

COMPREHENSIVE ANNUAL FINANCIAL REPORT

City of College Park, Georgia For the Fiscal Year Ended June 30, 2004



JAMESTOWN PARK



BARRETT PARK

**COMPREHENSIVE ANNUAL FINANCIAL
REPORT**

**City of College Park, Georgia
For the Fiscal Year Ended June 30, 2004**

CITY OF COLLEGE PARK, GEORGIA

**Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2004**

Prepared by:
Cynthia A. King, Finance Director, City of College Park, Georgia
Steven E. Garber, CPA

City of College Park, Georgia
 Comprehensive Annual Financial Report
 For the Fiscal Year Ended June 30, 2004

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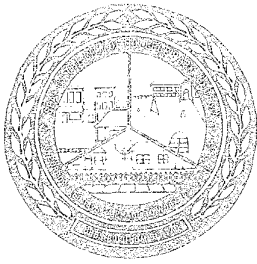
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 Comprehensive Annual Financial Report
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INTRODUCTORY SECTION



CITY OF COLLEGE PARK

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

December 15, 2004

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

State law requires that all local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the City of College Park for the fiscal year ended June 30, 2004.

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

The City of College Park's financial statements have been audited by Grant Thornton, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of College Park for the fiscal year ended June 30, 2004, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City of College Park's financial statements for the fiscal year ended June 30, 2004, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

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

Profile of the Government

The City, incorporated in 1895, is located approximately nine minutes and seven miles south of Atlanta's downtown business district. The City enjoys access to Interstate Highways I-85 and I-285, as well as U.S. Highway 29, adjacent to and adjoining the Midfield Terminal Complex of Hartsfield International Airport. The City of College Park currently occupies a land area of 9 square miles and serves a population of 20,382. The City of College Park is empowered to levy a property tax on both real and personal properties located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing council.

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

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

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

Factors Affecting Financial Condition

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

Local economy. During the mid to late 1990's, the City was negotiating with representatives of the City of Atlanta and Hartsfield International Airport to minimize the financial impact of the proposed fifth runway. The fifth runway was originally designed as a shorter commuter runway. Due to changes in the mix of aircraft that will utilize the runway as well as a projected increase in the number of flights, City of Atlanta engineers determined that a nine thousand foot runway would be needed to accommodate wide-bodied aircraft. In order to construct the runway, Atlanta required condemnation powers to acquire the necessary land; the City of College Park proposed to exchange such condemnation powers for compensation for lost revenues due to the displacement of population and existing businesses. An additional requirement of the City was that Atlanta purchase the existing Georgia International Convention Center (which was owned and operated by the City of College Park) due to the anticipated adverse impact of noise that would be generated by commercial jetliners in such close proximity to the Convention Center. These negotiations were completed in the Fiscal Year 2000, and the City of Atlanta paid to the City of College Park liquidated damages in the amount of approximately \$82 million. Proceeds were utilized to pay off all outstanding bonded indebtedness associated with the existing convention center. An additional sum of \$30 million was combined with proceeds from the new debt issue of \$67,030,000 to provide a combined total of approximately \$100 million for construction of a new convention center. The new facility was opened April 1, 2003.

Long-term financial planning. The City has entered into a development agreement with a private developer to construct not only the new Convention Center, but also significant hotel and commercial properties in the same area. This new development is named "Airport Gateway". Purchased by Atlanta from the original residents in prior years because of excessive airport noise levels, the land is bounded by Camp Creek Parkway, a four-lane highway with direct access to Interstate 85 and Hartsfield International Airport, making it an attractive site for commercial development. This valuable real estate (approximately 444 acres), known as the Newton Estates Improvement District, is undergoing redevelopment. This exciting project encompasses:

- o The relocation of the Georgia International Convention Center to a new location on Camp Creek Parkway, the main entrance boulevard into Hartsfield International Airport completed April 1, 2003
- o The relocation of all car rental facilities presently located at the airport to this area
- o The construction of four major hotels and two office buildings
- o An Automated People Mover (APM) to connect the Airport to one development

A separate enterprise fund has been set up to account for the operations of the Newton Estates Improvement District. Revenues for this fund will consist of a special district tax imposed on the appreciation of ad valorem assessments from commercial development within its borders. This revenue stream will be utilized to repay revenue bonds issued to finance the necessary public infrastructure within the Gateway development.

The City has constructed two office facilities that are leased to the United States General Services Administration. These structures were built to house the regional headquarters for the

Federal Aviation Administration. These projects were intended to cover their own costs and serve as a magnet for other commercial development in the area adjacent to Hartsfield.

A major airport employer moved its employee parking to a portion of this area, and all rental car facilities currently located on the airport grounds will be moved to this area. This would move the motor vehicles from the Clayton County digest to the Fulton County tax roles, significantly increasing motor vehicle ad valorem tax revenues. Also the business licenses for the rental agencies would be paid to the City of College Park rather than the City of Atlanta, as is currently the case. In addition, management feels that this would serve as an economic magnet to foster further development of a proposed major mixed-use project consisting of office buildings, additional hotel space and an 18-hole championship golf course to a vacant site north of Camp Creek Parkway.

Major Initiatives

Atlanta Airport Marketing Coalition

The AMC, a pooling of marketing departments of the Convention Center and those of the major airport hotels is aggressively marketing the City's first class convention facility nationwide. Management believes that this effort will increase not only exhibit hall and meeting room rentals at the Convention Center but the hotel occupancy taxes as well. Due to the success of this effort, the Convention Center has shown a significant improvement in its financial performance, and is able to cover most of the costs of its operations.

Downtown Revitalization

Downtown revitalization is currently under way in the City, drawing retail, corporate, and business-to-business enterprises into the Downtown area. The City has utilized significant acreage of land for redevelopment. The City has analyzed its relative market and demographic strengths and has adopted a conceptual plan for revitalization. This plan takes into account all facets of development associated with its proximity to Hartsfield International Airport, the largest economic engine in the southeastern United States and the cause of significant dislocation of businesses and population in the past decade. The airport, in addition to construction of the new fifth runway, will move all existing car rental facilities from the airport to the consolidated car rental facility. The City of Atlanta Airport Authority also plans to construct an Automated People Mover (APM) to transport airport passengers to the new consolidated car rental facility. Due to its proximity, all of these will have a major effect on the City in the future.

Establishment of Special Districts

Parking has always been a concern to the airport; numerous long-term parking facilities have sprouted along Camp Creek Parkway, utilizing valuable space and rendering it unusable for commercial and residential development. In order to address this, the City has established a Transportation District that designates specific areas within the City for rental car lots, parking lots, limousine services and other automotive businesses dedicated to serving airport customers. By consolidating these enterprises into one area, the City can monitor activities and preserve prime locations for other types of development that will have a more beneficial impact on the growth of the City's tax digest and other revenue streams.

Hospitality

The City has designated two areas where hotel and lodging accommodations must comply

with strict design and structural standards. Buildings in these development areas must comply with minimal landscape criteria as well as house a minimum of two hundred rooms, on-site restaurants, swimming pools, and other amenities.

Historical Main Street

The Development Director oversees the revitalization of the City's historic Main Street by bringing upscale retail, corporate, and a specialty retail corridor to the downtown commercial district. College Park was designated a National Register District in 1996, followed in 1999 with the designation as a Georgia Main Street City by the Georgia Department of Industry, Trade, and Tourism. With 1103 contributing structures, building, and sites collectively listed on the National Register of Historic Places, College Park is the fourth-largest historic district in the state of Georgia. Transportation Historic Grants from the state Department of Transportation have been secured to assist in the renovation of the Historic Train Depot and streetscape enhancement of selected blocks in the downtown area.

Mixed Use Development

The City is currently home to over thirty high quality hotels, with others either under construction or in the planning stages. But the realization has come that a City cannot exist without a growing residential base, which provides the impetus for being a town as well as a City. Efforts are underway to provide for quality renovation of existing housing stock, construction of new housing developments, as well as the creation of new commercial development.

The City's economic future depends on the retention and expansion of the collective commercial and residential base, and both are being marketed aggressively. The City is committed to developing initiatives to promote a live-work environment. Currently, three mixed-use developments encompassing hotels, office, professional, retail and residential units are being developed. One of these initiatives is the Princeton Village Traditional Neighborhood development. This development proposes a traditional mixed-use plan of residential single-family homes, townhouses, and an independent senior/assisted living facility. Integrated into the plan are diverse business and public uses, including light commercial, professional, incubator technologies, restaurant, medical, and institutional. The infrastructure provides strict architectural control with historic lighting design, street furniture, greenspace and bicycle paths. A key component can also be found in the renovation of the S.R. Young School into an independent living facility and limited use cultural arts facility.

Another development will center on 365 acres to the immediate north of Camp Creek Parkway, the major thoroughfare providing access to the airport. The centerpiece of this development is the expansion of the 9-hole golf course to an 18-hole championship course. It will be the focal point of development in this area, and serve two purposes: it provides an updated resort golf course, as well as provides an economic recruitment tool for additional hotels and office development. The clubhouse will be designed as a corporate meeting place as well as a venue for fine dining.

At the northern end of this project would be the construction of approximately 107 residential units. The residential community is proposed to develop a small town feel, where people can walk, bike, and relax and enjoy convenient access to shopping, dining, and entertainment.

Public Safety Complex

Bonds for the construction of the new Public Safety Complex were secured in Fiscal Year 2004. Groundbreaking for the new Public Safety Complex occurred in fall 2004. Construction of the Public Safety Complex is preceding as planned. The project is scheduled for completion by December 2005 with the Fire, Police, Corrections, E911 center, and the Municipal Court to be relocated to the new complex by early 2006.

Effects of the Economic Recession

The City has a strong concentration of businesses in the airline and hospitality industries, both adversely impacted by the recent economic recession. The City has experienced some downturn in its revenue streams due to the recession and the continuing financial difficulties of a major airline in the area. However, due to its consistently strong financial position, the City has maintained its current level of operations.

The City is extremely sound financially. A target fund balance is commonly considered 30 percent of expenditures; ours exceeds 100 percent, and has for several years. The size of our cash reserves is among the fundamental underpinning of the City's bond rating. Coupled with a diverse revenue stream and a strong history of sound financial management, the City is well poised to maintain current operations in the face of the economic conditions forced upon it.

Cash Management Policies and Practices

Cash temporarily idle during the year was invested in certificates of deposit, obligations of the U.S. Treasury, and Bankers Acceptances. The maturities of investments range from 2 days to 5 years, with the average maturity being approximately eight months. The average yield on investments was .6 percent. The Governmental funds earned interest revenue of \$235,966 and Enterprise funds earned \$443,539 on investments (Excluding capital lease interest income of \$2,762,189 in the FAA Projects) for the year ended June 30, 2004.

The City's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, the majority of deposits were either insured by the federal depository insurance or collateralized. Balances of \$104,876,152 were classified in the category of lowest credit risk as defined by the Governmental Accounting Standards Board. The City believes that it is in compliance with all state and local laws concerning collateral for deposits of public funds.

Risk Management

The City has a limited risk management program for workers' compensation. As part of this comprehensive plan, resources are accumulated in the general fund to meet potential losses. In addition, various control techniques, including employee accident prevention training, have been implemented to minimize work-related losses. The City employs a claims administrator to review all claims. Third party coverage is currently maintained for individual workers' compensation claims in excess of \$225,000 and all other potential losses.

Awards

The City intends to submit this report to the Government Finance Officers Association (GFOA) for its consideration for awarding the Certificate of Achievement for Excellence in

City of College Park, Georgia
Transmittal Letter – continued

Financial Reporting. We believe that the report meets the Certificate of Achievement Program's requirements for the highest standards in government accounting and financial reporting. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

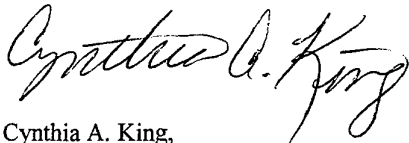
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of College Park for its comprehensive annual financial report for the fiscal year ended June 30, 2003. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

A Certificate of Achievement is valid for a period of one year only. The City of College Park has been awarded the Certificate of Achievement for every submission of its CAFR it has made for the past eight consecutive years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and are submitting it to the GFOA.

Acknowledgements.

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

Sincerely,



Cynthia A. King,
Interim City Manager

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of College Park,
Georgia

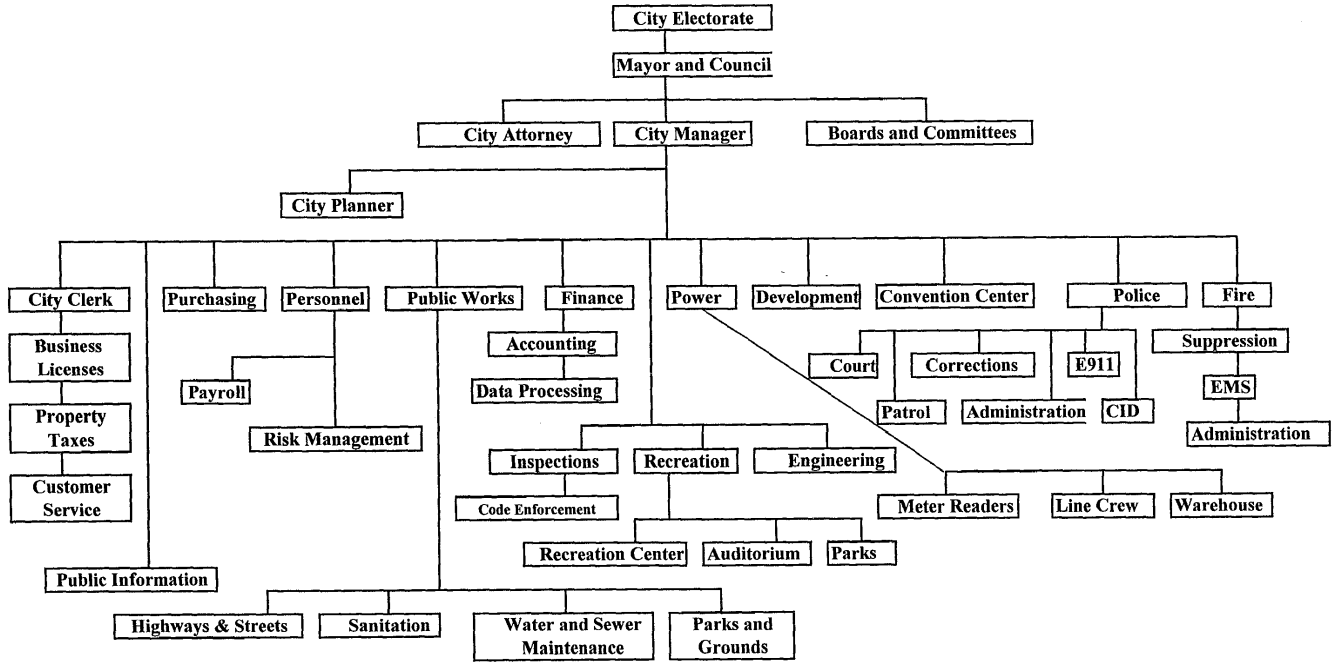
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2003

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



President

Executive Director



City of College Park

General Government

June 30, 2004

Legislative Branch

Jack P. Longino	Mayor
Russell L. Slider	Councilman
Charles E. Phillips	Councilman
Cynthia Jones	Councilperson
Tracey Wyatt	Councilman

Management Staff

J. Scott Miller	City Manager
Cynthia A. King	Director of Finance
Brian Wilson	Interim Fire Chief
Hugh Austin	Director of Convention Center
Ron Gremore	Director of Personnel
Charles Brewer	Director of Public Works
James Smith	Director of Electrical
Zenzi Whitsett	Public Information Officer
Al Lane	Acting Business Development Director
William Moore	City Engineer
Lakeitha Reeves	City Clerk
Oscar Hudson	Chief Building Inspector
Eric Stipe	Director of Recreation
Gary Yandura	Police Chief
Steve Fincher	City Attorney

Board of the College Park Business and Industrial Development Authority

John H. Allen	Chairman
Walter Bellamy	Vice Chairman
Rhonda Brown	Secretary/Treasurer
Jim Gable	Boardmember
Jeff Green	Boardmember
Jane Randolph	Boardmember
Jack P. Longino	Mayor of the City

FINANCIAL SECTION

Report of Independent Certified Public Accountants

Honorable Mayor and
Members of City Council
City of College Park, Georgia

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of College Park, Georgia, as of and for the year ended June 30, 2004, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of College Park, Georgia, as of June 30, 2004, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 8, 2004 on our consideration of the City's internal control over financial reporting and 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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Grant Thornton LLP
US Member of Grant Thornton International

The accompanying management's discussion and analysis on pages 13 to 21 and budgetary comparison information on pages 60 to 72 are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of College Park, Georgia's basic financial statements. The accompanying supplemental information on pages 74 to 91, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. These combining financial statements, budgetary schedules and capital assets schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections, as listed in the table of contents, have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Grant Thornton LLP

Atlanta, Georgia
October 8, 2004

City of College Park, Georgia
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2004

As management of the City of College Park, Georgia, (The City) we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2004. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

Financial Highlights

- The government-wide assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$157,705,669 (*net assets*). This is a decrease of \$153,923 from the prior year. Of this amount, \$42,692,137 (*unrestricted net assets*) may be used to meet the City's ongoing obligations to citizens and creditors. This is a decrease of \$2,688,761 from the prior year.
- The total cost of all City's programs was \$78,863,728 compared to \$75,201,477 million in the prior year. The largest part of this increase is due to a full year of depreciation on the convention center which was placed in service in April of 2003. The prior year reflected only three months of depreciation. All other costs were comparable to the prior year.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$29,924,140 an increase of \$130,091 in comparison with the prior year. Of this amount, \$20,777,917 remains unreserved.
- At the end of the current fiscal year, unreserved fund balance for the general fund was \$20,259,176 or 102 percent of total general fund expenditures, which represents a 3% decrease from the prior year. However, this percentage still represents a very strong financial position.
- The City's total debt including capital leases is \$117,006,479. This is a decrease from \$119,636,954 reported in the prior year. The decrease is from scheduled principal payments on debt.

Overview of the Financial Statements

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

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

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

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as

City of College Park, Georgia
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2004

soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, highways and streets, sanitation, economic development, and culture and recreation. The business-type activities of the City include water and sewer, electric, convention center operations and building rental operations.

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

The City maintains nine individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the hospitality fund, and the car rental fund, all of which are considered to be major funds. Data from the other six governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report. Exhibits 1 and 2 on pages 22 and 23 present revenues by source for the governmental fund category.

The City adopts an annual appropriated budget for its major governmental funds as well as several of the non-major governmental funds. Budgetary comparison statements have been

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provided for the governmental funds to demonstrate compliance with this budget. Exhibit 3 presents a comparison of budgeted to actual expenses.

Proprietary funds. The City's *Enterprise funds* are considered proprietary funds and are used to report the same functions presented as *business-type activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and sewer, electric, convention center, building rental and development operations.

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.

Statistical section. In addition to the basic financial statements and accompanying notes, this report also presents various supplementary and statistical information such as 10 year presentation of revenues, expenditures and tax rates.

Government-wide Financial Analysis

The City's combined net assets decreased slightly from \$157,859,592 in 2003 to \$157,705,669 in 2004. Our analysis below focuses on the net assets (Table 1) and changes in net assets

Table 1
Net Assets

	Governmental Activities		Business-type Activities		Total Primary Government	
	2003	2004	2003	2004	2003	2004
Current and other assets	\$ 22,147,458	\$ 28,799,268	\$ 27,744,141	\$ 23,151,073	\$ 49,891,599	\$ 51,950,341
Capital assets	26,814,753	31,948,620	146,788,068	149,013,250	173,602,821	180,961,870
Other noncurrent assets	11,173,590	2,797,171	90,791,193	86,745,251	101,964,783	89,542,422
Total assets	60,135,801	63,545,059	265,323,402	258,909,574	325,459,203	322,454,633
Current liabilities	977,511	1,588,825	17,726,118	16,820,607	18,703,629	18,409,432
Long term liabilities	1,023,609	1,069,863	147,872,373	145,269,669	148,895,982	146,339,532
Total liabilities	2,001,120	2,658,688	165,598,491	162,090,276	167,599,611	164,748,964
Net assets:						
Invested in capital assets net of debt	26,749,908	31,874,091	68,887,977	69,511,379	95,637,885	101,385,470
Restricted	8,699,111	6,028,332	8,141,698	7,599,730	16,840,809	13,628,062
Unrestricted	22,685,662	22,983,948	22,695,236	19,708,189	45,380,898	42,692,137
Total net assets	\$ 58,134,681	\$ 60,886,371	\$ 99,724,911	\$ 96,819,298	\$ 157,859,592	\$ 157,705,669

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A significant portion of the city's net assets reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding and less accumulated depreciation (net capital assets). The net capital assets of the City equals 65 percent of total net assets. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending.

