

CITY OF COLLEGE PARK, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2005

Prepared by:
Cynthia A. King, Finance Director, City of College Park, Georgia

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FOR THE FISCAL YEAR ENDED JUNE 30, 2005

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CITY OF COLLEGE PARK, GEORGIA
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INTRODUCTORY SECTION
(Unaudited)



CITY OF COLLEGE PARK

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

December 15, 2005

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, Georgia (the "City") for the fiscal year ended June 30, 2005.

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

The City of College Park's financial statements have been audited by Mauldin & Jenkins, 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, 2005, 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, 2005, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

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

Profile of the Government

The City, incorporated in 1895, is located approximately nine minutes and seven miles south of Atlanta's downtown business district. The City enjoys access to Interstate Highways I-85 and I-285, as well as U.S. Highway 29, adjacent to and adjoining the Midfield Terminal Complex of Hartsfield 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 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, Hospitality Fund, and Car Rental Fund, these comparisons are presented as part of the basic financial statements for the governmental funds. For other nonmajor governmental funds, with appropriated annual budgets, this comparison is presented in the combining and individual fund statements and schedules section 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 entered into a development agreement with a private developer to construct not only the 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:

- 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
- The relocation of all car rental facilities presently located at the airport to this area
- The construction of four major hotels and two office buildings
- An Automated People Mover (APM) to connect the Airport to one development.

A separate special revenue fund has been set up to account for the operations of the Newton Estates Improvement District. Revenues for this fund consist of a special district tax imposed on the appreciation of ad valorem assessments from commercial development within its borders. - The revenue stream is 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. Renovation of houses in the Historic District is occurring along with new developments such as Palmour Court and Eagles Grove subdivisions. The number of residential building permits remain at a high rate in 2005.

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 and the building construction was completed in November 2005. The project was completed this month (December 2005) with the Fire, Police, Corrections, E911 center, and the Municipal Court relocated to the new complex.

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 1.86 percent. The Governmental funds earned interest revenue of \$405,160 and Enterprise funds earned \$872,313 on investments (Excluding capital lease interest income of \$2,649,044 in the FAA Projects) for the year ended June 30, 2005.

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.

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 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.

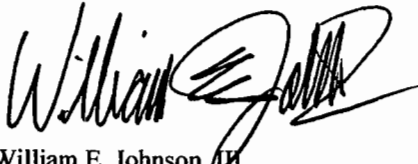
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of College Park for its comprehensive annual financial report for the fiscal year ended June 30, 2004. The Certificate of Achievement 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 six consecutive years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and are submitting it to the GFOA.

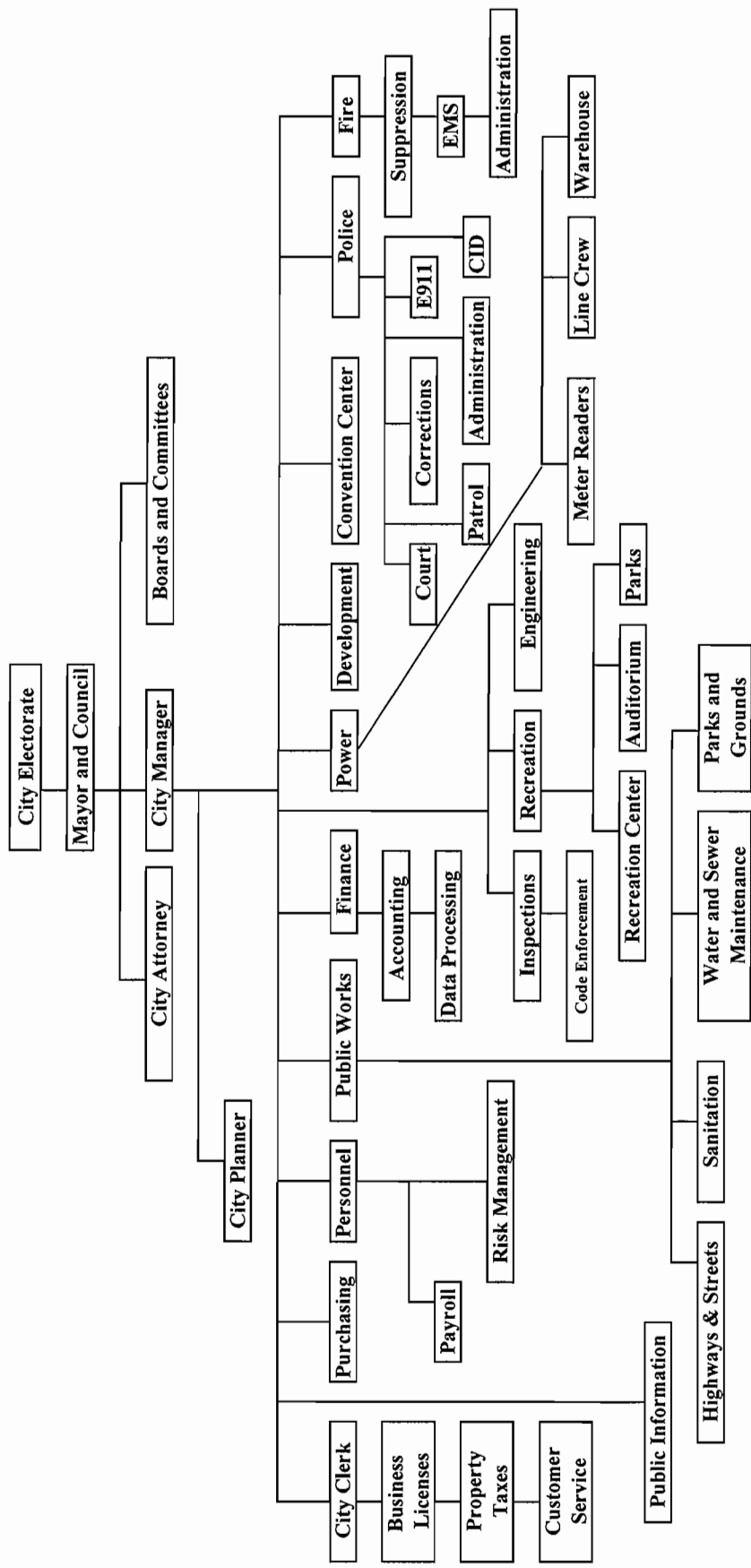
Acknowledgements

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,

A handwritten signature in black ink, appearing to read "William E. Johnson, III". The signature is stylized and cursive, with a large, prominent initial "W".

William E. Johnson, III,
City Manager



CITY OF COLLEGE PARK, GEORGIA

PRINCIPAL OFFICIALS JUNE 30, 2005

Legislative Branch

Mayor	Jack P. Longino
Council Member	Russell L. Slider
Council Member	Charles E. Phillips
Council Member	Cynthia Jones
Council Member	Tracey Wyatt

Management Staff

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

Board of the College Park Business and Industrial Development Authority

Chairman	Jeff Green
Vice Chairman	Walter Bellamy
Secretary/Treasurer	Jan Randolph
Board Member	Jim Gable
Board Member	April Wyatt
Mayor of the City	Jack P. Longino

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of College Park,
Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2004

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.



Nancy L. Zielle

President

Jeffrey R. Emmer

Executive Director

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the **City of College Park, Georgia** (the "City"), as of and for the year ended June 30, 2005, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of College Park, Georgia's, management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of College Park, Georgia, as of June 30, 2005, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund, Hospitality Fund, and Car Rental Fund 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 November 10, 2005, on our consideration of the City of College Park, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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.

The Management's Discussion and Analysis (on pages 3 through 12) is not a required part of the basic financial statements but is 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 introductory section, combining and individual fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements of the City of College Park, Georgia. The combining and individual fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly presented in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical section 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.

Mauldin & Jenkins, LLC

Atlanta, Georgia
November 10, 2005

CITY OF COLLEGE PARK, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2005

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, 2005. 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 \$160,743,914 (net assets). Of this amount, \$39,281,129 (unrestricted net assets) may be used to meet the City's ongoing obligations to citizens and creditors. This is a decrease of \$5,652,571 from the prior year.
- The total cost of all City programs was \$68,599,692 compared to \$67,615,875 in the prior year. Overall operating expenses have remained comparable to the prior year with slight increases due to increases in compensation and inflation.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$18,846,249 a decrease of \$8,907,715 in comparison with the prior year. Of this amount, \$17,999,040 remains unreserved.
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$21,062,547 or 103% of total General Fund expenditures, which represents a 1% increase from the prior year. This represents over a years worth of expenditures. The average for similar municipalities is approximately 3 to 4 months.
- Revenue bonds payable net of deferred loss on defeasance is \$118,509,070 compared to \$110,856,453 reported in the prior year. The increase is from issuance of bonds by the College Park Business and Industrial Development Authority for the construction of a public safety complex.

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

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

The government-wide financial statements can be found on pages 13 and 14 of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS

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 (2) 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 ten (10) 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 seven (7) governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report. Exhibits 1 and 2 on pages 11 and 12 present revenues by source for the governmental fund category.

The basic governmental fund financial statements can be found on pages 15 and 16 of this report.

The City adopts an annual appropriated budget for its major governmental funds as well as several of the nonmajor governmental funds. Budgetary comparison statements have been provided for the governmental funds to demonstrate compliance with this budget. Exhibit 3 on page 12 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.

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

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 27-58 of this report.

Statistical section. In addition to the basic financial statements and accompanying notes, this report also presents various supplementary and statistical information such as 10 year presentation of revenues, expenditures and tax rates. The statistical section can be found on pages 68-86 of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Government-wide Financial Analysis

Net Assets

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. The City's combined net assets increased slightly from \$159,633,960 in 2004 to \$160,743,914 in 2005. Our analysis below focuses on the net assets (**Table 1**) as compared to the previous year.

Table 1 City of College Park Net Assets

	Governmental Activities		Business-type Activities		Total Primary Government	
	2004	2005	2004	2005	2004	2005
Current and other assets	\$ 22,993,687	\$ 22,013,288	\$ 22,252,872	\$ 68,377,126	\$ 45,246,559	\$ 90,390,414
Capital assets	31,948,620	41,506,940	142,551,803	140,702,249	174,500,423	182,209,189
Other noncurrent assets	10,986,031	5,199,676	92,638,648	28,784,772	103,624,679	33,984,448
Total assets	<u>65,928,338</u>	<u>68,719,904</u>	<u>257,443,323</u>	<u>237,864,147</u>	<u>323,371,661</u>	<u>306,584,051</u>
Current liabilities	1,588,825	4,280,373	16,775,704	21,837,747	18,364,529	26,118,120
Long term liabilities	1,069,863	50,926	145,059,794	119,671,091	146,129,657	119,722,017
Total liabilities	<u>2,658,688</u>	<u>4,331,299</u>	<u>161,835,498</u>	<u>141,508,838</u>	<u>164,494,186</u>	<u>145,840,137</u>
Net assets:						
Invested in capital assets net of debt	31,874,091	41,416,993	69,198,107	59,337,937	101,072,198	100,754,930
Restricted	6,028,332	384,296	7,599,730	20,323,559	13,628,062	20,707,855
Unrestricted	25,367,227	22,587,316	19,566,473	16,693,813	44,933,700	39,281,129
Total net assets	<u>\$ 63,269,650</u>	<u>\$ 64,388,605</u>	<u>\$ 96,364,310</u>	<u>\$ 96,355,309</u>	<u>\$ 159,633,960</u>	<u>\$ 160,743,914</u>

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 invested in capital assets net of related debt of the City equals 63% of total net assets. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending.

The City of College Park's net assets also include \$384,296 in net assets restricted for public safety and recreation activities, \$20,323,559 restricted for capital outlay and \$39,281,129 in unrestricted net assets. Total net assets have increased by \$1,109,954 in the current year as compared to a decrease of \$173,926 in the prior year. Some of the more significant contributions to this improvement were made in the following areas:

- Change in net assets for the Electric Fund in 2005 was \$4,440,482 compared to \$1,903,379 in the prior year. The City had significant electric sales to airport construction related projects.
- Interest income increased \$484,823 as interest rates have increased.

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, the City of College Park reported positive balances in all categories of net assets.

Unrestricted cash and investments are \$41,372,328 or 82% of current assets for the primary government.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Table 2 compares changes in net assets for 2004 and 2005.

Table 2

City of College Park Changes In Net Assets

	Governmental Activities		Business-type Activities		Total Primary Government	
	2004	2005	2004	2005	2004	2005
Revenues:						
Charges for services	\$ 4,839,027	\$ 4,416,036	\$ 36,059,096	\$ 37,257,392	\$ 40,898,123	\$ 41,673,428
Operating grants and Contributions	519,050	572,768	-	-	519,050	572,768
Capital grants and Contributions	1,036,168	559,715	-	-	1,036,168	559,715
General revenues:						
Property taxes	8,608,458	9,645,418	-	-	8,608,458	9,645,418
Car rental taxes	2,198,593	1,748,499	-	-	2,198,593	1,748,499
Hotel/Motel taxes	4,081,692	4,547,970	-	-	4,081,692	4,547,970
Sales taxes	4,435,632	4,664,199	-	-	4,435,632	4,664,199
Franchise taxes	592,682	638,861	-	-	592,682	638,861
Insurance taxes	875,511	948,816	-	-	875,511	948,816
Alcoholic beverage taxes	699,850	680,329	-	-	699,850	680,329
Interest income	235,966	405,160	3,205,728	3,521,357	3,441,694	3,926,517
Gain (loss) on sale of capital assets	(3,413)	33,858	-	-	(3,413)	33,858
Miscellaneous income	57,909	69,268	-	-	57,909	69,268
Total revenues	28,177,125	28,930,897	39,264,824	40,778,749	67,441,949	69,709,646
Expenses:						
General government	3,000,095	2,678,678	-	-	3,000,095	2,678,678
Public Safety	13,592,141	14,452,742	-	-	13,592,141	14,452,742
Recreation	1,628,469	1,723,745	-	-	1,628,469	1,723,745
Inspection	231,570	257,614	-	-	231,570	257,614
Engineering	219,591	219,654	-	-	219,591	219,654
Building and grounds	1,166,198	658,947	-	-	1,166,198	658,947
Parks	254,848	301,063	-	-	254,848	301,063
Highway and streets	1,637,526	2,340,269	-	-	1,637,526	2,340,269
Interest on long term debt	-	5,795	-	-	-	5,795
Electric	-	-	20,047,094	17,342,793	20,047,094	17,342,793
Water and sewer	-	-	4,960,892	5,645,466	4,960,892	5,645,466
Sanitation	-	-	2,141,348	2,224,024	2,141,348	2,224,024
Convention center	-	-	14,506,669	15,493,999	14,506,669	15,493,999
FAA projects	-	-	3,844,100	4,075,786	3,844,100	4,075,786
Redevelopment	-	-	385,334	1,179,117	385,334	1,179,117
Total expenses	21,730,438	22,638,507	45,885,437	45,961,185	67,615,875	68,599,692
Increase (decrease) in net assets before transfers	6,446,687	6,292,390	(6,620,613)	(5,182,436)	(173,926)	1,109,954
Transfers	(3,695,000)	(5,173,435)	3,695,000	5,173,435	-	-
Change in net assets	2,751,687	1,118,955	(2,925,613)	(9,001)	(173,926)	1,109,954
Net assets beginning of year	60,517,963	63,269,650	99,289,923	96,364,310	159,807,886	159,633,960
Net assets end of year	\$ 63,269,650	\$ 64,388,605	\$ 96,364,310	\$ 96,355,309	\$ 159,633,960	\$ 160,743,914

Governmental activities. Governmental activities contributed \$1,118,955 to net assets in 2005 compared to a contribution of \$2,751,687 in the prior year. Overall, governmental revenues increased \$753,772 while governmental expenses increased \$908,069. Public safety expenses have increased \$860,601 or 6.3% as salaries have increased and vacancies have been filled. Building and ground expenses decreased \$507,251 because of the completion of work related to Hazard Mitigation detention ponds funded by federal/state grant funds.

