

**Comprehensive Annual Financial Report
City of Marietta, Georgia**

For the Fiscal Year Ended June 30, 2015

**DEPARTMENT OF FINANCE
Sam Lady
Finance Director**

MAYOR AND CITY COUNCIL



Stuart Fleming
Councilmember, Ward 1



R. Steve Tumlin, Jr.
Mayor



Griffin "Grif" L. Chalfant, Jr.
Councilmember, Ward 2



Johnny Walker
Councilmember, Ward 3



G.A. (Andy) Morris
Councilmember, Ward 4



Rev. Anthony C. Coleman
Councilmember, Ward 5



Michelle Cooper Kelly
Councilmember, Ward 6



Philip M. Goldstein
Councilmember, Ward 7

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 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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INTRODUCTORY SECTION



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December 23, 2015

THE HONORABLE R. STEVE TUMLIN, JR. MAYOR
MEMBERS OF CITY COUNCIL AND CITIZENS OF THE
CITY OF MARIETTA
MARIETTA, GEORGIA 30060

The Comprehensive Annual Financial Report (CAFR) for the City of Marietta, Georgia, for the fiscal year ended June 30, 2015, is submitted herewith. Georgia state law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements.

The report was prepared by the City's Finance Department. Responsibility for both the accuracy of the presented data and the completeness and fairness of presentation, including all disclosures rests with the City. We believe the report, as presented, is accurate in all material aspects. We also believe it is presented in a manner designed to set forth the financial position and results of operations of the City as measured by the financial activity of its various funds. Finally, we believe that all disclosures necessary to enable the reader to gain maximum understanding of the City's financial affairs have been included.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Crace Galvis McGrath, LLC, Certified Public Accountants, have issued an unmodified ("clean") opinion on the City of Marietta's financial statements for the fiscal year ended June 30, 2015. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditors report and provides a narrative introduction, overview, and analysis of the

basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the Government

Incorporated in 1834, the City of Marietta is the county seat for Cobb County, Georgia. Marietta is named for the wife of U.S. Senator Thomas Cobb, for whom the county is named. The surrounding area was part of the Cherokee Indian Territory when the first settlers arrived in the early 1800s. Gold fever brought the first European immigrants, but a stable agricultural community took root in the broken dreams of the “gold rush”.

The City became a center for trade and attracted wealthy visitors to its mild climate and “health giving” mineral springs. During the Civil War, Sherman destroyed much of the City on his “March to the Sea” in 1864. Recovery was slow; however, an economic boom took hold during World War II with the construction of the Bell bomber plant. The Lockheed Aircraft Corporation modernized the plant and has kept it in operation since 1951, now operating it under the Lockheed Martin Aeronautical Systems name. Current production includes the C-130J Hercules, the sustainment of P-3 Orion, modernization upgrade of the C-5.

The construction of Interstate 75 during the 1960s and 1970s opened up the area for increased metro and regional growth. This accessibility has brought hundreds of thousands of new residents to live in Cobb County, which has elevated the City’s role as the county seat and a center for commercial activity.

Policy-making and legislative authority are vested in a governing council (Council) consisting of the mayor and seven council members, all elected on a non-partisan basis. The Council appoints the government’s manager, which in turn appoints the heads of the various departments. The mayor and council members serve four-year terms; all elected members’ terms run concurrently. The mayor runs at large; the council members are elected by ward.

The City maintains budgetary controls to ensure compliance with legal provisions of the annual appropriated budget approved by the Mayor and Council. Activities of the general fund, the special revenue funds, the debt service fund and the capital project funds are included in the annual appropriated budget. The official level of city budget control (the level on which expenditures may not legally exceed appropriations) for each legally adopted annual operating budget is at the department level. Administrative budgetary control, however, is maintained at an object of expenditure level within the department or function. Administrative transfers of appropriations within a department may be authorized by the City Manager to meet unforeseen needs without Council action. Transfers of appropriations between departments or functions within a fund are reviewed with Council prior to approval. The City’s budget

procedures are more fully explained in the accompanying Notes to the Financial Statements. The City maintains an encumbrance accounting system as one means of accomplishing budgetary control. Encumbered amounts at year-end are carried forward to the ensuing year's budget.

The City of Marietta provides a full range of municipal government and utility services to approximately 61,500 citizens and customers. Included in these services are traditional City functions such as police and fire protection, sanitation, road and traffic signal maintenance, parks, recreation, planning, cultural affairs, courts, and utility functions including electric, water, wastewater. Furthermore, the City exercises fiduciary responsibility for the City's General Pension.

Local economy

Marietta is located about 20 miles northwest of downtown Atlanta. The Atlanta Metropolitan area continues to be one of the fastest growing economies in the United States. The region has significantly lower unemployment rates than most places in the U.S. and led the nation in job creation several times in the 1990s. Cobb County has become one of the fastest growing economically robust counties in Georgia. The business environment outlook for Marietta continues to be favorable despite the economic downturn experienced by other regions of the country; in fact there are a number of redevelopment projects in the advanced planning and construction stages. The City of Marietta's primary focus will be given to fostering small business growth and land uses oriented toward office, industrial, and business parks, which will be offering a variety of employment opportunities.

Redevelopment and revitalization of several areas throughout the City have been identified and when completed, will create financially sound development, therefore increasing a stronger tax base. Marietta offers one of the lowest millage rates in the Metro Atlanta region at 31.25 mills per thousand dollars (combined City, County, and School). Marietta will continue to promote a strong tourism program for the 5 historic districts, churches and homes as identified by the National Historic & Georgia Register. Our economic activity centers include multi-million dollar corporations such as YKK Corp of America, Matria Healthcare, Columbian Chemical, and Coloplast Corporation. To assist manufacturing companies in relocating or expanding their facilities, the Marietta Development Authority was created to develop and promote trade, commerce, industry and employment opportunities through issuance of revenue bonds.

Marietta and the Marietta Census Tracts have been and will continue to be a population growth area. The City's population was estimated to be 59,781 on June 30, 2015.

Long-term financial planning

Unassigned fund balance in the general fund (127 percent of total general fund revenues) exceeds the policy guidelines set by the Council for budgetary and planning purposes (i.e. minimum fund balance calculation is slightly over \$6 million).

Over the past five years the City has devoted its attention to the redevelopment of various areas of the City. This is further discussed in the major initiatives section of this letter.

Major Initiatives

Continued makeover efforts for parks, streets and traffic projects, economic development, redevelopment and creating a friendly, safe and aesthetically pleasing environment for citizens and visitors are the areas the City will be focusing on in the coming year. A major portion of the City Council's Vision Statement and Comprehensive Plan revolves around these objectives. With these goals in mind, the following major initiatives are planned in the coming year:

A voter-approved 1% Special Purpose Local Sales Tax (SPLOST) will go into effect in January 2016 after the 2011 SPLOST expires. The SPLOST projects that will be addressed for FY2016 are intersection improvements, street and sign marking reflectivity projects, gateway improvements, annual street resurfacing, drainage improvements, sidewalk and multi-use trail construction and traffic calming devices. The Public Works facility, the oldest operational city-owned building (1968), continues its renovations and the Traffic Control Center will be replaced. Capital equipment such as pumper trucks for the Fire Department will be purchased and a public safety training center will be among items addressed to begin development.

Marietta was awarded \$1.45 million in Transportation Enhancement (TE) funding for three projects by the State of Georgia. The renovation of the Marietta Welcome Center and improving the surrounding parks will be included in the Atherton Square Revitalization. There will be two other projects which will involve two 10-foot wide multi-use trails. These trails will be constructed to connect Marietta to other trails within the city and Cobb County. Due to federal and state funding issues these three projects had been delayed, but it appears that at least one of the projects will be given the green light this year.

Projects utilizing the Parks bond are in progress and will continue as scheduled. Slated to open in the fall of 2016 is the Elizabeth Porter Park. This park will include a splash pad, playground, picnic pavilions and greenspace. In progress now is Blackwell Park, a neighborhood park, which will contain a picnic area with tables, greenspace and landscaping. The installation of permanent restroom structures for Merritt Park, Victory Park, Whitaker Park, Lewis Park and Henry Park are also in progress. In September 2015 the Custer Park and Fitness Center opened for business.

Several large-scale-projects are slated for FY2016. These will include maintaining, expanding and upgrading the water, sewer and electric utilities to ensure reliable and high-quality services to our customers and citizens. Part of the streetscape improvement project the city will construct with SPLOST dollars is the conversion of Marietta Power's overhead power lines to underground along Powder Springs Road. Over the next two years the 20-inch steel water main on US 41 from Franklin Drive to Windy Hill Road will be replaced. Replacement of an 18-inch sewer line that crosses underneath Interstate 75 will also be undertaken by Marietta Water.

Economic Development and Redevelopment continue to be a priority for the coming year as Marietta brings in new businesses, retains existing industries, and revitalizes distressed shopping centers. The voter-approved Redevelopment Bond provides funding for the acquisition and demolition of property in the Franklin Road area for further redevelopment. Two distressed apartment buildings have been acquired and demolished to date and will be marketed when ready. These properties represent 50 contiguous acres along interstate 75 for future development. A third apartment complex nearby has been purchased as well, and the City will work with the Marietta Housing Authority to manage this complex until the current leases expire, at which time the City will prepare the site for marketing. These bond funds will continue to be used to purchase more properties to market for redevelopment purposes. In addition, funding exists to construct streetscape improvements on Whitlock Avenue, which is currently underway.

Marietta is an open government and user friendly to citizens and visitors. The Marietta E-News is sent out to subscribers on Fridays for the latest news about our government, information on special events for citizens, reports about the community, and general announcements that our citizens, visitors and businesses need to know. MyMarietta is a free mobile application available to residents, business owners, visitors and staff giving access to city information from a mobile device. The ability to pay court citations and parking tickets as well as property taxes using eChecks is available online along with streaming all recorded public meetings.

Awards

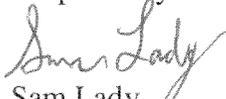
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Marietta for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2014. This represented the twenty-fourth consecutive year the City has received this prestigious award. In order to be awarded a Certificate of Achievement for Excellence in Financial Reporting from the GFOA a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to programs standard. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

In addition, the City also received the GFOA Award for Distinguished Budget Presentation for its annual appropriated budget dated July 1, 2014 for fiscal year 2015. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document was judged to be proficient in several categories including policy documentation, financial planning and organization.

The preparation of this report could not have been accomplished without the efficient and dedicated efforts of the staff of the Accounting Division and the entire staff of the Finance Department and the cooperation of the various elected officials and appointed management. My sincere appreciation is extended to each individual for the contributions made in the preparation of this report.

Respectfully submitted,


Sam Lady
Finance Director
City of Marietta



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

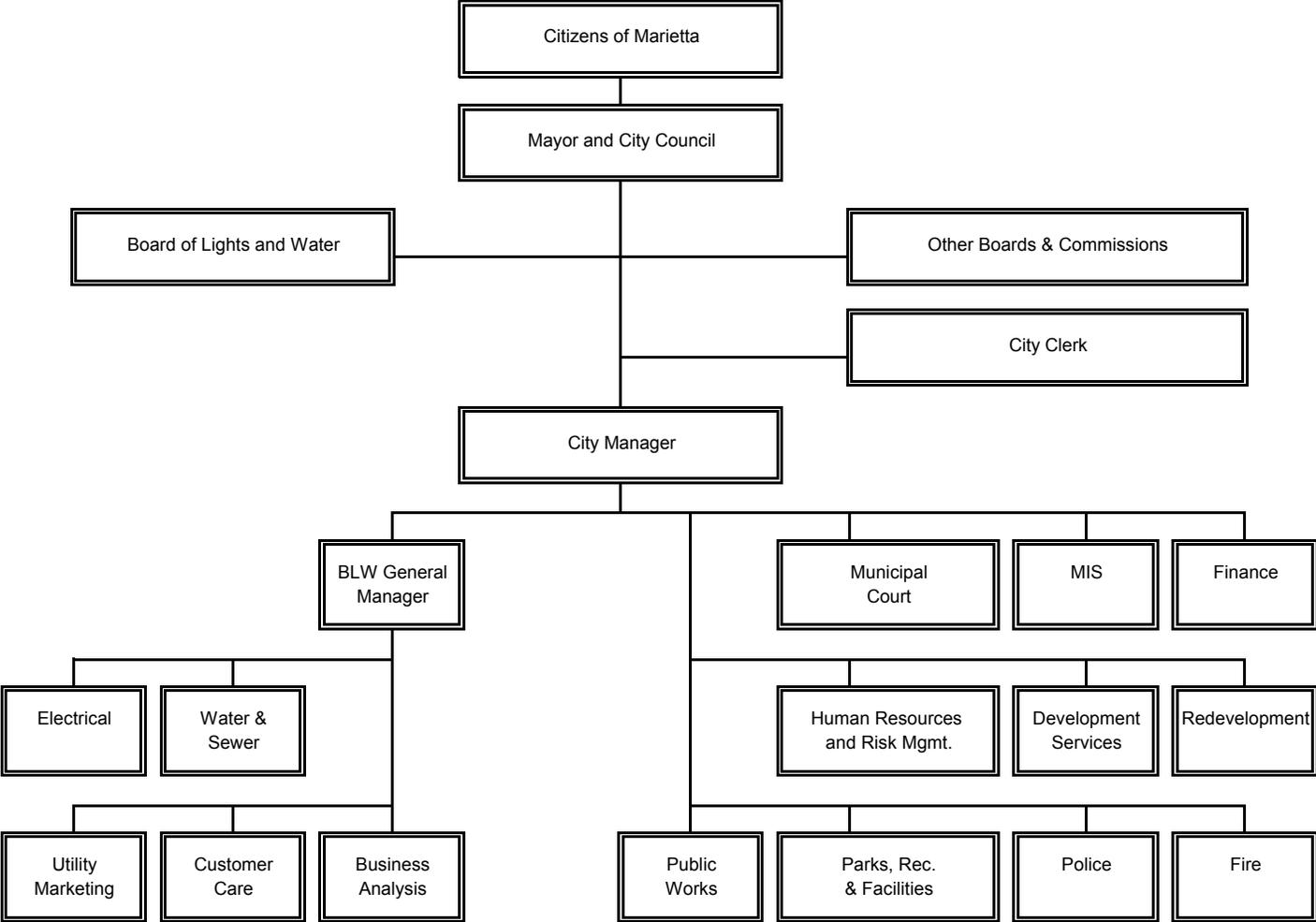
**City of Marietta
Georgia**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

Executive Director/CEO

CITY OF MARIETTA ORGANIZATION CHART



OFFICIALS

Mayor and City Council

R. Steve Tumlin, Jr.
Mayor

Stuart Fleming	Ward 1
Griffin L. Chalfant, Jr.	Ward 2
Johnny Walker	Ward 3
G. A. "Andy" Morris	Ward 4
Anthony C. Coleman	Ward 5
Michelle Cooper Kelly	Ward 6
Philip M. Goldstein	Ward 7

Board of Lights and Water

R. Steve Tumlin, Jr., Mayor
Chairman

Bruce E. Coyle	Board Member
Terry G. Lee	Board Member
G. A. "Andy" Morris, Council Member	Board Member
Alice Summerour	Board Member
J. Brian Torras	Board Member
Mike Wilson	Board Member

City / BLW Administration

William F. Bruton, Jr.
City Manager

Pamela Allen	Municipal Court Administrator
Ernie Garcia	Electrical Director
Brian Binzer	Development Services Director
William F. Bruton, Jr.	Acting BLW General Manager
Rich Buss	Parks, Recreation and Facilities Director
Dan Conn	Public Works Director
Ronnie Barrett	MIS Director
Davy Godfrey	Human Resources and Risk Management Director
Barry Echols	Utility Marketing Director
Daniel Flynn	Police Chief
Jackie Gibbs	Fire Chief
Stephanie Guy	City Clerk
Douglas Haynie	City Attorney
Sam Lady	Finance Director
J. Kevin Moore	BLW Attorney
Ronald Mull	BLW General Manager
Sherri Rashad	Customer Care Director
Beth Sessoms	Redevelopment Director
Robert Snelson	Water and Sewer Director

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

The Honorable R. Steve Tumlin Jr., Mayor
Members of the City Council
City of Marietta
Marietta, 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 Marietta, Georgia, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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 from material misstatement.

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

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

Opinions

In our opinion, 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 Marietta, Georgia, as of June 30, 2015, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, Schedule of Changes in the City's Net Pension Liability and Related Ratios, the Schedule of Contributions, the Schedule of Funding Progress, and the Schedule of Employer Contributions on pages 4-16 and 60-64 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Marietta, Georgia's basic financial statements. The introductory section, combining and individual fund statements and schedules, comparative section and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Hotel/Motel Tax Schedule of Revenue Received and Expenditures Incurred, the 3 Percent Car Rental Tax Schedule of Revenue Received and Expenditures Incurred, and the 1 Percent Sales Tax Schedule of Projects Constructed with Special Sales Tax Proceeds are presented for purposes of additional analysis as required by the Official Code of Georgia 48-13-51, 48-13-93, and 48-8-121, respectively, and are not a required part of the basic financial statements.

The combining and individual fund statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In

our opinion, the combining and individual fund statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2015, on our consideration of the City of Marietta, 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* in considering the City of Marietta, Georgia's internal control over financial reporting and compliance.



Grace Galvis McGrath, LLC
Kennesaw, Georgia

December 23, 2015

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the report provides readers with a narrative overview and analysis of the financial activities of the City of Marietta for the fiscal year ended June 30, 2015. We encourage readers to consider the information presented here in conjunction with the letter of transmittal and basic financial statements to enhance their understanding of the City's financial performance.

FINANCIAL HIGHLIGHTS

- ❖ Marietta's net position totaled \$235.9 million at the end of fiscal year 2015. This is an increase of \$22.3 million when compared to the previous year after restatement. Of this amount, \$250 million is the city's net investment in capital assets. Total unrestricted net position is a negative \$50.6 million. Unrestricted net position from governmental activities are a negative \$72.5 million. During FY 2015 the City refunded \$16 million of the 2009 Parks Bond payable through July 1, 2030. This saved the city tax payers over \$1 million dollars.
- ❖ The City's total net position increased \$22.3 million over the previous year after restatement. Net position for governmental activities increased \$11.2 million and business-type net position increased \$11.1 million.
- ❖ The total liabilities of the City's governmental-type and business-type funds outstanding at June 30, 2015 are \$225 million and \$54.1 million respectively. \$252.2 million of this total represents long-term liabilities, such as bonds and notes payable and leases payable. This is an increase of \$37.4 million for the governmental activities and an increase of \$18.3 million for the business-type activities.
- ❖ The City's General Fund's fund balance was \$46.9 million as of June 30, 2015. The General Fund's fund balance decreased by \$1 million from June 30, 2014.

Total governmental activities bonds payable, net decreased by \$7.3 million in fiscal year 2015.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City of Marietta's basic financial statements. The basic financial statements contain three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. In addition to the basic statements, this report also contains other supplementary information including combining statements for non-major funds, and a statistical section.

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

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

The statement of activities presents information showing how the government's net position changed during the fiscal year. All changes in net position 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 the statement for some items that will only result in cash flows in future 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 City of Marietta's governmental activities include general government, public safety, streets and highways, and recreation. The City has three business type activities, the Board of Lights & Water that provides electric, water and wastewater services, City Club Golf Course, and the Marietta Conference Center and Resort that is a hotel and conference facility.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the City can be divided into three categories: governmental, 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 government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains thirteen (13) 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, city parks bond fund and SPLOST fund which are considered to be major funds. Data from the other ten (10) funds is combined into a single, aggregated presentation. Individual fund data for each of these non-major funds is provided in the form of combining statements elsewhere in this report. The basic governmental fund financial statements can be found on pages 19 through 21 of this report.

Proprietary funds. The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City maintains three enterprise funds, the Board of Lights and Water, the City Club Golf Course, and the Marietta Conference Center & Resort. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its self-insurance and motor transport activities. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental 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 Board of Lights and Water, City Club Golf Course, and the Marietta Conference Center and Resort. The Board of Lights and Water and Marietta Conference Center and Resort are considered to be major funds of the City. The internal service funds are presented in the proprietary fund financial statements. Individual fund data for these funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 22 through 26 of this report.

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

The basic fiduciary fund financial statements can be found on pages 27 through 28 of this report.

Budgetary comparisons. The City of Marietta adopts an annual budget for all of its governmental funds. Budget to actual comparisons for each of the governmental funds are provided in individual schedules elsewhere in this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 29 through 59 of this report.

Other information. The combining and individual non major fund statements and schedules referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately following the notes to the financial statements and can be found on pages 65 through 122 of this report.

CITY-WIDE FINANCIAL ANALYSIS

A government-wide financial report represents the approach mandated by the Governmental Accounting Standards Board (GASB). GASB set the uniform standards for presenting government financial reports. This report provides comparative financial information to the previous year's actual results in this Management Discussion and Analysis.

Net Position. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. As of June 30, 2015, net position totaled \$235.9 million.

The following table provides a summary of the City's governmental and business-type net position for fiscal year 2014 and 2015 after restatement. For more detailed information on restatement, see the notes to the financial statement.

Table 1
Net Position

	Governmental		Business-type		Total	
	Activities	Activities	Activities	Activities	2014	2015
	2014	2015	2014	2015	2014	2015
Assets						
Current and other assets	\$154,847,826	\$148,630,563	\$ 66,536,400	\$ 61,335,743	\$221,384,226	\$182,468,079
Capital assets	119,467,903	132,272,001	151,670,620	172,863,636	277,138,523	332,633,864
Total assets	274,315,729	280,902,564	224,207,020	234,199,379	498,522,749	515,101,943
Deferred Outflow of Resources						
Deferred Loss on Refunding	721,191	560,926	47,838	-	769,029	560,926
Related to pension	-	2,527,600	-	1,032,400	-	3,560,000
Total Deferred Outflows of Resources	721,191	3,088,326	47,838	1,032,400	769,029	4,120,926
Liabilities						
Current and other liabilities	9,625,289	11,424,348	16,714,375	15,603,548	26,339,664	27,027,896
Non-current liabilities	220,811,265	213,597,690	38,515,975	38,568,748	29,527,240	252,166,438
Total liabilities	230,436,554	225,022,038	36,980,286	54,172,296	285,666,904	279,194,334
Deferred Inflows of Resources						
Deferred gain on Refunding	-	886,879	-	-	-	886,879
Related to Pension	-	2,297,560	-	938,440	-	3,236,000
Total Deferred Inflows of Resources	-	3,184,439	-	938,440	-	4,127,879
Net Position						
Net invested in capital assets	84,036,575	91,932,852	156,008,740	158,187,155	240,045,315	250,120,007
Restricted	38,265,536	36,455,459	-	-	38,265,536	36,359,546
Unrestricted	(77,701,745)	(72,507,785)	13,015,768	21,933,888	(64,685,977)	(50,573,897)
Total net position	\$ 44,600,366	\$ 55,784,613	\$169,024,508	\$180,121,043	\$213,624,874	\$235,905,656

The largest portion of the City's net position, \$250 million, represents investments in capital assets.

The net investment in capital assets included land, buildings, machinery, and equipment, as well as infrastructure acquired and identified that was purchased and installed in previous fiscal years. These capital assets are used to provide services to citizens; consequently, they are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Changes in Net Position. Governmental and business-type activities increased the City's net position by \$22.3 million in fiscal year 2015 after restatement. The following table indicates the changes in net position for governmental and business-type activities in fiscal year 2014 and 2015.

Changes in Net Position

	Governmental		Business-type		Total	
	Activities		Activities			
	2014 (1)	2015	2014 (2)	2015	2014	2015
Revenues						
Program revenues:						
Charges for services	\$ 14,349,971	\$ 15,035,430	\$153,737,370	\$156,622,359	\$168,087,341	\$171,657,789
Operating grants and contributions	8,986,259	3,951,926	0	0	8,986,259	3,951,926
Capital grants and contributions	14,270,432	15,148,308	0	765,710	14,270,432	15,148,308
General Revenues:						
Property taxes	12,275,431	17,234,410	0	0	12,275,431	17,234,410
Other taxes	12,323,851	12,993,225	0	0	12,323,851	12,993,225
Investment earnings	144,116	124,719	355,270	312,473	499,386	437,192
Other revenues	238,632	1,937,144	172,919	160,364	411,551	2,097,508
Total Revenues	62,588,692	66,425,162	154,265,559	157,860,906	216,854,251	224,286,068
Expenses						
General government	8,188,120	7,952,118	0	0	8,188,120	7,952,118
Judicial	0	0	0	0	0	0
Public works	13,176,934	16,074,864	0	0	13,176,934	16,074,864
Culture and recreation	5,570,252	1,499,487	0	0	5,570,252	1,499,487
Public safety	32,169,792	31,630,707	0	0	32,169,792	31,630,707
Health and welfare	0	0	0	0	0	0
Urban redevelopment and housing	5,327,162	3,223,937	0	0	5,327,162	3,223,937
Interest on long-term debt	5,967,486	7,748,256	0	0	5,961,486	7,748,256
Electric, water & sewer	0	0	123,389,037	131,657,518	123,389,037	131,657,578
Golf	0	0	1,476,978	1,431,661	1,476,978	1,431,661
Conference	0	0	1,312,745	786,678	1,312,745	786,678
Total expenses	70,399,746	68,129,369	126,178,760	133,875,917	196,578,506	202,005,286
Increase (decrease) in net position before transfers	(7,781,654)	(1,704,207)	28,086,799	23,984,989	20,275,745	22,280,782
Transfers in (out)	12,543,390	12,888,454	(12,543,390)	(12,888,454)	0	0
Increase (decrease) in net position	\$ 4,732,336	\$ 11,184,247	\$ 15,543,409	\$ 11,096,535	\$ 20,275,745	\$ 22,280,782

(1) The effect of overstated receivables to the previously reported Governmental Activities changes in net position is \$(1,845,635). The effect of implementing GASB Statement No. 68 to previously reported changes in net position has not been determined.

(2) The effect of overstated equipment to the previously reported Business-Type Activities change in net position is \$112,500. The effect of implementing GASB Statement No. 68 to previously reported changes in net position has not been determined.

Governmental Activities. Governmental activities decreased the City's net position by \$1.7 million in fiscal year 2015 before transfers. Key elements of this decrease are as follows:

Total revenues are \$66.4 million, up 6% from the prior year. The revenue increase is attributable to an increase in economic activity, a decrease in operating grants for the police department and a decrease in court fines and forfeits. Business license saw a slight increase and permit revenue increased due to the improving housing market. Investment earnings decreased from the previous year, which is attributable to the decrease in the rates.

Expenses totaled \$68.1 million. This decrease from the previous year was due to the elimination of the Section 8 Housing Department mid-year an increase in debt expense due to Bond issue and increase in Parks Bond expense with the completion of several projects. The City is still involved in several transportation and road improvement projects as a result of the voter approved Special Local Option Sales Tax (SPLOST). Construction, engineering and design work, right-of-way appraisals, and property acquisition are underway. This activity slowed some from the prior year but will increase in future years as the projects work into the construction phase.

Business-Type Activities. The City's business-type activities, which include the Board of Lights and Water, City Club Golf Course, and the Marietta Conference Center & Resort increased net position by \$24 million in fiscal year 2015 before transfers to the governmental activities.

Table 3
Business-type Net Operating Income (Loss)
Non-operating revenues (expenses)
and Transfers in (out)

	Fiscal Year	
	2014	2015
Operating income (loss):		
Board of Lights & Water	\$ 27,675,636	\$ 21,309,438
City Club Golf Course	208,448	176,153
Marietta Conference Center & Resort	869,399	1,260,851
Total	<u>28,753,483</u>	<u>22,746,442</u>
Non-operating revenues (expenses)	<u>368,426</u>	<u>472,837</u>
Contributed capital from developers	<u>0</u>	<u>765,710</u>
Income (loss) before operating transfers	<u>29,121,909</u>	<u>23,984,989</u>
Transfers in (out)	(13,425,387)	(12,888,454)
Change in net position	<u>\$ 15,696,522</u>	<u>\$ 11,096,535</u>

The Board of Lights and Water's operating revenues increased 1.9% from the previous year while operating expenses increased by 6.7% resulting in an operating income decrease of 19.4% from 2014.

The City Club golf course operating revenues increased by 3.3% from the previous year while operating expenses decreased by 3.1% resulting in operating income of \$176,153.

The City has entered into a long-term lease for The Marietta Conference Center and Resort with a private party and is no longer involved in the daily operations. The Center is leased for a flat monthly fee sufficient to cover the debt service payments. The City is now reporting lease income, depreciation, and operating costs related to bond trustee expenses, and similar items.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

Governmental Funds Overview. 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.

At the end of fiscal 2015, the combined ending fund balances of the City's governmental funds were \$129.8 million.

The City has three major governmental funds:

General fund. This is the primary operating fund of the City of Marietta government. It accounts for many of the City's core services such as law enforcement, fire protection, planning, roads and streets, solid waste sanitation, and administration. The general fund balance was \$46.8 million as of June 30, 2015. The fiscal year 2015 fund balance is \$1million lower than the previous year. 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 31% of total fiscal year 2015 expenditures, while total fund balance is 87% of the same amount.

SPLOST fund. The Special Purpose Local Option Sales Tax fund tracks expenditures related to the 1% sales tax used for transportation and communications. Sidewalks, bridge rehabilitation, multi-use trails, road improvements, general street and drainage rehabilitation, street resurfacing and new roads are all construction projects on the

Transportation Projects list approved by the voters in 2005 and 2011. In an effort to accelerate project completion, the city also undertakes County projects that are located within the City limits and receives reimbursement by the county for these projects. A county-wide 800 MHz communications system is also funded under this SPLOST. The fund balance as of June 30, 2015 is \$23.4 million which is an increase of \$5.0 million from last year.

Redevelopment Bond fund. The Redevelopment Bond fund was established in FY2014 after the approval of a \$68 million bond referendum. Funding is provided for land acquisition; improvements to the Franklin-Gateway redevelopment area and the Whitlock Avenue corridor.

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

The City operates the Board of Lights and Water (BLW) which provides electric, water, and wastewater utilities for residential and commercial customers. Unrestricted net position of this fund at the end of the year amounted to \$44.7 million. The unrestricted net position decreased by \$11.1 million during the year. The BLW continues to show strong operating income. Operating income totaled \$22.3 million and continues to contribute strong financial results for the city. The emphasis on controlling cost and restrained capital expenditures continues to contribute to city investment in the public utility.

The City operates an 18-hole golf course known as the City Club. The total net position of this fund at the end of the fiscal year amounted to \$5.4 million, an 14.8% increase. Revenue generated by the fund helps pay part of the acquisition cost of the property. The General Fund also contributes funds toward debt service. This \$399 thousand dollar payment contributes to the increase in net position. The Revenue Bond will be paid off in FY 2016.

The Marietta Conference Center & Resort is a conference center facility owned by the City. The total net position of this fund at the end of the fiscal year was \$(6.9) million. The total net position increased by \$1.3 million during the year. This facility is under a long term lease to a private operator until 2028. The difference between the lease payment and depreciation of the facility will contribute yearly to increase net position of the fund.

Other factors concerning the finances of these funds were discussed under business-type activities.

The City maintains two internal service funds. Information on these funds is aggregated in the Proprietary Fund financial statements.

GENERAL FUND BUDGETARY HIGHLIGHTS

The City's budget is prepared according to the Georgia statutes and the City of Marietta Code. The most significant budgeted fund is the General Fund.

In June 2014, the City Council appropriated \$52.6 million for general fund expenditures. The budget was amended 9 times during the fiscal year.

**Table 4
2015 General Fund Budget**

	Original Budget	Amendments	Final Budget	Actual
Revenue and other financing sources	\$54,571,422	\$ 4,954,389	\$59,525,861	\$56,641,579
Expenditures and other financing uses	54,663,703	8,840,132	63,503,835	59,346,671

Mid Year budget amendments include:

	General Fund	Grants	Police Asset/Forfeiture	Culture and Recreation	Total
Prior Yr encumbrances	2,796,834	327,990	467,109	109	3,592,042
1 Community Development				21,396	21,396
2 Public Safety	749,414	41,233	166,623		957,270
3 Public Works	669,000	2,611,095			3,280,095
4 Facility, Grounds, Parks, Rec & Culture	495,997			1,958	497,955
5 Administration	309,280				309,280
6 Project Rollovers from previous yrs		15,112		166,982	182,094
	5,020,525	2,995,430	633,732	190,445	8,840,132

- 1 Tree preservation expenses.
- 2 Police HEAT Unit and Cyber Unit; Appropriation of prior year savings for school bus safety program, police vehicles, fire command vehicles, and public safety equipment. Grants for equipment for Police Dept. Federal sharing funds for Police Dept.
- 3 Appropriation of prior year savings for refuse truck, staff trucks and powered equipment. Federal and state grants for transportation projects.
- 4 Appropriation of tourism funds; Appropriation of prior year savings for vehicles and powered equipment and parks fixtures. Purchase of inventory at Museum.
- 5 Appropriation of prior year savings for self insurance fund.
- 6 Project rollovers are for project budgets adopted in a previous year that are for the life of the project.

