notes will have varying maturities of not more than 270 days and bear interest at a market rate at the date issued not to exceed 12% per annum. The irrevocable direct pay letter of credit expires on November 30, 2015

Short-term debt activities for the year ended June 30, 2010 were as follows (in thousands):

	<u>6/30/2009</u>	<u>Increases</u>	<u>Decreases</u>	<u>6/30/2010</u>
Commercial Paper Notes	\$ 93,232	\$55,625	\$ -	\$148,857

Interest rates on Series 2005A Notes and the Series 2005B Notes issued during the year ended June 30, 2010 ranged from 0.25% to 1.50%.

G. Long-Term Obligations

Changes in long-term debt during the fiscal year ended June 30, 2010, follow (in thousands):

	Balance at June 30, 2009	Additions	Reductions	Transfers	Balance at June 30, 2010	Due within One Year
Governmental activities:						
Long-term debt						
General obligation and annual bonds	\$ 277,190	\$ -	\$ (16,700)	\$ -	\$ 260,490	\$ 15,525
Discounts and premium, net	17,059	-	(2,280)	-	14,779	-
SWMA revenue refunding bonds	20,265	-	(1,030)	-	19,235	1,215
Less: Deferred amount on refunding	(452)	-	54	-	(398)	-
Limited obligation bonds	652,075	78,120	(82,045)	-	648,150	19,080
Discounts and premium, net	(1,981)	(1,257)	3,106	-	(132)	-
Less: Deferred amount on refunding	(13,804)	(1,749)	1,341	-	(14,212)	-
Capital leases	69,005	-	(8,244)	22,635	83,396	10,381
Notes Payable	15,509	-	(1,426)	-	14,083	1,493
Other General Long-term Obligations						
Section 108 loans	6,175	-	(1,060)	-	5,115	1,090
1990 GMA lease pool	-	-	-	-	-	-
1998 GMA lease pool	32,444	-	-	-	32,444	-
2008 GMA direct lease program	5,782	-	(3,226)	-	2,556	2,556
2002 COPS	45,540	-	-	(45,540)	-	-
2007 Intergovernmental agreement	15,983	-	(806)	-	15,177	848
Installment sale program	58,575	-	(5,690)	-	52,885	5,980
Total long-term debt	1,199,365	75,114	(118,006)	(22,905)	1,133,568	58,168
Other long-term liabilities						
Vacation and compensatory payable	22,452	134	(1,368)	-	21,218	12,561
Health and dental claims payable	4,657	45,316	(45,073)	-	4,900	4,900
General claims payable	25,637	9,750	(5,312)	-	30,075	26,675
Other postemployment benefit liability	60,840	45,788	(25,293)	-	81,335	-
Arbitrage rebate	474	-	(474)	-	-	-
Workers' compensation	21,481	5,272	(5,685)	-	21,068	4,278
Total other long-term liabilities	135,541	106,260	(83,205)	-	158,596	48,414
Total long-term liabilities	\$ 1,334,906	\$ 181,374	\$ (201,211)	\$ (22,905)	\$ 1,292,164	\$ 106,582

Notes to Financial Statements – Continued

G. Long-Term Obligations, continued

Changes in long-term debt during the fiscal year ended June 30, 2010, follow (in thousands):

	Balance at June 30, 2009	Additions	Reductions	Transfers	Balance at June 30, 2010	Due within One Year
Business-type activities						
Long-term debt				-		
Department of Aviation:				-		
Facilities revenue bonds	\$ 2,343,835	\$ -	\$ (108,263)	\$ -	\$ 2,235,572	\$ 72,091
Issuance discounts and premium	(1,404)	-	(333)	-	(1,737)	-
Department of Watershed Management:				-		
System revenue bonds	3,218,275	448,965	(465,215)	-	3,202,025	38,370
Plus: premium on bonds	26,680	310	(1,160)	-	25,830	-
GEFA notes payable	148,768	-	(3,415)	-	145,353	3,530
Capital lease obligation	13,644	-	(2,041)	-	11,603	1,981
Interest rate SWAP obligation	-	18,120	-	-	18,120	7,200
Nonmajor funds:						
Capital lease obligation (Parking Deck)	-	-	(600)	22,905	22,305	620
Capital lease obligation (Underground Atlanta)	48,065	-	(5,975)	-	42,090	6,195
Total long-term debt	<u>5,797,863</u>	<u>467,395</u>	<u>(587,002)</u>	<u>22,905</u>	<u>5,701,161</u>	<u>129,987</u>
Other long-term liabilities:						
Arbitrage rebate	436	-	(436)	-	-	-
Landfill postclosure liability	26,394	-	(1,606)	-	24,788	-
General Claims Payable	23,121	5,983	(3,254)	-	25,850	25,450
Other postemployment benefit liability	49,801	31,710	(8,307)	-	73,204	-
Workers' compensation	17,624	1,564	(1,740)	-	17,448	3,543
Total other long-term liabilities	<u>117,376</u>	<u>39,257</u>	<u>(15,343)</u>	<u>-</u>	<u>141,290</u>	<u>28,993</u>
Total long-term liabilities	<u>\$ 5,915,239</u>	<u>\$ 506,652</u>	<u>\$ (602,345)</u>	<u>\$ 22,905</u>	<u>\$ 5,842,451</u>	<u>\$ 158,980</u>
Component Units						
Long-term debt:						
Atlanta Fulton County Recreation Authority	\$ 159,316	\$ -	\$ (4,286)	\$ -	\$ 155,030	\$ 5,120
Atlanta Downtown Development Auth. Revenue and other bonds	184,196	-	(8,275)	-	175,921	9,095
Other liabilities	39,929	4,076	(1,026)	-	42,979	3,848
Total long-term debt	<u>\$ 383,441</u>	<u>\$ 4,076</u>	<u>\$ (13,587)</u>	<u>\$ -</u>	<u>\$ 373,930</u>	<u>\$ 18,063</u>

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

Governmental-type Activities

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

Notes to the Financial Statements – Continued

G. Long-Term Obligations, continued

A summary of governmental-type activities long-term debt as of June 30, 2010, is as follows (in thousands):

	<u>Balance June 30, 2010</u>
General Obligation Bonds:	
2001B Infrastructure Issue, \$61,220, 4.00% - 5.00%, due December 1, 2021	\$ 12,295
2004B Issue, \$47,500, 5.00%, due December 1, 2021	26,565
2005A Refunding Issue, \$85,980, 3% - 4.125%, due December 1, 2025	74,775
2008 Public Imp. Issue, \$36,820, 4%, due December 1, 2021	33,160
2009A Refunding Issue, \$78,028, 3.00%-5.00%, due December 1, 2023	78,025
	<u>224,820</u>
Annual G.O. Bond Issues:	
1999 Issue, \$8,000, 5.125% - 5.8%, due December 1, 2010	130
2000 Issue, \$8,000, 4.75% - 5.5%, due December 1, 2012	355
2001A Issue, \$8,000, 4.00% - 5.00%, due December 1, 2022	2,065
2002 Issue, \$8,000, 3.00% - 5.00%, due December 1, 2022	5,950
2003 Issue, \$8,000, 3.60% - 4.60%, due December 1, 2023	6,160
2004A Issue, \$8,000, 3.00% - 4.40%, due December 1, 2024	6,725
2005B Issue, \$8,000, 4.00% - 4.5%, due December 1, 2025	6,820
2007 Issue, \$8,000, 4.00% - 4.5%, due December 1, 2025	7,465
	<u>35,670</u>
SWMA Revenue Bonds:	
Series 2008, \$20,265, 4.00% - 5.00% issued by the Solid Waste Management Authority, due December 1, 2021	19,235
Other General Long-Term Obligations	
Section 108 Loans, \$5,030, 5.40% - 7.96%, due August 1, 2019 (MMPH I)	1,805
Section 108 Loans, \$4,850, 5.40% - 7.96%, due August 1, 2019 (MMPH II & Mechanicsville)	2,400
Section 108 Loans, \$13,495, 5.40% - 7.96%, due August 1, 2019 (MLK/Ashby)	910
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)	52,885
2007 Intergovernmental Agreement Guaranteed payments towards 2007A Zoo, \$14,315, 4.125%-5.00%, due December 1, 20022	10,737
2007 Intergovernmental Agreement Guaranteed payments towards 2007B Zoo, \$7,515, 5.450%-5.480%, due December 1, 2014	4,440
2008 GMA Direct Lease Program, 3.75-3.50%, due September 15, 2010	2,556
	<u>108,177</u>
Limited Obligation Bonds:	
2000 Park Imp Rev, 21,400, 4.300%-5.600%, due Dec 1, 2010	2,040
2001 Westside Project, \$14,995, 1.398%, due December 1, 2021	11,220
2005A Westside Project, \$72,350, variable, due December 1, 2023	58,820
2005B Westside Project, \$10,215, variable, due December 1, 2023	8,960
2005A Eastside Project, \$9,480, variable, due December 1, 2016	7,145
2005B Eastside Project, \$38,000, variable, due December 1, 2030	38,000
2005A Park Imp Rev, \$75,510, 4.00%-5.00%, due Dec. 1, 2025	70,275
2005B Park Imp Rev Refunding, \$12,650, 4.00%-4.50%, due Dec. 1, 2020	12,585
2006 Atlantic Station, \$166,515, 3.5% due, December 1, 2024	159,595
2006 Princeton Lakes Project, \$21,000, variable, due January 1, 2031	17,810
2007 Atlanta Public Safety Authority, \$50,000, 4.00% - 5.00%, due December 1, 2026	44,950
2007 Atlantic Station, \$85,495 4.75%-5.00%, due December 1, 2024	76,925
2008A BeltLine Reoffering, \$26,420 7.5% due January 1, 2031	26,420
2008B BeltLine Reoffering, \$33,725 6.75% term bond due January 1, 2020; and 7.375% term bond due January 1, 2031	33,725
2008C BeltLine, \$4,355 7.50%, due January 1, 2031	4,355
2009B BeltLine, \$12,590, 6.75% term bond due January 1, 2020; and 7.375% term bond due January 1, 2031	12,590
2009C BeltLine, \$1,030 7.50% term bond due January 1, 2031	1,030
2008 Westside, \$63,760 3.27%, due December 1, 2037	61,705
	<u>648,150</u>
Notes Payable:	
Series 2008, Atlanta Public Safety Judicial Facilities Authority, \$17,000, 4.40%, due February 1, 2018	14,083
	<u>14,083</u>
Total general long-term debt	<u><u>\$ 1,050,135</u></u>

Notes to the Financial Statements – Continued

G. Long-Term Obligations, continued

The City participates in a lease pool arrangement with 29 other local governments through the Georgia Municipal Association, Inc. (“GMA”). GMA issued Certificate of Participation (“COP”) in 1998 which are governed by a master lease agreement. The purpose of the COP is to fund the purchase of eligible capital assets that are leased back to each of the participating governments. The City’s interest in this arrangement functions similar to a line of credit whereby eligible capital assets may be purchased up to the City’s share. The lease of eligible capital assets decreases the City’s net available credit and repayments of principal increase the City’s net available credit. Lease terms are generally between three and five years from the date the equipment is purchased. The agreements terminate upon the financial due date of the COP in 2028.

Arbitrage Rebate

The arbitrage rebate liability, on all City issued obligations, is treated as a claim or judgment upon occurrence. Certain City long-term debt obligations are subject to Section 148 of the Internal Revenue Code which requires that interest earned on proceeds from tax-exempt debt be rebated to the Federal government to the extent that those earnings exceed the interest cost on the related tax-exempt debt. At June 30, 2010, the City had no arbitrage rebate liability on business type activities long-term debt or governmental activities long-term debt.

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 coverages. As of June 30, 2010, the City believes it was in compliance with all such significant financial limitations and restrictions.

The Department of Watershed Management issued \$448,965,000 of Water and Wastewater Revenue Bonds Series 2009B bonds to finance certain capital improvements included as part of a multi-phase, long-term capital improvement program for the Watershed system. The bonds are being issued for the purpose of (a) refunding all of the City’s outstanding Water and Wastewater Revenue Bonds, Series 2001B and Water and Wastewater Revenue Bonds, Series 2001C, (b) funding the increase in the debt service reserve requirement resulting from the issuance of the bonds, and (c) paying the costs of issuance related to the bonds.

Notes to the Financial Statements – Continued

G. Long-Term Obligations, continued

Department of Aviation (DOA)

Long-term debt at June 30, 2010, consists of the following (in thousands):

General Revenue Bonds

Airport General Revenue and Refunding Bonds, Series 2000A, 2000B and 2000C, at 5.1% - 6.25%, due serially through 2030	\$ 506,160
Airport General Revenue Refunding Bonds, Series 2003RF-A, at 5.0%, due serially through 2014	18,570
Variable Rate Airport General Revenue and Refunding Bonds, Series 2003RF-B-1, RF-B-2, RF-B-3, RF-C-1, RF-C-2, RF-C-3, at weekly modal variable interest rate, due serially through 2030	481,337
Airport General Revenue and Refunding Bonds, Series 2003RF-D, at 4.375% - 5.25%, due serially through 2019	90,645
Airport General Revenue Bonds, Series 2004A, combination serial (at 5.25% - 5.375%) and term bond (5.125%) through 2030	164,165
Airport General Revenue Bonds, Series 2004B, at 5.25%, term bond due January 1, 2033	58,655
Airport General Revenue and Refunding Bonds, Series 2004F and Series 2004G, at 4.0% - 5.25%, due serially through 2030	128,465
Total General Revenue and Refunding Bonds	1,447,997

Passenger Facility Charge (PFC) Bonds

PFC and Subordinate Lien General Revenue Bonds, Series 2004C, at 5.0%, a term bond due January 1, 2033	293,070
PFC and Subordinate Lien General Revenue Bonds,, Series 2004D-1, 2004D-2 ,2004E-1 and 2004E-2, variable auction rate, due serially through 2024	42,300
PFC and Subordinate Lien General Revenue Bonds, Series 2004J, combination serial bond (4.75%-5%) and term bond (5.0%) through 2034	235,860
Total PFC and Subordinate Lien General Revenue Bonds	571,230

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 5.557% - 5.965% (Conduit Debt)	196,345
City of College Park Revenue Bonds, (Hartsfield-Jackson Atlanta International Airport Automated People Mover System Maintenance Facility Project), Series 2006B at 4% - 4.5% (Conduit Debt)	20,000
Total CFC Restricted Revenue Bonds	216,345

Total bonds	2,235,572
Less:	
Current maturities	(72,091)
Unamortized discounts/premiums, net	(1,737)
Total Long Term Obligations	\$ 2,161,744

Notes to the Financial Statements – Continued

G. Long-Term Obligations, continued

On June 21, 2006, the City of College Park, Georgia issued \$211,880,000 in Taxable Revenue Bonds (Hartsfield Jackson Atlanta International Airport Consolidated Rental Car Facility Project), Series 2006A for the purpose of acquiring, constructing and installing a consolidated rental car facility. In addition, College Park issued \$21,980,000 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. Pursuant to the issuance of the bonds, City adopted an Ordinance imposing a customer facility charge (CFC) and has pledged revenues generated from the CFC to secure debt service payments on the bonds. The City recorded these transactions as released revenue bonds. At June 30, 2010, the balance of outstanding conduit debt totaled \$216,345,000. The City of College Park has no obligation to make debt service payments on these bonds.

Interest Rate Exchange Agreements (SWAPs) and Associated Bonds

Department of Aviation (DOA)

At the beginning of fiscal year 2010 the Department of Aviation in consultation with the city's financial advisors decided to reduce its risk exposure by terminating all of the SWAP agreements it had with various counterparties. This action was the result of interest costs falling to record lows as well as the high volatility that persisted in the financial markets. With approval from the City Council and the Mayor, the department negotiated the termination of SWAP one and SWAP two which were hedged against the Airport General Revenue Refunding bonds Series 2003RF-B1,B2,B3,C1,C2,and C3. Swap one and Swap two were transactions that the city entered into on June 17, 2003 and became effective on June 26, 2003. On July 6, 2009 the Department of Aviation terminated Swap one and Swap two with Goldman Sachs Mitsui Marine Derivative Products, L.P and JP Morgan Chase Bank as counterparties. The total amount paid to the counterparties to terminate these transactions was \$18,470,000.

On December 23, 2009 the Department of Aviation terminated Swap three and Swap four with its counterparties Bear Stearns Capital Markets Inc, and UBS Loan Finance, LLC. Swap three and Swap four were forward starting Swaps with a combined notional amount of \$455.9 million. These two swap transactions were hedged against the Airport General Revenue Refunding Bonds (Series 2000A and 2000B) effective January 1, 2010. The total amount paid to the counterparties to terminate these transactions was \$40,000,000.

As of June 30, 2010, the Department of Aviation has no outstanding swap transactions with any counterparty.

Notes to the Financial Statements – Continued

G. Long-Term Obligations, continued

Department of Watershed Management

Long-term debt at June 30, 2010 consists of the following (in thousands):

Revenue Bonds

Water and Wastewater Revenue Bonds, \$1,096,140 Series 1999A, 5.00% - 5.50%, due serially through 2038	\$666,455
Water and Wastewater Revenue Bonds, \$415,310 Series 2001A, 3.50% - 5.50%, due serially through 2039	415,100
Water and Wastewater Revenue Bonds, \$849,330 Series 2004, combination serial (2.50% - 5.75%) and term bonds (5.00%) through 2043	814,710
Water and Wastewater Revenue Bonds, \$106,795 Series 2008, variable rate demand, due serially through 2041	106,795
Water and Wastewater Refunding Revenue Bonds, \$750,000 Series 2009A, combination serial (3.00% - 6.25%) and term bonds (6.25%) through 2039	750,000
Water and Wastewater Refunding Revenue Bonds, \$448,965 Series 2009B, combination serial (2.00% - 5.50%) and term bonds (5.250% - 5.375%) through 2039	448,965
	\$3,202,025
Less: Current maturities	(38,370)
Unamortized discounts and premium costs	25,830
Total revenue bonds	\$3,189,485

Other Debt:

Georgia Environmental Facilities Authority (GEFA) \$4,669 Loan, 3.00% due serially through 2023	3,490
Georgia Environmental Facilities Authority (GEFA) \$19,006 Loan, 3.82%, due serially through 2035	17,309
Georgia Environmental Facilities Authority (GEFA) \$19,034 Loan, 3.92%, due serially through 2036	17,785
Georgia Environmental Facilities Authority (GEFA) \$19,021 Loan, 4.12%, due serially through 2038	18,204
Georgia Environmental Facilities Authority (GEFA) \$31,216 Loan, 3.00%, due serially through 2027	29,164
Georgia Environmental Facilities Authority (GEFA) \$31,053 Loan, 3.00%, due serially through 2028	29,506
Georgia Environmental Facilities Authority (GEFA) \$31,409 Loan, 3.00%, due serially through 2027	29,895
	145,353
Less: Current maturities	(3,530)
Total other debt	141,823

Total long-term debt

\$3,331,308

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).

Notes to the Financial Statements – Continued

G. Long-Term Obligations, continued

Interest Rate Exchange Agreements (SWAPs) and Associated Bonds

Department of Watershed Management (DWM)

Swap One - On March 5, 2001, the Department entered into an interest rate swap option agreement with UBS AG (Counterparty) in which it agreed to essentially convert, at the Counterparty's request, \$145,000,000 of the Department's Water and Wastewater Revenue Bonds, Series 1999, from 5% fixed rate bonds to floating rate bonds in which the interest rate is based on the Securities Industry and Financial Markets Association (SIFMA) Municipal Swap Index. The option for conversion began in 2005. The Department will continue to service the debt at the fixed rate. For entering into this agreement, the Department received a nonrefundable \$2,700,000 commitment fee which has been deferred and is being amortized over the life of the agreement.

Swap Two - Also, on March 5, 2001, the Department entered into a similar interest rate swap option agreement with the Counterparty in which it agreed to essentially convert, at the Counterparty's request, \$71,850,000 of the Department's Water and Wastewater Revenue Bonds, Series 1999, from 5% fixed rate bonds to floating-rate bonds in which the interest rate is based on the SIFMA Municipal Swap Index. The option for conversion began in 2004 and the Department received a nonrefundable \$4,800,000 commitment fee which has been deferred and is being amortized over the life of the agreement.

Cancellation - On March 4, 2010, the Department terminated the agreements for Swap One and Swap Two. The Department is required to make termination payments for Swap One totaling \$13,538,000 on certain dates through January 2013, and Swap Two totaling \$8,082,000 on certain dates through April 2012. The unamortized balance on the commitment fee of \$5,744,000 has been offset against the termination fees for the year ended June 30, 2010.

Swap Three and Swap Four - In December 2001, the Department entered into two interest rate swap agreements. These swap agreements are associated with the Department's Water and Wastewater Revenue Bonds, Series 2001B and 2001C with notional amounts of \$335,640,000 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.

Substitution - On October 22, 2009, the Department redeemed its outstanding Water and Wastewater Revenue Bond, Series 2001B and Water and Wastewater Revenue Bonds, Series 2001C. The Department terminated its designation of the bonds as hedged bonds in association with Swap Three and Swap Four. The following Water and Wastewater Revenue Bonds were substituted as hedged bonds for the Swap Three and Swap Four agreements:

2001B Bonds

<u>Water and Wastewater Revenue Bond</u>	<u>Maturity Date</u>	<u>Principal Amount</u>
Series 2004	November 1, 2009	\$ 420,000
Series 2009B	November 1, 2010 through November 1, 2039	330,110,000
Total		<u>\$ 330,530,000</u>

2001C Bonds

<u>Water and Wastewater Revenue Bond</u>	<u>Maturity Date</u>	<u>Principal Amount</u>
Series 2004	November 1, 2041	\$ 25,265,000
Series 2008	November 1, 2041	80,440,000
Total		<u>\$ 105,705,000</u>

Notes to the Financial Statements – Continued

G. Long-Term Obligations, continued

Derivative Instruments

The fair value balances and notional amounts of derivative instruments outstanding at June 30, 2010, classified by type, and the changes in fair value of such derivative instruments for the year then ended are as follows:

Item	Cash flow hedges:	Changes in Fair Value		Fair Value at June 30, 2010		Notional
		Classification	Amount	Classification	Amount	
3	Pay-fixed interest rate swaps	Deferred inflow	\$ (28,365,000)	Debt	\$ (108,566,465)	\$ 330,530,000
4	Pay-fixed interest rate swaps	Deferred inflow	\$ (7,655,530)	Debt	\$ (14,611,136)	\$ 105,705,000

The fair value was estimated using 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.