College Park's net assets also include \$6,028,332 in net assets restricted for public safety and recreation activities, \$7,599,730 restricted for capital outlay and \$42,692,137 in unrestricted net assets. Unrestricted net assets have decreased \$2,688,761 from the prior year, primarily as a result of a full years operation of the convention center which had a net loss of (\$4,272,457) in 2004 compared to net income of \$1,487,178 in 2003. Contributing to this loss was a full year of depreciation on the convention center in 2004 compared with only three months worth in 2003 as well as the recognition of \$2,196,846 in deferred gain on sale of the old convention center in 2003.

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

Unrestricted cash and investments are \$43,852,746 or 85% of current assets.

Table 2 on the next page compares changes in net assets for 2003 and 2004.

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Table 2
Changes in net assets

	Governmental Activities		Business-type Activities		Total Primary Government	
	2003	2004	2003	2004	2003	2004
Revenues:						
Charges for services	\$ 4,447,280	\$ 4,835,614	\$ 48,677,581	\$ 47,326,952	\$ 53,124,861	\$ 52,162,566
Operating grants and Contributions	619,585	519,050	-	-	619,585	519,050
Capital grants and Contributions	679,861	1,036,168	-	-	679,861	1,036,168
General revenues:						
Property taxes	8,553,802	8,608,458	-	-	8,553,802	8,608,458
Car rental taxes	2,083,252	2,198,593	-	-	2,083,252	2,198,593
Hotel/Motel taxes	4,085,081	4,081,692	-	-	4,085,081	4,081,692
Sales taxes	4,564,778	4,435,632	-	-	4,564,778	4,435,632
Franchise taxes	780,376	592,682	-	-	780,376	592,682
Insurance taxes	812,341	875,511	-	-	812,341	875,511
Other taxes	675,680	699,850	-	-	675,680	699,850
Interest income	282,052	235,966	3,480,969	3,205,728	3,763,021	3,441,694
Misc income	93,889	57,909	-	-	93,889	57,909
Total revenues	<u>27,677,977</u>	<u>28,177,125</u>	<u>52,158,550</u>	<u>50,532,680</u>	<u>79,836,527</u>	<u>78,709,805</u>
Expenses:						
General government	2,602,046	2,898,070	-	-	2,602,046	2,898,070
Police	8,363,383	8,645,693	-	-	8,363,383	8,645,693
Fire	4,852,940	4,484,225	-	-	4,852,940	4,484,225
Recreation	1,466,363	1,573,090	-	-	1,466,363	1,573,090
Inspection	230,259	223,695	-	-	230,259	223,695
Engineering	226,762	212,123	-	-	226,762	212,123
Building and grounds	978,381	1,126,540	-	-	978,381	1,126,540
Parks	188,595	246,181	-	-	188,595	246,181
Highway and streets	1,557,963	1,581,839	-	-	1,557,963	1,581,839
Non departments	989,704	738,979	-	-	989,704	738,979
Electric	-	-	30,993,298	31,294,950	30,993,298	31,294,950
Water and sewer	-	-	5,258,626	4,960,892	5,258,626	4,960,892
Sanitation	-	-	2,314,777	2,141,348	2,314,777	2,141,348
Convention center	-	-	11,092,172	14,506,669	11,092,172	14,506,669
FAA projects	-	-	3,577,642	3,844,100	3,577,642	3,844,100
Redevelopment	-	-	508,566	385,334	508,566	385,334
Total expenses	<u>21,456,396</u>	<u>21,730,435</u>	<u>53,745,081</u>	<u>57,133,293</u>	<u>75,201,477</u>	<u>78,863,728</u>
Increase in net assets before transfers	6,221,581	6,446,690	(1,586,531)	(6,600,613)	4,635,050	(153,923)
Transfers	(4,686,200)	(3,695,000)	4,686,200	3,695,000	-	-
Increase in net assets	1,535,381	2,751,690	3,099,669	(2,905,613)	4,635,050	(153,923)
Net assets beginning of year	56,599,300	58,134,681	96,625,242	99,724,911	153,224,542	157,859,592
Net assets end of year	<u>\$ 58,134,681</u>	<u>\$ 60,886,371</u>	<u>\$ 99,724,911</u>	<u>\$ 96,819,298</u>	<u>\$ 157,859,592</u>	<u>\$ 157,705,669</u>

Governmental activities. Net assets for governmental activities contributed \$2,751,690 to net assets in 2004 compared to a contribution of \$1,535,111 in the prior year. A significant portion of the increase was due to a \$623,000 increase in police fines and forfeitures in 2004 compared to the prior year.

In addition, transfers from the governmental funds to the business type funds decreased from \$4,686,200 in 2003 to \$3,695,000 in 2004. The major transfers from governmental funds are related to transfers from the Hospitality Fund to the Convention Center Fund to cover operating losses in the Convention Center Fund

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Business-type activities. The City's net assets for business-type activities decreased (\$2,905,613) in 2004 compared to a \$3,099,669 increase in the prior year. In the prior year the City recognized \$2,196,846 in deferred gain on sale of the old convention center to the City of Atlanta as well as a \$1,597,611 gain on the sale of land owned by the Water and Sewer Fund related to airport construction.

Convention Center expenses increased from \$11,092,172 in 2003 to \$14,506,669 in 2004. Depreciation for the Convention Center increased \$1,560,714 as a result of a full year of operations in 2004 compared to only three months in 2003. In addition, \$3,416,226 of interest on debt was capitalized in 2003 as part of the building construction. All interest on bonds in 2004 was charged to expense.

Financial Analysis of the Government's Funds

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

Governmental funds. The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The general fund is the chief operating fund of the City. At the end of the current fiscal year, unreserved fund balance of the general fund was \$20,259,176, while total fund balance reached \$20,892,492. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 102 percent of total general fund expenditures, while total fund balance represents 106 percent of that same amount.

The fund balance of the City's general fund increased by \$499,281 during the current fiscal year as a result of an improving economic climate. The increase represents a 2.4% increase in fund balance over the prior year.

The City's other major governmental funds are the Hospitality Fund and the Car Rental Fund. The Hospitality Fund derives its revenues from Hotel/Motel taxes and a special district tax levied on hotels and motels. Revenues for the year were \$5,555,534 which is a slight increase from the prior year. The majority of these funds (\$4,495,000) are used to support the operations of the Georgia International Convention Center. The remainder are used to support General Fund operations. The Car Rental Fund derives its revenues from taxes levied on car rental operations at Hartsfield-Jackson International Airport. Car rental taxes increased \$115,342 to \$2,198,594 as a result of a pickup in travel related activities at the airport. Car rental funds are restricted for capital projects for public safety and recreation. During 2004 construction of a new public safety complex began as well as upgrades to recreational facilities. Capital outlay in this fund for 2004 was \$4,918,955. Of this amount \$2,957,561 was spent toward construction of the new public safety complex with the remainder going toward recreation projects. The City has a number of nonmajor

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governmental funds. The activities of these funds are reflected on pages 73 to 74 of the Comprehensive Annual Financial Report. The most significant of the nonmajor funds is the Grants Fund which is used to account for the activities of Federal and State grant awards. During 2004, the City received \$1,390,170 in State and Federal Grants. The most significant grant received during the year was a Hazard Mitigation grant of \$566,974 received from the Federal Emergency Management Administration and is being used to improve stormwater infrastructure. The City has also received \$382,560 from the United States Department of Transportation which is being used to improve pedestrian infrastructure. The remainder of grants received primarily relate to supplemental funding for public safety related activities such as additional police salaries. Table 3 below compares total revenues, expenditures and changes in fund balance for all governmental funds.

**Table 3
Governmental Revenues, Expenditures and Changes in Fund Balances**

	Governmental Activities	
	2003	2004
Revenues:		
Taxes	21,501,149	21,541,462
Licenses and permits	2,042,086	1,928,150
Intergovernmental revenues	1,261,593	1,487,231
Fines and forfeitures	1,721,740	2,361,833
Charges for services	605,241	568,947
Interest income	274,052	236,304
Proceeds from sale of assets	-	215,589
Proceeds from capital lease	-	42,168
Other	209,951	106,065
Total revenues	<u>27,615,812</u>	<u>28,487,749</u>
Expenses:		
General government	2,551,537	2,859,472
Police	8,143,564	8,362,787
Fire	4,727,779	4,271,020
Recreation	1,419,092	1,516,223
Inspection	228,001	218,167
Engineering	224,538	210,637
Building and grounds	972,429	1,111,071
Parks	178,009	183,925
Highway and streets	888,351	903,721
Contractual	809,704	738,979
Capital outlay	1,889,505	6,771,231
Total expenditures	<u>22,032,509</u>	<u>27,147,233</u>
Excess of revenues over expenditures before transfers	5,583,303	1,340,516
Transfers in	1,702,443	1,958,296
Transfers out	<u>(6,388,643)</u>	<u>(5,653,296)</u>
Excess of revenues over expenditures	897,103	(2,354,484)
Fund balance, beginning of year	28,896,946	29,794,049
Fund balance, end of year	<u>\$ 29,794,049</u>	<u>\$ 27,439,565</u>

Total governmental revenues increased by \$871,937 from 2003 to 2004. The most significant factor is an increase in fines and forfeitures of \$640,093 due to additional patrol officers funded by State and Federal grants. In addition, a sale of land was made resulting in \$215,589 of proceeds from sale of assets. Total governmental expenditures increased \$5,114,727 as a result of significant capital outlays, primarily for the construction of a public

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safety complex and additional park facilities.

General Fund Budgetary Highlights

A schedule of General Fund Revenues Expenditures and Changes in Fund Balance, Budget and Actual can be found on page 60. Expenditures over revenues for the General Fund were \$499,942 better than had been budgeted. Components of this variance are described below:

- Tax revenues are \$783,041 worse than budgeted. A major airline was successful in appealing an increase in their property tax assessment.
- Fines and forfeitures are \$893,848 better than budgeted. Additions patrol officers were funded by State and Federal grants.
- Interest income is \$228,660 worse than budgeted. Interest rates were much lower than had been anticipated due to national economic conditions.
- Gain on sale of assets was \$141,604 better than budgeted. An unanticipated sale of property resulted in this variance.
- Expenditures for fire services were \$522,762 better than budgeted due to staff vacancies.

Procedures have been implemented to prevent Departmental expenditures in excess of Council approval. During the year, however, revenues exceeded budgetary estimates and expenditures were less than budgetary estimates, thus eliminating the need to draw upon existing fund balance.

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business type activities as of June 30, 2004, amounts to \$180,961,870 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system, improvements, machinery and equipment, park facilities, roads, highways, and bridges.

Table 4
Capital Assets net of depreciation

	Governmental Activities		Business-type Activities		Total Primary Government	
	2003	2004	2003	2004	2003	2004
Land	\$ 1,682,387	\$ 1,522,388	\$ 26,917,693	\$ 28,776,957	\$ 28,600,080	\$ 30,299,345
Construction in progress	347,737	4,636,998	-	-	347,737	4,636,998
Building and improvements	7,087,359	8,790,265	87,642,079	87,845,840	94,729,438	96,636,105
Autos and trucks	1,076,935	900,170	512,015	581,300	1,588,950	1,481,470
Other equipment	566,227	535,856	10,543,421	10,265,543	11,109,648	10,801,399
Infrastructure	16,054,108	15,562,943	21,172,860	21,543,610	37,226,968	37,106,553
Total	\$ 26,814,753	\$ 31,948,620	\$ 146,788,068	\$ 149,013,250	\$ 173,602,821	\$ 180,961,870

Construction in progress has increased \$4,289,261 over the prior year primarily as a result of construction activities on a public safety complex and park improvements. The Water and Sewer fund purchased \$1,402,301 of land and the Redevelopment fund purchased \$456,963 of land.

Long-term debt. Bond debt decreased from \$113,468,837 in 2003 to \$110,856,453 in 2004

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as a result of scheduled principal repayments.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the City in June 2003 was 6.6 percent, which is a decrease from a rate of 7.8% percent a year ago. This compares to the state's average unemployment rate of 4.2%. This unfavorable comparison is due in large part to the number of businesses that provide support services for the air transportation and related industry which continues to lag the overall national economy.
- Travel related revenues such as hotel motel taxes and car rental taxes are expected to increase as the travel industry and national economy improve.
- Inflationary trends in the region compare favorably to national indices.

These factors were considered in preparing the City's budget for the 2005 fiscal year. The Water and Sewer Department's rates are budgeted to increase 10% in anticipation of increased costs from providers. Tax rates, electric rates, sanitation rates and other fees based are based on current rates and are not projected to increase.

Requests for Information

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

Exhibit 1: Governmental Revenue Sources for Fiscal Year 2004

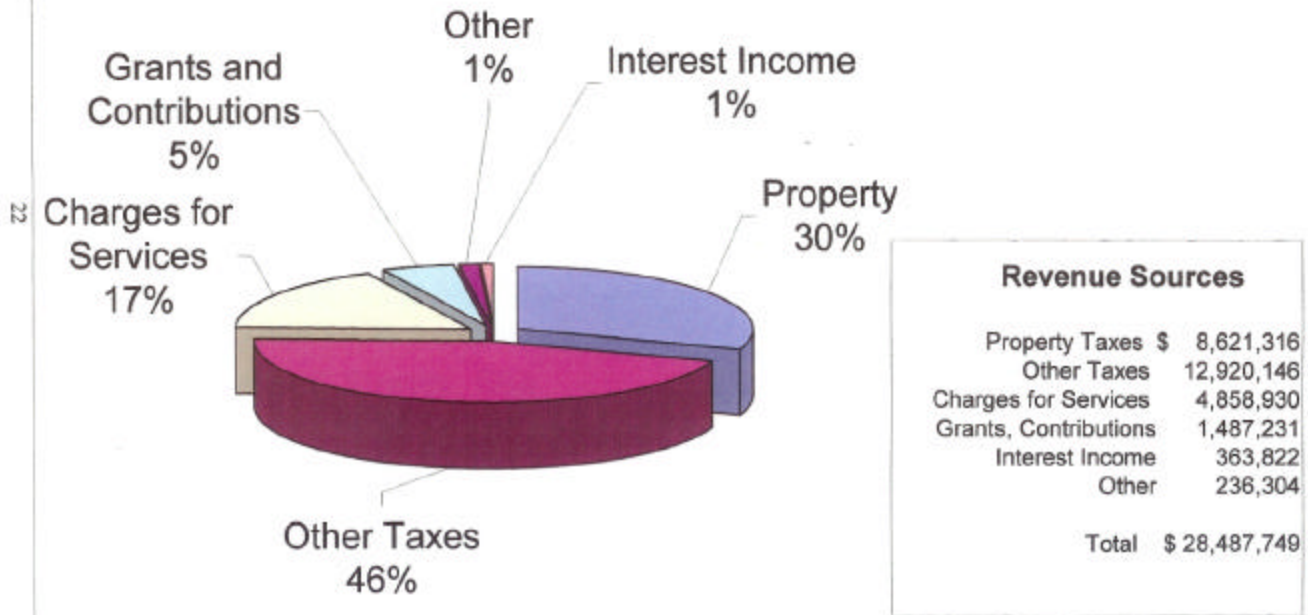


Exhibit 2: General Governmental Tax Revenue Sources for Fiscal Year 2004

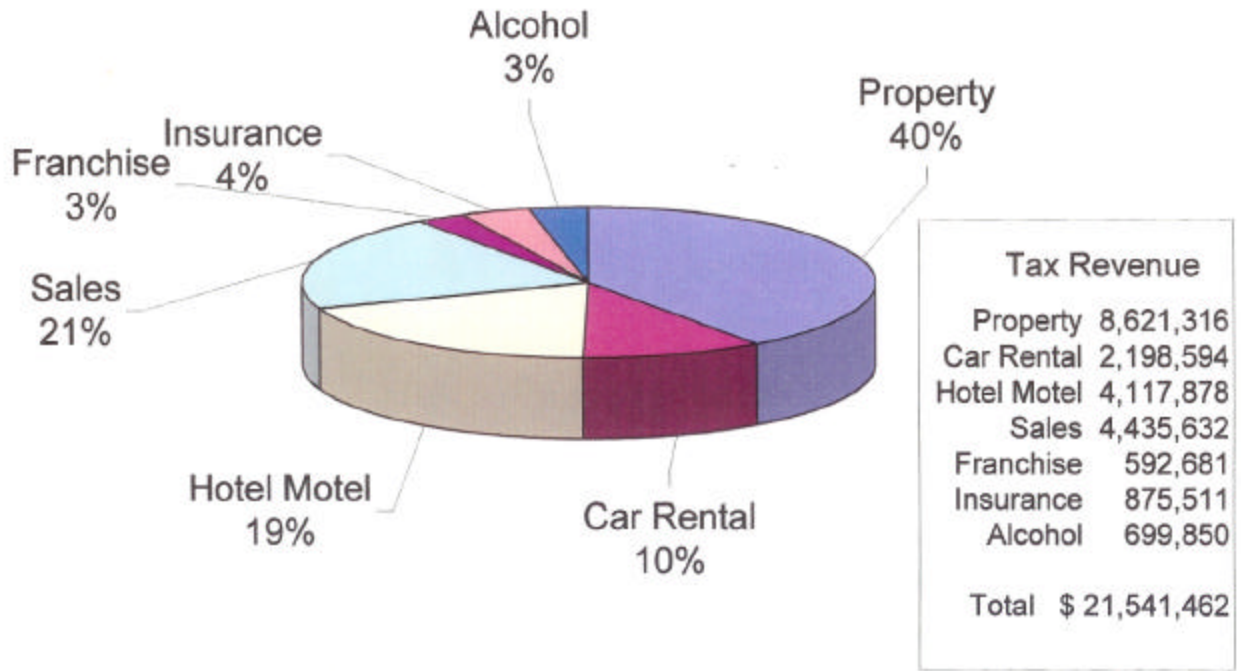
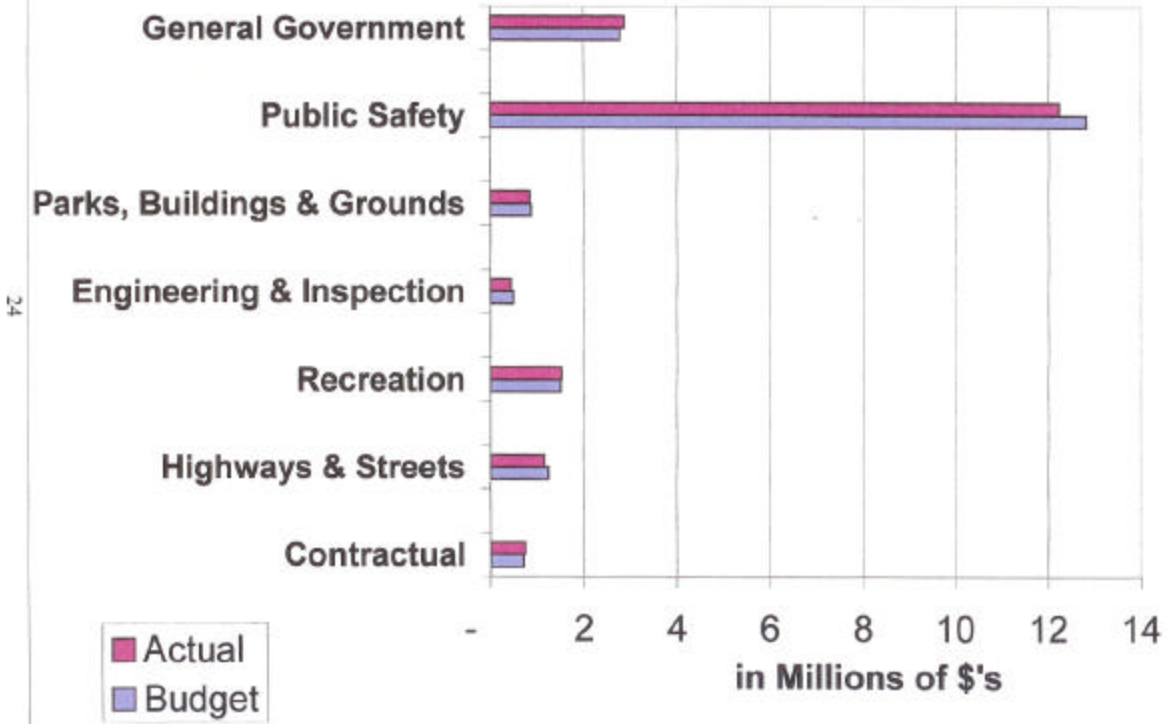