The General Fund received several grants during the year that were not in the adopted budget as of July 1st. These are applied for and not awarded until after the budget has been adopted. The city purchased the remainder of a building that was purchased with Cobb Housing Inc. and appropriated excess funds for the purchase of vehicles.

The large budget variance in expenses is due to grant awards for street improvements that are awarded in the Budget year and will take several years to complete. This happens every year and is expected to continue.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. The City's net investment in capital assets for its governmental and business-type activities as of June 30, 2015 was a total \$250 million (net of accumulated depreciation). This investment includes land, buildings, machinery and equipment, as well as infrastructure. To comply with GASB 34, the City researched historical records to determine the value of infrastructure and calculated appropriate depreciation. The City has reported all assets acquired during fiscal years 2002 through 2015, and all assets that could be identified from previous periods. The total investment in capital assets (net of accumulated depreciation and debt) for the current fiscal year decreased from the previous year by .5% after depreciation. Additional capital asset activity and relevant disclosures can be found in note 5 of the Financial Statements. Major capital assets events during the current fiscal year included the following:

Governmental activities:

- Land acquisition for parks and economic development programs \$690 thousand
- Buildings and machinery and equipment \$7.6 million
- Infrastructure \$7.2 million

Business-type activities:

- System improvements \$6.6 million
- Buildings and machinery & equipment \$3 million

On-going construction commitments include:

The water department is continuing its water line replacement program. Utility relocations have also begun for the Roswell Street improvement project. The City intends to capitalize the infrastructure assets and depreciate them over the estimated useful life.

Long-term debt. At June 30, 2015, the City of Marietta had the following outstanding long-term debt (principal amount):

- \$950 thousand 2009B Public Safety Refunding Bonds
- \$10.7 million 2009A School Refunding Bonds
- \$5.5 million 2009D General Obligation Parks Bond
- \$7 million 2013A General Obligation Bonds Redevelopment
- \$58.4 million 2013B General Obligation Bonds Redevelopment

- \$16 million 2015 General Obligation Parks Refunding Bond
- \$222 thousand note payable for property
- \$4.4 million Series 2005 Tax Allocation District bonds
- \$24.8 million notes payable for City Wide Projects
- \$755 thousand capital lease funded through the City Club for the golf course
- \$253 thousand capital leases for golf carts
- The City has received a credit rating of Aa2 from Moody's Investor Services, Inc. and an AA+ rating from Standard & Poor's Corporation along with an AA+ rating from Fitch's Inc. The three agencies upgraded the City's ratings in 2010.

Georgia Revised Statutes provide for a general obligation debt limit of 10% of the assessed valuation. The City has a general obligation debt capacity of \$271 million at the end of fiscal year 2015.

Additional information on the City of Marietta's debt can be found in Note 7.

Other Matters. The following factors are expected to have a significant effect on the City's financial position or results of operations and were taken into account in developing the fiscal year 2016 budget:

- No fee increases were imposed for fiscal year 2016.
- Increasing home ownership will also be a major focus of our redevelopment efforts. Several new mixed-use developments that were slowed or stopped during the economic downturn are now restarting. These large-scale projects along with their surrounding neighborhoods will have a tremendous influence in revitalizing the City.
- The Public Works has budgeted over \$22.5 million for transportation and road projects. Projects such as new road construction, general street, drainage and intersection improvements, sidewalk and multi-use trail construction, and street resurfacing and repairs are funded by collections from a 1% special purpose local option sales tax (SPLOST) enacted as of January 1, 2006 and January 1, 2011.
- In developing the budget the City was anticipating the budget would slowly recover from the economic slowdown and predicted that revenues would not grow as they have in the past years and therefore cut budgeted operating expenditures to zero growth in fiscal year 2016 for most departments.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City of Marietta's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, 205 Lawrence Street, Marietta, GA 30060.

CITY OF MARIETTA, GEORGIA
STATEMENT OF NET POSITION
JUNE 30, 2015

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets:			
Cash and cash equivalents	\$ 43,413,474	\$ 20,876,318	\$ 64,289,792
Investments	77,718,859	40,459,425	118,178,284
Inventories	110,387	3,581,057	3,691,444
Receivables, net	1,634,016	18,071,162	19,705,178
Internal balances	10,283,684	(10,283,684)	-
Due from other governments	15,440,686	-	15,440,686
Prepaid items	29,457	35	29,492
Other assets, net	-	2,299,704	2,299,704
Capital assets, non depreciated	47,031,492	8,752,260	55,783,752
Capital assets, depreciated, net	85,240,509	150,443,102	235,683,611
Total assets	280,902,564	234,199,379	515,101,943
Deferred outflows of resources:			
Deferred loss on refunding	560,926	-	560,926
Deferred outflows related to pension	2,527,600	1,032,400	3,560,000
Total deferred outflows of resources	3,088,526	1,032,400	4,120,926
Liabilities:			
Accounts payable and other current liabilities	7,928,177	13,048,490	20,976,667
Claims and judgements payable	3,310,695	-	3,310,695
Unearned revenue	185,476	2,555,058	2,740,534
Noncurrent liabilities:			
Due within one year	12,161,482	1,157,910	13,319,392
Due in more than one year	201,436,208	37,410,838	238,847,046
Total liabilities	225,022,038	54,172,296	279,194,334
Deferred inflows of resources:			
Deferred gain on refunding	886,879	-	886,879
Deferred inflows related to pension	2,297,560	938,440	3,236,000
Total deferred inflows of resources	3,184,439	938,440	4,122,879
Net Position:			
Net investment in capital assets	91,932,852	158,187,155	250,120,007
Restricted for:			
Debt service	3,679,851	-	3,679,851
Capital projects	28,673,318	-	28,673,318
Culture and recreation	1,037,766	-	1,037,766
Urban redevelopment and housing	212,225	-	212,225
Public safety	2,756,386	-	2,756,386
Unrestricted	(72,507,785)	21,933,888	(50,573,897)
Total net position	\$ 55,784,613	\$ 180,121,043	\$ 235,905,656

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Functions/Programs	Expenses	Program Revenue			Net (Expense) Revenue and Change in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
Primary Government							
Governmental activities:							
General government	\$ 7,952,118	\$ 10,141,316	\$ 8,000	\$ 686,500	\$ 2,883,698	\$ -	\$ 2,883,698
Public works	16,074,864	3,682,278	-	14,310,702	1,918,116	-	1,918,116
Culture and recreation	1,499,487	323,473	18,108	-	(1,157,906)	-	(1,157,906)
Public safety	31,630,707	96,208	783,166	148,690	(30,602,643)	-	(30,602,643)
Urban redevelopment and housing	3,223,937	792,155	3,142,652	2,416	713,286	-	713,286
Interest & fiscal charges on long-term debt	7,748,256	-	-	-	(7,748,256)	-	(7,748,256)
Total governmental activities	68,129,369	15,035,430	3,951,926	15,148,308	(33,993,705)	-	(33,993,705)
Business-type activities:							
Water & Sewer	25,867,064	36,121,205	-	765,710	-	11,019,851	11,019,851
Electric	105,790,514	116,845,811	-	-	-	11,055,297	11,055,297
Golf	1,431,661	1,607,814	-	-	-	176,153	176,153
Conference Center	786,678	2,047,529	-	-	-	1,260,851	1,260,851
Total business-type activities	133,875,917	156,622,359	-	765,710	-	23,512,152	23,512,152
Total Primary Government	\$ 202,005,286	\$ 171,657,789	\$ 3,951,926	\$ 15,914,018	\$ (33,993,705)	\$ 23,512,152	\$ (10,481,553)
General Revenues:							
Property Taxes					17,234,410	-	17,234,410
Insurance premium tax					3,052,816	-	3,052,816
Alcohol taxes					761,153	-	761,153
Hotel, motel tax					2,692,233	-	2,692,233
Franchise taxes					6,053,656	-	6,053,656
Auto rental tax					433,367	-	433,367
Unrestricted investment earnings					124,719	312,473	437,192
Gain on sale of capital assets					80,977	160,364	241,341
Operating grants not restricted to a specific program					1,856,167	-	1,856,167
Transfers					12,888,454	(12,888,454)	-
Total general revenues and transfers					45,177,952	(12,415,617)	32,762,335
Change in net position					11,184,247	11,096,535	22,280,782
Net position - beginning, before restatement					91,016,069	187,114,234	278,130,303
Restatement					(46,415,703)	(18,089,726)	(64,505,429)
Net position - beginning, after restatement					44,600,366	169,024,508	213,624,874
Net position - ending					\$ 55,784,613	\$ 180,121,043	\$ 235,905,656

CITY OF MARIETTA, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2015

	General	SPLOST Fund	Redevelopment Bond Fund	Debt Service	Other Governmental Funds	Total Governmental Funds
Assets						
Cash and cash equivalents	\$ 23,424,738	\$10,715,620	\$ 200,000	\$ 3,515,603	\$ 2,016,473	\$ 39,872,434
Cash with fiscal agent	500	-	-	-	943,138	943,638
Cash held in escrow	-	26,148	-	-	-	26,148
Investments	3,911,137	11,284,871	44,115,156	124,099	11,530,380	70,965,643
Receivables, net	906,627	14,294	-	108,576	361,817	1,391,314
Prepaid items	29,257	-	-	-	-	29,257
Due from other funds	676,401	-	-	-	-	676,401
Advances to other funds	20,521,375	-	-	-	-	20,521,375
Due from other governments	2,522,000	2,109,116	-	27,744	53,994	4,712,854
Inventories	33,384	-	-	-	-	33,384
Total assets	\$ 52,025,419	\$24,150,049	\$ 44,315,156	\$ 3,776,022	\$14,905,802	\$ 139,172,448
Liabilities						
Accounts payable	\$ 1,464,810	\$ 734,150	\$ 620,897	\$ 2,001	\$ 442,854	\$ 3,264,712
Retainage payable	38,055	-	296,018	-	83,360	417,433
Accrued liabilities	911,474	-	-	-	5,726	917,200
Due to other funds	2,437,351	-	1,025,040	-	815,762	4,278,153
Due to other governments	606	-	-	-	-	606
Unearned revenue	185,475	-	-	-	-	185,475
Total liabilities	5,037,771	734,150	1,941,955	2,001	1,347,702	9,063,579
Deferred inflows of resources						
Unavailable revenue	137,070	-	-	94,170	13,799	245,039
Fund Balances						
Nonspendable	20,584,016	-	-	-	-	20,584,016
Restricted	3,930,085	23,415,899	42,373,201	3,679,851	13,550,697	86,949,733
Committed	730,439	-	-	-	-	730,439
Assigned	5,003,127	-	-	-	-	5,003,127
Unassigned	16,602,911	-	-	-	(6,396)	16,596,515
Total fund balances	46,850,578	23,415,899	42,373,201	3,679,851	13,544,301	129,863,830
Total liabilities, deferred inflows of resources, and fund balances	\$ 52,025,419	\$24,150,049	\$ 44,315,156	\$ 3,776,022	\$14,905,802	

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

Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	131,580,145
Revenues earned but unavailable are not reported in the funds.	245,039
Other long-term assets are not available to pay for current-period expenditures and, therefore, are not reported or reported as unavailable in the funds:	
Receivable from other governments	10,725,000
Deferred loss on refunding	560,926
Deferred outflows of resources related to pension	2,492,000
Internal service funds are used by management to charge the costs of fleet management and insurance to individual funds. The assets and liabilities of the internal service funds and a receivable from business type activities are included in governmental activities in the statement of net assets.	(1,110,265)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Net OPEB obligation	(30,202,527)
Net pension liability	(45,126,900)
Unmatured bonds and notes	(127,951,060)
Unamortized notes payable premium	(1,509,825)
Unamortized bond premium	(4,328,046)
Deferred gain on refunding	(886,879)
Accrued compensated absences	(3,794,278)
Accrued interest payable	(2,507,347)
Deferred inflows related to pension	(2,265,200)
Net position of governmental activities	\$ 55,784,613

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	General	SPLOST Fund	Redevelopment Bond Fund	Debt Service	Other Governmental Funds	Total Governmental Funds
Revenues:						
Taxes	\$ 18,977,404	\$ -	\$ -	\$ 7,861,037	\$ 3,358,714	\$ 30,197,155
Licenses and permits	6,481,853	-	-	-	-	6,481,853
Intergovernmental	3,700,910	12,477,164	-	2,791,500	3,261,941	22,231,515
Charges for services	4,345,871	-	-	-	-	4,345,871
Fines and forfeits	4,534,974	-	-	-	-	4,534,974
Investment earnings	67,630	36,831	9,719	5,871	41,282	161,333
Other	502,618	-	-	-	705	503,323
Total revenues	38,611,260	12,513,995	9,719	10,658,408	6,662,642	68,456,024
Expenditures:						
Current:						
General government	7,607,877	-	-	-	-	7,607,877
Public works	8,882,509	219,697	9,010	-	143,021	9,254,237
Culture and recreation	6,328,712	-	-	-	380,206	6,708,918
Public safety	28,393,032	-	-	-	-	28,393,032
Urban redevelopment and housing	-	-	-	-	3,229,858	3,229,858
Debt service:						
Principal retirement	1,677,024	-	-	7,985,000	638,596	10,300,620
Interest & fiscal charges	1,172,355	-	-	4,582,193	212,558	5,967,106
Refunding bond issuance cost	-	-	-	299,261	-	299,261
Capital projects	-	7,322,933	2,197,401	-	4,819,297	14,339,631
Total expenditures	54,061,509	7,542,630	2,206,411	12,866,454	9,423,536	86,100,540
Excess (deficiency) of revenues over expenditures	(15,450,249)	4,971,365	(2,196,692)	(2,208,046)	(2,760,894)	(17,644,516)
Other financing sources (uses):						
Proceeds of refunding bonds	-	-	-	15,970,000	-	15,970,000
Premium on bonds issued	-	-	-	1,431,052	-	1,431,052
Payment to refunded bond escrow agent	-	-	-	(17,094,580)	-	(17,094,580)
Sale of capital assets	164,500	-	-	-	20,000	184,500
Transfers in	17,865,819	-	-	-	43,011	17,908,830
Transfers out	(3,619,874)	-	-	(32,447)	(3,266,324)	(6,918,645)
Total other financing sources (uses)	14,410,445	-	-	274,025	(3,203,313)	11,481,157
Net change in fund balance	(1,039,804)	4,971,365	(2,196,692)	(1,934,021)	(5,964,207)	(6,163,359)
Fund balances at beginning of year	47,890,382	19,390,169	44,569,893	5,613,872	19,508,508	136,972,824
Restatement	-	(945,635)	-	-	-	(945,635)
Fund balances at beginning of year, after restatement	47,890,382	18,444,534	44,569,893	5,613,872	19,508,508	136,027,189
Fund balances at end of year	\$ 46,850,578	\$ 23,415,899	\$ 42,373,201	\$ 3,679,851	\$ 13,544,301	\$ 129,863,830

See accompanying notes to financial statements.

CITY OF MARIETTA, 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, 2015

Net change in fund balances - total governmental funds \$ (6,163,359)

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

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. When assets are sold or retired, the difference between the sales proceeds, if any, and the net book value of the assets is reported in the statement of activities as a gain or loss.

Depreciation expense	(4,984,438)	
Capital outlays	18,012,583	
Loss on disposal of assets	(103,523)	12,924,622

Receipts of long-term receivables are reported as revenues in the governmental funds but entering into a long-term receivable agreement is included in the Statement of Net Assets:

Receipts of long-term receivables		(2,105,000)
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The issuance of long-term debt provides current financial resources and the repayment of principal on long-term debt consumes current financial resources in the governmental funds.

Refunding bond issued		(15,970,000)
Bond issuance premium		(1,431,052)
Matured principal on bonds and notes payable		24,885,620

The net effect of revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

30,481

Internal service funds are used by management to charge the costs of fleet management and self-insurance to individual funds.

(323,330)

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 the governmental funds.

Amortization of bond premium and loss on bond refunding	607,462	
Net pension liability	168,000	
Actuarial costs in excess of OPEB contributions	(1,816,648)	
Accrued interest expense	419,524	
Accrued compensated absences	(42,073)	(663,735)

Change in net position of governmental activities \$ 11,184,247

**CITY OF MARIETTA, GEORGIA
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 JUNE 30, 2015**

	Major			Totals	Governmental Activities - Internal Service Funds
	Board of Lights and Waterworks	Marietta Conference Center & Resort	City Golf Course		
Assets:					
Current assets:					
Cash and cash equivalents	\$ 20,868,037	\$ -	\$ 8,281	\$ 20,876,318	\$ 2,571,254
Investments	28,483,156	59	-	28,483,215	6,753,216
Receivables, net	18,070,012	-	1,150	18,071,162	242,702
Due from other funds	12,442,573	186,366	-	12,628,939	-
Due from other governments	-	-	-	-	3,438
Inventories, at cost	3,581,057	-	-	3,581,057	77,003
Prepaid expense	35	-	-	35	200
Total current assets	83,444,870	186,425	9,431	83,640,726	9,647,813
Noncurrent assets:					
Restricted assets:					
Investments	11,976,210	-	-	11,976,210	-
Total noncurrent assets	11,976,210	-	-	11,976,210	-
Property, plant and equipment:					
Land and land improvements	1,382,976	769,284	6,600,000	8,752,260	-
Buildings and improvements	16,823,442	23,326,210	2,075,664	42,225,316	502,346
Electrical plant in service	121,369,049	-	-	121,369,049	-
Water and sewer system	89,758,141	-	-	89,758,141	-
Machinery and equipment	63,444,402	12,354,692	3,842,005	79,641,099	1,459,924
	292,778,010	36,450,186	12,517,669	341,745,865	1,962,270
Less: accumulated depreciation	(154,843,577)	(23,062,048)	(4,644,878)	(182,550,503)	(1,270,414)
Net property, plant and equipment	137,934,433	13,388,138	7,872,791	159,195,362	691,856
Other assets:					
Investment	2,299,704	-	-	2,299,704	-
Total other assets	2,299,704	-	-	2,299,704	-
Total noncurrent assets	152,210,347	13,388,138	7,872,791	173,471,276	691,856
Total assets	235,655,217	13,574,563	7,882,222	257,112,002	10,339,669
Deferred inflows of resources:					
Deferred outflows related to pension	1,032,400	-	-	1,032,400	35,600

See accompanying notes to financial statements.
 Continued on next page.

**CITY OF MARIETTA, GEORGIA
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION (CONT'D)
 JUNE 30, 2015**

	Major			Totals	Governmental Activities - Internal Service Funds
	Board of Lights and Waterworks	Marietta Conference Center & Resort	City Golf Course		
Liabilities:					
Current liabilities:					
Accounts payable	12,249,246	-	65,379	12,314,625	800,078
Accrued salaries	407,857	-	-	407,857	21,407
Accrued sales tax	315,717	-	-	315,717	-
Accrued compensated absences	347,207	-	-	347,207	19,708
Due to other funds	-	500	1,425,040	1,425,540	7,601,647
Capital lease obligations	-	-	810,703	810,703	-
Accrued interest payable	-	-	10,291	10,291	-
Claims and judgements payable	-	-	-	-	3,310,695
Total current liabilities:	<u>13,320,027</u>	<u>500</u>	<u>2,311,413</u>	<u>15,631,940</u>	<u>11,753,535</u>
Long-term liabilities (net of current portion):					
Accrued compensated absences	578,091	-	-	578,091	20,676
Unearned revenue	2,555,058	-	-	2,555,058	-
Net pension liability	18,695,430	-	-	18,695,430	644,670
Net OPEB obligation	8,518,661	-	-	8,518,661	-
Customer deposits	9,421,152	-	-	9,421,152	-
Advances from other funds	-	20,521,375	-	20,521,375	-
Capital lease obligations	-	-	197,504	197,504	-
Total long-term liabilities	<u>39,768,392</u>	<u>20,521,375</u>	<u>197,504</u>	<u>60,487,271</u>	<u>665,346</u>
Total liabilities	<u>53,088,419</u>	<u>20,521,875</u>	<u>2,508,917</u>	<u>76,119,211</u>	<u>12,418,881</u>
Deferred inflows of resources:					
Deferred inflows related to pension	938,440	-	-	938,440	32,360
Net Position:					
Net investment in capital assets	137,934,433	13,388,138	6,864,584	158,187,155	691,856
Unrestricted	<u>44,726,325</u>	<u>(20,335,450)</u>	<u>(1,491,279)</u>	<u>22,899,596</u>	<u>(2,767,828)</u>
Total net position	<u>\$ 182,660,758</u>	<u>\$ (6,947,312)</u>	<u>\$ 5,373,305</u>	<u>181,086,751</u>	<u>\$ (2,075,972)</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				<u>(965,708)</u>	
Net position of business-type activities				<u>\$ 180,121,043</u>	

See accompanying notes to financial statements.
 Continued from previous page.

**CITY OF MARIETTA, GEORGIA
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN FUND NET POSITION
 FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

	Major			Totals	Governmental Activities - Internal Service Funds
	Board of Lights and Waterworks	Marietta Conference Center & Resort	City Golf Course		
Operating revenues:					
Charges for services	\$ 151,515,083	\$ -	\$ 1,607,814	\$ 153,122,897	\$ 3,461,380
Lease income	-	2,047,529	-	2,047,529	-
Other	1,451,933	-	-	1,451,933	109,858
Contributions	-	-	-	-	10,742,421
Total operating revenues	<u>152,967,016</u>	<u>2,047,529</u>	<u>1,607,814</u>	<u>156,622,359</u>	<u>14,313,659</u>
Operating expenses:					
Personal services	15,492,291	-	-	15,492,291	850,556
Operating	107,997,001	500	1,174,837	109,172,338	3,405,079
Depreciation	7,173,846	753,455	177,086	8,104,387	120,524
Benefits and claims	-	-	-	-	13,162,235
Total operating expenses	<u>130,663,138</u>	<u>753,955</u>	<u>1,351,923</u>	<u>132,769,016</u>	<u>17,538,394</u>
Operating income (loss)	<u>22,303,878</u>	<u>1,293,574</u>	<u>255,891</u>	<u>23,853,343</u>	<u>(3,224,735)</u>
Nonoperating revenues (expenses):					
Investment earnings	312,473	-	-	312,473	8,697
Interest and fiscal charges	-	(32,723)	(78,301)	(111,024)	-
Gain (loss) on sale of capital assets	160,364	-	-	160,364	-
Other	-	-	(1,437)	(1,437)	-
Total nonoperating revenues (expenses)	<u>472,837</u>	<u>(32,723)</u>	<u>(79,738)</u>	<u>360,376</u>	<u>8,697</u>
Contributed capital from developers	<u>765,710</u>	<u>-</u>	<u>-</u>	<u>765,710</u>	<u>-</u>
Income (loss) before transfers	<u>23,542,425</u>	<u>1,260,851</u>	<u>176,153</u>	<u>24,979,429</u>	<u>(3,216,038)</u>
Transfers					
Transfers in	439,886	772,239	399,786	1,611,911	2,909,010
Transfers out	(14,584,738)	(772,239)	(25,021)	(15,381,998)	(129,108)
Total transfers	<u>(14,144,852)</u>	<u>-</u>	<u>374,765</u>	<u>(13,770,087)</u>	<u>2,779,902</u>
Change in net position	<u>9,397,573</u>	<u>1,260,851</u>	<u>550,918</u>	<u>11,209,342</u>	<u>(436,136)</u>
Net position at beginning of year - before restatement	191,465,411	(8,208,163)	4,822,387		(996,006)
Restatement	(18,202,226)	-	-		(643,830)
Net position at beginning of year - after restatement	<u>173,263,185</u>	<u>(8,208,163)</u>	<u>4,822,387</u>		<u>(1,639,836)</u>
Net position at end of year	<u>\$ 182,660,758</u>	<u>\$ (6,947,312)</u>	<u>\$ 5,373,305</u>		<u>\$ (2,075,972)</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				(112,807)	
Change in net position of business-type activities				<u>\$ 11,096,535</u>	

See accompanying notes to financial statements.

**CITY OF MARIETTA, GEORGIA
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

	Major			Totals	Governmental Activities- Internal Service Funds
	Board of Lights and Waterworks	Marietta Conference Center & Resort	City Golf Course		
Cash flows from operating activities:					
Cash received from customers	\$ 150,855,944	\$ -	\$ 1,608,211	\$ 152,464,155	\$ 14,167,664
Cash received from other operating activities	1,451,933	-	-	1,451,933	-
Cash payments goods and services	(109,364,396)	-	(1,133,648)	(110,498,044)	(2,954,485)
Cash payments for benefits and claims and fringe benefits	(14,982,025)	-	-	(14,982,025)	(13,715,808)
Cash payments for other operating activities	-	-	-	-	112,658
Cash received from lease	-	2,047,529	-	2,047,529	-
Cash received from (payments to) other funds	-	-	-	-	(1,602,985)
Net cash from (to) operating activities	27,961,456	2,047,529	474,563	30,483,548	(3,992,956)
Cash flows from noncapital financing activities:					
Transfers in	439,886	772,239	399,786	1,611,911	2,909,010
Transfers out	(14,584,738)	(772,239)	(25,021)	(15,381,998)	(129,108)
Net cash from (to) noncapital financing	(14,144,852)	-	374,765	(13,770,087)	2,779,902
Cash flows from capital and related financing activities:					
Payments for capital acquisitions	(8,571,761)	-	(32,029)	(8,603,790)	-
Advances from (to) other funds	-	(2,014,806)	-	(2,014,806)	-
Proceeds from asset sales	160,364	-	-	160,364	-
Payments on capital leases	-	-	(774,040)	(774,040)	-
Interest and fiscal charges	-	(32,723)	(41,784)	(74,507)	-
Net cash from (to) capital and related financing activities	(8,411,397)	(2,047,529)	(847,853)	(11,306,779)	-
Cash flows from investing activities:					
Investment income received (paid)	308,462	-	-	308,462	8,723
Investment (purchases) sales	5,316,607	-	-	5,316,607	2,642,429
Net cash from (to) investing activities	5,625,069	-	-	5,625,069	2,651,152
Net increase (decrease) in cash and cash equivalents	11,030,276	-	1,475	11,031,751	1,438,098
Cash and cash equivalents at beginning of year:					
Cash	9,837,761	-	6,806	9,844,567	1,133,156
Total cash and cash equivalents, beginning of year	9,837,761	-	6,806	9,844,567	1,133,156
Cash and cash equivalents at end of year:					
Cash	20,868,037	-	8,281	20,876,318	2,571,254
Total cash and cash equivalents, end of year	\$ 20,868,037	\$ -	\$ 8,281	\$ 20,876,318	\$ 2,571,254

**CITY OF MARIETTA, GEORGIA
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

	Major			Totals	Governmental Activities- Internal Service Funds
	Board of Lights and Waterworks	Marietta Conference Center & Resort	City Golf Course		
Reconciliation of operating income (loss) to net cash from operating activities:					
Operating income (loss)	\$ 22,303,878	\$ 1,293,574	\$ 255,891	\$23,853,343	\$ (3,224,735)
Adjustments to reconcile operating income to net cash from operating activities:					
Depreciation	7,173,846	753,455	177,086	8,104,387	120,524
Change in assets and liabilities:					
(Increase) decrease in accounts receivable	-	-	397	397	1,111
(Increase) decrease in contributions receivable	-	-	-	-	(33,981)
(Increase) decrease in utility accounts receivable	(107,989)	-	-	(107,989)	-
(Increase) decrease in due from other funds	(692,185)	-	-	(692,185)	-
(Increase) decrease in due from other governments	-	-	-	-	(3,292)
(Increase) decrease in inventories	(182,974)	-	-	(182,974)	26,556
(Increase) decrease in prepaid expense	15,265	-	-	15,265	2,825
(Increase) decrease in deferred outflows related to pension	(1,032,400)	-	-	(1,032,400)	(35,600)
Increase (decrease) in accounts payable	(881,304)	-	(4,735)	(886,039)	435,782
Increase (decrease) in accrued salaries	82,872	-	-	82,872	1,756
Increase (decrease) in accrued sales tax	(318,382)	-	-	(318,382)	-
Increase (decrease) in accrued compensated absences	(15,393)	-	-	(15,393)	7,238
Increase (decrease) in net OPEB obligation	512,387	-	-	512,387	-
Increase (decrease) in net pension liability	24,360	-	-	24,360	840
Increase (decrease) in due to other funds	-	500	45,924	46,424	(1,614,729)
Increase (decrease) in unearned revenue	20,605	-	-	20,605	-
Increase (decrease) in customer deposits	120,430	-	-	120,430	-
Increase (decrease) in claims and judgments payable	-	-	-	-	290,389
Increase (decrease) in deferred inflows related to pension	938,440	-	-	938,440	32,360
Net cash from (to) operating activities	<u>\$ 27,961,456</u>	<u>\$ 2,047,529</u>	<u>\$ 474,563</u>	<u>\$30,483,548</u>	<u>\$ (3,992,956)</u>

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES:
 During 2015, equipment of \$302,208 was acquired through capital leases in the Golf Fund.

CITY OF MARIETTA, GEORGIA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2015

	OPEB Trust Fund	Pension Trust Fund	City Schools Agency Fund
<u>Assets</u>			
Cash and cash equivalents	\$ 282,662	\$ 7,052,364	\$ 143,254
Receivables:			
Accrued interest	11	240,471	-
Tax receivable	-	-	981,877
Due from other government	-	-	306,670
Other	-	168,261	-
Total receivables	11	408,732	1,288,547
Investments, at fair value:			
United States government securities	-	6,590,656	-
Corporate notes and debentures	793,870	24,123,114	-
Common stock	-	56,981,989	-
Preferred stock	-	2,631,033	-
Total investments	793,870	90,326,792	-
Total assets	1,076,543	97,787,888	1,431,801
<u>Liabilities</u>			
Accrued expenses	420	131,055	-
Due to others	-	341,892	1,431,801
Total liabilities	420	472,947	1,431,801
Net position:			
Restricted for:			
OPEB benefits (See required supplementary information)	1,076,123	-	-
Pension benefits (See required supplementary information)	-	97,314,941	-
Total Net Position	\$ 1,076,123	\$97,314,941	\$ -

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	OPEB Trust Fund	Pension Trust Fund
Additions:		
Employer contributions	\$ -	\$ 5,731,060
Employee contributions	-	1,279,942
Contributions from others	127,841	-
	<u>127,841</u>	<u>7,011,002</u>
Investment income (expenses):		
Net appreciation (depreciation) of fair value of investments	-	1,539,605
Interest and dividends	1,674	1,808,651
Total investment income	1,674	3,348,256
Less investment expenses	-	(602,096)
Net investment income (expenses)	<u>1,674</u>	<u>2,746,160</u>
Total additions	<u>129,515</u>	<u>9,757,162</u>
Deductions:		
Pension benefits paid	-	9,654,868
Administrative costs	15,050	111,455
Total deductions	<u>15,050</u>	<u>9,766,323</u>
Change in net position	<u>114,465</u>	<u>(9,161)</u>
Net position - beginning of year	<u>961,658</u>	<u>97,324,102</u>
Net position - end of year	<u>\$ 1,076,123</u>	<u>\$ 97,314,941</u>

See accompanying notes to financial statements.

**CITY OF MARIETTA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

The accounting methods and procedures adopted by the City of Marietta, Georgia, conform to generally accepted accounting principles as applied to governmental entities. The following notes to the financial statements are an integral part of the City's Comprehensive Annual Financial Report.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The reporting entity which consists only of the primary government, the City of Marietta (City), was created in 1852 and operates under an elected Mayor/Council form of government. The City's major operations include social services, public safety, fire protection, culture-recreation, regulation and control of the water, light, and sewer systems, highways and streets, sanitation, public improvements, planning and zoning, and general administrative services.

Related Organization: The Marietta Housing Authority is a related organization which has not been included in the reporting entity. The Authority provides low-income housing to eligible families in the City. The Board consists of five members appointed by the City Council; however, the City does not have the ability to impose its will or have a financial benefit or burden relationship. The Department of Housing and Urban Development subsidizes Housing Authority operations and sets rates charged for housing. The debts of the Housing Authority are not secured by the City and deficits are not financed by the City. No budgetary or financial relationship exists between the City of Marietta and the Marietta Housing Authority.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. The City's net position is reported in three parts- net investment in capital assets; restricted net position; and unrestricted net position. The City first utilizes restricted resources to finance qualifying activities.