Objective and Terms of Hedging Derivative Instruments

The following table displays the objective and terms of the City's hedging derivative instruments outstanding at June 30, 2010, along with the credit rating of the associated counterparty.

Item	Type	Objective	Notional Amount	Effective Date	Maturity Date	Terms	Counterparty Credit Rating*
3	Pay-fixed interest rate swap	Hedge of changes in cash flows of fixed debt obligations	\$ 330,530,000	01/03/2002	11/01/2038	Receive SIFMA Municipal Swap Index; pay 4.09%	A+/Aa3/A+
4	Pay-fixed interest rate swap	Hedge of changes in cash flows of fixed debt obligations	\$ 105,705,000	01/02/2002	11/01/2041	Receive 67% of one month LIBOR; pay 4.09%	A+/Aa3/A+

* A+ issued by Fitch, London; Aa3 issued by Moody's, New York; A+ issued by Standard & Poors, New York.

Risks

Credit Risk - Credit risk is the risk that the counterparty will not fulfill its obligations. As of June 30, 2010, 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 in 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, Aa3 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, received-variable interest rate swaps. As LIBOR or the SIFMA swap index decreases, the Department's net pay on the swap increases.

Notes to the Financial Statements – Continued

G. Long-Term Obligations, continued

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 hedge variable-rate debt. As of June 30, 2010 the interest rate on the Department's hedged variable-rate debt is 0.232 percent, while the SIFMA swap index rate is 0.250 percent and 67 percent of LIBOR is 0.806 percent.

Termination Risk - Termination risk is the risk that a hedging derivative instrument's unscheduled end will affect the Department's asset and liability strategy or will present the Department with potentially significant unscheduled termination payments to the counterparty. The amendment to the swap transaction, dated February 26, 2010, allows the counterparty to terminate and cancel the transaction in whole or in part, on any business day, upon one business day's prior written notice to the Department.

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 \$24,788,000 reported as the landfill post-closure costs liability at June 30, 2010, represents the cumulative amount of post-closure costs expected to be incurred over the required 30 year monitoring period which began in 2001. These amounts are estimates calculated by the management of the City of what it would cost to perform all post-closure care. Actual costs may differ from estimates due to inflation, changes in technology or regulations. Post-closure care costs will be funded by future sanitary charges of the Sanitation Fund or from future contributions from the General Fund if necessary.

Notes to 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, 2010:

Year Ended June 30	Governmental Activities					
	General Obligations		Annual Bonds		SWMA Revenue Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2011	\$ 13,470	\$ 10,194	\$ 2,055	\$ 1,468	\$ 1,215	\$ 899
2012	12,265	9,655	2,020	1,386	1,275	837
2013	13,245	9,073	2,115	1,302	1,335	772
2014	14,020	8,451	2,085	1,217	1,405	703
2015	15,195	7,791	1,865	1,137	1,475	631
2016-2020	87,005	27,546	10,785	4,415	8,515	2,000
2021-2025	68,735	6,045	12,865	1,712	4,015	172
2026-2030	885	18	1,880	67	-	-
2031-2035	-	-	-	-	-	-
2036-2040	-	-	-	-	-	-
	<u>\$ 224,820</u>	<u>\$ 78,773</u>	<u>\$ 35,670</u>	<u>\$ 12,704</u>	<u>\$ 19,235</u>	<u>\$ 6,014</u>

Year Ended June 30	Governmental Activities					
	APSJFA -Note Payable		Limited Obligations		Other General LT Obligations	
	Principal	Interest	Principal	Interest	Principal	Interest
2011	\$ 1,493	\$ 632	\$ 19,080	\$ 32,591	\$ 10,474	\$ 3,568
2012	1,563	563	23,200	31,458	8,276	3,099
2013	1,635	490	25,930	30,373	8,176	2,692
2014	1,712	413	27,100	29,134	6,109	2,313
2015	7,680	817	30,050	27,776	5,880	1,999
2016-2020	-	-	173,740	114,500	24,085	5,619
2021-2025	-	-	206,145	65,945	12,733	1,371
2026-2030	-	-	87,230	27,088	-	-
2031-2035	-	-	42,015	6,940	32,444	-
2036-2040	-	-	13,660	686	-	-
	<u>\$ 14,083</u>	<u>\$ 2,915</u>	<u>\$ 648,150</u>	<u>\$ 366,490</u>	<u>\$ 108,177</u>	<u>\$ 20,661</u>

Year Ended June 30	Business-Type Activities						
	Aviation		GA Environmental Facilities		Watershed Management		Interest Rate Swaps, Net
	Principal	Interest	Principal	Interest	Principal	Interest	
2011	\$ 72,091	\$ 106,061	\$ 3,530	\$ 4,811	\$ 38,370	\$ 168,416	\$ 16,746
2012	69,046	102,180	3,647	4,694	46,085	166,451	16,726
2013	71,906	98,120	3,772	4,568	48,425	164,123	16,805
2014	74,701	93,886	3,898	4,443	50,870	161,699	16,646
2015	68,218	89,870	4,029	4,311	53,540	159,046	16,627
2016-2020	385,595	396,387	22,281	19,424	314,660	748,578	81,110
2021-2025	446,035	300,739	25,741	15,402	404,740	650,989	65,754
2026-2030	746,730	167,584	59,872	7,813	524,560	524,579	56,073
2031-2035	301,250	25,906	13,868	2,386	638,065	366,696	41,633
2036-2040	-	-	4,715	205	821,345	171,314	22,433
2041-2045	-	-	-	-	261,365	21,198	1,920
	<u>\$ 2,235,572</u>	<u>\$ 1,380,733</u>	<u>\$ 145,353</u>	<u>\$ 68,057</u>	<u>\$ 3,202,025</u>	<u>\$ 3,303,089</u>	<u>\$ 352,473</u>

Year Ended June 30	Component Units			
	Recreation Authority		Atlanta Development Authority	
	Principal	Interest	Principal	Interest
2011	\$ 5,120	\$ 9,889	\$ 9,821	\$ 9,282
2012	5,410	9,597	10,955	8,893
2013	5,740	9,268	11,774	8,414
2014	6,080	8,925	12,939	7,866
2015	6,475	8,538	13,080	7,285
2016-2020	38,960	36,085	50,530	28,686
2021-2025	52,910	22,159	39,205	20,199
2026-2030	34,335	4,618	27,565	11,647
2031-2035	-	-	16,570	5,914
2036-2040	-	-	10,460	1,082
	<u>\$ 155,030</u>	<u>\$ 109,080</u>	<u>\$ 202,899</u>	<u>\$ 109,268</u>

Notes to Financial Statements – Continued

G. Long-Term Obligations, 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. At June 30, 2010, the City has \$86,655,000 in defeased Various Purpose General Obligation Bonds, and \$2,070,000 in defeased Water and Wastewater Revenue Bonds. At June 30, 2010, the unamortized losses on the defeased bonds was \$35,857,000 for the Water and Wastewater Revenue Bonds. The Department of Aviation paid all outstanding defeased debt during fiscal year 2010, and has no defeased debt balance as of June 30, 2010.

Notes to the Financial Statements - Continued

H. Reserved Net Assets and Restricted Assets

The various bond covenants require certain reservations of Net Assets of the Department of Aviation. Reserved Net Assets at June 30, 2010 are as follows (in thousands):

	Department of Aviation
Passenger and customer facility charges	\$ 365,297
Debt service and debt service reserve	206,232
Total	\$ 571,529

Enterprise Funds, because of certain bond covenants, are required to establish and maintain prescribed amounts of resources that can be used only to service outstanding debt. Other assets are restricted by bond ordinances for capital purposes. The General Fund, because of covenants required by various Certificates of Participation is required to keep certain reserve balances. This includes the investment account established by the 1998 Georgia Municipal Association Certificates of Participation related to the 1998 lease pool, as discussed further in Note III. G. related to long-term obligations. Restricted assets of the enterprise funds at June 30, 2010 are as follows (in thousands):

	Department of Watershed Management	Department of Aviation	Total
Renewal and Extension Fund			
Grants receivable		\$ 2,115	\$ 2,115
Passenger Facility Charges Fund:			
Investments		276,112	\$ 276,112
Cash		79,610	79,610
Accounts Receivable		28,359	28,359
Interest receivable		2,444	2,444
Customer Facility Charge Fund:			
Investments		13,397	13,397
Cash		3,430	3,430
Accounts Receivable		12,812	12,812
CONRAC and APM Funds:			
Investments		42,499	42,499
Construction Funds:			
Construction:			
Investments	\$ 622,732	251,876	874,608
Debt Reserve Fund:			
Investments	157,025	-	157,025
Sinking Fund:			
Cash	9,686	182,960	192,646
Investments	32,218	193	32,411
Debt Reserve Fund	76,324	-	76,324
Total	\$ 897,985	\$ 895,807	\$ 1,793,792

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 the insurance coverages from the previous year. The September 2009 flood claims exceeded commercial insurance coverage for damage to facilities located in a high hazard flood area. (See Note III. C.)

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 claims liabilities are accounted for in the general fund and the applicable enterprise funds. Claims generated by governmental funds expected to be paid subsequent to one year are recorded only in the government-wide financial statements.

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 both 2010 and 2009.

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 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.

Notes to the Financial Statements-Continued

A. Risk Management, continued

Changes in the balances of claims liabilities for workers' compensation, health/dental insurance and general claims liabilities during the year ended June 30, 2010 and the year ended June 30, 2009 were as follows (in thousands):

	Beginning of period	Period claims and changes in estimates	Claim payments	End of period
Workers' compensation:				
2009	\$ 42,582	\$ 4,605	\$ (8,082)	\$ 39,105
2010	\$ 39,105	\$ 6,836	\$ (7,425)	\$ 38,516
Health and Dental claims:				
2009	\$ 4,581	\$ 51,120	\$ (51,045)	\$ 4,657
2010	\$ 4,657	\$ 45,316	\$ (45,073)	\$ 4,900
General claims liability:				
2009	\$ 32,633	\$ 2,500	\$ (9,496)	\$ 25,637
2010	\$ 25,637	\$ 9,750	\$ (5,312)	\$ 30,075

The City participates in the State Subsequent Injury Trust Fund, a public entity managed by the State of Georgia. The pool is designed to provide the insurance coverage for employees who are hired with previous medical conditions. Historically, premiums have not been significant.

B. Employee Retirement Systems and Pension Plans

Pension Plans

The City maintains the following separately administered pension plans:

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

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

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

Notes to the Financial Statements - Continued

B. Employee Retirement Systems and Pension Plans, continued

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. The financial information herein relates only to City obligations for City employees and retirees.

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

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

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

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

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

Defined Benefit Plans

The City's defined benefit plans provide retirement benefits based on the average of the highest 36 months earnings based on the following percentages:

- General employees – 2.5% for each year of credited service to a maximum of 32 years or 80% of salary.
- Firefighters – 3% for each year of credited service to a maximum of 26.67 years or 80% of salary.
- Police Officers – 3% for each year of credited service to a maximum of 26.67 years or 80% of salary.

Notes to the Financial Statements - Continued

B. Employee Retirement Systems and Pension Plans, continued

Normal retirement, after 10 years of service, is available at age 60 for City Employees and at age 55 for Police and Fire employees. In addition, City employees in the General Employee Pension Fund, Police and Fire are eligible to retire after 30 years of service, at any age. Cost-of-living increases are awarded annually, up to a 3% maximum increase. Partial vesting percentages based on years of creditable service and provisions for early retirement are included in the plans. Benefits also may be payable at termination, death, or disability.

All modifications to the pension plans must be supported by actuarial analysis and receive the recommendations of the City Attorney, the Chief Financial Officer, and the boards of trustees of each plan. Each pension law modification must be adopted by at least two-thirds vote of City Council and approved by the Mayor.

In addition, the City has been given special constitutional authority by the State to supplement benefits for retired employees as long as such adjustments are funded by the City.

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

	<u>General Employees</u>	<u>Firefighters</u>	<u>Police Officers</u>	<u>Total</u>
Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	3,620	1,002	1,355	5,977
Current active employees				
Fully vested	1,967	504	787	3,258
Partially vested	296	125	292	713
Deferred Vested	-	2	-	2
Not vested	<u>1,151</u>	<u>267</u>	<u>560</u>	<u>1,978</u>
	3,414	898	1,639	5,951
Total membership	<u>7,034</u>	<u>1,900</u>	<u>2,994</u>	<u>11,928</u>

The latest valuation reports are as of July 1, 2009 for the General Employees Plan and as of January 1, 2009 for the Police Officers and Firefighters Plans.

Notes to the Financial Statements - Continued

B. Employee Retirement Systems and Pension Plans, continued

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 7% of base pay (or 8% 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. Beginning with the July 1, 2008 valuation, The City has elected to change its amortization period for the unfunded pension liability (UAAL) from a closed 20 year period to an open 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.

The required contribution percentages, developed in the most recent actuarial valuations for the plans, to cover pension liabilities and the actual 2010 contribution amounts are (in thousands):

	<u>General Employees</u>	<u>Firefighters</u>	<u>Police Officers</u>
Normal cost	15.39%	27.07%	28.26%
Amortization of the unfunded actuarial accrued liability	<u>18.76%</u>	<u>36.42%</u>	<u>26.56%</u>
Total required contributions as a percentage of covered payroll	<u>34.15%</u>	<u>63.49%</u>	<u>54.82%</u>
2010 actual employee contributions			
Dollar amount	\$11,617	\$3,456	\$6,394
Percent of covered payroll	6.45%	7.99%	7.79%
2010 actual City contributions			
Dollar amount	\$51,762	\$25,865	\$41,712

With respect to the General Employees' Pension Plan, which is a multiple-employer plan, the City's actuarially determined contribution required above represents only the City's portion.

Notes to the Financial Statements - Continued

B. Employee Retirement Systems and Pension Plans, continued

The actual City 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, 2010, were as follows for the respective plans:

General Employees	\$	51,699
Firefighters	\$	25,864
Police Officers	\$	41,713

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

The City's annual pension cost and net pension obligation for the current year ended June 30, 2010 and each of the two preceding years were as follows (in thousands):

Plan/Period	<u>Annual Pension Cost (APC)</u>	<u>Percentage of ARC Contributed</u>	<u>Net Pension Obligation</u>
General Employees:			
Year Ended 6/30/08	\$ 59,780	100%	\$ -
Year Ended 6/30/09	\$ 69,991	100%	\$ -
Year Ended 6/30/10	\$ 51,699	100%	\$ -
Firefighters:			
Year Ended 6/30/08	\$ 26,373	100%	\$ -
Year Ended 6/30/09	\$ 28,752	100%	\$ -
Year Ended 6/30/10	\$ 25,864	100%	\$ -
Police Officers:			
Year Ended 6/30/08	\$ 45,730	100%	\$ -
Year Ended 6/30/09	\$ 44,810	100%	\$ -
Year Ended 6/30/10	\$ 41,713	100%	\$ -

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 payroll. The unfunded actuarial accrued liability for funding purposes, effective with the July 1, 2008 actuarial report, is to be amortized over an open period of 30 years, in accordance with State of Georgia guidelines.

Notes to the Financial Statements - Continued

B. Employee Retirement Systems and Pension Plans, continued

Other actuarial assumptions used to perform the most recent calculation (July 1, 2008 calculations for funding purposes) are:

	<u>General Employees</u>	<u>Firefighters</u>	<u>Police Officers</u>
Rate of return on investments	8.00%	7.75%	7.75%
Projected salary increases for			
Inflation	3.00%	3.00%	3.00%
Merit or seniority and productivity	1.50%	1.00%	1.00%
Post-retirement benefit increases	3.00%	3.00%	3.00%

The following schedule (derived from the most recent actuarial valuation reports) reflects accounting policies, liabilities, and funding provisions for the City's three plans as of June 30, 2010:

	<u>General Employees</u>	<u>Firefighters</u>	<u>Police Officers</u>
Basis of accounting	Accrual	Accrual	Accrual
Asset valuation			
Reporting	Fair Value	Fair Value	Fair Value
Actuarial valuation	5 year smoothed market	5 year smoothed market	5 year smoothed market
Internal loans	None	None	None

Funded Status and Funding Progress

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

	<u>General Employees</u>	<u>Firefighters</u>	<u>Police Officers</u>
Plan/Valuation Date	07/1/2009	1/1/2009	1/1/2009
Value of Assets	\$881,009	\$408,090	\$571,768
Actuarial Accrued Liability (AAL)	\$1,481,563	\$708,347	\$986,376
Percentage Funded	59.5%	57.6%	58.0%
Unfunded Accrued Liabilities	\$600,554	\$300,257	\$414,608
Covered Payroll	\$150,312	\$43,275	\$82,030
Unfunded AAL as a Percentage of Covered Payroll	399.5%	693.8%	505.4%

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.

Notes to the Financial Statements - Continued

B. Employee Retirement Systems and Pension Plans, continued

Defined Contribution Plan

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

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

All new employees, hired after July 1, 2001, who previously would have been enrolled in the General Employees' Defined Benefit Plan, were enrolled in the General Employees' Defined Contribution Plan. During 2002, persons employed prior to July 1, 2001 were given the option to transfer to the General Employees' Defined Contribution Plan.

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

As of June 30, 2010 there were 1,583 participants in the General Employees' Defined Contribution Plan. The covered payroll for employees in the Plan was \$59,041,000. Employee contributions for the year ended June 30, 2010 were \$4,317,000 and employer contributions were \$4,270,000 or 14.5% of covered payroll.

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 assets of the Plan.

Notes to the Financial Statements - Continued

B. Employee Retirement Systems and Pension Plans, continued

Condensed financial statement information for the Defined Contribution Plan for the year ended June 30, 2010 is shown below (in thousands):

Current assets:	
Investments	\$ 43,877
Other Assets	450
Total assets	\$ 44,327
Current liabilities:	
Accounts payable	6
Due to other funds	495
Total current liabilities	\$ 501
Additions:	
Employer contributions	4,270
Employee contributions	4,317
Net Investment income (loss)	2,711
Total additions	11,298
Deductions:	
Benefit Payments	2,940
Administrative expenses	155
Total deductions:	3,095
Change in Net Assets held in trust	8,203
benefits:	
Beginning of period	35,623
End of period	\$ 43,826

Postretirement Benefits

Plan Description: The City of Atlanta Retiree Healthcare Plan (Plan) is a single-employer defined benefit healthcare plan which provides Other Postemployment 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, 2010, the City made \$33.6 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 \$38.3 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.

Notes to the Financial Statements - Continued

B. Employee Retirement Systems and Pension Plans, continued

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, 2010 (in thousands):

	June 30, 2010				General
	City-Wide	DWM	DOA	Other	Government
Annual Required Contribution	\$ 80,400	\$ 17,594	\$ 11,691	\$ 3,613	\$ 47,502
Interest on Net OPEB Obligation	1,612	353	234	72	952
Adjustment to Annual Required Contribution	<u>(4,515)</u>	<u>(988)</u>	<u>(657)</u>	<u>(203)</u>	<u>(2,668)</u>
Annual OPEB Cost (expense)	77,497	16,959	11,269	3,482	45,787
"Pay As You Go" Payments Made	<u>(33,601)</u>	<u>(3,144)</u>	<u>(3,972)</u>	<u>(1,191)</u>	<u>(25,293)</u>
Increase in Net OPEB Obligation	43,896	13,815	7,297	2,291	20,494
Net OPEB Obligation - Beginning of Year	<u>110,642</u>	<u>27,097</u>	<u>17,129</u>	<u>5,575</u>	<u>60,841</u>
Net OPEB Obligation - End of Year	<u>\$ 154,539</u>	<u>\$ 40,911</u>	<u>\$ 24,426</u>	<u>\$ 7,867</u>	<u>\$ 81,335</u>

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, 2008 - 2010 were as follows (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, 2008	\$ 83,159	22.8%	\$ 64,227
June 30, 2009	\$ 75,572	38.6%	\$ 110,642
June 30, 2010	\$ 77,497	43.4%	\$ 154,539

Funded Status and Funding Progress: As of June 30, 2008, 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 \$1.09 billion. The covered payroll was \$278 million, and the ratio of the UAAL to the covered payroll was 390%.

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 funding progress, shown as required supplementary information following the notes to the financial statement, presents the results of the OPEB valuation as of June 30, 2008, the schedule will eventually provide additional multiyear trend information about whether the actuarial values of Plan assets are increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. Under the provisions of GASB 45 the City elected to use the June 30, 2008 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

Notes to the Financial Statements - Continued

B. Employee Retirement Systems and Pension Plans, continued

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, 2008 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included 4.5 percent investment rate of return (net of administrative expenses) and an annual medical cost trend rate of 10.5 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. Beginning in fiscal year June 30, 2008, the UAAL is being amortized as level percentage of projected payroll over 30 years.

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.

Notes to the Financial Statements - Continued

C. Commitments and Contingent Liabilities

Litigation

The City is subject to various suits and proceedings arising in the ordinary conduct of its affairs and has been named as defendant in numerous lawsuits. The City has accrued amounts related to litigation 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, 2010, the total estimated costs on committed projects are \$315,245,000 and \$251,598,000 for the Department of Aviation and Department of Watershed Management, respectively.

Department of Watershed Management

Other Governments

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

Notes to the Financial Statements - Continued

C. Commitments and Contingent Liabilities, continued

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' shares of the operation and maintenance costs for the plants for the period ended June 30, 2010 was \$18,995,000. These payments are treated as operating revenue for the DWM.

