

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

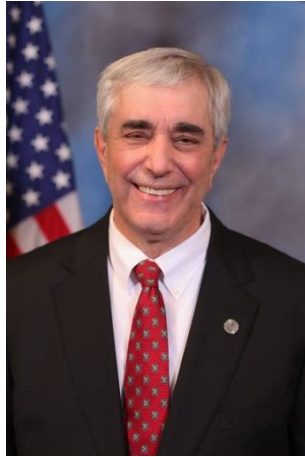
**For the Fiscal Year Ended June 30, 2016**

**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



**Vacant**  
Councilmember, Ward 5



**Michelle Cooper Kelly**  
Councilmember, Ward 6



**Philip M. Goldstein**  
Councilmember, Ward 7

**CITY OF MARIETTA, GEORGIA  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

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## **INTRODUCTORY SECTION**



**FINANCE DEPARTMENT**  
205 Lawrence St NE  
P. O. Box 609  
Marietta, GA 30061-0609  
(770) 794-5544  
Fax (770) 794-5535

December 20, 2016

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, 2016, 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.

Nichols, Cauley & Associates, 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, 2016. 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 auditor's 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 31.47 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 59,067 on June 30, 2016.

### *Long-term financial planning*

Unassigned fund balance in the general fund (37 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*

Marietta will continue its makeover efforts by focusing on parks, streets and traffic projects, economic development, redevelopment and creating a friendly, safe and aesthetically pleasing environment for citizens and visitors. 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:

The voters approved a 1% Special Purpose Local Sales Tax (SPLOST), which went into effect in January 2016 after the 2011 SPLOST expired. 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 will be addressed. Design has begun on five intersection improvement projects with more anticipated to be in design by the end of FY2017. Roswell Street from Victory Drive to Dodd Street is scheduled to be under construction near the end of 2016. The public safety training center design is underway. The Traffic Control Center is slated for completion by the end of 2016 with the fleet shop expansion and renovation to begin in the spring of 2017.

The State of Georgia recently awarded \$1.45 million to Marietta in Transportation Enhancement (TE) funding for three projects. The Atherton Square Revitalization includes the renovation of the Marietta Welcome Center and improving the surroundings and park. The other two projects involve two 10-foot wide multi-use trails, which will be constructed to connect Marietta to other trails within the city and Cobb County. All three projects had been delayed because of federal and state funding issues. Atherton Square is currently being bid for construction and is expected to begin in January 2017.

Parks bond projects in progress will continue as scheduled. The Custer Park Sports and Fitness Center will expand its hours due to high utilization by the citizens of Marietta. The city had great participation in their youth camp program this past year at this location as well and plans to provide youth camps throughout the year when

school is not in session. The Elizabeth Porter Park that is planned will include a splash pad, playground, picnic pavilions and greenspace. The Franklin Gateway Sports Complex is in pre-construction phase at this time and is expected to open in April 2017. This complex will be state of the art and include three artificial turf fields, a playground, picnic area, concession building and offices.

Maintaining, expanding and upgrading the water, sewer and electric utilities will ensure reliable and high-quality services to our customers and citizens. Several large-scale-projects are planned for FY2017 such as Marietta Power's conversion of overhead power lines to underground along Powder Springs Road along with the installation of new lighting as part of the streetscape improvement project the city will construct with SPLOST dollars. Major utility relocation projects will take place over the next two years to move water and sewer lines on Lower Roswell Road from South Marietta Parkway to Old Sewell Road and also along Roswell Street where SPLOST projects are planned to get underway.

Economic Development and Redevelopment continue to be a priority for the coming year as Marietta brings in new business, 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 Gateway area for further redevelopment. Two distressed apartment buildings have been acquired and demolished to date. A third apartment complex nearby has been purchased as well, and the City will prepare the site for marketing in the coming year. 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.

#### *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, 2015. This represented the twenty-fifth 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.

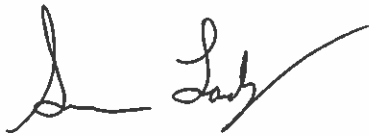


A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

In addition, the City also received the GFOA Award for Distinguished Budget Presentation for its annual appropriated budget dated July 1, 2015 for fiscal year 2016. 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,

A handwritten signature in black ink, appearing to read 'Sam Lady', with a long, sweeping horizontal stroke extending to the right.

Sam Lady

Finance Director

City of Marietta



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

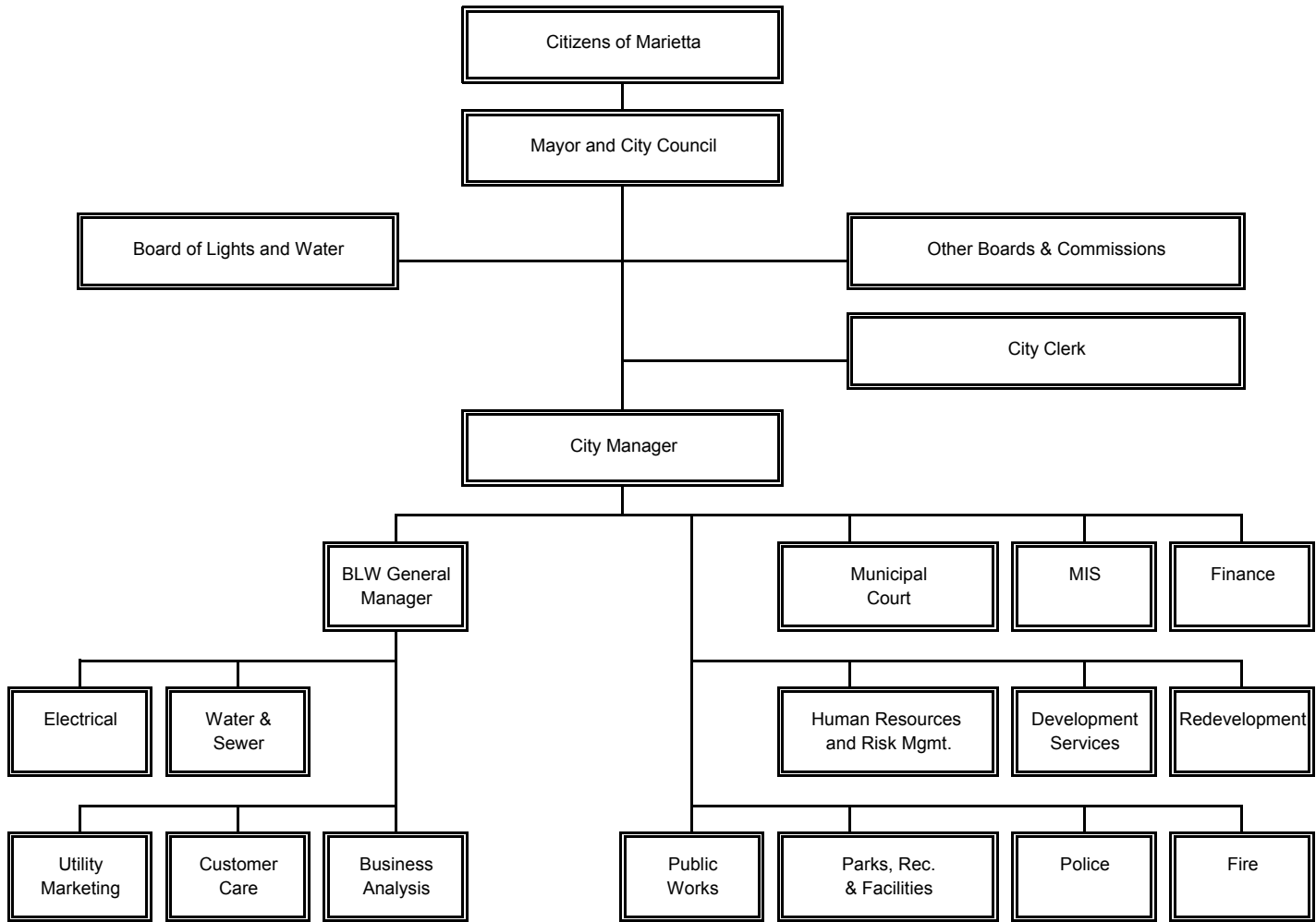
**City of Marietta  
Georgia**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2015**

Executive Director/CEO

# CITY OF MARIETTA ORGANIZATION CHART



# OFFICIALS

## Mayor and City Council

R. Steve Tumlin, Jr.  
Mayor

James Stuart Fleming	Ward 1
Griffin L. Chalfant, Jr.	Ward 2
Johnny M. Walker Jr.	Ward 3
G. A. "Andy" Morris	Ward 4
Vacant	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 R. Summerour	Board Member
J. Brian Torras	Board Member
Michael G. 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
Rich Buss	Parks, Recreation and Facilities Director
Dan Conn	Public Works Director
Ronnie Barrett	MIS Director
Davy Godfrey	Human Resources and Risk Management Director
Daniel Flynn	Police Chief
Jackie Gibbs	Fire Chief
Stephanie Guy	City Clerk
Douglas Haynie	City Attorney
Kim Holland	Water and Sewer Director
Sam Lady	Finance Director
J. Kevin Moore	BLW Attorney
Ronald Mull	BLW General Manager
Sherri Rashad	Customer Care Director
Beth Sessoms	Redevelopment Director

## **FINANCIAL SECTION**



## **NICHOLS, CAULEY & ASSOCIATES, LLC**

1825 Barrett Lakes Blvd, Suite 200  
Kennesaw, Georgia 30144  
770-422-0598 FAX 678-214-2355  
kennesaw@nicholscauley.com

### **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, 2016, 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, 2016, 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 62-66 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, statistical section, and special reports 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 and special reports 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 and special reports are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory 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 20, 2016, 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.

*Richels, Cauley + Associates, LLC*

Kennesaw, Georgia

December 20, 2016



## 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, 2016. 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 \$253.4 million at the end of fiscal year 2016. This is an increase of \$17.5 million when compared to the previous year after restatement. Of this amount, \$255 million is the city's net investment in capital assets. Total unrestricted net position is a negative \$37.1 million. Unrestricted net position from governmental activities are a negative 63.4 million.
- ❖ The City's total net position increased \$17.5 million over the previous year after restatement. Net position for governmental activities increased \$11.1 million and business-type net position increased \$6.5 million.
- ❖ The total liabilities of the City's governmental-type and business-type funds outstanding at June 30, 2016 are \$221.3 million and \$57.1 million respectively. \$251 million of this total represents long-term liabilities, such as bonds and notes payable and leases payable. This is a decrease of \$3.4 million for the governmental activities and an increase of \$2.3 million for the business-type activities.
- ❖ The City's General Fund's fund balance was \$40.6 million as of June 30, 2016. The General Fund's fund balance decreased by \$6.2 million, including restatement of \$1.3 million from June 30, 2015.

Total governmental activities bonds payable, net decreased by \$9.3 million in fiscal year 2016.

## 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 required supplementary information, 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, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources 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 twelve (12) 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, debt service, redevelopment bond fund and SPLOST fund which are considered to be major funds. Data from the other eight (8) 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 61 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 67 through 124 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, 2016, net position totaled \$253.4 million.

The following table provides a summary of the City's governmental and business-type net position for fiscal year 2015 and 2016.

	Governmental		Business-type		Total	
	Activities		Activities			
	2015	2016	2015	2016	2015	2016
<b>Assets</b>						
Current and other assets	\$148,630,563	\$116,652,839	\$61,335,743	\$80,713,073	\$209,966,306	\$197,365,912
Capital assets	132,272,001	165,668,924	172,863,636	160,475,268	\$305,135,637	\$326,144,192
Total assets	280,902,564	282,321,763	234,199,379	241,188,341	\$515,101,943	\$523,510,104
<b>Deferred Outflow of Resources</b>						
Deferred Loss on Refunding	560,926	400,661			\$560,926	\$400,661
Related to pension	2,527,600	7,325,780	1,032,400	2,992,220	\$3,560,000	\$10,318,000
Total Deferred Outflows of Resources	3,088,526	7,726,441	1,032,400	2,992,220	\$4,120,926	\$10,718,661
<b>Liabilities</b>						
Current and other liabilities	11,424,348	11,069,134	15,603,548	16,275,197	\$27,027,896	\$27,344,331
Non-current liabilities	213,597,690	210,189,607	38,568,748	40,846,830	\$252,166,438	\$251,036,437
Total liabilities	225,022,038	221,258,741	54,172,296	57,122,027	\$279,194,334	\$278,380,768
<b>Deferred Inflows of Resources</b>						
Deferred gain on Refunding	886,879	826,410			\$886,879	\$826,410
Related to Pension	2,297,560	1,125,350	938,440	459,650	\$3,236,000	\$1,585,000
Total Deferred Inflows of Resources	3,184,439	1,951,760	938,440	459,650	\$4,122,879	\$2,411,410
<b>Net Position</b>						
Net invested in capital assets	91,932,852	94,656,262	158,187,155	160,277,765	\$250,120,007	\$254,934,027
Restricted	36,359,546	35,585,010	-	-	\$36,359,546	\$35,585,010
Unrestricted	-72,507,785	-63,403,569	21,933,888	26,321,119	-\$50,573,897	-\$37,082,450
Total net position	\$55,784,613	\$66,837,703	\$180,121,043	\$186,598,884	\$235,905,656	\$253,436,587

The largest portion of the City's net position, \$255 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 \$17.5 million in fiscal year 2016. The following table indicates the changes in net position for governmental and business-type activities in fiscal year 2015 and 2016.

Changes in Net Position						
	Governmental		Business-type		Total	
	Activities		Activities			
	2015	2016	2015	2016	2015	2016
<b>Revenues</b>						
Program revenues:						
Charges for services	\$15,035,430	\$15,237,342	\$156,622,359	\$155,498,275	\$171,657,789	\$170,735,617
Operating grants and contributions	3,951,926	1,010,978	0	0	\$3,951,926	\$1,010,978
Capital grants and contributions	15,148,308	13,242,602	765,710	254,845	\$15,914,018	\$13,497,447
General Revenues:						
Property taxes	17,234,410	17,864,399	0	0	\$17,234,410	\$17,864,399
Other taxes	12,993,225	13,401,451	0	0	\$12,993,225	\$13,401,451
Investment earnings	124,719	213,369	312,473	381,875	\$437,192	\$595,244
Other revenues	1,937,144	2,841,884	160,364	0	\$2,097,508	\$2,841,884
Total Revenues	66,425,162	63,812,025	157,860,906	156,134,995	\$224,286,068	\$219,947,020
<b>Expenses</b>						
General government	7,952,118	9,206,352	0	0	\$7,952,118	\$9,206,352
Judicial	0	0	0	0	0	0
Public works	16,074,864	13,609,959	0	0	\$16,074,864	\$13,609,959
Culture and recreation	1,499,487	6,038,731	0	0	\$1,499,487	\$6,038,731
Public safety	31,630,707	31,880,793	0	0	\$31,630,707	\$31,880,793
Health and welfare	0	0	0	0	0	0
Urban redevelopment and housing	3,223,937	566,221	0	0	\$3,223,937	\$566,221
Interest on long-term debt	7,748,256	4,497,182	0	0	\$7,748,256	\$4,497,182
Electric, water & sewer	0	0	131,657,578	134,479,988	\$131,657,578	\$134,479,988
Golf	0	0	1,431,661	1,391,698	\$1,431,661	\$1,391,698
Conference	0	0	786,678	745,165	\$786,678	\$745,165
Total expenses	68,129,369	65,799,238	133,875,917	136,616,851	\$202,005,286	\$202,416,089
<b>Increase (decrease) in net position before transfer</b>	-1,704,207	-1,987,213	23,984,989	19,518,144	\$22,280,782	\$17,530,931
Transfers in (out)	12,888,454	13,040,303	-12,888,454	-13,040,303	0	0
<b>Increase (decrease) in net position</b>	<u>\$11,184,247</u>	<u>\$11,053,090</u>	<u>\$11,096,535</u>	<u>\$6,477,841</u>	<u>\$22,280,782</u>	<u>\$17,530,931</u>

*Governmental Activities.* Governmental activities decreased the City's net position by \$2 million in fiscal year 2016 before transfers. Key elements of this decrease are as follows:

Total revenues are \$63.8 million, down 3.9% from the prior year. The revenue decrease is attributable to an increase in economic activity, a decrease in operating grants for the Public Housing (\$2.9 million) and a decrease in court fines and forfeits. The City transferred the Public Housing voucher program as of 1-1-2014 to the Marietta Housing Authority. Fiscal year 2015 was the last year of the City operation. Business license saw a slight increase and permit revenue increased due to the improving housing market. Investment earnings increased from the previous year, which is attributable to the increase in the rates.

Expenses totaled \$65.8 million. 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 \$19.5 million in fiscal year 2016 before transfers to the governmental activities.

**Table 3**  
**Business-type Net revenue (Expense)**  
**General Revenues and Transfers**

	Fiscal Year	
	2015	2016
Net Revenue (Expense):		
Board of Lights & Water	\$22,075,148	\$17,881,896
City Club Golf Course	176,153	62,791
Marietta Conference Center & Resort	1,260,851	1,191,582
Total	23,512,152	19,136,269
General Revenues	472,837	381,875
Change in net position before transfers	23,984,989	19,518,144
Transfers	-12,888,454	-13,040,303
Change in net position	\$11,096,535	\$6,477,841
Net position, beginning	169,024,508	180,121,043
Net position, ending	180,121,043	186,598,884

The Board of Lights and Water's operating revenues decreased .6% from the previous year while operating expenses increased by 2.1% resulting in an operating income decrease of 16.4% from 2015.

The City Club golf course operating revenues decreased by 9.5% from the previous year while operating expenses increased by 2.2% resulting in operating income of \$73,082.

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 2016, the combined ending fund balances of the City's governmental funds were \$101.3 million.

The City has four 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 \$40.6 million as of June 30, 2016. The fiscal year 2016 fund balance is \$6.2 million lower than the previous year including restatement of 1.3 million. This is due to the reduction of the City projects bond balance by 1.8 million and a reduction of the restricted fund balance by 2.1 million. See notes to the financial statements for more detailed information on restatement. 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 24.5% of total fiscal year 2016 expenditures, while total fund balance is 71.8% 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, 2016 is \$25.1 million which is an increase of \$1.7 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 \$47.5 million. The unrestricted net position increased by \$2.8 million during the year. The BLW continues to show strong operating income. Operating income totaled \$18.6 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 \$5.8 million, an 8.2% 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 \$399.8 thousand dollar payment contributes to the increase in net position. The Revenue Bond was 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 \$(5.8) million. The total net position increased by \$1.2 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 2016, the City Council appropriated \$56.6 million for general fund expenditures. The budget was amended 7 times during the fiscal year.

**Table 4**  
**2016 General Fund Budget**

	<b>Original Budget</b>	<b>Amendments</b>	<b>Final Budget</b>	<b>Actual</b>
Revenue and other financing sources	\$56,606,178	\$ 5,488,947	\$62,095,125	\$55,185,740
Expenditures and other financing uses	56,892,195	10,101,589	66,993,784	62,338,727

**Mid Year budget amendments include:**

	<b>General Fund</b>	<b>Grants</b>	<b>Police Asset/Forfeiture</b>	<b>Culture and Recreation</b>	<b>Total</b>
Prior Yr encumbrances	2,768,827	103,175	141,141		3,013,143
1 Community Development				11,275	11,275
2 Public Safety	391,279		1,304,518		1,695,797
3 Public Works	140,080				140,080
4 Facility, Grounds, Parks, Rec & Culture	660,701			19,810	680,511
5 Project Rollovers from previous yrs		4,381,641		179,142	4,560,783
	3,960,887	4,484,816	1,445,659	210,227	10,101,589

- 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. Federal sharing funds for Police Dept. Emergency Communications Expenses.
- 3 Appropriation of prior year savings for trucks and equipment.
- 4 Appropriation of tourism funds; Appropriation of prior year savings for powered equipment and facility improvements.
- 5 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 1<sup>st</sup>. 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, 2016 was a total \$326 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 2016, 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 increased from the previous year by 11.9% 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 \$18.2 million
- Buildings and machinery and equipment \$5.2 million
- Infrastructure \$9.7 million

Business-type activities:

- System improvements \$7.4 million
- Buildings and machinery & equipment \$2 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, 2016, the City of Marietta had the following outstanding long-term debt (principal amount):

- \$7.6 million 2009A School Refunding Bonds
- \$4.5 million 2009D General Obligation Parks Bond
- \$7 million 2013A General Obligation Bonds Redevelopment
- \$55.7 million 2013B General Obligation Bonds Redevelopment
- \$15.7 million 2015 General Obligation Parks Refunding Bond
- \$151.2 thousand note payable for property
- \$3.8 million Series 2005 Tax Allocation District bonds

- \$23 million notes payable for City Wide Projects
- \$197.5 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 \$292 million at the end of fiscal year 2016.

Additional information on the City of Marietta's debt can be found in Note 6.

**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 2017 budget:

- No fee increases were imposed for fiscal year 2017.
- 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 2017 for most departments.

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## **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, 2016**

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets:			
Cash and cash equivalents	\$ 38,963,738	\$ 23,395,567	\$ 62,359,305
Investments	46,032,087	51,651,821	97,683,908
Inventories	50,552	3,629,014	3,679,566
Receivables, net	1,415,606	17,818,420	19,234,026
Internal balances	18,006,854	(18,006,854)	-
Due from other governments	11,805,718	-	11,805,718
Prepaid items	378,284	-	378,284
Other assets, net	-	2,225,105	2,225,105
Capital assets, non depreciated	71,134,506	8,752,260	79,886,766
Capital assets, depreciated, net	94,534,418	151,723,008	246,257,426
<b>Total assets</b>	<b>282,321,763</b>	<b>241,188,341</b>	<b>523,510,104</b>
Deferred outflows of resources:			
Deferred loss on refunding	400,661	-	400,661
Deferred outflows related to pension	7,325,780	2,992,220	10,318,000
<b>Total deferred outflows of resources</b>	<b>7,726,441</b>	<b>2,992,220</b>	<b>10,718,661</b>
Liabilities:			
Accounts payable and other current liabilities	7,633,953	13,693,982	21,327,935
Claims and judgements payable	3,246,681	-	3,246,681
Unearned revenue	188,500	2,581,215	2,769,715
Noncurrent liabilities:			
Due within one year	11,509,836	429,472	11,939,308
Due in more than one year	198,679,771	40,417,358	239,097,129
<b>Total liabilities</b>	<b>221,258,741</b>	<b>57,122,027</b>	<b>278,380,768</b>
Deferred inflows of resources:			
Deferred gain on refunding	826,410	-	826,410
Deferred inflows related to pension	1,125,350	459,650	1,585,000
<b>Total deferred inflows of resources</b>	<b>1,951,760</b>	<b>459,650</b>	<b>2,411,410</b>
Net Position:			
Net investment in capital assets	94,656,262	160,277,765	254,934,027
Restricted for:			
Debt service	3,735,949	-	3,735,949
Capital projects	29,900,119	-	29,900,119
Culture and recreation	871,386	-	871,386
Urban redevelopment and housing	90,159	-	90,159
Public safety	987,397	-	987,397
Unrestricted	(63,403,569)	26,321,119	(37,082,450)
<b>Total net position</b>	<b>\$ 66,837,703</b>	<b>\$ 186,598,884</b>	<b>\$ 253,436,587</b>

See accompanying notes to financial statements.

