

City of College Park, Georgia  
**Comprehensive Annual Financial Report**  
for Fiscal Year Ending  
June 30<sup>th</sup>, 2012



Godby Road Recreation Center

**CITY OF COLLEGE PARK, GEORGIA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED**  
**JUNE 30, 2012**

Prepared by:  
Finance Department, City of College Park, Georgia

**CITY OF COLLEGE PARK, GEORGIA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

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**TABLE OF CONTENTS**

	Page
<b>INTRODUCTORY SECTION (Unaudited)</b>	
Letter of Transmittal .....	i - vii
Organizational Chart.....	viii
List of Principal Officials .....	ix
Certificate of Achievement for Excellence in Financial Reporting.....	x
 <b>FINANCIAL SECTION</b>	
Independent Auditor's Report .....	1 and 2
Management's Discussion and Analysis .....	3-14
<b>Basic Financial Statements:</b>	
<b>Government-wide Financial Statements:</b>	
Statement of Net Assets.....	15
Statement of Activities .....	16
<b>Fund Financial Statements:</b>	
Balance Sheet – Governmental Funds .....	17
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds .....	18
Reconciliation of the Statement of Revenues, Expenditures, and Changes In Fund Balances of Governmental Funds to the Statement of Activities.....	19
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund .....	20 and 21
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Hotel/Motel Tax Special Revenue Fund.....	22
Statement of Net Assets – Proprietary Funds .....	23 and 24
Statement of Revenues, Expenses, and Changes in Fund Net Assets – Proprietary Funds .....	25
Statement of Cash Flows – Proprietary Funds.....	26 and 27
Statement of Fiduciary Assets and Liabilities – Municipal Court Agency Fund.....	28
Notes to Financial Statements.....	29-66
<b>Required Supplementary Information:</b>	
Schedules of Funding Progress .....	67
<b>Combining and Individual Fund Statements and Schedules:</b>	
Combining Balance Sheet – Nonmajor Governmental Funds .....	68
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds .....	69
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Car Rental Special Revenue Fund .....	70

**CITY OF COLLEGE PARK, GEORGIA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

---

**TABLE OF CONTENTS (CONTINUED)**

<b>FINANCIAL SECTION (Continued)</b>	<b>Page</b>
<b>Combining and Individual Fund Statements and Schedules (Continued):</b>	
Schedule of Revenues, Expenditures, and Changes in Fund	
Balances – Budget and Actual – Community Development	
Block Grant Special Revenue Fund .....	71
Schedule of Revenues, Expenditures, and Changes in Fund	
Balances – Budget and Actual – Grants Special Revenue Fund .....	72
Schedule of Revenues, Expenditures, and Changes in Fund	
Balances – Budget and Actual – Confiscated Drug Special Revenue Fund .....	73
Schedule of Revenues, Expenditures, and Changes in Fund	
Balances – Budget and Actual – State Drug Special Revenue Fund .....	74
Schedule of Revenues, Expenditures, and Changes in Fund	
Balances – Budget and Actual – E911 Special Revenue Fund .....	75
Schedule of Revenues, Expenditures, and Changes in Fund	
Balances – Budget and Actual – Newton Estates Improvement Special Revenue Fund.....	76
Combining Statement of Net Assets – Nonmajor Proprietary Funds.....	77
Combining Statement of Revenues, Expenses, and Changes in Fund	
Net Assets – Nonmajor Proprietary Funds .....	78
Combining Statement of Cash Flows – Nonmajor Proprietary Funds .....	79
Statement of Changes in Assets and Liabilities – Municipal Court Agency Fund .....	80
Schedule of Projects Constructed with Special Sales Tax Proceeds .....	81
 <b>STATISTICAL SECTION (Unaudited)</b>	
Schedule 1 - Net Assets by Component.....	82
Schedule 2 - Changes in Net Assets .....	83 and 84
Schedule 3 - Governmental Activities Tax Revenues by Source .....	85
Schedule 4 - Fund Balances of Governmental Funds .....	86
Schedule 5 - Changes in Fund Balances of Governmental Funds.....	87
Schedule 6 - General Government Tax Revenues by Source .....	88
Schedule 7 - Assessed Value and Estimated Actual Value – All Taxable Property.....	89
Schedule 8 - Property Tax Rates - All Overlapping Governments .....	90
Schedule 9 - Principal Property Taxpayers.....	91
Schedule 10 - Property Tax Levies and Collections .....	92
Schedule 11 - Electric Power Revenue.....	93
Schedule 12 - Electric Power Revenue Rates.....	94
Schedule 13 - Ten Largest Power Customers .....	95
Schedule 14 - Ratios of Outstanding Debt by Type .....	96

**CITY OF COLLEGE PARK, GEORGIA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

---

**TABLE OF CONTENTS (CONTINUED)**

<b>STATISTICAL SECTION (Unaudited) (Continued)</b>	<b>Page</b>
Schedule 15 - Ratios of General Bonded Debt Outstanding.....	97
Schedule 16 - Direct and Overlapping Governmental Activities Debt .....	98
Schedule 17 - Legal Debt Margin Information .....	99
Schedule 18 - Revenue Bond Coverage – Convention Center Revenue Bonds .....	100
Schedule 19 - Demographic and Economic Statistics Information.....	101
Schedule 20 - Principal Employers .....	102
Schedule 21 - Full-time Equivalent City Government Employees by Function.....	103
Schedule 22 - Operating Indicators by Function.....	104
Schedule 23 - Capital Asset Statistics by Function .....	105

**INTRODUCTORY SECTION**  
(Unaudited)



# CITY OF COLLEGE PARK

P. O. BOX 87137 • COLLEGE PARK, GA. 30337 • 404/767-1537

January 17, 2014

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

State law requires that all local governments publish six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the City of College Park for the fiscal year ended June 30, 2012.

The comprehensive annual financial report consists of management's representations concerning the finances of the City of College Park. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City of College Park has established a comprehensive 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 of College Park's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of College Park's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of College Park's financial statements have been audited by Mauldin & Jenkins, LLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of College Park for the fiscal year ended June 30, 2012, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City of College Park's financial statements for the fiscal year ended June 30, 2012, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City of College Park was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the City of College Park's separately issued Single Audit Report.

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

### **Profile of the Government**

The City, incorporated in 1895, is located approximately nine minutes and seven miles south of Atlanta's downtown business district. The City enjoys access to Interstate Highways I-85 and I-285, as well as U.S. Highway 29, adjacent to and adjoining the Midfield Terminal Complex of Hartsfield Jackson International Airport. The City of College Park currently occupies a land area of 10 square miles and serves a population of 14,649. The City of College Park is empowered to levy a property tax on both real and personal properties located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing council.

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

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

The annual budget serves as the foundation for the City of College Park's financial planning and control. All departments of the City of College Park are required to present a departmental plan for appropriation to the City Manager by the end of January of each year. The

City Manager uses these requests as the starting point for developing a proposed budget. The City Manager then presents this proposed budget to the Council for review prior to July 1. The Council is required to hold public hearings on the proposed budget and to adopt a final budget by June 30, the close of the City of College Park's fiscal year. The appropriated budget is prepared by fund, function (e.g. public safety), and department (e.g., police). Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated budget has been adopted. For the General Fund and Hotel/Motel Tax Fund, this comparison is presented as part of the basic financial statements for the governmental funds. For governmental funds, other than the General Fund, and the Hotel/Motel Tax Fund with appropriated annual budgets, this comparison is presented in the governmental fund subsection of this report.

### **Factors Affecting Financial Condition**

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

### **Current Economic Condition**

College Park offers business and industry the convenience and access that comes with proximity to Hartsfield-Jackson Atlanta International Airport. College Park is serviced by three major highways Interstate 285 and Georgia's cross country U. S. Interstates I-85 and I 75. College Park's CSX railroad mainline can handle 15 or more trains per day, connecting the City to Georgia's 5,000 miles of rail lines that transport 80 million gross tons per year.

The local economy is experiencing a gradual recovery. Local option sales tax revenues were more than prior fiscal year by \$477,861. Hotel-motel occupancy tax revenues were \$1,795,636 more than prior fiscal year. The assessed values of properties are expected to remain constant or slightly increase for the next fiscal year. The local unemployment rate remained flat at 10.5% for fiscal year 2012. Business expansion and construction continues to show improvement which is reflected in the increase in business license and permits revenues of \$582,364 for fiscal year 2012.

### **Long-term Financial Planning**

In March 2010, the City acquired approximately 150 acres from the City of Atlanta stretching west from Main Street (downtown College Park) to the City's golf course, north of Camp Creek Parkway. This property represented residential properties bought out by the City of Atlanta about 30 years ago as part of a noise mitigation program. In the second quarter of 2014, the City anticipates closing on an additional 100 acres of similar property in the same area north of Harvard Avenue to Roosevelt Street, west of Main Street and east of Fairway Drive. This will complete the acquisition of Atlanta-owned properties north of Camp Creek Parkway.

Future development of the newly acquired property is envisioned as mixed use to complement what was started south of Camp Creek Parkway at the Gateway Center which is home to our 400,000 sf Georgia International Convention Center, two hotels and a 130,000 sf class A office building, now more than 80% leased. The opportunity to control the property in the surrounding area is important to its future development such that we can maintain a high standard

of quality that matches or surpasses what we've already established at the Gateway Center.

## **Major Initiatives**

### **Redevelopment**

The City has focused efforts on redevelopment in order to continually upgrade aging infrastructure and assist with the revitalization of aging commercial districts throughout the city. Programs in both the Main & Virginia Business District (the City's Main Street Program) and along Old National Highway serve to help strengthen existing businesses while also attracting new business and reinvestment into these areas. Significant projects have been approved for Camp Creek Parkway's Wally Park and former Wynterbrook Apartments sites. This new development is planned to hold two hotels, restaurants, pharmacy, gas station, a secured parking facility for 2000 vehicles and a new two story office building for Wally Park's corporate office. Additional land development agreements are being discussed for the Gateway center area.

### **Historic Main Street**

The Economic Development Director in cooperation with the Main Street manager oversees the revitalization of the City's historic Main Street by bringing upscale retail, corporate, and a specialty retail corridor to the downtown commercial district. College Park was designated a National Register District in 1996, followed in 1999 with the designation as a Georgia Main Street City by the Georgia Department of Industry, Trade, and Tourism. With over 800 contributing structures, building, and sites collectively listed on the National Register of Historic Places, College Park is the fourth-largest historic district in the state of Georgia. Transportation Enhancement Grants from the State Department of Transportation were secured to assist in the renovation of the Historic Train Depot and streetscape enhancement of selected blocks in the downtown area. Recent development includes the first walkable hotel in downtown, the Hotel Indigo, which opened in April 2012. As a result of Hotel Indigo, the City of College Park also applied for grant funding through the Economic Development Administration to fund a quiet train crossings project that is located at Rugby and Main and Harvard and Main. The project is projected to cost \$670,000 at its completion. Several new restaurants and clothing boutiques have filled empty storefronts along Main Street. In addition, the City partnered with a private entity known as Club E to establish its first entrepreneurial development center in downtown. The partnership has resulted in a \$500,000 reinvestment into the downtown as Club E renovated a hundred year old building for its new home. This will allow us to cultivate local businesses, assist entrepreneurs and small business owners as they grow their companies right here in College Park.

### **Old National Highway**

Since 2002, approximately \$180 million in private investment has been made in the Old National Highway area. This includes both renovation and new construction projects including, the Boeing Flight Safety Training Center, a 52,000 sq. ft., \$75 million facility which trains airline pilots; an \$8 million training facility for Southwest Airlines and various other new commercial and office renovation projects. In addition, millions of dollars in upgrades and renovations have transformed hotels along the Old National Corridor.

In addition to private investment, approximately \$30 million in public funding has been

invested in the Old National area since 2002. This includes over \$12 million in tax abatement under the Old National Highway Enterprise Zone; city and state funding for streetscape improvements; bond inducements through Fulton County; and programs to assist small businesses. The City of College Park and Fulton County have partnered on a \$6 million streetscape, sidewalk, and landscaping improvements project for Old National Highway (beginning at Sullivan Road and continuing south to Flat Shoals Road) which is now in final design, purchasing of right-of-way and negotiation of easements. Installation of an Advanced Traffic Management System (ATMS) that will improve traffic flow on Old National Highway is approaching completion. The City has completed a landscaping improvement plan to the median at Old National Highway and I-285 in cooperation with the Old National Merchants Association.

#### Destination Marketing Organization

The City passed legislation in 2010 authorizing the addition of a 2% hotel/motel sales tax to be directed toward the creation of the City's first Destination Marketing Organization to support the work of boosting convention and tourism business. This organization is now formed and tax collections began July, 2011. This initiative will increase the advertising, marketing and sales efforts above and beyond what we have been able to do under the current constraints of our convention center budget.

#### Future Development

With the adoption of the City's first Economic Development Strategic Plan in November 2010, the City identified seven business attraction targets.

- Aviation/Aerospace
- Biotechnology & Medical
- Cleantech & Renewable Energy
- Data Centers
- Headquarters & Back Office
- Logistics & Transportation
- Retail, Hospitality & Tourism

College Park is home to thirty-three hotels plus one under construction. This represents over 5,200 hotel rooms. As a hospitality city adjacent to the world's busiest airport and owner/operator of the second largest convention facility in the state, it is important that we continue to strengthen this local industry sector. Attracting tourism amenities will help increase visitors' overnight stays in local hotels, will boost our ability to attract meetings and conventions, and offer airport area visitors and residents more ways to shop and recreate in our city.

Aviation related businesses will strengthen an already growing cluster, and logistics companies enjoy the convenience and access to freeways and airport cargo services when they locate in our City. We have enjoyed success in filling existing industrial space where SYSCO's wholly owned subsidiary company Buckhead Beef of America completed the addition of a 60,000 sf meat processing plant. Network Global Logistics (NGL) has added 50,000 sf of space in a separate location within the city to enhance their freight forwarding ability. With now under 100,000 square feet of existing available warehouse space, College Park is poised to attract build to suit opportunities for companies seeking an airport area location.

Most concerning, however, is the population decline over the years due to airport noise and expansion plans. For that reason, College Park seeks to grow a new residential base providing for a variety of housing options to include Transit Oriented Development (TOD) around the City's MARTA station in downtown. We have completed a draft TOD plan with assistance from the Atlanta Regional Commission through their Livable Communities Initiative program in order to attract mixed use development to our downtown area.

The City is proactive in its approach to attract business as well as retain & expand the local industry base. In addition, the City is focused on redevelopment and small business development. An aggressive marketing strategy is built around sharing the message of opportunity with the commercial development and brokerage community, regional, state and national economic development partner organizations and the general public in order to promote the quality of life for both commercial and residential prospects that are looking for a new place to call home.

### **Government Financial Policies**

The Mayor and Council approved a GASB Statement No. 54 Fund Balance Policy during fiscal year 2010-2011. The policy establishes guidance concerning the desired level of fiscal year end fund balance to be maintained by the City and the management of fund balance levels and is applicable only to the General Fund of the City. In the Assigned Fund Balance classification, the City will strive to maintain an unassigned fund balance in the General Fund of between 30%-60% based upon annual budgeted expenditures.

### **Awards**

The City does not intend to submit this report to the Government Finance Officers Association (GFOA) for its consideration for awarding the Certificate of Achievement for Excellence in Financial Reporting for the fiscal year 2012 CAFR. Although we are not submitting this report to GFOA, we believe that the report meets the Certificate of Achievement Program's requirements for the highest standards in government accounting and financial reporting except for the six (6) months timely issuance requirement. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of College Park for its comprehensive annual financial report for the fiscal year ended June 30, 2011. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

A Certificate of Achievement is valid for a period of one year only. The City of College Park has been awarded the Certificate of Achievement for every submission of its CAFR it has made for the past twelve consecutive years. However, due to the lateness of issuing the City's CAFR for fiscal year ended June 30, 2012, the City will not be submitting the CAFR to the GFOA. It is the City's intention to submit fiscal year ended June 30, 2013 CAFR to the GFOA.

In addition, for the third consecutive year the City received the Distinguished Budget

Presentation Award for the fiscal year beginning July 1, 2012, also awarded by the Government Finance Officers Association and represents the highest form of recognition in governmental budgeting.

**Acknowledgements**

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

Sincerely,

A handwritten signature in blue ink, appearing to read 'T. Moore', with a long horizontal flourish extending to the right.

Terrence Moore  
City Manager



# CITY OF COLLEGE PARK, GEORGIA

## LIST OF PRINCIPAL OFFICIALS JUNE 30, 2012

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### Legislative Branch

Mayor	Jack P. Longino
Council Member	Ambrose Clay
Council Member	Charles E. Phillips
Council Member	Joe Carn
Council Member	Tracey Wyatt

### Management Staff

City Manager	Terrence Moore
Director of Finance	Richard D. Chess
Fire Chief	Wade Elmore
Executive Director of Convention Center	Mercedes Miller
Director of Personnel	Rose Stewart
Director of Public Works	Mike Mason
Director of Power	Hugh Richardson
Public Information Officer	Gerald Walker
Director of Economic Development	Barbra Coffee
City Clerk	Melissa Brooks
Chief Building Inspector	Oscar Hudson
Director of Recreation	Keith James
Police Chief	Ron Fears
City Attorney	Steve Fincher
City Planner	Jahnee Prince
Director of Information Technology	Tammie Hester

### Board of the College Park Business and Industrial Development Authority

Chair	Walt Bellamy
Vice Chair	Subrenia Willis
Secretary/Treasurer	Juanita Forbes
Board Member	Jon Ritt
Board Member	Jeff Green
Board Member (City Council Member)	Ambrose Clay
Mayor of the City	Jack P. Longino

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of College Park  
Georgia

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2011

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.



*Christopher P. Mouill*

President

*Jeffrey R. Emer*

Executive Director

## **FINANCIAL SECTION**



## INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the **City of College Park, Georgia** (the "City"), as of and for the fiscal year ended June 30, 2012, 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 of College Park, Georgia's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of College Park, Georgia, as of June 30, 2012, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund and Hotel/Motel Tax Fund for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 17, 2014, on our consideration of the City of College Park, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (on pages 3 through 14) and the Schedules of Funding Progress (on page 67) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of College Park, Georgia's basic financial statements. The combining and individual fund financial statements and schedules and the schedule of projects constructed with special sales tax proceeds (as required by the Official Code of Georgia Annotated 48-8-21), as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of College Park, Georgia's basic financial statements. The introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

*Mauldin & Jenkins, LLC*

Atlanta, Georgia  
January 17, 2014

**CITY OF COLLEGE PARK, GEORGIA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2012**

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As management of the City of College Park, Georgia, (the "City") we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2012. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

**Financial Highlights**

- The government-wide assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$141,405,709 (net assets). Of this amount, \$17,559,021 (unrestricted net assets) may be used to meet the City's ongoing obligations to citizens and creditors.
- The total cost of all City programs was \$90,186,081 compared to \$86,340,079 for the prior fiscal year.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$14,892,355 an increase of \$1,351,469 in comparison with the prior fiscal year. Of this amount, \$30,191 remains unassigned.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$5,579,970 or 19.9% of total General Fund expenditures. This level of fund balance represents approximately six months of average monthly expenditures. Unassigned General Fund balance decreased \$1,687,688 or 23.2% from the prior fiscal year.

**Overview of the Financial Statements**

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

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

The statement of net assets presents information on all of the City's assets and liabilities, with the difference between the two amounts 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 net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, recreation, inspection, engineering, building and grounds, parks, highways and streets, and interest on long-term debt. The business-type activities of the City include electric, water and sewer, convention center operations, FAA projects, redevelopment, storm water, sanitation, and golf course operations.

The government-wide financial statements can be found on pages 15 and 16 of this report.

**CITY OF COLLEGE PARK, GEORGIA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2012**

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**Fund financial statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of College Park, 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 (3) categories: governmental funds, proprietary funds, and fiduciary funds.

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

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

The City maintains eleven (11) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and the Hotel/Motel Tax Fund each of which is considered to be a major fund. Data from the other nine (9) governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report. Exhibits 1 and 2 on pages 13 and 14 present revenues by source for the governmental fund category.

The basic governmental fund financial statements can be found on pages 17 and 18 of this report.

The City adopts an annual appropriated budget for its major governmental funds as well as its nonmajor governmental funds. Budgetary comparison statements have been provided for the governmental funds to demonstrate compliance with this budget.

**Proprietary funds.** The City's enterprise funds are considered proprietary funds and are used to report the same functions presented as business-type activities in the government-wide financial statements. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the electric, water and sewer, convention center, redevelopment, FAA projects, sanitation, storm water, and golf course operations.

The basic proprietary fund financial statements can be found on pages 23-27 of this report.

**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 basic fiduciary fund financial statements can be found on page 27 of this report.

**CITY OF COLLEGE PARK, GEORGIA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2012**

**Notes to financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 29-65 of this report.

**Required supplementary information.** In addition to the basic financial statements and accompanying notes, this report presents the schedules of funding progress as required supplementary information on page 66 of this report.

**Combining and individual fund statements and schedules.** In addition to the basic financial statements and accompanying notes, this report also presents combining and individual fund statements and schedules. This section can be found on pages 67-80 of this report.

**Statistical section.** In addition to the basic financial statements and accompanying notes, this report also presents various supplementary and statistical information such as 10 year presentation of revenues, expenditures and tax rates. The statistical section can be found on pages 81-105 of this report.

**Government-wide Financial Analysis**

**Net Assets**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. The City's combined net assets decreased from \$142,551,344 in 2011 to \$141,405,709 in 2012. Our analysis below focuses on the net assets (**Table 1**) as compared to the previous fiscal year.

	Governmental Activities		Business-type Activities		Total Primary Government	
	2011	2012	2011	2012	2011	2012
Assets						
Current assets	\$ 17,316,123	\$ 18,684,525	\$ 33,788,691	\$ 32,944,881	\$ 51,104,814	\$ 51,629,406
Capital assets	43,764,720	42,178,298	172,481,336	169,918,038	216,246,056	212,096,336
Other non-current assets	11,565,676	12,712,884	54,819,806	50,762,498	66,385,482	63,475,382
Total assets	<u>72,646,519</u>	<u>73,575,707</u>	<u>261,089,833</u>	<u>253,625,417</u>	<u>333,736,352</u>	<u>327,201,124</u>
Liabilities						
Current liabilities	2,924,103	3,002,217	27,987,691	30,105,459	30,911,794	33,107,676
Long-term liabilities	1,542,174	1,295,575	158,731,040	151,392,164	160,273,214	152,687,739
Total liabilities	<u>4,466,277</u>	<u>4,297,792</u>	<u>186,718,731</u>	<u>181,497,623</u>	<u>191,185,008</u>	<u>185,795,415</u>
Net Assets						
Invested in capital assets, net of related debt	43,764,720	42,178,298	74,710,176	74,328,769	118,474,896	116,507,067
Restricted	2,922,393	3,658,902	3,460,307	3,680,719	6,382,700	7,339,621
Unrestricted (deficit)	21,493,129	23,440,715	(3,799,381)	(5,881,694)	17,693,748	17,559,021
Total net assets	<u>\$ 68,180,242</u>	<u>\$ 69,277,915</u>	<u>\$ 74,371,102</u>	<u>\$ 72,127,794</u>	<u>\$ 142,551,344</u>	<u>\$ 141,405,709</u>

**CITY OF COLLEGE PARK, GEORGIA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2012**

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A significant portion of the City's net assets, \$116,507,067, reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding and less accumulated depreciation (net capital assets). The amount invested in capital assets net of related debt of the City equals 82.4% of total net assets. The City uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending, including the payment of the related debt. The City of College Park's net assets also include \$2,224,145 in net assets restricted for public safety and recreation activities, \$4,035,133 restricted for capital outlay, \$1,080,343 for debt service, and \$17,559,021 in unrestricted net assets. Total net assets have decreased by \$1,145,635 in the current fiscal year as compared to a decrease of \$4,931,815 in the prior fiscal year.

Below is an analysis of some of the more significant changes in net assets:

- Decreases in net assets for the Electric Fund in 2012 and 2011 were \$4,167,326 and \$2,835,453, respectively. Current fiscal year decrease is attributed to a \$1,345,695 increase in transfers out and power purchases increase of \$2,317,918 over prior fiscal year.
- Increases in net assets for the Water and Sewer Fund for 2012 and 2011 were \$130,752 and \$1,091,871, respectively. Operating expenses increased by \$1,209,751 primarily due to a decrease in Cost of purchases of \$1,368,585.
- Increases and (Decreases) in net assets for the Convention Center for 2012 and 2011 were \$3,234,822 and (\$2,172,951), respectively. This increase in net assets is attributable to an increase in transfers in. As the economy progresses and the impact of the prior year's capital improvements are realized, it is anticipated that the operating revenues of the Convention Center will continue to improve.
- Decreases in net assets for the Redevelopment Authority for 2012 and 2011 were \$776,570 and \$439,376, respectively. The current fiscal year decrease in net assets is primarily due a decrease in transfers in of \$1,359,689. Operating expenses decreased by \$864,077 primarily due to an accrual for repairs and maintenance on the Automated People Mover (Skytrain) at the Hartsfield-Jackson Atlanta International Airport, which was reflected in prior fiscal year expenses. The current fiscal year net assets include rental income received from the hotel properties for \$818,427.
- Governmental activities resulted in a net increase of \$1,097,673 in net assets as described below.

The unrestricted net assets referred to above may be used to meet the City's ongoing obligations to its citizens and creditors. At the end of the current fiscal year, the City of College Park reported positive balances in all categories of net assets except for unrestricted net assets of the City's business-type activities.

Unrestricted cash and investments increased from \$31,979,701 in 2011 to \$32,265,116 in 2012. These cash and investments represent 62% of current assets for the primary government.