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. There was \$2,734,000 of capital improvement costs for the plants charged to the municipalities in fiscal year 2010. These charges, when earned, 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 DWM is subject to two related consent decrees the City entered into to resolve alleged violations of the Federal Clean Water Act and the Georgia Water Quality Control Act.

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

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

Notes to the Financial Statements - Continued

C. Commitments and Contingent Liabilities, continued

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, 2010, 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. All capital improvements, upgrades, and repairs under the FACD must be completed by July 1, 2014.

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, a 1% Municipal sales and use tax is being collected for retail sales and use occurring in the incorporated city limits of Atlanta. Proceeds from this tax are used for operations, debt service and funding renovations to the City's water and sewer system. The MOST was approved by the residents of the City in the July 2004 general election for a period not to exceed four years and for raising not more than \$750,000,000. Up to two extensions, at four years each can be approved by a vote of residents of the City. In the February 2008 elections, the City's residents approved one of the two extensions. Proceeds from the MOST for fiscal year 2010 were \$109,059,000, of which \$17,982,000 was receivable from the Georgia Department of Revenue at June 30. For fiscal 2010, the MOST revenue was recorded by law in a Special Revenue fund with the total revenue amount subsequently transferred to the DWM fund.
- Federal Appropriation – Some small Federal grants have been obtained and efforts to secure additional federal grants continue.

Notes to the Financial Statements - Continued

C. Commitments and Contingent Liabilities, continued

- State GEFA Loans - The State of Georgia passed legislation to provide up to \$50 million per year in low interest Georgia Environmental Facilities Authority (GEFA) loans to the City. The City is pursuing the maximum loan amount for each year of the CWA Program. In fiscal year 2010, the City received no GEFA funding. As of June 30, 2010, the City had \$145,353,000 of loans outstanding to GEFA.
- The Atlanta City Council approved annual increases to the current water and wastewater rates to support revenue bond's 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 2008-2012 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.

Graduated Monthly Wastewater Rate Structure:

<u>Water Consumption</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Base charge	\$3.63	\$4.63	\$5.21	\$5.86	\$6.56
0-3 ccf	\$5.39	\$6.87	\$7.73	\$8.70	\$9.74
4-6 ccf	\$7.55	\$9.63	\$10.83	\$12.18	\$13.64
Above 7 ccf	\$8.68	\$11.07	\$12.45	\$14.01	\$15.69

Graduated Monthly Water Rate Structure:

<u>Water Consumption</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Base charge	\$3.63	\$4.63	\$5.21	\$5.86	\$6.56
0-3 ccf	\$1.42	\$1.81	\$2.04	\$2.30	\$2.58
4-6 ccf	\$2.96	\$3.77	\$4.24	\$4.77	\$5.34
Above 7 ccf	\$3.41	\$4.35	\$4.89	\$5.50	\$6.16

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.

Notes to the Financial Statements - Continued

C. Commitments and Contingent Liabilities, continued

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 2014 to meet the aforementioned objectives. The current cost estimate of the overall Capital Improvement Program is approximately \$3.7 billion, which has decreased over the original cost estimate of \$3.9 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 2011 - 2014 CIP (In Millions)
Wastewater Projects:	
CSO Consent Decree	\$ 4
First Amended Decree	652
Regulatory	46
R&E Fund Projects	<u>104</u>
Subtotal	<u>806</u>
Water Projects:	
Consent Order	68
Non - Consent Order	958
Subtotal	<u>1,026</u>
Grand total	<u>\$ 1,832</u>

Purchase Option

During 2006, the Atlanta Fulton County Recreation Authority (“Recreation Authority”) granted an option to the City to purchase certain real property and improvements owned by Recreation Authority for an option price of \$30,000,000. The option may be exercised at any time after the earlier of (1) expiration of the term of the operating agreement dated November 15, 1997 between Recreation Authority, the City, Fulton County, and Arena Operations, LLC; or (2) payment in full of Recreation Authority (Downtown Revenue Bonds) Taxable Series 1997. The option will expire on January 12, 2096. Upon expiration of the option period all of the City’s rights to demand conveyance of the property and improvements will expire and the Recreation Authority will keep the option price and the City will have no further obligations. The purchase option is reflected as a deferred cost in the City’s government-wide financial statements.

Notes to the Financial Statements - Continued

D. Prior Period Adjustments

General government

The City made three prior period adjustments to net assets on the government-wide financial statements relating to depreciable capital assets:

1. In 2006, Construction in Progress (CIP) was recorded in the amount of \$144,347,000 relating to the funding of the Atlantic Station Tax Allocation district. It has been determined that of this amount, approximately \$15,000,000 will be titled to the City upon completion of the project in fiscal year 2011. The balance of \$129,348,000 was taken as an adjustment to CIP opening balance and net assets.
2. In connection with a physical inventory of capital assets performed during 2007, the City did not record a portion of the assets from the final report of the third party firm engaged to do the inventory, until further verification of the existence and valuation of the assets could be verified. The City has satisfactorily validated these depreciable assets and has recorded net fixed assets in the amount of \$121,131,000, with a corresponding amount to opening net assets. The remaining amount of unrecorded land assets have yet to be recorded pending further review.
3. Since the initial recognition of the value of capital assets in the government-wide financial statements upon the adoption of GASB 34, the City has reported the accumulated depreciation based on internally maintained records. In 2007 when the fixed assets were recorded during the implementation of the Oracle ERP system, there was a difference in the accumulated depreciation recorded in the Fixed Asset module to the amount in the internally maintained records. Based on review of the two sets of records, it has been determined that the asset records in the Fixed Asset module are accurate and consistent with the current depreciable policy of the City. Accordingly, an accumulated depreciation adjustment in the amount of \$49,575,000 has been recorded as an adjustment to the opening net assets.

The net impact of these three prior period adjustments resulted in a net decrease of the government-wide net assets of \$57,792,000

E. Subsequent Events

Department of Aviation (DOA)

The Department of Aviation had a Letter of Credit facility for its Series 2005A and Series 2005B Commercial Paper program in the aggregate principal amount of \$550 million. On March 15, 2010, the department was notified by the Letter of Credit banks that the liquidity that supported the Commercial Paper program would be terminated on July 15, 2010. To ensure continued funding for the Maynard Holbrook Jackson International Terminal project at the Hartsfield – Jackson Atlanta International Airport, the City, with the assistance of its financial advisors, began the process of engaging other financial institutions to provide a substitute Letter of Credit before the July 15, 2010 termination date. On July 1, 2010, the City issued additional Commercial Paper notes in the amount of \$53,921,000. On July 13, 2010, the Department of Aviation signed a new Letter of Credit agreement with JP Morgan Chase and Wells Fargo Bank in the aggregate principal amount of \$350 million for the Airport Commercial Paper program.

Notes to the Financial Statements – Continued

E. Subsequent Events, continued

During fiscal year 2010, the Department of Aviation received \$10,000,000 as payment #8 from the FAA as grant reimbursements for Letter of Intent #ASO-02-2, Extended Runway 10/28 for Project- #-3-13-0008-93-2010. These grant reimbursements were to pay down part of the outstanding principal amount that exists on the bonds issued for the Extended Runway Project. Redemption notices were issued by the Trustee/Paying Agent establishing September 23, 2010, as the bonds redemption date. On September 23, 2010, \$5,000,000 of the City of Atlanta GA Airport PFC Revenue Bonds Series 2004-E1 (Non-AMT) and \$5,000,000 of Series 2004-E2 (Non-AMT) bonds will be redeemed.

On November 5, 2010, as part of the Airport New Money Bonds, the City issued the City of Atlanta Airport General Revenue Bonds, Series 2010A, in the aggregate principal amount of \$177,990,000 and the City of Atlanta Airport Passengers Facility Charge and subordinate Lien General Revenue Bonds, Series 2010B in the aggregate principal amount of \$409,810,000.

On December 16, 2010 the City issued the City of Atlanta Airport General Revenue Refunding Bonds, Series 2010C, in the aggregate principal amount of \$524,045,000, primarily to refund and redeem the entire outstanding principal amount of the City's Variable Rate Airport General Revenue Refunding Bonds, Series 2003RF-B/C bonds.

General Government

During the first quarter of fiscal year 2011, the City of Atlanta (“City”) created the Atlanta Urban Redevelopment Agency (“Issuer”) and approved an Urban Redevelopment Plan (“Plan”) pursuant to the Urban Redevelopment Law (O.C.G.A. § 36-6-1, et seq.) The Issuer is purposed with exercising the City’s power to rehabilitate, conserve, or redevelop, or a combination thereof, slum area(s) which exist in the City necessary to the interest of the public health, safety, morals, or welfare of its residents. In October 2010, the City and the Issuer issued the Series 2010 Atlanta Urban Redevelopment Agency Recovery Zone Economic Development Bonds (“Series 2010 Bonds”) in the amount of \$22,775,000, to finance all, or a portion of the costs of implementing the Plan, which includes (i) the acquisition, rehabilitation, and improvement of real property and buildings to eliminate vacant and distressed areas within the Urban Redevelopment Area, and (ii) certain public transportation projects in the Urban Redevelopment Area, including the construction of a bridge replacement, the acquisition, construction, and installation of street lights intersection(s), cross-walk and traffic signalization upgrades, the construction and installation of a streetcar system in downtown Atlanta, and the acquisition, installation, and construction of other related improvements as described in the Plan. The Series 2010 Bonds are authorized pursuant to the Federal American Recovery and Reinvestment Act of 2009, and as such, are considered taxable Build America Bonds, for which the Issuer is eligible to receive a cash subsidy equal to 45% of the interest payable on such bonds on or about each interest payment date.

In November, 2010, the City of Atlanta and Fulton County Recreation Authority issued its taxable Series 2010 Revenue Refunding and Improvement Bonds in the amount of \$124,515,000 (“Series 2010 Bonds”), for the purpose of refunding the then outstanding Series 1997 Bonds in the amount of \$123,310,000. The bonds provide funds for certain recreation and cultural facility and program costs of the City and Fulton County, pay the costs for a debt service insurance policy, and to pay the cost of issuing the bonds.

In November 2011, Cox Enterprises announced the company is donating *The Atlanta Journal-Constitution’s* (AJC) former downtown headquarters to the City of Atlanta. The building, located at 72 Marietta Street, sits on a six-acre parcel of land in the heart of downtown, and has an estimated value of \$50 million.



**Required Supplementary
Information**

Atlanta

CITY OF ATLANTA, GEORGIA

Required Supplementary Information

**Schedule of Funding Progress for Pension Plans
(in thousands)**

<u>Plan/Valuation Date</u>	<u>Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Percentage Funded</u>	<u>Unfunded Accrued Liabilities</u>	<u>Current Year Covered Payroll</u>	<u>Unfunded AAL as a Percentage of Covered Payroll</u>
General Employees						
1/1/2004	\$681,159	\$1,110,501	61.3%	\$429,342	\$160,767	267.1%
1/1/2005	\$681,145	\$1,143,676	59.6%	\$462,531	\$157,665	293.4%
1/1/2006	\$702,178	\$1,335,974	52.6%	\$633,796	\$152,408	415.9%
7/1/2007	\$749,352	\$1,436,278	52.2%	\$686,925	\$155,185	442.6%
7/1/2008	\$829,734	\$1,483,733	55.9%	\$653,999	\$179,982	363.4%
7/1/2009	\$881,009	\$1,481,563	59.5%	\$600,554	\$150,312	399.5%
Firefighters						
1/1/2004	\$321,908	\$417,092	77.2%	\$95,184	\$38,303	248.5%
1/1/2005	\$325,630	\$445,777	73.0%	\$120,147	\$38,774	309.9%
1/1/2006	\$334,290	\$557,706	59.9%	\$223,416	\$36,440	613.1%
1/1/2007	\$371,456	\$577,271	64.3%	\$205,815	\$45,686	450.5%
1/1/2008	\$419,163	\$652,816	64.2%	\$233,653	\$45,561	512.8%
1/1/2009	\$408,090	\$708,347	57.6%	\$300,257	\$43,275	693.8%
Police Officers						
1/1/2004	\$440,212	\$617,501	71.3%	\$177,289	\$63,274	280.2%
1/1/2005	\$444,460	\$658,861	67.5%	\$214,401	\$70,973	302.1%
1/1/2006	\$464,368	\$817,255	56.8%	\$352,887	\$73,515	480.0%
1/1/2007	\$512,259	\$850,886	60.2%	\$338,627	\$77,168	438.8%
1/1/2008	\$596,457	\$909,410	65.6%	\$312,953	\$84,016	372.5%
1/1/2009	\$571,768	\$986,376	58.0%	\$414,608	\$82,030	505.4%

**Schedule of Funding Progress for OPEB
(in thousands)**

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>AAL projected Unit Credit</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
6/30/2006	\$0	\$1,260,313	\$1,260,313	0.0%	\$361,839	348.3%
6/30/2007	\$0	\$1,125,648	\$1,125,648	0.0%	\$280,031	402.0%
6/30/2008 *	\$0	\$1,085,315	\$1,085,315	0.0%	\$278,039	390.3%

* A full actuarial valuation was not performed during the year ended June, 30 2010.

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Nonmajor Governmental Funds

Debt Service Fund

Debt Service Fund - Established for the accumulation of resources to meet current and future debt service requirements on general long-term debt.

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purpose.

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

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

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

Tax Allocation Districts – Established by the law creating the district to account for the proceeds of bonds issued to develop a specific area and to account for the collection of the tax increments created by that development for repayment of the bonds and other projects. The Districts include:



*Atlantic Station
Westside
Northwest Atlanta
Princeton Lake
Eastside*



*Hollowell/M.L.King
Atlanta Beltline
Campbellton Road
Metropolitan Parkway
Stadium Neighborhoods*

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

*Home Investment Trust Fund
Rental Rehabilitation Fund
Car Rental Excise Tax Fund*

*Section 108 Loan Fund
Trust Fund
Hotel/Motel Excise Tax Fund*

Capital Projects Funds

Capitals projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary fund and trust funds.

Park Improvement Fund – For permanent improvements to parks, the zoo, and recreation facilities funded by an ad valorem tax levy.

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

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

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

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CITY OF ATLANTA, GEORGIA
Nonmajor Governmental Funds

Combining Balance Sheet
June 30, 2010
(In Thousands)

	Special Revenue Funds				
	Community Development	Emergency Telephone System	Inter - governmental Grants	Tax Allocation Districts	Other Special Revenue
ASSETS					
Cash, Unrestricted	\$ 1,565	\$ -	\$ 8,229	\$ -	\$ 22,378
Cash, Restricted	-	-	-	110,604	-
Investments in pooled investment fund	-	-	-	-	29,257
Investments	-	-	-	-	2,116
Receivables					
Taxes	-	-	-	-	2,861
Accounts	-	1,948	-	-	1,078
Due from other governmental units and agencies	5,239	-	16,948	-	2,592
Due from other funds	-	-	-	7	-
Restricted investments	-	-	-	99,852	-
Total assets	<u>\$ 6,804</u>	<u>\$ 1,948</u>	<u>\$ 25,177</u>	<u>\$ 210,463</u>	<u>\$ 60,282</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 951	\$ 274	\$ 1,818	\$ 19,914	\$ 1,841
Accrued salaries, vacation, and compensatory pay	31	132	146	-	78
Contract retentions	73	-	196	-	22
Due to other governments	-	-	-	4,634	2,328
Due to other funds	2,969	30,585	17,995	107	1,810
Deferred Revenue	-	-	-	-	-
Unearned revenue	-	-	906	-	125
Total liabilities	<u>4,024</u>	<u>30,991</u>	<u>21,060</u>	<u>24,655</u>	<u>6,204</u>
Fund balances:					
Reserved for:					
Encumbrances	11,533	47	17,502	-	9,762
Programs	(8,753)	-	-	-	45,391
Capital Projects	-	-	-	185,808	-
Debt Service	-	-	-	-	-
Unreserved	-	(29,090)	(13,385)	-	(1,075)
Total fund balances	<u>2,780</u>	<u>(29,043)</u>	<u>4,117</u>	<u>185,808</u>	<u>54,078</u>
Total liabilities and fund balances	<u>\$ 6,804</u>	<u>\$ 1,948</u>	<u>\$ 25,177</u>	<u>\$ 210,463</u>	<u>\$ 60,282</u>

Capital Projects Funds					Total Nonmajor Governmental Funds
Debt Service Fund	Park Improvement	Special Assessment	General Governmental Capital Outlay	Solid Waste Management Authority	
\$ 25,300	\$ -	\$ -	\$ 22,175	\$ 2,069	\$ 81,716
-	-	-	-	-	110,604
-	8,834	2,490	-	-	40,581
-	-	-	-	-	2,116
2,066	656	-	-	-	5,583
53	23	7	-	-	3,109
-	-	-	-	-	24,779
158	-	-	-	-	165
<u>26,291</u>	<u>-</u>	<u>-</u>	<u>16,987</u>	<u>2,486</u>	<u>145,616</u>
<u>\$ 53,868</u>	<u>\$ 9,513</u>	<u>\$ 2,497</u>	<u>\$ 39,162</u>	<u>\$ 4,555</u>	<u>\$ 414,269</u>
\$ -	\$ 211	\$ -	\$ 1,046	\$ -	\$ 26,055
-	18	-	3	-	407
-	3	-	296	-	590
-	-	-	-	-	6,962
-	-	-	7,449	-	60,915
2,040	645	-	-	-	2,685
-	-	-	-	-	1,031
<u>2,040</u>	<u>877</u>	<u>-</u>	<u>8,794</u>	<u>-</u>	<u>98,645</u>
-	121	330	5,524	278	45,097
-	-	-	-	-	36,638
-	8,515	2,167	24,844	4,277	225,611
51,828	-	-	-	-	51,828
-	-	-	-	-	(43,550)
<u>51,828</u>	<u>8,636</u>	<u>2,497</u>	<u>30,368</u>	<u>4,555</u>	<u>315,624</u>
<u>\$ 53,868</u>	<u>\$ 9,513</u>	<u>\$ 2,497</u>	<u>\$ 39,162</u>	<u>\$ 4,555</u>	<u>\$ 414,269</u>

CITY OF ATLANTA, GEORGIA
Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2010
(In Thousands)

	Special Revenue Funds				
	Community Development	Emergency Telephone System	Inter - governmental Grants	Tax Allocation Districts	Other Special Revenue
Revenues:					
Property taxes	\$ -	\$ -	\$ -	70,543	\$ -
Other taxes	-	-	-	-	39,928
Charges for current services	-	10,841	-	-	1,056
Fines, forfeitures and penalties	-	-	-	-	2,827
Investment income	78	-	42	1,035	1,035
Intergovernmental revenues:					
U.S. Government grants	14,462	-	41,024	-	8,740
State and local governments	-	-	13,890	-	417
Total intergovernmental revenues	14,462	-	54,914	-	9,157
Other	103	-	3,167	30	10,731
Total revenues	14,643	10,841	58,123	71,608	64,734
Expenditures:					
Current:					
General government:					
Executive Offices	3,989	-	9,169	-	29,487
City Council	-	-	-	-	21
Nondepartmental	(289)	-	(88)	18,066	798
Courts and judicial agencies	16	-	198	-	1,393
Finance	948	-	587	20,230	(7)
Housing, planning and development	8,542	-	27,257	-	11,525
Total general government	13,206	-	37,123	38,296	43,217
Police	-	15,097	12,648	-	2,007
Fire	-	-	2,287	49	153
Corrections	-	-	-	-	4,541
Public Works	990	-	3,520	251	2,766
Parks, Recreation, and Cultural Affairs	1,671	-	1,789	-	2,455
Debt service:					
Principal payments	606	-	-	13,470	455
Interest payments	275	-	-	13,608	50
Bond issuance costs	-	-	-	4,436	-
Total debt service	881	-	-	31,514	505
Total expenditures	16,748	15,097	57,367	70,110	55,644
Excess (Deficiency) of revenues over (under) expenditures	(2,105)	(4,256)	756	1,498	9,090
Other financing sources (uses):					
Transfers in (out)	-	6,214	(439)	-	(11,195)
Proceeds from sale of assets	-	-	-	-	9
Discount on sale of bonds	-	-	-	(1,257)	-
Proceeds from refunding debt	-	-	-	78,120	-
Payment of refunded of debt	-	-	-	(64,500)	-
Total other financing sources (uses)	-	6,214	(439)	12,363	(11,186)
Net change in fund balances	(2,105)	1,958	317	13,861	(2,096)
Fund balances, beginning of period	4,885	(31,001)	3,800	171,947	56,174
Fund balances, end of period	\$ 2,780	\$ (29,043)	\$ 4,117	\$ 185,808	\$ 54,078

Capital Projects Funds

Debt Service Fund	Park Improvement	Special Assessment	General Governmental Capital Outlay	Solid Waste Management Authority	Totals
\$ 31,232	\$ 10,583	\$ -	\$ -	\$ -	\$ 112,358
1,975	-	-	-	-	41,903
-	787	23	718	-	13,425
-	-	-	-	-	2,827
168	165	49	72	12	2,656
-	-	-	-	-	64,226
-	-	-	-	-	14,307
-	-	-	-	-	78,533
-	-	-	-	-	14,031
<u>33,375</u>	<u>11,535</u>	<u>72</u>	<u>790</u>	<u>12</u>	<u>265,733</u>
-	-	-	-	-	42,645
-	-	-	-	-	21
364	-	-	(29)	144	18,966
-	-	-	-	-	1,607
-	-	-	1	-	21,759
-	-	-	343	-	47,667
<u>364</u>	<u>-</u>	<u>-</u>	<u>315</u>	<u>144</u>	<u>132,665</u>
-	-	-	-	-	29,752
-	-	-	426	-	2,915
-	-	-	-	-	4,541
-	-	-	5,021	-	12,548
-	2,432	-	160	-	8,507
16,700	2,325	-	-	1,030	34,586
12,390	4,068	-	-	945	31,336
5	3	-	-	2	4,446
<u>29,095</u>	<u>6,396</u>	<u>-</u>	<u>-</u>	<u>1,977</u>	<u>70,368</u>
<u>29,459</u>	<u>8,828</u>	<u>-</u>	<u>5,922</u>	<u>2,121</u>	<u>261,296</u>
3,916	2,707	72	(5,132)	(2,109)	4,437
-	-	-	(1,530)	3,508	(3,442)
-	-	-	-	-	9
-	-	-	-	-	(1,257)
-	-	-	-	-	78,120
-	-	-	-	-	(64,500)
<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,530)</u>	<u>3,508</u>	<u>8,930</u>
3,916	2,707	72	(6,662)	1,399	13,367
47,912	5,929	2,425	37,030	3,156	302,257
<u>\$ 51,828</u>	<u>\$ 8,636</u>	<u>\$ 2,497</u>	<u>\$ 30,368</u>	<u>\$ 4,555</u>	<u>\$ 315,624</u>