In addition, transfers from the governmental funds to the business type funds increased from \$3,695,000 in 2004 to \$5,173,435 in 2005. 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.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Business-type activities. The City's net assets for business-type activities decreased by (\$9,001) in 2005 compared to a (\$2,925,613) decrease in the prior year. As stated earlier, there were significant improvements in the Electric Fund as a result of electric sales related to airport construction as well as a 10% increase in water and sewer rates. An increase in transfers from the Hospitality Fund to the Convention Center Fund also contributed to the improvement in net assets for business-type activities.

The City incurred settlement costs of \$1,250,000 in the Convention Center fund related to settlement of a lawsuit related to contractual obligations at the former convention center facility.

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 \$21,062,547, while total fund balance reached \$21,525,460. 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 103% of total General Fund expenditures, while total fund balance represents 105 percent of that same amount.

Expenditures exceeded revenues by (\$1,016,497) in 2005 compared to (\$992,423) in the prior year. In order to make up this deficit, the City transferred \$250,000 from the Electric Fund, \$550,000 from the Water and Sewer Fund, and \$950,000 from the Hospitality Fund.

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 in this fund increased from \$5,555,534 in the prior year to \$6,025,791 as the travel industry continues to improve. The majority of these funds (\$4,950,000) are used to support the operations of the Georgia International Convention Center.

The Car Rental Fund derives its revenues from taxes levied on car rental operations at Hartsfield-Jackson International Airport. Car rental taxes decreased from \$2,198,594 in the prior year to \$1,748,499. Car rental funds are restricted for capital projects for public safety and recreation. During 2005, construction continued on a new public safety complex. Construction costs of \$9,692,061 were incurred in fiscal 2005 and total construction costs thru June 30, 2005 totaled \$12,649,623. The City has a number of nonmajor governmental funds. The activities of these funds are reflected on pages 57 and 58 of this 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 2005, the City received \$937,192 in State and Federal Grants. This is a decrease from \$1,390,170 received in the prior year. The most significant grant received during the year was a Hazard Mitigation grant of \$388,183 received from the Federal Emergency Management Administration and is being used to improve stormwater infrastructure. In the two year period ended June 30, 2005, the City has received \$948,781 under this grant. The remainder of grants received primarily relate to supplemental funding for public safety related activities such as additional police salaries. **Table 3** compares total revenues, expenditures and changes in fund balance for all governmental funds.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Table 3
Governmental Revenues, Expenditures and Changes in Fund Balances

	Governmental Funds	
	2004	2005
Revenues:		
Taxes	\$ 21,541,462	\$ 22,889,468
Licenses and permits	1,928,150	1,975,653
Intergovernmental revenues	1,487,231	1,132,483
Fines and forfeitures	2,361,833	1,910,106
Charges for services	568,947	530,277
Interest income	236,304	405,160
Other	106,065	69,268
Total revenues	28,229,992	28,912,415
Expenditures:		
General government	2,975,382	2,741,632
Police	8,913,336	9,216,968
Fire	4,431,747	5,350,701
Recreation	1,578,532	1,698,795
Inspection	226,377	256,330
Engineering	218,564	222,832
Building and grounds	6,766,659	11,339,283
Parks	190,846	243,037
Highway and streets	1,845,790	1,631,406
Debt service	-	40,526
Total expenditures	27,147,233	32,741,510
Excess (deficiency) of revenues over (under) expenditures	1,082,759	(3,829,095)
Other financing sources (uses)		
Proceeds from capital lease	42,168	50,612
Gain on sale of capital assets	215,589	44,203
Transfers in	1,958,296	2,758,373
Transfers out	(5,653,296)	(7,931,808)
Total other financing sources (uses)	(3,437,243)	(5,078,620)
Net change in fund balances	(2,354,484)	(8,907,715)
Fund balances, beginning of year (as restated)	30,108,448	27,753,964
Fund balances, end of year	\$ 27,753,964	\$ 18,846,249

Total governmental revenues increased by \$682,423 from 2004 to 2005. Total governmental expenditures increased \$5,594,277 as a result of significant capital outlays, primarily for the construction of a public safety complex.

MANAGEMENT'S DISCUSSION AND ANALYSIS

General Fund Budgetary Highlights

A schedule of General Fund Revenues Expenditures and Changes in Fund Balance, Budget and Actual can be found on page 18 and 19. Expenditures over revenues for the General Fund were \$888,732 better than had been budgeted. Components of this variance are described below:

- Overall, actual revenues were \$246,011 better than expected. Tax collections were \$786,049 better than budgeted due to increased construction in the City, an increase in assessed values of property by Fulton County, and an upswing in the economy. Fines and forfeitures were \$405,088 below budget because a larger percentage of collections must be remitted to the state and county for state mandated assistance funds and county drug abuse treatment and education expenses.
- Overall, actual expenditures were \$601,901 better than budgeted. General government expenditures were \$217,316 better than projected because of a number of positions which remained unfilled during the year. Actual police expenditures were \$192,261 better than budgeted because of positions not being funded for the entire year. Actual fire expenditures were \$145,841 better than budgeted because certain high level positions which were budgeted were not filled during the year. Actual recreation expenses were \$80,240 greater than budgeted because of program requests initiated by the Council during the year. Actual highway and street expenses were \$79,265 better than budgeted because of allocation of expenditures previously charged to contractual.

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, 2005, is \$182,209,189 (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	
	2004	2005	2004	2005	2004	2005
Land	\$ 1,522,388	\$ 1,639,028	\$ 22,315,510	\$ 22,291,021	\$ 23,837,898	\$ 23,930,049
Construction in progress	4,636,998	13,988,748	-	55,449	4,636,998	14,044,197
Building and improvements	8,790,265	8,526,529	77,763,590	76,476,295	86,553,855	85,002,824
Autos and trucks	900,170	785,644	581,300	561,805	1,481,470	1,347,449
Other equipment	535,856	506,310	10,265,543	10,113,595	10,801,399	10,619,905
Infrastructure	15,562,943	16,060,681	31,625,860	31,204,084	47,188,803	47,264,765
Total	\$ 31,948,620	\$ 41,506,940	\$ 142,551,803	\$ 140,702,249	\$ 174,500,423	\$ 182,209,189

Land for FY 2004 was reduced by \$6,461,447 as a result of reclassification of certain land purchase options to the "other asset" category on the Statement of Net Assets. Construction in progress has increased \$9,407,199 over the prior year primarily as a result of construction civilities on a public safety complex and park improvements.

Additional information on the City's capital assets can be found in Note 5 pages 40-42 of this report.

Long-term debt. Bond debt increased from \$110,856,453 in 2004 to \$118,509,070 in 2005 reflecting the issuance of \$11,250,000 of bonds for a public safety building and the scheduled retirement of \$3,865,000 of other bond debt.

Additional information on the City's long-term debt and capital leases can be found in Note 6 on pages 42- 46.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Economic Factors and Next Year's Budgets and Rates

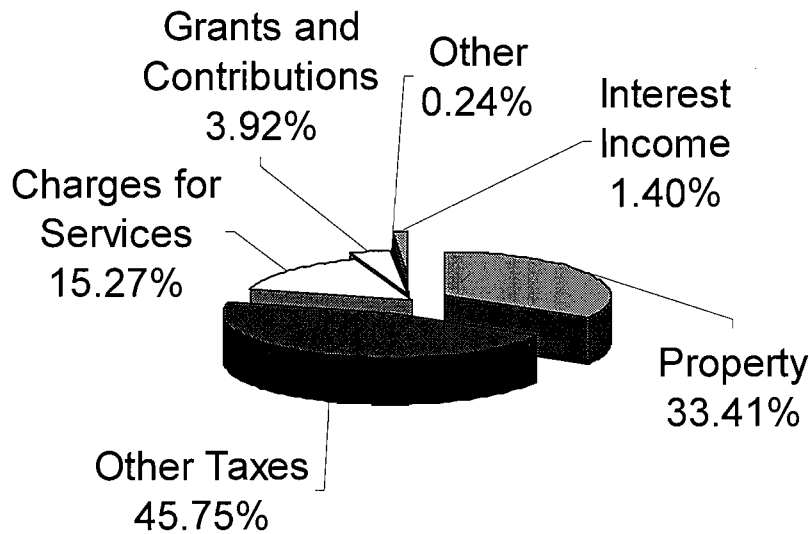
- The unemployment rate for the City in June 2005 was 6.3%, which is slightly down from a rate of 6.6% percent a year ago. This compares to the state's average unemployment rate of 5.6%. The City's unfavorable comparison to the state average reflects the City's dependence on the travel industry which still lags the rest of the economy.
- Electric rates are budgeted to be reduced in the upcoming fiscal year, while water and sewer rates are budgeted to be increased to offset increased costs of purchases and infrastructure improvements.
- Travel related revenues such as hotel motel taxes and car rental taxes are budgeted to increase as the travel industry and national economy continue to improve.
- The bankruptcy of Delta Airlines and related property tax revenues have been factored into the current year budget with contingency plans established to make up any shortfall in revenues.
- Inflationary trends in the region compare similar to national indices.
- The City will recognize new commercial revenue along the Old National Corridor with additional funds coming from the Department of Transportation for streetscape enhancements and the City budgeting money for the purchase of land for a park expansion on Godby Road.

These factors were considered in preparing the City's budget for the 2006 fiscal year.

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 William Johnson, City Manager, P.O. Box 87137, City of College Park, Georgia, 30337.

Exhibit 1: Governmental Revenue Sources for Fiscal Year 2005



Property Taxes	\$	9,660,794
Other Taxes		13,228,674
Charges for Services		4,416,036
Grants, Contributions		1,132,483
Interest Income		405,160
Other		69,268
Total	\$	28,912,415

Exhibit 2: General Governmental Tax Revenue Sources for Fiscal Year 2005

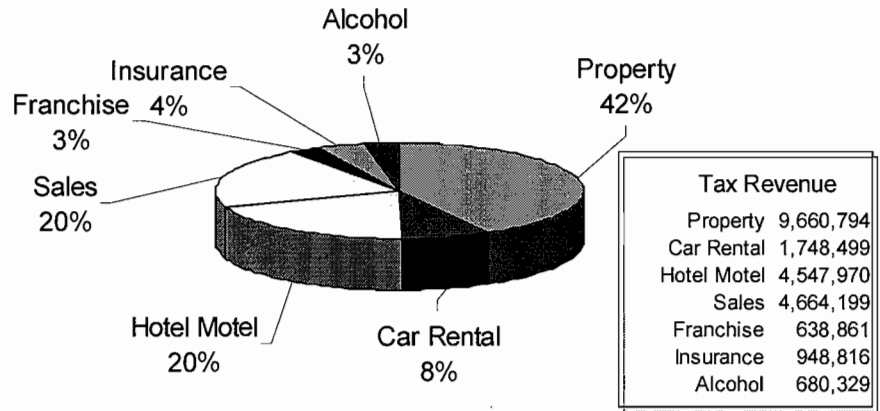
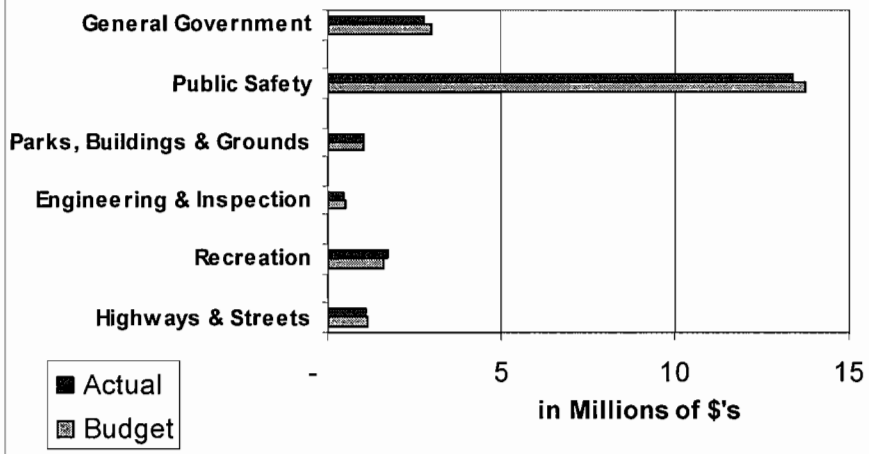


Exhibit 3: General Fund Budget to Actual



BASIC FINANCIAL STATEMENTS

CITY OF COLLEGE PARK, GEORGIA

STATEMENT OF NET ASSETS JUNE 30, 2005

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets			
Cash and cash equivalents	\$ 4,731,334	\$ 2,159,325	\$ 6,890,659
Investments	8,629,560	25,852,109	34,481,669
Receivables (net of allowance for uncollectibles)	1,629,249	5,063,390	6,692,639
Internal balances	(2,875,194)	2,875,194	-
Inventories	88,306	31,315	119,621
Investment in lease	-	1,682,373	1,682,373
Prepays	462,913	212,053	674,966
Cash restricted	399,434	147,142	546,576
Investments restricted	8,947,686	30,354,225	39,301,911
Total current assets	22,013,288	68,377,126	90,390,414
Noncurrent assets			
Investment in long term lease	-	20,546,934	20,546,934
Net pension asset	5,069,510	-	5,069,510
Deferred charges	-	2,344,441	2,344,441
Other assets	130,166	5,893,397	6,023,563
Capital assets:			
Non-depreciable	15,627,776	22,346,470	37,974,246
Depreciable, net of accumulated depreciation	25,879,164	118,355,779	144,234,943
Total noncurrent assets	46,706,616	169,487,021	216,193,637
Total Assets	68,719,904	237,864,147	306,584,051
LIABILITIES			
Current liabilities			
Accounts payable	2,552,152	7,556,402	10,108,554
Accrued liabilities	508,729	1,029,777	1,538,506
Deferred revenue	35,664	1,555,459	1,591,123
Other liabilities	-	920,435	920,435
Due to others	35,753	-	35,753
Accrued interest	463	-	463
Capital leases due within one year	39,021	-	39,021
Claims payable due within one year	138,723	-	138,723
Compensated absences due within one year	969,868	-	969,868
Current liabilities payable from restricted assets:			
Accrued interest	-	4,106,280	4,106,280
Deposits	-	1,873,099	1,873,099
Capital leases due within one year	-	16,295	16,295
Revenue bonds payable due within one year	-	4,780,000	4,780,000
Total current liabilities	4,280,373	21,837,747	26,118,120
Noncurrent liabilities			
Notes payable due in more than one year	-	5,893,397	5,893,397
Capital leases payable due in more than one year	50,926	48,624	99,550
Revenue bonds payable due in more than one year	-	113,729,070	113,729,070
Total noncurrent liabilities	50,926	119,671,091	119,722,017
Total liabilities	4,331,299	141,508,838	145,840,137
NET ASSETS			
Invested in capital assets, net of related debt	41,416,993	59,337,937	100,754,930
Restricted for recreation and public safety	384,296	-	384,296
Restricted for capital projects	-	20,323,559	20,323,559
Unrestricted	22,587,316	16,693,813	39,281,129
Total net assets	\$ 64,388,605	\$ 96,355,309	\$ 160,743,914