**Table 2** on the following page summarizes these changes in net assets as described above.

**CITY OF COLLEGE PARK, GEORGIA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2012**

	Governmental Activities		Business-type Activities		Total Primary Government	
	2011	2012	2011	2012	2011	2012
Revenues						
Charges for services	\$ 4,411,520	\$ 5,845,048	\$ 45,713,360	\$ 47,839,578	\$ 50,124,880	\$ 53,684,626
Operating grants & contributions	335,230	210,078	-	-	335,230	210,078
Capital grants & contributions	1,269,491	1,047,878	19,663	689,691	1,289,154	1,737,569
General revenues:						
Property taxes	11,125,536	13,471,924	-	-	11,125,536	13,471,924
Car rental taxes	3,948,861	2,510,275	-	-	3,948,861	2,510,275
Hotel / Motel taxes	5,562,882	7,358,518	-	-	5,562,882	7,358,518
Sales taxes	4,897,269	5,375,130	-	-	4,897,269	5,375,130
Franchise taxes	771,457	2,248,215	-	-	771,457	2,248,215
Insurance taxes	1,097,200	653,938	-	-	1,097,200	653,938
Other taxes	842,580	814,269	-	-	842,580	814,269
Interest income	9,926	5,581	1,206,117	812,548	1,216,043	818,129
Gain on sale of capital assets	-	-	-	79,150	-	79,150
Miscellaneous income	197,172	78,625	-	-	197,172	78,625
Total revenues	<u>34,469,124</u>	<u>39,619,479</u>	<u>46,939,140</u>	<u>49,420,967</u>	<u>81,408,264</u>	<u>89,040,446</u>
Expenses						
General government	5,023,983	6,247,732	-	-	5,023,983	6,247,732
Public safety	17,783,684	18,420,075	-	-	17,783,684	18,420,075
Recreation	2,355,342	2,365,188	-	-	2,355,342	2,365,188
Inspection	464,779	412,164	-	-	464,779	412,164
Engineering	397,278	326,676	-	-	397,278	326,676
Building and grounds	1,079,714	997,787	-	-	1,079,714	997,787
Parks	530,876	400,705	-	-	530,876	400,705
Highways and streets	1,562,480	1,491,592	-	-	1,562,480	1,491,592
Housing and development	523,733	341,090	-	-	523,733	341,090
Interest on long-term debt	7,497	-	-	-	7,497	-
Electric	-	-	21,488,050	23,869,113	21,488,050	23,869,113
Water and sewer	-	-	7,723,049	8,935,194	7,723,049	8,935,194
Sanitation	-	-	2,738,628	2,793,783	2,738,628	2,793,783
Stormwater	-	-	724,411	676,429	724,411	676,429
Golf course	-	-	47,119	37,087	47,119	37,087
Convention center	-	-	14,988,192	14,791,323	14,988,192	14,791,323
FAA projects	-	-	2,910,645	2,691,925	2,910,645	2,691,925
Redevelopment	-	-	5,990,619	5,388,218	5,990,619	5,388,218
Total expenses	<u>29,729,366</u>	<u>31,003,009</u>	<u>56,610,713</u>	<u>59,183,072</u>	<u>86,340,079</u>	<u>90,186,081</u>
Increase (decrease) in net assets before transfers	4,739,758	8,616,470	(9,671,573)	(9,762,105)	(4,931,815)	(1,145,635)
Transfers	(5,367,513)	(7,518,797)	5,367,513	7,518,797	-	-
Decrease in net assets	(627,755)	1,097,673	(4,304,060)	(2,243,308)	(4,931,815)	(1,145,635)
Net assets beginning of fiscal year	68,807,997	68,180,242	78,675,162	74,371,102	147,483,159	142,551,344
Net assets end of fiscal year	<u>\$ 68,180,242</u>	<u>\$ 69,277,915</u>	<u>\$ 74,371,102</u>	<u>\$ 72,127,794</u>	<u>\$ 142,551,344</u>	<u>\$ 141,405,709</u>

**CITY OF COLLEGE PARK, GEORGIA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2012**

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**Governmental activities.** Governmental activities net assets increased and decreased by \$1,097,673 and (\$627,755) in 2012 and 2011, respectively. Overall, the change in net assets from governmental activities has improved as compared to prior fiscal year primarily due to increases in revenues of \$5,150,355 or 14.9% while governmental expenses increased by \$1,273,643 or 4.3%, and transfers to business type activities increased (\$2,151,284). Increase in governmental revenues are attributable to the increase of \$1,433,528, \$2,346,388, \$1,795,636, and \$1,476,758 for charges for services, property taxes, hotel/motel occupancy taxes, and franchise taxes, respectively.

Charges for services increase is primarily due an increase in business licenses revenue of \$456,897 and fines and forfeitures of \$723,406. Increase in business license revenue is an indication of a slight improvement in the local economy. Fines and forfeitures increased primarily due to the hiring of a City Solicitor for the Municipal Court, which resulted in the expedition of court cases. Current fiscal year property taxes reflect stable assessed values and reduced taxpayer refunds due to appeal settlements. Hotel/Motel tax revenues increase is due to a 2% tax increase (see details below in analysis of governmental funds). Franchise tax revenue increase is attributable to a 5 mill franchise fee increase.

Governmental activities expenses increased by \$1,273,643 or 4.3% primarily due to the filling of previously vacant positions, increased health care costs, and other operating costs.

Transfers from the governmental activities to the FAA Project Fund were for the purpose of covering operating expenses. Also, transfers from the governmental activities were related to transfers from the Hotel/Motel Tax Fund to the Convention Center Fund to cover operating losses and bond debt service payments. These transfers have increased \$635,000 or 12.8% to \$5,600,000 from the prior fiscal year amount of \$4,965,000. Current fiscal year transfers included \$128,687 from the General Fund to the FAA Project Fund to cover operating expenses.

**Business-type activities.** Business-type activities used \$2,243,308 and \$4,304,060 of net assets in 2012 and 2011, respectively. The use of net assets increased \$2,060,752 compared to prior fiscal year. The Convention Center net assets increased by \$3,234,822 or 20.7% primarily due to an increase in transfers in from the Hotel/Motel Tax Fund. Due to the Water and Sewer Fund rate increases and expense reductions, there was a change in net assets of \$130,752. The Electric Fund performed substantially well as reflected in its income before transfers of \$1,583,984. However, due to transfers out of over \$6 million to support other funds, the Electric Fund had a change of net assets of (\$4,167,326) compared to (\$2,835,453) in fiscal year 2011.

Revenues for business type activities were \$2,481,827 more than the prior fiscal year. The increase in revenue is primarily due to the power cost adjustment (PCA) of 4 mills and 7 mills in August 2011 and December 2011, respectively, for the Electric Fund customers. These increases in the PCA were due to the increase cost of generating power from environmental upgrades. The Redevelopment Authority received rental income from the hotel properties in the amount \$818,427.

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

**CITY OF COLLEGE PARK, GEORGIA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2012**

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The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$5,579,970 and total fund balance was \$14,192,303. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 19.9% of total General Fund expenditures, while total fund balance represents 50.5% of that same amount. This is a decrease from the prior fiscal year when unassigned fund balance represented 26% of total General Fund expenditures.

The General Fund balance increased \$892,320 in 2012 compared to a decrease of \$2,723,955 in 2011. General Fund revenues increased from \$23,027,818 in 2011 to \$26,990,904 in 2012. Fiscal year 2012 reflects an increase in collections of property tax revenue of \$1,124,828 or 10.4% and franchise tax revenue of \$1,476,758 or 191.4%. License and permits revenue increased by \$582,364 or 24.8% over prior fiscal year which can be an indication that businesses are having a positive outlook on the local economy and are expanding and making improvements. General Fund expenditures decreased slightly to \$28,111,837 in fiscal year 2012 from \$28,281,749 in fiscal year 2011.

The City's other major governmental fund is the Hotel/Motel Tax Fund. The Hotel/Motel Tax Fund derives its revenues from hotel/motel taxes and a special district tax levied on hotels and motels. The Mayor and Council passed a 2% increase in the Hotel/Motel excise tax. The general purpose of the 2% tax increase is to promote tourism, attract groups, conventions and trade shows to the City of College Park's convention venue, local hotels and restaurants. Effective on July 1, 2011, 1.5 % of the Hotel/Motel tax increase will be used for the Destination Management Organization (DMO) and .5% may be used for tourist/convention product development (TPD).

Revenues in this fund reflect an increase to \$9,007,240 in fiscal year 2012 from \$7,229,495 in fiscal year 2011. The majority of these funds (\$5,600,000) are used to support the operations of the Georgia International Convention Center (GICC). \$1,229,888 was expended for the DMO and TPD. Transfers of \$1,201,822 were made to the General Fund to offset General Fund expenditures for police, fire, highway and streets and other expenditures in support of the hotels.

**Table 3** on the following page compares total revenues, expenditures, and changes in fund balance for all governmental funds.

**CITY OF COLLEGE PARK, GEORGIA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2012**

	<u>Governmental Funds</u>		<u>\$ Increase (Decrease)</u>	<u>% Increase (Decrease)</u>
	<u>2011</u>	<u>2012</u>		
Revenues				
Taxes	\$ 28,258,474	\$ 32,699,128	\$ 4,440,654	15.71%
Licenses & permits	2,351,208	2,933,572	582,364	24.77%
Intergovernmental	1,480,602	1,257,168	(223,434)	-15.09%
Fines & forfeitures	1,374,549	2,141,218	766,669	55.78%
Charges for services	685,763	770,258	84,495	12.32%
Interest income	9,926	6,369	(3,557)	-35.84%
Other revenues	197,172	78,625	(118,547)	-60.12%
Total revenues	<u>34,357,694</u>	<u>39,886,338</u>	<u>5,528,644</u>	<u>16.09%</u>
Expenditures				
General government	4,622,985	6,755,326	2,132,341	46.12%
Public safety	17,261,734	18,273,801	1,012,067	5.86%
Recreation	2,569,868	2,530,850	(39,018)	-1.52%
Inspection	480,030	430,108	(49,922)	-10.40%
Engineering	398,179	338,447	(59,732)	-15.00%
Building and grounds	1,287,556	986,295	(301,261)	-23.40%
Parks	358,721	254,751	(103,970)	-28.98%
Highway and streets	888,192	1,093,724	205,532	23.14%
Housing and development	1,998,805	352,770	(1,646,035)	-82.35%
Debt service	360,630	-	(360,630)	-100.00%
Capital outlay	30,882	-	(30,882)	100.00%
Total expenditures	<u>30,257,582</u>	<u>31,016,072</u>	<u>758,490</u>	<u>2.51%</u>
Excess of revenues over expenditures	4,100,112	8,870,266	4,770,154	116.34%
Transfers in	4,134,365	3,369,304	(765,061)	-18.50%
Transfers out	<u>(9,501,878)</u>	<u>(10,888,101)</u>	<u>1,386,223</u>	<u>14.59%</u>
Total other financing sources (uses)	<u>(5,367,513)</u>	<u>(7,518,797)</u>	<u>2,151,284</u>	<u>40.08%</u>
Net change in fund balances	(1,267,401)	1,351,469	2,618,870	206.63%
Fund balances, beginning of fiscal year	14,808,287	13,540,886	(1,267,401)	-8.56%
Fund balances, end of fiscal year	<u>\$ 13,540,886</u>	<u>\$ 14,892,355</u>	<u>\$ 1,351,469</u>	<u>9.98%</u>

**CITY OF COLLEGE PARK, GEORGIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2012**

**General Fund Budgetary Highlights**

A statement of General Fund Revenues, Expenditures and Changes in Fund Balance, Budget and Actual can be found on pages 20 and 21. Revenues over expenditures for the General Fund were \$4,309,123 higher than the budgeted amount. Components of this variance are described below:

The original budget reflected a deficit of \$4,649,933 which was later increased to \$5,430,056. The increase was attributable to a legal settlement claim and an increase in consulting fees work performed on the City's five year financial plan and legislative consulting work. Overall, actual revenues were \$4,442,939 more than budgeted. This represents a substantial improvement over prior fiscal year when actual revenues were \$670,852 less than budgeted. As previously noted, charges for services increase is primarily due an increase in business licenses revenue and fines and forfeitures. Intergovernmental revenue increased due to a reclassification of grant activity from the Grants Fund to the General Fund. The reclassification was made to reflect grant revenues and expenditures within the same fund. Also, current year property taxes reflect less downward adjustments to assessed values and less taxpayer refunds due to appeals settlements. Hotel/Motel tax revenues increase is due to a 2% tax increase. In addition, franchise tax revenue increase due to a 5 mill franchise fee increase.

Total expenditures were \$133,816 more than budgeted. Anticipated transfers in from other funds of \$3,489,803 did not occur; however, there was a net change to fund balance of \$892,320.

**Capital Asset and Debt Administration**

**Capital assets.** The City's investment in capital assets for its governmental and business type activities as of June 30, 2012, is \$212,096,336 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system improvements, machinery and equipment, park facilities, roads, highways, and bridges. This amount represents a decrease of \$4,149,720 from the total balance of the prior fiscal year.

**Table 4**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>
Land	\$ 3,886,899	\$ 3,890,249	57,558,953	\$ 57,901,710	\$ 61,445,852	\$ 61,791,959
Construction in progress	383,163	383,163	1,578,625	1,007,115	1,961,788	1,390,278
Buildings and improvements	25,146,008	24,377,701	74,422,931	71,948,158	99,568,939	96,325,859
Autos and trucks	2,463,238	2,512,246	1,840,242	1,856,603	4,303,480	4,368,849
Other equipment	1,040,143	514,846	1,530,172	1,504,095	2,570,315	2,018,941
Infrastructure	10,845,269	10,500,093	35,550,413	35,700,357	46,395,682	46,200,450
<b>Total</b>	<u>\$ 43,764,720</u>	<u>\$ 42,178,298</u>	<u>\$ 172,481,336</u>	<u>\$ 169,918,038</u>	<u>\$ 216,246,056</u>	<u>\$ 212,096,336</u>

Additional information on the City's capital assets can be found in Note 5 pages 42-44 of this report.

**Long-term debt.** Bond debt decreased from \$155,875,000 in 2011 to \$148,385,000 in fiscal year 2012 reflecting new debt of \$8,960,000 and reflecting scheduled principal payments and refunding debt of \$16,450,000.

Additional information on the City's long-term debt and capital leases can be found in Note 6 on pages 44-50.

**CITY OF COLLEGE PARK, GEORGIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2012**

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

- The unemployment rate for the City remained constant at 10.5% at June 2012. Local option sales taxes, hotel motel taxes, and car rental taxes are budgeted to be slightly higher than 2012 levels which were significantly below historical levels.
- The fiscal year 2012-2013 General Fund is budgeted without the use of budget carry forward or fund balance. The City's GASB No. 54 fund balance policy requires the City to maintain an unassigned fund balance in the General Fund of between 30%-60% based upon annual budgeted expenditures.
- The City implemented a reduction in work force for fiscal year 2012-2013 and reflects a net decrease of 10.5 positions.
- Capital outlay for fiscal year 2012-2013 will increase by \$2.5 million due to the deferment of capital expenditures in prior years.
- The Ad Valorem tax rate increased by 1.259 mils for fiscal year 2012-2013. Water and Sewer rates increased 17%; also there is 10 mils Power cost adjustment.
- The City's health care cost will increase by 5% for fiscal year 2012-2013.

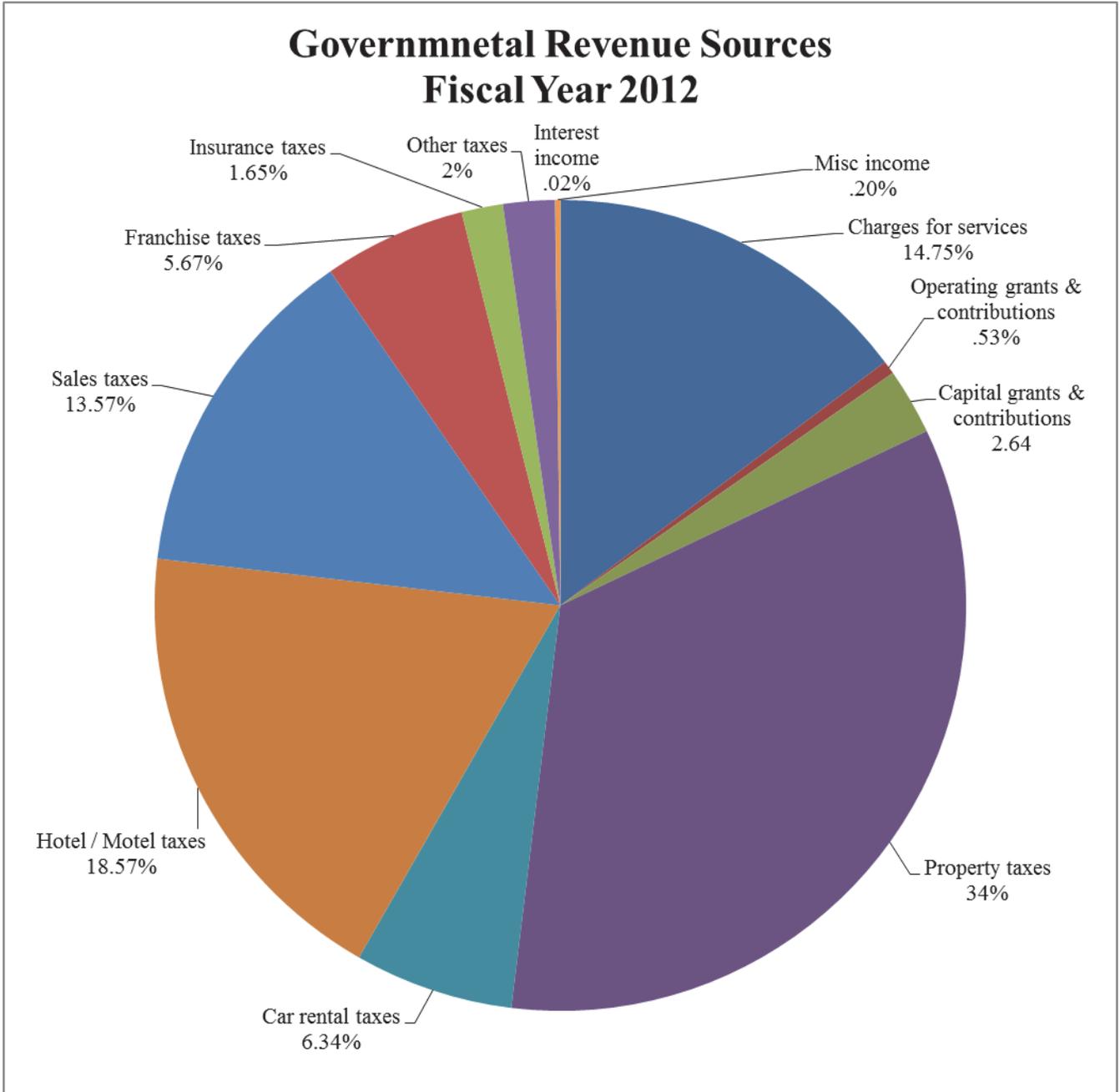
These factors were considered in preparing the City's budget for fiscal year 2012-2013.

**Requests for Information**

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Richard D. Chess, Director of Finance and Accounting, P.O. Box 87137, City of College Park, Georgia 30337.

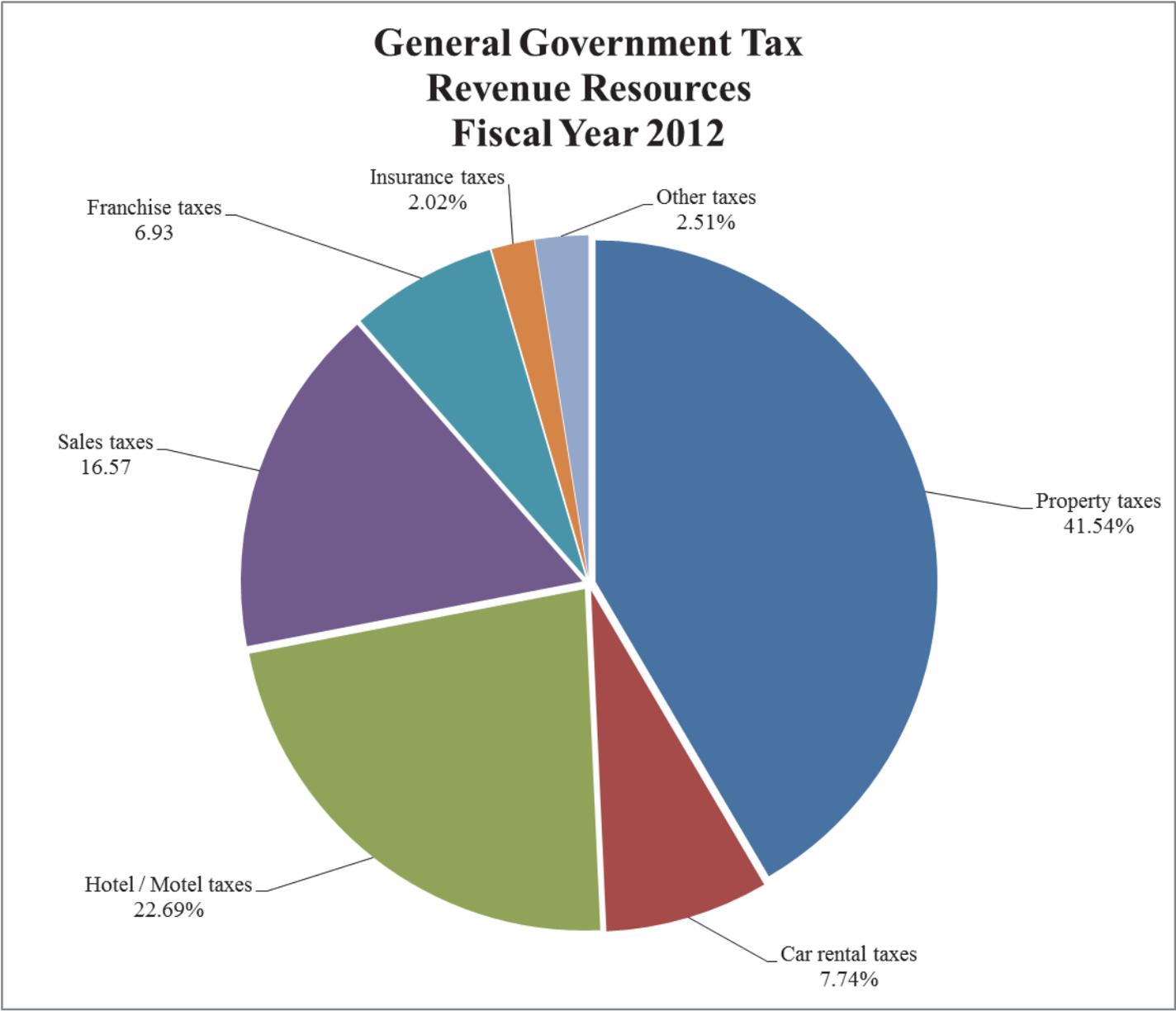
**CITY OF COLLEGE PARK, GEORGIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2012**

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**CITY OF COLLEGE PARK, GEORGIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2012**

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**CITY OF COLLEGE PARK, GEORGIA**

**STATEMENT OF NET ASSETS  
JUNE 30, 2012**

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Current assets			
Cash and cash equivalents	\$ 8,316,062	\$ 20,265,234	\$ 28,581,296
Investments	593,832	3,089,988	3,683,820
Taxes receivable (net of allowance for uncollectibles)	1,724,022	-	1,724,022
Receivables (net of allowance for uncollectibles)	2,378,187	7,097,598	9,475,785
Due from other governments	248,517	233,526	482,043
Internal balances	4,764,238	(4,764,238)	-
Inventories	49,598	-	49,598
Investment in direct financing lease, current portion	-	3,174,086	3,174,086
Prepaid items	610,069	167,968	778,037
Cash restricted	-	651,335	651,335
Investments restricted	-	3,029,384	3,029,384
Total current assets	<u>18,684,525</u>	<u>32,944,881</u>	<u>51,629,406</u>
Noncurrent assets			
Investment in direct financing lease	-	2,085,196	2,085,196
Receivables, noncurrent portion	-	39,960,000	39,960,000
Net pension asset	12,712,884	-	12,712,884
Deferred charges	-	3,289,433	3,289,433
Other assets	-	5,427,869	5,427,869
Capital assets			
Non-depreciable	4,273,412	58,908,825	63,182,237
Depreciable, net of accumulated depreciation	<u>37,904,886</u>	<u>111,009,213</u>	<u>148,914,099</u>
Total noncurrent assets	<u>54,891,182</u>	<u>220,680,536</u>	<u>275,571,718</u>
Total Assets	<u>73,575,707</u>	<u>253,625,417</u>	<u>327,201,124</u>
<b>LIABILITIES</b>			
Current liabilities			
Accounts payable	1,377,156	13,413,862	14,791,018
Accrued liabilities	628,458	1,142,018	1,770,476
Unearned revenue, current portion	21,566	116,666	138,232
Deposits	-	696,940	696,940
Claims payable due within one year	208,399	-	208,399
Compensated absences due within one year	766,638	-	766,638
Current liabilities payable from restricted assets:			
Accrued interest	-	4,634,676	4,634,676
Deposits	-	1,575,306	1,575,306
Notes payable due within one year	-	75,991	75,991
Revenue bonds payable due within one year	-	8,450,000	8,450,000
Total current liabilities	<u>3,002,217</u>	<u>30,105,459</u>	<u>33,107,676</u>
Noncurrent liabilities			
Construction loans payable due in more than one year	-	8,000,000	8,000,000
Notes payable	-	2,599,295	2,599,295
Claims payable due in more than one year	172,262	-	172,262
Unearned revenue, non current portion	-	2,678,767	2,678,767
Net OPEB obligation	824,007	-	824,007
Compensated absences due in more than one year	299,306	-	299,306
Revenue bonds payable due in more than one year	-	138,114,102	138,114,102
Total noncurrent liabilities	<u>1,295,575</u>	<u>151,392,164</u>	<u>152,687,739</u>
Total liabilities	<u>4,297,792</u>	<u>181,497,623</u>	<u>185,795,415</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	42,178,298	74,328,769	116,507,067
Restricted for:			
Law enforcement activities	171,462	-	171,462
Public safety	279,678	-	279,678
Capital construction	1,434,757	2,600,376	4,035,133
Debt service	-	1,080,343	1,080,343
Livable communities	89,746	-	89,746
Tourism	1,683,259	-	1,683,259
Unrestricted (deficit)	<u>23,440,715</u>	<u>(5,881,694)</u>	<u>17,559,021</u>
Total net assets	<u>\$ 69,277,915</u>	<u>\$ 72,127,794</u>	<u>\$ 141,405,709</u>

The accompanying notes to the financial statements are an integral part of this statement.