**CITY OF MARIETTA, GEORGIA**  
**STATEMENT OF ACTIVITIES**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Functions/Programs	Program Revenue				Net (Expense) Revenue and Change in Net Position		
	Expenses	Charges for Services	Operating		Governmental Activities	Business-type Activities	Total
			Grants and Contributions	Capital Grants and Contributions			
Primary Government							
Governmental activities:							
General government	\$ 9,206,352	\$ 10,030,417	\$ 13,500	\$ 536,250	\$ 1,373,815	\$ -	\$ 1,373,815
Public works	13,609,959	3,751,272	-	12,559,362	2,700,675	-	2,700,675
Culture and recreation	6,038,731	470,821	18,000	-	(5,549,910)	-	(5,549,910)
Public safety	31,880,793	200,635	328,071	146,990	(31,205,097)	-	(31,205,097)
Urban redevelopment and housing	566,221	784,197	651,407	-	869,383	-	869,383
Interest & fiscal charges on long-term debt	4,497,182	-	-	-	(4,497,182)	-	(4,497,182)
Total governmental activities	65,799,238	15,237,342	1,010,978	13,242,602	(36,308,316)	-	(36,308,316)
Business-type activities:							
Water & Sewer	27,194,492	35,396,006	-	254,845	-	8,456,359	8,456,359
Electric	107,285,496	116,711,033	-	-	-	9,425,537	9,425,537
Golf	1,391,698	1,454,489	-	-	-	62,791	62,791
Conference Center	745,165	1,936,747	-	-	-	1,191,582	1,191,582
Total business-type activities	136,616,851	155,498,275	-	254,845	-	19,136,269	19,136,269
Total Primary Government	\$ 202,416,089	\$ 170,735,617	\$ 1,010,978	\$ 13,497,447	\$ (36,308,316)	\$ 19,136,269	\$ (17,172,047)
General Revenues:							
Property Taxes					17,864,399	-	17,864,399
Insurance premium tax					3,261,605	-	3,261,605
Alcohol taxes					747,545	-	747,545
Hotel, motel tax					2,894,134	-	2,894,134
Franchise taxes					6,098,112	-	6,098,112
Auto rental tax					400,055	-	400,055
Unrestricted investment earnings					213,369	381,875	595,244
Gain on sale of capital assets					149,950	-	149,950
Operating grants not restricted to a specific program					2,691,934	-	2,691,934
Transfers					13,040,303	(13,040,303)	-
Total general revenues and transfers					47,361,406	(12,658,428)	34,702,978
Change in net position					11,053,090	6,477,841	17,530,931
Net position - beginning					55,784,613	180,121,043	235,905,656
Net position - ending					\$ 66,837,703	\$ 186,598,884	\$ 253,436,587

See accompanying notes to financial statements.

**CITY OF MARIETTA, GEORGIA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2016**

	General	SPLOST Fund	Redevelopment Bond Fund	Debt Service	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>						
Cash and cash equivalents	\$ 10,626,092	\$ 11,278,257	\$ 7,419,632	\$ 2,872,294	\$ 3,232,224	\$ 35,428,499
Cash with fiscal agent	500	-	-	-	945,597	946,097
Investments	7,468,874	12,851,541	18,842,895	825,746	6,027,487	46,016,543
Receivables, net	802,527	42,785	265	84,400	352,300	1,282,277
Prepaid items	44,385	333,899	-	-	-	378,284
Due from other funds	6,169,313	-	-	-	-	6,169,313
Advances to other funds	18,634,867	-	-	-	-	18,634,867
Due from other governments	2,402,895	1,727,355	-	27,933	82,535	4,240,718
Inventories	28,545	-	-	-	-	28,545
Total assets	<u>\$ 46,177,998</u>	<u>\$ 26,233,837</u>	<u>\$ 26,262,792</u>	<u>\$ 3,810,373</u>	<u>\$ 10,640,143</u>	<u>\$ 113,125,143</u>
<b>Liabilities</b>						
Accounts payable	\$ 1,864,518	\$ 926,211	\$ 540,611	\$ -	\$ 200,217	\$ 3,531,557
Retainage payable	110,891	205,331	182,396	-	53,143	551,761
Accrued liabilities	469,551	-	-	-	3,177	472,728
Due to other funds	583,804	-	5,177,900	-	1,125,836	6,887,540
Due to other governments	826	-	-	-	-	826
Unearned revenue	188,500	-	-	-	-	188,500
Total liabilities	<u>3,218,090</u>	<u>1,131,542</u>	<u>5,900,907</u>	<u>-</u>	<u>1,382,373</u>	<u>11,632,912</u>
<b>Deferred inflows of resources</b>						
Unavailable revenue	2,313,707	-	-	74,424	11,092	2,399,223
<b>Fund Balances</b>						
Nonspendable	18,707,797	333,899	-	-	-	19,041,696
Restricted	1,853,575	24,768,396	20,361,885	3,735,949	9,254,235	59,974,040
Committed	756,194	-	-	-	-	756,194
Assigned	5,474,788	-	-	-	-	5,474,788
Unassigned	13,853,847	-	-	-	(7,557)	13,846,290
Total fund balances	<u>40,646,201</u>	<u>25,102,295</u>	<u>20,361,885</u>	<u>3,735,949</u>	<u>9,246,678</u>	<u>99,093,008</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 46,177,998</u>	<u>\$ 26,233,837</u>	<u>\$ 26,262,792</u>	<u>\$ 3,810,373</u>	<u>\$ 10,640,143</u>	

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.	165,096,859
Other long-term assets and deferred outflows are not available to pay for current-period expenditures and, therefore, are not reported or reported as unavailable in the funds:	
Revenues earned but unavailable	2,399,223
Receivable from other governments	7,565,000
Deferred loss on refunding	400,661
Deferred outflows of resources related to pension	7,222,600
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.	(1,242,689)
Long-term liabilities and deferred inflows are not due and payable in the current period and therefore are not reported in the funds:	
Net OPEB obligation	(30,607,727)
Net pension liability	(52,196,200)
Unmatured bonds and notes	(117,440,254)
Unamortized notes payable premium	(1,365,738)
Unamortized bond premium	(3,784,878)
Deferred gain on refunding	(826,410)
Accrued compensated absences	(4,014,770)
Accrued interest payable	(2,351,482)
Deferred inflows related to pension	(1,109,500)
Net position of governmental activities	<u>\$ 66,837,703</u>



**CITY OF MARIETTA, GEORGIA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	General	SPLOST Fund	Redevelopment Bond Fund	Debt Service	Other Governmental Funds	Total Governmental Funds
Revenues:						
Taxes	\$ 19,323,885	\$ -	\$ -	\$ 8,439,674	\$ 3,569,505	\$ 31,333,064
Licenses and permits	6,638,511	-	-	-	-	6,638,511
Intergovernmental	2,017,938	11,777,211	-	3,696,250	1,005,076	18,496,475
Charges for services	4,550,188	-	-	-	-	4,550,188
Fines and forfeits	3,933,335	-	-	-	-	3,933,335
Investment earnings	97,233	80,372	12,736	6,308	34,546	231,195
Other	575,682	-	-	-	276,700	852,382
Total revenues	37,136,772	11,857,583	12,736	12,142,232	4,885,827	66,035,150
Expenditures:						
Current:						
General government	7,428,774	-	-	-	-	7,428,774
Public works	8,099,295	207,580	-	-	181,810	8,488,685
Culture and recreation	7,777,084	-	-	-	282,995	8,060,079
Public safety	30,469,200	-	-	-	-	30,469,200
Urban redevelopment and housing	-	-	-	-	566,221	566,221
Debt service:						
Principal retirement	1,745,453	-	-	8,100,000	665,353	10,510,806
Interest & fiscal charges	1,093,805	-	-	3,957,898	185,804	5,237,507
Refunding bond issuance cost	-	-	-	3,000	-	3,000
Capital projects	-	9,963,607	24,024,052	-	1,975,086	35,962,745
Total expenditures	56,613,611	10,171,187	24,024,052	12,060,898	3,857,269	106,727,017
Excess (deficiency) of revenues over expenditures	(19,476,839)	1,686,396	(24,011,316)	81,334	1,028,558	(40,691,867)
Other financing sources (uses):						
Sale of capital assets	149,950	-	-	-	-	149,950
Transfers in	17,899,018	-	2,000,000	-	-	19,899,018
Transfers out	(3,427,145)	-	-	(25,236)	(5,326,181)	(8,778,562)
Total other financing sources (uses)	14,621,823	-	2,000,000	(25,236)	(5,326,181)	11,270,406
Net change in fund balance	(4,855,016)	1,686,396	(22,011,316)	56,098	(4,297,623)	(29,421,461)
Fund balances at beginning of year, before restatement	46,850,578	23,415,899	42,373,201	3,679,851	13,544,301	129,863,830
Restatement	(1,349,361)	-	-	-	-	(1,349,361)
Fund balances at beginning of year, after restatement	45,501,217	23,415,899	42,373,201	3,679,851	13,544,301	128,514,469
Fund balances at end of year	\$ 40,646,201	\$ 25,102,295	\$ 20,361,885	\$ 3,735,949	\$ 9,246,678	\$ 99,093,008

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, 2016**

Net change in fund balances - total governmental funds \$ (29,421,461)

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	(5,606,326)	
Capital outlays	<u>39,123,039</u>	33,516,713

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 Position:

Receipts of long-term receivables	(3,160,000)
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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.

Matured principal on bonds and notes payable	10,510,806
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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.	804,823
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Internal service funds are used by management to charge the costs of fleet management and self-insurance to individual funds.	(132,424)
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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	587,460	
Net pension liability	(7,069,300)	
Deferred outflows related to pension	4,730,600	
Deferred inflows related to pension	1,155,700	
Actuarial costs in excess of OPEB contributions	(405,200)	
Accrued interest expense	155,865	
Accrued compensated absences	<u>(220,492)</u>	<u>(1,065,367)</u>

Change in net position of governmental activities	<u>\$ 11,053,090</u>
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**CITY OF MARIETTA, GEORGIA**  
**PROPRIETARY FUNDS**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2016**

	Major				Governmental
	Board of	Marietta	City Golf	Totals	Activities -
	Lights and	Conference	Course		Internal
	Waterworks	Center & Resort			Service Funds
Assets:					
Current assets:					
Cash and cash equivalents	\$ 23,387,287	\$ -	\$ 8,280	\$ 23,395,567	\$ 2,589,142
Investments	39,622,766	59	-	39,622,825	15,544
Receivables, net	17,818,057	-	363	17,818,420	133,329
Due from other funds	3,120,200	186,366	-	3,306,566	-
Inventories, at cost	3,629,014	-	-	3,629,014	22,007
Total current assets	87,577,324	186,425	8,643	87,772,392	2,760,022
Noncurrent assets:					
Restricted assets:					
Investments	12,028,996	-	-	12,028,996	-
Total noncurrent assets	12,028,996	-	-	12,028,996	-
Property, plant and equipment:					
Land and land improvements	1,382,976	769,284	6,600,000	8,752,260	-
Buildings and improvements	16,844,334	23,326,210	2,075,664	42,246,208	502,346
Electrical plant in service	123,665,188	-	-	123,665,188	-
Water and sewer system	94,871,551	-	-	94,871,551	-
Machinery and equipment	65,388,534	12,354,692	3,927,823	81,671,049	1,459,924
	302,152,583	36,450,186	12,603,487	351,206,256	1,962,270
Less: accumulated depreciation	(162,120,570)	(23,756,974)	(4,853,444)	(190,730,988)	(1,390,205)
Net property, plant and equipment	140,032,013	12,693,212	7,750,043	160,475,268	572,065
Other assets:					
Investment in Project	2,225,105	-	-	2,225,105	-
Total other assets	2,225,105	-	-	2,225,105	-
Total noncurrent assets	154,286,114	12,693,212	7,750,043	174,729,369	572,065
Total assets	241,863,438	12,879,637	7,758,686	262,501,761	3,332,087
Deferred outflows of resources:					
Deferred outflows related to pension	2,992,220	-	-	2,992,220	103,180

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

**CITY OF MARIETTA, GEORGIA**  
**PROPRIETARY FUNDS**  
**STATEMENT OF NET POSITION (CONT'D)**  
**JUNE 30, 2016**

	Major				Governmental
	Board of Lights and Waterworks	Marietta Conference Center & Resort	City Golf Course	Totals	Activities - Internal Service Funds
Liabilities:					
Current liabilities:					
Accounts payable	12,726,152	-	51,023	12,777,175	713,175
Accrued salaries	235,412	-	-	235,412	12,424
Accrued sales tax	681,395	-	-	681,395	-
Accrued compensated absences	368,363	-	-	368,363	17,671
Due to other funds	-	500	1,695,730	1,696,230	892,109
Capital lease obligations	-	-	61,109	61,109	-
Claims and judgements payable	-	-	-	-	3,246,681
Total current liabilities:	14,011,322	500	1,807,862	15,819,684	4,882,060
Long-term liabilities (net of current portion):					
Accrued compensated absences	576,095	-	-	576,095	16,709
Unearned revenue	2,581,215	-	-	2,581,215	-
Net pension liability	21,624,140	-	-	21,624,140	745,660
Net OPEB obligation	8,632,948	-	-	8,632,948	-
Customer deposits	9,447,781	-	-	9,447,781	-
Advances from other funds	-	18,634,867	-	18,634,867	-
Capital lease obligations	-	-	136,394	136,394	-
Total long-term liabilities	42,862,179	18,634,867	136,394	61,633,440	762,369
Total liabilities	56,873,501	18,635,367	1,944,256	77,453,124	5,644,429
Deferred inflows of resources:					
Deferred inflows related to pension	459,650	-	-	459,650	15,850
Net Position:					
Net investment in capital assets	140,032,013	12,693,212	7,552,540	160,277,765	572,065
Unrestricted	47,490,494	(18,448,942)	(1,738,110)	27,303,442	(2,797,077)
Total net position	\$ 187,522,507	\$ (5,755,730)	\$ 5,814,430	187,581,207	\$ (2,225,012)
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				(982,323)	
Net position of business-type activities				\$ 186,598,884	

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, 2016**

	Major				Governmental
	Board of Lights and Waterworks	Marietta Conference Center & Resort	City Golf Course	Totals	Activities - Internal Service Funds
Operating revenues:					
Charges for services	\$ 150,982,899	\$ -	\$ 1,454,489	\$ 152,437,388	\$ 3,099,938
Lease income	-	1,936,747	-	1,936,747	-
Other	1,124,140	-	-	1,124,140	148,141
Contributions	-	-	-	-	10,983,450
Total operating revenues	152,107,039	1,936,747	1,454,489	155,498,275	14,231,529
Operating expenses:					
Personal services	15,910,642	-	-	15,910,642	808,447
Operating	110,197,874	-	1,169,282	111,367,156	3,281,946
Depreciation and amortization	7,351,592	694,926	212,125	8,258,643	119,791
Benefits and claims	-	-	-	-	13,107,208
Total operating expenses	133,460,108	694,926	1,381,407	135,536,441	17,317,392
Operating income (loss)	18,646,931	1,241,821	73,082	19,961,834	(3,085,863)
Nonoperating revenues (expenses):					
Investment earnings	381,875	-	-	381,875	13,554
Interest and fiscal charges	-	(50,239)	(10,291)	(60,530)	-
Other	104,130	-	10	104,140	157
Total nonoperating revenues (expenses)	486,005	(50,239)	(10,281)	425,485	13,711
Contributed capital from developers	150,705	-	-	150,705	-
Income (loss) before transfers	19,283,641	1,191,582	62,801	20,538,024	(3,072,152)
Transfers					
Transfers in	152,237	865,272	399,786	1,417,295	3,016,818
Transfers out	(14,574,129)	(865,272)	(21,462)	(15,460,863)	(93,706)
Total transfers	(14,421,892)	-	378,324	(14,043,568)	2,923,112
Change in net position	4,861,749	1,191,582	441,125	6,494,456	(149,040)
Net position at beginning of year	182,660,758	(6,947,312)	5,373,305		(2,075,972)
Net position at end of year	\$ 187,522,507	\$ (5,755,730)	\$ 5,814,430		\$ (2,225,012)
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				(16,615)	
Change in net position of business-type activities				\$ 6,477,841	

See accompanying notes to financial statements.

**CITY OF MARIETTA, GEORGIA  
PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDING JUNE 30, 2016**

	Major				Governmental Activities- Internal Service Funds
	Board of Lights and Waterworks	Marietta Conference Center & Resort	City Golf Course	Totals	
Cash flows from operating activities:					
Cash received from customers	\$ 151,309,783	\$ -	\$ 1,455,276	\$ 152,765,059	\$ 14,189,431
Cash received from other operating activities	1,124,140	-	-	1,124,140	148,341
Cash payments goods and services	(100,080,839)	-	(912,948)	(100,993,787)	(3,334,821)
Cash payments for employee services and fringe benefits	- (15,459,540)	-	-	(15,459,540)	(13,977,756)
Cash received from lease	-	1,936,747	-	1,936,747	-
Cash received from (payments to) other funds	-	-	-	-	(6,688,570)
Net cash from (to) operating activities	36,893,544	1,936,747	542,328	39,372,619	(9,663,375)
Cash flows from noncapital financing activities:					
Transfers in	152,237	865,272	399,786	1,417,295	3,016,818
Transfers out	(14,574,129)	(865,272)	(21,462)	(15,460,863)	(93,706)
Net cash from (to) noncapital financing	(14,421,892)	-	378,324	(14,043,568)	2,923,112
Cash flows from capital and related financing activities:					
Payments for capital acquisitions	(9,223,868)	-	(89,377)	(9,313,245)	-
Advances from (to) other funds	-	(1,886,508)	-	(1,886,508)	-
Other nonoperating receipts	104,130	-	10	104,140	157
Payments on capital leases	-	-	(810,704)	(810,704)	-
Interest and fiscal charges	-	(50,239)	(20,582)	(70,821)	-
Net cash from (to) capital and related financing activities	(9,119,738)	(1,936,747)	(920,653)	(11,977,138)	157
Cash flows from investing activities:					
Investment income received (paid)	359,731	-	-	359,731	20,322
Investment (purchases) sales	(11,192,395)	-	-	(11,192,395)	6,737,672
Net cash from (to) investing activities	(10,832,664)	-	-	(10,832,664)	6,757,994
Net increase (decrease) in cash and cash equivalents	2,519,250	-	(1)	2,519,249	17,888
Cash and cash equivalents at beginning of year	20,868,037	-	8,281	20,876,318	2,571,254
Cash and cash equivalents at end of year	<u>\$ 23,387,287</u>	<u>\$ -</u>	<u>\$ 8,280</u>	<u>\$ 23,395,567</u>	<u>\$ 2,589,142</u>

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

**CITY OF MARIETTA, GEORGIA  
PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDING JUNE 30, 2016**

	Major				Governmental Activities- Internal Service Funds
	Board of Lights and Waterworks	Marietta Conference Center & Resort	City Golf Course	Totals	
Reconciliation of operating income (loss) to net cash from operating activities:					
Operating income (loss)	\$ 18,646,931	\$ 1,241,821	\$ 73,082	\$ 19,961,834	\$ (3,085,863)
Adjustments to reconcile operating income to net cash from operating activities:					
Depreciation and amortization	7,351,592	694,926	212,125	8,258,643	119,791
Change in assets and liabilities:					
(Increase) decrease in accounts receivable	-	-	787	787	-
(Increase) decrease in contributions receivable	-	-	-	-	102,605
(Increase) decrease in utility accounts receivable	274,098	-	-	274,098	-
(Increase) decrease in due from other funds	9,322,373	-	-	9,322,373	-
(Increase) decrease in due from other governments	-	-	-	-	3,438
(Increase) decrease in inventories	(47,957)	-	-	(47,957)	54,996
(Increase) decrease in prepaids	35	-	-	35	200
(Increase) decrease in deferred outflows related to pension	(1,959,820)	-	-	(1,959,820)	(67,580)
Increase (decrease) in accounts payable	476,906	-	(14,356)	462,550	(86,903)
Increase (decrease) in accrued salaries	(172,445)	-	-	(172,445)	(8,983)
Increase (decrease) in accrued sales tax	365,678	-	-	365,678	-
Increase (decrease) in accrued compensated absences	19,160	-	-	19,160	(6,004)
Increase (decrease) in net OPEB obligation	114,287	-	-	114,287	-
Increase (decrease) in net pension liability	2,928,710	-	-	2,928,710	100,990
Increase (decrease) in due to other funds	-	-	270,690	270,690	(6,709,538)
Increase (decrease) in unearned revenue	26,157	-	-	26,157	-
Increase (decrease) in customer deposits	26,629	-	-	26,629	-
Increase (decrease) in claims and judgments payable	-	-	-	-	(64,014)
Increase (decrease) in deferred inflows related to pension	(478,790)	-	-	(478,790)	(16,510)
Net cash from (to) operating activities	<u>\$ 36,893,544</u>	<u>\$ 1,936,747</u>	<u>\$ 542,328</u>	<u>\$ 39,372,619</u>	<u>\$ (9,663,375)</u>
Schedule of non-cash capital and related financing activities:					
Contributions of capital assets	<u>\$ 150,705</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 150,705</u>	<u>\$ -</u>

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

**CITY OF MARIETTA, GEORGIA**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**JUNE 30, 2016**

	OPEB Trust Fund	Pension Trust Fund	City Schools Agency Fund
<u>Assets</u>			
Cash and cash equivalents	\$ 91,897	\$ 5,125,780	\$ 459,276
Receivables:			
Accrued interest	-	238,013	-
Tax receivable	-	-	661,321
Due from other government	-	-	200,767
Other	-	22,492	-
Total receivables	-	260,505	862,088
Investments, at fair value:			
United States government securities	-	9,222,497	-
Municipal bonds	-	86,522	-
Corporate notes and debentures	1,105,690	23,592,693	-
Common stock	-	50,953,771	-
Preferred stock	-	2,309,563	-
Total investments	1,105,690	86,165,046	-
Total assets	1,197,587	91,551,331	1,321,364
<u>Liabilities</u>			
Accrued expenses	420	133,115	-
Due to others	91,897	80,337	1,321,364
Total liabilities	92,317	213,452	1,321,364
Net position:			
Restricted for:			
OPEB benefits (See required supplementary information)	1,105,270	-	-
Pension benefits (See required supplementary information)	-	91,337,879	-
Total Net Position	\$ 1,105,270	\$ 91,337,879	\$ -

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, 2016**

	OPEB Trust Fund	Pension Trust Fund
Additions:		
Employer contributions	\$ -	\$ 5,583,000
Employee contributions	-	1,317,814
Contributions from others	108,447	-
	<u>108,447</u>	<u>6,900,814</u>
Investment income (expense):		
Net appreciation (depreciation) of fair value of investments	(100,671)	(3,861,791)
Interest and dividends	43,437	1,999,450
	<u>(57,234)</u>	<u>(1,862,341)</u>
Less investment expenses	<u>-</u>	<u>(532,718)</u>
Net investment income (expenses)	<u>(57,234)</u>	<u>(2,395,059)</u>
Total additions	<u>51,213</u>	<u>4,505,755</u>
Deductions:		
Pension benefits paid	-	10,320,689
Administrative costs	22,066	162,128
Total deductions	<u>22,066</u>	<u>10,482,817</u>
Change in net position	<u>29,147</u>	<u>(5,977,062)</u>
Net position - beginning of year	<u>1,076,123</u>	<u>97,314,941</u>
Net position - end of year	<u>\$ 1,105,270</u>	<u>\$ 91,337,879</u>

See accompanying notes to financial statements.