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

CITY OF COLLEGE PARK, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2005

Functions/Programs	Program Revenues			Net (Expenses) Revenues and Changes in Net Assets		
	Expenses	Operating		Governmental Activities	Business-type Activities	Total
		Charges for Services	Grants and Contributions			
Primary government:						
Governmental activities:						
General government	\$ 2,678,678	\$ 1,975,653	\$ -	\$ (703,025)	\$ -	\$ (703,025)
Public safety	14,452,742	2,164,213	9,040	(11,706,721)	-	(11,706,721)
Recreation	1,723,745	276,170	-	(1,447,575)	-	(1,447,575)
Inspection	257,614	-	-	(257,614)	-	(257,614)
Engineering	219,654	-	-	(219,654)	-	(219,654)
Building and grounds	658,947	-	44,661	(614,286)	-	(614,286)
Parks	301,063	-	-	(301,063)	-	(301,063)
Highways and streets	2,340,269	-	506,014	(1,834,255)	-	(1,834,255)
Interest on long-term debt	5,795	-	-	(5,795)	-	(5,795)
Total governmental activities	22,638,507	4,416,036	559,715	(17,089,988)	-	(17,089,988)
Business-type activities:						
Electric	17,342,793	21,649,101	-	-	4,306,308	4,306,308
Water and sewer	5,645,466	5,326,066	-	-	(319,400)	(319,400)
Convention center	15,493,999	6,499,168	-	-	(8,994,831)	(8,994,831)
FAA projects	4,075,786	1,465,305	-	-	(2,610,481)	(2,610,481)
Redevelopment	1,179,117	97,257	-	-	(1,081,860)	(1,081,860)
Sanitation	2,224,024	2,220,495	-	-	(3,529)	(3,529)
Total business-type activities	45,961,185	37,257,392	-	-	(8,703,793)	(8,703,793)
Total primary government	\$ 68,599,692	\$ 41,673,428	\$ 572,768	\$ -	\$ 559,715	\$ -
General revenues:						
Taxes:						
				9,645,418	-	9,645,418
				1,748,499	-	1,748,499
				4,547,970	-	4,547,970
				680,329	-	680,329
				4,664,199	-	4,664,199
				638,861	-	638,861
				948,816	-	948,816
				405,160	3,521,357	3,926,517
				69,268	-	69,268
				33,858	-	33,858
				(5,173,435)	5,173,435	-
				18,208,943	8,694,792	26,903,735
				1,118,955	(9,001)	1,109,954
				63,269,650	96,364,310	159,633,960
				\$ 64,388,605	\$ 96,355,309	\$ 160,743,914

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, 2005**

	General Fund	Hospitality Fund	Car Rental Fund	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 3,715,426	\$ 20,233	\$ -	\$ 995,675	\$ 4,731,334
Investments	8,019,546	610,014	-	-	8,629,560
Receivables (net of allowance for uncollectibles)	970,370	455,508	-	203,371	1,629,249
Inventories	88,306	-	-	-	88,306
Due from other funds	9,474,556	-	24,021	1,457,120	10,955,697
Prepaid items	462,913	-	-	-	462,913
Cash - restricted	-	-	71,344	328,090	399,434
Investments - restricted	-	-	8,947,686	-	8,947,686
Total Assets	<u>\$ 22,731,117</u>	<u>\$ 1,085,755</u>	<u>\$ 9,043,051</u>	<u>\$ 2,984,256</u>	<u>\$ 35,844,179</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 609,128	\$ 432	\$ 1,922,387	\$ 20,205	\$ 2,552,152
Accrued liabilities	500,005	-	-	8,724	508,729
Due to other funds	-	-	-	2,580,891	2,580,891
Due to others	35,753	-	-	-	35,753
Advances from other funds	-	-	11,250,000	-	11,250,000
Deferred revenue	60,771	9,634	-	-	70,405
Total liabilities	<u>1,205,657</u>	<u>10,066</u>	<u>13,172,387</u>	<u>2,609,820</u>	<u>16,997,930</u>
FUND BALANCES (DEFICIT)					
Reserved for:					
Prepaid items	462,913	-	-	-	462,913
Public safety and recreation	-	-	-	384,296	384,296
Unreserved, undesignated reported in:					
General fund	21,062,547	-	-	-	21,062,547
Special revenue funds	-	1,075,689	(4,129,336)	(126,056)	(3,179,703)
Capital projects fund	-	-	-	116,196	116,196
Total fund balances (deficit)	<u>21,525,460</u>	<u>1,075,689</u>	<u>(4,129,336)</u>	<u>374,436</u>	<u>18,846,249</u>
Total liabilities and fund balances (deficit)	<u>\$ 22,731,117</u>	<u>\$ 1,085,755</u>	<u>\$ 9,043,051</u>	<u>\$ 2,984,256</u>	

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	41,506,940
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	34,741
Long-term liabilities are not due and payable in the current period and, therefore are not reported in the funds.	(1,199,001)
Net pension asset and other assets that are not a financial resource used in governmental activities and therefore not reported in governmental funds.	<u>5,199,676</u>
Net assets of governmental activities	<u>\$ 64,388,605</u>

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

CITY OF COLLEGE PARK, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2005**

	<u>General Fund</u>	<u>Hospitality Fund</u>	<u>Car Rental Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES					
Taxes:					
Property	\$ 8,122,009	\$ 1,462,425	\$ -	\$ 76,360	\$ 9,660,794
Sales	4,664,199	4,547,970	1,748,499	-	10,960,668
Insurance premium	948,816	-	-	-	948,816
Alcoholic beverage	680,329	-	-	-	680,329
Franchise	638,861	-	-	-	638,861
Licenses and permits	1,975,653	-	-	-	1,975,653
Intergovernmental revenues	171,270	-	-	961,213	1,132,483
Fines and forfeitures	1,763,440	-	-	146,666	1,910,106
Charges for services	273,793	-	-	256,484	530,277
Interest income	155,766	15,396	221,329	12,669	405,160
Other	68,068	-	1,200	-	69,268
Total revenue	<u>19,462,204</u>	<u>6,025,791</u>	<u>1,971,028</u>	<u>1,453,392</u>	<u>28,912,415</u>
EXPENDITURES					
Current:					
General government	2,741,200	432	-	-	2,741,632
Police	8,628,993	-	-	587,975	9,216,968
Fire	4,764,772	-	-	585,929	5,350,701
Recreation	1,698,795	-	-	-	1,698,795
Inspection	256,330	-	-	-	256,330
Engineering	222,832	-	-	-	222,832
Building and grounds	798,693	-	10,350,565	190,025	11,339,283
Parks	243,037	-	-	-	243,037
Highway and streets	1,083,523	-	-	547,883	1,631,406
Debt service:					
Principal	35,194	-	-	-	35,194
Interest	5,332	-	-	-	5,332
Total expenditures	<u>20,478,701</u>	<u>432</u>	<u>10,350,565</u>	<u>1,911,812</u>	<u>32,741,510</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,016,497)</u>	<u>6,025,359</u>	<u>(8,379,537)</u>	<u>(458,420)</u>	<u>(3,829,095)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	1,750,000	673,750	-	334,623	2,758,373
Transfers out	(347,873)	(6,080,000)	(1,503,935)	-	(7,931,808)
Proceeds from sale of capital assets	28,458	-	-	15,745	44,203
Proceeds from capital leases	50,612	-	-	-	50,612
Total other financing sources (uses)	<u>1,481,197</u>	<u>(5,406,250)</u>	<u>(1,503,935)</u>	<u>350,368</u>	<u>(5,078,620)</u>
Net change in fund balances	464,700	619,109	(9,883,472)	(108,052)	(8,907,715)
Fund balances, beginning of year (as restated)	21,060,760	456,580	5,754,136	482,488	27,753,964
Fund balances (deficit), end of year	<u>\$ 21,525,460</u>	<u>\$ 1,075,689</u>	<u>\$ (4,129,336)</u>	<u>\$ 374,436</u>	<u>\$ 18,846,249</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, 2005

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

Net change in fund balances - total governmental funds	\$ (8,907,715)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.	9,568,665
The net effect of the disposal of capital assets is to decrease net assets.	(10,345)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(15,376)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(15,418)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	<u>499,144</u>
Change in net assets of governmental activities	<u>\$ 1,118,955</u>

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

CITY OF COLLEGE PARK, GEORGIA

**GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2005**

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Taxes:				
Property	\$ 7,367,348	\$ 7,367,348	\$ 8,122,009	\$ 754,661
Sales	4,475,817	4,475,817	4,664,199	188,382
Insurance premium	875,000	875,000	948,816	73,816
Alcoholic beverage	750,000	750,000	680,329	(69,671)
Franchise	800,000	800,000	638,861	(161,139)
Licenses and permits	2,154,000	2,154,000	1,975,653	(178,347)
Intergovernmental revenues	52,500	52,500	171,270	118,770
Fines and forfeitures	2,168,528	2,168,528	1,763,440	(405,088)
Charges for services	291,000	291,000	273,793	(17,207)
Interest income	175,000	175,000	155,766	(19,234)
Other	107,000	107,000	68,068	(38,932)
Total revenue	19,216,193	19,216,193	19,462,204	246,011
Expenditures:				
Current:				
General government				
Executive	940,700	941,969	849,243	92,726
Legislative	342,105	342,857	318,197	24,660
Financial administration	291,974	300,358	316,866	(16,508)
Accounting	318,387	319,085	291,216	27,869
Personnel	293,772	294,470	275,838	18,632
Purchasing	136,162	136,602	137,793	(1,191)
Taxes and licenses	121,240	121,580	121,953	(373)
Data processing	313,124	313,813	311,805	2,008
Business development	242,454	187,782	118,289	69,493
Total general government	2,999,918	2,958,516	2,741,200	217,316
Police				
Administration	1,060,026	1,056,182	1,048,048	8,134
Patrol	5,934,119	5,949,754	5,817,303	132,451
Investigations	1,258,318	1,262,162	1,271,594	(9,432)
Corrections	298,274	298,930	260,470	38,460
Municipal court	253,483	254,226	231,578	22,648
Total police	8,804,220	8,821,254	8,628,993	192,261
Fire				
Administration	593,634	594,898	430,592	164,306
Suppression	2,845,524	2,788,476	2,760,522	27,954
EMS	1,457,850	1,527,239	1,573,658	(46,419)
Total fire	4,897,008	4,910,613	4,764,772	145,841
Recreation				
Administration	257,110	257,933	264,555	(6,622)
Programs	1,038,401	1,050,196	1,117,773	(67,577)
Facilities	318,938	310,426	316,467	(6,041)
Total recreation	1,614,449	1,618,555	1,698,795	(80,240)

Continued

CITY OF COLLEGE PARK, GEORGIA

**GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2005**

	Budget		Actual	Variance With Final Budget
	Original	Final		
Expenditures (continued):				
Current (continued):				
Inspection	274,678	276,877	256,330	20,547
Engineering	251,985	251,985	222,832	29,153
Buildings and grounds	797,678	799,499	798,693	806
Parks	246,675	247,444	243,037	4,407
Highways and streets	1,160,921	1,162,788	1,083,523	79,265
Debt service:				
Principal	33,071	33,071	35,194	(2,123)
Interest	-	-	5,332	(5,332)
Total expenditures	<u>21,080,603</u>	<u>21,080,602</u>	<u>20,478,701</u>	<u>601,901</u>
Deficiency of revenues under expenditures	<u>(1,864,410)</u>	<u>(1,864,409)</u>	<u>(1,016,497)</u>	<u>847,912</u>
Other financing sources (uses)				
Transfers in	1,750,000	1,750,000	1,750,000	-
Transfers out	(334,623)	(334,623)	(347,873)	(13,250)
Proceeds from sale of capital asset	25,000	25,000	28,458	3,458
Proceeds from capital leases	-	-	50,612	50,612
Total other financing sources (uses)	<u>1,440,377</u>	<u>1,440,377</u>	<u>1,481,197</u>	<u>40,820</u>
Net change in fund balances	(424,033)	(424,032)	464,700	888,732
Fund balances, beginning of year	<u>21,060,760</u>	<u>21,060,760</u>	<u>21,060,760</u>	<u>-</u>
Fund balances, end of year	<u>\$ 20,636,727</u>	<u>\$ 20,636,728</u>	<u>\$ 21,525,460</u>	<u>\$ 888,732</u>

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

CITY OF COLLEGE PARK, GEORGIA
HOSPITALITY SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2005

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues			
Taxes:			
Property	\$ 1,435,000	\$ 1,462,425	\$ 27,425
Sales	3,750,000	4,547,970	797,970
Interest income	-	15,396	15,396
Total revenue	<u>5,185,000</u>	<u>6,025,791</u>	<u>840,791</u>
Expenditures:			
Current:			
General government	-	432	(432)
Total general government	<u>-</u>	<u>432</u>	<u>(432)</u>
Excess of revenue over expenditures	<u>5,185,000</u>	<u>6,025,359</u>	<u>840,359</u>
Other financing sources (uses)			
Transfers in	895,000	673,750	(221,250)
Transfers out	(6,080,000)	(6,080,000)	-
Total other financing sources (uses)	<u>(5,185,000)</u>	<u>(5,406,250)</u>	<u>(221,250)</u>
Net change in fund balances	-	619,109	619,109
Fund balances, beginning of year	<u>456,580</u>	<u>456,580</u>	-
Fund balances, end of year	<u>\$ 456,580</u>	<u>\$ 1,075,689</u>	<u>\$ 619,109</u>

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

CITY OF COLLEGE PARK, GEORGIA
CAR RENTAL SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2005

	Original and Final Budget	Actual	Variance With Final Budget
Revenues			
Sales taxes	\$ 2,200,000	\$ 1,748,499	\$ (451,501)
Interest income	85,000	221,329	136,329
Other income	-	1,200	1,200
Total revenue	<u>2,285,000</u>	<u>1,971,028</u>	<u>(313,972)</u>
Expenditures:			
Current:			
Building and grounds	4,287,443	10,350,565	(6,063,122)
Debt service	900,000	-	900,000
Total expenditures	<u>5,187,443</u>	<u>10,350,565</u>	<u>(5,163,122)</u>
Deficiency of revenues under expenditures	<u>(2,902,443)</u>	<u>(8,379,537)</u>	<u>(5,477,094)</u>
Other financing uses			
Transfers out	<u>(1,105,000)</u>	<u>(1,503,935)</u>	<u>(398,935)</u>
Total other financing uses	<u>(1,105,000)</u>	<u>(1,503,935)</u>	<u>(398,935)</u>
Net change in fund balances	(4,007,443)	(9,883,472)	(5,876,029)
Fund balances, beginning of year	<u>5,754,136</u>	<u>5,754,136</u>	<u>-</u>
Fund balances (deficit), end of year	<u>\$ 1,746,693</u>	<u>\$ (4,129,336)</u>	<u>\$ (5,876,029)</u>