**CITY OF COLLEGE PARK, GEORGIA**  
**STATEMENT OF ACTIVITIES**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

Functions/Programs	Program Revenues			Net (Expenses) Revenues and Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Primary government</b>							
Governmental activities							
General government	\$ 6,247,732	\$ 2,933,572	\$ -	\$ -	(3,314,160)	\$ -	(3,314,160)
Public safety	18,420,075	2,559,136	210,078	700,707	(14,950,154)	-	(14,950,154)
Recreation	2,365,188	352,340	-	107,340	(1,905,508)	-	(1,905,508)
Inspection	412,164	-	-	-	(412,164)	-	(412,164)
Engineering	326,676	-	-	155,772	(170,904)	-	(170,904)
Building and grounds	997,787	-	-	84,059	(913,728)	-	(913,728)
Parks	400,705	-	-	-	(400,705)	-	(400,705)
Highways and streets	1,491,592	-	-	-	(1,491,592)	-	(1,491,592)
Housing and development	341,090	-	-	-	(341,090)	-	(341,090)
Interest on long-term debt	-	-	-	-	-	-	-
Total governmental activities	31,003,009	5,845,048	210,078	1,047,878	(23,900,005)	-	(23,900,005)
Business-type activities:							
Electric	23,869,113	25,428,614	-	603,933	-	2,163,434	2,163,434
Water and sewer	8,935,194	9,063,463	-	-	-	128,269	128,269
Convention center	14,791,323	6,744,215	-	-	-	(8,047,108)	(8,047,108)
Redevelopment	5,388,218	1,927,919	-	85,547	-	(3,374,752)	(3,374,752)
FAA projects	2,691,925	1,377,352	-	-	-	(1,314,573)	(1,314,573)
Sanitation	2,793,783	2,439,580	-	-	-	(354,203)	(354,203)
Stormwater	676,429	811,618	-	211	-	135,400	135,400
Golf course	37,087	46,817	-	-	-	9,730	9,730
Total business-type activities	59,183,072	47,839,578	-	689,691	-	(10,653,803)	(10,653,803)
<b>Total primary government</b>	<b>\$ 90,186,081</b>	<b>\$ 53,684,626</b>	<b>\$ 210,078</b>	<b>\$ 1,737,569</b>			
General revenues:							
Taxes:							
Property taxes					13,471,924	-	13,471,924
Car rental taxes					2,510,275	-	2,510,275
Occupancy taxes					7,358,518	-	7,358,518
Alcoholic beverage taxes					814,269	-	814,269
Sales taxes					5,375,130	-	5,375,130
Franchise taxes					2,248,215	-	2,248,215
Insurance premium taxes					653,938	-	653,938
Interest income					5,581	812,548	818,129
Gain on sale of capital assets					-	79,150	79,150
Miscellaneous income					78,625	-	78,625
Transfers					(7,518,797)	7,518,797	-
Total general revenues and transfers					24,997,678	8,410,495	33,408,173
Change in net assets					1,097,673	(2,243,308)	(1,145,635)
Net assets - beginning of fiscal year					68,180,242	74,371,102	142,551,344
Net assets - ending of fiscal year					\$ 69,277,915	\$ 72,127,794	\$ 141,405,709

The accompanying notes to the financial statements are an integral part of this statement.

**CITY OF COLLEGE PARK, GEORGIA**

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2012**

ASSETS	General Fund	Hotel/Motel Tax Fund	Nonmajor Governmental Funds	Total Governmental Funds
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Cash and cash equivalents	\$ 3,716,119	\$ 1,253,251	\$ 3,346,692	\$ 8,316,062
Investments	593,832	-	-	593,832
Taxes receivable, net of allowances	976,079	737,995	9,948	1,724,022
Accounts receivable, net of allowances	871,209	-	1,506,978	2,378,187
Due from other governments	62,022	-	186,495	248,517
Due from other funds	5,008,268	184,515	211,740	5,404,523
Inventories	49,598	-	-	49,598
Prepaid items	601,669	-	8,400	610,069
Advances to other funds	4,986,517	-	1,287,702	6,274,219
Total assets	<u>\$ 16,865,313</u>	<u>\$ 2,175,761</u>	<u>\$ 6,557,955</u>	<u>\$ 25,599,029</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 669,090	\$ 244,286	\$ 463,780	\$ 1,377,156
Accrued liabilities	626,324	-	2,134	628,458
Due to other funds	892,393	154,629	658,471	1,705,493
Advances from other funds	259,880	-	4,949,131	5,209,011
Deferred revenue	225,323	93,587	1,467,646	1,786,556
Total liabilities	<u>2,673,010</u>	<u>492,502</u>	<u>7,541,162</u>	<u>10,706,674</u>
<b>FUND BALANCES (DEFICITS)</b>				
Nonspendable:				
Inventory	49,598	-	-	49,598
Prepaid items	601,669	-	8,400	610,069
Advances to other funds	4,986,517	-	1,287,702	6,274,219
Restricted:				
Tourism	-	1,683,259	-	1,683,259
Law enforcement	-	-	171,462	171,462
Public safety	-	-	279,678	279,678
Livable communities	-	-	89,746	89,746
Capital construction	-	-	1,434,757	1,434,757
Committed:				
Capital construction	-	-	86,941	86,941
Assigned:				
Grant matching requirements	-	-	100,095	100,095
Capital construction	2,974,549	-	-	2,974,549
Unassigned (deficit)	5,579,970	-	(4,441,988)	1,137,982
Total fund balances (deficits)	<u>14,192,303</u>	<u>1,683,259</u>	<u>(983,207)</u>	<u>14,892,355</u>
Total liabilities and fund balances	<u>\$ 16,865,313</u>	<u>\$ 2,175,761</u>	<u>\$ 6,557,955</u>	
Amounts reported for governmental activities in the statement of net assets are different because:				
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.				42,178,298
Some receivables are not available to pay for current-period expenditures and, therefore, are deferred in the funds.				1,764,990
Long-term liabilities are not due and payable in the current period and, therefore are not reported in the funds.				(1,446,605)
Net OPEB obligations are not a financial resource used in governmental activities and not reported in governmental funds.				(824,007)
Net pension asset is not a financial resource used in governmental activities and therefore not reported in governmental funds.				12,712,884
Net assets of governmental activities				<u>\$ 69,277,915</u>

The accompanying notes to the financial statements are an integral part of this statement.

# CITY OF COLLEGE PARK, GEORGIA

## STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	General Fund	Hotel/Motel Tax Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>				
Taxes:				
Property	\$ 11,951,338	\$ 1,645,586	\$ 108,956	\$ 13,705,880
Occupancy	-	7,358,518	-	7,358,518
Excise	-	-	2,543,178	2,543,178
Sales	5,375,130	-	-	5,375,130
Insurance premium	653,938	-	-	653,938
Alcoholic beverage	814,269	-	-	814,269
Franchise	2,248,215	-	-	2,248,215
Licenses and permits	2,933,572	-	-	2,933,572
Intergovernmental revenues	438,247	-	818,921	1,257,168
Fines and forfeitures	2,088,603	-	52,615	2,141,218
Charges for services	410,144	-	360,114	770,258
Interest income	723	3,136	2,510	6,369
Other	76,725	-	1,900	78,625
Total revenue	26,990,904	9,007,240	3,888,194	39,886,338
<b>EXPENDITURES</b>				
Current:				
General government	5,266,719	1,488,405	202	6,755,326
Police	10,532,991	-	1,003,896	11,536,887
Fire	6,736,914	-	-	6,736,914
Recreation	2,423,510	-	107,340	2,530,850
Inspection	430,108	-	-	430,108
Engineering	338,447	-	-	338,447
Building and grounds	810,524	-	175,771	986,295
Parks	254,751	-	-	254,751
Highways and streets	1,093,724	-	-	1,093,724
Housing and development	224,149	-	128,621	352,770
Total expenditures	28,111,837	1,488,405	1,415,830	31,016,072
Excess (deficiency) of revenues over (under) expenditures	(1,120,933)	7,518,835	2,472,364	8,870,266
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	2,755,622	-	613,682	3,369,304
Transfers out	(742,369)	(7,251,822)	(2,893,910)	(10,888,101)
Total other financing sources (uses)	2,013,253	(7,251,822)	(2,280,228)	(7,518,797)
Net change in fund balances	892,320	267,013	192,136	1,351,469
<b>FUND BALANCES (DEFICIT), beginning of fiscal year</b>	13,299,983	1,416,246	(1,175,343)	13,540,886
<b>FUND BALANCES (DEFICIT), end of fiscal year</b>	\$ 14,192,303	\$ 1,683,259	\$ (983,207)	\$ 14,892,355

The accompanying notes to the financial statements are an integral part of this statement

# CITY OF COLLEGE PARK, GEORGIA

## RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED JUNE 30, 2012

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

Net change in fund balances - total governmental funds	\$ 1,351,469
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays in the current fiscal period.	(1,586,422)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(266,859)
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.	<u>1,599,485</u>
Change in net assets of governmental activities	<u>\$ 1,097,673</u>

**The accompanying notes to the financial statements are an integral part of this statement.**

**CITY OF COLLEGE PARK, GEORGIA**

**GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes:				
Property	\$ 10,660,008	\$ 10,660,008	\$ 11,951,338	\$ 1,291,330
Sales	4,930,000	4,930,000	5,375,130	445,130
Insurance premium	1,100,000	1,100,000	653,938	(446,062)
Alcoholic beverage	814,000	814,000	814,269	269
Franchise	800,000	800,000	2,248,215	1,448,215
Licenses and permits	1,825,500	2,029,822	2,933,572	903,750
Intergovernmental	6,000	6,000	438,247	432,247
Fines and forfeitures	1,562,000	1,562,000	2,088,603	526,603
Charges for services	392,800	454,135	410,144	(43,991)
Interest income	100,000	100,000	723	(99,277)
Other	90,500	92,000	76,725	(15,275)
Total revenue	<u>22,280,808</u>	<u>22,547,965</u>	<u>26,990,904</u>	<u>4,442,939</u>
<b>EXPENDITURES</b>				
Current:				
General government				
Executive	1,302,685	1,421,213	1,522,833	(101,620)
Legislative	841,240	1,514,792	1,564,519	(49,727)
Financial administration	228,432	230,737	276,936	(46,199)
Accounting	309,483	311,200	308,889	2,311
Human resources	394,752	397,946	370,194	27,752
Purchasing	162,054	163,722	120,148	43,574
Public information	242,892	244,115	272,871	(28,756)
Business licenses	73,280	73,280	212,084	(138,804)
Information technology	670,215	675,471	618,245	57,226
Total general government	<u>4,225,033</u>	<u>5,032,476</u>	<u>5,266,719</u>	<u>(234,243)</u>
Police				
Administration	1,672,453	1,691,127	1,726,686	(35,559)
Patrol	6,956,688	6,961,223	7,000,525	(39,302)
Investigations	762,177	762,177	877,291	(115,114)
Corrections	603,115	598,580	525,567	73,013
E911 communications	-	-	495	(495)
Municipal court	353,586	353,586	402,427	(48,841)
Total police	<u>10,348,019</u>	<u>10,366,693</u>	<u>10,532,991</u>	<u>(166,298)</u>
Fire				
Administration	1,001,958	1,017,062	896,137	120,925
Suppression	5,457,481	5,477,731	5,340,093	137,638
Emergency medical services	478,140	478,140	500,684	(22,544)
Total fire	<u>6,937,579</u>	<u>6,972,933</u>	<u>6,736,914</u>	<u>236,019</u>
Recreation				
Administration	221,684	225,706	247,279	(21,573)
Programs	1,415,900	1,414,165	1,501,425	(87,260)
Facilities	620,467	658,152	674,806	(16,654)
Total recreation	<u>2,258,051</u>	<u>2,298,023</u>	<u>2,423,510</u>	<u>(125,487)</u>

Continued

**CITY OF COLLEGE PARK, GEORGIA**

**GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

<b>EXPENDITURES (continued)</b>	<b>Budget</b>		<b>Actual</b>	<b>Variance With Final Budget</b>
	<b>Original</b>	<b>Final</b>		
Current (continued):				
Inspections	439,137	445,937	430,108	15,829
Engineering	329,593	331,898	338,447	(6,549)
Buildings and grounds	778,776	788,797	810,524	(21,727)
Parks	320,893	336,618	254,751	81,867
Highways and streets	1,029,494	1,138,494	1,093,724	44,770
Housing and development	264,166	266,152	224,149	42,003
Total expenditures	<u>26,930,741</u>	<u>27,978,021</u>	<u>28,111,837</u>	<u>(133,816)</u>
Deficiency of revenues under expenditures	<u>(4,649,933)</u>	<u>(5,430,056)</u>	<u>(1,120,933)</u>	<u>4,309,123</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	5,375,302	6,245,425	2,755,622	(3,489,803)
Transfers out	(742,369)	(832,369)	(742,369)	90,000
Proceeds from sale of capital assets	17,000	17,000	-	(17,000)
Total other financing sources (uses)	<u>4,649,933</u>	<u>5,430,056</u>	<u>2,013,253</u>	<u>(3,416,803)</u>
Net change in fund balances	-	-	892,320	892,320
<b>FUND BALANCES, beginning of fiscal year</b>	<u>13,299,983</u>	<u>13,299,983</u>	<u>13,299,983</u>	<u>-</u>
<b>FUND BALANCES, end of fiscal year</b>	<u>\$ 13,299,983</u>	<u>\$ 13,299,983</u>	<u>\$ 14,192,303</u>	<u>\$ 892,320</u>

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

**CITY OF COLLEGE PARK, GEORGIA**

**HOTEL/MOTEL TAX SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes:				
Property	\$ 1,655,000	\$ 1,655,000	\$ 1,645,586	\$ (9,414)
Occupancy	7,400,000	7,000,000	7,358,518	358,518
Interest income	2,000	2,000	3,136	1,136
Total revenue	<u>9,057,000</u>	<u>8,657,000</u>	<u>9,007,240</u>	<u>350,240</u>
<b>EXPENDITURES</b>				
General government	<u>1,420,000</u>	<u>1,420,000</u>	<u>1,488,405</u>	<u>(68,405)</u>
Excess of revenues over expenditures	7,637,000	7,237,000	7,518,835	281,835
<b>OTHER FINANCING USES</b>				
Transfers out	<u>(7,637,000)</u>	<u>(7,237,000)</u>	<u>(7,251,822)</u>	<u>(14,822)</u>
Net change in fund balances	-	-	267,013	267,013
<b>FUND BALANCES, beginning of fiscal year</b>	<u>1,416,246</u>	<u>1,416,246</u>	<u>1,416,246</u>	<u>-</u>
<b>FUND BALANCES, end of fiscal year</b>	<u>\$ 1,416,246</u>	<u>\$ 1,416,246</u>	<u>\$ 1,683,259</u>	<u>\$ 267,013</u>

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

CITY OF COLLEGE PARK, GEORGIA

STATEMENT OF NET ASSETS  
 PROPRIETARY FUNDS  
 JUNE 30, 2012

	Business-type Activities - Enterprise Funds					Total Enterprise Funds
	Electric Fund	Water and Sewer Fund	Convention Center Fund	Redevelopment Authority Fund	Nonmajor Enterprise Funds	
<b>ASSETS</b>						
Current assets						
Cash and cash equivalents	\$ 6,385,205	\$ 4,016,131	\$ 5,117,633	\$ 1,108,620	\$ 3,637,645	\$ 20,265,234
Investments	3,089,988	-	-	-	-	3,089,988
Investment in direct financing lease, current portion	-	-	-	-	3,174,086	3,174,086
Receivables:						
Utility charges (net of allowance for uncollectible accounts)	3,761,986	1,123,499	-	-	346,997	5,232,482
Other receivables, current portion	699,385	66,631	145,105	938,959	15,036	1,865,116
Due from other governments	95,939	137,587	-	-	-	233,526
Due from other funds	502,686	262,552	129,790	-	221,078	1,116,106
Prepaid items	28,414	17,835	94,759	-	26,960	167,968
Restricted:						
Cash	-	350,143	-	-	301,192	651,335
Investments	-	-	392,832	36,176	2,600,376	3,029,384
Total current assets	14,563,603	5,974,378	5,880,119	2,083,755	10,323,370	38,825,225
Noncurrent assets						
Investment in direct financing lease	-	-	-	-	2,085,196	2,085,196
Other receivables, non current portion	-	-	-	39,960,000	-	39,960,000
Other assets	-	-	-	5,427,869	-	5,427,869
Advances to other funds	18,506,828	-	2,118,726	259,860	20	20,885,434
Deferred charges	-	-	898,336	2,307,134	83,963	3,289,433
Capital assets:						
Land	-	1,638,149	15,510,346	-	-	17,148,495
Land held for resale	-	-	-	40,753,215	-	40,753,215
Construction in progress	226,756	780,359	-	-	-	1,007,115
Building and improvements	1,615,294	176,864	88,007,021	-	5,465,086	95,264,265
Autos and trucks	1,562,042	349,980	19,606	-	3,233,070	5,164,698
Other equipment	1,354,904	871,215	11,254,859	-	208,774	13,689,752
Infrastructure	19,625,973	26,284,982	-	806,364	9,154,411	55,871,730
Less accumulated depreciation	(11,328,474)	(10,377,634)	(30,933,507)	(33,900)	(6,307,717)	(58,981,232)
Total capital assets (net of accumulated depreciation)	13,056,495	19,723,915	83,858,325	41,525,679	11,753,624	169,918,038
Total noncurrent assets	31,563,323	19,723,915	86,875,387	89,480,542	13,922,803	241,565,970
Total assets	46,126,926	25,698,293	92,755,506	91,564,297	24,246,173	280,391,195

Continued

CITY OF COLLEGE PARK, GEORGIA

STATEMENT OF NET ASSETS  
 PROPRIETARY FUNDS  
 JUNE 30, 2012

	Business-type Activities - Enterprise Funds					Total Enterprise Funds
	Electric Fund	Water and Sewer Fund	Convention Center Fund	Redevelopment Authority Fund	Nonmajor Enterprise Funds	
<b>LIABILITIES</b>						
Current liabilities payable from nonrestricted assets	\$ 2,089,062	\$ 10,516,699	\$ 263,309	\$ 257,927	\$ 286,865	\$ 13,413,862
Accounts payable	903,345	41,255	120,964	-	76,454	1,142,018
Accrued liabilities	-	-	690,740	6,200	-	696,940
Deposits	-	-	366,333	-	828,227	4,815,136
Due to other funds	3,101,712	518,864	-	-	-	116,666
Unearned revenues, current portion	-	-	-	116,666	-	-
Total current liabilities payable from non restricted current assets	6,094,119	11,076,818	1,441,346	380,793	1,191,546	20,184,622
Current liabilities payable from restricted assets	1,575,306	-	-	-	-	1,575,306
Customer utility deposits	-	2,627	1,121,158	3,433,501	77,390	4,634,676
Accrued interest on bonds and notes	-	-	-	-	75,991	75,991
Notes payable within one year	-	-	-	-	-	-
Revenue bonds payable within one year	-	-	3,080,000	1,580,000	3,790,000	8,450,000
Total current liabilities payable from restricted assets	1,575,306	2,627	4,201,158	5,013,501	3,943,381	14,735,973
Total current liabilities	7,669,425	11,079,445	5,642,504	5,394,294	5,134,927	34,920,595
Noncurrent liabilities	-	-	-	8,000,000	-	8,000,000
Construction loans payable in more than one year	-	736,895	-	-	1,862,400	2,599,295
Notes payable	-	-	62,401,838	71,055,838	4,656,426	138,114,102
Revenue bonds payable in more than one year	-	-	-	2,678,767	-	2,678,767
Unearned revenues, noncurrent portion	-	-	5,835,975	15,421,917	692,750	21,950,642
Advances from other funds	-	736,895	68,237,813	97,156,522	7,211,576	173,342,806
Total noncurrent liabilities	7,669,425	11,816,340	73,880,317	102,550,816	12,346,503	208,263,401
<b>NET ASSETS</b>						
Invested in capital assets, net of related debt	13,056,495	18,987,020	18,376,487	17,280,678	6,628,089	74,328,769
Restricted for capital projects	-	-	-	-	2,600,376	2,600,376
Restricted for debt service	-	350,143	392,832	36,176	301,192	1,080,343
Unrestricted (deficit)	25,401,006	(5,455,210)	105,870	(28,303,373)	2,370,013	(5,881,694)
Total net assets (deficit)	\$ 38,457,501	\$ 13,881,953	\$ 18,875,189	\$ (10,986,519)	\$ 11,899,670	\$ 72,127,794

The accompanying notes to the financial statements are an integral part of this statement.

**CITY OF COLLEGE PARK, GEORGIA**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS**  
**PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	Business-type Activities - Enterprise Funds					Total Enterprise Funds
	Electric Fund	Water and Sewer Fund	Convention Center Fund	Redevelopment Authority Fund	Nonmajor Enterprise Funds	
<b>OPERATING REVENUES</b>						
Water and sewer sales		7,511,344	-	-	-	7,511,344
Electric sales	23,544,233	-	-	-	-	23,544,233
Convention sales	-	-	3,386,910	-	-	3,386,910
Sanitation sales	-	-	-	-	2,375,413	2,375,413
Stormwater sales	-	-	-	-	811,618	811,618
Golf course sales	-	-	-	-	44,496	44,496
Rentals and commissions	-	-	3,318,183	818,427	1,377,352	5,513,962
Other	1,884,381	1,552,119	39,122	1,109,492	66,488	4,651,602
Total operating revenue	25,428,614	9,063,463	6,744,215	1,927,919	4,675,367	47,839,578
<b>OPERATING EXPENSES</b>						
Cost of sales - purchases	19,742,889	5,927,138	2,609,399	-	605,357	28,884,783
Personal services	1,995,797	1,086,317	2,593,810	-	1,650,324	7,326,248
Depreciation	708,248	624,728	2,750,794	29,003	829,537	4,942,310
Other operating expenses	1,422,179	1,294,384	3,199,198	250,331	2,407,093	8,573,185
Total operating expenses	23,869,113	8,932,567	11,153,201	279,334	5,492,311	49,726,526
Net operating income (loss)	1,559,501	130,896	(4,408,986)	1,648,585	(816,944)	(1,886,948)
<b>NONOPERATING REVENUES (EXPENSES)</b>						
Amortization of deferred issuance cost and discounts	-	-	(253,514)	(177,948)	(285,207)	(716,669)
Gain on sale of capital assets	-	-	-	79,150	-	79,150
Interest income	24,483	2,483	1,487	322	783,773	812,548
Interest expense & fiscal charges	-	(2,627)	(3,384,608)	(4,930,936)	(421,706)	(8,739,877)
Total nonoperating revenue (expenses)	24,483	(144)	(3,636,635)	(5,029,412)	76,860	(8,564,848)
Income (loss) before capital contributions and transfers	1,583,984	130,752	(8,045,621)	(3,380,827)	(740,084)	(10,451,796)
Capital contributions	603,933	-	-	85,547	211	689,691
Transfers in	-	-	11,280,443	2,518,710	128,687	13,927,840
Transfers out	(6,355,243)	-	-	-	(53,800)	(6,409,043)
Change in net assets	(4,167,326)	130,752	3,234,822	(776,570)	(664,986)	(2,243,308)
<b>Total net assets (deficits), beginning</b>	42,624,827	13,751,201	15,640,367	(10,209,949)	12,564,656	74,371,102
<b>Total net assets (deficits), ending</b>	\$ 38,457,501	\$ 13,881,953	\$ 18,875,189	\$ (10,986,519)	\$ 11,899,670	\$ 72,127,794

The accompanying notes to the financial statements are an integral part of this statement.

**CITY OF COLLEGE PARK, GEORGIA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	Business-type Activities - Enterprise Funds					Total Enterprise Funds
	Electric Fund	Water and Sewer Fund	Convention Center Fund	Redevelopment Authority Fund	Nonmajor Enterprise Funds	
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>						
Receipts from customers and users	\$ 24,592,697	\$ 9,050,835	\$ 7,339,579	\$ 471,117	\$ 4,724,165	\$ 46,178,393
Payments to suppliers	(18,133,300)	(5,952,480)	(7,000,323)	-	(2,700,763)	(33,786,866)
Payments to employees	(2,122,828)	(1,116,960)	(2,788,112)	-	(1,726,020)	(7,753,920)
Net cash provided (used) by operating activities	4,336,569	1,981,395	(2,448,856)	471,117	297,382	4,637,607
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>						
Transfers in	-	-	11,280,443	2,518,710	128,687	13,927,840
Advances from other funds	-	-	1,280,732	3,651,226	-	4,931,958
Advances to other funds	(2,833,542)	-	-	-	-	(2,833,542)
Transfers out	(6,355,243)	-	-	-	(53,800)	(6,409,043)
Net cash provided (used) by non-capital financing activities	(9,188,785)	-	12,561,175	6,169,936	74,887	9,617,213
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>						
Proceeds from sale of capital assets	-	-	-	971,800	-	971,800
Acquisition and construction of capital assets	(787,385)	(1,030,347)	(170,000)	(708,096)	(198,655)	(2,894,483)
Cash proceeds received from issuance of debt	-	599,308	-	-	8,960,000	9,559,308
Issuance costs paid on related debt	-	-	-	-	(161,600)	(161,600)
Deposit with escrow agent on debt refunding	-	-	-	-	(8,796,577)	(8,796,577)
Proceeds received from capital grant	226,754	-	(2,920,000)	85,547	210	312,511
Principal paid on capital debt	-	-	(3,426,875)	(1,510,000)	(3,401,609)	(7,831,609)
Interest paid on capital debt	-	-	-	(4,619,167)	(547,802)	(8,593,844)
Net cash (used) by capital and related financing activities	(560,631)	(431,039)	(6,516,875)	(5,779,916)	(4,146,033)	(17,434,494)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>						
Purchase of securities	-	-	-	-	151,303	151,303
Maturities of investments	7,322,029	-	3,620	6,000	-	7,331,649
Interest on investments	24,483	2,483	1,487	322	783,773	812,548
Interest on financing lease	-	-	-	-	3,324,821	3,324,821
Net cash provided by investing activities	7,346,512	2,483	5,107	6,322	4,259,897	11,620,321
Net increase in cash and cash equivalents	1,933,665	1,552,639	3,600,551	867,459	486,133	8,440,647
Cash and cash equivalents at beginning of fiscal year	4,451,540	2,813,435	1,517,082	241,161	3,452,704	12,475,922
Cash and cash equivalents at end of fiscal year	\$ 6,385,205	\$ 4,366,274	\$ 5,117,633	\$ 1,108,620	\$ 3,938,837	\$ 20,916,569
Unrestricted cash and cash equivalents	\$ 6,385,205	\$ 4,016,131	\$ 5,117,633	\$ 1,108,620	\$ 3,637,645	\$ 20,265,234
Restricted cash and cash equivalents	-	350,143	-	-	301,192	651,335
	\$ 6,385,205	\$ 4,366,274	\$ 5,117,633	\$ 1,108,620	\$ 3,938,837	\$ 20,916,569

Continued

**CITY OF COLLEGE PARK, GEORGIA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	Business-type Activities - Enterprise Funds					Total Enterprise Funds
	Electric Fund	Water and Sewer Fund	Convention Center Fund	Redevelopment Authority Fund	Nonmajor Enterprise Funds	
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>						
Operating income (loss)	\$ 1,559,501	\$ 130,896	\$ (4,408,986)	\$ 1,648,585	\$ (816,944)	\$ (1,886,948)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation expense	708,248	624,728	2,750,794	29,003	829,537	4,942,310
Changes in assets and liabilities (Increase) decrease in:						
Accounts receivable	(934,483)	(12,628)	289,085	642,439	48,798	33,211
Prepaid items	(308)	(509)	(4,872)	-	(101)	(5,790)
Other assets	-	-	-	(2)	-	(2)
Due from other funds	727,807	(193,314)	63,395	-	(61,445)	536,443
Increase (decrease) in:						
Accounts payable	596,691	1,389,191	13,879	(875,168)	210,365	1,334,958
Accrued liabilities	(127,031)	(30,643)	(194,302)	-	(75,696)	(427,672)
Due to other funds	1,707,578	73,674	(1,264,128)	(898,916)	162,868	(218,924)
Unearned revenue	-	-	-	(74,824)	-	(74,824)
Customer deposits	98,566	-	306,279	-	-	404,845
Net cash provided (used) by operating activities	\$ 4,336,569	\$ 1,981,395	\$ (2,448,856)	\$ 471,117	\$ 297,382	\$ 4,637,607
<b>NON-CASH CAPITAL FINANCING ACTIVITIES</b>						
Contribution of capital assets from other governments	\$ 377,177	\$ -	\$ -	\$ -	\$ -	\$ 377,177

The accompanying notes to the financial statements are an integral part of this statement.