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

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

**CITY OF MARIETTA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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 all revenues except intergovernmental revenue to be available if they are collected within 60 days of the end of the current fiscal period. Intergovernmental revenue is considered available if it is collected within 9 months after year end. 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 a payment is due.

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

The government reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

SPLOST Fund - The SPLOST fund accounts for the proceeds received from Cobb County Special Purpose Local Option Sales Tax collections to be used for transportation, sidewalks, park projects, public safety projects, and public safety radio system improvements within the City that were approved by voter referendum.

Redevelopment Bond Fund – Redevelopment Bond Fund accounts for the proceeds of the Series 2013B General Obligation Bond that are restricted for redevelopment of the Franklin Road corridor.

Debt Service Fund – The Debt Service Fund is used to account for the accumulation of resources restricted for, and the payment of, general long-term debt principal, interest and related costs.

The government reports the following major proprietary funds:

The Board of Lights and Waterworks Fund accounts for the operations of the electric

**CITY OF MARIETTA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

and water distribution, and sewer collection services.

The Marietta Conference Center and Resort Fund accounts for the assets of the City's conference center.

Additionally, the government reports the following fund types:

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Capital Projects Funds - Capital Projects Funds are used to account for financial resources that are restricted for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Enterprise Funds - Enterprise Funds are used to account for those operations that are financed and operated in a manner similar to private business.

Internal Service Funds - Internal Service Funds account for services performed by a central service department for other departments or agencies of the governmental unit. The City has a Self-Insurance internal service fund which is used for the purpose of providing self-funding for casualty, liability, workers' compensation and medical claims. The City also has a Motor Transport internal service fund which is used to provide repair and maintenance services for vehicles owned by various City departments.

Trust Funds - Trust Funds account for the accumulation of resources to be used for retirement annuity payments and employer portion of retiree health insurance, at appropriate amounts and times in the future. Resources are contributed by the government at rates determined by actuarial computations.

Agency Fund - Agency Fund is used to account for the collection and remittance of property taxes which are billed and collected on behalf of the City of Marietta Board of Education.

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 government's electric, water and sewer function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

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

**CITY OF MARIETTA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

ongoing operations. Operating expenses for enterprise funds and internal service 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.

D. Budgets and Budgetary Accounting

An operating budget is legally adopted each fiscal year for the General, Special Revenue, Debt Service, and Capital Projects Funds with the exception of the SPLOST, Redevelopment Bond Fund, and City Parks Bond Funds which adopt project length budgets.

Budgets for the General Fund, Special Revenue Funds, Debt Service, and Capital Projects Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP) except that encumbrances are treated as budgeted expenditures in the year of the incurrence of the commitment to purchase and the SPLOST, Redevelopment Bond Fund and City Parks Bond Funds adopt project length budgets. Certain intergovernmental revenues are budgeted as tax revenues in the Tax Allocation District Fund. Actual GAAP expenditures and revenues in the General, Debt Service, and Special Revenue Funds have been adjusted to the budgetary basis for comparison within this report.

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

General Fund; Special Revenue Funds; Debt Service Fund; Capital Project Funds:

1. Prior to May 15, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted at locations throughout the City to obtain taxpayer comments.
3. Prior to June 30, the budget is legally enacted through passage of an ordinance.

The City Manager is authorized to transfer budgeted amounts among divisions within departments within any fund; however, any revisions that alter the total expenditures of any department must be approved by the City Council. During fiscal year 2015, approximately \$8.71 million in appropriations for expenditures were made in the governmental type funds.

The level of control (the level at which expenditures may not legally exceed appropriations) for each of the above legally adopted budgets is at the department level.

Budgeted amounts reflected in the accompanying budget and actual comparisons are as originally adopted, or as amended, by the City Council. For budgetary comparison purposes presented in this report, actual amounts have been adjusted to the non-GAAP budgetary basis when necessary.

**CITY OF MARIETTA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Unencumbered appropriations lapse at year end.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General, Special Revenue and Capital Projects Funds. Encumbrances outstanding at year end are treated as expenditures on the budgetary basis of accounting.

E. Cash and Investments

Cash and cash equivalents include amounts in demand deposits and all highly liquid investments with a maturity of three months or less when purchased. For purposes of the statement of cash flows, cash and cash equivalents includes both of these categories.

Investments are stated at fair value. Fair value of the external investment pool, Georgia Fund I, is equal to the value of the pool shares. The Office of the State Treasurer is the oversight agency for Georgia Fund I.

Statutes authorize the City to invest in U.S. Government obligations, U.S. Government Agency obligations, State of Georgia obligations, obligations of other municipalities, and repurchase agreements. The Pension Trust is authorized to invest in corporate bonds, domestic common stocks, and equity real estate through pooled investment accounts.

The City invests in an external investment pool, the Municipal Competitive Trust, which is administered by the Municipal Electric Authority of Georgia ("MEAG"), a governmental entity. The City is a beneficiary of this trust. The Municipal Competitive Trust permits the investment of funds in direct obligations of the United States Government, direct and general obligations of states, certain Federal agency discount notes and repurchase agreements collateralized by securities, which would otherwise be permissible under the laws of the State of Georgia. The fair value of the City's position in the pool changes with market conditions, and is calculated based on the fair market value of net assets held in the pool at the close of each business day.

The City is also invested in a money market treasury portfolio through Fidelity. The portfolio is made up primarily of U.S. Treasury securities and repurchase agreements for those securities and per GASB No.31, should be recorded as an investment in the financial statements. Investments in money market funds are not insured or guaranteed by the FDIC and no collateral is required.

See Note 2 for additional information regarding Cash and Investments.

F. Short-Term / Long-Term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds."

Transactions between funds that are representative of lending/borrowing

**CITY OF MARIETTA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

arrangements outstanding at the end of the fiscal year are referred to as either interfund receivables/payables (i.e., the current portion of interfund loans) or advances to/from other funds (i.e., the non-current portion of interfund loans). Noncurrent portions of long-term interfund loan receivables are reported as advances and are offset equally by a fund balance reserve account which indicates that they do not constitute expendable available financial resources and therefore are not available for appropriation.

Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances".

G. Inventories

Inventories are valued at cost, which approximates market, using the average cost method. Inventory in the Enterprise Funds consist of expendable supplies held for guest room supplies and items needed for repairs or improvements to the utility system. The cost is recorded as an asset at the time individual inventory items are purchased. The consumption method is used to account for inventories within the City's Funds.

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2015 are recorded as prepaid items. The consumption method is used to account for prepaid items within the City's Funds.

I. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

GASBS No. 34 requires the City to report and depreciate new infrastructure assets. Infrastructure assets include roads, bridges, underground pipe (other than related to utilities), traffic signals, etc. These infrastructure assets are likely to be the largest asset class of the City. Neither their historical cost nor related depreciation has historically been reported in the financial statements. The City fully implemented the retroactive infrastructure provisions in the fiscal year ended June 30, 2006.

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair market value on the date donated.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. The capitalization threshold for capital assets is \$1,000.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of

**CITY OF MARIETTA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

business-type activities is included as part of the capitalized value of the assets constructed.

Depreciation has been provided over the estimated useful lives using the straight-line method. Depreciation has been calculated on a percentage basis or estimated useful life as follows:

	Board of Lights & Waterworks	Marietta City Golf Course	Conference Center and Resort	Motor Transport	Governmental Activities
Buildings	50 years	40 years	40 years	50 years	40 Years
Building improvements	--	15 years	--	--	--
Electric utility system	32 years	--	--	--	--
Machinery and equipment	3-10 years	5 years	5-20 years	5-25 years	5 years
Greens and irrigation system	--	30 years	--	--	--
Water and sewer utility system	90 years	--	--	--	--
Streets/Sidewalks/Storm sewers	--	--	--	--	20-40 years
Bridges	--	--	--	--	20-40 years

J. Compensated Absences

Accumulated unpaid vacation pay amounts are accrued when incurred by the City in the government-wide, proprietary, and fiduciary fund financial statements. The liability of the proprietary funds is recorded as an expense and a liability of those funds as the benefits accrue to the employees. A liability in the governmental funds is reported only if the benefit has matured.

Accumulated sick pay benefits for City employees have not been recorded as a liability because the payment of the benefits is contingent upon the future illness of an employee. It is not expected that any unrecorded sick pay benefits will exceed a normal year's accumulation.

K. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are amortized over the term of the related debt.

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

L. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a

**CITY OF MARIETTA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualify for reporting in this category, deferred loss on refunding of debt and deferred outflows related to pension reported in the government wide statement of net position.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has three items that qualify for reporting in this category. They are the deferred gain on refunding of debt and deferred inflows related to pension reported in the government wide statement of net position and the unavailable taxes revenue reported in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

M. Nature and Purpose of Classifications of Fund Equity

In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Amounts that are restricted to specific purposes either by a) constraints placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments or b) imposed by law through constitutional provisions or enabling legislation are classified as restricted fund balances. Amounts that can only be used for specific purposes pursuant to constraints imposed by the City Council through an ordinance are classified as committed fund balances. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (adoption of another ordinance) to remove or revise the limitation. Amounts that are constrained by the City's intent to be used for specific purposes but are neither restricted nor committed are classified as assigned fund balances. The City Council has by ordinance authorized the City's Finance Director to assigned fund balance. Nonspendable fund balances include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Unassigned fund balance represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

The City uses restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents or contracts that prohibit doing this. Additionally, the City would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

N. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets

**CITY OF MARIETTA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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.

(2) DEPOSITS AND INVESTMENTS

Custodial Credit Risk –Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The City limits its exposure to custodial credit risk by requiring deposits to be collateralized 110% in accordance with State law. As of June 30, 2015, the City had deposits of \$36,478 that were subject to custodial credit risk.

As of June 30, 2015, the City's reporting entity had the following investments:

Type of Investment	Rating	Investment Maturities (in Years)				Fair Value
		Less than 1	1 - 5	6 - 10	More than 10	
PRIMARY GOVERNMENT						
Georgia Fund 1	AAAm	\$ 7,492,023	\$ -	\$ -	\$ -	\$ 7,492,023
Municipal Competitive Trust	not rated	10,189,667	9,112,941	-	-	19,302,608
US Agencies	AAA	923,977	845,042	-	-	1,769,019
	AA+	28,520,273	10,578,402	-	-	39,098,675
Treasury Money Market	not rated	44,115,156	-	-	-	44,115,156
Total Primary Government (non-fiduciary)		<u>91,241,096</u>	<u>20,536,385</u>	<u>-</u>	<u>-</u>	<u>111,777,481</u>
FIDUCIARY FUNDS						
Common Stocks	n/a	n/a	n/a	n/a	n/a	\$ 56,981,989
Money Market						-
Mutual Fund	AAA	4,635,531	-	-	-	4,635,531
Corporate Bonds	A+	-	398,920	475,190	119,204	993,314
	A	133,185	768,032	1,548,494	1,192,804	3,642,515
	AA	-	-	-	-	-
	AA+	-	395,956	405,316	90,878	892,150
	AAA	1,372	280,973	1,161,780	277,134	1,721,259
	A-	763,125	1,463,646	283,635	1,021,882	3,532,288
	AA-	70,002	-	468,668	-	538,670
	BBB+	837,217	1,448,065	1,763,240	488,044	4,536,566
	BBB	1,504,961	1,815,947	1,571,890	1,014,197	5,906,995
	BBB-	683,016	538,382	551,775	626,890	2,400,063
	BB+	76,150	210,221	-	254,188	540,559
	BB-	-	-	-	306,695	306,695
	N/R	1,116,660	852,676	-	567,608	2,536,944
Government Bonds	AA+	-	267,590	-	-	267,590
	N/R	-	537,268	840,605	4,857,748	6,235,621
Municipal Bonds	A	-	87,444	-	-	87,444
Total Fiduciary Fund		<u>\$ 9,821,219</u>	<u>\$ 9,065,120</u>	<u>\$ 9,070,593</u>	<u>\$ 10,817,272</u>	<u>\$ 95,756,193</u>

Investments of the primary government exclude \$6,400,803 of certificates of deposits.

Investments of the fiduciary fund include \$4,635,531 grouped with cash and cash equivalents.

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy limits the maximum maturity or average life by investment type of the investments of the primary government to 3 years. The City's investment policy limits the weighted average maturity of the fiduciary fund's fixed income portfolio to 10 years.

Credit Risk. The City does not have a formal policy addressing credit risk.

**CITY OF MARIETTA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Custodial Credit Risk. This is the risk that in the event of failure by a counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Per the City's investment policy, the City manages its exposure to custodial credit risk by requiring all investment securities be secured through third-party custody and safekeeping procedures.

(3) RECEIVABLES

Receivables at June 30, 2015 for the government's individual major funds, and nonmajor and internal service funds in the aggregate consist of the following:

	Taxes and Fines	Accrued Interest	Utility Accounts	Other	Allowance for Uncollectibles	Net Receivables
General Fund	\$ 168,366	\$ 5,305	\$ 146,030	\$ 611,298	\$ (24,372)	\$ 906,627
Board of Lights and Waterworks Fund	-	24,136	18,408,612	-	(362,736)	18,070,012
SPLOST Fund	-	14,294	-	-	-	14,294
Debt Service Fund	108,504	72	-	-	-	108,576
Nonmajor and Other Funds	354,030	-	-	257,266	(5,627)	605,669
Total	<u>\$ 630,900</u>	<u>\$ 43,807</u>	<u>\$ 18,554,642</u>	<u>\$ 868,564</u>	<u>\$ (392,735)</u>	<u>\$ 19,705,178</u>

(4) INTERFUND RECEIVABLES, ADVANCES AND TRANSFERS

Interfund receivable and payable balances for the fiscal year ended June 30, 2015 are summarized as follows:

PAYABLE FUND	RECEIVABLE FUND			
	General Fund	BLW	MCCR	Total
General Fund	\$ -	\$ 2,309,383	\$ 127,968	\$ 2,437,351
Redevelopment Bond Fund	-	1,025,040	-	1,025,040
Nonmajor Governmental	676,401	80,963	58,398	815,762
Golf Course	-	1,425,040	-	1,425,040
Internal Service	-	7,601,647	-	7,601,647
MCCR	-	500	-	500
Total	<u>\$ 676,401</u>	<u>\$ 12,442,573</u>	<u>\$ 186,366</u>	<u>\$ 13,305,340</u>

Generally, outstanding balances between funds reported as "due to/from other funds" include outstanding charges by one fund to another for services or goods, subsidy commitments outstanding at year-end, and other miscellaneous receivables/payables between funds. These balances are expected to be repaid within one year.

**CITY OF MARIETTA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Advances from/to other funds for the current year were as follows:

<u>ADVANCES FROM</u>	<u>ADVANCES TO MCCR</u>
General Fund	<u>\$ 20,521,375</u>

The amounts payable to the general fund relate to long-term receivables issued in the prior year. None of the balance is specifically scheduled to be collected in the subsequent year.

Interfund transfers for the current year were as follows:

Transfer in Fund	Transfer out Fund							Total
	General Fund	Nonmajor Governmental	Debt Service	MCCR	BLW	Internal Services	Golf Course	
General Fund	\$ -	\$ 3,257,497	32,447	\$ 772,239	\$ 13,688,369	\$ 91,072	\$ 24,195	\$ 17,865,819
Nonmajor Governmental	-	7,211	-	-	-	35,800	-	43,011
Internal Services	2,012,641	-	-	-	896,369	-	-	2,909,010
BLW	435,208	1,616	-	-	-	2,236	826	439,886
Golf Course	399,786	-	-	-	-	-	-	399,786
MCCR	<u>772,239</u>	-	-	-	-	-	-	<u>772,239</u>
Total	<u>\$ 3,619,874</u>	<u>\$ 3,266,324</u>	<u>\$ 32,447</u>	<u>\$ 772,239</u>	<u>\$ 14,584,738</u>	<u>\$ 129,108</u>	<u>\$ 25,021</u>	<u>\$ 22,429,751</u>

Transfers are used to 1) move unrestricted general fund revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs, 2) move unrestricted BLW funds to the general fund to generate revenue to forestall the need for property tax increases, 3) to transfer revenues between various funds to the general fund and BLW fund for the indirect cost allocations to pay for services provided by either the general fund or BLW fund.

**CITY OF MARIETTA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

(5) CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2015 was as follows:

Primary Government

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 42,631,936	\$ 690,394	\$ -	\$ 43,322,330
Construction in progress	1,225,931	2,483,231	-	3,709,162
Total capital assets, not being depreciated:	<u>43,857,867</u>	<u>3,173,625</u>	<u>-</u>	<u>47,031,492</u>
Capital assets, being depreciated:				
Buildings	38,757,442	664,736	(110,425)	39,311,753
Improvements other than buildings	6,937,795	4,663,195	-	11,600,990
Machinery and equipment	37,420,482	2,269,963	(581,150)	39,109,295
Infrastructure	212,853,032	7,241,064	-	220,094,096
Total capital assets being depreciated	<u>295,968,751</u>	<u>14,838,958</u>	<u>(691,575)</u>	<u>310,116,134</u>
Less accumulated depreciation for:				
Buildings	(19,312,515)	(677,818)	6,902	(19,983,431)
Improvements other than buildings	(4,563,077)	(613,454)	-	(5,176,531)
Machinery and equipment	(34,783,865)	(1,050,058)	581,150	(35,252,773)
Infrastructure	(161,699,258)	(2,763,632)	-	(164,462,890)
Total accumulated depreciation	<u>(220,358,715)</u>	<u>(5,104,962)</u>	<u>588,052</u>	<u>(224,875,625)</u>
Total capital assets, being depreciated, net	<u>75,610,036</u>	<u>9,733,996</u>	<u>(103,523)</u>	<u>85,240,509</u>
Governmental activities capital assets, net	<u>\$ 119,467,903</u>	<u>\$ 12,907,621</u>	<u>\$ (103,523)</u>	<u>\$132,272,001</u>
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 8,752,260	\$ -	\$ -	\$ 8,752,260
Total capital assets, not being depreciated:	<u>8,752,260</u>	<u>-</u>	<u>-</u>	<u>8,752,260</u>
Capital assets, being depreciated:				
Buildings and improvements	41,793,418	431,898	-	42,225,316
Plant in service and water/sewer system	204,479,856	6,647,334	-	211,127,190
Machinery and equipment	77,310,502	2,592,597	(262,000)	79,641,099
Total capital assets being depreciated	<u>323,583,776</u>	<u>9,671,829</u>	<u>(262,000)</u>	<u>332,993,605</u>
Less accumulated depreciation for:				
Buildings and improvements	(30,623,023)	(1,120,090)	-	(31,743,113)
Plant in service and water/sewer system	(92,934,877)	(3,327,035)	-	(96,261,912)
Machinery and equipment	(51,224,815)	(3,582,663)	262,000	(54,545,478)
Total accumulated depreciation	<u>(174,782,715)</u>	<u>(8,029,788)</u>	<u>262,000</u>	<u>(182,550,503)</u>
Total capital assets, being depreciated, net	<u>148,801,061</u>	<u>1,642,041</u>	<u>-</u>	<u>150,443,102</u>
Business-type activities capital assets, net	<u>\$ 157,553,321</u>	<u>\$ 1,642,041</u>	<u>\$ -</u>	<u>\$159,195,362</u>

**CITY OF MARIETTA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

The beginning balances have been adjusted to correctly classify certain costs and accumulated depreciation amounts.

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

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

Governmental activities:	
General government	\$ 296,048
Public safety	1,666,969
Public Works, including depreciation of general infrastructure assets	2,522,562
Culture and recreation	498,859
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>120,524</u>
Total depreciation expense – governmental activities	<u>\$ 5,104,962</u>
Business-type activities:	
Water & Sewer	\$ 2,212,773
Electric	4,886,474
Conference Center	753,455
Golf	<u>177,086</u>
Total depreciation expense – business-type activities	<u>\$ 8,029,788</u>

(6) LONG-TERM OBLIGATIONS

Operating Leases

The City has several operating leases for equipment that are not material.

Governmental Activities:

General Obligation Bonds:

General obligation bonds have been issued for governmental activities and are comprised of the following individual issues at June 30, 2015:

\$25,270,000 Series 2009A General Obligation School Refunding serial bonds due in annual installments commencing February 1, 2010 of \$520,000 to \$710,000 through February 1, 2019; interest at 2.0 to 5.0 percent (\$10,725,000 outstanding at June 30, 2015). The bonds were issued to current refund the 2008 General Obligation School Refunding bond issue.

\$7,115,000 Series 2009B General Obligation Refunding serial bonds due in annual installments commencing July 1, 2010 of \$1,125,000 to \$950,000 through July 1, 2016; interest at 2.0 to 4.0 percent (\$950,000 outstanding at June 30, 2015). The bonds were issued to current refund the 2007 General Obligation Refunding bond issue.

\$25,000,000 Series 2009D General Obligation Parks and Recreational Facilities serial bonds due in annual installments commencing July 1, 2010 of \$955,000 to \$1,170,000 through July 1, 2020; interest at 2.5 to 5.0 percent (\$5,510,000 outstanding at June 30, 2015). The bonds were issued to acquire, construct, and install park and recreational facilities.

**CITY OF MARIETTA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

\$7,000,000 Series 2013A General Obligation Redevelopment serial bonds due in annual installments commencing January 1, 2020 of \$940,000 to \$3,075,000 through January 1, 2023; interest at 3.0 percent (\$7,000,000 outstanding at June 30, 2015). The bonds were issued to fund demolition, acquisition, and improvements of property for present and future redevelopments.

\$61,000,000 Series 2013B General Obligation Redevelopment serial bonds due in annual installments commencing January 1, 2015 of \$2,615,000 to \$4,775,000 through January 1, 2034; interest at 3.0 to 5.0 percent (\$58,385,000 outstanding at June 30, 2015). The issue includes a term bond due January 1, 2025, interest at 4.0 percent (\$6,460,000 outstanding). The bonds were issued to fund demolition, acquisition, and improvements of property for present and future redevelopments.

\$15,970,000 Series 2015 General Obligation Parks and Recreational Facilities serial bonds due in annual installments commencing January 1, 2016 of \$300,000 to \$1,775,000 through January 1, 2030; interest at 2.0 to 5.0 percent (\$15,970,000 outstanding). The bonds were issued to advance refund a portion of the 2009D General Obligation Parks and Recreational Facilities serial bonds. The City deposited the net proceeds in an irrevocable trust to provide for future debt service on the refunded portion of the 2009D series bonds. As a result, that portion of the 2009D series bonds is considered defeased, and the City has removed the liability from its accounts. The advance refunding reduced total debt service payments by nearly \$1.3 million. This results in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$0.9 million.

A receivable from the Marietta School Board is reflected in the Statement of Net Position. Payments will be received from the School Board to offset principal and interest payments on the Series 2009A bonds.

Annual debt service requirements to maturity for general obligation bonds are as follows:

GO Bonds Year Ending June 30,	Principal	Interest	Total
2016	\$ 8,100,000	\$ 3,539,590	\$ 11,639,590
2017	7,270,000	3,230,290	10,500,290
2018	7,535,000	2,913,540	10,448,540
2019	4,815,000	2,593,965	7,408,965
2020	4,200,000	2,390,515	6,590,515
2021-2025	22,930,000	9,975,550	32,905,550
2026-2030	25,840,000	6,749,895	32,589,895
2031-2034	17,850,000	2,211,880	20,061,880
Total	<u>\$ 98,540,000</u>	<u>\$33,605,225</u>	<u>\$132,145,225</u>

\$3,679,851 is available in the Debt Service Fund to service the general obligation bonds. The amount of defeased debt outstanding but removed from the City's records totaled \$14,585,000 at June 30, 2015.

CITY OF MARIETTA, GEORGIA
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Tax Allocation District Bonds:

During fiscal year 2006, the City issued \$8,400,000 in limited obligations bonds to undertake certain redevelopment projects within a tax allocation district established by the City. The issuance is a limited obligation of the City, not secured by the full faith and credit of the City, but is secured solely by, and payable solely from, pledged revenues. The pledged revenues are defined as the tax allocation increments, the amount of property taxes generated within the district area which exceed the amount collected from the same area prior to development, from the City, Cobb County, and the Marietta City Schools Board of Education. The property tax increments are pledged until the payment in full of the bonds. The bonds are due in annual installments commencing December 15, 2008 of \$499,195 to \$816,926 through December 15, 2020; the bonds bear interest at a rate of 4.19%. For the current year, principal and interest paid and total tax allocation incremental revenues were \$851,154 and \$384,115 respectively.

Annual debt service requirements to maturity are as follows:

Year Ending June 30,	Principal	Interest	Total
2016	665,353	185,801	851,154
2017	693,232	157,923	851,155
2018	722,278	128,877	851,155
2019	752,541	98,613	851,154
2020-2021	1,600,999	101,312	1,702,311
Total	<u>\$4,434,403</u>	<u>\$ 672,526</u>	<u>\$ 5,106,929</u>

Note Payable

During fiscal year 2010, the Downtown Marietta Development Authority issued \$31,660,000 series 2009 Revenue Bonds (City of Marietta Project) for the purpose of financing the cost of certain replacements, additions, extensions and improvements to the electric and water and sewerage system which are operated by the City of Marietta. The debt service payments on the bonds are secured by the full faith and credit and taxing power of the City. The bonds are due in annual installments commencing July 1, 2010 of \$865,000 to \$1,900,000 through July 1, 2027; interest rates at 3.00% to 5.125%.

Annual debt service requirements to maturity for revenue bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2016	\$ 1,675,000	\$ 1,084,322	\$ 2,759,322
2017	1,760,000	1,006,200	2,766,200
2018	1,830,000	934,400	2,764,400
2019	1,905,000	869,225	2,774,225
2020	1,960,000	801,450	2,761,450
2021-2025	11,270,000	2,457,500	13,727,500
2026-2027	4,355,000	175,375	4,530,375
Total	<u>\$ 24,755,000</u>	<u>\$ 7,328,472</u>	<u>\$ 32,083,472</u>

**CITY OF MARIETTA, GEORGIA
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The City entered into a note agreement with a third party for \$800,000 during the fiscal year 2005 for the purchase of property. The note is payable in equal monthly installments of \$6,661 beginning August 2004 through June 2018. Interest on the note is at 5%. Annual debt service requirements to maturity are as follows:

Year Ending June 30,	Principal	Interest	Total
2016	70,455	9,485	79,940
2017	74,055	5,879	79,934
2018	77,147	2,086	79,233
Total	<u>\$ 221,657</u>	<u>\$ 17,450</u>	<u>\$ 239,107</u>

Business-Type Activities:

Note Payable

A contract dated July 1, 1990 was supplemented and amended as of September 1, 1995 between the City and the Downtown Marietta Development Authority. This agreement obligates the City to make lease payments directly to the bond sinking fund custodian by December 15 and June 15 of each year for the purpose of paying the principal and interest on the unrefunded outstanding balance of the 1990 Golf Course Redevelopment and Acquisition Bonds and the 1995 Public Golf Course Refunding Revenue Bonds issued by the Authority, and subsequently, as refunded by the Series 2008 Golf Course Refunding Revenue Bonds. This contract enables the City to lease from the Authority the former Marietta Country Club facilities purchased by the Authority with the bond proceeds. The lease has been recorded as a direct financing lease in accordance with generally accepted accounting principles in the City Golf Course Enterprise Fund. This contract qualifies as a conduit debt obligation in accordance with Governmental Accounting Standards Board Interpretation - 2 Disclosure of Conduit Debt Obligations and therefore the obligation for the bonds is not reported on the financial statements of the Downtown Marietta Development Authority. The contract will not expire until full payment of the bonds on July 1, 2015, at which time ownership of the facilities will transfer to the City. The City will be responsible for all operations and maintenance cost of the facilities and will be entitled to all revenues generated by the facilities.

Annual debt service requirements to maturity are as follows:

Year Ending June 30,	Principal	Interest	Total
2016	<u>\$ 755,000</u>	<u>\$ 10,291</u>	<u>\$ 765,291</u>

CITY OF MARIETTA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Capital Leases

During fiscal year 2015, a lease agreement was entered into with Yamaha Motor Corporation for golf carts. The lease agreement is for 48 months and requires a balloon payment at the end of the lease. The lease qualifies as a capital lease and has been recorded in the Golf Course Operating Enterprise Fund. The amount capitalized for the carts is \$302,329. The depreciation expense and accumulated depreciation associated with the golf carts for the fiscal year ended June 30, 2015 were \$51,546 and \$51,546 respectively.

The following is a schedule of the future minimum lease payments together with the present value of the net minimum lease payments as of June 30, 2015:

Year ending June 30	City Club Golf Course & Carts
2016	\$ 64,920
2017	67,828
2018	139,296
Total minimum lease payments	272,044
Less amounts representing interest	(18,837)
Present value of future minimum lease payments	<u>\$ 253,207</u>

The following is a summary of changes in long-term liabilities for the year ended June 30, 2015:

	Balance (As Restated)	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 105,140,000	\$ 15,970,000	\$(22,570,000)	\$ 98,540,000	\$ 8,100,000
Tax Allocation District Bonds	5,072,999	-	(638,596)	4,434,403	665,353
Unamortized bond premium	4,407,512	1,431,052	(1,510,518)	4,328,046	-
Note payable					
Note payable	26,653,681	-	(1,677,024)	24,976,657	1,745,455
Unamortized premium	1,653,913	-	(144,088)	1,509,825	-
Compensated absences	3,785,351	1,146,241	(1,096,930)	3,834,662	1,650,674
Net pension liability	45,711,930	4,078,726	(4,019,086)	45,771,570	-
OPEB obligation	28,385,879	4,300,077	(2,483,429)	30,202,527	-
Governmental activity Long-term liabilities	<u>\$ 220,811,265</u>	<u>\$ 26,926,096</u>	<u>\$ (34,139,671)</u>	<u>\$ 213,597,690</u>	<u>\$ 12,161,482</u>
Business-type activities:					
Note payable	\$ 1,480,000	\$ -	\$ (725,000)	\$ 755,000	\$ 755,000
Capital leases	117,218	302,391	(166,402)	253,207	55,703
Compensated absences	940,691	289,523	(304,916)	925,298	347,207
Net pension liability	18,671,070	1,674,581	(1,650,221)	18,695,430	-
OPEB obligation	8,006,274	1,867,169	(1,354,782)	8,518,661	-
Customer Deposits	9,300,722	120,430	-	9,421,152	-
Business-type activity Long-term liabilities	<u>\$ 38,515,975</u>	<u>\$ 4,254,094</u>	<u>\$ (4,201,321)</u>	<u>\$ 38,568,748</u>	<u>\$ 1,157,910</u>

For Governmental Activities, compensated absences, pension and OPEB liabilities are typically liquidated in the general fund.

**CITY OF MARIETTA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

(7) COMMITMENTS AND CONTINGENCIES

A. Litigation

The City of Marietta is a defendant in other various lawsuits at June 30, 2015. However, no additional accrual or disclosure of these lawsuits is required.

B. Commitments

Marietta Conference Center

On April 1, 1995, the City executed a Conference Center Funding Agreement with the Downtown Marietta Development Authority (the Authority). Under this agreement, the City pledged 30.25% of its hotel/motel tax collections to the Downtown Marietta Development Authority to be used solely for the principal and interest payments on the Downtown Marietta Development Authority Revenue Bond (the Marietta Conference Center Project), Series 1996A and 1996B, totaling \$25,810,000 which was issued by the Authority for the purpose of obtaining funds to pay the costs of acquiring, constructing, furnishing, and equipping the Marietta Conference Center, and the costs of issuing the bonds. The City, as an agent for the Authority, and Remington Hotel Corporation had entered into an agreement effective July 1, 2006 to lease the facilities of Marietta Conference Center and Resort. The lease was set to terminate on May 31, 2008 with three optional extensions through 2023. On March 1, 2008, the City, as agent for the Authority, entered into a new management agreement with Marietta Leasehold, L.P., a partnership including the former lessee, Remington Hotel Corporation, for the management of the renovation and operations of the conference center. The lease is effective January 1, 2008 and expires June 30, 2028. On March 6, 2008, additional bonds were issued and were referred to as The Marietta Conference Center Project Revenue Bonds, Series 2008 in the amount of \$7,000,000, for the improvement and renovation of the Conference Center and to implement the Hilton Hotels Corporation's Property Improvement Plan. Future minimum rentals total \$2,803,800 for fiscal year 2014. Hotel/motel taxes, from which the appropriations are made, have averaged \$2.1 million per year over the last 10 years. The agreement also provides for the City to receive additional rent payments equal to 3% of the amount, if any, that gross revenues exceed \$14 million. The agreement also provides for Marietta Leasehold, L.P to receive 30.25% of Hotel/Motel Taxes collected, up to a maximum of \$900,000. All property, plant, and equipment in the Marietta Conference Center and Resort fund are included in the lease. In fiscal year 2010, the 1996A, 1996B, 2003, and 2008 Bonds totaling \$29,375,000 were cancelled and discharged and the City's obligations under the related contracts with the Downtown Marietta Development Authority were terminated. The Marietta Conference Center operations are reported in an enterprise fund within the financial statements.

