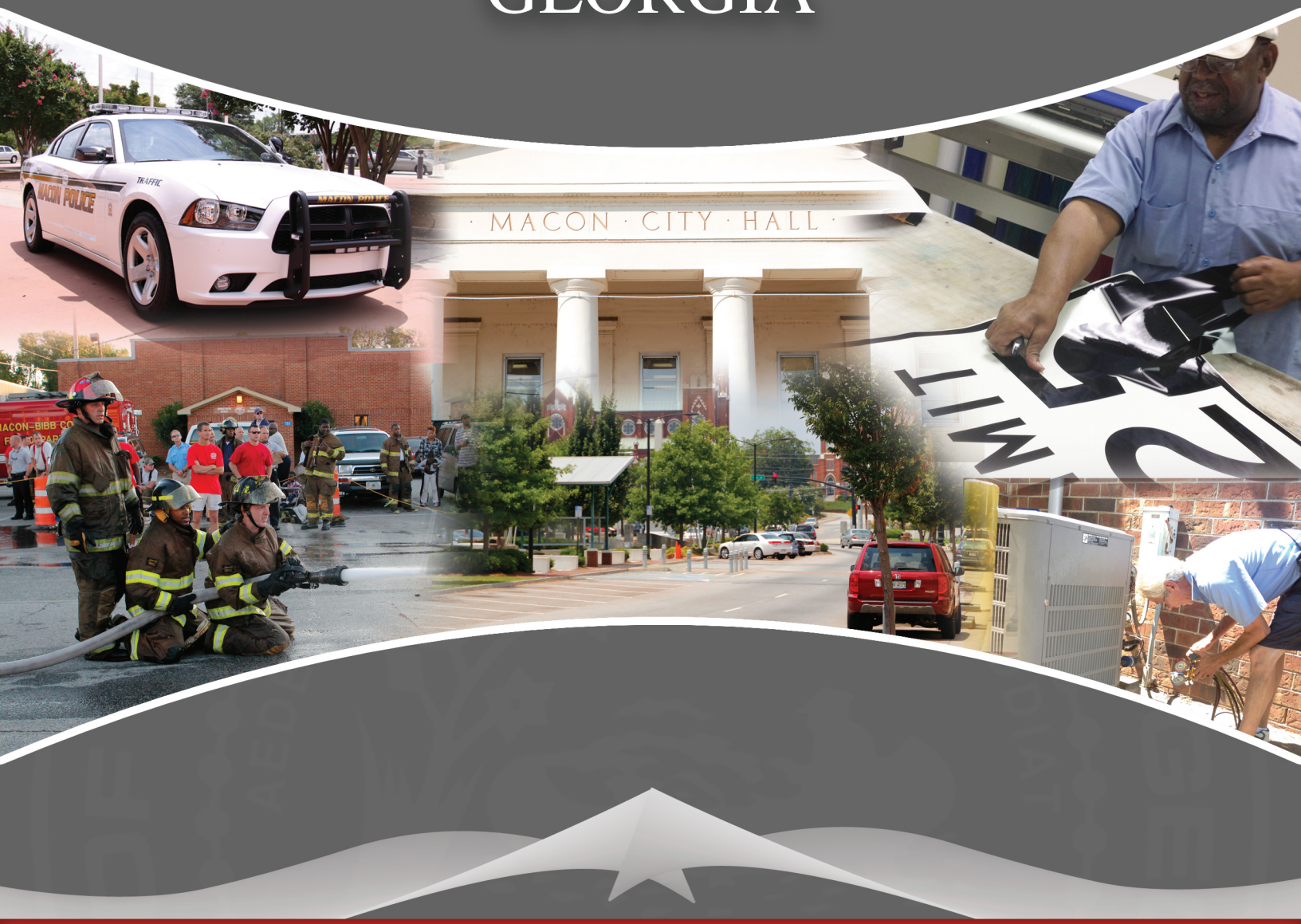
CITY OF MACON

GEORGIA



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2012

SEAL OF THE CITY OF MACON GEORGIA
AEDES MORES LEGESQUE CUSTODIAT
CORPUS POLITICUM
1823

List of Principal Officials

City Council

President	James E. Timley
Vice-President	Larry Schlesinger

Council Member Lauren Benedict
Council Member Tom Ellington
Council Member Henry Gibson
Council Member Charles Jones
Council Member Lonnie Miley
Council Member Frank Louis Tompkins
Council Member Nancy White
Council Member Ed DeFore
Council Member Henry C. Ficklin
Council Member Rick Hutto
Council Member Elaine Lucas
Council Member Beverly Olson
Council Member Virgil Watkins, Jr.

Elective and Administrative

Mayor	Robert A.B. Reichert
Chief Administrative Officer	Dale M. Walker
Assistant Chief Adm. Officer	Amanda K. Deaton
Executive Assistant to the Mayor	Sam Henderson
Director of Public Affairs	Chris Floore
Assistant to Chief Adm. Officer	Keith Moffett
Director of Finance	Megan McMahon
Airport Manager	Scott Coffman
Central Services Director	Gene O. Simons
City Attorney	Martha Welsh
Clerk of Council	Joyce Humphrey
City Clerk	Jean Howard
Economic & Community Development	Wanzina Jackson
Emergency Management Director	Donald Druitt
Fire Chief	Marvin Riggins
Human Resources Director	Benjamin Hubbard
Information Technology Officer	Steve Masteller
Municipal Court Clerk	John Pattan
Police Chief	Michael Burns
Public Works Director	Richard Powell
Vehicle Maintenance Director	Sam Hugley

Judicial

Chief Municipal Court Judge	Robert Faulkner

CITY OF MACON, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

JUNE 30, 2012

Megan McMahon

Director of Finance

CITY OF MACON, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

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CITY OF MACON, GEORGIA

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CITY OF MACON, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

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City of Macon

Office of the Chief Administrative Officer

December 10, 2012

Citizens of Macon
President Timley and Council members
Mayor Reichert

Presented herewith is the Comprehensive Annual Financial Report for the City of Macon, Georgia for the fiscal year ended June 30, 2012. This report consists of management's representations concerning the finances of the City of Macon. Consequently, management assumes full responsibility for the completeness and reliability of all information presented in this report. It is our belief that the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operation of the City. All disclosures necessary to enable the reader to gain a full understanding of the City's financial activities have been included.

The management of the City of Macon is responsible for establishing and maintaining an effective internal control structure. In developing and evaluating the City of Macon's accounting system, consideration is given to the adequacy of its system of internal control. The City of Macon's internal controls adequately safeguard assets and provide reasonable assurance for proper recording of financial transactions.

The State of Georgia code requires an annual audit by independent certified public accountants. The City of Macon has selected the accounting firm of Mauldin & Jenkins, LLC to complete the audit of the 2012 fiscal year and the auditor's unqualified opinion has been included in this report.

The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Macon for the fiscal year ended June 30, 2012 are free of material misstatements. The independent audit involves 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 auditors have concluded, based upon their audit, that there was a reasonable basis for rendering an unqualified opinion that the City of Macon and its component units' financial statements for the fiscal year ended June 30, 2012 are fairly presented and conform with accounting principles generally accepted in the United States of America. The independent auditor's report is presented as the first component of the financial section of this report.

The City of Macon receives federal financial assistance through various federal grant programs. An audit in accordance with the Single Audit Act, P.L. 98-502, and the Office of Management and Budget (OMB) Circular A-133 "Audits of State and Local Governments and Non-Profit Organizations", and "Government Auditing Standards" issued by the Comptroller General of the United States has been performed for the fiscal year ended June 30, 2012. The required reports are included in a separate Single Audit report.

Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Macon's MD&A can be found immediately following the auditor's report in the financial section of this report.

REPORTING ENTITY

The Financial Reporting entity of the City of Macon includes all funds of the primary unit of government, as well as all of its component units. Component units are legally separate entities for which the primary government is financially accountable. Blended component unit (although they are legally separate entities) are in substance part of the primary governments operations and are included as part of the primary government. There are no potential blended component units that meet these criteria. Discretely presented component units are reported in a separate column in the government wide financial statement to emphasize that they are legally separate from the primary government and to differentiate their financial position and results of operations from those of the primary government. Macon-Bibb County Transit Authority is reported as a discretely presented component unit as of June 30, 2012.

The City of Macon operates under the council-mayor form of government. Policy-making and legislative authority are vested in a government consisting of the mayor and fifteen council members. The council and the mayor are responsible for passing ordinances, adopting the budget, appointing committees, and hiring both the City of Macon's Finance Director and City Attorney. The council is elected on a partisan basis. Council members serve four-year, non-staggered terms, with the entire slate of council members elected every four years, with no term limits. The mayor is elected to serve a four-year term with a two-term maximum limit.

Macon was incorporated December 10, 1823, just one year after the creation of Bibb County, by the Georgia Legislative. Macon is the county seat of Bibb County and covers 50 square miles. The City of Macon is located 84 miles south of Atlanta, 127 miles west of Augusta, and 174 miles northwest of Savannah. The city is served by Interstate 75, 16 and 475, four U.S. highways and eight state highways. The 2010 United States Census indicates Macon is home to 91,351 people. Macon is in Central Georgia, in fact, City Hall is only 17 miles from the geographic center of the state. Macon is home to two colleges and one university, Macon State College, Wesleyan College and Mercer University.

The City provides a full range of services, including police and fire protection; sanitation collection, recreational activities and cultural events and the construction and maintenance of highways, streets, and other infrastructure. Certain utility services are provided through a legally separate Water and Sewer Authority, which functions independently and therefore, has not been included as an integral part of the city's financial statements. The City of Macon has several theaters and museums that enhance the culture of the community.

BUDGETARY CONTROLS

The annual budget currently serves as the foundation of the City of Macon's financial planning and control. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. Annual budgets are legally adopted for the General Fund, Special Revenue Fund, Debt Service, Capital Projects and Proprietary Funds. The budgets are adopted on a line-item basis. No movement of funds can be made without council prior approval. All budgets are not adopted on a basis consistent with generally accepted accounting principles; instead, revenues and expenditures for budgetary purposes are recognized on the encumbrance basis. The city's integrated accounting and budgetary system is equipped to perform encumbrance accounting.

As demonstrated by the statements and schedules included in the financial section of the report, the city continues to meet its responsibilities for sound financial management.

DEBT

During these challenging times, the City of Macon continues with its solid bond rating. Bond ratings are a measure of the city's credit worthiness. The rating agencies analyze the city's economic condition, debt management, administrative leadership, and fiscal planning to determine the city's credit rating. The city's bonds have favorable ratings from Standard & Poor's and Moody's Investor Services. The current ratings are A and A3 respectively. These ratings allow the city to broaden the market for its bonds and lower the interest cost for issuing bonds. The city can levy a bonded debt limits of 10% of the assessed value. The legal debt margin is 10% of the bonded debt limit.

LOCAL ECONOMY

As the majority of cities in this country, it is turbulent times. The property tax values of homes and thereby tax revenues have declined. Sales taxes have leveled off and are beginning to climb which generates more revenue than the property taxes. In spite of the challenges, there are amazing opportunities for this southern community in the central portion of the state. The geographic location links Macon with the costal ports of Savannah and the State of Florida. The highway system makes Macon an attractive transportation hub for the Mid-Atlantic States, as well as to the industrial areas near the Great Lakes.

Downtown central business district continues revitalization with new businesses opening. The Georgia Sports Hall of Fame, Children's Museum, and the Harriet Tubman African-American Museum anchor the museum district connected by a pedestrian plaza are the renovated historic Douglass and Cox Theaters.

MAJOR INITIATIVES

The Mayor's Vision for Macon is that it becomes "A more cohesive community that attracts opportunities, enhances the quality of life, promotes pride, and inspires hope." To realize that Vision, a Strategic Framework is used to focus the work of the City and community and make Macon the **B.E.S.T.** city it can be.

Building a sustainable community
Educating all of our citizens
Safety and services in every neighborhood
Transit and technology throughout our region

Macon can easily leverage its many assets – as well as its location in the state – to become a transportation and logistics hub for Georgia and the Southeast Region. With an airport that has room to grow and expand to ample space for new industries to locate to a business friendly environment, Macon is beginning to attract attention around the state and economic development organizations.

Macon's location in the center of the state at the intersection of I-75 and I-16 (both of which are heavily used for truck shipping) mean it can serve as a centralized point for shipping and redistribution. Shipping through the Port of Savannah has increased the past several years, and it will significantly increase once the channel has been deepened.

The City is also far enough south of Atlanta to have its own regional airport which is used primarily for maintenance and repair operations, and it has the potential to be a site for shipping. The Middle Georgia Regional Airport already has an economic impact of approximately $200 million on the region. With a runway extension, current maintenance and repair operations could be expanded, and fully-laden cargo planes could take off and land, attracting industries that need to ship material around the country.

Several industrial parks are located in and around Macon, each with quick and easy access to the airport, interstates, and highways, and economic development authorities and agencies diligently work to match an industry with the facilities it would require to locate here.

Very exciting news for our community was the public's approval to create a new Macon-Bibb County government to replace the separate City and County governments. This will ultimately streamline government services, reduce overlapping responsibilities and jurisdictions, improve efficiencies, and reduce double taxation of City residents. Consolidation was approved on July 31, 2012 and the new Macon-Bibb County government will begin in January 2014.

Between September 2012 and January 2014, a 15-member Transition Task Force is holding public meetings to take a deliberate and in-depth look at how government is currently operated, identify best practices from across the state and country, and build a new government that is truly focused on moving the community forward.

The Mayor serves on the Task Force as the Co-CEO with the Chairman of the Bibb County Board of Commissioners. The Chief Administrative Officer works with the departments on this transition, seeking feedback, identifying best practices, and needed resources.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) presents a Distinguished Budget Presentation Award to the City of Macon, Georgia for its annual budget for the fiscal year beginning July 1, 2011. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device. This award is valid for a period of one year only.

The preparation of this report could not have been accomplished without the efforts of the entire Finance Department staff. In addition, thanks and appreciation to Mayor Robert A. B. Reichert, City Council President James Timley, City Council President Pro-Tem Larry Schlesinger, City Council Appropriations Committee Chairman Tom Ellington and the City Council members for their direction and support in conducting the financial operations of the City of Macon in a responsible and progressive manner.

Respectfully submitted,

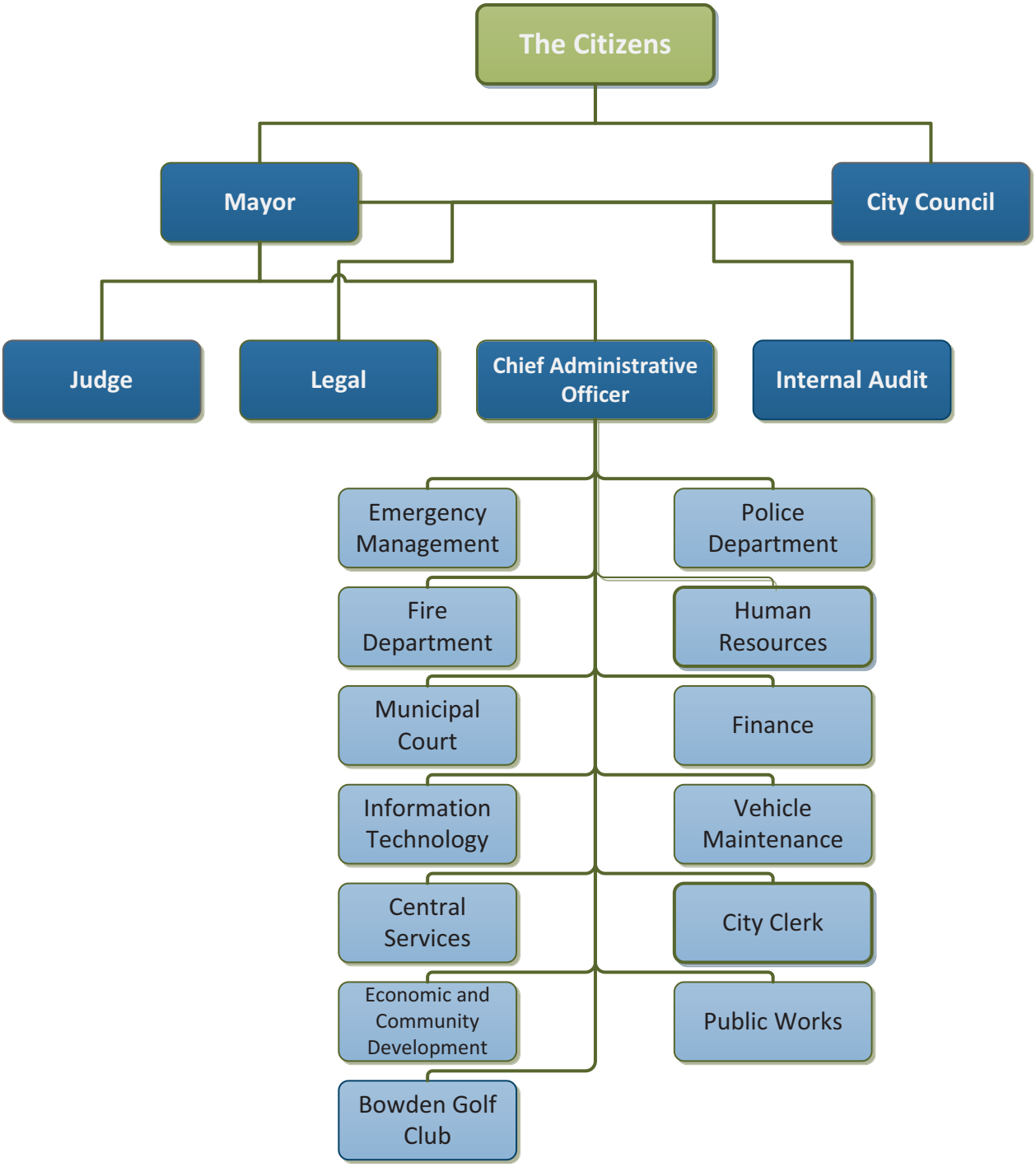


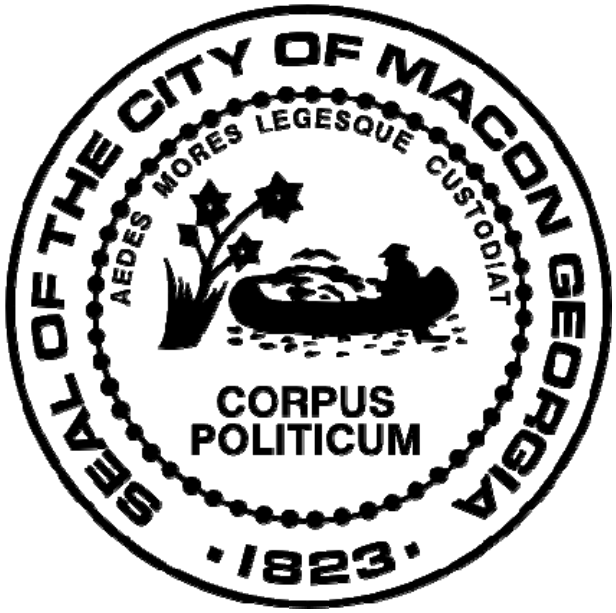
Dale M. Walker, CGFM, ICMA-CM
Chief Administrative Officer



Megan McMahon, C.P.A.
Interim Finance Director

City Wide Chart of Organization





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MAULDIN & JENKINS
CERTIFIED PUBLIC ACCOUNTANTS, LLC

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and City Council
City of Macon
Macon, Georgia

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the **City of Macon, Georgia** (hereinafter referred to as the "City of Macon"), as of and for the year ended June 30, 2012, which collectively comprise the City of Macon's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Macon's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Macon-Bibb County Transit Authority, whose statements reflect total assets of $6,904,536 as of June 30, 2012, and total revenues of $8,599,318 for the year then ended. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion on the basic financial statements, insofar as it relates to the amounts included for the Macon-Bibb County Transit Authority in the component unit column, is based solely on the reports of the other auditors.