**CITY OF MARIETTA, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

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*.

**CITY OF MARIETTA, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

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.

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 4 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.

**CITY OF MARIETTA, GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

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 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.

**CITY OF MARIETTA, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

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 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, and Debt Service Funds. Project length budgets are adopted for the Capital Projects Funds.

Budgets for the General Fund, Special Revenue Funds, and Debt Service 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. 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:

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 2016, approximately \$10.1 million in appropriations for expenditures were made in the governmental type funds.

**CITY OF MARIETTA, GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

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.

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. 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.

**CITY OF MARIETTA, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

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 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, 2016 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.

**CITY OF MARIETTA, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

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 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	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.



**CITY OF MARIETTA, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

**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 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 and the proprietary funds 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 four 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 proprietary funds statement of net position, the unavailable intergovernmental revenue, and the unavailable tax 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

**CITY OF MARIETTA, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

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 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, 2016, the City had deposits of \$91,897 that were subject to custodial credit risk.

**CITY OF MARIETTA, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

As of June 30, 2016, 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						
Municipal Competitive Trust	not rated	\$ 26,066,541	\$ 2,978,953	\$ 760,598	\$ -	\$ 29,806,092
Georgia Fund I	AAAm	7,512,380	-	-	-	7,512,380
US Agencies	AAA	28,973,553	5,866,407	-	-	34,839,960
	NR	-	250,645	-	-	250,645
Treasury Money Market	not rated	18,842,895	-	-	-	18,842,895
Total Primary Government (non-fiduciary)		\$ 81,395,369	\$ 9,096,005	\$ 760,598	\$ -	\$ 91,251,972
FIDUCIARY FUNDS						
Common Stocks	n/a	n/a	n/a	n/a	n/a	\$ 50,953,771
Money Market						
Mutual Fund	AAA	3,127,665	-	-	-	3,127,665
Corporate Bonds	A+	-	407,568	344,249	58,520	810,337
	A	-	1,321,648	489,441	1,313,964	3,125,053
	AA+	-	400,984	435,520	139,520	976,024
	AAA	-	1,487,537	245,883	226,576	1,959,996
	A-	705,613	518,991	1,166,102	784,624	3,175,330
	AA-	-	-	649,448	-	649,448
	BBB+	135,847	1,491,024	2,031,200	275,763	3,933,834
	BBB	578,542	1,403,243	1,013,922	1,695,213	4,690,920
	BBB-	-	1,048,329	581,938	400,354	2,030,621
	BB+	-	205,773	-	304,364	510,137
	BB-	-	302,558	-	-	302,558
	N/R	-	914,537	1,105,690	513,898	2,534,125
Preferred Stock	BBB	-	2,309,563	-	-	2,309,563
Government Bonds	AA+	-	135,535	-	-	135,535
	N/R	-	927,450	440,136	7,719,376	9,086,962
Municipal Bonds	A	-	86,522	-	-	86,522
Total Fiduciary Fund		\$ 4,547,667	\$ 12,961,262	\$ 8,503,529	\$ 13,432,172	\$ 90,398,401

Investments of the primary government exclude \$6,431,936 of certificates of deposits.

Investments of the fiduciary fund include \$3,127,665 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.

*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.

**CITY OF MARIETTA, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

In fiscal year 2016, the City adopted GASB Statement No. 72 (GASB 72), *Fair Value Measurement and Application*. GASB 72 was issued to address accounting and financial reporting issues related to fair value measurements.

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. Fair value is the exchange price that would be received for an asset (exit price) in the principal or most advantageous market for an asset in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair values:

Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets that the City has the ability to access.

Level 2 inputs are inputs other than quoted prices included in Level 1 that are observable for the asset in active markets, as well as inputs that are observable for the asset (other than quoted prices), such as interest rates, foreign exchange rates and yield curves that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs for the asset which are typically based on the City's own assumptions, as there is little, if any, related market activity.

The City's recurring fair value measurements as of June 30, 2016 are as follows:

		Fair Value Measurement Using			
	6/30/2016	Level 1	Level 2	Level 3	
<b>PRIMARY GOVERNMENT</b>					
Municipal Competitive Trust	\$ 29,806,092	\$ 2,093,673	\$ 27,712,419	\$ -	
Georgia Fund 1	7,512,380	7,512,380	-	-	
US Agencies	35,090,605	-	35,090,605	-	
Treasury Money Market	18,842,895	18,842,895	-	-	
Total Primary Government (non-fiduciary)	\$ 91,251,972	\$ 28,448,948	\$ 62,803,024	\$ -	
<b>FIDUCIARY FUNDS</b>					
Common Stocks	\$ 50,953,771	\$ 50,953,771	\$ -	\$ -	
Money Market Mutual Fund	3,127,665	3,127,665	-	-	
Corporate Bonds	24,698,383	-	24,698,383	-	
Preferred Stock	2,309,563	2,309,563	-	-	
Government Bonds	9,222,497	-	9,222,497	-	
Municipal Bonds	86,522	-	86,522	-	
Total Fiduciary Fund	\$ 90,398,401	\$ 56,390,999	\$ 34,007,402	\$ -	

**CITY OF MARIETTA, GEORGIA**  
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**(3) RECEIVABLES**

Receivables at June 30, 2016 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	\$ 108,450	\$ 9,894	\$ 142,730	\$ 565,559	\$ (24,106)	\$ 802,527
SPLOST Fund	-	42,785	-	-	-	42,785
Redevelopment Bond Fund	-	-	-	265	-	265
Debt Service Fund	83,312	1,088	-	-	-	84,400
Board of Lights and Waterworks Fund	-	46,279	18,091,056	-	(319,278)	17,818,057
Nonmajor and Other Funds	335,887	-	-	156,216	(6,111)	485,992
Total	<u>\$ 527,649</u>	<u>\$ 100,046</u>	<u>\$ 18,233,786</u>	<u>\$ 722,040</u>	<u>\$ (349,495)</u>	<u>\$ 19,234,026</u>

**(4) INTERFUND RECEIVABLES, ADVANCES AND TRANSFERS**

Interfund receivable and payable balances for the fiscal year ended June 30, 2016 are summarized as follows:

PAYABLE FUND	RECEIVABLE FUND			Total
	General Fund	Board of Lights and Waterworks	Marietta Conference Center & Resort	
General Fund	\$ -	\$ 455,836	\$ 127,968	\$ 583,804
Redevelopment Bond Fund	5,177,900	-	-	5,177,900
Marietta Conference Center & Resort	-	500	-	500
Golf Course	-	1,695,730	-	1,695,730
Nonmajor Governmental	991,413	76,025	58,398	1,125,836
Internal Service	-	892,109	-	892,109
Total	<u>\$ 6,169,313</u>	<u>\$ 3,120,200</u>	<u>\$ 186,366</u>	<u>\$ 9,475,879</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.

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

	Advances to
	Marietta Conference Center & Resort
Advances from General Fund	\$ 18,634,867

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	Transfers Out Fund							Total
	General Fund	Debt Service	Nonmajor Governmental	Board of Lights and Waterworks	Marietta Conference Center & Resort	Golf Course	Internal Services	
General Fund	\$ -	24,724	\$ 3,326,171	\$ 13,569,491	\$ 865,272	\$ 21,027	\$ 92,333	\$ 17,899,018
Redevelopment Bond Fund	-	-	2,000,000	-	-	-	-	2,000,000
Board of Lights and Waterworks	149,907	512	10	-	-	435	1,373	152,237
Marietta Conference Center & Resort	865,272	-	-	-	-	-	-	865,272
Golf Course	399,786	-	-	-	-	-	-	399,786
Internal Services	2,012,180	-	-	1,004,638	-	-	-	3,016,818
Total	<u>\$ 3,427,145</u>	<u>\$ 25,236</u>	<u>\$ 5,326,181</u>	<u>\$ 14,574,129</u>	<u>\$ 865,272</u>	<u>\$ 21,462</u>	<u>\$ 93,706</u>	<u>\$ 24,333,131</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 Board of Lights and Waterworks 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 Board of Lights and Waterworks fund for the indirect cost allocations to pay for services provided by either the general fund or Board of Lights and Waterworks fund.

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**(5) CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2016 was as follows:

	Beginning Balance	Increases	Decreases	Reclassification	Ending Balance
<b>Governmental activities:</b>					
Capital assets, not being depreciated:					
Land	\$ 43,322,330	\$ 18,240,852	\$ -	\$ -	\$ 61,563,182
Construction in progress	3,709,162	5,862,162	-	(43,806)	9,571,324
Total capital assets, not being depreciated:	<u>47,031,492</u>	<u>24,103,014</u>	<u>-</u>	<u>(43,806)</u>	<u>71,134,506</u>
Capital assets, being depreciated:					
Buildings	39,311,753	2,022,242	-	536,514	41,870,509
Improvements other than buildings	11,600,990	171,360	-	-	11,772,350
Machinery and equipment	39,109,295	3,054,013	(752,704)	-	41,410,604
Infrastructure	220,094,096	9,235,898	-	(492,708)	229,329,994
Total capital assets being depreciated	<u>310,116,134</u>	<u>14,483,513</u>	<u>(752,704)</u>	<u>43,806</u>	<u>324,383,457</u>
Less accumulated depreciation for:					
Buildings	(19,863,640)	(957,642)	-	-	(20,821,282)
Improvements other than buildings	(5,176,531)	(615,596)	-	-	(5,792,127)
Machinery and equipment	(35,372,564)	(1,315,851)	752,704	-	(35,935,711)
Infrastructure	(164,462,890)	(2,837,029)	-	-	(167,299,919)
Total accumulated depreciation	<u>(224,875,625)</u>	<u>(5,726,118)</u>	<u>752,704</u>	<u>-</u>	<u>(229,849,039)</u>
Total capital assets, being depreciated, net	<u>85,240,509</u>	<u>8,757,395</u>	<u>-</u>	<u>43,806</u>	<u>94,534,418</u>
Governmental activities capital assets, net	<u>\$ 132,272,001</u>	<u>\$ 32,860,409</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 165,668,924</u>
	Beginning Balance	Increases	Decreases	Reclassification	Ending Balance
<b>Business-type activities:</b>					
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>-</u>	<u>8,752,260</u>
Capital assets, being depreciated:					
Buildings and improvements	42,225,316	20,892	-	-	42,246,208
Plant in service and water/sewer system	211,127,190	7,409,549	-	-	218,536,739
Machinery and equipment	79,641,099	2,029,950	-	-	81,671,049
Total capital assets being depreciated	<u>332,993,605</u>	<u>9,460,391</u>	<u>-</u>	<u>-</u>	<u>342,453,996</u>
Less accumulated depreciation for:					
Buildings and improvements	(31,743,113)	(1,060,462)	-	-	(32,800,016)
Plant in service and water/sewer system	(96,261,912)	(3,464,112)	-	-	(99,726,024)
Machinery and equipment	(54,545,478)	(3,659,470)	-	-	(58,204,948)
Total accumulated depreciation	<u>(182,550,503)</u>	<u>(8,184,044)</u>	<u>-</u>	<u>-</u>	<u>(190,730,988)</u>
Total capital assets, being depreciated, net	<u>150,443,102</u>	<u>1,276,347</u>	<u>-</u>	<u>-</u>	<u>151,723,008</u>
Business-type activities capital assets, net	<u>\$ 159,195,362</u>	<u>\$ 1,276,347</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 160,475,268</u>

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

Governmental activities:	
General government	\$ 307,928
Public safety	1,980,440
Public Works, including depreciation of general infrastructure assets	2,774,718
Culture and recreation	543,241
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>119,791</u>
Total depreciation expense – governmental activities	<u><u>\$ 5,726,118</u></u>
Business-type activities:	
Water & Sewer	\$ 2,765,612
Electric	4,511,381
Conference Center	694,926
Golf	<u>212,125</u>
Total depreciation expense – business-type activities	<u><u>\$ 8,184,044</u></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, 2016:

\$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 (\$7,565,000 outstanding at June 30, 2016). 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. The bonds were issued to current refund the 2007 General Obligation Refunding bond issue. The bond matured during the current fiscal year and was paid off.

\$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 (\$4,470,000 outstanding at June 30, 2016). The bonds were



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issued to acquire, construct, and install park and recreational facilities.

\$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, 2016). 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 (\$55,735,000 outstanding at June 30, 2016). 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 (\$15,670,000 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:

Year Ending June 30,	Principal	Interest	Total
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	4,320,000	2,204,440	6,524,440
2022-2026	23,660,000	9,418,725	33,078,725
2027-2031	24,955,000	5,955,945	30,910,945
2032-2034	13,685,000	1,358,215	15,043,215
Total	<u>\$ 90,440,000</u>	<u>\$ 30,065,635</u>	<u>\$ 120,505,635</u>

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\$3,735,949 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, 2016.

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 \$851,157 and \$623,680 respectively.

Annual debt service requirements to maturity are as follows:

Year Ending June 30,	Principal	Interest	Total
2017	\$ 693,232	\$ 157,923	\$ 851,155
2018	722,278	128,877	851,155
2019	752,541	98,613	851,154
2020	784,073	67,082	851,155
2021	816,926	34,230	851,156
Total	<u>\$ 3,769,050</u>	<u>\$ 486,725</u>	<u>\$ 4,255,775</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%.

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

Year Ending June 30,	Principal	Interest	Total
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	2,040,000	711,250	2,751,250
2022-2026	11,685,000	1,883,625	13,568,625
2027	1,900,000	38,000	1,938,000
Total	<u>\$ 23,080,000</u>	<u>\$ 6,244,150</u>	<u>\$ 29,324,150</u>

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
2017	\$ 74,057	\$ 5,879	\$ 79,936
2018	77,147	2,086	79,233
Total	<u>\$ 151,204</u>	<u>\$ 7,965</u>	<u>\$ 159,169</u>

*Business-Type Activities:*

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, 2016 were \$90,227 and \$172,935 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, 2016:

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June 30	City Club Golf Course & Carts
2017	\$ 67,828
2018	139,296
Total minimum lease payments	207,124
Less amounts representing interest	(9,621)
Present value of future minimum lease payments	\$ 197,503

The following is a summary of changes in long-term liabilities for the year ended June 30, 2016:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities:</b>					
General obligation bonds	\$ 98,540,000	\$ -	\$ (8,100,000)	\$ 90,440,000	\$ 7,270,000
Tax Allocation District Bonds	4,434,403	-	(665,353)	3,769,050	693,232
Unamortized bond premium	4,328,046	-	(543,168)	3,784,878	-
Note payable					
Note payable	24,976,657	-	(1,745,453)	23,231,204	1,834,057
Unamortized premium	1,509,825	-	(144,087)	1,365,738	-
Compensated absences	3,834,662	1,865,162	(1,650,674)	4,049,150	1,712,547
Net pension liability	45,771,570	12,261,390	(5,091,100)	52,941,860	-
OPEB obligation	30,202,527	2,001,708	(1,596,508)	30,607,727	-
Governmental activity Long-term liabilities	<u>\$ 213,597,690</u>	<u>\$ 16,128,260</u>	<u>\$ (19,536,343)</u>	<u>\$ 210,189,607</u>	<u>\$ 11,509,836</u>
<b>Business-type activities:</b>					
Note payable					
Note payable	\$ 755,000	\$ -	\$ (755,000)	\$ -	\$ -
Capital leases	253,207	-	(55,704)	197,503	61,109
Compensated absences	925,298	366,367	(347,207)	944,458	368,363
Net pension liability	18,695,430	5,110,610	(2,181,900)	21,624,140	-
OPEB obligation	8,518,661	564,584	(450,297)	8,632,948	-
Customer Deposits	9,421,152	26,629	-	9,447,781	-
Business-type activity Long-term liabilities	<u>\$ 38,568,748</u>	<u>\$ 6,068,190</u>	<u>\$ (3,790,108)</u>	<u>\$ 40,846,830</u>	<u>\$ 429,472</u>

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

**(7) COMMITMENTS AND CONTINGENCIES**

*A. Litigation*

The City of Marietta is a defendant in various lawsuits at June 30, 2016. The outcome of these lawsuits is not presently determinable. In the opinion of the City's attorney, the resolution of these matters may be in the range of \$100,000 to \$250,000.

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*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 2017. 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 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 \$88,606,128 from the Authority during the year ended June 30, 2016.

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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, 2016 are as follows:

General Fund	\$	2,297,971
SPLOST Fund		8,981,187
City Parks Bond Fund		138,852
Redevelopment Bond Fund		701,097
NonMajor Funds		21,966
	\$	<u>12,141,073</u>

The City also has active construction projects at June 30, 2016.

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, 2015 were due on October 24, 2015.

Liens were attached to property for unpaid taxes on March 10, 2016.

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, 2015 was \$2,809,170,178.

Based on the 2015 City General, Debt Service, and Cemetery Maintenance millage levy of

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6.05, a property owner would pay \$6.05 per \$1,000 of assessed valuation.

Current tax collections of \$14,542,338 for the fiscal year ended June 30, 2016 were 99.24 percent of the tax levy.

**(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	Total
Nonspendable:						
Inventory	\$ 28,545	\$ -	\$ -	\$ -	\$ -	\$ 28,545
Advances	18,634,867	-	-	-	-	18,634,867
Prepays	44,385	333,899				378,284
Restricted for:						
Capital projects	-	24,768,396	20,361,885	-	7,935,877	53,066,158
Culture & recreation	671,736	-	-	-	90,159	761,895
Debt service	-	-	-	3,735,949	-	3,735,949
Urban redevelopment & housing	199,650	-	-	-	1,222,991	1,422,641
Public safety	31,522	-	-	-	5,208	36,730
Police - asset forfeitures	950,667					
Committed for:						
Culture & recreation	39,771	-	-	-	-	39,771
Public works	716,423	-	-	-	-	716,423
Assigned for:						
General government	1,198,108	-	-	-	-	1,198,108
Debt service	2,075,339					
Public works - construction	1,598,206	-	-	-	-	1,598,206
Culture & recreation	193,711	-	-	-	-	193,711
Urban redevelopment and housing	130,354	-	-	-	-	130,354
Public safety	279,070	-	-	-	-	279,070
Unassigned	13,853,847	-	-	-	(7,557)	13,846,290
	<u>\$ 40,646,201</u>	<u>\$ 25,102,295</u>	<u>\$ 20,361,885</u>	<u>\$ 3,735,949</u>	<u>\$ 9,246,678</u>	<u>\$ 96,067,002</u>

In the nonmajor government funds, HUD CDBG Fund has a deficit fund balance of \$7,557 at June 30, 2016.

**(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

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and are 100% contributed by the City. Total employer contributions to the supplemental pension plan for the fiscal year ended June 30, 2016 were \$2,038,189.

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, 2016, the City recognized administrative expense of \$694,849. The balance in the forfeiture account as of June 30, 2016 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 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.



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Effective Prior to March 1, 1987   Effective March 1, 1987

Normal Form of Pension

<p>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</p>	<p>Single life annuity benefit</p>
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*Employees covered by benefit terms.* At June 30, 2016, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	541
Inactive members entitled to but not yet receiving benefits	294
Active employees	<u>738</u>
Total	<u><u>1,573</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 16.9% 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, 2016 were \$5,583,000 and \$1,317,814 respectively.

Net Pension Liability

The City's net pension liability was measured as of June 30, 2016, 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, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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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 June 30, 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%	0.3%
Domestic equity	58.8%	6.5%
Fixed income	29.0%	2.0%
Alternative	12.2%	5.0%
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.

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**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Changes in the Net Pension Liability (\$ in thousands)

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at 6/30/2015	\$ 161,782	\$ 97,315	\$ 64,467
Changes for the year:			
Service cost	2,696	-	2,696
Interest	11,747	-	11,747
Differences between expected and actual experience	-	-	-
Contributions - employer	-	5,583	(5,583)
Contributions - employee	-	1,318	(1,318)
Net investment income	-	(2,395)	2,395
Benefit payments, including refunds of employee contributions	(10,321)	(10,321)	-
Administrative expense	-	(162)	162
Net changes	4,122	(5,977)	10,099
Balances at 6/30/2016	<u>\$ 165,904</u>	<u>\$ 91,338</u>	<u>\$ 74,566</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	\$ 91,353	\$ 74,566	\$ 60,182

*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.

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**NOTES TO FINANCIAL STATEMENTS**  
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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 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, 2016, the City recognized pension expense of \$7,273,000. At June 30, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (\$ in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 1,585
Net difference between projected and actual earnings on pension plan investments	10,318	-
Total	<u>\$ 10,318</u>	<u>\$ 1,585</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:	
2017	\$ 1,217
2018	2,802
2019	2,802
2020	1,912
	<u>\$ 8,733</u>

**CITY OF MARIETTA, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
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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 \$128,797 to the Peace Officers' Annuity and Benefit Fund for the year ended June 30, 2016. 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.

**(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, 2015 there were 411 retirees and spouses receiving benefits, and 688 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 2016, the City contributed \$2,046,805 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:

**CITY OF MARIETTA, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

<u>Years of Service</u>	<u>Date of Hire</u>		
	<u>08/14/91 thru 11/14/96</u>	<u>11/15/96 thru 10/31/06</u>	<u>After 11/01/06</u>
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:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Annual Actual Contributions</u>	<u>Percentage Contributed</u>	<u>Net OPEB Obligation</u>
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
6/30/2016	2,566,292	2,046,805	80%	39,240,675

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 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	\$ 3,432,006
Interest on net OPEB obligation	1,817,637
Adjustment to annual required contribution	(2,683,351)
Annual OPEB cost (expense)	2,566,292
Contributions made	(2,046,805)
Increase in net OPEB obligation	519,487
Net OPEB obligation-beginning of year	38,721,188
Net OPEB obligation-end of year	<u>\$ 39,240,675</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.