Municipal Electric Authority of Georgia

The City has entered into Power Sales Contracts with the Municipal Electric Authority of Georgia (the "Authority"). The contracts require the City to purchase from the Authority all of the City's bulk power supply, other than power supplied by Federally-owned generation projects. The Authority is authorized to establish rates and charges so as to produce revenues sufficient to cover its costs. The City's payment

**CITY OF MARIETTA, GEORGIA
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 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

obligations, which extend approximately through the year 2056, are general obligations to the payment of which the City's full faith and credit and taxing powers are pledged. The City purchased bulk power totaling \$89,002,924 from the Authority during the year ended June 30, 2015. The City's future minimum payment obligations to the Authority will be based on the Authority's costs.

Encumbrances

Encumbrances outstanding as of June 30, 2015 are as follows:

General Fund	\$ 1,665,288
SPLOST	6,380,655
City Parks Bond	993,079
Redevelopment Bond Fund	5,965,693
NonMajor Funds	46,981
	<u>\$ 9,086,003</u>

The City also has active construction projects at June 30, 2015.

Marietta Redevelopment Corporation

In December 2013, the City entered into a forbearance agreement with Marietta Redevelopment Corporation ("Corporation") and the Corporation's lender whereby the City agrees to loan the Corporation sufficient funds to pay the last 17 months of interest only payments on the Corporation's 36 month loan. The loan amount is \$3,990,656 and interest is payable monthly at 4%. The collateral for the City's loan to the Corporation will be a second mortgage on all the Corporations property. The City has no direct liability to the lender for principal or interest.

(8) PROPERTY TAX

The City bills and collects its own real and personal property taxes. Ad valorem tax on motor vehicles and mobile homes is collected by the Cobb County Tax Commissioner and remitted to the City. City property tax revenues are recognized when levied to the extent that they result in current receivables.

Property taxes are levied in August or September of each year on the assessed valuation of property as of the preceding January 1 and are due within 60 days. Taxes levied on August 24, 2014 were due on October 24, 2014.

Liens were attached to property for unpaid taxes on March 10, 2015.

Assessed values are established by the Cobb County Tax Assessor's office and are currently calculated at 40% of the market value. The assessed value of property at January 1, 2014 was \$2,748,206,586.

Based on the 2014 City General, Debt Service, and Cemetery Maintenance millage levy of 6.05, a property owner would pay \$6.05 per \$1,000 of assessed valuation.

Current tax collections of \$13,734,435 for the fiscal year ended June 30, 2015 were 99.24 percent of the tax levy.

**CITY OF MARIETTA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
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(9) FUND BALANCE

The composition of the City's fund balances is as follows:

	General Fund	SPLOST Fund	Redevelopment Bond Fund	Debt Service Fund	Nonmajor Governmental Funds
Nonspendable:					
Prepays	\$ 29,257	\$ -	\$ -	\$ -	\$ -
Inventory	33,384	-	-	-	-
Advances	20,521,375	-	-	-	-
Restricted for:					
Capital projects	-	23,415,899	42,373,201	-	11,886,720
Culture & recreation	856,787	-	-	-	61,515
Debt service	-	-	-	3,679,851	-
Urban redevelopment & housing	180,979	-	-	-	1,597,254
Public safety	2,892,319	-	-	-	5,208
Committed for:					
Culture & recreation	10,446	-	-	-	-
Public works	719,993	-	-	-	-
Assigned for:					
General government	2,098,171	-	-	-	-
Public works	717,962	-	-	-	-
Culture & recreation	711,214	-	-	-	-
Urban redevelopment and housing	262,844	-	-	-	-
Public safety	1,212,936	-	-	-	-
Unassigned	16,602,911	-	-	-	(6,396)
	<u>\$ 46,850,578</u>	<u>\$ 23,415,899</u>	<u>\$ 42,373,201</u>	<u>\$ 3,679,851</u>	<u>\$ 13,544,301</u>

In the nonmajor government funds, HUD CDBG Fund has a deficit fund balance of \$6,396 at June 30, 2015.

**CITY OF MARIETTA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
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(10) PENSION PLANS

General Information about the Pension Plans

Defined Contribution Plan

The City withdrew from the Social Security system on December 31, 1980. The City of Marietta, Georgia Supplemental Pension plan was adopted in lieu of Social Security. A professional pension management company was selected as the providers of a money-purchase (defined contribution) pension plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings.

Monthly contributions to the plan are equivalent to 6.13% of regular full-time employees' pay and are 100% contributed by the City. Total employer contributions to the supplemental pension plan for the fiscal year ended June 30, 2015 were \$1,981,305.

All regular full-time employees may be eligible for participation upon completing one continuous year of service. Amounts paid in to the plan become 100% vested in each employee's behalf. Funds accumulated in this plan shall be paid to employees only upon retirement, death, disability or termination of employment. Benefit provisions and contribution requirements are established and amended by the authority of the City's governing body.

On July 1, 2000, fiduciary responsibility and custody of Trust assets for the defined contribution pension plan (Supplemental Pension Plan) was transferred to a professional pension management company. An annual certified financial report for this plan will be prepared by the professional pension management company. The Pension Board serves as Plan Administrators of this plan. For the year ended June 30, 2015, the City recognized pension expense of \$1,990,759. The balance in the forfeiture account as of June 30, 2015 was \$0.

Defined Benefit Plan

The City of Marietta Public Employee Retirement System (PERS) administers a defined benefit pension plan (General Pension Plan). Effective July 1, 2013, the Plan implemented the provisions of Governmental Accounting Standards Board (GASB) Statement No. 67, Financial Reporting for Pension Plans – an amendment of GASB Statement No. 25, which significantly changed the disclosures required related to the Plan. The City issues a publicly available financial report that includes the applicable financial statements and required supplementary information. That report may be obtained by writing to: Finance Director, 205 Lawrence Street, Marietta, GA 30060.

The City maintains a single-employer defined benefit pension plan covering full-time, part-time, seasonal, and temporary employees on the first day of the month coinciding with or following their employment date. Pension costs are recorded in the amount of the City's and employee's contribution to the Pension Trust Fund. Management of the assets of the Pension Trust Fund is handled by the City's Pension Board. Benefit provisions and contribution requirements are established and amended by the authority of the City's governing body.

The plan was amended initially on March 1, 1987. Each employee that was employed

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with the City of Marietta, Georgia on March 1, 1987 had the right to either retain coverage under the original plan provisions or to participate under the amended provisions of the plan. Each employee hired after March 1, 1987 participates under the amended plan provisions. On November 11, 1998, employees participating under the original plan provisions were given the opportunity to elect to participate under the amended plan provisions.

Effective Prior to March 1, 1987

Effective March 1, 1987

Normal Form of Pension

The benefit formula provides for a life annuity benefit with a guaranteed death benefit equal to the present value of the remaining benefits. However, each participant married at retirement who does not elect otherwise will receive a joint annuity in a reduced amount for a 50% continuation to a surviving spouse

Single life annuity benefit

Employees covered by benefit terms. At June 30, 2015, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	489
Inactive employees entitled to but not yet receiving benefits	352
Active employees	<u>689</u>
Total	<u><u>1,530</u></u>

Contributions. Entry age normal actuarial cost method is used to establish the actuarial position of the plan and to determine an appropriate level of contributions for all benefits except death and disability. Employer contributions represented 17.7% of the current year covered payroll. Employees are required to contribute 4% of gross wages. Total employer and employee contributions to the general pension plan for the fiscal year ended June 30, 2015 were \$5,731,060 and \$1,279,942 respectively.

Net Pension Liability

The City's net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial assumptions. The total pension liability in the June 30, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

**CITY OF MARIETTA, GEORGIA
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FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Inflation	3.50%
Salary increases	3.5 - 12.62 percent
Investment rate of return	7.5 percent, including inflation
Post-retirement benefit increases	Not applicable

Mortality rates were based on the RP-2000 Combined Healthy Retiree Mortality Table set forward four years. Post-disability mortality rates were based on the RP 2000 Disabled Retiree Mortality Table multiplied by 75%.

The actuarial assumptions used in the July 1, 2015 valuation were based on the results of an actuarial experience study for the period July 1, 2004– July 1, 2009.

The long-term expected rate of return on pension plan investments was determined using a long normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	0%	0.3%
Domestic equity	62%	6.8%
Fixed income	27%	2.5%
Alternative	11%	5.3%
Total	100%	

Discount rate. The discount rate used to measure the total pension liability was 7.5 %. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate of 4% and the Employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Projected future benefit payments for all current plan members were projected through the year 2112. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability and a municipal bond rate was not used in determining the discount.

**CITY OF MARIETTA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
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Changes in the Net Pension Liability (\$ in thousands)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 6/30/2014	\$ 161,707	\$ 97,324	\$ 64,383
Changes for the year:			
Service cost	2,851	-	2,851
Interest	11,766	-	11,766
Differences between expected and actual experience	(4,887)	-	(4,887)
Contributions - employer	-	5,731	(5,731)
Contributions - employee	-	1,280	(1,280)
Net investment income	-	2,746	(2,746)
Benefit payments, including refunds of employee contributions	(9,655)	(9,655)	-
Administrative expense	-	(111)	111
Net changes	<u>75</u>	<u>(9)</u>	<u>84</u>
Balances at 6/30/2015	<u>\$ 161,782</u>	<u>\$ 97,315</u>	<u>\$ 64,467</u>

There have been no changes in actuarial assumptions and methods used in the measurement of the total pension liability since the prior measurement date.

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the City, calculated using the discount rate of 7.5%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.5 %) or 1-percentage-point higher (8.5 %) than the current rate (\$ in thousands):

	1% Decrease (6.5%)	Current Discount (7.5%)	1% Increase (8.5%)
Net pension liability	\$ 81,111	\$ 64,467	\$ 50,219

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Public Employees Retirement System financial report. The City issues a publicly available financial report that includes the applicable financial statements and required supplementary information. That report may be obtained by writing to: Finance Director, 205 Lawrence Street, Marietta, GA 30060. The plan's fiduciary net position has been determined on the same basis as that used by the plan.

The System's financial statements are prepared using the accrual basis of accounting. Employer and employee contributions are recognized as revenues in the period in which employee services are performed. Investment income is recognized as earned by the General Plan. The net appreciation (depreciation) in the fair value of investments held by the General Plan is recorded as an increase (decrease) to investment income based on the valuation of investments as of the date of the statement of net position. Expenses

**CITY OF MARIETTA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

are recorded when the corresponding liabilities are incurred, regardless of when payment is made.

Investments are reported at fair value as of the statement of net position date. Investments of the General Plan consist of United States government securities, corporate notes and debentures, common stock, mutual funds, and preferred stock. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. There are no investments in any one organization other than the securities guaranteed by the U.S. government that represent five percent or more of plan net position.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of resources Related to Pensions

For the year ended June 30, 2015, the City recognized pension expense of \$5,491,060. At June 30, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (\$ in thousands):

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 3,236
Net difference between projected and actual earnings on pension plan investments	<u>3,560</u>	<u>-</u>
Total	<u>\$ 3,560</u>	<u>\$ 3,236</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (\$ in thousands):

Year ended June 30:	
2016	\$ (761)
2017	(695)
2018	890
2019	890
	<u>\$ 324</u>

The following retirement plans have not been included within this report because the City has no responsibility as prescribed by the Governmental Accounting Standards Board:

Peace Officers' Annuity and Benefit Fund and Georgia Firemen's Pension Fund - Police officers and firefighters are also members of the Peace Officers' Annuity and Benefit Fund and the Georgia Firemen's Pension Fund, respectively. Police officers and firefighters contribute twenty and fifteen dollars, respectively, each month to these state administered plans. The City of Marietta contributed \$138,965 to the Peace Officers' Annuity and Benefit Fund for the year ended June 30, 2015. Contributions to this fund are based on the number and amounts of fines and bond forfeiture cases each month as prescribed by State Law. The Georgia Firemen's Pension Fund is funded by the state-levied fire insurance premium tax.

**CITY OF MARIETTA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

(11) POSTEMPLOYMENT HEALTHCARE PLAN

The City implemented GASB 45 prospectively during the fiscal year ended June 30, 2008.

Plan Description - The City of Marietta OPEB Trust is a single-employer defined benefit healthcare plan administered by the City of Marietta. The City provides medical, dental, and life insurance benefits to retirees and spouses. Substantially all of the City's employees may become eligible for those benefits if they reach normal retirement age while working for the City. As of July 1, 2013 there were 361 retirees and spouses receiving benefits, and 679 current and active employees. The City has the authority to establish and amend benefit provisions.

Summary of significant accounting policies - The plan financial statements are prepared on the accrual basis of accounting. Contributions from the City are recognized when due, pursuant to formal commitments, as well as statutory or contractual requirements. Benefit payments and refunds are recognized when due and payable in accordance with the terms of the plan.

Investment income is recognized as earned by the plan. Investments are reported at 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 value. The net appreciation (depreciation) in the fair value of investments held by the plan is recorded as an increase (decrease) to investment income based on the valuation of investments as of the date of the statement of plan net position.

There are no investments in, loans to, or leases with parties related to the plan. Administrative costs are financed through investment earnings.

Funding Policy - The contribution requirements are established and may be amended by the City. The required contribution was determined by an actuarial valuation. For fiscal year 2015, the City contributed \$3,838,211 to the plan. If hired before August 14, 1991, 100% of the cost of employee health insurance premiums will be paid by the City. Amounts paid by the City for employees hired subsequent to August 14, 1991 are based on years of service and the date of hire and are as follow:

Years of Service	Date of Hire		
	08/14/91 thru 11/14/96	11/15/96 thru 10/31/06	After 11/01/06
20	100% HMO & PPO	100% HMO only	85% HMO only
15-19	80% HMO & PPO	80% HMO only	0%
10-14	50% HMO & PPO	50% HMO only	0%
Less than 10	0%	0%	0%

Schedule of Employer Contributions:

Fiscal Year Ended	Annual OPEB Cost	Annual Actual Contributions	Percentage Contributed	Net OPEB Obligation
6/30/2013	5,041,501	2,271,090	45%	33,158,255
6/30/2014	6,283,415	3,049,517	49%	36,392,152
6/30/2015	6,167,247	3,838,211	62%	38,721,188

Annual OPEB Cost and Net OPEB Obligation - The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of

CITY OF MARIETTA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the net OPEB obligation:

Annual required contribution	\$ 7,018,998
Interest on net OPEB obligation	1,700,924
Adjustment to annual required contribution	<u>(2,552,675)</u>
Annual OPEB cost (expense)	6,167,247
Contributions made	<u>(3,838,211)</u>
Increase in net OPEB obligation	2,329,036
Net OPEB obligation-beginning of year	<u>36,392,152</u>
Net OPEB obligation-end of year	<u><u>\$ 38,721,188</u></u>

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The accompanying schedules of employer contributions present information about the amounts contributed to the plan by employers in comparison to the ARC, an amount that is actuarially determined in accordance with the parameters of GASB Statement 43. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost for each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

The following is the funding status of the Plan as of the most recent valuation date:

	(1)	(2)	(3)	(4)	(5)	(6)
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Funded Ratio (1)/(2)	Unfunded AAL (UAAL) (2)-(1)	Covered Payroll	UAAL as a Percentage of Covered Payroll
7/1/2013	\$ 678,223	\$ 99,287,804	0.68%	\$ 98,609,581	\$ 34,403,775	286.6%

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point.

Valuation date	7/1/2013
Actuarial cost method	Projected unit credit with benefits attributed From date of hire to date of decrement
Amortization method	Level dollar, closed

**CITY OF MARIETTA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Remaining amortization period	27 years
Asset valuation method	Market value
Actuarial assumptions:	
Discount rate	4%
Healthcare cost trend rate	5%

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

The plan does not issue separate financial statements.

(12) RISK MANAGEMENT

The City has established a limited risk management program for group health and medical, property and casualty, and workers' compensation coverage for exposure to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. Excess coverage policies are maintained by the City to limit the potential liability of the City for extremely large claims. Premiums are paid by other funds into the Self-Insurance Internal Service Fund and are available to pay claims, excess coverage premiums to third party insurers, and administrative expenses. There were no significant reductions in insurance coverage from prior year, and there have been no settlements that exceeded the City's insurance coverage during the past three fiscal years. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are estimated based on reports available subsequent to year end from carriers that provide information regarding estimates of claims incurred but not reported at year end. Nonincremental claims adjustment expenses have not been included as part of the liability for claims and judgments.

Excess workers compensation coverage is insured under a retrospectively rated policy whereby the initial premium is adjusted based on actual calendar year payroll totals. Changes in the balances of claim liabilities during the past two years are as follows:

	<u>Year Ending June 30, 2015</u>	<u>Year Ending June 30, 2014</u>
Claims and judgments payable, beginning of fiscal year	\$ 3,020,306	\$ 2,963,711
Incurred claims	13,162,235	12,626,363
Claim payments	<u>(12,871,846)</u>	<u>(12,569,768)</u>
Claims and judgments payable, end of fiscal year	<u>\$ 3,310,695</u>	<u>\$ 3,020,306</u>

**CITY OF MARIETTA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

(13) MUNICIPAL TRUSTS

In 1999, the City, along with other participating municipalities, entered into an agreement with the Municipal Electric Authority of Georgia ("MEAG") which created a trust referred to as the Municipal Competitive Trust (MCT). The purpose of the MCT was to provide a means for MEAG and the participating municipalities to accumulate funds for the purpose of mitigating the effect of anticipated changes in the electric industry involving completions for retail electric power supply. Subsequent amendments to the agreement called for drawdowns from the MCT, which commenced in January 2009, and extend through approximately December 2018. The withdrawals of \$11,044,464 for the fiscal year ending June 30, 2015 have been applied as a reduction of the utility expense in these financial statements. Future withdrawals under this agreement are not certain and thus have not been included as a receivable on the City's books.

In 2010, the City, along with other participating municipalities, entered into revised agreements with MEAG which provide for voluntary deposits into a New Generation and Capacity Funding Account. These account deposits help offset the cost of power to the City in future years through current MEAG power generation expansion projects. Through 2015, the City has deposited \$2,555,058 into this Funding Account. These funds have been collected from customers and are reflected as unearned revenues on the balance sheet.

(14) JOINT VENTURE

Under Georgia law, the City in conjunction with other cities and counties in the ten county Atlanta region is a member of the Atlanta Regional Commission (ARC). Membership in an RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the RC in Georgia. The RC Board membership includes the officials of political subdivisions and private citizens representing districts with the Atlanta region. OCGA 50-8-3.1 provides that the member governments are liable for any debts or obligations of an RC. Separate financial statements may be obtained from Atlanta Regional Commission, 40 Courtland Street, NE, Atlanta, Georgia 30303.

(15) EXCESS OF EXPENDITURES OVER APPROPRIATIONS

The following funds had expenditures in excess of appropriations for the fiscal year ended June 30, 2015:

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
General Fund			
General government:			
General administration - Executive	\$ 876,841	\$ 877,835	\$ (994)
Debt service	12,564,442	29,961,034	(17,396,592)

General fund over expenditures were funded by available fund balances. Excess expenditures in Debt Service fund were funded with amounts received from issuance of Series 2015 Refunding Bonds.

**CITY OF MARIETTA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

(16) RESTATEMENT

The City implemented GASB Statement No. 68 "Accounting and Financial Reporting for Pensions" during fiscal year 2015. Statement 68 requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability.

The City discovered the depreciable basis of certain equipment was overstated in the prior year. The effect of the restatement to the previously reported Business Activities is an increase of \$112,500 to net position.

The City discovered certain long-term receivables were overstated in prior year. The effect of the restatement to the previously reported Governmental Activities net position is a decrease of \$900,000.

The City discovered certain receivables were overstated in prior year. The effect of the restatement to the previously reported SPLOST Fund and Governmental Activities is a decrease of \$945,635 to net position.

These adjustments resulted in a change to the beginning fund balance of and net position as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Beginning Net Position before Restatement	\$ 91,016,069	\$ 187,114,234
Restatement - Net Pension Liability	(45,711,930)	(18,671,070)
Previously Reported Net Pension Obligation	1,141,862	468,844
Restatement - equipment overstated	-	112,500
Restatement - receivables overstated	(945,635)	-
Restatement - Long-term receivables overstated	(900,000)	-
Beginning Net Position after Restatement	<u>\$ 44,600,366</u>	<u>\$ 169,024,508</u>

	<u>SPLOST Fund</u>	<u>Board of Lights and Waterworks Fund</u>	<u>City Golf Course Fund</u>	<u>Internal Service Funds</u>
Beginning Fund Balance/Net Position before Restatement	\$ 19,390,169	\$ 191,465,411	\$ 4,709,887	\$ (996,006)
Restatement - Net Pension Liability	-	(18,671,070)	-	(643,830)
Previously Reported Net Pension Obligation	-	468,844	-	-
Restatement - equipment overstated	-	-	112,500	-
Restatement - receivables overstated	(945,635)	-	-	-
Beginning Fund Balance/Net Position after Restatement	<u>\$ 18,444,534</u>	<u>\$ 173,263,185</u>	<u>\$ 4,822,387</u>	<u>\$ (1,639,836)</u>

The effect of implementing GASB No. 68 to previously reported changes in net position has not been determined.

**CITY OF MARIETTA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

The effect of the restatement relating to the depreciable basis of certain equipment and overstated receivables to previously reported changes in net position/fund balances is as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Changes in net position as previously reported	\$ 4,732,336	\$ 15,543,409
Restatement - equipment overstated	-	112,500
Restatement - receivables overstated	(945,635)	-
Restatement - Long-term receivables overstated	(900,000)	-
Changes in net position as restated	<u>\$ 2,886,701</u>	<u>\$ 15,655,909</u>
	<u>SPLOST Fund</u>	<u>City Golf Course Fund</u>
Changes in fund balance/net position as previously reported	\$ 6,677,423	\$ 453,116
Restatement - equipment overstated	-	112,500
Restatement - receivables overstated	(945,635)	-
Changes in fund balance/net position as restated	<u>\$ 5,731,788</u>	<u>\$ 565,616</u>

REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF MARIETTA, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**

	2015	2014
(In thousands)		
Total Pension Liability		
Service cost	\$ 2,851	\$ 2,652
Interest	11,766	11,415
Changes of benefit terms	-	-
Differences between expected and actual experience	(4,887)	-
Change of assumptions	-	-
Benefit payments, including refunds of employee contributions	(9,655)	(9,118)
Net Change in Total Pension Liability	75	4,949
Total Pension Liability – Beginning	\$ 161,707	\$ 156,758
Total Pension Liability – Ending (a)	\$ 161,782	\$ 161,707
Plan Fiduciary Net Position		
Contributions – employer	\$ 5,731	\$ 5,669
Contributions – employees	1,280	1,260
Net investment income	2,746	14,663
Benefit payments, including refunds of employee contributions	(9,655)	(9,118)
Administrative expense	(111)	(144)
Other	-	-
Net Changes in Plan Fiduciary Net Position	\$ (9)	\$ 12,330
Plan Fiduciary Net Position – Beginning	\$ 97,324	\$ 84,994
Plan Fiduciary Net Position – Ending (b)	\$ 97,315	\$ 97,324
Net Pension Liability – Ending (a)–(b)	\$ 64,467	\$ 64,383
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	60%	60%
Covered-employee payroll	\$ 32,481	\$ 32,997
Net Pension Liability as a percentage of Covered Payroll	198%	195%

Notes to Schedule:

2014 is the first fiscal year that data has been measured in accordance with GASB Statement 68.

**CITY OF MARIETTA, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS**

	<u>2015</u>	<u>2014</u>
(In thousands)		
Actuarially determined contribution	\$ 5,154	\$ 5,154
Contributions in relation to the actuarially determined contribution	5,731	5,669
Contribution deficiency (excess)	<u>\$ (577)</u>	<u>\$ (515)</u>
Covered-employee payroll	\$ 32,481	\$ 32,997
Contributions as a percentage of covered-employee payroll	17.64%	17.18%

Notes to Schedule:

Valuation Date: June 30, 2015

Methods and assumptions to determine contribution rates:

Actuarial cost method	Entry Age
Amortization method	Level percentage of the pay, closed
Remaining amortization period	30 years
Asset valuation method	Ten-year smoothed market value
Inflation	3.50%
Salary increases	3.5 - 12.62%
Investment rate of return	7.5%, net of pension plan investment expense, and including inflation

2014 is the first fiscal year that data has been measured in accordance with GASB Statement 68.

**CITY OF MARIETTA, GEORGIA
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF FUNDING PROGRESS**

POST EMPLOYMENT HEALTHCARE PLAN

The funding status of the OPEB plan as of the most recent actuarial valuation date is as follows:

	(1)	(2)	(3)	(4)	(5)	(6)	
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Liability	Accrued (AAL)	Funded Ratio (1)/(2)	Unfunded AAL (UAAL) (2)-(1)	Covered Payroll	UAAL as a Percentage of Covered Payroll
7/1/2006	\$ -	\$ 90,530,000		0.00%	\$ 90,530,000	\$ 30,170,894	300.1%
7/1/2009	52,000	155,919,000		0.03%	155,867,000	31,580,119	493.6%
7/1/2011	436,501	75,113,688		0.58%	74,677,187	34,831,719	214.4%
7/1/2013	678,223	99,287,804		0.68%	98,609,581	34,403,775	286.6%

Note: See assumptions used for the above schedule in Note 11 to the financial statements.

**CITY OF MARIETTA, GEORGIA
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF EMPLOYER CONTRIBUTIONS**

POST EMPLOYMENT HEALTHCARE PLAN

The schedule of employer contributions for the OPEB plan is as follows:

Fiscal Year Ended	Annual Required Contribution	Annual Actual Contributions	Percentage Contributed
6/30/2010	\$ 12,350,000	\$ 2,408,844	20%
6/30/2011	12,713,000	2,261,335	18%
6/30/2012	5,085,836	3,062,489	60%
6/30/2013	5,202,882	2,271,090	44%
6/30/2014	6,908,371	3,049,517	44%
6/30/2015	7,018,998	3,838,211	55%

CITY OF MARIETTA, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget-Actual Positive (Negative)
Revenues:				
Taxes	\$ 18,846,200	\$ 18,974,200	\$ 18,977,404	\$ 3,204
Licenses and permits	5,862,574	6,205,154	6,481,853	276,699
Intergovernmental	1,393,055	4,905,397	3,700,910	(1,204,487)
Charges for services	4,241,764	4,297,618	4,345,871	48,253
Fines and forfeits	4,048,000	4,628,806	4,534,974	(93,832)
Investment earnings	75,000	75,000	67,630	(7,370)
Other	556,864	561,364	502,618	(58,746)
Total revenues	35,023,457	39,647,539	38,611,260	(1,036,279)
Expenditures:				
Current:				
General government:				
General administration:				
Legislative	419,071	421,491	409,595	11,896
Judicial	1,192,730	1,186,237	1,175,912	10,325
Executive	921,995	876,841	877,835	(994)
Law	525,000	525,000	406,404	118,596
Financial administration	2,068,598	1,932,827	1,868,772	64,055
Human resources	968,318	906,605	847,996	58,609
Planning and zoning	2,013,760	2,365,900	2,304,214	61,686
Public works	7,480,100	10,409,742	8,931,472	1,478,270
Culture and recreation	5,106,529	8,033,148	6,812,609	1,220,539
Public safety:				
Police	14,870,156	16,367,925	16,194,203	173,722
Fire	11,756,085	13,136,758	13,048,406	88,352
Debt Service:				
Principal retirement	1,677,024	1,677,024	1,677,024	-
Interest and fiscal charges	1,172,355	1,172,355	1,172,355	-
Total expenditures	50,171,721	59,011,853	55,726,797	3,285,056
Excess (deficiency) of revenues over expenditures	(15,148,264)	(19,364,314)	(17,115,537)	2,248,777
Other financing sources (uses):				
Sales of capital assets	150,000	150,000	164,500	14,500
Transfers in	19,397,965	19,728,272	17,865,819	(1,862,453)
Transfers out	(4,491,982)	(4,491,982)	(3,619,874)	872,108
Total other financing sources (uses)	15,055,983	15,386,290	14,410,445	(975,845)
Net change in fund balance	\$ (92,281)	\$ (3,978,024)	(2,705,092)	\$ 1,272,932
Reconciliation to GAAP basis:				
Encumbrances outstanding at end of year			1,665,288	
Fund balances at beginning of year - GAAP basis			47,890,382	
Fund balances at end of year - GAAP basis			<u>\$ 46,850,578</u>	

OTHER SUPPLEMENTARY INFORMATION

**CITY OF MARIETTA, GEORGIA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2015**

	Special Revenue	Capital Projects	Total Nonmajor Governmental Funds
Assets:			
Cash and cash equivalents	\$ 1,167,709	\$ 848,764	\$ 2,016,473
Cash with fiscal agent	943,138	-	943,138
Investments	-	11,530,380	11,530,380
Receivables, net	348,403	13,414	361,817
Due from other governments	53,994	-	53,994
Total assets	<u>\$ 2,513,244</u>	<u>\$ 12,392,558</u>	<u>\$ 14,905,802</u>
Liabilities:			
Accounts payable	\$ 20,376	\$ 422,478	\$ 442,854
Retainage payable	-	83,360	83,360
Accrued liabilities	5,726	-	5,726
Due to other funds	815,762	-	815,762
Total liabilities	<u>841,864</u>	<u>505,838</u>	<u>1,347,702</u>
Deferred inflows of resources:			
Unavailable revenue	13,799	-	13,799
Fund balances:			
Restricted	1,663,977	11,886,720	13,550,697
Unassigned	(6,396)	-	(6,396)
Total fund balances	<u>1,657,581</u>	<u>11,886,720</u>	<u>13,544,301</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,513,244</u>	<u>\$ 12,392,558</u>	<u>\$ 14,905,802</u>

**CITY OF MARIETTA, GEORGIA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Special Revenue	Capital Projects	Total Nonmajor Governmental Funds
Revenues:			
Taxes	\$ 3,358,714	\$ -	\$ 3,358,714
Intergovernmental	3,261,941	-	3,261,941
Investment earnings	1,893	39,389	41,282
Other	-	705	705
Total revenues	<u>6,622,548</u>	<u>40,094</u>	<u>6,662,642</u>
Expenditures:			
Current:			
Public works	143,021	-	143,021
Culture and recreation	-	380,206	380,206
Urban redevelopment and housing	3,229,858	-	3,229,858
Capital projects	-	4,819,297	4,819,297
Debt service:			
Principal retirement	638,596	-	638,596
Interest and fiscal charges	212,558	-	212,558
Total expenditures	<u>4,224,033</u>	<u>5,199,503</u>	<u>9,423,536</u>
Excess (deficiency) of revenues over expenditures	<u>2,398,515</u>	<u>(5,159,409)</u>	<u>(2,760,894)</u>
Other financing sources (uses):			
Transfers in	-	43,011	43,011
Transfers out	(3,266,324)	-	(3,266,324)
Sale of capital assets	20,000	-	20,000
Total other financing sources (uses)	<u>(3,246,324)</u>	<u>43,011</u>	<u>(3,203,313)</u>
Net change in fund balance	<u>(847,809)</u>	<u>(5,116,398)</u>	<u>(5,964,207)</u>
Fund balances at beginning of year	<u>2,505,390</u>	<u>17,003,118</u>	<u>19,508,508</u>
Fund balances at end of year	<u>\$ 1,657,581</u>	<u>\$ 11,886,720</u>	<u>\$ 13,544,301</u>

**CITY OF MARIETTA, GEORGIA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2015**

	Nonmajor Funds			
	HUD Housing Assistance	HUD CDBG	Tax Allocation District	Cemetery Maintenance
Assets:				
Cash and cash equivalents	\$ 170,861	\$ 2,183	\$ 927,853	\$ 61,604
Cash with fiscal agent	-	-	943,138	-
Receivables, net	-	-	11,468	3,870
Due from other governments	-	43,095	9,973	926
Total assets	<u>\$ 170,861</u>	<u>\$45,278</u>	<u>\$1,892,432</u>	<u>\$ 66,400</u>
Liabilities:				
Accounts payable	\$ 20,151	\$ -	\$ -	\$ 225
Accrued salaries and employee benefits	-	4,484	-	1,242
Due to other funds	-	47,190	435,507	-
Total liabilities	<u>20,151</u>	<u>51,674</u>	<u>435,507</u>	<u>1,467</u>
Deferred inflows of resources:				
Unavailable revenue	-	-	10,381	3,418
Fund balance:				
Restricted	150,710	-	1,446,544	61,515
Unassigned	-	(6,396)	-	-
Total fund balance	<u>150,710</u>	<u>(6,396)</u>	<u>1,446,544</u>	<u>61,515</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 170,861</u>	<u>\$45,278</u>	<u>\$1,892,432</u>	<u>\$ 66,400</u>