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

In our opinion, based on our audits and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Macon, Georgia as of June 30, 2012, and the respective changes in financial position and cash flows, where applicable, and the budgetary comparison for the General 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 December 10, 2012, on our consideration of the City of Macon'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.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 9 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Macon's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedules of expenditures of special purpose local option sales tax proceeds are presented for the purpose of additional analysis as required by the Official Code of Georgia Annotated 48-8-121, and is not a required part of the financial statements. The combining and individual nonmajor fund financial statements, and the schedules of expenditures of special purpose local option sales tax are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Mauldin & Jenkins, LLC

Macon, Georgia
December 10, 2012

CITY OF MACON, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
(In Thousands)

As management of the City of Macon, 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, 2012. We encourage readers to consider the information presented in conjunction with additional information found in the rest of the financial report. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

- City total net assets for the total primary government decreased $6,213 or 9.0%.
- Net assets of the business-type activities decreased $4,123 or 18.2%.
- General fund revenues exceeded its expenditures by $932 exclusive of other financing sources (uses). Total governmental funds expenditures exceed revenues by $7,610.
- Overall, the business-type funds recorded an operating loss of $5,314 before capital contributions and transfers.
- As of the close of the current fiscal year, the City's governmental funds reported combined fund balance of $32,267 as compared to the prior year of $19,328.
- The unassigned balance for the General Fund is $8,740.

Overview of Financial Statements

The City's basic financial statements are comprised of three components: 1) government-wide financial statements 2) notes to the financial statements and 3) fund financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

The statements within the first section are government-wide financial statements as required by Government Accounting Standards Board Statement Number 34 (GASB 34) that provides both long-term and short-term information about the City's financial condition. Subsequent statements provide more detailed information regarding current year activity.

Government-wide Compared to Governmental Funds

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances as a whole and present a longer-term view. *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 the near-term in flows and out flows of spendable resources available at the end of the fiscal year. These funds are reported using an accounting method called modified accrual accounting, which measure cash and all other financial assets that can readily be converted to cash. Such information may be useful in evaluating a government's near-term financing requirements.

Government-wide Statements

The *Statement of Net Assets* presents information on all city assets and liabilities, with the difference between the two reported as net assets. Changes in this statement may be a useful indicator of improvements or deterioration of the financial position of the City. The *Statement of Activities* presents information showing how the government's net assets changed during the most recent fiscal year. Most of the City's basic services are reported here, including Fire, Police, Public Works, Emergency Management, and Parks and Recreation.

The government-wide statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are included to recover all or a significant portion of their costs through usage fees and charges (business-type activities). These statements include not only the City itself, but also, legally separate component unit, Macon-Bibb County Transit Authority for which the City is financially accountable.

Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. All of the funds of the City can be divided into three categories: Governmental Funds, Propriety Funds and Fiduciary Funds.

Governmental Funds - The focus of governmental funds is narrower than that of governmental-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 financial decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in funds balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains many individual governmental funds. Information 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 and SPLOST 2012 Fund are reported as major funds. Data from the other seventeen (non-major) governmental funds are combined into a single aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements.

Proprietary Funds – The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its business-type activities represented by the following proprietary funds: Solid Waste Management Fund, Airport Enterprise Fund, Coliseum & Auditorium, Bowden Golf Course, and the Mulberry Street Parking Garage Fund.

Internal Service Funds – An accounting device used to accumulate and allocate costs internally among the City's various departments. The City uses an internal service fund to account for Vehicle Maintenance, Group Insurance Programs, and IT Communication Services. Because these services predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Enterprise Funds – These funds provide the same type of information as the government-wide financial statements only in more detail. Conversely, internal service funds are confined into a single aggregate presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in the report.

Fiduciary Funds – These funds are used to account for resources held for the benefit of parties outside the government. It is in these funds that the City accounts for the Fire and Police and the General Employees Pension Plans. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the Financial Statements – These notes provide additional information that is essential to a full understanding of the data provided in the government-wide financial statements.

Other Information – In addition to the basic financial statements and accompanying notes, this report also presents certain required supplemental information concerning the City's progress in funding its obligation to provide pension benefits to its employees.

The combining statements in connection with non-major governmental funds, non-major enterprise funds, and internal service funds are presented immediately following the required supplementary information on pensions.

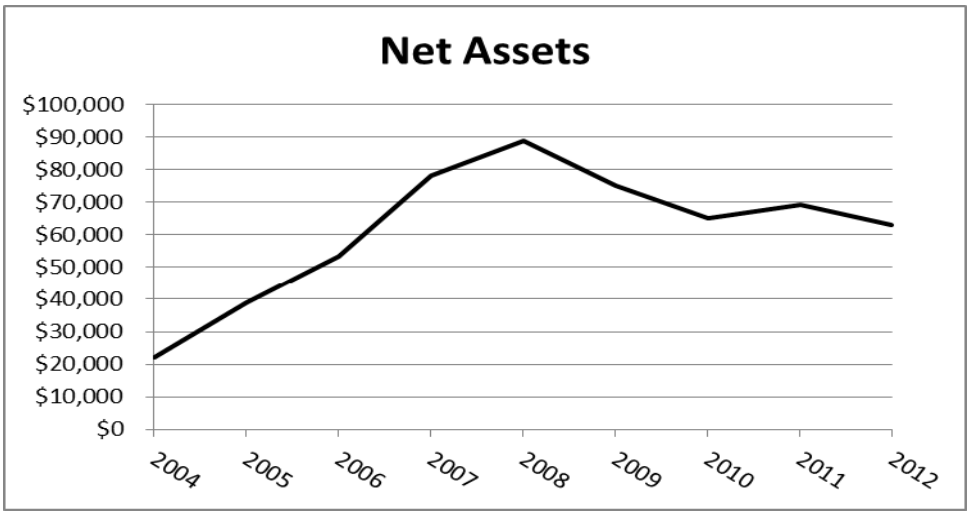
Government-wide Financial Analysis

Net assets may serve over time as a useful indicator of a governments' financial position. In the case of the City, assets exceeded its liabilities by $63,106 at the close of June 30, 2012. The following table summarizes the major categories of assets, liabilities and net assets for governmental business-type activities and the government as a whole.

City of Macon's Net Assets

	Governmental Activities		Business-type Activities		Total		Percent
	2012	2011	2012	2011	2012	2011	Change
Current and other assets	$ 62,356	$ 46,887	$ 12,560	$ 13,331	$ 74,916	$ 60,218	24.4%
Capital assets	77,528	76,308	26,955	27,467	104,483	103,775	0.7%
Total assets	$ 139,884	$ 123,195	$ 39,515	$ 40,798	$ 179,399	$ 163,993	9.4%
Current and other liabilities	$ 18,605	$ 18,290	$ 1,949	$ 2,497	$ 20,554	$ 20,787	-1.1%
Long-term liabilities	76,716	58,252	19,024	15,636	95,740	73,888	29.6%
Total Liabilities	$ 95,321	$ 76,542	$ 20,973	$ 18,133	$ 116,294	$ 94,675	22.8%
Net Assets:							
Invested in capital assets, net of related debt	$ 60,310	$ 62,109	21,610	21,772	$ 68,576	$ 107,222	-36.0%
Restricted 6,35	3	15,674	-	-	6,353	15,674	-59.5%
Unrestricted	(22,100)	(31,130)	(3,068)	893	(11,824)	(53,578)	77.9%
	$ 44,563	$ 46,653	$ 18,542	$ 22,665	$ 63,105	$ 69,318	-9.0%

The City's net assets decreased $6,213 in the current fiscal year. The following table shows revenue, expenditures and changes in net assets for governmental activities, business-type activities, and the government as a whole.



CITY OF MACON, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
(In Thousands)

City of Macon's Changes in Net Assets

	Governmental Activities		Business-type Activities		Total		Percent
	2012	2011	2012	2011	2012	2011	Change
Revenues:							
Program Revenues							
Charges for services	$ 23,066	$ 22,666	$ 7,540	$ 8,004	$ 30,606	$ 30,670	-0.2%
Operating grants and contributions	7,270	6,824	-	-	7,270	6,824	6.5%
Capital grants and contributions	3,215	2,108	101	2,553	3,316	4,661	-28.9%
General revenues							
Property taxes	18,126	17,335	-	-	18,126	17,335	4.6%
Other taxes	37,679	37,549	-	-	37,679	37,549	0.3%
Unrestricted investment earnings	16	39	125	105	141	144	-2.1%
Other	261	72	-	-	261	72	262.5%
Total Revenues	$ 89,633	$ 86,593	$ 7,766	$ 10,662	$ 97,399	$ 97,255	0.1%
Expenses:							
General government	$ 13,809	$ 13,645	$ -	$ -	$ 13,809	$ 13,645	1.2%
Judicial	977	918	-	-	977	918	6.4%
Public safety	50,321	48,724	-	-	50,321	48,724	3.3%
Public works	8,913	7,843	-	-	8,913	7,843	13.6%
Cultural & recreational	6,469	6,035	-	-	6,469	6,035	7.2%
Housing & development	6,503	4,003	-	-	6,503	4,003	62.5%
Health & welfare	1,781	1,775	-	-	1,781	1,775	0.3%
Interest on long-term debt	1,871	1,636	-	-	1,871	1,636	14.4%
Solid waste management	-	-	9,446	5,036	9,446	5,036	87.6%
Airport enterprise	-	-	1,691	1,862	1,691	1,862	-9.2%
Coliseum & auditorium	-	-	1,256	1,036	1,256	1,036	21.2%
Bowden Golf Course	-	-	575	512	575	512	12.3%
Total expenses	$ 90,644	$ 84,579	$ 12,968	$ 8,446	$ 103,612	$ 93,025	11.4%
Change in net assets before transfers	(1,011)	2,014	(5,202)	2,216	(6,213)	4,230	-246.9%
Transfers	(1,079)	(766)	1,079	766	-	-	
Change in net assets	(2,090)	1,248	(4,123)	2,982	(6,213)	4,230	-246.9%
Net assets, beginning	46,653	45,405	22,665	19,683	69,318	65,088	6.5%
Net assets, ending	$ 44,563	$ 46,653	$ 18,542	$ 22,665	$ 63,105	$ 69,318	-9.0%

Cash and cash equivalents increased by 31% in 2012 over the prior year. Accounts Receivable net of allowances increased 11% over the prior period. Net pension assets increased by $584 in 2012 and the fair value of interest rate swap agreement, $2,265, is now shown as an asset. The capital assets rose 0.6% from the prior year accounting for the $15.4 million increase in total assets. It was the intent to stabilize the cash and to slowly improve the capital assets needed to operate the City. Long-term liabilities increased due to issuance of General Obligation bonds. The non-funded OPEB Liability increased as well.

Governmental Activities – Governmental activities decreased the City's net assets by $2,090. Key elements of the change are as follows:

- Public safety expenditures increased due to the pay-off of the entire pension liability owed to the Fire and Police Pension Fund.
- Transfers, net to business-type activities, increased to an expense of $1,079 as compared to $766 prior year.

Business-type activities – Business-type activities decreased the City's net assets by $4,123. Key elements of this decrease are as follows:

- Capital grants and contributions decreased by $2,452 as compared to the prior year.
- Coliseum and auditorium expenditures increase by $219 as compared to the prior year.
- The major impact was the total expenses increase due to Solid Waste Management increase in expenses of $4,409 in 2012. This is primarily due to post-closure cost of the landfill, costing approximately $3.6 million.

Financial Analysis of the City's Fund Balances

Governmental funds – As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balance of $32,267, an increase of $12,939 from the prior year. Of this total amount, $6,112 constitutes unassigned fund balance, which is available for spending at the government's discretion.

At the end of the current fiscal year, fund balance of the General Fund was $8,925 as compared to $10,125 in 2011, $4,559 in 2010, and $608 for fiscal year 2009. The decrease is due to decreases in property taxes and the payment of the long-term pension note to the Fire and Police Pension Fund.

The SPLOST 2012 Fund is reported as a major fund. Total revenues of this fund for the year ended June 30, 2012 amounted to $2,497 and ending fund balance was $17,162. The large increase in fund balance is primarily due to issuance of $18 million General Obligation bonds to be paid by the SPLOST 2012 Fund.

Proprietary funds – The City's proprietary funds experienced a decrease of $4,133 in net assets during the 2012 fiscal year. There was a net loss of $5,314 before capital contributions and transfers. Transfers in from other fund types which amounted to $1,079.

General Fund Budgetary Highlights

In fiscal year 2012, several budget amendments were presented to City Council for approval. The majority of these requests were made to appropriate funds for unbudgeted expenses from the Unallocated Reserve account. The budget was amended upward by 12%.

Overall, the General Fund revenues came in $2,736 over budget and expenditures were $2,224 less than the budget. When the other financing sources of $2,131 are subtracted, the net decrease in fund balance was $1,199.

Sales Tax had the largest revenue variance from the budget of $2,404. The trend has been a slow but steady increase of sales over the past year. Charges for services was the next largest variance over the budget by $1,141 or 12%.

The General Fund is broken down by several departments; General Government was 14.6% below the budget but, also, accounts for 49% of the saving in the General Fund. Reduced personnel costs and benefits account for the majority of the difference.

Individual departments with the larger savings in expenditures (no budget deficits) include General Government, $1,653; Judicial, $25; Public Safety, $406; Public Works, $82, Central Services, $36; and Parks and Recreation, $19.

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, 2012 amounts to $104,483. Major capital asset acquisitions during the current fiscal year included construction in progress of $1,821 and vehicles of $1,439.

See the following table for an understanding of the capital assets, net of accumulated depreciation, of the City as of June 30, 2012 and 2011, respectively. See the Notes to the Financial Statements, Note 8: Capital Assets, for more detailed information regarding capital assets.

City of Macon's Changes in Net Assets

	Governmental Activities		Business-type Activities		Total		Percent
	2012	2011	2012	2011	2012	2011	Change
Land	$ 10,535	$ 10,535	$ 7,221	$ 7,221	$ 17,756	$ 17,756	0.0%
Construction in progress	18,534	16,714	2,877	2,963	21,411	19,677	8.8%
Buildings	15,944	16,436	8,621	8,901	24,565	25,337	-3.0%
Land improvements	10	11	2,515	2,619	2,525	2,630	-4.0%
Machinery & equipment	1,304	856	380	422	1,684	1,278	31.8%
Vehicles 5,84	7	6,061	2,882	2,798	8,729	8,859	-1.5%
Infrastructure	25,354	25,695	2,459	2,543	27,813	28,238	-1.5%
Total 77,52	$ 8	$ 76,308	$ 26,955	$ 27,467	$ 104,483	$ 103,775	0.7%

Long-term debt – In 2012, the City issued General Obligation Sales Tax Bonds, Series 2012 in the amount of $18,000. The bonds were issued to start SPLOST 2012 Fund projects. These bonds will be paid from SPLOST proceeds. Interest on these bonds will be payable in semi-annual installments on June 1st and December 1st each year. The interest rate is 2% for the first two years and then changes to 3% thereafter. Principal payments are due December 1st each year through 2018.

The following is a summary of the long-term debt of the City as of June 30, 2012 and 2011, respectively. See the Notes to the Financial Statements, Note 9: Long-Term Debt, for more detailed information regarding long-term debt.

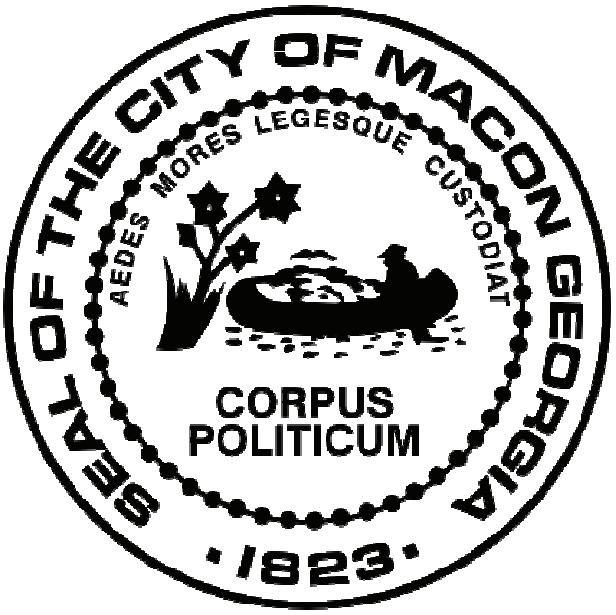
Total Outstanding Long-term Liabilities

	2012	2011	Percent Change
Governmental Activities			
Revenue Bonds-2002 A&B	$ 9,593	$ 10,109	-5.1%
Hotel Revenue Bonds-2007	10,340	10,660	-3.0%
General Obligation Bonds	19,287	0	0.0%
Lease Purchase Agreements	5,482	4,779	14.7%
Georgia Municpal Association	6,300	5,195	21.3%
Pension Notes	623	4,084	-84.7%
Net Post Employment Benefits	26,280	24,402	7.7%
Compensated Absences	2,699	2,934	-8.0%
Claims & Judgements Payable	706	706	0.0%
Workers Compensation Claims	4,822	4,025	19.8%
Total Governmental Activities	$ 86,132	$ 66,894	28.8%
Business-type Activities			
Revenue Bonds	$ 3,418	$ 3,884	-12.0%
Lease Purchase Agreements	1,927	1,809	6.5%
Net Post Employment Benefits	1,885	1,755	7.4%
Compensated Absences	115	111	3.6%
Landfill Closure/Post Closure Care Costs	12,840	9,220	39.3%
Total Business-type Activities	$ 20,185	$ 16,779	20.3%

The passage of the 2012 Special Purpose Option Sales Tax (SPLOST) has provided the City with the opportunity to greatly improve its services. In 2012, the City spent $2,500 on General Government, $604 on Capital Outlay, and $323 on Interest and other charges.

Requests for Information

This financial report is designed to provide a general overview of the City of Macon's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the City of Macon, Director of Finance, P.O. Box 247, Macon, Georgia 31202-0247.



