



2018

City of Marietta, Georgia

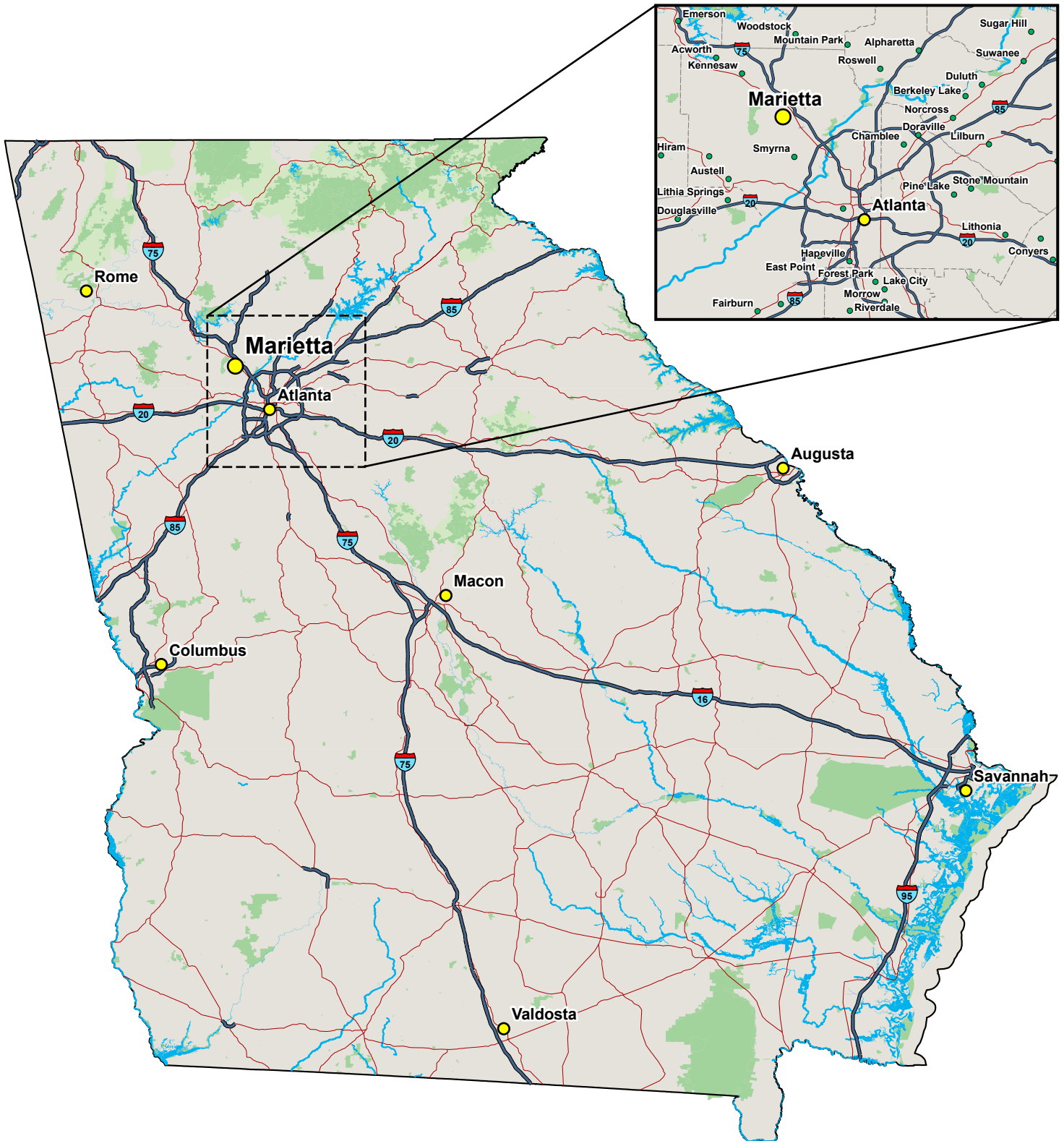
COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2018



The State of Georgia

& City of Marietta Location Map



**CITY OF MARIETTA, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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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

November 19, 2018

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, 2018, 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, 2018. 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 30.48 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 61,881 on June 30, 2018.

Long-term financial planning

Unassigned fund balance in the general fund (39 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. The City of Marietta broke ground on the \$3.7 million-dollar replacement fire station planned along Sawyer Road early spring. The 11,000 square-foot fire station replaces the existing Fire Station 56 on Allgood Road near Cobb Parkway. The firehouse, which is being built with SPLOST funds, is scheduled to be operational in spring of 2019. Major streetscape work on Roswell Street will also continue throughout FY19.

Parks bond projects in progress will continue as scheduled. The Elizabeth Porter Park scheduled to open in August 2018, will include a splash pad, playground, picnic pavilions and greenspace. In addition, members of the City of Marietta's Elizabeth Porter Historic Committee raised money from community members and organizations to fund monument, art, and murals in the new park. The Elizabeth Porter park fund was created for enhancements within Elizabeth Porter Park including a statue to honor park namesake Elizabeth Porter and interpretative signage recounting the history of the African American hospital and the Baptist Town community. The new park is the site of the historic hospital, then the once popular canteen, and lastly the Elizabeth Porter recreational facility. During FY19 the City will focus on improvement to Burruss and Wildwood parks along with finishing other remaining projects on the parks bond list.

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 and multi-year projects will continue in FY2019. 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 along Roswell Street where SPLOST projects are planned to get underway. Major sewer rehabilitation and replacement projects will also take place in the corridor from Highway 41 to east of I-75.

Economic Development and Redevelopment continue to be a priority for the year as Marietta brought in new business, retained existing industries, and revitalized distressed areas. Signs of transformation are taking place as a result of the citizen-approved \$69-million bond for urban redevelopment. \$64 million is dedicated to the Franklin-Gateway redevelopment area for the acquisition and demolition of developed property for redevelopment and road infrastructure improvements. Funding from the bond allowed the City to purchase a 28-acre apartment complex on Franklin Gateway that has since been acquired by IKEA and Drive Shack will be amongst the newest additions to the Franklin Gateway Corridor joining other top brands such as The Home Depot Technology Center and Atlanta United FC.

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, 2017. This represented the twenty-seventh 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.

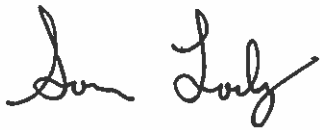
A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

In addition, the City also received the GFOA Award for Distinguished Budget Presentation for its annual appropriated budget dated July 1, 2017 for fiscal year 2018. 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", written in a cursive style.

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**

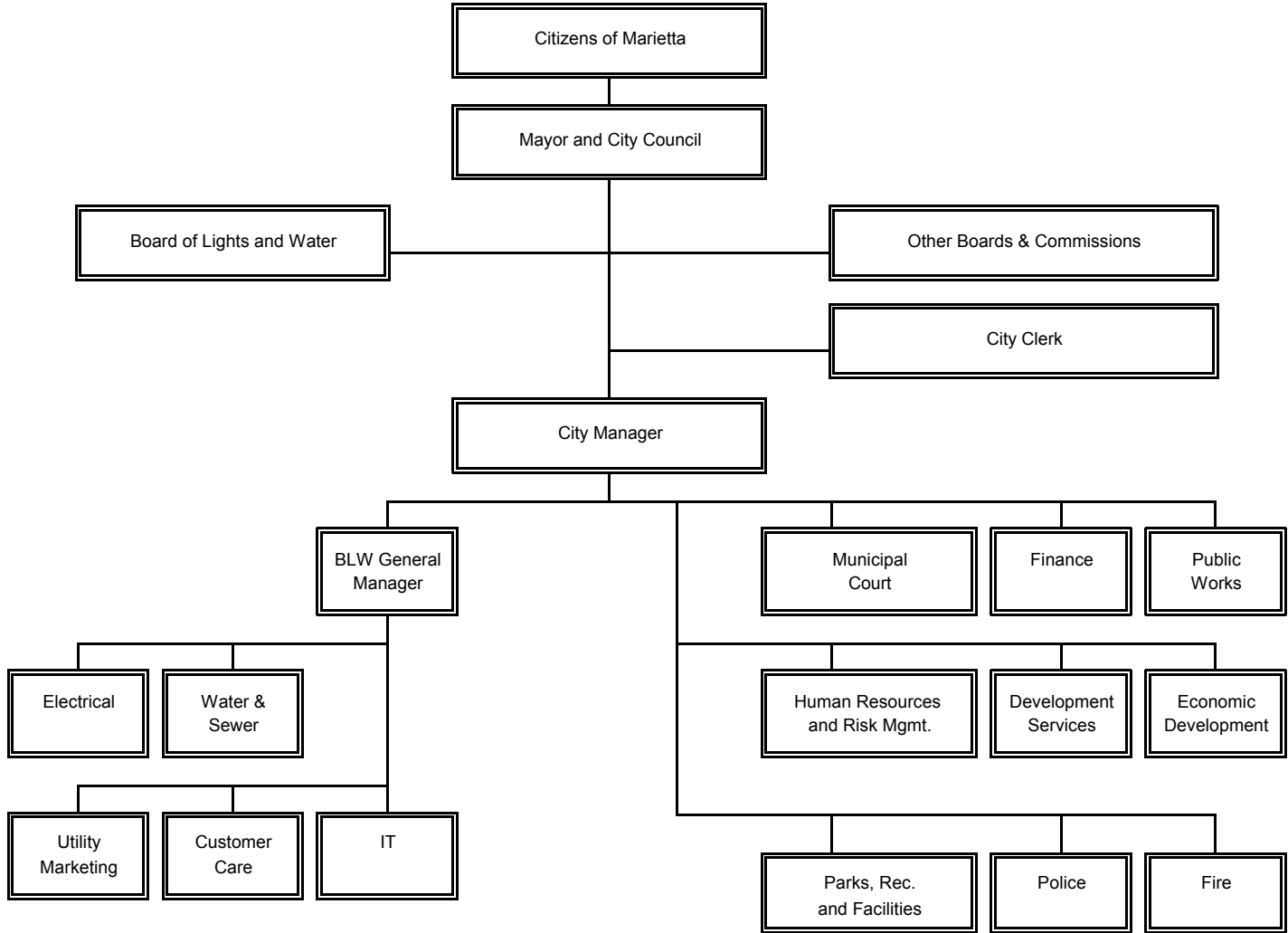
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morill

Executive Director/CEO

CITY OF MARIETTA ORGANIZATION CHART



OFFICIALS

Mayor and City Council

R. Steve Tumlin, Jr.
Mayor

Cheryl Richardson	Ward 1
Griffin L. Chalfant, Jr.	Ward 2
Johnny M. Walker Jr.	Ward 3
G. A. "Andy" Morris	Ward 4
Reggie Copeland	Ward 5
Michelle Cooper Kelly	Ward 6
Joseph R. Goldstein	Ward 7

Board of Lights and Water

R. Steve Tumlin, Jr., Mayor
Chairman

Bruce E. Coyle	Board Member
Michelle Cooper Kelly, Council Member	Board Member
Terry G. Lee	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	Court Administration Director
Ronnie Barrett	IT Director
Rich Buss	Parks, Recreation and Facilities Director
Dan Conn	Public Works Director
Daniel Flynn	Police Chief
Ernie Garcia	Electrical Director
Davy Godfrey	Human Resources and Risk Management Director
Stephanie Guy	City Clerk
Douglas Haynie	City Attorney
Kim Holland	Water and Sewer Director
Sam Lady	Finance Director
Tim Milligan	Fire Chief
J. Kevin Moore	BLW Attorney
Ronald Mull	BLW General Manager
Sherri Rashad	Customer Care Director
Rusty Roth	Development Services Director

MAYOR AND CITY COUNCIL



Cheryl Richardson
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



Reggie Copeland
Councilmember, Ward 5



Michelle Cooper Kelly
Councilmember, Ward 6



Joseph R. Goldstein
Councilmember, Ward 7

FINANCIAL SECTION



NICHOLS, CAULEY & ASSOCIATES, LLC

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Kennesaw, Georgia 30144
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kennesaw@nicholscauley.com
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INDEPENDENT AUDITOR'S REPORT

The Honorable R. Steve Tumlin Jr., Mayor
Members of the City Council
City of Marietta
Marietta, Georgia

Report on the Financial Statements

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, 2018, 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.

Atlanta | Calhoun | Canton | Dalton | Dublin
Kennesaw | Rome | Warner Robins

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, 2018, 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.

Emphasis of Matter

As described in Note 18, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits other than Pensions, for the year ending June 30, 2018. This standard significantly changes the accounting for the City's net OPEB liability and the related disclosures. Our opinion is not modified with respect to this matter.

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, Schedule of Pension Contributions, Schedule of Changes in the City's Net OPEB Liability and Related Ratios, the Schedule of OPEB Contributions, and the Schedule of OPEB Plan Investment Returns on pages 4-16 and 64-69 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 section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The special reports section consisting of 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 section 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 November 19, 2018 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
November 19, 2018

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, 2018. 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 \$256.4 million at the end of fiscal year 2018. This is an increase of \$8.0 million when compared to the previous year after the restatement for GASB75 OPEB liability. Of this amount, \$273.5 million is the city's net investment in capital assets. Total unrestricted net position is a negative \$61.4 million. Unrestricted net position from governmental activities are a negative \$83.4 million.
- ❖ The City's total net position increased \$8.0 million over the previous year. Net position for governmental activities increased \$2.2 million and business-type net position increased \$5.8 million.
- ❖ The total liabilities of the City's governmental-type and business-type funds outstanding at June 30, 2018 are \$217.2 million and \$65.2 million respectively. \$255.7 million of this total represents long-term liabilities, such as bonds and notes payable and leases payable. This is a decrease of \$10.5 million for the governmental activities and a decrease of \$0.7 million for the business-type activities. This is after a \$27.1 million adjustment for GASB75.
- ❖ The City's General Fund's fund balance was \$35.1 million as of June 30, 2018. The General Fund's fund balance decreased by \$0.8 million.

Total governmental activities bonds payable, net decreased by \$8.8 million in fiscal year 2018.

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 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 eleven (11) 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, 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 22 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 23 through 27 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 28 through 29 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 30 through 63 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 70 through 122 of this report.

CITY-WIDE FINANCIAL ANALYSIS

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

Net Position. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. As of June 30, 2018, net position totaled \$256.4 million after the restatement for GASB75 OPEB liability.

The following table provides a summary of the City's governmental and business-type net position for fiscal year 2017 and 2018.

	Governmental Activities		Business-type Activities		Total	
	2017	2018	2017	2018	2017	2018
Assets						
Current and other assets	99,284,514	97,091,830	85,380,164	86,418,467	184,664,678	183,510,297
Capital assets	186,705,721	184,775,367	165,007,400	170,573,660	351,713,121	355,349,027
Total assets	285,990,235	281,867,197	250,387,564	256,992,127	536,377,799	538,859,324
Deferred Outflow of Resources						
Deferred Loss on Refunding	1,378,469	1,091,751	-	-	1,378,469	1,091,751
Related to pension	3,568,460	975,540	1,457,540	398,460	5,026,000	1,374,000
Total Deferred Outflows of Resources	4,946,929	2,067,291	1,457,540	398,460	6,404,469	2,465,751
Liabilities						
Current and other liabilities	11,381,449	12,561,247	15,772,599	14,152,208	27,154,048	26,713,455
Non-current liabilities	216,278,190	204,603,721	50,238,904	51,109,063	266,517,094	255,712,784
Total liabilities	227,659,639	217,164,968	66,011,503	65,261,271	293,671,142	282,426,239
Deferred Inflows of Resources						
Deferred Inflow Relating to OPEB	-	306,570	-	86,396	-	392,966
Related to Pension	-	1,006,780	-	411,220	-	1,418,000
Deferred gain on Refunding	765,941	705,472	-	-	765,941	705,472
Total Deferred Inflows of Resources	765,941	2,018,822	-	497,616	765,941	2,516,438
Net Position						
Net invested in capital assets	104,018,353	103,951,208	163,936,485	169,556,143	267,954,838	273,507,351
Restricted	43,139,357	44,244,097	-	-	43,139,357	44,244,097
Unrestricted	(84,646,126)	(83,444,607)	21,897,116	22,075,557	(62,749,010)	(61,369,050)
Total net position	\$62,511,584	64,750,698	\$185,833,601	191,631,700	248,345,185	256,382,398

The largest portion of the City's net position, \$273.5 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 \$8 million in fiscal year 2018 before the restatement for GASB75 OPEB liability. The following table indicates the changes in net position for governmental and business-type activities in fiscal year 2017 and 2018.

Changes in Net Position						
	Governmental Activities		Business-type Activities		Total	
	2017 ⁽¹⁾	2018	2017 ⁽¹⁾	2018	2017 ⁽¹⁾	2018
Revenues						
Program revenues:						
Charges for services	\$14,874,546	\$15,568,078	\$156,252,751	\$153,960,599	\$171,127,297	\$169,528,677
Operating grants and contributions	670,084	1,659,598	-	-	670,084	1,659,598
Capital grants and contributions	15,049,388	14,206,564	1,917,109	1,597,591	16,966,497	15,804,155
General Revenues:						
Property taxes	17,138,130	18,251,872	-	-	17,138,130	18,251,872
Other taxes	14,037,969	14,141,040	-	-	14,037,969	14,141,040
Investment earnings	222,800	472,042	355,623	959,445	578,423	1,431,487
Other revenues	2,794,712	3,415,767	-	-	2,794,712	3,415,767
Redevelopment Property Sales		(12,114,377)	-	-	-	(12,114,377)
Total Revenues	64,787,629	55,600,584	158,525,483	156,517,635	223,313,112	212,118,219
Expenses						
General government	8,757,149	9,579,658			8,757,149	9,579,658
Judicial					-	-
Public works	13,023,548	13,956,364			13,023,548	13,956,364
Culture and recreation	7,487,539	7,470,550			7,487,539	7,470,550
Public safety	30,751,899	33,595,213			30,751,899	33,595,213
Urban redevelopment and housing	308,498	431,917			308,498	431,917
Interest on long-term debt	4,289,705	3,263,844			4,289,705	3,263,844
Electric, water & sewer			134,518,594	133,413,159	134,518,594	133,413,159
Golf			1,386,467	1,489,298	1,386,467	1,489,298
Conference			781,021	881,003	781,021	881,003
Total expenses	64,618,338	68,297,546	136,686,082	135,783,460	201,304,420	204,081,006
Increase (decrease) in net position before transfer	169,291	(12,696,962)	21,839,401	20,734,175	22,008,692	8,037,213
Transfers in (out)	13,099,135	14,936,076	(13,099,135)	(14,936,076)	-	-
Change in net position	13,268,426	2,239,114	8,740,266	5,798,099	22,008,692	8,037,213
Net position-beginning, before restatement	66,837,703	80,106,129	186,598,884	195,339,150	253,436,587	275,445,279
Restatement	-	(17,594,545)	-	(9,505,549)	-	(27,100,094)
Net position-beginning after restatement	66,837,703	62,511,584	186,598,884	185,833,601	253,436,587	248,345,185
Net position-ending	\$80,106,129	\$64,750,698	\$195,339,150	\$191,631,700	\$275,445,279	\$256,382,398

(1) The effect of implementing GASB Statement No. 75 to previously reported changes in net position has not been determined.

Governmental Activities. Governmental activities decreased the City's net position by \$30.3 million in fiscal year 2018 before transfers, however \$17.6 is from the restatement for GASB75. Key elements of this decrease are as follows:

Total revenues are \$67.7 million, up 4.4% from the prior year when not allowing for a loss of \$12.1 million on sale of land for redevelopment. The revenue increase is attributable to an

increase in economic activity, a decrease in operating grants and a decrease in court fines and forfeits. Business license saw a slight increase and permit revenue increased due to the improving housing market. Investment earnings increased from the previous year, which is attributable to the increase in the rates.

Expenses totaled \$68.3 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 \$11.2 million in fiscal year 2018 before transfers to the governmental activities. This is after a reduction for restatement of \$9.5 million for GASB75.

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

	Fiscal Year	
	2017	2018
Net Revenue (Expense):		
Board of Lights & Water	\$20,257,280	\$18,628,720
City Club Golf Course	156,584	88,773
Marietta Conference Center & Resort	1,069,914	1,057,237
Total	21,483,778	19,774,730
General Revenues	355,623	959,445
Change in net position before transfers	21,839,401	20,734,175
Transfers	(13,099,135)	(14,936,076)
Change in net position	8,740,266	5,798,099
Net position, beginning	186,598,884	195,339,150
Restatement for GASB75	-	(9,505,549)
Net position, ending	195,339,150	191,631,700

The Board of Lights and Water's operating revenues decreased 1.6% from the previous year while operating expenses decreased by .6% resulting in an operating income decrease of 8.4% from 2017.

The City Club Golf Course operating revenues decreased by 6.6% from the previous year while operating expenses increased 7.9% resulting in operating loss of \$47,622.

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 2018, the combined ending fund balances of the City's governmental funds were \$83.6 million.

The City has three major governmental funds:

General fund. This is the primary operating fund of the City of Marietta government. It accounts for many of the City's core services such as law enforcement, fire protection, planning, roads and streets, solid waste sanitation, and administration. The general fund balance was \$35.1 million as of June 30, 2018. The fiscal year 2018 fund balance is \$.8 million lower than the previous year. This is due to the reduction of the non-spendable funds which was a payment of the principal on the city projects bond for FY2018 in the amount of \$1.7 million. Committed funds were increased by \$70 thousand and assigned funds were increased by \$159 thousand. The reduction in non-spendable will continue until the city projects bond is paid off in FY2027. 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 26.5% of total fiscal year 2018 expenditures, while total fund balance is 61.8% 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, 2018 is \$25.0 million which is an increase of \$1.7 million from last year.

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 \$39.6 million. The unrestricted net position decreased by \$11.1 million during the year and \$9.5 million of this amount is due to the restatement for GASB75. The BLW continues to show strong operating income. Operating income totaled \$17.8 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 \$5.6 million, an 2.4% decrease.

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 \$(3.7) million. The total net position increased by \$917 thousand 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 2018, the City Council appropriated \$60.8 million for general fund expenditures and other financing uses. The budget was amended 9 times during the fiscal year.

	Original Budget	Amendments	Final Budget	Actual
Revenue and other financing sources	\$60,635,068	\$1,218,152	\$61,853,220	\$59,428,076
Expenditures and other financing uses	60,835,069	2,781,922	63,616,991	60,962,539

Mid Year budget amendments include:

	General Fund	Grants	Public Safety & Emergency Svcs.	Culture and Recreation	Total
Prior Yr encumbrances	\$1,255,593	\$253,982	\$10,324	\$15,575	\$1,535,474
1 Community Development	-	-	-	304,295	304,295
2 Public Safety	100,000	-	100,000	-	200,000
3 Public Works	201,514	-	-	-	201,514
4 Facility, Grounds, Parks, Rec & Tourism	-	-	-	343,132	343,132
5 Project Rollovers from previous yrs	-	-	-	197,507	197,507
	\$1,557,107	\$253,982	\$110,324	\$860,509	\$2,781,922

- 1 Public Works safety enhancement appropriations.
- 2 Appropriation establishment of Public Safety Program.
- 3 Appropriation of funds for storm damage restoration.
- 4 Appropriation of funds for facility relocations.
- 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 1st. These are applied for and not awarded until after the budget has been adopted. The City purchased the remainder of a building that was purchased with Cobb Housing Inc. and appropriated excess funds for the purchase of vehicles.

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

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. The City's net investment in capital assets for its governmental and business-type activities as of June 30, 2018 was a total \$355 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 2018, 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 2.1% 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:

- Construction in progress for parks and economic development programs decreased by \$16.5 million due to the sale of property for redevelopment.
- Buildings and machinery and equipment \$18.1 million, net of disposals
- Infrastructure \$12 million

Business-type activities:

- System improvements \$8.4 million
- Buildings and machinery and equipment \$5.3 million

On-going construction commitments include:

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

Long-term debt. At June 30, 2018, the City of Marietta had the following outstanding long-term debt (principal amount):

- \$710 thousand 2009A School Refunding Bonds
- \$2.3 million 2009D General Obligation Parks Bond
- \$7 million 2013A General Obligation Bonds Redevelopment
- \$50.3 million 2013B General Obligation Bonds Redevelopment
- \$15.3 million 2015 General Obligation Parks Refunding Bond
- \$2.4 million Series 2005 Tax Allocation District Bonds

- \$18.5 million notes payable for City Wide Projects
- \$357 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 \$332 million at the end of fiscal year 2018.

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 2019 budget:

- No fee increases were imposed for fiscal year 2019.
- 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 \$23.8 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 2019 for most departments.