Exhibit 3: General Fund Budget to Actual





BASIC FINANCIAL STATEMENTS

City of College Park, Georgia
Statement of Net Assets
June 30, 2004

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Assets			
Current assets			
Cash and cash equivalents	\$ 3,820,267	\$ 3,412,392	\$ 7,232,659
Investments	9,890,537	20,943,084	30,833,621
Receivables	2,444,807	4,874,448	7,319,255
Internal balances	6,138,949	(6,138,949)	-
Inventory	92,576	-	92,576
Investment in lease	-	1,503,841	1,503,841
Prepaid items	633,316	60,098	693,414
Total current assets	<u>23,020,452</u>	<u>24,654,914</u>	<u>47,675,366</u>
Noncurrent assets			
Cash restricted	559,510	134,956	694,466
Investments restricted	5,470,770	60,644,636	66,115,406
Net capital assets	31,948,620	149,013,250	180,961,870
Investment in long term lease	-	22,229,308	22,229,308
Net pension asset	2,439,409	-	2,439,409
Other assets	106,298	2,232,510	2,338,808
Total noncurrent assets	<u>40,524,607</u>	<u>234,254,660</u>	<u>274,779,267</u>
Total Assets	<u>63,545,059</u>	<u>258,909,574</u>	<u>322,454,633</u>
Liabilities			
Current liabilities			
Accounts payable	1,136,408	6,249,898	7,386,306
Accrued liabilities	424,642	988,132	1,412,774
Accrued interest on bonds	-	3,993,600	3,993,600
Deposits	-	1,723,977	1,723,977
Current portion of capital leases	27,775	-	27,775
Revenue bonds payable within one year	-	3,865,000	3,865,000
Total current liabilities	<u>1,588,825</u>	<u>16,820,607</u>	<u>18,409,432</u>
Noncurrent liabilities			
Deferred revenue	-	32,174,944	32,174,944
Notes payable	-	6,103,272	6,103,272
Capital leases payable	46,754	-	46,754
Revenue bonds payable	-	106,991,453	106,991,453
Long term portion of compensated absences	843,109	-	843,109
Other long term liabilities	180,000	-	180,000
Total noncurrent liabilities	<u>1,069,863</u>	<u>145,269,669</u>	<u>146,339,532</u>
Total liabilities	<u>2,658,688</u>	<u>162,090,276</u>	<u>164,748,964</u>
Net Assets			
Invested in capital assets, net of related debt	31,874,091	69,511,379	101,385,470
Restricted for recreation and public safety	6,028,332	-	6,028,332
Restricted for capital outlay	-	7,599,730	7,599,730
Unrestricted	<u>22,983,948</u>	<u>19,708,189</u>	<u>42,692,137</u>
Total net assets	<u>\$ 60,886,371</u>	<u>\$ 96,819,298</u>	<u>\$ 157,705,669</u>

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

City of College Park, Georgia
Statement of Activities
Year Ended June 30, 2004

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
Governmental activities:							
General government	\$ 2,898,070	\$ 1,924,737	\$ -	\$ -	\$ (973,333)	\$ -	\$ (973,333)
Police	8,645,693	2,293,847	519,050	47,843	(5,784,953)	-	(5,784,953)
Fire	4,484,225	300,945	-	-	(4,183,280)	-	(4,183,280)
Recreation	1,573,090	316,085	-	-	(1,257,005)	-	(1,257,005)
Inspection	223,695	-	-	-	(223,695)	-	(223,695)
Engineering	212,123	-	-	-	(212,123)	-	(212,123)
Building and grounds	1,126,540	-	-	421,351	(705,189)	-	(705,189)
Parks	246,181	-	-	-	(246,181)	-	(246,181)
Highways and streets	1,581,839	-	-	566,974	(1,014,865)	-	(1,014,865)
Non departmental	738,979	-	-	-	(738,979)	-	(738,979)
Total Governmental Activities	21,730,435	4,835,614	519,050	1,036,168	(15,339,603)	-	(15,339,603)
Business-type activities:							
Electric	31,294,950	33,039,437	-	-	-	1,744,487	1,744,487
Water and sewer	4,960,892	5,198,956	-	-	-	238,064	238,064
Sanitation	2,141,348	2,317,023	-	-	-	175,675	175,675
Convention Center	14,506,669	5,654,618	-	-	-	(8,852,051)	(8,852,051)
FAA Projects	3,844,100	1,072,797	-	-	-	(2,771,303)	(2,771,303)
Redevelopment	385,334	44,121	-	-	-	(341,213)	(341,213)
Total Business-type Activities	57,133,293	47,326,952	-	-	-	(9,806,341)	(9,806,341)
Total Primary Government	\$ 78,863,728	\$ 52,162,566	\$ 519,050	\$ 1,036,168	(15,339,603)	(9,806,341)	(25,145,944)
General revenues:							
Taxes:							
Property taxes					8,608,458	-	8,608,458
Car Rental Taxes					2,198,593	-	2,198,593
Hotel/Motel taxes					4,081,692	-	4,081,692
Liquor taxes					699,850	-	699,850
Sales taxes					4,435,632	-	4,435,632
Franchise taxes					592,682	-	592,682
Insurance taxes					875,511	-	875,511
Interest income					235,966	3,205,728	3,441,694
Miscellaneous income					57,909	-	57,909
Transfers					(3,695,000)	3,695,000	-
Total general revenues					18,091,293	6,900,728	24,992,021
Change in net assets					2,751,690	(2,905,613)	(153,923)
Net assets beginning					58,134,681	99,724,911	157,859,592
Net assets ending					\$ 60,886,371	\$ 96,819,298	\$ 157,705,669

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

City of College Park, Georgia
Balance Sheet
Governmental Funds
June 30, 2004

	Major Governmental Funds			Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Hospitality Fund	Car Rental Fund		
Assets:					
Cash and cash equivalents	\$ 3,281,554	\$ 21,371	\$ -	\$ 517,342	\$ 3,820,267
Investments	9,890,537	-	-	-	9,890,537
Receivables	1,236,931	467,766	-	740,110	2,444,807
Inventory	92,576	-	-	-	92,576
Due from other funds	7,007,357	-	-	5,000	7,012,357
Prepaid items	633,316	-	-	-	633,316
Cash - restricted	-	-	308,046	251,464	559,510
Investments - restricted	-	-	5,470,770	-	5,470,770
Total Assets	\$ 22,142,271	\$ 489,137	\$ 5,778,816	\$ 1,513,916	\$ 29,924,140
Liabilities					
Accounts payable	\$ 775,028	\$ 11,471	\$ 19,680	\$ 330,229	\$ 1,136,408
Accrued liabilities	416,941	-	-	7,701	424,642
Due to other funds	28,779	-	5,000	839,629	873,408
Deferred revenue	29,031	21,086	-	-	50,117
Total liabilities	1,249,779	32,557	24,680	1,177,559	2,484,575
Fund balances					
Reserved for:					
Prepaid items	633,316	-	-	-	633,316
Public safety and recreation	-	-	5,754,136	274,196	6,028,332
Unreserved, Reported In:					
General Fund	20,259,176	-	-	-	20,259,176
Special Revenue Funds	-	456,580	-	(54,035)	402,545
Capital Projects Fund	-	-	-	116,196	116,196
Total Fund Balances	20,892,492	456,580	5,754,136	336,357	27,439,565
Total Liabilities and Fund Balance	\$ 22,142,271	\$ 489,137	\$ 5,778,816	\$ 1,513,916	\$ 29,924,140

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

City of College Park, Georgia
 Reconciliation of Total Governmental Fund Balance
 to Net Assets of Governmental Activities
 June 30, 2004

Total governmental fund balances	\$	27,439,565
<i>Amounts reported for governmental activities in the statement of net assets are different because:</i>		
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds		31,948,620
Prepaid pension costs are not financial resources and therefore not reported in the funds		2,439,409
Investment in joint venture is not a financial resource and is therefore not reported in the funds		106,298
Taxes receivable are not available to pay for current-period expenditures and, therefore, are deferred in the funds		50,117
The long term portion of compensated absences are not due and payable in the current period and therefore are not reported in the funds		(843,109)
Capital lease liabilities are not due and payable in the current period and therefore are not reported in the funds		(74,529)
Damage claims not expected to be paid within one year are not reported in the funds		(180,000)
Net assets of governmental activities	\$	60,886,371

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

City of College Park, Georgia
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2004

	Major Governmental Funds			Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Hospitality Fund	Car Rental Fund		
Revenues:					
Taxes	\$ 13,787,334	\$ 5,555,534	\$ 2,198,594	\$ -	\$ 21,541,462
Licenses and permits	1,928,150	-	-	-	1,928,150
Intergovernmental revenues	96,840	-	-	1,390,391	1,487,231
Fines and forfeitures	2,293,848	-	-	67,985	2,361,833
Charges for services	268,049	-	-	300,898	568,947
Interest income	121,340	-	114,128	836	236,304
Gain on sale of assets	166,604	-	-	48,985	215,589
Proceeds from capital lease	42,168	-	-	-	42,168
Other	85,761	-	16,904	3,400	106,065
Total revenue	<u>18,790,094</u>	<u>5,555,534</u>	<u>2,329,626</u>	<u>1,812,495</u>	<u>28,487,749</u>
Expenditures					
Current operations					
General government	2,859,472	-	-	-	2,859,472
Police	7,783,371	-	-	23,136	7,806,507
Fire	4,271,020	-	-	556,280	4,827,300
Recreation	1,516,223	-	-	-	1,516,223
Inspection	218,167	-	-	-	218,167
Engineering	210,637	-	-	-	210,637
Building and grounds	632,850	-	118,451	359,770	1,111,071
Parks	183,925	-	-	-	183,925
Highway and streets	903,721	-	-	-	903,721
Contractual	738,979	-	-	-	738,979
Capital outlay	464,152	-	4,918,955	1,388,124	6,771,231
Total expenditures	<u>19,782,517</u>	<u>-</u>	<u>5,037,406</u>	<u>2,327,310</u>	<u>27,147,233</u>
Excess revenues over (under) expenditures	(992,423)	5,555,534	(2,707,780)	(514,815)	1,340,516
Other financing sources (uses)					
Transfers in	1,725,000	-	-	233,296	1,958,296
Transfers out	(233,296)	(5,420,000)	-	-	(5,653,296)
Total other financing sources (uses)	<u>1,491,704</u>	<u>(5,420,000)</u>	<u>-</u>	<u>233,296</u>	<u>(3,695,000)</u>
Excess of revenues and other sources over expenditures and other uses	499,281	135,534	(2,707,780)	(281,519)	(2,354,484)
Fund balance, beginning of year	20,393,211	321,046	8,461,916	617,876	29,794,049
Fund balance, end of year	<u>\$ 20,892,492</u>	<u>\$ 456,580</u>	<u>\$ 5,754,136</u>	<u>\$ 336,357</u>	<u>\$ 27,439,565</u>

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

City of College Park, Georgia
 Reconciliation of the Statement of Revenues, Expenditures
 and Changes in Fund Balances of Governmental Funds
 to the Statement of Activities
 For the Year Ended June 30, 2004

Net Change in Fund Balances - Total Governmental Funds	\$	(2,354,484)
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
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 as depreciation expense. This is the amount by which capital outlay exceeded depreciation and disposals in the current period		5,133,865
Advance payment of pension costs are not considered available and are therefore not reported as an asset in the governmental funds.		95,792
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenue in the funds.		(49,455)
Payment of capital leases is an expenditure in the governmental funds, but the payment reduces a long term liability in the Statement of Net Assets.		32,484
Proceeds received from lenders for acquisition of equipment under capital leases is reported as revenue in the governmental funds, but the receipt of the funds creates a long term liability in the Statement of Net Assets		(42,168)
Some expenses reported in the Statement of Activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		(64,344)
Change in Net Assets of Governmental Activities	\$	2,751,690

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

City of College Park, Georgia
Statement of Net Assets
Proprietary Funds
June 30, 2004

ASSETS	Major Enterprise Funds				Nonmajor	Total
	Electric Fund	Water and Sewer Fund	Convention Center Fund	FAA Project Fund	Enterprise Funds	
Current assets						
Cash and cash equivalents	\$ 1,186,454	\$ 957,069	\$ 138,475	\$ 598,811	\$ 531,583	\$ 3,412,392
Investments	16,463,972	4,280,010	-	-	199,102	20,943,084
Investment in lease, current portion	-	-	-	1,503,841	-	1,503,841
Receivables						
Utility charges (net of allowance for uncollectible accounts of \$1,682,181)	2,448,765	457,877	-	-	245,478	3,152,120
Other receivables	498,809	8,579	195,809	-	1,019,131	1,722,328
Due from other funds	500,000	16,731	1,021,577	-	937,014	2,475,322
Prepaid expenses	8,868	10,994	31,491	-	8,745	60,098
Cash and cash equivalents - restricted	134,956	-	-	-	-	134,956
Investments - restricted	33,149,988	-	12,472,625	3,280,355	11,741,668	60,644,636
Total current assets	<u>54,391,812</u>	<u>5,731,260</u>	<u>13,859,977</u>	<u>5,383,007</u>	<u>14,682,721</u>	<u>94,048,777</u>
Noncurrent assets						
Net capital assets	6,441,274	17,343,478	110,719,475	2,445,464	12,063,559	149,013,250
Investment in long term lease	-	-	-	22,229,308	-	22,229,308
Other assets	-	-	1,963,375	269,135	-	2,232,510
Total noncurrent assets	<u>6,441,274</u>	<u>17,343,478</u>	<u>112,682,850</u>	<u>24,943,907</u>	<u>12,063,559</u>	<u>173,475,068</u>
Total assets	<u>60,833,086</u>	<u>23,074,738</u>	<u>126,542,827</u>	<u>30,326,914</u>	<u>26,746,280</u>	<u>267,523,845</u>

Continued on next page

City of College Park, Georgia
Statement of Net Assets
Proprietary Funds
June 30, 2004

	Major Enterprise Funds				Nonmajor Enterprise Funds	Total
	Electric Fund	Water and Sewer Fund	Convention Center Fund	FAA Project Fund		
LIABILITIES						
Current liabilities payable from nonrestricted assets						
Accounts payable	\$ 1,361,617	\$ 4,461,497	\$ 390,175	\$ -	\$ 36,609	\$ 6,249,898
Accrued liabilities	768,312	36,038	113,642	-	70,140	988,132
Deposits	-	-	391,872	-	105,282	497,154
Due to other funds	1,822,756	-	1,668,481	-	5,123,034	8,614,271
Total current liabilities payable from non restricted current assets	3,952,685	4,497,535	2,564,170	-	5,335,065	16,349,455
Current liabilities payable from restricted assets						
Customer utility deposits	1,226,823	-	-	-	-	1,226,823
Accrued interest on bonds and notes	-	-	1,491,792	473,534	2,028,274	3,993,600
Revenue bonds payable within one year	-	-	1,970,000	1,895,000	-	3,865,000
Total current liabilities payable from restricted assets	1,226,823	-	3,461,792	2,368,534	2,028,274	9,085,423
Noncurrent liabilities						
Deferred revenue	32,174,944	-	-	-	-	32,174,944
Note payable - long-term	-	-	-	-	6,103,272	6,103,272
Revenue bonds payable after one year	-	-	81,515,000	25,476,453	-	106,991,453
Total noncurrent liabilities	32,174,944	-	81,515,000	25,476,453	6,103,272	145,269,669
Total liabilities	37,354,452	4,497,535	87,540,962	27,844,987	13,466,611	170,704,547
Net assets						
Invested in capital assets, net of related debt						
Restricted for capital outlay	6,441,274	17,343,478	39,707,100	2,087,514	3,932,013	69,511,379
Unrestricted	17,037,360	1,233,725	(705,235)	394,413	1,747,926	19,708,189
Total net assets	\$ 23,478,634	\$ 18,577,203	\$ 39,001,865	\$ 2,481,927	\$ 13,279,669	\$ 96,819,298

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

City of College Park, Georgia
Statement of Revenues, Expenses and Changes in Net Assets
Proprietary Funds
For the year ended June 30, 2004

	Major Enterprise Funds				Nonmajor Enterprise Funds	Total
	Electric Fund	Water and Sewer Fund	Convention Center Fund	FAA Project Fund		
Operating revenue						
Sales	\$ 32,169,814	\$ 5,194,210	\$ 2,876,608	\$ -	\$ 2,265,124	\$ 42,505,756
Rentals and commissions	-	-	2,775,566	2,185	-	2,777,751
Other	869,623	4,746	2,444	1,070,612	76,020	2,023,445
Total operating revenue	33,039,437	5,198,956	5,654,618	1,072,797	2,341,144	47,306,952
Operating expenses						
Cost of sales - purchases	28,365,481	2,893,170	2,292,138	-	428,130	33,978,919
Personal services	1,505,744	731,223	2,323,584	-	1,298,227	5,858,778
Depreciation and amortization	444,669	417,291	2,441,640	147,829	89,377	3,540,806
Other operating expenses	952,299	919,208	2,790,622	1,459,753	481,464	6,603,346
Total operating expenses	31,268,193	4,960,892	9,847,984	1,607,582	2,297,198	49,981,849
Net operating income (loss)	1,771,244	238,064	(4,193,366)	(534,785)	43,946	(2,674,897)
Non - operating revenue (expenses)						
Gain on sale of fixed assets	-	-	-	-	20,000	20,000
Amortization of deferred issuance cost	-	-	(175,293)	(297,751)	-	(473,044)
Interest income	158,892	106,154	84,594	2,781,180	74,908	3,205,728
Interest expense	(26,757)	-	(4,483,392)	(1,938,767)	(229,484)	(6,678,400)
Total non-operating revenue (expense)	132,135	106,154	(4,574,091)	544,662	(134,576)	(3,925,716)
Income (loss) before transfers	1,903,379	344,218	(8,767,457)	9,877	(90,630)	(6,600,613)
Transfers:						
Transfers in	-	-	4,495,000	-	-	4,495,000
Transfers out	(250,000)	(550,000)	-	-	-	(800,000)
Net Income (Loss)	1,653,379	(205,782)	(4,272,457)	9,877	(90,630)	(2,905,613)
Total net assets at beginning of year	21,825,255	18,782,985	43,274,322	2,472,050	13,370,299	99,724,911
Total net assets at end of year	\$ 23,478,634	\$ 18,577,203	\$ 39,001,865	\$ 2,481,927	\$ 13,279,669	\$ 96,819,298

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

City of College Park, Georgia
Statement of Cash Flows
All Proprietary Funds - Enterprise Funds
For the year ended June 30, 2004

	Major Enterprise Funds				Nonmajor Enterprise Funds	Total
	Electric Fund	Water and Sewer Fund	Convention Center Fund	FAA Projects Fund		
Cash flows from operating activities:						
Receipts from customers and users	\$ 33,044,164	\$ 5,112,180	\$ 5,620,464	\$ 1,072,797	\$ 2,924,404	\$ 47,774,009
Payments to suppliers	(29,513,924)	(4,608,794)	(4,003,769)	(1,459,753)	(1,061,485)	(40,649,725)
Payments to employees	(1,497,812)	(719,460)	(2,302,982)	-	(1,285,198)	(5,805,452)
Net cash provided (used) by operating activities	2,030,428	(216,074)	(686,287)	(386,956)	577,721	1,318,832
Cash flows from non-capital financing activities:						
Transfers in	-	-	4,495,000	-	-	4,495,000
Transfers out	(250,000)	(550,000)	-	-	-	(800,000)
Net cash provided (used) by non-capital financing activities	(250,000)	(550,000)	4,495,000	-	-	3,695,000
Cash flows from capital and related financing activities:						
Acquisition and construction of assets	(430,844)	(2,058,398)	(2,181,910)	(1,496,660)	(724,778)	(6,892,590)
Construction activities net of reimbursement	939,496	-	-	-	-	939,496
Proceed from sale of assets	-	-	-	-	20,000	20,000
Principal paid on revenue bonds and installment contracts	-	-	(1,375,000)	(1,505,000)	-	(2,880,000)
Interest paid on revenue bonds and installment contracts	(26,757)	-	(4,506,115)	(1,960,824)	-	(6,493,696)
Net cash provided (used) by capital and related financing activities	481,895	(2,058,398)	(8,063,025)	(4,962,484)	(704,778)	(15,306,790)