**CITY OF MARIETTA, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

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:

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
7/1/2015	\$ 1,075,057	\$ 67,341,121	1.60%	\$ 66,266,064	\$ 32,996,000	200.8%

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	7/1/2015
Actuarial cost method	Projected unit credit
Amortization method	Level dollar, closed
Remaining amortization period	22 years
Asset valuation method	Market value
Actuarial assumptions:	
Discount rate	5%
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.

**CITY OF MARIETTA, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

**(12) RISK MANAGEMENT**

The City's insurance coverage is summarized below:

	Limits of Liability	
	Each Occurrence	Aggregate
Public Officials Liability	\$ 1,000,000	\$ 2,000,000
Employee Benefits Liability	1,000,000	None
Automobile Liability	1,000,000	None
Law Enforcement Professional Liability	1,000,000	2,000,000
Workers' Compensation	Statutory Limits	None
Public Officials Bond (City Administrator)	25,000	None
Public Officials Bond (City Clerk)	25,000	None
Crime Bond	250,000	None
General Liability	1,000,000	3,000,000

The City is self insured on a limited basis 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:

	June 30, 2016	June 30, 2015
Claims and judgments payable, beginning of fiscal year	\$ 3,310,695	\$ 3,020,306
Incurred claims	13,107,208	13,162,235
Claim payments	(13,171,222)	(12,871,846)
Claims and judgments payable, end of fiscal year	<u>\$ 3,246,681</u>	<u>\$ 3,310,695</u>



**CITY OF MARIETTA, GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

**(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 \$8,950,206 for the fiscal year ending June 30, 2016 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 2016, the City has deposited \$2,581,215 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, 2016:

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
HUD Community Development Block Grant			
Operating services	\$ 271,215	\$ 290,761	\$ (19,546)
Debt Service Fund			
Debt service - interest and fiscal charges	3,958,898	3,960,898	(2,000)

**CITY OF MARIETTA, GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

**(16) RESTATEMENT**

The City discovered certain grant revenues were overstated in the prior year. The effects of the restatement to the previously reported amounts in the General Fund are as follows:

Fund balance as previously reported	\$ 46,850,578
Restatement - deferred inflows of resources	(1,349,361)
Fund balance as restated	<u>\$ 45,501,217</u>

Changes in fund balance as previously reported	\$ (1,039,804)
Effect of restatement	(1,349,361)
Changes in fund balance as restated	<u>\$ (2,389,165)</u>

**REQUIRED SUPPLEMENTARY INFORMATION**

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

(In thousands)	2014	2015	2016
<b>Total Pension Liability</b>			
Service cost	\$ 2,652	\$ 2,851	\$ 2,696
Interest	11,415	11,766	11,747
Changes of benefit terms	-	-	-
Differences between expected and actual experience	-	(4,887)	-
Change of assumptions	-	-	-
Benefit payments, including refunds of employee contributions	(9,118)	(9,655)	(10,321)
<b>Net Change in Total Pension Liability</b>	<u>4,949</u>	<u>75</u>	<u>4,122</u>
<b>Total Pension Liability – Beginning</b>	\$ 156,758	\$ 161,707	\$ 161,782
<b>Total Pension Liability – Ending (a)</b>	\$ 161,707	\$ 161,782	\$ 165,904
<b>Plan Fiduciary Net Position</b>			
Contributions – employer	\$ 5,669	\$ 5,731	\$ 5,583
Contributions – employees	1,260	1,280	1,318
Net investment income	14,663	2,746	(2,395)
Benefit payments, including refunds of employee contributions	(9,118)	(9,655)	(10,321)
Administrative expense	(144)	(111)	(162)
Other	-	-	-
<b>Net Changes in Plan Fiduciary Net Position</b>	<u>\$ 12,330</u>	<u>\$ (9)</u>	<u>\$ (5,977)</u>
<b>Plan Fiduciary Net Position – Beginning</b>	<u>\$ 84,994</u>	<u>\$ 97,324</u>	<u>\$ 97,315</u>
<b>Plan Fiduciary Net Position – Ending (b)</b>	<u><u>\$ 97,324</u></u>	<u><u>\$ 97,315</u></u>	<u><u>\$ 91,338</u></u>
<b>Net Pension Liability – Ending (a)–(b)</b>	\$ 64,383	\$ 64,467	\$ 74,566
<b>Plan Fiduciary Net Position as a percentage of the Total Pension Liability</b>	60%	60%	55%
<b>Covered-employee payroll</b>	\$ 32,997	\$ 32,481	\$ 32,996
<b>Net Pension Liability as a percentage of Covered Payroll</b>	195%	198%	226%

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**

	2016	2015	2014
(In thousands)			
Actuarially determined contribution	\$ 5,583	\$ 5,394	\$ 5,154
Contributions in relation to the actuarially determined contribution	5,583	5,731	5,669
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ (337)</u>	<u>\$ (515)</u>
Covered-employee payroll	\$ 32,996	\$ 32,481	\$ 32,997
Contributions as a percentage of covered-employee payroll	16.92%	17.64%	17.18%

**Notes to Schedule:**

Valuation Date: June 30, 2016

Methods and assumptions to determine contribution rates:

Actuarial cost method	Entry Age
Amortization method	Level percentage of the pay, closed
Remaining amortization period	28 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 Accrued Liability (AAL)	Funded Ratio (1)/(2)	Unfunded AAL (UAAL) (2)-(1)	Covered Payroll	UAAL as a Percentage of Covered
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%
7/1/2015	1,075,057	67,341,121	1.60%	66,266,064	32,996,000	200.8%

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:

<u>Fiscal Year Ended</u>	<u>Annual Required Contribution</u>	<u>Annual Actual Contributions</u>	<u>Percentage Contributed</u>
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%
6/30/2016	3,432,006	2,046,805	60%

**CITY OF MARIETTA, GEORGIA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)**  
**For the Fiscal Year Ended June 30, 2016**

	Original Budget	Final Budget	Actual	Variance with Final Budget-Actual Positive (Negative)
Revenues:				
Taxes	\$ 19,297,500	\$ 19,297,500	\$ 19,323,885	\$ 26,385
Licenses and permits	6,383,332	6,504,140	6,638,511	134,371
Intergovernmental	2,175,881	6,651,391	2,017,938	(4,633,453)
Charges for services	4,300,639	4,340,639	4,550,188	209,549
Fines and forfeits	4,027,000	4,527,000	3,933,335	(593,665)
Investment earnings	40,000	40,000	97,233	57,233
Other	525,871	525,871	575,682	49,811
Total revenues	36,750,223	41,886,541	37,136,772	(4,749,769)
Expenditures:				
Current:				
General government:				
General administration:				
Legislative	436,235	438,040	428,483	9,557
Judicial	1,243,055	1,247,505	1,218,642	28,863
Executive	850,541	875,003	863,165	11,838
Law	525,000	525,000	370,206	154,794
Financial administration	2,153,080	2,055,140	2,027,740	27,400
Human resources	882,853	842,234	811,268	30,966
Planning and zoning	1,980,476	2,238,921	1,912,398	326,523
Public works	9,875,081	12,502,257	9,697,500	2,804,757
Culture and recreation	5,199,516	9,886,526	7,970,795	1,915,731
Public safety:				
Police	16,376,592	17,875,021	17,287,310	587,711
Fire	12,395,918	13,694,912	13,484,817	210,095
Debt Service:				
Principal retirement	1,745,453	1,745,453	1,745,453	-
Interest and fiscal charges	1,093,805	1,093,805	1,093,805	-
Total expenditures	54,757,605	65,019,817	58,911,582	6,108,235
Excess (deficiency) of revenues over expenditures	(18,007,382)	(23,133,276)	(21,774,810)	1,358,466
Other financing sources (uses):				
Sales of capital assets	130,000	154,780	149,950	(4,830)
Transfers in	19,725,955	20,053,804	17,899,018	(2,154,786)
Transfers out	(2,134,590)	(1,973,967)	(3,427,145)	(1,453,178)
Total other financing sources (uses)	17,721,365	18,234,617	14,621,823	(3,612,794)
Net change in fund balance	<u>\$ (286,017)</u>	<u>\$ (4,898,659)</u>	<u>(7,152,987)</u>	<u>\$ (2,254,328)</u>
Reconciliation to GAAP basis:				
Encumbrances outstanding at end of year			2,297,971	
Fund balances at beginning of year, before restatement - GAAP basis			46,850,578	
Restatement			<u>(1,349,361)</u>	
Fund balances at beginning of year, as restated - GAAP basis			<u>45,501,217</u>	
Fund balances at end of year - GAAP basis			<u>\$ 40,646,201</u>	



**OTHER SUPPLEMENTARY INFORMATION**

**CITY OF MARIETTA, GEORGIA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2016**

	Special Revenue	Capital Projects	Total Nonmajor Governmental Funds
Assets:			
Cash and cash equivalents	\$ 1,126,188	\$ 2,106,036	\$ 3,232,224
Cash with fiscal agent	945,597	-	945,597
Investments	-	6,027,487	6,027,487
Receivables, net	329,776	22,524	352,300
Due from other governments	82,535	-	82,535
	<u>\$ 2,484,096</u>	<u>\$ 8,156,047</u>	<u>\$ 10,640,143</u>
 Total assets			
	<u>\$ 2,484,096</u>	<u>\$ 8,156,047</u>	<u>\$ 10,640,143</u>
 Liabilities:			
Accounts payable	\$ 33,190	\$ 167,027	\$ 200,217
Retainage payable	-	53,143	53,143
Accrued liabilities	3,177	-	3,177
Due to other funds	1,125,836	-	1,125,836
	<u>1,162,203</u>	<u>220,170</u>	<u>1,382,373</u>
 Total liabilities			
	<u>1,162,203</u>	<u>220,170</u>	<u>1,382,373</u>
 Deferred inflows of resources:			
Unavailable revenue	11,092	-	11,092
	<u>11,092</u>	<u>-</u>	<u>11,092</u>
 Fund balances:			
Restricted	1,318,358	7,935,877	9,254,235
Unassigned	(7,557)	-	(7,557)
	<u>1,310,801</u>	<u>7,935,877</u>	<u>9,246,678</u>
 Total fund balances			
	<u>1,310,801</u>	<u>7,935,877</u>	<u>9,246,678</u>
 Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,484,096</u>	<u>\$ 8,156,047</u>	<u>\$ 10,640,143</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, 2016**

	Special Revenue	Capital Projects	Total Nonmajor Governmental Funds
Revenues:			
Taxes	\$ 3,569,505	\$ -	\$ 3,569,505
Intergovernmental	1,005,076	-	1,005,076
Investment earnings	4,008	30,538	34,546
Other	-	276,700	276,700
	<u>4,578,589</u>	<u>307,238</u>	<u>4,885,827</u>
Total revenues			
Expenditures:			
Current:			
Public works	181,810	-	181,810
Culture and recreation	-	282,995	282,995
Urban redevelopment and housing	566,221	-	566,221
Capital projects	-	1,975,086	1,975,086
Debt service:			
Principal retirement	665,353	-	665,353
Interest and fiscal charges	185,804	-	185,804
	<u>1,599,188</u>	<u>2,258,081</u>	<u>3,857,269</u>
Total expenditures			
Excess (deficiency) of revenues over expenditures	<u>2,979,401</u>	<u>(1,950,843)</u>	<u>1,028,558</u>
Other financing sources (uses):			
Transfers out	<u>(3,326,181)</u>	<u>(2,000,000)</u>	<u>(5,326,181)</u>
	<u>(3,326,181)</u>	<u>(2,000,000)</u>	<u>(5,326,181)</u>
Total other financing sources (uses)			
Net change in fund balance	<u>(346,780)</u>	<u>(3,950,843)</u>	<u>(4,297,623)</u>
Fund balances at beginning of year	<u>1,657,581</u>	<u>11,886,720</u>	<u>13,544,301</u>
Fund balances at end of year	<u>\$ 1,310,801</u>	<u>\$ 7,935,877</u>	<u>\$ 9,246,678</u>

**CITY OF MARIETTA, GEORGIA**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**COMBINING BALANCE SHEET**  
**JUNE 30, 2016**

	Nonmajor Funds			
	HUD Housing Assistance	HUD CDBG	Tax Allocation District	Cemetery Maintenance
Assets:				
Cash and cash equivalents	\$ 15,050	\$ 540	\$ 998,372	\$ 107,018
Cash with fiscal agent	-	-	945,597	-
Receivables, net	-	319	11,791	2,627
Due from other governments	-	71,387	10,215	933
Total assets	<u>\$ 15,050</u>	<u>\$ 72,246</u>	<u>\$ 1,965,975</u>	<u>\$ 110,578</u>
Liabilities:				
Accounts payable	\$ 15,050	\$ 640	\$ -	\$ 17,500
Accrued salaries	-	2,639	-	538
Due to other funds	-	76,524	734,273	-
Total liabilities	<u>15,050</u>	<u>79,803</u>	<u>734,273</u>	<u>18,038</u>
Deferred inflows of resources:				
Unavailable revenue	-	-	8,711	2,381
Fund balance:				
Restricted	-	-	1,222,991	90,159
Unassigned	-	(7,557)	-	-
Total fund balance	<u>-</u>	<u>(7,557)</u>	<u>1,222,991</u>	<u>90,159</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 15,050</u>	<u>\$ 72,246</u>	<u>\$ 1,965,975</u>	<u>\$ 110,578</u>

**CITY OF MARIETTA, GEORGIA**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**COMBINING BALANCE SHEET (CONT'D)**  
**JUNE 30, 2016**

Nonmajor Funds			
LLEBG Fund	Hotel Motel Tax	Auto Rental Tax	Total
\$ 5,208	\$ -	\$ -	\$ 1,126,188
-	-	-	945,597
-	281,946	33,093	329,776
-	-	-	82,535
<u>\$ 5,208</u>	<u>\$ 281,946</u>	<u>\$ 33,093</u>	<u>\$ 2,484,096</u>
\$ -	\$ -	\$ -	\$ 33,190
-	-	-	3,177
-	281,946	33,093	1,125,836
-	281,946	33,093	1,162,203
-	-	-	11,092
5,208	-	-	1,318,358
-	-	-	(7,557)
5,208	-	-	1,310,801
<u>\$ 5,208</u>	<u>\$ 281,946</u>	<u>\$ 33,093</u>	<u>\$ 2,484,096</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, 2016**

	Nonmajor Funds			
	HUD Housing Assistance	HUD CDBG	Tax Allocation District	Cemetery Maintenance
Revenues:				
Taxes	\$ -	\$ -	\$ 75,324	\$ 210,370
Intergovernmental	-	456,720	548,356	-
Investment earnings	-	-	3,924	84
Total revenues	-	456,720	627,604	210,454
Expenditures:				
Current:				
Public works	-	-	-	181,810
Urban redevelopment and housing	108,841	457,380	-	-
Debt service:				
Principal retirement	-	-	665,353	-
Interest & fiscal charges	-	-	185,804	-
Total expenditures	108,841	457,380	851,157	181,810
Excess (deficiency) of revenues over expenditures	(108,841)	(660)	(223,553)	28,644
Other financing sources (uses):				
Transfers out	(41,869)	(501)	-	-
Net change in fund balance	(150,710)	(1,161)	(223,553)	28,644
Fund balances at beginning of year	150,710	(6,396)	1,446,544	61,515
Fund balances at end of year	\$ -	\$ (7,557)	\$ 1,222,991	\$ 90,159

**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, 2016**

Nonmajor Funds			
LLEBG Fund	Hotel Motel Tax	Auto Rental Tax	Total
\$ -	\$ 2,885,136	\$ 398,675	\$ 3,569,505
-	-	-	1,005,076
-	-	-	4,008
-	2,885,136	398,675	4,578,589
-	-	-	181,810
-	-	-	566,221
-	-	-	665,353
-	-	-	185,804
-	-	-	1,599,188
-	2,885,136	398,675	2,979,401
-	(2,885,136)	(398,675)	(3,326,181)
-	-	-	(346,780)
5,208	-	-	1,657,581
\$ 5,208	\$ -	\$ -	\$ 1,310,801

**CITY OF MARIETTA, GEORGIA**  
**GENERAL FUND**  
**COMPARATIVE BALANCE SHEET**  
**JUNE 30, 2016 AND 2015**

	2016	2015 (As Restated)
Assets:		
Cash and cash equivalents	\$ 10,626,092	\$ 23,424,738
Cash with fiscal agent	500	500
Investments	7,468,874	3,911,137
Receivables (net of allowance for estimated uncollectibles):		
Taxes	100,369	160,019
Sanitation	142,730	146,030
Other	559,428	600,578
Prepaid items	44,385	29,257
Due from other funds	6,169,313	676,401
Due from other governments	2,402,895	2,522,000
Inventories	28,545	33,384
Advances to other funds	18,634,867	20,521,375
Total assets	<u>\$ 46,177,998</u>	<u>\$ 52,025,419</u>
Liabilities:		
Accounts payable	\$ 1,864,518	\$ 1,464,810
Retainage payable	110,891	38,055
Accrued salaries and employee benefits	469,551	911,474
Due to other funds	583,804	2,437,351
Due to other governments	826	606
Unearned revenue	188,500	185,475
Total liabilities	<u>3,218,090</u>	<u>5,037,771</u>
Deferred inflows of resources:		
Unavailable revenue	<u>2,313,707</u>	<u>1,486,431</u>
Fund balance:		
Nonspendable	18,707,797	20,584,016
Restricted	1,853,575	3,930,085
Committed	756,194	730,439
Assigned	5,474,788	5,003,127
Unassigned	13,853,847	15,253,550
Total fund balance	<u>40,646,201</u>	<u>45,501,217</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 46,177,998</u>	<u>\$ 52,025,419</u>



**CITY OF MARIETTA, GEORGIA**  
**GENERAL FUND**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE**  
**FOR THE FISCAL YEARS ENDED JUNE 30, 2016 AND 2015**

	2016	2015 (As Restated)
Revenues:		
Taxes	\$ 19,323,885	\$ 18,977,404
Licenses and permits	6,638,511	6,481,853
Intergovernmental	2,017,938	2,351,549
Charges for services	4,550,188	4,345,871
Fines and forfeits	3,933,335	4,534,974
Investment earnings	97,233	67,630
Other	575,682	502,618
Total revenues	<u>37,136,772</u>	<u>37,261,899</u>
Expenditures:		
Current:		
General government	7,428,774	7,607,877
Public works	8,099,295	8,882,509
Culture and recreation	7,777,084	6,328,712
Public safety	30,469,200	28,393,032
Debt service:		
Principal retirement	1,745,453	1,677,024
Interest and fiscal charges	1,093,805	1,172,355
Total expenditures	<u>56,613,611</u>	<u>54,061,509</u>
Excess (deficiency) of revenues over expenditures	<u>(19,476,839)</u>	<u>(16,799,610)</u>
Other financing sources (uses):		
Sale of capital assets	149,950	164,500
Transfers in	17,899,018	17,865,819
Transfers out	(3,427,145)	(3,619,874)
Total other financing sources (uses)	<u>14,621,823</u>	<u>14,410,445</u>
Net change in fund balance	(4,855,016)	(2,389,165)
Fund balance at beginning of year	<u>45,501,217</u>	<u>47,890,382</u>
Fund balance at end of year	<u><u>\$ 40,646,201</u></u>	<u><u>\$ 45,501,217</u></u>

**CITY OF MARIETTA, GEORGIA**  
**HUD - HOUSING ASSISTANCE PAYMENTS PROGRAM**  
**SPECIAL REVENUE FUND**  
**COMPARATIVE BALANCE SHEET**  
**JUNE 30, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
<u>ASSETS</u>		
Cash and cash equivalents	<u>\$ 15,050</u>	<u>\$ 170,861</u>
Total assets	<u><u>\$ 15,050</u></u>	<u><u>\$ 170,861</u></u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	<u>15,050</u>	<u>20,151</u>
Total liabilities	<u>15,050</u>	<u>20,151</u>
Fund balance:		
Restricted	<u>-</u>	<u>150,710</u>
Total fund balance	<u>-</u>	<u>150,710</u>
Total liabilities and fund balance	<u><u>\$ 15,050</u></u>	<u><u>\$ 170,861</u></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, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
Revenues:		
Intergovernmental	\$ -	\$ 2,174,860
Total revenues	<u>-</u>	<u>2,174,860</u>
Expenditures - urban redevelopment and housing:		
Current:		
Personal services	-	281,742
Operating	108,841	136,481
Housing assistance payments	<u>-</u>	<u>2,065,866</u>
Total expenditures	<u>108,841</u>	<u>2,484,089</u>
Excess (deficiency) of revenues over expenditures	<u>(108,841)</u>	<u>(309,229)</u>
Other financing sources (uses):		
Transfers out	(41,869)	(153,185)
Proceeds from sale of capital assets	<u>-</u>	<u>20,000</u>
Total other financing sources (uses)	<u>(41,869)</u>	<u>(133,185)</u>
Net change in fund balance	<u>(150,710)</u>	<u>(442,414)</u>
Fund balance at beginning of year	<u>150,710</u>	<u>593,124</u>
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ 150,710</u></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, 2016**

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues:			
Intergovernmental	<u>\$ 150,710</u>	<u>\$ -</u>	<u>\$ (150,710)</u>
Expenditures- urban redevelopment and housing:			
Current:			
Operating	<u>\$ 108,841</u>	<u>\$ 108,841</u>	<u>\$ -</u>
Excess (deficiency) of revenues over expenditures	<u>41,869</u>	<u>(108,841)</u>	<u>(150,710)</u>
Other financing sources (uses):			
Transfers out	<u>(41,869)</u>	<u>(41,869)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>(150,710)</u>	<u>\$ (150,710)</u>
Fund balance at beginning of year		<u>150,710</u>	
Fund balance at end of year		<u><u>\$ -</u></u>	

**CITY OF MARIETTA, GEORGIA**  
**HUD - COMMUNITY DEVELOPMENT BLOCK GRANT**  
**SPECIAL REVENUE FUND**  
**COMPARATIVE BALANCE SHEET**  
**JUNE 30, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$ 540	\$ 2,183
Accounts receivable	319	-
Due from other governments	<u>71,387</u>	<u>43,095</u>
Total assets	<u><u>\$ 72,246</u></u>	<u><u>\$ 45,278</u></u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 640	\$ -
Accrued salaries	2,639	4,484
Due to other funds	<u>76,524</u>	<u>47,190</u>
Total liabilities	<u>79,803</u>	<u>51,674</u>
Fund balance:		
Unassigned	<u>(7,557)</u>	<u>(6,396)</u>
Total fund balance	<u>(7,557)</u>	<u>(6,396)</u>
Total liabilities and fund balance	<u><u>\$ 72,246</u></u>	<u><u>\$ 45,278</u></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, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
Revenues:		
Intergovernmental	<u>\$ 456,720</u>	<u>\$ 747,950</u>
Expenditures - urban redevelopment and housing:		
Current:		
Personal services	166,619	186,328
Operating services	290,761	412,526
Capital outlay	<u>-</u>	<u>146,915</u>
Total expenditures	<u>457,380</u>	<u>745,769</u>
Excess (deficiency) of revenues over expenditures	<u>(660)</u>	<u>2,181</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	(1,161)	1,680
Fund balance (deficit) at beginning of year	<u>(6,396)</u>	<u>(8,076)</u>
Fund balance (deficit) at end of year	<u><u>\$ (7,557)</u></u>	<u><u>\$ (6,396)</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, 2016**