**CITY OF MARIETTA, GEORGIA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET (CONT'D)
JUNE 30, 2015**

<u>Nonmajor Funds</u>			
<u>LLEBG Fund</u>	<u>Hotel Motel Tax</u>	<u>Auto Rental Tax</u>	<u>Total</u>
\$ 5,208	\$ -	\$ -	\$ 1,167,709
-	-	-	943,138
-	298,537	34,528	348,403
-	-	-	53,994
<u>\$ 5,208</u>	<u>\$298,537</u>	<u>\$ 34,528</u>	<u>\$ 2,513,244</u>
\$ -	\$ -	\$ -	\$ 20,376
-	-	-	5,726
-	298,537	34,528	815,762
-	298,537	34,528	841,864
-	-	-	13,799
5,208	-	-	1,663,977
-	-	-	(6,396)
5,208	-	-	1,657,581
<u>\$ 5,208</u>	<u>\$298,537</u>	<u>\$ 34,528</u>	<u>\$ 2,513,244</u>

**CITY OF MARIETTA, GEORGIA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Nonmajor Funds			
	HUD Housing Assistance	HUD CDBG	Tax Allocation District	Cemetery Maintenance
Revenues:				
Taxes	\$ -	\$ -	\$ 44,984	\$ 201,092
Intergovernmental	2,174,860	747,950	339,131	-
Investment earnings	-	-	1,880	13
Total revenues	<u>2,174,860</u>	<u>747,950</u>	<u>385,995</u>	<u>201,105</u>
Expenditures:				
Current:				
Public works	-	-	-	143,021
Urban redevelopment and housing	2,484,089	745,769	-	-
Debt service:				
Principal retirement	-	-	638,596	-
Interest & fiscal charges	-	-	212,558	-
Total expenditures	<u>2,484,089</u>	<u>745,769</u>	<u>851,154</u>	<u>143,021</u>
Excess (deficiency) of revenues over expenditures	<u>(309,229)</u>	<u>2,181</u>	<u>(465,159)</u>	<u>58,084</u>
Other financing sources (uses):				
Transfers out	(153,185)	(501)	-	-
Proceeds from sale of capital assets	20,000	-	-	-
Total other financing sources (uses)	<u>(133,185)</u>	<u>(501)</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>(442,414)</u>	<u>1,680</u>	<u>(465,159)</u>	<u>58,084</u>
Fund balances at beginning of year	<u>593,124</u>	<u>(8,076)</u>	<u>1,911,703</u>	<u>3,431</u>
Fund balances at end of year	<u>\$ 150,710</u>	<u>\$ (6,396)</u>	<u>\$ 1,446,544</u>	<u>\$ 61,515</u>

**CITY OF MARIETTA, GEORGIA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Nonmajor Funds			
LLEBG Fund	Hotel Motel Tax	Auto Rental Tax	Total
\$ -	\$2,679,751	\$ 432,887	\$ 3,358,714
-	-	-	3,261,941
-	-	-	1,893
-	2,679,751	432,887	6,622,548
-	-	-	143,021
-	-	-	3,229,858
-	-	-	638,596
-	-	-	212,558
-	-	-	4,224,033
-	2,679,751	432,887	2,398,515
-	(2,679,751)	(432,887)	(3,266,324)
-	-	-	20,000
-	(2,679,751)	(432,887)	(3,246,324)
-	-	-	(847,809)
5,208	-	-	2,505,390
\$ 5,208	\$ -	\$ -	\$ 1,657,581

**CITY OF MARIETTA, GEORGIA
GENERAL FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
Assets:		
Cash and cash equivalents	\$ 23,424,738	\$ 17,865,127
Cash with fiscal agent	500	500
Investments	3,911,137	6,900,943
Receivables (net of allowance for estimated uncollectibles):		
Taxes	160,019	161,163
Sanitation	146,030	145,793
Other	600,578	615,367
Prepaid items	29,257	28,409
Due from other funds	676,401	199,441
Due from other governments	2,522,000	2,821,767
Inventories	33,384	34,851
Advances to other funds	<u>20,521,375</u>	<u>22,536,181</u>
 Total assets	 <u>\$ 52,025,419</u>	 <u>\$ 51,309,542</u>
 Liabilities:		
Accounts payable	\$ 1,464,810	\$ 1,145,551
Retainage payable	38,055	69,097
Accrued salaries and employee benefits	911,474	767,227
Due to other funds	2,437,351	1,138,178
Due to other governments	606	860
Deferred revenue	<u>185,475</u>	<u>169,560</u>
 Total liabilities	 <u>5,037,771</u>	 <u>3,290,473</u>
 Deferred inflows of resources:		
Unavailable revenue	<u>137,070</u>	<u>128,687</u>
 Fund balance:		
Nonspendable	20,584,016	22,599,441
Restricted	3,930,085	4,049,761
Committed	730,439	2,487,509
Assigned	5,003,127	3,073,354
Unassigned	<u>16,602,911</u>	<u>15,680,317</u>
 Total fund balance	 <u>46,850,578</u>	 <u>47,890,382</u>
 Total liabilities, deferred inflows of resources, and fund balances	 <u>\$ 52,025,419</u>	 <u>\$ 51,309,542</u>

**CITY OF MARIETTA, GEORGIA
GENERAL FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE FISCAL YEARS ENDED JUNE 30, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
Revenues:		
Taxes	\$ 18,977,404	\$ 18,837,046
Licenses and permits	6,481,853	5,972,483
Intergovernmental	3,700,910	3,600,807
Charges for services	4,345,871	4,275,790
Fines and forfeits	4,534,974	4,241,668
Investment earnings	67,630	92,088
Other	502,618	817,339
	<u>38,611,260</u>	<u>37,837,221</u>
Total revenues		
Expenditures:		
Current:		
General government	7,607,877	7,395,479
Public works	8,882,509	9,351,184
Culture and recreation	6,328,712	6,111,246
Public safety	28,393,032	26,405,370
Debt service:		
Principal retirement	1,677,024	1,593,762
Interest and fiscal charges	1,172,355	1,247,024
	<u>54,061,509</u>	<u>52,104,065</u>
Total expenditures		
Excess (deficiency) of revenues over expenditures	<u>(15,450,249)</u>	<u>(14,266,844)</u>
Other financing sources (uses):		
Sale of capital assets	164,500	238,632
Transfers in	17,865,819	17,634,704
Transfers out	(3,619,874)	(4,343,832)
	<u>14,410,445</u>	<u>13,529,504</u>
Total other financing sources (uses)		
Net change in fund balance	(1,039,804)	(737,340)
Fund balance at beginning of year	<u>47,890,382</u>	<u>48,627,722</u>
Fund balance at end of year	<u>\$ 46,850,578</u>	<u>\$ 47,890,382</u>

**CITY OF MARIETTA, GEORGIA
 HUD - HOUSING ASSISTANCE PAYMENTS PROGRAM
 SPECIAL REVENUE FUND
 COMPARATIVE BALANCE SHEET
 JUNE 30, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$ 170,861	\$ 577,943
Due from other governments	-	52,657
Total assets	<u>\$ 170,861</u>	<u>\$ 630,600</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 20,151	\$ 26,914
Accrued salaries and employee benefits	-	10,562
Total liabilities	<u>20,151</u>	<u>37,476</u>
Fund balance:		
Restricted	<u>150,710</u>	<u>593,124</u>
Total fund balance	<u>150,710</u>	<u>593,124</u>
Total liabilities and fund balance	<u>\$ 170,861</u>	<u>\$ 630,600</u>

**CITY OF MARIETTA, GEORGIA
 HUD - HOUSING ASSISTANCE PAYMENTS PROGRAM
 SPECIAL REVENUE FUND
 COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE
 FOR THE FISCAL YEARS ENDED JUNE 30, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
Revenues:		
Intergovernmental	<u>\$2,174,860</u>	<u>\$5,011,183</u>
Total revenues	<u>2,174,860</u>	<u>5,011,183</u>
Expenditures - urban redevelopment and housing:		
Current:		
Personal services	281,742	489,415
Operating	136,481	121,485
Housing assistance payments	<u>2,065,866</u>	<u>4,231,698</u>
Total expenditures	<u>2,484,089</u>	<u>4,842,598</u>
Excess (deficiency) of revenues over expenditures	<u>(309,229)</u>	<u>168,585</u>
Other financing sources (uses):		
Transfers out	(153,185)	(46,368)
Proceeds from sale of capital assets	<u>20,000</u>	<u>-</u>
Total other financing sources (uses)	<u>(133,185)</u>	<u>(46,368)</u>
Net change in fund balance	<u>(442,414)</u>	<u>122,217</u>
Fund balance at beginning of year	<u>593,124</u>	<u>470,907</u>
Fund balance at end of year	<u>\$ 150,710</u>	<u>\$ 593,124</u>

**CITY OF MARIETTA, GEORGIA
 HUD- HOUSING ASSISTANCE PAYMENTS PROGRAM
 SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues:			
Intergovernmental	\$ 5,175,327	\$ 2,174,860	\$ (3,000,467)
Total revenues	<u>5,175,327</u>	<u>2,174,860</u>	<u>(3,000,467)</u>
Expenditures- urban redevelopment and housing:			
Current:			
Personal services	503,805	281,742	222,063
Operating	261,647	136,481	125,166
Housing assistance payments	4,515,888	2,065,866	2,450,022
Total expenditures	<u>5,281,340</u>	<u>2,484,089</u>	<u>2,797,251</u>
Excess (deficiency) of revenues over expenditures	<u>(106,013)</u>	<u>(309,229)</u>	<u>(203,216)</u>
Other financing sources (uses):			
Transfers out	(176,369)	(153,185)	23,184
Proceeds from sale of capital assets	-	20,000	20,000
Net change in fund balance	<u>\$ (282,382)</u>	<u>(442,414)</u>	<u>\$ (160,032)</u>
Reconciliation to GAAP basis:			
Fund balance at beginning of year - GAAP basis		<u>593,124</u>	
Fund balance at end of year - GAAP basis		<u>\$ 150,710</u>	

**CITY OF MARIETTA, GEORGIA
 HUD - COMMUNITY DEVELOPMENT BLOCK GRANT
 SPECIAL REVENUE FUND
 COMPARATIVE BALANCE SHEET
 JUNE 30, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$ 2,183	\$ 929.00
Due from other governments	<u>43,095</u>	<u>27,094</u>
Total assets	<u>\$ 45,278</u>	<u>\$ 28,023</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accrued salaries and employee benefits	\$ 4,484	\$ 4,347
Due to other funds	<u>47,190</u>	<u>31,752</u>
Total liabilities	<u>51,674</u>	<u>36,099</u>
Fund balance:		
Unassigned	<u>(6,396)</u>	<u>(8,076)</u>
Total fund balance	<u>(6,396)</u>	<u>(8,076)</u>
Total liabilities and fund balance	<u>\$ 45,278</u>	<u>\$ 28,023</u>

**CITY OF MARIETTA, GEORGIA
 HUD - COMMUNITY DEVELOPMENT BLOCK GRANT
 SPECIAL REVENUE FUND
 COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE
 FOR THE FISCAL YEARS ENDED JUNE 30, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
Revenues:		
Intergovernmental	<u>\$ 747,950</u>	<u>\$ 484,898</u>
Expenditures - urban redevelopment and housing:		
Current:		
Personal services	186,328	179,981
Operating services	412,526	283,999
Capital outlay	<u>146,915</u>	<u>27,363</u>
Total expenditures	<u>745,769</u>	<u>491,343</u>
Excess (deficiency) of revenues over expenditures	<u>2,181</u>	<u>(6,445)</u>
Other financing sources (uses)		
Transfers out	<u>(501)</u>	<u>(501)</u>
Total other financing sources (uses)	<u>(501)</u>	<u>(501)</u>
Net change in fund balance	1,680	(6,946)
Fund balance at beginning of year	<u>(8,076)</u>	<u>(1,130)</u>
Fund balance at end of year	<u><u>\$ (6,396)</u></u>	<u><u>\$ (8,076)</u></u>

**CITY OF MARIETTA, GEORGIA
 HUD - COMMUNITY DEVELOPMENT BLOCK GRANT
 SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Budget</u>	<u>Actual</u>	Variance with Final Budget - Positive (Negative)
Revenues:			
Intergovernmental	\$ 768,253	\$747,950	\$ (20,303)
Total revenues	<u>768,253</u>	<u>747,950</u>	<u>(20,303)</u>
Expenditures - urban redevelopment and housing:			
Current:			
Personal services	194,021	186,328	7,693
Operating services	426,816	412,526	14,290
Capital outlay	<u>146,915</u>	<u>146,915</u>	<u>-</u>
Total expenditures	<u>767,752</u>	<u>745,769</u>	<u>21,983</u>
Excess (deficiency) of revenues over expenditures	<u>501</u>	<u>2,181</u>	<u>1,680</u>
Other financing sources (uses)			
Transfers out	<u>(501)</u>	<u>(501)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	1,680	<u>\$ 1,680</u>
Fund balance at beginning of year - GAAP basis		<u>(8,076)</u>	
Fund balance at end of year - GAAP basis		<u>\$ (6,396)</u>	

**CITY OF MARIETTA, GEORGIA
TAX ALLOCATION DISTRICT
SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
<u>ASSETS</u>		
Cash with fiscal agent	\$ 943,138	\$ 941,959
Cash and cash equivalents	927,853	959,127
Receivables (net of allowance for estimated uncollectibles):		
Taxes receivable, net	11,468	11,104
Due from other governments	<u>9,973</u>	<u>9,629</u>
Total assets	<u>\$1,892,432</u>	<u>\$1,921,819</u>
<u>DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</u>		
Liabilities:		
Due to other funds	<u>\$ 435,507</u>	<u>\$ -</u>
Total liabilities	<u>435,507</u>	<u>-</u>
Deferred inflows of resources:		
Unavailable revenue	<u>10,381</u>	<u>10,116</u>
Fund balance:		
Restricted	<u>1,446,544</u>	<u>1,911,703</u>
Total fund balance	<u>1,446,544</u>	<u>1,911,703</u>
Total deferred inflows of resources, and fund balances	<u>\$1,892,432</u>	<u>\$1,921,819</u>

**CITY OF MARIETTA, GEORGIA
TAX ALLOCATION DISTRICT
SPECIAL REVENUE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
FOR THE FISCAL YEARS ENDED JUNE 30, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
Revenues:		
Taxes	\$ 44,984	\$ 35,001
Intergovernmental	339,131	450,177
Investment earnings	<u>1,880</u>	<u>1,877</u>
Total revenues	<u>385,995</u>	<u>487,055</u>
Expenditures - urban redevelopment and housing:		
Debt service:		
Principal retirement	638,596	612,915
Interest & fiscal charges	<u>212,558</u>	<u>238,240</u>
Total expenditures	<u>851,154</u>	<u>851,155</u>
Excess (deficiency) of revenues over expenditures	<u>(465,159)</u>	<u>(364,100)</u>
Net change in fund balance	(465,159)	(364,100)
Fund balance at beginning of year	<u>1,911,703</u>	<u>2,275,803</u>
Fund balance at end of year	<u><u>\$1,446,544</u></u>	<u><u>\$1,911,703</u></u>

**CITY OF MARIETTA
TAX ALLOCATION DISTRICT
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Budget	Actual	Variance with Final Budget - Positive(Negative)
Revenues:			
Taxes	\$ 62,500	\$ 44,984	\$ (17,516)
Intergovernmental	505,000	339,131	(165,869)
Investment earnings	1,500	1,880	380
Total revenues	<u>569,000</u>	<u>385,995</u>	<u>(183,005)</u>
Expenditures- urban redevelopment and housing:			
Debt service:			
Principal retirement	638,596	638,596	-
Interest & fiscal charges	212,559	212,558	1
Total expenditures	<u>851,155</u>	<u>851,154</u>	<u>1</u>
Net change in fund balance	<u>\$ (282,155)</u>	(465,159)	<u>\$ (183,004)</u>
Fund balance at beginning of year		<u>1,911,703</u>	
Fund balance at end of year		<u>\$ 1,446,544</u>	

**CITY OF MARIETTA, GEORGIA
CEMETERY MAINTENANCE
SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
Assets:		
Cash and cash equivalents	\$ 61,604	\$ 9,175
Receivables, net:		
Taxes	3,870	4,393
Due from other governments	<u>926</u>	<u>924</u>
Total assets	<u><u>\$ 66,400</u></u>	<u><u>\$ 14,492</u></u>
Liabilities:		
Accounts payable	\$ 225	\$ 6,023
Accrued salaries and employee benefits	<u>1,242</u>	<u>1,499</u>
Total liabilities	<u>1,467</u>	<u>7,522</u>
Deferred inflows of resources:		
Unavailable revenue	<u>3,418</u>	<u>3,539</u>
Fund balance:		
Restricted	<u>61,515</u>	<u>3,431</u>
Total fund balance	<u>61,515</u>	<u>3,431</u>
Total liabilities, deferred inflows of resources, and fund balances	<u><u>\$ 66,400</u></u>	<u><u>\$ 14,492</u></u>

**CITY OF MARIETTA, GEORGIA
CEMETERY MAINTENANCE
SPECIAL REVENUE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE FISCAL YEARS ENDED JUNE 30, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
Revenues:		
Taxes	\$ 201,092	\$ 194,870
Investment earnings	<u>13</u>	<u>318</u>
Total revenues	<u>201,105</u>	<u>195,188</u>
Expenditures - public works:		
Current:		
Personal services	69,272	56,787
Operating services	<u>73,749</u>	<u>196,303</u>
Total expenditures	<u>143,021</u>	<u>253,090</u>
Excess (deficiency) of revenues over expenditures	58,084	(57,902)
Fund balance at beginning of year	<u>3,431</u>	<u>61,333</u>
Fund balance at end of year	<u><u>\$ 61,515</u></u>	<u><u>\$ 3,431</u></u>

**CITY OF MARIETTA, GEORGIA
CEMETERY MAINTENANCE
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues:			
Taxes	\$ 196,500	\$ 201,092	\$ 4,592
Investment earnings	500	13	(487)
Total revenues	<u>197,000</u>	<u>201,105</u>	<u>4,105</u>
Expenditures - public works:			
Current:			
Personal services	91,805	69,272	22,533
Operating services	<u>134,240</u>	<u>120,730</u>	<u>13,510</u>
Total expenditures	<u>226,045</u>	<u>190,002</u>	<u>36,043</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (29,045)</u>	11,103	<u>\$ 40,148</u>
Reconciliation to GAAP basis:			
Encumbrances outstanding at end of year		46,981	
Fund balances at beginning of year - GAAP basis		<u>3,431</u>	
Fund balance at end of year - GAAP basis		<u>\$ 61,515</u>	

**CITY OF MARIETTA, GEORGIA
 LOCAL LAW ENFORCEMENT BLOCK GRANT
 SPECIAL REVENUE FUND
 COMPARATIVE BALANCE SHEET
 JUNE 30, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
<u>ASSETS</u>		
Cash and cash equivalents	<u>\$ 5,208</u>	<u>\$ 5,208</u>
Total assets	<u><u>\$ 5,208</u></u>	<u><u>\$ 5,208</u></u>
<u>FUND BALANCE</u>		
Fund balance:		
Restricted	<u>\$ 5,208</u>	<u>\$ 5,208</u>
Total fund balance	<u><u>\$ 5,208</u></u>	<u><u>\$ 5,208</u></u>

**CITY OF MARIETTA, GEORGIA
LOCAL LAW ENFORCEMENT BLOCK GRANT
SPECIAL REVENUE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE FISCAL YEARS ENDED JUNE 30, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
Revenues:		
Intergovernmental	<u>\$ -</u>	<u>\$ -</u>
Total revenues	<u>-</u>	<u>-</u>
Expenditures - public safety:		
Current:		
Capital outlay	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>
Net change in fund balance	-	-
Fund balance at beginning of year	<u>5,208</u>	<u>5,208</u>
Fund balance at end of year	<u><u>\$ 5,208</u></u>	<u><u>\$ 5,208</u></u>

**CITY OF MARIETTA, GEORGIA
HOTEL MOTEL TAX FUND
SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
<u>ASSETS</u>		
Receivables (net of allowance for estimated uncollectibles):		
Taxes	<u>\$ 298,537</u>	<u>\$ 216,913</u>
Total assets	<u>\$ 298,537</u>	<u>\$ 216,913</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Due to other funds	<u>\$ 298,537</u>	<u>\$ 216,913</u>
Total liabilities	<u>298,537</u>	<u>216,913</u>
Fund balance:		
Restricted	<u>-</u>	<u>-</u>
Total fund balance	<u>-</u>	<u>-</u>
Total liabilities and fund balance	<u>\$ 298,537</u>	<u>\$ 216,913</u>

**CITY OF MARIETTA, GEORGIA
HOTEL MOTEL TAX FUND
SPECIAL REVENUE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE FISCAL YEARS ENDED JUNE 30, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
Revenues:		
Taxes	<u>\$2,679,751</u>	<u>\$2,184,357</u>
Total revenues	<u>2,679,751</u>	<u>2,184,357</u>
Other financing sources (uses)		
Transfers out	<u>(2,679,751)</u>	<u>(2,184,357)</u>
Total other financing sources (uses)	<u>(2,679,751)</u>	<u>(2,184,357)</u>
Net change in fund balance	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**CITY OF MARIETTA
HOTEL MOTEL TAX FUND
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Budget	Actual	Variance with Final Budget - Positive(Negative)
Revenues:			
Taxes	\$2,598,127	\$2,679,751	\$ 81,624
Total revenues	2,598,127	2,679,751	81,624
Other financing sources (uses)			
Transfer out	(2,598,127)	(2,679,751)	(81,624)
Net change in fund balance	\$ -	-	\$ -
Fund balance (deficit) at beginning of year		-	
Fund balance (deficit) at end of year		\$ -	

**CITY OF MARIETTA, GEORGIA
 AUTO RENTAL TAX FUND
 SPECIAL REVENUE FUND
 COMPARATIVE BALANCE SHEET
 JUNE 30, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
<u>ASSETS</u>		
Receivables (net of allowance for estimated uncollectibles):		
Taxes	<u>\$ 34,528</u>	<u>\$ 40,927</u>
Total assets	<u><u>\$ 34,528</u></u>	<u><u>\$ 40,927</u></u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Due to other funds	<u>\$ 34,528</u>	<u>\$ 40,927</u>
Total liabilities	<u>34,528</u>	<u>40,927</u>
Fund balance:		
Restricted	<u>-</u>	<u>-</u>
Total fund balance	<u>-</u>	<u>-</u>
Total liabilities and fund balance	<u><u>\$ 34,528</u></u>	<u><u>\$ 40,927</u></u>

**CITY OF MARIETTA, GEORGIA
 AUTO RENTAL TAX FUND
 SPECIAL REVENUE FUND
 COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE
 FOR THE FISCAL YEARS ENDED JUNE 30, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
Revenues:		
Taxes	<u>\$ 432,887</u>	<u>\$ 447,533</u>
Total revenues	<u>432,887</u>	<u>447,533</u>
Excess (deficiency) of revenues over expenditures	<u>432,887</u>	<u>447,533</u>
Other financing sources (uses)		
Transfers out	<u>(432,887)</u>	<u>(447,533)</u>
Total other financing sources (uses)	<u>(432,887)</u>	<u>(447,533)</u>
Net change in fund balance	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**CITY OF MARIETTA, GEORGIA
 AUTO RENTAL TAX FUND
 SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Budget</u>	<u>Actual</u>	Variance with Final Budget - Positive(Negative)
Revenues:			
Taxes	<u>\$439,286</u>	<u>\$432,887</u>	<u>\$ (6,399)</u>
Total revenues	<u>439,286</u>	<u>432,887</u>	<u>(6,399)</u>
Other financing sources (uses)			
Transfer out	<u>(439,286)</u>	<u>(432,887)</u>	<u>6,399</u>
Net change in fund balance	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balance (deficit) at beginning of year		<u>-</u>	
Fund balance (deficit) at end of year		<u>\$ -</u>	

**CITY OF MARIETTA, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2015 AND 2014**

	<u>2015</u>	<u>2014</u> (As Restated)
<u>ASSETS</u>		
Cash and cash equivalents	\$ 10,715,620	\$ 6,976,920
Cash held in escrow	26,148	-
Investments	11,284,871	10,288,558
Receivables:		
Accrued interest	14,294	10,156
Due from other governments	<u>2,109,116</u>	<u>2,053,493</u>
Total assets	<u><u>\$ 24,150,049</u></u>	<u><u>\$19,329,127</u></u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 734,150	\$ 670,020
Retainage payable	<u>-</u>	<u>214,573</u>
Total liabilities	<u>734,150</u>	<u>884,593</u>
Fund balance:		
Restricted	<u>23,415,899</u>	<u>18,444,534</u>
Total fund balance	<u>23,415,899</u>	<u>18,444,534</u>
Total liabilities and fund balance	<u><u>\$ 24,150,049</u></u>	<u><u>\$19,329,127</u></u>

**CITY OF MARIETTA, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX
CAPITAL PROJECTS FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
FOR THE FISCAL YEARS ENDED JUNE 30, 2015 AND 2014**

	<u>2015</u>	<u>2014 (As Restated)</u>
Revenues:		
Investment earnings	\$ 36,831	\$ 14,580
Intergovernmental	<u>12,477,164</u>	<u>11,922,593</u>
Total revenues	<u>12,513,995</u>	<u>11,937,173</u>
Expenditures:		
Current:		
Personal services	219,697	269,162
Capital projects	<u>7,322,933</u>	<u>5,936,223</u>
Total expenditures	<u>7,542,630</u>	<u>6,205,385</u>
Excess (deficiency) of revenues over expenditures	<u>4,971,365</u>	<u>5,731,788</u>
Net change in fund balance	4,971,365	5,731,788
Fund balance at beginning of year	<u>18,444,534</u>	<u>12,712,746</u>
Fund balance at end of year	<u><u>\$ 23,415,899</u></u>	<u><u>\$ 18,444,534</u></u>

**CITY OF MARIETTA, GEORGIA
CITY PARKS BOND
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$ 848,764	\$ 4,403,731
Investments	11,530,380	12,747,824
Receivables:		
Accrued interest	<u>13,414</u>	<u>15,942</u>
Total assets	<u>\$ 12,392,558</u>	<u>\$ 17,167,497</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 422,478	\$ 136,581
Retainage payable	<u>83,360</u>	<u>27,798</u>
Total liabilities	<u>505,838</u>	<u>164,379</u>
Fund balance:		
Restricted	<u>11,886,720</u>	<u>17,003,118</u>
Total fund balance	<u>11,886,720</u>	<u>17,003,118</u>
Total liabilities and fund balance	<u>\$ 12,392,558</u>	<u>\$ 17,167,497</u>

**CITY OF MARIETTA, GEORGIA
CITY PARKS BOND
CAPITAL PROJECTS FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
FOR THE FISCAL YEARS ENDED JUNE 30, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
Revenues:		
Investment earnings	\$ 39,389	\$ 45,800
Miscellaneous revenue	705	5,894
	<u>40,094</u>	<u>51,694</u>
Total revenues		
Expenditures:		
Current:		
Personal services	73,661	95,158
Operating services	306,545	152,247
Capital projects	4,819,297	1,332,803
	<u>5,199,503</u>	<u>1,580,208</u>
Total expenditures		
Excess (deficiency) of revenues over expenditures	<u>(5,159,409)</u>	<u>(1,528,514)</u>
Other financing sources (uses):		
Transfers in	43,011	3,255,734
Net change in fund balance	(5,116,398)	1,727,220
Fund balance at beginning of year	<u>17,003,118</u>	<u>15,275,898</u>
Fund balance at end of year	<u>\$ 11,886,720</u>	<u>\$ 17,003,118</u>

**CITY OF MARIETTA, GEORGIA
REDEVELOPMENT BOND
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
<u>ASSETS</u>		
Cash held in escrow	\$ 200,000	\$ -
Investments	<u>44,115,156</u>	<u>44,727,175</u>
Total assets	<u>\$44,315,156</u>	<u>\$ 44,727,175</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts and retainage payable	\$ 916,915	\$ 44,349
Due to other funds	<u>1,025,040</u>	<u>112,933</u>
Total liabilities	<u>1,941,955</u>	<u>157,282</u>
Fund balance:		
Restricted	<u>42,373,201</u>	<u>44,569,893</u>
Total fund balance	<u>42,373,201</u>	<u>44,569,893</u>
Total liabilities and fund balance	<u>\$44,315,156</u>	<u>\$ 44,727,175</u>

**CITY OF MARIETTA, GEORGIA
REDEVELOPMENT BOND
CAPITAL PROJECTS FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
FOR THE FISCAL YEARS ENDED JUNE 30, 2015 AND 2014**

	2015	2014
Revenues:		
Investment earnings	\$ 9,719	\$ 2,075
Total revenues	<u>9,719</u>	<u>2,075</u>
Expenditures:		
Current:		
Personal services	9,010	93,530
Capital projects	<u>2,197,401</u>	<u>20,126,094</u>
Total expenditures	<u>2,206,411</u>	<u>21,990,812</u>
Excess (deficiency) of revenues over expenditures	<u>(2,196,692)</u>	<u>(21,988,737)</u>
Other financing sources (uses):		
Bonds issued	-	68,000,000
Premium on bonds issued	-	1,814,364
Transfers out	<u>-</u>	<u>(3,255,734)</u>
Total other financing sources (uses)	<u>-</u>	<u>66,558,630</u>
Net change in fund balance	<u>(2,196,692)</u>	<u>44,569,893</u>
Fund balance at beginning of year	<u>44,569,893</u>	<u>-</u>
Fund balance at end of year	<u>\$ 42,373,201</u>	<u>\$ 44,569,893</u>

**CITY OF MARIETTA, GEORGIA
DEBT SERVICE FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
Assets:		
Cash and cash equivalents	\$ 3,515,603	\$ 4,448,293
Investments	124,099	1,124,222
Receivables, net of estimated uncollectibles: estimated uncollectibles):		
Taxes	108,504	85,899
Accrued interest	72	72
Due from other governments	<u>27,744</u>	<u>27,665</u>
Total assets	<u><u>3,776,022</u></u>	<u><u>5,686,151</u></u>
Liabilities:		
Accounts payable	<u>2,001</u>	<u>63</u>
Deferred inflows of resources:		
Unavailable revenue	<u>94,170</u>	<u>72,216</u>
Fund balance:		
Restricted	<u>3,679,851</u>	<u>5,613,872</u>
Total liabilities, deferred inflows of resources, and fund balances	<u><u>3,776,022</u></u>	<u><u>5,686,151</u></u>

**CITY OF MARIETTA, GEORGIA
DEBT SERVICE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE FISCAL YEARS ENDED JUNE 30, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
Revenues:		
Taxes	\$ 7,861,037	\$ 2,920,354
Intergovernmental revenue	2,791,500	3,694,750
Investment earnings	<u>5,871</u>	<u>10,401</u>
Total revenue	<u>10,658,408</u>	<u>6,625,505</u>
Expenditures:		
Debt service:		
Principal retirement	7,985,000	5,145,000
Interest on bonds	4,582,193	1,978,351
Refunding bond issuance costs	<u>299,261</u>	<u>-</u>
Total expenditures	<u>12,866,454</u>	<u>7,123,351</u>
Excess (deficiency) of revenues over expenditures	<u>(2,208,046)</u>	<u>(497,846)</u>
Other financing sources (uses):		
Proceeds of refunding bonds	15,970,000	-
Payment to refunded bond escrow agent	(17,094,580)	-
Premium on bonds issued	1,431,052	-
Transfers out	<u>(32,447)</u>	<u>(25,236)</u>
Total other financing sources (uses)	<u>274,025</u>	<u>(25,236)</u>
Net change in fund balance	<u>(1,934,021)</u>	<u>(523,082)</u>
Fund balance at beginning of year	<u>5,613,872</u>	<u>6,136,954</u>
Fund balance at end of year	<u>\$ 3,679,851</u>	<u>\$ 5,613,872</u>

**CITY OF MARIETTA, GEORGIA
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:			
Taxes	\$ 8,230,816	\$ 7,861,037	\$ (369,779)
Intergovernmental	3,691,500	2,791,500	(900,000)
Investment earnings	10,000	5,871	(4,129)
Total revenues	<u>11,932,316</u>	<u>10,658,408</u>	<u>(1,273,908)</u>
Expenditures:			
Debt Service:			
Principal retirement	7,985,000	25,079,580	(17,094,580)
Interest and fiscal charges	<u>4,579,442</u>	<u>4,881,454</u>	<u>(302,012)</u>
Total expenditures	<u>12,564,442</u>	<u>29,961,034</u>	<u>(17,396,592)</u>
Excess (deficiency) of revenues over expenditures	<u>(632,126)</u>	<u>(19,302,626)</u>	<u>(18,670,500)</u>
Other financing sources (uses):			
Transfers out	(25,236)	(32,447)	(7,211)
Bond proceeds	-	15,970,000	15,970,000
Premium on bond	<u>-</u>	<u>1,431,052</u>	<u>1,431,052</u>
Total other financing sources (uses)	<u>(25,236)</u>	<u>17,368,605</u>	<u>17,393,841</u>
Net change in fund balance	<u>\$ (657,362)</u>	<u>(1,934,021)</u>	<u>\$ (1,276,659)</u>
Fund balance at beginning of year		<u>5,613,872</u>	
Fund balance at end of year		<u>\$ 3,679,851</u>	

**CITY OF MARIETTA, GEORGIA
BOARD OF LIGHTS AND WATERWORKS
ENTERPRISE FUND
COMPARATIVE STATEMENT OF NET POSITION
JUNE 30, 2015 AND 2014**

	2015	2014 (As Restated)
Assets:		
Current assets:		
Cash and cash equivalents	\$ 20,868,037	\$ 9,837,761
Investments	28,483,156	33,940,797
Receivables:		
Utility accounts (net of allowance for estimated uncollectibles of \$362,736 and \$457,000)	18,045,876	17,937,887
Other	24,136	20,126
Due from other funds	12,442,573	11,750,388
Inventories	3,581,057	3,398,083
Prepaid expenses	35	15,300
Total current assets	<u>83,444,870</u>	<u>76,900,342</u>
Noncurrent assets:		
Restricted assets:		
Investments	<u>11,976,210</u>	<u>11,835,175</u>
Property, plant and equipment:		
Land	1,382,976	1,382,976
Buildings and improvements	16,823,442	16,408,699
Electrical plant in service	121,369,049	118,228,256
Water and sewer system	89,758,141	86,251,600
Machinery and equipment	63,444,402	61,169,008
	<u>292,778,010</u>	<u>283,440,539</u>
Less: accumulated depreciation	<u>(154,843,577)</u>	<u>(147,744,330)</u>
Net property, plant and equipment	<u>137,934,433</u>	<u>135,696,209</u>
Other assets:		
Investment in Project	<u>2,299,704</u>	<u>2,374,303</u>
Total other assets	<u>2,299,704</u>	<u>2,374,303</u>
Total noncurrent assets	<u>152,210,347</u>	<u>149,905,687</u>
Total assets	<u>235,655,217</u>	<u>226,806,029</u>
Deferred outflows of resources:		
Deferred outflows related to pension	<u>1,032,400</u>	<u>-</u>

Continued on next page.