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

Combining Balance Sheet
June 30, 2010
(In Thousands)

	Atlantic Station	Westside	Northwest Atlanta	Princeton Lake	Eastside	Hollowell/ M.L.King	Atlanta Beltline	Campbellton Road	Metropolitan Parkway	Stadium Neighborhoods	Total
ASSETS											
Cash, Restricted	\$ 15,612	\$ 42,140	\$ 9,578	\$ 2,864	\$ 24,773	\$ 690	\$ 14,052	\$ 403	\$ 413	\$ 79	\$ 110,604
Due from other funds	-	-	-	-	-	-	7	-	-	-	7
Restricted investments	<u>10,392</u>	<u>44,998</u>	<u>4,105</u>	<u>3,756</u>	<u>12,755</u>	<u>-</u>	<u>23,846</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>99,852</u>
Total assets	<u>\$ 26,004</u>	<u>\$ 87,138</u>	<u>\$ 13,683</u>	<u>\$ 6,620</u>	<u>\$ 37,528</u>	<u>\$ 690</u>	<u>\$ 37,905</u>	<u>\$ 403</u>	<u>\$ 413</u>	<u>\$ 79</u>	<u>\$ 210,463</u>
LIABILITIES AND FUND BALANCES											
Liabilities:											
Accounts payable	\$ (7)	\$ 78	\$ 6,248	\$ -	\$ -	\$ -	\$ 13,595	\$ -	\$ -	\$ -	\$ 19,914
Due to other governments	-	-	-	-	4,634	-	-	-	-	-	4,634
Due to other funds	<u>7</u>	<u>100</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>107</u>
Total liabilities	<u>-</u>	<u>178</u>	<u>6,248</u>	<u>-</u>	<u>4,634</u>	<u>-</u>	<u>13,595</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>24,655</u>
Fund balances:											
Reserved for:											
Programs											
Capital Projects	<u>26,004</u>	<u>86,960</u>	<u>7,435</u>	<u>6,620</u>	<u>32,894</u>	<u>690</u>	<u>24,310</u>	<u>403</u>	<u>413</u>	<u>79</u>	<u>185,808</u>
Total fund balances	<u>26,004</u>	<u>86,960</u>	<u>7,435</u>	<u>6,620</u>	<u>32,894</u>	<u>690</u>	<u>24,310</u>	<u>403</u>	<u>413</u>	<u>79</u>	<u>185,808</u>
Total liabilities and fund balances	<u>\$ 26,004</u>	<u>\$ 87,138</u>	<u>\$ 13,683</u>	<u>\$ 6,620</u>	<u>\$ 37,528</u>	<u>\$ 690</u>	<u>\$ 37,905</u>	<u>\$ 403</u>	<u>\$ 413</u>	<u>\$ 79</u>	<u>\$ 210,463</u>

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

Combining Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2010
(In Thousands)

	Atlantic Station	Westside	NW Atlanta	Princeton Lake	Eastside	Hollowell/ M.L.King	Atlanta Beltline	Campbellton Road	Metropolitan Parkway	Stadium Neighborhoods	Total
Revenues:											
Property taxes	\$ 20,375	\$ 17,297	\$ 4,037	\$ 2,058	\$ 10,550	\$ 430	\$ 15,079	\$ 335	\$ 287	\$ 95	\$ 70,543
Investment income	462	159	55	14	273	3	66	2	1	-	1,035
Other	-	30	-	-	-	-	-	-	-	-	30
Total revenues	20,837	17,486	4,092	2,072	10,823	433	15,145	337	288	95	71,608
Expenditures:											
Current:											
General government:											
Executive Offices	-	-	-	-	-	-	-	-	-	-	-
Personnel and human services	-	-	-	-	-	-	-	-	-	-	-
City Council	-	-	-	-	-	-	-	-	-	-	-
General government:	92	397	2,506	59	212	162	14,165	229	135	109	18,066
Courts and judicial agencies	-	-	-	-	-	-	-	-	-	-	-
Finance	2,099	16,051	-	0	2,080	-	-	-	-	-	20,230
Housing, planning and development	-	-	-	-	-	-	-	-	-	-	-
Law	-	-	-	-	-	-	-	-	-	-	-
General government	2,191	16,448	2,506	59	2,292	162	14,165	229	135	109	38,296
Fire	49	-	-	-	-	-	-	-	-	-	49
Public Works	-	251	-	-	-	-	-	-	-	-	251
Debt service:											
Principal payments	6,455	5,815	-	-	1,200	-	-	-	-	-	13,470
Interest payments	8,574	366	-	980	2,579	-	1,109	-	-	-	13,608
Bond issuance costs	32	1,392	-	4	8	-	3,000	-	-	-	4,436
Total debt service	15,061	7,573	-	984	3,787	-	4,109	-	-	-	31,514
Total expenditures	17,301	24,272	2,506	1,043	6,079	162	18,274	229	135	109	70,110
Excess (Deficiency) of revenues over (under) expenditures	3,536	(6,786)	1,586	1,029	4,744	271	(3,129)	108	153	(14)	1,498
Other financing sources (uses):											
Discount on sale of bonds	-	-	-	-	-	-	(1,257)	-	-	-	(1,257)
Proceeds from refunding debt	-	-	-	-	-	-	78,120	-	-	-	78,120
Payment of refunded of debt	-	-	-	-	-	-	(64,500)	-	-	-	(64,500)
Total other financing sources	-	-	-	-	-	-	12,363	-	-	-	12,363
Net change in fund balances	3,536	(6,786)	1,586	1,029	4,744	271	9,234	108	153	(14)	13,861
Fund balances, beginning of period	22,468	93,746	5,849	5,591	28,150	419	15,076	295	260	93	171,947
Fund balances, end of period	\$ 26,004	\$ 86,960	\$ 7,435	\$ 6,620	\$ 32,894	\$ 690	\$ 24,310	\$ 403	\$ 413	\$ 79	\$ 185,808

CITY OF ATLANTA, GEORGIA
Nonmajor Governmental Funds

Combining Balance Sheet
June 30, 2010
(In Thousands)

	Other Special Revenue Funds						Total Other Special Revenue
	Expendable Trust	Rental Housing Rehabilitation	Home Investment Partnership	Section 108 Loan Trust	Car Rental Excise Tax	Hotel/Motel Excise Tax	
ASSETS							
Cash	\$ 16,111	\$ 2	\$ 1,483	\$ 4,782	\$ -	\$ -	\$ 22,378
Investments in pooled investment fund	29,257	-	-	-	-	-	29,257
Investments	285	-	-	1,831	-	-	2,116
Receivables							
Taxes	-	-	-	-	-	2,861	2,861
Accounts	-	-	-	1,042	36	-	1,078
Due from other governmental units and agencies	(46)	-	2,638	-	-	-	2,592
Total assets	\$ 45,607	\$ 2	\$ 4,121	\$ 7,655	\$ 36	\$ 2,861	\$ 60,282
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 1,421	\$ -	\$ 420	\$ -	\$ -	\$ -	\$ 1,841
Accrued salaries, vacation, and compensatory pay	73	-	5	-	-	-	78
Contract retentions	22	-	-	-	-	-	22
Due to other governments	-	-	-	-	34	2,294	2,328
Due to other funds	-	-	1,248	-	2	560	1,810
Deferred revenues	125	-	-	-	-	-	125
Total liabilities	1,641	-	1,673	-	36	2,854	6,204
Fund balances:							
Reserved for:							
Encumbrances	3,478	-	3,530	2,754	-	-	9,762
Programs	40,488	2	-	4,901	-	-	45,391
Unreserved	-	-	(1,082)	-	-	7	(1,075)
Total fund balances	43,966	2	2,448	7,655	-	7	54,078
Total liabilities and fund balances	\$ 45,607	\$ 2	\$ 4,121	\$ 7,655	\$ 36	\$ 2,861	\$ 60,282

CITY OF ATLANTA, GEORGIA
Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2010
(In Thousands)

	Other Special Revenue Funds						
	Expendable Trust	Rental Housing Rehabilitation	Home Investment Partnership	Section 108 Loan Trust	Car Rental Excise Tax	Hotel/Motel Excise Tax	Total Other Special Revenue
Revenues:							
Other taxes	\$ 749	\$ -	\$ -	\$ -	\$ 1,010	\$ 38,169	\$ 39,928
Charges for current services	1,052	-	4	-	-	-	1,056
Fines, forfeitures and penalties	2,827	-	-	-	-	-	2,827
Investment income	839	-	183	13	-	-	1,035
Intergovernmental revenues:							
U.S. Government grants	-	-	8,248	492	-	-	8,740
State and local governments	417	-	-	-	-	-	417
Total intergovernmental revenues	417	-	8,248	492	-	-	9,157
Other	10,591	-	140	-	-	-	10,731
Total revenues	16,475	-	8,575	505	1,010	38,169	64,734
Expenditures:							
Current:							
General government:							
Executive Offices	456	-	378	-	1,031	27,622	29,487
Personnel and human services	-	-	-	-	-	-	-
City Council	21	-	-	-	-	-	21
Nondepartmental	798	-	-	-	-	-	798
Courts and judicial agencies	1,393	-	-	-	-	-	1,393
Finance	-	-	(7)	-	-	-	(7)
Housing, planning and development	4,040	-	7,484	1	-	-	11,525
General government	6,708	-	7,855	1	1,031	27,622	43,217
Police	2,007	-	-	-	-	-	2,007
Fire	153	-	-	-	-	-	153
Corrections	4,541	-	-	-	-	-	4,541
Public Works	2,766	-	-	-	-	-	2,766
Parks, Recreation, and Cultural Affairs	2,455	-	-	-	-	-	2,455
Debt service:							
Principal payments	-	-	-	455	-	-	455
Interest payments	-	-	-	36	-	14	50
Total debt service	-	-	-	491	-	14	505
Total expenditures	18,630	-	7,855	492	1,031	27,636	55,644
Excess (Deficiency) of revenues over (under) expenditures	(2,155)	-	720	13	(21)	10,533	9,090
Other financing sources (uses):							
Transfers in (out)	(748)	-	-	-	79	(10,526)	(11,195)
Proceeds from sale of assets	9	-	-	-	-	-	9
Total other financing sources (uses)	(739)	-	-	-	79	(10,526)	(11,186)
Net changes in fund balances	(2,894)	-	720	13	58	7	(2,096)
Fund balances, beginning of period	46,860	2	1,728	7,642	(58)	-	56,174
Fund balances, end of period	\$ 43,966	\$ 2	\$ 2,448	\$ 7,655	\$ -	\$ 7	\$ 54,078

CITY OF ATLANTA, GEORGIA
Nonmajor Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2010
(In Thousands)

	Community Development Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Intergovernmental revenues-				
U.S. government grants	\$ 27,275	\$ 71,155	\$ 14,462	\$ (56,693)
Investment Income	-	-	78	78
Other income	-	23	103	80
Total revenues	<u>27,275</u>	<u>71,178</u>	<u>14,643</u>	<u>(56,535)</u>
EXPENDITURES				
Current:				
General government:				
Executive offices	2,324	12,633	3,989	8,644
Finance	7,412	17,139	948	16,191
Planning and community development	14,556	28,113	8,542	19,571
Court	-	38	16	22
Total general government	<u>24,292</u>	<u>57,923</u>	<u>13,495</u>	<u>44,428</u>
Public safety:				
Fire	37	37	-	37
Corrections	43	116	-	116
Total public safety	<u>80</u>	<u>153</u>	<u>-</u>	<u>153</u>
Public works	481	3,997	990	3,007
Parks, recreation, and cultural affairs	2,422	9,105	1,671	7,434
Nondepartmental expenditures			(289)	289
Debt Service:				
Bond principal payments	-	-	606	(606)
Interest on Bonds	-	-	275	(275)
Total expenditures	<u>27,275</u>	<u>71,178</u>	<u>16,748</u>	<u>54,430</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(2,105)</u>	<u>\$ (2,105)</u>
Fund balance - beginning	4,885	4,885	4,885	
Fund balance - ending	<u>\$ 4,885</u>	<u>\$ 4,885</u>	<u>\$ 2,780</u>	

CITY OF ATLANTA, GEORGIA
Nonmajor Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2010
(In Thousands)

	Emergency Telephone System Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Other Revenue				
Charges for Services	\$ 12,000	\$ 12,000	\$ 10,841	\$ (1,159)
Investment income	-	-	-	-
Total revenues	12,000	12,000	10,841	(1,159)
EXPENDITURES				
Current:				
Police Services	15,906	15,906	15,097	809
Bond interest payments	-	-	-	-
Total expenditures	15,906	15,906	15,097	809
Excess (deficiency) of revenues over (under) expenditures	(3,906)	(3,906)	(4,256)	(350)
OTHER FINANCING SOURCES (USES):				
Transfers in	3,906	3,906	6,214	2,308
	3,906	3,906	6,214	2,308
Excess (deficiency) of revenues over (under) expenditures	-	-	1,958	\$ 1,958
Fund balance - beginning	(31,001)	(31,001)	(31,001)	
Fund balance - ending	\$ (31,001)	\$ (31,001)	\$ (29,043)	

CITY OF ATLANTA, GEORGIA
Nonmajor Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2010
(In Thousands)

	Intergovernmental Grant			
	Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Intergovernmental revenues-				
U.S. Government grants	\$ 76,525	\$ 167,446	\$ 41,024	\$ (126,422)
State of Georgia grants	8,906	48,597	13,890	(34,707)
Investment Income	-	-	42	42
Other income	-	1,272	3,167	1,895
Total revenues	<u>85,431</u>	<u>217,315</u>	<u>58,123</u>	<u>(159,192)</u>
EXPENDITURES				
Current:				
General government:				
Executive offices	7,978	41,264	9,169	32,095
City Council	4	4	-	4
Courts and judicial agencies	471	956	198	758
Finance	380	6,045	587	5,458
Planning and community development	56,642	96,176	27,257	68,919
Total general government	<u>65,475</u>	<u>144,445</u>	<u>37,211</u>	<u>107,234</u>
Public safety:				
Police	8,632	48,896	12,648	36,248
Fire	2,592	5,634	2,287	3,347
Corrections	3	168	-	168
Total public safety	<u>11,227</u>	<u>54,698</u>	<u>14,935</u>	<u>39,763</u>
Public works	6,172	19,653	3,520	16,133
Parks, recreation, and cultural affairs	2,526	9,212	1,789	7,423
Nondepartmental expenditures	31	-	(88)	(88)
Debt Service:				
Bond principal payments	-	-	-	6,455
Total expenditures	<u>85,431</u>	<u>228,008</u>	<u>57,367</u>	<u>170,465</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(10,693)</u>	<u>756</u>	<u>11,449</u>
OTHER FINANCING SOURCES (USES):				
Proceeds from general long-term debt	-	-	-	-
Transfers in (out)	-	195	(439)	(634)
Total other financial sources and uses	<u>-</u>	<u>195</u>	<u>(439)</u>	<u>(634)</u>
Extraordinary Loss	-	10,500	-	(10,500)
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>-</u>	<u>2</u>	<u>317</u>	<u>\$ 315</u>
Fund balance - beginning	3,800	3,800	3,800	
Fund balance - ending	<u>\$ 3,800</u>	<u>\$ 3,802</u>	<u>\$ 4,117</u>	

CITY OF ATLANTA, GEORGIA
Nonmajor Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2010
(In Thousands)

	Atlantic Station TAD Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Taxes				
Taxes, Current Property Increment	14,949	14,949	20,375	5,426
Investment income	328	328	462	134
Total revenues	15,277	15,277	20,837	5,560
EXPENDITURES				
Current:				
Fire	87	87	49	38
General government:	3,122	3,122	2,099	1,023
Nondepartmental	13,636	11,931	92	11,839
Debt Service:				
Bond principal payments	4,750	6,455	6,455	-
Interest payments	12,306	12,306	8,574	3,732
Bond issuance costs	245	245	32	213
Total expenditures	34,146	34,146	17,301	16,845
Excess (deficiency) of revenues over (under) expenditures	(18,869)	(18,869)	3,536	\$ 22,405
Fund balance - beginning	22,468	22,468	22,468	
Fund balance - ending	\$ 3,599	\$ 3,599	\$ 26,004	

CITY OF ATLANTA, GEORGIA
Nonmajor Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2010
(In Thousands)

	Westside TAD Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Taxes				
Taxes, Current Property Increment	\$ 14,478	\$ 14,478	\$ 17,297	\$ 2,819
Investment income	294	294	159	(135)
Other Revenues	-	-	30	30
Total revenues	<u>14,772</u>	<u>14,772</u>	<u>17,486</u>	<u>2,714</u>
EXPENDITURES				
Current:				
Planning and Community Development	-	-	-	-
Parks, Recreation, and Cultural Affairs	-	-	-	-
Public Works	409	409	251	158
Fire	-	-	-	-
General government	-	-	-	-
Executive offices	-	-	-	-
Executive offices	-	-	-	-
Police Services	-	-	-	-
City Council	-	-	-	-
Finance	6,390	63,710	16,051	47,659
Law	-	-	-	-
Corrections	-	-	-	-
Courts and judicial agencies	-	-	-	-
Nondepartmental	36,758	44,390	397	43,993
Debt Service:				
Bond principal payments	3,515	3,890	5,815	(1,925)
Interest payments	4,224	819	366	453
Bond issuance costs	802	2,641	1,392	1,249
Total debt service	<u>8,541</u>	<u>7,350</u>	<u>7,573</u>	<u>(223)</u>
Total expenditures	<u>52,098</u>	<u>115,859</u>	<u>24,272</u>	<u>91,587</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(37,326)</u>	<u>(101,087)</u>	<u>(6,786)</u>	<u>94,301</u>
OTHER FINANCING SOURCES (USES):				
Proceeds from Bonds	-	63,760	-	(63,760)
Total other financial sources and uses	<u>-</u>	<u>63,760</u>	<u>-</u>	<u>(63,760)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(37,326)</u>	<u>(37,327)</u>	<u>(6,786)</u>	<u>\$ 30,541</u>
Fund balance - beginning	93,746	93,746	93,746	
Fund balance - ending	<u>\$ 56,420</u>	<u>\$ 56,419</u>	<u>\$ 86,960</u>	

CITY OF ATLANTA, GEORGIA
Nonmajor Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2010
(In Thousands)

	NW Atlanta TAD Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Taxes				
Taxes, Current Property Increment	\$ 1,492	\$ 1,492	\$ 4,037	\$ 2,545
Investment income	90	90	55	(35)
Total revenues	1,582	1,582	4,092	2,510
EXPENDITURES				
Current:				
General government	7,263	7,263	2,506	4,757
Debt Service:				
Bond principal payments	-	-	-	-
Total expenditures	7,263	7,263	2,506	4,757
Excess (deficiency) of revenues over (under) expenditures	(5,681)	(5,681)	1,586	\$ 7,267
Fund balance - beginning	5,849	5,849	5,849	
Fund balance - ending	\$ 168	\$ 168	\$ 7,435	

CITY OF ATLANTA, GEORGIA
Nonmajor Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2010
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Princeton Lakes TAD				
Fund				
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Taxes				
Taxes, Current Property Increment	\$ 1,659	\$ 1,659	\$ 2,058	\$ 399
Investment income	165	165	14	(151)
Total revenues	1,824	1,824	2,072	248
EXPENDITURES				
Current:				
General government:	4,474	4,474	-	4,474
Nondepartmental	186	186	59	127
Debt Service:				
Principal payments	1,576	1,576	-	1,576
Interest payments	1,149	1,149	980	169
Bond issuance costs	8	8	4	4
Total expenditures	7,393	7,393	1,043	6,350
Excess (deficiency) of revenues over under expenditures	(5,569)	(5,569)	1,029	\$ 6,598
Fund balance - beginning	5,591	5,591	5,591	
Fund balance - ending	\$ 22	\$ 22	\$ 6,620	

CITY OF ATLANTA, GEORGIA
Nonmajor Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2010
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	Eastside TAD Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Taxes				
Taxes, Current Property Increment	\$ 8,968	\$ 8,968	\$ 10,550	\$ 1,582
Investment income	307	307	273	(34)
Total revenues	9,275	9,275	10,823	1,548
EXPENDITURES				
Current:				
General government:	24,425	24,425	2,080	22,345
Nondepartmental	3,750	650	212	438
Debt Service:				
Principal payments	1,135	1,635	1,200	435
Interest payments	2,643	5,243	2,579	2,664
Bond issuance costs	8	8	8	-
Total expenditures	31,961	31,961	6,079	25,882
Excess (deficiency) of revenues over under expenditures	(22,686)	(22,686)	4,744	27,430
Fund balance - beginning	28,150	28,150	28,150	
Fund balance - ending	\$ 5,464	\$ 5,464	\$ 32,894	

CITY OF ATLANTA, GEORGIA
Nonmajor Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2010
(In Thousands)

Hollowell -Martin Luther King Dr. TAD				
Fund				
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Taxes				
Taxes, Current Property Increment	\$ 268	\$ 268	\$ 430	\$ 162
Investment income	-	-	3	3
Total revenues	268	268	433	165
EXPENDITURES				
Current:				
General government	-	-	-	-
Nondepartmental	651	651	162	489
Debt Service:				
Bond principal payments	-	-	-	-
Total expenditures	651	651	162	489
Excess (deficiency) of revenues over under expenditures	(383)	(383)	271	\$ 654
Fund balance - beginning	419	419	419	
Fund balance - ending	\$ 36	\$ 36	\$ 690	