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues:			
Intergovernmental	<u>\$ 444,017</u>	<u>\$ 456,720</u>	<u>\$ 12,703</u>
Total revenues	<u>444,017</u>	<u>456,720</u>	<u>12,703</u>
Expenditures - urban redevelopment and housing:			
Current:			
Personal services	172,301	166,619	5,682
Operating services	<u>271,215</u>	<u>290,761</u>	<u>(19,546)</u>
Total expenditures	<u>443,516</u>	<u>457,380</u>	<u>(13,864)</u>
Excess (deficiency) of revenues over expenditures	<u>501</u>	<u>(660)</u>	<u>(1,161)</u>
Other financing sources (uses)			
Transfers out	<u>(501)</u>	<u>(501)</u>	<u>-</u>
Net change in fund balance	<u><u>\$ -</u></u>	<u>(1,161)</u>	<u><u>\$ (1,161)</u></u>
Fund balance (deficit) at beginning of year		<u>(6,396)</u>	
Fund balance (deficit) at end of year		<u><u>\$ (7,557)</u></u>	

**CITY OF MARIETTA, GEORGIA  
TAX ALLOCATION DISTRICT  
SPECIAL REVENUE FUND  
COMPARATIVE BALANCE SHEET  
JUNE 30, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
<u>ASSETS</u>		
Cash with fiscal agent	\$ 945,597	\$ 943,138
Cash and cash equivalents	998,372	927,853
Receivables (net of allowance for estimated uncollectibles):		
Taxes receivable, net	11,791	11,468
Due from other governments	<u>10,215</u>	<u>9,973</u>
 Total assets	 <u><u>\$ 1,965,975</u></u>	 <u><u>\$ 1,892,432</u></u>
 <u>DEFERRED INFLOWS OF RESOURCES</u> <u>AND FUND BALANCE</u>		
Liabilities:		
 Due to other funds	 <u>\$ 734,273</u>	 <u>\$ 435,507</u>
 Total liabilities	 <u>734,273</u>	 <u>435,507</u>
Deferred inflows of resources:		
Unavailable revenue	<u>8,711</u>	<u>10,381</u>
Fund balance:		
Restricted	<u>1,222,991</u>	<u>1,446,544</u>
 Total fund balance	 <u>1,222,991</u>	 <u>1,446,544</u>
 Total liabilities, deferred inflows of resources, and fund balances	 <u><u>\$ 1,965,975</u></u>	 <u><u>\$ 1,892,432</u></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, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
Revenues:		
Taxes	\$ 75,324	\$ 44,984
Intergovernmental	548,356	339,131
Investment earnings	<u>3,924</u>	<u>1,880</u>
Total revenues	<u>627,604</u>	<u>385,995</u>
Expenditures - urban redevelopment and housing:		
Debt service:		
Principal retirement	665,353	638,596
Interest & fiscal charges	<u>185,804</u>	<u>212,558</u>
Total expenditures	<u>851,157</u>	<u>851,154</u>
Excess (deficiency) of revenues over expenditures	<u>(223,553)</u>	<u>(465,159)</u>
Net change in fund balance	(223,553)	(465,159)
Fund balance at beginning of year	<u>1,446,544</u>	<u>1,911,703</u>
Fund balance at end of year	<u><u>\$ 1,222,991</u></u>	<u><u>\$ 1,446,544</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, 2016**

	Budget	Actual	Variance with Final Budget - Positive(Negative)
Revenues:			
Taxes	\$ 59,000	\$ 75,324	\$ 16,324
Intergovernmental	496,500	548,356	51,856
Investment earnings	1,502	3,924	2,422
Total revenues	557,002	627,604	70,602
Expenditures- urban redevelopment and housing:			
Debt service:			
Principal retirement	665,353	665,353	-
Interest & fiscal charges	185,804	185,804	-
Total expenditures	851,157	851,157	-
Net change in fund balance	<u>\$ (294,155)</u>	(223,553)	<u>\$ 70,602</u>
Fund balance at beginning of year		<u>1,446,544</u>	
Fund balance at end of year		<u>\$ 1,222,991</u>	

**CITY OF MARIETTA, GEORGIA  
CEMETERY MAINTENANCE  
SPECIAL REVENUE FUND  
COMPARATIVE BALANCE SHEET  
JUNE 30, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$ 107,018	\$ 61,604
Receivables, net:		
Taxes	2,627	3,870
Due from other governments	<u>933</u>	<u>926</u>
Total assets	<u><u>\$ 110,578</u></u>	<u><u>\$ 66,400</u></u>
<u>DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 17,500	\$ 225
Accrued salaries and employee benefits	<u>538</u>	<u>1,242</u>
Total liabilities	<u>18,038</u>	<u>1,467</u>
Deferred inflows of resources:		
Unavailable revenue	<u>2,381</u>	<u>3,418</u>
Fund balance:		
Restricted	<u>90,159</u>	<u>61,515</u>
Total fund balance	<u>90,159</u>	<u>61,515</u>
Total liabilities, deferred inflows of resources, and fund balances	<u><u>\$ 110,578</u></u>	<u><u>\$ 66,400</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, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
Revenues:		
Taxes	\$ 210,370	\$ 201,092
Investment earnings	<u>84</u>	<u>13</u>
Total revenues	<u>210,454</u>	<u>201,105</u>
Expenditures - public works:		
Current:		
Personal services	44,932	69,272
Operating services	<u>121,782</u>	<u>73,749</u>
Total expenditures	<u>181,810</u>	<u>143,021</u>
Excess (deficiency) of revenues over expenditures	28,644	58,084
Fund balance at beginning of year	<u>61,515</u>	<u>3,431</u>
Fund balance at end of year	<u><u>\$ 90,159</u></u>	<u><u>\$ 61,515</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, 2016**

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues:			
Taxes	\$ 212,000	\$ 210,370	\$ (1,630)
Investment earnings	<u>-</u>	<u>84</u>	<u>84</u>
Total revenues	<u>212,000</u>	<u>210,454</u>	<u>(1,546)</u>
Expenditures - public works:			
Current:			
Personal services	92,527	44,932	47,595
Operating services	<u>151,154</u>	<u>143,748</u>	<u>7,406</u>
Total expenditures	<u>258,981</u>	<u>203,776</u>	<u>55,205</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (46,981)</u>	6,678	<u>\$ 53,659</u>
Reconciliation to GAAP basis:			
Encumbrances outstanding at end of year		21,966	
Fund balances at beginning of year - GAAP basis		<u>61,515</u>	
Fund balance at end of year - GAAP basis		<u>\$ 90,159</u>	

**CITY OF MARIETTA, GEORGIA  
LOCAL LAW ENFORCEMENT BLOCK GRANT  
SPECIAL REVENUE FUND  
COMPARATIVE BALANCE SHEET  
JUNE 30, 2016 AND 2015**

	<u>2016</u>	<u>2015</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, 2016 AND 2015**

	<u>2016</u>	<u>2015</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, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
<u>ASSETS</u>		
Receivables (net of allowance for estimated uncollectibles):		
Taxes	<u>\$ 281,946</u>	<u>\$ 298,537</u>
Total assets	<u><u>\$ 281,946</u></u>	<u><u>\$ 298,537</u></u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Due to other funds	<u>\$ 281,946</u>	<u>\$ 298,537</u>
Total liabilities	<u>281,946</u>	<u>298,537</u>
Fund balance:		
Restricted	<u>-</u>	<u>-</u>
Total fund balance	<u>-</u>	<u>-</u>
Total liabilities and fund balance	<u><u>\$ 281,946</u></u>	<u><u>\$ 298,537</u></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, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
Revenues:		
Taxes	<u>\$ 2,885,136</u>	<u>\$ 2,679,751</u>
Total revenues	<u>2,885,136</u>	<u>2,679,751</u>
Other financing sources (uses):		
Transfers out	<u>(2,885,136)</u>	<u>(2,679,751)</u>
Total other financing sources (uses)	<u>(2,885,136)</u>	<u>(2,679,751)</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, 2016**

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive(Negative)</u>
Revenues:			
Taxes	<u>\$ 2,901,727</u>	<u>\$ 2,885,136</u>	<u>\$ (16,591)</u>
Total revenues	<u>2,901,727</u>	<u>2,885,136</u>	<u>(16,591)</u>
Other financing sources (uses):			
Transfer out	<u>(2,901,727)</u>	<u>(2,885,136)</u>	<u>16,591</u>
Net change in fund balance	<u><u>\$ -</u></u>	<u>-</u>	<u><u>\$ -</u></u>
Fund balance (deficit) at beginning of year		<u>-</u>	
Fund balance (deficit) at end of year		<u><u>\$ -</u></u>	

**CITY OF MARIETTA, GEORGIA  
 AUTO RENTAL TAX FUND  
 SPECIAL REVENUE FUND  
 COMPARATIVE BALANCE SHEET  
 JUNE 30, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
<u>ASSETS</u>		
Receivables (net of allowance for estimated uncollectibles):		
Taxes	<u>\$ 33,093</u>	<u>\$ 34,528</u>
Total assets	<u><u>\$ 33,093</u></u>	<u><u>\$ 34,528</u></u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Due to other funds	<u>\$ 33,093</u>	<u>\$ 34,528</u>
Total liabilities	<u>33,093</u>	<u>34,528</u>
Fund balance:		
Restricted	<u>-</u>	<u>-</u>
Total fund balance	<u>-</u>	<u>-</u>
Total liabilities and fund balance	<u><u>\$ 33,093</u></u>	<u><u>\$ 34,528</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, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
Revenues:		
Taxes	<u>\$ 398,675</u>	<u>\$ 432,887</u>
Total revenues	<u>398,675</u>	<u>432,887</u>
Excess (deficiency) of revenues over expenditures	<u>398,675</u>	<u>432,887</u>
Other financing sources (uses):		
Transfers out	<u>(398,675)</u>	<u>(432,887)</u>
Total other financing sources (uses)	<u>(398,675)</u>	<u>(432,887)</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, 2016**

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive(Negative)</u>
Revenues:			
Taxes	<u>\$ 400,110</u>	<u>\$ 398,675</u>	<u>\$ (1,435)</u>
Total revenues	<u>400,110</u>	<u>398,675</u>	<u>(1,435)</u>
Other financing sources (uses):			
Transfer out	<u>(400,110)</u>	<u>(398,675)</u>	<u>1,435</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, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$ 11,278,257	\$ 10,715,620
Cash held in escrow	-	26,148
Investments	12,851,541	11,284,871
Receivables:		
Accrued interest	42,785	14,294
Prepaid items	333,899	-
Due from other governments	<u>1,727,355</u>	<u>2,109,116</u>
Total assets	<u><u>\$ 26,233,837</u></u>	<u><u>\$ 24,150,049</u></u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 926,211	\$ 589,522
Retainage payable	<u>205,331</u>	<u>144,628</u>
Total liabilities	<u>1,131,542</u>	<u>734,150</u>
Fund balance:		
Nonspendable	333,899	-
Restricted	<u>24,768,396</u>	<u>23,415,899</u>
Total fund balance	<u>25,102,295</u>	<u>23,415,899</u>
Total liabilities and fund balance	<u><u>\$ 26,233,837</u></u>	<u><u>\$ 24,150,049</u></u>

**CITY OF MARIETTA, GEORGIA**  
**SPECIAL PURPOSE LOCAL OPTIONS SALES TAX**  
**CAPITAL PROJECTS FUND**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE**  
**FOR THE FISCAL YEARS ENDED JUNE 30, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
Revenues:		
Investment earnings	\$ 80,372	\$ 36,831
Intergovernmental	<u>11,777,211</u>	<u>12,477,164</u>
Total revenues	<u>11,857,583</u>	<u>12,513,995</u>
Expenditures:		
Current:		
Personal services	207,580	219,697
Capital projects	<u>9,963,607</u>	<u>7,322,933</u>
Total expenditures	<u>10,171,187</u>	<u>7,542,630</u>
Excess (deficiency) of revenues over expenditures	<u>1,686,396</u>	<u>4,971,365</u>
Net change in fund balance	1,686,396	4,971,365
Fund balance at beginning of year	<u>23,415,899</u>	<u>18,444,534</u>
Fund balance at end of year	<u><u>\$ 25,102,295</u></u>	<u><u>\$ 23,415,899</u></u>

**CITY OF MARIETTA, GEORGIA  
CITY PARKS BOND  
CAPITAL PROJECTS FUND  
COMPARATIVE BALANCE SHEET  
JUNE 30, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$ 2,106,036	\$ 848,764
Investments	6,027,487	11,530,380
Receivables:		
Accrued interest	<u>22,524</u>	<u>13,414</u>
 Total assets	 <u><u>\$ 8,156,047</u></u>	 <u><u>\$ 12,392,558</u></u>
 <u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 167,027	\$ 422,478
Retainage payable	<u>53,143</u>	<u>83,360</u>
 Total liabilities	 <u>220,170</u>	 <u>505,838</u>
 Fund balance:		
Restricted	<u>7,935,877</u>	<u>11,886,720</u>
 Total fund balance	 <u>7,935,877</u>	 <u>11,886,720</u>
 Total liabilities and fund balance	 <u><u>\$ 8,156,047</u></u>	 <u><u>\$ 12,392,558</u></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, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
Revenues:		
Investment earnings	\$ 30,538	\$ 39,389
Miscellaneous revenue	<u>276,700</u>	<u>705</u>
Total revenues	<u>307,238</u>	<u>40,094</u>
Expenditures:		
Current:		
Personal services	51,466	73,661
Operating services	231,529	306,545
Capital projects	<u>1,975,086</u>	<u>4,819,297</u>
Total expenditures	<u>2,258,081</u>	<u>5,199,503</u>
Excess (deficiency) of revenues over expenditures	<u>(1,950,843)</u>	<u>(5,159,409)</u>
Other financing sources (uses):		
Transfers in	-	43,011
Transfers out	<u>(2,000,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(2,000,000)</u>	<u>43,011</u>
Net change in fund balance	(3,950,843)	(5,116,398)
Fund balance at beginning of year	<u>11,886,720</u>	<u>17,003,118</u>
Fund balance at end of year	<u><u>\$ 7,935,877</u></u>	<u><u>\$ 11,886,720</u></u>

**CITY OF MARIETTA, GEORGIA  
REDEVELOPMENT BOND  
CAPITAL PROJECTS FUND  
COMPARATIVE BALANCE SHEET  
JUNE 30, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$ 7,419,632	\$ -
Cash held in escrow	-	200,000
Investments	18,842,895	44,115,156
Receivables:		
Other	<u>265</u>	<u>-</u>
Total assets	<u><u>\$ 26,262,792</u></u>	<u><u>\$ 44,315,156</u></u>
 <u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts and retainage payable	\$ 540,611	\$ 620,897
Retainage payable	182,396	296,018
Due to other funds	<u>5,177,900</u>	<u>1,025,040</u>
Total liabilities	<u>5,900,907</u>	<u>1,941,955</u>
Fund balance-		
Restricted	<u>20,361,885</u>	<u>42,373,201</u>
Total fund balance	<u>20,361,885</u>	<u>42,373,201</u>
Total liabilities and fund balance	<u><u>\$ 26,262,792</u></u>	<u><u>\$ 44,315,156</u></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, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
Revenues:		
Investment earnings	\$ 12,736	\$ 9,719
Total revenues	<u>12,736</u>	<u>9,719</u>
Expenditures:		
Current:		
Personal services	-	9,010
Capital projects	<u>24,024,052</u>	<u>2,197,401</u>
Total expenditures	<u>24,024,052</u>	<u>2,206,411</u>
Excess (deficiency) of revenues over expenditures	<u>(24,011,316)</u>	<u>(2,196,692)</u>
Other financing sources (uses):		
Transfers in	<u>2,000,000</u>	<u>-</u>
Total other financing sources (uses)	<u>2,000,000</u>	<u>-</u>
Net change in fund balance	<u>(22,011,316)</u>	<u>(2,196,692)</u>
Fund balance at beginning of year	<u>42,373,201</u>	<u>44,569,893</u>
Fund balance at end of year	<u><u>\$ 20,361,885</u></u>	<u><u>\$ 42,373,201</u></u>

**CITY OF MARIETTA, GEORGIA**  
**DEBT SERVICE FUND**  
**COMPARATIVE BALANCE SHEET**  
**JUNE 30, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
Assets:		
Cash and cash equivalents	\$ 2,872,294	\$ 3,515,603
Investments	825,746	124,099
Receivables, net of estimated uncollectibles:		
Taxes	83,312	108,504
Accrued interest	1,088	72
Due from other governments	<u>27,933</u>	<u>27,744</u>
Total assets	<u><u>\$ 3,810,373</u></u>	<u><u>\$ 3,776,022</u></u>
Liabilities:		
Accounts payable	<u>\$ -</u>	<u>\$ 2,001</u>
Deferred inflows of resources:		
Unavailable revenue	<u>74,424</u>	<u>94,170</u>
Fund balance:		
Restricted	<u>3,735,949</u>	<u>3,679,851</u>
Total liabilities, deferred inflows of resources, and fund balances	<u><u>\$ 3,810,373</u></u>	<u><u>\$ 3,776,022</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, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
Revenues:		
Taxes	\$ 8,439,674	\$ 7,861,037
Intergovernmental revenue	3,696,250	2,791,500
Investment earnings	<u>6,308</u>	<u>5,871</u>
Total revenue	<u>12,142,232</u>	<u>10,658,408</u>
Expenditures:		
Debt service:		
Principal retirement	8,100,000	7,985,000
Interest on bonds	3,957,898	4,582,193
Refunding bond issuance costs	<u>3,000</u>	<u>299,261</u>
Total expenditures	<u>12,060,898</u>	<u>12,866,454</u>
Excess (deficiency) of revenues over expenditures	<u>81,334</u>	<u>(2,208,046)</u>
Other financing sources (uses):		
Issuance of debt	-	15,970,000
Payment to refunded bond escrow agent	-	(17,094,580)
Premium on bonds issued	-	1,431,052
Transfers out	<u>(25,236)</u>	<u>(32,447)</u>
Total other financing sources (uses)	<u>(25,236)</u>	<u>274,025</u>
Net change in fund balance	<u>56,098</u>	<u>(1,934,021)</u>
Fund balance at beginning of year	<u>3,679,851</u>	<u>5,613,872</u>
Fund balance at end of year	<u><u>\$ 3,735,949</u></u>	<u><u>\$ 3,679,851</u></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, 2016**

	Final Budget	Actual	Budget- Positive (Negative)
Revenues:			
Taxes	\$ 7,842,200	\$ 8,439,674	\$ 597,474
Intergovernmental	3,696,250	3,696,250	-
Investment earnings	10,000	6,308	(3,692)
	<u>11,548,450</u>	<u>12,142,232</u>	<u>593,782</u>
Total revenues			
Expenditures:			
Debt Service:			
Principal retirement	8,100,000	8,100,000	-
Interest and fiscal charges	3,958,898	3,960,898	(2,000)
	<u>12,058,898</u>	<u>12,060,898</u>	<u>(2,000)</u>
Total expenditures			
Excess (deficiency) of revenues over expenditures	<u>(510,448)</u>	<u>81,334</u>	<u>591,782</u>
Other financing sources (uses):			
Transfers out	<u>(25,236)</u>	<u>(25,236)</u>	<u>-</u>
Net change in fund balance	<u>\$ (535,684)</u>	56,098	<u>\$ 591,782</u>
Fund balance at beginning of year		<u>3,679,851</u>	
Fund balance at end of year		<u>\$ 3,735,949</u>	

**CITY OF MARIETTA, GEORGIA**  
**BOARD OF LIGHTS AND WATERWORKS**  
**ENTERPRISE FUND**  
**COMPARATIVE STATEMENT OF NET POSITION**  
**JUNE 30, 2016 AND 2015**

<u>ASSETS</u>	<u>2016</u>	<u>2015</u>
Current assets:		
Cash and cash equivalents	\$ 23,387,287	\$ 20,868,037
Investments	39,622,766	28,483,156
Receivables:		
Utility accounts (net of allowance for estimated uncollectibles of \$319,278 and \$362,736)	17,771,778	18,045,876
Other	46,279	24,136
Due from other funds	3,120,200	12,442,573
Inventories	3,629,014	3,581,057
Prepaid expenses	-	35
Total current assets	<u>87,577,324</u>	<u>83,444,870</u>
Noncurrent assets:		
Restricted assets:		
Investments	<u>12,028,996</u>	<u>11,976,210</u>
Total restricted assets	<u>12,028,996</u>	<u>11,976,210</u>
Property, plant and equipment:		
Land	1,382,976	1,382,976
Buildings and improvements	16,844,334	16,823,442
Electrical plant in service	123,665,188	121,369,049
Water and sewer system	94,871,551	89,758,141
Machinery and equipment	<u>65,388,534</u>	<u>63,444,402</u>
	302,152,583	292,778,010
Less: accumulated depreciation	<u>(162,120,570)</u>	<u>(154,843,577)</u>
Net property, plant and equipment	<u>140,032,013</u>	<u>137,934,433</u>
Other assets:		
Investment in Project	<u>2,225,105</u>	<u>2,299,704</u>
Total other assets	<u>2,225,105</u>	<u>2,299,704</u>
Total noncurrent assets	<u>154,286,114</u>	<u>152,210,347</u>
Total assets	<u>241,863,438</u>	<u>235,655,217</u>
Deferred outflows of resources:		
Deferred outflows related to pension	<u>2,992,220</u>	<u>1,032,400</u>

Continued on next page.