**CITY OF COLLEGE PARK, GEORGIA**  
**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES**  
**MUNICIPAL COURT AGENCY FUND**  
**JUNE 30, 2012**

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**ASSETS**

Cash	\$ 281,103
Total assets	<u>\$ 281,103</u>

**LIABILITIES**

Due to others	\$ 281,103
Total liabilities	<u>\$ 281,103</u>

The accompanying notes to the financial statements are an integral part of this statement.

# **NOTES TO FINANCIAL STATEMENTS**

**CITY OF COLLEGE PARK, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2012**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**A. The Financial Reporting Entity**

The City was chartered in 1895 and operates under a Mayor/Council/City Manager form of government. The City Manager is the head of the administrative branch of government. As such, he is responsible for the day-to-day operations of city government. The legislative authority of the City is vested in the Mayor and four (4) member council with an appointed City Manager. The City provides the following services and operations as authorized by its charter: police and fire protection; development, civic center, electrical, water, sewer, and sanitation services; recreation services; highways and streets; inspection and engineering services; and various general administrative services to residents of the City. As required by accounting principles generally accepted in the United States of America, these financial statements include the accounts of all City operations and all activities of the City.

Based upon criteria set forth by Governmental Accounting Standards Board (GASB) Statement 14 "The Financial Reporting Entity", as amended by GASB 39, these financial statements present the City and its component units, entities for which the City is considered to be financially accountable. The City's blended component unit, although a legally separate entity, is in substance, part of the City's operations and so data from this entity is combined with data of the primary government. The blended component unit has a June 30<sup>th</sup> fiscal year end.

**Blended Component Unit:**

College Park Business and Industrial Development Authority (BIDA) – The BIDA was created for the purpose of attracting development, industry and employment opportunities to the City. In addition, the Authority serves as a finance mechanism for certain City capital projects. Presently, the only financial activity of the Authority consists of providing the financing for certain City projects and certain administrative activities. In addition, BIDA owns a thirty (30) percent interest in College Park/Gateway Redevelopment, L.P. The partnership entered into contracts with BIDA to provide development services.

The Mayor and one (1) City Council member serve as board members and the remaining board members are appointed by the Mayor and confirmed by the City Council. BIDA bond issues must be approved by the City Council. Separate financial statements for BIDA are not prepared.

## NOTES TO FINANCIAL STATEMENTS

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

#### 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 nonfiduciary activities of the primary government. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for governmental, proprietary, and fiduciary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. The fiduciary fund statements include financial information for the City's agency fund.

#### C. Measurement Focus, Basis of Accounting, and Basis of Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary and fiduciary fund financial statements. Agency funds have no measurement focus; however, they use the accrual basis of accounting to recognize assets and liabilities. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the fiscal year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. 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.

## NOTES TO FINANCIAL STATEMENTS

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

#### C. Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

Property taxes, sales taxes, excise taxes, franchise taxes, mixed-drink taxes, and investment income associated with the current fiscal period are all considered to be susceptible to accrual. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

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

The **Hotel/Motel Tax Fund**, which is a special revenue fund, receives income from the levy of a special district tax as well as a percentage of gross rentals of all hotels operating within the City. Funds are restricted by State law and are to be used to fund the debt service on the convention center owned and operated by the City, as well as a portion being dedicated to general governmental administration and services.

The City reports the following major enterprise funds:

The **Electric Fund** accounts for the activities of the City's electric distribution operations. Electrical services are purchased through a cooperative association of municipalities within the State and sold to residents of the City.

The **Water and Sewer Fund** accounts for the water and sewer services to the City residents and businesses.

The **Convention Center Fund** accounts for the operations of the Georgia International Convention Center.

The **Redevelopment Authority Fund** accounts for the activities of the College Park Business and Industrial Development Authority as well as property acquisitions and sales for the purpose of redeveloping land within the City. The activity of this fund is intended to recover its own costs through development fees, sales of properties, and other charges.

## NOTES TO FINANCIAL STATEMENTS

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

#### C. Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

The City reports the following fiduciary fund:

The ***Municipal Court Fund*** accounts for the resources held by the City or its officials in a custodial capacity.

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

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

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

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.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's water and sewer function and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

## NOTES TO FINANCIAL STATEMENTS

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

#### C. Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

The fiduciary fund statements include financial information for the City's Municipal Court agency fund. This fund represents assets held by the City in a custodial capacity for individuals or other governments.

#### D. Budgets and Budgetary Accounting

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Budget requests are completed in February.
2. Proposed budgets are reviewed and prepared by the City Manager for submission to the Mayor and the City Council in April.
3. Public hearings on the proposed budget are held in May and June.
4. The budget is legally adopted by the Mayor and City Council prior to June 30.
5. All budget revisions or changes must be approved as required by Georgia law and administrative policy. The legal level of budgetary control is the department level, with the Council being the only body authorized to make amendments to the budget. Revisions that alter the total expenditures of any department or fund must be approved by the Mayor and City Council. There were some appropriations made for the fiscal year ended June 30, 2012 as noted on the budget to actual statements and schedules within this report.
6. Formal budgetary integration is employed as a management control device during the fiscal year for all the governmental funds and the enterprise funds. Budgets for the enterprise funds are prepared for planning and control purposes only.
7. Budgets for the governmental funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are legally adopted for the General Fund and each Special Revenue Fund.
8. Revenues and expenditures of the Capital Projects Funds are budgeted on a project basis and are, therefore, excluded from presentation in the financial statements.

## NOTES TO FINANCIAL STATEMENTS

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

#### **E. Cash and Cash Equivalents**

Cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Generally, only investments with original maturities of three months or less meet this definition.

For purposes of the statements of cash flows, the City considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

#### **F. Deposits and Investments**

State statutes authorize the City to invest in obligations of the U.S. Government and agencies of corporations of the U.S. Government; obligations of any state; obligations of any political subdivision of any state; certificates of deposit or time deposits of any national state bank or savings and loan which have deposits insured by the FDIC or FSLIC; prime bankers acceptances; repurchase agreements; and the Local Government Investment Pool of the State of Georgia ("Georgia Fund I"). Georgia Fund I and Georgia Extended Asset Statement Investment Pool (GEAP) are not registered with the Securities and Exchange Commission (SEC) but operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. As of June 30, 2012, the City did not have any investments in Georgia Fund I or GEAP.

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair values.

#### **G. Property Taxes Receivable**

Delinquent property taxes for which the City has a property lien are shown as taxes receivable. Property taxes are levied and billed on September 30 based upon property values assessed as of January 1. The billings are considered due upon receipt by the taxpayer and are past due if not paid by November 28, 60 days after the tax bill mailing. Taxes not paid within sixty days are subject to property tax liens. Receivables are shown net of an allowance for uncollectible amounts when necessary.

#### **H. Inventory and Prepaid Items**

Inventory is valued at cost, using the first-in, first-out method. The cost of governmental fund type inventory is recorded as an expenditure when consumed rather than when purchased. Prepaid items are accounted for using the consumption method. A prepaid item is recognized when a cash expenditure is made for goods or services that were purchased for consumption, but not consumed as of June 30.

## NOTES TO FINANCIAL STATEMENTS

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

#### I. Interfund Receivables/Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

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

#### J. Grants from Other Governments

Federal and state governmental units represent an important source of supplementary funding used to finance housing, business development employment, construction programs, capital asset additions and other activities beneficial to the community. This funding, primarily in the form of grants, is recorded in both governmental and proprietary funds. Grant contributions in the proprietary funds, which are for the purpose of construction activities, or land easement or capital asset acquisitions, are recorded as capital contributions within the statement of revenues and expenses. For all funds, a grant receivable is recorded when the City has met all eligibility requirements.

#### K. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Depreciation is provided over the estimated useful lives of assets using the straight line method. Assets which are fully depreciated and no longer in use are removed from capital assets. Donated capital assets (if any) are recorded at estimated fair market value at the date of donation.

Interest is capitalized during the construction period on proprietary fund assets financed with bond debt. The amount of interest to be capitalized for debt with tax-exempt interest is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the project with interest earned on invested proceeds over the same period. The amount of interest to be capitalized for debt with taxable interest is calculated at the average borrowing rate applied to costs incurred during the construction period.

## NOTES TO FINANCIAL STATEMENTS

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

#### K. Capital Assets (Continued)

In the case of initial capitalization of infrastructure assets, those that were acquired prior to fiscal year 2003 were recorded at their current replacement cost adjusted by the implicit price deflator index for governments to the base year of 1996. Infrastructure assets acquired prior to June 30, 1980 are included in the amounts reported.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend useful lives are expensed as incurred.

Depreciation is provided on the straight-line method over the following estimated useful lives:

Infrastructure (streets, sidewalks, bridges, etc.)	40 years
Buildings and improvements	25 - 40 years
Distribution systems	25 - 75 years
Treatment plant	45 years
Sewer collection systems	30 - 75 years
Sanitation containers	20 years
Autos and trucks	5 - 7 years
Other equipment	5 - 7 years

#### L. Long-Term Liabilities

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs and deferred charges, are deferred and amortized over the life of the bonds by using either the effective interest method or the straight line method, which is not materially different than the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges.

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

## NOTES TO FINANCIAL STATEMENTS

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

#### M. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for non-vesting accumulated rights to receive sick pay benefits since the City does not have a policy to pay any amounts when employees separate from service with the City. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

#### N. Fund Equity

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

**Fund Balance** – Generally, fund balance represents the difference between the assets and liabilities under the current financial resources management focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in those funds can be spent.

Fund balances are classified as follows:

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

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

*Committed* – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by a formal vote and passage of an ordinance of the City Council. Only the City Council may modify or rescind the commitment by passage of a subsequent ordinance.

*Assigned* – Fund balances are reported as assigned when amounts are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. The City Council has expressly delegated to the City Manager the authority to assign funds for particular purposes.

## NOTES TO FINANCIAL STATEMENTS

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

#### N. Fund Equity (Continued)

*Unassigned* – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The City reports positive unassigned fund balance only in the general fund. Negative unassigned fund balance is reported when there are fund deficits after all other spendable forms of fund balance have been exhausted. The City intends to maintain an unassigned fund balance in the general fund between thirty and sixty percent based upon annual budgeted expenditures. The balance may be drawn down in the event of an unexpected decrease in the property tax digest or a reduction to state funding.

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

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

The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

#### O. 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 and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

## NOTES TO FINANCIAL STATEMENTS

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

#### A. Explanation of certain differences between the governmental funds balance sheet and the government-wide statement of net assets

The governmental funds balance sheet includes reconciliation between *fund balance – total governmental funds* and *net assets – governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of this \$1,446,605 difference are as follows:

Claims and judgments payable	\$ (380,661)
Compensated absences	<u>(1,065,944)</u>
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net assets - governmental activities</i>	<u>\$ (1,446,605)</u>

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *change in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their useful lives and reported as depreciation expense.” The details of this \$1,586,422 difference are as follows:

Capital outlay	\$ 1,077,062
Depreciation expense	<u>(2,663,484)</u>
Net adjustment to decrease <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	<u>\$ (1,586,422)</u>

## NOTES TO FINANCIAL STATEMENTS

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

#### B. Explanation of certain differences between the governmental funds statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities (Continued)

Another element of that reconciliation explains that “Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.” The details of this \$1,599,485 difference are as follows:

Changes in:

Net pension asset	\$	1,147,208
Other post employment benefit obligation		(141,222)
Compensated absences		64
Claims and judgements		593,435
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	\$	1,599,485

### NOTE 3. DEPOSITS AND INVESTMENTS

As of June 30, 2012, the City had \$6,713,204 invested in the following types of investments:

Investment	Maturities	Fair Value
Treasury mutual funds	N/A	\$ 2,600,376
Money market - cash equivalents	N/A	1,022,840
Municipal Competitive Trust -intermediate	960 Days	479,945
Municipal Competitive Trust - short-term	94 Days	2,610,043
Total		\$ 6,713,204

**Interest rate risk.** The City has not adopted a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**Credit risk.** State statutes authorize the City to invest in obligations of the State of Georgia or other states; obligations issued by the U.S. government; obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime banker’s acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia. As of June 30, 2012, all of the City’s investments in the Municipal Competitive Trust were rated AAA by Standard & Poor’s.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

**Custodial credit risk – deposits.** Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes, and City policy, require all deposits and investments (other than federal or state government instruments) to be collateralized at 110% by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of June 30, 2012, the City's bank balances were properly collateralized, or insured, in accordance with State statutes.

### NOTE 4. RECEIVABLES

#### Accounts Receivable

Receivables at June 30, 2012, for the City's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Hotel/Motel Tax</u>	<u>Nonmajor Governmental</u>	<u>Electric</u>
Receivables:				
Taxes	\$ 1,248,628	\$ 737,995	\$ 10,332	\$ -
Due from other governments	62,022	-	186,495	95,939
Accounts	944,078	-	1,506,978	9,897,693
Gross receivables	<u>2,254,728</u>	<u>737,995</u>	<u>1,703,805</u>	<u>9,993,632</u>
Less: allowance for uncollectibles	(345,418)	-	(384)	(5,436,322)
Net total receivables	<u>\$ 1,909,310</u>	<u>\$ 737,995</u>	<u>\$ 1,703,421</u>	<u>\$ 4,557,310</u>
	<u>Water and Sewer</u>	<u>Convention Center</u>	<u>Nonmajor Enterprise</u>	<u>Total</u>
Receivables:				
Taxes	\$ -	\$ -	\$ -	\$ 1,996,955
Due from other governments	137,587	-	-	482,043
Accounts	2,467,525	145,105	863,246	15,824,625
Gross receivables	<u>2,605,112</u>	<u>145,105</u>	<u>863,246</u>	<u>18,303,623</u>
Less: allowance for uncollectibles	(1,277,395)	-	(501,213)	(7,560,732)
Net total receivables	<u>\$ 1,327,717</u>	<u>\$ 145,105</u>	<u>\$ 362,033</u>	<u>\$ 10,742,891</u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 4. RECEIVABLES (CONTINUED)

#### Redevelopment Authority – Other Receivable

As of June 30, 2012, the Redevelopment Authority had \$40,898,959 (\$938,959 as current and \$39,960,000 as noncurrent) reported as other receivables. Of this amount, \$40,615,000 represents the net present value of guaranteed payments to be received from the Hotel Developers in relation to the Gateway Hotel/Office project in accordance with two (2) signed Hotel Financing Agreements. The first payment from the Hotel Developer was received on September 8, 2010 and will conclude on August 2, 2038. As of June 30, 2012, the City has determined that an allowance is not deemed necessary. For further discussion about this arrangement, see Note 6 under Revenue Bonds - Redevelopment Authority.

### NOTE 5. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2012, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
<b>Governmental activities:</b>					
Capital assets, not being depreciated:					
Land	\$ 3,886,899	\$ 3,350	\$ -	\$ -	\$ 3,890,249
Construction in progress	383,163	-	-	-	383,163
Total capital assets, not being depreciated	<u>4,270,062</u>	<u>3,350</u>	<u>-</u>	<u>-</u>	<u>4,273,412</u>
Capital assets, being depreciated:					
Buildings and improvements	31,142,812	-	-	-	31,142,812
Autos and trucks	6,570,646	477,929	-	-	7,048,575
Other equipment	5,688,093	289,094	-	-	5,977,187
Infrastructure	<u>25,262,421</u>	<u>306,689</u>	<u>-</u>	<u>-</u>	<u>25,569,110</u>
Total capital assets, being depreciated	<u>68,663,972</u>	<u>1,073,712</u>	<u>-</u>	<u>-</u>	<u>69,737,684</u>
Less accumulated depreciation for:					
Buildings and improvements	(5,996,804)	(768,307)	-	-	(6,765,111)
Autos and trucks	(4,107,408)	(428,921)	-	-	(4,536,329)
Other equipment	(4,647,950)	(814,391)	-	-	(5,462,341)
Infrastructure	<u>(14,417,152)</u>	<u>(651,865)</u>	<u>-</u>	<u>-</u>	<u>(15,069,017)</u>
Total accumulated depreciation	<u>(29,169,314)</u>	<u>(2,663,484)</u>	<u>-</u>	<u>-</u>	<u>(31,832,798)</u>
Total capital assets, being depreciated, net	<u>39,494,658</u>	<u>(1,589,772)</u>	<u>-</u>	<u>-</u>	<u>37,904,886</u>
Governmental activities capital assets, net	<u>\$ 43,764,720</u>	<u>\$ (1,586,422)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 42,178,298</u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 5. CAPITAL ASSETS (CONTINUED)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers / Reclass</u>	<u>Ending Balance</u>
<b>Business-type activities</b>					
Capital assets, not being depreciated:					
Land	\$ 57,558,953	\$ 104,492	\$ 892,650	\$ 1,130,915	\$ 57,901,710
Construction in progress	1,578,625	1,610,719	-	(2,182,229)	1,007,115
Total capital assets, not being depreciated	<u>59,137,578</u>	<u>1,715,211</u>	<u>892,650</u>	<u>(1,051,314)</u>	<u>58,908,825</u>
Capital assets, being depreciated:					
Buildings and improvements	95,244,266	20,000	-	-	95,264,266
Autos and trucks	4,684,981	479,717	-	-	5,164,698
Other equipment	12,975,692	507,111	-	206,948	13,689,751
Infrastructure	<u>54,477,741</u>	<u>549,623</u>	<u>-</u>	<u>844,366</u>	<u>55,871,730</u>
Total capital assets, being depreciated	<u>167,382,680</u>	<u>1,556,451</u>	<u>-</u>	<u>1,051,314</u>	<u>169,990,445</u>
Less accumulated depreciation for:					
Buildings and improvements	(20,821,335)	(2,494,773)	-	-	(23,316,108)
Autos and trucks	(2,844,739)	(463,356)	-	-	(3,308,095)
Other equipment	(11,445,520)	(740,136)	-	-	(12,185,656)
Infrastructure	<u>(18,927,328)</u>	<u>(1,244,045)</u>	<u>-</u>	<u>-</u>	<u>(20,171,373)</u>
Total accumulated depreciation	<u>(54,038,922)</u>	<u>(4,942,310)</u>	<u>-</u>	<u>-</u>	<u>(58,981,232)</u>
Total capital assets, being depreciated, net	<u>113,343,758</u>	<u>(3,385,859)</u>	<u>-</u>	<u>1,051,314</u>	<u>111,009,213</u>
Business-type activities capital assets, net	<u>\$ 172,481,336</u>	<u>\$ (1,670,648)</u>	<u>\$ 892,650</u>	<u>\$ -</u>	<u>\$ 169,918,038</u>

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 5. CAPITAL ASSETS (CONTINUED)

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

<b>Governmental activities:</b>	
General government	\$ 238,235
Police	1,026,457
Fire	309,536
Public works	723,484
Health and welfare	53,178
Culture and recreation	300,704
Housing and development	11,890
Total depreciation expense - governmental activities	<u>\$ 2,663,484</u>
 <b>Business-type activities:</b>	
Electric	\$ 708,248
Water and sewer	624,728
Sanitation	288,601
Stormwater	289,644
Golf course	35,148
Convention center	2,750,794
FAA project	216,144
Redevelopment	29,003
Total depreciation expense - business-type activities	<u>\$ 4,942,310</u>

### NOTE 6. LONG-TERM DEBT

#### Revenue Bonds:

##### Business-type activities - Convention Center Fund

On October 1, 2001, the City issued \$20,375,000, 3% to 5% revenue bonds (Series 2001) with varying semi-annual principal and interest payments due (March 1 and September 1) through September 2026. These revenue bonds were issued for the purpose of constructing the new Georgia International Convention Center. The outstanding balance of these revenue bonds at June 30, 2012 is \$15,560,000.

On December 1, 2005, College Park Business and Industrial Development Authority (BIDA) issued \$53,475,000, 3.5% to 5.25% revenue bonds (Series 2005) with varying semi-annual principal and interest payments due (March 1 and September 1) through September 2026. These revenue bonds were issued for the purpose of refunding a portion of the City's Civic Center Project Revenue Bonds, Series 2000, in order to refinance a portion of the costs of the convention center facility leased by BIDA to the City of College Park. The outstanding balance of these revenue bonds at June 30, 2012 is \$51,145,000.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 6. LONG-TERM DEBT (CONTINUED)

#### Revenue Bonds: (Continued)

##### Business-type activities - Redevelopment Authority Fund

On July 1, 2004, the City issued \$11,250,000, 2% to 5.25% revenue bonds (Series 2004) with varying semi-annual principal and interest payments due (March 1 and September 1) through September 2024. These revenue bonds were issued for the purpose of constructing the new Public Safety Building. The outstanding balance of these revenue bonds at June 30, 2012 is \$8,245,000.

On June 1, 2006, the City issued \$25,785,000, 5.375% to 6.375% revenue bonds (Series 2006) with varying semi-annual principal and interest payments due (March 1 and September 1) through September 2036. These revenue bonds were issued for the purpose of financing the costs of acquiring land to be used as a site for a new hotel, retail, and office complex near the convention center facility, which land will be leased by BIDA to the City of College Park. The outstanding balance of these revenue bonds at June 30, 2012 is \$24,245,000.

On August 19, 2008, the City of College Park Redevelopment Authority (the "Authority") issued \$34,060,000, 4.86% to 7.25% taxable revenue bonds (Gateway Project) Series 2008 with varying semi-annual principal and interest payments due (February 1 and August 1) through February 2038. These revenue bonds were issued for the purpose of financing a portion of the costs of acquiring, constructing, and installing approximately 400-key first class headquarters hotel and approximately 147-key select service hotel and parking components (the "Project"), on a site owned by the Authority which is adjacent to the Georgia International Convention Center. The outstanding balance of these revenue bonds at June 30, 2012 is \$33,580,000.

On November 13, 2008, the City of College Park Redevelopment Authority issued \$7,445,000, 4% to 5.375% revenue bonds (Gateway Initial Office Project) Series 2008A with varying semi-annual principal and interest payments due (February 1 and August 1) through February 2038. These revenue bonds were issued for the purpose of financing a portion of the cost of acquiring, constructing, and installing an approximately 130,000 gross square foot, four story office building and related parking, on a site owned by the Authority which is adjacent to Georgia International Convention Center. The outstanding balance of these revenue bonds at June 30, 2012 is \$7,035,000.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 6. LONG-TERM DEBT (CONTINUED)

#### Revenue Bonds: (Continued)

##### Business-type activities - Redevelopment Authority Fund (Continued)

The revenue stream used for security on these 2008 bonds will be payments received from the Hotel Developers to the Redevelopment Authority pursuant to the terms of the respective unconditional Hotel Financing Agreements. The Financing Agreements represent future, fixed, payments from the Hotel Developers that are to be made on each September 8<sup>th</sup> anniversary commencing September 8, 2010 and concluding on August 2, 2038, with the net present value of these payments equal to \$40,615,000 as of June 30, 2012. In addition to the Financing Agreements, the Redevelopment Authority and the City of College Park entered into an Intergovernmental Economic Development Contract (the "Contract") under the terms of which the City will agree to make payments to the Redevelopment Authority in amounts sufficient to enable the Redevelopment Authority to pay the principal and interest on the Series 2008 Bonds when due, to the extent the payments derived from the Hotel Financing Agreements are insufficient for such purposes. The City has agreed in the Contract to levy an annual ad valorem tax on all taxable property located within the corporate limits of the City, at such rates, without limitation as to rate or amount, as may be necessary to produce in each year revenues that are sufficient to fulfill the City's obligations under the Contract.

##### Business-type activities - FAA Project Fund

On November 1, 1993, the City issued \$8,500,000, 4.3% to 6.95% revenue bonds (Series 1993) with varying semi-annual principal and interest payments due (October 1, January 1, April 1, and July 1) through April 2015. The outstanding balance of these revenue bonds at June 30, 2012 is \$2,385,000.

On April 1, 1999, the City issued \$28,995,000, 5% to 6.5% revenue bonds (Series 1999) with varying semi-annual principal and interest payments due (October 1, January 1, April 1, and July 1) through October 2013. On July 20, 2011, the City issued \$8,960,000, 2.01% revenue bonds (Series 2011) with varying semi-annual principal and interest payments due (April 1 and October 1) through October 1, 2013. These revenue bonds were issued for the purpose of refunding a portion of the City's FAA Project Revenue Bonds, Series 1999. The balance of debt considered defeased, and not recorded in the City's financial statements at June 30, 2012 is \$5,905,000. The gross debt service savings and the net present value of savings on refunding the Series 1999 Revenue Bonds is \$272,175 and \$272,084, respectively. The outstanding balance of these revenue bonds at June 30, 2012 is \$6,190,000.

Proceeds of the 1993, 1999 and 2011 Series bonds were used to construct and equip a regional headquarters facility for the Federal Aviation Administration. This facility will be leased by the BIDA to the City and by the City to the United States General Services Administration. Under the lease with the City, the City is obligated to make rental payments in amounts sufficient to make principal and interest payments on the bonds.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 6. LONG-TERM DEBT (CONTINUED)

#### Revenue Bonds: (Continued)

##### Business-type activities - FAA Project Fund (Continued)

For purposes of calculating net assets invested in capital assets, net of related debt, for the FAA Project Enterprise Fund, the amount of (\$1,060,787) as shown in the financial statements was determined by taking capital assets (\$2,126,357) plus total investment in lease as previously discussed (\$5,259,282) less total outstanding debt (\$8,446,426).

Revenue bond debt service requirements to maturities, including interest, for the business-type activities are as follows:

<u>Fiscal Year Payable</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2013	\$ 16,520,154	\$ 8,450,000	\$ 8,070,154
2014	16,307,610	8,560,000	7,747,610
2015	13,678,898	6,255,000	7,423,898
2016	12,499,090	5,400,000	7,099,090
2017	12,499,593	5,675,000	6,824,593
2018-2022	62,455,586	33,065,000	29,390,586
2023-2027	60,661,224	41,330,000	19,331,224
2028-2032	26,454,403	15,230,000	11,224,403
2033-2037	26,529,454	21,215,000	5,314,454
2038-2042	3,480,658	3,205,000	275,658
	<u>\$ 251,086,670</u>	<u>148,385,000</u>	<u>\$ 102,701,670</u>
		Plus unamortized bond premium	2,099,877
		Less unamortized issue discount	(469,164)
		Less deferred loss on defeasance	<u>(3,451,611)</u>
		Total outstanding	<u>\$ 146,564,102</u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 6. LONG-TERM DEBT (CONTINUED)

#### Other Long-Term Debt:

##### Business-type activities – Redevelopment Authority Fund

Master Land Contract - The Redevelopment Authority Fund was established to account for the acquisition of land and the related note payable with an original amount of \$10,126,939. The note payable, known as the master land contract, relates to land located within the corporate limits of the City of College Park purchased from the City of Atlanta for purposes of redevelopment. It bears interest at 6.5%, for the first six (6) years and thereafter the interest rate is based on the six month federal treasury bill rate.