**CITY OF MARIETTA, GEORGIA
BOARD OF LIGHTS AND WATERWORKS
ENTERPRISE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2015 AND 2014**

	2015	2014 (1)
Operating revenues:		
Charges for services	\$151,515,083	\$ 148,851,310
Other	1,451,933	1,178,253
Total operating revenues	<u>152,967,016</u>	<u>150,029,563</u>
Operating expenses:		
Personal services	15,492,291	14,942,416
Operating	107,997,001	100,636,272
Depreciation and amortization	7,173,846	6,775,239
Total operating expenses	<u>130,663,138</u>	<u>122,353,927</u>
Operating income	<u>22,303,878</u>	<u>27,675,636</u>
Nonoperating revenues (expenses):		
Investment earnings	312,473	355,270
Gain (loss) on sale of assets	160,364	172,919
Total nonoperating revenues (expenses)	<u>472,837</u>	<u>528,189</u>
Capital contributions from developers	<u>765,710</u>	<u>-</u>
Income before transfers	<u>23,542,425</u>	<u>28,203,825</u>
Transfers:		
Transfers in	439,886	921,631
Transfers out	(14,584,738)	(15,076,961)
Total transfers in (out)	<u>(14,144,852)</u>	<u>(14,155,330)</u>
Change in net position	<u>9,397,573</u>	<u>14,048,495</u>
Net position at beginning of year - before restatement	191,465,411	177,416,916
Restatement	<u>(18,202,226)</u>	<u>-</u>
Net position at beginning of year - after restatement	<u>173,263,185</u>	<u>177,416,916</u>
Net position at end of year	<u>\$182,660,758</u>	<u>\$ 191,465,411</u>

(1) The effect of implementing GASB No. 68 to previously reported changes in net position has not been determined.

CITY OF MARIETTA, GEORGIA
BOARD OF LIGHTS AND WATERWORKS
ENTERPRISE FUND
COMPARATIVE STATEMENT OF CASH FLOWS
FOR THE FISCAL YEARS ENDED JUNE 30, 2015 AND 2014

	2015	2014 (1)
Cash flows from operating activities:		
Cash received from customers	\$ 150,855,944	\$ 146,589,964
Cash received from other operating activities	1,451,933	1,178,253
Cash payments for goods and services	(109,364,396)	(99,283,749)
Cash payments for employee services and fringe benefits	(14,982,025)	(14,695,360)
Net cash from (to) operating activities	<u>27,961,456</u>	<u>33,789,108</u>
Cash flows from noncapital financing activities:		
Transfers in	439,886	921,631
Transfers out	(14,584,738)	(15,076,961)
Net cash from (to) noncapital financing activities	<u>(14,144,852)</u>	<u>(14,155,330)</u>
Cash flows from capital and related financing activities:		
Payments for capital acquisitions	(8,571,761)	(9,837,697)
Proceeds from sale of assets	160,364	172,919
Net cash from (to) capital and related financing activities	<u>(8,411,397)</u>	<u>(9,664,778)</u>
Cash flows from investing activities:		
Interest received	308,462	386,460
Investment (purchases) sales	5,316,607	(7,433,731)
Net cash from (to) investing activities	<u>5,625,069</u>	<u>(7,047,271)</u>
Net increase (decrease) in cash and cash equivalents	11,030,276	2,921,729
Cash and cash equivalents at beginning of year:		
Cash	<u>9,837,761</u>	<u>6,916,032</u>
Total cash and cash equivalents, beginning of year	<u>9,837,761</u>	<u>6,916,032</u>
Cash and cash equivalents at end of year:		
Cash	<u>20,868,037</u>	<u>9,837,761</u>
Total cash and cash equivalents, end of year	<u>\$ 20,868,037</u>	<u>\$ 9,837,761</u>
Reconciliation of operating income (loss) to net cash from operating activities:		
Operating income (loss)	\$ 22,303,878	\$ 27,675,636
Adjustments to reconcile operating income to net cash from operating activities:		
Depreciation and amortization	7,173,846	6,775,239
Change in assets and liabilities:		
(Increase) decrease in utility accounts receivable	(107,989)	(733,791)
(Increase) decrease in due from other funds	(692,185)	(1,874,478)
(Increase) decrease in inventories	(182,974)	(143,136)
(Increase) decrease in prepaid expenses	15,265	(15,300)
(Increase) decrease in deferred outflows of resources	(1,032,400)	-
Increase (decrease) in accounts payable	(881,304)	1,460,835
Increase (decrease) in accrued salaries	82,872	37,866
Increase (decrease) in accrued sales tax	(318,382)	50,124
Increase (decrease) in accrued compensated absences	(15,393)	87,831
Increase (decrease) in net OPEB obligation	512,387	117,863
Increase (decrease) in net pension liability	24,360	3,496
Increase (decrease) in unearned revenue	20,605	27,724
Increase (decrease) in customer deposits	120,430	319,199
Increase (decrease) in deferred inflows of resources	938,440	-
Net cash from operating activities	<u>\$ 27,961,456</u>	<u>\$ 33,789,108</u>

(1) The effect of implementing GASB No. 68 to previously reported changes in net position has not been determined.

**CITY OF MARIETTA, GEORGIA
MARIETTA CONFERENCE CENTER AND RESORT
ENTERPRISE FUND
COMPARATIVE STATEMENT OF NET POSITION
JUNE 30, 2015 AND 2014**

<u>ASSETS</u>	<u>2015</u>	<u>2014</u>
Current assets:		
Unrestricted investments	\$ 59	\$ 59
Due from other funds	186,366	186,366
Total current assets	<u>186,425</u>	<u>186,425</u>
Noncurrent assets:		
Property, plant and equipment:		
Land	769,284	769,284
Buildings and improvements	23,326,210	23,326,210
Machinery and equipment	12,354,692	12,354,692
	<u>36,450,186</u>	<u>36,450,186</u>
Less: accumulated depreciation	<u>(23,062,048)</u>	<u>(22,308,593)</u>
Net property, plant and equipment	<u>13,388,138</u>	<u>14,141,593</u>
Total noncurrent assets	<u>13,388,138</u>	<u>14,141,593</u>
Total assets	<u>\$13,574,563</u>	<u>\$ 14,328,018</u>

CITY OF MARIETTA, GEORGIA
MARIETTA CONFERENCE CENTER AND RESORT
ENTERPRISE FUND
COMPARATIVE STATEMENT OF NET POSITION (CONT'D)
JUNE 30, 2015 AND 2014

<u>LIABILITIES</u>	<u>2015</u>	<u>2014</u>
Liabilities:		
Current liabilities:		
Due to other funds	\$ 500	\$ -
Total current liabilities	<u>500</u>	<u>-</u>
Long-term liabilities:		
Advances from other funds	\$ 20,521,375	\$ 22,536,181
Total long-term liabilities	<u>20,521,375</u>	<u>22,536,181</u>
Total liabilities	<u>20,521,875</u>	<u>22,536,181</u>
<u>NET POSITION</u>		
Net investment in capital assets	13,388,138	14,141,593
Unrestricted	<u>(20,335,450)</u>	<u>(22,349,756)</u>
Total net position	<u>\$ (6,947,312)</u>	<u>\$ (8,208,163)</u>

CITY OF MARIETTA, GEORGIA
MARIETTA CONFERENCE CENTER AND RESORT
ENTERPRISE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
FOR THE FISCAL YEARS ENDED JUNE 30, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
Operating revenues:		
Lease income	\$ 2,047,529	\$ 2,152,537
Total operating revenues	<u>2,047,529</u>	<u>2,152,537</u>
Operating expenses:		
Operating	500	429,676
Depreciation	753,455	853,462
Total operating expenses	<u>753,955</u>	<u>1,283,138</u>
Operating income (loss)	<u>1,293,574</u>	<u>869,399</u>
Nonoperating revenues (expenses) :		
Interest and fiscal charges	<u>(32,723)</u>	<u>(29,607)</u>
Total nonoperating revenues (expense)	<u>(32,723)</u>	<u>(29,607)</u>
Income (loss) before operating transfers	<u>1,260,851</u>	<u>839,792</u>
Transfers:		
Transfers in	772,239	1,004,740
Transfers out	<u>(772,239)</u>	<u>(649,621)</u>
Total transfers	<u>-</u>	<u>355,119</u>
Change in net position	1,260,851	1,194,911
Net position at beginning of year	<u>(8,208,163)</u>	<u>(9,403,074)</u>
Net position at end of year	<u>\$ (6,947,312)</u>	<u>\$ (8,208,163)</u>

CITY OF MARIETTA, GEORGIA
MARIETTA CONFERENCE CENTER AND RESORT
ENTERPRISE FUND
COMPARATIVE STATEMENT OF CASH FLOWS
FOR THE FISCAL YEARS ENDED JUNE 30, 2015 AND 2014

	2015	2014
Cash flows from operating activities:		
Cash received from lease	\$ 2,047,529	\$ 2,152,537
Cash payments for goods and services	-	(429,676)
Net cash from (to) operating activities	<u>2,047,529</u>	<u>1,722,861</u>
Cash flows from noncapital financing activities:		
Transfers in	772,239	1,004,740
Transfers out	(772,239)	(649,621)
Net cash from (to) noncapital financing	<u>-</u>	<u>355,119</u>
Cash flows from capital and related financing activities:		
Payments on advances from other funds	(2,014,806)	(2,122,929)
Interest and fiscal charges	(32,723)	(29,607)
Net cash from (to) capital and related financing activities	<u>(2,047,529)</u>	<u>(2,152,536)</u>
Net increase (decrease) in cash and cash equivalents	-	(74,556)
Cash and cash equivalents at beginning of year	-	74,556
Total cash and cash equivalents, end of year	<u>\$ -</u>	<u>\$ -</u>
Reconciliation of operating income (loss) to net cash from operating activities:		
Operating income (loss)	\$ 1,293,574	\$ 869,399
Adjustments to reconcile operating income to net cash from operating activities:		
Noncash transactions		
Depreciation	753,455	853,462
Change in assets and liabilities:		
Increase (decrease) in due to other funds	500	-
Net cash from (to) operating activities	<u>\$ 2,047,529</u>	<u>\$ 1,722,861</u>

CITY OF MARIETTA, GEORGIA
CITY GOLF COURSE
ENTERPRISE FUND
COMPARATIVE STATEMENT OF NET POSITION
JUNE 30, 2015 AND 2014

<u>ASSETS</u>	2015	2014 (As Restated)
Current assets:		
Cash	\$ 8,281	\$ 6,806
Accounts receivable	1,150	1,547
Total current assets	<u>9,431</u>	<u>8,353</u>
Noncurrent assets:		
Property, plant and equipment:		
Land	6,600,000	6,600,000
Buildings and improvements	2,075,664	2,058,509
Machinery and equipment	3,842,005	3,786,802
	<u>12,517,669</u>	<u>12,445,311</u>
Less: accumulated depreciation	<u>(4,644,878)</u>	<u>(4,612,493)</u>
Net property, plant and equipment	<u>7,872,791</u>	<u>7,832,818</u>
Total noncurrent assets	<u>7,872,791</u>	<u>7,832,818</u>
Total assets	<u>7,882,222</u>	<u>7,841,171</u>
Deferred outflows of resources		
Deferred loss on refunding	-	47,838
<u>LIABILITIES</u>		
Liabilities:		
Current liabilities:		
Accounts payable	65,379	70,114
Due to other funds	1,425,040	1,379,116
Capital lease obligations	810,703	842,218
Accrued interest payable	10,291	20,174
Total current liabilities	<u>2,311,413</u>	<u>2,311,622</u>
Long-term liabilities (net of current portion):		
Capital lease obligations	<u>197,504</u>	<u>755,000</u>
Total long-term liabilities	<u>197,504</u>	<u>755,000</u>
Total liabilities	<u>2,508,917</u>	<u>3,066,622</u>
<u>NET POSITION</u>		
Net investment in capital assets	6,864,584	6,283,438
Unrestricted	<u>(1,491,279)</u>	<u>(1,461,051)</u>
Total net position	<u>\$ 5,373,305</u>	<u>\$ 4,822,387</u>

**CITY OF MARIETTA, GEORGIA
CITY GOLF COURSE
ENTERPRISE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
FOR THE FISCAL YEARS ENDED JUNE 30, 2015 AND 2014**

	<u>2015</u>	<u>2014 (As Restated)</u>
Operating revenues:		
Charges for services	<u>\$ 1,607,814</u>	<u>\$ 1,555,270</u>
Operating expenses:		
Operating	1,174,837	1,136,394
Depreciation	<u>177,086</u>	<u>172,928</u>
Total operating expenses	<u>1,351,923</u>	<u>1,309,322</u>
Operating income (loss)	<u>255,891</u>	<u>245,948</u>
Nonoperating revenues (expenses) :		
Interest and fiscal charges	(78,301)	(129,553)
Other	<u>(1,437)</u>	<u>(603)</u>
Total nonoperating revenues (expenses)	<u>(79,738)</u>	<u>(130,156)</u>
Income (loss) before operating transfers	<u>176,153</u>	<u>115,792</u>
Transfers:		
Transfers in	399,786	399,845
Transfers out	<u>(25,021)</u>	<u>(25,021)</u>
Total transfers	<u>374,765</u>	<u>374,824</u>
Change in net position	<u>550,918</u>	<u>490,616</u>
Net position at beginning of year	<u>4,822,387</u>	<u>4,331,771</u>
Net position at end of year	<u>\$ 5,373,305</u>	<u>\$ 4,822,387</u>

CITY OF MARIETTA, GEORGIA
CITY GOLF COURSE
ENTERPRISE FUND
COMPARATIVE STATEMENT OF CASH FLOWS
FOR THE FISCAL YEARS ENDED JUNE 30, 2015 AND 2014

	2015	2014 (As Restated)
Cash flows from (to) operating activities:		
Cash received from customers	\$ 1,608,211	\$ 1,554,653
Cash payments for goods and services	(1,133,648)	(1,082,476)
Net cash from (to) operating activities	<u>474,563</u>	<u>472,177</u>
Cash flows from (to) noncapital financing activities:		
Transfers in	399,786	399,845
Transfers out	(25,021)	(25,021)
Net cash from (to) noncapital financing activities	<u>374,765</u>	<u>374,824</u>
Cash flows from capital and related financing activities:		
Payments for capital acquisitions	(32,029)	(25,033)
Payments on capital leases	(774,040)	(739,512)
Interest and fiscal charges	(41,784)	(82,630)
Net cash from (to) capital related financing activities	<u>(847,853)</u>	<u>(847,175)</u>
Net increase (decrease) in cash and cash equivalents	1,475	(174)
Cash and cash equivalents at beginning of year	<u>6,806</u>	<u>6,980</u>
Cash and cash equivalents at end of year	<u>\$ 8,281</u>	<u>\$ 6,806</u>
Reconciliation of operating income (loss) to net cash from operating activities:		
Operating income (loss)	\$ 255,891	\$ 245,948
Adjustments to reconcile operating income to net cash from operating activities:		
Depreciation	177,086	172,928
Change in assets and liabilities:		
(Increase) decrease in accounts receivable	397	(617)
Increase (decrease) in due to other funds	45,924	47,711
Increase (decrease) in accounts payable	(4,735)	6,207
Net cash from (to) operating activities	<u>\$ 474,563</u>	<u>\$ 472,177</u>

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES:
During 2015, assets of \$302,328 were acquired through capital leases.

CITY OF MARIETTA, GEORGIA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2015

	Self- Insurance	Motor Transport	Total
Assets:			
Current assets:			
Cash and cash equivalents	\$ 2,521,254	\$ 50,000	\$ 2,571,254
Investments	6,753,216	-	6,753,216
Receivables, net	242,702	-	242,702
Due from other governments	-	3,438	3,438
Prepays	200	-	200
Inventories	-	77,003	77,003
Total current assets	9,517,372	130,441	9,647,813
Property, plant and equipment:			
Buildings and improvements	-	502,346	502,346
Machinery and equipment	-	1,459,924	1,459,924
Less: accumulated depreciation	-	(1,270,414)	(1,270,414)
Net property, plant and equipment	-	691,856	691,856
Total assets	9,517,372	822,297	10,339,669
Deferred outflows of resources:			
Deferred outflows related to pension	-	35,600	35,600
Liabilities:			
Current liabilities:			
Accounts payable	721,764	78,314	800,078
Claims and judgements payable	3,310,695	-	3,310,695
Accrued salaries	-	21,407	21,407
Accrued compensated absences	-	19,708	19,708
Due to other funds	6,688,570	913,077	7,601,647
Total current liabilities	10,721,029	1,032,506	11,753,535
Long-term liabilities (net of current portion):			
Accrued compensated absences	-	20,676	20,676
Net pension liability	-	644,670	644,670
Total noncurrent liabilities	-	665,346	665,346
Total liabilities	10,721,029	1,697,852	12,418,881
Deferred inflows of resources:			
Deferred outflows related to pension	-	32,360	32,360
Net Position:			
Net investment in capital assets	-	691,856	691,856
Unrestricted	(1,203,657)	(1,564,171)	(2,767,828)
Total net position	\$ (1,203,657)	\$ (872,315)	\$ (2,075,972)

**CITY OF MARIETTA, GEORGIA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Self- Insurance	Motor Transport	Total
Operating revenues:			
Charges for services	\$ -	\$3,461,380	\$ 3,461,380
Contributions	10,742,421	-	10,742,421
Other	108,722	1,136	109,858
Total operating revenues	<u>10,851,143</u>	<u>3,462,516</u>	<u>14,313,659</u>
Operating expenses:			
Personal services	-	850,556	850,556
Operating services	825,167	2,579,912	3,405,079
Depreciation	-	120,524	120,524
Benefits and claims	<u>13,162,235</u>	-	<u>13,162,235</u>
Total operating expenses	<u>13,987,402</u>	<u>3,550,992</u>	<u>17,538,394</u>
Operating income (loss)	<u>(3,136,259)</u>	<u>(88,476)</u>	<u>(3,224,735)</u>
Nonoperating revenues (expenses) :			
Investment earnings	<u>8,697</u>	-	<u>8,697</u>
Total nonoperating revenues (expenses)	<u>8,697</u>	-	<u>8,697</u>
Transfers:			
Transfers in	2,859,010	50,000	2,909,010
Transfers out	<u>(73,505)</u>	<u>(55,603)</u>	<u>(129,108)</u>
Total transfers	<u>2,785,505</u>	<u>(5,603)</u>	<u>2,779,902</u>
Change in net position	<u>(342,057)</u>	<u>(94,079)</u>	<u>(436,136)</u>
Net position at beginning of year - before restatement	(861,600)	(134,406)	(996,006)
Restatement	<u>-</u>	<u>(643,830)</u>	<u>(643,830)</u>
Net position at beginning of year - after restatement	<u>(861,600)</u>	<u>(778,236)</u>	<u>(1,639,836)</u>
Net position at end of year	<u><u>\$(1,203,657)</u></u>	<u><u>\$ (872,315)</u></u>	<u><u>\$(2,075,972)</u></u>

CITY OF MARIETTA, GEORGIA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Self- Insurance	Motor Transport	Total
Cash flow from operating activities:			
Cash received from contributions and services provided	\$10,708,440	\$ 3,459,224	\$ 14,167,664
Cash payments for goods and services	(394,826)	(2,559,659)	(2,954,485)
Cash payments for employee services and fringes	-	(843,962)	(843,962)
Cash payments for benefits and claims	(12,871,846)	-	(12,871,846)
Cash received (payments) for other operating activities	112,658	-	112,658
Cash received from (payments to) other funds	(1,602,985)	-	(1,602,985)
Net Cash from (to) operating activities	<u>(4,048,559)</u>	<u>55,603</u>	<u>(3,992,956)</u>
Cash flows from noncapital financing activities:			
Transfers in	2,859,010	50,000	2,909,010
Transfers out	(73,505)	(55,603)	(129,108)
Net transfers in (out) from noncapital financing activities	<u>2,785,505</u>	<u>(5,603)</u>	<u>2,779,902</u>
Cash flows from investing activities:			
Interest received	8,723	-	8,723
Investments (purchased) sold	2,642,429	-	2,642,429
Net cash from (to) investing activities	<u>2,651,152</u>	<u>-</u>	<u>2,651,152</u>
Net increase (decrease) in cash and cash equivalents	1,388,098	50,000	1,438,098
Cash and cash equivalents at beginning of year	<u>1,133,156</u>	<u>-</u>	<u>1,133,156</u>
Cash and cash equivalents at end of year	<u>\$ 2,521,254</u>	<u>\$ 50,000</u>	<u>\$ 2,571,254</u>
Reconciliation of operating income (loss) to net cash from operating activities:			
Operating income (loss)	\$ (3,136,259)	\$ (88,476)	\$ (3,224,735)
Adjustments to reconcile operating income to net cash from operating activities:			
Depreciation	-	120,524	120,524
Changes in assets and liabilities:			
(Increase) decrease in other receivables	1,111	-	1,111
(Increase) decrease in contributions receivable	(33,981)	-	(33,981)
(Increase) decrease in due from other governments	-	(3,292)	(3,292)
(Increase) decrease in prepaids	2,825	-	2,825
(Increase) decrease in inventories	-	26,556	26,556
(Increase) decrease in deferred outflows related to pension	-	(35,600)	(35,600)
Increase (decrease) in accounts payable	430,341	5,441	435,782
Increase (decrease) in accrued salaries	-	1,756	1,756
Increase (decrease) in accrued compensated absences	-	7,238	7,238
Increase (decrease) in net pension liability	-	840	840
Increase (decrease) in due to other funds	(1,602,985)	(11,744)	(1,614,729)
Increase (decrease) in claims and judgements payable	290,389	-	290,389
(Increase) decrease in deferred inflows related to pension	-	32,360	32,360
Net cash from (to) operating activities	<u>\$ (4,048,559)</u>	<u>\$ 55,603</u>	<u>\$ (3,992,956)</u>

**CITY OF MARIETTA, GEORGIA
 SELF - INSURANCE
 INTERNAL SERVICE FUND
 COMPARATIVE STATEMENT OF NET POSITION
 JUNE 30, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$ 2,521,254	\$ 1,133,156
Investments	6,753,216	9,395,645
Receivables:		
Accrued interest	6,787	6,813
Contributions	235,915	201,934
Other	-	1,111
Prepays	<u>200</u>	<u>3,025</u>
 Total assets	 <u>9,517,372</u>	 <u>10,741,684</u>
<u>LIABILITIES</u>		
Current liabilities:		
Accounts payable	721,764	291,423
Claims and judgements payable	3,310,695	3,020,306
Due to other funds	<u>6,688,570</u>	<u>8,291,555</u>
 Total liabilities	 <u>10,721,029</u>	 <u>11,603,284</u>
<u>NET POSITION</u>		
Unrestricted	<u>\$ (1,203,657)</u>	<u>\$ (861,600)</u>

**CITY OF MARIETTA, GEORGIA
 SELF - INSURANCE
 INTERNAL SERVICE FUND
 COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN FUND NET POSITION
 FOR THE FISCAL YEARS ENDED JUNE 30, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
Operating revenues:		
Contributions	\$10,742,421	\$10,283,865
Other	108,722	80,283
Total operating revenues	<u>10,851,143</u>	<u>10,364,148</u>
Operating expenses:		
Operating services	825,167	1,036,563
Benefits and claims	13,162,235	12,626,363
Total operating expenses	<u>13,987,402</u>	<u>13,662,926</u>
Operating income (loss)	<u>(3,136,259)</u>	<u>(3,298,778)</u>
Nonoperating revenues:		
Investment earnings	8,697	29,605
Income before transfers	<u>(3,127,562)</u>	<u>(3,269,173)</u>
Transfers:		
Transfers in	2,859,010	2,909,710
Transfers out	(73,505)	(51,397)
Total transfers	<u>2,785,505</u>	<u>2,858,313</u>
Change in net position	(342,057)	(410,860)
Net position at beginning of year	<u>(861,600)</u>	<u>(450,740)</u>
Net position at end of year	<u><u>\$ (1,203,657)</u></u>	<u><u>\$ (861,600)</u></u>

CITY OF MARIETTA, GEORGIA
SELF-INSURANCE
INTERNAL SERVICE FUND
COMPARATIVE STATEMENT OF CASH FLOWS
FOR THE FISCAL YEARS ENDED JUNE 30, 2015 AND 2014

	2015	2014
Cash flow from operating activities:		
Cash received from contributions	\$ 10,708,440	\$ 10,260,676
Cash received from other operating activities	112,658	76,147
Cash payments for operating services	(394,826)	(1,027,538)
Cash received from (payments to) other funds	(1,602,985)	1,419,002
Cash payments for benefits and claims	<u>(12,871,846)</u>	<u>(12,569,768)</u>
Net cash from (to) operating activities	<u>(4,048,559)</u>	<u>(1,841,481)</u>
Cash flows from noncapital financing activities:		
Transfers in	2,859,010	2,909,710
Transfers out	<u>(73,505)</u>	<u>(51,397)</u>
Net transfers in (out) from noncapital financing activities	<u>2,785,505</u>	<u>2,858,313</u>
Cash flows from investing activities:		
Interest received	8,723	33,271
Investments (purchased) sold	<u>2,642,429</u>	<u>(2,173,156)</u>
Net cash from (to) investing activities	<u>2,651,152</u>	<u>(2,139,885)</u>
Net increase (decrease) in cash and cash equivalents	1,388,098	(1,123,053)
Cash and cash equivalents at beginning of year	<u>1,133,156</u>	<u>2,256,209</u>
Cash and cash equivalents at end of year	<u>\$ 2,521,254</u>	<u>\$ 1,133,156</u>
Reconciliation of operating income to net cash from operating activities:		
Operating income (loss)	\$ (3,136,259)	\$ (3,298,778)
Adjustments to reconcile operating income to net cash from operating activities:		
Changes in assets and liabilities:		
(Increase) decrease in contributions receivable	(33,981)	(23,189)
(Increase) decrease in other receivables	1,111	(1,111)
(Increase) decrease in prepaids	2,825	(3,025)
Increase (decrease) in accounts payable	430,341	9,025
Increase (decrease) in due to other funds	(1,602,985)	1,419,002
Increase (decrease) in claims and judgements payable	<u>290,389</u>	<u>56,595</u>
Net cash from (to) operating activities	<u>\$ (4,048,559)</u>	<u>\$ (1,841,481)</u>

**CITY OF MARIETTA, GEORGIA
MOTOR TRANSPORT
INTERNAL SERVICE FUND
COMPARATIVE STATEMENT OF NET POSITION
JUNE 30, 2015 AND 2014**

	<u>2015</u>	<u>2014 (As Restated)</u>
Assets:		
Current assets:		
Cash and cash equivalents	\$ 50,000	\$ -
Due from other governments	3,438	146
Inventories	<u>77,003</u>	<u>103,559</u>
Total current assets	<u>130,441</u>	<u>103,705</u>
Property, plant and equipment:		
Buildings and improvements	502,346	502,346
Machinery and equipment	1,459,924	1,459,924
Less: accumulated depreciation	<u>(1,270,414)</u>	<u>(1,149,890)</u>
Net property, plant and equipment	<u>691,856</u>	<u>812,380</u>
Total assets	<u>822,297</u>	<u>916,085</u>
Deferred outflows of resources:		
Deferred outflows related to pension	<u>35,600</u>	<u>-</u>
Liabilities:		
Current liabilities:		
Accounts payable	78,314	72,873
Accrued salaries and employee benefits	21,407	19,651
Due to other funds	913,077	924,821
Accrued compensated absences	<u>19,708</u>	<u>13,824</u>
Total current liabilities	<u>1,032,506</u>	<u>1,031,169</u>
Long-term liabilities (net of current portion):		
Accrued compensated absences	20,676	19,322
Net pension liability	<u>644,670</u>	<u>643,830</u>
Total noncurrent liabilities	<u>665,346</u>	<u>663,152</u>
Total liabilities	<u>1,697,852</u>	<u>1,694,321</u>
Deferred inflows of resources:		
Deferred inflows related to pension	<u>32,360</u>	<u>-</u>
Net Position:		
Net investment in capital assets	691,856	812,380
Unrestricted	<u>(1,564,171)</u>	<u>(1,590,616)</u>
Total net position	<u>\$ (872,315)</u>	<u>\$ (778,236)</u>

**CITY OF MARIETTA, GEORGIA
 MOTOR TRANSPORT
 INTERNAL SERVICE FUND
 COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN FUND NET POSITION
 FOR THE FISCAL YEARS ENDED JUNE 30, 2015 AND 2014**

	<u>2015</u>	<u>2014 (1)</u>
Operating revenues:		
Charges for services	\$3,461,380	\$ 3,259,692
Other	1,136	-
Total operating revenues	<u>3,462,516</u>	<u>3,259,692</u>
Operating expenses:		
Personal services	850,556	733,382
Operating services	2,579,912	2,509,891
Depreciation	120,524	122,484
Total operating expenses	<u>3,550,992</u>	<u>3,365,757</u>
Operating income (loss)	<u>(88,476)</u>	<u>(106,065)</u>
Transfers:		
Transfers in	50,000	-
Transfers out	<u>(55,603)</u>	<u>(19,803)</u>
Total transfers	<u>(5,603)</u>	<u>(19,803)</u>
Change in net position	<u>(94,079)</u>	<u>(125,868)</u>
Net position at beginning of year - before restatement	(134,406)	(8,538)
Restatement	<u>(643,830)</u>	-
Net position at beginning of year - after restatement	<u>(778,236)</u>	<u>(8,538)</u>
Net position at end of year	<u>\$ (872,315)</u>	<u>\$ (134,406)</u>

(1) The effect of implementing GASB No. 68 to previously reported changes in net position has not been determined.