BASIC FINANCIAL STATEMENTS

CITY OF MACON, GEORGIA

STATEMENT OF NET ASSETS
JUNE 30, 2012

ASSETS	Governmental Activities	Business-type Activities	Total Primary Government	Component Unit Macon-Bibb County Transit Authority
Cash and cash equivalents	$ 38,877,805	$ 495,676	$ 39,373,481	$ 99,428
Investments	3,475,483	-	3,475,483	-
Taxes receivable	1,685,271	-	1,685,271	-
Accounts receivable, net of allowances	1,532,916	3,127,402	4,660,318	2,305
Due from other governments	4,703,308	21,425	4,724,733	452,135
Internal balances	(8,885,328)	8,885,328	-	-
Inventories	15,459	-	15,459	270,837
Prepaid expenses	56,192	-	56,192	289,995
Investment in joint venture	4,903,977	-	4,903,977	-
Long-term loans receivable	2,648,236	-	2,648,236	-
Restricted assets:				
Cash and cash equivalents	546,805	-	546,805	254,932
Deferred charges	564,015	30,622	594,637	-
Net pension asset	9,966,965	-	9,966,965	-
Fair value of interest rate swap agreement	2,265,094	-	2,265,094	
Capital assets:				
Nondepreciable	29,069,619	10,097,306	39,166,925	-
Depreciable, net of accumulated depreciation	48,458,875	16,857,376	65,316,251	5,534,904
Total assets	139,884,692	39,515,135	179,399,827	6,904,536
LIABILITIES				
Accounts payable	3,833,685	663,323	4,497,008	402,615
Accrued liabilities	3,015,643	121,925	3,137,568	88,485
Unearned revenues	2,340,094	2,043	2,342,137	-
Capital leases due within one year	1,530,630	571,142	2,101,772	-
Capital leases due in more than one year	3,951,279	1,355,680	5,306,959	-
Certificates of participation due in more than one year	6,300,000	-	6,300,000	-
Line of credit due within one year	-	-	-	70,795
Bonds payable due within one year	1,147,451	496,963	1,644,414	-
Bonds payable due in more than one year				-
net of unamortized premiums and discounts	38,072,570	2,920,573	40,993,143	
Workers' compensation due within one year	3,616,500	-	3,616,500	-
Workers' compensation due in more than one year	1,205,500	-	1,205,500	-
Compensated absences due within one year	2,178,258	93,850	2,272,108	36,677
Compensated absences due in more than one year	520,735	21,593	542,328	-
Net other post employment benefits (OPEB) obligation	26,279,675	1,885,308	28,164,983	811,884
Claims and judgments due within one year	706,320	-	706,320	-
Pension fund notes payable due within one year	236,400	-	236,400	-
Pension fund notes payable due in more than one year	386,873	-	386,873	
Landfill postclosure care costs due in more than one year	-	12,840,000	12,840,000	-
Total liabilities	95,321,613	20,972,400	116,294,013	1,410,456
NET ASSETS				
Invested in capital assets, net of related debt	60,309,919	21,610,324	68,575,719	5,534,904
Restricted for:				
Capital projects	4,510,115	-	4,510,115	-
Federal and state grant programs	973,019	-	973,019	-
Law enforcement purposes	237,798	-	237,798	-
Public safety purposes	550,366	-	550,366	-
Debt service	82,061	-	82,061	-
Other purposes	-	-	-	254,932
Unrestricted (deficit)	(22,100,199)	(3,067,589)	(11,823,264)	(295,756)
Total net assets	$ 44,563,079	$ 18,542,735	$ 63,105,814	$ 5,494,080

The accompanying notes are an integral part of these financial statements.

CITY OF MACON, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	$ 13,808,795	$ 8,073,590	$ -	$ 3,113,928
Judicial	977,164	-	-	-
Public safety	50,320,580	13,988,337	1,866,063	15,616
Public works	8,912,576	-	-	85,203
Culture and recreation	6,469,425	336,750	112,584	-
Housing and development	6,503,133	667,118	3,535,971	-
Health and welfare	1,781,165	-	1,755,419	-
Interest on long-term debt	1,871,033	-	-	-
Total governmental activities	90,643,871	23,065,795	7,270,037	3,214,747
Business-type activities:				
Solid waste management	9,445,993	5,869,663	-	-
Airport	1,691,131	1,387,571	-	101,272
Coliseum and auditorium	1,255,904	-	-	-
Bowden golf course	574,992	282,904	-	-
Total business-type activities	12,968,020	7,540,138	-	101,272
Total primary government	$ 103,611,891	$ 30,605,933	$ 7,270,037	$ 3,316,019
Component unit:				
Macon-Bibb County Transit Authority	$ 6,504,916	$ 1,088,249	$ 4,081,541	$ 3,429,528
General revenues:				
Property taxes				
Auto tags and taxes				
Railroad equipment tax				
Recording intangible tax				
Real estate transfer tax				
Payments in lieu of taxes				
Sales taxes				
Insurance premium tax				
Alcoholic beverage taxes				
Hotel/motel taxes				
Franchise taxes				
Unrestricted investment earnings				
Gain on disposition of capital assets				
Transfers				
Total general revenue and transfers				
Change in net assets				
Net assets, beginning of year				
Net assets, end of year				

The accompanying notes are an integral part of these financial statements.

CITY OF MACON, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Net (Expenses) Revenues and Changes in Net Assets			Component Unit
Governmental Activities	Business-type Activities	Total	Macon-Bibb County Transit Authority
$ (2,621,277)	$ -	$ (2,621,277)	$ -
(977,164)	-	(977,164)	-
(34,450,564)	-	(34,450,564)	-
(8,827,373)	-	(8,827,373)	-
(6,020,091)	-	(6,020,091)	-
(2,300,044)	-	(2,300,044)	-
(25,746)	-	(25,746)	-
(1,871,033)	-	(1,871,033)	-
(57,093,292)	-	(57,093,292)	-
-	(3,576,330)	(3,576,330)	-
-	(202,288)	(202,288)	-
-	(1,255,904)	(1,255,904)	-
-	(292,088)	(292,088)	-
-	(5,326,610)	(5,326,610)	-
(57,093,292)	(5,326,610)	(62,419,902)	-
-	-	-	2,094,402
18,126,087	-	18,126,087	-
1,497,478	-	1,497,478	-
16,859	-	16,859	-
117,405	-	117,405	-
38,362	-	38,362	-
145,669	-	145,669	-
20,904,316	-	20,904,316	-
4,284,746	-	4,284,746	-
1,659,096	-	1,659,096	-
885,490	-	885,490	-
8,129,703	-	8,129,703	-
15,705	125,168	140,873	196
261,126	-	261,126	-
(1,079,479)	1,079,479	-	-
55,002,563	1,204,647	56,207,210	196
(2,090,729)	(4,121,963)	(6,212,692)	2,094,598
46,653,808	22,664,698	69,318,506	3,399,482
$ 44,563,079	$ 18,542,735	$ 63,105,814	$ 5,494,080

CITY OF MACON, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2012

ASSETS	General Fund	SPLOST 2012 Fund	Other Governmental Funds	Totals Governmental Funds
Cash and cash equivalents	$ 18,097,249	$ 16,678,814	$ 3,895,075	$ 38,671,138
Investments	-	-	3,475,483	3,475,483
Taxes receivable, net	1,585,380	-	99,891	1,685,271
Accounts receivable, net	984,950	-	445,551	1,430,501
Due from other governments	2,823,023	859,305	1,020,980	4,703,308
Due from other funds	1,433,444	-	1,002,123	2,435,567
Prepaid expenditures	51,800	-	4,392	56,192
Restricted assets	-	-	546,805	546,805
Long-term receivable	-	-	2,648,236	2,648,236
Total assets	$ 24,975,846	$ 17,538,119	$ 13,138,536	$ 55,652,501
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ 1,309,516	$ 172,599	$ 2,017,367	$ 3,499,482
Accrued liabilities	1,411,114	-	98,334	1,509,448
Deferred revenues	1,445,695	-	3,242,056	4,687,751
Due to other funds	2,575,376	203,542	1,601,591	4,380,509
Advances from other funds	9,308,660	-	-	9,308,660
Total liabilities	16,050,361	376,141	6,959,348	23,385,850
FUND BALANCES				
Nonspendable:				
Prepaids	51,800	-	4,392	56,192
Long-term receivables	-	-	2,648,236	2,648,236
Restricted for:				
Capital projects	-	17,161,978	4,311,485	21,473,463
Federal and state grant programs	-	-	973,019	973,019
Law enforcement purposes	-	-	237,798	237,798
Public safety purposes	-	-	550,366	550,366
Debt service		-	82,061	82,061
Unassigned:				
General Fund	8,873,685	-	-	8,873,685
Special Revenue Funds	-	-	(1,326,157)	(1,326,157)
Capital Projects Funds	-	-	(1,302,012)	(1,302,012)
Total fund balances	8,925,485	17,161,978	6,179,188	32,266,651
Total liabilities and fund balances	$ 24,975,846	$ 17,538,119	$ 13,138,536	$ 55,652,501

The accompanying notes are an integral part of these financial statements.

CITY OF MACON, GEORGIA

RECONCILIATION OF GOVERNMENTAL FUND BALANCES TO THE GOVERNMENT-WIDE STATEMENT OF NET ASSETS JUNE 30, 2012

Total fund balances of governmental funds			$ 32,266,651
Amounts reported for governmental activities in the Statement of Net Assets are different because:			
Recognition of pension assets from contributions in excess of the annual required contribution are not recognized at the fund level.			9,966,965
Capital assets used in governmental activities are not financial resources; therefore, they are not reported in the respective governmental funds:			
	Cost of capital assets	$ 137,287,007	
	Accumulated depreciation	(59,863,252)	77,423,755
Investment in joint ventures			4,903,977
Other long-term assets include deferred revenue amounts which represent amounts receivable but not determined to be available and not recognized as current year revenues in the governmental funds; therefore, they are added to fund balance to arrive at net assets.			2,347,657
Internal service funds are used by management to charge the costs of automotive services activities as well as transactions related to the provision of life, accident, and medical insurance benefits through outside insurance companies for permanent employees and retirees. Amount includes $104,739 of capital assets. Amount also includes $40,553 of compensated absences payable and $380,495 for net other post employment benefit (OPEB) obligations.			1,004,108
Long-term liabilities, including capital leases, are not due and payable in the current period; therefore, they are not reported in governmental funds:			
	Certificates of participation and capital leases	$ (9,516,815)	
	Unamortized issuance costs on 2007 Hotel Bonds	564,015	
	Revenue bonds	(39,220,021)	
	Accrued interest	(468,000)	
	Compensated absences	(2,658,440)	
	Net post employment benefit (OPEB) obligation	(25,899,180)	
	Claims and judgments payable	(706,320)	
	Pension fund note payable	(623,273)	
	Workers' compensation	(4,822,000)	(83,350,034)
Net assets of governmental activities			$ 44,563,079

The accompanying notes are an integral part of these financial statements.

CITY OF MACON, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	General Fund	SPLOST 2012 Fund	Other Governmental Funds	Totals Governmental Funds
REVENUES				
Property taxes	$ 17,853,911	$ -	$ -	$ 17,853,911
Auto tags and taxes	1,497,478	-	-	1,497,478
Railroad equipment tax	16,859	-	-	16,859
Recording intangible tax	117,405	-	-	117,405
Real estate transfer tax	38,362	-	-	38,362
Payments in lieu of taxes	145,669	-	-	145,669
Sales taxes	20,904,316	-	-	20,904,316
Insurance premium tax	4,284,746	-	-	4,284,746
Alcoholic beverage taxes	1,659,096	-	-	1,659,096
Hotel/motel taxes	-	-	885,490	885,490
Franchise taxes	8,129,703	-	-	8,129,703
Charges for services	10,733,518		2,679,845	13,413,363
Licenses and permits	2,643,916	-	-	2,643,916
Intergovernmental	286,631	2,497,192	7,774,179	10,558,002
Fines and forfeitures	1,848,793	-	-	1,848,793
Interest revenue	12,985	-	325,338	338,323
Rental income	37,946	-	-	37,946
Other revenues	2,661,915	-	802,661	3,464,576
Total revenues	72,873,249	2,497,192	12,467,513	87,837,954
EXPENDITURES				
Current:				
General government	10,692,173	2,500,000	20,199	13,212,372
Judicial	945,261	-	-	945,261
Public safety	45,192,332	-	4,698,344	49,890,676
Public works and central services	7,387,088	-	-	7,387,088
Culture and recreation	5,571,531	-	527,380	6,098,911
Housing and development	1,216,101	-	5,151,317	6,367,418
Health and welfare	-	-	1,760,648	1,760,648
Capital outlay	-	603,525	5,234,370	5,837,895
Debt service:				
Principal	803,487	-	1,296,516	2,100,003
Interest and other charges	133,582	322,758	1,391,523	1,847,863
Total expenditures	71,941,555	3,426,283	20,080,297	95,448,135
Deficiency of revenues under expenditures	931,694	(929,091)	(7,612,784)	(7,610,181)
OTHER FINANCING SOURCES (USES)				
Transfers in	4,268,990	-	6,536,697	10,805,687
Transfers out	(6,660,869)	(1,259,434)	(3,920,760)	(11,841,063)
Capital lease	-	-	1,972,950	1,972,950
Proceeds from issuance of general obligation bonds	-	19,350,503	-	19,350,503
Proceeds from disposition of capital assets	261,126	-	-	261,126
Total other financing sources (uses)	(2,130,753)	18,091,069	4,588,887	20,549,203
Net change in fund balances	(1,199,059)	17,161,978	(3,023,897)	12,939,022
Fund balances, beginning of year	10,124,544	-	9,203,085	19,327,629
Fund balances, end of year	$ 8,925,485	$ 17,161,978	$ 6,179,188	$ 32,266,651

The accompanying notes are an integral part of these financial statements.

CITY OF MACON, GEORGIA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Net change in fund balances of total governmental funds as noted in the Statement of Revenues, Expenditures and Changes in Fund Balances			$ 12,939,022
Amounts reported for governmental activities in the Statement of Activities are different from the Statement of Revenues, Expenditures and Changes in Fund Balances because:			
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period:			
Capital outlay expenditures		$ 4,366,300	
Depreciation expense (excludes depreciation expense for internal service fund which is captured later in this analysis)		(3,141,138)	1,225,162
Change in investment in joint venture.			1,072,521
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.			
Deferred revenue in prior year		$ (4,736,411)	
Deferred revenue in current year		4,612,751	(123,660)
The issuance of long-term debt provides current financial resources to governmental funds, but increases liabilities in the statement of net assets. Repayment of debt is an expenditure in the governmental funds, but reduces long-term liabilities in the Statement of Net Assets.			
Payment of pension notes payable		$ 3,461,120	
Issuance of general obligation sales tax bonds		(19,350,503)	
Proceeds from capital lease obligations		(1,972,950)	
Payment of bond principal and capital leases			
2002A and 2002B Macon-Bibb County UDA revenue bonds and 2007 Hotel Bonds	$ 830,000		
Lease purchase agreements	1,270,003	$ 2,100,003	
Change in accrual of interest expense and amortization of issuance costs, premiums and discounts			
Amortization of issuance costs, premiums and discounts	$ 15,126		
Change in accrued interest	(38,296)	(23,170)	(15,785,500)
Internal service funds are used by management to charge the costs of automotive services activities as well as transactions related to the provision of life, accident, and medical insurance benefits through outside insurance companies for permanent employees and retirees. The net losses of these activities are reported with governmental activities.			412,102
Some expenses reported in the statement of activities do not require the use of current financial resources, and are not reported as expenditures in governmental funds.			
Current year change in net post employment benefit (OPEB) obligation		$ (1,850,896)	
Current year change in compensated absences		232,840	
Current year change in workers' compensation liability		(797,000)	
Current year change in net pension asset		584,680	(1,830,376)
Net change in net assets of governmental activities as noted in the Statement of Activities			$ (2,090,729)

The accompanying notes are an integral part of these financial statements.

CITY OF MACON, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
REVENUES:				
Property taxes	$ 17,966,349	$ 17,966,349	$ 17,853,911	$ (112,438)
Auto tags and taxes	1,513,317	1,513,317	1,497,478	(15,839)
Railroad equipment tax	13,000	13,000	16,859	3,859
Recording intangible tax	120,000	120,000	117,405	(2,595)
Real estate transfer tax	35,000	35,000	38,362	3,362
Payments in lieu of taxes	159,100	159,100	145,669	(13,431)
Sales taxes	18,500,000	18,500,000	20,904,316	2,404,316
Insurance premium tax	5,400,000	5,400,000	4,284,746	(1,115,254)
Alcoholic beverage taxes	1,627,300	1,627,300	1,659,096	31,796
Franchise taxes	8,290,000	8,290,000	8,129,703	(160,297)
Charges for services	9,582,650	9,592,543	10,733,518	1,140,975
Licenses and permits	2,495,800	2,495,800	2,643,916	148,116
Intergovernmental	132,575	161,313	286,631	125,318
Fines and forfeitures	2,113,905	2,113,905	1,848,793	(265,112)
Interest revenue	30,000	30,000	12,985	(17,015)
Rental income	35,000	35,000	37,946	2,946
Other revenues	2,080,900	2,084,250	2,661,915	577,665
Total revenues	70,094,896	70,136,877	72,873,249	2,736,372
EXPENDITURES:				
Current:				
General government				
Mayor and staff	1,008,767	967,039	912,041	54,998
Information systems	1,226,682	1,191,252	1,155,445	35,807
Internal audit	187,832	187,832	185,415	2,417
City council	637,193	702,343	687,277	15,066
Personnel administration	1,055,500	996,473	974,290	22,183
Finance department	1,280,008	1,287,452	1,212,604	74,848
City attorney	1,097,701	1,038,209	887,154	151,055
City clerk	162,681	162,681	144,065	18,616
Nondepartmental-public utilities	1,100,000	1,464,183	1,464,183	-
Nondepartmental-Mulberry Street parking garage	116,500	126,679	119,684	6,995
Miscellaneous	529,847	464,217	452,430	11,787
Payments to other agencies	2,733,655	3,160,778	1,901,190	1,259,588
Risk management	519,900	596,396	596,395	1
Total general government	11,656,266	12,345,534	10,692,173	1,653,361
Judicial				
Municipal court	805,800	970,281	945,261	25,020
Public safety:				
Police:				
Youth and intervention	4,445,586	4,489,206	4,452,095	37,111
Administration	3,442,296	3,928,218	3,919,129	9,089
Support services	1,198,800	1,507,234	1,429,423	77,811
Patrol	8,455,367	10,251,474	10,243,847	7,627
Management services	554,000	625,055	582,688	42,367
Animal control	484,800	592,970	496,971	95,999
Fire:				
Administration	451,500	496,280	478,802	17,478
Fire fighting	18,531,172	22,256,512	22,213,820	42,692
Prevention	592,200	688,607	687,983	624
Training	373,200	429,050	353,920	75,130
Emergency management	269,500	333,654	333,654	-
Total public safety	38,798,421	45,598,260	45,192,332	405,928

(Continued)

CITY OF MACON, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
Expenditures: (Continued)				
Public works:				
City engineering office	$ 632,058	$ 700,237	$ 696,436	$ 3,801
Traffic engineering	307,851	331,945	331,945	-
Administration	391,549	448,221	448,220	1
Street cleaning	1,069,728	1,111,728	1,104,411	7,317
Street maintenance	1,547,311	1,535,876	1,469,691	66,185
Street drainage	314,633	314,633	310,034	4,599
Total public works	4,263,130	4,442,640	4,360,737	81,903
Central services:				
Administration	322,135	323,468	323,468	-
Signals and signs	569,603	553,699	537,818	15,881
Building custodial	573,394	576,235	576,235	-
HVAC	386,867	386,867	374,860	12,007
General maintenance	491,438	491,438	488,665	2,773
Electrical	426,243	426,763	421,525	5,238
Traffic operations	281,955	303,781	303,780	1
Total central services	3,051,635	3,062,251	3,026,351	35,900
Parks and recreation:				
Administration	148,638	165,119	165,119	-
Grounds and facilities	1,921,063	1,895,713	1,866,267	29,446
Operations	3,131,447	3,284,117	3,295,030	(10,913)
Business center	232,967	245,115	245,115	-
Total parks and recreation	5,434,115	5,590,064	5,571,531	18,533
Housing and development:				
Inspection and fees	1,123,705	1,216,101	1,216,101	-
Total housing and development	1,123,705	1,216,101	1,216,101	-
Debt service				
Principal	803,600	803,600	803,487	113
Interest and other fees	137,000	137,000	133,582	3,418
Total debt service	940,600	940,600	937,069	3,531
Total expenditures	66,073,672	74,165,731	71,941,555	2,224,176
Excess (deficiency) of revenues over expenditures	4,021,224	(4,028,854)	931,694	4,960,548
OTHER FINANCING SOURCES (USES)				
Transfers in	4,081,310	6,669,759	4,268,990	(2,400,769)
Transfers out	(2,582,888)	(2,808,430)	(6,660,869)	(3,852,439)
Proceeds from the disposition of capital assets	50,000	167,525	261,126	93,601
Total other financing sources (uses)	1,548,422	4,028,854	(2,130,753)	(6,159,607)
Net change in fund balances	5,569,646	-	(1,199,059)	(1,199,059)
Fund balances, beginning of year	10,124,544	10,124,544	10,124,544	-
Fund balances, end of year	$ 15,694,190	$ 10,124,544	8,925,485	$ (1,199,059)

The accompanying notes are an integral part of these financial statements.