REQUESTS FOR INFORMATION

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

CITY OF MARIETTA, GEORGIA
STATEMENT OF NET POSITION
JUNE 30, 2018

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets			
Cash and cash equivalents	\$ 44,157,764	\$ 20,651,671	\$ 64,809,435
Investments	28,135,249	58,185,791	86,321,040
Receivables, net	1,785,498	16,193,783	17,979,281
Prepaid items	1,746,644	-	1,746,644
Internal balances	15,080,119	(15,080,119)	-
Due from other governments	6,015,491	-	6,015,491
Inventories	171,065	4,391,434	4,562,499
Other assets, net	-	2,075,907	2,075,907
Capital assets, non-depreciable	59,895,183	8,590,853	68,486,036
Capital assets, depreciable (net of accumulated depreciation)	124,880,184	161,982,807	286,862,991
Total Assets	281,867,197	256,992,127	538,859,324
Deferred Outflows of Resources			
Deferred loss on refunding	1,091,751	-	1,091,751
Deferred outflows relating to pension	975,540	398,460	1,374,000
Total Deferred Outflows of Resources	2,067,291	398,460	2,465,751
Liabilities			
Current Liabilities			
Accounts payable and other current liabilities	9,759,262	11,535,502	21,294,764
Claims and judgements payable	2,680,813	-	2,680,813
Unearned revenue	121,172	2,616,706	2,737,878
Noncurrent liabilities			
Due within one year	9,469,762	538,402	10,008,164
Due in more than one year	195,133,959	50,570,661	245,704,620
Total Liabilities	217,164,968	65,261,271	282,426,239
Deferred Inflows of Resources			
Deferred inflows relating to OPEB	306,570	86,396	392,966
Deferred inflows relating to pension	1,006,780	411,220	1,418,000
Deferred gain on refunding	705,472	-	705,472
Total Deferred Inflows of Resources	2,018,822	497,616	2,516,438
Net Position			
Net investment in capital assets	103,951,208	169,556,143	273,507,351
Restricted for:			
Debt service	5,014,977	-	5,014,977
Capital projects	37,333,378	-	37,333,378
Culture and recreation	712,485	-	712,485
Urban redevelopment and housing	628,003	-	628,003
Public safety	555,254	-	555,254
Unrestricted (deficit)	(83,444,607)	22,075,557	(61,369,050)
Total Net Position	\$ 64,750,698	\$ 191,631,700	\$ 256,382,398

See accompanying notes to the basic financial statements

**CITY OF MARIETTA, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Function/Program	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
Primary Government							
Governmental Activities							
General government	\$ 9,579,658	\$ 9,408,300	\$ 229,768	\$ 211,500	\$ 269,910	\$ -	\$ 269,910
Public safety	33,595,213	271,817	350,193	104,075	(32,869,128)	-	(32,869,128)
Public works	13,956,364	3,900,657	300,000	13,887,248	4,131,541	-	4,131,541
Culture and recreation	7,470,550	675,873	341,000	-	(6,453,677)	-	(6,453,677)
Urban redevelopment and housing	431,917	1,311,431	438,637	3,741	1,321,892	-	1,321,892
Interest and fiscal charges	3,263,844	-	-	-	(3,263,844)	-	(3,263,844)
Total Governmental Activities	68,297,546	15,568,078	1,659,598	14,206,564	(36,863,306)	-	(36,863,306)
Business-type Activities							
Water & sewer	27,337,237	34,937,900	-	1,597,591	-	9,198,254	9,198,254
Electric	106,075,922	115,506,388	-	-	-	9,430,466	9,430,466
Golf	1,489,298	1,578,071	-	-	-	88,773	88,773
Conference center	881,003	1,938,240	-	-	-	1,057,237	1,057,237
Total Business-type Activities	135,783,460	153,960,599	-	1,597,591	-	19,774,730	19,774,730
Total Primary Government	\$ 204,081,006	\$ 169,528,677	\$ 1,659,598	\$ 15,804,155	(36,863,306)	19,774,730	(17,088,576)
General Revenues							
Property taxes					18,251,872	-	18,251,872
Insurance premium tax					3,763,552	-	3,763,552
Alcoholic taxes					715,244	-	715,244
Hotel, motel tax					3,153,379	-	3,153,379
Franchise taxes					5,933,825	-	5,933,825
Auto rental tax					575,040	-	575,040
Unrestricted investment earnings					472,042	959,445	1,431,487
Gain on sale of capital assets					186,765	-	186,765
Operating grants not restricted to a specific program					3,227,752	-	3,227,752
Miscellaneous					1,250	-	1,250
Special item - Sale of land for redevelopment					(12,114,377)	-	(12,114,377)
Transfers					14,936,076	(14,936,076)	-
Total General Revenues, Transfers, and Special Item					39,102,420	(13,976,631)	25,125,789
Change in Net Position					2,239,114	5,798,099	8,037,213
Net Position Beginning of Year, before restatement					80,106,129	195,339,150	275,445,279
Restatement					(17,594,545)	(9,505,549)	(27,100,094)
Net Position Beginning of Year, after restatement					62,511,584	185,833,601	248,345,185
Net Position End of Year					\$ 64,750,698	\$ 191,631,700	\$ 256,382,398

See accompanying notes to the basic financial statements

CITY OF MARIETTA, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2018

	General Fund	SPLOST Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
Assets					
Cash and cash equivalents	\$ 13,767,819	\$ 13,142,692	\$ 3,497,548	\$ 10,435,277	\$ 40,843,336
Cash with fiscal agent	500	-	-	958,572	959,072
Investments	8,078,353	10,646,100	1,475,936	7,710,059	27,910,448
Receivable, net	827,843	45,852	69,426	651,960	1,595,081
Prepaid items	-	1,746,644	-	-	1,746,644
Due from other funds	473,527	-	-	-	473,527
Due from other governments	202,894	5,026,685	28,258	47,654	5,305,491
Inventories	78,973	-	-	-	78,973
Advances from other funds	15,138,899	-	-	-	15,138,899
Total assets	<u>\$ 38,568,808</u>	<u>\$ 30,607,973</u>	<u>\$ 5,071,168</u>	<u>\$ 19,803,522</u>	<u>\$ 94,051,471</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances					
Liabilities					
Accounts payable	\$ 1,598,989	\$ 2,995,411	\$ -	\$ 243,494	\$ 4,837,894
Retainage payable	779,440	362,312	-	327,502	1,469,254
Accrued liabilities	719,327	-	-	6,209	725,536
Due to other funds	140,285	-	-	559,696	699,981
Due to other governments	761	-	-	-	761
Unearned revenue	121,172	-	-	-	121,172
Total liabilities	<u>3,359,974</u>	<u>3,357,723</u>	<u>-</u>	<u>1,136,901</u>	<u>7,854,598</u>
Deferred Inflows of Resources					
Unavailable revenue - intergovernmental revenue	-	2,239,556	-	-	2,239,556
Unavailable revenue - lease revenue	-	-	-	238,597	238,597
Unavailable revenue - tax revenue	61,847	-	56,191	12,647	130,685
Total deferred inflows of resources	<u>61,847</u>	<u>2,239,556</u>	<u>56,191</u>	<u>251,244</u>	<u>2,608,838</u>
Fund Balances					
Nonspendable	15,217,872	1,746,644	-	-	16,964,516
Restricted	1,027,330	23,264,050	5,014,977	14,720,448	44,026,805
Committed	108,788	-	-	3,714,191	3,822,979
Assigned	3,699,535	-	-	-	3,699,535
Unassigned	15,093,462	-	-	(19,262)	15,074,200
Total fund balances	<u>35,146,987</u>	<u>25,010,694</u>	<u>5,014,977</u>	<u>18,415,377</u>	<u>83,588,035</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 38,568,808</u>	<u>\$ 30,607,973</u>	<u>\$ 5,071,168</u>	<u>\$ 19,803,522</u>	<u>\$ 94,051,471</u>

See accompanying notes to the basic financial statements

CITY OF MARIETTA, GEORGIA
RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
JUNE 30, 2018

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

Total fund balances - governmental funds	83,588,035
Capital assets used in governmental activities are not financial resources, and, therefore, are not reported in the funds.	184,295,623
Other long-term assets are not available to pay for current period expenditures, and therefore, are unavailable in the funds:	
Revenues earned but unavailable	2,608,838
Receivable from other governments	710,000
Deferred loss on refunding	1,091,751
Deferred outflows of resources related to pension	961,800
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	(522,792)
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 liability	(47,197,619)
Net pension liability	(50,644,700)
Unmatured bonds and notes	(96,473,540)
Unamortized notes payable premium	(2,555,539)
Unamortized bond premium	(2,751,723)
Deferred gain on refunding	(705,472)
Accrued compensated absences	(4,220,329)
Deferred inflows related to pension	(992,600)
Deferred inflows related to OPEB	(306,570)
Accrued interest payable	(2,134,465)
Net position of governmental activities	<u>\$ 64,750,698</u>

See accompanying notes to the basic financial statements

CITY OF MARIETTA, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	General Fund	SPLOST Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
Revenues					
Taxes	\$ 20,130,608	\$ -	\$ 8,186,561	\$ 4,101,355	\$ 32,418,524
Licenses and permits	7,176,210	-	-	-	7,176,210
Intergovernmental	2,166,776	14,937,720	3,731,500	1,814,018	22,650,014
Charges for services	5,038,473	-	-	-	5,038,473
Fines and forfeitures	2,953,124	-	-	-	2,953,124
Investment earnings	319,546	207,152	10,615	38,887	576,200
Other	1,201,126	-	-	-	1,201,126
Total revenues	38,985,863	15,144,872	11,928,676	5,954,260	72,013,671
Expenditures					
Current:					
General government	8,561,502	-	-	-	8,561,502
Public works	8,616,563	288,189	-	144,670	9,049,422
Culture and recreation	7,625,627	-	-	175,778	7,801,405
Public safety	29,121,156	-	-	-	29,121,156
Urban redevelopment and housing	-	-	-	431,917	431,917
Debt Service					
Principal retirement	2,027,147	-	7,539,000	722,278	10,288,425
Interest and fiscal charges	897,628	-	3,447,490	128,877	4,473,995
Capital Projects	-	13,168,895	-	11,047,160	24,216,055
Total expenditures	56,849,623	13,457,084	10,986,490	12,650,680	93,943,877
Excess (Deficiency) of Revenues Over (Under) Expenditures	(17,863,760)	1,687,788	942,186	(6,696,420)	(21,930,206)
Other Financing Sources (Uses)					
Sale of capital assets	186,765	-	-	-	186,765
Transfers in	20,255,448	-	-	-	20,255,448
Transfers out	(3,369,356)	-	(25,236)	(3,719,412)	(7,114,004)
Total other financing sources (uses)	17,072,857	-	(25,236)	(3,719,412)	13,328,209
Special Item					
Proceeds from sale of land	-	-	-	8,965,000	8,965,000
Net Change in Fund Balances	(790,903)	1,687,788	916,950	(1,450,832)	363,003
Fund Balances Beginning of Year	35,937,890	23,322,906	4,098,027	19,866,209	83,225,032
Fund Balances End of Year	\$ 35,146,987	\$ 25,010,694	\$ 5,014,977	\$ 18,415,377	\$ 83,588,035

See accompanying notes to the basic financial statements

CITY OF MARIETTA, GEORGIA
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

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

Net changes in fund balances - total governmental funds	\$	363,003
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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.

Loss on disposal of capital asset	(21,079,377)	
Transfer of capital asset from business type activities	161,407	
Depreciation expense	(6,731,361)	
Capital outlays	<u>25,736,590</u>	(1,912,741)

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		(3,520,000)
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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		10,284,425
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The net effect of revenue in the statement of activities that do not provide current financial resources are not reported as a revenue in the funds.		(1,068,469)
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Internal service funds are used by management to charge the cost of fleet management and self-insurance to individual funds.		666,975
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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 governmental funds.

Amortization of bond premium and loss on bond refunding	1,088,504	
Net pension liability	612,100	
Deferred outflows related to pension	(2,556,400)	
Deferred inflows related to pension	(992,600)	
Deferred inflows related to OPEB	(306,570)	
Net OPEB liability	(435,422)	
Accrued interest expense	125,647	
Accrued compensated absences	<u>(109,338)</u>	<u>(2,574,079)</u>

Change in net position of governmental activities	\$	<u>2,239,114</u>
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See accompanying notes to the basic financial statements

**CITY OF MARIETTA, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2018**

	Major				
	Board of Lights and Waterworks Fund	Marietta Conference Center and Resort Fund	City Club Golf Course Fund	Totals	Governmental Activities- Internal Service Fund
Assets					
Current assets:					
Cash and cash equivalents	\$ 20,641,626	\$ -	\$ 10,045	\$ 20,651,671	\$ 2,355,356
Investments	45,601,057	59	-	45,601,116	224,801
Receivables, net	16,193,760	-	23	16,193,783	190,417
Due from other funds	2,408,379	226,454	-	2,634,833	-
Inventories, at cost	4,391,434	-	-	4,391,434	92,092
Total current assets	<u>89,236,256</u>	<u>226,513</u>	<u>10,068</u>	<u>89,472,837</u>	<u>2,862,666</u>
Noncurrent assets:					
Restricted assets:					
Investments	<u>12,584,675</u>	<u>-</u>	<u>-</u>	<u>12,584,675</u>	<u>-</u>
Total restricted assets	<u>12,584,675</u>	<u>-</u>	<u>-</u>	<u>12,584,675</u>	<u>-</u>
Property, plant and equipment:					
Land and land improvements	1,382,976	607,877	6,600,000	8,590,853	-
Buildings and improvements	17,050,644	21,661,635	2,075,664	40,787,943	502,346
Electrical plant in service	129,448,615	-	-	129,448,615	-
Water and sewer system	104,785,593	-	-	104,785,593	-
Machinery and equipment	<u>75,491,732</u>	<u>12,031,837</u>	<u>4,251,967</u>	<u>91,775,536</u>	<u>1,493,265</u>
	<u>328,159,560</u>	<u>34,301,349</u>	<u>12,927,631</u>	<u>375,388,540</u>	<u>1,995,611</u>
Less: accumulated depreciation	<u>(176,695,699)</u>	<u>(23,138,360)</u>	<u>(4,980,821)</u>	<u>(204,814,880)</u>	<u>(1,515,867)</u>
Net property, plant and equipment	<u>151,463,861</u>	<u>11,162,989</u>	<u>7,946,810</u>	<u>170,573,660</u>	<u>479,744</u>
Other assets:					
Investment in project	<u>2,075,907</u>	<u>-</u>	<u>-</u>	<u>2,075,907</u>	<u>-</u>
Total other assets	<u>2,075,907</u>	<u>-</u>	<u>-</u>	<u>2,075,907</u>	<u>-</u>
Total noncurrent assets	<u>166,124,443</u>	<u>11,162,989</u>	<u>7,946,810</u>	<u>185,234,242</u>	<u>479,744</u>
Total Assets	<u>255,360,699</u>	<u>11,389,502</u>	<u>7,956,878</u>	<u>274,707,079</u>	<u>3,342,410</u>
Deferred Outflows of Resources					
Deferred outflows relating to pension	<u>398,460</u>	<u>-</u>	<u>-</u>	<u>398,460</u>	<u>13,740</u>

Continued on next page.

CITY OF MARIETTA, GEORGIA
STATEMENT OF NET POSITION (CONT'D)
PROPRIETARY FUNDS
JUNE 30, 2018

	Major				
	Board of Lights and Waterworks Fund	Marietta Conference Center and Resort Fund	City Club Golf Course Fund	Totals	Governmental Activities- Internal Service Fund
Liabilities					
Current liabilities:					
Accounts payable	10,844,641	-	69,671	10,914,312	574,755
Accrued salaries	309,114	-	-	309,114	16,597
Accrued sales tax	312,076	-	-	312,076	-
Accrued compensated absences	464,026	-	-	464,026	24,081
Due to other funds	-	-	1,920,276	1,920,276	488,103
Capital lease obligations	-	-	74,376	74,376	-
Claims and judgements payable	-	-	-	-	2,680,813
Total current liabilities:	<u>11,929,857</u>	<u>-</u>	<u>2,064,323</u>	<u>13,994,180</u>	<u>3,784,349</u>
Long-term Liabilities (net of current portion):					
Accrued compensated absences	644,568	-	-	644,568	11,980
Unearned revenue	2,616,706	-	-	2,616,706	-
Net pension liability	21,002,090	-	-	21,002,090	724,210
Net OPEB liability	18,673,224	-	-	18,673,224	-
Customer deposits	9,967,969	-	-	9,967,969	-
Advances from other funds	-	15,138,899	-	15,138,899	-
Capital lease obligations	-	-	282,810	282,810	-
Total long-term liabilities	<u>52,904,557</u>	<u>15,138,899</u>	<u>282,810</u>	<u>68,326,266</u>	<u>736,190</u>
Total Liabilities	<u>64,834,414</u>	<u>15,138,899</u>	<u>2,347,133</u>	<u>82,320,446</u>	<u>4,520,539</u>
Deferred inflows of resources:					
Deferred inflows related to OPEB	86,396	-	-	86,396	-
Deferred inflows related to pension	<u>411,220</u>	<u>-</u>	<u>-</u>	<u>411,220</u>	<u>14,180</u>
Total Deferred Inflows of Resources	<u>497,616</u>	<u>-</u>	<u>-</u>	<u>497,616</u>	<u>-</u>
Net Position					
Net investment in capital assets	150,803,530	11,162,989	7,589,624	169,556,143	479,744
Unrestricted (deficit)	<u>39,623,599</u>	<u>(14,912,386)</u>	<u>(1,979,879)</u>	<u>22,731,334</u>	<u>(1,658,313)</u>
Total Net Position	<u>\$ 190,427,129</u>	<u>\$ (3,749,397)</u>	<u>\$ 5,609,745</u>	<u>\$ 192,287,477</u>	<u>\$ (1,178,569)</u>
Adjustments to reflect the consolidation of internal service fund activities related to enterprise funds				<u>(655,777)</u>	
Change in net position of business-type activities				<u>\$ 191,631,700</u>	

See accompanying notes to the basic financial statements

Continued from previous page.

CITY OF MARIETTA, GEORGIA
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Major				Governmental
	Board of Lights and Waterworks Fund	Marietta Conference Center and Resort Fund	City Club Golf Course Fund	Totals	Activities - Internal Service Funds
Operating Revenues					
Charges for services	\$ 149,342,823	\$ -	\$ 1,441,676	\$ 150,784,499	\$ 3,747,149
Lease income	-	1,938,240	-	1,938,240	-
Contribution	-	-	-	-	12,637,080
Other	1,101,465	-	-	1,101,465	112,387
Total operating revenues	150,444,288	1,938,240	1,441,676	153,824,204	16,496,616
Operating Expenses					
Personal services	18,107,335	-	-	18,107,335	899,436
Operating	107,077,916	-	1,268,838	108,346,754	3,526,114
Depreciation and amortization	7,461,417	678,957	220,460	8,360,834	38,402
Benefits and claims	-	-	-	-	13,703,110
Total operating expenses	132,646,668	678,957	1,489,298	134,814,923	18,167,062
Operating income (loss)	17,797,620	1,259,283	(47,622)	19,009,281	(1,670,446)
Nonoperation Revenue					
Investment earnings	959,445	-	-	959,445	104,031
Interest and fiscal charges	-	(200,617)	-	(200,617)	-
Gain (loss) on disposal of capital assets	-	(1,429)	-	(1,429)	-
Other	(166,633)	(161,407)	136,395	(191,645)	307
Total nonoperation revenue (expenses)	792,812	(363,453)	136,395	565,754	104,338
Capital contributions from developers	1,597,591	-	-	1,597,591	-
Income before transfers	20,188,023	895,830	88,773	21,172,626	(1,566,108)
Transfers					
Transfers in	727,971	944,241	-	1,672,212	2,576,340
Transfers out	(16,173,988)	(923,293)	(225,021)	(17,322,302)	(67,694)
Total transfers	(15,446,017)	20,948	(225,021)	(15,650,090)	2,508,646
Change in net position	4,742,006	916,778	(136,248)	5,522,536	942,538
Net Position Beginning of Year, before restatement	195,190,672	(4,666,175)	5,745,993		(2,121,107)
Restatement	(9,505,549)	-	-		-
Net Position Beginning of Year, after restatement	185,685,123	(4,666,175)	5,745,993		(2,121,107)
Net Position End of Year	<u>\$ 190,427,129</u>	<u>\$ (3,749,397)</u>	<u>\$ 5,609,745</u>		<u>\$ (1,178,569)</u>
Adjustments to reflect the consolidation of internal service fund activities related to enterprise funds				275,563	
Change in net position of business-type activities				<u>\$ 5,798,099</u>	

See accompanying notes to the basic financial statements

CITY OF MARIETTA, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Major				Governmental
	Board of Lights and Waterworks Fund	Marietta Conference Center and Resort Fund	City Club Golf Course Fund	Totals	Activities- Internal Service Fund
Cash Flows from Operating Activities					
Receipts from customers	\$ 149,707,664	\$ -	\$ 1,443,832	\$ 151,151,496	\$ 16,232,551
Receipts from others	1,101,465	1,917,292	-	3,018,757	112,387
Payments for employee services and fringe benefits	(16,176,037)	-	-	(16,176,037)	(14,895,303)
Payments to suppliers for services provided	(108,638,871)	-	(1,062,809)	(109,701,680)	(3,650,430)
Net Cash Provided by (Used in) Operating Activities	25,994,221	1,917,292	381,023	28,292,536	(2,200,795)
Cash Flows from Capital Financing Activities					
Payments on advances from other funds	-	(1,737,623)	-	(1,737,623)	-
Interest and fiscal charges	-	(200,617)	-	(200,617)	-
Payment from sale of capital assets	-	-	(30,101)	(30,101)	-
Purchase of capital assets	(11,918,745)	-	(126,172)	(12,044,917)	(20,789)
Other nonoperating receipts	-	-	-	-	307
Capital contributions	14,466	-	-	14,466	-
Net Cash Used in Capital Financing Activities	(11,904,279)	(1,938,240)	(156,273)	(13,998,792)	(20,482)
Cash Flows from Noncapital Financing Activities					
Other nonoperating payments	(166,633)	-	-	(166,633)	-
Transfers in	727,971	944,241	-	1,672,212	2,576,340
Transfers out	(16,173,988)	(923,293)	(225,021)	(17,322,302)	(67,694)
Net Cash Provided by (Used in) Noncapital Financing Activities	(15,612,650)	20,948	(225,021)	(15,816,723)	2,508,646
Cash flows from (to) Investing Activities:					
Investment (purchases) sales	1,839,840	-	-	1,839,840	(186,498)
Interest received	936,174	-	-	936,174	104,031
Net cash provided by (used in) investing activities	2,776,014	-	-	2,776,014	(82,467)
Net Increase (Decrease) in Cash and Cash Equivalents	1,253,306	-	(271)	1,253,035	204,902
Cash and Cash Equivalents Beginning of Year	19,388,320	-	10,316	19,398,636	2,150,454
Cash and Cash Equivalents End of Year	\$ 20,641,626	\$ -	\$ 10,045	\$ 20,651,671	\$ 2,355,356

Continued on next page.

CITY OF MARIETTA, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Major				
	Board of Lights and Waterworks Fund	Marietta Conference Center and Resort Fund	City Club Golf Course Fund	Totals	Governmental Activities- Internal Service Fund
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities					
Operating Income (Loss)	\$ 17,797,620	\$ 1,259,283	\$ (47,622)	\$ 19,009,281	\$ (1,670,446)
Adjustments -					
Depreciation and amortization	7,461,417	678,957	220,460	8,360,834	38,402
(Increase) Decrease in:					
Accounts receivable	47,295	-	2,156	49,451	(176,327)
Due from other funds	37,701	(20,948)	-	16,753	-
Due from other governments	-	-	-	-	24,649
Inventories	(220,324)	-	-	(220,324)	(42,949)
Prepaid expenses	255,598	-	-	255,598	-
Deferred outflows of resources	1,059,080	-	-	1,059,080	36,520
Increase (Decrease) in:					
Accounts payable	(1,326,865)	-	(29,241)	(1,356,106)	191,604
Accrued salaries	11,521	-	-	11,521	1,599
Accrued sales tax	(307,065)	-	-	(307,065)	-
Due to other funds	-	-	235,270	235,270	(272,971)
Accrued compensated absences	140,692	-	-	140,692	79
Net pension liability	(232,870)	-	-	(232,870)	(8,030)
Net OPEB liability	455,259	-	-	455,259	-
Unearned revenue	31,259	-	-	31,259	-
Customer deposits	286,287	-	-	286,287	-
Claims and judgments payable	-	-	-	-	(337,105)
Deferred inflows related to OPEB	86,396	-	-	86,396	-
Deferred inflows related to resources	411,220	-	-	411,220	14,180
Net Cash Provided by (Used in) Operating Activities	<u>\$ 25,994,221</u>	<u>\$ 1,917,292</u>	<u>\$ 381,023</u>	<u>\$ 28,292,536</u>	<u>\$ (2,200,795)</u>
Noncash Capital Financing Activities					
Contribution of capital assets	<u>\$ 1,583,125</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,583,125</u>	<u>\$ -</u>
Purchase of capital assets with a capital lease	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 387,288</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to the basic financial statements

Continued from previous page.

CITY OF MARIETTA, GEORGIA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2018

	Trust Funds	City Schools Agency Fund
Assets		
Cash and cash equivalents	\$ 4,758,591	\$ 267,782
Receivables:		
Accrued interest	259,994	-
Tax receivable	-	428,748
Due from other government	-	209,728
Contributions:		
Employee	125,804	-
Total receivables	385,798	638,476
Investments, at fair value:		
Common stock	61,565,766	-
Mutual funds	1,113,933	-
Corporate notes and debentures	25,492,829	-
Preferred stock	3,567,593	-
United States government securities	11,931,249	-
Municipal bonds	108,459	-
Total investments	103,779,829	-
Total assets	108,924,218	906,258
Liabilities		
Accrued expenses	148,726	-
Due to others	-	906,258
Total liabilities	148,726	906,258
Net position		
Restricted for:		
OPEB benefits (See required supplementary information)	1,113,348	-
Pension benefits (See required supplementary information)	107,662,144	-
Total Net Position	\$ 108,775,492	\$ -

See accompanying notes to the basic financial statements

CITY OF MARIETTA, GEORGIA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Trust Funds
Additions:	
Employer contributions	\$ 9,866,822
Employee contributions	1,352,681
	<hr/>
Total revenues	11,219,503
	<hr/>
Investment income (expense):	
Net appreciation (depreciation) of fair value of investments	7,752,859
Interest and dividends	2,137,285
	<hr/>
	9,890,144
	<hr/>
Less investment expenses	619,927
	<hr/>
Net investment income	9,270,217
	<hr/>
Total additions	20,489,720
	<hr/>
Deductions:	
Benefits paid	15,475,722
Administrative costs	286,369
	<hr/>
Total deductions	15,762,091
	<hr/>
Change in net position	4,727,629
	<hr/>
Fund balances, beginning of year	104,047,863
	<hr/>
Fund balances, end of year	\$ 108,775,492
	<hr/> <hr/>

See accompanying notes to the basic financial statements

**CITY OF MARIETTA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

The accounting methods and procedures adopted by the City of Marietta, Georgia, conform to generally accepted accounting principles in the United States of America 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, 2018**

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, 2018**

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.

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.

**CITY OF MARIETTA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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.

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.

**CITY OF MARIETTA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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. Investments in money market funds are not insured or guaranteed by the Federal Deposit Insurance Corporation (FDIC) and no collateral is required.

See Note 2 for additional information regarding Cash and Investments.

**CITY OF MARIETTA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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."

See Note 4 for additional information regarding Interfund Receivables/Payables.