CITY OF ATLANTA, GEORGIA
Nonmajor Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2010
(In Thousands)

	Atlanta Beltline TAD			
	Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Taxes				
Taxes, Current Property Increment	\$ 5,356	\$ 5,356	\$ 15,079	\$ 9,723
Investment income	71	71	66	(5)
Total revenues	<u>5,427</u>	<u>5,427</u>	<u>15,145</u>	<u>9,718</u>
EXPENDITURES				
Current:				
Finance	4,786	47,786	-	47,786
Nondepartmental	4,191	27,911	14,165	13,746
Debt Service:				
Interest payments	-	4,805	1,109	3,696
Bond issuance costs	-	3,887	3,000	887
Total expenditures	<u>8,977</u>	<u>84,389</u>	<u>18,274</u>	<u>66,115</u>
Excess (deficiency) of revenues over under expenditures	<u>(3,550)</u>	<u>(78,962)</u>	<u>(3,129)</u>	<u>75,833</u>
OTHER FINANCING SOURCES (USES):				
Proceeds from Bonds	-	142,620	78,120	64,500
Discount on bonds	-	(1,740)	(1,257)	(483)
Payment of refunded bonds to escrow agent	-	(65,468)	(64,500)	(968)
Total other financial sources and uses	<u>-</u>	<u>75,412</u>	<u>12,363</u>	<u>63,049</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,550)</u>	<u>(3,550)</u>	<u>9,234</u>	<u>\$ 12,784</u>
Fund balance - beginning	15,076	15,076	15,076	
Fund balance - ending	<u>\$ 11,526</u>	<u>\$ 11,526</u>	<u>\$ 24,310</u>	

CITY OF ATLANTA, GEORGIA
Nonmajor Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
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(In Thousands)

	Campbellton Road TAD			
	Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Taxes				
Taxes, Current Property Increment	\$ 200	\$ 200	\$ 335	\$ 135
Investment income	-	-	2	2
Total revenues	200	200	337	137
EXPENDITURES				
Current:				
Nondepartmental	483	483	229	254
Debt Service:				
Bond principal payments	-	-	-	-
Total expenditures	483	483	229	254
Excess (deficiency) of revenues over under expenditures	(283)	(283)	108	\$ (117)
Fund balance - beginning	295	295	295	
Fund balance - ending	\$ 12	\$ 12	\$ 403	

CITY OF ATLANTA, GEORGIA
Nonmajor Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
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	Metropolitan Parkway TAD Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Taxes				
Taxes, Current Property Increment	\$ 186	\$ 186	\$ 287	\$ 101
Investment income	-	-	1	1
Total revenues	186	186	288	102
EXPENDITURES				
Current:				
Nondepartmental	442	442	135	307
Debt Service:				
Bond principal payments	-	-	-	-
Total expenditures	442	442	135	307
Excess (deficiency) of revenues over under expenditures	(256)	(256)	153	\$ 409
Fund balance - beginning	260	260	260	
Fund balance - ending	\$ 4	\$ 4	\$ 413	

CITY OF ATLANTA, GEORGIA
Nonmajor Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2010
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	Stadium Neighborhoods TAD			
	Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Taxes				
Taxes, Current Property Increment	\$ 74	\$ 74	\$ 95	\$ 21
Total revenues	74	74	95	21
EXPENDITURES				
Current:				
Nondepartmental	171	171	109	62
Debt Service:				
Bond principal payments	-	-	-	-
Total expenditures	171	171	109	62
Excess (deficiency) of revenues over under expenditures	(97)	(97)	(14)	\$ 83
Fund balance - beginning	93	93	93	
Fund balance - ending	\$ (4)	\$ (4)	\$ 79	

CITY OF ATLANTA, GEORGIA
Nonmajor Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2010
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	Expendable Trust Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Other taxes	\$ -	\$ 749	\$ 749	\$ -
Charges for current services	1,697	3,871	1,052	(2,819)
Fines, forfeitures and penalties	2,914	5,334	2,827	(2,507)
Investment income	-	350	839	489
Intergovernmental revenues-				
State of Georgia grants	1	267	417	150
Other income	43,767	56,568	10,591	(45,977)
Total revenues	<u>48,379</u>	<u>67,139</u>	<u>16,475</u>	<u>(50,664)</u>
EXPENDITURES				
Current:				
General government:				
Executive offices	658	1,952	456	1,496
Personnel and human resources	92	92	-	92
City council	41	72	21	51
Courts and judicial agencies	819	844	1,393	(549)
Finance	7,895	8,667	-	8,667
Information technology	91	91	-	91
Planning and community development	8,806	12,544	4,040	8,504
Procurement	2	2	-	2
Total general government	<u>18,404</u>	<u>24,264</u>	<u>5,910</u>	<u>18,354</u>
Public safety:				
Police	5,018	9,647	2,007	7,640
Fire	714	1,230	153	1,077
Corrections	6,487	9,622	4,541	5,081
Total public safety	<u>12,219</u>	<u>20,499</u>	<u>6,701</u>	<u>13,798</u>
Public works				
Parks, recreation, and cultural affairs	5,991	7,516	2,766	4,750
Nondepartmental expenditures	11,156	14,252	2,455	11,797
Debt Service:				
Bond issuance costs	137	137	798	(661)
Total Expenditures	<u>48,391</u>	<u>67,151</u>	<u>18,630</u>	<u>48,521</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(12)</u>	<u>(12)</u>	<u>(2,155)</u>	<u>(2,143)</u>
Other Financing Sources				
Transfer in(out)	12	12	(748)	(760)
Proceeds from sale of assets	-	-	9	9
Total other financial sources and uses	<u>12</u>	<u>12</u>	<u>(739)</u>	<u>(751)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(2,894)</u>	<u>\$ (2,894)</u>
Fund balance - beginning	46,860	46,860	46,860	
Fund balance - ending	<u>\$ 46,860</u>	<u>\$ 46,860</u>	<u>\$ 43,966</u>	

CITY OF ATLANTA, GEORGIA
Nonmajor Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
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(In Thousands)

Rental Rehabilitation Trust Fund				
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Interest Income	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
EXPENDITURES				
Planning and community development	-	5	-	5
Total expenditures	-	5	-	5
Excess (deficiency) of revenues over (under) expenditures	-	(5)	-	\$ 5
Fund balance - beginning	2	2	2	
Fund balance - ending	\$ 2	\$ (3)	\$ 2	

CITY OF ATLANTA, GEORGIA
Nonmajor Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
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(In Thousands)

	<u>Home Investment Trust Fund</u>			
	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUES				
Intergovernmental revenues-				
U.S. Government grants	\$ 10,341	\$ 30,491	\$ 8,248	\$ (22,243)
Other income				
Interest Income			183	183
Other Revenue			144	144
Total revenues	<u>10,341</u>	<u>30,491</u>	<u>8,575</u>	<u>(21,916)</u>
EXPENDITURES				
Current:				
General government:				
Executive offices	-	2,313	378	1,935
Finance	2,097	3,859	(7)	3,866
Planning and community development	8,244	24,319	7,484	16,835
Total expenditures	<u>10,341</u>	<u>30,491</u>	<u>7,855</u>	<u>22,636</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>720</u>	<u>\$ 720</u>
Fund balance - beginning	<u>1,728</u>	<u>1,728</u>	<u>1,728</u>	
Fund balance - ending	<u>\$ 1,728</u>	<u>\$ 1,728</u>	<u>\$ 2,448</u>	

CITY OF ATLANTA, GEORGIA
Nonmajor Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2010
(In Thousands)

	Section 108 Loan Trust Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Intergovernmental revenues-				
U.S. Government grants	\$ 4,396	\$ 8,722	\$ 492	\$ (8,230)
Other income				
Interest Income	44	44	13	(31)
Total revenues	<u>4,440</u>	<u>8,766</u>	<u>505</u>	<u>(8,261)</u>
EXPENDITURES				
Current:				
Finance	3,687	6,386	-	6,386
Planning and community development	1,682	3,291	1	3,290
Total general government	<u>5,369</u>	<u>9,677</u>	<u>1</u>	<u>9,676</u>
Public works	608	625	-	625
Parks, recreation, and cultural affairs	37	37	-	37
Nondepartmental expenditures	-	-	-	-
Debt service fund:				
Bond Principal Payment	-	-	455	(455)
Interest on Bond	-	-	36	(36)
Total Debt Service	<u>-</u>	<u>-</u>	<u>491</u>	<u>(491)</u>
Total expenditures	<u>6,014</u>	<u>10,339</u>	<u>492</u>	<u>9,847</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,574)</u>	<u>(1,573)</u>	<u>13</u>	<u>1,586</u>
Other Financing Sources				
Proceeds from sale of assets	1,574	1,573	-	(1,573)
Total other financial sources and uses	<u>1,574</u>	<u>1,573</u>	<u>-</u>	<u>(1,573)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>13</u> \$	<u>13</u>
Fund balance - beginning	7,642	7,642	7,642	
Fund balance - ending	<u>\$ 7,642</u>	<u>\$ 7,642</u>	<u>\$ 7,655</u>	

CITY OF ATLANTA, GEORGIA
Nonmajor Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2010
(In Thousands)

	Car Rental Excise Tax Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Taxes				
Taxes, Current Property Increment	\$ 1,300	\$ 1,300	\$ 1,010	\$ (290)
Investment income	-	-	\$ -	-
Total Revenues	<u>1,300</u>	<u>1,300</u>	<u>1,010</u>	<u>(290)</u>
EXPENDITURES				
Current:				
General government	-	820	1,031	(211)
Planning and Community Development	-	-	-	-
Parks, Recreation, and Cultural Affairs	-	-	-	-
Public Works	-	-	-	-
Fire	-	-	-	-
Debt Service:				
Bond principal payments	-	-	-	-
Total expenditures	<u>-</u>	<u>820</u>	<u>1,031</u>	<u>(211)</u>
Excess (deficiency) of revenues over under expenditures	<u>1,300</u>	<u>480</u>	<u>(21)</u>	<u>(501)</u>
OTHER FINANCING SOURCES (USES):				
Transfer in(out)	<u>(1,300)</u>	<u>(480)</u>	<u>79</u>	<u>559</u>
Total other financial sources and uses	<u>(1,300)</u>	<u>(480)</u>	<u>79</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>58</u>	<u>\$ 58</u>
Fund balance - beginning	\$ -	\$ -	\$ (58)	
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	

CITY OF ATLANTA, GEORGIA
Nonmajor Special Revenue Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2010
(In Thousands)

Hotel Motel Excise Tax Fund				
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Taxes				
Taxes, Current Property Increment	\$ 35,014	\$ 35,014	\$ 38,169	\$ 3,155
Investment income	-	-	-	-
Total Revenues	<u>35,014</u>	<u>35,014</u>	<u>38,169</u>	<u>3,155</u>
EXPENDITURES				
Current:				
General government:	25,014	25,014	27,622	(2,608)
Debt Service:				
Interest on bond	-	-	14	(14)
Bond principal payments	-	-	-	-
Total expenditures	<u>25,014</u>	<u>25,014</u>	<u>27,636</u>	<u>(2,622)</u>
Excess (deficiency) of revenues over under expenditures	<u>10,000</u>	<u>10,000</u>	<u>10,533</u>	<u>533</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	(10,000)	(10,000)	(10,526)	526
Total other financial sources and uses	<u>(10,000)</u>	<u>(10,000)</u>	<u>(10,526)</u>	<u>526</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>7</u>	<u>\$ 7</u>
Fund balance - beginning	-	-	-	
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7</u>	

CITY OF ATLANTA, GEORGIA
Debt Service Fund
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2010
(In Thousands)

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUES				
Taxes				
Property taxes	\$ 28,818	\$ 28,818	\$ 31,232	\$ 2,414
Other taxes	1,731	1,731	1,975	244
Miscellaneous Expenses				
Investment income	133	133	168	35
Other income	10	10	-	(10)
Total revenues	<u>30,692</u>	<u>30,692</u>	<u>33,375</u>	<u>2,683</u>
EXPENDITURES				
Current:				
General government	-	-	364	(364)
Debt Service:				
Principal payments	3,371	3,371	16,700	(13,329)
Interest payments	27,251	27,251	12,390	14,861
Bond issuance costs	70	70	5	65
Total expenditures	<u>30,692</u>	<u>30,692</u>	<u>29,459</u>	<u>1,233</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>-</u>	<u>-</u>	<u>3,916</u>	<u>\$ 3,916</u>
Fund balance - beginning	-	-	47,912	
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 51,828</u>	

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Nonmajor Proprietary Funds

Enterprise Funds

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

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

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

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

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

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

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

CITY OF ATLANTA, GEORGIA
Nonmajor Proprietary Funds

Combining Statement of Net Assets
June 30, 2010
(In Thousands)

	Sanitation	Parks and Recreational Facilities	Underground Atlanta	Parking Deck	Civic Center	Totals
ASSETS						
Current assets:						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments in Pooled Investment Fund	-	-	-	-	578	578
Receivables:						
Accounts	33,710	-	-	-	-	33,710
Less allowance for doubtful accounts	(4,121)	-	-	-	-	(4,121)
Total receivables	29,589	-	-	-	-	29,589
Due from other funds	306	-	-	-	-	306
Total current assets	29,895	-	-	-	578	30,473
Property and equipment - at cost:						
Land	-	-	21,621	-	-	21,621
Construction-in-progress	-	-	-	-	-	-
Land improvements	1,327	-	-	-	5,365	6,692
Buildings and other structures	2,184	1,024	57,821	23,480	4,357	88,866
Other property and equipment	21,823	134	12,670	-	552	35,179
Less accumulated depreciation	(22,515)	(878)	(64,181)	(1,096)	(9,201)	(97,871)
Property and equipment, net	2,819	280	27,931	22,384	1,073	54,487
Other assets	-	-	14,007	-	-	14,007
Less accumulated amortization	-	-	(3,910)	-	-	(3,910)
Total assets	<u>\$ 32,714</u>	<u>\$ 280</u>	<u>\$ 38,028</u>	<u>\$ 22,384</u>	<u>\$ 1,651</u>	<u>\$ 95,057</u>
LIABILITIES AND NET ASSETS						
Current liabilities:						
Accounts payable	\$ 1,218	\$ 30	\$ (56)	\$ 85	\$ 20	\$ 1,297
Accrued salaries and vacation	1,239	21	(27)	-	53	1,286
Current maturities of capital leases	-	-	6,195	620	-	6,815
Current portion of other long-term liabilities	1,641	-	-	-	-	1,641
Due to other funds	30,113	192	6,742	-	309	37,356
Total current liabilities	34,212	243	12,854	705	382	48,396
Long-term liabilities :						
Capital lease obligation, excluding current maturities shown above	-	-	35,895	21,685	-	57,580
Other postemployment benefit liability	7,493	142	-	-	234	7,869
Accrued workers' compensation	6,437	-	-	-	-	6,437
Landfill postclosure costs	24,788	-	-	-	-	24,788
Total long-term liabilities	38,718	142	35,895	21,685	234	96,674
Total liabilities	72,930	385	48,749	22,390	616	145,070
Net Assets:						
Investment in capital assets, net of related debt	2,819	280	(14,159)	79	1,073	(9,908)
Unreserved (deficit)	(43,035)	(385)	3,438	(85)	(38)	(40,105)
Total net assets (deficit)	(40,216)	(105)	(10,721)	(6)	1,035	(50,013)
Total liabilities and net assets	<u>\$ 32,714</u>	<u>\$ 280</u>	<u>\$ 38,028</u>	<u>\$ 22,384</u>	<u>\$ 1,651</u>	<u>\$ 95,057</u>

CITY OF ATLANTA, GEORGIA
Nonmajor Proprietary Funds

Combining Statement of Revenues, Expenses and Changes in Net Assets
For the Year Ended June 30, 2010
(In Thousands)

	Sanitation	Parks and Recreational Facilities	Underground Atlanta	Parking Deck	Civic Center	Total
Operating revenues:						
Charges for services	\$ 49,468	\$ 398	\$ -	\$ 765	\$ 536	\$ 51,167
Rentals, admissions, and concessions	225	74	2,185	-	1,161	3,645
Other	1,721	-	35	575	-	2,331
Total operating revenues	<u>51,414</u>	<u>472</u>	<u>2,220</u>	<u>1,340</u>	<u>1,697</u>	<u>57,143</u>
Operating expenses:						
Salaries and employee benefits	19,966	342	-	-	894	21,202
Utilities	98	46	9	-	482	635
Materials and supplies	577	12	-	-	42	631
Repairs, maintenance, and other contractual services	78	8	458	-	341	885
Motor equipment service	5,256	-	-	-	3	5,259
Engineering and consultant fees	6,218	60	2,158	-	-	8,436
General services	2,966	35	75	7	17	3,100
Program services and other	-	-	-	-	1	1
Total operating expenses	<u>35,159</u>	<u>503</u>	<u>2,700</u>	<u>7</u>	<u>1,780</u>	<u>40,149</u>
Operating income (loss) before depreciation/amortization	16,255	(31)	(480)	1,333	(83)	16,994
Depreciation and amortization	1,041	24	1,052	1,096	429	3,642
Operating income (loss)	<u>15,214</u>	<u>(55)</u>	<u>(1,532)</u>	<u>237</u>	<u>(512)</u>	<u>13,352</u>
Nonoperating revenues (expenses):						
Interest expense	(14)	(2)	(2,741)	(1,098)	(4)	(3,859)
Investment income (loss)	-	-	64	-	13	77
Total nonoperating revenues (expenses)	<u>(14)</u>	<u>(2)</u>	<u>(2,677)</u>	<u>(1,098)</u>	<u>9</u>	<u>(3,782)</u>
Income (loss) before transfers	15,200	(57)	(4,209)	(861)	(503)	9,570
Transfers in(out)	(9)	-	8,207	855	9	9,062
Net income (loss)	15,191	(57)	3,998	(6)	(494)	18,632
Beginning of the period	<u>(55,407)</u>	<u>(48)</u>	<u>(14,719)</u>	<u>-</u>	<u>1,529</u>	<u>(68,645)</u>
Net assets (deficit), end of period	<u>\$ (40,216)</u>	<u>\$ (105)</u>	<u>\$ (10,721)</u>	<u>\$ (6)</u>	<u>\$ 1,035</u>	<u>\$ (50,013)</u>

CITY OF ATLANTA, GEORGIA
Nonmajor Proprietary Funds

Combining Statement of Cash Flows
For the Year Ended June 30, 2010
(In Thousands)

	Sanitation	Parks and Recreational Facilities	Underground Atlanta	Parking Deck	Civic Center	Total
Cash flow from operating activities						
Cash received from user charges	\$ 48,080	\$ 472	\$ 2,220	\$ 850	\$ 1,769	\$ 53,392
Cash payments to employees for services	(18,111)	(155)	(27)	-	(813)	(19,106)
Cash payments to suppliers for goods and services	(28,349)	(314)	(2,384)	(7)	(954)	(32,008)
Net cash provided by (used in) operating activities	1,621	3	(191)	843	2	2,279
Cash flows from noncapital financing activities						
Transfers in (out)	(9)	-	8,207	855	9	9,062
Net cash provided by (used in) noncapital financing activities	(9)	-	8,207	855	9	9,062
Cash flows from capital and related financing activities						
Payments on landfill postclosure costs	(1,606)	-	-	-	-	(1,606)
Principal paid on long term debt	-	-	(5,975)	(600)	-	(6,575)
Interest paid on bonds	(14)	(2)	(2,176)	(1,098)	(4)	(3,294)
Acquisition of capital assets	8	(1)	0	(0)	(9)	(2)
Net cash provided by (used in) capital and related financing activities	(1,612)	(3)	(8,150)	(1,698)	(13)	(11,476)
Cash flows from investing activities						
Net change in investment in pooled funds	-	-	70	-	(11)	59
Interest on investments	-	-	64	-	13	77
Net cash provided by (used in) investing activities	-	-	134	-	2	136
Net increase (decrease) in cash and cash equivalents	-	-	-	-	-	-
Cash and cash equivalents, beginning of period	-	-	-	-	-	-
CASH AND CASH EQUIVALENTS, END OF PERIOD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:						
Operating income (loss)	\$ 15,214	\$ (55)	\$ (1,532)	\$ 237	\$ (512)	\$ 13,352
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation and amortization	1,041	24	1,052	1,096	429	3,642
Increase (decrease) in receivables	(3,033)	1	-	-	-	(3,032)
Increase (decrease) in due from other funds	(301)	-	-	-	72	(229)
Increase (decrease) in other assets	191	-	-	-	-	192
Increase (decrease) in accounts payable	659	14	(56)	(490)	(23)	104
Increase (decrease) in other liabilities	1,855	28	(27)	-	81	1,937
Increase (decrease) in due to other funds	(14,006)	(9)	372	-	(45)	(13,688)
Net cash provided by (used in) operating activities	\$ 1,621	\$ 3	\$ (191)	\$ 843	\$ 2	\$ 2,279

CITY OF ATLANTA, GEORGIA
Internal Service Funds

Combining Statement of Net Assets
June 30, 2010
(In Thousands)

	Motor Transport	Group Insurance	Totals
ASSETS			
Current assets:			
Cash and cash equivalents	\$ -	\$ 223	\$ 223
Investments in Pooled Investment Fund	-	726	726
Receivables:			
Accounts	-	545	545
Less allowance for doubtful accounts	-	-	-
Total receivables	-	545	545
Total current assets	-	1,494	1,494
Property and equipment - at cost:			
Land	136	-	136
Land improvements	29	-	29
Buildings and other structures	5,508	-	5,508
Other property and equipment	6,610	-	6,610
Less accumulated depreciation	(10,783)	-	(10,783)
Property and equipment, net	1,500	-	1,500
Total assets	\$ 1,500	\$ 1,494	\$ 2,994
LIABILITIES AND NET ASSETS			
Current liabilities:			
Accounts payable	\$ 1,188	\$ 860	\$ 2,048
Accrued salaries and vacation,	735	57	792
Due to other funds	18,564	-	18,564
Total current liabilities	20,487	917	21,404
Total liabilities	20,487	917	21,404
Net Assets:			
Investment in capital assets, net of related debt	1,500	-	1,500
Unreserved (deficit)	(20,487)	577	(19,910)
Total net assets (deficit)	(18,987)	577	(18,410)
Total liabilities and net assets	\$ 1,500	\$ 1,494	\$ 2,994