CITY OF MARIETTA, GEORGIA
MOTOR TRANSPORT
INTERNAL SERVICE FUND
COMPARATIVE STATEMENT OF CASH FLOWS
FOR THE FISCAL YEARS ENDED JUNE 30, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
Cash flow from operating activities:		
Cash received for services provided	\$ 3,459,224	\$ 3,261,897
Cash payments for goods and services	(2,559,659)	(2,516,635)
Cash payments for employee services and fringes	(843,962)	(725,459)
	<u>55,603</u>	<u>19,803</u>
Net cash from (to) operating activities		
Cash flows from noncapital financing activities:		
Transfers in	50,000	-
Transfers out	(55,603)	(19,803)
	<u>(5,603)</u>	<u>(19,803)</u>
Net transfers in (out) from noncapital financing activities		
Net increase (decrease) in cash and cash equivalents	50,000	-
Cash and cash equivalents at beginning of year	-	-
Cash and cash equivalents at end of year	<u>\$ 50,000</u>	<u>\$ -</u>
Reconciliation of operating income to net cash from operating activities:		
Operating income (loss)	\$ (88,476)	\$ (106,065)
Adjustments to reconcile operating income to net cash from operating activities:		
Depreciation	120,524	122,484
Changes in assets and liabilities:		
(Increase) decrease in due from other governments	(3,292)	2,205
(Increase) decrease in inventories	26,556	(18,906)
(Increase) decrease in deferred outflows related to pension	(35,600)	-
Increase (decrease) in accounts payable	5,441	(15,022)
Increase (decrease) in accrued salaries	1,756	5,578
Increase (decrease) in accrued compensated absences	7,238	2,345
Increase (decrease) in net pension liability	840	-
Increase (decrease) in due to other funds	(11,744)	27,184
Increase (decrease) in deferred inflows related to pension	32,360	-
Net cash from (to) operating activities	<u>\$ 55,603</u>	<u>\$ 19,803</u>

(1) The effect of implementing GASB No. 68 to previously reported changes in net position has not been determined.

**CITY OF MARIETTA, GEORGIA
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
CITY SCHOOLS AGENCY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>July 01, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2015</u>
Assets				
Cash	\$ 398,361	\$ 46,207,091	\$ (46,462,198)	\$ 143,254
Receivable from other governments	271,508	5,043,810	(5,008,648)	306,670
Uncollected taxes	<u>1,114,603</u>	<u>39,301,172</u>	<u>(39,433,898)</u>	<u>981,877</u>
Total assets	<u>\$ 1,784,472</u>	<u>\$ 90,552,073</u>	<u>\$ (90,904,744)</u>	<u>\$ 1,431,801</u>
Liabilities - due to others	<u>\$ 1,784,472</u>	<u>\$ 90,552,073</u>	<u>\$ (90,904,744)</u>	<u>\$ 1,431,801</u>

COMPREHENSIVE ANNUAL FINANCIAL REPORT

STATISTICAL SECTION

The Statistical Section includes selected financial and general information presented on a multi-year comparative basis. The statistics are used to provide detailed data on the physical, economic, social and political characteristics of the City government. They are intended to provide financial report users with a broader and more complete understanding of the government and its financial affairs than is possible from basic financial statements.

CITY OF MARIETTA, GA
STATISTICAL SECTION
JUNE 30, 2015

This part of the City's Comprehensive Annual Financial Report presents detailed information as a context for understanding the financial statements, note disclosures, required supplementary information as well as the overall financial position of the City.

Financial Trends

These schedules contain trend information to help the user understand how the City's financial performance has changed over time. Pages 123-126.

Revenue Capacity

These schedules contain information to help the user assess the City's major revenue sources. Pages 127-134.

Debt Capacity

These schedules present information to help the user assess the affordability of the City's current level of outstanding debt and the City's ability to issue additional debt in the future. Pages 135-139.

Demographic and Economic Information

These schedules present demographic and economic indicators to help the user understand the environment within which the City's financial activities take place. Pages 140-141.

Operating Information

These schedules contain staffing, key operating and capital statistics comparisons to help the user understand how the information in the city's financial report relates to the services the City provides and the activities it performs. Pages 142-146.

CITY OF MARIETTA, GEORGIA
Net Position by Component (Unaudited)
Last ten fiscal years
(accrual basis of accounting)

	Fiscal Year									
	2006	2007	2008	2009	2010 (1)	2011	2012	2013	2014 (2)	2015
Governmental activities										
Net investment in capital assets	\$ 41,105,789	\$ 38,400,310	\$ 40,361,421	\$ 40,647,949	\$ 50,033,057	\$ 58,835,173	\$ 71,920,680	\$ 85,328,216	\$ 84,036,575	\$ 91,932,852
Restricted	7,429,356	12,993,338	25,355,346	22,613,208	22,973,206	26,661,694	19,595,692	23,445,586	38,265,536	36,359,546
Unrestricted	(30,637,360)	(26,135,944)	(37,973,169)	1,702,675	(8,560,854)	(19,502,801)	(13,488,145)	(21,601,544)	(77,701,745)	(72,507,785)
Total governmental activities net position	\$ 17,897,785	\$ 25,257,704	\$ 27,743,598	\$ 64,963,832	\$ 64,445,409	\$ 65,994,066	\$ 78,028,227	\$ 87,172,258	\$ 44,600,366	\$ 55,784,613
Business-type activities										
Net investment in capital assets	\$ 77,610,606	\$ 90,727,135	\$ 97,486,153	\$ 105,531,822	\$ 134,507,898	\$ 145,968,231	\$ 148,960,282	\$ 153,196,535	\$ 156,008,740	\$ 158,187,155
Restricted	777,996	1,349,186	2,377,157	2,287,694	-	-	-	-	-	-
Unrestricted	41,251,724	35,394,422	34,111,843	27,216,106	1,668,171	8,968,617	12,520,838	18,374,290	13,015,768	21,933,888
Total business-type activities net position	\$ 119,640,326	\$ 127,470,743	\$ 133,975,153	\$ 135,035,622	\$ 136,176,069	\$ 154,936,848	\$ 161,481,120	\$ 171,570,825	\$ 169,024,508	\$ 180,121,043
Primary government										
Net investment in capital assets	\$ 118,716,395	\$ 129,127,445	\$ 137,847,574	\$ 146,179,771	\$ 184,540,955	\$ 204,803,404	\$ 220,880,962	\$ 238,524,751	\$ 240,045,315	\$ 250,120,007
Restricted	8,207,352	14,342,524	27,732,503	24,900,902	22,973,206	26,661,694	19,595,692	23,445,586	38,265,536	36,359,546
Unrestricted	10,614,364	9,258,478	(3,861,326)	28,918,781	(6,892,683)	(10,534,184)	(967,307)	(3,227,254)	(64,885,977)	(50,573,897)
Total Primary government net position, before restatements	137,538,111	152,728,447	161,718,751	199,999,454	200,621,478	220,930,914	239,509,347	268,743,083	213,424,874	235,905,656
Restatement for capital assets and related accumulated depreciation	-	1,391,888	415,317	-	8,100,224	-	-	-	-	-
Total Primary government net position, as restated	\$ 137,538,111	\$ 154,120,335	\$ 162,134,068	\$ 199,999,454	\$ 208,721,702	\$ 220,930,914	\$ 239,509,347	\$ 268,743,083	\$ 213,624,874	\$ 235,905,656

(1) Balances have been revised to correctly classify net position categories.
(2) A's restated.

CITY OF MARIETTA, GEORGIA
Changes in Net Position (Unaudited)
Last ten fiscal years
(accrual basis of accounting)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014 (3)	2015
Expenses										
Governmental activities:										
General government	\$ 7,270,290	\$ 7,490,659	\$ 6,759,380	\$ 5,918,941	\$ 8,652,513	\$ 8,679,032	\$ 6,233,958	\$ 7,559,103	\$ 8,188,120	\$ 7,952,118
Public works	10,845,886	14,888,258	20,427,013	13,760,889	14,065,683	14,222,761	11,474,849	14,092,327	13,176,934	16,074,864
Culture and recreation	5,279,105	5,346,638	6,443,698	5,124,263	2,083,996	2,934,820	4,880,741	3,424,375	5,570,252	1,499,487
Public safety	25,171,969	24,791,734	29,165,513	30,378,175	31,887,909	33,226,781	28,223,036	29,703,965	32,169,792	31,630,707
Urban redevelopment and housing	11,234,909	8,261,612	5,862,864	6,046,710	6,353,078	5,879,557	8,479,642	5,736,850	5,327,162	3,223,937
Interest and fiscal charges on long-term debt	3,018,190	3,125,438	3,449,537	2,526,939	3,341,989	4,857,635	3,044,218	3,283,579	5,967,486	7,748,256
Total governmental activities expenses	62,820,349	63,904,339	72,108,005	63,755,917	66,385,168	69,800,586	62,336,444	63,800,199	70,399,746	68,129,369
Business-type activities:										
Water & sewer	21,738,497	22,294,414	21,209,559	24,501,021	25,731,472	25,841,087	26,522,197	24,818,835	24,381,449	25,867,064
Electric	78,307,081	85,240,996	85,707,753	84,808,669	85,525,058	90,902,721	95,208,435	98,205,498	99,007,588	105,790,514
Golf	2,302,256	1,912,942	1,890,486	1,725,593	1,599,511	1,577,086	1,497,289	1,527,110	1,476,978	1,431,661
Fiber optic	(1)	-	-	-	-	-	-	-	-	-
Conference center	2,759,624	2,267,261	2,368,951	3,496,708	7,689,002	1,551,818	1,948,549	1,396,698	1,312,745	786,678
Total business-type activities expenses	105,107,458	111,715,613	111,176,749	114,531,991	120,545,043	119,872,712	125,176,470	125,948,141	126,178,760	133,875,917
Total Primary Government expenses	\$ 167,927,807	\$ 175,619,952	\$ 183,284,754	\$ 178,287,908	\$ 186,930,211	\$ 189,673,298	\$ 187,512,914	\$ 189,748,340	\$ 196,578,506	\$ 202,005,286
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 9,907,005	\$ 10,606,915	\$ 9,906,438	\$ 9,346,589	\$ 8,619,196	\$ 8,801,103	\$ 5,031,599	\$ 9,281,622	\$ 9,616,173	\$ 10,141,316
Judicial	(1)	-	-	-	-	-	3,435,419	-	-	-
Public works	3,284,627	3,338,944	3,533,668	3,518,257	3,505,071	3,486,058	3,516,174	3,597,329	3,637,966	3,682,278
Culture and recreation	248,506	260,442	250,876	264,132	319,375	280,347	272,514	270,208	313,602	323,473
Public safety	(2)	121,250	42,390	110,651	348,310	102,531	986,642	70,063	180,143	96,208
Urban redevelopment and housing	1,070,269	965,210	703,452	692,429	575,640	632,081	801,496	590,778	602,087	792,155
Operating grants and contributions	7,555,223	9,597,840	8,478,562	39,392,897	5,216,433	9,344,286	10,455,573	8,022,932	6,681,196	3,951,926
Capital grants and contributions	7,281,401	9,735,992	13,865,101	10,016,452	10,752,277	10,204,436	11,705,387	13,798,044	14,270,432	15,148,308
Total governmental activities program revenues	29,468,281	34,547,733	36,848,748	63,579,066	29,090,523	32,925,242	36,204,803	35,630,976	35,301,599	34,135,664
Business-type activities:										
Charges for services:										
Water & sewer	26,766,387	28,115,388	28,207,449	29,694,453	31,488,553	33,710,588	36,214,650	35,199,471	34,911,219	36,121,205
Electric	89,317,524	90,011,504	92,093,318	90,377,637	95,689,883	102,199,136	104,830,132	109,432,850	115,118,344	116,845,811
Golf	1,857,203	1,973,016	1,801,341	1,705,843	1,516,966	1,629,928	1,660,505	1,564,138	1,555,270	1,607,814
Conference center	1,677,432	1,681,074	1,644,720	1,726,505	1,942,774	2,240,303	2,247,086	2,204,531	2,152,537	2,047,529
Operating grants and contributions	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions	3,282,679	4,536,972	777,567	661,994	237,175	77,154	-	-	-	765,710
Total business-type activities program revenues	122,901,225	126,317,954	124,524,395	124,166,432	130,875,351	139,857,109	144,952,373	148,400,990	153,737,370	157,388,069
Total Primary Government program revenues	\$ 152,369,506	\$ 160,865,687	\$ 161,373,143	\$ 187,745,498	\$ 159,965,874	\$ 172,782,351	\$ 181,157,176	\$ 184,031,966	\$ 189,038,969	\$ 191,523,733
Net (expense)/revenue										
Governmental activities	\$ (33,352,059)	\$ (29,356,606)	\$ (35,259,257)	\$ (176,851)	\$ (37,294,645)	\$ (36,875,344)	\$ (26,131,641)	\$ (28,169,223)	\$ (35,098,147)	\$ (33,993,705)
Business-type activities	17,793,767	14,602,341	13,347,646	9,634,441	10,330,308	19,984,397	19,775,903	22,452,849	27,558,610	23,512,152
Total Primary Government net expense	\$ (15,558,292)	\$ (14,754,265)	\$ (21,911,611)	\$ 9,457,590	\$ (26,964,337)	\$ (16,890,947)	\$ (6,355,738)	\$ (5,716,374)	\$ (7,539,537)	\$ (10,481,553)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes	\$ 11,398,799	\$ 12,293,579	\$ 11,965,381	\$ 13,492,266	\$ 13,356,484	\$ 13,806,851	\$ 12,952,016	\$ 10,801,888	\$ 12,275,431	\$ 17,234,410
Insurance premium tax	2,942,305	3,078,387	3,211,100	3,288,021	3,257,172	3,162,511	2,653,793	2,818,772	2,918,570	3,052,816
Alcohol taxes	861,353	884,674	812,476	803,261	790,828	743,152	1,500,683	762,326	745,204	761,153
Hotel, motel tax	2,150,995	2,182,657	2,224,497	1,893,459	1,738,399	1,906,431	1,823,699	2,050,859	2,188,576	2,692,233
Franchise taxes	5,182,993	5,176,430	5,159,179	5,290,662	5,455,136	5,813,654	5,807,338	5,803,118	6,022,593	6,053,656
Auto rental tax	551,863	494,156	457,952	412,431	355,788	374,996	359,340	379,537	448,908	433,367
Unrestricted investment earnings	1,010,915	1,881,843	1,590,204	536,713	356,084	205,966	171,150	181,640	144,116	124,719
Gains on sale of capital assets	-	134,434	420,929	143,752	70,215.00	64,599	140,437	150,629	238,632	80,977
Miscellaneous	-	-	-	-	-	-	19,802	-	-	-
Operating grants not restricted	1,176,819	1,275,916	1,555,432	1,669,199	1,701,947	2,038,348	-	1,499,219	2,305,063	1,856,167
Contributions not restricted	152,314	-	-	-	-	-	-	-	-	-
Transfers	7,743,458	9,314,449	8,956,113	9,185,750	9,694,169	10,307,493	12,686,587	12,865,266	12,543,390	12,888,454
Total governmental activities	33,171,814	36,716,525	36,353,263	36,715,514	36,776,222	38,424,001	38,114,845	37,313,254	39,830,483	45,177,952
Business-type activities:										
Unrestricted investment earnings	1,736,225	2,509,636	1,973,077	712,646	223,044	539,567	420,170	243,752	355,270	312,473
Gain on extinguishment of debt	-	-	-	-	168,042	-	-	-	-	-
Gain on sale of capital assets	55,187	32,889	139,800	165,386	112,862	444,084	66,295	258,370	172,919	160,364
Miscellaneous	-	-	-	-	-	-	182,252	-	-	-
Transfers	(7,743,458)	(9,314,449)	(8,956,113)	(9,185,750)	(9,694,169)	(10,307,493)	(12,686,587)	(12,865,266)	(12,543,390)	(12,888,454)
Total business-type activities	(5,952,046)	(6,771,924)	(6,843,236)	(8,307,718)	(9,189,861)	(9,323,842)	(12,017,870)	(12,363,144)	(12,015,201)	(12,415,617)
Total primary government	\$ 27,219,768	\$ 29,944,601	\$ 29,510,027	\$ 28,407,796	\$ 27,586,361	\$ 29,100,159	\$ 26,096,975	\$ 24,950,110	\$ 27,815,282	\$ 32,762,335
Changes in Net Position										
Governmental activities	\$ (180,245)	\$ 7,359,919	\$ 1,094,006	\$ 36,538,663	\$ (518,423)	\$ 1,548,657	\$ 11,983,204	\$ 9,144,031	\$ 4,732,336	\$ 11,184,247
Business type activities	11,841,721	7,830,417	6,504,410	1,326,723	1,140,447	10,660,555	7,758,033	10,089,705	15,543,409	11,096,535
Total primary government	\$ 11,661,476	\$ 15,190,336	\$ 7,598,416	\$ 37,865,386	\$ 622,024	\$ 12,209,212	\$ 19,741,237	\$ 19,233,736	\$ 20,275,745	\$ 22,280,782

(1) Judicial line reported only in fiscal year 2012, all other fiscal years the expenses reported in General Government

(2) Forfeitures and Seizures added to Charges for Services in Public Safety and taken out of Operating grants and contributions in fiscal year 2012 only, all other years it is reported in Operating Grants+A49

(3) FY2014 has been restated and the effect of implementing GASB No. 68 to previously reported changes in net position has not been determined.

CITY OF MARIETTA, GEORGIA
Fund Balances of Governmental Funds (Unaudited)
Last ten fiscal years
(modified accrual basis of accounting)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011 (4)	2012	2013	2014 (5)	2015
General fund										
Reserved	\$ 1,418,139	\$ 1,951,995	\$ 2,335,327	\$ 1,645,272	\$ 18,104,875	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	14,240,675	(1) 14,570,802	14,374,838	14,810,512	12,168,488	-	-	-	-	-
Nonspendable	-	-	-	-	-	20,447,186	30,427,927	24,721,508	22,599,441	20,584,016
Restricted	-	-	-	-	-	2,661,721	-	3,674,750	4,049,761	3,930,085
Committed	-	-	-	-	-	9,388	-	9,220	2,487,509	730,439
Assigned	-	-	-	-	-	1,579,824	2,639,573	5,037,697	3,073,354	5,003,127
Unassigned	-	-	-	-	-	16,587,222	16,778,594	15,184,547	15,680,317	16,602,911
Total general fund	\$ 15,658,814	\$ 16,522,797	\$ 16,710,165	\$ 16,455,784	\$ 30,273,363	\$ 41,285,341	\$ 49,846,094	\$ 48,627,722	\$ 47,890,382	\$ 46,850,578
All other governmental funds										
Reserved	\$ 2,880,403	\$ 5,493,472	\$ 7,725,291	\$ 11,650,875	\$ 10,966,247	\$ -	\$ -	\$ -	\$ -	\$ -
Nonspendable	-	-	-	-	-	-	598,338	-	-	-
Unreserved, reported in:										
Special revenue funds	6,592,067	(2) 7,444,398	6,708,071	6,728,922	4,976,070	-	-	-	-	-
Capital projects funds	3,732,152	(3) 6,026,841	16,867,435	10,249,776	54,792,285	-	-	-	-	-
Restricted reported in:										
Debt Service fund	-	-	-	-	-	5,492,241	8,447,852	6,136,954	5,613,872	3,679,851
Culture & Recreation	-	-	-	-	-	-	-	-	3,431	61,515
Public safety	-	-	-	-	-	-	5,208	-	5,208	5,208
Public works	-	-	-	-	-	-	194,397	-	-	1,597,254
Special revenue funds	-	-	-	-	-	4,960,313	1,086,843	2,813,251	2,504,827	77,675,820
Capital projects funds	-	-	-	-	-	44,356,460	27,322,837	28,372,332	80,017,545	-
Assigned for	-	-	-	-	-	-	-	-	-	-
Capital projects funds	-	-	-	-	-	-	383,634	-	-	-
Unassigned	-	-	-	-	-	-	(1,561)	(1,130)	(8,076)	(6,396)
Total all other governmental funds	\$ 13,204,622	\$ 18,964,711	\$ 31,300,797	\$ 28,629,573	\$ 70,734,602	\$ 54,809,014	\$ 38,037,548	\$ 37,321,407	\$ 88,136,807	\$ 83,013,252

(1) The unrestricted fund balance of the general fund increased due to sale of property City had acquired for redevelopment projects.

(2) Includes 2005 TAD bond proceeds

(3) Includes the 2005 SPLOST tax revenues

(4) The City adopted GASB 54 Reporting for Fund Balance in fiscal year 2011. Reflects restatement of General Fund Unassigned in fiscal year 2012

(5) As restated.

CITY OF MARIETTA, GEORGIA
Changes in Fund Balances of Governmental Funds (Unaudited)
Last ten fiscal years
(modified accrual basis of accounting)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014 (3)	2015
Revenues										
Taxes	\$23,052,547	\$24,054,243	\$24,680,800	\$25,097,088	\$24,825,094	\$25,789,789	\$25,526,909	\$22,764,560	\$24,619,161	\$30,197,155
Licenses and permits	6,306,258	6,621,273	6,227,731	5,799,547	5,297,444	5,410,991	4,947,171	5,608,232	5,972,483	6,481,853
Intergovernmental	17,845,244	21,850,301	25,074,095	22,251,684	22,487,098	24,354,587	24,834,702	25,378,123	25,164,408	22,231,515
Charges for services	3,914,149	3,932,451	4,053,167	4,164,491	4,192,418	4,096,531	4,027,807	4,193,859	4,275,790	4,345,871
Fines and forfeits	4,127,362	4,353,147	3,797,209	3,538,722	3,255,124	3,257,284	4,326,335	4,074,134	4,241,668	4,534,974
Contributions	-	-	-	-	-	27,998	-	-	-	-
Investment earnings	964,352	1,802,151	2,018,377	697,609	263,223	160,027	195,184	198,129	167,139	161,333
Other	551,064	453,539	616,345	800,914	482,496	710,401	750,933	678,843	823,233	503,323
Total revenues	56,760,976	63,067,105	66,467,724	62,350,055	60,802,897	63,779,610	64,637,039	62,895,880	65,263,882	68,456,024
Expenditures										
General government	11,715,968	7,370,697	7,435,676	7,633,637	7,450,955	7,416,234	6,103,201	7,171,903	7,381,699	7,607,877
Public works	7,284,494	7,594,840	8,027,775	8,153,184	7,363,184	7,241,032	8,082,753	10,821,919	9,873,436	9,254,237
Culture and recreation	5,150,388	5,566,985	4,931,066	4,707,715	4,298,902	3,976,597	5,168,657	5,956,253	6,452,181	6,708,918
Urban redevelopment and housing	7,071,247	8,261,612	6,665,677	25,439,147	24,645,422	26,079,452	8,410,219	5,742,352	5,333,941	28,393,032
Public safety	23,916,347	23,537,979	25,901,142	6,046,710	6,353,078	5,879,557	25,575,436	24,934,175	26,419,150	3,229,858
Capital (2)	-	-	7,778,531	-	-	-	552,046	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Principal	4,852,776	5,059,965	5,287,265	6,189,683	7,547,336	12,521,801	13,682,316	7,123,926	7,351,677	10,300,620
Interest	2,935,530	3,101,300	4,789,241	2,824,304	3,316,004	4,574,266	4,145,343	3,678,795	3,463,615	5,967,106
Fiscal agent fees and bond issuance costs	119,830	-	186,933	-	-	-	-	-	1,771,188	299,261
Capital projects (2)	2,358,450	4,243,722	2,780,066	12,863,322	14,363,860	9,225,953	12,489,605	10,892,409	27,778,808	14,339,631
Total expenditures	65,405,030	64,737,100	73,783,372	73,857,702	75,338,741	76,914,892	84,209,576	76,321,732	95,825,695	86,100,540
Excess of revenues over (under) expenditures	(8,644,054)	(1,669,995)	(7,315,648)	(11,507,647)	(14,535,844)	(13,135,282)	(19,572,537)	(13,425,852)	(30,561,813)	(17,644,516)
Other financing sources (uses)										
Transfers in	15,793,259	15,515,433	15,729,197	15,845,087	28,461,017	28,990,961	25,518,231	17,210,324	20,890,438	17,908,830
Transfers out	(8,335,765)	(6,940,497)	(7,750,252)	(7,406,797)	(19,480,109)	(21,422,751)	(14,270,528)	(5,869,614)	(10,303,561)	(6,918,645)
Sale of capital assets	5,034,982	139,123	425,157	143,752	70,215	64,599	140,437	150,629	238,632	184,500
Bond proceeds/refunding bonds issued	8,400,000	-	49,985,000	-	102,108,385	-	-	-	68,000,000	15,970,000
Premium on bonds issued	-	-	-	-	-	-	-	-	1,814,364	1,431,052
Payment to refunded bond escrow agent	-	-	(38,550,000)	-	(40,701,056)	-	-	-	-	(17,094,580)
Total other financing sources (uses)	20,892,476	8,714,059	19,839,102	8,582,042	70,458,452	7,632,809	11,388,140	11,491,339	80,639,873	11,481,157
Net change in fund balances	\$ 12,248,422	\$ 7,044,064	\$ 12,523,454	\$ (2,925,605)	\$ 55,922,608	\$ (5,502,473)	\$ (8,184,397)	\$ (1,934,513)	\$ 50,078,060	\$ (6,163,359)
Debt service as a percentage of noncapital expenditures (1)	14.07%	14.52%	15.16%	13.12%	17.89%	27.82%	24.46%	17.57%	16.01%	23.10%

(1) Percentage restated to reflect governmental funds capital outlay and not capital projects
(2) Restated amounts from capital that are reflected in prior year financials as capital projects.
(3) As restated.

CITY OF MARIETTA, GEORGIA
General Governmental Tax Revenues by Sources (Unaudited)
Last ten fiscal years
(modified accrual basis of accounting)

Year Ended (1) <u>June 30</u>	Property Tax	Intangible Tax	Alcoholic Beverage Excise Tax	Hotel Motel Tax	Real Estate Transfer Tax	Other	Total
2006	16,546,032	257,488	861,353	2,150,995	149,332	3,087,347	23,052,547
2007	17,416,798	285,132	884,674	2,180,519	110,783	3,176,337	24,054,243
2008	17,590,571	224,801	812,476	2,217,011	106,428	3,729,513	24,680,800
2009	18,417,461	141,422	803,261	1,891,608	37,937	3,805,399	25,097,088
2010	18,412,382	116,367	790,828	1,720,725	22,427	3,762,365	24,825,094
2011	19,350,867	116,922	743,122	1,891,999	35,454	3,651,425	25,789,789
2012	18,961,810	137,004	756,815	1,822,802	42,185	3,120,229	24,840,847
2013	15,643,152	193,495	762,326	2,049,274	71,303	4,045,010	22,764,560
2014	18,030,895	153,285	745,203	2,166,654	81,026	3,420,567	24,597,631
2015	22,689,188	195,128	761,153	2,679,751	79,348	3,792,586	30,197,155

(1) 2006 - 2015: Includes all governmental funds

(2) Beginning in fiscal year 2005, franchise taxes are included in Property Tax revenue and insurance premium taxes are included in Other revenue, which was previously reported in Licenses & Permits revenue in prior years.

CITY OF MARIETTA, GEORGIA
Assessed Value and Estimated Actual Value of Taxable Property (Unaudited)
Last ten fiscal years

Digest Year	Real Property (1)	Personal Property			Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
		Motor Vehicles/Homes	Personal Property	Public Utilities					
2005	2,024,460,648	163,927,353	294,707,607	32,891,832	2,385,321,211	4.686	5,963,303,028	40.00%	
2006	2,185,623,440	172,340,767	293,856,544	35,121,972	2,525,380,073	4.686	6,313,450,183	40.00%	
2007	2,328,581,761	170,498,321	316,625,189	30,026,547	2,653,647,705	4.683	6,634,119,263	40.00%	
2008	2,493,024,336	185,424,419	306,446,750	34,126,529	2,837,687,859	4.683	7,094,219,648	40.00%	
2009	2,481,302,362	177,214,999	294,668,364	32,478,129	2,813,610,604	4.683	7,034,026,510	40.00%	
2010	2,514,106,019	177,150,379	266,358,668	32,647,169	2,879,799,953	5.233	7,199,499,883	40.00%	
2011	2,382,880,079	174,072,376	266,374,603	30,006,662	2,758,300,158	5.233	6,895,750,395	40.00%	
2012	2,304,821,004	167,735,826	279,564,794	32,539,251	2,701,670,053	4.046	6,754,175,133	40.00%	
2013	2,268,069,930	196,822,740	292,858,612	34,799,729	2,712,254,800	4.046	6,780,637,000	40.00%	
2014	2,341,850,786	165,637,041	305,177,564	38,595,098	2,748,206,586	4.046	6,870,516,465	40.00%	

(1) City tax system combines all real property, residential, commercial and industrial parcels.

(2) State law changed procedure of paying motor vehicle tax

(3) Floating homestead exemption went into effect.