Automated People Mover System (“APM”) - The Redevelopment Authority entered into an intergovernmental agreement with the City of Atlanta to share the cost of building the APM. A note payable with an original amount of \$8,000,000 has been recorded. The note payable, relates to the Redevelopment Authority’s share of cost. It bears an initial interest rate of 4.0%, for the first two (2) years and thereafter the interest rate varies from 4.125% to 4.50%. The Redevelopment Authority is required to accrue interest payments for the first eight (8) years, with the first payment occurring in the year 2015. The outstanding principal balance of this note payable at June 30, 2012 is \$8,000,000 plus accrued interest of \$1,680,778 at June 30, 2012.

The following is a schedule of future principal and interest payments due on the note payable:

<u>Fiscal Year Payable</u>	<u>Interest</u>	<u>Principal</u>	<u>Total</u>
2013	\$ -	\$ -	\$ -
2014	-	-	-
2015	-	-	-
2016	425,600	-	425,600
2017	425,600	-	425,600
2018-2022	2,227,736	884,204	3,111,940
2023-2027	1,944,130	2,577,219	4,521,349
2028-2032	1,319,828	3,201,521	4,521,349
2033-2037	544,792	3,977,056	4,521,848
	<u>\$ 6,887,686</u>	<u>10,640,000</u>	<u>\$ 17,527,686</u>
Less accumulated accrued interest payable		<u>(2,640,000)</u>	
Net note payable excluding accrued interest		<u>\$ 8,000,000</u>	

## NOTES TO FINANCIAL STATEMENTS

### NOTE 6. LONG-TERM DEBT (CONTINUED)

#### Other Long-Term Debt: (Continued)

##### Business-type activities – Stormwater Fund

Clean Water Loan – On November 18, 2009, the City of College Park entered into a Clean Water loan agreement with the Georgia Environmental Finance Authority (“GEFA”) in the amount of \$5,000,000 for the purpose of upgrading the City of College Park’s stormwater system with stormwater collection between downtown College Park and the municipal golf course. Approximately 60% of this loan is forgiven by GEFA immediately. As of June 30, 2012, the City had completed its draws from GEFA which totaled the loan amount of \$5,000,000. Of the total balance, \$3,000,000 has been forgiven and recognized as grant revenue by the City. The remaining balance of \$1,938,391 is due to GEFA over a term concluding on August 1, 2031.

The following is a schedule of future principal and interest payments due on the note payable:

<u>Fiscal Year Payable</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 75,991	\$ 57,113	\$ 133,104
2014	78,302	54,801	133,103
2015	80,684	52,419	133,103
2016	83,138	49,965	133,103
2017	85,667	47,437	133,104
2018-2022	469,040	196,477	665,517
2023-2027	544,844	120,673	665,517
2028-2032	520,725	33,872	554,597
	<u>\$ 1,938,391</u>	<u>\$ 612,757</u>	<u>\$ 2,551,148</u>

##### Business-type activities – Water and Sewer Fund

Sanitary Sewer Loan – On December 7, 2011, the City of College Park entered into a Sanitary Sewer loan agreement with the Georgia Environmental Finance Authority (“GEFA”) in the amount of \$3,000,000 for the purpose of installing replacement water lines and water meters and the rehabilitation of sewer lines and manholes. As of June 30, 2012, the City had drawn \$736,895 from GEFA and of this balance, \$137,587 was not received prior to June 30, 2012. The loan will be placed into repayment once the City has completed the Sanitary Sewer project and a repayment schedule will be developed at that time.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 6. LONG-TERM DEBT (CONTINUED)

#### Changes in Long-Term Liabilities:

Long-term liability activity for the fiscal year ended June 30, 2012, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Governmental activities:</b>					
Compensated absences	\$ 1,066,008	\$ 1,004,505	\$ (1,004,569)	\$ 1,065,944	\$ 766,638
Net OPEB Obligation	682,785	387,340	(246,118)	824,007	-
Claims and judgements	974,096	498,058	(1,091,493)	380,661	208,399
Governmental activities Long-term liabilities	<u>\$ 2,722,889</u>	<u>\$ 1,889,903</u>	<u>\$ (2,342,180)</u>	<u>\$ 2,270,612</u>	<u>\$ 975,037</u>
<b>Business-type activities:</b>					
Revenue bonds	\$ 155,875,000	\$ 8,960,000	\$ (16,450,000)	\$ 148,385,000	\$ 8,450,000
Deferred loss on defeasance	(3,915,715)	(309,026)	773,130	(3,451,611)	-
Unamortized bond premium	2,350,978	-	(251,101)	2,099,877	-
Unamortized original discount	(496,205)	-	27,041	(469,164)	-
Construction loans payable	8,000,000	-	-	8,000,000	-
Notes payable	2,000,000	736,895	(61,609)	2,675,286	75,991
Business-type activities Long-term liabilities	<u>\$ 163,814,058</u>	<u>\$ 9,387,869</u>	<u>\$ (15,962,539)</u>	<u>\$ 157,239,388</u>	<u>\$ 8,525,991</u>

For governmental activities, compensated absences, net OPEB obligation, and claims and judgments are liquidated by the General Fund.

### NOTE 7. OPERATING LEASES

#### Lessors Agreements

The City leases certain parcels of land for use by others for varying terms. The leases are accounted for as operating leases and revenues are recorded when earned. Revenue derived from these leases during fiscal year 2012 amounted to \$20,060 and \$80,671 in the General Fund and Electric Fund, respectively.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 7. OPERATING LEASES (CONTINUED)

The following is a schedule of future minimum lease payments to be received under leases at June 30, 2012:

Fiscal Year Ending June 30	<u>General Fund</u>	<u>Electric Fund</u>	<u>Total</u>
2013	\$ 10,005	\$ 39,600	\$ 49,605
2014	-	39,600	39,600
2015	-	39,600	39,600
2016	-	24,863	24,863
2017	-	2,587	2,587
Total Minimum Future Rentals	<u>\$ 10,005</u>	<u>\$ 146,250</u>	<u>\$ 156,255</u>

### NOTE 8. DEFERRED COMPENSATION PLAN

The City offers its department heads a Deferred Compensation Plan (the "401a Plan") created in accordance with Internal Revenue Code Section 401 (a). The Deferred Compensation Plan for the City is available to all department heads and is a defined contribution plan and permits employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. As required by Federal regulations, these 401a Plan assets are held in a trust for the exclusive benefit of participants and their beneficiaries. The 401a Plan is administered by a third party administrator, ICMA RC, who also serves as the trustee of the 401a Plan. The City has no fiduciary relationship with the trust. Accordingly, the plan assets are not reported in the City's financial statements.

Under the 401a Plan authorized by the City Council, the City is required to make a fixed contribution equal to 12.25% of the aggregate annual compensation of all participants. The City's contribution and related investment earnings allocated to an employee's account are fully vested immediately. The City contributed \$137,593 to the 401a Plan during the fiscal year ended June 30, 2012. At the end of the fiscal year, there were 14 participants in the 401a Plan. Total value of the deferred compensation plan as of fiscal year-end was \$688,542 which results in an average participant balance of \$49,182.

The City offers its employees a Deferred Compensation Plan (the "457 Plan") created in accordance with Internal Revenue Code Section 457. The 457 Plan is available to all full-time employees and is a defined contribution plan and permits employees to defer a portion of their salary until future years. The 457 Plan contributions are not available to employees until termination, retirement, death or unforeseeable emergency. As required by Federal regulations, these Plan assets are held in a trust for the exclusive benefit of participants and their beneficiaries. The 457 Plan is administered by a third party administrator, ICMA RC, who also serves as the trustee of the 457 Plan. The City has no fiduciary relationship with the trust. Accordingly, the Plan assets are not reported in the City's financial statements.

## NOTES TO FINANCIAL STATEMENTS

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### **NOTE 8. DEFERRED COMPENSATION PLAN (CONTINUED)**

Employee contributions range from a minimum of 1% of the employees' base salary to a maximum of \$17,000 per year. Under the 457 Plan authorized by the City Council, the City is not required to make matching contribution. The investment contributions and earnings allocated to an employee's account are fully vested immediately.

Plan participants contributed \$207,856 to the 457 Plan during the fiscal year ended June 30, 2012. There were 144 participants with account balances at the end of the current fiscal year. Total value of the deferred compensation and thrift plans as of the current fiscal year-end is \$5,210,430 which results in an average participant balance of \$36,184.

### **NOTE 9. PENSION PLAN**

#### **A. Plan Description**

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

As provided by State law, benefit provisions for participants in GMEBS are established by the respective employers. As authorized by City Council, the plan provides pension benefits and death and disability benefits for all full-time employees. Benefits vest after 5 years of service. City employees who retire at age 60 with 25 years of service or age 62 with five years of service or full-time employees with 25 years of service if employed prior to January 1, 1983 are entitled to a monthly retirement benefit based upon average earnings and years credited service.

At January 1, 2012, the date of the most recent actuarial valuation, there were 640 participants consisting of the following:

Retirees and beneficiaries currently receiving benefits	215
Terminated vested participants not yet receiving benefits	34
Active employees and elected officials	<u>391</u>
Total	<u><u>640</u></u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 9. PENSION PLAN (CONTINUED)

#### B. Funding Policy

The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of GMEBS has adopted a recommended actuarial funding policy for the Plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the Plan. The funding policy for the Plan is to contribute an amount equal to or greater than the recommended contribution described below. For 2012, the actuarially determined contribution rate was 16.85% of covered payroll.

#### C. Annual Pension Cost

The funding policy for the Plan is to contribute an amount equal to or greater than the recommended contribution as determined by the Plan's actuary. The annual required contribution for fiscal year 2012 was determined as part of the January 1, 2011 actuarial valuation. The City's actuarially required contribution, pension cost, and increase in net pension asset for the fiscal year ended June 30, 2012, were computed as follows:

Actuarially required contribution	\$ 3,049,190
Interest	<u>(896,340)</u>
Annual pension cost	2,152,850
Actual contributions made	<u>(3,300,058)</u>
Increase in net pension asset	(1,147,208)
Net pension obligation (asset), June 30, 2011	(11,565,676)
Net pension obligation (asset), June 30, 2012	<u><u>\$ (12,712,884)</u></u>

The chart below shows the annual pension cost for the current fiscal year and prior two fiscal years along with the percentage actually contributed by the City.

<u>Fiscal Year Ended June 30,</u>	<u>Annual Pension Cost (APC)</u>	<u>Actual Pension Contribution</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension (Asset)</u>
2012	\$ 2,152,850	\$ 3,300,058	153.3 %	\$ (12,712,884)
2011	2,391,244	3,379,435	141.3	(11,565,676)
2010	3,478,185	3,489,694	100.3	(10,577,485)

## NOTES TO FINANCIAL STATEMENTS

### NOTE 9. PENSION PLAN (CONTINUED)

#### C. Annual Pension Cost (Continued)

As of the most recent valuation date, January 1, 2012, the funded status of the Plan was as follows:

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) - Entry Age	Unfunded Actuarial Liabilities (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
1/1/2012	\$ 60,767,979	\$ 78,029,113	\$ (17,261,134)	77.9 %	\$ 16,626,930	103.8 %

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

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of January 1, 2012.

For 2012, the City's recommended contribution was \$3,049,190 and actual contribution totaled \$3,300,058. The recommended contribution was determined as part of the January 1, 2011 actuarial valuation using the projected unit credit actuarial cost method. Actuarial assumptions include a 7.75% rate of return on investments, inflation of 3.5%, and projected salary increases of 3.5% (plus age and service based merit increases). The period, and related method, for amortizing the initial unfunded actuarial accrued liability is 30 years from 1985 and current changes in the unfunded actuarial accrued liability over 15 years for actuarial gains and losses, 20 years for plan provision and 30 years for actuarial assumptions and cost methods as a level dollar amount. These amortization periods are closed for this plan year. The actuarial value of the plan assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a ten year period.

### NOTE 10. OTHER POST EMPLOYMENT BENEFITS (OPEB)

#### A. Plan Description

The City of College Park Post-Retirement Health Plan (the "OPEB Plan") is a single-employer defined benefit post-retirement health care plan, or other post employment benefit (OPEB) Plan. In accordance with GASB 45 requirements, the City of College Park is required to attribute the cost of postretirement benefits to the time during which the employee is working for the employer. Additionally, the City allocates the costs of the postretirement benefit plan onto the years of active employment; it does not require the funding of such benefits. The City has elected not to establish a separate trust fund to account for other post-employment benefits, and has not funded the OPEB Plan as of June 30, 2012.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 10. OTHER POST EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

#### A. Plan Description (Continued)

Eligible retirees and former employees are offered the same health and prescription drug coverage as active employees. COBRA participants pay 100 percent of coverage cost which include both the employee and employer's portion of coverage.

A participant is eligible to receive benefits from the OPEB Plan upon retirement under the City of College Park Retirement Plan provisions. City employees who retire at age 62 with 5 years of service, or age 60 with 25 years of service, or 25 years of service if employed prior to January 1, 1983 are eligible to receive retiree benefits and must have been covered under the medical plan as an active member immediately prior to retirement. Participants not eligible for retirement at the time of their termination are not eligible for immediate or future benefits from the OPEB Plan. Retirees may not resume coverage under the plan once coverage has lapsed.

At July 1, 2011, the date of the most recent actuarial valuation, there were 402 participants consisting of the following:

Retirees	47
Active employees eligible to retire	7
Active employees not yet eligible to retire	348
Total	402

#### B. Funding Policy

The City is not required to make any contributions to the OPEB Plan. The City of College Park has yet to adopt any funding requirements to the OPEB Plan.

For 2012, the City's recommended contribution was \$387,340 and employer contribution totaled \$246,118 representing pay as you go payments. The recommended contribution was determined as part of the July 1, 2011 actuarial valuation using the projected unit credit actuarial cost method.

#### C. Annual OPEB Cost

The City's actuarially required contribution, annual OPEB cost, and increase in net OPEB obligation for the fiscal year ended June 30, 2012, were computed as follows:

Actuarially required contribution	\$ 387,340
Interest on prior fiscal year net OPEB obligation	27,311
Adjustment to ARC	(27,311)
Annual OPEB cost	387,340
Actual contributions made	(246,118)
Increase in net OPEB obligation	141,222
Net OPEB obligation (asset), June 30, 2011	682,785
Net OPEB obligation (asset), June 30, 2012	\$ 824,007

## NOTES TO FINANCIAL STATEMENTS

### NOTE 10. OTHER POST EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

#### C. Annual OPEB Cost (Continued)

Fiscal Year Ended June 30,	Annual OPEB Cost	Actual OPEB Contribution	Percentage of OPEB Cost Contributed	Net OPEB Obligation
2012	\$ 387,340	\$ 246,118	63.5 %	\$ 824,007
2011	372,121	313,738	84.3	682,785
2010	375,094	196,664	52.4	624,402

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

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

Actuarial Value of Assets	\$ 0
Actuarial Accrued Liability (AAL)	3,199,962
Unfunded Actuarial Accrued Liability (UAAL)	3,199,962
Funded Ratio	0.0%
Covered Payroll	Not Available
Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll	Not Available

Actuarial valuation involves estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continued revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the plan in effect at July 1, 2011. The assumptions used in the July 1, 2011 actuarial valuation are as follows:

Cost Method	Unit Credit
Actuarial Asset Valuation Method	Not Applicable
Inflation Rate	4.00% per annum, compounded annually
Healthcare Cost Trend Rate	HMO - 6.50% POS - 6.00%
Ultimate Healthcare Trend Rate (FY12 – FY13)	5%
Year of Ultimate Trend Rate	2022
Pre-retirement Mortality Rates	1983 Group Annuity Mortality Table
Post-retirement Mortality Rates	1983 Group Annuity Mortality Table
Amortization Method	Level Dollar
Remaining Amortization Period	Remaining amortization period varies for the bases, with a net effective amortization period of 10 years

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 11. BUDGET COMPLIANCE AND DEFICIT FUND EQUITY

#### A. Excess of Expenditures over Appropriations

The following funds' departments had actual expenditures in excess of appropriations for the fiscal year ended June 30, 2012:

General Fund:	
General Government - Executive	\$ 101,620
General Government - Legislative	49,727
General Government - Financial Administration	46,199
General Government - Public Information	28,756
General Government - Business Licenses	138,804
Public Safety - Police Administration	35,559
Public Safety - Police Patrol	39,302
Public Safety - Police Investigations	115,114
Public Safety - E911 Communications	495
Public Safety - Municipal Court	48,841
Public Safety - Emergency Medical Services	22,544
Recreation - Administration	21,573
Recreation - Programs	87,260
Recreation - Facilities	16,654
Engineering	6,549
Building and Grounds	21,727
Hotel / Motel Tax Fund - General Government	68,405
Hotel / Motel Tax Fund - Transfers Out	14,822
State Drug Fund	6,477
Car Rental Fund - Police	4,348
Car Rental Fund - Transfers Out	750,783

These over-expenditures were funded by greater than anticipated revenues, interfund transfers and by available fund balance.

#### B. Deficit Fund Balance/Net Assets

The following funds had a deficit fund balance / net assets at June 30, 2012:

Car Rental Fund	\$ 3,138,298
Redevelopment Authority Fund	10,986,519
State Drug Fund	15,988

The fund deficit in the Car Rental Fund will be reduced through collections of excise taxes collected on rental motor vehicles. Fund deficits in the Redevelopment Authority Fund will be reduced through General Fund appropriations, if necessary, and collections of developer financing agreement fees which commenced during the fiscal year ended June 30, 2012.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 12. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund receivable and payable balances as of June 30, 2012, are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor governmental funds	\$ 413,799
General Fund	Hotel / Motel Tax Fund	154,629
General Fund	Water & Sewer Fund	483,529
General Fund	Electric Fund	2,999,136
General Fund	Convention Center Fund	157,244
General Fund	Nonmajor enterprise funds	799,931
Nonmajor governmental funds	Nonmajor governmental funds	23,987
Nonmajor governmental funds	General Fund	146,062
Nonmajor governmental funds	Electric Fund	15,625
Nonmajor governmental funds	Water & Sewer Fund	26,066
Hotel / Motel Tax Fund	General Fund	184,515
Water & Sewer Fund	General Fund	48,174
Water & Sewer Fund	Nonmajor governmental funds	424
Water & Sewer Fund	Electric Fund	73,782
Water & Sewer Fund	Convention Center Fund	138,412
Water & Sewer Fund	Nonmajor enterprise funds	1,760
Electric Fund	General Fund	354,514
Electric Fund	Water & Sewer Fund	5,250
Electric Fund	Nonmajor governmental funds	131,891
Electric Fund	Nonmajor enterprise funds	11,031
Nonmajor enterprise funds	General Fund	29,338
Nonmajor enterprise funds	Water & Sewer Fund	4,019
Nonmajor enterprise funds	Electric Fund	13,169
Nonmajor enterprise funds	Convention Center Fund	70,677
Nonmajor enterprise funds	Nonmajor enterprise funds	15,505
Nonmajor enterprise funds	Nonmajor governmental funds	88,370
Convention Center Fund	General Fund	129,790
		<u>\$ 6,520,629</u>

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

## NOTES TO FINANCIAL STATEMENTS

### NOTE 12. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (CONTINUED)

Interfund transfers for the fiscal year ended June 30, 2012, consisted of the following:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
Redevelopment Authority Fund	Hotel/Motel Tax Fund	\$ 450,000
Redevelopment Authority Fund	Electric Fund	300,000
Redevelopment Authority Fund	Nonmajor governmental funds	1,768,710
Convention Center Fund	Nonmajor governmental funds	1,125,200
Convention Center Fund	Electric Fund	4,555,243
Convention Center Fund	Hotel/Motel Tax Fund	5,600,000
General Fund	Nonmajor enterprise funds	53,800
General Fund	Hotel/Motel Tax Fund	1,201,822
General Fund	Electric Fund	1,500,000
Nonmajor enterprise funds	General Fund	128,687
Nonmajor governmental funds	General Fund	613,682
		<u>\$ 17,297,144</u>

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

Advances from/to other funds are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Electric Fund	Nonmajor governmental funds	\$ 2,682,070
Electric Fund	Redevelopment Authority Fund	10,511,494
Electric Fund	Convention Center Fund	5,313,264
Convention Center Fund	Redevelopment Authority Fund	2,118,726
General Fund	Redevelopment Authority Fund	1,674,267
General Fund	Nonmajor governmental funds	2,110,061
General Fund	Convention Center Fund	509,439
General Fund	Nonmajor enterprise funds	692,750
Redevelopment Authority Fund	General Fund	259,860
Nonmajor enterprise funds	General Fund	20
Nonmajor governmental funds	Redevelopment Authority Fund	1,117,430
Nonmajor governmental funds	Convention Center Fund	13,272
Nonmajor governmental funds	Nonmajor governmental funds	157,000
		<u>\$ 27,159,653</u>

## NOTES TO FINANCIAL STATEMENTS

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### **NOTE 12. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (CONTINUED)**

The Electric Fund and General Fund advanced money to cover declining revenues in prior fiscal periods. The Convention Center Fund and other nonmajor governmental funds advanced money to the Redevelopment Authority to cover for the shortfall of revenues as well as to provide funding for the acquisition of properties. All amounts are expected to be paid in more than one year through the increase of revenues and sale of properties for development throughout the City. During January 2013, the City established a repayment plan (as approved by the Mayor and City Council) for the Convention Center Fund, the Car Rental Tax Fund, and the Golf Course Fund which extends over a fifteen (15) to twenty (20) year period. The Convention Center Fund will repay advances to the General Fund and the Electric Fund over a twenty (20) year period at \$291,145 per year. The Car Rental Fund will repay advances from the Electric Fund and General Fund over a twenty (20) year period at \$238,589 per year. The Golf Course Fund will repay advances from the General Fund over a sixteen (16) period at \$43,297 per year.

### **NOTE 13. HOTEL/MOTEL LODGING TAX**

The City of College Park and Fulton County imposed a 3% tax on gross hotel occupancy revenues for the purpose of promoting tourism, conventions, and trade shows. In addition, the City has levied an additional 3% tax for the purpose of constructing and operating a convention center. For the fiscal year ended June 30, 2012, \$7,358,518 of hotel/motel tax was collected. Of the total collected, 100% was used for the promotion of tourism, conventions, and trade shows within the City (transferred to the City's Convention Center Fund and General Fund).

### **NOTE 14. RELATED ORGANIZATION**

The City's council is responsible for appointing all board members of the City of College Park Housing Authority. However, the City has no further accountability for this organization.

### **NOTE 15. JOINT VENTURES**

Under Georgia law, the City in conjunction with other cities and counties in the Metro Atlanta area is a member of the Atlanta Regional Commission (ARC). Membership in an 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 of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an ARC. Separate financial statements may be obtained from the Atlanta Regional Commission, 40 Courtland St NE, Atlanta, Georgia 30303.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 16. COMMITMENTS AND CONTINGENCIES

#### **Litigation**

The City is involved in several pending lawsuits. The nature of the lawsuits varies considerably. At fiscal year-end, the City was involved in negotiations with another municipality regarding the water main litigation. Management and the City's legal counsel have reached a tentative agreement with the other municipality resulting in a liability of \$8,585,637. The City has recorded this liability in the Water and Sewer Fund, all of which was expensed in prior fiscal years and of which no amount has been paid by the City as of June 30, 2012. In addition and as part of the settlement, the City is responsible for a pro-rata share of future project costs in an amount not to exceed approximately \$3.1 million. To date, the projects have not begun and thus no amounts have been recorded as expenses in the City's funds.

The City is involved in other litigation involving other parties in which claims are reasonably possible and estimable in the range of \$300,000 to \$500,000 which are not recorded on the face of the financial statements for governmental activities.

#### **Contractual Commitments**

For the fiscal year ended June 30, 2012, the City had active construction projects related to various construction projects. At fiscal year end, the City's commitments with contractors totaled approximately \$2,543,885.

#### **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.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 16. COMMITMENTS AND CONTINGENCIES (CONTINUED)

#### **Agreements with the Municipal Electric Authority of Georgia**

The Municipal Electric Authority of Georgia (MEAG) is a public corporation and an instrumentality of the State of Georgia created to supply electricity to local government electric distribution systems. As provided by State law, MEAG establishes rates and charges so as to produce revenues sufficient to cover its costs, including debt service, but it may not operate any of its projects for profit, unless any such profits inure to the benefit of the public.

As of June 30, 2012, the City is an electric utility participant in MEAG and obligated to purchase all of its bulk power supply requirements from MEAG for a period not to exceed 50 years. The City has agreed to purchase all of its future power and energy requirements in excess of that received by the City through the Southeastern Power Administration at prices intended to cover the operating costs of the systems and to retire any debt incurred by the Authority. In the event that revenues are insufficient to cover all costs and retire the outstanding debt, each participating City has guaranteed a portion of the unpaid debt based on their individual entitlement shares of the output and services of generating units acquired or constructed by MEAG. In addition, in the event of discontinued service to a participant in default, the City would be obligated to purchase additional power subject to contractual limitations. Payments to MEAG are made monthly based on KWH usage. The total payments under these contracts amounted to \$17,324,273 in 2012.

At June 30, 2012, the outstanding debt of MEAG was approximately \$4.63 billion. The City's guarantee varies by individual projects undertaken by MEAG and totals approximately \$192 million at June 30, 2012.

During fiscal year 2009, MEAG and MEAG's bond holders authorized the usage of Municipal Competitive Trust ("MCT") funds. The original intended use of the MCT funds were to reduce MEAG's costs and thus charge individual participants, such as the City of College Park, less in power on a monthly basis. The MCT funds were only to be used in response to remedy potential deregulation in the State of Georgia. Since deregulation has not occurred in the State of Georgia, MEAG and MEAG's bond holders authorized the usage of the MCT funds as if deregulation had actually occurred. As a result, the City of College Park will receive a credit reduction in its monthly purchased power invoice; effectively reducing the City's cost. The projected benefits of this reduction over the next eight (8) years as of June 30, 2012 are \$25,923,302.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 17. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. The City participates in a public entity risk pool, known as GIRMA, which operates as a common risk management and insurance program. GIRMA establishes and administers this public entity risk pool to prevent or lessen the incidence and severity of casualty and property losses occurring in the operations of the City. GIRMA is obligated to provide for the cost of claims and related interest incurred by the City along with the cost of investigating, negotiating and defending such claims. The City pays an insurance premium to GIRMA for coverage against these risks of loss. However, the City is partially self-insured for workers' compensation claims. The City has purchased insurance coverage for aggregate claims that exceed \$225,000 per year. Claims have not exceeded insurance coverage in the last three years. No significant reductions in insurance coverage occurred in the current fiscal year.

A liability for workers' compensation claims is recognized in the General Fund when it is probable that a loss has occurred and is due for payment. An accrual for claims incurred but not reported is estimated and accrued in the Governmental activities government-wide financial statement. The accrued claims liability includes related claim settlement costs.

The following describes the changes in the claims liability over the last two (2) fiscal years.