CITY OF MACON, GEORGIA

STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2012

	Solid Waste Management Fund	Airport Enterprise Fund	Other Enterprise Funds	Totals	Governmental Activities Internal Service Funds
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	$ 326,198	$ 164,326	$ 5,152	$ 495,676	$ 206,667
Accounts receivable, net of allowances	3,078,938	36,706	11,758	3,127,402	102,415
Due from other governments	-	21,425	-	21,425	-
Due from other funds	-	-	485,590	485,590	1,749,304
Inventories	-	-	-	-	15,459
Total current assets	3,405,136	222,457	502,500	4,130,093	2,073,845
NONCURRENT ASSETS					
Deferred charges	-	30,622	-	30,622	-
Advances to other funds	9,308,660	-	-	9,308,660	-
Capital assets:					
Nondepreciable	172,303	9,079,122	845,881	10,097,306	80,132
Depreciable, net of accumulated depreciation	4,213,666	9,972,257	2,671,453	16,857,376	24,607
Total noncurrent assets	13,694,629	19,082,001	3,517,334	36,293,964	104,739
Total assets	17,099,765	19,304,458	4,019,834	40,424,057	2,178,584
LIABILITIES					
CURRENT LIABILITIES					
Accounts payable	499,759	146,831	16,733	663,323	334,203
Accrued liabilities	53,200	-	10,291	63,491	1,038,195
Compensated absences, current portion	77,157	-	16,693	93,850	40,553
Accrued interest	19,600	38,834	-	58,434	-
Capital lease payable, current portion	514,919	-	56,223	571,142	-
Deferred revenues	-	2,043	-	2,043	-
Due to other funds	275,771	1,968	12,213	289,952	-
Revenue bonds payable, current portion	-	500,000	-	500,000	-
Total current liabilities	1,440,406	689,676	112,153	2,242,235	1,412,951
NONCURRENT LIABILITIES					
Capital lease payable, net of current portion	1,296,269	-	59,411	1,355,680	-
Revenue bonds payable, net of current portion	-	2,917,536	-	2,917,536	-
Net other post employment benefits (OPEB) Obligation	1,729,764	-	155,544	1,885,308	380,495
Compensated absences, net of current portion	21,593	-	-	21,593	-
Landfill closure / postclosure care costs	12,840,000	-	-	12,840,000	-
Total long-term liabilities	15,887,626	2,917,536	214,955	19,020,117	380,495
Total liabilities	17,328,032	3,607,212	327,108	21,262,352	1,793,446
NET ASSETS					
Invested in capital assets, net of related debt	2,574,781	15,633,843	3,401,700	21,610,324	104,739
Unrestricted	(2,803,048)	63,403	291,026	(2,448,619)	280,399
Total net assets	$ (228,267)	$ 15,697,246	$ 3,692,726	19,161,705	$ 385,138
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.				(618,970)	
Net assets of business-type activities				$ 18,542,735	

The accompanying notes are an integral part of these financial statements.

CITY OF MACON, GEORGIA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Solid Waste Management Fund	Airport Enterprise Fund	Othe Enterprise Funds	Totals	Governmental Activities - Internal Service Funds
OPERATING REVENUES					
Charges for services	$ 5,867,936	$ 1,382,647	$ 130,549	$ 7,381,132	$ 16,188,591
Rentals, admissions and concessions	-	-	151,741	151,741	-
Miscellaneous	1,727	4,924	614	7,265	-
Total operating revenues	5,869,663	1,387,571	282,904	7,540,138	16,188,591
OPERATING EXPENSES					
Salaries and benefits	2,917,670	-	335,075	3,252,745	1,162,028
Utilities	32,957	138,100	74,755	245,812	-
Supplies and materials	732,038	44,702	51,881	828,621	558
Repairs, maintenance and other contractual services	1,395,982	716,649	23,275	2,135,906	879,501
Closure and postclosure care costs	3,620,000	-	-	3,620,000	-
Miscellaneous	40,928	157,589	23,900	222,417	1,973,244
Claims expense	-	-	-	-	11,735,394
Management fee	-	-	1,147,407	1,147,407	-
Depreciation	676,870	414,211	169,927	1,261,008	11,374
Total operating expenses	9,416,445	1,471,251	1,826,220	12,713,916	15,762,099
Operating income (loss)	(3,546,782)	(83,680)	(1,543,316)	(5,173,778)	426,492
NONOPERATING INCOME (EXPENSES)					
Interest income	125,168	-	-	125,168	-
Interest expense	(38,992)	(219,565)	(6,437)	(264,994)	-
Total nonoperating income (expenses)	86,176	(219,565)	(6,437)	(139,826)	-
Income (loss) before capital contributions and transfers	(3,460,606)	(303,245)	(1,549,753)	(5,313,604)	426,492
CAPITAL CONTRIBUTIONS	-	101,272	40,603	141,875	-
TRANSFERS					
Transfers out	-	(746,971)	-	(746,971)	(3,500)
Transfers in	-	-	1,785,847	1,785,847	-
Total transfers	-	(746,971)	1,785,847	1,038,876	(3,500)
Change in net assets	(3,460,606)	(948,944)	276,697	(4,132,853)	422,992
NET ASSETS (DEFICIT), beginning of year	3,232,339	16,646,190	3,416,029		(37,854)
NET ASSETS (DEFICIT), end of year	$ (228,267)	$ 15,697,246	$ 3,692,726		$ 385,138
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.				10,890	
Change in net assets of business-type activities				$ (4,121,963)	

The accompanying notes are an integral part of these financial statements.

CITY OF MACON, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Solid Waste Management Fund	Airport Enterprise Fund	Other Enterprise Funds	Totals	Governmental Activities - Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers and users	$ 5,080,504	$ 1,143,220	$ 280,663	$ 6,504,387	$ -
Receipts from interfund services provided	-	-	-	-	15,633,909
Payments to suppliers	(1,729,129)	(1,286,187)	(1,652,159)	(4,667,475)	(14,279,955)
Payments to employees	(2,797,021)	-	(321,703)	(3,118,724)	(1,136,892)
Net cash provided by (used in) operating activities	554,354	(142,967)	(1,693,199)	(1,281,812)	217,062
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Advances (to) from other funds	(125,927)	1,048,678	-	922,751	-
Transfers in	-	-	1,785,847	1,785,847	-
Transfers out	-	(746,971)	-	(746,971)	(3,500)
Net cash provided by (used in) noncapital financing activities	(125,927)	301,707	1,785,847	1,961,627	(3,500)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition and construction of capital assets	(852,809)	(85,012)	(72,475)	(1,010,296)	(6,895)
Intergovernmental grant	-	674,465	-	674,465	-
Capital contributions	-	-	40,603	40,603	-
Principal paid on bonds	-	(470,000)	-	(470,000)	-
Principal paid on notes payable and capital leases	(478,518)	-	(54,425)	(532,943)	-
Proceeds from capital lease financing	649,818	-	-	649,818	-
Interest paid	(34,623)	(216,490)	(6,437)	(257,550)	-
Net cash used in capital and related financing activities	(716,132)	(97,037)	(92,734)	(905,903)	(6,895)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest and dividends received	125,168	-	-	125,168	-
Net cash provided by investing activities	125,168	-	-	125,168	-
Increase (decrease) in cash and cash equivalents	(162,537)	61,703	(86)	(100,920)	206,667
Cash and cash equivalents:					
Beginning of year	488,735	102,623	5,238	596,596	-
End of year	$ 326,198	$ 164,326	$ 5,152	$ 495,676	$ 206,667
Classified as:					
Cash and cash equivalents	$ 326,198	$ 164,326	$ 5,152	$ 495,676	$ 206,667

(Continued)

CITY OF MACON, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Solid Waste Management Fund	Airport Enterprise Fund	Other Enterprise Funds	Totals	Governmental Activities - Internal Service Funds
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	$ (3,546,782)	$ (83,680)	$ (1,543,316)	$ (5,173,778)	$ 426,492
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	676,870	414,211	169,927	1,261,008	11,374
Provision for landfill closure / postclosure care costs	3,620,000	-	-	3,620,000	-
Changes in assets and liabilities:					
(Increase) decrease in:					
Accounts receivable	(789,159)	18,024	(9,334)	(780,469)	567,331
Inventories	-	-	-	-	4,709
Due from other funds	-	-	(327,717)	(327,717)	(1,102,997)
Increase (decrease) in:					
OPEB obligation	118,688	-	11,227	129,915	27,266
Accounts payable	262,025	10,511	230	272,766	(40,009)
Retainage payable	-	(241,626)	-	(241,626)	-
Accrued liabilities	(65,020)	-	(6,047)	(71,067)	344,042
Compensated absences payable	1,961	-	2,145	4,106	(2,130)
Deferred revenues	-	(262,375)	(588)	(262,963)	-
Due to other funds	275,771	1,968	10,274	288,013	(19,016)
Net cash provided b¸ (used in) operating activities	$ 554,354	$ (142,967)	$ (1,693,199)	$ (1,281,812)	$ 217,062
Noncash capital and related financing activities:					
Borrowing under capital lease	$ -	$ 649,817	$ -	$ 649,817	$ -

The accompanying notes are an integral part of these financial statements.

CITY OF MACON, GEORGIA

STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2012

	Pension Trust Funds
ASSETS	
Cash	$ 19,049,712
Investments:	
Common stock	16,304,352
Governmental funds	20,496,683
Corporate bonds	13,781,399
Asset-backed securities	10,054,864
Mutual funds	156,913,048
Collateralized mortgage obligations	5,791,747
Total investments	223,342,093
Receivables:	
Accrued interest	488,607
Accounts receivables for investment sales pending	1,232,174
Total receivables	1,720,781
Prepaid expenses	10,639
Notes receivable	623,273
Total assets	244,746,498
LIABILITIES	
Accounts payable	79,946
Settlements payable	3,716,638
Total liabilities	3,796,584
NET ASSETS	
Held in trust for pension benefits	$ 240,949,914

A schedule of funding progress is presented as Required Supplementary Information.

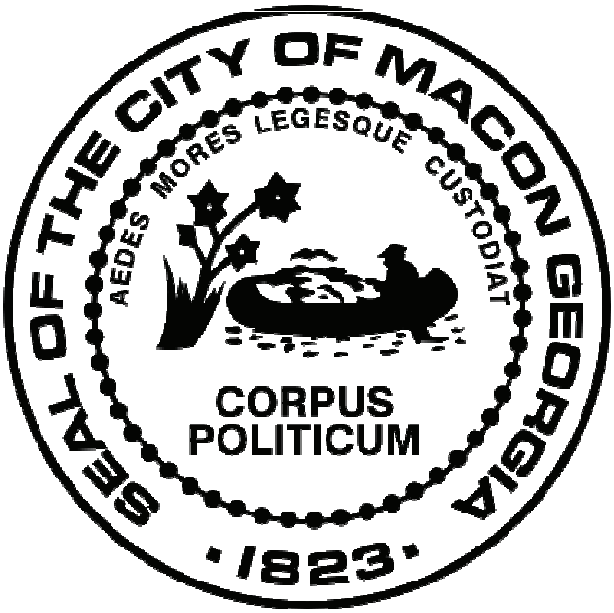
The accompanying notes are an integral part of these financial statements.

CITY OF MACON, GEORGIA

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Pension Trust Funds
Additions	
Contributions:	
Employer	$ 6,514,922
	6,514,922
Investment income:	
Net depreciation in fair value of investments	(5,588,476)
Interest and dividends	10,328,288
	4,739,812
Total additions	11,254,734
Deductions	
Benefits paid	13,042,138
Administrative expenses	214,044
Total deductions	13,256,182
Net decrease	(2,001,448)
Net assets available for benefits:	
Beginning of year	242,951,362
End of year	$ 240,949,914

The accompanying notes are an integral part of these financial statements.



NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Macon, 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 incorporated on December 10, 1823, and operates under a mayor-council form of government. The City provides the following services and operations as authorized by its charter: public safety (police and fire); public works; airport; parks and recreation; housing and development; health and social services; planning and zoning; public improvements; public utilities (water, sewer, stormwater, electric, and solid waste); and general administrative services. 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", the City was determined to have one component unit as of June 30, 2012. The component unit discussed below is included in the City's reporting entity because of the significance of its operational and financial relationships with the City. The financial statements of the component unit have been included as a discretely presented component unit. The component unit column includes the financial data for the City's component unit, as reflected in their most recent audited financial statements for June 30, 2012. The component unit is reported in a column separate from the City's financial information to emphasize that it is legally separate from the City.

Macon-Bibb County Transit Authority - The governing board of the Macon-Bibb County Transit Authority (the Authority) consists of five members. The Mayor and City Council nominate three individuals to serve as board members and the Bibb County Board of Commissioners nominates two individuals. Initial and final approval of a board member is made by the Mayor and City Council. The City, by virtue of its appointments, controls a majority of the governing body positions. The Authority, the City of Macon, and Bibb County have entered into a Tri-Party Agreement under which the City of Macon provides an amount equal to one mil of tax in the City's current year tax digest, not to exceed 60% of the Authority's operating deficit. Bibb County is required to provide 40% of the aggregate of the contribution made by the two governments. The Authority is required to provide the City and the County with a proposed operating budget each year and with monthly statements of revenues and expenditures.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. The Financial Reporting Entity (Continued)

Complete audited financial statements of the Macon-Bibb County Transit Authority unit can be obtained directly from their administrative offices as follows:

Macon-Bibb County Transit Authority
200 Cherry Street
Macon, Georgia 31202

Joint Ventures - A joint venture has the following characteristics:

1. It is a legal entity that results from a contractual agreement.
2. It is owned, operated, or governed by two or more participants as a separate and specific activity subject to joint control.
3. Participants retain an ongoing financial interest or an ongoing financial responsibility.

The following agencies are joint ventures with Bibb County:

Macon-Bibb County Urban Development Authority (the "Urban Development Authority") - The Urban Development Authority is responsible for the revitalization and redevelopment of downtown areas of Macon and Bibb County. The City Council and Bibb County Board of Commissioners nominate board members. The Urban Development Authority submits annual budget requests to the City and County for approval of the appropriation. Annual audits are required to monitor performance. Equity interest in the joint venture at June 30, 2012 was $4,250,372.

Complete audited financial statements of the Urban Development Authority can be obtained directly from their administrative offices as follows:

Macon-Bibb County Urban Development Authority
Post Office Box 169
Macon, Georgia 31298

Macon-Bibb County Land Bank Authority, Inc. (the "Land Bank Authority") - The Land Bank Authority is a nonprofit organization, whose purpose is to allow the City of Macon and Bibb County to provide housing, new industry, and jobs for the citizens of Middle Georgia by effectively utilizing property which was previously in a non-revenue generating, non-tax producing status. The City Council and the Bibb County Board of Commissioners each appoint two members of the Land Bank Authority Board. The City and County equally participate in the operating costs of the Land Bank Authority. The Authority submits annual budget requests to the City and County for approval of appropriation. Annual audits must be submitted to the City and County. Equity interest in the joint venture at June 30, 2012 was $653,605.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. The Financial Reporting Entity (Continued)

Complete audited financial statements of the Land Bank Authority can be obtained directly from their administrative offices as follows:

Macon-Bibb County Land Bank Authority, Inc.
Post Office Box 4928
Macon, Georgia 31208

Effective July 1, 2011, the City entered into a Service Delivery Agreement with Bibb County whereby certain City departments were transferred to the County. As part of this agreement, two joint ventures, Macon-Bibb County Planning and Zoning Commission and Keep Macon-Bibb Beautiful Commission, between the City and County were transferred solely to the County. Funding for those two entities came solely from Bibb County for fiscal year 2012. As part of the transfer to the County, the City had to write-off its equity interest in those joint ventures on the government-wide Statement of Net Assets. The total write-off was $200,815 and this amount is included in the Statement of Activities for fiscal year 2012.

Under Georgia Law, the City of Macon, in conjunction with other cities and counties in the 12-county middle Georgia area, is a member of the **Middle Georgia Regional Commission** (the "RC") and is required to pay annual dues thereto. During its year ended June 30, 2012, the City paid $77,655 in such dues. Membership in an RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the RC in Georgia. The RC Board membership includes the 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 RC. Separate financial statements for the Middle Georgia RDC may be obtained from:

Middle Georgia Regional Commission
175-C Emery Highway
Macon, Georgia 31217

Related Organizations

Housing Authority of the City of Macon (the Authority) - The City of Macon appoints the six-member Board of the Housing Authority to five-year terms. The City provides no financial support to the Authority and is not responsible for the debts or entitled to surplus funds of the Authority. The Authority designates its own management and has power to approve its own budget and maintain its own accounting system. Although the City appoints the governing board of the Authority, no other criteria exists for the inclusion of the Authority in the financial reports of the City of Macon. The Authority remits payments in lieu of tax to the City which are based on a specific formula.

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 and its component unit. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

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

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

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 and the fiduciary 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.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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, other taxes, licenses, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of the special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. 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 transactions of the City, except those required to be accounted for in another fund.

The ***SPLOST 2012 Fund*** is a capital projects fund which accounts for the accumulation of SPLOST proceeds in order to acquire, construct, and equip, in whole or in part, the following capital outlay projects of the City: Second Street Downtown Corridor revitalization; improvements and upgrades to the emergency communications system; storm water management and drainage improvements; renovations, improvements, additions to, and equipping of the Macon Centreplex, including the Macon Coliseum and the Macon City Auditorium; resurfacing and repairing of streets; cultural and recreational facilities; and acquisition and equipping of police cars and public safety vehicles and equipment.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The City reports the following proprietary funds:

The ***Solid Waste Management Fund (major)*** is used to account for the operations and activities of the City landfill and activities associated with solid waste pickup within residential areas.

The ***Airport Enterprise Fund (major)*** accounts for the activities of a municipal airport in the City of Macon.

The ***Coliseum and Auditorium Fund (nonmajor)*** accounts for the activities of the Macon Coliseum and Macon Auditorium.

The ***Bowden Golf Course Fund (nonmajor)*** is used to account for the operations and maintenance of a municipal golf course in the City of Macon.

The ***Mulberry Street Parking Garage Fund (nonmajor)*** is used to account for the activities of the downtown parking garage.