Statement of Cash Flows - continued

	Major Enterprise Funds				Nonmajor	Total
	Electric Fund	Water and Sewer Fund	Convention Center Fund	FAA Projects Fund	Enterprise Funds	
Cash flows from investing activities:						
Purchase of securities (net)	(2,764,701)	1,921,445	3,817,264	982,310	149,427	4,105,745
Interest on investments	158,892	106,154	84,594	-	74,908	424,548
Interest on financing lease	-	-	-	2,781,180	-	2,781,180
Principal on financing lease	-	-	-	1,344,811	-	1,344,811
Net cash provided (used) by investing activities	(2,605,809)	2,027,599	3,901,858	5,108,301	224,335	8,656,284
Net increase (decrease) in cash	(343,486)	(796,873)	(352,454)	(241,139)	97,278	(1,636,674)
Cash at beginning of year	1,664,896	1,753,942	490,929	839,950	434,305	5,184,022
Cash at end of year	\$ 1,321,410	\$ 957,069	\$ 138,475	\$ 598,811	\$ 531,583	\$ 3,547,348
Unrestricted	\$ 1,186,454	\$ 957,069	\$ 138,475	\$ 598,811	\$ 531,583	\$ 3,412,392
Restricted	134,956	-	-	-	-	134,956
	\$ 1,321,410	\$ 957,069	\$ 138,475	\$ 598,811	\$ 531,583	\$ 3,547,348
Reconciliation of operating income to net cash provided (used) by operating activities						
Operating income (loss)	\$ 1,771,244	\$ 238,064	\$ (4,193,366)	\$ (534,785)	\$ 43,946	\$ (2,674,897)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation and amortization	444,669	417,291	2,441,640	147,829	89,377	3,540,806
Provision for uncollectible accounts	193,317	32,720	-	-	6,526	232,563
Interest paid to customers on deposits	26,739	-	-	-	-	26,739
Changes in assets and liabilities						
(Increase) decrease in:						
Accounts receivable	(238,956)	(102,765)	(45,960)	-	(196,488)	(584,169)
Prepaid expenses	21,355	13,185	4,777	-	9,389	48,706
Amount due from other funds	-	(16,731)	(106,569)	-	-	(123,300)
Increase (decrease) in:						
Accounts payable	(244,714)	(809,601)	12,302	-	611,942	(430,071)
Accrued liabilities	33,147	11,763	20,602	-	13,029	78,541
Amount due to other funds	(38,623)	-	1,168,481	-	-	1,129,858
Customer deposits	7,066	-	11,806	-	-	18,872
Deferred revenue	55,184	-	-	-	-	55,184
Net cash provided (used) by operating activities	\$ 2,030,428	\$ (216,074)	\$ (686,287)	\$ (386,956)	\$ 577,721	\$ 1,318,832

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

City of College Park, Georgia

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of College Park, Georgia was chartered in 1895 and operates under a Mayor-Council-City Manager form of government. As mandated by the charter, the City provides police and fire protection; electrical, water, sewer and sanitation services; recreation services; highways and streets; inspection and engineering services; and various general administrative services to residents of the City.

The City's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. The more significant accounting policies established in GAAP and used by the City are discussed below.

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis-for State and Local Governments*. Certain of the significant changes required by the Statement include the following:

- A Management Discussion and Analysis (MD&A) section providing an analysis of the City's overall financial position and results of operations.
- Financial statements prepared using full accrual accounting for all of the City's activities, including infrastructure (roads, bridges, etc.).
- A change in the fund financial statements to focus on the major funds.

These and other changes are reflected in the accompanying financial statements (including notes to financial statements). The City implemented the general provisions of the Statement effective for fiscal year ending June 30, 2003 including reporting of infrastructure assets.

The City is a municipal corporation governed by an elected mayor and four-member council. As required by generally accepted accounting principles, these financial statements present the City and its component units, entities for which the City is considered to be financially accountable. The City's blended component unit, although a legally separate entity, is in substance, part of the City's operations and so data from this entity is combined with data of the primary government. The blended component unit has a June 30 year end.

City of College Park, Georgia

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Blended Component Unit:

College Park Business and Industrial Development Authority (BIDA) - The BIDA was created for the purpose of attracting development, industry and employment opportunities to the City. In addition the Authority serves as a finance mechanism for certain City capital projects. Presently, the only financial activity of the Authority consists of providing the financing for certain City projects and certain administrative activities. In addition, BIDA owns a thirty percent interest in College Park/Gateway Redevelopment, L.P. The partnership entered into contracts with BIDA to provide development services. Other assets owned by the Authority and leased under capital leases to the City are included in the City's enterprise funds in which they are used. Certain land acquisitions and infrasture improvements that have been capitalized in past years have been transferred to a new capital projects fund, the Newton Estates Improvement Fund. The related BIDA debt, which is a general obligation of the City, is also included as a liability of these enterprise funds. The Authority's land development transactions and administrative expenses are included in the Redevelopment Fund.

The Mayor serves as a board member and the remaining board members are appointed by the Mayor and confirmed by the City Council. BIDA bond issues must be approved by the City Council. Separate financial statements for BIDA are not prepared since its only financial activities consist of the financing of City projects discussed above.

B. Basic Financial Statements – Government-Wide Statements

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds). Both the government-wide and the fund financial statements categorize primary activities as either governmental or business type. The City's police and fire protection, parks, library, recreation, public works and general administrative services are classified as governmental activities. The City's electric, water and sewer, sanitation, convention center, and FAA building lease are classified as business-type activities.

In the government-wide Statement of Net Assets, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, (b) and reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The City's net assets are reported in three parts-invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. The City first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the City's functions and business-type activities (police, fire, public works, etc.). The functions are also supported by the general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

must be directly associated with the function (police, public works, recreation, etc.) or a business-type activity.

The net costs (by function or business-type activity) are normally covered by general revenue (property taxes, hotel-motel taxes, sales taxes, car rental taxes, etc).

The government-wide focus is more on the sustainability of the City as an entity and the change in the City's net assets resulting from the current year's activities.

C. Basic Financial Statements – Fund Financial Statements

The financial transactions of the City are reported in the individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements. The City uses governmental funds and proprietary funds.

The governmental funds employ the current financial resources measurement focus. This means the focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the City:

- 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.
- 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 are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds).

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering services in connection with the proprietary fund's principal ongoing operations. The focus of proprietary fund measurement is upon determination of operating income, changes in net assets, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The City's proprietary funds are considered enterprise funds in that they are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs.

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

D. Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It related to the timing of the measurements made regardless of the measurement focus applied.

Accrual – Both governmental and business-type activities in the government-wide financial statements and the proprietary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

Modified Accrual – The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. “Available” means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

Those revenues susceptible to accrual are property taxes, sales taxes, alcoholic beverage taxes, interest revenue and charges for services. Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. Fines, permits and car rental tax revenues are not susceptible to accrual because generally they are not measurable until received in cash.

E. Major Funds

The City reports the following major governmental funds:

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

The *hospitality fund* receives income from the levy of a special district tax as well as a percentage of gross rentals of all hotels operating within the City. Funds are used to fund the debt service on the convention center owned and operated by the City, as well as a portion being dedicated to general governmental administration and services.

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

City of College Park, Georgia

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

E. Major Funds - continued

The City reports the following major proprietary funds:

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

The *water and sewer fund* provides City residents and businesses with environmentally sound water and sewer services.

The *convention center fund* accounts for operations of the Georgia International Convention Center.

The *FAA fund* accounts for the lease of office buildings to the General Services Administration of the federal government and used for the FAA regional headquarters. This fund also accounts for the operating activities of these buildings as well.

F. Cash and Cash Equivalents

For purposes of the statement of cash flows, certificates of deposit with an original maturity of less than 90 days are considered to be cash equivalents.

G. Investments

Investments consisting of bank certificates of deposit with original maturities of 90 days or more, prime banker's acceptances and U.S. Government obligations are stated at fair value. Accrued interest receivable on investments at year-end is included with investments on the balance sheet.

H. Property Taxes Receivable

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

I. Inventory

Inventory is valued at cost, using the first-in, first-out method. The cost of governmental fund type inventory is recorded as an expenditure when consumed rather than when purchased. Inventory in the Enterprise Funds is immaterial.

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

J. Prepaid Items

Payments made to vendors for services that will benefit future periods are recorded as prepaid items.

K. Restricted Assets

Restricted assets in the enterprise funds include amounts for customer utility deposits, construction funds from bond proceeds and funds established for debt service for revenue bonds as required by the bond indentures. Restricted assets to be used to pay worker's compensation insurance claims are reported as restricted assets in the general fund on the combined balance sheet. Restricted assets in the Car Rental Fund are restricted for construction of public safety, recreation and convention facilities.

L. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets, are reported in the governmental or business type activities in the government-wide statement of net assets and depreciated over their estimated useful lives in the government-wide statement of changes in net assets. Capital assets are defined by the City as assets with an initial, individual cost of \$5,000 or more. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. However, all additions to land, buildings, electric infrastructure and water and sewer infrastructure are capitalized. Depreciation is provided over the estimated useful lives of assets using the straight line method. Assets which are fully depreciated and no longer in use are removed from capital assets. The estimated useful lives for the various classes of fixed assets are as follows:

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

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

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES -- continued

L. Capital Assets - continued

GASB No. 34 requires the City to report and depreciate new infrastructure assets effective July 1, 2002. Infrastructure assets include roads, bridges, underground pipe (other than related to utilities), traffic signals, etc. Neither their historical cost nor related depreciation were reported in the financial statements prior to that date.

M. Bond Origination Fees

Costs incurred in connection with the issuance of revenue bonds have been capitalized and are being amortized over the life of the bonds. These amounts are included in other assets.

N. Compensated Absences

The City's policy allows an employee to accumulate earned but unused vacation and sick hours, depending on the length of employment. Vacation and sick pay is accrued when incurred in proprietary funds and reported as a fund liability. Vacation and sick pay that is currently due and is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Sick leave hours are not paid as termination payments and are not accrued when they are earned, but rather recorded as an expenditure (or expense) when employees are paid for hours not worked due to illness.

O. Deferred Property Taxes

Deferred property tax revenue is recorded for the portion of property tax receivables which are not collected within sixty days of year-end.

P. Fund Equity

Reservations of equity represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources.

Q. Interfund Activity

Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are eliminated as part of the reconciliation to the government-wide financial statements.

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

R. Expenditures exceeding appropriations

General fund expenditures exceeded appropriations at the departmental level for General Government (\$98,825) Recreation (\$16,241) and contractual expenses (\$47,562). Expenditures also exceeded appropriations at the fund level for the Grants Special Revenue Fund (\$348,992); the E-911 fund (\$22,086) and the Car Rental Fund (\$2,707,782). These excess expenditures were offset by available fund balances from prior years.

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

Annually, the City Manager submits to the Mayor and Council a proposed operating budget for the coming fiscal year which is required to be approved prior to June 30. Public hearings are held prior to adoption to allow citizens the opportunity to comment on the proposed budget.

Budgets are adopted for all governmental funds, the Electric Fund, Water and Sewer Fund, Sanitation Fund and The Convention Center Fund (Enterprise Funds). Budgets for the Enterprise Funds are prepared for planning and control purposes only. A budget for the Capital Project Fund is adopted on a project basis, and not a fiscal year basis. The legal level of budgetary control is the department level, with the Council being the only body authorized to make amendments to the budget. No supplemental appropriations were made for the year ended June 30, 2004.

Encumbrance accounting under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation is utilized by the City for budget purposes only. Annual appropriations lapse at the end of the City's fiscal year.

B. Budget/GAAP Reconciliation

The budgets for the General Fund and special revenue funds are adopted on a basis consistent with generally accepted accounting principles.

The budgets for the Enterprise Funds are prepared for planning and control purposes only. Enterprise Fund budgets are adopted on a basis consistent with generally accepted accounting principles except that capital outlay and debt service are budgeted as expenses and depreciation and bad debt expense are not budgeted. Also in the Enterprise Funds, capitalized interest is expensed for budget purposes.

City of College Park, Georgia

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

NOTE 3 - CASH AND INVESTMENTS

Deposits - Certificates of deposit with original maturities of 90 days or more are included in investments in the accompanying combined balance sheet. However, in order to conform to the GASB Statement 3 definition of deposits, these certificates of deposit have been reclassified from investments to deposits for purposes of presenting the information detailed below.

At June 30, 2004, the carrying amount of the City's deposits was \$7,927,125 and the related bank balances totaled \$8,241,178. The City's deposits are categorized below to give an indication of the level of risk assumed by the City at year end. Category 1 includes deposits that are covered by Federal Depository Insurance or by collateral held by the City or its agent in the City's name. Category 2 includes cash collateralized with securities held by the pledging financial institution's trust department or agent in the City's name. Category 3 includes uncollateralized bank deposits or deposits collateralized by securities held by the pledging financial institution or by its trust department or agent, but not in the City's name.

The bank balances are classified as follows at June 30, 2004:

<u>Category</u>	<u>Bank Balance</u>
1	7,842,934
2	-
3	398,244
	<u>8,241,178</u>

Investments - Statutes authorize the City to invest in obligations of the United States and its agencies, obligations of the State of Georgia or other states and their agencies, prime banker's acceptances, repurchase agreements or obligations of other local governments in Georgia. The City may also invest in certificates of deposits of banks which are insured by the Federal Deposit Corporation (FDIC) provided, however, that the portion of such certificates of deposit in excess of the amount insured by the FDIC is adequately collateralized.

Investments are classified by degree of credit risk into the three categories described below:

Category 1 - Insured or registered, with the securities held by the City or its agent in the City's name.

Category 2 - Uninsured and unregistered, with the securities held by the counterparty's trust department or agent in the City's name.

Category 3 - Uninsured and unregistered, with the securities held by the counterparty or by its trust department or agent, but not in the City's name.

City of College Park, Georgia

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

NOTE 3 - CASH AND INVESTMENTS - Continued

Investments held by the City at June 30, 2004 are summarized below:

Type of Investment	Category		
	1	2	3
Banker's Acceptance	\$ 29,306,874	\$ -	\$ -
U.S. Government Securities	67,642,153		
	<u>\$ 96,949,027</u>	<u>\$ -</u>	<u>\$ -</u>

A reconciliation of deposits and investments reported above to the cash and investments reported on the combined balance sheet is as follows;

Carrying amount of deposits	\$ 7,927,125
Carrying amount of investments	96,949,027
Total	<u>\$ 104,876,152</u>
Cash and cash equivalents	\$ 7,232,659
Cash and cash equivalents - restricted	694,466
Investments	30,833,621
Investments - restricted	66,115,406
	<u>104,876,152</u>

City of College Park, Georgia

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

NOTE 4 – RECEIVABLES

Receivables as of year end for the government's individual major funds and non nonmajor funds, including the applicable allowances for uncollectible accounts, are as follows:

Receivables	\$	General	\$	Hospitality	\$	Electric	\$	Water and Sewer	\$	Convention	\$	Nonmajor	\$	Total
Taxes		1,059,754		540,617		-		-		-		-		1,600,371
Accounts		398,274		-		4,338,419		658,224		218,946		1,396,436		7,010,299
Intergovernmental		-		-		-		-		-		707,851		707,851
Gross receivables		<u>1,458,028</u>		<u>540,617</u>		<u>4,338,419</u>		<u>658,224</u>		<u>218,946</u>		<u>2,104,287</u>		<u>9,318,521</u>
Less: allowance for uncollectibles		(221,097)		(72,851)		(1,390,845)		(191,768)		(23,137)		(99,568)		(1,999,266)
Net total receivables	\$	<u><u>1,236,931</u></u>	\$	<u><u>467,766</u></u>	\$	<u><u>2,947,574</u></u>	\$	<u><u>466,456</u></u>	\$	<u><u>195,809</u></u>	\$	<u><u>2,004,719</u></u>	\$	<u><u>7,319,255</u></u>

City of College Park, Georgia

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

NOTE 5 – CAPITAL ASSETS

The City's policy is to capitalize assets with a minimum purchase price of \$5,000 and to write off fully depreciated assets which are no longer in use.

Capital asset activity for the year ended June 30, 2004 was as follows:

Governmental activities:	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 1,682,388	\$ -	\$ 160,000	\$ 1,522,388
Construction in progress	<u>347,737</u>	<u>4,289,261</u>	<u>-</u>	<u>4,636,998</u>
Total capital assets, not being depreciated	<u>2,030,125</u>	<u>4,289,261</u>	<u>160,000</u>	<u>6,159,386</u>
Capital assets, being depreciated				
Buildings and improvements	9,000,522	1,966,643	-	10,967,165
Autos and trucks	3,229,410	225,008	238,627	3,215,791
Other equipment	1,298,057	128,426	26,300	1,400,183
Infrastructure	<u>26,182,529</u>	<u>161,893</u>	<u>-</u>	<u>26,344,422</u>
	<u>39,710,518</u>	<u>2,481,970</u>	<u>264,927</u>	<u>41,927,561</u>
Less accumulated depreciation for:				
Buildings and improvements	(1,913,163)	(263,737)	-	(2,176,900)
Autos and trucks	(2,152,475)	(344,631)	(181,485)	(2,315,621)
Other equipment	(731,831)	(156,936)	(24,440)	(864,327)
Infrastructure	<u>(10,128,421)</u>	<u>(653,058)</u>	<u>-</u>	<u>(10,781,479)</u>
Total accumulated depreciation	<u>(14,925,890)</u>	<u>(1,418,362)</u>	<u>(205,925)</u>	<u>(16,138,327)</u>
Total capital assets being depreciated, net	<u>24,784,628</u>	<u>1,063,608</u>	<u>59,002</u>	<u>25,789,234</u>
Governmental capital assets, net	<u>\$ 26,814,753</u>	<u>\$ 5,352,869</u>	<u>\$ 219,002</u>	<u>\$ 31,948,620</u>

City of College Park, Georgia

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

NOTE 5 – CAPITAL ASSETS - continued

Business type activities	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 26,917,693	\$ 1,859,264	\$ -	\$ 28,776,957
Construction in progress	-	-	-	-
Total capital assets, not being depreciated	<u>26,917,693</u>	<u>1,859,264</u>	<u>-</u>	<u>28,776,957</u>
Capital assets, being depreciated				
Buildings and improvements	88,931,776	2,551,968	-	91,483,744
Autos and trucks	2,457,429	267,404	101,000	2,623,833
Other equipment	11,832,310	39,494	-	11,871,804
Infrastructure	32,712,271	1,110,427	62,571	33,760,127
	<u>135,933,786</u>	<u>3,969,293</u>	<u>163,571</u>	<u>139,739,508</u>
Less accumulated depreciation for:				
Buildings and improvements	(1,289,695)	(2,449,209)	(101,000)	(3,637,904)
Autos and trucks	(1,945,416)	(97,117)	-	(2,042,533)
Other equipment	(1,276,889)	(329,372)	-	(1,606,261)
Infrastructure	(11,551,411)	(665,106)	-	(12,216,517)
Total accumulated depreciation	<u>(16,063,411)</u>	<u>(3,540,804)</u>	<u>(101,000)</u>	<u>(19,503,215)</u>
Total capital assets being depreciated, net	<u>119,870,375</u>	<u>428,489</u>	<u>62,571</u>	<u>120,236,293</u>
Business-type activities capital assets, net	\$ <u>146,788,068</u>	\$ <u>2,287,753</u>	\$ <u>62,571</u>	\$ <u>149,013,250</u>

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

Governmental activities		Business-type activities	
General Government	\$ 66,157	Electric	\$ 444,670
Engineering	2,286	Water and sewer	417,290
Fire	205,592	Sanitation	89,377
Highway and streets	709,035	Convention	2,441,638
Inspection	6,660	FAA	147,829
Parks	63,618		
Police	285,838	Total	\$ <u>3,540,804</u>
Recreation	59,383		
Building and grounds	19,793		
Total	\$ <u>1,418,362</u>		

City of College Park, Georgia

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

NOTE 6 - CAPITAL LEASES

The City has entered into lease agreements as lessee for financing the acquisition of various equipment. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date. These assets have been recorded at a purchase price of \$187,186 and have accumulated depreciation of \$83,695 as of June 30, 2004.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2004 were as follows:

Year Ending June 30	Amount
2005	\$ 32,269
2006	32,269
2007	9,120
2008	9,120
Total lease payments	82,778
Less: amount representing interest	(8,249)
Present value of minimum lease payments	\$ 74,529

NOTE 7 – LONG TERM DEBT

Revenue bond and other long-term debt transactions of the City's Enterprise Funds for the year ended June 30, 2004 are as follows:

	Convention Center 2000 Series	Convention Center 2001 Series	FAA 1993 Series	FAA 1999 Series	Redevelopment Fund Master Land Contract	Total
Balance at June 30, 2003	64,485,000	20,375,000	6,390,000	24,895,000	6,103,272	122,248,272
Retirements	(1,375,000)	-	(335,000)	(1,170,000)	-	(2,880,000)
Balance at June 30, 2004	63,110,000	20,375,000	6,055,000	23,725,000	6,103,272	119,368,272
Deferred loss on defeasance	-	-	-	(2,408,547)	-	(2,408,547)
Net long term debt	63,110,000	20,375,000	6,055,000	21,316,453	6,103,272	116,959,725
Current maturities	(1,445,000)	(525,000)	(360,000)	(1,535,000)	-	(3,865,000)
Long term portion	\$ 61,665,000	\$ 19,850,000	\$ 5,695,000	\$ 19,781,453	\$ 6,103,272	\$ 113,094,725

City of College Park, Georgia

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

NOTE 7 – LONG TERM DEBT - continued

Details of the individual debt issues are:

Convention Center

2000 Series - Original issue of \$67,030,000, 5.125% to 5.625% revenue bonds payable in varying semi-annual principal and interest payments due (September 1 and March 1) through September 2026.