Fiscal Year	Beginning of Fiscal Year Claims Liability	Claims and Changes in Estimates	Claims Paid	End of Fiscal Year Claims Liability
2012	\$ 1,061,149	\$ 660,228	\$ (1,314,479)	\$ 406,898
2011	590,600	1,100,992	(630,443)	1,061,149

Reconciliation of Fiscal Year 2012 claims liability to the Changes in Long-Term Liabilities table on page 50:

General Fund claims payable incurred and reported as of fiscal year-end included in accrued liabilities total of \$626,324 on page 17.	\$ 26,237
Governmental Activities claims payable incurred but not reported as of fiscal year-end in total claims payable of \$380,661 as shown on page 50.	<u>380,661</u>
Total claims payable as of June 30, 2012.	<u><u>\$ 406,898</u></u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 18. NET INVESTMENT IN DIRECT FINANCING LEASE

In prior fiscal years, the City entered into two separate lease agreements with the FAA for two separate buildings constructed by the City for the FAA's use. The leases were accounted for as direct financing leases by the City in the FAA Project fund. The lease agreements require minimum monthly payments of \$64,543 and \$277,707, respectively, (including interest at 8.5% and 12% per annum, respectively, plus annual CPI escalations) over 20-year terms beginning December 1994 and September 1993, respectively. The following summarizes the components of the net investment in direct financing lease at June 30, 2012:

Minimum lease payment receivable	\$ 5,704,708
Less: Unearned income	(445,426)
Net investment in direct financing lease	<u>\$ 5,259,282</u>
Current portion	\$ 3,174,086
Long-term portion	2,085,196
Total	<u>\$ 5,259,282</u>

At June 30, 2012, the future minimum lease payments receivable are as follows:

<u>Fiscal year ending</u>	<u>Total Payment</u>
2013	\$ 4,107,000
2014	1,347,960
2015	249,748
Total	<u>\$ 5,704,708</u>

### NOTE 19. CONDUIT DEBT

On June 1, 2006, the City of College Park issued \$211,880,000 in taxable revenue bonds (Hartsfield-Jackson Atlanta International Airport Consolidated Rental Car Facility Project) Series 2006A for the purpose of funding the costs of acquiring, constructing, and installing a Consolidated Rental Agency Complex (the "RAC Complex") as part of a Consolidated Rental Car Facility (the "CONRAC") in order to serve the Hartsfield-Jackson Atlanta International Airport.

In addition, the City of College Park issued \$21,980,000 in taxable revenue bonds (Hartsfield-Jackson Atlanta International Airport Automated People Mover System Maintenance Facility Project), Series 2006B for the purpose of funding the costs of acquiring, constructing, and installing the maintenance and storage component of the Automated People Mover System (the "APM") which will provide transportation between the RAC Complex and the Airport terminals.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 19. CONDUIT DEBT (CONTINUED)

Both Series 2006A and Series 2006B taxable revenue bonds will be solely paid back by the City of Atlanta and is only being disclosed as conduit debt by the City of College Park, as the City of College Park has no obligations to make payments other than the \$8,000,000 discussed in Note 6.

The aggregate principal amounts outstanding as of June 30, 2012 for conduit debt issued by the City of College Park are as follows:

<u>Description</u>	<u>Amount Outstanding</u>
Hartsfield-Jackson Atlanta International Airport Consolidated Rental Car Facility Project, Series 2006A	\$ 186,135,000
Hartsfield-Jackson Atlanta International Airport Automated People Mover System Maintenance Facility Project, Series 2006B	18,745,000
Total	\$ 204,880,000

**Gateway Project** – As previously discussed in Note 6, during fiscal year 2009, the Redevelopment Authority Fund issued two bond series – one, the \$34,060,000 taxable revenue bonds Series 2008 were issued to help finance a hotel project, and the second, \$7,445,000 revenue bonds Series 2008A were issued to help finance an office building project. To finance the remaining portions of the costs to develop the hotel and office building projects, the Redevelopment Authority Fund entered into various loan agreements. These loan agreements are structured with the developer, a third party, being the source of repayment and meet the definition of conduit debt and therefore the underlying asset and liability are not reported within the City's financial statements as the City has no further obligation for the debt beyond the resources already provided. The terms of the conduit debt financing arrangements are discussed further below.

For the hotel project, the overall expected costs are expected to be \$136 million to be financed with \$33.5 million in Series 2008 Bond proceeds (described in the long-term debt footnote), a bank loan of up to \$76 million. The bank loan is secured by the property and construction in progress of the hotel project. All of the loans will be retired when the developer of the project exercises its purchase option on the hotel project or at the maturity date during fiscal year 2049; with interest accrued at a rate equal to 18% per annum. At June 30, 2012, total cost financed through these financing arrangements is \$92,422,099.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 19. CONDUIT DEBT (CONTINUED)

For the office project, the overall expected costs are expected to be \$24.1 million to be financed with \$7.3 million in Series 2008A Bond proceeds (described in the long-term debt footnote), a bank loan of up to \$13.2 million. The bank loan is secured by the property and construction in progress of the office project. All of the loans will be retired when the developer of the project exercises its purchase option on the office project or at the maturity date during fiscal year 2049; with interest accrued at a rate equal to 18% per annum. At June 30, 2012, total cost financed through this financing arrangement is \$15,759,498. Accrued interest on the hotel project and office project conduit debt financing arrangement is \$23,897,701 as of June 30, 2012.

<u>Description</u>	<u>Amount Outstanding</u>
Hotel Project, Series 2008A, 2008B, 2008C	\$ 92,422,099
Office Project, Series 2008B, 2008C	15,759,498
Accrued interest	23,897,701
Total	<u>\$ 132,079,298</u>

### NOTE 20. SUBSEQUENT EVENT

On August 30, 2013, the City entered into a tax anticipation note in the aggregate amount of \$5,000,000. The City of College, Georgia General Fund Tax Anticipation Note, Series 2012 (the "Note") shall bear interest at the rate of 0.60% per annum. The Note shall mature and interest shall be payable no later than December 31, 2013.

On November 5, 2013, the City entered into a purchase and sale agreement with L&R Investment Company to purchase certain real property known as 2600 Camp Creek Parkway. The City has agreed to assign to the College Park Business and Industrial Development Authority its rights to purchase the property. L&R Investment Company has agreed to construct a commercial development on its property and on the 2600 Camp Creek Parkway Property.

**CITY OF COLLEGE PARK, GEORGIA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**JUNE 30, 2012**

**Schedules of Funding Progress**

**Pension Plan:**

The information presented below is based on the annual actuarial valuations as of January 1 for the current fiscal year and the five (5) preceding fiscal years.

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets</b>	<b>Actuarial Accrued Liability (AAL)</b>	<b>Unfunded Actuarial Liabilities (UAAL)</b>	<b>Funded Ratio</b>	<b>Covered Payroll</b>	<b>UAAL as a Percentage of Covered Payroll</b>
2012	\$ 60,767,979	\$ 78,029,113	\$ (17,261,134)	77.9 %	\$ 16,626,930	103.8 %
2011	59,657,176	74,395,538	(14,738,362)	80.2	17,790,300	82.8
2010	57,046,016	72,190,632	(15,144,616)	79.0	18,412,627	82.3
2009	44,522,809	69,226,751	(24,703,942)	64.3	17,388,909	142.1
2008	52,986,675	65,014,235	(12,027,560)	81.5	16,215,473	74.2
2007	49,144,595	62,912,501	(13,767,906)	78.1	15,294,974	90.0

**Postretirement Benefits:**

The information presented below is based on the most recent actuarial valuations as of July 1 of the prior fiscal year.

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets</b>	<b>Actuarial Liabilities (AAL)</b>	<b>Unfunded Actuarial Liabilities (UAAL)</b>	<b>Funded Ratio</b>	<b>Covered Payroll</b>	<b>UAAL as a Percentage of Covered Payroll</b>
2011	\$ -	\$ 3,199,962	\$ (3,199,962)	0.0 %	N/A	N/A
2009	-	2,904,905	(2,904,905)	0.0	N/A	N/A
2008	-	3,460,957	(3,460,957)	0.0	N/A	N/A
2007	-	3,300,151	(3,300,151)	0.0	N/A	N/A

**COMBINING AND INDIVIDUAL  
FUND STATEMENTS  
AND SCHEDULES**

# CITY OF COLLEGE PARK, GEORGIA

## NONMAJOR GOVERNMENTAL FUNDS

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### SPECIAL REVENUE FUNDS

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

The **Car Rental Fund** – This fund is used to record the revenue and expenditure of taxes collected from the excise tax levied on rental cars in the City. The proceeds of this tax are restricted by State law for construction of convention centers, public safety, and recreation facilities.

The **Community Development Block Grant Fund** – This fund is used to report the revenue and expenditures of funds that are being utilized to construct and maintain certain City recreation facilities. These grant funds are restricted by the grantor agency.

The **Grants Fund** – This fund accounts for activities carried out by the City under the terms of various intergovernmental grants. Included in this fund is the Criminal Justice Block Grant which provides funds to be used by local governments for drug enforcement. These grant funds are restricted by the various grantor agencies.

The **Confiscated Drug Fund** – This fund accounts for the City's portion of cash condemned by Federal law enforcement officials through drug confiscations at Hartsfield-Jackson International Airport and is used to further general police enforcement activities. These funds are restricted by Federal law.

The **State Drug Fund** – This fund accounts for cash condemned by local law enforcement officials through drug confiscations and is used to further general police enforcement activities. These funds are restricted by State law.

The **E911 Fund** – This fund accounts for the revenues derived from the E911 surcharge levied on all telephones within the City and the payment of expenditures related to that purpose. Police Dispatch is also included in this fund and is financed through an operating transfer in from the General Fund. These funds are restricted by State law.

The **Newton Estates Improvement Fund** – This fund accounts for revenues and expenditures related to a Special District Tax in the Convention Center area. These funds are restricted by State law.

### CAPITAL PROJECTS FUNDS

The Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

The **Main Street Fund** - This fund accounts for the redevelopment of the City's Main Street. The Mayor and Council have appropriated \$300,000 for the purchase of properties and the renovation of those structures for ultimate resale to new businesses. Proceeds from sales are then reinvested in additional properties.

The **SPLOST Fund** - This fund accounts for proceeds of a sales tax levied in Clayton County, which will be used by the City for the exclusive purpose of capital outlay projects.

**CITY OF COLLEGE PARK, GEORGIA**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2012**

	Special Revenue Funds					Capital Projects Funds			Total Nonmajor Governmental Funds
	Community Development Block Grant Fund	Grants Fund	Confiscated Drug Fund	State Drug Fund	E 911 Fund	Newton Estates Improvement Fund	Main Street Fund	SPLOST Fund	
<b>ASSETS</b>									
Cash and cash equivalents	\$ 556,323	\$ 735,214	\$ 152,138	\$ 11,655	\$ 191,323	\$ 30,004	\$ 111,764	\$ 1,311,525	\$ 3,346,692
Taxes receivable, net of allowances	-	-	-	-	-	9,948	-	-	9,948
Accounts receivable	1,450,617	-	-	-	56,361	-	-	-	1,506,978
Due from other governments	-	103,807	-	-	-	-	-	82,688	186,495
Due to other funds	97,405	33,669	21,426	2,653	55,388	1,199	-	-	211,740
Prepaid items	-	250	-	-	7,671	-	479	-	8,400
Advances to other funds	1,287,702	-	-	-	-	-	-	-	1,287,702
<b>Total assets</b>	<b>\$ 3,392,047</b>	<b>\$ 872,940</b>	<b>\$ 173,564</b>	<b>\$ 14,308</b>	<b>\$ 310,743</b>	<b>\$ 41,151</b>	<b>\$ 112,243</b>	<b>\$ 1,394,213</b>	<b>\$ 6,557,955</b>
<b>LIABILITIES AND FUND BALANCES</b>									
<b>LIABILITIES</b>									
Accounts payable	\$ 305,345	\$ 151,034	\$ 2,102	\$ -	\$ 3,654	\$ -	\$ 1,645	\$ -	\$ 463,730
Accrued liabilities	-	-	-	-	2,134	-	-	-	2,134
Deferred revenue	1,450,617	16,422	-	-	-	607	-	-	1,467,646
Due to other funds	2,602	605,139	-	30,296	17,606	-	2,828	-	658,471
Advances from other funds	4,771,781	-	-	-	-	-	20,350	-	4,949,131
<b>Total liabilities</b>	<b>6,530,345</b>	<b>772,595</b>	<b>2,102</b>	<b>30,296</b>	<b>23,394</b>	<b>607</b>	<b>24,823</b>	<b>-</b>	<b>7,541,162</b>
<b>FUND BALANCES</b>									
Nonspendable:									
Prepaid items	-	250	-	-	7,671	-	479	-	8,400
Advances to other funds	1,287,702	-	-	-	-	-	-	-	1,287,702
Restricted:									
Law enforcement	-	-	-	-	-	-	-	-	171,462
Public safety	-	-	-	-	279,678	-	-	-	279,678
Liveable communities	-	-	-	-	-	-	-	-	89,746
Capital construction	-	-	-	-	-	40,544	-	1,394,213	1,434,757
Committed:									
Capital construction	-	-	-	-	-	-	86,941	-	86,941
Assigned:									
Grant matching requirements	-	100,095	-	-	-	-	-	-	100,095
Unassigned (deficits)	(4,426,000)	-	-	(15,988)	-	-	-	-	(4,441,988)
<b>Total fund balances (deficits)</b>	<b>(3,138,298)</b>	<b>100,345</b>	<b>171,462</b>	<b>(15,988)</b>	<b>287,349</b>	<b>40,544</b>	<b>87,420</b>	<b>1,394,213</b>	<b>(983,207)</b>
<b>Total liabilities and fund balances</b>	<b>\$ 3,392,047</b>	<b>\$ 872,940</b>	<b>\$ 173,564</b>	<b>\$ 14,308</b>	<b>\$ 310,743</b>	<b>\$ 41,151</b>	<b>\$ 112,243</b>	<b>\$ 1,394,213</b>	<b>\$ 6,557,955</b>

**CITY OF COLLEGE PARK, GEORGIA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	Special Revenue Funds							Capital Projects Funds			Total Nonmajor Governmental Funds
	Community Development Block Grant Fund	Grants Fund	Confiscated Drug Fund	State Drug Fund	E 911 Fund	Newton Estates Improvement Fund	Main Street Fund	SPLOST Fund			
<b>REVENUES</b>											
Taxes:											
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 108,956
Excise	2,543,178	-	-	-	-	-	-	-	-	-	2,543,178
Intergovernmental revenues	-	107,340	246,371	-	-	-	-	-	465,210	-	818,921
Fines and forfeitures	-	-	51,840	775	-	-	-	-	-	-	52,615
Charges for services	-	-	-	-	360,114	-	-	-	-	-	360,114
Interest income	790	152	367	128	12	142	68	-	788	-	2,510
Miscellaneous income	-	-	1,900	-	-	-	-	-	-	-	1,900
Total revenues	2,543,968	107,492	248,638	787	360,256	109,024	63	465,998	-	-	3,885,194
<b>EXPENDITURES</b>											
General government	-	-	-	-	-	-	-	-	-	-	202
Police	4,348	-	95,498	71,017	809,756	-	170	-	-	-	1,003,896
Building and grounds	-	-	175,771	-	-	-	-	-	-	-	175,771
Recreation	-	107,340	-	-	-	-	-	-	-	-	107,340
Housing and development	-	-	-	-	-	-	-	-	-	-	128,621
Total expenditures	4,348	107,340	271,269	71,017	809,756	-	128,621	-	-	-	1,286,621
Excess (deficiency) of revenues over (under) expenditures	2,539,620	152	(22,631)	(19,049)	(449,500)	109,024	(128,728)	465,966	-	-	2,472,364
<b>OTHER FINANCING SOURCES (USES)</b>											
Transfers in	-	-	-	-	493,560	-	120,122	-	-	-	613,682
Transfers out	(2,768,710)	-	-	-	-	(125,200)	-	-	-	-	(2,893,910)
Total other financing sources (uses)	(2,768,710)	-	-	-	493,560	(125,200)	120,122	-	-	-	(2,280,228)
Net change in fund balances	(229,090)	152	(22,631)	(19,049)	44,060	(16,176)	(8,606)	465,966	-	-	192,136
<b>FUND BALANCES (DEFICITS), beginning of fiscal year</b>	(2,909,208)	89,594	122,976	190,511	243,289	56,720	96,026	928,247	-	-	(1,175,343)
<b>FUND BALANCES (DEFICITS), end of fiscal year</b>	\$ (3,138,298)	\$ 89,746	\$ 100,345	\$ 171,462	\$ 287,349	\$ 40,544	\$ 87,420	\$ 1,394,213	\$ -	\$ -	\$ (983,207)

**CITY OF COLLEGE PARK, GEORGIA**

**CAR RENTAL SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes				
Excise taxes	\$ 2,486,777	\$ 2,486,777	\$ 2,543,178	\$ 56,401
Interest income	1,150	1,150	790	(360)
Total revenue	<u>2,487,927</u>	<u>2,487,927</u>	<u>2,543,968</u>	<u>56,041</u>
<b>EXPENDITURES</b>				
Current:				
Police	-	-	4,348	(4,348)
Debt service:				
Principal	<u>470,000</u>	<u>470,000</u>	-	<u>470,000</u>
Total expenditures	<u>470,000</u>	<u>470,000</u>	<u>4,348</u>	<u>465,652</u>
Excess of revenues over expenditures	<u>2,017,927</u>	<u>2,017,927</u>	<u>2,539,620</u>	<u>521,693</u>
<b>OTHER FINANCING USES</b>				
Transfers out	<u>(2,017,927)</u>	<u>(2,017,927)</u>	<u>(2,768,710)</u>	<u>(750,783)</u>
Net change in fund balances	-	-	(229,090)	(229,090)
<b>FUND BALANCES (DEFICITS), beginning of fiscal year</b>	<u>(2,909,208)</u>	<u>(2,909,208)</u>	<u>(2,909,208)</u>	<u>-</u>
<b>FUND BALANCES (DEFICITS), end of fiscal year</b>	<u>\$ (2,909,208)</u>	<u>\$ (2,909,208)</u>	<u>\$ (3,138,298)</u>	<u>\$ (229,090)</u>

**CITY OF COLLEGE PARK, GEORGIA**

**COMMUNITY DEVELOPMENT BLOCK GRANT SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ 108,355	\$ 107,340	\$ (1,015)
Interest income	-	-	152	152
Total revenue	-	108,355	107,492	(863)
<b>EXPENDITURES</b>				
Current:				
Culture and recreation	-	108,355	107,340	1,015
Total expenditures	-	108,355	107,340	1,015
Excess of revenues over expenditures	-	-	152	152
<b>FUND BALANCES, beginning of fiscal year</b>	89,594	89,594	89,594	-
<b>FUND BALANCES, end of fiscal year</b>	<u>\$ 89,594</u>	<u>\$ 89,594</u>	<u>\$ 89,746</u>	<u>\$ 152</u>

**CITY OF COLLEGE PARK, GEORGIA**

**GRANTS SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 3,022,888	\$ 3,228,660	\$ 246,371	\$ (2,982,289)
Interest income	-	-	367	367
Miscellaneous	-	-	1,900	1,900
Total revenue	<u>3,022,888</u>	<u>3,228,660</u>	<u>248,638</u>	<u>(2,980,022)</u>
<b>EXPENDITURES</b>				
Current:				
Police	331,940	381,940	95,498	286,442
Buildings and grounds	2,650,948	2,806,720	175,771	2,630,949
Highways and streets	40,000	40,000	-	40,000
Total expenditures	<u>3,022,888</u>	<u>3,228,660</u>	<u>271,269</u>	<u>2,957,391</u>
Deficiency of revenues under expenditures	-	-	(22,631)	(22,631)
<b>FUND BALANCES, beginning of fiscal year</b>	<u>122,976</u>	<u>122,976</u>	<u>122,976</u>	<u>-</u>
<b>FUND BALANCES, end of fiscal year</b>	<u>\$ 122,976</u>	<u>\$ 122,976</u>	<u>\$ 100,345</u>	<u>\$ (22,631)</u>

**CITY OF COLLEGE PARK, GEORGIA**

**CONFISCATED DRUG SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Fines and forfeitures	\$ 76,390	\$ 76,390	\$ 51,840	\$ (24,550)
Interest income	60	60	128	68
Total revenue	<u>76,450</u>	<u>76,450</u>	<u>51,968</u>	<u>(24,482)</u>
<b>EXPENDITURES</b>				
Current:				
Police	<u>76,450</u>	<u>76,450</u>	<u>71,017</u>	<u>5,433</u>
Deficiency of revenues under expenditures	-	-	(19,049)	(19,049)
<b>FUND BALANCES, beginning of fiscal year</b>	<u>190,511</u>	<u>190,511</u>	<u>190,511</u>	<u>-</u>
<b>FUND BALANCES, end of fiscal year</b>	<u>\$ 190,511</u>	<u>\$ 190,511</u>	<u>\$ 171,462</u>	<u>\$ (19,049)</u>

**CITY OF COLLEGE PARK, GEORGIA**

**STATE DRUG SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Fines and forfeitures	\$ 16,800	\$ 16,800	\$ 775	\$ (16,025)
Interest income	-	-	12	12
Total revenue	<u>16,800</u>	<u>16,800</u>	<u>787</u>	<u>(16,013)</u>
<b>EXPENDITURES</b>				
Current:				
Police	<u>16,800</u>	<u>16,800</u>	<u>23,277</u>	<u>(6,477)</u>
Deficiency of revenues under expenditures	-	-	(22,490)	(22,490)
<b>FUND BALANCES, beginning of fiscal year</b>	<u>6,502</u>	<u>6,502</u>	<u>6,502</u>	<u>-</u>
<b>FUND BALANCES (deficits), end of fiscal year</b>	<u>\$ 6,502</u>	<u>\$ 6,502</u>	<u>\$ (15,988)</u>	<u>\$ (22,490)</u>

**CITY OF COLLEGE PARK, GEORGIA**

**E911 SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Charges for services	\$ 320,000	\$ 320,000	\$ 360,114	\$ 40,114
Interest income	160	160	142	(18)
Total revenue	<u>320,160</u>	<u>320,160</u>	<u>360,256</u>	<u>40,096</u>
<b>EXPENDITURES</b>				
Current:				
Police	<u>813,720</u>	<u>813,720</u>	<u>809,756</u>	<u>3,964</u>
Deficiency of revenues under expenditures	(493,560)	(493,560)	(449,500)	44,060
<b>OTHER FINANCING SOURCES</b>				
Transfers in	<u>493,560</u>	<u>493,560</u>	<u>493,560</u>	<u>-</u>
Net change in fund balances	-	-	44,060	44,060
<b>FUND BALANCES, beginning of fiscal year</b>	<u>243,289</u>	<u>243,289</u>	<u>243,289</u>	<u>-</u>
<b>FUND BALANCES, end of fiscal year</b>	<u>\$ 243,289</u>	<u>\$ 243,289</u>	<u>\$ 287,349</u>	<u>\$ 44,060</u>

**CITY OF COLLEGE PARK, GEORGIA**

**NEWTON ESTATES IMPROVEMENT SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes				
Property taxes	\$ 125,100	\$ 125,100	\$ 108,956	\$ (16,144)
Interest income	100	100	68	(32)
Total revenue	<u>125,200</u>	<u>125,200</u>	<u>109,024</u>	<u>(16,176)</u>
<b>OTHER FINANCING USES</b>				
Transfers out	<u>(125,200)</u>	<u>(125,200)</u>	<u>(125,200)</u>	<u>-</u>
Net change in fund balances	-	-	(16,176)	(16,176)
<b>FUND BALANCES, beginning of fiscal year</b>	<u>56,720</u>	<u>56,720</u>	<u>56,720</u>	<u>-</u>
<b>FUND BALANCES, end of fiscal year</b>	<u>\$ 56,720</u>	<u>\$ 56,720</u>	<u>\$ 40,544</u>	<u>\$ (16,176)</u>

# CITY OF COLLEGE PARK, GEORGIA

## NONMAJOR PROPRIETARY FUNDS

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### ENTERPRISE FUNDS

Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

The **FAA Project Fund** – This fund is used to account for the lease of office buildings to the General Services Administration of the federal government and used for the FAA regional headquarters. This fund also accounts for the operating activities of these buildings.

The **Sanitation Fund** – This fund is used to report the collection of revenues to pay for the cost of sanitation services provided to the citizens of College Park.

The **Stormwater Fund** – This fund, which was established during fiscal year 2008, is used to report the collection of revenues to pay for the cost of stormwater management provided to the citizens of College Park.

The **Golf Course Fund** – This fund, which was established during fiscal year 2007, is used to report the revenues and expenses generated or incurred through golf course activities.