Additionally, the City reports the following fund types:

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other governmental units, on a cost reimbursement basis. The following activities are reported in internal service funds: self-insured health benefits, maintenance of the motor-vehicle fleet, and maintenance of the City's general information technology.

Pension trust funds are used to account for activities in which the City acts as trustee for an individual or organization. Additionally, these funds accumulate resources for pension benefit payments to qualified general employees, police, and firefighters of the City.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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.

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

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

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. Management 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 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the City to invest in obligations of the U.S. Treasury, other U.S. Government agencies, the State of Georgia, other states, prime bankers' acceptances, repurchase agreements, other political subdivisions of the State of Georgia, and the Local Government Investment Pool of the State of Georgia (Georgia Fund 1).

The State of Georgia Local Government Investment Pool (Georgia Fund 1) is a special investment pool operated by the Georgia Department of Administrative Services for Georgia local governments. Georgia Fund 1 was created under OCGA 36-83-8 and operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal ($1 per share value). Net asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participants' shares sold and redeemed based on $1 per share. The fair value of the City's position in the pool is the same as the value of pool shares ($1 per share value). The pool is regulated by the Georgia Office of the State Treasurer.

By statute, up to 60% of the cost basis of the investment portfolio for the pension plans may consist of U.S. corporate equity securities. Additionally, in accordance with authorized investment laws, the City, in its pension funds, can invest in mortgage-backed securities, such as collateralized mortgage obligations ("CMOs"), which represent an ownership in a pool of residential mortgage loans. The interest in which is, in most cases, issued and guaranteed by an agency or instrumentality of the U.S. government. The City may also invest in government backed mortgage securities. In all cases, these securities are reported at fair value in the balance sheet.

Investments are reported at fair value, which is determined using selected bases. 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 at current exchange rates. 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 values.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Receivables and 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 noncurrent portion of interfund loans). Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances."

All trade and property tax receivables have been reduced to their estimated net realizable value, and are shown net of an allowance for uncollectible accounts. Estimated uncollectible accounts are based upon historical experience rates.

"Due from other governments" represents funds to be received from other local governments, state grant-in-aid, state contracts, or federal funds. No allowance is deemed necessary for these receivables.

G. 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 a right to receive the related grant amounts.

H. Inventory and Prepaid Items

Inventories of expendable supplies held for consumption are not considered material and are recorded as expenditures, or expenses, as appropriate, when purchased. Inventory in the Vehicle Maintenance internal service fund consists of repair parts and oil, which are priced at cost using the first-in/first out method. Internal service fund inventories are expensed as repair parts and fuel when consumed. Inventory in the Coliseum and Auditorium Fund consists of concessions, including alcoholic beverages and catering supplies which are recorded as assets at the time of purchase and as expenditures as the supplies are used. These inventories are also valued at cost using the first-in/first out method. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Restricted Assets

Certain assets of the UDA Fund, Capital Improvements Fund, and 2007 Hotel Bond Fund are classified as restricted because they are maintained in separate accounts and their use is limited by applicable grant agreements and bond covenants.

J. Capital Assets

Capital assets, which include property, plant, and equipment 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. An exception to this is infrastructure, in which the City has elected to use a higher threshold of $75,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Interest incurred during construction is not capitalized on capital assets in the governmental activities.

Public domain ("infrastructure") capital assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems are capitalized along with other capital assets. In fiscal year 2007, the City retroactively reported major general infrastructure assets. In this case, the City chose to include all items exceeding the $75,000 threshold regardless of their acquisition date. The City was able to estimate the historical cost for the initial reporting of these assets through backtrending.

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.

Major outlays for capital assets and major improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of the business-type activities is included as part of the capitalized value of the assets constructed. During the fiscal year ended June 30, 2012, interest expense incurred by the City's business-type activities was $354,994. Of this amount, none was applicable to construction of capital assets.

Property, plant and equipment of the primary government are depreciated using the straight-line method over the following estimated useful lives:

Buildings	5-50 years
Land improvements	7-30 years
Machinery and equipment	5-25 years
Vehicles	5-20 years
Furnitures and fixtures	5-7 years
Infrastructure	20-60 years

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Deferred Revenue

The City of Macon reports deferred revenue on its combined balance sheet. Deferred revenue arises when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received by the City of Macon before it has a legal claim to them as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and revenue is recognized.

L. 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 unpaid accumulated sick leave 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 governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

M. Long-term Obligations

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

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 and premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

N. Pensions

The City maintains two pension funds: 1) the Fire and Police Pension Fund and 2) the General Employees' Pension Fund. The provision for pension cost is recorded on an accrual basis, and the City's policy is to fund pension costs as they accrue.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Fund Equity

Fund equity at the governmental fund financial reporting level is classified as "fund balance." Fund equity for all other reporting is classified as "net assets."

Fund Balance

Generally, fund balance represents the difference between the assets and liabilities under the current financial resources measurement focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

- **Nonspendable** – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.

- **Restricted** – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

- **Committed** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the City Council through the adoption of a resolution. Only the City Council may modify or rescind the commitment.

- **Assigned** – Fund balances are reported as assigned when amounts are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed.

- **Unassigned** – Fund balances are reported as unassigned when the balances do not meet any of the above criterion. The City reports positive unassigned fund balance only in the General Fund. Negative unassigned fund balances may be reported in all funds.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Fund Equity (Continued)

Fund Balance Flow Assumptions

When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the City's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the City's policy to use fund balance in the following order:

- Committed
- Assigned
- Unassigned

Net Assets

As noted previously, equity for government-wide and proprietary fund financial statements is classified as net assets and displayed in three components:

1. Invested in capital assets, net of related debt - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

   Amounts for the Middle Georgia Coliseum Authority Revenue Bonds are not included in the determination of this amount in the Governmental Activities due to no offsetting assets, but are included in the Total Primary Government activities.

2. Restricted net assets - Consists of net assets with constraints placed on the use either by (a) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (b) law through constitutional provisions or enabling legislation. Net assets are reported as restricted using the same definition as used for restricted fund balance as described in the section above.

3. Unrestricted net assets - All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt".

The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

NOTE 2. BUDGETS AND BUDGETARY ACCOUNTING

An annual budget is prepared for the General and special revenue funds. The budgets are prepared on a basis consistent with accounting principles generally accepted in the United States of America. Legal provisions including the City Charter and the Georgia Fiscal Standards Act, govern the budgetary process. In addition, many administrative policies are incorporated into the budgetary process in order to assure that the budget is a management plan of action for the budget year.

A “performance budgeting” system is used by the City in order to link the work program of the City to the budgetary dollar amounts. The essence of the performance budget is the establishment of departmental objectives and statistical performance indicators.

Under the direction of the Mayor, the Chief Administrative Officer, assisted by the Finance Director, is responsible for budget preparation. Department and agency heads formally begin budget preparation in January. Administrative budget hearings are held with each department and agency head. After review by the Mayor and a public hearing, the final budget proposal package is prepared.

The City Charter requires that the budget proposal be submitted by the Mayor to the City Council in the form of a draft ordinance of appropriations at least six weeks prior to the start of the fiscal year.

The Appropriations Committee of City Council reviews the proposed budget and conducts another series of budget hearings with department and agency heads. A second public hearing on the entire budget is conducted by City Council. After review and adjustment by Council, an appropriations ordinance is approved which provides funding by department or function.

The Mayor may veto individual appropriation line items and a two-thirds vote of City Council is required to override the veto.

Cash transfers between departments or revisions that increase total expenditures of a fund must be approved by the City Council. However, management reviews the collectability of interfund receivables and payables and makes a determination as to the ability of funds to honor payable amounts. Adjustments are recorded to the interfund receivables and payables when management determines collectability to be remote.

The General Fund is subject to budgetary control on a departmental basis, while the special revenue and debt service funds are subject to budgetary control on an individual fund basis.

NOTE 2. BUDGETS AND BUDGETARY ACCOUNTING (CONTINUED)

Supplemental appropriations approved by City Council during the current fiscal year were not material in relation to the original budget.

Budgets are prepared for the capital projects funds on a project basis, which usually covers two or more fiscal years. Proprietary fund budgets are prepared and utilized as a management tool to assess the operations of the enterprise and internal service funds.

All appropriations, except for items encumbered at year end, lapse. Encumbrances for items not lapsing at year end are reappropriated in the ensuing year's budget.

Deficit Fund Equity

For the year ended June 30, 2012, the following funds had deficit fund balances or net assets:

	Fund Deficit
Special Revenue Funds:	
General Grant Activity Fund	$ 77,378
Workforce Development Fund	56,724
Dannenburg Grant Fund	500
Capital Projects Funds:	
Capital Improvements Fund	1,213,009
Parks and Recreation Fund	79,916
2007 Hotel Bond Fund	9,087
Enterprise Funds:	
Solid Waste Management Fund	283,676
Internal Service Funds:	
Vehicle Maintenance Fund	70,284
IT Communications Fund	3,500

These deficits will be eliminated through transfers from the General Fund.

NOTE 2. BUDGETS AND BUDGETARY ACCOUNTING (CONTINUED)

Expenditures Exceeding Budget

For the year ended June 30, 2012, expenditures exceeded final amended budgets as follows:

	Excess
General Fund:	
Parks and recreation: Operations	$ 10,913
Hotel/Motel Tax Fund	73,974
Workforce Development Fund	1,188
Dannenburg Grant Fund	145,500

NOTE 3. DEPOSITS AND INVESTMENTS

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. The City's investment policy does identify a specific market index (The Lehman Aggregate Bond Index) as criteria against which performance of the portfolio (and managers) will be measured.

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 bankers' acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia. For the General Employees Pension Fund, the City's Investment Policy limits all investments to Georgia Statute, Corporations, or obligations of corporations, under the laws of this state or any other state or under the laws of Canada, but only if the corporation has a market capitalization equivalent to $100 million or more; provided, however, that except as provided in the Code, no fund shall invest in corporations or obligations organized in a country other than the United States or Canada; provided, further, that such obligation shall be listed as investment grade by a nationally recognized rating agency. For the Fire and Police Pension Fund, no individual security shall have a rating of less than BBB and the total portfolio shall not have an average S&P rating of less than A.

NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

Custodial Credit Risk – Deposits

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the City 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. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of June 30, 2012, the City had no uncollateralized deposits.

Custodial Credit Risk – Investments

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require all investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities.

NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

At June 30, 2012, the City had the following investments:

		Investment Maturities (in Years)			
Investment Type	**Fair Value**	**Less than 1**	**1 - 5**	**6 - 10**	**11 - 15**
Mutual funds	$ 173,217,398	$ 173,217,398	$ -	$ -	$ -
Corporate bonds	697,947	471,565	-		
Corporate bonds	1,900,344	-	914,785	478,738	-
Corporate bonds	1,027,739	-	325,036	702,703	-
Corporate bonds	633,941	-	-	-	-
Corporate bonds	631,500	-	283,624	-	-
Corporate bonds	1,234,012	-	-	571,765	418,897
Corporate bonds	3,194,158	-	-	1,386,790	-
Corporate bonds	3,139,295	-	544,584	1,063,066	416,394
Corporate bonds	1,322,462	385,000	706,401	231,061	-
Government bonds	1,062,868	-	269,076	543,913	-
Government bonds	19,433,815	135,063	12,133,995	6,569,766	305,812
Mortgage & asset backed securities	8,686,971	30,182	13,494	1,107,453	330,627
Mortgage & asset backed securities	432,065	-	-	-	-
Mortgage & asset backed securities	294,458	-	-	-	-
Mortgage & asset backed securities	724,569	-	-	-	242,380
Mortgage & asset backed securities	250,621	-	-	-	-
Mortgage & asset backed securities	2,755,865	-	-	-	134,298
Mortgage & asset backed securities	1,039,874	-	-	-	-
Mortgage & asset backed securities	692,215	-	-	364,989	-
Mortgage & asset backed securities	969,976	-	-	-	207,577
Guaranteed investment contract	3,475,483	-	-	-	-
Total Fair Value	$ 226,817,576	$ 174,239,208	$ 15,190,995	$ 13,020,244	$ 2,055,985

Please see the following page for completion of the above analysis.

NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

Investment Type	Investment Maturities (in Years) 16 - 20	21 - 25	26 - 30	31 - 35	36 - 40	Rating
Mutual funds	$ -	$ -	$ -	$ -	$ -	NA
Corporate bonds	-	-	226,382	-	-	A1
Corporate bonds	-	-	506,821	-	-	A2
Corporate bonds	-	-	-	-	-	A3
Corporate bonds	-	-	-	633,941	-	AA2
Corporate bonds	-	-	347,876	-	-	AA3
Corporate bonds	-	-	-	243,350	-	NR
Corporate bonds	-	-	691,402	240,110	875,856	BAA1
Corporate bonds	-	-	880,149	235,102	-	BAA2
Corporate bonds	-	-	-	-	-	BAA3
Government bonds		-	249,879	-	-	AAA
Government bonds	289,179	-	-	-	-	NR
Mortgage & asset backed securities	1,825,036	5,380,179	-	-	-	AAA
Mortgage & asset backed securities	-	31,605	-	400,460	-	AA2
Mortgage & asset backed securities	-	-	-	294,458	-	A3
Mortgage & asset backed securities	-	-	-	482,189	-	A2
Mortgage & asset backed securities	250,621	-	-	-	-	A
Mortgage & asset backed securities	1,185,150	84,961	-	213,671	1,137,785	NR
Mortgage & asset backed securities	477,516	348,516	-	213,842	-	BAA3
Mortgage & asset backed securities	-	-	-	327,226	-	BAA2
Mortgage & asset backed securities	-	-	-	762,399	-	BAA1
Guaranteed investment contract	3,475,483	-	-	-	-	AA-
Total Fair Value	$ 7,502,985	$ 5,845,261	$ 2,902,509	$ 4,046,748	$ 2,013,641	

NA - Not Applicable
NR - Not Rated

NOTE 4. TAX REVENUE

Property Tax

State law requires that property taxes be based on assessed value, which is 40% of market value. All real and personal property (including motor vehicles) are valued as of January 1 of each year and personal property tax returns must be filed for tax purposes by March 1. With the exception of motor vehicles and the property of public utilities, which are valued by the State Revenue Department, all assessments are made by a joint Board of Tax Assessors of Macon and Bibb County. This board has five members appointed by the Bibb County Board of Commissioners for staggered six-year terms.

Upon completion of all assessments and tax returns, the information is turned over to the Macon-Bibb County Tax Commissioner for compilation of the tax digest. The completed tax digest must be submitted to the State Revenue Commissioner for approval. The State Revenue Commissioner must ascertain that real property on the tax digest has been assessed at the state mandated forty percent (40%) of fair market value. The State Revenue Commissioner has the option to withhold certain state funding if the mandated 40% level is not reached.

The Macon-Bibb County Tax Commissioner distributes tax notices and collects tax payments. Motor vehicle taxes are due based upon the birthday of the owner. Property taxes are usually billed in September of each year. Real and personal property taxes may be paid in two installments – the first payment is due 30 days following the mailing of the bills and the final payment is due 60 days following the mailing of the bills. Tax executions are issued for delinquent taxes approximately 60 days following the due date of the second payment. The City is limited to levying 15 mills for operating purposes. The total real and personal property tax levy is recorded as revenue in the fiscal year in which such amounts will be available as current net assets. In the accompanying financial statements, the property tax levy for the year 2011 has been recognized as revenue, since payment of these taxes was due during the current fiscal year.

NOTE 4. TAX REVENUE (CONTINUED)

Property Tax (Continued)

The property tax calendar is as follows:

	Real/Personal Property (Excluding Vehicles)	Motor Vehicles
Assessment date	January 1, 2011	January 1
Levy date	August 16, 2011	January 1
Due dates and collection dates	October 17, 2011 and November 15, 2011	Staggered
FIFA Date	March 9, 2012	N/A

Hotel/Motel Excise Tax

A summary of the hotel/motel excise tax expenditures and receipts for the fiscal year ended June 30, 2012 is as follows:

Expenditure by Purpose	Amount	Tax Receipts	Percentage
Promote tourism	$ 885,490	$ 885,490	100 %

NOTE 5. OTHER RECEIVABLES

Receivables as of June 30, 2012 for the City's governmental, fiduciary and internal service funds in the aggregate are as follows:

	General Fund	Nonmajor Governmental Funds	Fiduciary Funds	Internal Service Funds
Receivables:				
Taxes	$ 3,198,362	$ 128,490	$ -	$ -
Special Assessments	-	-	-	-
Accounts	1,363,727	445,540	1,232,174	185,672
Loans	-	8,572,839	-	-
Accrued interest	-	-	488,607	-
Gross receivable	4,562,089	9,146,869	1,720,781	185,672
Less: allowance for uncollectibles	(1,991,759)	(5,953,191)	-	(83,257)
Net total receivables	$ 2,570,330	$ 3,193,678	$ 1,720,781	$ 102,415

NOTE 5. OTHER RECEIVABLES (CONTINUED)

Receivables as of June 30, 2012 for the City's enterprise funds in the aggregate are as follows:

	Solid Waste Management Fund	Airport Enterprise Fund	Nonmajor Bowden Golf Course Fund	Nonmajor Mulberry Street Parking Garage Fund
Receivables:				
Accounts	$ 6,958,711	$ 292,358	$ 4,077	$ 7,681
Gross Receivables	6,958,711	292,358	4,077	7,681
Less: allowance for uncollectibles	(3,879,773)	(255,652)	-	-
Net total receivables	$ 3,078,938	$ 36,706	$ 4,077	$ 7,681

NOTE 6. DUE FROM OTHER GOVERNMENTS

Amounts receivable from other governments as of June 30, 2012 for the City's individual major funds, nonmajor funds, internal service and fiduciary funds in the aggregate are as follows:

	General Fund	SPLOST 2012 Fund	Solid Waste Management Fund	Airport Enterprise Fund	Nonmajor Funds
Federal	$ 3,123,710	$ -	$ 67,625	$ 19,335	$ 999,784
State	23,585	-	41,247	2,090	94,257
County	-	859,305	-	-	-
Other	-	-	-	-	-
Gross receivables	3,147,295	859,305	108,872	21,425	1,094,041
Less: allowance for uncollectibles	(324,272)	-	(108,872)	-	(73,061)
Net total receivable	$ 2,823,023	$ 859,305	$ -	$ 21,425	$ 1,020,980

The principal amounts due from the federal government are grant program reimbursements. The principal amount due from the state government is for project reimbursements and sales tax. The majority of the amount due from the county government represents reimbursements for jointly funded departments, such as fire protection.

NOTE 7. INTERFUND TRANSFERS AND BALANCES RECEIVABLE / PAYABLE

Transfers

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that the statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Further, transfers are used to settle amounts due between funds when, in management's best estimate, an interfund loan is not expected to be repaid within a reasonable period of time supported by a lack of a current ability to repay a payable balance between funds.

	Fund Transfers In:			
	General	Non-Major Enterprise	Non-Major Governmental	Total
Fund Transfers Out:				
General	$ -	$ 1,383,606	$ 5,277,263	$ 6,660,869
SPLOST 2012	-	-	1,259,434	1,259,434
Airport	746,971	-	-	746,971
Non-Major Governmental	3,518,519	402,241	-	3,920,760
Internal Service	3,500	-	-	3,500
	$ 4,268,990	$ 1,785,847	$ 6,536,697	$ 12,591,534

The transfers out of the 2012 SPLOST Fund is a transfer to the SPLOST fund for debt service payments related to the 1998 GMA lease pool.