**CITY OF MARIETTA, GEORGIA  
BOARD OF LIGHTS AND WATERWORKS  
ENTERPRISE FUND  
COMPARATIVE STATEMENT OF NET POSITION (CONT'D)  
JUNE 30, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
	<u>LIABILITIES</u>	
Current liabilities:		
Accounts payable	12,726,152	12,249,246
Accrued salaries	235,412	407,857
Accrued sales tax	681,395	315,717
Accrued compensated absences	368,363	347,207
	<u>14,011,322</u>	<u>13,320,027</u>
Total current liabilities		
Long-term liabilities (net of current portion):		
Accrued compensated absences	576,095	578,091
Unearned revenue	2,581,215	2,555,058
Net pension liability	21,624,140	18,695,430
Net OPEB obligation	8,632,948	8,518,661
Customer deposits	9,447,781	9,421,152
	<u>42,862,179</u>	<u>39,768,392</u>
Total long-term liabilities (net of current portion)		
Total liabilities	<u>56,873,501</u>	<u>53,088,419</u>
Deferred inflows of resources:		
Deferred inflows related to pension	459,650	938,440
	<u>459,650</u>	<u>938,440</u>
	<u>NET POSITION</u>	
Net investment in capital assets	140,032,013	137,934,433
Unrestricted	47,490,494	44,726,325
	<u>47,490,494</u>	<u>44,726,325</u>
Total net position	<u>\$ 187,522,507</u>	<u>\$ 182,660,758</u>

Continued from previous 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, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
Operating revenues:		
Charges for services	\$ 150,982,899	\$ 151,515,083
Other	<u>1,124,140</u>	<u>1,451,933</u>
Total operating revenues	<u>152,107,039</u>	<u>152,967,016</u>
Operating expenses:		
Personal services	15,910,642	15,492,291
Operating	110,197,874	107,997,001
Depreciation and amortization	<u>7,351,592</u>	<u>7,173,846</u>
Total operating expenses	<u>133,460,108</u>	<u>130,663,138</u>
Operating income	<u>18,646,931</u>	<u>22,303,878</u>
Nonoperating revenues (expenses):		
Investment earnings	381,875	312,473
Other	<u>104,130</u>	<u>160,364</u>
Total nonoperating revenues (expenses)	<u>486,005</u>	<u>472,837</u>
Capital contributions from developers	<u>150,705</u>	<u>765,710</u>
Income before transfers	<u>19,283,641</u>	<u>23,542,425</u>
Transfers:		
Transfers in	152,237	439,886
Transfers out	<u>(14,574,129)</u>	<u>(14,584,738)</u>
Total transfers in (out)	<u>(14,421,892)</u>	<u>(14,144,852)</u>
Change in net position	4,861,749	9,397,573
Net position at beginning of year	<u>182,660,758</u>	<u>173,263,185</u>
Net position at end of year	<u><u>\$ 187,522,507</u></u>	<u><u>\$ 182,660,758</u></u>

**CITY OF MARIETTA, GEORGIA**  
**BOARD OF LIGHTS AND WATERWORKS**  
**ENTERPRISE FUND**  
**COMPARATIVE STATEMENT OF CASH FLOWS**  
**FOR THE FISCAL YEARS ENDED JUNE 30, 2016 AND 2015**

	2016	2015
Cash flows from (to) operating activities:		
Cash received from customers	\$ 151,309,783	\$ 150,855,944
Cash received from other operating activities	1,124,140	1,451,933
Cash payments for goods and services	(100,080,839)	(109,364,396)
Cash payments for employee services and fringe benefits	(15,459,540)	(14,982,025)
Net cash from (to) operating activities	<u>36,893,544</u>	<u>27,961,456</u>
Cash flows from (to) noncapital financing activities:		
Transfers in	152,237	439,886
Transfers out	(14,574,129)	(14,584,738)
Net cash from (to) noncapital financing activities	<u>(14,421,892)</u>	<u>(14,144,852)</u>
Cash flows from (to) capital and related financing activities:		
Payments for capital acquisitions	(9,223,868)	(8,571,761)
Other nonoperating receipts	104,130	160,364
Net cash from (to) capital and related financing activities	<u>(9,119,738)</u>	<u>(8,411,397)</u>
Cash flows from (to) investing activities:		
Interest received	359,731	308,462
Investment (purchases) sales	(11,192,395)	5,316,607
Net cash from (to) investing activities	<u>(10,832,664)</u>	<u>5,625,069</u>
Net increase (decrease) in cash and cash equivalents	2,519,250	11,030,276
Cash and cash equivalents at beginning of year	20,868,037	9,837,761
Cash and cash equivalents at end of year	<u>\$ 23,387,287</u>	<u>\$ 20,868,037</u>
Reconciliation of operating income (loss) to net cash from operating activities:		
Operating income (loss)	\$ 18,646,931	\$ 22,303,878
Adjustments to reconcile operating income to net cash from operating activities:		
Depreciation and amortization	7,351,592	7,173,846
Change in assets and liabilities:		
(Increase) decrease in utility accounts receivable	274,098	(107,989)
(Increase) decrease in due from other funds	9,322,373	(692,185)
(Increase) decrease in inventories	(47,957)	(182,974)
(Increase) decrease in prepaid expenses	35	15,265
(Increase) decrease in deferred outflows of resources	(1,959,820)	(1,032,400)
Increase (decrease) in accounts payable	476,906	(881,304)
Increase (decrease) in accrued salaries	(172,445)	82,872
Increase (decrease) in accrued sales tax	365,678	(318,382)
Increase (decrease) in accrued compensated absences	19,160	(15,393)
Increase (decrease) in net OPEB obligation	114,287	512,387
Increase (decrease) in net pension liability	2,928,710	24,360
Increase (decrease) in unearned revenue	26,157	20,605
Increase (decrease) in customer deposits	26,629	120,430
Increase (decrease) in deferred inflows of resources	(478,790)	938,440
Net cash from operating activities	<u>\$ 36,893,544</u>	<u>\$ 27,961,456</u>
Schedule of non-cash capital and related financing activities:		
Contributions of capital assets	<u>\$ 150,705</u>	<u>\$ 765,710</u>

**CITY OF MARIETTA, GEORGIA**  
**MARIETTA CONFERENCE CENTER AND RESORT**  
**ENTERPRISE FUND**  
**COMPARATIVE STATEMENT OF NET POSITION**  
**JUNE 30, 2016 AND 2015**

ASSETS

	<u>2016</u>	<u>2015</u>
Current assets:		
Unrestricted investments	\$ 59	\$ 59
Due from other funds	<u>186,366</u>	<u>186,366</u>
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	<u>12,354,692</u>	<u>12,354,692</u>
	36,450,186	36,450,186
Less: accumulated depreciation	<u>(23,756,974)</u>	<u>(23,062,048)</u>
Net property, plant and equipment	<u>12,693,212</u>	<u>13,388,138</u>
Total noncurrent assets	<u>12,693,212</u>	<u>13,388,138</u>
Total assets	<u>12,879,637</u>	<u>13,574,563</u>

Continued on next page.

**CITY OF MARIETTA, GEORGIA**  
**MARIETTA CONFERENCE CENTER AND RESORT**  
**ENTERPRISE FUND**  
**COMPARATIVE STATEMENT OF NET POSITION (CONT'D)**  
**JUNE 30, 2016 AND 2015**

<u>LIABILITIES</u>			
		<u>2016</u>	<u>2015</u>
Liabilities:			
Current liabilities:			
Due to other funds		<u>500</u>	<u>500</u>
Total current liabilities		<u>500</u>	<u>500</u>
Long-term liabilities:			
Advances from other funds		<u>18,634,867</u>	<u>20,521,375</u>
Total long-term liabilities		<u>18,634,867</u>	<u>20,521,375</u>
Total liabilities		<u>18,635,367</u>	<u>20,521,875</u>
<u>NET POSITION</u>			
Net investment in capital assets		12,693,212	13,388,138
Unrestricted		<u>(18,448,942)</u>	<u>(20,335,450)</u>
Total net position		<u>\$ (5,755,730)</u>	<u>\$ (6,947,312)</u>

Continued from previous page.

**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, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
Operating revenues:		
Lease income	\$ 1,936,747	\$ 2,047,529
Total operating revenues	<u>1,936,747</u>	<u>2,047,529</u>
Operating expenses:		
Operating	-	500
Depreciation	<u>694,926</u>	<u>753,455</u>
Total operating expenses	<u>694,926</u>	<u>753,955</u>
Operating income (loss)	<u>1,241,821</u>	<u>1,293,574</u>
Nonoperating revenues (expenses) :		
Interest and fiscal charges	<u>(50,239)</u>	<u>(32,723)</u>
Total nonoperating revenues (expense)	<u>(50,239)</u>	<u>(32,723)</u>
Income (loss) before operating transfers	<u>1,191,582</u>	<u>1,260,851</u>
Transfers:		
Transfers in	865,272	772,239
Transfers out	<u>(865,272)</u>	<u>(772,239)</u>
Total transfers	<u>-</u>	<u>-</u>
Change in net position	1,191,582	1,260,851
Net position at beginning of year	<u>(6,947,312)</u>	<u>(8,208,163)</u>
Net position at end of year	<u><u>\$ (5,755,730)</u></u>	<u><u>\$ (6,947,312)</u></u>

**CITY OF MARIETTA, GEORGIA**  
**MARIETTA CONFERENCE CENTER AND RESORT**  
**ENTERPRISE FUND**  
**COMPARATIVE STATEMENT OF CASH FLOWS**  
**FOR THE FISCAL YEARS ENDED JUNE 30, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
Cash flows from (to) operating activities:		
Cash received from lease	\$ 1,936,747	\$ 2,047,529
Net cash from (to) operating activities	<u>1,936,747</u>	<u>2,047,529</u>
Cash flows from (to) noncapital financing activities:		
Transfers in	865,272	772,239
Transfers out	<u>(865,272)</u>	<u>(772,239)</u>
Net cash from (to) noncapital financing	<u>-</u>	<u>-</u>
Cash flows from (to) capital and related financing activities:		
Payments on advances from other funds	(1,886,508)	(2,014,806)
Interest and fiscal charges	<u>(50,239)</u>	<u>(32,723)</u>
Net cash from (to) capital and related financing activities	<u>(1,936,747)</u>	<u>(2,047,529)</u>
Net increase (decrease) in cash and cash equivalents	-	-
Cash and cash equivalents at beginning of year	<u>-</u>	<u>-</u>
Cash and cash equivalents at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Reconciliation of operating income (loss) to net cash from operating activities:		
Operating income (loss)	\$ 1,241,821	\$ 1,293,574
Adjustments to reconcile operating income to net cash from operating activities:		
Noncash transactions		
Depreciation	694,926	753,455
Change in assets and liabilities:		
Increase (decrease) in due to other funds	<u>-</u>	<u>500</u>
Net cash from (to) operating activities	<u><u>\$ 1,936,747</u></u>	<u><u>\$ 2,047,529</u></u>

**CITY OF MARIETTA, GEORGIA  
CITY GOLF COURSE  
ENTERPRISE FUND  
COMPARATIVE STATEMENT OF NET POSITION  
JUNE 30, 2016 AND 2015**

<u>ASSETS</u>	<u>2016</u>	<u>2015</u>
Current assets:		
Cash	\$ 8,280	\$ 8,281
Accounts receivable	363	1,150
Total current assets	<u>8,643</u>	<u>9,431</u>
Noncurrent assets:		
Property, plant and equipment:		
Land	6,600,000	6,600,000
Buildings and improvements	2,075,664	2,075,664
Machinery and equipment	3,927,823	3,842,005
	<u>12,603,487</u>	<u>12,517,669</u>
Less: accumulated depreciation	<u>(4,853,444)</u>	<u>(4,644,878)</u>
Net property, plant and equipment	<u>7,750,043</u>	<u>7,872,791</u>
Total noncurrent assets	<u>7,750,043</u>	<u>7,872,791</u>
Total assets	<u>7,758,686</u>	<u>7,882,222</u>
 <u>LIABILITIES</u>		
Liabilities:		
Current liabilities:		
Accounts payable	51,023	65,379
Due to other funds	1,695,730	1,425,040
Capital lease obligations	61,109	810,703
Accrued interest payable	<u>-</u>	<u>10,291</u>
Total current liabilities	<u>1,807,862</u>	<u>2,311,413</u>
Long-term liabilities (net of current portion):		
Capital lease obligations	<u>136,394</u>	<u>197,504</u>
Total long-term liabilities	<u>136,394</u>	<u>197,504</u>
Total liabilities	<u>1,944,256</u>	<u>2,508,917</u>
 <u>NET POSITION</u>		
Net investment in capital assets	7,552,540	6,864,584
Unrestricted	<u>(1,738,110)</u>	<u>(1,491,279)</u>
Total net position	<u>\$ 5,814,430</u>	<u>\$ 5,373,305</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, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
Operating revenues:		
Charges for services	<u>\$ 1,454,489</u>	<u>\$ 1,607,814</u>
Operating expenses:		
Operating	1,169,282	1,174,837
Depreciation	<u>212,125</u>	<u>177,086</u>
Total operating expenses	<u>1,381,407</u>	<u>1,351,923</u>
Operating income (loss)	<u>73,082</u>	<u>255,891</u>
Nonoperating revenues (expenses) :		
Interest and fiscal charges	(10,291)	(78,301)
Other	<u>10</u>	<u>(1,437)</u>
Total nonoperating revenues (expenses)	<u>(10,281)</u>	<u>(79,738)</u>
Income (loss) before operating transfers	<u>62,801</u>	<u>176,153</u>
Transfers:		
Transfers in	399,786	399,786
Transfers out	<u>(21,462)</u>	<u>(25,021)</u>
Total transfers	<u>378,324</u>	<u>374,765</u>
Change in net position	<u>441,125</u>	<u>550,918</u>
Net position at beginning of year	<u>5,373,305</u>	<u>4,822,387</u>
Net position at end of year	<u><u>\$ 5,814,430</u></u>	<u><u>\$ 5,373,305</u></u>



**CITY OF MARIETTA, GEORGIA**  
**CITY GOLF COURSE**  
**ENTERPRISE FUND**  
**COMPARATIVE STATEMENT OF CASH FLOWS**  
**FOR THE FISCAL YEARS ENDED JUNE 30, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
Cash flows from (to) operating activities:		
Cash received from customers	\$ 1,455,276	\$ 1,608,211
Cash payments for goods and services	<u>(912,948)</u>	<u>(1,133,648)</u>
Net cash from (to) operating activities	<u>542,328</u>	<u>474,563</u>
Cash flows from (to) noncapital financing activities:		
Transfers in	399,786	399,786
Transfers out	<u>(21,462)</u>	<u>(25,021)</u>
Net cash from (to) noncapital financing activities	<u>378,324</u>	<u>374,765</u>
Cash flows from capital and related financing activities:		
Payments for capital acquisitions	(89,377)	(32,029)
Payments on capital leases	(810,704)	(774,040)
Other nonoperating receipts	10	-
Interest and fiscal charges	<u>(20,582)</u>	<u>(41,784)</u>
Net cash from (to) capital related financing activities	<u>(920,653)</u>	<u>(847,853)</u>
Net increase (decrease) in cash and cash equivalents	(1)	1,475
Cash and cash equivalents at beginning of year	<u>8,281</u>	<u>6,806</u>
Cash and cash equivalents at end of year	<u><u>\$ 8,280</u></u>	<u><u>\$ 8,281</u></u>
Reconciliation of operating income (loss) to net cash from operating activities:		
Operating income (loss)	\$ 73,082	\$ 255,891
Adjustments to reconcile operating income to net cash from operating activities:		
Depreciation	212,125	177,086
Change in assets and liabilities:		
(Increase) decrease in accounts receivable	787	397
Increase (decrease) in due to other funds	270,690	45,924
Increase (decrease) in accounts payable	<u>(14,356)</u>	<u>(4,735)</u>
Net cash from (to) operating activities	<u><u>\$ 542,328</u></u>	<u><u>\$ 474,563</u></u>

**CITY OF MARIETTA, GEORGIA**  
**INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF NET POSITION**  
**JUNE 30, 2016**

	Self- Insurance	Motor Transport	Total
Assets:			
Current assets:			
Cash and cash equivalents	\$ 2,589,142	\$ -	\$ 2,589,142
Investments	15,544	-	15,544
Receivables, net	133,329	-	133,329
Inventories	-	22,007	22,007
	<u>2,738,015</u>	<u>22,007</u>	<u>2,760,022</u>
Total current assets			
Property, plant and equipment:			
Buildings and improvements	-	502,346	502,346
Machinery and equipment	-	1,459,924	1,459,924
Less: accumulated depreciation	-	(1,390,205)	(1,390,205)
	<u>-</u>	<u>572,065</u>	<u>572,065</u>
Net property, plant and equipment			
Total assets	<u>2,738,015</u>	<u>594,072</u>	<u>3,332,087</u>
Deferred outflows of resources:			
Deferred outflows related to pension	<u>-</u>	<u>103,180</u>	<u>103,180</u>
Liabilities:			
Current liabilities:			
Accounts payable	618,007	95,168	713,175
Claims and judgements payable	3,246,681	-	3,246,681
Accrued salaries	-	12,424	12,424
Accrued compensated absences	-	17,671	17,671
Due to other funds	-	892,109	892,109
	<u>3,864,688</u>	<u>1,017,372</u>	<u>4,882,060</u>
Total current liabilities			
Long-term liabilities (net of current portion):			
Accrued compensated absences	-	16,709	16,709
Net pension liability	-	745,660	745,660
	<u>-</u>	<u>762,369</u>	<u>762,369</u>
Total noncurrent liabilities			
Total liabilities	<u>3,864,688</u>	<u>1,779,741</u>	<u>5,644,429</u>
Deferred inflows of resources:			
Deferred inflows related to pension	<u>-</u>	<u>15,850</u>	<u>15,850</u>
Net Position:			
Net investment in capital assets	-	572,065	572,065
Unrestricted	<u>(1,126,673)</u>	<u>(1,670,404)</u>	<u>(2,797,077)</u>
Total net position	<u>\$ (1,126,673)</u>	<u>\$ (1,098,339)</u>	<u>\$ (2,225,012)</u>

**CITY OF MARIETTA, GEORGIA**  
**INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND**  
**CHANGES IN FUND NET POSITION**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	Self- Insurance	Motor Transport	Total
Operating revenues:			
Charges for services	\$ -	\$ 3,099,938	\$ 3,099,938
Contributions	10,983,450	-	10,983,450
Other	148,141	-	148,141
Total operating revenues	<u>11,131,591</u>	<u>3,099,938</u>	<u>14,231,529</u>
Operating expenses:			
Personal services	-	808,447	808,447
Operating services	903,868	2,378,078	3,281,946
Depreciation	-	119,791	119,791
Benefits and claims	13,107,208	-	13,107,208
Total operating expenses	<u>14,011,076</u>	<u>3,306,316</u>	<u>17,317,392</u>
Operating income (loss)	<u>(2,879,485)</u>	<u>(206,378)</u>	<u>(3,085,863)</u>
Nonoperating revenues (expenses) :			
Investment earnings	13,554	-	13,554
Other	-	157	157
Total nonoperating revenues (expenses)	<u>13,554</u>	<u>157</u>	<u>13,711</u>
Transfers:			
Transfers in	3,016,818	-	3,016,818
Transfers out	(73,903)	(19,803)	(93,706)
Total transfers	<u>2,942,915</u>	<u>(19,803)</u>	<u>2,923,112</u>
Change in net position	76,984	(226,024)	(149,040)
Net position at beginning of year	<u>(1,203,657)</u>	<u>(872,315)</u>	<u>(2,075,972)</u>
Net position at end of year	<u>\$ (1,126,673)</u>	<u>\$ (1,098,339)</u>	<u>\$ (2,225,012)</u>

**CITY OF MARIETTA, GEORGIA**  
**INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF CASH FLOWS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	Self- Insurance	Motor Transport	Total
Cash flow from operating activities:			
Cash received from contributions and services provided	\$ 11,086,055	\$ 3,103,376	\$ 14,189,431
Cash payments for goods and services	(1,007,625)	(2,327,196)	(3,334,821)
Cash payments for employee services and fringes	-	(806,534)	(806,534)
Cash payments for benefits and claims	(13,171,222)	-	(13,171,222)
Cash received for other operating activities	148,341	-	148,341
Cash received from (payments to) other funds	(6,688,570)	-	(6,688,570)
Net Cash from (to) operating activities	<u>(9,633,021)</u>	<u>(30,354)</u>	<u>(9,663,375)</u>
Cash flows from noncapital financing activities:			
Transfers in	3,016,818	-	3,016,818
Transfers out	(73,903)	(19,803)	(93,706)
Net transfers in (out) from noncapital financing activities	<u>2,942,915</u>	<u>(19,803)</u>	<u>2,923,112</u>
Cash flows from capital and related financing activities:			
Other nonoperating receipts	-	157	157
Net cash from (to) capital and related financing activities	<u>-</u>	<u>157</u>	<u>157</u>
Cash flows from investing activities:			
Interest received	20,322	-	20,322
Investments (purchased) sold	6,737,672	-	6,737,672
Net cash from (to) investing activities	<u>6,757,994</u>	<u>-</u>	<u>6,757,994</u>
Net increase (decrease) in cash and cash equivalents	67,888	(50,000)	17,888
Cash and cash equivalents at beginning of year	<u>2,521,254</u>	<u>50,000</u>	<u>2,571,254</u>
Cash and cash equivalents at end of year	<u>\$ 2,589,142</u>	<u>\$ -</u>	<u>\$ 2,589,142</u>
Reconciliation of operating income (loss) to net cash from operating activities:			
Operating income (loss)	\$ (2,879,485)	\$ (206,378)	\$ (3,085,863)
Adjustments to reconcile operating income to net cash from operating activities:			
Depreciation	-	119,791	119,791
Changes in assets and liabilities:			
(Increase) decrease in contributions receivable	102,605	-	102,605
(Increase) decrease in due from other governments	-	3,438	3,438
(Increase) decrease in prepaids	200	-	200
(Increase) decrease in inventories	-	54,996	54,996
(Increase) decrease in deferred outflows related to pension	-	(67,580)	(67,580)
Increase (decrease) in accounts payable	(103,757)	16,854	(86,903)
Increase (decrease) in accrued salaries	-	(8,983)	(8,983)
Increase (decrease) in accrued compensated absences	-	(6,004)	(6,004)
Increase (decrease) in net pension liability	-	100,990	100,990
Increase (decrease) in due to other funds	(6,688,570)	(20,968)	(6,709,538)
Increase (decrease) in claims and judgements payable	(64,014)	-	(64,014)
(Increase) decrease in deferred inflows related to pension	-	(16,510)	(16,510)
Net cash from (to) operating activities	<u>\$ (9,633,021)</u>	<u>\$ (30,354)</u>	<u>\$ (9,663,375)</u>

**CITY OF MARIETTA, GEORGIA**  
**SELF - INSURANCE**  
**INTERNAL SERVICE FUND**  
**COMPARATIVE STATEMENT OF NET POSITION**  
**JUNE 30, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$ 2,589,142	\$ 2,521,254
Investments	15,544	6,753,216
Receivables:		
Accrued interest	19	6,787
Contributions	133,310	235,915
Prepays	<u>-</u>	<u>200</u>
Total assets	<u>2,738,015</u>	<u>9,517,372</u>
<u>LIABILITIES</u>		
Current liabilities:		
Accounts payable	618,007	721,764
Claims and judgements payable	3,246,681	3,310,695
Due to other funds	<u>-</u>	<u>6,688,570</u>
Total liabilities	<u>3,864,688</u>	<u>10,721,029</u>
<u>NET POSITION</u>		
Unrestricted	<u><u>\$ (1,126,673)</u></u>	<u><u>\$ (1,203,657)</u></u>