**CITY OF COLLEGE PARK, GEORGIA**

**COMBINING STATEMENT OF NET ASSETS  
NONMAJOR PROPRIETARY FUNDS**

**JUNE 30, 2012**

	<b>Business-type Activities - Nonmajor Enterprise Funds</b>				
	<b>FAA Project Fund</b>	<b>Sanitation Fund</b>	<b>Stormwater Fund</b>	<b>Golf Course Fund</b>	<b>Total Nonmajor Enterprise Funds</b>
<b>ASSETS</b>					
Current assets					
Cash and cash equivalents	\$ 2,830,430	\$ 202,488	\$ 570,873	\$ 33,854	\$ 3,637,645
Investments in lease, current portion	3,174,086	-	-	-	3,174,086
Receivables:					
Utility charges (net of allowance for uncollectible accounts)	-	285,414	61,583	-	346,997
Other receivables	-	-	-	15,036	15,036
Due from other funds	4,340	170,693	46,045	-	221,078
Prepaid items	-	21,902	5,058	-	26,960
Restricted:					
Cash	31,192	-	270,000	-	301,192
Investments	2,600,376	-	-	-	2,600,376
Total current assets	<u>8,640,424</u>	<u>680,497</u>	<u>953,559</u>	<u>48,890</u>	<u>10,323,370</u>
Noncurrent assets					
Investment in long term lease	2,085,196	-	-	-	2,085,196
Advances to other funds	20	-	-	-	20
Deferred charges	83,963	-	-	-	83,963
Capital assets:					
Building and improvements	4,563,798	22,592	-	878,696	5,465,086
Infrastructure	-	-	9,154,411	-	9,154,411
Autos and trucks	-	2,813,436	419,634	-	3,233,070
Other equipment	25,532	183,242	-	-	208,774
Less accumulated depreciation	(2,462,973)	(1,909,409)	(1,777,633)	(157,702)	(6,307,717)
Total capital assets (net of accumulated depreciation)	<u>2,126,357</u>	<u>1,109,861</u>	<u>7,796,412</u>	<u>720,994</u>	<u>11,753,624</u>
Total noncurrent assets	<u>4,295,536</u>	<u>1,109,861</u>	<u>7,796,412</u>	<u>720,994</u>	<u>13,922,803</u>
Total assets	<u>12,935,960</u>	<u>1,790,358</u>	<u>8,749,971</u>	<u>769,884</u>	<u>24,246,173</u>
<b>LIABILITIES</b>					
Current liabilities payable from nonrestricted assets					
Accounts payable	214,773	71,492	600	-	286,865
Accrued liabilities	-	54,200	22,254	-	76,454
Due to other funds	-	502,444	325,783	-	828,227
Total current liabilities payable from non restricted current assets	<u>214,773</u>	<u>628,136</u>	<u>348,637</u>	<u>-</u>	<u>1,191,546</u>
Current liabilities payable from restricted assets					
Accrued interest on bonds and notes	72,544	-	4,846	-	77,390
Notes payable within one year	-	-	75,991	-	75,991
Revenue bonds payable within one year	3,790,000	-	-	-	3,790,000
Total current liabilities payable from non restricted current assets	<u>3,862,544</u>	<u>-</u>	<u>80,837</u>	<u>-</u>	<u>3,943,381</u>
Total current liabilities	<u>4,077,317</u>	<u>628,136</u>	<u>429,474</u>	<u>-</u>	<u>5,134,927</u>
Noncurrent liabilities					
Advances from other funds	-	-	-	692,750	692,750
Notes payable	-	-	1,862,400	-	1,862,400
Revenue bonds payable in more than one year	4,656,426	-	-	-	4,656,426
Total noncurrent liabilities	<u>4,656,426</u>	<u>-</u>	<u>1,862,400</u>	<u>692,750</u>	<u>7,211,576</u>
Total liabilities	<u>8,733,743</u>	<u>628,136</u>	<u>2,291,874</u>	<u>692,750</u>	<u>12,346,503</u>
<b>NET ASSETS</b>					
Invested in capital assets, net of related debt	(1,060,787)	1,109,861	5,858,021	720,994	6,628,089
Restricted for capital projects	2,600,376	-	-	-	2,600,376
Restricted for debt service	31,192	-	270,000	-	301,192
Unrestricted (deficit)	2,631,436	52,361	330,076	(643,860)	2,370,013
Total net assets	<u>\$ 4,202,217</u>	<u>\$ 1,162,222</u>	<u>\$ 6,458,097</u>	<u>\$ 77,134</u>	<u>\$ 11,899,670</u>

**CITY OF COLLEGE PARK, GEORGIA**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS**  
**NONMAJOR PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	<u>Business-type Activities - Enterprise Funds</u>				<u>Total Nonmajor Enterprise Funds</u>
	<u>FAA Project Fund</u>	<u>Sanitation Fund</u>	<u>Stormwater Fund</u>	<u>Golf Course Fund</u>	
<b>OPERATING REVENUES</b>					
Charges for services	\$ 1,377,352	\$ 2,375,413	\$ 811,618	\$ 44,496	\$ 4,608,879
Other	-	64,167	-	2,321	66,488
Total operating revenue	<u>1,377,352</u>	<u>2,439,580</u>	<u>811,618</u>	<u>46,817</u>	<u>4,675,367</u>
<b>OPERATING EXPENSES</b>					
Cost of services	-	516,028	87,390	1,939	605,357
Personal services	-	1,405,085	245,239	-	1,650,324
Depreciation	216,144	288,601	289,644	35,148	829,537
Other operating expenses	1,823,024	584,069	-	-	2,407,093
Total operating expenses	<u>2,039,168</u>	<u>2,793,783</u>	<u>622,273</u>	<u>37,087</u>	<u>5,492,311</u>
Net operating income (loss)	<u>(661,816)</u>	<u>(354,203)</u>	<u>189,345</u>	<u>9,730</u>	<u>(816,944)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Amortization of deferred issuance cost	(285,207)	-	-	-	(285,207)
Interest income	783,247	203	323	-	783,773
Interest expense	(367,550)	-	(54,156)	-	(421,706)
Total nonoperating revenue (expenses)	<u>130,490</u>	<u>203</u>	<u>(53,833)</u>	<u>-</u>	<u>76,860</u>
Income (loss) before capital contributions and transfers	(531,326)	(354,000)	135,512	9,730	(740,084)
Capital contributions	-	-	211	-	211
Transfers in	128,687	-	-	-	128,687
Transfers out	-	(7,400)	-	(46,400)	(53,800)
Change in net assets	<u>(402,639)</u>	<u>(361,400)</u>	<u>135,723</u>	<u>(36,670)</u>	<u>(664,986)</u>
<b>Total net assets, beginning</b>	<u>4,604,856</u>	<u>1,523,622</u>	<u>6,322,374</u>	<u>113,804</u>	<u>12,564,656</u>
<b>Total net assets, ending</b>	<u>\$ 4,202,217</u>	<u>\$ 1,162,222</u>	<u>\$ 6,458,097</u>	<u>\$ 77,134</u>	<u>\$ 11,899,670</u>

**CITY OF COLLEGE PARK, GEORGIA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**NONMAJOR PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	<b>Business-type Activities - Nonmajor Enterprise Funds</b>				
	<b>FAA Fund</b>	<b>Sanitation Fund</b>	<b>Stormwater Fund</b>	<b>Golf Course Fund</b>	<b>Total Nonmajor Enterprise Funds</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Receipts from customers and users	\$ 1,377,352	\$ 2,472,043	\$ 829,809	\$ 44,961	\$ 4,724,165
Payments to suppliers	(1,677,146)	(933,903)	(87,775)	(1,939)	(2,700,763)
Payments to employees	-	(1,470,574)	(255,446)	-	(1,726,020)
Net cash provided (used) by operating activities	<u>(299,794)</u>	<u>67,566</u>	<u>486,588</u>	<u>43,022</u>	<u>297,382</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>					
Transfers in	128,687	-	-	-	128,687
Transfers out	-	(7,400)	-	(46,400)	(53,800)
Net cash provided (used) by non-capital financing activities	<u>128,687</u>	<u>(7,400)</u>	<u>-</u>	<u>(46,400)</u>	<u>74,887</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Cash proceeds received from issuance of debt	8,960,000	-	-	-	8,960,000
Proceeds received from capital grant	-	-	210	-	210
Deposit with escrow agent on debt refunding	(8,796,577)	-	-	-	(8,796,577)
Payment of debt issuance costs	(161,600)	-	-	-	(161,600)
Principal paid on capital debt	(3,340,000)	-	(61,609)	-	(3,401,609)
Interest paid on capital debt	(457,482)	-	(90,320)	-	(547,802)
Acquisition and construction of capital assets	(9,949)	(129,201)	(59,505)	-	(198,655)
Net cash used by capital and related financing activities	<u>(3,805,608)</u>	<u>(129,201)</u>	<u>(211,224)</u>	<u>-</u>	<u>(4,146,033)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Purchase of securities	151,303	-	-	-	151,303
Interest on investments	783,247	203	323	-	783,773
Payments received on financing lease	3,324,821	-	-	-	3,324,821
Net cash provided by investing activities	<u>4,259,371</u>	<u>203</u>	<u>323</u>	<u>-</u>	<u>4,259,897</u>
Net increase (decrease) in cash and cash equivalents	282,656	(68,832)	275,687	(3,378)	486,133
Cash and cash equivalents at beginning of fiscal year	2,578,966	271,320	565,186	37,232	3,452,704
Cash and cash equivalents at end of fiscal year	<u>\$ 2,861,622</u>	<u>\$ 202,488</u>	<u>\$ 840,873</u>	<u>\$ 33,854</u>	<u>\$ 3,938,837</u>
Unrestricted cash and cash equivalents	\$ 2,830,430	\$ 202,488	\$ 570,873	\$ 33,854	\$ 3,637,645
Restricted cash and cash equivalents	31,192	-	270,000	-	301,192
	<u>\$ 2,861,622</u>	<u>\$ 202,488</u>	<u>\$ 840,873</u>	<u>\$ 33,854</u>	<u>\$ 3,938,837</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>					
Operating income (loss)	\$ (661,816)	\$ (354,203)	\$ 189,345	\$ 9,730	\$ (816,944)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation expense	216,144	288,601	289,644	35,148	829,537
Changes in assets and liabilities					
(Increase) decrease in:					
Accounts receivable	-	32,463	18,191	(1,856)	48,798
Prepaid items	-	(22)	(79)	-	(101)
Due from other funds	(4,340)	(55,803)	(1,302)	-	(61,445)
Increase (decrease) in:					
Accounts payable	150,218	65,456	(5,309)	-	210,365
Accrued liabilities	-	(65,489)	(10,207)	-	(75,696)
Due to other funds	-	156,563	6,305	-	162,868
Net cash provided (used) by operating activities	<u>\$ (299,794)</u>	<u>\$ 67,566</u>	<u>\$ 486,588</u>	<u>\$ 43,022</u>	<u>\$ 297,382</u>

# CITY OF COLLEGE PARK, GEORGIA

## FIDUCIARY FUND

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### AGENCY FUND

The **Municipal Court** – This fund was established to account for the receipt and disbursement of bonds (posted to secure release of individuals charged with various crimes) and court-ordered fines and fees made on behalf of third parties.

**CITY OF COLLEGE PARK, GEORGIA**

**MUNICIPAL COURT AGENCY FUND  
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

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	<u>June 30, 2011</u>	<u>Additions</u>	<u>Deductions</u>	<u>June 30, 2012</u>
<b>ASSETS</b>				
Cash	\$ 215,441	\$ 2,909,251	\$ 2,843,589	\$ 281,103
Total assets	<u>\$ 215,441</u>	<u>\$ 2,909,251</u>	<u>\$ 2,843,589</u>	<u>\$ 281,103</u>
<b>LIABILITIES</b>				
Due to others	\$ 215,441	\$ 2,909,251	\$ 2,843,589	\$ 281,103
Total liabilities	<u>\$ 215,441</u>	<u>\$ 2,909,251</u>	<u>\$ 2,843,589</u>	<u>\$ 281,103</u>

**CITY OF COLLEGE PARK, GEORGIA**  
**SCHEDULE OF PROJECTS CONSTRUCTED**  
**WITH SPECIAL SALES TAX PROCEEDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

Project	Expenditures				Estimated Percentage of Completion (3)
	Original Estimated Cost (4)	Revised Estimated Cost (4)	Prior Years	Current Year	
Public Safety (1)	\$ 2,700,000	\$ 2,700,000	\$ 30,882	\$ 32	1.14%
Public Works (2)	200,000	200,000	-	-	0.00%
<b>Totals</b>	<b>\$ 2,900,000</b>	<b>\$ 2,900,000</b>	<b>\$ 30,882</b>	<b>\$ 32</b>	<b>1.07%</b>
				<b>Total</b>	
				\$ 30,914	
				-	

(1) Fire Station #2, land acquisition, design and construction, FF&E, fire suppression vehicles, ambulances.

(2) Two Rear loader (25-yard high) Garbage Trucks.

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

(4) Unaudited

**STATISTICAL SECTION**  
(Unaudited)

# CITY OF COLLEGE PARK, GEORGIA

## STATISTICAL SECTION

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

**Page**

**Financial Trends..... 82**

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..... 88**

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

**Debt Capacity..... 96**

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..... 101**

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..... 103**

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

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year. The City implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

**SCHEDULE 1**  
**CITY OF COLLEGE PARK, GEORGIA**  
**Net Assets by Component**  
**Last Ten Fiscal Years**  
**(Accrual basis of accounting)**  
**(amounts expressed in thousands)**

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Governmental activities</b>										
Invested in capital assets, net of related debt	\$ 26,750	\$ 31,874	\$ 41,417	\$ 45,026	\$ 45,038	\$ 41,005	\$ 43,188	\$ 43,720	\$ 43,764	\$ 42,178
Restricted	8,689	6,028	384	304	283	291	315	458	2,923	3,659
Unrestricted	22,686	25,368	22,588	19,955	26,809	30,542	27,365	24,630	21,493	23,441
<b>Total governmental activities net assets</b>	<b>\$ 56,135</b>	<b>\$ 63,270</b>	<b>\$ 64,389</b>	<b>\$ 65,285</b>	<b>\$ 72,130</b>	<b>\$ 71,838</b>	<b>\$ 70,868</b>	<b>\$ 68,808</b>	<b>\$ 68,180</b>	<b>\$ 69,278</b>
<b>Business-type activities</b>										
Invested in capital assets, net of related debt	68,888	69,198	56,659	54,101	46,332	52,621	54,545	64,414	74,710	74,329
Restricted	8,142	7,600	21,053	21,597	12,658	8,363	3,574	3,574	3,460	3,681
Unrestricted (deficit)	22,695	19,566	16,694	23,648	31,646	37,210	30,853	10,686	(3,799)	(5,882)
<b>Total business-type activities net assets</b>	<b>\$ 99,725</b>	<b>\$ 96,364</b>	<b>\$ 94,406</b>	<b>\$ 99,346</b>	<b>\$ 90,636</b>	<b>\$ 98,194</b>	<b>\$ 88,972</b>	<b>\$ 78,675</b>	<b>\$ 74,371</b>	<b>\$ 72,128</b>
<b>Primary government</b>										
Invested in capital assets, net of related debt	95,638	101,072	98,076	100,127	91,370	93,626	97,733	108,134	118,474	116,507
Restricted	16,841	13,628	21,437	21,901	12,941	8,654	3,889	4,032	6,383	7,340
Unrestricted	45,381	44,934	39,282	43,603	58,455	67,752	58,238	35,216	17,694	17,559
<b>Total primary government net assets</b>	<b>\$ 157,860</b>	<b>\$ 159,634</b>	<b>\$ 156,795</b>	<b>\$ 165,631</b>	<b>\$ 162,766</b>	<b>\$ 170,032</b>	<b>\$ 159,860</b>	<b>\$ 147,483</b>	<b>\$ 142,551</b>	<b>\$ 141,406</b>

**SCHEDULE 2**  
**CITY OF COLLEGE PARK, GEORGIA**  
**Changes in Net Assets**  
**Last Ten Fiscal Years**  
**(Accrual basis of accounting)**  
**(amounts expressed in thousands)**

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Expenses</b>										
Governmental activities:										
General government	2,602	2,898	2,679	3,063	4,023	5,096	4,680	5,668	5,024	6,248
Public safety	13,216	13,130	14,453	16,846	14,752	16,575	19,038	18,994	17,784	18,420
Recreation	1,466	1,573	1,724	1,772	1,638	2,079	2,091	1,944	2,355	2,365
Inspection	230	224	288	295	333	418	491	481	465	412
Engineering	227	212	219	268	247	253	240	323	397	327
Building and grounds	978	1,126	659	1,060	986	848	1,142	1,376	1,080	997
Parks	189	246	301	275	406	322	300	578	531	401
Highways and streets	1,558	1,582	2,340	1,747	1,561	1,237	1,945	1,663	1,562	1,492
Housing and development	-	-	-	-	-	65	80	185	524	341
Non-departmental	990	739	-	-	-	-	-	-	-	-
Interest on long-term debt	-	-	6	5	8	22	33	19	7	-
Total governmental activities expenses	21,456	21,730	22,639	25,351	23,954	26,915	30,040	31,131	29,729	31,003
Business-type activities:										
Electric	20,191	20,047	17,343	14,772	18,766	17,747	18,350	20,471	21,488	23,869
Water and sewer	5,259	4,961	5,645	5,495	6,014	9,892	9,501	10,573	7,723	8,935
Convention center	11,092	14,507	15,494	14,175	15,414	15,289	15,169	15,020	14,988	14,791
FAA projects	3,578	3,844	4,076	3,946	3,584	3,353	3,400	3,652	5,991	2,692
Redevelopment	508	385	1,179	1,183	11,353	2,808	2,708	5,810	2,911	5,988
Sanitation	2,315	2,141	2,224	2,397	2,756	2,539	2,708	2,789	2,739	2,794
Stormwater	-	-	-	-	-	346	572	558	724	677
Golf course	-	-	-	-	10	74	25	32	47	37
Total business-type activities expenses	42,943	45,885	45,961	41,968	57,897	52,048	55,369	58,905	56,611	59,183
<b>Program Revenues</b>										
Governmental activities										
Charges for services:										
General government	2,042	1,925	1,976	2,126	2,002	2,336	2,306	1,730	2,351	2,934
Public safety	2,017	2,595	2,164	2,535	2,702	2,800	2,574	2,085	1,710	2,559
Recreation	316	316	276	302	301	282	325	349	351	352
Operating grants and contributions	620	519	573	451	428	508	109	1,152	335	210
Capital grants and contributions	680	1,036	560	1,434	313	-	157	-	1,269	1,048
Total governmental activities program revenues	5,675	6,391	5,549	6,848	5,746	5,926	5,471	5,316	6,016	7,103
Business-type activities										
Charges for services:										
Electric	20,918	21,791	21,649	20,543	20,744	27,341	20,564	21,296	23,613	25,429
Water and sewer	5,038	5,199	5,326	6,477	7,886	8,290	7,364	7,844	8,808	9,063
Convention center	4,686	5,655	6,499	6,720	6,796	5,983	5,563	4,546	6,689	6,744
FAA projects	1,044	1,073	1,465	1,331	810	1,212	1,212	1,389	1,322	1,377
Redevelopment	194	44	97	-	1	196	632	909	1,673	1,928
Sanitation	2,201	2,317	2,221	2,457	2,652	2,754	2,683	2,706	2,732	2,440
Stormwater	-	-	-	-	-	622	654	3,725	832	812
Golf course	-	-	-	-	-	116	50	35	45	46
Capital grants and contributions	-	-	-	-	-	-	-	-	20	690
Total business-type activities program revenues	34,081	36,079	37,257	37,528	38,889	46,517	38,722	42,450	45,734	48,529
Total primary government program revenues	39,756	42,470	42,806	44,376	44,635	52,443	44,193	47,766	51,750	55,632
Net (expense)/revenue	(15,781)	(15,339)	(17,090)	(18,503)	(18,208)	(20,989)	(24,569)	(25,815)	(23,713)	(23,900)
Governmental activities	(8,862)	(9,806)	(8,704)	(4,440)	(19,008)	(5,531)	(16,647)	(16,455)	(10,877)	(10,654)
Business-type activities	(24,643)	(25,145)	(25,794)	(22,943)	(37,216)	(26,520)	(41,216)	(42,270)	(34,590)	(34,554)
Total primary government net expense										



**SCHEDULE 3**  
**CITY OF COLLEGE PARK, GEORGIA**  
**Governmental Activities Tax Revenues by Source**  
**Last Ten Fiscal Years**  
**(Accrual basis of accounting)**  
**(amounts expressed in thousands)**

Fiscal Year	Property Tax	Car Rental Tax	Hotel/Motel Tax	Alcoholic Beverage Tax	Sales Tax	Franchise Tax	Insurance Premium Tax	Total
2003	8,554	2,083	4,085	675	4,565	781	812	21,555
2004	8,608	2,198	4,082	700	4,436	593	875	21,492
2005	9,645	1,748	4,548	681	4,664	639	949	22,874
2006	8,532 (1)	2,708 (2)	5,343	742	5,314	808	1,021	24,468
2007	12,045 (3)	2,709	5,429	759	5,554	706	1,068	28,270
2008	11,703	2,764	6,040	797	5,604	892	1,114	28,914
2009	11,655	2,622	5,167	782	4,811	945	1,141	27,123
2010	11,668	3,879 (4)	4,967	729	4,885	834	1,130	28,092
2011	11,126	3,949	5,563	843	4,897	771	1,097	28,246
2012	13,472 (5)	2,510	7,359	814	5,375	2,248 (6)	654	32,433

Notes:

- (1) Property taxes decreased from 2005 due to the bankruptcy of the City's largest taxpayer, Delta Airlines, Inc.
- (2) Car rental taxes increased from 2005 because of a favorable arbitration ruling as to how these taxes are allocated to the City of College Park, Georgia.
- (3) Property taxes increased from 2006 due to the subsequent recovery of property taxes out of bankruptcy proceedings from Delta Airlines, Inc.
- (4) Car rental taxes increased from 2009 due to the City's accounting for disbursements received subsequent to fiscal year-end.
- (5) Property taxes increase as a result of a decrease in taxpayers' appeal settlements.
- (6) Franchise taxes increased as a result of a 5 mil franchise increase.

**SCHEDULE 4**  
**CITY OF COLLEGE PARK, GEORGIA**  
**Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**

(Modified accrual basis of accounting)  
(amounts expressed in thousands)

	2003	2004	2005	2006	2007	2008	2009	2010	2011***	2012
General fund	\$ 496	\$ 633	\$ 463	\$ 611	\$ 320	\$ 165	\$ 483	\$ 3,876	\$ -	\$ -
Reserved	19,897	20,259	21,063	21,463	22,183	24,228	20,105	12,148	-	-
Unreserved	-	-	-	-	-	-	-	-	3,938	5,638
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-	2,095	2,974
Assigned	-	-	-	-	-	-	-	-	7,268	5,580
Unassigned	-	-	-	-	-	-	-	-	-	-
Total general fund	\$ 20,393	\$ 20,892	\$ 21,526	\$ 22,074	\$ 22,503	\$ 24,393	\$ 20,588	\$ 16,024	\$ 13,300	\$ 14,192
All other governmental funds										
Reserved	\$ 8,699	\$ 6,028	\$ 384 *	\$ 304	\$ 283	\$ 291	\$ 331	\$ 906	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	638	403	(3,180) **	(6,825) **	(9,692)	(10,180)	(2,043)	(2,683)	-	-
Capital projects funds	64	116	116	116	116	51	25	561	-	-
Nonspendable	-	-	-	-	-	-	-	-	607	1,296
Restricted	-	-	-	-	-	-	-	-	2,922	3,659
Committed	-	-	-	-	-	-	-	-	-	87
Assigned	-	-	-	-	-	-	-	-	218	100
Unassigned	-	-	-	-	-	-	-	-	(3,506)	(4,442)
Total all other government funds	\$ 9,401	\$ 6,547	\$ (2,680)	\$ (6,405)	\$ (9,293)	\$ (9,838)	\$ (1,687)	\$ (1,216)	\$ 241	\$ 700

Notes:

\* Restricted funds decreased due to GICC Building and Infrastructure bond payments.

\*\* The Unassigned, reported in Special Revenue Funds decreased due to the Public Safety Building construction expenditures charged to the Car Rental Tax project in Fiscal Years 2005 and 2006.

\*\*\*The City implemented Governmental Accounting Standards Board (GASB) Statement No. 54 in fiscal year 2011.

**SCHEDULE 5**  
**CITY OF COLLEGE PARK, GEORGIA**  
**Changes in Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(Modified accrual basis of accounting)**  
**(amounts expressed in thousands)**

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Revenues</b>										
Taxes	\$ 21,501	\$ 21,542	\$ 22,889	\$ 24,443	\$ 23,741	\$ 27,826	\$ 34,941	\$ 27,042	\$ 28,258	\$ 32,699
Licenses and permits	2,042	1,928	1,976	2,126	2,001	2,337	2,306	1,730	2,351	2,934
Intergovernmental	1,262	1,487	1,133	1,886	740	508	266	680	1,481	1,257
Fines and forfeitures	1,722	2,362	1,910	2,271	2,456	2,541	2,283	1,728	1,375	2,141
Charges for services	605	569	530	566	548	541	616	706	686	770
Interest income	274	236	405	487	974	753	1,214	53	10	6
Other revenues	210	106	69	198	89	104	75	51	197	79
Total Revenues	\$ 27,616	\$ 28,230	\$ 28,912	\$ 31,977	\$ 30,549	\$ 34,610	\$ 41,701	\$ 32,000	\$ 34,358	\$ 39,886
<b>Expenditures</b>										
General government	2,552	2,859	2,742	3,179	4,050	4,745	5,132	5,197	4,654	6,755
Public safety	12,871	12,634	24,260	21,796	15,772	18,113	18,767	18,279	17,262	18,274
Inspection	228	218	256	298	373	428	489	483	480	430
Engineering	225	211	223	273	303	259	236	321	398	338
Recreation	1,419	1,516	1,699	2,617	1,803	2,209	2,170	3,801	2,570	2,531
Parks and grounds	1,150	1,295	1,890	1,529	1,537	1,108	3,651	1,765	1,646	1,241
Streets	888	904	1,631	1,045	1,365	1,178	1,656	1,228	888	1,094
Housing and development	-	-	-	-	-	65	71	177	1,999	353
Contractual	810	739	-	-	-	-	-	-	-	-
Capital outlay	1,889	6,771	-	-	-	-	-	-	-	-
Debt service:										
Principal	-	-	35	39	45	377	357	359	352	352
Interest	-	-	6	5	8	22	32	20	8	8
Total Expenditures	\$ 22,032	\$ 27,147	\$ 32,742	\$ 30,781	\$ 25,256	\$ 28,504	\$ 32,561	\$ 31,630	\$ 30,257	\$ 31,016
<b>Other financing sources (uses)</b>										
Capital leases	-	42	51	-	75	1,364	-	-	-	-
Proceeds from sale capital assets	-	216	44	385	-	347	49	-	-	-
Transfers in	1,702	1,958	2,758	2,768	3,617	4,735	4,638	4,708	4,134	3,369
Transfers out	(6,389)	(5,653)	(7,931)	(7,526)	(8,896)	(11,208)	(9,481)	(9,170)	(9,502)	(10,888)
Total other financing sources (uses)	(4,687)	(3,437)	(5,078)	(4,373)	(5,204)	(4,762)	(4,794)	(4,462)	(5,368)	(7,519)
Net change in fund balances	\$ 897	\$ (2,354)	\$ (6,908)	\$ (3,177)	\$ 89	\$ 1,344	\$ 4,346	\$ (4,092)	\$ (1,267)	\$ 1,351
Debt service as a percentage of noncapital expenditures	0.00%	0.00%	0.19%	0.18%	0.22%	1.51%	1.37%	1.31%	1.29%	0.00%

**Notes:**

\* Contractual expenditures are items such as utilities, workers compensation claims, and telephone expenditures which benefit all departments.

\*\* Effective for 2005, these expenditures have been allocated to the various departments which incur such expenditures.

\*\* Capital outlay expenditures are reflected in the department which incurred these expenditures.

\*\*\* Public Safety expenditures for 2005 and 2006 include construction costs for a public safety complex.

\*\*\*\* There is no debt service expenditures listed on page 18 of the 2012 CAFR in the Statement of Revenues, Expenditure, and Changes in Fund Balances.