NOTE 7. INTERFUND TRANSFERS AND BALANCES RECEIVABLE / PAYABLE (CONTINUED)

Balances Receivable / Payable

Balances receivable / payable by funds represent amounts due from funds to other funds. Any amounts payable to a governmental fund that relate to working capital loans that are deemed to be entirely collectible which are not scheduled to be collected in the subsequent year are considered to be advances.

Advances Receivable Fund	Advances Payable Fund	Amount
Solid Waste	General	$ 9,308,660

The City's interfund receivables and payables at June 30, 2012 are shown below. These amounts represent short-term receivables and payables. The 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.

	Receivable Fund:				
Payable Fund:	General	Non-Major Governmental	Non-Major Enterprise	Internal Service	Total
General	$ -	$ 496,619	$ 329,453	$ 1,749,304	$ 2,575,376
SPLOST 2012	203,542	-	-	-	203,542
Non-Major Governmental	1,222,674	222,780	156,137	-	1,601,591
Solid Waste Management	-	275,771	-	-	275,771
Airport	1,968	-	-	-	1,968
Non-Major Enterprise	5,260	6,953	-	-	12,213
	$ 1,433,444	$ 1,002,123	$ 485,590	$ 1,749,304	$ 4,670,461

NOTE 8. CAPITAL ASSETS

Capital asset activity of the City's governmental activities for the fiscal year ended June 30, 2012 was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities					
Capital assets, not being depreciated:					
Land	$ 10,535,034	$ -	$ -	$ -	$ 10,535,034
Construction in progress	16,713,780	1,820,805	-	-	18,534,585
Total capital assets, not being depreciated	27,248,814	1,820,805	-	-	29,069,619
Capital assets, being depreciated:					
Buildings	39,551,305	-	-	-	39,551,305
Land improvements	52,475	-	-	-	52,475
Machinery and equipment	7,128,439	898,721	-	-	8,027,160
Vehicles	25,173,758	1,438,904	(271,976)	-	26,340,686
Furniture and fixtures	24,069	-	-	-	24,069
Infrastructure	34,253,408	214,765	-	-	34,468,173
Total capital assets, being depreciated	106,183,454	2,552,390	(271,976)	-	108,463,868
Less accumulated depreciation for:					
Buildings	(23,115,619)	(491,923)	-	-	(23,607,542)
Land improvements	(41,265)	(1,180)	-	-	(42,445)
Machinery and equipment	(6,272,779)	(450,319)	-	-	(6,723,098)
Vehicles	(19,112,806)	(1,652,524)	271,976	-	(20,493,354)
Furniture and fixtures	(24,070)	-	-	-	(24,070)
Infrastructure	(8,557,918)	(556,566)	-	-	(9,114,484)
Total accumulated depreciation	(57,124,457)	(3,152,512)	271,976	-	(60,004,993)
Total capital assets, being depreciated, net	49,058,997	(600,122)	-	-	48,458,875
Governmental activities capital assets, net	$ 76,307,811	$ 1,220,683	$ -	$ -	$ 77,528,494

Internal service funds predominantly serve the governmental funds. Accordingly, capital assets for them are included as part of the above totals for governmental activities. At year end, $104,739 of internal service fund capital assets are included in the above amounts, net of accumulated depreciation.

NOTE 8. CAPITAL ASSETS (CONTINUED)

Capital asset activity of the City's business-type activities for the fiscal year ended June 30, 2012 was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type activities					
Capital assets, not being depreciated:					
Land	$ 7,220,673	$ -	$ -	$ -	$ 7,220,673
Construction in progress	2,963,459	174,389	(261,215)	-	2,876,633
Total capital assets, not being depreciated	10,184,132	174,389	(261,215)	-	10,097,306
Capital assets, being depreciated:					
Land improvements	3,174,629	-	-	-	3,174,629
Buildings	19,863,234	-	-	-	19,863,234
Infrastructure	2,932,080	-	-	-	2,932,080
Machinery and equipment	3,461,980	96,736	-	-	3,558,716
Vehicles	7,444,444	739,171	(27,000)	(15,000)	8,141,615
Furniture and fixtures	1,236,189	-	-	-	1,236,189
Total capital assets, being depreciated	38,112,556	835,907	(27,000)	(15,000)	38,906,463
Less accumulated depreciation for:					
Land improvements	(556,086)	(103,146)	-	-	(659,232)
Buildings	(10,962,547)	(279,893)	-	-	(11,242,440)
Infrastructure	(388,307)	(84,700)	-	-	(473,007)
Machinery and equipment	(3,040,058)	(138,282)	-	-	(3,178,340)
Vehicles	(4,646,892)	(654,987)	27,000	15,000	(5,259,879)
Furniture and fixtures	(1,236,189)	-	-	-	(1,236,189)
Total accumulated depreciation	(20,830,079)	(1,261,008)	27,000	15,000	(22,049,087)
Total capital assets, being depreciated, net	17,282,477	(425,101)	-	-	16,857,376
Business-type activities capital assets, net	$ 27,466,609	$ (250,712)	$ (261,215)	$ -	$ 26,954,682

NOTE 8. CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Increases	Decreases	Ending Balance
Component Unit:				
Macon Transit Authority				
Capital assets, being depreciated:				
Buses	$ 5,497,018	$ 2,557,943	$ (1,052,650)	$ 7,002,311
Machinery and equipment	937,229	332,170	(40,220)	1,229,179
Total capital assets, being depreciated	6,434,247	2,890,113	(1,092,870)	8,231,490
Less accumulated depreciation for:				
Buses	(2,145,420)	(841,675)	835,309	(2,151,786)
Machinery and equipment	(486,404)	(98,616)	40,220	(544,800)
Total accumulated depreciation	(2,631,824)	(940,291)	875,529	(2,696,586)
Total capital assets, being depreciated, net	3,802,423	1,949,822	(217,341)	5,534,904
Component unit activities capital assets, net	$ 3,802,423	$ 1,949,822	$ (217,341)	$ 5,534,904

Depreciation expense, including $11,374 applicable to internal service funds, was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	$ 505,081
Public safety	1,488,492
Public works	975,202
Parks and recreation	177,327
Housing and development	6,410
Total depreciation expense - governmental activities	$ 3,152,512
Business-type activities:	
Airport	$ 414,211
Bowden golf	61,430
Coliseum and auditorium	108,497
Solid waste	676,870
Total depreciation expense - business-type activities	$ 1,261,008

NOTE 9. LONG-TERM DEBT

The following is a summary of long-term debt activity of the City for the year ended June 30, 2012:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Governmental Activities:					
Revenue bonds:					
2002A Macon-Bibb County Urban Development Authority Revenue Bonds	$ 6,350,000	$ -	$ (335,000)	$ 6,015,000	$ 345,000
2002B Macon-Bibb County Urban Development Authority Revenue Bonds	3,695,000	-	(175,000)	3,520,000	185,000
Plus: Premium on 2002B Bonds	64,124	-	(5,829)	58,295	5,829
	10,109,124	-	(515,829)	9,593,295	535,829
2007 Hotel Revenue Bonds	10,660,000	-	(320,000)	10,340,000	335,000
Total Revenue Bonds	20,769,124	-	(835,829)	19,933,295	870,829
General Obligation Bonds:					
General Obligation Sales Tax Bonds, Series 2012	-	18,000,000	-	18,000,000	-
Plus: Premium on Series 2012 Bonds	-	1,350,503	(63,777)	1,286,726	276,622
Total General Obligation Bonds	-	19,350,503	(63,777)	19,286,726	276,622
Lease Purchase Agreements:					
Secretary of State	2,910,021	-	(803,487)	2,106,534	861,343
Capital Leases	1,868,941	1,972,950	(466,516)	3,375,375	669,287
Total Obligation	4,778,962	1,972,950	(1,270,003)	5,481,909	1,530,630
Georgia Municpal Association:					
1998 Certificates of Participation	6,300,000	-	-	6,300,000	-
Pension Notes	4,084,393	-	(3,461,120)	623,273	236,400
Net other post-employment benefits (OPEB) obligation	24,401,513	3,594,262	(1,716,100)	26,279,675	-
Compensated absences	2,933,963	1,941,842	(2,176,812)	2,698,993	2,178,258
Claims and judgements payable	706,320	-	-	706,320	706,320
Workers' compensation claims	4,025,000	2,690,770	(1,893,770)	4,822,000	3,616,500
Governmental Long-term Liabilities	$ 67,999,275	$ 29,550,327	$ (11,417,411)	$ 86,132,191	$ 9,415,559

See the following page for a summary of business-type long-term debt activity for the City for the year ended June 30, 2012.

NOTE 9. LONG-TERM DEBT (CONTINUED)

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Business-type Activities:					
Revenue Bonds:					
1993 Macon-Bibb County Industrial Authority Revenue Bonds	$ 1,975,000	$ -	$ (235,000)	$ 1,740,000	$ 250,000
2002 Macon-Bibb County Industrial Authority Revenue Bonds	1,930,000	-	(235,000)	1,695,000	250,000
Less: Discount on 2002 Bonds	(20,501)	-	3,037	(17,464)	(3,037)
Total Revenue Bonds	3,884,499	-	(466,963)	3,417,536	496,963
Capital Leases	1,809,947	649,818	(532,943)	1,926,822	571,142
Net other post-employment benefits (OPEB) obligation	1,755,393	253,028	(123,113)	1,885,308	-
Compensated absences	111,337	97,956	(93,850)	115,443	93,850
Landfill closure/postclosure care costs	9,220,000	3,620,000	-	12,840,000	-
Business-type Long-term Liabilities	$ 16,781,176	$ 4,620,802	$ (1,216,869)	$ 20,185,109	$ 1,161,955

Compensated absences, workers' compensation claims payables, and claims and judgments payable are typically liquidated by the General Fund. Amounts payable for compensated absences for the internal service funds are reported in the schedule of long-term debt as part of governmental activities.

Governmental Activities Debt

The City has elected to include revenue bonds and contractual obligations in the governmental activities as it has been accepted practice to pay these from the General Fund without reference to the adequacy or inadequacy of designated revenue sources.

Revenue Bonds

Series 2002A and 2002B Macon-Bibb County Urban Development Authority Revenue Bonds, totaling $7,860,000 and $4,165,000, respectively, are due in annual installments of $608,239 to $1,045,776 through August 1, 2024, and have an interest rate of 2.5% to 6.0%. As of June 30, 2012, the balance of this obligation (including unamortized bond premiums of $58,295) is $9,593,295. Bond proceeds were used to aid in redevelopment projects within the central business district of Macon, Georgia. As of June 30, 2012, revenue bonds debt service requirements to maturity, excluding amortization of bond issue costs, are:

NOTE 9. LONG-TERM DEBT (CONTINUED)

Revenue Bonds (Continued)

	Principal	Interest	Total
Fiscal year ending June 30,			
2013	$ 530,000	$ 497,923	$ 1,027,923
2014	560,000	472,488	1,032,488
2015	585,000	443,613	1,028,613
2016	610,000	411,588	1,021,588
2017	645,000	377,938	1,022,938
2018-2022	3,790,000	1,315,009	5,105,009
2023-2025	2,815,000	239,214	3,054,214
	$ 9,535,000	$ 3,757,773	$ 13,292,773

Series 2007 Hotel Revenue Bonds totaling $10,340,000 are due in varying annual installments of $152,846 to $593,413 through October 1, 2034, and have an interest of 4.0% to 5.0%. Bond proceeds were used to aid in construction of a new hotel and convention center in the City. As of June 30, 2012, revenue bonds debt service requirements to maturity, excluding amortization of bond issuance costs, are:

	Principal	Interest	Total
Fiscal year ending June 30,			
2013	$ 335,000	$ 447,575	$ 782,575
2014	340,000	434,075	774,075
2015	350,000	420,275	770,275
2016	355,000	406,175	761,175
2017	365,000	391,775	756,775
2018-2022	1,955,000	1,731,016	3,686,016
2023-2027	2,275,000	1,270,031	3,545,031
2028-2032	2,645,000	709,741	3,354,741
2033-2035	1,720,000	120,019	1,840,019
	$ 10,340,000	$ 5,930,682	$ 16,270,682

NOTE 9. LONG-TERM DEBT (CONTINUED)

General Obligation Bonds

Series 2012 General Obligation Sales Tax Bonds totaling $18,000,000 were issued in fiscal year 2012 and are due in varying installments of $503,750 to $3,863,975 through December 1, 2018, and have an interest rate of 2.0% to 3.0%. As of June 30, 2012, the balance of this obligation (including unamortized bond premium of $1,286,726) is $19,286,726. Bond proceeds will be used to finance the costs of acquiring, constructing, and equipping certain capital outlay projects of the City. Principal of and interest on the Bonds are payable from the City's receipts of a special county one percent (1%) sales and use tax which will be collected in Bibb County beginning April 1, 2012. As of June 30, 2012, general obligation bonds debt service requirements to maturity, excluding amortization of bond issuance costs, are:

Fiscal year ending June 30,	Principal	Interest	Total
2013	$ -	$ 503,750	$ 503,750
2014	250,000	501,250	751,250
2015	3,375,000	465,000	3,840,000
2016	3,485,000	378,975	3,863,975
2017	3,560,000	273,300	3,833,300
2018-2019	7,330,000	220,950	7,550,950
	$ 18,000,000	$ 2,343,225	$ 20,343,225

Capital Leases

The City has entered into lease agreements as lessee for financing the acquisition of various buildings and equipment. The lease agreements qualify as capital leases for accounting purposes (titles transfer at the end of the lease terms) and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inceptions. The following is an analysis of leased assets under capital leases as of June 30, 2012:

Buildings	$ 8,958,310
Less: Accumulated depreciation	(3,070,195)
	$ 5,888,115

A lease purchase agreement entered into in 1999 in the amount of $8,958,310 is due in varying monthly installments of $65,313 to $81,626 through October 1, 2014, and has an interest of 5.16%. This lease purchase agreement is serviced by rentals from the Georgia Secretary of State. The balance of this obligation at June 30, 2012 is $2,106,534.

NOTE 9. LONG-TERM DEBT (CONTINUED)

Capital Leases (Continued)

The following is a schedule of future minimum lease payments for the Georgia Secretary of State lease together with the present value of net minimum lease payments as of June 30, 2012:

	Governmental Activities
Fiscal year ending June 30,	
2013	$ 951,125
2014	965,392
2015	326,504
Total minimum lease payments	2,243,021
Less amount representing interest	(136,487)
Present value of future minimum lease payments	$ 2,106,534

The City has obtained several leases through a local financial institution to finance the acquisition of various equipment. The City used a portion of the fiscal year 2009 leases to pay off the 1990 Georgia Municipal Association (GMA) lease. The principal portion of the 1990 GMA master lease agreement was recorded in two different places within the City's financial statements, governmental activities and the Solid Waste Management Fund (proprietary fund). Therefore, the proceeds from capital leases received during fiscal year 2009 utilized to repay the 1990 GMA lease were also recorded in two different places in the City's financial statements. As of June 30, 2012, the principal amount outstanding related to lines of credit extended by a financial institution included the following: 1) governmental activities in the amount of $3,375,375; 2) Solid Waste Management Fund in the amount of $1,811,188; 3) and the Bowden Golf Course Fund in the amount of $115,634 for a total amount due of $5,302,078.

NOTE 9. LONG-TERM DEBT (CONTINUED)

Capital Leases (Continued)

The following is a schedule of future minimum lease payments for the financial institution leases together with the present value of net minimum lease payments as of June 30, 2012 (governmental activities; Solid Waste Management Fund and Bowden Golf Course Fund - proprietary funds):

	Governmental Activities
Fiscal year ending June 30,	
2013	$ 754,973
2014	689,730
2015	689,730
2016	689,730
2017	419,191
2018-2022	462,060
Total minimum lease payments	3,705,414
Less amount representing interest	(330,039)
Present value of future minimum lease payments	$ 3,375,375

	Business-Type Activities
Fiscal year ending June 30,	
2013	$ 556,958
2014	528,125
2015	528,125
2016	296,872
2017	124,514
Total minimum lease payments	2,034,594
Less amount representing interest	(107,772)
Present value of future minimum lease payments	$ 1,926,822

The following is an analysis of leased assets under capital lease purchased with lease proceeds as of June 30, 2012:

	Governmental Activities	Business-type Activities
Vehicles	$ 2,921,754	$ 2,958,398
Less: Accumulated depreciation	(820,840)	(1,083,182)
	$ 2,100,914	$ 1,875,216
Machinery & Equipment	$ 461,524	$ -
Less: Accumulated depreciation	(196,287)	-
	$ 265,237	$ -

NOTE 9. LONG-TERM DEBT (CONTINUED)

Georgia Municipal Association Certificates of Participation

In June 1998, the City entered into a lease pool agreement with other local governments in the State of Georgia through the Georgia Municipal Association, Inc. (also known as the "GMA"). The funding of the lease pool was provided by the issuance of a $150,126,000 Certificate of Participation (COP) by the GMA. The 1998 COP immediately passed the net proceeds through to the participating municipalities with the City's participation totaling $6,300,000. The lease pool agreement with the GMA provides that the City owns their portion of the assets invested by the pool and is responsible for the payment of their portion of the principal and interest of the COP. The principal of $6,300,000 is due in a lump sum payment on June 1, 2028. Interest is payable at a rate of 4.75% each year. The City draws from the investment to lease equipment from the GMA. The lease pool agreement requires the City to make lease payments back into its investment account to fund the principal and interest requirements of the 1998 GMA Certificates of Participation.

Annual debt service requirements to maturity for the certificates of participation are as follows:

	Principal	Interest	Total
Fiscal year ending June 30,			
2013	$ -	$ 299,250	$ 299,250
2014	-	299,250	299,250
2015	-	299,250	299,250
2016	-	299,250	299,250
2017	-	299,250	299,250
2018-2022	-	1,496,250	1,496,250
2023-2027	-	1,496,250	1,496,250
2028	6,300,000	299,250	6,599,250
	$ 6,300,000	$ 4,788,000	$ 11,088,000

NOTE 9. LONG-TERM DEBT (CONTINUED)

Georgia Municipal Association Certificates of Participation (Continued)

As part of the issuance of the certificates of participation, the City entered into an interest rate swap agreement. Under the Swap Agreement, the City is required to pay (i) a semi-annual (and beginning July 1, 2003, a monthly) floating rate of interest based on the Securities Industry and Financial Markets Association (SIFMA) Municipal Swap Index (plus a spread) to, or on behalf of, the Swap Counterparty (the "Swap Payment"); and the Swap Counterparty will pay to, or on behalf of, the City a semi-annual payment based on a rate equal to the fixed rate on the certificates of participation (4.75%) times a notional amount specified in the Swap Agreement, but generally equal to the outstanding unpaid principal portion of such Contract, less the amount originally deposited in the Reserve Fund relating to the Contract, and (ii) a one-time Swap Premium to be paid on the effective date of the Swap Agreement. The semi-annual payments from the Swap Counterparty with respect to the City are structured, and expected, to be sufficient to make all interest payments due under the Contract, and related distributions of interest on the Certificates. Monthly interest payments between the City, the holders of the Certificates of Participation, and the Swap Counterparty can be made in net settlement form as part of this agreement. Under the Swap Agreement, the City's obligation to pay floating payments to the Swap Counterparty in any calendar year may not exceed an amount equal to the SIFMA Municipal Swap Index plus 5% to be determined on the first business day of December in the preceding year. This agreement matures on June 1, 2028, at the same time as the certificates of participation. This derivative qualifies as a fair market hedge.