CITY OF ATLANTA, GEORGIA
Internal Service Funds

Combining Statement of Revenues, Expenses and Changes in Net Assets
For the Year Ended June 30, 2010
(In Thousands)

	Motor Transport	Group Insurance	Total
Operating revenues:			
Charges for services	\$ 24,027	\$ 107,263	\$ 131,290
Other	<u>8</u>	<u>1,396</u>	<u>1,404</u>
Total operating revenues	<u>24,035</u>	<u>108,659</u>	<u>132,694</u>
Operating expenses:			
Salaries and employee benefits	10,187	105,933	116,120
Utilities	529	-	529
Materials and supplies	13,540	19	13,559
Repairs, maintenance, and other contractual services	1,915	-	1,915
Motor equipment service	-	2	2
Engineering and consultant fees	407	78	485
General services	3,335	798	4,133
Program services and other	<u>15</u>	<u>1</u>	<u>16</u>
Total operating expenses	<u>29,928</u>	<u>106,831</u>	<u>136,759</u>
Operating income (loss) before depreciation/amortization	(5,893)	1,828	(4,065)
Depreciation and amortization	<u>622</u>	<u>-</u>	<u>622</u>
Operating income (loss)	<u>(6,515)</u>	<u>1,828</u>	<u>(4,687)</u>
Nonoperating revenues (expenses):			
Interest expense	(176)	127	(49)
Investment income (loss)	<u>-</u>	<u>(14)</u>	<u>(14)</u>
Total nonoperating revenues (expenses)	<u>(176)</u>	<u>113</u>	<u>(63)</u>
Income (loss) before transfers	(6,691)	1,941	(4,750)
Net income (loss)	(6,691)	1,941	(4,750)
Beginning of the period	<u>(12,296)</u>	<u>(1,364)</u>	<u>(13,660)</u>
Net assets (deficit), end of period	<u>\$ (18,987)</u>	<u>\$ 577</u>	<u>\$ (18,410)</u>

CITY OF ATLANTA, GEORGIA
Internal Service Funds

Combining Statement of Cash Flows
For the Year Ended June 30, 2010
(In Thousands)

	Motor Transport	Group Insurance	Total
Cash flow from operating activities			
Cash received from user charges	\$ 24,035	\$ 108,114	\$ 132,149
Cash payments to employees for services	(10,182)	(105,935)	(116,117)
Cash payments to suppliers for goods and services	(13,060)	(1,441)	(14,501)
Net cash provided by (used in) operating activities	793	738	1,531
Cash flows from capital and related financing activities			
Interest paid on bonds	(176)	127	(49)
Acquisition of capital assets	(617)	-	(617)
Net cash provided by (used in) capital and related financing activities	(793)	127	(666)
Cash flows from investing activities			
Net change in investment in pooled funds	-	(726)	(726)
Interest on investments	-	(14)	(14)
Net cash provided by (used in) investing activities	-	(740)	(740)
Net increase (decrease) in cash and cash equivalents	-	125	125
Cash and cash equivalents, beginning of period	-	97	97
CASH AND CASH EQUIVALENTS, END OF PERIOD	\$ -	\$ 223	\$ 223
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ (6,515)	\$ 1,828	\$ (4,687)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation and amortization	622	-	622
(Increase) decrease in accounts receivable	-	(545)	(545)
Increase (decrease) in accounts payable	322	842	1,164
Increase (decrease) in other liabilities	4	(2)	2
Increase (decrease) in due to other funds	6,361	(1,385)	4,976
Net cash provided by operating activities	\$ 793	\$ 738	\$ 1,531

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 Employee's Defined Benefits 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.

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

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

AGENCY FUNDS

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

CITY OF ATLANTA, GEORGIA
Pension Trust Funds

Combining Statement of Plan Net Assets
June 30, 2010
(In Thousands)

	Pension Trust Funds				Totals
	General Employees' Defined Benefit	General Employees' Defined Contribution	Firefighters'	Police Officers'	
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 24,088	\$ -	\$ 64,548	\$ 127,332	\$ 215,968
Investments:					
Equities	377,472	43,878	215,324	311,062	947,736
U. S. government and agency obligations	255,264		100,234	60,782	416,280
Corporate bonds	87,919		37,720	35,499	161,138
Other	106,189	-	26,601	118,661	251,451
Total Investments	<u>826,844</u>	<u>43,878</u>	<u>379,879</u>	<u>526,004</u>	<u>1,776,605</u>
Securities lending collateral investment pool	85,715	-	97,391	96,740	279,846
Due from brokers for securities sold	3,682	-	79	827	4,588
Other receivables	4,344	216	1,413	1,191	7,164
Due from other funds	<u>459</u>	<u>233</u>	<u>1,441</u>	<u>2,073</u>	<u>4,206</u>
 Total assets	 <u>\$ 945,132</u>	 <u>\$ 44,327</u>	 <u>\$ 544,751</u>	 <u>\$ 754,167</u>	 <u>\$ 2,288,377</u>
 LIABILITIES AND NET ASSETS HELD IN TRUST FOR PENSION BENEFITS					
Current liabilities:					
Accounts payable and other liabilities	\$ 2,090	\$ 501	\$ 283	\$ 411	\$ 3,285
Due to brokers for securities purchased	6,683		32,101	45,371	84,155
Liability for securities lending agreement	<u>85,715</u>	<u>-</u>	<u>97,391</u>	<u>96,740</u>	<u>279,846</u>
Total current liabilities	<u>94,488</u>	<u>501</u>	<u>129,775</u>	<u>142,522</u>	<u>367,286</u>
Net Assets Held in Trust for Pension Benefits:	<u>\$ 850,644</u>	<u>\$ 43,826</u>	<u>\$ 414,976</u>	<u>\$ 611,645</u>	<u>\$ 1,921,091</u>

CITY OF ATLANTA, GEORGIA
Pension Trust Funds

Combining Statement of Changes in Plan Net Assets
For the Year Ended June 30, 2010
(In Thousands)

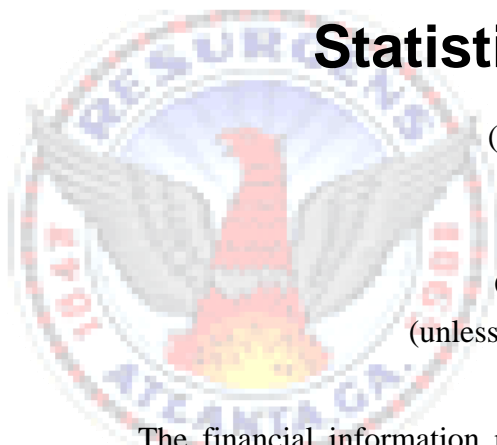
	Pension Trust Funds				Totals
	General Employees' Defined Benefit	General Employees' Defined Contribution	Firefighters'	Police Officers'	
Additions:					
Employer contributions	\$ 51,762	\$ 4,270	\$ 25,865	\$ 41,712	\$ 123,609
Employee contributions	11,617	4,317	3,456	6,394	25,784
Refunds and other	169	-	138		307
Investment income:					
Net depreciation in fair value of investments	74,537	1,744	43,055	54,618	173,954
Investment income	25,693	967	9,561	10,688	46,909
Securities lending income	122	-	134	197	453
Less: Investment expenses	(3,404)	-	(2,042)	(2,505)	(7,951)
Net investment income	<u>96,948</u>	<u>2,711</u>	<u>50,708</u>	<u>62,998</u>	<u>213,365</u>
Total additions	<u>160,496</u>	<u>11,298</u>	<u>80,167</u>	<u>111,104</u>	<u>363,065</u>
Deductions:					
Benefit payments	91,327	2,940	32,244	42,291	168,802
Administrative expenses	877	155	326	694	2,052
Total deductions	<u>92,204</u>	<u>3,095</u>	<u>32,570</u>	<u>42,985</u>	<u>170,854</u>
Net increase in net assets held in trust for pension benefits	68,292	8,203	47,597	68,119	192,211
Net assets held in trust for pension benefits:					
Beginning of period	<u>782,352</u>	<u>35,623</u>	<u>367,379</u>	<u>543,526</u>	<u>1,728,880</u>
End of period	<u>\$ 850,644</u>	<u>\$ 43,826</u>	<u>\$ 414,976</u>	<u>\$ 611,645</u>	<u>\$ 1,921,091</u>

CITY OF ATLANTA, GEORGIA
Agency Fund

Statement of Changes in Assets and Liabilities
For the Year Ended June 30, 2010
(In Thousands)

ASSETS				
	June 30, 2009	Additions	Deductions	June 30, 2010
Assets:				
Cash and cash equivalents	\$ 203			\$ 203
Investments in pooled investment fund	31,361	27,233	(30,886)	27,708
Investments:				
Equities	578	3	-	581
Other receivables	-	2,168	-	2,168
Total Assets	\$ 32,142	\$ 29,404	\$ (30,886)	\$ 30,660
LIABILITIES				
Liabilities:				
Accounts payable	\$ 32,142	\$ 29,404	\$ (30,886)	\$ 30,660
Total Liabilities	\$ 32,142	\$ 29,404	\$ (30,886)	\$ 30,660

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Statistical Section

(Unaudited)

Cash Basis

(unless otherwise noted)

Atlanta

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

**City of Atlanta, Georgia
Statistical Section**

Contents

Financial Trends (Schedule 1 through 5)

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

Revenue Capacity (Schedule 6 through 12)

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

Debt Capacity (Schedule 13 through 17)

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

Demographic and Economic Information (Schedule 18 through 19)

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

Operating Information (Schedule 20 through 22)

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

Sources

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

City of Atlanta

2010 Comprehensive Annual Financial Report

Schedule 1
City of Atlanta, Georgia
Net Assets by Component
Last Nine Periods
(accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Period								
	2002	2003	2004	2005	2006	2007	2008	2009	2010
Governmental Activities									
Invested in capital assets, net of related debt	\$ 521,789	\$ 712,791	\$ 541,003	\$ 543,166	\$ 482,373	\$ 488,569	\$ 237,415	\$ 146,670	\$ 97,291
Restricted for									
Debt service	21,863	27,470	37,556	39,818	36,532	40,162	45,479	47,912	51,828
Programs	122,999	74,521	69,511	207,039	173,138	113,914	87,259	79,096	75,482
Capital projects	104,291	97,799	139,431	104,529	127,021	137,651	219,921	238,093	250,380
Unrestricted	(84,288)	(41,942)	(26,666)	(159,662)	(199,434)	(207,696)	(320,542)	(306,113)	(260,354)
Total Governmental Activities Net Assets	\$ 686,654	\$ 870,639	\$ 760,835	\$ 734,890	\$ 619,630	\$ 572,600	\$ 269,532	\$ 205,658	\$ 214,627
Business-type Activities									
Invested in capital assets, net of related debt	\$ 1,900,982	\$ 2,638,247	\$ 2,826,354	\$ 3,237,337	\$ 3,177,702	\$ 3,466,892	\$ 4,484,709	\$ 4,760,260	\$ 5,092,956
Restricted									
Debt service	4,549	(8,041)	528,879	76,817	104,864	40,253	114,869	174,761	206,232
Programs	-	-	-	-	-	-	-	-	-
Capital projects	700,154	429,754	-	565,012	565,012	565,012	383,694	470,590	365,297
Unrestricted	453,896	333,029	329,966	373,465	612,037	787,003	888,594	787,326	721,383
Total Business-type Activities Net Assets	\$ 3,059,581	\$ 3,392,989	\$ 3,685,199	\$ 4,252,631	\$ 4,459,615	\$ 4,859,160	\$ 5,871,866	\$ 6,192,937	\$ 6,385,868
Primary Government									
Invested in capital assets, net of related debt	\$ 2,422,771	\$ 3,351,038	\$ 3,367,357	\$ 3,780,503	\$ 3,660,075	\$ 3,955,461	\$ 4,722,124	\$ 4,906,930	\$ 5,190,247
Restricted									
Debt service	26,412	19,429	566,435	116,635	141,396	80,415	160,348	222,673	258,060
Programs	122,999	74,521	69,511	207,039	173,138	113,914	87,259	79,096	75,482
Capital projects	804,445	527,553	139,431	669,541	692,033	702,663	603,615	708,683	615,677
Unrestricted	369,608	291,087	303,300	213,803	412,603	579,307	568,052	481,213	461,029
Total Primary Government Activities Net Assets	\$ 3,746,235	\$ 4,263,628	\$ 4,446,034	\$ 4,987,521	\$ 5,079,245	\$ 5,431,760	\$ 6,141,398	\$ 6,398,595	\$ 6,600,495

Schedule 2
 Changes in Net Assets
 Last Nine Fiscal Periods
 (accrual basis of accounting)
 (amounts expressed in thousands)

	Fiscal								
	2002	2003	2004	2005	2006 ¹	2007	2008	2009	2010
EXPENSES									
Governmental Activities									
General government	\$ 189,386	\$ 169,284	\$ 167,074	\$ 207,529	\$ 113,068	\$ 264,221	\$ 234,198	\$ 265,596	\$ 260,413
Police	140,204	133,349	134,950	150,007	97,514	222,490	219,614	192,161	187,800
Fire	65,275	66,354	63,714	69,425	35,715	86,775	94,871	84,454	79,190
Corrections	37,627	32,245	35,107	39,028	20,921	45,178	50,714	37,264	29,301
Public works	65,136	63,336	68,675	81,954	45,231	47,707	79,823	56,814	50,056
Parks, recreation and cultural affairs	31,527	30,062	32,739	37,611	10,768	20,387	48,626	34,161	39,976
Interest on long-term debt	25,602	22,709	22,101	33,429	19,546	40,949	43,734	51,784	51,274
Total Governmental Activities Expenses	554,757	517,339	524,360	618,983	342,763	727,707	771,580	722,234	698,010
Business-type Activities									
Watershed Management	233,704	233,542	228,554	232,514	140,848	334,755	326,279	319,790	404,629
Aviation	233,459	240,687	303,703	230,933	126,399	315,104	386,316	423,198	448,979
Other	52,080	55,478	60,828	60,064	31,500	62,898	62,630	60,446	48,735
Total Business-type Activities Expenses	519,243	529,707	593,085	523,511	298,747	712,757	775,225	803,434	902,343
Total Primary Government Expenses	\$ 1,074,000	\$ 1,047,046	\$ 1,117,445	\$ 1,142,494	\$ 641,510	\$ 1,440,464	\$ 1,546,805	\$ 1,525,668	\$ 1,600,354
Program Revenues									
Governmental activities									
Charges for services									
General government	\$ 36,528	\$ 38,326	\$ 77,014	\$ 77,279	\$ 72,668	\$ 85,490	\$ 93,169	\$ 67,795	\$ 66,148
Public safety	20,823	21,850	27,619	32,311	1,747	36,849	31,989	31,218	20,627
Public works	4,203	4,410	3,876	5,084	2,857	9,907	5,090	16,438	13,168
Parks recreation and cultural affairs	1,500	1,574	1,622	2,431	568	1,787	1,667	1,932	1,418
Operating grants and contributions	55,071	30,933	48,194	51,365	21,182	48,620	49,832	42,336	78,533
Total Governmental Activities Program Revenues	118,125	97,093	158,325	168,470	99,022	182,653	181,747	159,719	179,894
Business-type Activities									
Charges for services									
Watershed Management	202,729	206,343	252,007	242,573	113,377	302,273	319,087	351,743	380,413
Aviation	244,997	247,845	273,575	289,478	147,221	330,228	386,206	389,535	400,799
Other	54,270	41,250	51,756	53,736	3,519	53,050	54,337	51,011	57,143
Capital grants and contributions	197,531	283,779	229,610	254,797	141,741	259,916	250,113	275,033	201,492
Total Business-type Activities Revenues	699,527	779,217	806,948	840,584	405,858	945,467	1,009,743	1,067,322	1,039,847
Total primary Government Revenues	\$ 817,652	\$ 876,310	\$ 965,273	\$ 1,009,054	\$ 504,880	\$ 1,128,120	\$ 1,191,490	\$ 1,227,041	\$ 1,219,740
Net (expense) revenue									
Governmental activities	(436,632)	(420,246)	(366,035)	(450,513)	(243,741)	(545,054)	(589,833)	(562,515)	(518,117)
Business-type activities	180,284	249,510	213,863	317,073	107,111	232,710	234,518	263,888	137,503
Total Primary Government Net Expense	\$ (256,348)	\$ (170,736)	\$ (152,172)	\$ (133,440)	\$ (136,630)	\$ (312,344)	\$ (355,315)	\$ (298,627)	\$ (380,614)
GENERAL REVENUES and OTHER CHANGES in NET ASSETS									
Governmental Activities									
Taxes									
Property taxes levied for general purposes	\$ 183,604	\$ 194,935	\$ 198,875	\$ 127,738	\$ 8,739	\$ 125,999	\$ 141,913	\$ 154,567	\$ 222,087
Property taxes levied for debt service	-	-	-	54,278	1,522	61,736	89,628	96,082	112,358
Local and municipal option sales tax	94,773	101,218	83,518	90,488	50,460	111,978	104,101	87,789	202,014
Public utilities franchise taxes	47,300	42,350	46,809	37,534	8,488	39,364	16,230	51,381	54,312
Business taxes	106,656	113,092	38,262	79,571	38,234	97,662	126,005	219,224	94,020
Federal and state aid not restricted for specific purposes	-	537	542	4,723	334	4,229	4,461	3,407	-
Investment income	10,348	7,904	5,022	13,171	9,312	23,920	18,302	6,834	3,962
Gain on Sale of Assets	-	-	-	-	-	-	5,764	517	456
Other	14,106	22,330	9,657	21,814	11,398	26,822	8,710	13,738	17,491
Extraordinary Loss	-	-	-	-	-	-	-	-	(2,231)
Transfers	(6,682)	(7,023)	4,208	2,349	(5)	6,314	2,311	(118,523)	(119,590)
Total Governmental Activities	\$ 450,105	\$ 475,343	\$ 386,893	\$ 431,666	\$ 128,482	\$ 498,024	\$ 517,425	\$ 515,016	\$ 584,878
Business-Type Activities									
Property taxes levied for debt service	-	-	20,449	-	-	-	-	-	-
Local option sales tax	-	-	-	102,171	59,035	120,954	127,470	-	-
Investment income	85,392	86,905	44,452	145,900	40,831	91,596	96,244	40,739	(37,323)
Other	-	-	-	-	-	(39,401)	1,474	(14,672)	-
Extraordinary Loss	-	-	-	-	-	-	-	-	(26,840)
Transfers	6,682	7,023	(4,208)	(2,349)	5	(6,314)	(2,311)	118,523	119,590
Total Business-type Activities	92,074	93,928	60,693	245,722	99,871	166,835	222,877	144,590	55,427
Total Primary Government	\$ 542,179	\$ 569,271	\$ 447,586	\$ 677,388	\$ 228,353	\$ 664,859	\$ 740,302	\$ 659,606	\$ 640,306
Change in Net Assets									
Governmental activities	13,473	55,097	20,858	(18,847)	(115,259)	(47,030)	(72,408)	(47,499)	66,761
Business-type activities	272,358	343,438	274,556	562,795	206,982	399,545	457,395	408,478	192,931
Total Primary Government	\$ 285,831	\$ 398,535	\$ 295,414	\$ 543,948	\$ 91,723	\$ 352,515	\$ 384,987	\$ 360,979	\$ 259,692

Notes:

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

City of Atlanta

2010 Comprehensive Annual Financial Report

Schedule 3
Program Revenues by Function/Program
Last Nine Fiscal Periods
(amounts expressed in thousands)
(accrual basis of accounting)

Function/Program	Program Revenues								
	2002	2003	2004	2005	2006	2007	2008	2009	2010
Primary Government									
Governmental activities:									
Charges for Services									
General government	\$ 36,528	\$ 38,326	\$ 77,014	\$ 77,279	\$ 72,668	\$ 85,490	\$ 93,169	\$ 67,795	\$ 66,148
Police	14,920	15,655	19,135	22,417	1,374	19,103	15,258	14,976	14,643
Fire	43	46	416	346	1	316	258	253	428
Corrections	5,860	6,149	8,068	9,548	372	17,430	16,473	15,989	5,556
Public works	4,203	4,410	3,876	5,084	2,857	9,907	5,090	16,438	13,168
Parks, Recreation, and Cultural Affairs	1,501	1,574	1,622	2,431	568	1,787	1,667	1,932	1,418
Total Governmental activities	\$ 63,055	\$ 66,160	\$ 110,131	\$ 117,105	\$ 77,840	\$ 134,033	\$ 131,915	\$ 117,383	\$ 101,361
Operating Grants	\$ 55,071	\$ 30,933	\$ 48,194	\$ 51,365	\$ 21,182	\$ 48,620	\$ 49,832	\$ 42,336	\$ 78,533
Business-type activities:									
Charges for Services									
Watershed Management	\$ 202,729	\$ 206,343	\$ 252,007	\$ 242,573	\$ 113,377	\$ 302,273	\$ 319,087	\$ 351,743	\$ 380,413
Aviation	244,997	247,845	273,575	289,478	147,221	330,228	386,206	389,535	400,799
Other**	54,270	41,250	-	-	-	-	-	-	-
Sanitation**	-	-	47,219	49,351	663	47,951	49,768	46,513	51,414
Parks and Recreational Facilities**	-	-	539	564	386	522	509	498	472
Underground Atlanta**	-	-	2,651	2,414	1,507	2,509	2,563	2,340	2,220
Parking Deck**	-	-	-	-	-	-	-	-	1,340
Civic Center**	-	-	1,347	1,407	963	2,068	1,497	1,660	1,697
Total Business-type activities	\$ 501,996	\$ 495,438	\$ 577,338	\$ 585,787	\$ 264,117	\$ 685,551	\$ 759,630	\$ 792,289	\$ 838,355
Total Primary Government	\$ 620,122	\$ 592,531	\$ 735,663	\$ 754,257	\$ 363,139	\$ 868,204	\$ 941,377	\$ 952,008	\$ 1,018,249