**SCHEDULE 6**  
**CITY OF COLLEGE PARK, GEORGIA**  
**General Government Tax Revenues by Source**  
**Last Ten Fiscal Years**  
**(Modified accrual basis of accounting)**  
**(amounts expressed in thousands)**

Fiscal Year	Property Tax	Car Rental Tax	Hotel/Motel Tax	Special Local Option Sales Tax	Alcoholic Beverage Tax	Sales Tax	Franchise Tax	Insurance Premium Tax	Total
2003	8,500	2,083	4,085	-	675	4,565	781	812	21,501
2004	8,622	2,198	4,118	-	700	4,436	593	875	21,542
2005	9,660	1,748	4,548	-	681	4,664	639	949	22,889
2006	8,507	(1)	5,343	(2)	742	5,314	808	1,021	24,443
2007	10,219	(3)	5,429	(4)	759	5,554	706	1,068	23,741
2008	13,363	16	6,040	(4)	797	5,604	892	1,114	27,826
2009	11,472	10,623	5,167	43	782	4,768	945	1,141	34,941
2010	11,471	2,440	4,967	(4)	729	5,009	834	1,130	26,580
2011	12,622	2,465	5,563	-	843	4,897	771	1,097	28,258
2012	13,706	(7)	7,359	-	814	5,375	2,248	654	32,699

Notes:

- (1) Property taxes decreased from 2005 due to the bankruptcy of the City's largest taxpayer, Delta Airlines, Inc.
- (2) Car rental taxes increased from 2005 because of favorable arbitration ruling as to how these taxes are allocated to the City of College Park, Georgia.
- (3) Property taxes increased from 2006 due to the subsequent recovery of property taxes out of bankruptcy proceedings from Delta Airlines, Inc.
- (4) Car rental taxes for 2007 and 2008 are being held by a trustee as a result of ongoing litigation and will not be recognized until ultimately being received by the City. Therefore, amounts for 2007 and 2008 are deferred at the fund level but recognized as revenue at the governmental activities level in accordance to GASB 34. Litigation was ultimately settled in 2009 and all deferred amounts were recognized at the fund level.
- (5) Fund was created during 2009.
- (6) For fiscal year 2010, the special local option sales tax revenue as reported in the SPLOST capital Projects Fund is recorded as intergovernmental revenue instead of as special local option sales tax revenue as was done in the prior year.
- (7) Property taxes increase as a result of a decrease in taxpayers' appeal settlements.
- (8) Franchise taxes increased as a result of a 5 mill franchise increase.

**SCHEDULE 7**  
**CITY OF COLLEGE PARK, GEORGIA**  
**Assessed Value and Estimated Actual Value - All Taxable Property**  
**Last Ten Fiscal Years**  
**(amounts expressed in thousands)**

<u>Fiscal Year</u>	<u>Real Property</u>	<u>Personal Property</u>	<u>Public Utilities</u>	<u>Hotel/Motel Special District</u>	<u>Convention Center Special District (1)</u>	<u>Less: Tax Exempt Real Property</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Actual Taxable Value (2)</u>	<u>Assessed Value as a Percentage of Actual Value</u>
2003	450,441	117,203	156,119	99,678	8,660	(148,882)	683,219	9.56	1,708,048	40.0%
2004 (3)	487,427	115,836	141,779	97,357	9,853	(166,257)	685,993	9.56	1,714,988	40.0%
2005 (4)	492,786	117,319	186,652	93,875	9,741	(172,832)	727,541	9.56	1,818,853	40.0%
2006 (4)	510,377	115,305	125,891	101,581	10,067	(179,359)	683,862	9.56	1,709,655	40.0%
2007	515,327	127,212	148,708	113,272	12,019	(165,415)	751,123	9.56	1,877,808	40.0%
2008	589,272	140,557	167,963	117,265	13,643	(181,569)	847,131	9.56	2,117,828	40.0%
2009 (5)	758,473	120,360	180,687	133,318	15,616	(264,638)	943,816	9.56	2,359,540	40.0%
2010	847,014	147,078	149,082	133,279	16,528	(298,193)	994,788	9.56	2,486,970	40.0%
2011 (6)	1,016,836	188,795	172,864	118,598	86,719	(396,885)	1,186,927	11.56	2,967,318	40.0%
2012	1,002,703	197,290	143,879	109,063	61,728	(360,272)	1,154,391	11.56	2,885,978	40.0%

Source: Clayton County Board of Tax Assessors; Fulton County Board of Tax Assessors  
Note: Tax rates are per \$1,000 of assessed value.

- (1) Convention Special District was created in Fiscal Year 2003.
- (2) Under Georgia law, property is assessed for taxes at 40% of fair market value.
- (3) Public Utility declined in FY 2004 as the result of an appeal of assessed value of flight equipment in 2004 by a major airline.
- (4) Public Utility increase in FY 2005 reflects settlement of 2004 case; FY 2006 decrease reflects appeal of assessed value of flight equipment again by a major airline.
- (5) Real Property assessed value increased in 2009 due to reassessments of property around the Convention Center. These properties are also tax exempt.
- (6) Convention Special District increased in 2011 due to the completion of area projects.

**SCHEDULE 8**  
**CITY OF COLLEGE PARK, GEORGIA**  
**Property Tax Rates - All Overlapping Governments**  
**Direct and Overlapping Governments**  
**Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>City of College Park</u>	<u>Clayton County</u>		<u>Fulton County</u>		<u>City of College Park</u>		<u>State of Georgia Millage</u>
	<u>Operating Millage</u>	<u>Operating Millage</u>	<u>School Millage</u>	<u>Operating Millage</u>	<u>School Millage</u>	<u>Hotel/Motel Millage</u>	<u>Convention Millage</u>	
2003	6.61	3.91	17.92	13.69	20.15	14.50	-	0.25
2004	9.56	4.05	17.92	13.34	19.02	14.50	7.50	0.25
2005	9.56	5.88	17.92	12.81	18.77	14.50	7.50	0.25
2006	9.56	6.88	18.92	12.32	17.61	14.50	7.50	0.25
2007	9.56	7.78	18.92	12.24	17.61	14.50	7.50	0.25
2008	9.56	8.76	20.00	11.47	18.11	14.50	7.50	0.25
2009	9.56	8.54	19.84	10.28	17.50	14.50	7.50	0.25
2010	9.56	8.54	19.84	10.28	17.50	14.50	7.50	0.25
2011	11.56	11.91	20.00	10.28	18.50	14.50	7.50	0.25
2012	11.56	15.81	20.00	10.28	18.50	14.50	7.50	0.25

Source: College Park Tax Department

Note: In addition to the City's debt obligations, property owners in the City are responsible for any debt obligations of other taxing entities in the proportion to which the jurisdiction of the City overlaps such entity.

**SCHEDULE 9**  
**CITY OF COLLEGE PARK, GEORGIA**  
**Principal Property Taxpayers**  
**Current Year and Ten Years Ago**  
**(amounts expressed in thousands)**

		2012			2002		
Taxpayer	Taxable Assessed Valuation	Rank	Percentage of Total City Taxable Assessed Value	Taxpayer	Taxable Assessed Valuation	Rank	Percentage of Total City Taxable Assessed Value
Delta Air Lines	\$ 141,776,874	1	10.45%	Delta Air Lines	\$ 169,878,234	1	23.02%
Atlantic Southeast Airlines Inc	37,047,930	2	2.73%	GE Energy Parts	64,275,030	2	8.71%
Interstate Atlanta Airport LLC	28,320,000	3	2.09%	Pittsburg National Bank	18,549,260	3	2.51%
Atlanta International Airport	23,611,761	4	1.74%	Felcor Suites, Ltd.	17,929,010	4	2.43%
Pittsburgh National Bank/ Marriott	23,040,000	5	1.70%	Crocker Realty Trust LP	16,909,876	5	2.29%
Sysco Food Services of Atlanta	20,712,000	6	1.53%	Coca Cola Enterprises	15,176,205	6	2.06%
Sysco Food Services of Atlanta	17,305,420	7	1.28%	Sysco Food Services of ATL LLC	13,627,070	7	1.85%
City of Atlanta-Aviation Department	15,841,840	8	1.17%	Lepercq Atlanta Renaissance	12,284,917	8	1.66%
Zodiac Services Americas LLC	14,166,390	9	1.04%	College Park Partners	8,185,600	9	1.11%
Felcor Suites Limited	13,430,000	10	0.99%	Societe Internationale	6,055,710	10	0.82%
Total	\$ 335,252,215		25%	Total	\$ 342,870,912		46.46%

Source: College Park Tax Department

**SCHEDULE 10**  
**CITY OF COLLEGE PARK, GEORGIA**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**  
**(amounts expressed in thousands)**

<u>Fiscal Year</u>	<u>Total Tax Levy for Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy</u>		<u>Collections in Subsequent Years</u>	<u>Total Collections to Date</u>	
		<u>Amount</u>	<u>Percentage of Levy</u>		<u>Amount</u>	<u>Percentage of Levy</u>
2003	7,006	6,929	98.90%	62	6,991	99.79%
2004	7,019	6,745	96.10%	255	7,000	99.73%
2005	7,399	6,913	93.43%	466	7,379	99.73%
2006	7,262	5,485	75.53% (1)	1,753	7,238	99.67%
2007	7,695	7,546	98.06%	120	7,666	99.62%
2008	8,650	7,992	92.39%	491	8,483	98.07%
2009	8,201	7,335	95.49%	740	8,075	98.46%
2010	8,557	8,057	94.16%	499	8,556	99.99%
2011	9,868	8,028	81.35%	768	8,796	89.14%
2012	10,612 (2)	10,270	96.78%	-	10,270	96.78%

Source: College Park Tax Department

(1) 2007 tax collections decreased in 2006 because of the bankruptcy of Delta Airlines, Inc. which represents 18.54% of the total tax digest. These taxes were collected in 2008 as a result of Bankruptcy Court decisions.

(2) Tax levy increase as a result of a decrease in taxpayers' appeal settlements.

**SCHEDULE 11**  
**CITY OF COLLEGE PARK, GEORGIA**  
**Electric Power Revenue**  
**Last Ten Fiscal Years**  
**(amounts expressed in thousands)**

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<u>Fiscal Year</u>	<u>Electric Power Revenue</u>
2003	21,160
2004	21,951
2005	19,630
2006	18,841
2007	18,664
2008	25,059 *
2009	20,564
2010	21,296
2011	23,613
2012	25,429

\*Note: The City sold approximately \$6,000,000 in excess capacity to other local municipalities.

Source: College Park Power Department

**SCHEDULE 12**  
**CITY OF COLLEGE PARK, GEORGIA**  
**Electric Power Revenue Rates**  
**Past Ten Calendar Years**

<u>Fiscal Year</u>	<u>Number of Residential Customers</u>	<u>Mega Watt Hours</u>	<u>Number of Commercial Customers</u>	<u>Mega Watt Hours</u>	<u>Number of Other Customers</u>	<u>Mega Watt Hours</u>	<u>Use By City</u>	<u>Estimated Power Losses</u>	<u>Total Number of Customers</u>	<u>Total Megawatt Hours</u>	<u>Total Power Sales</u>	<u>Average Cost per egawatt Hour</u>
2003	8,322	84,400	751	186,320	99	-	25,224	14,410	9,172	310,354	21,336,295	68.75
2004	7,960	78,977	730	199,017	99	-	16,125	14,708	8,789	308,827	20,488,316	66.34
2005	7,780	74,695	726	193,618	101	-	14,788	10,459	8,607	293,560	19,619,956	66.83
2006	7,671	75,965	733	168,272	99	8,203	30,741	18,825	8,503	302,006	17,904,206	59.28
2007	7,715	76,608	764	170,127	101	8,997	23,723	14,547	8,580	294,002	19,776,948	67.27
2008	7,229	74,606	800	182,103	96	8,667	22,271	14,382	8,125	302,029	17,872,962	59.18
2009	7,149	72,622	824	167,538	95	8,655	25,933	13,738	8,068	288,486	19,388,670	67.21
2010	6,957	82,452	793	206,456	97	10,905	21,009	6,556	7,724	327,378	21,296,000	65.05
2011	6,842	79,247	784	182,973	96	13,934	20,933	29,024	7,722	312,177	23,588,500	75.56
2012	7,045	73,495	843	205,849	110	14,200	24,297	35,184	7,998	338,825	26,407,013	77.94

Source: College Park Power Department

**SCHEDULE 13**  
**CITY OF COLLEGE PARK, GEORGIA**  
**Ten Largest Power Customers**  
**Current Year and Eight Years Ago**

<b>2012</b>		<b>2004</b>	
<b>Name</b>	<b>MegaWatt Hours Used</b>	<b>Name</b>	<b>MegaWatt Hours Used</b>
City of Atlanta DOA	17,575	Atlanta Coca Cola Bottling	14,463
Atlanta Coca Cola Bottling	14,418	Sysco Food Service	12,973
Sysco Food Service	10,232	Georgia International Convention Ctr	11,465
Atlanta Airport Marriott	7,948	Keenan Development (FAA)	8,411
Marriott Hotel	7,687	Mariott Hotell	8,320
GICC	7,277	FedEx Ground	5,600
Westin Atlanta Airport	6,992	Atlanta Airport Embassy Suites	3,775
Keenan Development (FAA)	6,441	Sheraton Gateway	3,344
Fedex Ground	5,778	Westin Atlanta Hotel	3,215
UCM-Ackerman Atlanta Airport	4,900	Garden Ridge	2,993

Source: College Park Power Department

**SCHEDULE 14**  
**CITY OF COLLEGE PARK, GEORGIA**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

(amounts expressed in thousands, except per capita amount)

Fiscal Year	Governmental Activities		Business-Type Activities			Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Capital Leases	General Obligation Bonds	Capital Leases	Notes /Construction Loans Payable			
2003	-	64	116,145	-	6,103	122,312	41.5%	5,958
2004	-	74	113,265	-	6,103	119,442	40.5%	5,827
2005	-	90	120,650	65	5,893	126,698	43.7%	6,278
2006	-	51	143,830	152	5,428	149,461	51.5%	7,406
2007	-	81	138,710	111	13,428	152,330	48.9%	7,029
2008	-	1,068	133,425	544	13,428	148,465	50.7%	7,284
2009	-	711	169,000	350	44,631	214,692	64.2%	10,751
2010	-	352	162,615	162	8,226	171,355	51.3%	8,581
2011	-	-	153,814	-	10,000	163,814	47.5%	8,025
2012	-	-	148,385	-	10,675	159,060	53.5%	8,071

Note 1: Details regarding the City's outstanding debt can be found in the notes to the financial statements.  
(1) Information from Schedule 19 was used to calculate these amounts.

**SCHEDULE 15**  
**CITY OF COLLEGE PARK, GEORGIA**  
**Ratios of General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>General Obligation Bonds (1)</b>	<b>Percentage of Estimated Taxable Value of Property</b>	<b>Per Capita</b>
2003	116,145	17.00%	5,958
2004	113,265	16.51%	5,827
2005	120,650	16.58%	6,278
2006	143,830	21.03%	7,406
2007	138,710	18.52%	7,029
2008	133,425	16.11%	7,284
2009	169,000	17.91%	10,751
2010	162,615	6.58%	8,581
2011	153,814	5.20%	8,025
2012	148,385	5.14%	8,071

Note 1: The City's governmental activities did not have any general obligation bonds outstanding in the last ten (10) years. The amount reflected in this schedule is business-type activities only.

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

**SCHEDULE 16**  
**CITY OF COLLEGE PARK, GEORGIA**  
**Direct and Overlapping Governmental Activities Debt**  
**As of June 30, 2012**  
**(amounts expressed in thousands)**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable (1)</u>	<u>Estimated Share of Overlapping Debt</u>
Direct General Obligation Debt:			
Overlapping General Obligation Debt:			
Fulton County Library General Obligation Bonds	\$ 159,380	0.8426%	\$ 1,343
Fulton County Building Authority	14,725	0.8426%	124
Atlanta - Fulton County Water and Sewer	492,845	0.8426%	4,153
Economic Recovery Zone Bonds	28,736	0.8426%	242
Fulton-Dekalb Hospital Authority	200,370	0.8426%	1,688
Fulton County School District	118,700	0.8426%	1,000
Clayton County Solid Waste Management Authority	11,660	5.1482%	600
			<u>9,150</u>
City of College Park, Georgia direct debt			<u>-</u>
Total direct and overlapping debt			<u>\$ 9,150</u>

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

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

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

**SCHEDULE 17**  
**CITY OF COLLEGE PARK, GEORGIA**  
**Legal Debt Margin Information**  
**Last Ten Fiscal Years**  
**(amounts expressed in thousands)**

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Debt limit	\$ 66,321	\$ 69,303	\$ 74,477	\$ 86,322	\$ 100,456	\$ 105,213	\$ 120,845	\$ 129,298	\$ 158,381	\$ 151,466
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	\$ 66,321	\$ 69,303	\$ 74,477	\$ 86,322	\$ 100,456	\$ 105,213	\$ 120,845	\$ 129,298	\$ 158,381	\$ 151,466
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Legal Debt Margin Calculation for Fiscal Year 2012	
Assessed value	\$ 1,154,391
Add back: exempt real property	360,272
Total assessed value	<u>1,514,663</u>
Debt limit (10% of total assessed value)	151,466
Debt applicable to limit	-
General obligation bonds	-
Legal debt margin	<u>\$ 151,466</u>

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

**SCHEDULE 18**  
**CITY OF COLLEGE PARK, GEORGIA**  
**Revenue Bond Coverage**  
**Last Ten Fiscal Years**  
**Convention Center Revenue Bonds**

<u>Fiscal Year</u>	<u>Gross Revenues (1)</u>	<u>Operating Expenses (2)</u>	<u>Net Revenue Available for Debt Service</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Coverage</u>
2003 **	\$ 12,570,800	\$ 8,897,211	\$3,673,589	\$ 1,305,000	\$ 4,554,967	\$ 5,859,967	0.63
2004	10,149,618	9,847,984	301,634	1,375,000	4,483,392	5,858,392	0.05
2005	11,859,163	7,240,491	4,618,672	1,970,000	4,395,018	6,365,018	0.73
2006	12,267,775	7,445,224	4,822,551	1,520,000 (3)	3,437,790	4,957,790	0.97
2007	12,607,932	7,694,077	4,913,855	2,260,000	4,006,185	6,266,185	0.78
2008	14,188,280	7,750,692	6,437,588	2,260,000	3,887,431	6,147,431	1.05
2009	11,241,969	7,699,565	3,542,404	2,375,000	3,776,610	6,151,610	0.58
2010	10,408,980	7,525,510	2,883,470	2,490,000	3,646,494	6,136,494	0.47
2011	13,085,641	8,405,773	4,679,868	2,615,000	3,512,596	6,127,596	0.76
2012	18,026,145	8,402,407	9,623,738	2,920,000	3,426,875	6,346,875	1.52

Notes:

(1) Total revenues including interest, transfers in and gains on sale of assets.

(2) Total expenses exclusive of depreciation, amortization, litigation settlements, and interest expense.

(3) Actual principal payment made during the year was \$1,520,000. \$51,300,000 of 2000 series bonds was refinanced during the year.

\* Statistics for the fiscal year ended June 30, 2000 are not comparable, since all outstanding bonds were paid off during the year.

\*\* All interest expense on bond debt during the construction period of the new convention center is capitalized for reporting purposes.

**SCHEDULE 19**  
**CITY OF COLLEGE PARK, GEORGIA**  
**Demographic and Economic Statistics Information**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Population(1)</b>	<b>Personal Income (amounts in thousands)</b>	<b>Per Capita Personal Income (1)</b>	<b>Median Age (1)</b>	<b>Education Level in % completed High School (1)</b>	<b>School Enrollment (1)</b>	<b>Unemployment Rate (2)</b>
2003	20,530	\$ 295,037	\$ 14,371	27.4	77.1	6,591	5.90%
2004	20,498	294,577	14,371	27.4	77.1	6,591	5.50%
2005	20,242	290,898	14,371	27.4	77.1	6,591	6.30%
2006	20,181	290,021	14,371	27.4	77.1	6,591	5.30%
2007	20,533	295,080	14,371	27.4	77.1	6,591	5.00%
2008	20,382	295,080	14,371	27.4	77.1	7,292	6.90%
2009	19,969	334,161	16,734	31.5	78.7	8,939	9.40%
2010	13,292	345,106	16,907	30.4	77.1	5,835	10.50%
2011	19,299	353,751	18,330	31.1	81.2	3,695	15.80%
2012	14,649	297,292	19,708	30.7	85.4	4,124	9.60%

(1) Source: U.S.Census (available every tenth year)

(2) Source: Georgia Department of Labor

**SCHEDULE 20**  
**CITY OF COLLEGE PARK, GEORGIA**  
**Principal Employers**  
**Current Year and Ten Years Ago**

<u>Employer</u>	<u>2012</u>			<u>2002</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage Employment</u>
Woodward Academy	860	1	19%	1,550	1	26.59%
Chick-Fil-A Inc.	853	2	19%	683	2	11.72%
Atlanta Southeast Airlines, Inc.	786	3	18%	643	3	11.03%
Sysco Corporation	574	4	13%	543	4	9.31%
AirTran Airlines	318	5	7%	430	5	7.38%
Atlanta Coca-Cola Enterprise	300	6	7%	410	6	7.03%
Westin Atlanta Airport	255	7	6%	791	7	13.57%
Marriott Hotel	214	8	5%	355	8	6.09%
Buckhead Beef Company	144	9	3%	221	9	3.79%
Sheraton Gateway Atlanta Airport	140	10	3%	204	10	3.50%
<b>Total</b>	<b>4,444</b>		<b>100.00%</b>	<b>5,830</b>		<b>100.00%</b>

Sources: College Park Business License Department

**SCHEDULE 21**  
**CITY OF COLLEGE PARK, GEORGIA**  
**Full-time Equivalent City Government Employees by Function**  
**Last Ten Fiscal Years**

Function	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Government	84	79	79	81	85	72	81	74	70	51
Public Safety										
Police										
Officers	110	110	113	113	101	98	100	108	109	96
Civilians	26	27	27	27	41	44	47	36	28	44
Fire										
Firefighters and officers	66	64	64	64	61	66	76	77	76	72
Civilians	1	1	1	1	1	2	2	2	2	2
Highways and streets										
Engineering	0	0	0	0	0	5	4	3	4	3
Maintenance	0	0	0	0	0	12	11	10	13	10
Sanitation	35	31	31	31	29	29	29	27	28	28
Culture and recreation	21	21	24	24	36	30	36	23	19	19
Water and Sewer	17	17	17	17	19	18	18	18	17	17
Electric	33	33	34	34	23	25	24	31	21	30
Convention Center	<u>46</u>	<u>57</u>	<u>61</u>	<u>60</u>	<u>58</u>	<u>61</u>	<u>61</u>	<u>48</u>	<u>52</u>	<u>52</u>
Total	<u>439</u>	<u>440</u>	<u>451</u>	<u>452</u>	<u>454</u>	<u>462</u>	<u>489</u>	<u>457</u>	<u>439</u>	<u>424</u>

Source: Various College Park City Departments

Note: Indicators for inspection, building and grounds, parks, highway and streets are combined in the general government function while no employees are in the redevelopment, Golf Course, and FAA projects functions and, therefore, are not shown on this schedule.

**SCHEDULE 22**  
**CITY OF COLLEGE PARK, GEORGIA**  
**Operating Indicators by Function**  
**Last Ten Calendar Years**

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Function</b>										
<b>Police:</b>										
Physical arrests	2,971	2,571	2,971	3,368	3,572	3,264	3,559	2,850	4,645	4,694
Traffic violations	17,439	14,889	19,177	19,237	23,757	14,465	12,608	11,008	23,006	29,032
<b>Fire:</b>										
Number of fire calls answered	585	624	564	713	778	706	923	897	1,101	2,012
Number of rescue calls answered	3,360	3,243	3,794	3,553	3,570	2,903	3,062	4,016	3,959	2,012
Inspections	490	812	1,261	936	931	1,307	955	678	876	2,012
<b>Highways and streets</b>										
Streets resurfacing (miles)	1.2	2.9	1.1	0.9	0.9	2.4	1.0	0.1	1.5	0.9
<b>Sanitation</b>										
Refuse collected (tons/yr)	16,452	15,565	16,032	14,787	13,694	16,476	18,009	17,176	11,978	16,895
Recyclables collected (tons/yr)	3,770	4,033	4,154	8,564	7,958	6,953	7,264	6,928	6,110	1,438
<b>Water</b>										
New connections	11	82	8	112	63	52	13	8	7	5
Water main breaks	6	8	5	7	10	3	15	15	25	25
Daily average consumption in gallons	3.5	3.5	3.6	3.3	3.3	1.5	3.3	3.3	3.5	3
<b>Sewer</b>										
Sanitary sewers (miles)	86.4	87.5	88.8	77	77	72.6	73	74	74	74
Number of service connections	2,516	2,588	2,635	2,533	2,533	2,500	2,800	2,750	2,800	3,143
<b>Electric</b>										
Miles of power lines	130	128	128	130	135	135	135	135	150	152
Number of substations	8	8	8	8	8	8	8	8	8	8
Number of service connections	8,793	8,606	8,507	8,617	8,300	8,130	8,060	8,000	7,699	7,639
Daily average consumption in MWH	895.9	850.1	878.3	769.5	782.1	759.8	738	825	825	764
<b>Convention Center</b>										
Number of meeting rooms	36	36	36	35	35	35	35	35	35	36
Occupancy	33%	38%	40%	38%	30%	32%	31%	42%	37%	34%
Square footage	56,000	56,000	56,000	56,000	56,000	56,000	40,000	54,600	54,600	75,000

Source: Various College Park City Departments

Note: Indicators not available for recreation, inspection, building and grounds, parks, redevelopment, golf course, and FAA projects functions.

**SCHEDULE 23**  
**CITY OF COLLEGE PARK, GEORGIA**  
**Capital Asset Statistics by Function**  
**Last Ten Fiscal Years**

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Function										
Public Safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	38	38	47	47	42	47	46	65	65	48
Fire stations	1	1	1	1	2	2	2	2	2	2
Sanitation										
Collection Trucks	24	24	24	24	23	25	21	23	23	23
Highways and streets										
Streets (miles)	79	79	66	66	67	70.0	75	75.0	75.0	75.0
Streetlights	1,949	1,992	2,031	2,059	2,924	2,924	2,924	2,924	2,924	2,924
Traffic signals	30	29	29	29	33	32	37	37	37	37
Culture and recreation										
Parks acreage	279	279	279	375	279	279	279	279	279	279
Parks	6	6	6	6	7	7	7	9	9	9
Swimming pools	2	2	2	4	2	4	2	4	4	4
Tennis courts	10	10	10	10	10	10	10	10	10	10
Community centers	3	3	3	3	3	3	3	3	3	3
Water										
Water mains (miles)	79	79	82	83	74	77	94	94	94	94
Fire hydrants	782	788	794	803	750	950	900	950	950	1,000
Number of service connections	2,701	2,783	2,791	2,835	3,227	3,227	2,969	2,800	2,800	3,340
Daily average consumption in gallons (MGD)	3.5	3.5	3.6	3.7	3.3	3.5	3.2	3.3	3.3	3.0
Sewer										
Sanitary sewers (miles)	86.4	87.5	88.8	89.7	77.0	79.0	72.6	72.6	74.0	74.0
Number of service connections	2,516	2,588	2,635	2,672	2,533	2,596	2,500	2,800	2,800	3,143
Electric										
Miles of power lines	128	130	128	128	130	130	135	135	150	152
Number of substations	8	8	8	8	8	8	8	8	8	8
Number of service connections	9,056	8,793	8,606	8,507	8,617	8,526	8,130	8,060	7,699	7,639
Daily average consumption in (MWH)	875.2	895.9	850.1	878.3	769.5	830.2	759.8	738.0	825.0	764.0
Convention Center										
Number of meeting rooms	35	36	36	36	35	35	35	24	24	36
Exhibit Hall square footage	112,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Occupancy	41%	32%	40%	39%	36%	34%	32%	31%	28%	25%

Source: Various College Park City Departments  
Note: Indicators not available for inspection, building and grounds, parks, redevelopment, golf course, and FAA projects functions.