CITY OF MARIETTA, GEORGIA
Property Tax Rates
Direct and Overlapping Governments
Last ten fiscal years

Fiscal Year	Overlapping Rates											
	City of Marietta				Cobb County			Marietta City Schools		Total Direct & Overlapping Rates		Downtown Marietta Development Authority (1)
	Operating Millage	Debt Service Millage	Cemetery Maintenance Millage	Total City Millage	Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Operating Millage	Operating Millage	Operating Millage	
2006	2.788	1.82	0.08	4.69	6.82	0.22	7.04	17.97	17.97	29.70	2.38	
2007	2.788	1.82	0.08	4.69	6.82	0.22	7.04	17.97	17.97	29.70	2.38	
2008	2.788	1.82	0.08	4.69	6.82	0.22	7.04	17.97	17.97	29.70	2.38	
2009	2.788	1.82	0.08	4.69	6.82	0.22	7.04	17.97	17.97	29.70	2.38	
2010	2.788	1.82	0.08	4.69	6.82	0.22	7.04	17.97	17.97	29.70	2.09	
2011	2.788	2.37	0.08	5.23	6.82	0.22	7.04	17.97	17.97	30.24	2.09	
2012	2.788	2.37	0.08	5.23	7.72	0.33	8.05	17.97	17.97	31.25	2.09	
2013	2.788	1.18	0.08	4.05	7.72	0.33	8.05	19.16	19.16	31.25	2.09	
2014	2.788	1.18	0.08	4.05	7.32	0.33	7.65	17.97	17.97	31.67	2.07	
2015	2.788	3.18	0.08	6.05	7.12	0.33	7.45	17.97	17.97	31.47	2.07	

(1) The Downtown Marietta Development Authority is a special purpose district in the downtown business area that assesses an additional tax levy

CITY OF MARIETTA, GEORGIA
Principal Taxpayers (Unaudited)
June 30, 2015

	2015			2006			
	Type of Business	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Laurel Hills Apartment LLC	Real Estate	\$ 14,688,000	1	0.53%			
Lakeside 358 LLC	Real Estate	\$ 14,275,840	2	0.52%			
C W Matthews Contracting Co.	Commercial	\$ 12,621,257	3	0.46%	\$8,267,090	8	0.35%
DPR Marietta Ridge LLC	Real Estate	\$ 8,360,000	4	0.30%			
Kennestone Physicians Center I	Hospital	\$ 8,240,180	5	0.30%			
Rauls Frank P & Tyler J Rauls	Retirement Home	\$ 7,744,898	6	0.28%			
ARWC Winterset Pkwy LLC	Real Estate	\$ 7,320,000	7	0.27%			
Atlanta Parkway Investment Group II	Real Estate	\$ 7,000,000	8	0.25%	\$10,000,003	5	0.42%
Marietta Center LLC	Real Estate	\$ 6,780,800	9	0.25%			
Atlanta Parkway Investment Group I	Real Estate	\$ 6,091,563	10	0.22%	\$10,002,221	4	0.42%
Bellsouth Telecom./ AT&T	Telephone				\$22,062,551	1	0.92%
Tyco International US Inc.	Manufacturing				\$10,134,732	3	0.42%
Bells Ferry Corp.	Real Estate				\$11,680,000	2	0.49%
Stewart & Stevenson Tug	Commercial				\$9,069,544	6	0.38%
Caswyck Town Center LLC	Commercial				\$9,000,000	7	0.38%
Bel EQR IV LP	Attorney				\$7,200,000	9	0.30%
Wellstar Health System, Inc.	Hospital				\$6,977,560	10	0.29%
Totals		\$93,122,538		3.39%	\$104,393,701		4.37%

Source: City of Marietta tax department

CITY OF MARIETTA, GEORGIA
Property Tax Levies and Collections (Unaudited)
Last ten fiscal years

Tax Digest Year	Total Tax Levy for Fiscal Year	Subsequent Years Adjustments	Total Adjusted Levy	Collected within the Fiscal Year of the Levy		Collections of Prior Years Levy	Total Collections to Date	
				Amount	Percentage of Levy		Amount	Percentage of Levy
2005	10,136,294	24,525	10,160,819	10,036,324	99.01%	123,067	10,159,391	99.99%
2006	10,761,609	(59,773)	10,701,836	10,615,645	98.64%	85,068	10,700,713	99.99%
2007	11,407,894	8,910	11,416,804	11,273,654	98.82%	131,936	11,405,590	99.90%
2008	12,147,888	(92)	12,147,796	11,853,331	97.58%	276,555	12,129,886	99.85%
2009	11,987,687	(44,607)	11,943,080	11,660,045	97.27%	246,622	11,906,667	99.70%
2010	12,416,512	(37,931)	12,378,581	12,111,605	97.54%	239,504	12,351,109	99.78%
2011	11,708,773	(2,066)	11,706,707	11,512,240	98.32%	169,958	11,682,198	99.79%
2012	9,051,308	(6,452)	9,044,856	8,955,792	98.94%	50,463	9,006,255	99.57%
2013	9,177,751	(185,998)	8,991,753	8,896,794	96.94%	18,538	8,915,332	99.15%
2014	13,839,758	-	13,839,758	13,734,435	99.24%	-	13,734,435	99.24%

CITY OF MARIETTA, GEORGIA
Water and Wastewater Rate History
Last Ten Fiscal Years

Fiscal Year	Gallons of Water Consumed (millions)	Total Direct Rate							
		Water					Wastewater		
		Base Rate (1)	Tier 1 (2)	Tier 2 (2)	Tier 3 (2)	Tier 4 (2)	Base Rate (1)	Tier 1 (2)	Tier 2 (2)
2006	3,357	9.92	2.36	*	*	*	10.77	5.38	*
2007	3,353	10.61	2.53	2.91	3.29	*	11.52	5.76	*
2008	3,001	12.10	2.88	3.60	5.76	*	12.21	6.11	*
2009	2,627	15.00	3.57	4.46	7.14	*	13.06	6.54	*
2010	2,613	16.20	3.86	4.83	7.72	*	14.10	7.06	*
2011	2,644	17.50	4.17	5.22	8.34	*	14.95	7.48	*
2012	2,658	13.00	2.65	4.40	5.50	8.80	15.10	7.55	*
2013	2,569	13.00	2.79	4.54	5.68	9.08	15.10	7.55	*
2014	2,483	13.00	2.89	4.64	5.80	9.28	15.10	7.55	*
2015	2,459	13.00	2.89	4.64	5.80	9.28	15.10	7.55	*

Source: City of Marietta utility department

* No rate for that Tier during that time

(1) 0 - 2,000 gallons

	Water Tier Definition (in thousand gallons)				Wastewater Tier Definition (in thousand gallons)	
	Tier 1	Tier 2	Tier 3	Tier 4	Tier 1	Tier 2
2006 - 2008	>2	*	*		>2	*
2009 - 2011	>2-7	>7 -12	>12		>2	*
2012-2015	0-2	>2-7	>7 -12	>12	>2	*

CITY OF MARIETTA, GEORGIA
Electric Residential Rate History per Season
Last Ten Fiscal Years

Fiscal Year	Total Kilowatt Hours Sold (millions) (4)	Summer (June through September)			Winter (October through May)			Total Direct Rate	
		Base Rate	Tier 1 (1)	Tier 2 (2)	Tier 3 (3)	Base Rate	Tier 1 (1)		Tier 2 (2)
2006	1,075	8.00	0.070	0.087	0.102	8.00	0.070	0.054	0.054
2007	1,073	8.00	0.070	0.087	0.102	8.00	0.070	0.054	0.054
2008	1,094	8.00	0.070	0.087	0.102	8.00	0.070	0.054	0.054
2009	1,031	8.00	0.070	0.087	0.102	8.00	0.070	0.054	0.054
2010	1,046	8.00	0.070	0.087	0.102	8.00	0.070	0.054	0.054
2011	1,083	8.00	0.070	0.087	0.102	8.00	0.070	0.054	0.054
2012	1,027	8.00	0.070	0.087	0.102	8.00	0.070	0.054	0.054
2013	998	8.00	0.070	0.087	0.102	8.00	0.070	0.054	0.054
2014	1,009	8.00	0.070	0.087	0.102	8.00	0.070	0.054	0.054
2015	1,014	8.00	0.070	0.087	0.102	8.00	0.070	0.054	0.054

Source: City of Marietta utility department

(1) Cost per first 650 kilowatt hours

(2) Cost per 651 - 1,000 kilowatt hours

(3) Cost per each additional kilowatt hours over 1,000 hours

CITY OF MARIETTA, GEORGIA
Principal Electric Revenue Customers (Unaudited)
June 30, 2015

	2015				2006				
	Customer Name	Type of Business	Kilowatt Hours Billed	Rank	Percentage of Total Kwt Billable Hours Value	Kilowatt Hours Billed	Rank	Percentage of Total Kwt Billable Hours Value	
Wellstar Hospital	Hospital	61,974,484	1	6.11%	50,518,834	1	4.71%		
Cobb County Government	Government	52,808,119	2	5.21%	42,984,657	2	4.00%		
Southern Polytechnic	School	34,154,864	3	3.37%	28,905,389	3	2.69%		
Tip Top Poultry	Commercial	32,873,005	4	3.24%	22,575,819	5	2.10%		
talenti	Commercial	28,747,321	5	1.44%					
Kroger	Commercial	17,601,600	6	1.74%					
Life College	Commercial	17,234,407	7	1.44%					
Nyro of Atlanta	Commercial	16,985,600	8	1.70%					
ROC2 Fairlead Parkway Ctr, LLC	Commercial	14,596,038	9	1.67%					
Kemira Chemicals	Commercial	14,530,800	10	1.43%	14,038,800	9	1.31%		
Lockheed Martin Aeronautics	Commercial				24,269,393	4	2.26%		
Southern Ice Cream	Commercial				15,782,331	6	1.47%		
Solvay	Commercial				15,462,880	7	1.44%		
Marietta City Schools	Commercial				15,160,112	8	1.41%		
Lasalle Partners Management	Commercial				13,284,400	10	1.24%		
Totals					291,506,238		27.35%	183,292,892	22.63%

CITY OF MARIETTA, GEORGIA
Ratios of Outstanding Debt by Type (Unaudited)
Last ten fiscal years

Fiscal Year	Governmental Activities					Business Type Activities					Total Primary Government	Percentage of Personal Income	Per Capita	
	General Obligation Bonds	SPLOST Revenue Bonds	Tax Allocation Bonds	Citywide Project Bonds	Note Payable	Marietta		Capital Leases	Total Primary Government	Percentage of Personal Income				Per Capita
						Conference Center Revenue Bonds	Golf Course Revenue Bonds							
2006	\$ 59,895,000	--	\$ 8,400,000	--	\$ 719,844	\$ 25,815,000	\$ 3,536,585	\$ 176,269	\$ 98,542,698	6.48%	\$ 1,637			
2007	54,880,000	--	8,400,000	--	674,879	25,350,000	3,059,064	133,632	92,497,575	5.90%	1,522			
2008	51,255,000	9,820,000	8,400,000	--	627,614	31,410,000	4,835,000	253,450	106,601,064	6.80%	1,724			
2009	45,115,000	9,820,000	7,900,805	--	577,930	30,420,000	4,835,000	206,592	98,875,327	6.24%	1,591			
2010	60,835,000	9,145,000	7,380,694	31,660,000	525,706	- *	4,205,000	157,303	113,908,703	6.85%	1,753			
2011	53,550,000	5,370,000	6,838,790	30,795,000	470,808	- *	3,550,000	105,459	100,680,057	6.95%	1,779			
2012	46,248,279	- **	6,274,180	29,365,000	413,103	- *	2,736,490	105,779	86,328,062	5.96%	1,482			
2013	41,403,544	- **	5,685,914	27,895,000	352,443	- *	2,094,326	169,057	77,487,495	5.15%	1,319			
2014	104,418,809	- **	5,072,999	26,365,000	288,681	- *	1,432,162	117,218	137,694,869	9.09%	2,327			
2015	98,540,000	- **	4,434,403	24,755,000	221,657	- *	755,000	253,207	128,959,267	8.43%	2,157			

* In FY2010 Conference Center bonds were cancelled.
 ** In FY2012 SPLOST Bonds paid in full

CITY OF MARIETTA, GEORGIA
Ratios of General Bonded Debt Outstanding (Unaudited)
Last ten fiscal years

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Actual Taxable Value of Property	Per Capita
2006	\$ 64,705,000	\$ 2,206,406	\$ 62,498,594	1.13%	\$ 958
2007	54,880,000	2,836,778	52,043,222	0.97%	797
2008	51,255,000	3,658,389	47,596,611	0.66%	671
2009	45,115,000	4,701,507	40,413,493	0.57%	650
2010	60,835,000	3,366,151	57,468,849	0.81%	876
2011	53,550,000	5,492,241	48,057,759	0.67%	849
2012	47,290,000	6,456,153	40,833,847	0.59%	701
2013	41,403,544	6,136,954	35,266,590	0.52%	600
2014	104,418,809	5,613,872	98,804,937	1.47%	1,670
2015	98,540,000	3,679,851	94,860,149	1.38%	1,587

CITY OF MARIETTA, GEORGIA
Direct and Overlapping Governmental Activities Debt
As of June 30, 2015

<u>Governmental Unit</u>	<u>Net Governmental Debt Outstanding</u>	<u>Percentage Applicable to City of Marietta (1)</u>	<u>Amount Applicable to City of Marietta (1)</u>
Debt repaid with Property Taxes			
Cobb County General Obligation Bonds	18,440,000	8.91%	1,642,556
Total Overlapping General Obligation Debt	18,440,000		1,642,556
Overlapping Guaranteed Revenue Debt:			
Cobb County Parking Deck Certificates	9,270,000	8.91%	825,732
Cobb-Marietta Coliseum and Exhibit Hall Authority	40,055,000	8.91%	3,567,928
Total Overlapping Guaranteed Revenue Debt	49,325,000		4,393,660
Total Overlapping Debt	67,765,000	8.91%	6,036,217
Total Direct Debt	128,959,266	100.00%	128,959,266
Total Direct and Overlapping Debt	\$ 196,724,266		\$ 134,995,483
Debt Per Capita:			
Direct City Debt			\$ 2,157
Overlapping General Obligation Debt			27
Overlapping Guaranteed Revenue Debt			73
Total Debt Per Capita			\$ 2,258

Source: Assessed value data used to estimate applicable percentages provided by Cobb County Board of Equalization and Assessment. Outstanding debt data provided by Cobb County.

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

(1) Calculation for the Overlapping debt was determined by allocating the percentage of Net M & O for the city versus the total for the county. The source was the State's Department of Revenue website.

CITY OF MARIETTA, GEORGIA
Legal Debt Margin Information (Unaudited)
Last Ten Fiscal Years

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Debt limit: 10 percent of assessed value	\$251,598,744	\$268,694,272	\$284,573,182	\$301,902,203	\$298,565,385	\$299,026,224	\$285,333,372	\$278,466,088	\$279,255,101	\$285,126,049
Total net debt applicable to limit	59,895,000	54,880,000	51,255,000	45,115,000	60,835,000	53,550,000	47,290,000	42,285,000	105,140,000	98,540,000
Legal Debt margin	<u>\$191,703,744</u>	<u>\$213,814,272</u>	<u>\$233,318,182</u>	<u>\$256,787,203</u>	<u>\$237,730,385</u>	<u>\$245,476,224</u>	<u>\$238,043,372</u>	<u>\$236,181,088</u>	<u>\$174,115,101</u>	<u>\$186,586,049</u>
Total net debt applicable to the limit as a percentage of debt limit	23.81%	20.42%	18.01%	14.94%	20.38%	17.91%	16.57%	15.18%	37.65%	34.56%

Legal Debt Margin Calculation for Fiscal Year 2015

Total taxable assessed value	\$2,748,206,586
Add back: exempt real property	103,053,903
Total assessed value	\$2,851,260,489
Debt limit (10% of total assessed value)	285,126,049
Debt applicable to limit: General obligation bonds	<u>98,540,000</u>
Legal debt margin	<u>\$186,586,049</u>

Note: Under state finance law, the City of Marietta's outstanding general obligation debt should not exceed 10 percent of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside by repaying general obligation bonds.

CITY OF MARIETTA, GEORGIA
Pledged-Revenue Coverage (Unaudited)
Last ten fiscal years

Fiscal Year	Marietta Conference Center Bonds, Series 1996 A, 1996 B, and 2003 (1)				Tax Allocation District CCSR Series 2005 (2)				Citywide Projects Bonds, Series 2010 (4)			
	Operating Revenues	Principal	Interest	Coverage	TAD Revenues	Principal	Interest	Coverage	Operating Revenues	Principal	Interest	Coverage
2006	1,677,432	440,000	1,798,563	0.75	172,486	-	-	-	-	-	-	-
2007	1,681,074	465,000	1,328,549	0.94	472,140	*	353,997	1.33	-	-	-	-
2008	1,644,720	940,000	1,355,580	0.72	725,895	*	351,960	2.06	-	-	-	-
2009	1,726,505	990,000	1,921,319	0.59	857,583	499,195	351,960	1.01	-	-	-	-
2010	-	-	-	0.00 (3)	907,858	520,111	331,044	1.07	1,942,774	-	-	-
2011	-	-	-	0.00	1,019,761	541,904	309,251	1.20	2,240,303	865,000	1,384,731	1.00
2012	-	-	-	0.00	686,479	564,610	286,545	0.81	9,251,322	1,430,000	1,350,306	3.33
2013	-	-	-	0.00	531,595	588,266	262,889	0.62	2,204,531	1,470,000	1,299,456	0.79
2014	-	-	-	0.00	486,732	612,915	238,240	0.57	2,152,537	1,530,000	1,230,850	0.77
2015	-	-	-	0.00	386,124	638,596	212,559	0.45	2,047,528	1,610,000	1,159,444	0.73

(1) Conference Center bonds coverage is calculated upon gross revenues.

(2) Tax allocation bond coverage is calculated upon gross TAD revenues.

(3) Bonds cancelled in Fiscal year 2010

(4) Citywide projects bond coverage is calculated upon gross Leased Income Fund revenues from Conference Center.

* First Tax allocation bond principal payment was due in FY2009

CITY OF MARIETTA, GEORGIA
Demographic and Economic Statistics
Last ten fiscal years

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Personal Income (amounts expressed in thousands) (2)</u>	<u>Per Capita Personal Income (2)</u>	<u>Median Age (1)</u>	<u>School Enrollment (3)</u>	<u>Unemployment Rate (4)</u>
2006	60,189	1,520,795	25,267	32.3	7,818	3.9
2007	60,758	1,566,949	25,790	32.8	7,517	3.9
2008	61,829	1,567,303	25,349	33.7	7,638	5.2
2009	62,150	1,585,265	25,507	32.2	7869	9.5
2010	64,988	1,663,692	25,600	34.6	7,504	9.7
2011	56,579	1,489,329	26,323	32.6	7,908	9.9
2012	58,238	1,529,272	26,259	32.8	8,279	9.7
2013	58,738	1,555,911	26,489	33.7	8,262	9.2
2014	59,172	1,507,868	24,376	34	8,694	7.8
2015	59,781	1,503,256	25,146	33.8	8,879	5.7

(1) Population and age demographic sources: Claritas estimates for years 2006 - 2007, 2009 - 2010 and 2013; ESRI for 2012; U.S. Census Bureau Decennial counts for 2011; U.S. Census Bureau American Community Survey estimates for year 2008, City of Marietta estimates for years 2004 - 2005. The Neilson Company (estimate) 2014. ESRI (estimates) 2015

(2) Income sources: Claritas estimates for years 2006 - 2007, 2009 - 2010 and 2013; ESRI for 2012; U.S. Census Bureau American Community Survey estimates for years 2008 and 2011, City of Marietta estimates for years 2004 - 2005. the Neilson Company (estimates) 2014. ESRI (estimates) 2015

(3) Student enrollment provided by the Marietta City Schools.

(4) Unemployment rate source: Georgia Department of Labor, Workforce Statistics and Economic Research

CITY OF MARIETTA, GEORGIA
Principal Employers
Last ten fiscal years

Employer	2015			2006		
	Employees ¹	Rank	Percentage of Total City Employment ²	Employees ³	Rank	Percentage of Total City Employment ²
Lockheed Martin Aeronautical Systems	8,200	1	24%			
Dobbins Air Reserve Base	4,500	2	13%			
Wellstar Kennestone Hospital	3,300	3	10%	3,700	1	10%
Cobb County Public Safety	2,400	4	7%			
Tip Top Poultry	1,400	5	4%	1,300	6	4%
Cobb County Government	1,283	6	4%	1,041	9	3%
Marietta City Schools	1,231	7	4%	1,276	7	4%
Cobb County Board of Education	1,108	8	3%	997	10	3%
Brickman Group	1,000	9	3%			
XPO Last Mile	750	10	2%			
YKK Corp of America				2,500	2	7%
Matria Healthcare				2,300	3	7%
Solvay Pharmaceuticals				1,660	4	5%
Columbian Chemical Company				1,400	5	4%
Power Industry Consultants				1,060	8	3%

¹ ReferenceUSA , Businesses

² Georgia Department of Labor

³ Meag Power

Source:

<http://www.referenceusa.com.ezproxy.cobbcounty.org/UsBusiness>

2013: Dun & Bradstreet Directory of American Leading Public & Private Employers

2014: Reference USA from infogroup/Reference Division

2015: Reference USA from infogroup/Reference Division; City of Marietta Personnel; Dobbins Airforce Base

CITY OF MARIETTA, GEORGIA
Full-time City Government Employees by Function (Unaudited)
Last ten fiscal years

Function	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General government										
Elected officials	8	8	8	8	8	8	7	7	8	8
City clerk	3	3	3	3	3	3	3	3	3	3
Municipal court	16	16	16	14	14	16	14	14	18	13
City manager	6	7	7	7	6	6	6	6	7	7
Mayor staff	1	1	1	1	1	1	1	1	1	1
Finance	25	24	23	26	26	26	26	26	25	26
Human Resources	9	9	8	8	9	9	9	9	10	9
Develop. servs and Sect.8	30	29	31	32	30	31	30	30	27	21
Public works										
Admin. & Engineering	7	7	7	8	9	10	10	10	9	12
Building Inspection	8	8	8	8	7	7	7	7	7	8
Environmental Services	41	42	42	39	38	38	36	33	36	32
Streets & Traffic	41	41	39	38	38	37	37	37	36	32
Public safety										
Police										
Officers	134	133	132	124	129	134	127	127	128	132
Civilians	31	31	33	30	31	31	34	34	36	37
Fire										
Firefighters & officers	134	128	131	132	132	129	127	127	127	126
Civilians	4	4	4	3	3	3	3	3	3	3
Parks, Recreation & Facilities										
Recreation	9	11	11	11	11	11	9	9	11	16
Property maintenance	16	17	17	16	16	14	14	14	15	15
Cemetery maintenance	3	2	1	1	1	2	2	2	2	2
BLW Board										
Electric	6	6	6	6	6	6	5	5	5	5
Information Technology ²	130	137	127	131	126	129	129	129	130	126
Water/sewer	21	21	20	20	20	20	19	19	21	20
FiberNet ¹	38	37	41	41	42	42	40	40	41	41
Fleet maintenance	14	13	13	14	14	14	14	14	15	14
Total	735	735	729	721	720	727	709	706	721	709

¹ FiberNet division was sold to a private company in August 2004.

² Formerly MIS/GIS

Source: City of Marietta.

CITY OF MARIETTA, GEORGIA
Operating Indicators by Function (Unaudited)
Last ten fiscal years

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Function										
Police:										
Murder	6	4	4	3	4	4	3	5	6	10
Robbery	197	276	268	231	192	147	125	137	121	149
Aggravated assault	131	189	189	120	172	156	150	120	107	103
Motor vehicle theft	405	467	393	254	210	193	194	173	201	154
Burglary	419	614	636	604	690	715	622	460	428	323
Larceny	1,929	1,820	1,858	1,802	1,922	1,961	1,934	1,793	2,092	1,939
Fire:										
Calls for service	12,633	12,514	10,496	10,076	10,880	10,362	10,006	10,592	10,676	11,811
Fires	220	296	297	220	301	236	285	234	224	248
Structure fires	75	79	75	77	77	70	60	96	77	53
EMS calls	3,500	3,715	3,803	4,135	4,605	5,217	5,415	6,330	6,878	3,455
Fire investigations	42	86	77	76	67	77	67	71	68	58
Plan reviews of commercial property	640	984	416	482	414	418	431	348	467	432
Public Works/Engineering/Inspections:										
Highways and streets										
Street resurfacing (miles)	2.8	3.1	12.1	13.5	6.4	2.5	6.9	8.8	8	8
Pedestrian signals installed	9	19	10	1	16	13	6	4	3	11
Signalized intersections installed/upgraded	10	13	6	27	8	7	57	122	19	10
Engineering/building inspections										
Site plans reviewed	52	130	118	95	68	65	52	105	118	95
Grading permits issued	318	317	173	84	119	148	150	154	244	238
Permits issued (building and trade)	4,725	6,536	4,767	4,814	3,811	4,776	4,315	3,568	4,449	4,745
Inspections	11,525	17,180	12,039	11,913	10,347	12,418	10,803	8,991	10,983	12,489
Sanitation										
Tons of residential waste landfilled	15,300	19,785	18,955	17,124	15,579	16,061	15,967	13,303	15,184	15,358
Tons of residential waste recycled	6,825	5,786	6,391	7,445	7,440	8,060	7,852	6,096	6,362	6,444

(Continued)

* revised

CITY OF MARIETTA, GEORGIA
Operating Indicators by Function (Unaudited)
Last ten fiscal years

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Parks, recreation, and facilities:										
Parks and recreation										
Senior games participants	320	275	222	250	300	254	0	0	0	0
Summer day camp participants	790	356	1,018	814	640	702	80	120	720	315
Youth basketball participants	490	321	380	340	360	335	299	303	291	330
Youth track participants	108	92	100	0	0	0	0	0	0	0
Adult basketball teams	11	10	11	12	12	8	4	0	0	0
Concerts on the Square	17	17	17	19	16	19	18	17	16	16
Festivals on the Square	4	4	4	7	8	6	9	10	8	9
Facilities										
Inspections	3,571	3,613	3,659	400	400	427	400	413	408	410
Work orders	2,870	2,971	3,121	1,580	1,450	1,520	1,510	1,515	1,520	1,525
Vandalism incidents	189	264	210	39	32	7	10	8	9	8
Development Services:										
Code enforcement cases	3,600	4,925	5,167	6,431	6,409	6,007	5,800	3,106	6,000	5,640
Citations issued	40	53	36	47	62	42	28	121	30	30
Sign permits issued	330	350	282	393	451	383	383	362	385	374
Rezoning applications processed	30	29	19	20	14	13	12	27	23	37
Variance applications processed	80	54	32	37	31	37	42	58	38	63
Plats reviewed	140	78	51	45	20	29	33	33	37	54
Building permits reviewed	800	1,677	1,511	1,118	1,168	1,271	1,271	1,358	3,531	1,839
Human Resources:										
Number of open positions	210	204	121	74	73	61	66	75	98	92
Number of applications received	4,500	5,584	5,733	3,342	4,649	3,581	3,885	2,964	2,955	2,447
Pension applications received and approved	40	37	25	32	20	20	28	30	34	34
Finance:										
Tax payments processed	19,225	19,802	20,460	20,775	20,703	20,642	20,579	20,540	20,507	20,616
Value of tax payments (millions)	51.5	54.9	58.8	62.5	61.6	57.9	54.0	53.3	51.7	56.8
Property tax exemption forms	8,000	8,204	8,418	8,455	8,631	8,502	8,340	8,288	8,165	8,105
Purchase orders processed	2,375	2,351	2,107	2,113	1,974	1,964	1,961	2,128	2,059	1,720
Active vendors	6,375	6,425	6,439	6,687	6,996	7,400	7,400	7,930	3,146	3,617
Business licenses issued	8,558	9,020	8,098	7,276	8,379	8,399	8,340	8,434	8,762	8,650

(Continued)

* revised

Source: various City of Marietta departments

CITY OF MARIETTA, GEORGIA
Operating Indicators by Function (Unaudited)
Last ten fiscal years

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Municipal Court:										
Traffic citations issued	16,922	20,655	17,114	14,146	15,698	18,524	15,617	14,968	16,837	17,974
Red light citations issued	37,001	35,873	26,882	21,641	20,197	17,364	14,746	17,101	18,103	18,663
Parking citations issued	4,768	3,927	4,160	4,255	4,687	4,317	4,743	4,412	4,399	4,355
Cases filed	14,228	16,051	13,321	11,755	12,594	14,237	12,691	12,732	13,724	14,673
Non-jury trials	997	906	957	1,011	990	1,256	1,022	1,068	829	800
New probationers	528	489	631	673	722	712	829	721	777	719
Electric:										
New customer work orders	415	677	551	150	144	121	20	100	100	250
Lighting repair work orders	1,769	1,771	1,847	1,800	1,733	1,517	1,538	1,700	1,600	1,497
Line clearance (miles)	75	104	100	110	98	94	135	175	196	182
Trees removed on system	250	209	225	315	298	594	587	465	550	428
Meter site audits	384	527	350	400	463	460	513	450	450	361
Transformer infrared scanning	218	289	220	250	407	503	503	500	525	618
Electric customers	44,338	45,593	46,032	46,477	46,525	46,309 *	46,437	46,287	46,887	46,621
Kilowatt hours sold (millions)	1,075	1,073	1,094	1,038	1,046	1,083	1,027	998	1,008	1,014
Water & sewer:										
New meter installs	150	204	78	33	38	42	104	63	175	119
Large water main replacements (feet)	3,150	3,150	5,000	6,660	9,515	6,694	3,918	3,542	0	5,438
Water line replacements (feet)	17,455	4,600	6,100	6,257	6,082	3,563	4,753	8,986	0	766
Sewer main rehabilitation (feet)	15,100	4,500	2,800	12,774	6,589	5,102	0	4,354	216	0
Major sanitary sewer overflows	0	1	0	0	0	0	1	0	0	0
Backflow device inspections	274	454	469	457	760	616	809	853	751	822
Utility locates	4,000	3,495	3,625	3,536	3,662	2,252	2,718	4,359	4,282	4,594
Gallons of grease removed from traps	500,000	762,226	715,234	658,174	597,253	703,394	716,167	675,935	637,727	591,108
Valves exercised	600	189	0	0	284	253	279	0	409	576
Plan reviews	70	46	35	64	95	18	30	17	35	35
Work orders completed	12,000	3,142	5,812	5,613	5,361	4,707	4,883	5,055	5,138	4,583
Water accounts	18,249	18,661	18,073	18,441	17,710	17,684	17,718	17,918	17,953	18,086
Water gallons sold (million)	3,357	3,353	3,001	2,626	2,533	2,644	2,658	2,565	2,483	2,459
Sewer accounts	16,654	16,710	16,782	16,569	16,437	16,381	15,039	16,602	16,680	16,808
Sewer gallons (millions)	3,044	2,998	2,708	2,430	2,567	2,381	2,177	2,325	2,298	2,334

* revised

Source: various City of Marietta departments

CITY OF MARIETTA, GEORGIA
Capital Asset Statistics by Function
Last ten fiscal years

Function	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Public safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	98	103	99	108	104	116	131	101	104	116
Fire Stations	6	6	6	6	6	6	6	6	6	6
Sanitation										
Collection trucks	15	15	15	15	15	15	15	17	19	19
Highways and streets										
Streets(miles)	220.2	223.2	223.7	222.1	216.8	216.6	220	218.1	218.03	218.3
Streetlights	6,787	6,817	7,824	7,748	7,665	7,660	7,741	7,736	8,190	8,359
Traffic signals	108	108	104	105	104	104	104	105	109	110
Culture and recreation										
Parks acreage	288	298.8	310	310	310	310	373	402.7	406.3	405.19
Parks	19	20	20	22	22	22	32	37	37	37
Swimming pools ***	1	1	1	1	1	1	1	1	0	0
Tennis courts	27	27	23	19	19	19	21	21	21	22
Community centers	2	2	2	2	2	2	2	3	3	3
Water										
Water mains (miles) *	314.4	314.4	318.8	326.9	328.0	331.6	334	338.2	339	338.4
Fire hydrants *	2,315	2,322	2,385	2,594	2,619	2,626	2,660	2,712	2,736	2,908
Water pump stations	3	3	3	3	3	3	3	3	3	3
Wastewater										
Sanitary sewer mains (miles) *	275.5	278.3	285.2	293.8	298.0	300.9	303	303.2	295	295.3
Storm sewers(miles)	225.6	225.6	230.0	232.2	232.2	232.2	232	230	230	230
Wastewater pump stations	1	1	1	1	1	1	1	1	1	1
Electric										
Number of distribution stations	20	20	21	21	20	21	21	21	21	21
Miles of service lines	572	579	585	588	590	590	590	590	591	592
Conference Center	1	1	1	1	1	1	1	1	1	1
Golf Course	1	1	1	1	1	1	1	1	1	1

Sources: City departments

Note: * Fiscal Years 2005 estimates

** not readily available

*** swimming pool closed during FY09 and demolished in FY14

SPECIAL REPORTS SECTION

City of Marietta, Georgia
Hotel/Motel Tax
Schedule of Revenue Received and Expenditures Incurred
For the Fiscal Year Ended June 30, 2015

<u>Revenues</u>	<u>Expenditures *</u>	<u>Percentage Expended</u>
<u>\$ 2,679,751</u>	<u>\$ 2,679,751</u>	<u>100.00%</u>

* Expended in General Fund

City of Marietta, Georgia
3 Percent Car Rental Tax
Schedule of Revenue Received and Expenditures Incurred
For the Fiscal Year Ended June 30, 2015

<u>Revenues</u>	<u>Expenditures *</u>	<u>Percentage Expended</u>
<u>\$432,887</u>	<u>\$432,887</u>	<u>100.00%</u>

* Expended in General Fund

City of Marietta, Georgia
1 Percent Sales Tax
Schedule of Projects Constructed with Special Sales Tax Proceeds
For the Fiscal Year Ended June 30, 2015

Project	Original Estimated Cost	Revised Estimated Cost	Expenditures			Estimated Percentage of Completion
			Prior Years	Current Year	Total	
1994:						
Road Improvement Program	<u>\$24,239,000</u>	<u>\$23,311,166</u>	<u>\$23,257,720</u>	<u>\$ -</u>	<u>\$23,257,720</u>	<u>99.77%</u>
2005:						
800 MHz Radios	\$ 2,519,952	\$ 1,409,151	\$ 1,240,152	\$ -	\$ 1,240,152	88.01%
Road Improvement Program	<u>\$ 62,201,305</u>	<u>\$ 66,255,580</u>	* <u>\$ 65,764,871</u>	<u>\$ 239,021</u>	<u>\$ 66,003,892</u>	<u>99.62%</u>
Subtotal	<u>\$ 64,721,257</u>	<u>\$ 67,664,731</u>	<u>\$ 67,005,023</u>	<u>\$ 239,021</u>	<u>\$ 67,244,044</u>	<u>99.38%</u>
2011:						
Tier 1 Projects						
Capital Improvements	\$ 6,880,000	\$ 6,880,000	\$ 1,613,728	\$ 384,729	\$ 1,998,457	29.05%
Congestion Relief & Mobility Improvement	\$ 5,546,000	\$ 5,546,000	\$ 1,204,432	\$ 1,427,423	\$ 2,631,855	47.46%
Infrastructure Preservation	\$ 16,500,000	\$ 16,500,000	\$ 6,543,007	\$ 1,561,249	\$ 8,104,256	49.12%
Safety & Operational Improvement	<u>\$ 15,873,421</u>	<u>\$ 15,873,421</u>	<u>\$ 915,946</u>	<u>\$ 3,930,208</u>	<u>\$ 4,846,154</u>	<u>30.53%</u>
Subtotal	<u>\$ 44,799,421</u>	<u>\$ 44,799,421</u>	<u>\$ 10,277,113</u>	<u>\$ 7,303,609</u>	<u>\$ 17,580,722</u>	<u>39.24%</u>
Grand Total for SPLOST Expenditures				<u>\$ 7,542,630</u>		

* Includes Bond expenditures