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, 2005

	Business-type Activities - Enterprise Funds							Total
	Electric Fund	Water and Sewer Fund	Convention Center Fund	FAA Project Fund	Redevelopment Authority Fund	Nonmajor Enterprise Fund-Sanitation		
ASSETS								
Current assets								
Cash and cash equivalents	\$ 669,782	\$ 288,397	\$ 287,003	\$ 736,738	\$ 143,730	\$ 33,675	\$ 2,159,325	
Investments	17,096,570	6,402,871	1,713,490	-	-	639,178	25,852,109	
Investment in lease, current portion	-	-	-	1,682,373	-	-	1,682,373	
Receivables:								
Utility charges (net of allowance for uncollectible accounts of \$2,051,902)	2,387,245	463,535	-	-	-	236,288	3,087,068	
Other receivables	377,670	1,423,457	175,195	-	-	-	1,976,322	
Due from other funds	1,492,300	-	985,318	-	-	-	2,477,618	
Advances to other funds	-	-	-	-	11,250,000	-	11,250,000	
Inventories	-	31,315	-	-	-	-	31,315	
Prepaid items	67,167	59,428	50,000	-	-	35,458	212,053	
Cash and cash equivalents - restricted	147,142	-	-	-	-	-	147,142	
Investments - restricted	1,875,275	-	12,635,929	3,318,296	12,524,725	-	30,354,225	
Total current assets	24,113,151	8,669,003	15,846,935	5,737,407	23,918,455	944,599	79,229,550	
Noncurrent assets								
Investment in long term lease	-	-	-	20,546,934	-	-	20,546,934	
Other assets	-	-	-	-	5,893,397	-	5,893,397	
Deferred charges	-	-	1,788,082	239,001	317,358	-	2,344,441	
Capital assets:								
Land	-	1,638,149	15,510,346	-	5,142,526	-	22,291,021	
Construction in progress	-	-	-	-	55,449	-	55,449	
Building and improvements	48,541	176,864	88,007,021	4,173,131	-	22,592	92,428,149	
Autos and trucks	809,022	371,942	19,606	-	-	1,376,245	2,576,815	
Other equipment	607,645	352,200	10,600,192	-	-	507,699	12,067,736	
Infrastructure	13,304,848	20,891,906	-	-	-	-	34,196,754	
Less accumulated depreciation	(7,679,218)	(6,986,043)	(5,823,827)	(1,004,021)	-	(1,420,566)	(22,913,675)	
Total capital assets (net of accumulated depreciation)	7,090,838	16,445,018	108,313,338	3,169,110	5,197,975	485,970	140,702,249	
Total noncurrent assets	7,090,838	16,445,018	110,101,420	23,955,045	11,408,730	485,970	169,487,021	
Total assets	31,203,989	25,114,021	125,948,355	29,692,452	35,327,185	1,430,569	248,716,571	

Continued

CITY OF COLLEGE PARK, GEORGIA

STATEMENT OF NET ASSETS
 PROPRIETARY FUNDS
 JUNE 30, 2005

	Business-type Activities - Enterprise Funds					Total
	Electric Fund	Water and Sewer Fund	Convention Center Fund	FAA Project Fund	Redevelopment Authority Fund	
LIABILITIES						
Current liabilities payable from nonrestricted assets						
Accounts payable	1,060,830	4,826,543	1,576,238	-	56,541	7,556,402
Accrued liabilities	786,559	35,545	133,278	-	-	1,029,777
Deferred revenue	137,908	1,417,551	-	-	-	1,555,459
Other liabilities	-	920,435	-	-	-	920,435
Deposits	-	-	523,516	-	105,282	628,798
Due to other funds	55,275	45,758	5,373,378	802,596	4,550,301	10,852,424
Total current liabilities payable from non restricted current assets	2,040,572	7,245,832	7,606,410	802,596	4,712,124	22,543,295
Current liabilities payable from restricted assets						
Customer utility deposits	1,244,301	-	-	-	-	1,244,301
Accrued interest on bonds and notes	-	-	1,459,916	445,296	2,201,068	4,106,280
Capital leases payable within one year	-	16,295	-	-	-	16,295
Revenue bonds payable within one year	-	-	2,065,000	2,315,000	400,000	4,780,000
Total current liabilities payable from restricted assets	1,244,301	16,295	3,524,916	2,760,296	2,601,068	10,146,876
Total current liabilities	3,284,873	7,262,127	11,131,326	3,562,892	7,313,192	32,690,171
Noncurrent liabilities						
Note payable in more than one year	-	-	-	-	5,893,397	5,893,397
Capital leases payable in more than one year	-	48,624	-	-	-	48,624
Revenue bonds payable in more than one year	-	-	79,450,000	23,429,070	10,850,000	113,729,070
Total noncurrent liabilities	-	48,624	79,450,000	23,429,070	16,743,397	119,671,091
Total liabilities	3,284,873	7,310,751	90,581,326	26,991,962	24,056,589	152,361,262
NET ASSETS						
Invested in capital assets, net of related debt	7,090,838	16,380,099	41,222,349	(106,652)	(5,734,667)	59,337,937
Restricted for capital projects	-	-	-	3,318,296	17,005,263	20,323,559
Unrestricted	20,828,278	1,423,171	(5,855,320)	(511,154)	-	16,693,813
Total net assets	\$ 27,919,116	\$ 17,803,270	\$ 35,367,029	\$ 2,700,490	\$ 11,270,596	\$ 96,355,309

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

CITY OF COLLEGE PARK, GEORGIA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2005

	Business-type Activities - Enterprise Funds						Total
	Electric Fund	Water and Sewer Fund	Convention Center Fund	FAA Project Fund	Redevelopment Authority Fund	Nonmajor Enterprise Fund-Sanitation	
OPERATING REVENUES							
Water and sewer sales	-	5,321,580	-	-	-	-	5,321,580
Electric sales	19,629,598	-	-	-	-	-	19,629,598
Convention sales	-	-	3,223,013	-	-	-	3,223,013
Sanitation sales	-	-	-	-	-	2,194,762	2,194,762
Rentals and commissions	-	-	3,269,076	14,693	-	-	3,283,769
Other	2,019,503	4,486	7,079	1,450,612	97,257	25,733	3,604,670
Total operating revenue	21,649,101	5,326,066	6,499,168	1,465,305	97,257	2,220,495	37,257,392
OPERATING EXPENSES							
Cost of sales - purchases	14,096,878	2,907,493	2,322,877	-	-	404,423	19,731,671
Personal services	1,501,694	828,011	2,526,604	-	-	1,365,045	6,221,354
Depreciation	488,075	387,013	2,433,197	193,696	-	124,447	3,626,428
Other operating expenses	1,256,146	601,788	2,391,010	1,741,751	633,973	330,109	6,954,777
Total operating expenses	17,342,793	4,724,305	9,673,688	1,935,447	633,973	2,224,024	36,534,230
Net operating income (loss)	4,306,308	601,761	(3,174,520)	(470,142)	(536,716)	(3,529)	723,162
NONOPERATING REVENUES (EXPENSES)							
Amortization of deferred issuance cost	-	-	(175,293)	(297,751)	(16,558)	-	(489,602)
Litigation claims and settlements	-	(920,435)	(1,250,000)	-	-	-	(2,170,435)
Interest income	384,174	82,217	199,995	2,649,044	192,413	13,514	3,521,357
Interest expense	-	(726)	(4,395,018)	(1,842,588)	(528,586)	-	(6,766,918)
Total nonoperating revenue (expenses)	384,174	(838,944)	(5,620,316)	508,705	(352,731)	13,514	(5,905,598)
Income (loss) before transfers	4,690,482	(237,183)	(8,794,836)	38,563	(889,447)	9,985	(5,182,436)
Transfers:							
Transfers in	-	13,250	5,160,000	180,000	620,185	-	5,973,435
Transfers out	(250,000)	(550,000)	-	-	-	-	(800,000)
Change in net assets	4,440,482	(773,933)	(3,634,836)	218,563	(269,262)	9,985	(9,001)
Total net assets, beginning (as restated)	23,478,634	18,577,203	39,001,865	2,481,927	11,539,858	1,284,823	96,364,310
Total net assets, ending	\$ 27,919,116	\$ 17,803,270	\$ 35,367,029	\$ 2,700,490	\$ 11,270,596	\$ 1,294,808	\$ 96,355,309

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

CITY OF COLLEGE PARK, GEORGIA

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2005

	Business-type Activities - Enterprise Funds						Totals
	Electric Fund	Water and Sewer Fund	Convention Center Fund	FAA Projects Fund	Redevelopment Authority Fund	Nonmajor Enterprise Fund- Sanitation	
CASH FLOWS FROM OPERATING ACTIVITIES:							
Receipts from customers and users	\$ 21,131,052	\$ 5,323,081	\$ 6,846,249	\$ 1,465,305	\$ 1,116,388	\$ 2,229,685	\$ 38,111,760
Payments to suppliers	(18,471,891)	(2,527,771)	-	(939,155)	(343,680)	(724,440)	(23,006,937)
Payments to employees	(1,483,447)	(828,504)	(2,506,968)	-	-	(1,360,790)	(6,179,709)
Net cash provided by operating activities	1,175,714	1,966,806	4,339,281	526,150	772,708	144,455	8,925,114
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:							
Transfers in	-	13,250	5,160,000	180,000	620,185	-	5,973,435
Advances to other funds	-	-	-	-	(11,250,000)	-	(11,250,000)
Litigation settlement	-	-	(1,250,000)	-	-	-	(1,250,000)
Transfers out	(250,000)	(550,000)	-	-	-	-	(800,000)
Net cash provided (used) by non-capital financing activities	(250,000)	(536,750)	3,910,000	180,000	(10,629,815)	-	(7,326,565)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:							
Acquisition and construction of capital assets	(1,137,639)	(122,277)	(27,060)	(917,341)	(30,960)	(175,319)	(2,410,596)
Proceeds from capital debt	-	68,885	-	-	11,250,000	-	11,318,885
Bond closing costs	-	-	-	-	(333,916)	-	(333,916)
Principal paid on capital debt	-	(3,966)	(1,970,000)	(1,895,000)	-	-	(3,868,966)
Interest paid on capital debt	-	(726)	(4,426,894)	(1,870,826)	(310,890)	-	(6,609,336)
Net cash provided (used) by capital and related financing activities	(1,137,639)	(58,084)	(6,423,954)	(4,683,167)	10,574,234	(175,319)	(1,903,929)
CASH FLOWS FROM INVESTING ACTIVITIES:							
Purchase of securities	(676,735)	(2,122,851)	(1,876,794)	(37,941)	(783,057)	(440,076)	(5,937,464)
Interest on investments	384,174	82,217	199,995	-	192,413	13,514	872,313
Interest on financing lease	-	-	-	2,649,044	-	-	2,649,044
Principal on financing lease	-	-	-	1,503,841	-	-	1,503,841
Net cash provided (used) by investing activities	(292,561)	(2,040,644)	(1,676,799)	4,114,944	(590,644)	(426,562)	(912,266)
Net increase (decrease) in cash	(504,486)	(668,672)	148,528	137,927	126,483	(457,426)	(1,217,646)
Cash at beginning of year	1,321,410	957,069	138,475	598,811	17,247	491,101	3,524,113
Cash at end of year	\$ 816,924	\$ 288,397	\$ 287,003	\$ 736,738	\$ 143,730	\$ 33,675	\$ 2,306,467
Unrestricted	\$ 669,782	\$ 288,397	\$ 287,003	\$ 736,738	\$ 143,730	\$ 33,675	\$ 2,159,325
Restricted	147,142	-	-	-	-	-	147,142
	\$ 816,924	\$ 288,397	\$ 287,003	\$ 736,738	\$ 143,730	\$ 33,675	\$ 2,306,467

Continued

CITY OF COLLEGE PARK, GEORGIA

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2005

	Business-type Activities - Enterprise Funds						Totals
	Electric Fund	Water and Sewer Fund	Convention Center Fund	FAA Projects Fund	Redevelopment Authority Fund	Nonmajor Enterprise Fund-Sanitation	
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:							
Operating income (loss)	\$ 4,306,308	\$ 601,761	\$ (3,174,520)	\$ (470,142)	\$ (536,716)	\$ (3,529)	\$ 723,162
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:							
Depreciation expense	488,075	387,013	2,433,197	193,696	-	124,447	3,626,428
Changes in assets and liabilities (increase) decrease in:							
Accounts receivable	182,659	(1,420,536)	20,614	-	1,019,131	9,190	(188,942)
Prepaid expenses	(58,299)	(48,434)	(18,509)	-	-	(26,713)	(151,955)
Inventory	-	(31,315)	-	-	-	-	(31,315)
Amount due from other funds	(992,300)	16,731	36,259	-	-	12,048	(927,262)
Increase (decrease) in:							
Accounts payable	(300,787)	998,770	1,186,063	-	56,541	(359)	1,940,228
Accrued liabilities	18,247	(493)	19,636	-	-	4,255	41,645
Amount due to other funds	(1,767,481)	45,758	3,704,897	802,596	233,752	25,116	3,044,638
Customer deposits	17,478	-	131,644	-	-	-	149,122
Deferred revenue	(718,186)	1,417,551	-	-	-	-	699,365
Net cash provided by operating activities	\$ 1,175,714	\$ 1,966,806	\$ 4,339,281	\$ 526,150	\$ 772,708	\$ 144,455	\$ 8,925,114
NON-CASH NON-CAPITAL FINANCING ACTIVITIES							
Liability accrued for litigation settlement	\$ -	\$ 920,435	\$ 1,250,000	\$ -	\$ -	\$ -	\$ 2,170,435

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

NOTES TO THE FINANCIAL STATEMENTS

CITY OF COLLEGE PARK, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2005

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. The Financial Reporting Entity

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

Based upon criteria set forth by Governmental Accounting Standards Board (GASB) Statement 14 "The Financial Reporting Entity", 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 30th year end.

Blended Component Unit:

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

The Mayor 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 as previously discussed.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Governmental fund financial statements are reported using the *current financial resources measurement* focus and the *modified accrual basis of* accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

The City reports the following major governmental funds:

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

The **Hospitality Fund**, which is a special revenue fund, receives income from the levy of a special district tax as well as a percentage of gross rentals of all hotels operating within the City. Funds are 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**, which is a special revenue 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.

The City reports the following major enterprise 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The City reports the following major enterprise funds (Continued):

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

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

The ***FAA Project 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.

The ***Redevelopment Authority 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.