These revenue bonds were issued for the purpose of constructing the new Georgia International Convention Center.

2001 Series - Original issue of \$20,375,000, 5% revenue bonds payable in varying semi-annual principal and interest payments due (September 1 and March 1) through September 2018. These revenue bonds were issued for the purpose of constructing the new Georgia International Convention Center.

FAA

1993 Taxable Series - Original issue of \$8,500,000, 4.3% to 6.25%, Serial revenue bonds payable in varying quarterly principal and interest payments due (October 1, January 1, April 1, and July 1) through April 2015. Term revenue bonds in the amounts of \$1,995,000, \$1,535,000 and \$2,675,000 mature in 2008, 2011, and 2015, respectively.

1999 Taxable Series - Original issue of \$28,995,000, 5.0% to 6.3%, revenue bonds payable in varying quarterly principal and interest payments due (January 1, April 1, July 1, and October 1) through October, 2013. Term revenue bonds in the amount of \$10,005,000 mature in 2013.

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

Water and Sewer Fund

1994 Series - Original issue of \$6,805,000, 2.9% to 5.6% revenue bonds payable in varying semi-annual principal and interest payments due (January 1 and July 1) through July 1, 2009. These bonds were defeased in June 2002.

City of College Park, Georgia

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

NOTE 7 – LONG TERM DEBT - continued

Details of the individual debt issues are:

Convention Center

2000 Series - Original issue of \$67,030,000, 5.125% to 5.625% revenue bonds payable in varying semi-annual principal and interest payments due (September 1 and March 1) through September 2026.

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

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City of College Park, Georgia

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

NOTE 7 – LONG TERM DEBT – continued

Redevelopment Fund

Master Land Contract – The redevelopment fund was established to account for the acquisition of land and the related note payable with an original amount of \$10,126,939. The note payable, known as the master land contract, relates to land located within the corporate limits of the City of College Park purchased from the City of Atlanta for purposes of redevelopment. It bears interest at 6.5%, for the first six year and thereafter the interest rate is based on the six month federal treasury bill rate. There is no periodic principal or interest payments required until individual lots purchased under the note are sold.

Principal and interest requirements to amortize all long-term debt outstanding at June 30, 2004 are as follows:

Future Principal Payments	Convention		FAA		Redevelopment Fund	Total
	Center	Center	FAA	FAA	Master Land	
	2000 Series	2001 Series	1993 Series	1999 Series	Contract	
Fiscal year ending June 30,						
2005	1,445,000	525,000	360,000	1,535,000	-	3,865,000
2006	1,520,000	545,000	385,000	1,930,000	-	4,380,000
2007	1,595,000	565,000	410,000	2,050,000	-	4,620,000
2008	1,675,000	585,000	440,000	2,170,000	-	4,870,000
2009	1,765,000	610,000	470,000	2,305,000	-	5,150,000
2010-2014	10,345,000	3,465,000	2,865,000	13,735,000	6,103,272	36,513,272
2015-2019	13,520,000	4,365,000	1,125,000	-	-	19,010,000
2020-2028	31,245,000	9,715,000	-	-	-	40,960,000
Total	\$ 63,110,000	\$ 20,375,000	\$ 6,055,000	\$ 23,725,000	\$ 6,103,272	\$ 119,368,272

Future Interest Payments	Convention		FAA		Redevelopment Fund	Total
	Center	Center	FAA	FAA	Master Land	
	2000 Series	2001 Series	1993 Series	1999 Series	Contract	
Fiscal year ending June 30,						
2005	3,498,830	926,725	405,550	1,465,275	-	6,296,380
2006	3,422,899	910,675	381,295	1,365,838	-	6,080,707
2007	3,345,023	892,613	355,555	1,250,435	-	5,843,626
2008	3,262,436	872,488	328,000	1,125,353	-	5,588,277
2009	3,174,496	851,575	298,465	991,268	-	5,315,803
2010-2014	14,288,810	3,837,850	957,325	2,489,325	-	21,573,310
2015-2019	11,004,313	2,966,245	54,194	-	-	14,024,752
2020-2028	7,712,044	2,071,375	-	-	-	9,783,419
Total	\$ 49,708,850	\$ 13,329,546	\$ 2,780,384	\$ 8,687,494	\$ -	\$ 74,506,273

Compensated Absences

Changes in compensated absences for the year are as follows:

	Compensated Absences
Beginning balance	\$ 1,185,303
Earned	866,597
Taken	(788,198)
Ending balance	\$ 1,263,702
Current Portion	\$ 420,593
Long Term Portion	\$ 843,109

City of College Park, Georgia

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

NOTE 8 - INTERFUND RECEIVABLE, PAYABLES AND TRANSFERS

Interfund receivable/payables at June 30, 2004 are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Electric Fund	\$ 1,822,756
General Fund	Convention Center Fund	1,500,000
General Fund	Redevelopment Fund	2,805,068
General Fund	Newton Estates	50,000
General Fund	Grants Fund	839,629
Water and Sewer	General Fund	16,731
Sanitation Fund	General Fund	12,048
Electric Fund	Redevelopment Fund	500,000
Convention Center Fund	Redevelopment Fund	1,011,481
Convention Center Fund	General Fund	10,096
Newton Estates Improvement Fund	Convention Center Fund	168,481
Newton Estates Improvement Fund	Redevelopment Fund	756,485
Grants Fund	Car Rental Fund	5,000
		\$ <u>9,497,775</u>

Transfers between Governmental and Proprietary Funds:

<u>Transfers from</u>	<u>Transfers to</u>	<u>Amount</u>
Electric Fund	General Fund	\$ (250,000)
Hospitality Fund	Convention Center Fund	4,495,000
Water and Sewer Fund	General Fund	(550,000)
		\$ <u>3,695,000</u>

Transfers between Governmental Funds :

<u>Transfers from</u>	<u>Transfers to</u>	<u>Amount</u>
General Fund	E911 Fund	233,296
Hospitality Fund	General Fund	925,000
		\$ <u>1,158,296</u>

City of College Park, Georgia

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

NOTE 8 - INTERFUND RECEIVABLE, PAYABLES AND TRANSFERS - continued

Transfers from the Electric and Water and Sewer Funds to the General Fund are to cover administrative cost incurred in the General Fund. Transfers from the Hospitality Fund to the Convention Center Fund are to cover deficits of Conventions Center operations. Transfers from the General Fund to the E911 Fund are to cover operating costs in that fund. Transfers from the Hospitality Fund to the General Fund are to cover the costs of recreational and public safety activities in the General Fund.

NOTE 9 - RISK MANAGEMENT

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

In addition, \$400,000 of the general fund balance has been designated for this purpose. The following describes the changes in the claims liability over the last two fiscal years.

Fiscal Year	Beginning of Year Claims Liability	Current Year Claims and Changes in Estimates	Claims Paid	End of Year Claims Liability
2004	\$ 190,453	\$ 232,611	\$ 246,803	\$ 176,261
2003	\$ 143,373	\$ 154,816	\$ 107,736	\$ 190,453

City of College Park, Georgia

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

NOTE 10 - DEFINED BENEFIT PENSION PLAN

1. Plan Description

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

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

As of March 1, 2003, the plan membership included the following categories of participants.

Retirees and beneficiaries receiving benefits	165
Terminated vested participants not yet receiving benefits	16
Active participants	<u>376</u>
Total membership	<u>557</u>

2. Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting. Contributions from the City are recognized as revenue in the period in which the contributions are due. Investment income is recognized by the Plan when earned.

Method Used by Value Investments

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on exchanges are valued at last reported sales price. No investments represented more than 5% of Plan net assets at June 30, 2004.

City of College Park, Georgia

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

NOTE 10 - DEFINED BENEFIT PENSION PLAN - continued

3. Funding Policy

The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The board of Trustees of GMEBS has adopted a recommended actuarial funding policy for the plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the plan. The funding policy for the plan is to contribute an amount equal to or greater than the recommended contribution described below. For 2004, the actuarially determined contribution rate was 16.1% of covered payroll.

For 2004, the City's recommended contribution was \$2,394,076 and actual contribution totaled \$2,489,867. The recommended contribution was determined as part of the March 1, 2004 actuarial valuation using the projected unit credit actuarial cost method. Actuarial assumptions include an 8.0% rate of return on vestments and projected salary increases of 5.5% (5.0% due to inflation and .5% due to merit increases). The period, and related method, for amortizing the initial unfounded actuarial accrued liability is 30 years from 1985 and current changes in the unfunded actuarial accrued liability over 15 years for actuarial gains and losses, 20 years for plan provision and 30 years for actuarial assumptions and cost methods as a level dollar amount. These amortization periods are closed for this plan year. The actuarial value of the plan assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a ten year period.

4. Annual Pension Cost

The City's annual pension cost and net pension obligation for 2004 were computed as follows:

Annual required contributions/pension cost	\$	2,394,076
Contributions made		<u>2,489,867</u>
Increase in net pension asset		95,791
Net pension asset, beginning of year		2,343,618
Net pension asset, end of year	\$	<u><u>2,439,409</u></u>

5. Schedule of Employer Contributions

Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Asset
June 30, 2004	\$ 2,394,076	104.0%	\$ 2,439,409
June 30, 2003	\$ 2,130,053	110.6%	\$ 2,343,618
June 30, 2002	\$ 1,290,489	135.1%	\$ 2,117,103

City of College Park, Georgia

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

NOTE 10 - DEFINED BENEFIT PENSION PLAN – continued

6. Schedule of Funding Progress

The information presented below is based on the annual actuarial valuations as of March 1 of each year.

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) -Entry Age	Unfunded Accrued Liability (AAL) Projected Unit Credit	Funded Ratio	Covered Payroll	AAL as a Percentage of Covered Payroll
March 1, 2004	\$ 41,902,856	\$ 54,073,627	\$ (12,170,771)	77.5%	\$ 14,900,818	81.7%
March 1, 2003	\$ 39,634,204	\$ 50,137,985	\$ (10,503,781)	79.1%	\$ 14,820,705	70.9%
March 1, 2002	\$ 42,605,313	\$ 46,543,981	\$ (3,938,668)	91.5%	\$ 14,502,216	27.2%

NOTE 11 - CONTINGENCIES AND COMMITMENTS

Several claims and lawsuits are pending against the City relating to various accidents, disputes, and legislative and administrative matters. The City's management believes that the resolution of these matters will not materially affect the City's financial position.

The City has entered into contracts with the Municipal Electric Authority of Georgia (the "Authority") which 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. These contracts contain certain minimum purchase requirements regardless of the City's ability to sell its allocation, through the year 2020. The minimum purchase requirements are based upon the Authority's system output. Dislocation of businesses and residential units has occurred due to encroachment on its customer base by expansions of Hartsfield International Airport over the term of the agreement. This has resulted in the City having to purchase energy in excess of its ability to sell to ultimate consumers at prevailing market rates. Instead, the excess energy was sold to other utilities at open-market rates. The open-market rates are generally less than the cost charged by the Authority for bulk power. The resulting loss on such sales has been included in the net income for the Electric Fund. An estimated possible loss on purchase commitments related to below cost sales of excess energy over the life of the commitment cannot be estimated reasonably at June 30, 2004, because of uncertainties regarding the Authority's future system output and the resulting effect on both the fixed and variable components of its cost as well as unpredictable future demand in the open market and the resulting open-market prices.

The Authority is authorized to establish rates and charges so as to produce revenues sufficient to cover its operating costs and to retire any debt incurred by the Authority. In the event that revenues are insufficient to cover all costs and retire the Authority's outstanding debt, the City has guaranteed a portion of the unpaid debt based on its entitlement share of the output and services of generating units

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

NOTE 11 - CONTINGENCIES AND COMMITMENTS - continued

acquired or constructed by the Authority. These obligations, which extend through the year 2020, are general obligations of the City for which the City's full faith, credit and taxing powers are pledged. The City's obligations to the Authority for power supply costs are based on the Authority's costs and the City's demand for bulk power supply, subject to certain minimum amounts.

At June 30, 2004, the outstanding debt of the Authority was approximately \$3.15 billion. The City's guarantee totals approximately \$210 million at June 30, 2004.

The City has adopted the provisions of the Municipal Competitive Trust (the "Trust"), which was created by MEAG for the mutual benefit of MEAG and its wholesale customers which have elected to become beneficiaries. The Trust was established to provide MEAG and the trust's beneficiaries a means to mitigate the expected differential between market rates for power and the costs of power generated by MEAG facilities, after deregulation of the electric industry.

The Trust included two types of funds, which are held in the name of the City. The first type represents amounts that are available to the City for withdrawal without restriction. The City's portion of unrestricted funds at June 30, 2004 was \$8,222,221. The second type represents amounts that are available to the City in the form of a loan or an off-set to billings from MEAG for power usage if certain criteria related to the difference between the cost of power generated by MEAG facilities and the market rates for power are met. The City's portion of these funds at June 30, 2004 was \$31,318,850. These funds are not available to cover current operations and are therefore considered restricted and have been deferred at June 30, 2004.

BIDA has an outstanding promissory note to the Convention Center Development Corporation in the amount of \$500,000. The purpose of the loan is to provide working capital for various development projects of BIDA. The interest rate is 6.5% and principal and interest would be paid from BIDA's equity in the College Park/Gateway Redevelopment. L.P. As of June 30, 2004, the note is unfunded and there is no outstanding liability to the City.

On September 12, 2001, the City received a demand letter, which was also addressed to the City of Atlanta ("Atlanta"), from FelCor Limited Partnership ("FelCor"), the owner of a hotel adjacent to the City's existing convention center. Pursuant to a lease between the City and FelCor, FelCor leases from the City certain meeting areas in the existing convention center. The initial term of the lease ends on September 1, 2013, subject to a renewal option in favor of FelCor for an additional 25-year term. In its letter, FelCor asserted that the following alleged actions were adverse to FelCor's property rights: (1)

Atlanta purchased the existing convention center and leased it the City, without giving notice to FelCor, (2) the City began construction of a new convention center, and (3) without conferring with FelCor, the City and Atlanta entered into an agreement in which Atlanta has unequivocally agreed to close down the City's existing facility. FelCor alleged that, as a result of these actions, it has suffered and will suffer significant damages including loss of profits, loss of goodwill, and loss of use and enjoyment of the leased premises. In its letter, FelCor demanded that the City and Atlanta compensate FelCor for its alleged damages and provide assurance that they intend to honor their respective obligations under the lease.

City of College Park, Georgia

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

NOTE 11 - CONTINGENCIES AND COMMITMENTS - continued

The City, like other similar bodies, is subject to a variety of suits and proceedings arising in the ordinary conduct of its affairs. The City, after reviewing the current status of all pending and threatened litigation with its counsel, believes that, while the outcome of litigation cannot be predicted, the final settlement of all lawsuits which have been filed and of any actions or claims pending or threatened against the City or its officials in such capacity are adequately covered by insurance or will not have a material adverse effect upon the financial position or results of operations of the City.

NOTE 12 - NET INVESTMENT IN DIRECT FINANCING LEASE

The City has entered into two separate lease agreements with the FAA for two separate buildings constructed by the City for the FAA's use. The leases were accounted for as direct financing leases by the City in the FAA Project fund. The lease agreements require minimum monthly payments of \$64,543 and \$277,707, respectively, (including interest at 8.5 and 12% per annum, respectively, plus annual CPI escalations) over 20-year terms beginning December, 1994 and September, 1993, respectively. The following summarizes the components of the net investment in direct financing lease at June 30, 2004:

Minimum lease payment receivable	\$ 38,560,708
Less: Unearned income	<u>(14,827,559)</u>
Net investment in direct financing lease	<u>\$ 23,733,149</u>
Current portion	\$ 1,503,841
Long-term portion	<u>22,229,308</u>
	<u>\$ 23,733,149</u>

At June 30, 2004 future minimum lease payments receivable are as follows:

	<u>Total payment</u>
2005	\$ 4,107,000
2006	4,107,000
2007	4,107,000
2008	4,107,000
2009	4,107,000
Thereafter	<u>18,025,708</u>
Total	<u>\$ 38,560,708</u>

City of College Park, Georgia

NOTES TO FINANCIAL STATEMENTS

June 30, 2004

NOTE 13 - JOINT VENTURE

Under authorization of the state statutes, the City joined the cities of Hapeville, East Point, Palmetto, Union City and Fairburn to establish and operate the Tri-Cities Narcotics Task Force (TCN) for the purpose of inter-jurisdictional enforcement of the criminal statutes related to narcotics and other illegal drugs and to administer grants received under drug control programs. Each government appoints six members of the board for the joint venture. The operating and capital budgets in excess of grant revenues are funded by equal contributions from each government. Each government's share of assets, liabilities and fund equity is 16.66%. The City's equity interest is reported in the General Fixed Assets Account Group.

During fiscal 2000, BIDA and the Convention Center Development Corporation entered into an agreement to form the College Park/Gateway Redevelopment, L. P. (the Partnership). The Partnership entered into Development Agreements with BIDA and the City to build the new convention center and related infrastructure. In addition, BIDA will receive a development fee of 4% of actual costs. Under the terms of the agreement, BIDA share of assets, liabilities and equity is 30%.

Under Georgia law, the City in conjunction with other cities and counties in the Metro Atlanta area, is a member of the Atlanta Regional Commission (ARC). Membership in an ARC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the ARC. The ARC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an ARC. Separate financial statements may be obtained from the Atlanta Regional Commission, 3715 Northside Parkway, 200 North Creek Suite 300, Atlanta, Georgia 30327.

NOTE 14 - RELATED ORGANIZATIONS

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

NOTE 15- HOTEL/MOTEL TAX

The City of College Park and Fulton County imposed a 3% tax on gross hotel occupancy revenues for the purpose of promoting tourism, conventions, and trade shows. In addition, the City has levied an additional 3% tax for the purpose of constructing and operating a convention center. A summary of the transactions for the fiscal year ended June 30, 2004 is as follows:

Balance as of June 30, 2003	\$	-
2004 collections		4,118,167
2004 disbursements		<u>4,118,167</u>
Balance as of June 30, 2004	\$	<u><u>-</u></u>

Expenditures paid with this hotel/motel tax were used to promote tourism, conventions, and trade shows as required by O.C.GA 48-013-51.