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

**Prior to 2004, non-major Business-type activities were classified as "Other".

City of Atlanta

2010 Comprehensive Annual Financial Report

Schedule 4
Fund Balances, Governmental Funds
Last Nine Fiscal Periods
(modified accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Period								
	2002	2003	2004	2005*	2006	2007	2008	2009	2010
General Fund									
Reserved	\$ 24,002	\$ 6,433	\$ 6,353	\$ 5,783	\$ 7,602	\$ 2,614	\$ 4,367	\$ 3,382	\$ 6,622
Unreserved	50,380	96,504	151,349	140,193	92,947	91,808	5,763	4,011	65,811
Total General Fund	\$ 74,382	\$ 102,937	\$ 157,702	\$ 145,976	\$ 100,549	\$ 94,422	\$ 10,130	\$ 7,393	\$ 72,433
Capital Projects Fund									
Reserved	\$ -	\$ -	\$ -	\$ 95,129	\$ 47,397	\$ 64,163	\$ 73,703	\$ 17,606	\$ 18,516
Unreserved	-	-	-	-	-	-	6,936	25,678	(4,173)
Total Capital Projects Fund	\$ -	\$ -	\$ -	\$ 95,129	\$ 47,397	\$ 64,163	\$ 80,639	\$ 43,284	\$ 14,343
Debt Service Fund									
Reserved	\$ -	\$ -	\$ -	\$ 39,818	\$ 36,532	\$ 40,162.00	\$ 45,479	\$ 47,912	\$ 51,829
Total Debt Service Fund	\$ -	\$ -	\$ -	\$ 39,818	\$ 36,532	\$ 40,162	\$ 45,479	\$ 47,912	\$ 51,829
All Other Governmental Funds									
Reserved	\$ 263,874	\$ 218,285	\$ 285,892	\$ 251,298	\$ 245,160	\$ 177,862	\$ 233,477	\$ 299,583	\$ 307,345
Unreserved, reported in Special revenue funds	-	-	(21,416)	(9,240)	(9,240)	(20,091)	(57,328)	(45,238)	(43,550)
Total All other Governmental Funds	\$ 263,874	\$ 218,285	\$ 264,476	\$ 242,058	\$ 235,920	\$ 157,771	\$ 176,149	\$ 254,345	\$ 263,795

* 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

City of Atlanta

2010 Comprehensive Annual Financial Report

Schedule 5 Changes in Fund Balances, Governmental Funds (modified accrual basis of accounting) (amounts expressed in thousands)

	Fiscal Period									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	
REVENUES										
Property taxes	\$ 182,035	\$ 193,244	\$ 192,927	\$ 179,685	\$ 10,261	\$ 195,048	\$ 227,563	\$ 253,204	\$ 329,127	
Local and municipal option sales taxes **	94,773	94,374	83,518	90,488	50,460	111,978	104,101	87,789	202,014	
Public utility, alcoholic beverages and other taxes **	113,625	100,347	106,449	122,015	8,488	137,922	142,235	270,605	148,332	
Licenses and permits	52,403	50,516	54,327	58,285	38,234	76,915	69,127	62,503	58,130	
Charges for current services	24,060	23,951	24,761	21,576	65,235	23,482	27,729	20,765	17,843	
Fines, forfeitures and penalties	20,390	19,908	18,504	17,895	6,727	14,710	18,323	15,820	15,847	
Investment income	10,301	7,917	4,934	12,926	9,312	23,468	18,182	6,750	3,975	
Intergovernmental revenues and contributions										
Federal revenues	39,201	23,067	31,659	30,480	334	28,784	34,709	36,649	65,422	
State and local grants and contributions	16,408	4,181	16,991	20,500	21,182	24,065	17,358	9,094	14,307	
Other	-	-	542	4,723	-	-	-	-	-	
Building rentals and contributions	8,552	6,981	10,394	11,339	5,877	18,926	18,962	18,295	8,344	
Other	14,106	22,330	9,657	26,584	11,398	19,844	8,710	13,738	17,491	
TOTAL REVENUES	\$ 575,854	\$ 546,816	\$ 554,663	\$ 596,496	\$ 227,508	\$ 675,142	\$ 686,999	\$ 795,212	\$ 880,832	
EXPENDITURES										
Current										
General government	\$ 175,110	\$ 163,041	\$ 173,027	\$ 231,207	\$ 113,068	\$ 290,882	\$ 285,698	\$ 319,202	\$ 250,558	
Police	123,021	124,811	142,958	149,450	97,514	225,815	230,571	186,364	179,455	
Fire	54,677	61,473	61,011	67,486	35,715	83,506	87,559	82,581	75,180	
Corrections	34,591	31,111	35,283	38,678	20,921	44,456	47,711	36,503	28,037	
Public works	26,369	25,989	34,506	59,679	45,231	48,393	69,004	45,032	45,477	
Parks, recreation and cultural affairs	26,436	26,766	33,006	42,764	10,768	44,939	53,542	39,569	35,866	
Capital outlay	56,335	68,164	15,330	-	-	-	-	-	-	
Debt service										
Principal	26,672	27,567	13,348	26,573	-	36,290	39,293	54,919	55,730	
Interest	25,602	22,709	25,646	32,706	19,546	40,949	42,879	50,429	47,617	
Bond issuance costs	(599)	137	31	723	-	1,996	4,438	6,065	4,446	
TOTAL EXPENDITURES	\$ 548,214	\$ 551,768	\$ 534,146	\$ 649,266	\$ 342,763	\$ 817,226	\$ 860,695	\$ 820,664	\$ 722,366	
Excess of Revenues Over (Under) Expenditures	27,640	(4,952)	20,517	(52,770)	(115,255)	(142,084)	(173,696)	(25,452)	158,466	
Other Financing Sources (Uses)										
Proceeds from borrowing	\$ 76,840	\$ 12,001	\$ 58,553	\$ 145,809	\$ -	\$ 58,000	\$ 53,820	\$ 134,042	\$ 78,120	
Capital leases	-	-	-	7,097	-	-	23,480	48,602	-	
Insurance Proceeds	-	-	-	-	-	-	-	-	-	
Premium on bonds sold	-	-	3,576	6,221	-	2,548	5,787	4,027	-	
Other Revenue	-	-	-	-	-	-	-	-	-	
Discount on bonds sold	-	-	-	(1,581)	-	(77)	-	(484)	(1,257)	
Refunding bonds issued	-	-	-	85,980	-	-	105,760	78,025	-	
Payment to refunded bond escrow agent	-	-	-	(85,605)	-	-	(106,177)	(80,550)	(64,500)	
Sale of asset	-	-	-	1,600	7,036	9,304	6,794	851	456	
Transfers in (out)	(6,682)	(7,013)	3,322	1,149	(5)	19,280	2,311	(118,523)	(119,590)	
Total Other Financing Sources (Uses)	\$ 70,158	\$ 4,988	\$ 65,451	\$ 160,670	\$ 7,031	\$ 89,055	\$ 91,775	\$ 65,990	\$ (106,771)	
Extraordinary Loss									(2,231)	
Correction of a Prior Year Error	-	(17,069)	14,988	(6,108)	-	-	37,800	-	-	
NET CHANGE IN FUND BALANCE	\$ 97,798	\$ (17,033)	\$ 100,956	\$ 101,792	\$ (108,224)	\$ (53,029)	\$ (44,121)	\$ 40,538	\$ 49,464	
Debt service as a percentage of noncapital expenditures	11.7%	11.6%	8.1%	11.2%	15.0%	12.6%	13.5%	18.4%	19.4%	

* Note: Capital outlay expenditures are included in the functional category totals after 2004, but are considered in the above debt service to noncapital expenditures calculation.

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

City of Atlanta

2010 Comprehensive Annual Financial Report

Schedule 6 Assessed Value and Estimated Actual Value of Taxable Property Last Nine Fiscal Periods

Fiscal Period Ended	Residential Property	Commercial Property	Industrial Property	Other Property ¹	Less: Tax-exempt Property ²	Total Taxable Assessed Value	Total Direct Tax Rate
December 31, 2002	\$ 8,567,121,679	\$ 6,901,913,667	\$ 366,881,480	\$ 1,662,085,635	\$ 188,994,248	\$ 17,309,008,213	32.64%
December 31, 2003	9,578,478,978	7,104,858,403	323,814,720	1,590,030,109	160,151,146	18,437,031,064	32.08%
December 31, 2004	10,282,698,452	7,433,699,007	308,725,135	1,626,457,946	1,732,722,383	17,918,858,157	31.00%
December 31, 2005	10,842,205,309	7,255,025,020	618,322,584	1,590,005,363	186,756,118	20,118,802,158	30.09%
June 30, 2006	11,954,278,920	8,069,483,015	699,409,813	1,621,488,855	1,720,017,791	20,624,642,812	32.13%
June 30, 2007 (3)	13,202,618,136	9,744,120,546	776,908,905	1,595,456,173	1,887,341,520	23,431,762,240	31.61%
June 30, 2008	13,980,076,949	13,067,992,615	1,031,326,231	1,615,241,347	2,093,949,974	27,600,687,168	30.49%
June 30, 2009	13,872,372,979	11,249,746,299	890,877,231	1,720,999,874	1,910,282,501	25,823,713,882	30.49%
June 30, 2010	12,749,326,810	11,746,535,282	806,421,455	1,542,422,321	2,831,876,995	24,012,828,873	33.63%

Notes: (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... .

(3) Source: Fulton County Digest dated (7/08/09), Georgia Department of Revenue : DeKalb County Digest 2008

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

2010 Comprehensive Annual Financial Report

Schedule 7 Direct and Overlapping Property Tax Rates Last Nine 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, 2002	\$ 9.02	\$ 21.67	\$ 0.50	\$ 1.34	\$ 0.11	\$ 32.64
December 31, 2003	8.71	21.46	0.50	1.30	0.11	32.08
December 31, 2004	8.25	20.87	0.50	1.27	0.11	31.00
December 31, 2005	7.64	20.42	0.50	1.43	0.10	30.09
June 30, 2006	7.53	22.64	0.50	1.41	0.05	32.13
June 30, 2007	7.09	22.64	0.50	1.33	0.05	31.61
June 30, 2008	7.12	21.64	0.50	1.18	0.05	30.49
June 30, 2009	7.12	21.64	0.50	1.18	0.05	30.49
June 30, 2010	\$ 10.24	\$ 21.64	\$ 0.50	\$ 1.20	\$ 0.05	\$ 33.63

Fiscal Period Ended	Overlapping Rates					Total
	Atlanta/DeKalb County	Downtown Improvement District	Fulton County, Georgia			
	Special Tax District	Special Tax District ⁽¹⁾	County Levy	County Bond Levy	Georgia State Levy	
December 31, 2002	\$ 1.30	\$ 2.50	\$ 12.53	\$ 0.28	\$ 0.25	\$ 13.06
December 31, 2003	1.14	3.60	12.05	0.27	0.25	12.57
December 31, 2004	1.05	4.20	11.59	0.07	0.25	11.91
December 31, 2005	2.05	5.00	11.58	0.06	0.25	11.89
June 30, 2006	0.99	5.00	11.41	0.06	0.25	11.72
June 30, 2007	0.96	5.00	10.28	0.06	0.25	10.59
June 30, 2008	0.83	5.00	10.28	0.06	0.25	10.59
June 30, 2009	0.83	5.00	10.28	-	0.25	10.53
June 30, 2010	\$ 1.00	\$ 5.00	\$ 10.28	\$ -	\$ 0.25	\$ 10.53

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

City of Atlanta

2010 Comprehensive Annual Financial Report

Schedule 8

City of Atlanta, Georgia

Principal Property Tax Payers

Last Nine Fiscal Periods

Taxpayer	Type of Business	2002			2003			2004			2005						
		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	\$ 296,305,165		1	1.69%	\$ 311,493,227		1	1.69%	\$ 155,936,542		1	0.79%	\$ 386,047,492		1	1.90%
Coca-Cola Company	Marketing and Manufacturing	175,126,510		2	1.00%	162,670,820		2	0.88%	154,860,290		2	0.79%	154,932,948		2	0.76%
Georgia Power Company	Utility Service	125,185,211		3	0.72%	138,389,311		3	0.75%	57,103,706		10	0.29%	139,188,340		3	0.69%
Post Apartment Homes	Residential Real Estate	111,937,620		4	0.64%	116,171,210		4	0.63%	120,304,178		3	0.61%	117,829,980		4	0.58%
Georgia Pacific Company	Pulp and Paper Manufacturing	91,552,200		5	0.52%	90,792,750		5	0.49%	97,673,647		4	0.50%				
CSC Associates	Commercial Real Estate	87,329,610		6	0.50%	87,338,740		6	0.47%	87,321,645		6	0.44%	77,663,640		10	0.38%
SunTrust Plaza Association	Commercial Real Estate	76,491,240		7	0.44%	82,038,220		7	0.44%	81,513,618		9	0.41%	92,889,700		5	0.46%
Atlanta Center LTD	Commercial Real Estate	63,761,840		10	0.36%	58,083,570		10	0.31%								
AT & T	Communication Service																
One Ninety One Peachtree Association	Commercial Real Estate	73,646,450		8	0.42%	76,478,710		8	0.41%	82,035,928		8	0.42%				
Overseas Partners	Commercial Real Estate													86,232,080		6	0.42%
Sumito Life Realty, Inc	Commercial Real Estate	68,164,600		9	0.39%	63,170,490		9	0.34%					82,034,230		7	0.40%
Peachtree TSG Associates LLC	Commercial Real Estate									93,540,108		5	0.48%	80,353,590		9	0.40%
Trizec Alliance Center LLC	Commercial Real Estate									83,957,286		7	0.43%	81,144,630		8	0.40%
Total		\$ 1,169,500,446			6.68%	1,186,627,048			6.41%	1,014,246,948			5.16%	1,298,316,630			6.39%

Taxpayer	Type of Business	2006			2007			2008			2009***						
		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				
Development Authority of Fulton	Government	\$				\$ 181,620,042		3	0.78%	\$ 333,432,299		1	1.36%	\$ 505,772,282		1	2.21%
Georgia Power Company	Utility Service	184,395,886		2	0.89%	197,766,434		2	0.84%	206,701,589		3	0.85%	222,362,604		2	0.97%
Bell South	Communication Service	266,293,651		1	1.29%	244,693,204		1	1.04%	332,146,406		2	1.36%	197,316,319		3	0.86%
Coca-Cola Company	Marketing and Manufacturing	137,147,337		3	0.66%	172,011,442		4	0.73%	174,796,651		4	0.72%	166,718,521		4	0.73%
Post Apartment Homes	Residential Real Estate	128,834,887		4	0.62%	154,997,343		5	0.66%	168,194,137		5	0.69%	148,085,301		5	0.65%
BF ATL, LLC	Commercial Real Estate					135,349,359		6	0.59%	158,985,279		6	0.65%	135,349,360		6	0.59%
SunTrust Plaza Association	Commercial Real Estate	92,735,881		7	0.45%	115,924,129		7	0.49%	119,200,000		7	0.49%	103,661,410		7	0.45%
Georgia Pacific Company	Pulp and Paper Manufacturing	97,202,770		6	0.47%	104,165,251		8	0.44%	105,231,889		8	0.43%	98,028,880		8	0.43%
IEP Peachtree, LLC	Unclassified													91,879,110		9	0.40%
Hines One Atlantic Center LP	Commercial Real Estate	83,443,109		10	0.40%	83,995,120		10	0.36%	101,252,131		9	0.41%	86,807,370		10	0.38%
GA Promenade LLC	Residential Real Estate					84,941,760		9	0.36%	-							
Kan AM Grund America LP	Commercial Real Estate Investment									91,507,582		10	0.37%				
CSC Associates	Commercial Real Estate	107,004,930		5	0.52%												
One Ninety One Peachtree Association	Commercial Real Estate	84,919,630		9	0.41%												
Peachtree TSG Associates LLC	Commercial Real Estate																
Trizec Alliance Center LLC	Commercial Real Estate	85,674,219		8	0.42%												
Total		\$ 1,267,652,300			6.15%	\$ 1,475,464,084			6.30%	\$ 1,791,447,963			7.33%	\$ 1,755,981,157			7.66%

*** 2009 Based on Net Assessed Value of \$22,924,256,395

City of Atlanta

2010 Comprehensive Annual Financial Report

Schedule 9
City of Atlanta, Georgia
Property Tax Levies and Collections
Last Nine Fiscal Periods
(amounts expressed in thousands)

Fiscal Period Ended	Taxes Levy for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount ⁽¹⁾	Percentage of Levy		Amount	Percentage of Levy
December 31, 2002	\$ 173,920,120	\$ 158,225,729	90.98%	\$ 15,105,557	\$ 173,331,286	99.66%
December 31, 2003	178,909,014	166,815,658	93.24%	11,462,115 ⁽²⁾	178,277,773	99.65%
December 31, 2004	180,733,587	170,502,285	94.34%	9,752,408 ⁽²⁾	180,254,693	99.74%
December 31, 2005	178,703,068	160,301,279	89.70%	17,909,963 ⁽²⁾	178,211,242	99.72%
June 30, 2006	6,750,195	6,750,195	100.00%	-	6,750,195	100.00%
June 30, 2007	179,606,933	164,976,460	91.85%	11,685,144 ⁽²⁾	176,661,604	98.36%
June 30, 2008	182,020,745	173,030,142	95.06%	6,494,066	179,524,207	98.63%
June 30, 2009	198,377,854	190,475,498	96.02%	7,422,956	197,898,454	99.76%
June 30, 2010	264,371,198	257,062,077	97.24%	-	257,062,077	97.24%

(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.

(2) Adjusted to Collection in Subsequent Year

City of Atlanta

2010 Comprehensive Annual Financial Report

Schedule 10
City of Atlanta, Georgia
Taxable Sales by Category
Last Eight Fiscal Periods
(in thousands of dollars)

Local Option Sales Tax	Fiscal Period							
	2003	2004	2005	2006**	2007***	2008	2009	2010
Food	\$ 15,663,417	\$ 17,085,817	\$ 18,227,462	\$ 21,181,670	\$ 12,524,653	\$ 21,765,330	20,038,407	18,811,248
Apparel	3,128,059	3,391,724	3,657,878	4,043,395	2,503,914	4,191,287	5,594,865	5,619,424
General	9,028,363	9,378,994	9,816,473	10,542,134	6,748,029	10,710,270	10,374,329	11,803,657
Automotive	7,798,800	8,576,677	8,986,665	10,704,116	6,322,706	11,180,684	9,275,605	6,007,107
Home	8,746,596	9,656,318	11,420,684	12,488,531	7,223,408	11,335,795	9,939,476	7,437,672
Lumber	5,525,925	6,215,037	6,590,849	7,436,668	4,228,072	6,228,429	4,235,049	728,285
Miscellaneous Services	10,505,516	10,144,407	10,575,829	12,396,264	6,765,846	12,651,427	12,773,311	12,220,815
Manufacturers	2,155,805	2,614,909	3,025,195	4,333,126	2,195,509	3,636,616	3,425,878	5,640,201
Utilities	7,331,954	7,679,384	8,016,539	9,234,770	5,247,921	9,691,811	10,274,982	6,472,235
Miscellaneous	6,686,294	7,965,956	8,228,806	8,651,981	6,688,032	11,774,540	9,864,146	17,721,003
Total	\$ 76,570,729	\$ 82,709,224	\$ 88,546,378	\$ 101,012,655	\$ 60,448,090	\$ 103,166,189	\$ 95,796,047	\$ 92,461,649
City direct sales tax rate	0%	0%	0%	0%	0%	0%	0%	0%

Municipal Option Sales Tax	Fiscal Period							
	2003	2004	2005	2006	2007	2008	2009	2010
Food	\$ -	\$ 1,244,484	\$ 20,262,057	\$ 12,415,988	\$ 26,529,627	\$ 27,367,773	25,487,704	23,115,908
Apparel	-	329,493	5,268,202	3,200,528	6,232,358	6,537,725	8,265,601	6,819,859
General	-	560,254	9,817,354	5,876,141	10,818,855	10,801,409	10,829,434	13,496,332
Automotive	-	185,286	2,951,697	3,770,532	4,125,484	5,190,562	5,489,521	929,297
Home	-	723,835	13,940,445	1,686,685	16,480,009	15,614,925	13,952,527	8,302,473
Lumber	-	453,282	6,870,413	8,952,687	8,107,471	7,926,075	5,591,719	991,117
Miscellaneous Services	-	857,201	13,772,985	3,472,644	17,745,384	19,228,289	19,360,539	15,006,917
Manufacturers	-	132,360	2,827,119	8,352,696	3,680,987	4,804,876	4,399,557	6,763,647
Utilities	-	534,743	9,725,057	1,730,697	11,045,370	11,307,471	12,691,282	7,177,663
Miscellaneous	-	578,069	11,969,607	5,573,612	15,347,660	16,126,286	15,976,758	25,295,149
Total	\$ -	\$ 5,599,006	\$ 97,404,935	\$ 55,032,209	\$ 120,113,206	\$ 124,905,391	\$ 122,044,642	\$ 107,898,362
City direct sales tax rate	0.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

Note: (1) Effective October 1, 2004, the City began collecting a 1% Municipal Option Sales Tax (MOST) for retail sales and use occurring within the incorporated city limits of Atlanta

Source: Georgia Department of Revenue; Local Government Division
 **2006 data represents the 2006 Calendar year
 ***2007 represents six months of activity, January through June 2007