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

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

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

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the *option* of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Budgets and Budgetary Accounting

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

1. Budget requests are completed in February.
2. Proposed budgets are reviewed and prepared by the City Manager for submission to the Mayor and the City Council in April.
3. Public hearings on the proposed budget are held in May and June.
4. The budget is legally adopted by the Mayor and City Council prior to June 30.
5. All budget revisions or changes must be approved as required by Georgia law and administrative policy. The legal level of budgetary control is the department level, with the Council being the only body authorized to make amendments to the budget. Revisions that alter the total expenditures of any department or fund must be approved by the Mayor and City Council. No supplemental appropriations were made for the year ended June 30, 2005.
6. Formal budgetary integration is employed as a management control device during the year for all the governmental funds and the enterprise funds. Budgets for the enterprise funds are prepared for planning and control purposes only.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Budgets and Budgetary Accounting (Continued)

7. Budgets for the governmental funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are legally adopted for the General Fund and each Special Revenue Fund except that budgets were not adopted for the fiscal year ended June 30, 2005, for the following special revenue funds and capital projects fund: Grants Fund, Confiscated Drug Fund, State Drug Fund, and Main Street Development Fund.
8. Revenues and expenditures of the Capital Projects Funds are budgeted on a project basis and are, therefore, excluded from presentation in the financial statements.

E. Cash and Cash Equivalents

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

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

F. Deposits and Investments

State statutes authorize the City to invest in obligations of the U.S. Government and agencies of corporations of the U.S. Government; obligations of any state; obligations of any political subdivision of any state; certificates of deposit or time deposits of any national state bank or savings and loan which have deposits insured by the FDIC or FSLIC; prime bankers acceptances; repurchase agreements; and the Local Government Investment Pool of the State of Georgia ("Georgia Fund 1").

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

G. Property Taxes Receivable

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Inventory and Prepaid Items

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

I. Short-Term Interfund Receivables/Payables

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

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

J. Grants from Other Governments

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Capital Assets

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

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

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

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

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Long-Term Liabilities

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

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

M. Compensated Absences

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

N. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. 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 are 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 balance sheet. Restricted assets in the Car Rental Fund are restricted for construction of public safety, recreation and convention facilities.

P. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

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

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

The governmental funds balance sheet includes reconciliation between *fund balance – total governmental funds* and *net assets – governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of this \$1,199,001 difference are as follows:

Accrued interest payable	\$	(463)
Capital leases payable		(89,947)
Claims and judgements payable		(138,723)
Compensated absences		(969,868)
		<hr/>
Net adjustment to reduce <i>fund balance – total governmental funds</i> to arrive at <i>net assets – governmental activities</i>	\$	<u><u>(1,199,001)</u></u>

NOTES TO FINANCIAL STATEMENTS

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

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their useful lives and reported as depreciation expense.” The details of this \$9,568,665 difference are as follows:

Capital outlay	\$ 10,942,835
Depreciation expense	<u>(1,374,170)</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	<u>\$ 9,568,665</u>

Another element of that reconciliation states that “the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets.” The details of this \$15,418 difference are as follows:

Proceeds from capital leases	\$ (50,612)
Principal retirement on long-term debt	<u>35,194</u>
Net adjustment to decrease <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	<u>\$ (15,418)</u>

Another element of that reconciliation explains that “Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.” The details of this \$499,144 difference are as follows:

Interest in joint venture	\$ 23,868
Net pension asset	388,538
Compensated absences	45,924
Accrued interest	(463)
Claims and judgements	<u>41,277</u>
Net adjustment to decrease <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	<u>\$ 499,144</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 3. DEPOSITS AND INVESTMENTS

As of June 30, 2005, the City had \$73,783,580 invested in the following types of investments:

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value</u>
Banker's acceptance	July 6, 2005 - November 28, 2005	\$ 20,560,151
Federal Home Loan Bank	November 28, 2005 - September 8, 2010	4,805,683
Federal Home Loan Mortgage Corp.	December 27, 2006	1,009,553
Treasury mutual funds	-----	31,955,875
Federal National Mortgage Association	December 25, 2006	1,003,826
Money market	-----	51,072
Treasury bills	July 14, 2005 - May 15, 2006	3,515,118
Treasury notes	November 30, 2005 - May 15, 2006	1,408,318
Municipal Competitive Trust -intermediate	November 7, 2005 - December 15, 2011	3,536,746
Municipal Competitive Trust - short-term	July 12, 2005 - November 24, 2006	5,937,238
Total		<u>\$ 73,783,580</u>

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

Credit risk. State statutes authorize the City to invest in obligations of the State of Georgia or other states; obligations issued by the U.S. government; obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime banker's acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia. As of June 30, 2005, all of the other City's investments were rated AAA by Standard & Poor's.

Custodial credit risk – deposits. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. As of June 30, 2005, the City had no bank balances that were exposed to custodial credit risk.

NOTES TO FINANCIAL STATEMENTS

NOTE 4. RECEIVABLES

Accounts Receivable

Receivables at June 30, 2005, for the City's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Hospitality</u>	<u>Nonmajor Governmental</u>	<u>Electric</u>	<u>Water and Sewer</u>
Receivables:					
Taxes	\$ 1,043,897	\$ 487,844	\$ 493	\$ -	\$ -
Accounts	116,225	-	23,448	4,065,361	715,336
Intergovernmental	-	-	179,430	-	-
Gross receivables	<u>1,160,122</u>	<u>487,844</u>	<u>203,371</u>	<u>4,065,361</u>	<u>715,336</u>
Less: allowance for uncollectibles	<u>(189,752)</u>	<u>(32,336)</u>	<u>-</u>	<u>(1,678,116)</u>	<u>(251,801)</u>
Net total receivables	<u>\$ 970,370</u>	<u>\$ 455,508</u>	<u>\$ 203,371</u>	<u>\$ 2,387,245</u>	<u>\$ 463,535</u>
	<u>Nonmajor Enterprise</u>	<u>Total</u>			
Receivables:					
Taxes	\$ -	\$ 1,532,234			
Accounts	358,273	5,278,643			
Intergovernmental	-	179,430			
Gross receivables	<u>358,273</u>	<u>6,990,307</u>			
Less: allowance for uncollectibles	<u>(121,985)</u>	<u>(2,273,990)</u>			
Net total receivables	<u>\$ 236,288</u>	<u>\$ 4,716,317</u>			

NOTES TO FINANCIAL STATEMENTS

NOTE 5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2005, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 1,522,388	\$ 116,640	\$ -	\$ 1,639,028
Construction in progress	<u>4,636,998</u>	<u>10,648,693</u>	<u>(1,296,943)</u>	<u>13,988,748</u>
Total capital assets, not being depreciated	<u>6,159,386</u>	<u>10,765,333</u>	<u>(1,296,943)</u>	<u>15,627,776</u>
Capital assets, being depreciated:				
Buildings and improvements	10,967,165	-	-	10,967,165
Autos and trucks	3,215,791	170,818	(277,068)	3,109,541
Other equipment	1,400,183	123,324	(36,372)	1,487,135
Infrastructure	<u>26,344,422</u>	<u>1,180,303</u>	<u>-</u>	<u>27,524,725</u>
Total capital assets, being depreciated	<u>41,927,561</u>	<u>1,474,445</u>	<u>(313,440)</u>	<u>43,088,566</u>
Less accumulated depreciation for:				
Buildings and improvements	(2,176,900)	(263,736)	-	(2,440,636)
Autos and trucks	(2,315,621)	(278,706)	270,430	(2,323,897)
Other equipment	(864,327)	(149,163)	32,665	(980,825)
Infrastructure	<u>(10,781,479)</u>	<u>(682,565)</u>	<u>-</u>	<u>(11,464,044)</u>
Total accumulated depreciation	<u>(16,138,327)</u>	<u>(1,374,170)</u>	<u>303,095</u>	<u>(17,209,402)</u>
Total capital assets, being depreciated, net	<u>25,789,234</u>	<u>100,275</u>	<u>(10,345)</u>	<u>25,879,164</u>
Governmental activities capital assets, net	<u>\$ 31,948,620</u>	<u>\$ 10,865,608</u>	<u>\$ (1,307,288)</u>	<u>\$ 41,506,940</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 5. CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type activities					
Capital assets, not being depreciated:					
Land	\$ 22,315,510	\$ 5,000	\$ -	\$ (29,489)	\$ 22,291,021
Construction in progress	-	25,960	-	29,489	55,449
Total capital assets, not being depreciated	<u>22,315,510</u>	<u>30,960</u>	<u>-</u>	<u>-</u>	<u>22,346,470</u>
Capital assets, being depreciated:					
Buildings and improvements	91,483,744	944,405	-	-	92,428,149
Autos and trucks	2,623,833	156,950	(203,968)	-	2,576,815
Other equipment	11,871,804	207,932	(12,000)	-	12,067,736
Infrastructure	33,760,127	1,070,349	(633,722)	-	34,196,754
Total capital assets, being depreciated	<u>139,739,508</u>	<u>2,379,636</u>	<u>(849,690)</u>	<u>-</u>	<u>141,269,454</u>
Less accumulated depreciation for:					
Buildings and improvements	(3,637,904)	(2,231,700)	-	-	(5,869,604)
Autos and trucks	(2,042,533)	(176,445)	203,968	-	(2,015,010)
Other equipment	(1,606,261)	(359,880)	12,000	-	(1,954,141)
Infrastructure	(12,216,517)	(858,403)	-	-	(13,074,920)
Total accumulated depreciation	<u>(19,503,215)</u>	<u>(3,626,428)</u>	<u>215,968</u>	<u>-</u>	<u>(22,913,675)</u>
Total capital assets, being depreciated, net	<u>120,236,293</u>	<u>(1,246,792)</u>	<u>(633,722)</u>	<u>-</u>	<u>118,355,779</u>
Business-type activities capital assets, net	<u>\$ 142,551,803</u>	<u>\$ (1,215,832)</u>	<u>\$ (633,722)</u>	<u>\$ -</u>	<u>\$ 140,702,249</u>

As of June 30, 2005, the City determined that a prior period adjustment of \$6,461,447 to decrease the value of land was necessary to correct the error of recording land as a capital asset in previous years under the Master Land Options Contract with the City of Atlanta.

NOTES TO FINANCIAL STATEMENTS

NOTE 5. CAPITAL ASSETS (CONTINUED)

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

Governmental activities:	
General government	\$ 72,525
Engineering	1,143
Fire	173,061
Highway and streets	736,268
Inspection	5,658
Parks	62,214
Police	246,341
Recreation	57,073
Building and grounds	19,887
Total depreciation expense - governmental activities	\$ 1,374,170
 Business-type activities:	
Electric	\$ 488,075
Water and Sewer	387,013
Sanitation	124,447
Convention	2,433,197
FAA Project	193,696
Total depreciation expense - business-type activities	\$ 3,626,428

NOTE 6. LONG-TERM DEBT

Revenue Bonds:

Business-type activities - Convention Center Fund

On June 1, 2000, the City issued \$67,030,000, 5% to 5.75% revenue bonds (Series 2000) with 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. The outstanding balance of these revenue bonds at June 30, 2005 is \$61,665,000.

On October 1, 2001, the City issued \$20,375,000, 3% to 5% revenue bonds (Series 2001) with varying semi-annual principal and interest payments due (March 1 and September 1) through September 2026. These revenue bonds were issued for the purpose of constructing the new Georgia International Convention Center. The outstanding balance of these revenue bonds at June 30, 2005 is \$19,850,000.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

Revenue Bonds (Continued):

Business-type activities - Redevelopment Authority Fund

On July 1, 2004, the City issued \$11,250,000, 2% to 5.25% revenue bonds (Series 2004) with varying semi-annual principal and interest payments due (September 1 and March 1) through September 2024. These revenue bonds were issued for the purpose of constructing the new Public Safety Building. The outstanding balance of these revenue bonds at June 30, 2005 is \$11,250,000.

Business-type activities - FAA Project Fund

On November 1, 1993, the City issued \$8,500,000, 4.3% to 6.95% revenue bonds (Series 1993) with varying semi-annual principal and interest payments due (October 1, January 1, April 1, and July 1) through April 2015. The outstanding balance of these revenue bonds at June 30, 2005 is \$5,695,000.

On April 1, 1999, the City issued \$28,995,000, 5% to 6.5% revenue bonds (Series 1999) with varying semi-annual principal and interest payments due (October 1, January 1, April 1, and July 1) through October 2013. The outstanding balance of these revenue bonds at June 30, 2005 is \$22,190,000.

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.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (CONTINUED)

Revenue Bonds (Continued):

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

<u>Fiscal Year Payable</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2006	\$ 11,323,040	\$ 4,780,000	\$ 6,543,040
2007	11,316,960	5,020,000	6,296,960
2008	11,315,385	5,285,000	6,030,385
2009	11,319,780	5,575,000	5,744,780
2010	11,310,811	5,880,000	5,430,811
2011 - 2015	53,355,523	31,755,000	21,600,523
2016 - 2020	36,077,335	21,860,000	14,217,335
2021 - 2025	35,943,457	28,520,000	7,423,457
2026 - 2027	12,651,569	11,975,000	676,569
	<u>\$ 194,613,860</u>	<u>120,650,000</u>	<u>\$ 73,963,860</u>
	Less deferred loss on defeasance	<u>(2,140,930)</u>	
	Total outstanding	<u>\$ 118,509,070</u>	

Other Long-Term Debt:

Master Land Contract - The Redevelopment Authority Fund was established to account for the acquisition of land and the related note payable with an original amount of \$10,126,939. The note payable, known as the master land contract, relates to land located within the corporate limits of the City of College Park purchased from the City of Atlanta for purposes of redevelopment. It bears interest at 6.5%, for the first six (6) years and thereafter the interest rate is based on the six month federal treasury bill rate. There is no periodic principal or interest payments required until individual lots purchased under the note are sold. The outstanding balance of this note payable at June 30, 2005 is \$5,893,397.