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, 2018 are recorded as prepaid items. The consumption method is used to account for prepaid items within the City's Funds.

I. Capital Assets

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

GASBS No. 34 requires the City to report and depreciate new infrastructure assets. Infrastructure assets include roads, bridges, underground pipe (other than related to utilities), traffic signals, etc. These infrastructure assets are likely to be the largest asset class of the City. Neither their historical cost nor related depreciation has historically

CITY OF MARIETTA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

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 reported at acquisition 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:

	Governmental Activities	Board of Lights and Waterworks	Marietta Conference Center and Resort	City Club Golf Course	Motor Transport
Buildings and improvements	40 years	50 years	40 years	15-40 years	50 years
Machinery and equipment	5 years	3-10 years	5-20 years	5 years	5-25 years
Infrastructure	20-40 years	-	-	-	-
Electric utility system	-	32 years	-	-	-
Water and sewer utility system	-	90 years	-	-	-

See Note 5 for additional information regarding Capital Assets.

J. Compensated Absences

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

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

K. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or

**CITY OF MARIETTA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

proprietary fund type statement of net position. Bond premiums and discounts 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.

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.

See Note 6 for additional information regarding Long-Term Obligations.

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, deferred outflows related to OPEB, and deferred outflows related to pension in the government wide statement of net position and the proprietary funds statement of net position and the unavailable revenues reported in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

M. Nature and Purpose of Classifications of Fund Equity

In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Amounts that are restricted to specific purposes either by a) constraints placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments or b) imposed by law through constitutional provisions or enabling legislation are classified as restricted fund balances. Amounts that can only be used for specific purposes pursuant to constraints imposed by the City Council through an ordinance are classified as committed fund balances. Once adopted, the limitation

**CITY OF MARIETTA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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.

See Note 8 for additional information regarding Fund Balance.

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.

O. Comparative Data/Reclassification

Comparative total data of the prior year has been presented in the accompanying individual fund financial statements in order to provide an understanding of changes in the City's financial position and operations. Certain reclassifications have been made to the prior year columns to conform to the classifications used in the current year columns.

(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 in accordance with State law. As of June 30, 2018, the City was not exposed to custodial credit risk.

CITY OF MARIETTA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

As of June 30, 2018, 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	N/R	\$ 32,896,788	\$ 3,394,916	\$ 155,733	\$ -	\$ 36,447,437
Georgia Fund I	AAAm	7,656,301	-	-	-	7,656,301
US Agencies	AAA	26,067,763	-	-	-	26,067,763
Treasury Money Market	N/R	7,710,059	-	-	-	7,710,059
Total Primary Government (non-fiduciary)		\$ 74,330,911	\$ 3,394,916	\$ 155,733	\$ -	\$ 77,881,560
Fiduciary Funds						
Common Stocks	n/a	n/a	n/a	n/a	n/a	\$ 61,565,766
Mutual Fund	n/a	-	-	-	-	1,113,933
Money Market Mutual Fund	AAA	2,361,669	-	-	-	2,361,669
Corporate Bonds	A+	-	261,346	-	-	261,346
	A	465,256	2,671,442	1,273,599	2,284,762	6,695,059
	AA+	-	164,450	23,056	53,531	241,037
	AAA	-	1,796,122	431,031	752,931	2,980,084
	A-	-	672,170	-	-	672,170
	AA-	-	-	-	-	-
	BBB+	371,317	665,258	-	648,909	1,685,484
	BBB	1,212,363	4,369,254	2,025,899	2,029,824	9,637,340
	BBB-	706,383	1,986,375	-	-	2,692,758
	BB+	-	-	-	-	-
	N/R	207,566	419,985	-	-	627,551
Preferred Stock	BBB	-	-	-	2,163,050	2,163,050
	BBB-	-	-	-	925,025	925,025
	BB-	-	-	-	299,118	299,118
	N/R	-	-	-	180,400	180,400
Government Bonds	AA+	138,548	4,488,762	2,050,708	5,253,231	11,931,249
	N/R	-	-	-	-	-
Municipal Bonds	A	-	77,790	-	30,669	108,459
Total Fiduciary Fund		\$ 5,463,102	\$ 17,572,954	\$ 5,804,293	\$ 14,621,450	\$ 106,141,498

Investments of the primary government, detailed above, exclude \$8,439,480 of certificates of deposits.

Investments of the fiduciary fund include \$2,361,669 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

CITY OF MARIETTA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

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.

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, 2018 are as follows:

	6/30/2018	Fair Value Measurement Using		
		Level 1	Level 2	Level 3
PRIMARY GOVERNMENT				
Municipal Competitive Trust	\$ 36,447,437	\$ 132,850	\$ 36,314,587	\$
US Agencies	26,067,763	-	26,067,763	
Treasury Money Market	7,710,059	7,710,059	-	
Total Primary Government (non-fiduciary)	\$ 70,225,259	\$ 7,842,909	\$ 62,382,350	\$
FIDUCIARY FUNDS				
Common Stocks	\$ 61,565,766	\$ 61,565,766	\$ -	\$
Mutual Fund	1,113,933	1,113,933	-	
Money Market Mutual Fund	2,361,669	2,361,669	-	
Corporate Bonds	25,492,829	-	25,492,829	
Preferred Stock	3,567,593	3,567,593	-	
Government Bonds	11,931,249	-	11,931,249	
Municipal Bonds	108,459	-	108,459	
Total Fiduciary Fund	\$ 106,141,498	\$ 68,608,961	\$ 37,532,537	\$

CITY OF MARIETTA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

(3) RECEIVABLES

Receivables at June 30, 2018 for the government's individual major funds and the nonmajor and other funds in the aggregate consist of the following:

	Taxes and Fines	Accrued Interest	Utility Accounts	Other	Allowance for Uncollectibles	Net Receivables
General Fund	\$ 89,100	\$ 16,266	\$ 159,023	\$ 595,698	\$ (32,244)	\$ 827,843
SPLOST Fund	-	45,852	-	-	-	45,852
Debt Service Fund	78,181	2,967	-	-	(11,722)	69,426
Board of Lights and Waterworks Fund	-	33,443	16,475,495	-	(315,178)	16,193,760
Nonmajor and Other Funds	391,207	425	-	451,226	(458)	842,400
Total	<u>\$ 558,488</u>	<u>\$ 98,953</u>	<u>\$ 16,634,518</u>	<u>\$ 1,046,924</u>	<u>\$ (359,602)</u>	<u>\$ 17,979,281</u>

(4) INTERFUND RECEIVABLES, ADVANCES AND TRANSFERS

Interfund receivable and payable balances for the fiscal year ended June 30, 2018 are summarized as follows:

Payable Fund	Receivable Fund			Total
	General Fund	Board of Lights and Waterworks Fund	Marietta Conference Center and Resort Fund	
General Fund	\$ -	\$ -	\$ 140,285	\$ 140,285
Nonmajor Governmental Funds	473,527	-	86,169	559,696
Nonmajor Enterprise Funds	-	1,920,276	-	1,920,276
Internal Service Funds	-	488,103	-	488,103
Total	<u>\$ 473,527</u>	<u>\$ 2,408,379</u>	<u>\$ 226,454</u>	<u>\$ 3,108,360</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.

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

Advances from General Fund	Advances to Marietta Conference Center and Resort
	<u>\$ 15,138,899</u>

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

CITY OF MARIETTA, GEORGIA
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FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Interfund transfers for the current year were as follows:

Transfers In Fund	Transfers Out Fund							Total
	General Fund	Debt Service Fund	Nonmajor Governmental Funds	Nonmajor Enterprise Funds	Board of Lights and Waterworks Fund	Marietta Conference Center and Resort Fund	Internal Service Funds	
General Fund	\$ -	\$ 24,724	\$ 3,719,402	\$ 224,514	\$ 15,297,194	\$ 923,293	\$ 66,321	\$ 20,255,448
Board of Lights and Waterworks Fund	725,569	512	10	507	-	-	1,373	727,971
Marietta Conference Center and Resort Fund	944,241	-	-	-	-	-	-	944,241
Internal Service Funds	1,699,546	-	-	-	876,794	-	-	2,576,340
Total	<u>\$ 3,369,356</u>	<u>\$ 25,236</u>	<u>\$ 3,719,412</u>	<u>\$ 225,021</u>	<u>\$ 16,173,988</u>	<u>\$ 923,293</u>	<u>\$ 67,694</u>	<u>\$ 24,504,000</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 and use unrestricted revenues to finance various programs accounted for in other funds in accordance with budgetary authorizations, 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.

CITY OF MARIETTA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

(5) CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2018 was as follows:

	Beginning Balance	Increases	Decreases	Reclassification	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 71,976,729	\$ 473,157	\$ (17,871,802)	\$ 161,407	\$ 54,739,491
Construction in progress	8,371,805	4,099,013	(3,207,575)	(4,107,551)	5,155,692
Total capital assets, not being depreciated:	<u>80,348,534</u>	<u>4,572,170</u>	<u>(21,079,377)</u>	<u>(3,946,144)</u>	<u>59,895,183</u>
Capital assets, being depreciated:					
Buildings	42,438,117	6,492,994	-	1,664,575	50,595,686
Improvements other than buildings	11,879,029	989,485	-	319,825	13,188,339
Machinery and equipment	44,482,079	1,739,010	(1,075,456)	-	45,145,633
Infrastructure	243,271,540	11,963,720	-	4,107,551	259,342,811
Total capital assets being depreciated	<u>342,070,765</u>	<u>21,185,209</u>	<u>(1,075,456)</u>	<u>6,091,951</u>	<u>368,272,469</u>
Less accumulated depreciation for:					
Buildings	(21,709,591)	(729,116)	-	(1,664,575)	(24,103,282)
Improvements other than buildings	(6,408,248)	(482,219)	-	(319,825)	(7,210,292)
Machinery and equipment	(37,337,688)	(2,113,182)	1,075,456	-	(38,375,414)
Infrastructure	(170,258,051)	(3,445,246)	-	-	(173,703,297)
Total accumulated depreciation	<u>(235,713,578)</u>	<u>(6,769,763)</u>	<u>1,075,456</u>	<u>(1,984,400)</u>	<u>(243,392,285)</u>
Total capital assets, being depreciated, net	<u>106,357,187</u>	<u>14,415,446</u>	<u>-</u>	<u>4,107,551</u>	<u>124,880,184</u>
Governmental activities capital assets, net	<u>\$ 186,705,721</u>	<u>\$ 18,987,616</u>	<u>\$ (21,079,377)</u>	<u>\$ 161,407</u>	<u>\$ 184,775,367</u>
	Beginning Balance	Increases	Decreases	Reclassification	Ending Balance
Business-type activities:					
Capital assets, not being depreciated:					
Land	\$ 8,752,260	\$ -	\$ -	\$ (161,407)	\$ 8,590,853
Total capital assets, not being depreciated:	<u>8,752,260</u>	<u>-</u>	<u>-</u>	<u>(161,407)</u>	<u>8,590,853</u>
Capital assets, being depreciated:					
Buildings and improvements	42,425,809	26,709	-	(1,664,575)	40,787,943
Plant in service and electric/water/sewer system	225,816,248	8,417,960	-	-	234,234,208
Machinery and equipment	86,830,058	5,570,661	(305,358)	(319,825)	91,775,536
Total capital assets being depreciated	<u>355,072,115</u>	<u>14,015,330</u>	<u>(305,358)</u>	<u>(1,984,400)</u>	<u>366,797,687</u>
Less accumulated depreciation for:					
Buildings and improvements	(33,845,322)	(1,072,005)	1,601	1,984,400	(32,931,326)
Plant in service and electric/water/sewer system	(103,331,501)	(3,755,001)	-	-	(107,086,502)
Machinery and equipment	(61,640,152)	(3,459,228)	302,328	-	(64,797,052)
Total accumulated depreciation	<u>(198,816,975)</u>	<u>(8,286,234)</u>	<u>303,929</u>	<u>1,984,400</u>	<u>(204,814,880)</u>
Total capital assets, being depreciated, net	<u>156,255,140</u>	<u>5,729,096</u>	<u>(1,429)</u>	<u>-</u>	<u>161,982,807</u>
Business-type activities capital assets, net	<u>\$ 165,007,400</u>	<u>\$ 5,729,096</u>	<u>\$ (1,429)</u>	<u>\$ (161,407)</u>	<u>\$ 170,573,660</u>

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

Governmental activities:	
General government	\$ 310,077
Public safety	2,520,431
Public works, including depreciation of general infrastructure assets	3,492,748
Culture and recreation	408,105
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>38,402</u>
Total depreciation expense – governmental activities	<u><u>\$ 6,769,763</u></u>
Business-type activities:	
Water & Sewer	\$ 2,303,735
Electric	5,083,082
Conference Center	678,957
Golf	<u>220,460</u>
Total depreciation expense – business-type activities	<u><u>\$ 8,286,234</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, 2018:

\$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 2.00 to 5.00 percent (\$710,000 outstanding at June 30, 2018). The bonds were issued to current refund the 2008 General Obligation School Refunding bond issue.

\$25,000,000 Series 2009D General Obligation Parks and Recreational Facilities serial bonds due in annual installments commencing July 1, 2010 of \$955,000 to \$1,170,000 through July 1, 2020; interest at 2.50 to 5.00 percent (\$2,305,000 outstanding at June 30, 2018). The bonds were issued to acquire, construct, and install park and recreational facilities.

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\$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 3.00 percent (\$7,000,000 outstanding at June 30, 2018). 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 3.00 to 5.00 percent (\$50,320,000 outstanding at June 30, 2018). The issue includes a term bond due January 1, 2025, interest at 4.00 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 2.00 to 5.00 percent (\$15,300,000 outstanding at June 30, 2018). 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
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	4,425,000	2,087,815	6,512,815
2023	4,560,000	1,998,265	6,558,265
2024-2028	25,295,000	8,200,195	33,495,195
2029-2033	23,245,000	4,207,860	27,452,860
2034	4,775,000	238,750	5,013,750
Total	<u>\$ 75,635,000</u>	<u>\$ 23,921,805</u>	<u>\$ 99,556,805</u>

\$5,014,977 is available in the Debt Service Fund to service the general obligation bonds.

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Tax Allocation District Bonds:

During fiscal year 2006, the City issued \$8,400,000 in limited obligations bonds to undertake certain redevelopment projects within a tax allocation district established by the City. The issuance is a limited obligation of the City, not secured by the full faith and credit of the City, but is secured solely by, and payable solely from, pledged revenues. The pledged revenues are defined as the tax allocation increments, the amount of property taxes generated within a 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 \$851,155 and \$1,369,063 respectively.

Annual debt service requirements to maturity are as follows:

Year Ending June 30,	Principal	Interest	Total
2019	\$ 752,549	\$ 98,613	\$ 851,162
2020	784,065	67,082	851,147
2021	816,926	34,230	851,156
Total	\$ 2,353,540	\$ 199,925	\$ 2,553,465

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. A portion of this note was refunded in fiscal year 2017. The bonds are due in annual installments commencing July 1, 2010 of \$865,000 to \$2,040,000 through July 1, 2021; interest rates at 3.00% to 5.125%.

During fiscal year 2017, the Downtown Marietta Development Authority issued \$12,700,000 Series 2016 Refunding Revenue Bonds (City of Marietta Project) to provide funds to advance refund a portion of the Downtown Marietta Development Authority Series 2009 Revenue Bonds. 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 on annual installments commencing July 1, 2017 of \$30,000 to \$2,520,000 through July 1, 2026; interest rates at 2.00% to 5.00%. The advance refunding reduced total debt service payments over the next 9 years by \$1,356,337. This results in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$1,178,945.

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Annual debt service requirements on the Downtown Marietta Development Authority bonds to maturity are as follows:

Year Ending June 30,	Principal	Interest	Total
2019	\$ 1,935,000	\$ 1,470,413	\$ 3,405,413
2020	1,990,000	1,495,375	3,485,375
2021	2,075,000	1,427,000	3,502,000
2022	2,175,000	1,336,200	3,511,200
2023	2,285,000	624,250	2,909,250
2024-2027	8,025,000	869,000	8,894,000
Total	<u>\$ 18,485,000</u>	<u>\$ 7,222,238</u>	<u>\$ 25,707,238</u>

The amount of defeased debt outstanding but removed from the City's records totaled \$28,170,000 at June 30, 2018.

Business-Type Activities:

Capital Leases

During fiscal year 2018, 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 City Golf Course Enterprise Fund. The amount capitalized for the carts is \$387,288. The depreciation expense and accumulated depreciation associated with the golf carts for the fiscal year ended June 30, 2018 was \$46,106.

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, 2018:

June 30	City Club Golf Course Carts
2019	\$ 74,376
2020	77,483
2021	80,721
2022	<u>6,877</u>
Total minimum lease payments	239,457
Less amounts representing interest	117,729
Present value of future minimum lease payments	<u>\$ 357,186</u>

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The following is a summary of changes in long-term liabilities for the year ended June 30, 2018:

	Beginning Balance (As Restated)	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds					
General obligation bonds	\$ 83,170,000	\$ -	\$ (7,535,000)	\$ 75,635,000	\$ 4,815,000
Tax Allocation District Bonds	3,075,818	-	(722,278)	2,353,540	752,549
Unamortized bond premium	3,247,605	-	(495,882)	2,751,723	-
Note payable					
Note payable	20,512,147	-	(2,027,147)	18,485,000	1,935,000
Unamortized premium	3,374,410	-	(818,871)	2,555,539	-
Compensated absences	4,146,973	1,891,915	(1,782,498)	4,256,390	1,967,213
Net pension liability	51,989,040	11,293,670	(11,913,800)	51,368,910	-
Net OPEB liability	46,762,197	3,106,539	(2,671,117)	47,197,619	-
Governmental activity Long-term liabilities	<u>\$ 216,278,190</u>	<u>\$ 16,292,124</u>	<u>\$ (27,966,593)</u>	<u>\$ 204,603,721</u>	<u>\$ 9,469,762</u>
Business-type activities:					
Capital leases	\$ 136,395	\$ 387,288	\$ (166,497)	\$ 357,186	\$ 74,376
Compensated absences	967,902	530,460	(389,768)	1,108,594	464,026
Net pension liability	21,234,960	4,633,330	(4,866,200)	21,002,090	-
Net OPEB liability	18,217,965	1,494,027	(1,038,768)	18,673,224	-
Customer deposits	9,681,682	286,287	-	9,967,969	-
Business-type activity Long-term liabilities	<u>\$ 50,238,904</u>	<u>\$ 7,331,392</u>	<u>\$ (6,461,233)</u>	<u>\$ 51,109,063</u>	<u>\$ 538,402</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, 2018. 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 225,000.

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

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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 2018. 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 3.00% 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 \$81,400,435 from the Authority during the year ended June 30, 2018. The City's future minimum payment obligations to the Authority will be based on the Authority's costs.

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Encumbrances

Encumbrances outstanding as of June 30, 2018 are as follows:

General Fund	\$ 743,560
SPLOST Fund	13,973,905
NonMajor Governmental Funds	1,530,743
	<u>\$ 16,248,208</u>

The City also has active construction projects at June 30, 2018.

(8) FUND BALANCE

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

	General Fund	SPLOST Fund	Debt Service Fund	Nonmajor Governmental Funds	Total
Nonspendable:					
Inventory	\$ 78,973	\$ -	\$ -	\$ -	\$ 78,973
Advances	15,138,899	-	-	-	15,138,899
Prepays	-	1,746,644	-	-	1,746,644
Restricted for:					
Capital projects	-	23,264,050	-	12,322,684	35,586,734
Culture & recreation	414,374	-	-	298,111	712,485
Debt service	-	-	5,014,977	-	5,014,977
Urban redevelopment & housing	62,910	-	-	2,094,445	2,157,355
Public safety	7,667	-	-	5,208	12,875
Police - asset forfeitures	542,379				542,379
Committed for:					
Capital projects	-	-	-	3,714,191	3,714,191
Culture & recreation	41,510	-	-	-	41,510
Public works	67,278	-	-	-	67,278
Assigned for:					
General government	66,817	-	-	-	66,817
Debt service	2,239,791				2,239,791
Public works - construction	384,034	-	-	-	384,034
Culture & recreation	240,306	-	-	-	240,306
Urban redevelopment and housing	25,916	-	-	-	25,916
Public safety	742,671	-	-	-	742,671
Unassigned	15,093,462	-	-	(19,262)	15,074,200
	<u>\$ 35,146,987</u>	<u>\$ 25,010,694</u>	<u>\$ 5,014,977</u>	<u>\$ 18,415,377</u>	<u>\$ 83,588,035</u>

In the nonmajor government funds, HUD CDBG Fund has a deficit fund balance of \$19,262 at June 30, 2018.

(9) 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

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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 31, 2017 were due on October 31, 2017.

Liens were attached to property for unpaid taxes on April 4, 2018.

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, 2017 was \$3,125,606,962.

Based on the 2017 City General, Debt Service, and Cemetery Maintenance millage levy of 5.617, a property owner would pay \$5.62 per \$1,000 of assessed valuation.

Current tax collections of \$15,315,641 for the fiscal year ended June 30, 2018 were 99.54% of the tax levy.

(10) TAX ABATEMENTS

The City's property tax revenue was reduced by \$33,768 for the year ended June 30, 2018 under an agreement entered into by the Development Authority of the City of Marietta.

(11) LEASE

During the fiscal year ended June 30, 2017, the City entered into to an agreement to lease land held at a total cost of \$4,164,362. The lease expires on January 31, 2036 and may be extended for two additional five year terms. The tenant made substantial improvements to the property during the fiscal year ended June 30, 2017.

Minimum future rentals on the lease as of June 30, 2018 are as follows:

Year Ending June 30,	
2019	\$ 1
2020	1
2021	1
2022	1
2023	1
2024-2028	773,335
2029-2033	1,600,000
2034-2036	826,667
Total	<u>\$ 3,200,007</u>

Beginning on February 1, 2027, the rent payment is adjusted annually by the Consumer Price Index however the annual adjustment cannot exceed 4.00%.

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In addition to lease payments, the tenant has agreed to pay to the City beginning in fiscal year 2019 a payment in lieu of taxes based on the current ad valorem tax rate and the current fair market value of the improvements multiplied by a percentage. In fiscal year fiscal year 2019, the percentage is 10% and increases by 10% annually until fee is equal to 100% of the current ad valorem tax rate and the current fair market value of the improvements.

(12) PENSION PLANS

General Information about the Pension Plans

Defined Contribution Plan

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

Monthly contributions to the plan are equivalent to 6.13% of regular full-time employees' pay and are 100% contributed by the City. Total employer contributions to the supplemental pension plan for the fiscal year ended June 30, 2018 were \$2,155,321.

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, 2018, the plan incurred administrative expense of \$25,000. The balance in the forfeiture account as of June 30, 2018 was \$0.

Defined Benefit Plan

The City of Marietta Pension Board 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.

**CITY OF MARIETTA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
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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.

Effective Prior to March 1, 1987

Effective March 1, 1987

Normal Form of Pension

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

Single life annuity benefit

At June 30, 2017, the most recent valuation, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	574
Inactive members entitled to but not yet receiving benefits	308
Active employees	<u>696</u>
Total	<u><u>1,578</u></u>

Funding Policy

Entry age normal actuarial cost method is used to establish the actuarial position of the plan and to determine an appropriate level of contributions for all benefits except death and disability. Employer contributions represented 17.40% of the current year covered payroll. Employees are required to contribute 4.00% of gross wages. Total employer and employee contributions to the general pension plan for the fiscal year ended June 30, 2018 were \$6,138,338 and \$1,352,681 respectively.

CITY OF MARIETTA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Net Pension Liability

The City's net pension liability was determined by an actuarial valuation as of June 30, 2017 using the following actuarial assumptions as of that date, applied to all periods included in the measurement date and rolled forward to the measurement date of June 30, 2018:

Inflation	3.50%
Salary increases	3.50% to 12.62%, including inflation
Investment rate of return	7.50%, including inflation
Post-retirement benefit increases	Not applicable

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

The actuarial assumptions used in the June 30, 2017 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	0.00%	0.20%
Domestic equity	57.00%	6.00%
Fixed income	28.00%	2.30%
Alternative	15.00%	5.00%
Total	100.00%	

The discount rate used to measure the total pension liability was 7.50%. 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 4.00% 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 2115. 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

CITY OF MARIETTA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

determine the total pension liability and a municipal bond rate was not used in determining the discount.

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

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at 6/30/2017	\$ 176,133	\$ 102,909	\$ 73,224
Changes for the year:			
Service cost	2,879	-	2,879
Interest	12,769	-	12,769
Differences between expected and actual experience	-	-	-
Contributions - employer	-	6,138	(6,138)
Contributions - employee	-	1,353	(1,353)
Net investment income	-	9,289	(9,289)
Benefit payments, including refunds of employee contributions	(11,748)	(11,748)	-
Administrative expense	-	(279)	279
Net changes	3,900	4,753	(853)
Balances at 6/30/2018	<u>\$ 180,033</u>	<u>\$ 107,662</u>	<u>\$ 72,371</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 7.50%, 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 (6.50%) or 1-percentage-point higher (8.50%) than the current rate (\$ in thousands):

	1% Decrease (6.50%)	Current Discount (7.50%)	1% Increase (8.50%)
Net pension liability	\$ 90,636	\$ 72,371	\$ 56,820

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

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NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Director, 205 Lawrence Street, Marietta, GA 30060. The plan's fiduciary net position has been determined on the same basis as that used by the plan.

The System's financial statements are prepared using the accrual basis of accounting. Employer and employee contributions are recognized as revenues in the period in which employee services are performed. Investment income is recognized as earned by the General Plan. The net appreciation (depreciation) in the fair value of investments held by the General Plan is recorded as an increase (decrease) to investment income based on the valuation of investments as of the date of the statement of net position. Expenses 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, 2018, the City recognized pension expense of \$10,355,000. At June 30, 2018, 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	\$ 1,374	\$ -
Net difference between projected and actual earnings on pension plan investments	-	1,418
Total	<u>\$ 1,374</u>	<u>\$ 1,418</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):

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FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Year ended June 30:

2019	\$ 2,247
2020	(17)
2021	(1,927)
2022	(347)
	<u>\$ (44)</u>

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

Peace Officers' Annuity and Benefit Fund and Georgia Firemen's Pension Fund

Police officers and firefighters are also members of the Peace Officers' Annuity and Benefit Fund and the Georgia Firemen's Pension Fund, respectively. Police officers and firefighters contribute twenty and fifteen dollars, respectively, each month to these state administered plans. The City of Marietta contributed \$129,779 to the Peace Officers' Annuity and Benefit Fund for the year ended June 30, 2018. 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.