City of Atlanta

2010 Comprehensive Annual Financial Report

Schedule 11

City of Atlanta, Georgia

Direct and Overlapping Sales Tax Rates

Last Nine Fiscal Periods

<u>Fiscal Year</u>	<u>City Direct Rate</u>	<u>Fulton County</u>
2002	0.00%	7.00%
2003	0.00%	7.00%
2004	0.00%	7.00%
2005	1.00%	7.00%
2006	1.00%	7.00%
2007	1.00%	7.00%
2008	1.00%	7.00%
2009	1.00%	7.00%
2010	1.00%	7.00%

Source: Commodity Report, Georgia Department of Revenue

City of Atlanta

2010 Comprehensive Annual Financial Report

Schedule 12
 City of Atlanta, Georgia
 Principal Sales Tax Remitters
 Last Seven Fiscal Periods

Tax Remitters	2004		2005		2006		2007	
	Tax Liability	Percentage of Total	Tax Liability	Percentage of Total	Tax Liability	Percentage of Total	Tax Liability	Percentage of Total
Food	\$ 1,244,484	22.23%	\$ 20,262,057	20.80%	\$ 12,415,988	22.56%	26,529,627	22.09%
Apparel	329,493	5.88%	5,268,202	5.41%	3,200,528	5.82%	6,232,358	5.19%
General	560,254	10.01%	9,817,354	10.08%	5,876,141	10.68%	10,818,855	9.01%
Automotive	185,286	3.31%	2,951,697	3.03%	3,770,532	6.85%	4,125,484	3.43%
Home	723,835	12.93%	13,940,445	14.31%	1,686,685	3.06%	16,480,009	13.72%
Lumber	453,282	8.10%	6,870,413	7.05%	8,952,687	16.27%	8,107,471	6.75%
Miscellaneous Services	857,201	15.31%	13,772,985	14.14%	3,472,644	6.31%	17,745,384	14.77%
Manufacturers	132,360	2.36%	2,827,119	2.90%	8,352,696	15.18%	3,680,987	3.06%
Utilities	534,743	9.55%	9,725,057	9.98%	1,730,697	3.14%	11,045,370	9.20%
Miscellaneous	578,069	10.32%	11,969,607	12.29%	5,573,612	10.13%	15,347,660	12.78%
Total	\$ 5,599,006	100%	\$ 97,404,935	100%	\$ 55,032,209	100%	120,113,206	100%

Tax Remitters	2008		2009		2010	
	Tax Liability	Percentage of Total	Tax Liability	Percentage of Total	Tax Liability	Percentage of Total
Food	\$ 27,367,773	21.91%	\$ 25,487,704	20.89%	\$ 23,115,908	21.42%
Apparel	6,537,725	5.23%	8,265,601	6.77%	6,819,859	6.32%
General	10,801,409	8.65%	10,829,434	8.88%	13,496,332	12.51%
Automotive	5,190,562	4.16%	5,489,521	4.50%	929,297	0.86%
Home	15,614,925	12.50%	13,952,527	11.44%	8,302,473	7.69%
Lumber	7,926,075	6.35%	5,591,719	4.58%	991,117	0.92%
Miscellaneous Services	19,228,289	15.39%	19,360,539	15.87%	15,006,917	13.91%
Manufacturers	4,804,876	3.85%	4,399,557	3.61%	6,763,647	6.27%
Utilities	11,307,471	9.05%	12,691,282	10.40%	7,177,663	6.65%
Miscellaneous	16,126,286	12.91%	15,941,494	13.07%	25,295,149	23.44%
Total	\$ 124,905,391	100%	\$ 122,009,378	100%	\$ 107,898,362	100.00%

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

Source: Georgia Department of Revenue, Local Government Division

City of Atlanta

2010 Comprehensive Annual Financial Report

Schedule 13
 City of Atlanta, Georgia
 Ratio of Outstanding Debt by Type
 Last Nine Fiscal Periods
 (amounts expressed in thousands, except per capita)

Fiscal Period Ended	Governmental Activities							Other				
	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	Citywide Radio System	Installment Sale Program	Inter-Governmental Agreements	Notes Payable
December 31, 2002	\$ 238,510	\$ 25,710	\$ 91,500	\$ 14,660	\$ -	\$ 597	\$ 18,476	\$ 53,785	\$ 5,065	\$ 87,610	\$ -	\$ -
December 31, 2003	239,360	24,855	91,500	12,965	-	-	15,827	52,560	-	83,280	-	-
December 31, 2004	290,365	23,965	90,935	11,250	-	3,053	32,444	51,280	-	78,780	-	-
December 31, 2005	283,865	23,035	218,740	9,515	5,835	10,054	32,444	49,950	-	74,080	-	-
June 30, 2006	283,865	23,035	406,255	9,515	5,835	11,800	32,444	49,950	-	74,080	-	-
June 30, 2007	276,510	22,060	396,675	8,200	4,499	9,055	32,444	48,550	-	69,190	-	-
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
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
June 30, 2010	\$ 260,490	\$ 19,235	\$ 648,150	\$ 5,115	\$ 83,396	\$ 2,555	\$ 32,444	\$ -	\$ -	\$ 52,885	\$ 15,177	\$ 14,083

Fiscal Period Ended	Business-Type Activities													Total Primary Government	Percentage of Personal Income (a)	Per Cap
	Department of Aviation			Department of Watershed Management												
	Facilities Revenue Bonds*	Bond Anticipation Notes	Issuance Discounts and Refunding Losses	System Revenue Bonds	Premium on Bonds	Issuance Discounts and Refunding Losses	GEFA Notes Payable	Capital Lease Obligation	Sanitation Fund Capital Lease Obligation	Underground Atlanta Revenue Bonds	Parking Deck Capital Lease	Underground Atlanta Capital Lease				
December 31, 2002	\$ 1,682,273	\$ -	\$ -	\$ 1,673,966	\$ -	\$ -	\$ -	\$ 25,579	\$ 5,075	\$ 71,625	\$ -	\$ -	\$ 3,994,431	26.66%	\$	
December 31, 2003	1,442,984	395,000	(116,676)	1,718,110	-	(41,544)	-	23,944	-	69,190	-	-	4,011,355	26.77%		
December 31, 2004	2,927,307	-	1,521	2,558,000	39,867	-	-	22,299	3,217	65,330	-	-	6,199,613	40.50%		
December 31, 2005	2,805,127	-	662	2,542,765	38,881	-	23,373	20,520	2,205	61,280	-	-	6,202,331	38.22%		
June 30, 2006	2,984,043	-	(19)	2,542,765	38,388	-	23,106	19,614	1,134	61,280	-	-	6,567,090	37.93%		
June 30, 2007	2,890,474	-	(575)	2,518,555	37,402	-	95,701	17,651	-	57,055	-	-	6,483,446	35.20%		
June 30, 2008	2,419,898	-	(1,037)	2,494,575	35,705	(34,856)	152,073	15,710	-	52,610	-	-	6,208,021	33.71%		
June 30, 2009	2,343,835	-	(1,404)	3,218,275	26,680	(23,350)	148,767	13,643	-	-	-	48,065	6,924,989	35.21%		
June 30, 2010	\$ 2,235,572	\$ -	\$ (1,737)	\$ 3,202,025	\$ 25,829	\$ -	\$ 145,353	\$ 11,541	\$ -	\$ -	\$ 22,305	\$ 42,090	\$ 6,752,113	34.00%		

(*) Net of any discount or premium

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

(a) See Exhibit D-1 for personal income and population data.

City of Atlanta

2010 Comprehensive Annual Financial Report

Schedule 14
City of Atlanta, Georgia
Ratio of General Bonded Debt Outstanding
Last Nine Fiscal Periods
(amounts expressed 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, 2002	\$ 238,510	\$ 25,710	\$ 91,500	\$	\$ 14,660	\$ -	\$ 370,380	2.14%	\$ 856
December 31, 2003	239,360		91,500		12,965	-	343,825	1.86%	791
December 31, 2004	290,365	23,965	90,935		11,250	-	416,515	2.32%	942
December 31, 2005	283,865	23,035	218,740		9,515	5,835	540,990	2.69%	1,198
June 30, 2006	283,865	23,035	406,235		9,515	5,835	728,485	3.53%	1,613
June 30, 2007	276,510	22,060	399,985		8,200	4,499	711,254	3.04%	1,575
June 30, 2008	296,915	20,265	540,205	16,373	6,720	26,564	907,042	3.29%	1,963
June 30, 2009	277,190	20,265	652,075	15,983	6,175	69,605	1,041,293	4.03%	2,182
June 30, 2010	\$ 260,490	\$ 19,235	\$ 648,150	\$ 15,177	\$ 5,115	\$ 83,396	\$ 1,031,563	4.30%	\$ 2,146

* Net of any discount or premium.

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

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Schedule 15
City of Atlanta, Georgia
Direct and Overlapping Governmental Activities Debt
Last Nine Fiscal Periods
(amounts expressed in thousands)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (a)	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
2002	\$ 492,075	55.70%	\$ 274,093
2003	474,841	55.19%	262,048
2004	606,651	58.31%	353,731
2005	720,722	65.77%	473,999
2006	720,722	65.77%	473,999
2007	707,593	66.88%	473,246
2008	761,811	62.11%	473,154
2009	696,259	62.66%	436,255
2010	638,210	64.58%	412,126

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.

(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.

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Schedule 16
 City of Atlanta, Georgia
 Legal Debt Margin Information
 Last Nine Fiscal Periods

	2002	2003	2004	2005	2006	2007	2008	2009	2010
Debt limit	\$ 2,073,582,315	\$ 2,198,052,425	\$ 2,278,113,865	\$ 2,349,127,724	\$ 2,657,777,842	\$ 2,464,044,067	\$ 2,943,835,276	\$ 2,730,015,271	2,626,080,388
Total net debt applicable to limit	<u>238,510,000</u>	<u>239,360,000</u>	<u>290,365,000</u>	<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>
Legal debt margin	\$ <u>1,835,072,315</u>	\$ <u>1,958,692,425</u>	\$ <u>1,987,748,865</u>	\$ <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>

City of Atlanta

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SCHEDULE 17A
City of Atlanta, Georgia
Department of Aviation
Schedule of Revenue Bond Coverage
Last Ten Fiscal Periods
(amounts expressed 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
2001	257,119	84,788	172,331	48,110	43,270	-	91,380	1.89
2002	250,917	93,131	157,786	50,775	49,932	-	100,707	1.57
2003	251,579	122,017	129,562	49,937	53,418	5,487	108,842	1.19
2004	292,375	134,528	157,847	52,183	40,362	10,990	103,535	1.52
2005	305,484	148,728	156,756	33,935	64,167	5,470	103,572	1.51
2006	152,601	74,353	78,248	-	23,727	334	24,061	3.25
2007	339,164	133,440	205,724	37,487	56,186	(1,186)	92,487	2.22
2008	405,868	166,274	239,594	40,906	70,131	3,275	114,312	2.10
2009	404,724	173,404	231,320	42,502	67,392	19,187	129,081	1.79
2010	414,898	201,056	213,842	53,061	70,104	3,670	126,835	1.69

- (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

2009 Comprehensive Annual Financial Report

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

<u>Period</u> ¹	<u>Operating Revenue</u> ²	<u>Current Operating Expenses</u> ³	<u>Net Revenue available for Debt Service</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u> ⁴	<u>Coverage Ratio</u>
2001	185,957	121,102	64,855	10,000	29,334	39,334	1.65
2002	240,954	121,732	119,222	-	42,420	42,420	2.81
2003	227,441	137,284	90,157	325	69,667	69,992	1.29
2004	287,778	133,146	154,632	9,375	82,284	91,659	1.69
2005	385,697	159,081	226,616	10,655	81,519	92,174	2.46
2006	189,844	96,345	93,499	0	61,842	61,842	1.51
2007	435,715	240,848	194,867	24,210	128,435	152,645	1.28
2008	460,285	236,316	223,969	27,647	126,285	153,932	1.45
2009	498,216	220,962	277,254	26,300	127,452	153,752	1.80
2010	511,649	206,170	305,479	28,980	172,074	201,054	1.52

- (1) Fiscal years 2001 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 2010 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 \$109 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.
- (4) Annual debt service includes sinking fund requirements of the Water and Sewerage Revenue Fund.

City of Atlanta

2010 Comprehensive Annual Financial Report

Schedule 18
City of Atlanta, Georgia
Demographic and Economic Statistics
Last Nine Years

<u>Fiscal Year Ended</u>	<u>Population¹</u>	<u>Personal Income (thousands of dollars)²</u>	<u>Per Capita Personal income³</u>	<u>Median Age⁴</u>	<u>Educational Attainment⁵</u>	<u>School Enrollment⁶</u>	<u>Unemployment Rate⁷</u>
December 31, 2002	428,100	\$ 149,831	\$ 32,925	32.3	83.6	55,640	7.9%
December 31, 2003	432,900	153,070	32,739	34.0	82.9	53,485	7.7%
December 31, 2004	434,900	162,297	33,838	33.8	81.7	51,358	7.4%
December 31, 2005	442,100	173,159	34,825	34.7	82.9	50,188	5.9%
June 30, 2006	451,600	184,186	35,846	34.7	82.9	49,924	5.3%
June 30, 2007	451,600	184,186	35,846	35	82.9	49,707	4.5%
June 30, 2008	461,956	196,683	36,309	32.0	87.0	51,377	5.9%
June 30, 2009	477,300	198,580	37,744	35	83.4	48,093	10.3%
June 30, 2010	480,700	206,462	38,336	35.0	87.3	48,696	10.0%

¹Atlanta Regional Commission - re-benchmarked to U.S. Census 2000 estimate for year ending 2008.

²U.S. Department of Commerce, Bureau of Economic Analysis - data reported annually, available through 2007 for Atlanta MSA this figure is inclusive of Atlanta-Sandy Springs-Marietta.

³U.S. Department of Commerce, Bureau of Economic Analysis - data reported annually, available through 2007 for Atlanta MSA

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

⁵U.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; data available through 2007

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

⁷U.S. Department of Labor, Bureau of Labor Statistics; city of Atlanta data for fiscal year 2008 is through June 2008. This figure is inclusive of Atlanta-Sandy Springs-Marietta.

City of Atlanta

2010 Comprehensive Annual Financial Report

Schedule 19 City of Atlanta, Georgia Principal Employers Last Eight Years

2002				2003			
Employer ¹	Type of Business	Employees	Percentage of Total City Employment	Employer ¹	Type of Business	Employees	Percentage of Total City Employment
International Business Machine Corp.	Technology Services	3,851	1.99%	International Business Machine Corp.	Technology Services	3,683	1.90%
Georgia-Pacific Corporation	Pulp and Paper Manufacturing	3,245	1.68%	Georgia-Pacific Corporation	Pulp and Paper Manufacturing	3,352	1.73%
Efficiency Plus Consultants	Consulting	3,200	1.65%	Efficiency Plus Consultants	Consulting	3,200	1.65%
The Coca-Cola Company	Marketing and Manufacturing	3,181	1.64%	The Coca-Cola Company	Marketing and Manufacturing	3,095	1.60%
Cable News Network, Inc.	Media	2,055	1.06%	Cable News Network, Inc.	Media	2,087	1.08%
Atlanta Journal and Constitution	Media	1,423	0.73%	Atlanta Journal and Constitution	Media	1,664	0.86%
Tenet Healthsystem, Inc.	Healthcare	1,336	0.69%	Tenet Healthsystem, Inc.	Healthcare	1,400	0.72%
Turner Entertainment Networks	Entertainment	1,019	0.53%	Turner Entertainment Networks	Entertainment	1,029	0.53%
Atlanta Marriott Marquis Hotel	Hospitality	1,000	0.52%	Turner Broadcasting System, Inc.	Media/Entertainment	912	0.47%
Turner Broadcasting System, Inc.	Media/Entertainment	943	0.49%	Skanska USA Building, Inc.	Construction-related Services	793	0.41%
Total		21,253	10.97%	Total		21,215	10.95%
2004				2005			
Employer ¹	Type of Business	Employees	Percentage of Total City Employment	Employer ¹	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.	Media	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.	Media/Entertainment	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 ¹	Type of Business	Employees	Percentage of Total City Employment	Employer ¹	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	9.44%	Total		17,215	9.35%
2008				2009***			
Employer ¹	Type of Business	Employees	Percentage of Total City Employment	Employer ¹	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	10.43%	Total		21,438	11.13%

¹Employee data from City of Atlanta, Office of Revenue, Business License division

**Atlanta city total employment data from U.S. Department of Labor, Bureau of Labor Statistics

***2009 data will not be available until after February 15. This is the renewal due date for all businesses.

City of Atlanta

2010 Comprehensive Annual Financial Report

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

		Fiscal Period								
		2002	2003	2004	2005	2006	2007	2008	2009	2010
General Government										
	Mayors Office	2	4	4	4	4	4	3	3	3
	City Council	48	48	48	49	49	46	42	39	39
	Finance	183	200	187	200	239	233	210	183	174
	Planning	346	303	310	322	354	388	295	227	181
	Procurement	0	39	49	50	56	56	50	40	39
	Human Resources	59	50	49	53	73	74	73	62	56
Police										
	Officers	1,481	1,478	1,558	1,585	1,647	1,780	1,836	1,786	1,751
	Civilian	443	441	466	473	483	527	543	434	445
Fire										
	Officers	914	899	949	976	1,005	1,054	1,070	939	938
	Civilian	61	61	63	65	67	83	49	38	46
Corrections										
	Officers	507	321	454	551	615	620	560	473	313
	Civilian									
Public Works										
	Streets	624	438	354	358	358	416	399	468	397
	Refuse collection	508	426	418	418	418	453	452	385	337
Parks, Recreation and Cultural Affairs		90	331	341	346	405	405	441	377	304
Water/Wastewater		655	591	1,064	1,133	1,351	1,547	1,964	1,816	1,680
Aviation		N/A	451	488	593	606	633	690	707	705
Total full-time equivalent employees		5,921	6,081	6,802	7,176	7,730	8,319	8,677	7,977	7,408

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

City of Atlanta

2010 Comprehensive Annual Financial Report

Schedule 21
City of Atlanta, Georgia
Operating Indicators by Function/Program
Last Nine Fiscal Periods

Function/Program	Fiscal Period								
	2002	2003	2004	2005	2006	2007	2008	2009	2010
Police									
Arrests	49,450	46,722	41,107	38,609	39,954	59,374	142,361	42,670	38,628
Parking violations	67,883	38,808	54,730	39,619	37,339	42,668	79,546	52,577	56,692
Traffic violations	156,182	133,730	136,043	115,573	102,878	113,925	102,264	107,050	125,011
Fire									
Emergency responses	51,017	48,303	49,450	58,334	41,886	24,847	54,756	57,292	53,089
Fires extinguished	2,999	2,546	2,464	2,247	1,620	1,235	2,263	2,096	1,994
Inspections	12,324	12,867	11,961	9,996	9,317	7,261	7,200	6,439	10,777
Refuse collection									
Refuse collected (tons per day)	169,000	168,363	153,630	NA	NA	NA	198,954	113,204	115,142
Other public works									
Miles of streets resurfaced	41	49	43	81	64	78	-	33	13
Potholes repaired	N/A	6,422	6,251	3,710	1,158	1,944	1,953	1,152	5,892
Parks and recreation									
Athletic field permits issued	90	84	85	46	59	59	185	172	165
Community center admissions	57,000	57,000	57,500	58,000	59,000	64,900	N/A	97,264	474,945
Water									
New connections	N/A	N/A	N/A	25,989	27,288	15,716	2,057	1,084	1,100
Water main breaks	N/A	N/A	204	224	154	241	329	475	495
Average daily consumption (thousands of gallons)	107,600,000	106,400,000	107,900,000	106,600,000	107,600,000	113,875,000	101,655,000	93,100,000	90,320,000
Peak daily consumption (thousands of gallons)	138,100,000	142,500,000	141,000,000	132,700,000	138,100,000	144,908,000	143,530,000	111,370,000	101,690,000
Wastewater									
Average daily sewage treatment (thousands of gallons)	132,200,000	145,300,000	135,700,000	144,500,000	132,000,000	128,337,000	119,900,000	112,194,000	131,709,000
Aviation									
Number of passengers served	75,858,500	79,086,792	83,606,583	86,583,210	42,546,000	85,037,680	87,700,000	88,648,633	88,430,343

Sources: Various city departments

City of Atlanta

2010 Comprehensive Annual Financial Report

Schedule 22
City of Atlanta, Georgia
Capital Asset Statistics by Function/Program
Last Nine Fiscal Periods

Function/Program	Fiscal Period								
	2002	2003	2004	2005	2006	2007	2008	2009	2010
Police									
Stations	10	10	10	10	10	10	10	10	9
Zone offices	6	6	6	6	6	6	6	6	6
Patrol units	387	416	355	355	355	338	336	336	311
Fire stations	34	34	34	35	35	36	37	36	36
Refuse collection									
Collection trucks	66	66	66	66	83	83	73	66	66
Parks and recreation									
Acreage	2,850	2,835	3,354	3,533	3,533	3,682	3,748	3,755	3,781
Playgrounds	111	110	105	101	101	101	105	106	107
Baseball/softball diamonds	81	81	81	82	82	82	82	82	82
Soccer/football fields	5	5	5	5	5	5	21	26	26
Community centers	38	33	49	49	49	49	41	42	42
Water									
Water mains (miles)	2,414	2,414	2,424	2,424	2,424	2,424	2,766	2,766	2,766
Storage capacity (thousands of gallons)	247	247	247	247	247	247	247	246	246
Wastewater									
Sanitary sewers (miles)	2,000	2,000	2,000	2,000	2,000	2,000	2,259	2,259	2,259
Treatment capacity (thousands of gallons)	131.8 MGD	156.1 MGD	135 MGD	154MGD	170MGD	181.7MGD	181.7MGD	181.7MGD	181.7MGD
Aviation									
Number of Runways	4	4	4	4	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