Required Supplementary Information (Unaudited)

City of College Park, Georgia
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
General Fund
For the year ended June 30, 2004

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Revenue			
Taxes	\$ 14,570,375	\$ 13,787,334	\$ (783,041)
Licenses and permits	2,063,000	1,928,150	(134,850)
Intergovernmental revenue	86,190	96,840	10,650
Fines and forfeitures	1,400,000	2,293,848	893,848
Charges for services	271,000	268,049	(2,951)
Interest income	350,000	121,340	(228,660)
Gain on sale of assets	25,000	166,604	141,604
Proceeds from capital lease	-	42,168	42,168
Other	109,600	85,761	(23,839)
Total revenue	<u>18,875,165</u>	<u>18,790,094</u>	<u>(85,071)</u>
Expenditures:			
General Government			
Executive	980,777	1,158,620	(177,843)
Legislative	300,643	300,550	93
Financial Administration	111,706	111,095	611
Accounting	300,523	299,374	1,149
Personnel	275,657	273,360	2,297
Purchasing	123,465	120,892	2,573
Taxes and Licenses	108,247	105,801	2,446
Data Processing	292,432	275,249	17,183
Business Development	275,499	222,833	52,666
	<u>2,768,949</u>	<u>2,867,774</u>	<u>(98,825)</u>
Police			
Administration	1,083,217	1,113,980	(30,763)
Patrol	5,341,963	5,299,753	42,210
Investigations	1,091,748	1,087,250	4,498
Corrections	269,949	268,558	1,391
Municipal Court	231,993	193,250	38,743
	<u>8,018,870</u>	<u>7,962,791</u>	<u>56,079</u>
Fire			
Administration	523,680	295,623	228,057
Suppression	2,940,776	2,718,887	221,889
EMS	1,329,328	1,256,512	72,816
	<u>4,793,784</u>	<u>4,271,022</u>	<u>522,762</u>
Recreation			
Administration	228,460	228,704	(244)
Programs	951,523	979,517	(27,994)
Facilities	325,244	313,247	11,997
	<u>1,505,227</u>	<u>1,521,468</u>	<u>(16,241)</u>

continued on next page

City of College Park, Georgia
 Schedule of Revenues, Expenditures and Changes in Fund Balances - Continued
 Budget and Actual
 General Fund
 For the year ended June 30, 2004

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Inspection	235,156	218,167	16,989
Engineering	249,713	210,638	39,075
Buildings and Grounds	675,195	658,147	17,048
Parks	191,965	183,923	8,042
Highways and Streets	1,237,255	1,149,609	87,646
Contractual	691,416	738,978	(47,562)
Total Expenditures	<u>20,367,530</u>	<u>19,782,517</u>	<u>585,013</u>
Excess (deficiency) of revenues over (under)	(1,492,365)	(992,423)	499,942
Other financing sources (uses)			
Transfers in	1,725,000	1,725,000	-
Transfers out	(232,635)	(233,296)	(661)
	<u>1,492,365</u>	<u>1,491,704</u>	<u>(661)</u>
Excess of revenues and other sources over expenditures and other uses	-	499,281	499,281
Fund balance, beginning of year	20,393,211	20,393,211	-
Fund balance, end of year	<u>\$ 20,393,211</u>	<u>\$ 20,892,492</u>	<u>\$ 499,281</u>

City of College Park, Georgia
Schedule of Expenditures Compared to Budget
General Fund
For the year ended June 30, 2004

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
General Government			
Executive			
Personal services	\$ 381,873	\$ 375,197	\$ 6,676
Communications and utilities	115,000	142,630	(27,630)
Rentals	3,000	3,196	(196)
Repairs and maintenance	1,600	1,197	403
Other services and charges	429,500	603,099	(173,599)
Training and education	22,004	15,755	6,249
Materials and supplies	<u>27,800</u>	<u>17,546</u>	<u>10,254</u>
	980,777	1,158,620	(177,843)
Legislative			
Personal services	200,793	199,693	1,100
Communications and utilities	3,000	4,430	(1,430)
Other services and charges	34,800	31,849	2,951
Training and education	42,050	49,129	(7,079)
Materials and supplies	18,200	15,449	2,751
Capital Outlay	<u>1,800</u>	<u>-</u>	<u>1,800</u>
	300,643	300,550	93
Financial Administration			
Personal services	85,066	86,185	(1,119)
Other services and charges	20,000	20,000	-
Training and education	5,640	3,762	1,878
Materials and supplies	<u>1,000</u>	<u>1,148</u>	<u>(148)</u>
	111,706	111,095	611
Accounting			
Personal services	220,783	218,767	2,016
Other services and charges	71,000	74,395	(3,395)
Training and education	2,040	901	1,139
Materials and supplies	<u>6,700</u>	<u>5,311</u>	<u>1,389</u>
	300,523	299,374	1,149

City of College Park, Georgia
Schedule of Expenditures Compared to Budget
General Fund - continued
For the year ended June 30, 2004

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Personnel			
Personal services	186,157	184,675	1,482
Other services and charges	77,000	81,174	(4,174)
Training and education	5,300	3,664	1,636
Materials and supplies	7,200	3,847	3,353
	<u>275,657</u>	<u>273,360</u>	<u>2,297</u>
Purchasing			
Personal services	117,080	117,514	(434)
Capital Outlay	2,400	-	2,400
Training and education	1,635	246	1,389
Materials and supplies	2,350	3,132	(782)
	<u>123,465</u>	<u>120,892</u>	<u>2,573</u>
Taxes and Licenses			
Personal services	95,997	95,268	729
Other services and charges	7,000	4,656	2,344
Training and education	250	15	235
Materials and supplies	5,000	5,862	(862)
	<u>108,247</u>	<u>105,801</u>	<u>2,446</u>
Data Processing			
Personal services	181,260	181,069	191
Communications and utilities	600	202	398
Repairs and maintenance	56,572	57,164	(592)
Other services and charges	8,000	6,076	1,924
Training and education	16,800	16,526	274
Materials and supplies	6,500	5,910	590
Capital outlay	22,700	8,302	14,398
	<u>292,432</u>	<u>275,249</u>	<u>17,183</u>

City of College Park, Georgia
Schedule of Expenditures Compared to Budget
General Fund - continued
For the year ended June 30, 2004

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Business Development			
Personal services	149,875	142,030	7,845
Other services and charges	107,000	70,906	36,094
Training and education	14,575	8,215	6,360
Materials and supplies	4,050	1,682	2,368
	<u>275,500</u>	<u>222,833</u>	<u>52,667</u>
Police Administration			
Personal services	983,377	1,031,399	(48,022)
Rentals	10,000	8,709	1,291
Repairs and maintenance	3,800	1,867	1,933
Other services and charges	53,000	44,428	8,572
Training and education	12,340	6,338	6,002
Materials and supplies	20,700	21,239	(539)
	<u>1,083,217</u>	<u>1,113,980</u>	<u>30,763</u>
Police Patrol			
Personal services	4,556,185	4,478,065	78,120
Communications and utilities	76,000	80,447	(4,447)
Rentals	10,000	8,209	1,791
Repairs and maintenance	214,650	241,208	(26,558)
Other services and charges	152,700	155,819	(3,119)
Training and education	18,215	9,336	8,879
Materials and supplies	131,500	147,254	(15,754)
Capital outlay	182,713	179,415	3,298
	<u>5,341,963</u>	<u>5,299,753</u>	<u>42,210</u>

City of College Park, Georgia
Schedule of Expenditures Compared to Budget
General Fund - continued
For the year ended June 30, 2004

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Police Investigations			
Personal services	1,023,258	1,037,180	(13,922)
Communications and utilities	6,050	7,590	(1,540)
Rentals	10,500	13,117	(2,617)
Repairs and maintenance	12,600	6,338	6,262
Other services and charges	2,500	775	1,725
Training and education	5,540	5,052	488
Materials and supplies	31,300	17,198	14,102
	<u>1,091,748</u>	<u>1,087,250</u>	<u>4,498</u>
Corrections			
Personal services	201,599	225,321	(23,722)
Communications and utilities	250	175	75
Repairs and maintenance	2,000	295	1,705
Other services and charges	250	13	237
Training and education	800	-	800
Materials and supplies	65,050	42,754	22,296
	<u>269,949</u>	<u>268,558</u>	<u>1,391</u>
Municipal Court			
Personal services	220,593	182,678	37,915
Other services and charges	5,050	7,859	(2,809)
Training and education	1,350	1,497	(147)
Materials and supplies	5,000	1,216	3,784
	<u>231,993</u>	<u>193,250</u>	<u>38,743</u>

City of College Park, Georgia
Schedule of Expenditures Compared to Budget
General Fund - continued
For the year ended June 30, 2004

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Fire Administration			
Personal services	498,475	275,060	223,415
Communications and utilities	10,307	9,990	317
Repairs and maintenance	2,150	1,765	385
Other services and charges	100	-	100
Training and education	2,924	1,883	1,041
Materials and supplies	7,475	6,925	550
Capital outlay	2,249	-	2,249
	<u>523,680</u>	<u>295,623</u>	<u>228,057</u>
Fire Suppression			
Personal services	2,588,083	2,360,194	227,889
Communications and utilities	29,268	35,330	(6,062)
Repairs and maintenance	50,500	66,403	(15,903)
Other services and charges	203,200	203,841	(641)
Training and education	11,500	7,912	3,588
Materials and supplies	57,575	45,207	12,368
Capital outlay	650	-	650
	<u>2,940,776</u>	<u>2,718,887</u>	<u>221,889</u>
Emergency Medical Services			
Personal services	1,270,307	1,205,458	64,849
Communications and utilities	3,675	756	2,919
Repairs and maintenance	17,600	17,374	226
Other services and charges	10,000	10,000	-
Training and education	8,796	3,654	5,142
Materials and supplies	17,950	19,270	(1,320)
Capital outlay	1,000	-	1,000
	<u>1,329,328</u>	<u>1,256,512</u>	<u>72,816</u>
Recreation Administration			
Personal services	215,355	216,331	(976)
Repairs and maintenance	4,100	2,833	1,267
Other services and charges	4,800	4,522	278
Training and education	2,705	2,965	(260)
Materials and supplies	1,500	2,053	(553)
	<u>228,460</u>	<u>228,704</u>	<u>(244)</u>

City of College Park, Georgia
Schedule of Expenditures Compared to Budget
General Fund - continued
For the year ended June 30, 2004

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Recreation Programs			
Personal services	659,137	695,596	(36,459)
Communications and utilities	2,600	842	1,758
Repairs and maintenance	60,000	57,962	2,038
Other services and charges	164,500	164,410	90
Training and education	3,486	994	2,492
Materials and supplies	53,950	59,713	(5,763)
Capital outlay	7,850	-	7,850
	<u>951,523</u>	<u>979,517</u>	<u>(27,994)</u>
Recreation Facilities			
Personal services	134,144	134,166	(22)
Communications and utilities	104,500	124,655	(20,155)
Repairs and maintenance	2,200	32	2,168
Other services and charges	35,000	12,335	22,665
Training and education	200	-	200
Materials and supplies	31,200	36,809	(5,609)
Capital outlay	18,000	5,250	12,750
	<u>325,244</u>	<u>313,247</u>	<u>11,997</u>
Inspection			
Personal services	211,694	150,723	60,971
Repairs and maintenance	3,650	6,431	(2,781)
Other services and charges	11,152	52,940	(41,788)
Training and education	3,210	1,071	2,139
Materials and supplies	5,450	7,002	(1,552)
	<u>235,156</u>	<u>218,167</u>	<u>16,989</u>

City of College Park, Georgia
Schedule of Expenditures Compared to Budget
General Fund - continued
For the year ended June 30, 2004

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Engineering			
Personal services	216,093	192,330	23,763
Repairs and maintenance	3,400	2,452	948
Other services and charges	12,500	5,379	7,121
Training and education	8,870	2,337	6,533
Materials and supplies	7,350	8,140	(790)
Capital outlay	1,500	-	1,500
	<u>249,713</u>	<u>210,638</u>	<u>39,075</u>
Buildings and Grounds			
Personal services	479,690	468,109	11,581
Rentals	200	-	200
Repairs and maintenance	132,400	131,423	977
Other services and charges	8,200	8,254	(54)
Training and education	400	118	282
Materials and supplies	21,900	24,944	(3,044)
Capital outlay	32,405	25,299	7,106
	<u>675,195</u>	<u>658,147</u>	<u>17,048</u>
Parks			
Personal services	182,215	178,668	3,547
Rentals	200	-	200
Repairs and maintenance	2,900	939	1,961
Training and education	400	-	400
Materials and supplies	6,250	4,316	1,934
	<u>191,965</u>	<u>183,923</u>	<u>8,042</u>
Highways and Streets			
Personal services	569,830	523,118	46,712
Communications and utilities	3,200	4,067	(867)
Rentals	3,000	-	3,000
Repairs and maintenance	97,200	206,021	(108,821)
Other services and charges	11,600	-	11,600
Training and education	4,374	1,892	2,482
Materials and supplies	51,100	67,675	(16,575)
Capital outlay	496,951	346,836	150,115
	<u>1,237,255</u>	<u>1,149,609</u>	<u>87,646</u>

City of College Park, Georgia
Schedule of Expenditures Compared to Budget
General Fund - continued
For the year ended June 30, 2004

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Personnel			
Personal services	186,157	184,675	1,482
Other services and charges	77,000	81,174	(4,174)
Training and education	5,300	3,664	1,636
Materials and supplies	7,200	3,847	3,353
	<u>275,657</u>	<u>273,360</u>	<u>2,297</u>
Purchasing			
Personal services	117,080	117,514	(434)
Capital Outlay	2,400	-	2,400
Training and education	1,635	246	1,389
Materials and supplies	2,350	3,132	(782)
	<u>123,465</u>	<u>120,892</u>	<u>2,573</u>
Taxes and Licenses			
Personal services	95,997	95,268	729
Other services and charges	7,000	4,656	2,344
Training and education	250	15	235
Materials and supplies	5,000	5,862	(862)
	<u>108,247</u>	<u>105,801</u>	<u>2,446</u>
Data Processing			
Personal services	181,260	181,069	191
Communications and utilities	600	202	398
Repairs and maintenance	56,572	57,164	(592)
Other services and charges	8,000	6,076	1,924
Training and education	16,800	16,526	274
Materials and supplies	6,500	5,910	590
Capital outlay	22,700	8,302	14,398
	<u>292,432</u>	<u>275,249</u>	<u>17,183</u>

City of College Park, Georgia
 Schedule of Expenditures Compared to Budget
 General Fund - continued
 For the year ended June 30, 2004

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Contractual			
Communications and utilities	105,000	76,869	28,131
Other services and charges	556,416	616,594	(60,178)
Materials and supplies	<u>30,000</u>	<u>45,515</u>	<u>(15,515)</u>
	<u>691,416</u>	<u>738,978</u>	<u>(47,562)</u>
 Total expenditures	 \$ <u>20,367,531</u>	 \$ <u>19,782,517</u>	 \$ <u>585,014</u>

City of College Park, Georgia
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual
 Hospitality Special Revenue Fund
 For the year ended June 30, 2004

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenue			
Taxes	\$ 5,909,000	\$ 5,555,534	\$ (353,466)
Excess of revenues over expenditures	<u>5,909,000</u>	<u>5,555,534</u>	<u>(353,466)</u>
Other financing uses:			
Transfers out	<u>(5,625,000)</u>	<u>(5,420,000)</u>	<u>205,000</u>
	(5,625,000)	(5,420,000)	205,000
Excess of revenues and other sources over expenditures and other uses	284,000	135,534	(148,466)
Fund balance, beginning of year	321,046	321,046	-
Fund balance, end of year	<u>\$ 605,046</u>	<u>\$ 456,580</u>	<u>(148,466)</u>

City of College Park, Georgia
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual
 Car Rental Special Revenue Fund
 For the year ended June 30, 2004

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenue			
Taxes	\$ -	\$ 2,198,594	\$ 2,198,594
Other income	-	16,904	16,904
Interest	-	114,128	114,128
	<u>-</u>	<u>2,329,626</u>	<u>2,329,626</u>
Expenditures			
Current	-	118,451	(118,451)
Capital outlay	-	4,918,955	(4,918,955)
Total Expenditures	<u>-</u>	<u>5,037,406</u>	<u>(5,037,406)</u>
Excess of revenues and other sources over expenditures and other uses	-	(2,707,780)	(2,707,780)
Fund balance, beginning of year	<u>8,461,916</u>	<u>8,461,916</u>	<u>-</u>
Fund balance, end of year	\$ <u><u>8,461,916</u></u>	\$ <u><u>5,754,136</u></u>	\$ <u><u>(2,707,780)</u></u>



COMBINING SCHEDULES FOR NONMAJOR FUNDS

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

Community Development Block Grant – This fund is used to report the revenue and expenditures of funds that are being utilized to construct and maintain certain of the City's recreation facilities.

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

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

State Drug Fund – This fund accounts for cash condemned by local law enforcement officials through drug confiscations, and is used to further general police enforcement activities.

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

Capital Projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds. The City has established the **Main Street Development Fund** for the purpose of redevelopment of the City's Main Street. The Mayor and Council have appropriated \$300,000 for the purchase of properties and the renovation of those structures for ultimate resale to new businesses. Proceeds from sales are then reinvested in additional properties.

Enterprise Funds are utilized to account for the activities of the City which are designed to be partially or fully self-supporting.

Sanitation Fund – The Sanitation Fund accounts for the revenue and cost of garbage collection services provided by the City.

Redevelopment Fund – The Redevelopment Fund accounts for the administrative activities of the College Park Business and Industrial Development Authority, as well as property acquisitions and sales for the purpose of redeveloping land within the City.

Newton Estates Improvement Fund – This fund accounts for the expenditures related to a Special District Tax in the Convention Center area.