(13) POSTEMPLOYMENT HEALTHCARE PLAN

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, 2017 there were 517 inactive plan members or beneficiaries receiving benefits, 0 inactive plan members entitled to but not receiving benefits, and 645 current and active employees. The City has the authority to establish and amend benefit provisions. Management of the plan is vested in the City Council. The plan does not issue separate financial statements.

Summary of Significant Accounting Policies

The plan financial statements are prepared on the accrual basis of accounting. For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the plan and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by Plan. 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.

**CITY OF MARIETTA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
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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 City establishes rates based on an actuarially determined rate. The cost of benefits for retirees is paid by the City and by the retiree. For fiscal year 2018, the City contributed \$3,689,599 to the plan. Total retiree contributions during the fiscal year 2018 was \$625,059. 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:

<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%

Rate of Return

For the year ended June 30, 2018, the annual money-weighted rate of return on investments, net of investment expense, was (2.26%). The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net OPEB Liability

The City's net OPEB liability was determined by an actuarial valuation as of June 30, 2017 using the following actuarial assumptions as of that date, applied to all periods included in the measurement date and rolled forward to the measurement date of June 30, 2018:

Inflation	2.50%
Salary increases	4.50%, plus merit increases
Investment rate of return	5.00%
Healthcare cost trend rates	5.00%

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FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Mortality rates were based on the RP-2000 Healthy Annuitant Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA.

The actuarial assumptions used in the July 1, 2017 valuation were based on the results of an actuarial experience study for the period July 1, 2010–June 30, 2016.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2018 are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Alternative	100.00%	3.00%
	<u>100.00%</u>	

Discount rate. The discount rate used to measure the total OPEB liability was 5.00 percent. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

CITY OF MARIETTA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Changes in the Net OPEB Liability

The components of the net OPEB liability of the City at June 30, 2018, were as follows:

	Increase (Decrease)		
	Plan		
	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability
	(a)	(b)	(a) - (b)
Balances at 6/30/2017	\$ 66,119,382	\$ 1,139,220	\$ 64,980,162
Changes for the year:			
Service cost	988,176	-	988,176
Interest	3,248,827	-	3,248,827
Differences between expected and actual experience	317,405	-	317,405
Contributions - employer	-	3,728,484	(3,728,484)
Net investment income	-	(18,599)	18,599
Benefit payments	(3,689,599)	(3,728,484)	38,885
Administrative expense	-	(7,273)	7,273
Net changes	864,809	(25,872)	890,681
Balances at 6/30/2018	<u>\$ 66,984,191</u>	<u>\$ 1,113,348</u>	<u>\$ 65,870,843</u>

Sensitivity of the net OPEB liability to changes in the discount rate. The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.00%) or 1-percentage-point higher (6.00%) than the current discount rate:

	1% Decrease (4.00%)	Current Discount Rate (5.00%)	1% Increase (6.00%)
Net OPEB liability	\$ 73,801,852	\$ 65,870,843	\$ 59,099,787

Sensitivity of the Net OPEB liability to changes in the healthcare cost trend rates. The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentagepoint lower (4.00%) or 1-percentage-point higher (6.00%) than the current discount rate:

	1% Decrease (4.00%)	Current Healthcare Cost Trend Rate (5.00%)	1% Increase (6.00%)
Net OPEB liability	\$ 58,097,651	\$ 65,870,843	\$ 75,105,340

CITY OF MARIETTA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2018, the City recognized OPEB expense of \$1,111,447. At June 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 317,405
Net difference between projected and actual earnings on OPEB plan investments	-	75,561
Total	\$ -	\$ 392,966

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30,	
2019	\$ (37,446)
2020	(37,446)
2021	(37,446)
2022	(37,446)
2023	(37,446)
Thereafter	(205,736)

(14) 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
Fiduciary 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
Commercial Crime	250,000	None
General Liability	1,000,000	3,000,000
Employment Practice Liability	1,000,000	2,000,000
Cyber Coverage	1,000,000	1,000,000

**CITY OF MARIETTA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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. No incremental 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, 2018	June 30, 2017
Claims and judgments payable, beginning of fiscal year	\$ 3,017,918	\$ 3,246,681
Incurred claims	13,703,110	14,011,150
Claim payments	(14,040,215)	(14,239,913)
Claims and judgments payable, end of fiscal year	<u>\$ 2,680,813</u>	<u>\$ 3,017,918</u>

(15) 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 \$4,314,030 for the fiscal year ending June 30, 2018 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 2018, the City has deposited \$2,616,706 into this Funding Account. These funds have been

**CITY OF MARIETTA, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

collected from customers and are reflected as unearned revenues on the balance sheet.

(16) 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, 229 Peachtree Street #100, Atlanta, GA 30303.

(17) SPECIAL ITEM

A special item has been recognized by the City as a result of the sale of property to an outside party. The City recognized sales proceeds from the transaction of \$8,965,000 and a loss on the sale of \$12,114,377.

(18) RESTATEMENT

The City implemented GASB Statement No. 75 "Accounting and Financial Reporting for Postemployment Benefit Plans Other Than Pensions" during fiscal year 2018. Statement No.75 requires governments providing defined postemployment benefit plans to recognize their long-term obligation for OPEB benefits as a liability. The effect of this restatement to beginning net position is as follows:

	Governmental Activities	Business-Type Activities	Board of Lights Lights and Waterworks Fund
Beginning Net Position before Restatement	\$ 80,106,129	\$ 195,339,150	\$ 195,190,672
Restatement - Net OPEB Liability	(46,762,197)	(18,217,965)	(18,217,965)
Restatement - Previously reported net OPEB obligation	29,167,652	8,712,416	8,712,416
Beginning Net Position after Restatement	<u>\$ 62,511,584</u>	<u>\$ 185,833,601</u>	<u>\$ 185,685,123</u>

The effect of implementing GASB Statement No. 75 to previously reported changes in net position has not been determined.

REQUIRED SUPPLEMENTARY INFORMATION

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

	2014	2015	2016	2017	2018
(In thousands)					
Total Pension Liability					
Service cost	\$ 2,652	\$ 2,851	\$ 2,696	\$ 2,782	\$ 2,879
Interest	11,415	11,766	11,747	12,035	12,769
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	-	(4,887)	-	6,282	-
Change of assumptions	-	-	-	-	-
Benefit payments, including refunds of employee contributions	(9,118)	(9,655)	(10,321)	(10,870)	(11,748)
Net Change in Total Pension Liability	4,949	75	4,122	10,229	3,900
Total Pension Liability – Beginning	156,758	161,707	161,782	165,904	176,133
Total Pension Liability – Ending (a)	<u>\$ 161,707</u>	<u>\$ 161,782</u>	<u>\$ 165,904</u>	<u>\$ 176,133</u>	<u>\$ 180,033</u>
Plan Fiduciary Net Position					
Contributions – employer	\$ 5,669	\$ 5,731	\$ 5,583	\$ 6,858	\$ 6,138
Contributions – employees	1,260	1,280	1,318	1,343	1,353
Net investment income	14,663	2,746	(2,395)	14,633	9,289
Benefit payments, including refunds of employee contributions	(9,118)	(9,655)	(10,321)	(10,870)	(11,748)
Administrative expense	(144)	(111)	(162)	(393)	(279)
Net Changes in Plan Fiduciary Net Position	\$ 12,330	\$ (9)	\$ (5,977)	\$ 11,571	\$ 4,753
Plan Fiduciary Net Position – Beginning	84,994	97,324	97,315	91,338	102,909
Plan Fiduciary Net Position – Ending (b)	<u>\$ 97,324</u>	<u>\$ 97,315</u>	<u>\$ 91,338</u>	<u>\$ 102,909</u>	<u>\$ 107,662</u>
Net Pension Liability – Ending (a)–(b)	\$ 64,383	\$ 64,467	\$ 74,566	\$ 73,224	\$ 72,371
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	60.19%	60.15%	55.05%	58.43%	59.80%
Covered payroll	\$ 32,997	\$ 32,481	\$ 32,996	\$ 34,093	\$ 35,286
Net Pension Liability as a percentage of covered payroll	195.12%	198.48%	225.98%	214.78%	205.10%

Note: This schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

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

	2014	2015	2016	2017	2018
(In thousands)					
Actuarially determined contribution	\$ 5,154	\$ 5,394	\$ 5,583	\$ 5,398	\$ 5,588
Contributions in relation to the actuarially determined contribution	5,669	5,731	5,583	6,858	6,138
Contribution deficiency (excess)	<u>\$ (515)</u>	<u>\$ (337)</u>	<u>\$ -</u>	<u>\$ (1,460)</u>	<u>\$ (550)</u>
Covered payroll	\$ 32,997	\$ 32,481	\$ 32,996	\$ 34,093	\$ 35,286
Contributions as a percentage of covered payroll	17.18%	17.64%	16.92%	20.12%	17.40%

Notes to Schedule:

Valuation Date: June 30, 2015

The actuarially determined contribution rate was determined as of June 30, 2015, with an interest adjustment to the fiscal year.

The actuarially determined contribution rates in the schedule of contributions are calculated as of the June 30th, two or three years prior to the fiscal year end in which contributions are reported.

Methods and assumptions to determine contribution rates:

Actuarial cost method	Entry Age
Amortization method	Level percentage of the pay, closed
Remaining amortization period	27 years
Asset valuation method	Ten-year smoothed market value
Inflation	3.50%
Salary increases	3.50 - 12.62%
Investment rate of return	7.50%, net of pension plan investment expense, and including inflation

Note: This schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

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

	2017	2018
Total OPEB liability		
Service cost	\$ 874,140	\$ 988,176
Interest	3,154,176	3,248,827
Changes of benefit terms	-	-
Differences between expected and actual experience	2,176,066	317,405
Benefit payments	(4,533,448)	(3,689,599)
Net change in total OPEB liability	1,670,934	864,809
Total OPEB liability - beginning	64,448,448	66,119,382
Total OPEB liability - ending (a)	<u>\$ 66,119,382</u>	<u>\$ 66,984,191</u>
Plan fiduciary net position		
Contributions - employer	\$ 4,065,547	\$ 3,728,484
Net investment income	35,316	(18,599)
Benefit payments	(4,065,547)	(3,728,484)
Administrative expense	(1,366)	(7,273)
Net change in plan fiduciary net position	33,950	(25,872)
Plan fiduciary net position - beginning	1,105,270	1,139,220
Plan fiduciary net position - ending (b)	<u>\$ 1,139,220</u>	<u>\$ 1,113,348</u>
Net OPEB liability - ending (a) - (b)	<u>\$ 64,980,162</u>	<u>\$ 65,870,843</u>
Plan fiduciary net position as a percentage of the total OPEB liability	1.72%	1.66%
Covered payroll	\$ 32,224,076	\$ 32,227,076
Net OPEB liability as a percentage of covered payroll	201.65%	204.40%

Note: This schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

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

	2017	2018
Actuarially determined contribution	\$ 9,522,200	\$ 9,947,358
Contributions in relation to the actuarially determined contribution	4,065,547	3,728,484
Contribution deficiency (excess)	<u>\$ 5,456,653</u>	<u>\$ 6,218,874</u>
Covered-employee payroll	\$ 32,224,076	\$ 32,227,076
Contributions as a percentage of covered-employee payroll	12.62%	11.57%

Notes to Schedule:

Valuation Date: July 1, 2017

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Level percentage of payroll, closed
Amortization period	15 years
Asset valuation method	Market value
Inflation	2.50%
Healthcare cost trend rates	5.00%
Salary increases	4.50%, plus merit increases
Investment rate of return	5.00%
Retirement age	Normal retirement date is age 65, early retirement date is age 50 and 10 years of service
Mortality	RP-2000 Healthy Mortality Table

Note: This schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

**CITY OF MARIETTA, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF OPEB INVESTMENT RETURNS**

	<u>2017</u>	<u>2018</u>
Annual money-weighted rate of return, net of investment expense	-4.84%	-2.26%

Note: This schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

CITY OF MARIETTA, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
(BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Taxes	\$ 20,265,100	\$ 20,265,100	\$ 20,130,608	\$ (134,492)
Licenses and permits	7,157,145	7,157,145	7,176,210	19,065
Intergovernmental	1,934,309	2,245,429	2,166,776	(78,653)
Fines and forfeitures	4,772,700	4,745,150	5,038,473	293,323
Charges for services	3,923,000	3,923,000	2,953,124	(969,876)
Interest	60,000	60,000	319,546	259,546
Other	618,125	801,367	1,201,126	399,759
Total revenues	<u>38,730,379</u>	<u>39,197,191</u>	<u>38,985,863</u>	<u>(211,328)</u>
Expenditures				
Current:				
General government:				
General administration:				
Legislative	1,114,871	1,677,062	1,671,591	5,471
Judicial	1,356,293	1,306,109	1,246,773	59,336
Executive	993,351	900,062	860,715	39,347
Law	525,000	325,000	317,200	7,800
Financial administration	2,370,555	2,297,651	2,180,946	116,705
Human resources	694,672	667,641	643,131	24,510
Planning and zoning	1,835,668	1,831,744	1,733,882	97,862
Public works	7,906,887	9,803,184	8,657,061	1,146,123
Culture and recreation	5,836,677	8,481,445	7,771,607	709,838
Public safety:				
Police	16,997,689	17,372,165	16,985,242	386,923
Fire	12,911,261	12,654,130	12,600,260	53,870
Debt Service:				
Principal retirement	1,830,000	2,029,936	2,027,147	2,789
Interest and fiscal charges	934,400	901,500	897,628	3,872
Total expenditures	<u>55,307,324</u>	<u>60,247,629</u>	<u>57,593,183</u>	<u>2,654,446</u>
Excess (deficiency) of revenues over expenditures	<u>(16,576,945)</u>	<u>(21,050,438)</u>	<u>(18,607,320)</u>	<u>2,443,118</u>
Other financing sources (uses):				
Sales of capital assets	71,000	71,000	186,765	115,765
Transfers in	21,833,689	22,585,029	20,255,448	(2,329,581)
Transfers out	<u>(5,527,745)</u>	<u>(3,369,362)</u>	<u>(3,369,356)</u>	<u>6</u>
Total other financing sources (uses)	<u>16,376,944</u>	<u>19,286,667</u>	<u>17,072,857</u>	<u>(2,213,810)</u>
Net change in fund balance	<u>\$ (200,001)</u>	<u>\$ (1,763,771)</u>	<u>(1,534,463)</u>	<u>\$ 229,308</u>
Reconciliation to GAAP basis:				
Encumbrances outstanding at end of year			743,560	
Fund balances at beginning of year - GAAP basis			<u>35,937,890</u>	
Fund balances at end of year - GAAP basis			<u>\$ 35,146,987</u>	

OTHER SUPPLEMENTARY INFORMATION

**CITY OF MARIETTA, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018**

	Special Revenue Funds						Capital Project Funds		Total Nonmajor Governmental Funds
	HUD CDBG	Tax Allocation District	Cemetery Maintenance	LLEBG Fund	Hotel Motel Tax	Auto Rental Tax	City Parks Bond	Redevelopment Bond	
Assets									
Cash and cash equivalents	\$ 6,430	\$ 1,289,925	\$ 302,249	\$ 5,208	\$ -	\$ -	\$ 3,518,267	\$ 5,313,198	\$ 10,435,277
Cash with fiscal agent	-	958,572	-	-	-	-	-	-	958,572
Investments	-	-	-	-	-	-	-	7,710,059	7,710,059
Receivables, net	-	13,562	1,937	-	325,573	49,677	-	261,211	651,960
Due from other governments	34,988	11,722	944	-	-	-	-	-	47,654
Total Assets	\$ 41,418	\$ 2,273,781	\$ 305,130	\$ 5,208	\$ 325,573	\$ 49,677	\$ 3,518,267	\$ 13,284,468	\$ 19,803,522
Liabilities, Deferred Inflows of Resources, and Fund Balances									
Liabilities									
Accounts payable	\$ 940	\$ 40,381	\$ 3,495	\$ -	\$ -	\$ -	\$ 189,778	\$ 8,900	\$ 243,494
Accrued salaries	3,750	-	1,376	-	-	-	1,083	-	6,209
Due to other funds	55,990	128,456	-	-	325,573	49,677	-	-	559,696
Retainage payable	-	-	-	-	-	-	327,502	-	327,502
Total Liabilities	60,680	168,837	4,871	-	325,573	49,677	518,363	8,900	1,136,901
Deferred Inflows of Resources									
Unavailable revenue- lease revenue	-	-	-	-	-	-	-	238,597	238,597
Unavailable revenue- tax revenue	-	10,499	2,148	-	-	-	-	-	12,647
Total Deferred Inflows of Resources	-	10,499	2,148	-	-	-	-	238,597	251,244
Fund Balances									
Restricted	-	2,094,445	298,111	5,208	-	-	2,999,904	9,322,780	14,720,448
Committed	-	-	-	-	-	-	-	3,714,191	3,714,191
Unassigned	(19,262)	-	-	-	-	-	-	-	(19,262)
Total Fund Balances	(19,262)	2,094,445	298,111	5,208	-	-	2,999,904	13,036,971	18,415,377
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 41,418	\$ 2,273,781	\$ 305,130	\$ 5,208	\$ 325,573	\$ 49,677	\$ 3,518,267	\$ 13,284,468	\$ 19,803,522

CITY OF MARIETTA, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Special Revenue Funds						Capital Project Funds		Total Nonmajor Governmental Funds
	HUD CDBG	Tax Allocation District	Cemetery Maintenance	LLEBG Fund	Hotel Motel Tax	Auto Rental Tax	City Park Bond	Redevelopment Bond	
Revenues									
Taxes	\$ -	\$ 147,731	\$ 234,713	\$ -	\$ 3,143,887	\$ 575,024	\$ -	\$ -	\$ 4,101,355
Intergovernmental	431,917	1,382,101	-	-	-	-	-	-	1,814,018
Investment earnings	-	11,853	180	-	-	-	1,037	25,817	38,887
Total Revenues	431,917	1,541,685	234,893	-	3,143,887	575,024	1,037	25,817	5,954,260
Expenditures									
Current:									
Public works	-	-	144,670	-	-	-	-	-	144,670
Culture and recreation	-	-	-	-	-	-	175,778	-	175,778
Urban redevelopment and housing	431,917	-	-	-	-	-	-	-	431,917
Debt service:									
Principal retirement	-	722,278	-	-	-	-	-	-	722,278
Interest & fiscal charges	-	128,877	-	-	-	-	-	-	128,877
Capital projects	-	-	-	-	-	-	4,223,446	6,823,714	11,047,160
Total Expenditures	431,917	851,155	144,670	-	-	-	4,399,224	6,823,714	12,650,680
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	690,530	90,223	-	3,143,887	575,024	(4,398,187)	(6,797,897)	(6,696,420)
Other Financing Sources (Uses)									
Transfers out	(501)	-	-	-	(3,143,887)	(575,024)	-	-	(3,719,412)
Special Item									
Proceeds from sale of land	-	-	-	-	-	-	-	8,965,000	8,965,000
Net Change in Fund Balances	(501)	690,530	90,223	-	-	-	(4,398,187)	2,167,103	(1,450,832)
Fund Balances Beginning of Year	(18,761)	1,403,915	207,888	5,208	-	-	7,398,091	10,869,868	19,866,209
Fund Balances End of Year	\$ (19,262)	\$ 2,094,445	\$ 298,111	\$ 5,208	\$ -	\$ -	\$ 2,999,904	\$ 13,036,971	\$ 18,415,377

**CITY OF MARIETTA, GEORGIA
GENERAL FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2018 AND 2017**

	2018	2017
Assets		
Cash and cash equivalents	\$ 13,767,819	\$ 6,715,114
Cash with fiscal agent	500	500
Investments	8,078,353	7,436,657
Receivable, net	827,843	846,212
Prepaid items	-	55,913
Due from other funds	473,527	7,225,907
Due from other governments	202,894	3,580,585
Inventories	78,973	27,918
Advances to other funds	15,138,899	16,876,520
Total assets	<u>\$ 38,568,808</u>	<u>\$ 42,765,326</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances		
Liabilities		
Accounts payable	\$ 1,598,989	\$ 1,817,155
Retainage payable	779,440	503,690
Accrued liabilities	719,327	638,247
Due to other funds	140,285	127,968
Due to other governments	761	682
Unearned revenue	121,172	138,252
Total liabilities	<u>3,359,974</u>	<u>3,225,994</u>
Deferred Inflows of Resources		
Unavailable revenue- intergovernmental revenue	-	3,521,010
Unavailable revenue- tax revenue	61,847	80,432
Total deferred inflows of resources	<u>61,847</u>	<u>3,601,442</u>
Fund Balances		
Nonspendable	15,217,872	16,960,351
Restricted	1,027,330	1,422,236
Committed	108,788	38,743
Assigned	3,699,535	3,540,477
Unassigned	15,093,462	13,976,083
Total fund balances	<u>35,146,987</u>	<u>35,937,890</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 38,568,808</u>	<u>\$ 42,765,326</u>

**CITY OF MARIETTA, GEORGIA
GENERAL FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE FISCAL YEARS ENDED JUNE 30, 2018 AND 2017**

	2018	2017
Revenues		
Taxes	\$ 20,130,608	\$ 19,561,950
Licenses and permits	7,176,210	6,747,151
Intergovernmental	2,166,776	4,086,852
Charges for services	5,038,473	4,643,184
Fines and forfeitures	2,953,124	3,365,021
Investment earnings	319,546	154,704
Other	1,201,126	453,405
Total revenues	<u>38,985,863</u>	<u>39,012,267</u>
Expenditures		
Current:		
General government	8,561,502	8,909,175
Public works	8,616,563	11,004,984
Culture and recreation	7,625,627	7,090,803
Public safety	29,121,156	28,493,773
Debt Service		
Principal retirement	2,027,147	1,834,057
Interest and fiscal charges	897,628	903,692
Refunding bond issuance cost	-	241,017
Total expenditures	<u>56,849,623</u>	<u>58,477,501</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(17,863,760)</u>	<u>(19,465,234)</u>
Other Financing Sources (Uses)		
Issuance of refunding bonds	-	12,700,000
Premium on bond issued	-	3,194,423
Payment to refunded bond escrow agent	-	(15,653,406)
Sale of capital asset	186,765	61,868
Transfers in	20,255,448	18,524,265
Transfers out	(3,369,356)	(4,070,227)
Total other financing sources (uses)	<u>17,072,857</u>	<u>14,756,923</u>
Net Change in Fund Balances	(790,903)	(4,708,311)
Fund Balances Beginning of Year	<u>35,937,890</u>	<u>40,646,201</u>
Fund Balances End of Year	<u><u>\$ 35,146,987</u></u>	<u><u>\$ 35,937,890</u></u>

CITY OF MARIETTA, GEORGIA
HUD-COMMUNITY DEVELOPMENT BLOCK GRANT
SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
Assets		
Cash and cash equivalents	\$ 6,430	\$ 307
Due from other governments	<u>34,988</u>	<u>25,565</u>
Total Assets	<u><u>\$ 41,418</u></u>	<u><u>\$ 25,872</u></u>
Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ 940	\$ 951
Accrued salaries	3,750	3,460
Due to other funds	<u>55,990</u>	<u>40,222</u>
Total Liabilities	<u>60,680</u>	<u>44,633</u>
Fund Balances		
Unassigned	<u>(19,262)</u>	<u>(18,761)</u>
Total Fund Balances	<u>(19,262)</u>	<u>(18,761)</u>
Total Liabilities and Fund Balances	<u><u>\$ 41,418</u></u>	<u><u>\$ 25,872</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, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
Revenues		
Intergovernmental	\$ 431,917	\$ 297,795
Expenditures - urban redevelopment and housing:		
Current:		
Personal services	194,544	178,667
Operating services	237,373	129,670
Capital projects	-	161
Total Expenditures	<u>431,917</u>	<u>308,498</u>
Excess (Deficiency) of Revenues		
Over (Under) Expenditures	<u>-</u>	<u>(10,703)</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 Balances	(501)	(11,204)
Fund Balances Beginning of Year	<u>(18,761)</u>	<u>(7,557)</u>
Fund Balances End of Year	<u><u>\$ (19,262)</u></u>	<u><u>\$ (18,761)</u></u>

CITY OF MARIETTA, GEORGIA
HUD-COMMUNITY DEVELOPMENT BLOCK GRANT
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Budget	Actual	Variance With Final Budget
Revenues			
Intergovernmental	\$ 442,053	\$ 431,917	\$ (10,136)
Total revenues	442,053	431,917	(10,136)
Expenditures - urban redevelopment and housing:			
Current:			
Personal services	194,546	194,544	2
Operating services	251,161	237,400	13,761
Capital projects	56,407	-	56,407
Total expenditures	502,114	431,944	70,170
Excess (Deficiency) of Revenues Over (Under) Expenditures	(60,061)	(27)	60,034
Other Financing Sources (Uses)			
Transfers out	(501)	(501)	-
Net Change in Fund Balances	<u>\$ (60,562)</u>	(528)	<u>\$ 60,034</u>
Reconciliation to GAAP basis:			
Encumbrances outstanding at end of year		27	
Fund Balances Beginning of Year		<u>(18,761)</u>	
Fund Balances End of Year		<u>\$ (19,262)</u>	