**CITY OF MARIETTA, GEORGIA  
SELF - INSURANCE  
INTERNAL SERVICE FUND  
STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN FUND NET POSITION  
FOR THE FISCAL YEARS ENDED JUNE 30, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
Operating revenues:		
Contributions	\$ 10,983,450	\$ 10,742,421
Other	<u>148,141</u>	<u>108,722</u>
Total operating revenues	<u>11,131,591</u>	<u>10,851,143</u>
Operating expenses:		
Operating services	903,868	825,167
Benefits and claims	<u>13,107,208</u>	<u>13,162,235</u>
Total operating expenses	<u>14,011,076</u>	<u>13,987,402</u>
Operating income (loss)	<u>(2,879,485)</u>	<u>(3,136,259)</u>
Nonoperating revenues:		
Investment earnings	<u>13,554</u>	<u>8,697</u>
Income before transfers	<u>(2,865,931)</u>	<u>(3,127,562)</u>
Transfers:		
Transfers in	3,016,818	2,859,010
Transfers out	<u>(73,903)</u>	<u>(73,505)</u>
Total transfers	<u>2,942,915</u>	<u>2,785,505</u>
Change in net position	76,984	(342,057)
Net position at beginning of year	<u>(1,203,657)</u>	<u>(861,600)</u>
Net position at end of year	<u><u>\$ (1,126,673)</u></u>	<u><u>\$ (1,203,657)</u></u>

**CITY OF MARIETTA, GEORGIA**  
**SELF-INSURANCE**  
**INTERNAL SERVICE FUND**  
**COMPARATIVE STATEMENT OF CASH FLOWS**  
**FOR THE FISCAL YEARS ENDED JUNE 30, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
Cash flow from operating activities:		
Cash received from contributions	\$ 11,086,055	\$ 10,708,440
Cash received from other operating activities	148,341	112,658
Cash payments for operating services	(1,007,625)	(394,826)
Cash received from (payments to) other funds	(6,688,570)	(1,602,985)
Cash payments for benefits and claims	<u>(13,171,222)</u>	<u>(12,871,846)</u>
Net cash from (to) operating activities	<u>(9,633,021)</u>	<u>(4,048,559)</u>
Cash flows from (to) noncapital financing activities:		
Transfers in	3,016,818	2,859,010
Transfers out	<u>(73,903)</u>	<u>(73,505)</u>
Net transfers in (out) from noncapital financing activities	<u>2,942,915</u>	<u>2,785,505</u>
Cash flows from investing activities:		
Interest received	20,322	8,723
Investments (purchased) sold	<u>6,737,672</u>	<u>2,642,429</u>
Net cash from (to) investing activities	<u>6,757,994</u>	<u>2,651,152</u>
Net increase (decrease) in cash and cash equivalents	67,888	1,388,098
Cash and cash equivalents at beginning of year	<u>2,521,254</u>	<u>1,133,156</u>
Cash and cash equivalents at end of year	<u><u>\$ 2,589,142</u></u>	<u><u>\$ 2,521,254</u></u>
Reconciliation of operating income to net cash from operating activities:		
Operating income (loss)	\$ (2,879,485)	\$ (3,136,259)
Adjustments to reconcile operating income to net cash from operating activities:		
Changes in assets and liabilities:		
(Increase) decrease in contributions receivable	102,605	(33,981)
(Increase) decrease in other receivables	-	1,111
(Increase) decrease in prepaids	200	2,825
Increase (decrease) in accounts payable	(103,757)	430,341
Increase (decrease) in due to other funds	(6,688,570)	(1,602,985)
Increase (decrease) in claims and judgements payable	<u>(64,014)</u>	<u>290,389</u>
Net cash from (to) operating activities	<u><u>\$ (9,633,021)</u></u>	<u><u>\$ (4,048,559)</u></u>

**CITY OF MARIETTA, GEORGIA**  
**MOTOR TRANSPORT**  
**INTERNAL SERVICE FUND**  
**COMPARATIVE STATEMENT OF NET POSITION**  
**JUNE 30, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
Assets:		
Current assets:		
Cash and cash equivalents	\$ -	\$ 50,000
Due from other governments	-	3,438
Inventories	<u>22,007</u>	<u>77,003</u>
Total current assets	<u>22,007</u>	<u>130,441</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>(1,390,205)</u>	<u>(1,270,414)</u>
Net property, plant and equipment	<u>572,065</u>	<u>691,856</u>
Total assets	<u>594,072</u>	<u>822,297</u>
Deferred outflows of resources:		
Deferred outflows related to pension	<u>103,180</u>	<u>35,600</u>
Liabilities:		
Current liabilities:		
Accounts payable	95,168	78,314
Accrued salaries	12,424	21,407
Due to other funds	892,109	913,077
Accrued compensated absences	<u>17,671</u>	<u>19,708</u>
Total current liabilities	<u>1,017,372</u>	<u>1,032,506</u>
Long-term liabilities (net of current portion):		
Accrued compensated absences	16,709	20,676
Net pension liability	<u>745,660</u>	<u>644,670</u>
Total noncurrent liabilities	<u>762,369</u>	<u>665,346</u>
Total liabilities	<u>1,779,741</u>	<u>1,697,852</u>
Deferred inflows of resources:		
Deferred inflows related to pension	<u>15,850</u>	<u>32,360</u>
Net Position:		
Net investment in capital assets	572,065	691,856
Unrestricted	<u>(1,670,404)</u>	<u>(1,564,171)</u>
Total net position	<u>\$ (1,098,339)</u>	<u>\$ (872,315)</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, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
Operating revenues:		
Charges for services	\$ 3,099,938	\$ 3,461,380
Other	<u>-</u>	<u>1,136</u>
Total operating revenues	<u>3,099,938</u>	<u>3,462,516</u>
Operating expenses:		
Personal services	808,447	850,556
Operating services	2,378,078	2,579,912
Depreciation	<u>119,791</u>	<u>120,524</u>
Total operating expenses	<u>3,306,316</u>	<u>3,550,992</u>
Operating income (loss)	<u>(206,378)</u>	<u>(88,476)</u>
Nonoperating revenues (expenses) :		
Other	<u>157</u>	<u>-</u>
Transfers:		
Transfers in	-	50,000
Transfers out	<u>(19,803)</u>	<u>(55,603)</u>
Total transfers	<u>(19,803)</u>	<u>(5,603)</u>
Change in net position	(226,024)	(94,079)
Net position at beginning of year	<u>(872,315)</u>	<u>(778,236)</u>
Net position at end of year	<u><u>\$ (1,098,339)</u></u>	<u><u>\$ (872,315)</u></u>

**CITY OF MARIETTA, GEORGIA**  
**MOTOR TRANSPORT**  
**INTERNAL SERVICE FUND**  
**COMPARATIVE STATEMENT OF CASH FLOWS**  
**FOR THE FISCAL YEARS ENDED JUNE 30, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
Cash flow from (to) operating activities:		
Cash received for services provided	\$ 3,103,376	\$ 3,459,224
Cash payments for goods and services	(2,327,196)	(2,559,659)
Cash payments for employee services and fringes	<u>(806,534)</u>	<u>(843,962)</u>
Net cash from (to) operating activities	<u>(30,354)</u>	<u>55,603</u>
Cash flows from (to) noncapital financing activities:		
Transfers in	-	50,000
Transfers out	<u>(19,803)</u>	<u>(55,603)</u>
Net transfers in (out) from noncapital financing activities	<u>(19,803)</u>	<u>(5,603)</u>
Cash flows from (to) capital and related financing activities:		
Other nonoperating receipts	<u>157</u>	<u>-</u>
Net cash from (to) capital and related financing activities	<u>157</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	(50,000)	50,000
Cash and cash equivalents at beginning of year	<u>50,000</u>	<u>-</u>
Cash and cash equivalents at end of year	<u><u>\$ -</u></u>	<u><u>\$ 50,000</u></u>
Reconciliation of operating income to net cash from operating activities:		
Operating income (loss)	\$ (206,378)	\$ (88,476)
Adjustments to reconcile operating income to net cash from operating activities:		
Depreciation	119,791	120,524
Changes in assets and liabilities:		
(Increase) decrease in due from other governments	3,438	(3,292)
(Increase) decrease in inventories	54,996	26,556
(Increase) decrease in deferred outflows related to pension	(67,580)	(35,600)
Increase (decrease) in accounts payable	16,854	5,441
Increase (decrease) in accrued salaries	(8,983)	1,756
Increase (decrease) in accrued compensated absences	(6,004)	7,238
Increase (decrease) in net pension liability	100,990	840
Increase (decrease) in due to other funds	(20,968)	(11,744)
Increase (decrease) in deferred inflows related to pension	<u>(16,510)</u>	<u>32,360</u>
Net cash from (to) operating activities	<u><u>\$ (30,354)</u></u>	<u><u>\$ 55,603</u></u>

**CITY OF MARIETTA, GEORGIA**  
**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**CITY SCHOOLS AGENCY FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>July 01, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2016</u>
Assets				
Cash	\$ 143,254	\$ 47,206,114	\$ (46,890,092)	\$ 459,276
Receivable from other governments	306,670	1,888,887	(1,994,790)	200,767
Uncollected taxes	<u>981,877</u>	<u>44,027,105</u>	<u>(44,347,661)</u>	<u>661,321</u>
Total assets	<u>\$ 1,431,801</u>	<u>\$ 93,122,106</u>	<u>\$ (93,232,543)</u>	<u>\$ 1,321,364</u>
Liabilities - due to others	<u>\$ 1,431,801</u>	<u>\$ 93,122,106</u>	<u>\$ (93,232,543)</u>	<u>\$ 1,321,364</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, 2016

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 125-128.

Revenue Capacity

These schedules contain information to help the user assess the City's major revenue sources. Pages 129-136.

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 137-141.

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 142-143.

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 144-148.

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

	2007	2008	2009	2010 (1)	2011	2012	2013	2014 (2)	2015	2016
Governmental activities										
Net investment in capital assets										
Restricted	\$ 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	\$ 94,656,262
Unrestricted	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	35,585,010
	(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)	(63,403,569)
Total governmental activities net position	\$ 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	\$ 66,837,703
Business-type activities										
Net investment in capital assets										
Restricted	\$ 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	\$ 160,277,765
Unrestricted	1,349,186	2,377,157	2,287,694	-	-	-	-	-	-	-
	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	26,321,119
Total business-type activities net position	\$ 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	\$ 186,598,884
Primary government										
Net investment in capital assets										
Restricted	\$ 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	\$ 254,934,027
Unrestricted	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	35,585,010
	9,258,478	(3,861,326)	28,918,781	(6,892,683)	(10,534,184)	(967,307)	(3,227,254)	(64,685,977)	(50,573,897)	(37,082,450)
Total Primary government net position, before restatements	152,728,447	161,718,751	199,999,454	200,621,478	220,930,914	239,509,347	258,743,083	213,624,874	235,905,656	253,436,587
Restatement for capital assets and related accumulated depreciation	1,391,888	415,317	-	8,100,224	-	-	-	-	-	-
Total Primary government net position, as restated	\$ 154,120,335	\$ 162,134,068	\$ 199,999,454	\$ 208,721,702	\$ 220,930,914	\$ 239,509,347	\$ 258,743,083	\$ 213,624,874	\$ 235,905,656	\$ 253,436,587

(1) Balances have been revised to correctly classify net position categories.

(2) As restated.

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

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014 (3)	2015	2016
<b>Expenses</b>										
Governmental activities:										
General government	\$ 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	\$ 9,206,352
Public works	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	13,609,959
Culture and recreation	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	6,038,731
Public safety	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	31,880,793
Urban redevelopment and housing	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	566,221
Interest and fiscal charges on long-term debt	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	4,497,182
Total governmental activities expenses	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	65,799,238
Business-type activities:										
Water & sewer	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	27,194,492
Electric	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	107,285,496
Golf	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	1,391,698
Conference center	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	745,165
Total business-type activities expenses	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	136,616,851
Total Primary Government expenses	\$ 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	\$ 202,416,089

<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
General government	\$ 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	\$ 10,030,417
Judicial	(1) -	-	-	-	-	3,435,418.81	-	-	-	-
Public works	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	3,751,272
Culture and recreation	260,442	250,876	264,132	319,375	280,347	272,514	270,208	313,602	323,473	470,821
Public safety	(2) 42,390	110,651	348,310	102,531	176,931	986,642	70,063	180,143	96,208	200,635
Urban redevelopment and housing	965,210	703,452	692,429	575,640	632,081	801,496	590,778	602,087	792,155	784,197
Operating grants and contributions	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	1,010,978
Capital grants and contributions	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	13,242,602
Total governmental activities program revenues	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	29,490,922

Business-type activities:										
Charges for services:										
Water & sewer	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	35,396,006
Electric	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	116,711,033
Golf	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	1,454,489
Conference center	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	1,936,747
Operating grants and contributions	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions	4,536,972	777,567	661,994	237,175	77,154	-	-	-	765,710	254,845
Total business-type activities program revenues	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	155,753,120
Total Primary Government program revenues	\$ 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	\$ 185,244,042
Net (expense)/revenue										
Governmental activities	\$ (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)	\$ (36,308,316)
Business-type activities	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	19,136,269
Total Primary Government net expense	\$ (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)	\$ (17,172,047)

**General Revenues and Other Changes in Net Position**

Governmental activities:										
Taxes										
Property taxes	\$ 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	\$ 17,864,399
Insurance premium tax	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	3,261,605
Alcohol taxes	884,674	812,476	803,261	790,828	743,152	1,500,683	762,326	745,204	761,153	747,545
Hotel, motel tax	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	2,894,134
Franchise taxes	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	6,098,112
Auto rental tax	494,156	457,952	412,431	355,788	374,996	359,340	379,537	448,908	433,367	400,055
Unrestricted investment earnings	1,881,843	1,590,204	536,713	356,084	205,966	171,150	181,640	144,116	124,719	213,369
Gains on sale of capital assets	134,434	420,929	143,752	70,215.00	64,599.00	140,437	150,629	238,632	80,977	149,950
Miscellaneous	-	-	-	-	-	19,802.00	-	-	-	-
Operating grants not restricted	1,275,916.00	1,555,432.00	1,669,199.00	1,701,947.00	2,038,348	-	1,499,219	2,305,063	1,856,167	2,691,934
Contributions not restricted	-	-	-	-	-	-	-	-	-	-
Transfers	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	13,040,303
Total governmental activities	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	47,361,406
Business-type activities										
Unrestricted investment earnings	2,509,636	1,973,077	712,646	223,404	539,567	420,170	243,752	355,270	312,473	381,875
Gain on extinguishment of debt	-	-	-	168,042.00	-	-	-	-	-	-
Gain on sale of capital assets	32,889.00	139,800	165,386	112,862	444,084	66,295	258,370	172,919	160,364	-
Miscellaneous	-	-	-	-	-	182,252.00	-	-	-	-
Transfers	(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)	(13,040,303)
Total business-type activities	(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)	(12,658,428)
Total primary government	\$ 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	\$ 34,702,978

**Changes in Net Position**

Governmental activities	\$ 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	\$ 11,053,090
Business type activities	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	6,477,841
Total primary government	\$ 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	\$ 17,530,931

(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									
	2007	2008	2009	2010	2011 (1)	2012	2013	2014 (2)	2015 (2)	2016
General fund										
Reserved	\$ 1,951,995	\$ 2,335,327	\$ 1,645,272	\$ 18,104,875	-	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	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	18,707,797
Restricted	-	-	-	-	2,661,721	-	3,674,750	4,049,761	3,930,085	1,853,575
Committed	-	-	-	-	9,388	-	9,220	2,487,509	730,439	756,194
Assigned	-	-	-	-	1,579,824	2,639,573	5,037,697	3,073,354	5,003,127	5,474,788
Unassigned	-	-	-	-	16,587,222	16,778,594	15,184,547	15,680,317	15,253,550	13,853,847
Total general fund	\$ 16,522,797	\$ 16,710,165	\$ 16,455,784	\$ 30,273,363	\$ 41,285,341	\$ 49,846,094	\$ 48,627,722	\$ 47,890,382	\$ 45,501,217	\$ 40,646,201
All other governmental funds										
Reserved	\$ 5,493,472	\$ 7,725,291	\$ 11,650,875	\$ 10,966,247	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Nonspendable	-	-	-	-	-	598,338	-	-	-	333,899
Unreserved, reported in:										
Special revenue funds	7,444,398	6,708,071	6,728,922	4,976,070	-	-	-	-	-	-
Capital projects funds	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	3,735,949
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	1,318,358
Capital projects funds	-	-	-	-	44,356,460	27,322,837	28,372,332	80,017,545	-	53,066,158
Assigned for	-	-	-	-	-	-	-	-	-	-
Capital projects funds	-	-	-	-	-	383,634	-	-	-	-
Unassigned	-	-	-	-	-	(1,561)	(1,130)	(8,076)	(6,396)	(7,557)
Total all other governmental funds	\$ 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	\$ 58,446,807
Total for all governmental funds	\$ 35,487,508	\$ 48,010,962	\$ 45,085,357	\$ 101,007,965	\$ 96,094,355	\$ 87,883,642	\$ 85,949,129	\$ 136,027,189	\$ 128,514,469	\$ 99,093,008

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

(2) 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									
	2007	2008	2009	2010	2011	2012	2013	2014 (3)	2015 (3)	2016
<b>Revenues</b>										
Taxes	\$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	\$31,333,064
Licenses and permits	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	6,638,511
Intergovernmental	21,850,301	25,074,095	22,251,684	22,487,098	24,354,587	24,834,702	25,378,123	25,164,408	20,882,154	18,496,475
Charges for services	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	4,550,188
Fines and forfeits	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	3,933,335
Contributions	-	-	-	-	-	27,998	-	-	-	-
Investment earnings	1,802,151	2,018,377	697,609	263,223	160,027	195,184	198,129	167,139	161,333	231,195
Other	453,539	616,345	800,914	482,496	710,401	750,933	678,843	823,233	503,323	852,382
Total revenues	63,067,105	66,467,724	62,350,055	60,802,897	63,779,610	64,637,039	62,895,880	65,263,882	67,106,663	66,035,150
<b>Expenditures</b>										
General government	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	7,428,774
Public works	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	8,488,685
Culture and recreation	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	8,060,079
Urban redevelopment and housing	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	30,469,200
Public safety	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	566,221
Capital (2)	-	7,778,531	-	-	-	552,046	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Principal	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	10,510,806
Interest	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	5,237,507
Fiscal agent fees and bond issuance costs	-	186,933	-	-	-	-	-	1,771,188	299,261	3,000
Capital projects (2)	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	35,962,745
Total expenditures	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	106,727,017
Excess of revenues over (under) expenditures	(1,669,995)	(7,315,648)	(11,507,647)	(14,535,844)	(13,135,282)	(19,572,537)	(13,425,852)	(30,561,813)	(18,993,877)	(40,691,867)
<b>Other financing sources (uses)</b>										
Transfers in	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	19,899,018
Transfers out	(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)	(8,778,562)
Sale of capital assets	139,123	425,157	143,752	70,215	64,599	140,437	238,632	184,500	184,500	149,950
Bond proceeds/refunding bonds issued	-	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)	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	11,270,406
Net change in fund balances	\$ 7,044,064	\$ 12,523,454	\$ (2,925,605)	\$ 55,922,608	\$ (5,502,473)	\$ (8,194,397)	\$ (1,934,513)	\$ 50,078,060	\$ (7,512,720)	\$ (29,421,461)
Debt service as a percentage of noncapital expenditures (1)	14.52%	15.16%	13.12%	17.89%	27.82%	24.46%	17.57%	16.01%	23.10%	23.30%

(1) Percentage restated to reflect governmental funds capital outlay and not capital projects  
(2) Restated amounts from capital in 2012 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
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
2016	23,501,353	296,335	747,545	2,901,727	105,489	3,780,614	31,333,064

(1) 2007 - 2016: Includes all governmental funds

**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				
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	294,658,364	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%
2015	2,465,892,136	97,002,822	321,842,534	37,213,498	2,809,170,178	4.046	7,022,925,445	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	
	Operating Millage	Debt Service Millage	Cemetery Maintenance Millage	Total City Millage	Total	Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Total Direct & Overlapping Rates
2007	2.788	1.82	0.08	4.69	6.82	0.22	7.04	17.97	29.70	2.38
2008	2.788	1.82	0.08	4.69	6.82	0.22	7.04	17.97	29.70	2.38
2009	2.788	1.82	0.08	4.69	6.82	0.22	7.04	17.97	29.70	2.38
2010	2.788	1.82	0.08	4.69	6.82	0.22	7.04	17.97	29.70	2.09
2011	2.788	2.37	0.08	5.23	6.82	0.22	7.04	17.97	30.24	2.09
2012	2.788	2.37	0.08	5.23	7.72	0.33	8.05	17.97	31.25	2.09
2013	2.788	1.18	0.08	4.05	7.72	0.33	8.05	19.16	31.25	2.09
2014	2.788	1.18	0.08	4.05	7.32	0.33	7.65	17.97	31.67	2.07
2015	2.788	3.18	0.08	6.05	7.12	0.33	7.45	17.97	31.47	2.07
2016	2.788	3.18	0.08	6.05	7.12	0.33	7.45	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, 2016**

	Taxpayer (1)	Type of Business	2016			2007		
			Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
	Kenneston Outpatient Pavillion	Hospital	\$ 15,536,000	1	0.57%			
	Laurel Hills Apartment LLC	Real Estate	\$ 15,320,000	2	0.56%			
	Lakeside 358 LLC	Real Estate	\$ 14,516,000	3	0.53%			
	Bellsouth Telecom./ AT&T	Telephone	\$ 14,497,071	4	0.53%	\$23,761,543	1	0.94%
	C W Matthews Contracting Co.	Commercial	\$ 12,926,232	5	0.47%	\$9,501,074	6	0.38%
	Ashford Retreat LLC	Real Estate	\$ 10,104,128	6	0.37%			
	Kennesstone Physicians Center I	Hospital	\$ 8,923,895	7	0.32%			
	DPR Marietta Ridge LLC	Real Estate	\$ 8,696,520	8	0.32%			
	HRTBH Wood Station LLC	Commercial	\$ 8,434,960	9	0.31%			
	HRTBH Knolls LLC	Commercial	\$ 8,408,800	10	0.31%			
	Bells Ferry Corp.	Real Estate				\$13,254,960	2	0.52%
	Sterling Town Center Apartments	Commercial				\$12,582,520	3	0.50%
	Atlanta Parkway Investment Group II	Real Estate				\$10,002,221	4	0.40%
	Atlanta Parkway Investment Group I	Real Estate				\$10,000,003	5	0.40%
	Bel EQR IV LP	Attorney				\$8,843,800	7	0.35%
	Wellstar Health System, Inc.	Hospital				\$8,047,320	8	0.32%
	Meridian Ridge Point Acquisition	Commercial				\$7,430,630	9	0.29%
	Wood Glen Apartment Associates	Commercial				\$7,400,000	10	0.29%
	Totals		\$117,363,606		4.27%	\$110,824,071		4.39%