In the unlikely event that the Swap Counterparty becomes insolvent, or fails to make payments as specified in the Swap Agreement, the City would be exposed to credit risk in the amount of the Swap's fair value. To minimize this risk, the City executed this agreement with counterparties of appropriate credit strength with the counterparty being rated Aa3 by Moody's. At June 30, 2012, the floating rate being paid by the City is 0.49% and the market value of this agreement is $2,265,094, an increase of $1,159,733 from the market value at the end of the previous fiscal year. The market value of the hedge was determined using settlement prices at the end of the day on June 30, 2012 based on the derivative contract. This market value is reported as a component of assets in the statement of net assets. As this derivative is an effective hedge, qualifying for hedge accounting, the inflow from the hedge (any change in fair value from inception until fiscal year end) is deferred and reported as deferred revenue in the statement of net assets.

NOTE 9. LONG-TERM DEBT (CONTINUED)

Pension Plan Note Agreements

In June 2011, the City entered into agreements with the Fire and Police and General Employees Pension Plans in order to make up required contributions that were not made in previous years. Payments were due to the Fire and Police Pension Plan in monthly installments of $73,917 through December 1, 2015, interest at 8% to 10%. The City paid in full the note due to the Fire and Police Pension fund in June 2012. Payments are due to General Employees Pension Plan in monthly installments of $12,855, with a lump sum payment of $100,000 due on September 1, 2011, through June 1, 2015, interest at 8%. The balance of this obligation at June 30, 2012 is $623,273.

Annual debt service requirements to maturity for the pension plan agreements are as follows:

	Principal	Interest	Total
Fiscal year ending June 30,			
2013	$ 193,532	$ 42,868	$ 236,400
2014	209,595	26,805	236,400
2015	220,146	9,408	229,554
	$ 623,273	$ 79,081	$ 702,354

Business-Type Activities Debt

The following revenue bonds are included in the Airport Enterprise Fund:

$4,500,000 1993 Macon-Bibb County Industrial Authority Airport Improvement Revenue Bonds are due in annual installments of $257,208 to $355,435 through May 1, 2018, interest at 3.9% to 6.1%. The balance of this obligation at June 30, 2012 is $1,740,000. These Bonds were to assist in the financing of the acquisition, construction, and installation of a new maintenance hangar at the Middle Georgia Regional Airport in Bibb County, Georgia.

NOTE 9. LONG-TERM DEBT (CONTINUED)

Business-Type Activities Debt (Continued)

$3,600,000 2002 Macon-Bibb County Industrial Authority (Airport Improvement – Atlantic Southeastern Airlines Project) due in annual installments of $325,500 to $337,250 through April 1, 2018, interest at 4% to 5%. As of June 30, 2012, the balance of this obligation (including unamortized discount of $17,464) is $1,677,536. The Bonds were used to finance the acquisition, construction, and installation of a 7,500 square foot training and storage facility and an aircraft wash facility. Both improvements are located at the Middle Georgia Regional Airport in Bibb County, Georgia.

Airport Enterprise Fund revenue bonds debt service requirements to maturity excluding amortization of bond issuance costs are as follows as of June 30, 2012:

	Principal	Interest	Total
Fiscal year ending June 30,			
2013	$ 500,000	$ 190,640	$ 690,640
2014	530,000	163,140	693,140
2015	555,000	133,725	688,725
2016	585,000	102,895	687,895
2017	620,000	70,400	690,400
2018	645,000	35,935	680,935
	$ 3,435,000	$ 696,735	$ 4,131,735

Closure/Post-closure Care Costs

The City owns and operates a landfill site located in Macon, Georgia. State and federal laws will require the City to close the landfill once its capacity is reached and to monitor and maintain the site for 30 subsequent years. The City recognizes a prorated portion of the closure and post-closure care costs in each operating period even though actual payouts will not occur until the landfill is closed. The amount recognized each year to date is based on the landfill capacity used as of the balance sheet date. As of June 30, 2012, the City has determined that it has used approximately 3,580,751 cubic yards out of a total available capacity of approximately 4,700,000 cubic yards which approximates 76% capacity used. Further, estimated costs of closure and post-closure care costs as determined at June 30, 2012 amount to approximately $16,895,000. Based on the above facts and estimated amounts, the City has incurred a liability of $12,840,000 which represents the amount of costs reported to date based on 76% of landfill capacity used to date as of June 30, 2012. The estimated costs of closure and post-closure care are subject to changes such as the effects of inflation, revision of laws and other variables. The estimated remaining life of the landfill is nine years.

NOTE 9. LONG-TERM DEBT (CONTINUED)

Macon-Bibb County Transit Authority Debt

The following is a summary of the long-term debt transactions of the Macon-Bibb County Transit Authority for the fiscal year ended June 30, 2012:

	Beginning Balance	Additions	Reductions	Ending Due Balance	Amounts Within One Year
Line of credit	$ -	$ 2,905,000	$ (2,834,205)	$ 70,795	$ 70,795
Net pension obligation	1,073,796	99,332	(361,244)	811,884	-
Compensated absences	36,419	24,318	(24,060)	36,677	36,677
	1,110,215	3,028,650	(3,219,509)	919,356	107,472

Line of Credit Payable

The Macon-Bibb County Transit Authority has a $1,300,000 line of credit with SunTrust Bank to be drawn upon as needed with an interest rate equal to the index minus .50% per annum. The line of credit is secured with all of the Macon-Bibb County Transit Authority's deposits and investments maintained with SunTrust Bank. As of June 30, 2012, the balance outstanding on this line of credit was $70,795.

Compensated Absences

During 2010, the Authority adopted a policy which requires employees to use accrued vacation time within 12 months of being earned and available to use. At the end of the 12 month period, unused vacation time expires.

NOTE 10. PENSION PLAN

Employee Retirement Plans

The City's primary government participates in two single-employer, noncontributory defined-benefit, and public employee retirement systems. These plans do not issue separate stand-alone reports. Assets are held separately and may be used only for the payment of benefits to the members of the respective plans, as follows:

Fire and Police Pension Plan

The City of Macon Fire and Police Pension Plan provides retirement benefits for substantially all full-time sworn police and fire officers of the primary government.

General Employees Pension Plan

The City of Macon General Employees' Pension Plan provides retirement benefits for substantially all fulltime employees of the primary government other than sworn fire and police officers.

Actuarial valuations are performed bi-annually. There are no loans to any City officials nor are there any other "party-in-interest" or prohibited transactions. The funds are managed by independent money managers and administered by the respective boards. The City appoints all members to the General Employees Pension Plan Board. The Pension Committee of the Fire and Police Pension Plan is partially appointed by the City and partially elected by Fire and Police employees.

Basis of Accounting

The accrual basis of accounting is used in the pension trust funds. The accrual basis of accounting recognizes revenues when earned. Expenses are recorded when incurred. Employer contributions to the plans are recognized when due and the City has made a formal commitment to provide the contribution. Plan members make no contributions to the plans. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Investment Values

Investments of the pension trust funds are reported at fair value, which is determined using selected bases. Short-term investments are reported at cost, which approximates market value. Securities traded on a national exchange are valued at last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value, and the carrying amount of cash deposits reasonably estimates fair value.

NOTE 10. PENSION PLAN (CONTINUED)

CITY OF MACON, GEORGIA
PENSION TRUST FUNDS

COMBINING STATEMENT OF FIDUCIARY NET ASSETS
JUNE 30, 2012

ASSETS	Fire and Police Pension Fund	General Employees' Pension Fund	Total
Cash	$ 16,669,256	$ 2,380,456	$ 19,049,712
Investments:			
Common stock	-	16,304,352	16,304,352
Government funds	20,496,683	-	20,496,683
Corporate bonds	13,781,399	-	13,781,399
Asset-backed securities	10,054,864	-	10,054,864
Mutual funds	112,916,783	43,996,265	156,913,048
Collateralized mortgage obligations	5,791,747	-	5,791,747
Total investments	163,041,476	60,300,617	223,342,093
Receivables:			
Accrued interest and dividends	392,021	96,586	488,607
Accounts receivables for investment sales pending	1,232,174	-	1,232,174
Total receivables	1,624,195	96,586	1,720,781
Prepaid expenses	7,767	2,872	10,639
Notes receivable	-	623,273	623,273
Total assets	181,342,694	63,403,804	244,746,498
LIABILITIES			
Accounts payable	69,483	10,463	79,946
Settlements payable	3,716,638	-	3,716,638
Total current liabilities	3,786,121	10,463	3,796,584
NET ASSETS			
Net assets held in trust for pension benefits	$ 177,556,573	$ 63,393,341	$ 240,949,914

NOTE 10. PENSION PLAN (CONTINUED)

CITY OF MACON, GEORGIA
PENSION TRUST FUNDS

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
JUNE 30, 2012

	Fire and Police Pension Fund	General Employees' Pension Fund	Total
ADDITIONS			
Employer contributions	$ 4,059,025	$ 2,455,897	$ 6,514,922
Net depreciation in fair value of investments	(5,291,590)	(296,886)	(5,588,476)
Investment income	9,618,782	1,051,227	10,670,009
Less: investment expenses	(230,404)	(111,317)	(341,721)
Net investment income	4,096,788	643,024	4,739,812
Total additions	8,155,813	3,098,921	11,254,734
DEDUCTIONS			
Benefit payments	9,098,990	3,943,148	13,042,138
Administrative expenses	204,733	9,311	214,044
Total deductions	9,303,723	3,952,459	13,256,182
Net decrease in net assets held in trust for pension benefits	(1,147,910)	(853,538)	(2,001,448)
Net assets held in trust for pension benefits:			
Beginning of year	178,704,483	64,246,879	242,951,362
End of year	$ 177,556,573	$ 63,393,341	$ 240,949,914

NOTE 10. PENSION PLAN (CONTINUED)

Membership

	Fire & Police Employees' Pension	General Employees' Pension
Current active employees	679	485
Terminated plan members entitled to but not yet receiving benefits	200	258
Retirees and beneficiaries currently receiving benefits	421	386
	1,300	1,129

The City's actuarially determined contribution, pension cost and increase in net pension obligation (asset) for the year ended June 30, 2012 are as follows:

	Fire & Police Employees' Pension	General Employees' Pension
Annual required contribution	$ 3,958,138	$ 2,209,223
Interest on net pension obligation (asset)	(741,816)	(8,767)
Adjustments to annual required contribution	506,778	6,686
Annual pension cost	3,723,100	2,207,142
Employer contributions	4,059,025	2,455,897
Increase in net pension asset	(335,925)	(248,755)
Net pension obligation (asset), beginning of year	(9,272,696)	(109,589)
Net pension obligation (asset), end of year	$ (9,608,621)	$ (358,344)

The above net pension assets of $ 9,608,621 and $358,344 are reported within the other non-current assets line item on the Statement of Net Assets.

NOTE 10. PENSION PLAN (CONTINUED)

SCHEDULE OF PENSION COST AND CONTRIBUTIONS

Fiscal Year Ending	Annual Pension Cost (APC)	Employer Contributions	Percentage of APC Contributed	Net Pension Obligation (Asset)
Fire & Police Employees' Pension				
6/30/10	$ 3,675,206	$ 1,305,131	$ 36%	$ (6,717,023)
6/30/11	3,891,502	6,447,175	166%	(9,272,696)
6/30/12	3,723,100	4,059,025	109%	(9,608,621)
General Employees' Pension				
6/30/10	$ (2,934)	$ 433,384	$ N/A	$ (1,045,574)
6/30/11	2,211,302	1,275,317	97%	(109,589)
6/30/12	2,207,142	2,455,897	111%	(358,344)

The significant actuarial assumptions used in the current valuation are as follows:

Description	Fire & Police Employees' Pension	General Employees' Pension
Valuation date	July 1, 2011	July 1, 2012
Actuarial cost method	Aggregate cost	Aggregate cost
Amortization method	Level percent open	Level percent open
Remaining amortization period	30 years	30 years
Actuarial asset valuation method	Market value	Market value
Actuarial Assumptions		
Inflation rate	8.00% per year	8.00% per year
Rate of return on investments	8.00% per year	8.00% per year
Projected salary increases	4.00% per year	3.00% per year
Post-retirement benefit increases	1.50% per year	1.50% per year

NOTE 10. PENSION PLAN (CONTINUED)

As of the most recent valuation date, July 1, 2011, the funded status of the Fire and Police Pension Plan was follows:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded/ Surplus AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll	UAAL as a Percentage of Covered Payroll ((b-a)/c)
7/1/2011	$ 178,704,483	$ 179,536,938	$ 832,455	99.5 %	$ 26,690,076	3.1 %

As of the most recent valuation date, July 1, 2012, the funded status of the General Employees Pension Plan was as follows:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded/ Surplus AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll	UAAL as a Percentage of Covered Payroll ((b-a)/c)
7/1/2012	$ 66,155,121	$ 78,010,933	$ 11,855,812	84.8 %	$ 17,449,139	67.9 %

The required schedule of funding progress immediately following the notes to the financial statements presents multiyear trend information about whether the actuarial value of plan net assets is increasing or decreasing over time relative to the actuarial accrued liability. Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are made about the future. Actuarial calculations reflect long-term perspective. Calculations are based on the substantive plan in effect as of July 1, 2011 for the Fire and Police Pension Fund and July 1, 2012 for the General Employees Pension Fund.

Membership for the Fire and Police Pension Fund and the General Employees Pension Fund is based upon actuarial valuations performed July 1, 2011 and July 1, 2012, respectively. Funding policies, contribution methods, and benefit provisions are as follows:

NOTE 10. PENSION PLAN (CONTINUED)

	Fire & Police Employees' Pension	General Employees' Pension
Year established	1951	1969
Governing authority	City ordinance	City ordinance
Determination of:		
Contribution requirements		
Employer	Actuary	Actuary
Plan members	No contributions	No contributions
Funding of administrative costs	Investment earnings	Investment earnings
Period required to vest	15 years	15 years
Eligibility of distribution	Age 50 years with 25 year service; 26 years regardless of age, reduced; delayed retirement is available	Age 60; age 55, reduced
Provision for disability benefits	Yes	Yes
Provision for death benefits	Yes	Yes

Funding Policy

The City is required to contribute an actuarially determined amount annually to the Plans' trusts. A contribution amount is determined using actuarial methods and assumptions approved by the General Employees Pension Plan Board and the Pension Committee of the Fire and Police Pension Plan and intended to satisfy the minimum contribution requirements as set forth in controlling State of Georgia statutes. Plan participants are not required to contribute to the plan.

Reserves

There are no assets legally reserved for purposes other than the payment of plan member benefits for either plan. The plan held no individual investments (other than U.S. Government and U.S. Government guaranteed obligations) whose market value exceeds five percent or more of net assets available for benefits. There are no long-term contracts for contributions.

NOTE 10. PENSION PLAN (CONTINUED)

Due to the aggregate actuarial cost method not identifying or separately amortizing unfunded actuarial liabilities, information about funded status and funding progress is presented using the entry age actuarial cost method and the information presented is intended to serve as a surrogate for the funded status and funding progress of the plans.

Decription	Fire & Police Employees' Pension	General Employees' Pension
Current year changes in actuarial assumptions	None	None
Benefit provisions	None	None

NOTE 11. OTHER POST-EMPLOYMENT BENEFITS

In accordance with GASB 45 requirements, the City is required to attribute the cost of postretirement benefits to the time during which the employee is working for the employer. GASB 45 requires allocation of the costs of a postretirement benefit plan onto the years of active employment; it does not require the funding of such benefits. GASB 45 requirements have been implemented by the City for the year ended June 30, 2012. The City has elected not to establish a separate trust fund to account for other post-employment benefits, and has not funded the plan as of June 30, 2012.

The City provides postretirement health care benefits through its Other Postemployment Benefits (OPEB's) plan, as per the requirements of a resolution, for certain retirees under a single employer defined benefit plan. The provisions and obligations to contribute are established and may be amended by the Mayor and City Council. Police officers and firefighters are eligible for benefits if they retire from the City after at least 25 years of service and have attained the age of 45. All other employees must have attained age 55 and have at least five years of service to the City. After reaching Medicare eligibility (age 65), the City becomes secondary payer and the premium charged for retiree coverage is reduced. Currently, 666 former employees (retirees) are eligible for postretirement health care benefits.

NOTE 11. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Membership

The following schedule (derived from the most recent actuarial valuation report dated July 1, 2010) reflects membership for the postretirement benefit plan as of July 1, 2010.

Active members	1,115
Retired members	214
	1,329

Contributions

The City contributed $1,839,213 to the postretirement benefit plan in fiscal year 2012. The annual required contribution amount is determined using actuarial methods and assumptions approved by the Mayor and City Council. The Mayor and City Council established and may amend the funding policy for the postretirement benefit plan.

Annual required contribution	$ 3,841,100
Interest on net benefit obligation	915,492
Adjustments to annual required contribution	(909,301)
Annual benefit cost	3,847,291
Employer contributions	1,839,214
Increase in net benefit obligation	2,008,077
Net benefit obligation, beginning of year	26,156,906
Net benefit obligation, end of year	$ 28,164,983

The above net benefit obligation of $28,164,984 is reported as a separate line item within the liability section on the Statement of Net Assets.

Schedule of Employer Costs and Contributions

Fiscal Year Ending	Annual Required Contribution/ Annual OPEB Cost	Actual City Contribution	Percentage of AOC Contributed	Net OPEB Obligation
6/30/10	$ 15,482,151	$ 3,380,032	21.83 %	$ 24,000,306
6/30/11	3,751,271	1,594,671	42.51	26,156,906
6/30/12	3,847,291	1,839,214	47.81	28,164,983

NOTE 11. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

As of the most recent valuation date, July 1, 2010, the funded status of the postretirement benefit plan was as follows:

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded ctuarial Accrued Liability	Funded Ratio	Annual Covered Payroll	Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll
07/01/08	$ -	$ 173,529,118	$ 173,529,118	- %	$ 40,905,813	424.22 %
07/01/10	-	41,156,182	41,156,182	-	37,224,235	110.56

This schedule of funding progress presents multiyear trend information about whether the actuarial value of plan net assets is increasing or decreasing over time relative to the actuarial accrued liability. As provided under GASB Statement No. 45, the July 1, 2010 valuation date along with an annual rollover schedule for financial reporting purposes is used to determine the annual benefit cost for the fiscal year ended June 30, 2012, and full valuations are required to be performed and calculated biennially.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continued revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the plan in effect at July 1, 2010. The assumptions used in the July 1, 2010 actuarial valuation are as follows:

Cost Method	Entry Age Normal Cost Method
Actuarial Asset Valuation Method	N/A
Inflation Rate	3.00%
Assumed Rate of Return on:	
Investments	3.50%
Healthcare Cost Trend Rate	9.00%
Ultimate Healthcare Trend Rate	5.00%
Year of Ultimate Trend Rate	2023
Amortization Method	Closed amortization, level percent of payroll
Remaining Amortization Period	28 years

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

NOTE 12. RISK MANAGEMENT

The following schedule summarizes the claims liability for group health insurance and workers' compensation coverage:

Fiscal Year 2011	Beginning of year	Current year claims and changes in estimates	Claim payments	End of year
Workers' Compensation	$ 3,673,000	$ 1,656,114	$ 1,304,114	$ 4,025,000
Group Health	$ 755,776	$ 10,856,949	$ 10,962,725	$ 650,000

Fiscal year 2012	Beginning of year	Current year claims and changes in estimates	Claim payments	End of year
Workers' Compensation	$ 4,025,000	$ 2,690,770	$ 1,893,770	$ 4,822,000
Group Health	$ 650,000	$ 11,689,382	$ 11,319,382	$ 1,020,000

The City is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; natural disasters; injuries to employees; and losses resulting from providing accident and health benefits to employees, retirees, and their dependents.