**CITY OF MARIETTA, GEORGIA
TAX ALLOCATION DISTRICT
SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
Assets		
Cash and cash equivalents	\$ 1,289,925	\$ 1,113,099
Cash with fiscal agent	958,572	951,142
Receivable, net	13,562	11,287
Due from other governments	<u>11,722</u>	<u>9,790</u>
Total Assets	<u><u>\$ 2,273,781</u></u>	<u><u>\$ 2,085,318</u></u>
Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ 40,381	\$ -
Due to other funds	<u>128,456</u>	<u>673,458</u>
Total Liabilities	<u>168,837</u>	<u>673,458</u>
Deferred Inflows of Resources		
Unavailable tax revenue	<u>10,499</u>	<u>7,945</u>
Fund Balances		
Restricted	<u>2,094,445</u>	<u>1,403,915</u>
Total Fund Balances	<u>2,094,445</u>	<u>1,403,915</u>
Total Liabilities and Fund Balances	<u><u>\$ 2,273,781</u></u>	<u><u>\$ 2,085,318</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, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
Revenues		
Taxes	\$ 147,731	\$ 112,957
Intergovernmental	1,382,101	910,276
Investment earnings	<u>11,853</u>	<u>8,847</u>
Total Revenues	<u>1,541,685</u>	<u>1,032,080</u>
Expenditures		
Debt service:		
Principal retirement	722,278	693,233
Interest & fiscal charges	<u>128,877</u>	<u>157,923</u>
Total Expenditures	<u>851,155</u>	<u>851,156</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>690,530</u>	<u>180,924</u>
Net Change in Fund Balances	690,530	180,924
Fund Balances Beginning of Year	<u>1,403,915</u>	<u>1,222,991</u>
Fund Balances End of Year	<u><u>\$ 2,094,445</u></u>	<u><u>\$ 1,403,915</u></u>

**CITY OF MARIETTA, GEORGIA
TAX ALLOCATION DISTRICT
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Budget	Actual	Variance With Final Budget
Revenues			
Taxes	\$ 133,000	\$ 147,731	\$ 14,731
Intergovernmental	832,000	1,382,101	550,101
Investment earnings	5,000	11,853	6,853
Total revenues	970,000	1,541,685	571,685
Expenditures			
Debt service:			
Principal	722,278	722,278	-
Interest	128,877	128,877	-
Total expenditures	851,155	851,155	-
Net Change in Fund Balances	\$ 118,845	690,530	\$ 571,685
Fund Balances Beginning of Year		1,403,915	
Fund Balances End of Year		\$ 2,094,445	

**CITY OF MARIETTA, GEORGIA
CEMETERY MAINTENANCE
SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
Assets		
Cash and cash equivalents	\$ 302,249	\$ 210,315
Receivable, net	1,937	2,398
Due from other governments	944	966
	<u> </u>	<u> </u>
Total Assets	<u><u>\$ 305,130</u></u>	<u><u>\$ 213,679</u></u>
 Liabilities, Deferred Inflows of Resources, and Fund Balances		
Liabilities		
Accounts payable	\$ 3,495	\$ 3,045
Accrued salaries	1,376	680
	<u> </u>	<u> </u>
Total Liabilities	<u>4,871</u>	<u>3,725</u>
 Deferred Inflows of Resources		
Unavailable tax revenue	<u>2,148</u>	<u>2,066</u>
 Fund Balances		
Restricted	<u>298,111</u>	<u>207,888</u>
 Total Fund Balances	<u>298,111</u>	<u>207,888</u>
 Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u><u>\$ 305,130</u></u>	<u><u>\$ 213,679</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, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
Revenues		
Taxes	\$ 234,713	\$ 220,626
Investment earnings	180	94
	<u>234,893</u>	<u>220,720</u>
Total Revenues		
Expenditures - public works:		
Current:		
Personal services	66,603	12,545
Operating services	78,067	90,446
	<u>144,670</u>	<u>102,991</u>
Total Expenditures		
Excess (Deficiency) of Revenues Over (Under) Expenditures	90,223	117,729
Fund Balances Beginning of Year	<u>207,888</u>	<u>90,159</u>
Fund Balances End of Year	<u><u>\$ 298,111</u></u>	<u><u>\$ 207,888</u></u>

**CITY OF MARIETTA, GEORGIA
CEMETERY MAINTENANCE
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Budget	Actual	Variance With Final Budget
Revenues			
Taxes	\$ 222,000	\$ 234,713	\$ 12,713
Investment earnings	-	180	180
Total revenues	222,000	234,893	12,893
Expenditures - public works:			
Current:			
Personal services	103,845	66,603	37,242
Operating services	90,867	84,698	6,169
Total expenditures	194,712	151,301	43,411
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 27,288	83,592	\$ 56,304
Reconciliation to GAAP basis:			
Encumbrances outstanding at end of year		6,631	
Fund Balances Beginning of Year		207,888	
Fund Balances End of Year		\$ 298,111	

**CITY OF MARIETTA, GEORGIA
LOCAL LAW ENFORCEMENT BLOCK GRANT
SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
Assets		
Cash and cash equivalents	\$ 5,208	\$ 5,208
Total Assets	<u>\$ 5,208</u>	<u>\$ 5,208</u>
Fund Balances		
Restricted	5,208	5,208
Total Fund Balances	<u>\$ 5,208</u>	<u>\$ 5,208</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, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
Revenues		
Intergovernmental	\$ -	\$ -
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 (Under) Expenditures	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>-</u>	<u>-</u>
Fund Balances Beginning of Year	<u>5,208</u>	<u>5,208</u>
Fund Balances 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, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
Assets		
Receivables, net	\$ 325,573	\$ 264,595
Total Assets	<u><u>\$ 325,573</u></u>	<u><u>\$ 264,595</u></u>
Liabilities and Fund Balance		
Liabilities		
Due to other funds	\$ 325,573	\$ 264,595
Total Liabilities	<u>325,573</u>	<u>264,595</u>
Fund Balances		
Restricted	<u>-</u>	<u>-</u>
Total Fund Balances	<u>-</u>	<u>-</u>
Total Liabilities and Fund Balance	<u><u>\$ 325,573</u></u>	<u><u>\$ 264,595</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, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
Revenues		
Taxes	\$ 3,143,887	\$ 3,128,429
Total Revenues	<u>3,143,887</u>	<u>3,128,429</u>
Excess (Deficiency) of Revenues		
Over (Under) Expenditures	<u>3,143,887</u>	<u>3,128,429</u>
Other Financing Sources (Uses)		
Transfers out	<u>(3,143,887)</u>	<u>(3,128,429)</u>
Total Other Financing Sources (Uses)	<u>(3,143,887)</u>	<u>(3,128,429)</u>
Net Change in Fund Balances	-	-
Fund Balances Beginning of Year	<u>-</u>	<u>-</u>
Fund Balances End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**CITY OF MARIETTA, GEORGIA
HOTEL MOTEL TAX FUND
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Budget	Actual	Variance With Final Budget
Revenues			
Taxes	<u>\$ 3,505,000</u>	<u>\$ 3,143,887</u>	<u>\$ (361,113)</u>
Total revenues	<u>3,505,000</u>	<u>3,143,887</u>	<u>(361,113)</u>
Other Financing Sources (Uses)			
Transfers out	<u>(3,505,000)</u>	<u>(3,143,887)</u>	<u>361,113</u>
Net Change in Fund Balances	<u><u>\$ -</u></u>	<u>-</u>	<u><u>\$ -</u></u>
Fund Balances Beginning of Year		<u>-</u>	
Fund Balances End of Year		<u><u>\$ -</u></u>	

**CITY OF MARIETTA, GEORGIA
 AUTO RENTAL TAX FUND
 SPECIAL REVENUE FUND
 COMPARATIVE BALANCE SHEET
 JUNE 30, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
Assets		
Receivable, net	\$ 49,677	\$ 46,374
Total Assets	<u>\$ 49,677</u>	<u>\$ 46,374</u>
Liabilities and Fund Balances		
Liabilities		
Due to other funds	\$ 49,677	\$ 46,374
Total Liabilities	<u>49,677</u>	<u>46,374</u>
Fund Balances		
Restricted	<u>-</u>	<u>-</u>
Total Fund Balances	<u>-</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 49,677</u>	<u>\$ 46,374</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, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
Revenues		
Taxes	\$ 575,024	\$ 463,189
Total Revenues	<u>575,024</u>	<u>463,189</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>575,024</u>	<u>463,189</u>
Other Financing Sources (Uses)		
Transfers out	<u>(575,024)</u>	<u>(463,189)</u>
Net Change in Fund Balances	-	-
Fund Balances Beginning of Year	<u>-</u>	<u>-</u>
Fund Balances 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 BALANCES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues			
Taxes	\$ 595,000	\$ 575,024	\$ (19,976)
Total revenues	<u>595,000</u>	<u>575,024</u>	<u>(19,976)</u>
Other Financing Sources (Uses)			
Transfers out	<u>(595,000)</u>	<u>(575,024)</u>	<u>19,976</u>
Net Change in Fund Balances	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund Balances Beginning of Year		<u>-</u>	
Fund Balances End of Year		<u>\$ -</u>	

**CITY OF MARIETTA, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
Assets		
Cash and cash equivalents	\$ 13,142,692	\$ 9,228,217
Investments	10,646,100	12,837,750
Receivable, net	45,852	45,071
Prepaid items	1,746,644	1,000,565
Due from other governments	<u>5,026,685</u>	<u>1,794,931</u>
Total assets	<u>\$ 30,607,973</u>	<u>\$ 24,906,534</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances		
Liabilities		
Accounts payable	\$ 2,995,411	\$ 1,113,788
Retainage payable	<u>362,312</u>	<u>469,840</u>
Total liabilities	<u>3,357,723</u>	<u>1,583,628</u>
Deferred Inflows of Resources		
Unavailable revenue - intergovernmental revenue	<u>2,239,556</u>	<u>-</u>
Total deferred inflows of resources	<u>2,239,556</u>	<u>-</u>
Fund Balances		
Nonspendable	1,746,644	1,000,565
Restricted	<u>23,264,050</u>	<u>22,322,341</u>
Total fund balances	<u>25,010,694</u>	<u>23,322,906</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 30,607,973</u>	<u>\$ 24,906,534</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, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
Revenues		
Intergovernmental	\$ 14,937,720	\$ 11,060,365
Investment earnings	<u>207,152</u>	<u>84,951</u>
Total revenues	<u>15,144,872</u>	<u>11,145,316</u>
Expenditures		
Current:		
Personal services	288,189	580,196
Capital projects	<u>13,168,895</u>	<u>12,344,509</u>
Total expenditures	<u>13,457,084</u>	<u>12,924,705</u>
Excess (Deficiency) of Revenues		
Over (Under) Expenditures	<u>1,687,788</u>	<u>(1,779,389)</u>
Net Change in Fund Balances	1,687,788	(1,779,389)
Fund Balances Beginning of Year	<u>23,322,906</u>	<u>25,102,295</u>
Fund Balances End of Year	<u><u>\$ 25,010,694</u></u>	<u><u>\$ 23,322,906</u></u>

**CITY OF MARIETTA, GEORGIA
CITY PARKS BOND
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
Assets		
Cash and cash equivalents	\$ 3,518,267	\$ 1,961,365
Investments	-	5,422,283
Accrued interest	-	18,346
	<u> </u>	<u> </u>
Total assets	<u><u>\$ 3,518,267</u></u>	<u><u>\$ 7,401,994</u></u>
 Liabilities and Fund Balance		
Liabilities		
Accounts payable	\$ 189,778	\$ 2,860
Retainage payable	327,502	-
Accrued liabilities	1,083	1,043
	<u> </u>	<u> </u>
Total liabilities	<u>518,363</u>	<u>3,903</u>
 Fund Balances		
Restricted	<u>2,999,904</u>	<u>7,398,091</u>
	<u> </u>	<u> </u>
Total fund balances	<u>2,999,904</u>	<u>7,398,091</u>
	<u> </u>	<u> </u>
Total Liabilities and Fund Balance	<u><u>\$ 3,518,267</u></u>	<u><u>\$ 7,401,994</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, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
Revenues		
Investment earnings	\$ 1,037	\$ 17,324
Total revenues	<u>1,037</u>	<u>17,324</u>
Expenditures - culture and recreation:		
Current:		
Personal services	56,479	54,286
Operating services	119,299	181,727
Capital projects	<u>4,223,446</u>	<u>319,097</u>
Total expenditures	<u>4,399,224</u>	<u>555,110</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(4,398,187)</u>	<u>(537,786)</u>
Net Change in Fund Balances	(4,398,187)	(537,786)
Fund Balances Beginning of Year	<u>7,398,091</u>	<u>7,935,877</u>
Fund Balances End of Year	<u><u>\$ 2,999,904</u></u>	<u><u>\$ 7,398,091</u></u>

**CITY OF MARIETTA, GEORGIA
REDEVELOPMENT BOND
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2018 AND 2017**

	2018	2017
Assets		
Cash and cash equivalents	\$ 5,313,198	\$ -
Investments	7,710,059	18,159,614
Receivable, net	261,211	627
	<hr/>	<hr/>
Total assets	<u>\$ 13,284,468</u>	<u>\$ 18,160,241</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances		
Liabilities		
Accounts payable	\$ 8,900	\$ 451,640
Retainage payable	-	559,937
Due to other funds	-	6,278,796
	<hr/>	<hr/>
Total liabilities	<u>8,900</u>	<u>7,290,373</u>
Deferred Inflows of Resources		
Unavailable revenue - lease revenue	<u>238,597</u>	<u>-</u>
	<hr/>	<hr/>
Total deferred inflows of resources	<u>238,597</u>	<u>-</u>
Fund Balances		
Restricted	9,322,780	10,869,868
Committed	3,714,191	-
	<hr/>	<hr/>
Total fund balances	<u>13,036,971</u>	<u>10,869,868</u>
	<hr/>	<hr/>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 13,284,468</u>	<u>\$ 18,160,241</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, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
Revenues		
Investment earnings	\$ 25,817	\$ 25,566
Total revenues	<u>25,817</u>	<u>25,566</u>
Expenditures		
Capital projects	<u>6,823,714</u>	<u>9,517,583</u>
Total expenditures	<u>6,823,714</u>	<u>9,517,583</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(6,797,897)</u>	<u>(9,492,017)</u>
Special Item		
Proceeds from sale of land	<u>8,965,000</u>	<u>-</u>
Net Change in Fund Balances	2,167,103	(9,492,017)
Fund Balances Beginning of Year	<u>10,869,868</u>	<u>20,361,885</u>
Fund Balances End of Year	<u><u>\$ 13,036,971</u></u>	<u><u>\$ 10,869,868</u></u>

**CITY OF MARIETTA, GEORGIA
DEBT SERVICE FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
Assets		
Cash and cash equivalents	\$ 3,497,548	\$ 3,236,088
Investments	1,475,936	820,917
Receivable, net	69,426	77,953
Due from other governments	<u>28,258</u>	<u>28,923</u>
Total assets	<u><u>\$ 5,071,168</u></u>	<u><u>\$ 4,163,881</u></u>
Deferred Inflows of Resources and Fund Balances		
Deferred Inflows Resources		
Unavailable revenue tax revenue	<u>\$ 56,191</u>	<u>\$ 65,854</u>
Total deferred inflows of resources	<u>56,191</u>	<u>65,854</u>
Fund Balances		
Restricted	<u>5,014,977</u>	<u>4,098,027</u>
Total fund balances	<u>5,014,977</u>	<u>4,098,027</u>
Total Deferred Inflows of Resources and Fund Balances	<u><u>\$ 5,071,168</u></u>	<u><u>\$ 4,163,881</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, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
Revenues		
Taxes	\$ 8,186,561	\$ 7,710,476
Intergovernmental	3,731,500	3,713,250
Investment earnings	10,615	4,925
	<u>11,928,676</u>	<u>11,428,651</u>
Expenditures		
Debt Service		
Principal retirement	7,539,000	7,270,000
Interest and fiscal charges	3,447,490	3,771,337
	<u>10,986,490</u>	<u>11,041,337</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>942,186</u>	<u>387,314</u>
Other Financing Sources (Uses)		
Transfers out	<u>(25,236)</u>	<u>(25,236)</u>
Total other financing sources (uses)	<u>(25,236)</u>	<u>(25,236)</u>
Net Change in Fund Balances	916,950	362,078
Fund Balances Beginning of Year	<u>4,098,027</u>	<u>3,735,949</u>
Fund Balances End of Year	<u><u>\$ 5,014,977</u></u>	<u><u>\$ 4,098,027</u></u>

CITY OF MARIETTA, GEORGIA
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Budget	Actual	Variance With Final Budget
Revenues			
Taxes	\$ 7,551,250	\$ 8,186,561	\$ 635,311
Intergovernmental	3,731,500	3,731,500	-
Investment earnings	4,000	10,615	6,615
Total revenues	<u>11,286,750</u>	<u>11,928,676</u>	<u>641,926</u>
Expenditures			
Debt service:			
Principal	7,539,000	7,539,000	-
Interest and fiscal charges	<u>3,447,490</u>	<u>3,447,490</u>	<u>-</u>
Total expenditures	<u>10,986,490</u>	<u>10,986,490</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>300,260</u>	<u>942,186</u>	<u>641,926</u>
Other Financing Sources (Uses)			
Transfers out	<u>(25,236)</u>	<u>(25,236)</u>	<u>-</u>
Net Change in Fund Balances	<u>\$ 275,024</u>	916,950	<u>\$ 641,926</u>
Fund Balance at Beginning of Year		<u>4,098,027</u>	
Fund Balance at End of Year		<u>\$ 5,014,977</u>	

CITY OF MARIETTA, GEORGIA
BOARD OF LIGHTS AND WATERWORKS
ENTERPRISE FUND
COMPARATIVE STATEMENT OF NET POSITION
JUNE 30, 2018 AND 2017

	<u>2018</u>	<u>2017</u> <u>(As Restated)</u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 20,641,626	\$ 19,388,320
Investments	45,601,057	47,758,443
Receivables, net	16,193,760	16,217,784
Due from other funds	2,408,379	2,446,080
Inventories, at cost	4,391,434	4,171,110
Prepaid expense	-	255,598
	<u>89,236,256</u>	<u>90,237,335</u>
Total current assets		
Noncurrent assets:		
Restricted assets:		
Investments	<u>12,584,675</u>	<u>12,267,129</u>
Total restricted assets	<u>12,584,675</u>	<u>12,267,129</u>
Property, plant and equipment:		
Land and land improvements	1,382,976	1,382,976
Buildings and improvements	17,050,644	17,023,935
Electrical plant in service	129,448,615	126,668,399
Water and sewer system	104,785,593	99,147,849
Machinery and equipment	<u>75,491,732</u>	<u>70,434,530</u>
	328,159,560	314,657,689
Less: accumulated depreciation	<u>(176,695,699)</u>	<u>(169,308,880)</u>
Net property, plant and equipment	<u>151,463,861</u>	<u>145,348,809</u>
Other assets:		
Investment in project	<u>2,075,907</u>	<u>2,150,506</u>
Total other assets	<u>2,075,907</u>	<u>2,150,506</u>
Total noncurrent assets	<u>166,124,443</u>	<u>159,766,444</u>
Total Assets	<u>255,360,699</u>	<u>250,003,779</u>
Deferred Outflows of Resources		
Deferred outflows relating to pension	<u>398,460</u>	<u>1,457,540</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, 2018 AND 2017

	2018	2017 (As Restated)
Liabilities		
Current liabilities:		
Accounts payable	10,844,641	12,171,506
Accrued salaries	309,114	297,593
Accrued sales tax	312,076	619,141
Accrued compensated absences	464,026	389,768
	<hr/>	<hr/>
Total current liabilities	11,929,857	13,478,008
	<hr/>	<hr/>
Long-term liabilities (net of current portion):		
Accrued compensated absences	644,568	578,134
Unearned revenue	2,616,706	2,585,447
Net pension liability	21,002,090	21,234,960
Net OPEB liability	18,673,224	18,217,965
Customer deposits	9,967,969	9,681,682
	<hr/>	<hr/>
Total long-term liabilities	52,904,557	52,298,188
	<hr/>	<hr/>
Total Liabilities	64,834,414	65,776,196
	<hr/>	<hr/>
Deferred Inflows of Resources		
Deferred inflows related to OPEB	86,396	-
Deferred inflows related to pension	411,220	-
	<hr/>	<hr/>
Total deferred inflows of resources	497,616	-
	<hr/>	<hr/>
Net Position		
Net investment in capital assets	150,803,530	144,414,289
Unrestricted (deficit)	39,623,599	41,270,834
	<hr/>	<hr/>
Total Net Position	<u>\$ 190,427,129</u>	<u>\$ 185,685,123</u>

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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 YEARS ENDED JUNE 30, 2018 AND 2017

	<u>2018</u>	<u>2017 (1)</u>
Operating Revenues		
Charges for services	\$ 149,342,823	\$ 151,600,707
Other	1,101,465	1,258,058
	<u>150,444,288</u>	<u>152,858,765</u>
Operating Expenses		
Personal services	18,107,335	16,841,604
Operating	107,077,916	109,322,095
Depreciation and amortization	7,461,417	7,262,910
	<u>132,646,668</u>	<u>133,426,609</u>
Operating income (loss)	<u>17,797,620</u>	<u>19,432,156</u>
Nonoperating Revenue		
Investment earnings	959,445	355,123
Other	(166,633)	(5,311)
	<u>792,812</u>	<u>349,812</u>
Total nonoperating revenue (expenses)	<u>792,812</u>	<u>349,812</u>
Capital contributions from developers	<u>1,597,591</u>	<u>1,917,109</u>
Income before transfers	<u>20,188,023</u>	<u>21,699,077</u>
Transfers		
Transfers in	727,971	727,374
Transfers out	(16,173,988)	(14,758,286)
	<u>(15,446,017)</u>	<u>(14,030,912)</u>
Total transfers	<u>(15,446,017)</u>	<u>(14,030,912)</u>
Change in net position	4,742,006	7,668,165
Net Position Beginning of Year, before restatement	195,190,672	187,522,507
Restatement	<u>(9,505,549)</u>	<u>-</u>
Net Position Beginning of Year, after restatement	<u>185,685,123</u>	<u>187,522,507</u>
Net Position End of Year	<u><u>\$ 190,427,129</u></u>	<u><u>\$ 195,190,672</u></u>

(1) The effect of implementing GASB No. 75 to previously reported changes in net position has not been determined.

CITY OF MARIETTA, GEORGIA
BOARD OF LIGHTS AND WATERWORKS
ENTERPRISE FUND
COMPARATIVE STATEMENT OF CASH FLOWS
FOR THE FISCAL YEARS ENDED JUNE 30, 2018 AND 2017

	<u>2018</u>	<u>2017 (1)</u>
Cash Flows from Operating Activities		
Receipts from customers	\$ 149,707,664	\$ 153,403,006
Receipts from others	1,101,465	1,258,058
Payments to for employee services and fringe benefits	(16,176,037)	(15,990,661)
Payments to suppliers for services provided	<u>(108,638,871)</u>	<u>(110,062,569)</u>
Net Cash Provided by (Used in) Operating Activities	<u>25,994,221</u>	<u>28,607,834</u>
Cash Flows from Capital Financing Activities		
Purchase of capital assets	(11,918,745)	(10,607,943)
Capital contributions	<u>14,466</u>	<u>19,946</u>
Net Cash Provided by (Used in) Capital Financing Activities	<u>(11,904,279)</u>	<u>(10,587,997)</u>
Cash Flows from Noncapital Financing Activities		
Other nonoperating payments	(166,633)	(5,311)
Transfers in	727,971	727,374
Transfers out	<u>(16,173,988)</u>	<u>(14,758,286)</u>
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>(15,612,650)</u>	<u>(14,036,223)</u>
Cash flows from (to) Investing Activities:		
Interest received	936,174	391,229
Investment (purchases) sales	<u>1,839,840</u>	<u>(8,373,810)</u>
Net Cash Provided by (Used in) Investing Activities	<u>2,776,014</u>	<u>(7,982,581)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	1,253,306	(3,998,967)
Cash and Cash Equivalents Beginning of Year	<u>19,388,320</u>	<u>23,387,287</u>
Cash and Cash Equivalents End of Year	<u><u>\$ 20,641,626</u></u>	<u><u>\$ 19,388,320</u></u>

Continued on next page.

CITY OF MARIETTA, GEORGIA
BOARD OF LIGHTS AND WATERWORKS
ENTERPRISE FUND
COMPARATIVE STATEMENT OF CASH FLOWS (CONT'D)
FOR THE FISCAL YEARS ENDED JUNE 30, 2018 AND 2017

	<u>2018</u>	<u>2017 (1)</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities		
Operating Income (Loss)	\$ 17,797,620	\$ 19,432,156
Adjustments -		
Depreciation and amortization	7,461,417	7,262,910
(Increase) Decrease in:		
Accounts receivable	47,295	1,564,166
Due from other funds	37,701	674,120
Inventories	(220,324)	(542,096)
Prepaid expenses	255,598	(255,598)
Deferred outflows of pension	1,059,080	1,534,680
Increase (Decrease) in:		
Accounts payable	(1,326,865)	(554,646)
Accrued salaries	11,521	62,181
Accrued sales tax	(307,065)	(62,254)
Accrued compensated absences	140,692	23,444
Net pension liability	(232,870)	(389,180)
Net OPEB liability	455,259	79,468
Unearned revenue	31,259	4,232
Customer deposits	286,287	233,901
Deferred inflows related to OPEB	86,396	-
Deferred inflows related to pension	411,220	(459,650)
Net Cash Provided by (Used in) Operating Activities	<u>\$ 25,994,221</u>	<u>\$ 28,607,834</u>
Noncash Capital Financing Activities		
Contribution of capital assets	<u>\$ 1,583,125</u>	<u>\$ 1,897,163</u>

Continued from previous page.

(1) The effect of implementing GASB No. 75 to previously reported changes in net position has not been determined.