City of College Park, Georgia
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2004

	Special Revenue Funds					Capital Projects	Total Nonmajor Governmental Funds
	Community Development Block Grant Fund	Grants Fund	Confiscated Drug Fund	State Drug Fund	E 911 Fund	Main Street Fund	
Assets:							
Cash and cash equivalents	\$ 126,238	\$ 155,910	\$ -	\$ 22,732	\$ 96,266	\$ 116,196	\$ 517,342
Receivables	-	707,851	-	-	32,259	-	740,110
Due from other funds	-	5,000	-	-	-	-	5,000
Cash - restricted	-	-	251,464	-	-	-	251,464
Total Assets	\$ 126,238	\$ 868,761	\$ 251,464	\$ 22,732	\$ 128,525	\$ 116,196	\$ 1,513,916
Liabilities							
Accounts payable	-	330,229	-	-	-	-	330,229
Accrued liabilities	-	-	-	-	7,701	-	7,701
Due to other funds	-	839,629	-	-	-	-	839,629
Total Liabilities	-	1,169,858	-	-	7,701	-	1,177,559
Fund Balances							
Reserved for:							
Public safety and recreation	-	-	251,464	22,732	-	-	274,196
Unreserved	126,238	(301,097)	-	-	120,824	116,196	62,161
Total Fund Balances	126,238	(301,097)	251,464	22,732	120,824	116,196	336,357
Total Liabilities and Fund Balance	\$ 126,238	\$ 868,761	\$ 251,464	\$ 22,732	\$ 128,525	\$ 116,196	\$ 1,513,916

City of College Park, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
Year ended June 30, 2004

	Special Revenue Funds					Capital Projects	Total Nonmajor Governmental Funds
	Community Development Block Grant Fund	Grants Fund	Confiscated Drug Fund	State Drug Fund	E 911 Fund	Main Street Fund	
Revenues							
Intergovernmental revenues	\$ -	\$ 1,390,170	\$ -	\$ 221	\$ -	\$ -	\$ 1,390,391
Fines and forfeitures	-	-	43,902	24,083	-	-	67,985
Charges for services	-	-	-	-	300,898	-	300,898
Interest income	169	151	516	-	-	-	836
Gain on sale of assets	-	-	-	-	-	48,985	48,985
Other income	-	-	-	-	-	3,400	3,400
Total revenue	<u>169</u>	<u>1,390,321</u>	<u>44,418</u>	<u>24,304</u>	<u>300,898</u>	<u>52,385</u>	<u>1,812,495</u>
Expenditures							
Current operations	-	359,770	21,564	1,572	556,280	-	939,186
Capital outlay	-	1,379,542	8,582	-	-	-	1,388,124
Total expenditures	<u>-</u>	<u>1,739,312</u>	<u>30,146</u>	<u>1,572</u>	<u>556,280</u>	<u>-</u>	<u>2,327,310</u>
Excess revenues over (under) expenditures	169	(348,991)	14,272	22,732	(255,382)	52,385	(514,815)
Other financing sources (uses)							
Transfers in	-	-	-	-	233,296	-	233,296
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>233,296</u>	<u>-</u>	<u>233,296</u>
Excess of revenues and other sources over expenditures and other uses	169	(348,991)	14,272	22,732	(22,086)	52,385	(281,519)
Fund balance, beginning of year	126,069	47,894	237,192	-	142,910	63,811	617,876
Fund balance, end of year	<u>\$ 126,238</u>	<u>\$ (301,097)</u>	<u>\$ 251,464</u>	<u>\$ 22,732</u>	<u>\$ 120,824</u>	<u>\$ 116,196</u>	<u>\$ 336,357</u>

City of College Park, Georgia
Combining Statement of Net Assets
Nonmajor Proprietary Funds
June 30, 2004

	Sanitation Fund	Redevelopment Fund	Newton Estates Improvement Fund	Total
ASSETS				
Current assets				
Cash and cash equivalents	\$ 491,101	\$ 17,247	\$ 23,235	\$ 531,583
Investments	199,102	-	-	199,102
Receivables				
Utility charges (net of allowance for uncollectible accounts of \$99,568)	245,478	-	-	245,478
Other receivables	-	1,019,131	-	1,019,131
Due from other funds	12,048	-	924,966	937,014
Prepaid expenses	8,745	-	-	8,745
Total current assets	<u>956,474</u>	<u>1,036,378</u>	<u>948,201</u>	<u>2,941,053</u>
Restricted assets				
Investments	-	11,741,668	-	11,741,668
Total restricted assets	<u>-</u>	<u>11,741,668</u>	<u>-</u>	<u>11,741,668</u>
Noncurrent assets				
Net capital assets	435,098	9,470,547	2,157,914	12,063,559
Total noncurrent assets	<u>435,098</u>	<u>9,470,547</u>	<u>2,157,914</u>	<u>12,063,559</u>
Total assets	<u>\$ 1,391,572</u>	<u>\$ 22,248,593</u>	<u>\$ 3,106,115</u>	<u>\$ 26,746,280</u>

City of College Park, Georgia
Combining Statement of Net Assets
Nonmajor Proprietary Funds
June 30, 2004

	<u>Sanitation Fund</u>	<u>Redevelopment Fund</u>	<u>Newton Estates Improvement Fund</u>	<u>Total</u>
LIABILITIES				
Current liabilities payable from nonrestricted assets				
Accounts payable	\$ 36,609	\$ -	\$ -	\$ 36,609
Accrued liabilities	70,140	-	-	70,140
Deposits	-	105,282	-	105,282
Due to other funds	-	5,073,034	50,000	5,123,034
Total current liabilities payable from non restricted current assets	<u>106,749</u>	<u>5,178,316</u>	<u>50,000</u>	<u>5,335,065</u>
Current liabilities payable from restricted assets				
Accrued interest on bonds	-	2,028,274	-	2,028,274
Total current liabilities payable from restricted assets	<u>-</u>	<u>2,028,274</u>	<u>-</u>	<u>2,028,274</u>
Noncurrent liabilities				
Note payable - long-term	-	6,103,272	-	6,103,272
Total noncurrent liabilities	<u>-</u>	<u>6,103,272</u>	<u>-</u>	<u>6,103,272</u>
Total liabilities	<u>106,749</u>	<u>13,309,862</u>	<u>50,000</u>	<u>13,466,611</u>
Net Assets				
Invested in capital assets, net of related debt	435,098	1,339,001	2,157,914	3,932,013
Restricted for capital outlay	-	7,599,730	-	7,599,730
Unrestricted	849,725	-	898,201	1,747,926
Total net assets	<u>\$ 1,284,823</u>	<u>\$ 8,938,731</u>	<u>\$ 3,056,115</u>	<u>\$ 13,279,669</u>

City of College Park, Georgia
Combining Statement of Revenues, Expenses and Changes in Net Assets
Nonmajor Proprietary Funds
For the year ended June 30, 2004

	<u>Sanitation Fund</u>	<u>Redevelopment Fund</u>	<u>Newton Estates Improvement Fund</u>	<u>Total</u>
Operating revenue				
Sales	\$ 2,265,124	\$ -	\$ -	\$ 2,265,124
Other	<u>31,899</u>	<u>-</u>	<u>44,121</u>	<u>76,020</u>
Total operating revenue	2,297,023	-	44,121	2,341,144
Operating expenses				
Cost of sales - purchases	428,130	-	-	428,130
Personal services	1,298,227	-	-	1,298,227
Depreciation and amortization	89,377	-	-	89,377
Other operating expenses	<u>325,614</u>	<u>155,850</u>	<u>-</u>	<u>481,464</u>
Total operating expenses	<u>2,141,348</u>	<u>155,850</u>	<u>-</u>	<u>2,297,198</u>
Net operating income (loss)	155,675	(155,850)	44,121	43,946
Non - operating revenue (expenses)				
Gain on sale of assets	20,000	-	-	20,000
Interest income	4,061	70,847	-	74,908
Interest expense	<u>-</u>	<u>(229,484)</u>	<u>-</u>	<u>(229,484)</u>
Total non-operating revenue (expense)	24,061	(158,637)	-	(134,576)
Net Income (Loss)	179,736	(314,487)	44,121	(90,630)
Total net assets at beginning of year	<u>1,105,087</u>	<u>9,253,218</u>	<u>3,011,994</u>	<u>13,370,299</u>
Total net assets at end of year	<u>\$ 1,284,823</u>	<u>\$ 8,938,731</u>	<u>\$ 3,056,115</u>	<u>\$ 13,279,669</u>

City of College Park, Georgia
Combining Statement of Cash Flows
Nonmajor Proprietary Funds
For the year ended June 30, 2003

	Sanitation Fund	Redevelopment Fund	Newton Estates Improvement Fund	Total
Cash flows from operating activities:				
Receipts from customers and users	\$ 2,286,702	\$ 558,268	\$ 79,434	\$ 2,924,404
Payments to suppliers	(760,003)	(183,001)	(118,481)	(1,061,485)
Payments to employees	(1,285,198)	-	-	(1,285,198)
Net cash provided (used) by operating activities	<u>241,501</u>	<u>375,267</u>	<u>(39,047)</u>	<u>577,721</u>
Cash flows from capital and related financing activities:				
Acquisition and construction of assets	(267,813)	(456,965)	-	(724,778)
Proceeds from sale of assets	20,000	-	-	20,000
Net cash provided (used) by capital and related financing activities	<u>(247,813)</u>	<u>(456,965)</u>	<u>-</u>	<u>(704,778)</u>
Cash flows from investing activities:				
Purchase of securities (net)	220,367	(70,940)	-	149,427
Interest on investments	4,061	70,847	-	74,908
Net cash provided (used) by investing activities	<u>224,428</u>	<u>(93)</u>	<u>-</u>	<u>224,335</u>
Net increase (decrease) in cash	218,116	(81,791)	(39,047)	97,278
Cash at beginning of year	272,985	99,038	62,282	434,305
Cash at end of year	<u>\$ 491,101</u>	<u>\$ 17,247</u>	<u>\$ 23,235</u>	<u>\$ 531,583</u>
Reconciliation of operating income to net cash provided (used) by operating activities				
Operating income (loss)	\$ 155,675	\$ (155,850)	\$ 44,121	\$ 43,946
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation and amortization	89,377	-	-	89,377
Provision for uncollectible accounts	6,526	-	-	6,526
Changes in assets and liabilities				
(Increase) decrease in:				
Accounts receivable	(16,847)	(96,473)	(83,168)	(196,488)
Prepaid expenses	9,389	-	-	9,389
Increase (decrease) in:				
Accounts payable	(15,648)	627,590	-	611,942
Accrued liabilities	13,029	-	-	13,029
Net cash provided (used) by operating activities	<u>\$ 241,501</u>	<u>\$ 375,267</u>	<u>\$ (39,047)</u>	<u>\$ 577,721</u>

City of College Park, Georgia
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual
 Community Development Block Grant Fund
 For the year ended June 30, 2004

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenue			
Intergovernmental revenue	\$ 256,240	\$ 169	\$ (256,071)
	<u>256,240</u>	<u>169</u>	<u>(256,071)</u>
Expenditures			
Capital outlay	<u>256,240</u>	<u>-</u>	<u>256,240</u>
	<u>256,240</u>	<u>-</u>	<u>256,240</u>
Excess of revenues over expenditures	-	169	169
Fund balance, beginning of year	<u>126,069</u>	<u>126,069</u>	<u>-</u>
Fund balance, end of year	\$ <u><u>126,069</u></u>	\$ <u><u>126,238</u></u>	\$ <u><u>169</u></u>

City of College Park, Georgia
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual
 Grants Special Revenue Fund
 For the year ended June 30, 2004

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Revenue			
Intergovernmental revenue	\$ -	\$ 1,390,170	\$ 1,390,170
Interest income	-	151	151
	<u>-</u>	<u>1,390,321</u>	<u>1,390,321</u>
Expenditures			
Current	-	359,770	(359,770)
Capital outlay	-	1,379,542	(1,379,542)
	<u>-</u>	<u>1,739,312</u>	<u>(1,739,312)</u>
Excess of expenditures over revenues	-	(348,991)	(348,991)
Fund balance, beginning of year	<u>47,894</u>	<u>47,894</u>	<u>-</u>
Fund balance, end of year	<u>\$ 47,894</u>	<u>\$ (301,097)</u>	<u>\$ (348,991)</u>

City of College Park, Georgia
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual
 State Drug Fund
 For the year ended June 30, 2004

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenue			
Intergovernmental revenue	\$ -	\$ 221	\$ 221
Fines and forfeitures		24,083	24,083
	<u>-</u>	<u>24,304</u>	<u>24,304</u>
Expenditures			
Current	<u>-</u>	<u>1,572</u>	<u>(1,572)</u>
	<u>-</u>	<u>1,572</u>	<u>(1,572)</u>
Excess of revenues over expenditures	-	22,732	22,732
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	\$ <u>-</u>	\$ <u>22,732</u>	\$ <u>22,732</u>

City of College Park, Georgia
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual
 Confiscated Drug Special Revenue Fund
 For the year ended June 30, 2004

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Revenue			
Fines and forfeitures	\$ -	\$ 43,902	\$ 43,902
Interest income	-	516	516
	<u>-</u>	<u>44,418</u>	<u>44,418</u>
Expenditures			
Current	-	21,564	(21,564)
Capital outlay	-	8,582	(8,582)
	<u>-</u>	<u>30,146</u>	<u>(30,146)</u>
Excess of revenues over expenditures	-	14,272	14,272
Fund balance, beginning of year	<u>237,192</u>	<u>237,192</u>	<u>-</u>
Fund balance, end of year	\$ <u><u>237,192</u></u>	\$ <u><u>251,464</u></u>	\$ <u><u>14,272</u></u>

City of College Park, Georgia
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual
 E911 Special Revenue
 For the year ended June 30, 2004

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Revenue			
Charges for services	\$ 351,575	\$ 300,898	\$ (50,677)
	<u>351,575</u>	<u>300,898</u>	<u>(50,677)</u>
Expenditures			
Current	584,871	556,280	28,591
	<u>584,871</u>	<u>556,280</u>	<u>28,591</u>
Deficiency of revenues under expenditures	(233,296)	(255,382)	(22,086)
Other financing sources :			
Transfers in	<u>233,296</u>	<u>233,296</u>	<u>-</u>
Deficiency of revenues and other sources under expenditures and other uses	-	(22,086)	(22,086)
Fund balance, beginning of year	<u>142,910</u>	<u>142,910</u>	<u>-</u>
Fund balance, end of year	\$ <u>142,910</u>	\$ <u>120,824</u>	\$ <u>(22,086)</u>

City of College Park, Georgia

ELECTRIC FUND
 SCHEDULE OF REVENUE AND EXPENSE ACTUAL (BUDGET BASIS)
 COMPARED TO BUDGET

For the year ended June 30, 2004

	Original and Final Budget	Actual (Budget Basis)	Variance (Favorable Unfavorable)
Revenues			
Charges for services	\$ 20,859,500	\$ 20,929,559	\$ 70,059
Interest income	540,000	158,892	(381,108)
Other income	996,450	862,583	(133,867)
Total revenue	22,395,950	21,951,034	(444,916)
Expenses			
Personal services	1,560,399	1,504,795	55,604
Communications and utilities	34,580	24,136	10,444
Rentals	18,137	7,367	10,770
Repairs and maintenance	321,230	291,452	29,778
Training and education	60,370	34,811	25,559
Other services and charges	238,311	243,412	(5,101)
Materials and supplies	177,930	148,813	29,117
Wholesale electricity	18,873,200	17,117,625	1,755,575
Bad Debt Expense	9,000	204,231	(195,231)
Capital outlay	652,192	203,812	448,380
Total expenses	21,945,349	19,780,454	2,164,895
Transfers out	(250,000)	(250,000)	-
Net income (budget basis)	\$ 200,601	1,920,580	\$ 1,719,979
Reconciliation of net income (budget basis)			
to net earnings (GAAP basis)			
Excess power purchases		(11,247,856)	
Excess power sales		11,247,856	
Capitalize fixed assets		177,468	
Depreciation		(444,669)	
Net income (GAAP basis)		\$ 1,653,379	

City of College Park, Georgia

WATER AND SEWER FUND
 SCHEDULE OF REVENUE AND EXPENSE ACTUAL (BUDGET BASIS)
 COMPARED TO BUDGET

For the year ended June 30, 2004

	<u>Original and Final Budget</u>	<u>Actual (Budget Basis)</u>	<u>Variance (Favorable Unfavorable)</u>
Revenues			
Charges for services	\$ 5,559,199	\$ 5,194,210	\$ (364,989)
Interest income	42,946	106,154	63,208
Other income	<u>-</u>	<u>4,746</u>	<u>4,746</u>
Total revenue	5,602,145	5,305,110	(297,035)
Expenses			
Personal services	798,922	731,223	67,699
Communications and utilities	108,360	117,394	(9,034)
Rentals	6,100	6,994	(894)
Repairs and maintenance	161,650	432,125	(270,475)
Training and education	5,425	5,894	(469)
Other services and charges	87,645	263,093	(175,448)
Materials and supplies	31,925	27,785	4,140
Cost of sales	3,300,000	2,893,170	406,830
Capital outlay	<u>193,714</u>	<u>118,152</u>	<u>75,562</u>
Total expenses	<u>4,693,741</u>	<u>4,595,830</u>	<u>97,911</u>
Transfers out	<u>(550,000)</u>	<u>(550,000)</u>	<u>-</u>
Net income (budget basis)	\$ <u>358,404</u>	159,280	\$ <u>(199,124)</u>
Reconciliation of net income (budget basis) to net earnings (GAAP basis)			
Capitalize fixed assets		84,948	
Bad debt expense		(32,719)	
Depreciation and amortization		<u>(417,291)</u>	
Net loss (GAAP basis)		\$ <u>(205,782)</u>	

City of College Park, Georgia

CONVENTION CENTER FUND
 SCHEDULE OF REVENUE AND EXPENSE ACTUAL (BUDGET BASIS)
 COMPARED TO BUDGET

For the year ended June 30, 2004

	Original and Final Budget	Actual (Budget Basis)	Variance (Favorable Unfavorable)
Revenues			
Operating transfer in	\$ 4,984,000	\$ 4,495,000	\$ (489,000)
Exhibit hall and meeting room	1,098,000	907,306	(190,694)
Catering sales	2,252,986	2,876,608	623,622
Other rental	2,075,000	1,721,065	(353,935)
Commissions	400,000	147,196	(252,804)
Interest income	8,000	84,594	76,594
Other income	750,000	2,444	(747,556)
Total revenue	11,567,986	10,234,213	(1,333,773)
Expenses			
Personal services	2,421,233	2,323,585	97,648
Communications and utilities	1,053,639	1,084,603	(30,964)
Rentals	1,940	1,514	426
Repairs and maintenance	256,010	207,762	48,248
Training and education	73,900	40,613	33,287
Other services and charges	745,967	1,331,563	(585,596)
Materials and supplies	102,700	103,929	(1,229)
Cost of sales	1,928,177	2,289,639	(361,462)
Debt service	4,984,420	4,923,792	60,628
Total expenses	11,567,986	12,307,000	(739,014)
Net loss (budget basis)	\$ -	(2,072,787)	\$ (2,072,787)
Reconciliation of net income (budget basis)			
to net earnings (GAAP basis)			
Bad Debts		(23,137)	
Bond Principal		1,375,000	
Interest Expense 2001 series bonds		(934,600)	
Depreciation and amortization		(2,616,933)	
Net loss (GAAP basis)		\$ (4,272,457)	

City of College Park, Georgia

SANITATION FUND
 SCHEDULE OF REVENUE AND EXPENSE ACTUAL (BUDGET BASIS)
 COMPARED TO BUDGET

For the year ended June 30, 2004

	Original and Final Budget	Actual (Budget Basis)	Variance (Favorable Unfavorable)
Revenues			
Charges for services	\$ 2,344,364	\$ 2,265,124	\$ (79,240)
Interest income	7,000	4,060	(2,940)
Other income	<u>35,000</u>	<u>51,899</u>	<u>16,899</u>
Total revenue	2,386,364	2,321,083	(65,281)
Expenses			
Personal services	1,330,359	1,298,227	32,132
Communications and utilities	40,300	34,167	6,133
Rentals	5,000	360	4,640
Repairs and maintenance	133,500	158,470	(24,970)
Training and education	3,125	2,255	870
Other services and charges	56,000	49,810	6,190
Materials and supplies	65,700	74,024	(8,324)
Cost of sales	475,380	428,131	47,249
Capital outlay	<u>277,000</u>	<u>267,813</u>	<u>9,187</u>
Total expenses	<u>2,386,364</u>	<u>2,313,257</u>	<u>73,107</u>
Net income (budget basis)	\$ <u>-</u>	7,826	\$ <u>7,826</u>
Reconciliation of net income (budget basis) to net earnings (GAAP basis)			
Capitalize fixed assets		267,813	
Bad debt expense		(6,526)	
Depreciation		<u>(89,377)</u>	
Net income (GAAP basis)		\$ <u>179,736</u>	

**CAPITAL ASSETS
USED IN THE OPERATION
OF GOVERNMENTAL FUNDS**

City of College Park, Georgia
 Capital Assets Used in the Operation of Governmental Funds
 Schedule by Source
 June 30, 2004

Governmental funds capital assets:	
Land	\$ 1,682,388
Building and Improvements	10,967,165
Autos and Trucks	3,215,791
Other Equipment	1,400,183
Infrastructure	26,344,422
Construction in Progress	4,636,998
	<u>\$ 48,246,947</u>
Investments in governmental funds capital assets by source:	
Acquired prior to June 30, 2003	\$ 39,586,211
General Fund	586,000
Special Revenue Funds	8,074,736
	<u>\$ 48,246,947</u>

City of College Park
 Capital Assets Used in the Operation of Governmental Funds
 Schedule by Function and Activity
 June 30, 2004

Function and Activity	Land	Buildings & Improvements	Autos and Trucks	Other Equipment	Infrastructure	CIP - Capital Projects	Total
General government							
City Hall	\$ 480,953	\$ 2,416,553	\$ -	\$ 28,607	\$ -	\$ -	\$ 2,926,113
Data Processing	-	33,030	-	8,302	-	-	41,332
Development	486,159	-	-	-	-	4,636,998	5,123,157
Building and Grounds	-	309,271	111,587	95,995	-	-	516,853
Inspection	-	-	46,620	-	-	-	46,620
Public Safety							
Fire	54,484	250,918	1,805,638	431,847	-	-	2,542,887
Police	388,792	2,590,213	913,564	561,869	-	-	4,454,438
Highways and Streets							
Infrastructure	-	-	-	-	26,344,422	-	26,344,422
Engineering	-	-	16,000	-	-	-	16,000
Streets	-	435,535	244,194	273,563	-	-	953,292
Culture and Recreation							
Library	-	56,153	-	-	-	-	56,153
Parks	272,000	2,488,567	-	-	-	-	2,760,567
Recreation	-	2,386,925	78,188	-	-	-	2,465,113
Total	\$ 1,682,388	\$ 10,967,165	\$ 3,215,791	\$ 1,400,183	26,344,422	\$ 4,636,998	\$ 48,246,947

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City of College Park, Georgia
 Capital Assets Used in the Operation of Governmental Funds
 Schedule of Changes by Function and Activity
 For the fiscal year ended June 30, 2004

Function and Activity	Balance, July 1, 2003	Additions	Deletions	Balance, June 30, 2004
General Government				
City Hall	\$ 2,926,113	\$ -	\$ -	\$ 2,926,113
Data Processing	33,030	8,302	-	41,332
Development	833,895	4,289,261	-	5,123,156
Building and Grounds	506,530	25,298	14,975	516,853
Inspection	46,620	-	-	46,620
Total General Government	<u>4,346,188</u>	<u>4,322,861</u>	<u>14,975</u>	<u>8,654,074</u>
Public Safety				
Fire	2,541,664	47,843	46,620	2,542,887
Police	4,437,801	187,998	171,362	4,454,437
Total Public Safety	<u>6,979,465</u>	<u>235,841</u>	<u>217,982</u>	<u>6,997,324</u>
Highways and Streets				
Infrastructure	26,182,530	161,893	-	26,344,423
Engineering	16,000	-	-	16,000
Streets	901,269	83,993	31,970	953,292
Total Highway and Streets	<u>27,099,799</u>	<u>245,886</u>	<u>31,970</u>	<u>27,313,715</u>
Culture and Recreation				
Library	56,153	-	-	56,153
Parks	799,176	1,961,392	-	2,760,568
Recreation	2,459,862	5,251	-	2,465,113
Total Culture and Recreation	<u>3,315,191</u>	<u>1,966,643</u>	<u>-</u>	<u>5,281,834</u>
Total governmental fund capital assets	<u>\$ 41,740,643</u>	<u>\$ 6,771,231</u>	<u>\$ 264,927</u>	<u>\$ 48,246,947</u>

STATISTICAL SECTION
(Unaudited)

TABLE 1

City of College Park
Government-wide Expenses by Function
Last Two Fiscal Years

Fiscal Year	General Government(1)	Public Safety and Fire Services	Professional and Contractual	Grounds and Streets(2)	Recreation(3)	Electric	Water & Sewer	Sanitation	Convention Center	FAA Projects	Redevelopment	Total Expenditures
2003	\$ 3,059,067	\$ 13,216,323	\$ 989,704	\$ 2,536,344	\$ 1,654,958	\$ 30,993,298	\$ 5,258,626	\$ 2,314,777	\$ 11,092,172	\$ 3,577,642	\$ 508,566	\$ 75,201,477
2004	3,333,888	13,129,918	738,979	2,708,379	1,819,271	31,294,950	4,960,892	2,141,348	14,506,669	3,844,100	385,334	78,863,728

Notes

- (1) Includes General Government, Inspection and Engineering.
- (2) Includes Building and Grounds; and Highways and Streets
- (3) Includes Parks; and Recreation.
- (4) In 2003, the city implemented the provision of Governmental Accounting Standard Number 34 which required the presentation of government wide revenues and expenses. Therefore statistics on government wide expenses are only available since that year.