Capital Leases:

The City has entered into several lease agreements as lessee for financing the acquisition of various equipment. The lease agreements qualify as capital leases for accounting purposes (titles transfer at the end of the lease term) and have been recorded at the present values of the future minimum lease payment as of the date of their inception. These leases are being serviced by General Fund and Water and Sewer Fund payments with annual interest rates varying from 4% to 4.3%.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (Continued):

Capital Leases: (Continued)

The following is an analysis of equipment leased under capital leases as of June 30, 2005:

	Governmental Capital Assets	Water and Sewer Fund	Total
Equipment	\$ 209,190	\$ 82,135	\$ 291,325
Less accumulated depreciation	(84,474)	(5,867)	(90,341)
Carrying value	\$ 124,716	\$ 76,268	\$ 200,984

The following is a schedule of future minimum lease payments under the capital leases and the present value of the net minimum lease payments at June 30, 2005:

Fiscal year ending	Governmental Activities	Water and Sewer Fund	Total
2006	\$ 44,010	\$ 18,768	\$ 62,778
2007	20,863	18,768	39,631
2008	20,862	18,768	39,630
2009	11,742	14,109	25,851
2010	1,957	-	1,957
Total minimum lease payments	99,434	70,413	169,847
Less amount representing interest	(9,487)	(5,494)	(14,981)
Present value of future minimum lease payments	89,947	64,919	154,866
Less current maturities	(39,021)	(16,295)	(55,316)
	\$ 50,926	\$ 48,624	\$ 99,550

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (Continued):

Changes in Long-Term Liabilities:

Long-term liability activity for the year ended June 30, 2005, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Capital leases	\$ 74,529	\$ 50,612	\$ (35,194)	\$ 89,947	\$ 39,021
Compensated absences	1,015,792	1,030,289	(1,076,213)	969,868	969,868
Claims and judgements	180,000	301,000	(342,277)	138,723	138,723
Governmental activity Long-term liabilities	<u>\$ 1,270,321</u>	<u>\$ 1,381,901</u>	<u>\$ (1,453,684)</u>	<u>\$ 1,198,538</u>	<u>\$ 1,147,612</u>
Business-type activities:					
Revenue bonds	\$ 113,265,000	\$ 11,250,000	\$ (3,865,000)	\$ 120,650,000	\$ 4,780,000
Deferred loss on defeasance	(2,408,547)	-	267,617	(2,140,930)	-
Notes payable	5,893,397	-	-	5,893,397	-
Capital leases	-	68,885	(3,966)	64,919	16,295
Business-type activity Long-term liabilities	<u>\$ 116,749,850</u>	<u>\$ 11,318,885</u>	<u>\$ (3,601,349)</u>	<u>\$ 124,467,386</u>	<u>\$ 4,796,295</u>

The beginning balance for compensated absences under the governmental activities has been restated by \$172,683 from the prior year. In addition, the beginning notes payable balance under the business-type activities has been restated by \$209,875 to properly reflect a reduction in the liability for releases of tracts of land under the Master Land Option Contract that were not recorded in prior years.

For governmental funds, compensated absences and claims and judgments are liquidated by the General Fund.

NOTE 7. CHANGE IN REPORTING ENTITY

For the fiscal year ended June 30, 2005, the financial statements of the City have been modified from the presentation reflected in previous years. This modification in presentation recognizes the Newton Estates Improvement Fund (previously reported as an enterprise fund) as a special revenue fund.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. PENSION PLAN

A. Plan Description

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

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

At March 1, 2005, the date of the most recent actuarial valuation, there were 569 participants consisting of the following:

Retirees and beneficiaries currently receiving benefits	177
Terminated vested participants not yet receiving benefits	27
Active employees	365
Total	<u>569</u>

Basis of Accounting. The financial statements of the Plan are prepared using the accrual basis of accounting. The City's contributions are recognized as revenue in the period in which the contributions are due. Investment income is recognized by the Plan when earned.

Method Used to Value Investments. Plan investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national exchange are valued at the last reported sales price. Mortgages are valued on the basis of future principal and interest payments and are discounted at prevailing interest rates for similar instruments. Investments that do not have an established market are reported at estimated fair value.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. PENSION PLAN (CONTINUED):

B. Funding Policy

The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The board of Trustees of GMEBS has adopted a recommended actuarial funding policy for the plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the plan. The funding policy for the plan is to contribute an amount equal to or greater than the recommended contribution described below. For 2005, the actuarially determined contribution rate was 17.6% of covered payroll.

For 2005, the City's recommended contribution was \$2,543,922 and actual contribution totaled \$2,881,667. The recommended contribution was determined as part of the March 1, 2005 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 or seniority 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.

C. Annual Pension Cost

The City's actuarially required contribution, pension cost, and increase in net pension asset for the year ended June 30, 2005, were computed as follows:

Actuarially required contribution	\$ 2,543,922
Interest	(374,478)
Annual pension cost	<u>2,169,444</u>
Actual contributions made	(2,557,982)
Net pension obligation (asset), June 30, 2004	(4,680,972)
Net pension obligation (asset), June 30, 2005	<u><u>\$ (5,069,510)</u></u>

NOTES TO FINANCIAL STATEMENTS

NOTE 8. PENSION PLAN (CONTINUED):

D. Schedule of Employer Contributions

Fiscal Year Ended June 30,	Annual Pension Cost (APC)	Actual Pension Contribution	Percentage of APC Contributed	Net Pension (Asset)
2005	\$ 2,543,922	\$ 2,881,667	113.3 %	\$ (5,069,510)
2004	2,394,076	2,489,867	104.0	(4,680,972)
2003	2,130,053	2,355,839	110.6	(4,980,052)

E. 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
2005	\$ 44,266,818	\$ 57,231,917	\$ (12,965,099)	77.3 %	\$ 14,479,201	89.5 %
2004	41,902,856	54,073,627	(12,170,771)	77.5	14,900,818	81.7
2003	39,634,204	50,137,985	(10,503,781)	79.1	14,820,705	70.9
2002	42,605,313	46,543,981	(3,938,668)	91.5	14,502,216	27.2

NOTES TO FINANCIAL STATEMENTS

NOTE 9. BUDGET COMPLIANCE AND DEFICIT FUND EQUITY

A. Excess of Expenditures over Appropriations

The following funds and General Fund departments had actual expenditures in excess of appropriations for the year ended June 30, 2005:

General Fund:	
Financial Administration	\$ 16,508
Purchasing	1,191
Taxes and licences	373
Investigations	9,432
EMS	46,419
Recreation Administration	6,622
Recreation Programs	67,577
Recreation Facilities	6,041
Debt service	7,455
Hospitality Fund - General government	432
Car Rental Fund - Building and grounds	6,063,122

These overexpenditures were funded by greater than anticipated transfers and by available fund balance.

B. Deficit Fund Balance/Net Assets

The following fund had a deficit fund balance at June 30, 2005:

Grants Fund	\$ 605,497
Car Rental Fund	4,129,336

The fund deficits in the Grants Fund and the Car Rental Fund will be reduced through General Fund appropriations.

NOTES TO FINANCIAL STATEMENTS

NOTE 10. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund receivable and payable balances as of June 30, 2005, are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Electric Fund	\$ 55,275
General Fund	Water & Sewer Fund	45,758
General Fund	Convention Center Fund	3,916,258
General Fund	FAA Project Fund	802,596
General Fund	Redevelopment Authority Fund	3,064,983
General Fund	Nonmajor Enterprise - Sanitation Fund	25,116
General Fund	Nonmajor governmental funds	1,564,570
Car Rental Fund	Nonmajor governmental funds	24,021
Electric Fund	Nonmajor governmental funds	992,300
Electric Fund	Redevelopment Authority Fund	500,000
Convention Center Fund	Redevelopment Authority Fund	985,318
Nonmajor governmental	Convention Center Fund	1,457,120
		<u>\$ 13,433,315</u>

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

Interfund transfers for the year ended June 30, 2005, consisted of the following:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
General Fund	Electric Fund	\$ 250,000
General Fund	Water & Sewer Fund	550,000
General Fund	Hospitality Fund	950,000
Hospitality Fund	Car Rental Fund	673,750
Convention Center Fund	Hospitality Fund	4,950,000
Convention Center Fund	Car Rental Fund	210,000
FAA Project Fund	Hospitality Fund	180,000
Water & Sewer Fund	General Fund	13,250
Nonmajor governmental funds	General Fund	334,623
Redevelopment Authority Fund	Car Rental Fund	620,185
		<u>\$ 8,731,808</u>

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

NOTES TO FINANCIAL STATEMENTS

NOTE 10. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

Advances from/to other funds are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Car Rental Fund	Redevelopment Authority Fund	\$ 11,250,000

The amount payable from the Car Rental Fund relate to the City lease of the public safety building from the College Park Business and Industrial Development Authority. Of the balance shown, \$400,000 from the Car Rental Fund is scheduled to be collected in the subsequent year-end.

NOTE 11. RELATED ORGANIZATION

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

NOTE 12. HOTEL/MOTEL LODGING TAX

The City of College Park and Fulton County imposed a 3% tax on gross hotel occupancy revenues for the purpose of promoting tourism, conventions, and trade shows. In addition, the City has levied an additional 3% tax for the purpose of constructing and operating a convention center. For the fiscal year ended June 30, 2005, \$4,547,970 of hotel/motel tax was collected. Of the total collected, 100% was used for the promotion of tourism, conventions, and trade shows within the City (transferred to the City's Convention Center).

NOTE 13. JOINT VENTURES

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 (6) 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 of \$130,166 is reported as other assets in the governmental activities column in the statement of net assets. Separate financial statements are not available for this joint-venture.

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). During its year ended June 30, 2005, the City paid \$1,518 in such dues. 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 14. COMMITMENTS AND CONTINGENCIES

Litigation

The City is a defendant in certain legal actions in the nature of claims for alleged damages to persons and property and other similar types of actions rising in the course of City operations. A total of \$2,170,435 is believed by management and legal counsel to be probable of which the total amount is included in the City's business-type activities liabilities. Of the \$2,170,435 recorded as liabilities, \$1,250,000 has been settled and paid by the City subsequent to June 30, 2005. The City will continue to assert its position in a defense against these claims.

Contractual Commitments:

For the fiscal year ended June 30, 2005, contractual commitments on uncompleted contracts were \$2,464,712.

Grants from Governments

Amounts received or receivable from grantor agencies are subject to audit and adjustment by such agencies, principally the Federal Government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

Agreements with the Municipal Electric Authority of Georgia

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

As of June 30, 2005, the City is an electric utility participant in MEAG and obligated to purchase, all of its bulk power supply requirements from MEAG for a period not to exceed 50 years. The City has agreed to purchase all of its future power and energy requirements in excess of that received by the City through the Southeastern Power Administration at prices intended to cover the operating costs of the systems and to retire any debt incurred by the Authority. In the event that revenues are insufficient to cover all costs and retire the outstanding debt, each participating City has guaranteed a portion of the unpaid debt based on their individual entitlement shares of the output and services of generating units acquired or constructed by MEAG. In addition, in the event of discontinued service to a participant in default, the City would be obligated to purchase additional power subject to contractual limitations. Payments to MEAG are made monthly based on KWH usage. The total payments under these contracts amounted to \$14,069,920 in 2005.

NOTES TO FINANCIAL STATEMENTS

NOTE 14. COMMITMENTS AND CONTINGENCIES (CONTINUED)

Agreements with the Municipal Electric Authority of Georgia (Continued)

At June 30, 2005, the outstanding debt of MEAG was approximately \$3.65 billion. The City's guarantee varies by individual projects undertaken by MEAG and totals approximately \$212 million at June 30, 2005.

NOTE 15. 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.

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

Fiscal Year	Beginning of Year Claims Liability	Current Year Claims and Changes in Estimates	Claims Paid	End of Year Claims Liability
2005	\$ 176,261	\$ 365,247	\$ (378,294)	\$ 163,214
2004	190,453	232,611	(246,803)	176,261

NOTES TO FINANCIAL STATEMENTS

NOTE 16. 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, 2005:

Minimum lease payment receivable	\$ 34,453,708
Less: Unearned income	<u>(12,224,401)</u>
Net investment in direct financing lease	<u><u>\$ 22,229,307</u></u>
Current portion	\$ 1,682,373
Long-term portion	<u>20,546,934</u>
Total	<u><u>\$ 22,229,307</u></u>

At June 30, 2005, the future minimum lease payments receivable are as follows:

<u>Fiscal year ending</u>	<u>Total Payment</u>
2006	\$ 4,107,000
2007	4,107,000
2008	4,107,000
2009	4,107,000
2010	4,107,000
Thereafter	<u>13,918,708</u>
Total	<u><u>\$ 34,453,708</u></u>

NOTES TO FINANCIAL STATEMENTS

NOTE 17. PRIOR PERIOD ADJUSTMENT

Governmental Funds:

The City has determined that a restatement of the General Fund and E911 Fund liabilities are required to reflect corrections to beginning balances of compensated absences. For the year ended June 30, 2004, the City included, in the General Fund and E911 Fund, liabilities for compensated absences that were expected to be paid within the next fiscal year. In accordance with Interpretation No. 6, *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*, no expenditure or liability should be reported in governmental funds in connection with compensated absences until they are paid or due for payment.

As a result of the change in reporting entity, the City has determined that a restatement of the Newton Estates Improvement Fund assets and fund balance is required to reflect corrections to capital assets recorded in a special tax district fund that was incorrectly established in previous years as an enterprise fund. In accordance with the Official Code of Georgia and the State of Georgia Uniform Chart of Accounts, a special tax district fund is reported as a special revenue fund.

As a result, beginning fund balances of the General Fund and the nonmajor governmental funds have been adjusted by \$168,268 and \$146,131, respectively.

These restatements impact the fund level statements of the General Fund and the nonmajor governmental funds by increasing the fund balance by \$168,268 and \$146,131, respectively.

General Fund

Fund balance, June 30, 2004, as previously reported	\$ 20,892,492
Prior period adjustment:	
Correction of compensated absences	<u>168,268</u>
Fund balance, June 30, 2004, restated	<u>\$ 21,060,760</u>

Nonmajor Governmental Funds

Fund balance, June 30, 2004, as previously reported	\$ 336,357
Prior period adjustment:	
Correction of compensated absences	4,415
Correction of reporting a special revenue fund as an enterprise fund	<u>141,716</u>
Fund balance, June 30, 2004, restated	<u>\$ 482,488</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 17. PRIOR PERIOD ADJUSTMENT (CONTINUED)

Governmental Activities:

The City has determined that a restatement of Governmental Activities assets is required to reflect corrections to the net pension asset as reported in the Statement of Net Assets. In previous years, the City did not base the calculation of the net pension asset on when GASB 27, *Accounting for Pensions by State and Local Governmental Employers*, was implemented (for periods beginning after June 15, 1997) nor did the City include in its calculation the interest on the net pension asset since fiscal year June 30, 1997. As a result, the beginning net assets of the Governmental Activities have been adjusted by \$2,241,563.

The above restatement along with the restatement resulting from the change in reporting entities as discussed previously impacts the Governmental Activities Net Assets by increasing the net asset balance by \$2,383,279.

Governmental activities net assets as previously reported	\$ 60,886,371
Prior period adjustment:	
Correction of reporting a special revenue fund as an enterprise fund	141,716
Correction to net pension asset	<u>2,241,563</u>
Governmental activities 2004 net assets, restated	<u>\$ 63,269,650</u>

Proprietary Funds:

As of June 30, 2005, the City determined that an adjustment of \$6,461,447 to decrease the value of land in the Redevelopment Authority Fund was necessary to correct the error of recording land as a capital asset in previous years under the Master Land Options Contract with the City of Atlanta instead of recording the options as an other asset (non-capital). In addition, it was determined that an adjustment of \$209,875 was needed to reduce the liability and the other asset to properly reflect the releases of tracts of land under the Master Land Option Contract that occurred in previous years that were not recorded.

As a result of the change in reporting entity, capital assets that were previously transferred from the Redevelopment Authority Fund to the Newton Estates Improvement Fund and treated as contributed capital required a restatement of the Redevelopment Authority Fund capital assets, due to other funds, and net assets. The restatement properly increased capital assets by \$2,157,914 and decreased due to other funds by \$756,485. The net effect of this prior period adjustment on beginning net assets for the Redevelopment Authority Fund is an increase of \$2,914,399.