CITY OF MARIETTA, GEORGIA
MARIETTA CONFERENCE CENTER AND RESORT
ENTERPRISE FUND
COMPARATIVE STATEMENT OF NET POSITION
JUNE 30, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
Assets		
Current assets:		
Investments	\$ 59	\$ 59
Due from other funds	<u>226,454</u>	<u>205,506</u>
Total current assets	<u>226,513</u>	<u>205,565</u>
Noncurrent assets:		
Property, plant and equipment:		
Land and land improvements	607,877	769,284
Buildings and improvements	21,661,635	23,326,210
Machinery and equipment	<u>12,031,837</u>	<u>12,354,692</u>
	34,301,349	36,450,186
Less: accumulated depreciation	<u>(23,138,360)</u>	<u>(24,445,406)</u>
Net property, plant and equipment	<u>11,162,989</u>	<u>12,004,780</u>
Total noncurrent assets	<u>11,162,989</u>	<u>12,004,780</u>
Total Assets	<u>11,389,502</u>	<u>12,210,345</u>
Liabilities		
Long-term liabilities:		
Advances from other funds	<u>15,138,899</u>	<u>16,876,520</u>
Total long-term liabilities	<u>15,138,899</u>	<u>16,876,520</u>
Total Liabilities	<u>15,138,899</u>	<u>16,876,520</u>
Net Position		
Net investment in capital assets	11,162,989	12,004,780
Unrestricted (deficit)	<u>(14,912,386)</u>	<u>(16,670,955)</u>
Total Net Position	<u>\$ (3,749,397)</u>	<u>\$ (4,666,175)</u>

CITY OF MARIETTA, GEORGIA
MARIETTA CONFERENCE CENTER AND RESORT
ENTERPRISE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
FOR THE FISCAL YEARS ENDED JUNE 30, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
Operating Revenues		
Lease income	\$ 1,938,240	\$ 1,850,935
Total operating revenues	<u>1,938,240</u>	<u>1,850,935</u>
Operating Expenses		
Depreciation	<u>678,957</u>	<u>688,432</u>
Total operating expenses	<u>678,957</u>	<u>688,432</u>
Operating income (loss)	<u>1,259,283</u>	<u>1,162,503</u>
Nonoperating Revenue		
Investment earnings	-	500
Interest and fiscal charges	(200,617)	(92,589)
Gain (loss) on disposal of capital assets	(1,429)	-
Other	<u>(161,407)</u>	<u>-</u>
Total nonoperating revenue (expenses)	<u>(363,453)</u>	<u>(92,089)</u>
Income before transfers	<u>895,830</u>	<u>1,070,414</u>
Transfers		
Transfers in	944,241	980,438
Transfers out	<u>(923,293)</u>	<u>(961,297)</u>
Total transfers	<u>20,948</u>	<u>19,141</u>
Change in Net Position	916,778	1,089,555
Net Position Beginning of Year	<u>(4,666,175)</u>	<u>(5,755,730)</u>
Net Position End of Year	<u><u>\$ (3,749,397)</u></u>	<u><u>\$ (4,666,175)</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, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
Cash Flows from Operating Activities		
Receipts from others	\$ 1,917,292	\$ 1,831,295
Net Cash Provided by (Used in) Operating Activities	<u>1,917,292</u>	<u>1,831,295</u>
Cash Flows from Capital Financing Activities		
Payments on advances from other funds	(1,737,623)	(1,758,347)
Interest and fiscal charges	<u>(200,617)</u>	<u>(92,589)</u>
Net Cash Provided by (Used in) Capital Financing Activities	<u>(1,938,240)</u>	<u>(1,850,936)</u>
Cash Flows from Noncapital Financing Activities		
Transfers in	944,241	980,438
Transfers out	<u>(923,293)</u>	<u>(961,297)</u>
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>20,948</u>	<u>19,141</u>
Cash flows from investing activities		
Investment income received	<u>-</u>	<u>500</u>
Net Cash Provided by (Used in) Investing Activities	<u>-</u>	<u>500</u>
Net Increase (Decrease) in Cash and Cash Equivalents	-	-
Cash and Cash Equivalents Beginning of Year	<u>-</u>	<u>-</u>
Cash and Cash Equivalents End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities		
Operating Income (Loss)	\$ 1,259,283	\$ 1,162,503
Adjustments -		
Depreciation	678,957	688,432
(Increase) Decrease in:		
Due from other funds	(20,948)	(19,140)
Increase (Decrease) in:		
Due to other funds	<u>-</u>	<u>(500)</u>
Net Cash Provided by (Used in) Operating Activities	<u><u>\$ 1,917,292</u></u>	<u><u>\$ 1,831,295</u></u>

**CITY OF MARIETTA, GEORGIA
CITY CLUB GOLF COURSE
ENTERPRISE FUND
COMPARATIVE STATEMENT OF NET POSITION
JUNE 30, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 10,045	\$ 10,316
Receivables, net	23	2,179
	<u>10,068</u>	<u>12,495</u>
Total current assets		
Noncurrent assets:		
Property, plant and equipment:		
Land and land improvements	6,600,000	6,600,000
Buildings and improvements	2,075,664	2,075,664
Machinery and equipment	4,251,967	4,040,836
	<u>12,927,631</u>	<u>12,716,500</u>
Less: accumulated depreciation	<u>(4,980,821)</u>	<u>(5,062,689)</u>
Net property, plant and equipment	<u>7,946,810</u>	<u>7,653,811</u>
Total noncurrent assets	<u>7,946,810</u>	<u>7,653,811</u>
Total Assets	<u>7,956,878</u>	<u>7,666,306</u>
Liabilities		
Current liabilities:		
Accounts payable	69,671	98,912
Due to other funds	1,920,276	1,685,006
Capital lease obligations	74,376	136,395
	<u>2,064,323</u>	<u>1,920,313</u>
Total current liabilities:		
Long-term liabilities (net of current portion)		
Capital lease obligations	<u>282,810</u>	<u>-</u>
Total long-term liabilities	<u>282,810</u>	<u>-</u>
Total Liabilities	<u>2,347,133</u>	<u>1,920,313</u>
Net Position		
Net investment in capital assets	7,589,624	7,517,416
Unrestricted (deficit)	<u>(1,979,879)</u>	<u>(1,771,423)</u>
Total Net Position	<u>\$ 5,609,745</u>	<u>\$ 5,745,993</u>

**CITY OF MARIETTA, GEORGIA
CITY CLUB GOLF COURSE
ENTERPRISE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
FOR THE FISCAL YEARS ENDED JUNE 30, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
Operating Revenues		
Charges for services	\$ 1,441,676	\$ 1,543,051
Total operating revenues	<u>1,441,676</u>	<u>1,543,051</u>
Operating Expenses		
Operating	1,268,838	1,170,507
Depreciation	<u>220,460</u>	<u>209,245</u>
Total operating expenses	<u>1,489,298</u>	<u>1,379,752</u>
Operating income (loss)	<u>(47,622)</u>	<u>163,299</u>
Nonoperating Revenue		
Interest and fiscal charges	-	(6,715)
Other	<u>136,395</u>	<u>-</u>
Total nonoperating revenue (expenses)	<u>136,395</u>	<u>(6,715)</u>
Income before transfers	<u>88,773</u>	<u>156,584</u>
Transfers		
Transfers out	<u>(225,021)</u>	<u>(225,021)</u>
Total transfers	<u>(225,021)</u>	<u>(225,021)</u>
Change in net position	(136,248)	(68,437)
Net Position Beginning of Year	<u>5,745,993</u>	<u>5,814,430</u>
Net Position End of Year	<u><u>\$ 5,609,745</u></u>	<u><u>\$ 5,745,993</u></u>

**CITY OF MARIETTA, GEORGIA
CITY CLUB GOLF COURSE
ENTERPRISE FUND
COMPARATIVE STATEMENT OF CASH FLOWS
FOR THE FISCAL YEARS ENDED JUNE 30, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
Cash Flows from Operating Activities		
Receipts from customers	\$ 1,443,832	\$ 1,541,235
Payments to suppliers for services provided	<u>(1,062,809)</u>	<u>(1,133,342)</u>
Net Cash Provided by (Used in) Operating Activities	<u>381,023</u>	<u>407,893</u>
Cash Flows from Capital Financing Activities		
Proceeds from sale of capital assets	(30,101)	(61,108)
Interest and fiscal charges	-	(6,715)
Purchase of capital assets	<u>(126,172)</u>	<u>(113,013)</u>
Net Cash Provided by (Used in) Capital Financing Activities	<u>(156,273)</u>	<u>(180,836)</u>
Cash Flows from Noncapital Financing Activities		
Transfers out	<u>(225,021)</u>	<u>(225,021)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(271)	2,036
Cash and Cash Equivalents Beginning of Year	<u>10,316</u>	<u>8,280</u>
Cash and Cash Equivalents End of Year	<u><u>\$ 10,045</u></u>	<u><u>\$ 10,316</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities		
Operating Income (Loss)	\$ (47,622)	\$ 163,299
Adjustments -		
Depreciation	220,460	209,245
(Increase) Decrease in:		
Accounts receivable	2,156	(1,816)
Increase (Decrease) in:		
Accounts payable	(29,241)	47,889
Due to other funds	<u>235,270</u>	<u>(10,724)</u>
Net Cash Provided by (Used in) Operating Activities	<u><u>\$ 381,023</u></u>	<u><u>\$ 407,893</u></u>
Noncash Capital Financing Activities		
Purchase of capital assets with a capital lease	<u><u>\$ 387,258</u></u>	<u><u>\$ -</u></u>

CITY OF MARIETTA, GEORGIA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2018

	Self- Insurance	Motor Transport	Totals
Assets			
Current assets:			
Cash and cash equivalents	\$ 2,355,356	\$ -	\$ 2,355,356
Investments	224,801	-	224,801
Receivables, net	190,417	-	190,417
Inventories	-	92,092	92,092
	<u>2,770,574</u>	<u>92,092</u>	<u>2,862,666</u>
Total current assets			
Noncurrent assets:			
Building and improvements	-	502,346	502,346
Machinery and equipment	-	1,493,265	1,493,265
Less: accumulated depreciation	-	(1,515,867)	(1,515,867)
	<u>-</u>	<u>479,744</u>	<u>479,744</u>
Net property, plant and equipment			
Total Assets	<u>2,770,574</u>	<u>571,836</u>	<u>3,342,410</u>
Deferred Outflows of Resources			
Deferred outflows relating to pension	-	13,740	13,740
	<u>-</u>	<u>13,740</u>	<u>13,740</u>
Liabilities			
Current liabilities:			
Accounts payable	352,664	222,091	574,755
Accrued salaries	-	16,597	16,597
Accrued compensated absences	-	24,081	24,081
Due to other funds	-	488,103	488,103
Claims and judgements payable	2,680,813	-	2,680,813
	<u>3,033,477</u>	<u>750,872</u>	<u>3,784,349</u>
Total current liabilities			
Long-term Liabilities (net of current portion):			
Accrued compensated absences	-	11,980	11,980
Net pension liability	-	724,210	724,210
	<u>-</u>	<u>736,190</u>	<u>736,190</u>
Total noncurrent liabilities			
Total liabilities	<u>3,033,477</u>	<u>1,487,062</u>	<u>4,520,539</u>
Deferred Inflows of Resources			
Deferred inflows related to pension	-	14,180	14,180
	<u>-</u>	<u>14,180</u>	<u>14,180</u>
Net Position			
Net Investment in capital assets	-	479,744	479,744
Unrestricted	(262,903)	(1,395,410)	(1,658,313)
	<u>(262,903)</u>	<u>(1,395,410)</u>	<u>(1,658,313)</u>
Total Net Position	<u>\$ (262,903)</u>	<u>\$ (915,666)</u>	<u>\$ (1,178,569)</u>

CITY OF MARIETTA, GEORGIA
INTERNAL SERVICE FUNDS
COMBING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
FOR THE YEAR ENDED JUNE 30, 2018

	<u>Self- Insurance</u>	<u>Motor Transport</u>	<u>Totals</u>
Operating Revenues			
Charges for services	\$ -	\$ 3,747,149	\$ 3,747,149
Contributions	12,637,080	-	12,637,080
Other	112,387	-	112,387
	<u>12,749,467</u>	<u>3,747,149</u>	<u>16,496,616</u>
Total operating revenues			
Operating Expenses			
Personal services	-	899,436	899,436
Operating	835,302	2,690,812	3,526,114
Depreciation	-	38,402	38,402
Benefits and claims	13,703,110	-	13,703,110
	<u>14,538,412</u>	<u>3,628,650</u>	<u>18,167,062</u>
Total operating expenses			
Operating income (loss)	<u>(1,788,945)</u>	<u>118,499</u>	<u>(1,670,446)</u>
Nonoperating Revenues (Expenses)			
Investment earnings	104,031	-	104,031
Other	-	307	307
	<u>104,031</u>	<u>307</u>	<u>104,338</u>
Total nonoperating revenues (expenses)			
Transfers			
Transfers in	2,576,340	-	2,576,340
Transfers out	(47,891)	(19,803)	(67,694)
	<u>2,528,449</u>	<u>(19,803)</u>	<u>2,508,646</u>
Total transfers			
Change in Net Position	843,535	99,003	942,538
Net Position Beginning of Year	<u>(1,106,438)</u>	<u>(1,014,669)</u>	<u>(2,121,107)</u>
Net Position End of Year	<u><u>\$ (262,903)</u></u>	<u><u>\$ (915,666)</u></u>	<u><u>\$ (1,178,569)</u></u>

CITY OF MARIETTA, GEORGIA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2018

	Self- Insurance	Motor Transport	Totals
Cash Flows from Operating Activities			
Receipts from customers	\$ 12,460,753	\$ 3,771,798	\$ 16,232,551
Receipts from other operating activities	112,387	-	112,387
Payments to suppliers for services provided	(774,005)	(2,876,425)	(3,650,430)
Payments for employee services and fringe benefits	(14,040,215)	(855,088)	(14,895,303)
Net Cash Provided by (Used in) Operating Activities	(2,241,080)	40,285	(2,200,795)
Cash Flows from Capital Financing Activities			
Purchase of capital assets	-	(20,789)	(20,789)
Other nonoperating receipts	-	307	307
Net Cash Provided by (Used in) Capital Financing Activities	-	(20,482)	(20,482)
Cash Flows from Noncapital Financing Activities			
Transfers in	2,576,340	-	2,576,340
Transfers out	(47,891)	(19,803)	(67,694)
Net Cash Provided by (Used in) Noncapital Financing Activities	2,528,449	(19,803)	2,508,646
Cash Flows from Investing Activities			
Interest received	104,031	-	104,031
Investments (purchased) sold	(186,498)	-	(186,498)
Net Cash Provided by (Used in) Capital Financing Activities	(82,467)	-	(82,467)
Net Increase (Decrease) in Cash and Cash Equivalents	204,902	-	204,902
Cash and Cash Equivalents Beginning of Year	2,150,454	-	2,150,454
Cash and Cash Equivalents End of Year	\$ 2,355,356	\$ -	\$ 2,355,356
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities			
Operating Income (Loss)	\$ (1,788,945)	\$ 118,499	\$ (1,670,446)
Adjustments -			
Depreciation	-	38,402	38,402
(Increase) Decrease in:			
Accounts receivable	(176,327)	-	(176,327)
Due from other governments	-	24,649	24,649
Inventories	-	(42,949)	(42,949)
Deferred outflows of resources	-	36,520	36,520
Increase (Decrease) in:			
Accounts payable	61,297	130,307	191,604
Accrued salaries	-	1,599	1,599
Due to other funds	-	(272,971)	(272,971)
Compensated absences payable	-	79	79
Claim and judgement payable	(337,105)	-	(337,105)
Net pension liability	-	(8,030)	(8,030)
Deferred inflows of resources	-	14,180	14,180
Net Cash Provided by (Used in) Operating Activities	\$ (2,241,080)	\$ 40,285	\$ (2,200,795)

CITY OF MARIETTA, GEORGIA
SELF - INSURANCE
INTERNAL SERVICE FUND
COMPARATIVE STATEMENT OF NET POSITION
JUNE 30, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 2,355,356	\$ 2,150,454
Investments	224,801	38,303
Receivables, net	<u>190,417</u>	<u>14,090</u>
Total Assets	<u>2,770,574</u>	<u>2,202,847</u>
Liabilities		
Current liabilities:		
Accounts payable	352,664	291,367
Claims and judgements payable	<u>2,680,813</u>	<u>3,017,918</u>
Total current liabilities	<u>3,033,477</u>	<u>3,309,285</u>
Total Liabilities	<u>3,033,477</u>	<u>3,309,285</u>
Net Position		
Unrestricted	<u>(262,903)</u>	<u>(1,106,438)</u>
Total Net Position	<u><u>\$ (262,903)</u></u>	<u><u>\$ (1,106,438)</u></u>

CITY OF MARIETTA, GEORGIA
SELF - INSURANCE
INTERNAL SERVICE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
FOR THE FISCAL YEARS ENDED JUNE 30, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
Operating Revenues		
Contributions	\$ 12,637,080	\$ 11,294,970
Other	<u>112,387</u>	<u>148,956</u>
Total operating revenues	<u>12,749,467</u>	<u>11,443,926</u>
Operating Expenses		
Operating	835,302	861,117
Benefits and claims	<u>13,703,110</u>	<u>14,011,150</u>
Total operating expenses	<u>14,538,412</u>	<u>14,872,267</u>
Operating income (loss)	<u>(1,788,945)</u>	<u>(3,428,341)</u>
Nonoperating Revenues (Expenses)		
Investment earnings	<u>104,031</u>	<u>28,664</u>
Total nonoperating revenues (expenses)	<u>104,031</u>	<u>28,664</u>
Transfers		
Transfers in	2,576,340	3,503,903
Transfers out	<u>(47,891)</u>	<u>(83,991)</u>
Total transfers	<u>2,528,449</u>	<u>3,419,912</u>
Change in Net Position	843,535	20,235
Net Position Beginning of Year	<u>(1,106,438)</u>	<u>(1,126,673)</u>
Net Position End of Year	<u><u>\$ (262,903)</u></u>	<u><u>\$ (1,106,438)</u></u>

CITY OF MARIETTA, GEORGIA
SELF-INSURANCE
INTERNAL SERVICE FUND
COMPARATIVE STATEMENT OF CASH FLOWS
FOR THE FISCAL YEARS ENDED JUNE 30, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
Cash Flows from Operating Activities		
Receipts from customers	\$ 12,460,753	\$ 11,414,230
Receipts from other operating activities	112,387	148,956
Payments to suppliers for services provided	(774,005)	(1,187,757)
Payments for employee services and fringe benefits	<u>(14,040,215)</u>	<u>(14,239,913)</u>
Net Cash Provided by (Used in) Operating Activities	<u>(2,241,080)</u>	<u>(3,864,484)</u>
Cash Flows from Noncapital Financing Activities		
Transfers in	2,576,340	3,503,903
Transfers out	<u>(47,891)</u>	<u>(83,991)</u>
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>2,528,449</u>	<u>3,419,912</u>
Cash Flows from Investing Activities		
Interest received	104,031	28,643
Investments (purchased) sold	<u>(186,498)</u>	<u>(22,759)</u>
Net Cash Provided by (Used in) Capital Financing Activities	<u>(82,467)</u>	<u>5,884</u>
Net Increase (Decrease) in Cash and Cash Equivalents	204,902	(438,688)
Cash and Cash Equivalents Beginning of Year	<u>2,150,454</u>	<u>2,589,142</u>
Cash and Cash Equivalents End of Year	<u><u>\$ 2,355,356</u></u>	<u><u>\$ 2,150,454</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities		
Operating Income (Loss)	\$ (1,788,945)	\$ (3,428,341)
(Increase) Decrease in:		
Accounts receivable	(176,327)	119,260
Increase (Decrease) in:		
Accounts payable	61,297	(326,640)
Claims and judgment payable	<u>(337,105)</u>	<u>(228,763)</u>
Net Cash Provided by (Used in) Operating Activities	<u><u>\$ (2,241,080)</u></u>	<u><u>\$ (3,864,484)</u></u>

**CITY OF MARIETTA, GEORGIA
MOTOR TRANSPORT
INTERNAL SERVICE FUND
COMPARATIVE STATEMENT OF NET POSITION
JUNE 30, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
Assets		
Current assets:		
Due from other governments	\$ -	\$ 24,649
Inventories	92,092	49,143
	<u>92,092</u>	<u>73,792</u>
Total current assets	<u>92,092</u>	<u>73,792</u>
Noncurrent assets:		
Building and improvements	502,346	502,346
Machinery and equipment	1,493,265	1,472,476
Less: accumulated depreciation	<u>(1,515,867)</u>	<u>(1,477,465)</u>
Net property, plant and equipment	<u>479,744</u>	<u>497,357</u>
Total Assets	<u>571,836</u>	<u>571,149</u>
Deferred Outflows of Resources		
Deferred outflows relating to pension	<u>13,740</u>	<u>50,260</u>
Liabilities		
Current liabilities:		
Accounts payable	222,091	91,784
Accrued salaries	16,597	14,998
Accrued compensated absences	24,081	19,730
Due to other funds	<u>488,103</u>	<u>761,074</u>
Total current liabilities	<u>750,872</u>	<u>887,586</u>
Long-term Liabilities (net of current portion):		
Accrued compensated absences	11,980	16,252
Net pension liability	<u>724,210</u>	<u>732,240</u>
Total noncurrent liabilities	<u>736,190</u>	<u>748,492</u>
Total Liabilities	<u>1,487,062</u>	<u>1,636,078</u>
Deferred Inflows of Resources		
Deferred inflows related to pension	<u>14,180</u>	<u>-</u>
Net Position		
Net Investment in capital assets	479,744	497,357
Unrestricted	<u>(1,395,410)</u>	<u>(1,512,026)</u>
Total Net Position	<u>\$ (915,666)</u>	<u>\$ (1,014,669)</u>

CITY OF MARIETTA, GEORGIA
MOTOR TRANSPORT
INTERNAL SERVICE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
FOR THE FISCAL YEARS ENDED JUNE 30, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
Operating Revenues		
Charges for services	\$ 3,747,149	\$ 3,544,268
Total operating revenues	<u>3,747,149</u>	<u>3,544,268</u>
Operating Expenses		
Personal services	899,436	788,310
Operating	2,690,812	2,567,296
Depreciation	<u>38,402</u>	<u>87,260</u>
Total operating expenses	<u>3,628,650</u>	<u>3,442,866</u>
Operating income (loss)	<u>118,499</u>	<u>101,402</u>
Nonoperating Revenues (Expenses)		
Other	<u>307</u>	<u>2,071</u>
Transfers		
Transfers out	<u>(19,803)</u>	<u>(19,803)</u>
Total transfers	<u>(19,803)</u>	<u>(19,803)</u>
Change in Net Position	99,003	83,670
Net Position Beginning of Year	<u>(1,014,669)</u>	<u>(1,098,339)</u>
Net Position End of Year	<u><u>\$ (915,666)</u></u>	<u><u>\$ (1,014,669)</u></u>

**CITY OF MARIETTA, GEORGIA
MOTOR TRANSPORT
INTERNAL SERVICE FUND
COMPARATIVE STATEMENT OF CASH FLOWS
FOR THE FISCAL YEARS ENDED JUNE 30, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
Cash Flows from Operating Activities		
Receipts from customers	\$ 3,771,798	\$ 3,519,619
Payments to suppliers for services provided	(2,876,425)	(2,728,851)
Payments for employee services and fringe benefits	<u>(855,088)</u>	<u>(760,484)</u>
Net Cash Provided by (Used in) Operating Activities	<u>40,285</u>	<u>30,284</u>
Cash Flows from Capital Financing Activities		
Purchase of capital assets	(20,789)	(12,552)
Other nonoperating receipts	<u>307</u>	<u>2,071</u>
Net Cash Provided by (Used in) Capital Financing Activities	<u>(20,482)</u>	<u>(10,481)</u>
Cash Flows from Noncapital Financing Activities		
Transfers out	<u>(19,803)</u>	<u>(19,803)</u>
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>(19,803)</u>	<u>(19,803)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	-	-
Cash and Cash Equivalents Beginning of Year	<u>-</u>	<u>-</u>
Cash and Cash Equivalents End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities		
Operating Income (Loss)	\$ 118,499	\$ 101,402
Adjustments -		
Depreciation	38,402	87,260
(Increase) Decrease in:		
Due from other governments	24,649	(24,649)
Inventories	(42,949)	(27,136)
Deferred outflows of resources	36,520	52,920
Increase (Decrease) in:		
Accounts payable	130,307	(3,384)
Accrued salaries	1,599	2,574
Due to other funds	(272,971)	(131,035)
Compensated absences payable	79	1,602
Net pension liability	(8,030)	(13,420)
Deferred inflows of resources	<u>14,180</u>	<u>(15,850)</u>
Net Cash Provided by (Used in) Operating Activities	<u><u>\$ 40,285</u></u>	<u><u>\$ 30,284</u></u>

CITY OF MARIETTA, GEORGIA
TRUST FUNDS
COMBINING STATEMENTS OF FIDICIARY NET POSITION
JUNE 30, 2018

	OPEB Trust Fund	Pension Trust Fund	Total
Assets			
Cash and cash equivalents	\$ -	\$ 4,758,591	\$ 4,758,591
Receivables:			
Accrued interest	-	259,994	259,994
Contributions:			
Employee	-	125,804	125,804
Total receivables	-	385,798	385,798
Investments, at fair value:			
Common stock	-	61,565,766	61,565,766
Mutual funds	1,113,933	-	1,113,933
Corporate notes and debentures	-	25,492,829	25,492,829
Preferred stock	-	3,567,593	3,567,593
United States government securities	-	11,931,249	11,931,249
Municipal bonds	-	108,459	108,459
Total investments	1,113,933	102,665,896	103,779,829
Total Assets	1,113,933	107,810,285	108,924,218
Liabilities			
Accrued expenses	585	148,141	148,726
Total Liabilities	585	148,141	148,726
Net position			
Restricted for:			
OPEB benefits (See required supplementary information)	1,113,348	-	1,113,348
Pension benefits (See required supplementary information)	-	107,662,144	107,662,144
Total Net Position	\$ 1,113,348	\$ 107,662,144	\$ 108,775,492

CITY OF MARIETTA, GEORGIA
TRUST FUNDS
COMBINING STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR FISCAL ENDED JUNE 30, 2018

	OPEB Trust Fund	Pension Trust Fund	Total
Additions:			
Employer contributions	\$ 3,728,484	\$ 6,138,338	\$ 9,866,822
Employee contributions	-	1,352,681	1,352,681
Total revenues	<u>3,728,484</u>	<u>7,491,019</u>	<u>11,219,503</u>
Investment income (expense):			
Net appreciation (depreciation) of fair value of investments	(18,599)	7,771,458	7,752,859
Interest and dividends	-	2,137,285	2,137,285
	<u>(18,599)</u>	<u>9,908,743</u>	<u>9,890,144</u>
Less investment expenses	-	619,927	619,927
Net investment income	<u>(18,599)</u>	<u>9,288,816</u>	<u>9,270,217</u>
Total additions	<u>3,709,885</u>	<u>16,779,835</u>	<u>20,489,720</u>
Deductions:			
Benefits paid	3,728,484	11,747,238	15,475,722
Administrative costs	7,273	279,096	286,369
Total deductions	<u>3,735,757</u>	<u>12,026,334</u>	<u>15,762,091</u>
Change in Net Position	<u>(25,872)</u>	<u>4,753,501</u>	<u>4,727,629</u>
Net Position Beginning of Year	<u>1,139,220</u>	<u>102,908,643</u>	<u>104,047,863</u>
Net Position End of Year	<u><u>\$ 1,113,348</u></u>	<u><u>\$ 107,662,144</u></u>	<u><u>\$ 108,775,492</u></u>

CITY OF MARIETTA, GEORGIA
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
CITY SCHOOLS AGENCY FUND
FOR THE YEAR FISCAL ENDED JUNE 30, 2018

City Schools	Balance July 1, 2017	Increases	Decreases	Balance June 30, 2018
Assets				
Cash	\$ 240,299	\$ 51,948,182	\$ (51,920,699)	\$ 267,782
Receivables from other governments	246,810	3,474,189	(3,511,271)	209,728
Uncollected taxes	622,890	46,908,846	(47,102,988)	428,748
Total assets	<u>\$ 1,109,999</u>	<u>\$ 102,331,217</u>	<u>\$ (102,534,958)</u>	<u>\$ 906,258</u>
Liabilities - due to others	<u>\$ 1,109,999</u>	<u>\$ 102,331,217</u>	<u>\$ (102,534,958)</u>	<u>\$ 906,258</u>

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

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.