TABLE 2

City of College Park
Government-wide Revenues by Source
Last Two Fiscal Years

	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Taxes	Interest Income	Gain on Sale of Assets	Other	Total
2003	49,771,537	619,585	679,861	21,041,943	3,763,021	3,866,691	93,889	79,836,527
2004	52,145,979	519,050	1,036,168	21,492,418	3,441,694	16,587	57,909	78,709,805

Notes

In 2003, the city implemented the provision of Governmental Accounting Standard Number 34 which required the presentation of government wide revenues and expenses. Therefore statistics on government wide revenues are only available since that year.

TABLE 3

City of College Park
General Government Expenditures by Function
Last Ten Fiscal Years

Fiscal Year	General Government(1)	Public Safety and Fire Services	Professional and Contractual	Grounds and Streets(2)	Recreation(3)	Capital Outlay	Debt Service	Total Expenditures
1995	1,855,675	7,392,996	725,811	992,465	791,180	502,391	22,160	12,282,678
1996	1,658,357	8,058,451	983,330	1,010,876	810,809	1,028,483	25,571	13,575,877
1997	1,870,638	8,680,381	809,482	1,122,632	884,266	1,382,177	38,047	14,787,623
1998	1,659,949	9,140,720	1,005,432	1,187,005	983,324	1,016,322	51,948	15,044,700
1999	1,852,137	9,284,343	1,403,994	1,154,059	1,041,909	2,001,994	26,255	16,764,691
2000	1,999,786	9,887,837	1,233,156	1,424,600	1,225,679	1,781,460	34,566	17,587,085
2001	3,107,825	11,225,338	1,108,027	1,236,722	1,361,134	2,379,892	8,708	20,427,646
2002	3,161,448	12,579,773	636,505	1,334,751	1,571,828	4,289,254	-	23,573,559
2003	3,004,076	12,871,343	809,704	1,860,780	1,597,101	1,889,505	-	22,032,509
2004	3,288,276	12,633,807	738,979	2,014,792	1,700,148	6,771,231	-	27,147,233

Notes

- (1) Includes General Government, Inspection and Engineering.
(2) Includes Building and Grounds; and Highways and Streets
(3) Includes Parks; and Recreation.

TABLE 4

City of College Park
General Government Revenues by Source
Last Ten Fiscal Years

	Taxes	Licenses and Permits	Inter- Governmental	Charges for Services	Fines	Interest	Other	Total
1994	11,768,953	1,270,552	517,343	153,508	282,731	215,494	301,285	14,509,866
1995	14,351,253	1,309,733	572,494	163,961	468,653	547,843	315,364	17,729,301
1996	15,125,127	1,579,454	503,488	169,373	473,432	619,785	527,406	18,998,065
1997	16,596,946	1,607,075	867,729	191,203	491,108	813,814	734,811	21,302,686
1998	19,158,475	1,614,718	568,899	192,821	892,347	1,174,716	835,933	24,437,909
1999	20,409,547	1,578,980	775,036	199,738	1,061,187	1,011,995	352,518	25,389,001
2000	21,338,219	1,877,605	845,935	221,493	1,034,346	1,296,978	867,382	27,481,959
2001	21,486,057	1,677,297	985,289	567,398	970,894	1,594,697	344,303	27,625,935
2002	20,506,495	1,733,385	1,715,334	622,604	1,107,855	867,206	348,759	26,901,638
2003	21,501,149	2,042,086	1,261,593	677,475	1,721,740	274,052	137,717	27,615,812
2004	21,541,462	1,928,150	1,487,231	568,947	2,361,833	236,304	363,822	28,487,749

	Ad Valorem	Local Option Sales Tax	Insurance Premium and Franchise	Alcohol	Hotel/Motel	Special District	Car Rental	Total
1994	2,650,901	2,970,730	1,281,233	819,439	3,110,448	936,202	-	11,768,953
1995	3,801,376	3,771,781	1,349,693	800,571	3,776,228	851,604	-	14,351,253
1996	3,694,026	4,171,974	1,433,409	714,479	4,203,676	907,563	-	15,125,127
1997	4,466,974	4,524,467	1,509,146	710,728	4,464,425	921,206	-	16,596,946
1998	4,187,958	4,469,479	1,560,706	760,662	4,603,069	1,093,809	2,482,792	19,158,475
1999	5,599,613	5,059,512	1,635,043	733,751	4,409,056	87,697	2,097,876	20,409,547
2000	4,770,290	5,716,364	1,633,198	743,071	4,886,165	1,174,685	2,414,446	21,338,219
2001	5,061,199	5,472,531	1,766,405	778,777	5,013,931	1,170,737	2,222,447	21,486,027
2002	5,370,853	5,095,204	1,567,079	714,750	4,174,387	1,282,895	2,301,327	20,506,495
2003	7,066,172	4,564,778	1,592,717	675,681	4,085,081	1,433,468	2,083,252	21,501,149
2004	7,183,660	4,435,632	1,468,192	699,850	4,117,878	1,437,656	2,198,594	21,541,462

TABLE 5

City of College Park
Property Tax Levies and Collections
Last Ten Fiscal Years

	Total Tax Levy	Current Tax Collections	Percent of Current Taxes Collected	Delinquent Tax Collections	Total Tax Collections	Ratio of Total Tax Collections to Total Levy	Outstanding Delinquent Taxes	Ratio of Delinquent Taxes Taxes to Total Levy
1995	3,922,500	3,724,259	94.9	44,556	3,768,815	96.1%	198,241	5.1%
1996	3,935,929	3,717,623	94.5	37,431	3,755,054	95.4%	138,375	3.5%
1997	4,201,349	4,063,481	96.7	21,057	4,084,538	97.2%	204,143	4.9%
1998	4,811,795	4,714,744	98.0	18,056	4,732,800	98.4%	171,765	3.6%
*1999	4,976,566	4,604,159	92.5	16,856	4,621,015	92.9%	454,816	9.1%
2000	4,610,909	4,600,594	99.8	355,142	4,955,736	107.5%	99,674	2.2%
2001	5,093,956	5,030,677	98.8	12,840	5,043,516	99.0%	158,844	3.1%
2002	5,453,670	5,360,313	98.3	68,672	5,428,985	99.5%	42,558	0.8%
2003	5,501,623	5,445,610	98.9	113,110	5,558,720	101.0%	56,013	1.0%
2004	5,266,224	5,064,042	96.1	104,879	5,168,921	98.2%	202,182	3.8%

* The City of College Park receives its tax assessments from Fulton and Clayton Counties. State law in Georgia requires that counties with greater than six percent of its tax digest under appeal may only levy based upon the last state approved digest. During the year the reassessed digest of Fulton County was certified by the state. On June 7, 1999 an additional tax levy was assessed. Due to the proximity to the end of the fiscal year, sufficient time had not elapsed to collect those taxes; thus outstanding delinquent taxes were higher than normal, along with the corresponding lower percent of current levy collected and delinquent taxes as a percent of the current levy. The supplemental billing is considered currently receivable.

TABLE 6

City of College Park
Assessed and Estimated Actual Values of Property
Last Ten Fiscal Years

	Real Property		Personal Property		Motor Vehicles		Exemptions Real Property
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
1995	268,287,431	670,718,578	89,944,534	224,861,335	70,190,201	230,714,063	37,969,897
1996	272,642,626	681,606,565	84,838,418	212,096,045	92,285,625	240,812,765	36,860,480
1997	260,960,524	652,401,310	94,764,064	236,910,160	96,325,106	240,812,765	36,604,437
1998	280,473,225	701,183,063	102,209,152	255,522,880	132,093,129	330,232,823	35,351,359
1999	314,543,677	786,359,193	114,910,888	287,277,220	111,137,397	277,843,493	38,150,419
2000	306,934,680	767,336,700	132,968,077	332,420,193	138,018,629	345,046,573	38,447,335
2001	299,738,076	749,345,190	164,560,098	411,400,245	162,380,964	405,952,410	40,485,095
2002	290,910,166	727,275,415	184,175,495	460,438,738	153,613,823	384,034,558	43,350,574
2003	297,129,641	742,824,103	117,125,294	292,813,235	138,840,377	347,100,943	46,109,372
2004	322,848,646	807,121,615	115,558,291	288,895,728	167,982,275	419,955,688	47,557,148
	Public Utilities		Total				
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value			
1995	110,452,323	276,130,808	500,904,592	1,252,261,480			
1996	107,844,849	269,612,123	520,751,038	1,301,877,595			
1997	144,792,725	361,981,813	560,237,982	1,400,594,955			
1998	162,175,251	405,438,128	641,599,398	1,603,998,495			
1999	161,151,145	402,877,863	663,592,688	1,658,981,720			
2000	119,796,471	299,491,178	659,270,522	1,648,176,305			
2001	148,864,484	372,161,210	735,058,527	1,837,646,318			
2002	152,648,860	381,622,150	737,997,770	1,844,994,425			
2003	156,228,666	390,571,665	663,214,606	1,658,036,515			
2004	134,201,785	335,504,463	693,033,849	1,732,584,623			

Table 7

City of College Park
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years

Calendar Year	Fiscal Year	City General Fund	Bonds and Operating		School District		State of Georgia
			Fulton	Clayton	Fulton	Clayton	
1994	1995	7.50	14.01	12.50	21.26	19.84	0.25
1995	1996	7.50	14.01	9.10	21.26	19.84	0.25
1996	1997	7.50	14.01	4.88	21.26	18.34	0.25
1997	1998	7.50	13.69	4.65	20.76	18.34	0.25
1998	1999	7.50	13.69	3.41	20.76	18.34	0.25
1999	2000	6.93	13.69	4.11	20.76	17.92	0.25
2000	2001	6.62	13.69	3.91	20.15	17.92	0.25
2001	2002	6.61	13.34	4.05	19.02	17.92	0.25
2002	2003	9.56	12.81	5.88	18.77	17.92	0.25
2003	2004	9.56	11.65	6.88	17.61	18.92	0.25

NOTE: RATES ARE PER \$1,000 OF ASSESSED VALUE

TABLE 8

City of College Park
Principal Taxpayers
For the year ended June 30, 2004

	Assessed Valuation	Taxes Levied	Percent of Gross Tax Digest
Delta Air Lines	\$ 113,967,050	\$ 1,089,525	19.90%
Felcor Suites, Ltd.	19,592,244	187,302	3.42%
Pittsburg National Bank	16,715,720	159,802	2.92%
Coca Cola Enterprises	14,479,068	138,420	2.53%
Lepercq Atlanta Renaissance	14,194,661	135,701	2.48%
Sysco	14,039,370	134,216	2.45%
CRT-SFV LLC	12,553,175	120,008	2.19%
Societe International	10,666,390	101,971	1.86%
College Park Partners	8,185,600	78,254	1.43%
Heritage Packaging	5,740,710	54,881	1.00%
	<u>\$ 230,133,988</u>	<u>\$ 2,200,081</u>	40.19%

TABLE 9

City of College Park, Georgia
 Computation of Legal Debt Margin
 For the year ended June 30, 2003

General Obligation Bond Tax Digest	\$ <u>693,033,849</u>
General Obligation Debt Limit (10% of Assessed Value)	\$ 69,303,385
Amount of Debt Applicable to Limit	-
Legal Debt Margin	\$ <u>69,303,385</u>

TABLE 11

City of College Park, Georgia
Revenue Bond Coverage
Last Ten Fiscal Years
Water and Sewer Revenue Bonds

	Gross Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Principal	Interest	Total	Coverage
1995	4,671,861	2,837,263	1,834,598	375,000	289,244	664,244	2.76
1996	4,863,618	2,829,162	2,034,456	375,000	278,368	653,368	3.11
1997	4,905,219	3,006,586	1,898,633	390,000	284,152	674,152	2.82
1998	5,047,915	2,819,377	2,228,538	400,000	256,736	656,736	3.39
1999	5,231,027	3,681,527	1,549,500	415,000	243,520	658,520	2.35
2000	5,510,220	3,994,234	1,515,986	430,000	235,736	665,736	2.28
2001	5,434,646	4,649,406	785,240	445,000	211,836	656,836	1.20
2002	5,411,295	4,358,372	1,052,923	465,000	181,771	646,771	1.63
2003	5,074,085	4,861,466	212,619	-	-	-	-
2003	5,198,956	4,960,892	238,064	-	-	-	-

- (1) Total revenues including interest
(2) Total expenses exclusive of depreciation and interest expense
(3) All water and sewer bonds were defeasced in June 2002. Principal for 2002 represents only the principal portion which was due that year.

TABLE 12

City of College Park
 Revenue Bond Coverage
 Last Ten Fiscal Years
 Convention Center Revenue Bonds

	Gross Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Principal	Interest	Total	Coverage
1993	\$ 4,291,136	\$ 1,230,733	\$ 3,060,403	\$ 610,000	\$ 3,516,290	\$ 4,126,290	0.70
1994	7,240,758	3,188,077	4,052,681	1,505,000	3,139,841	4,644,841	0.90
1995	7,910,055	3,543,717	4,366,338	1,740,000	2,732,191	4,472,191	0.98
1996	9,294,552	4,078,370	5,216,182	1,789,006	2,697,742	4,486,748	1.16
1997	9,989,771	4,240,207	5,749,564	673,905	2,935,786	3,609,691	1.59
1998	10,214,898	4,483,950	5,730,948	2,808,117	2,296,061	5,104,178	1.12
1999	9,877,046	4,600,539	5,276,507	1,863,117	2,332,851	4,195,968	1.26
2000 *	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2001 **	16,474,959	8,409,986	8,064,973	-	3,451,640	3,451,640	2.30
2002 **	12,222,497	8,982,127	3,240,370	1,240,000	4,406,211	5,646,211	0.57
2003 **	12,570,800	8,897,211	3,673,589	1,305,000	4,554,967	5,859,967	0.63
2004	10,149,618	9,847,984	301,634	1,375,000	4,483,392	5,858,392	0.05

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

(2) Total expenses exclusive of depreciation and interest expense

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

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

TABLE 13

City of College Park
Demographic Information
June 30, 2004

* All population figures for years other than 1960, 1970 1980, 1990 and 2000 are estimates by the U.S Department of Commerce, Bureau of the Census.

	2000	1990
Total Population	20,382	20,823
Density (persons per acre)	3.3	3.4
Population (white)	2,525	4,313
Population (black and other)	17,857	16,510
Percent black and other	87.61	79
Median age	27.40	not available
Total Housing Units	8,351	10,077
Occupied units (households)	7,810	8,065
Owner occupied	1,591	not available
Renter occupied	6,219	not available
Percent occupied	93.5	80
Average household size	2.6	3
Single family housing units	1,591	2,921
Multi family housing units	6,219	7,154

	<u>Population *</u>
1960	24,632
1970	18,203
1980	24,632
1990	20,645
1991	21,023
1992	21,426
1993	21,906
1994	20,542
1995	20,342
1996	20,227
1997	20,054
1998	19,990
1999	n/a
2000	20,382

Source : Atlanta Regional Commission, Bureau of the Census

TABLE 14

City of College Park, Georgia
Labor Force and Unemployment
Last Five Fiscal Years

	2004	2003	2002	2001	2000
Employment	13,265	13,358	12,754	12,685	12,315
Unemployment	934	1,136	1,048	616	622
Total Labor Force	<u>14,199</u>	<u>14,494</u>	<u>13,802</u>	<u>13,301</u>	<u>12,937</u>
City Unemployment Rate	6.6%	7.8%	7.6%	4.6%	4.8%
Fulton County Unemployment Rate	5.2%	6.2%	6.0%	3.7%	3.9%
State Unemployment Rate	4.2%	5.2%	4.7%	3.7%	4.0%

Source : Georgia State Department of Labor

TABLE 15

City of College Park, Georgia
 Summary of City Building Permits
 Last Five Years

	Commercial/Industrial		Residential	
	Permits	Values	Permits	Values
2004	78	\$ 4,738,738	269	\$ 10,589,266
2003	16	35,421,751	61	5,521,887
2002	11	67,918,354	10	1,154,000
2001	14	4,945,703	5	430,600
2000	13	19,037,448	2	219,900

TABLE 16

City of College Park, Georgia
Miscellaneous Statistics
June 30, 2004

Date of Incorporation	1895
Form of Government	Council/Manager
Number of Employees (Excluding Police and Fire)	
Classified	181
Exempt	23
Area in Square Miles	9
College Park facilities and services :	
Miles of streets	79
Number of street lights	2,000
Culture and recreation :	
City Auditorium	1
Community centers	2
Parks	6
Park acreage	280
Golf courses	1
Swimming pools	2
Tennis courts	10
Fire Protection:	
Number of stations	2
Number of fire personnel and officers	64
Police Protection:	
Number of stations	1
Number of police personnel and officers	114
Number of patrol units	38
Sewerage System:	
Miles of sanitary sewers	75
Number of service connections	2,769
Water System :	
Miles of water mains	71
Number of service connections	2,769
Number of fire hydrants	379
Daily average consumption in gallons	3.0 MGD

TABLE 16

City of College Park, Georgia
Miscellaneous Statistics - Continued
June 30, 2004

Electrical System:	
Number of Street Lights	2,025
Miles of power lines	130
Number of substations	8
Number of service connections	8,416
Daily average consumption in MWH	47.3 MWH
Convention Center:	
Number of meeting rooms	27
Exhibit Hall square footage	150,000
Ballroom Square Footage	40,000
Facilities and services not included in the reporting entity:	
Number of elementary schools	2
Number of elementary school instructors	67
Number of high schools	1
Number of high school instructors	28