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
2006	10,761,609	(59,841)	10,701,768	10,615,645	98.64%	85,068	10,700,713	99.99%
2007	11,407,894	(1,515)	11,406,379	11,273,654	98.82%	132,372	11,406,026	99.99%
2008	12,147,888	(11,970)	12,135,918	11,853,331	97.58%	278,685	12,132,016	99.97%
2009	11,987,687	(45,794)	11,941,893	11,660,045	97.27%	248,774	11,908,819	99.72%
2010	12,416,512	(35,663)	12,380,849	12,111,605	97.54%	246,545	12,358,150	99.82%
2011	11,708,773	435	11,709,208	11,512,240	98.32%	187,801	11,700,041	99.92%
2012	9,051,308	22,406	9,073,714	8,955,792	98.94%	112,059	9,067,851	99.94%
2013	9,177,751	(176,727)	9,001,024	8,896,794	96.94%	94,950	8,991,744	99.90%
2014	13,839,758	(8,035)	13,831,723	13,734,435	99.24%	80,276	13,814,711	99.88%
2015	14,622,278	-	14,622,278	14,542,338	99.45%	-	14,542,338	99.45%

**CITY OF MARIETTA, GEORGIA**  
**Water and Wastewater Rate History (Residential)**  
**Last Ten Fiscal Years**

Fiscal Year	Gallons of Water Consumed (millions)	Total Direct Rate							
		Water					Wastewater		
		<u>Base Rate</u>	<u>Tier 1</u>	<u>Tier 2</u>	<u>Tier 3</u>	<u>Tier 4</u>	<u>Base Rate</u>	<u>Tier 1</u>	<u>Tier 2</u>
		(1)	(2)	(2)	(2)	(2)	(1)	(2)	(2)
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	*
2016	2,431	13.00	3.00	4.75	5.91	9.39	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
2007 - 2008	>2	*	*		>2	*
2009 - 2011	>2-7	>7 -12	>12		>2	*
2012-2016	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)
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
2016	1,017	8.00	0.070	0.087	0.102	8.00	0.070	0.054	0.054

Source: City of Marietta utility department

Tiers:

(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

(4) Total Kilowatt hours sold for both residential and commercial customers



**CITY OF MARIETTA, GEORGIA**  
**Principal Electric Revenue Customers (Unaudited)**  
**June 30, 2016**

	Customer Name	Type of Business	2016			2007		
			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	63,196,382	1	6.22%	53,523,684	1	4.98%
	Cobb County Government	Government	26,831,486	2	2.64%	24,038,365	3	2.24%
	Kennesaw State University	School	21,870,659	3	2.15%	17,201,906 *	4	1.60%
	Tip Top Poultry	Commercial	15,729,846	4	1.55%	13,188,715	8	1.23%
	Talenti, LLC	Commercial	14,467,939	5	1.42%			
	Marietta City Schools	Commercial	13,605,679	6	1.34%	15,155,376	5	1.41%
	Marietta DC, LLC	Commercial	12,763,320	7				
	Life University	Commercial	10,197,248	8	1.00%	7,426,659	10	0.69%
	Kroger	Commercial	9,002,800	9	0.89%			
	Cobb County Board of Education	Commercial	8,245,330	10	0.81%	7,911,004	9	0.74%
	Lockheed Martin Aeronautics	Commercial				38,419,852	2	3.58%
	Southern Ice Cream	Commercial				15,143,678	6	1.41%
	Lasalle Partners Management	Commercial				13,432,800	7	1.25%
	Totals		195,910,689		18.02%	205,442,039		19.12%

**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
						Marietta							
	General Obligation Bonds	SPLOST Revenue Bonds	Tax Allocation Bonds	Citywide Project Bonds	Note Payable	Conference Center Revenue Bonds	Golf Course Revenue Bonds	Capital Leases					
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	0 *	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	0 *	3,550,000	105,459		100,680,057	6.95%	1,779	
2012	46,248,279	0 **	6,274,180	29,365,000	413,103	0 *	2,736,490	105,779		86,328,062	5.96%	1,482	
2013	41,403,544	0 **	5,685,914	27,895,000	352,443	0 *	2,094,326	169,057		77,487,495	5.15%	1,319	
2014	104,418,809	0 **	5,072,999	26,365,000	288,681	0 *	1,432,162	117,218		137,694,869	9.09%	2,327	
2015	98,540,000	0 **	4,434,403	24,755,000	221,657	0 *	755,000	253,207		128,959,267	8.43%	2,157	
2016	90,440,000	0 **	3,769,050	23,080,000	151,204	0 *	0	197,503		117,637,757	7.78%	1,992	

\* 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**

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Less: Amounts Available in Debt Service Fund</u>	<u>Total</u>	<u>Percentage of Actual Taxable Value of Property</u>	<u>Per Capita</u>
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
2016	90,440,000	3,735,949	86,704,051	1.23%	1,468

**CITY OF MARIETTA, GEORGIA**  
**Direct and Overlapping Governmental Activities Debt**  
**As of June 30, 2016**

<b>Governmental Unit</b>	<b>Net Governmental Debt Outstanding</b>	<b>Percentage Applicable to City of Marietta (1)</b>	<b>Amount Applicable to City of Marietta (1)</b>
Debt repaid with Property Taxes			
Cobb County General Obligation Bonds	10,490,000	9.78%	1,026,111
Total Overlapping General Obligation Debt	10,490,000		1,026,111
Overlapping Guaranteed Revenue Debt:			
Cobb County Revenue Bonds	477,560,000	9.78%	46,713,979
Cobb County Parking Deck Certificates	8,850,000	9.78%	865,690
Cobb County Anticipation Bonds	6,070,000	9.78%	593,755
Total Overlapping Guaranteed Revenue Debt	492,480,000		48,173,424
<b>Total Overlapping Debt</b>	502,970,000	9.78%	<b>49,199,535</b>
<b>Total Direct Debt</b>	117,289,049	100.00%	<b>117,289,049</b>
<b>Total Direct and Overlapping Debt</b>	<u>\$ 620,259,049</u>		<u><b>\$ 166,488,584</b></u>
Debt Per Capita:			
Direct City Debt			\$ 1,986
Overlapping General Obligation Debt			17
Overlapping Guaranteed Revenue Debt			816
Total Debt Per Capita			<u><b>\$ 2,819</b></u>

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									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Debt limit: 10 percent of assessed value	\$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	\$292,195,099
Total net debt applicable to limit	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	90,440,000
Legal Debt margin	<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>	<u>\$201,755,099</u>
Total net debt applicable to the limit as a percentage of debt limit	20.42%	18.01%	14.94%	20.38%	17.91%	16.57%	15.18%	37.65%	34.56%	30.95%
Legal Debt Margin Calculation for Fiscal Year 2015										
Total taxable assessed value										\$2,809,170,178
Add back: exempt real property										112,780,812
Total assessed value										2,921,950,990
Debt limit (10% of total assessed value)										292,195,099
Debt applicable to limit: General obligation bonds										<u>90,440,000</u>
Legal debt margin										<u>\$201,755,099</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
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	0	0	0.00 (3)	907,858	520,111	331,044	1.07	1,942,774	-	-	-
2011	0	0	0	0.00	1,019,761	541,904	309,251	1.20	2,240,303	865,000	1,384,731	1.00
2012	0	0	0	0.00	686,479	564,610	286,545	0.81	9,251,322	1,430,000	1,350,306	3.33
2013	0	0	0	0.00	531,595	588,266	262,889	0.62	2,204,531	1,470,000	1,299,456	0.79
2014	0	0	0	0.00	486,732	612,915	238,240	0.57	2,152,537	1,530,000	1,230,850	0.77
2015	0	0	0	0.00	386,124	638,596	212,559	0.45	2,047,528	1,610,000	1,159,444	0.73
2016	0	0	0	0.00	627,604	665,353	185,804	0.74	1,936,747	1,675,000	1,084,322	0.69

(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>
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
2016	59,067	1,475,494	24,980	32.9	8,712	5.0

- (1) Population and age demographic sources: Claritas estimates for years 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 and 2016
- (2) Income sources: Claritas estimates for years 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 and 2016
- (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	2016			2007		
	Employees <sup>1</sup>	Rank	Percentage of Total City Employment <sup>2</sup>	Employees <sup>3</sup>	Rank	Percentage of Total City Employment <sup>2</sup>
Lockheed Martin Aeronautical Systems	8,200	1	23%			
Wellstar Kennestone Hospital	4,555	2	13%	3,700	1	10%
Dobbins Air Reserve Base	4,500	3	13%			
Cobb County Public Safety	2,400	4	7%			
Cobb County Government	1,502	5	4%	1,041	9	3%
Tip Top Poultry	1,400	6	4%	1,300	6	4%
Cobb County Board of Education	1,331	7	4%	997	10	3%
Marietta City Schools	1,235	8	4%	1,264	7	4%
Brickman Group	1,000	9	3%			
XPO Last Mile	750	10	2%			
YKK Corp of America				2,500	2	7%
Matria Healthcare				2,400	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>

2016: Reference USA from infogroup/Reference Division; City of Marietta Personnel; Dobbins Airforce Base Website; Personnel; Cobb County Public Schools



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

Function	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General government										
Elected officials	8	8	8	8	8	7	7	8	8	8
City clerk	3	3	3	3	3	3	3	3	3	3
Municipal court	16	16	14	14	16	14	14	18	13	17
City manager	7	7	7	6	6	6	6	7	7	6
Mayor staff	1	1	1	1	1	1	1	1	1	1
Finance	24	23	26	26	26	26	26	25	26	26
Human Resources	9	8	8	9	9	9	9	10	9	9
Develop. servs and Sect. 8 <sup>1</sup>	29	31	32	30	31	30	30	27	21	20
Public works										
Admin. & Engineering	7	7	8	9	10	10	10	9	12	9
Building Inspection	8	8	8	7	7	7	7	7	8	8
Environmental Services	42	42	39	38	38	36	33	36	32	32
Streets & Traffic	41	39	38	38	37	37	37	36	32	31
Public safety										
Police										
Officers	133	132	124	129	134	127	127	128	132	135
Civilians	31	33	30	31	31	34	34	36	37	38
Fire										
Firefighters & officers	128	131	132	132	129	127	127	127	126	132
Civilians	4	4	3	3	3	3	3	3	3	3
Parks, Recreation & Facilities										
Recreation	11	11	11	11	11	9	9	11	11	10
Property maintenance	17	17	16	16	14	14	14	15	15	16
Cemetery maintenance	2	1	1	1	2	2	2	2	2	2
BLW Board										
Electric	6	6	6	6	6	5	5	5	5	5
Information Technology	137	127	131	126	129	129	129	130	126	129
Water/sewer	21	20	20	20	20	19	19	21	20	22
Fleet maintenance	37	41	41	42	42	40	40	41	41	42
Fleet maintenance	13	13	14	14	14	14	14	15	14	13
Total	735	729	721	720	727	709	706	721	704	717

<sup>1</sup> Section 8 division closed in FY2015

Source: City of Marietta.

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

Function	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Police:										
Murder	4	4	3	4	4	3	5	6	10	2
Robbery	276	268	231	192	147	125	137	121	149	128
Aggravated assault	189	189	120	172	156	150	120	107	103	84
Motor vehicle theft	467	393	254	210	193	194	173	201	154	157
Burglary	614	636	604	690	715	622	460	428	323	349
Larceny	1,820	1,858	1,802	1,922	1,961	1,934	1,793	2,092	1,939	1,892
Fire:										
Calls for service	12,514	10,496	10,076	10,880	10,362	10,006	10,592	10,676	11,811	12,768
Fires	296	297	220	301	236	285	234	224	248	258
Structure fires	79	75	77	77	70	60	96	77	53	54
EMS calls	3,715	3,803	4,135	4,605	5,217	5,415	6,330	6,878	3,455	4,298
Fire investigations	86	77	76	67	77	67	71	68	58	36
Plan reviews of commercial property	984	416	482	414	418	431	348	467	432	714
Public Works/Engineering/Inspections:										
Highways and streets										
Street resurfacing (miles)	3.1	12.1	13.5	6.4	2.5	6.9	8.8	8	8	7
Pedestrian signals installed	19	10	1	16	13	6	4	3	11	3
Signalized intersections installed/upgraded	13	6	27	8	7	57	122	19	10	3
Engineering/building inspections										
Site plans reviewed	130	118	95	68	65	52	105	118	95	161
Grading permits issued	317	173	84	119	148	150	154	244	238	285
Permits issued (building and trade)	6,536	4,767	4,814	3,811	4,776	4,315	3,568	4,449	4,745	4,167
Inspections	17,180	12,039	11,913	10,347	12,418	10,803	8,991	10,983	12,489	12,713
Sanitation										
Tons of residential waste landfilled	19,785	18,955	17,124	15,579	16,061	15,967	13,303	15,184	15,358	18,884
Tons of residential waste recycled	5,786	6,391	7,445	7,440	8,060	7,852	6,096	6,362	6,444	11,884

(Continued)

\* revised

Source: various City of Marietta departments

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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Parks, recreation, and facilities:										
Parks and recreation										
Senior games participants	275	222	250	300	254	0	0	0	0	0
Summer day camp participants	356	1,018	814	640	702	80	120	720	315	347
Youth basketball participants	321	380	340	360	335	299	303	291	330	342
Youth track participants	92	100	0	0	0	0	0	0	0	0
Adult basketball teams	10	11	12	12	8	4	0	0	0	0
Concerts on the Square	17	17	19	16	19	18	17	16	16	16
Festivals on the Square	4	4	7	8	6	9	10	8	9	9
Facilities										
Inspections	3,613	3,659	400	400	427	400	413	408	410	413
Work orders	2,971	3,121	1,580	1,450	1,520	1,510	1,515	1,520	1,525	1,550
Vandalism incidents	264	210	39	32	7	10	8	9	8	10
Development Services:										
Code enforcement cases	4,925	5,167	6,431	6,409	6,007	5,800	3,106	6,000	5,640	6,000
Citations issued	53	36	47	62	42	28	121	30	30	45
Sign permits issued	350	282	393	451	383	383	362	385	374	388
Rezoning applications processed	29	19	20	14	13	12	27	23	37	33
Variance applications processed	54	32	37	31	37	42	58	38	63	46
Plats reviewed	78	51	45	20	29	33	33	37	54	74
Building permits reviewed	1,677	1,511	1,118	1,168	1,271	1,271	1,358	3,531	1,839	4,280
Human Resources:										
Number of open positions	204	121	74	73	61	66	75	98	92	123
Number of applications received	5,584	5,733	3,342	4,649	3,581	3,885	2,964	2,955	2,447	2,730
Pension applications received and approved	37	25	32	20	20	28	30	34	34	44
Finance:										
Tax payments processed	19,802	20,460	20,775	20,703	20,642	20,579	20,540	20,507	20,616	19,317
Value of tax payments (millions)	54.9	58.8	62.5	61.6	57.9	54.0	53.3	51.7	56.8	54.5
Property tax exemption forms	8,204	8,418	8,455	8,631	8,502	8,340	8,288	8,165	8,105	8,130
Purchase orders processed	2,351	2,107	2,113	1,974	1,964	1,961	2,128	2,059	1,720	1,732
Active vendors	6,425	6,439	6,687	6,996	7,400	7,400	7,930	3,146	3,617	4,472
Business licenses issued	9,020	8,098	7,276	8,379	8,399	8,340	8,434	8,762	8,650	9,025

(Continued)

\* revised

Source: various City of Marietta departments

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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Municipal Court:</b>										
Traffic citations filed	20,655	17,114	14,146	15,698	18,524	15,617	14,968	16,837	17,974	19,537
Red light citations filed	35,873	26,882	21,641	20,197	17,364	14,746	17,101	18,103	18,663	18,503
Parking citations filed	3,927	4,160	4,255	4,687	4,317	4,743	4,412	4,399	4,355	3,639
Cases filed	16,051	13,321	11,755	12,594	14,237	12,691	12,732	13,724	14,673	13,390
Non-jury trials	906	957	1,011	990	1,256	1,022	1,068	829	800	676
New probationers	489	631	673	722	712	829	721	777	719	567
<b>Electric:</b>										
New customer work orders	677	551	150	144	121	20	100	100	250	269
Lighting repair work orders	1,771	1,847	1,800	1,733	1,517	1,538	1,700	1,600	1,497	1,666
Line clearance (miles)	104	100	110	98	94	135	175	196	182	162
Trees removed on system	209	225	315	298	594	587	465	550	428	491
Meter site audits	527	350	400	463	460	513	450	450	361	348
Transformer infrared scanning	289	220	250	407	503	503	500	525	618	549
Electric customers	45,593	46,032	46,477	46,525	46,309 *	46,437	46,287	46,887	46,621	46,443
Kilowatt hours sold (millions)	1,073	1,094	1,038	1,046	1,083	1,027	998	1,008	1,014	1,017
<b>Water &amp; sewer:</b>										
New meter installs	204	78	33	38	42	104	63	175	119	149
Large water main replacements (feet)	3,150	5,000	6,660	9,515	6,694	3,918	3,542	0	5,438	1,882
Water line replacements (feet)	4,600	6,100	6,257	6,082	3,563	4,753	8,986	0	766	5691
Sewer main rehabilitation (feet)	4,500	2,800	12,774	6,589	5,102	0	4,354	216	0	6080
Major sanitary sewer overflows	1	0	0	0	0	1	0	0	0	0
Backflow device inspections	454	469	457	760	616	809	853	751	822	816
Utility locates	3,495	3,625	3,536	3,662	2,252	2,718	4,359	4,282	4,594	4,739
Gallons of grease removed from traps	762,226	715,234	658,174	597,253	703,394	716,167	675,935	637,727	591,108	498,050
Valves exercised	189	0	0	284	253	279	0	409	576	107
Plan reviews	46	35	64	95	18	30	17	35	35	33
Work orders completed	3,142	5,812	5,613	5,361	4,707	4,883	5,055	5,138	4,583	4,576
Water accounts	18,661	18,073	18,441	17,710	17,684	17,718	17,918	17,953	18,086	18,124
Water gallons sold (million)	3,353	3,001	2,626	2,533	2,644	2,658	2,565	2,483	2,459	2,517
Sewer accounts	16,710	16,782	16,569	16,437	16,381	15,039	16,602	16,680	16,808	16,835
Sewer gallons (millions)	2,998	2,708	2,430	2,567	2,381	2,177	2,325	2,298	2,334	2,276

\* revised

Source: various City of Marietta departments

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

Function	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Public safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	103	99	108	104	116	131	101	104	116	128
Fire Stations	6	6	6	6	6	6	6	6	6	6
Sanitation										
Collection trucks	15	15	15	15	15	15	17	19	19	22
Highways and streets										
Streets(miles)	223.2	223.7	222.1	216.8	216.6	220	218.1	218.03	218.3	217.16
Streetlights	6,817	7,824	7,748	7,665	7,660	7,741	7,736	8,190	8,359	8,410
Traffic signals	108	104	105	104	104	104	105	109	110	110
Culture and recreation										
Parks acreage	298.8	310	310	310	310	373	402.7	406.3	405.2	408.8
Parks & Greenspace	20	20	22	22	22	32	37	37	37	38
Swimming pools *	1	1	1	1	1	1	1	0	0	0
Tennis courts	27	23	19	19	19	21	21	21	22	20
Community centers	2	2	2	2	2	2	3	3	3	2
Water										
Water mains (miles)	314.4	318.8	326.9	328.0	331.6	334	338.2	339	338.4	339.1
Fire hydrants	2,322	2,385	2,594	2,619	2,626	2,660	2,712	2,736	2,908	2,865
Water pump stations	3	3	3	3	3	3	3	3	3	3
Wastewater										
Sanitary sewer mains (miles)	278.3	285.2	293.8	298.0	300.9	303	303.2	295	295.3	302.8
Storm sewers(miles)	225.6	230.0	232.2	232.2	232.2	232	230	230	230	230
Wastewater pump stations	1	1	1	1	1	1	1	1	1	1
Electric										
Number of distribution stations	20	21	21	20	21	21	21	21	21	21
Miles of service lines	579	585	588	590	590	590	590	591	592	593
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:

\*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, 2016**

<u>Revenues</u>	<u>Expenditures *</u>	<u>Percentage Expended</u>
<u>\$ 2,885,136</u>	<u>\$ 2,885,136</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, 2016**

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<u>Revenues</u>	<u>Expenditures *</u>	<u>Percentage Expended</u>
<u>\$ 398,675</u>	<u>\$ 398,675</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, 2016**

Project	Original Estimated Cost	Revised Estimated Cost	Expenditures			Estimated Percentage of Completion
			Prior Years	Current Year	Total	
1994:						
Road Improvement Program	\$24,239,000	\$23,311,166	\$23,257,720	\$ -	\$23,257,720	99.77%
2005:						
800 MHz Radios	\$ 2,519,952	\$ 1,409,151	\$ 1,240,152	\$ -	\$ 1,240,152	88.01%
Road Improvement Program	\$ 62,201,305	\$ 66,255,580 *	\$ 66,003,892	\$ -	\$ 66,003,892	99.62%
Subtotal	\$ 64,721,257	\$ 67,664,731	\$ 67,244,044	\$ -	\$ 67,244,044	99.38%
2011:						
Tier 1 Projects						
Capital Improvements	\$ 6,880,000	\$ 6,880,000	\$ 1,998,457	\$ 3,001,783	\$ 5,000,240	72.68%
Congestion Relief & Mobility Improvement	\$ 5,546,000	\$ 5,546,000	\$ 2,631,855	\$ 249,331	\$ 2,881,186	51.95%
Infrastructure Preservation	\$ 16,500,000	\$ 16,500,000	\$ 8,104,256	\$ 3,685,787	\$ 11,790,043	71.45%
Safety & Operational Improvement	\$ 15,873,421	\$ 15,873,421	\$ 4,846,154	\$ 1,155,568	\$ 6,001,722	37.81%
Subtotal	\$ 44,799,421	\$ 44,799,421	\$ 17,580,722	\$ 8,092,469	\$ 25,673,191	57.31%
2016:						
Facilities & Technology	\$ 3,000,000	\$ 3,000,000	\$ -	\$ 142,120	\$ 142,120	4.74%
Public Safety Improvements	\$ 7,654,000	\$ 7,654,000	\$ -	\$ 845,214	\$ 845,214	11.04%
Transportation Improvements	\$ 47,699,902	\$ 47,699,902	\$ -	\$ 1,091,384	\$ 1,091,384	2.29%
	\$ 58,353,902	\$ 58,353,902	\$ -	\$ 2,078,718	\$ 2,078,718	3.56%
Grand Total for SPLOST Expenditures				\$ 10,171,187		

\* Includes Bond expenditures