Revenue Capacity

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

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.

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.

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.

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

	Fiscal Year									
	<u>2009</u>	<u>2010 (1)</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014 (2)</u>	<u>2015</u>	<u>2016</u>	<u>2017 (2)</u>	<u>2018</u>
Governmental activities										
Net investment in capital assets	\$ 40,647,949	\$ 50,033,057	\$ 58,835,173	\$ 71,920,680	\$ 85,328,216	\$ 84,036,575	\$ 91,932,852	\$ 94,656,262	\$ 104,018,353	\$ 103,951,208
Restricted	22,613,208	22,973,206	26,661,694	19,595,692	23,445,586	38,265,536	36,359,546	35,585,010	43,139,357	44,244,097
Unrestricted	1,702,675	(8,560,854)	(19,502,801)	(13,488,145)	(21,601,544)	(77,701,745)	(72,507,785)	(63,403,569)	(84,646,126)	(83,444,607)
Total governmental activities net position	<u>\$ 64,963,832</u>	<u>\$ 64,445,409</u>	<u>\$ 65,994,066</u>	<u>\$ 78,028,227</u>	<u>\$ 87,172,258</u>	<u>\$ 44,600,366</u>	<u>\$ 55,784,613</u>	<u>\$ 66,837,703</u>	<u>\$ 62,511,584</u>	<u>\$ 64,750,698</u>
Business-type activities										
Net investment in capital assets	\$ 105,531,822	134,507,898	145,968,231	148,960,282	153,196,535	156,008,740	158,187,155	160,277,765	163,936,485	169,556,143
Restricted	2,287,694	-	-	-	-	-	-	-	-	-
Unrestricted	27,216,106	1,668,171	8,968,617	12,520,838	18,374,290	13,015,768	21,933,888	26,321,119	21,897,116	22,075,557
Total business-type activities net position	<u>\$ 135,035,622</u>	<u>\$ 136,176,069</u>	<u>\$ 154,936,848</u>	<u>\$ 161,481,120</u>	<u>\$ 171,570,825</u>	<u>\$ 169,024,508</u>	<u>\$ 180,121,043</u>	<u>\$ 186,598,884</u>	<u>\$ 185,833,601</u>	<u>\$ 191,631,700</u>
Primary government										
Net investment in capital assets	\$ 146,179,771	\$ 184,540,955	\$ 204,803,404	\$ 220,880,962	\$ 238,524,751	\$ 240,045,315	\$ 250,120,007	\$ 254,934,027	\$ 267,954,838	\$ 273,507,351
Restricted	24,900,902	22,973,206	26,661,694	19,595,692	23,445,586	38,265,536	36,359,546	35,585,010	43,139,357	44,244,097
Unrestricted	28,918,781	(6,892,683)	(10,534,184)	(967,307)	(3,227,254)	(64,685,977)	(50,573,897)	(37,082,450)	(62,749,010)	(61,369,050)
Total Primary government net position, before restatements	199,999,454	200,621,478	220,930,914	239,509,347	258,743,083	213,624,874	235,905,656	253,436,587	248,345,185	256,382,398
Restatement for capital assets and related accumulated depreciation	-	8,100,224	-	-	-	-	-	-	-	-
Total Primary government net position, as restated	<u>\$ 199,999,454</u>	<u>\$ 208,721,702</u>	<u>\$ 220,930,914</u>	<u>\$ 239,509,347</u>	<u>\$ 258,743,083</u>	<u>\$ 213,624,874</u>	<u>\$ 235,905,656</u>	<u>\$ 253,436,587</u>	<u>\$ 248,345,185</u>	<u>\$ 256,382,398</u>

(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									
	2009	2010	2011	2012	2013	2014 (3)	2015	2016	2017 (4)	2018
Expenses										
Governmental activities:										
General government	\$ 5,918,941	\$ 8,652,513	\$ 8,679,032	\$ 6,233,958	\$ 7,559,103	\$ 8,188,120	\$ 7,952,118	\$ 9,206,352	\$ 8,757,149	\$ 9,579,658
Public works	13,760,889	14,065,683	14,222,761	11,474,849	14,092,327	13,176,934	16,074,864	13,609,959	13,023,548	13,956,364
Culture and recreation	5,124,263	2,083,996	2,934,820	4,880,741	3,424,375	5,570,252	1,499,487	6,038,731	7,487,539	7,470,550
Public safety	30,378,175	31,887,909	33,226,781	28,223,036	29,703,965	32,169,792	31,630,707	31,880,793	30,751,899	33,595,213
Urban redevelopment and housing	6,046,710	6,353,078	5,879,557	8,479,642	5,736,850	5,327,162	3,223,937	566,221	308,498	431,917
Interest and fiscal charges on long-term debt	2,526,939	3,341,989	4,857,635	3,044,218	3,283,579	5,967,486	7,748,256	4,497,182	4,289,705	3,263,844
Total governmental activities expenses	63,755,917	66,385,168	69,800,586	62,336,444	63,800,199	70,399,746	68,129,369	65,799,238	64,618,338	68,297,546
Business-type activities:										
Water & sewer	24,501,021	25,731,472	25,841,087	26,522,197	24,818,835	24,381,449	25,867,064	27,194,492	26,356,016	27,337,237
Electric	84,808,669	85,525,058	90,902,721	95,208,435	98,205,498	99,007,588	105,790,514	107,285,496	108,162,578	106,075,922
Golf	1,725,593	1,599,511	1,577,086	1,497,289	1,527,110	1,476,978	1,431,661	1,391,698	1,386,467	1,489,298
Conference center	3,496,708	7,689,002	1,551,818	1,948,549	1,396,698	1,312,745	786,678	745,165	781,021	881,003
Total business-type activities expenses	114,531,991	120,545,043	119,872,712	125,176,470	125,948,141	126,178,760	133,875,917	136,616,851	136,686,082	135,783,460
Total Primary Government expenses	\$ 178,287,908	\$ 186,930,211	\$ 189,673,298	\$ 187,512,914	\$ 189,748,340	\$ 196,578,506	\$ 202,005,286	\$ 202,416,089	\$ 201,304,420	\$ 204,081,006
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 9,346,589	\$ 8,619,196	\$ 8,801,103	\$ 5,031,599	\$ 9,281,622	\$ 9,616,173	\$ 10,141,316	\$ 10,030,417	\$ 9,494,447	\$ 9,408,300
Judicial	(1) -	-	-	3,435,418.81	-	-	-	-	-	-
Public works	3,518,257	3,505,071	3,486,058	3,516,174	3,597,329	3,637,966	3,682,278	3,751,272	3,808,002	3,900,657
Culture and recreation	264,132	319,375	280,347	272,514	270,208	313,602	323,473	470,821	460,423	675,873
Public safety	(2) 348,310	102,531	176,931	986,642	70,063	180,143	96,208	200,635	95,973	271,817
Urban redevelopment and housing	692,429	575,640	632,081	801,496	590,778	602,087	792,155	784,197	1,015,701	1,311,431
Operating grants and contributions	39,392,897	5,216,433	9,344,286	10,455,573	8,022,932	6,681,196	3,951,926	1,010,978	670,084	1,659,598
Capital grants and contributions	10,016,452	10,752,277	10,204,436	11,705,387	13,798,044	14,270,432	15,148,308	13,242,602	15,049,388	14,206,564
Total governmental activities program revenues	63,579,066	29,090,523	32,925,242	36,204,803	35,630,976	35,301,599	34,135,664	29,490,922	30,594,018	31,434,240
Business-type activities:										
Charges for services:										
Water & sewer	29,694,453	31,488,553	33,710,588	36,214,650	35,199,471	34,911,219	36,121,205	35,396,006	35,485,728	34,937,900
Electric	90,377,637	95,689,883	102,199,136	104,830,132	109,432,850	115,118,344	116,845,811	116,711,033	117,373,037	115,506,388
Golf	1,705,843	1,516,966	1,629,928	1,660,505	1,564,138	1,555,270	1,607,814	1,454,489	1,543,051	1,578,071
Conference center	1,726,505	1,942,774	2,240,303	2,247,086	2,204,531	2,152,537	2,047,529	1,936,747	1,850,935	1,938,240
Operating grants and contributions	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions	661,994	237,175	77,154	-	-	-	765,710	254,845	1,917,109	1,597,591
Total business-type activities program revenues	124,166,432	130,875,351	139,857,109	144,952,373	148,400,990	153,737,370	157,388,069	155,753,120	158,169,860	155,558,190
Total Primary Government program revenues	\$ 187,745,498	\$ 159,965,874	\$ 172,782,351	\$ 181,157,176	\$ 184,031,966	\$ 189,038,969	\$ 191,523,733	\$ 185,244,042	\$ 188,763,878	\$ 186,992,430
Net (expense)/revenue										
Governmental activities	\$ (176,851)	\$ (37,294,645)	\$ (36,875,344)	\$ (26,131,641)	\$ (28,169,223)	\$ (35,098,147)	\$ (33,993,705)	\$ (36,308,316)	\$ (34,024,320)	\$ (36,863,306)
Business-type activities	9,634,441	10,330,308	19,984,397	19,775,903	22,452,849	27,558,610	23,512,152	19,136,269	21,483,778	19,774,730
Total Primary Government net expense	\$ 9,457,590	\$ (26,964,337)	\$ (16,890,947)	\$ (6,355,738)	\$ (5,716,374)	\$ (7,539,537)	\$ (10,481,553)	\$ (17,172,047)	\$ (12,540,542)	\$ (17,088,576)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes	\$ 13,492,266	\$ 13,356,484	\$ 13,806,851	\$ 12,952,016	\$ 10,801,888	\$ 12,275,431	\$ 17,234,410	\$ 17,864,399	\$ 17,138,130	\$ 18,251,872
Insurance premium tax	3,288,021	3,257,172	3,162,511	2,653,793	2,818,772	2,918,570	3,052,816	3,261,605	3,535,199	3,763,552
Alcohol taxes	803,261	790,828	743,152	1,500,683	762,326	745,204	761,153	747,545	746,083	715,244
Hotel, motel tax	1,893,459	1,738,399	1,906,431	1,823,699	2,050,859	2,188,576	2,692,233	2,894,134	3,131,846	3,153,379
Franchise taxes	5,290,662	5,455,136	5,813,654	5,807,338	5,803,118	6,022,593	6,053,656	6,098,112	6,161,402	5,933,825
Auto rental tax	412,431	355,788	374,996	359,340	379,537	448,908	433,367	400,055	463,439	575,040
Unrestricted investment earnings	536,713	356,084	205,966	171,150	181,640	144,116	124,719	213,369	222,800	472,042
Gains on sale of capital assets	143,752	70,215.00	64,599.00	140,437	150,629	238,632	80,977	149,950	61,868	186,765
Miscellaneous	-	-	-	19,802	-	-	-	-	-	1,250
Operating grants not restricted	1,669,199.00	1,701,947.00	2,038,348	-	1,499,219	2,305,063	1,856,167	2,691,934	2,732,844	3,227,752
Special Item - Sale of land for redevelopment	-	-	-	-	-	-	-	-	-	(12,114,377)
Transfers	9,185,750	9,694,169	10,307,493	12,686,587	12,865,266	12,543,390	12,888,454	13,040,303	13,099,135	14,936,076
Total governmental activities	36,715,514	36,776,222	38,424,001	38,114,845	37,313,254	39,830,483	45,177,952	47,361,406	47,292,746	39,102,420
Business-type activities										
Unrestricted investment earnings	712,646	223,404	539,567	420,170	243,752	355,270	312,473	381,875	355,623	959,445
Gain on extinguishment of debt	-	168,042.00	-	-	-	-	-	-	-	-
Gain on sale of capital assets	165,386	112,862	444,084	66,295	258,370	172,919	160,364	-	-	-
Miscellaneous	-	-	-	182,252	-	-	-	-	-	-
Transfers	(9,185,750)	(9,694,169)	(10,307,493)	(12,686,587)	(12,865,266)	(12,543,390)	(12,888,454)	(13,040,303)	(13,099,135)	(14,936,076)
Total business-type activities	(8,307,718)	(9,189,861)	(9,323,842)	(12,017,870)	(12,363,144)	(12,015,201)	(12,415,617)	(12,658,428)	(12,743,512)	(13,976,631)
Total primary government	\$ 28,407,796	\$ 27,586,361	\$ 29,100,159	\$ 26,096,975	\$ 24,950,110	\$ 27,815,282	\$ 32,762,335	\$ 34,702,978	\$ 34,549,234	\$ 25,125,789
Changes in Net Position										
Governmental activities	\$ 36,538,663	\$ (518,423)	\$ 1,548,657	\$ 11,983,204	\$ 9,144,031	\$ 4,732,336	\$ 11,184,247	\$ 11,053,090	\$ 13,268,426	\$ 2,239,114
Business type activities	1,326,723	1,140,447	10,660,555	7,758,033	10,089,705	15,543,409	11,096,535	6,477,841	8,740,266	5,798,099
Total primary government	\$ 37,865,386	\$ 622,024	\$ 12,209,212	\$ 19,741,237	\$ 19,233,736	\$ 20,275,745	\$ 22,280,782	\$ 17,530,931	\$ 22,008,692	\$ 8,037,213

(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.

(4) FY2017 has been restated and the effect of implementing GASB No. 75 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									
	<u>2009</u>	<u>2010</u>	<u>2011 (1)</u>	<u>2012</u>	<u>2013</u>	<u>2014 (2)</u>	<u>2015 (2)</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
General fund										
Reserved	\$ 1,645,272	\$ 18,104,875	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	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	16,960,351	15,217,872
Restricted	-	-	2,661,721	-	3,674,750	4,049,761	3,930,085	1,853,575	1,422,236	1,027,330
Committed	-	-	9,388	-	9,220	2,487,509	730,439	756,194	38,743	108,788
Assigned	-	-	1,579,824	2,639,573	5,037,697	3,073,354	5,003,127	5,474,788	3,540,477	3,699,535
Unassigned	-	-	16,587,222	16,778,594	15,184,547	15,680,317	15,253,550	13,853,847	13,976,083	15,093,462
Total general fund	<u>\$ 16,455,784</u>	<u>\$ 30,273,363</u>	<u>\$ 41,285,341</u>	<u>\$ 49,846,094</u>	<u>\$ 48,627,722</u>	<u>\$ 47,890,382</u>	<u>\$ 45,501,217</u>	<u>\$ 40,646,201</u>	<u>\$ 35,937,890</u>	<u>\$ 35,146,987</u>
All other governmental funds										
Reserved	\$ 11,650,875	\$ 10,966,247	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Nonspendable	-	-	-	598,338	-	-	-	333,899	1,000,565	1,746,644
Unreserved, reported in:	-	-	-	-	-	-	-	-	-	-
Special revenue funds	6,728,922	4,976,070	-	-	-	-	-	-	-	-
Capital projects funds	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	4,098,027	5,014,977
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	1,617,011	2,397,764
Capital projects funds	-	-	44,356,460	27,322,837	28,372,332	80,017,545	-	53,066,158	40,590,300	35,586,734
Committed for:										
Capital projects funds	-	-	-	-	-	-	-	-	-	3,714,191
Assigned for	-	-	-	-	-	-	-	-	-	-
Capital projects funds	-	-	-	383,634	-	-	-	-	-	-
Unassigned	-	-	-	(1,561)	(1,130)	(8,076)	(6,396)	(7,557)	(18,761)	(19,262)
Total all other governmental funds	<u>\$ 28,629,573</u>	<u>\$ 70,734,602</u>	<u>\$ 54,809,014</u>	<u>\$ 38,037,548</u>	<u>\$ 37,321,407</u>	<u>\$ 88,136,807</u>	<u>\$ 83,013,252</u>	<u>\$ 58,446,807</u>	<u>\$ 47,287,142</u>	<u>\$ 48,441,048</u>
Total for all governmental funds	<u>\$ 45,085,357</u>	<u>\$ 101,007,965</u>	<u>\$ 96,094,355</u>	<u>\$ 87,883,642</u>	<u>\$ 85,949,129</u>	<u>\$ 136,027,189</u>	<u>\$ 128,514,469</u>	<u>\$ 99,093,008</u>	<u>\$ 83,225,032</u>	<u>\$ 83,588,035</u>

(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									
	2009	2010	2011	2012	2013	2014 (3)	2015 (3)	2016	2017	2018
Revenues										
Taxes	\$25,097,088	\$24,825,094	\$25,789,789	\$25,526,909	\$22,764,560	\$24,619,161	\$30,197,155	\$31,333,064	\$31,197,627	\$32,418,524
Licenses and permits	5,799,547	5,297,444	5,410,991	4,947,171	5,608,232	5,972,483	6,481,853	6,638,511	6,747,151	7,176,210
Intergovernmental	22,251,684	22,487,098	24,354,587	24,834,702	25,378,123	25,164,408	20,882,154	18,496,475	20,068,538	22,650,014
Charges for services	4,164,491	4,192,418	4,096,531	4,027,807	4,193,859	4,275,790	4,345,871	4,550,188	4,643,184	5,038,473
Fines and forfeits	3,538,722	3,255,124	3,257,284	4,326,335	4,074,134	4,241,668	4,534,974	3,933,335	3,365,021	2,953,124
Contributions	-	-	-	27,998	-	-	-	-	-	-
Investment earnings	697,609	263,223	160,027	195,184	198,129	167,139	161,333	231,195	296,411	576,200
Other	800,914	482,496	710,401	750,933	678,843	823,233	503,323	852,382	453,405	1,201,126
Total revenues	<u>62,350,055</u>	<u>60,802,897</u>	<u>63,779,610</u>	<u>64,637,039</u>	<u>62,895,880</u>	<u>65,263,882</u>	<u>67,106,663</u>	<u>66,035,150</u>	<u>66,771,337</u>	<u>72,013,671</u>
Expenditures										
General government	7,633,637	7,450,955	7,416,234	6,103,201	7,171,903	7,381,699	7,607,877	7,428,774	8,410,985	8,561,502
Public works	8,153,184	7,363,184	7,241,032	8,082,753	10,821,919	9,873,436	9,254,237	8,488,685	11,688,171	9,049,422
Culture and recreation	4,707,715	4,298,902	3,976,597	5,168,657	5,956,253	6,452,181	6,708,918	8,060,079	7,825,006	7,801,405
Urban redevelopment and housing	25,439,147	24,645,422	26,079,452	8,410,219	5,742,352	5,333,941	28,393,032	30,469,200	28,493,773	29,121,156
Public safety	6,046,710	6,353,078	5,879,557	25,575,436	24,934,175	26,419,150	3,229,858	566,221	308,498	431,917
Capital (2)	-	-	-	552,046	-	-	-	-	-	-
Debt service										
Principal	6,189,683	7,547,336	12,521,801	13,682,316	7,123,926	7,351,677	10,300,620	10,510,806	9,797,290	10,288,425
Interest	2,824,304	3,316,004	4,574,266	4,145,343	3,678,795	3,463,615	5,967,106	5,237,507	4,832,952	4,473,995
Fiscal agent fees and bond issuance costs	-	-	-	-	-	1,771,188	299,261	3,000	241,017	-
Capital projects (2)	<u>12,863,322</u>	<u>14,363,860</u>	<u>9,225,953</u>	<u>12,489,605</u>	<u>10,892,409</u>	<u>27,778,808</u>	<u>14,339,631</u>	<u>35,962,745</u>	<u>22,181,189</u>	<u>24,216,055</u>
Total expenditures	<u>73,857,702</u>	<u>75,338,741</u>	<u>76,914,892</u>	<u>84,209,576</u>	<u>76,321,732</u>	<u>95,825,695</u>	<u>86,100,540</u>	<u>106,727,017</u>	<u>93,778,881</u>	<u>93,943,877</u>
Excess of revenues over (under) expenditures	(11,507,647)	(14,535,844)	(13,135,282)	(19,572,537)	(13,425,852)	(30,561,813)	(18,993,877)	(40,691,867)	(27,007,544)	(21,930,206)
Other financing sources (uses)										
Transfers in	15,845,087	28,461,017	28,990,961	25,518,231	17,210,324	20,890,438	17,908,830	19,899,018	18,524,265	20,255,448
Transfers out	(7,406,797)	(19,480,109)	(21,422,751)	(14,270,528)	(5,869,614)	(10,303,561)	(6,918,645)	(8,778,562)	(7,687,582)	(7,114,004)
Sale of capital assets	143,752	70,215	64,599	140,437	150,629	238,632	184,500	149,950	61,868	186,765
Bond proceeds/refunding bonds issued	-	102,108,385	-	-	-	68,000,000	15,970,000	-	12,700,000	-
Premium on bonds issued	-	-	-	-	-	1,814,364	1,431,052	-	3,194,423	-
Payment to refunded bond escrow agent	-	(40,701,056)	-	-	-	-	(17,094,580)	-	(15,653,406)	-
Total other financing sources (uses)	<u>8,582,042</u>	<u>70,458,452</u>	<u>7,632,809</u>	<u>11,388,140</u>	<u>11,491,339</u>	<u>80,639,873</u>	<u>11,481,157</u>	<u>11,270,406</u>	<u>11,139,568</u>	<u>13,328,209</u>
Special Item										
Proceeds from sale of land	-	-	-	-	-	-	-	-	-	8,965,000
Net change in fund balances	<u>\$ (2,925,605)</u>	<u>\$ 55,922,608</u>	<u>\$ (5,502,473)</u>	<u>\$ (8,184,397)</u>	<u>\$ (1,934,513)</u>	<u>\$ 50,078,060</u>	<u>\$ (7,512,720)</u>	<u>\$ (29,421,461)</u>	<u>\$ (15,867,976)</u>	<u>\$ 363,003</u>
Debt service as a percentage of noncapital expenditures (1)	13.12%	17.89%	27.82%	24.46%	17.57%	16.01%	23.10%	23.30%	22.42%	21.64%

(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)

<u>Year Ended (1) June 30</u>	<u>Property Tax</u>	<u>Intangible Tax</u>	<u>Alcoholic Beverage Excise Tax</u>	<u>Hotel Motel Tax</u>	<u>Real Estate Transfer Tax</u>	<u>Other</u>	<u>Total</u>
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
2017	22,738,419	402,225	746,083	3,131,846	113,781	4,065,273	31,197,627
2018	24,627,196	367,965	715,244	3,153,379	571,720	2,983,020	32,418,524

(1) 2009 - 2018: 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					
2008	2,493,024,336	185,424,419	306,446,750	34,126,529	181,334,175	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	172,043,250	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	110,462,282	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	95,033,562	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	82,990,822	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	80,296,211	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	103,053,903	2,748,206,586	6.050	6,870,516,465	40.00%
2015	2,465,892,136	97,002,822	321,842,534	37,213,498	112,780,812	2,809,170,178	6.050	7,022,925,445	40.00%
2016	2,616,257,176	70,018,233	338,987,893	35,136,701	152,626,180	2,907,773,823	5.618	7,269,434,558	40.00%
2017	2,887,004,090	51,695,524	345,948,125	35,945,800	194,986,577	3,125,606,962	5.618	7,814,017,405	40.00%

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

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

Fiscal Year					Overlapping Rates				Total Direct & Overlapping Rates	Downtown Marietta Development Authority (1)
	City of Marietta				Cobb County			Marietta City Schools		
	Operating Millage	Debt Service Millage	Cemetery Maintenance Millage	Total City Millage	Operating Millage	Debt Service Millage	Total County Millage	Operating Millage		
2009	2.788	1.82	0.08	4.683	6.82	0.22	7.04	17.97	29.70	2.38
2010	2.788	1.82	0.08	4.683	6.82	0.22	7.04	17.97	29.70	2.09
2011	2.788	2.37	0.08	5.233	6.82	0.22	7.04	17.97	30.24	2.09
2012	2.788	2.37	0.08	5.233	7.72	0.33	8.05	17.97	31.25	2.09
2013	2.788	1.18	0.08	4.046	7.72	0.33	8.05	19.16	31.25	2.09
2014	2.788	1.18	0.08	4.046	7.32	0.33	7.65	17.97	31.67	2.07
2015	2.788	3.18	0.08	6.048	7.12	0.33	7.45	17.97	31.47	2.07
2016	2.788	3.18	0.08	6.048	7.12	0.33	7.45	17.97	31.47	1.99
2017	2.788	2.75	0.08	5.618	6.66	0.23	6.89	17.97	30.48	1.82
2018	2.788	2.75	0.08	5.618	8.46	0.13	8.59	17.97	32.18	1.78