NOTES TO FINANCIAL STATEMENTS

NOTE 17. PRIOR PERIOD ADJUSTMENT (CONTINUED)

Proprietary Funds (Continued):

This restatement impacts the fund level statements of the Redevelopment Authority Fund by increasing the net assets by \$2,601,127.

Redevelopment Authority Fund

Net assets, June 30, 2004, as previously reported	\$ 8,938,731
Prior period adjustment:	
Adjustment needed to properly state the master land options contract activity	(313,272)
Adjustment needed to properly state capital assets	2,157,914
Adjustment needed to properly state due to other funds	<u>756,485</u>
Net assets, June 30, 2004, restated	<u><u>\$ 11,539,858</u></u>

The above restatement along with the restatement resulting from the change in reporting entities as discussed previously impacts the Business-type Activities Net Assets by reducing the net asset balance by \$454,988.

Business-type activities net assets as previously reported	\$ 96,819,298
Prior period adjustment:	
Correction of reporting a special revenue fund as an enterprise fund	(3,056,115)
Adjustment needed to properly state the master land contract options contract activity	(313,272)
Adjustment needed to properly state capital assets	2,157,914
Adjustment needed to properly state due to other funds	<u>756,485</u>
Business-type activities 2004 net assets, restated	<u><u>\$ 96,364,310</u></u>

NOTE 18. SUBSEQUENT EVENTS

On December 1, 2005, the College Park Business and Industrial Development Authority (BIDA) issued \$53,475,000 in revenue bonds for the purpose of refunding a portion of BIDA's Civic Center Project Revenue Bonds, Series 2000, in order to refinance a portion of the costs of a convention center facility leased by BIDA to the City of College Park. Interest on the Series 2005 Bonds is payable semiannually on March 1 and September 1 of each year, commencing on March 1, 2006. Interest savings of \$1.7 million will be recognized due to the refinancing of the BIDA's Civic Center Project Revenue Bonds for the Convention Center Facility.

**COMBINING AND INDIVIDUAL
FUND STATEMENTS
AND SCHEDULES**

CITY OF COLLEGE PARK, GEORGIA

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

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

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

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

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

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

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

CAPITAL PROJECTS FUNDS

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

The **Main Street Fund**- This fund accounts for the 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.

CITY OF COLLEGE PARK, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2005

	Special Revenue					Capital Projects		Total Nonmajor Governmental Funds
	Community Development Block Grant Fund	Grants Fund	Confiscated Drug Fund	State Drug Fund	E 911 Fund	Newton Estates Improvement Fund	Main Street Fund	
ASSETS								
Cash and cash equivalents	\$ 128,009	\$ 311,738	\$ -	\$ 57,726	\$ 117,933	\$ 264,073	\$ 116,196	\$ 995,675
Receivables	24,021	155,409	-	-	23,448	493	-	203,371
Due from other funds	-	-	-	-	-	1,457,120	-	1,457,120
Cash - restricted	-	-	328,090	-	-	-	-	328,090
Total assets	<u>152,030</u>	<u>467,147</u>	<u>328,090</u>	<u>57,726</u>	<u>141,381</u>	<u>1,721,686</u>	<u>116,196</u>	<u>2,984,256</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	-	17,499	1,520	-	1,186	-	-	20,205
Accrued liabilities	-	-	-	-	8,724	-	-	8,724
Due to other funds	24,021	1,055,145	-	-	-	1,501,725	-	2,580,891
Total liabilities	<u>24,021</u>	<u>1,072,644</u>	<u>1,520</u>	<u>-</u>	<u>9,910</u>	<u>1,501,725</u>	<u>-</u>	<u>2,609,820</u>
FUND BALANCES								
Reserved for:								
Public safety and recreation	-	-	326,570	57,726	-	-	-	384,296
Unreserved, undesignated	128,009	(605,497)	-	-	131,471	219,961	116,196	(9,860)
Total fund balances	<u>128,009</u>	<u>(605,497)</u>	<u>326,570</u>	<u>57,726</u>	<u>131,471</u>	<u>219,961</u>	<u>116,196</u>	<u>374,436</u>
Total liabilities and fund balances	<u>\$ 152,030</u>	<u>\$ 467,147</u>	<u>\$ 328,090</u>	<u>\$ 57,726</u>	<u>\$ 141,381</u>	<u>\$ 1,721,686</u>	<u>\$ 116,196</u>	<u>\$ 2,984,256</u>

CITY OF COLLEGE PARK, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2005

	Special Revenue					Capital Projects		Total Nonmajor Governmental Funds
	Community Development Block Grant Fund	Grants Fund	Confiscated Drug Fund	State Drug Fund	E 911 Fund	Newton Estates Improvement Fund	Main Street Fund	
REVENUES								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 76,360	\$ -	\$ 76,360
Intergovernmental revenues	24,021	937,192	-	-	-	-	-	961,213
Fines and forfeitures	-	-	110,192	36,474	-	-	-	146,666
Charges for services	-	-	-	-	256,484	-	-	256,484
Interest income	1,771	3,664	4,233	62	1,054	1,885	-	12,669
Total revenue	25,792	940,856	114,425	36,536	257,538	78,245	-	1,453,392
EXPENDITURES								
Police	24,021	507,348	55,064	1,542	-	-	-	587,975
Fire	-	-	-	-	585,929	-	-	585,929
Building and grounds	-	190,025	-	-	-	-	-	190,025
Highway and streets	-	547,883	-	-	-	-	-	547,883
Total expenditures	24,021	1,245,256	55,064	1,542	585,929	-	-	1,911,812
Excess (deficiency) of revenues over (under) expenditures	1,771	(304,400)	59,361	34,994	(328,391)	78,245	-	(458,420)
OTHER FINANCING SOURCES								
Transfers in	-	-	-	-	334,623	-	-	334,623
Sale of capital assets	-	-	15,745	-	-	-	-	15,745
Total other financing sources	-	-	15,745	-	334,623	-	-	350,368
Net change in fund balances	1,771	(304,400)	75,106	34,994	6,232	78,245	-	(108,052)
Fund balances (deficit), beginning of year (as restated)	126,238	(301,097)	251,464	22,732	125,239	141,716	116,196	482,488
Fund balances (deficit), end of year	\$ 128,009	\$ (605,497)	\$ 326,570	\$ 57,726	\$ 131,471	\$ 219,961	\$ 116,196	\$ 374,436

CITY OF COLLEGE PARK, GEORGIA

**COMMUNITY DEVELOPMENT BLOCK GRANT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2005**

	Original and Final Budget	Actual	Variance With Final Budget
Revenues			
Intergovernmental revenue	\$ 223,240	\$ 24,021	\$ (199,219)
Interest income	-	1,771	1,771
Total revenue	<u>223,240</u>	<u>25,792</u>	<u>(197,448)</u>
Expenditures			
Current:			
Police	223,240	24,021	199,219
Total expenditures	<u>223,240</u>	<u>24,021</u>	<u>199,219</u>
Excess of revenue over expenditures	-	1,771	1,771
Fund balances, beginning of year	<u>126,238</u>	<u>126,238</u>	<u>-</u>
Fund balances, end of year	<u>\$ 126,238</u>	<u>\$ 128,009</u>	<u>\$ 1,771</u>

CITY OF COLLEGE PARK, GEORGIA

**E911 SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2005**

	Original and Final Budget	Actual	Variance With Final Budget
Revenues			
Charges for services	\$ 350,000	\$ 256,484	\$ (93,516)
Interest income	-	1,054	1,054
Total revenue	<u>350,000</u>	<u>257,538</u>	<u>(92,462)</u>
Expenditures			
Current:			
Fire	684,623	585,929	98,694
Total expenditures	<u>684,623</u>	<u>585,929</u>	<u>98,694</u>
Deficiency of revenue under expenditures	<u>(334,623)</u>	<u>(328,391)</u>	<u>6,232</u>
Other financing sources			
Transfers in	334,623	334,623	-
Total other financing sources	<u>334,623</u>	<u>334,623</u>	<u>-</u>
Net change in fund balances	-	6,232	6,232
Fund balances, beginning of year	<u>125,239</u>	<u>125,239</u>	<u>-</u>
Fund balances, end of year	<u>\$ 125,239</u>	<u>\$ 131,471</u>	<u>\$ 6,232</u>

CITY OF COLLEGE PARK, GEORGIA

**NEWTON ESTATES IMPROVEMENT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2005**

	Original and Final Budget	Actual	Variance With Final Budget
Revenues			
Property taxes	\$ 60,000	\$ 76,360	\$ 16,360
Interest income	1,000	1,885	885
Total revenue	<u>61,000</u>	<u>78,245</u>	<u>17,245</u>
 Change in fund balances	 61,000	 78,245	 17,245
 Fund balances, beginning of year	 <u>141,716</u>	 <u>141,716</u>	 <u>-</u>
 Fund balances, end of year	 <u>\$ 202,716</u>	 <u>\$ 219,961</u>	 <u>\$ 17,245</u>

CITY OF COLLEGE PARK, GEORGIA

**ELECTRIC FUND - ENTERPRISE FUND
SCHEDULE OF REVENUES AND EXPENSES - ACTUAL (BUDGET BASIS)
COMPARED TO BUDGET
FOR THE YEAR ENDED JUNE 30, 2005**

	<u>Final Budget</u>	<u>Actual (Budget Basis)</u>	<u>Variance With Final Budget</u>
Revenues			
Charges for services	\$ 22,218,500	\$ 19,647,407	\$ (2,571,093)
Interest income	70,000	384,174	314,174
Other income	968,100	2,001,695	1,033,595
Total revenue	<u>23,256,600</u>	<u>22,033,276</u>	<u>(1,223,324)</u>
Expenses			
Personal services	1,658,181	1,501,577	156,604
Communications and utilities	34,440	33,794	646
Rentals	15,600	10,378	5,222
Repairs and maintenance	382,600	352,310	30,290
Training and education	65,368	40,313	25,055
Other services and charges	383,200	356,464	26,736
Materials and supplies	184,900	191,159	(6,259)
Wholesale electricity	18,844,100	14,069,920	4,774,180
Bad debt expense	11,000	297,414	(286,414)
Capital outlay	949,388	723,629	225,759
Total expenses	<u>22,528,777</u>	<u>17,576,958</u>	<u>4,951,819</u>
Transfers out	<u>(250,000)</u>	<u>(250,000)</u>	<u>-</u>
Change in net assets (budget basis)	<u>\$ 477,823</u>	4,206,318	<u>\$ 3,728,495</u>
Reconciliation of change in net assets (budget basis)			
to change in net assets (GAAP basis)			
Capitalize capital assets		722,239	
Depreciation		<u>(488,075)</u>	
Change in net assets (GAAP basis)		<u>\$ 4,440,482</u>	

CITY OF COLLEGE PARK, GEORGIA
WATER AND SEWER FUND - ENTERPRISE FUND
SCHEDULE OF REVENUES AND EXPENSES - ACTUAL (BUDGET BASIS)
COMPARED TO BUDGET
FOR THE YEAR ENDED JUNE 30, 2005

	Final Budget	Actual (Budget Basis)	Variance With Final Budget
Revenues			
Charges for services	\$ 5,906,748	\$ 5,321,580	\$ (585,168)
Interest income	75,000	81,491	6,491
Other income		4,486	4,486
Total revenue	<u>5,981,748</u>	<u>5,407,557</u>	<u>(574,191)</u>
Expenses			
Personal services	806,475	828,011	(21,536)
Communications and utilities	110,500	94,169	16,331
Rentals	7,600	6,834	766
Repairs and maintenance	227,580	169,989	57,591
Training and education	10,084	5,988	4,096
Other services and charges	209,706	225,242	(15,536)
Materials and supplies	41,150	39,533	1,617
Cost of sales	3,839,000	2,907,493	931,507
Capital outlay	179,653	71,622	108,031
Total expenses	<u>5,431,748</u>	<u>4,348,881</u>	<u>1,082,867</u>
Transfers in	-	13,250	13,250
Transfers out	<u>(550,000)</u>	<u>(550,000)</u>	<u>-</u>
Change in net assets (budget basis)	<u>\$ -</u>	521,926	<u>\$ 508,676</u>
Reconciliation of change in net assets (budget basis)			
to change in net assets (GAAP basis)			
Capitalize capital assets		71,622	
Bad debt expense		(60,033)	
Litigation claims and settlements		(920,435)	
Depreciation and amortization		<u>(387,013)</u>	
Change in net assets (GAAP basis)		<u>\$ (773,933)</u>	

CITY OF COLLEGE PARK, GEORGIA

**CONVENTION CENTER FUND - ENTERPRISE FUND
SCHEDULE OF REVENUES AND EXPENSES - ACTUAL (BUDGET BASIS)
COMPARED TO BUDGET
FOR THE YEAR ENDED JUNE 30, 2005**

	<u>Final Budget</u>	<u>Actual (Budget Basis)</u>	<u>Variance With Final Budget</u>
Revenues			
Exhibit hall and meeting room	\$ 1,200,000	\$ 1,154,170	\$ (45,830)
Catering sales	2,875,000	3,223,013	348,013
Other rental	1,925,000	1,987,271	62,271
Commissions	300,000	127,635	(172,365)
Interest income	-	199,995	199,995
Other income	707,779	7,079	(700,700)
Total revenue	<u>7,007,779</u>	<u>6,699,163</u>	<u>(308,616)</u>
Expenses			
Personal services	2,534,151	2,526,604	7,547
Communications and utilities	1,114,400	1,114,361	39
Rentals	2,000	1,938	62
Repairs and maintenance	320,500	331,553	(11,053)
Training and education	53,950	48,214	5,736
Other services and charges	921,240	840,675	80,565
Materials and supplies	66,600	61,049	5,551
Cost of sales	2,211,108	2,314,832	(103,724)
Debt service	4,943,830	6,365,018	(1,421,188)
Total expenses	<u>12,167,779</u>	<u>13,604,244</u>	<u>(1,436,465)</u>
Transfers in	<u>5,160,000</u>	<u>5,160,000</u>	<u>-</u>
Change in net assets (budget basis)	<u>\$ -</u>	<u>(1,745,081)</u>	<u>\$ (1,745,081)</u>
Reconciliation of change in net assets (budget basis) to change in net assets (GAAP basis)			
Bad Debts		(1,265)	
Bond Principal		1,970,000	
Litigation claims and settlements		(1,250,000)	
Depreciation and amortization		<u>(2,608,490)</u>	
Change in net assets (GAAP basis)		<u>\$ (3,634,836)</u>	

CITY OF COLLEGE PARK, GEORGIA
SANITATION FUND - ENTERPRISE FUND
SCHEDULE OF REVENUES AND EXPENSES - ACTUAL (BUDGET BASIS)
COMPARED TO BUDGET
FOR THE YEAR ENDED JUNE 30, 2005

	Final Budget	Actual (Budget Basis)	Variance With Final Budget
Revenues			
Charges for services	\$ 2,317,325	\$ 2,194,762	\$ (122,563)
Interest income	7,000	13,514	6,514
Other income	35,000	25,733	(9,267)
Total revenue	<u>2,359,325</u>	<u>2,234,009</u>	<u>(125,316)</u>
Expenses			
Personal services	1,389,900	1,365,045	24,855
Communications and utilities	36,500	29,295	7,205
Rentals	5,000	-	5,000
Repairs and maintenance	137,100	135,067	2,033
Training and education	2,025	1,319	706
Other services and charges	63,650	56,473	7,177
Materials and supplies	83,800	85,538	(1,738)
Cost of sales	461,860	404,423	57,437
Capital outlay	179,490	175,319	4,171
Total expenses	<u>2,359,325</u>	<u>2,252,479</u>	<u>106,846</u>
Change in net assets (budget basis)	<u>\$ -</u>	<u>(18,470)</u>	<u>\$ (18,470)</u>
Reconciliation of change in net assets (budget basis)			
to change in net assets (GAAP basis)			
Capitalize capital assets		175,319	
Bad debt expense		(22,417)	
Depreciation		(124,447)	
Change in net assets (GAAP basis)		<u>\$ 9,985</u>	

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STATISTICAL SECTION
(Unaudited)

CITY OF COLLEGE PARK, GEORGIA
GOVERNMENT-WIDE EXPENSES BY FUNCTION
LAST THREE FISCAL YEARS

TABLE 1

Fiscal Year	General Government(1)	Public Safety and Fire Services	Professional and Contractual	Streets(2) and Grounds	Recreation(3)	Interest Expense	Electric	Water & Sewer	Sanitation	Convention Center	FAA Projects	Redevelopment	Total Expenses
2003 (4)	\$ 3,059,067	\$ 13,216,323	\$ 989,704	\$ 2,536,344	\$ 1,654,958	\$ -	\$ 20,191,678	\$ 5,258,626	\$ 2,314,777	\$ 11,092,172	\$ 3,577,642	\$ 508,566	\$ 64,399,857
2004	3,451,256	13,592,141	(5)	2,803,724	1,883,317	-	20,047,094	4,960,892	2,141,348	14,506,669	3,844,100	385,334	67,615,875
2005	3,155,946	14,452,742	(5)	2,999,216	2,024,808	5,795	17,342,793	5,645,466	2,224,024	15,493,999	4,075,786	1,179,117	68,599,692

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.
- (5) Effective 2004, professional and contractual expenses are allocated in accordance with generally accepted accounting principles for municipalities.

CITY OF COLLEGE PARK, GEORGIA
GOVERNMENT-WIDE REVENUES BY SOURCE
LAST THREE FISCAL YEARS

TABLE 2

Fiscal Year	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Taxes	Interest Income	Gain on Sale of Assets	Other	Total
2003	\$ 38,969,917	\$ 619,585	\$ 679,861	\$ 21,041,943	\$ 3,763,021	\$ 3,866,691	\$ 93,889	\$ 69,034,907
2004	40,898,123	519,050	1,036,168	21,492,418	3,441,694	16,587	57,909	67,461,949
2005	41,673,428	572,768	559,715	22,874,092	3,926,517	33,858	69,268	69,709,646

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.

CITY OF COLLEGE PARK, GEORGIA

TABLE 3

GENERAL GOVERNMENT EXPENDITURES BY FUNCTION
ALL GOVERNMENTAL FUNDS
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
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	3,420,323	13,345,083	(4)	8,612,449	1,769,378	(5)	-	27,147,233
2005	3,220,794	14,567,669	(4)	12,970,689	1,941,832	(5)	40,526	32,741,510

Notes

- (1) Includes General Government, Inspection, and Engineering.
- (2) Includes Building and Grounds and Highways and Streets.
- (3) Includes Parks and Recreation.
- (4) Effective 2004, professional and contractual expenses are allocated in accordance with generally accepted accounting principles for municipalities.
- (5) Effective for 2004 capital outlay is reported in the departments that incurred these expenses.

CITY OF COLLEGE PARK, GEORGIA

TABLE 4

GENERAL GOVERNMENT REVENUES BY SOURCE
LAST TEN FISCAL YEARS

Fiscal Year	Taxes	Licenses and Permits	Inter-Governmental	Charges for Services	Fines	Interest	Other	Total
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	27,481,958
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
2005	22,889,468	1,975,653	1,132,483	530,277	1,910,106	405,160	69,268	28,912,415

CITY OF COLLEGE PARK, GEORGIA

TABLE 5

GENERAL GOVERNMENT TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS

Fiscal Year	Ad Valorem	Local Option Sales Tax	Insurance Premium and Franchise	Alcohol	Hotel/Motel	Special District	Car Rental	Total
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	19,622,548
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
2005	8,122,009	4,664,199	1,587,677	680,329	4,547,970	1,538,785	1,748,499	22,889,468

CITY OF COLLEGE PARK, GEORGIA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

TABLE 6

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Current Taxes Collected	Delinquent Tax Collections	Total Tax Collections	Ratio of Total Tax Collections to		Outstanding Delinquent Taxes	Ratio of Delinquent Taxes to Total Levy
						Total Levy	Total Levy		
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	5,016,230	96.1	152,691	5,168,921		98.2%	249,994	4.7%
2005	5,651,197	5,478,449	96.9	438,254	5,916,703		104.7%	172,748	3.1%

* The City of College Park receives its tax assessments from Fulton and Clayton Counties. State law in Georgia requires that counties with greater than 6% 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.

CITY OF COLLEGE PARK, GEORGIA

TABLE 7

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year	Real Property Assessed Value		Personal Property Assessed Value		Motor Vehicles Assessed Value		Exemptions Real Property	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
1996	\$ 272,642,626	\$ 681,606,565	\$ 84,838,418	\$ 212,096,045	\$ 92,285,625	\$ 240,812,765	\$ 36,860,480	\$ 240,812,765
1997	260,960,524	652,401,310	94,764,064	236,910,160	96,325,106	240,812,765	36,604,437	240,812,765
1998	280,473,225	701,183,063	102,209,152	255,522,880	132,093,129	330,232,823	35,351,359	330,232,823
1999	314,543,677	786,359,193	114,910,888	287,277,220	111,137,397	277,843,493	38,150,419	277,843,493
2000	306,934,680	767,336,700	132,968,077	332,420,193	138,018,629	345,046,573	38,447,335	345,046,573
2001	299,738,076	749,345,190	164,560,098	411,400,245	162,380,964	405,952,410	40,485,095	405,952,410
2002	290,910,166	727,275,415	184,175,495	460,438,738	153,613,823	384,034,558	43,350,574	384,034,558
2003	297,129,641	742,824,103	117,125,294	292,813,235	138,840,377	347,100,943	46,109,372	347,100,943
2004	322,848,646	807,121,615	115,558,291	288,895,728	167,982,275	419,955,688	47,557,148	419,955,688
2005	320,052,145	800,130,363	116,969,824	292,424,560	201,144,503	502,861,258	47,503,495	502,861,258
Public Utilities								
Fiscal Year	Assessed Value	Estimated Actual Value	Total Assessed Value		Estimated Actual Value			
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				
2005	154,107,379	385,268,448	744,770,356	1,861,925,890				

Source: College Park Tax Department

CITY OF COLLEGE PARK, GEORGIA

TABLE 8

**PROPERTY TAX RATES - ALL TAX DISTRICTS
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	
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	12.32	6.88	17.61	18.92	0.25
2004	2005	9.56	12.24	7.78	17.61	18.92	0.25

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

Sources: Clayton & Fulton County, College Park Tax Department

CITY OF COLLEGE PARK, GEORGIA

TABLE 9

PRINCIPAL TAXPAYERS
FOR THE YEAR ENDED JUNE 30, 2005

	Assessed Valuation	Taxes Levied	Percent of Gross Tax Digest
Delta Air Lines, Inc.	\$ 150,575,342	\$ 1,443,076	25.47%
Pittsburgh National Bank	16,699,300	159,645	2.82%
Sysco Corporation	15,784,750	150,902	2.67%
Coca-Cola Enterprises	15,495,272	148,135	2.62%
Leperqu Atlanta Renaissance	12,672,841	121,152	2.14%
CRT-SFV LLC	12,448,990	119,012	2.11%
Felcor Suites Limited	11,022,365	105,374	1.86%
College Park Partners	8,185,600	78,254	1.38%
Air Wisconsin	7,802,483	74,592	1.32%
Bellsouth	6,683,725	63,896	1.13%
	<u>\$ 257,370,668</u>	<u>\$ 2,464,038</u>	<u>43.52%</u>

Source: College Park Business License & Tax Department

CITY OF COLLEGE PARK, GEORGIA

TABLE 10

COMPUTATION OF LEGAL DEBT MARGIN FOR THE YEAR ENDED JUNE 30, 2005

General Obligation Bond Tax Digest	\$	<u>744,770,356</u>
General Obligation Debt Limit (10% of Assessed Value)	\$	74,477,036
Amount of Debt Applicable to Limit		-
Legal Debt Margin	\$	<u>74,477,036</u>

Source: College Park Tax Department

CITY OF COLLEGE PARK, GEORGIA

TABLE 11

DIRECT AND OVERLAPPING BONDED DEBT
FOR THE YEAR ENDED JUNE 30, 2005

	Percentage of Debt Chargeable to Property in the City	Amount of Outstanding Debt (Less Sinking Funds)	Debt Chargeable to Property in the City
Direct General Obligation Debt:			
Overlapping General Obligation Debt:			
Fulton County General Obligation Bonds	.78%	\$ 24,077,629	\$ 187,806
Fulton County Building Authority	.78	94,548,007	737,474
College Park Business and Industrial Development Authority	100	11,250,000	5,365,000
Atlanta - Fulton County Recreation Authority	1.03	148,575,000	1,530,323
Fulton-Dekalb Hospital Authority	.78	248,970,000	1,941,966
Fulton County School District	.78	225,795,000	1,761,201
Clayton County Revenue Bond Debt	5.53	28,640,000	1,583,792
Clayton County Capital Leases	5.53	1,575,000	87,098
		<u>\$ 783,430,636</u>	<u>\$ 13,194,660</u>

Sources: Clayton & Fulton County, College Park Tax Digest

CITY OF COLLEGE PARK, GEORGIA

TABLE 12

REVENUE BOND COVERAGE
LAST TEN FISCAL YEARS
WATER AND SEWER REVENUE BONDS

Fiscal Year	Gross Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service			Interest	Total	Coverage
			Debt Service	Principal				
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 (3)	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	-	-	-	-	
2004	5,198,956	4,960,892	238,064	-	-	-	-	
2005	5,408,283	4,337,292	1,070,991	-	-	-	-	

(1) Total revenues including interest

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

(3) All water and sewer bonds were defeased in June 2002. Principal for 2002 represents only the principal portion which was due that year.

CITY OF COLLEGE PARK, GEORGIA

TABLE 13

REVENUE BOND COVERAGE
LAST TEN FISCAL YEARS
CONVENTION CENTER REVENUE BONDS

Fiscal Year	Gross Revenues (1)	Operating Expenses (2)	Net Revenue Available for			Total	Coverage
			Debt Service	Principal	Interest		
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
2001	**	8,409,986	8,064,973	-	3,451,640	3,451,640	2.30
2002	**	8,982,127	3,240,370	1,240,000	4,406,211	5,646,211	0.57
2003	**	8,897,211	3,673,589	1,305,000	4,554,967	5,859,967	0.63
2004		9,847,984	301,634	1,375,000	4,483,392	5,858,392	0.05
2005		7,240,491	4,618,672	1,970,000	4,395,018	6,365,018	0.73

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

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

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

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

**CITY OF COLLEGE PARK, GEORGIA
DEMOGRAPHIC INFORMATION
JUNE 30, 2005**

* 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.

	<u>2000</u>	<u>1990</u>
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

**CITY OF COLLEGE PARK, GEORGIA
LABOR FORCE AND UNEMPLOYMENT
LAST FIVE FISCAL YEARS**

	2005	2004	2003	2002	2001
Employment	9,117	9,021	8,913	9,102	9,403
Unemployment	616	527	554	571	424
Total Labor Force	9,733	9,548	9,467	9,673	9,827
City Unemployment Rate	6.3%	5.5%	5.9%	5.9%	4.3%
Fulton County Unemployment Rate	6.4%	5.3%	5.7%	5.7%	4.2%
State Unemployment Rate	5.6%	4.6%	4.7%	4.8%	4.0%

Source : Georgia State Department of Labor

**CITY OF COLLEGE PARK, GEORGIA
SUMMARY OF CITY BUILDING PERMITS
LAST TEN FISCAL YEARS**

Fiscal Year	Commercial/Industrial		Residential	
	Permits	Values	Permits	Values
1996	14	\$ 8,990,312	1	\$ 35,000
1997	23	28,081,236	4	259,600
1998	22	26,540,421	5	176,050
1999	14	19,117,448	2	219,900
2000	91	20,914,256	5	430,600
2001	68	10,064,344	9	1,144,000
2002	88	67,336,925	37	3,542,000
2003	84	46,892,611	77	7,052,793
2004	86	17,427,088	269	10,589,267
2005	16	5,988,910	101	19,339,427

Source: College Park Information Technology Department

**CITY OF COLLEGE PARK, GEORGIA
PROPERTY VALUE AND CONSTRUCTION
LAST TEN FISCAL YEARS**

Fiscal Year	Property Value			Total	Construction Activity
	Taxable	Nontaxable			
1996	\$ 520,751,038	\$ 36,860,480	\$ 557,611,518	\$ 9,025,312	
1997	560,237,982	36,604,437	596,842,419	28,340,836	
1998	641,599,398	35,351,359	676,950,757	26,716,471	
1999	663,592,688	38,150,419	701,743,107	19,337,348	
2000	659,270,522	38,447,335	697,717,857	21,344,856	
2001	735,058,527	40,485,095	775,543,622	11,208,344	
2002	737,997,770	43,350,574	781,348,344	70,878,925	
2003	663,214,606	46,109,372	709,323,978	53,945,404	
2004	693,033,849	47,557,148	740,590,997	28,016,355	
2005	744,770,356	47,503,495	792,273,851	25,328,337	

Source: College Park Tax and Information Technology Departments

**CITY OF COLLEGE PARK, GEORGIA
MISCELLANEOUS STATISTICS
FOR THE YEAR ENDED JUNE 30, 2005**

Date of Incorporation	1895
Form of Government	Council/Manager
Number of Employees (Excluding Police and Fire)	
Classified	207
Exempt	25
Area in Square Miles	9
College Park facilities and services :	
Miles of streets	66
Number of street lights	2,000
Culture and recreation :	
City Auditorium	1
Community centers	2
Parks	5
Park acreage	280
Golf courses	1
Swimming pools	2
Tennis courts	10
Fire Protection:	
Number of stations	2
Number of fire personnel and officers	65
Police Protection:	
Number of stations	1
Number of police personnel and officers	125
Number of patrol units	47
Sewerage System:	
Miles of sanitary sewers	75
Number of service connections	2,430
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

**CITY OF COLLEGE PARK, GEORGIA
MISCELLANEOUS STATISTICS -CONTINUED
FOR THE YEAR ENDED JUNE 30, 2005**

Electrical System:

Number of Street Lights	2,000
Miles of power lines	128
Number of substations	8
Number of service connections	8,300
Daily average consumption in MWH	782.2 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

Sources: College Park Recreation, Power, Convention, Fire, Police,
and Public Works Departments