(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, 2018

Taxpayer (1)	Type of Business	2018			2009		
		Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Star 1250 West	Real Estate	\$ 22,248,240	1	0.71%			
C W Matthews Contracting Co.	Commercial	15,757,015	2	0.50%	\$16,607,273	2	0.59%
FPA/WC Aylesbury LLC	Commercial	15,520,000	3	0.50%			
Laurel Hills Apartment LLC	Real Estate	15,320,000	4	0.49%			
Kenneston Outpatient Pavillion	Hospital	15,125,680	5	0.48%			
Lakeside 358 LLC	Real Estate	14,516,000	6	0.46%			
Winterset at East Cobb, LLC	Real Estate	11,629,920	7	0.37%			
Bellsouth Telecom./ AT&T	Telephone	10,770,390	8	0.34%	\$19,820,487	1	0.70%
Kennestone Physicians Center I	Hospital	9,640,000	9	0.31%			
Ashford Retreat LLC	Real Estate	9,205,200	10	0.29%			
Bells Ferry Corp.	Real Estate				\$15,412,320	3	0.54%
Sterling Town Center Apartments	Commercial				\$13,068,240	4	0.46%
Atlanta Parkway Investment Group I	Real Estate				\$12,496,800	7	0.44%
Atlanta Parkway Investment Group II	Real Estate				\$11,840,320	5	0.42%
Wellstar Health System, Inc.	Hospital				\$9,073,280	6	0.32%
Bel-Eqr IV Limited Partnership	Real Estate				\$8,400,000	8	0.30%
Jasmine At Powers Ferry LLC	Commercial				\$8,189,000	9	0.29%
Ridge Pointe Assoicates LLC	Commercial				\$8,089,360	10	0.29%
Totals		<u>\$139,732,445</u>		<u>4.47%</u>	<u>\$122,997,080</u>		<u>4.33%</u>

Source: City of Marietta tax division

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

<u>Tax Digest Year</u>	<u>Total Tax Levy for Fiscal Year</u>	<u>Subsequent Years Adjustments</u>	<u>Total Adjusted Levy</u>	<u>Collected within the Fiscal Year of the Levy</u>		<u>Collections of Prior Years Levy</u>	<u>Total Collections to Date</u>	
				<u>Amount</u>	<u>Percentage of Levy</u>		<u>Amount</u>	<u>Percentage of Levy</u>
2008	12,147,888	(11,349)	12,136,539	11,853,331	97.58%	279,295	12,132,626	99.97%
2009	11,987,687	(60,127)	11,927,560	11,660,045	97.27%	249,192	11,909,237	99.85%
2010	12,416,512	(35,721)	12,380,791	12,111,605	97.54%	248,255	12,359,860	99.83%
2011	11,708,773	7,156	11,715,929	11,512,240	98.32%	194,899	11,707,139	99.92%
2012	9,051,308	30,748	9,082,056	8,955,792	98.94%	120,810	9,076,602	99.94%
2013	9,177,751	(170,308)	9,007,443	8,896,794	96.94%	104,411	9,001,205	99.93%
2014	13,839,758	(8,154)	13,831,604	13,734,435	99.24%	100,236	13,834,671	100.02%
2015	14,622,278	312,361	14,934,639	14,542,338	99.45%	71,183	14,613,521	97.85%
2016	14,566,717	(257,482)	14,309,235	14,226,427	97.66%	58,163	14,284,590	99.83%
2017	15,386,752	-	15,386,752	15,315,641	99.54%	-	15,315,641	99.54%

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)
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	*
2017	2,415	13.00	3.00	4.75	5.91	9.39	15.10	7.55	*
2018	2,332	13.00	3.05	4.82	6.00	9.53	15.10	7.55	*

Source: City of Marietta utility department

* No rate for that Tier during that time

**Water consumption includes irrigation and commercial which are billed at separate rates.

(1) 0 - 2,000 gallons

(2) Water Tier Definition (in thousand gallons)

	Tier 1	Tier 2	Tier 3	Tier 4
--	--------	--------	--------	--------

2009 - 2011	>2-7	>7 -12	>12	
-------------	------	--------	-----	--

2012-2018	0-2	>2-7	>7 -12	>12
-----------	-----	------	--------	-----

Wastewater Tier Definition (in thousand gallons)

	Tier 1	Tier 2
--	--------	--------

>2	*
----	---

>2	*
----	---

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

Fiscal Year	Total Kilowatt Hours Sold (millions) (4)	Total Direct Rate							
		Summer (June through September)				Winter (October through May)			
		<u>Base Rate</u>	<u>Tier 1</u>	<u>Tier 2</u>	<u>Tier 3</u>	<u>Base Rate</u>	<u>Tier 1</u>	<u>Tier 2</u>	<u>Tier 3</u>
		(1)	(2)	(3)		(1)	(2)	(3)	
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
2017	1,032	8.00	0.070	0.087	1.102	8.00	0.070	0.054	0.054
2018	1,007	8.00	0.070	0.087	1.102	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 addition 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, 2018

Customer Name	Type of Business	2018			2009		
		Kilowatt Hours Billed	Rank	Percentage of Total Kwt Billable Hours Value	Kilowatt Hours Billed	Rank	Percentage of Total Kwt Billable Hours Value
Wellstar Hospital	Hospital	61,106,526	1	6.07%	56,634,009	1	5.49%
Cobb County Government	Government	26,261,071	2	2.61%	36,058,191	2	3.50%
Kennesaw State University	School	23,238,916	3	2.31%	-		
Lockheed Martin	Commercial	22,801,048	5	2.26%	19,581,798	3	1.90%
Tip Top Poultry	Commercial	15,231,778	4	1.51%	8,099,100	8	0.79%
Marietta DC, LLC	Commercial	13,835,960	7	1.37%			
Marietta City Schools	Commercial	13,130,610	6	1.30%	15,974,470	4	1.55%
Life University	Commercial	9,915,620	8	0.98%			
Kroger	Commercial	8,538,000	9	0.85%	10,381,600	7	1.01%
Cobb County Board of Education	Educational	8,121,316	10	0.81%			
Southern Ice Cream	Commercial				13,732,200	5	1.33%
Southern Polytechnic	School				13,559,400	6	1.31%
Kemira Chemicals	Commercial				7,041,000	9	0.68%
Coca Cola Enterprises	Commercial				6,846,000	10	0.66%
Totals		<u>202,180,845</u>		<u>20.07%</u>	<u>187,907,768</u>		<u>18.22%</u>

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

Fiscal Year	Governmental Activities					Business Type Activities			Total Premiums, Discounts, & Adjustments ***	Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	SPLOST Revenue Bonds	Tax Allocation Bonds	Citywide Project Bonds	Note Payable	Marietta Conference Center Revenue Bonds	Golf Course Revenue Bonds	Capital Leases				
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	6.76%	1,779
2012	47,290,000	0 **	6,274,180	29,365,000	413,103	0 *	2,736,490	105,779	***	86,184,552	5.64%	1,480
2013	42,285,000	0 **	5,685,914	27,895,000	352,443	0 *	2,094,326	169,057	***	77,487,495	4.98%	1,319
2014	105,140,000	0 **	5,072,999	26,365,000	288,681	0 *	1,432,162	117,218	6,061,425	144,477,485	9.58%	2,442
2015	98,540,000	0 **	4,434,403	24,755,000	221,657	0 *	755,000	253,207	5,837,871	134,797,138	8.97%	2,255
2016	90,440,000	0 **	3,769,050	23,080,000	151,204	0 *	0	197,503	5,150,616	122,788,373	8.23%	2,079
2017	83,170,000	0 **	3,075,818	20,435,000	77,147	0 *	0	136,395	6,622,015	113,516,375	7.00%	1,863
2018	75,635,000	0 **	2,353,540	18,485,000	0	0 *	0	357,116	5,307,262	102,137,918	5.18%	1,651

* In FY2010 Conference Center bonds were cancelled.

** In FY2012 SPLOST Bonds paid in full

*** Information prior to 2014 is not readily available, added column in 2017

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

Fiscal Year	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds, Net of Related Premiums, Discounts, & Adjustments *	Less: Amounts Available in Debt Service Fund	Net Bonded Debt		
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%	884
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	42,285,000 *	6,136,954	36,148,046	0.52%	615
2014	111,302,044	5,613,872	105,688,172	1.47%	1,786
2015	102,868,046	3,679,851	99,188,195	1.38%	1,659
2016	94,224,878	3,735,949	90,488,929	1.23%	1,532
2017	86,417,605	4,098,027	82,319,578	1.13%	1,351
2018	78,386,724	5,014,506	73,372,218	1.01%	1,186

* Information prior to 2014 is not readily available for Premiums, Discounts Adjustments

CITY OF MARIETTA, GEORGIA
Direct and Overlapping Governmental Activities Debt
As of June 30, 2018

<u>Governmental Unit</u>	<u>Net Governmental Debt Outstanding</u>	<u>Percentage Applicable to City of Marietta (1)</u>	<u>Amount Applicable to City of Marietta (1)</u>
Debt repaid with Property Taxes			
Cobb County General Obligation Bonds	21,090,000	11.64%	2,455,213
Total Overlapping General Obligation Debt	21,090,000		2,455,213
Overlapping Guaranteed Revenue Debt:			
Cobb County Revenue Bonds	454,095,000	11.64%	52,863,918
Cobb County Parking Deck Certificates	7,965,000	11.64%	927,253
Cobb County Anticipation Bonds	5,665,000	11.64%	659,497
Total Overlapping Guaranteed Revenue Debt	467,725,000		54,450,668
Total Overlapping Debt	488,815,000	11.64%	56,905,881
Total Direct Debt	96,473,540	100.00%	96,473,540
Total Direct and Overlapping Debt	<u>\$ 585,288,540</u>		<u>\$ 153,379,421</u>
Debt Per Capita:			
Direct City Debt			\$ 1,559
Overlapping General Obligation Debt			40
Overlapping Guaranteed Revenue Debt			880
Total Debt Per Capita			<u><u>\$ 2,479</u></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									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Debt limit: 10 percent of assessed value	\$301,902,203	\$298,565,385	\$299,026,224	\$285,333,372	\$278,466,088	\$279,255,101	\$285,126,049	\$292,195,099	\$306,040,000	\$332,059,354
Total net debt applicable to limit	<u>45,115,000</u>	<u>60,835,000</u>	<u>53,550,000</u>	<u>47,290,000</u>	<u>42,285,000</u>	<u>105,140,000</u>	<u>98,540,000</u>	<u>90,440,000</u>	<u>83,170,000</u>	<u>75,635,000</u>
Legal Debt margin	<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>	<u>\$222,870,000</u>	<u>\$256,424,354</u>
Total net debt applicable to the limit as a percentage of debt limit	14.94%	20.38%	17.91%	16.57%	15.18%	37.65%	34.56%	30.95%	27.18%	22.78%

Legal Debt Margin Calculation for Fiscal Year 2017

Total taxable assessed value	\$3,125,606,962
Add back: exempt real property	194,986,577
Total assessed value	3,320,593,539
Debt limit (10% of total assessed value)	332,059,354
Debt applicable to limit:	
General obligation bonds	<u>75,635,000</u>
Legal debt margin	<u>\$256,424,354</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 (5)	Principal	Interest	Coverage	Operating Revenues	Principal	Interest	Coverage
2009	1,726,505	990,000	1,921,319	0.59	773,249	499,195	351,960	0.91	-	-	-	-
2010	0	0	0	0.00 (3)	845,920	520,111	331,044	0.99	1,942,774	-	-	-
2011	0	0	0	0.00	930,260	541,904	309,251	1.09	2,240,303	865,000	1,384,731	1.00
2012	0	0	0	0.00	670,249	564,610	286,545	0.79	9,251,322	1,430,000	1,350,306	3.33
2013	0	0	0	0.00	510,627	588,266	262,889	0.60	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	557,407	665,353	185,804	0.65	1,936,747	1,675,000	1,084,322	0.69
2017	0	0	0	0.00	920,797	693,232	157,923	1.08	2,812,733	1,760,000	897,813	1.05
2018	0	0	0	0.00	1,408,546	722,278	128,877	1.65	2,859,188	1,950,000	901,500	0.99

(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.

(5) Adjusted revenues for prior years to reflect revenues for TAD District CCSR only

* 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>
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	25,483	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
2017	60,941	1,622,067	26,617	32.9	8,752	4.2
2018	61,881	1,972,476	31,875	34	8,806	3.6

(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, 2017, US Census Bureau 2016 Population Estimates 2017.

(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, US Census Bureau 2016 Population Estimates 2017.

(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
Current Year and Nine Years Ago

Employer	2018			2009		
	Employees ¹	Rank	Percentage of Total City Employment ²	Employees ³	Rank	Percentage of Total City Employment ²
Lockheed Martin Aeronautical Systems	8,200	1	23.06%			
Dobbins Air Reserve Base	4,500	2	12.65%			
Wellstar Kennestone Hospital	4,255	3	11.96%	3,700	1	10.40%
Cobb County Public Safety	2,312	4	6.50%			
Marietta Technology Center (HomeDepot)	1,906	5	5.36%			
Cobb County Government	1,441	6	4.05%	1,041	8	2.93%
Tip Top Poultry	1,400	7	3.94%	1,300	6	3.66%
Cobb County Board of Education	1,387	8	3.90%	997	10	2.80%
Marietta City Schools	1,283	9	3.61%	1,258	7	3.54%
C.W. Matthews Contracting, Inc.	1,012	10	2.85%	1,400	5	3.94%
YKK Corp of America				2,500	2	7.03%
Alere				1,766	3	4.97%
Columbian Chemical Company				1,400	4	3.94%
Solvay Pharmaceuticals				1,000	9	2.81%

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	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
General government										
Elected officials	8	8	8	7	7	8	8	8	8	8
City clerk	3	3	3	3	3	3	3	3	3	3
Municipal court	14	14	16	14	14	18	13	17	17	16
City manager	7	6	6	6	6	7	7	6	6	6
Mayor staff	1	1	1	1	1	1	1	1	1	1
Finance	26	26	26	26	26	25	26	26	30	31
Human Resources	8	9	9	9	9	10	9	9	9	6
Develop. servs and Sect. 8 ¹	32	30	31	30	30	27	21	20	20	21
Public works										
Admin. & Engineering	8	9	10	10	10	9	12	9	9	8
Building Inspection	8	7	7	7	7	7	8	8	9	8
Environmental Services	39	38	38	36	33	36	32	32	34	35
Streets & Traffic	38	38	37	37	37	36	32	31	34	42
Public safety										
Police										
Officers	124	129	134	127	127	128	132	135	135	134
Civilians	30	31	31	34	34	36	37	38	38	40
Fire										
Firefighters & officers	132	132	129	127	127	127	126	132	125	125
Civilians	3	3	3	3	3	3	3	3	3	3
Parks, Recreation & Facilities										
Recreation	11	11	11	9	9	11	11	10	22	10
Property maintenance	16	16	14	14	14	15	15	16	18	18
Cemetery maintenance	1	1	2	2	2	2	2	2	2	3
Museum	0	0	0	0	0	0	0	0	0	2
BLW Board	6	6	6	5	5	5	5	5	5	5
Electric	131	126	129	129	129	130	126	129	131	125
Information Technology	20	20	20	19	19	21	20	22	21	22
Water/sewer	41	42	42	40	40	41	41	42	39	39
Fleet maintenance	14	14	14	14	14	15	14	13	12	12
Total	721	720	727	709	706	721	704	717	731	723

¹ Section 8 division closed in FY2015

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Function										
Police:										
Murder	3	4	4	3	5	6	10	2	3	5
Robbery	231	192	147	125	137	121	149	128	111	82
Aggravated assault	120	172	156	150	120	107	103	84	93	96
Motor vehicle theft	254	210	193	194	173	201	154	157	170	158
Burglary	604	690	715	622	460	428	323	349	319	275
Larceny	1,802	1,922	1,961	1,934	1793	2,092	1,939	1,892	1,686	1,636
Fire:										
Calls for service	10,076	10,880	10,362	10,006	10,592	10,676	11,811	12,768	13,550	12,918
Fires	220	301	236	285	234	224	248	258	269	238
Structure fires	77	77	70	60	96	77	53	54	44	61
EMS calls	4,135	4,605	5,217	5,415	6,330	6,878	3,455	4,298	7,392	7,255
Fire investigations	76	67	77	67	71	68	58	36	23	60
Plan reviews of commercial property	482	414	418	431	348	467	432	714	948	1314
Public Works/Engineering/Inspections:										
Highways and streets										
Street resurfacing (miles)	13.5	6.4	2.5	6.9	8.8	8	8	7	12.9	12.4
Pedestrian signals installed	1	16	13	6	4	3	11	3	6	2
Signalized intersections installed/upgraded	27	8	7	57	122	19	10	3	116	2
Engineering/building inspections										
Site plans reviewed	95	68	65	52	105	118	95	161	274	162
Grading permits issued	84	119	148	150	154	244	238	285	309	279
Permits issued (building and trade)	4,814	3,811	4,776	4,315	3,568	4,449	4,745	4,167	4,024	4,116
Inspections	11,913	10,347	12,418	10,803	8,991	10,983	12,489	12,713	12,113	11,194
Sanitation										
Tons of residential waste landfilled	17,124	15,579	16,061	15,967	13,303	15,184	15,358	18,884	17,219	16,908
Tons of residential waste recycled	7,445	7,440	8,060	7,852	6,096	6,362	6,444	11,884	6,212	24,456

(Continued)

* revised

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Parks, recreation, and facilities:										
Parks and recreation										
Senior games participants	250	300	254	0	0	0	0	0	0	0
Summer day camp participants	814	640	702	80	120	720	315	347	210	240
Youth basketball participants	340	360	335	299	303	291	330	342	296	279
Youth track participants	0	0	0	0	0	0	0	0	0	0
Adult basketball teams	12	12	8	4	0	0	0	0	0	0
Concerts on the Square	19	16	19	18	17	16	16	16	15	15
Festivals on the Square	7	8	6	9	10	8	9	9	9	9
Facilities										
Inspections	400	400	427	400	413	408	410	413	415	420
Work orders	1,580	1,450	1,520	1,510	1,515	1,520	1,525	1,550	1,625	1,670
Vandalism incidents	39	32	7	10	8	9	8	10	11	10
Development Services:										
Code enforcement cases	6,431	6,409	6,007	5,800	3,106	6,000	5,640	6,000	5,130	4,772
Citations issued	47	62	42	28	121	30	30	45	23	16
Sign permits issued	393	451	383	383	362	385	374	388	422	375
Rezoning applications processed	20	14	13	12	27	23	37	33	35	34
Variance applications processed	37	31	37	42	58	38	63	46	46	53
Plats reviewed	45	20	29	33	33	37	54	74	67	68
Building permits reviewed	1,118	1,168	1,271	1,271	1,358	3,531	1,839	4,280	1,896	2,620
Human Resources:										
Number of open positions	74	73	61	66	75	98	92	123	166	244
Number of applications received	3,342	4,649	3,581	3,885	2,964	2,955	2,447	2,730	3,336	9,860
Pension applications received and approved	32	20	20	28	30	34	34	44	70	58
Finance:										
Tax payments processed	20,775	20,703	20,642	20,579	20,540	20,507	20,616	19,317	20,792	21,074
Value of tax payments (millions)	62.5	61.6	57.9	54.0	53.3	51.7	56.8	54.5	56.4	54.1
Property tax exemption forms	8,455	8,631	8,502	8,340	8,288	8,165	8,105	8,130	8,112	8,160
Purchase orders processed	2,113	1,974	1,964	1,961	2,128	2,059	1,720	1,732	1,805	1,817
Active vendors	6,687	6,996	7,400	7,400	7,930	3,146	3,617	4,472	4,810	5,264
Business licenses issued	7,276	8,379	8,399	8,340	8,434	8,762	8,643	8,948	8,944	8,412

(Continued)

* revised

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Municipal Court:										
Traffic citations filed	14,146	15,698	18,524	15,617	14,968	16,837	17,974	19,537	18,489	18,673
Red light citations filed	21,641	20,197	17,364	14,746	17,101	18,103	18,663	18,503	8,598	5,814
Parking citations filed	4,255	4,687	4,317	4,743	4,412	4,399	4,355	3,639	4,056	3,710
Cases filed	11,755	12,594	14,237	12,691	12,732	13,724	14,673	13,390	12,700	127,490
Non-jury trials	1,011	990	1,256	1,022	1,068	829	800	676	652	605
New probationers	673	722	712	829	721	777	719	567	490	410
Electric:										
New customer work orders	150	144	121	20	100	100	250	269	258	348
Lighting repair work orders	1,800	1,733	1,517	1,538	1,700	1,600	1,497	1,666	1,592	1,498
Line clearance (miles)	110	98	94	135	175	196	182	162	157	99
Trees removed on system	315	298	594	587	465	550	428	491	848	744
Meter site audits	400	463	460	513	450	450	361	348	334	300
Transformer infrared scanning	250	407	503	503	500	525	618	549	607	477
Electric customers	46,477	46,525	46,309 *	46,437	46,287	46,887	46,621	46,443	46,736	46,722
Kilowatt hours sold (millions)	1,038	1,046	1,083	1,027	998	1,008	1,014	1,017	1,032	1,043
Water & sewer:										
New meter installs	33	38	42	104	63	175	119	149	142	176
Large water main replacements (feet)	6,660	9,515	6,694	3,918	3,542	0	5,438	1,882	5,699	3,239
Water line replacements (feet)	6,257	6,082	3,563	4,753	8,986	0	766	5691	4380	5017
Sewer main rehabilitation (feet)	12,774	6,589	5,102	0	4,354	216	0	6080	625	0
Major sanitary sewer overflows	0	0	0	1	0	0	0	0	0	0
Backflow device inspections	457	760	616	809	853	751	822	816	737	1093
Utility locates	3,536	3,662	2,252	2,718	4,359	4,282	4,594	4,739	4,428	4,041
Gallons of grease removed from traps	658,174	597,253	703,394	716,167	675,935	637,727	591,108	498,050	479,272	542,515
Valves exercised	0	284	253	279	0	409	576	107	19	78
Plan reviews	64	95	18	30	17	35	35	33	29	21
Work orders completed	5,613	5,361	4,707	4,883	5,055	5,138	4,583	4,576	4,690	4,712
Water accounts	18,441	17,710	17,684	17,718	17,918	17,953	18,086	18,124	18,260	18,335
Water gallons sold (million)	2,626	2,533	2,644	2,658	2,565	2,483	2,459	2,517	2,523	2,511
Sewer accounts	16,569	16,437	16,381	15,039	16,602	16,680	16,808	16,835	16,962	17,038
Sewer gallons (millions)	2,430	2,567	2,381	2,177	2,325	2,298	2,334	2,276	2,277	2,304

* revised

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

Function	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Public safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	108	104	116	131	101	104	116	128	154	154
Fire Stations	6	6	6	6	6	6	6	6	6	6
Sanitation										
Collection trucks	15	15	15	15	17	19	19	22	18	16
Highways and streets										
Streets(miles)	222.1	216.8	216.6	220	218.1	218.03	218.3	217.16	218.52	218.81
Streetlights	7,748	7,665	7,660	7,741	7,736	8,190	8,359	8,410	7,834	7,833
Traffic signals	105	104	104	104	105	109	110	110	116	116
Culture and recreation										
Parks acreage	310	310	310	373	402.7	406.3	405.2	408.8	385.28	387.2
Parks & Greenspace	22	22	22	32	37	37	37	38	39	39
Swimming pools *	1	1	1	1	1	0	0	0	0	0
Tennis courts	19	19	19	21	21	21	22	20	20	20
Community centers	2	2	2	2	3	3	3	2	2	2
Water										
Water mains (miles)	326.9	328.0	331.6	334	338.2	339	338.4	339.1	341.7	343.7
Fire hydrants	2,594	2,619	2,626	2,660	2,712	2,736	2908	2865	2893	2867
Water pump stations	3	3	3	3	3	3	3	3	3	3
Wastewater										
Sanitary sewer mains (miles)	293.8	298.0	300.9	303	303.2	295	295.3	302.8	299	299
Storm sewers(miles)	232.2	232.2	232.2	232	230	230	230	230	230	230
Wastewater pump stations	1	1	1	1	1	1	1	1	1	1
Electric										
Number of distribution stations	21	20	21	21	21	21	21	21	21	21
Miles of service lines	588	590	590	590	590	591	592	593	590	592.9
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, 2018

<u>Revenues</u>	<u>Expenditures *</u>	<u>Percentage Expended</u>
<u>\$ 3,143,887</u>	<u>\$ 3,143,887</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, 2018

<u>Revenues</u>	<u>Expenditures *</u>	<u>Percentage Expended</u>
\$ 575,024	\$ 575,024	100.00%

* 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, 2018

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	\$ 1,346,016	\$ 1,240,152	\$ 60	\$ 1,240,212	92.14%
Road Improvement Program	62,201,305	66,260,580 *	66,258,172	5,435	66,263,607	100.00%
Subtotal	\$ 64,721,257	\$ 67,606,596	\$ 67,498,324	\$ 5,495	\$ 67,503,819	99.85%
2011:						
Tier 1 Projects						
Capital Improvements	\$ 6,880,000	\$ 7,457,919	\$ 5,042,613	\$ 94,243	\$ 5,136,856	68.88%
Congestion Relief & Mobility Improvement	5,546,000	6,511,616	3,487,330	140,131	3,627,461	55.71%
Infrastructure Preservation	16,500,000	19,268,953	13,292,089	2,786,282	16,078,371	83.44%
Safety & Operational Improvement	15,873,421	14,434,839	8,224,606	3,409,925	11,634,531	80.60%
Subtotal	\$ 44,799,421	\$ 47,673,327	\$ 30,046,638	\$ 6,430,581	\$ 36,477,219	76.51%
2016:						
Facilities & Technology	\$ 3,000,000	\$ 4,900,000	\$ 2,066,233	\$ 711,144	\$ 2,777,377	56.68%
Public Safety Improvements	7,654,000	6,754,000	2,955,925	106,595	3,062,520	45.34%
Transportation Improvements	47,699,902	48,918,129	5,353,538	6,203,269	11,556,807	23.62%
	\$ 58,353,902	\$ 60,572,129	\$ 10,375,696	\$ 7,021,008	\$ 17,396,704	28.72%
Grand Total for SPLOST Expenditures				\$ 13,457,084		

* Includes Bond expenditures