The City purchases insurance from a private carrier for coverage of general liability, property, and casualty coverage. The private insurance covers claims arising from general liability, automobile liability, errors and omissions, law enforcement liability, and property risks. Additionally, the City purchases health insurance from a private carrier. No reduction in insurance coverage has occurred since the previous year, and no settlements in excess of coverage have been paid in the past three years.

The claims liability for workers' compensation in the amount of $4,822,000 as of June 30, 2012 represents a liability for claims for which management believes it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is estimable and considered to be probable.

Incurred-But-Not-Reported claims have been accrued as claims liabilities based primarily upon the fund’s third party administrator’s claims projections and are included in current year claims estimates.

NOTE 13. COMMITMENTS AND CONTINGENT LIABILITIES

Litigation

During the course of normal operations of the City, various claims and lawsuits arise. The City attorney reports numerous cases pending against the City. Based upon the facts of the cases and the damages claimed, management does not expect potential liabilities as of June 30, 2012 to impair the City's financial position.

Federal Grants

The City participates in a number of federally assisted grant programs, principal of which are Federal Emergency Management Agency Grants, Federal Aviation Administration Grants, Office of Justice Programs, Community Development Block Grants, Economic Development Administration Programs, and Workforce Investment Programs. These programs are subject to program compliance audits by the grantors or their representatives, and the audits of these programs include the year ended June 30, 2012.

Environmental Matters

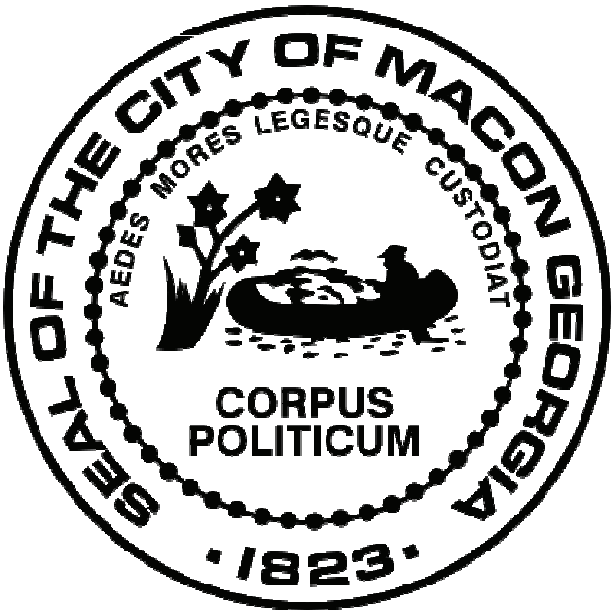
The State of Georgia's Environmental Protection Division (EPD) has notified the City of certain regulatory matters in regards to the Storm Water Management Program. The City is still in the process of implementing corrective actions to address the noncompliance matters. The EPD has required the City to install a methane gas collection system that meets federal standards, pursuant to a consent decree. A new Landfill Gas and Collection System at the Macon Swamp Road Landfill was completed in the fall of 2005 and is compliant with the Title V Permit.

Internal Revenue Service

In FY 2003, the City of Macon and the Macon-Bibb County Urban Development Authority issued $12,025,000 of revenue bonds to provide the funds needed to (i) finance all or a portion of the costs of the acquisition, construction and equipping of various redevelopment projects in the City's central business district and the development and revitalization of other City redevelopment areas (the Projects) and (ii) pay all or a portion of the costs of issuing the Bonds. The Internal Revenue Service has conducted an examination of compliance with tax-exempt regulations and bond requirements. The City has not been notified of the completion or outcome of this examination.

NOTE 14. SUBSEQUENT EVENT

On April 20, 2012, Act 625 was signed into law by the Governor of Georgia to create and incorporate a new consolidated government under the name of Macon-Bibb County, subject to the approval by the voters of both the City of Macon and Bibb County Georgia. The referendum was held on July 31, 2012, and the Act was approved by both the voters of the City of Macon and Bibb County. The consolidation will become effective January 14, 2014.



REQUIRED SUPPLEMENTARY INFORMATION

CITY OF MACON, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF FUNDING PROGRESS
JUNE 30, 2012

Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Value of Liabilities (B)	Unfunded / (Assets in Excess of) AAL (B) - (A)	Funded Ratio (A)/(B)	Covered Payroll (C)	Unfunded (Assets in Excess of) AAL as a Percentage of Covered Payroll Employees {(B) - (A)}/(C)
Fire and Police Pension Fund						
07/01/2003	$ 145,616,000	$ 113,479,000	$ (32,137,000)	128.3%	$ 21,782,000	-147.5%
07/01/2004	149,809,000	132,905,000	(16,904,000)	112.7%	18,979,000	-89.1%
07/01/2006	153,640,168	132,999,900	(20,640,268)	115.5%	21,511,696	-95.9%
07/01/2007	170,787,367	150,237,492	(20,549,875)	113.7%	22,163,518	-92.7%
07/01/2009	163,500,555	166,818,505	3,317,950	98.0%	23,756,321	14.0%
07/01/2011	178,704,483	179,536,938	832,455	99.5%	26,690,076	3.1%
General Employees Pension Fund						
07/01/2004	$ 63,465,000	$ 59,058,000	$ (4,407,000)	107.5%	$ 19,456,000	-22.7%
07/01/2006	66,818,961	59,033,041	(7,785,920)	113.2%	19,616,155	-39.7%
07/01/2008	71,138,626	63,182,135	(7,956,491)	112.6%	17,199,935	-46.3%
07/01/2010	66,314,901	70,630,093	4,315,192	93.9%	16,627,882	26.0%
07/01/2011	66,969,366	74,561,975	7,592,609	89.8%	16,585,756	45.8%
07/01/2012	66,155,121	78,010,933	11,855,812	84.8%	17,449,139	67.9%

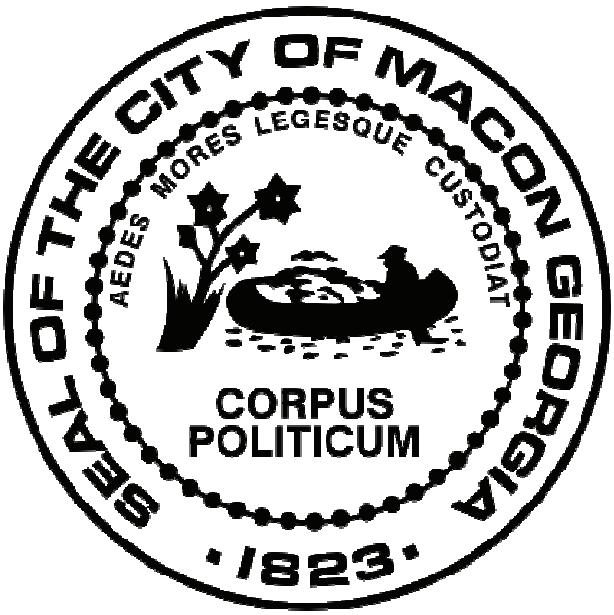
The assumptions used in the preparation of the above schedules are disclosed in Note 10 to the financial statements.

CITY OF MACON, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF EMPLOYER CONTRIBUTIONS
JUNE 30, 2012

Year Ended June 30,	Annual Required Contribution	Actual Contribution	Percentage Contributed
Fire and Police Pension Fund			
2007	$ 203,761	$ 1,683,419	826%
2008	1,253,988	1,383,568	110%
2009	1,311,772	1,363,666	104%
2010	3,905,539	1,305,131	33%
2011	4,061,761	6,447,175	159%
2012	3,958,138	4,059,025	103%
General Employees Pension Fund			
2007	$ 265,922	$ 260,600	98%
2008	278,340	283,492	102%
2009	-	407,947	100%
2010	-	433,384	100%
2011	2,214,834	1,275,317	58%
2012	2,209,223	2,455,897	111%

The assumptions used in the preparation of the above schedules are disclosed in Note 10 to the financial statements.



COMBINING STATEMENTS AND SCHEDULES

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 **Hotel/Motel Tax Fund** accounts for the Hotel/Motel accommodation excise tax receipts and distributions to tourism promoting organizations as required by agreements with these organizations.

The **Law Enforcement Confiscation Fund** accounts for amounts confiscated from criminal activity and their expenditures in compliance with State of Georgia and federal laws.

The **Law Enforcement Grant Fund** accounts for grant funds received for law enforcement programs. No annual budget is adopted for this fund due to the multi-year nature of the grant awards administered.

The **Housing and Urban Development (HUD) Grant Fund** accounts for the Community Development Block Grants or similar federal grants received by the City of Macon.

The **Home Investment Trust Fund** accounts for revenues and expenditures of the Home Investment Partnership grant programs.

The **Enhanced 911 Fund** is used to account for the operations and activities of the emergency telephone system.

The **Terminal Station Fund** accounts for amounts received for and expenditures incurred from the operation of the Macon Terminal Station.

The **General Grant Activity Fund** accounts for revenues and expenditures of grants received by the City for which there is no specific fund.

The **Workforce Development Fund** accounts for grant proceeds received and expended for WIA and WTW assistance programs.

The **Dannenburg Grant Fund** accounts for grant proceeds received and expended for renovation and restoration of the historic Dannenburg building.

CITY OF MACON, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS

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 **UDA Fund** is a capital projects fund used to account for revenues and expenditures of the Macon-Bibb County Urban Development Authority Revenue Bonds Series 2002 A&B. No annual budget is adopted for this fund.

The **Capital Improvements Fund** accounts for the purchase or construction of major capital facilities or equipment of the City. No annual budget is adopted for this fund.

The **1976 Street & Traffic Improvements Fund** accounts for the expenditure of the 1976 bond issue providing for the paving of all streets in the City of Macon.

The **Parks and Recreation Grants Fund** accounts for grants received by the City of Macon for the construction of recreation facilities.

The **2007 Hotel Bond Fund** accounts for the construction of a convention center and hotel for the City.

The **SPLOST Fund** is a capital projects fund which accounts for the accumulation of SPLOST proceeds for the payment of debt principal and interest on the Middle Georgia Coliseum Authority, Series 1996 and 2003 bonds, repayment of amounts associated with the 1990 and 1998 Georgia Municipal Association lease pools, retirement of debt principal and interest on the Macon General Obligation Bonds, Series 1976, and fund improvements to the storm water management system.

DEBT SERVICE FUND

The **Debt Service Fund** is used to account for currently due principal and interest on general obligation bonds, revenue bonds, and leases.

CITY OF MACON, GEORGIA

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2012

	Special Revenue Funds									
	Hotel / Motel Tax Fund	Law Enforcement Confiscation Fund	Law Enforcement Grant Fund	HUD Grant Fund	Home Investment Trust Fund	Enhanced 911 Fund	Terminal Station Fund	General Grant Activity Fund	Workforce Development Fund	Dannenburg Grant Fund
ASSETS										
Cash and cash equivalents	$ -	$ 513,458	$ -	$ 1,960,411	$ 538,745	$ 786,827	$ -	$ -	$ -	$ -
Investments	-	-	-	-	-	-	-	-	-	-
Taxes receivable	99,891	-	-	-	-	-	-	-	-	-
Accounts receivable	-	-	10	15,798	42,618	387,125	-	-	-	-
Due from other governments	-	-	483,116	132,879	29,623	-	-	64,711	165,651	145,000
Due from other funds	284,530	-	-	111,158	225,884	-	-	75,339	22,490	-
Prepaid expenditures	-	-	-	-	-	-	-	1,172	3,220	-
Restricted assets	-	-	-	-	-	-	-	-	-	-
Long-term receivable	-	-	-	706,527	1,941,709	-	-	-	-	-
Total assets	$ 384,421	$ 513,458	$ 483,126	$ 2,926,773	$ 2,778,579	$ 1,173,952	$ -	$ 141,222	$ 191,361	$ 145,000
LIABILITIES AND FUND BALANCES										
LIABILITIES										
Accounts payable	$ 228,284	$ 22,157	$ 94,664	$ 181,925	$ -	$ 24,767	$ -	$ 12,737	$ 78,639	$ 145,000
Accrued liabilities	-	-	10,534	19,834	-	40,670	-	3,126	24,170	-
Deferred revenues	-	246,212	140,485	716,534	2,020,751	-	-	90,926	9,348	-
Due to other funds	156,137	7,291	161,086	405,291	3,282	558,149	-	111,811	135,928	500
Total liabilities	384,421	275,660	406,769	1,323,584	2,024,033	623,586	-	218,600	248,085	145,500
FUND BALANCES (DEFICIT)										
Nonspendable:										
Prepaids	-	-	-	-	-	-	-	1,172	3,220	-
Long-term receivables	-	-	-	706,527	1,941,709	-	-	-	-	-
Restricted for:										
Capital projects	-	-	-	-	-	-	-	-	-	-
Federal and State grant programs	-	-	76,357	896,662	-		-	-	-	-
Law enforcement purposes	-	237,798		-	-	-	-	-	-	-
Public safety purposes	-	-	-	-	-	550,366	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	(1,187,163)	-	-	(78,550)	(59,944)	(500)
Total fund balances	-	237,798	76,357	1,603,189	754,546	550,366	-	(77,378)	(56,724)	(500)
Total liabilities and fund balances	$ 384,421	$ 513,458	$ 483,126	$ 2,926,773	$ 2,778,579	$ 1,173,952	$ -	$ 141,222	$ 191,361	$ 145,000

CITY OF MACON, GEORGIA

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS JUNE 30, 2012

	Capital Project Funds							
	UDA Fund	Capital Improvements Fund	1976 Street & Traffic Improvements Fund	Parks & Recreation Grants Fund	2007 Hotel Bond Fund	SPLOST Fund	Debt Service Fund	Totals
	$ -	$ -	$ -	$ -	$ -	$ 13,428	$ 82,206	$ 3,895,075
	-	-	-	-	-	3,475,483	-	3,475,483
	-	-	-	-	-	-		99,891
	-	-	-	-	-	-	-	445,551
	-	-	-	-	-	-	-	1,020,980
	-	6,953	-	-	-	275,769	-	1,002,123
	-	-	-	-	-	-	-	4,392
	546,805	-	-	-	-	-	-	546,805
	-	-	-	-	-	-	-	2,648,236
	$ 546,805	$ 6,953	$ -	$ -	$ -	$ 3,764,680	$ 82,206	$ 13,138,536
	$ -	$ 1,219,962	$ -	$ -	$ 9,087	$ -	$ 145	$ 2,017,367
	-	-	-	-	-	-	-	98,334
	-	-	-	17,800	-	-	-	3,242,056
	-	-	-	62,116	-	-	-	1,601,591
	-	1,219,962	-	79,916	9,087	-	145	6,959,348
	-	-	-	-	-	-	-	4,392
	-	-	-	-	-	-	-	2,648,236
	546,805	-	-	-	-	3,764,680	-	4,311,485
	-	-	-	-	-	-	-	973,019
	-	-	-	-	-	-	-	237,798
	-	-	-	-	-	-	-	550,366
	-	-	-	-	-	-	82,061	82,061
	-	(1,213,009)	-	(79,916)	(9,087)	-	-	(2,628,169)
	546,805	(1,213,009)	-	(79,916)	(9,087)	3,764,680	82,061	6,179,188
	$ 546,805	$ 6,953	$ -	$ -	$ -	$ 3,764,680	$ 82,206	$ 13,138,536

CITY OF MACON, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Special Revenue Funds									
	Hotel / Motel Tax Fund	Law Enforcement Confiscation Fund	Law Enforcement Grant Fund	HUD Grant Fund	Home Investment Trust Fund	Enhanced 911 Fund	Terminal Station Fund	General Grant Activity Fund	Workforce Development Fund	Dannenburg Grant Fund
Revenues:										
Other taxes	$ 885,490	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Charges for services	-	-	-	-	-	2,679,845	-	-	-	-
Intergovernmental	-	-	1,211,269	1,952,322	1,040,037	-	-	334,833	1,755,417	1,355,709
Interest revenue	-	-	-	-	2,694	-	-	-	-	
Other revenues	-	66,181	-	734,066	2,414	-	-	-	-	-
Total revenues	885,490	66,181	1,211,269	2,686,388	1,045,145	2,679,845	-	334,833	1,755,417	1,355,709
Expenditures:										
General government	-	-	-	-	-	-	-	20,199	-	-
Public safety	-	58,366	1,085,612	-	-	3,374,091	-	180,275	-	-
Culture and recreation	483,249	-	-	-	-	-	-	10,000	-	-
Housing and development	-	-	-	3,153,514	641,594	-	-	-	-	1,356,209
Health and welfare	-	-	-	-	-	-	-	-	1,760,648	-
Capital outlay	-	-	-	-	-	-	-	105,384	-	-
Debt service:										
Principal	-	-	-	-	-	171,718	-	-	-	-
Interest and other charges	-	-	-	-	-	6,536	-	-	-	-
Total expenditures	483,249	58,366	1,085,612	3,153,514	641,594	3,552,345	-	315,858	1,760,648	1,356,209
Excess (deficiency) of revenues over (under) expenditures	402,241	7,815	125,657	(467,126)	403,551	(872,500)	-	18,975	(5,231)	(500)
Other financing sources (uses)										
Transfers in	-	-	-	1,584,641	420,589	-	-	-	-	-
Transfers out	(402,241)	-	-	(746,266)	-	(220,751)	(97,084)	-	-	-
Capital lease	-	-	-	-	-	848,817	-	-	-	-
Total other financing sources (uses)	(402,241)	-	-	838,375	420,589	628,066	(97,084)	-	-	-
Net change in fund balances	-	7,815	125,657	371,249	824,140	(244,434)	(97,084)	18,975	(5,231)	(500)
Fund balances (deficit), beginning of year	-	229,983	(49,300)	1,231,940	(69,594)	794,800	97,084	(96,353)	(51,493)	-
Fund balances (deficit), end of year	$ -	$ 237,798	$ 76,357	$ 1,603,189	$ 754,546	$ 550,366	$ -	$ (77,378)	$ (56,724)	$ (500)

CITY OF MACON, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Capital Project Funds							
UDA Fund	Capital Improvements Fund	1976 Street & Traffic Improvements Fund	Parks & Recreation Grants Fund	2007 Hotel Bond Fund	SPLOST Fund	Debt Service Fund	Totals
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 885,490
-	-	-	-	-	-	-	2,679,845
-	-	-	100,369	-	24,223	-	7,774,179
-	-	-	-	26	322,618	-	325,338
-	-	-	-	-	-	-	802,661
-	-	-	100,369	26	346,841	-	12,467,513
-	-	-	-	-	-	-	20,199
-	-	-	-	-	-	-	4,698,344
-	-	-	34,131	-	-	-	527,380
-	-	-	-	-	-	-	5,151,317
-	-	-	-	-	-	-	1,760,648
135,310	3,684,486	-	-	-	1,309,190	-	5,234,370
510,000	-	-	-	320,000	294,798	-	1,296,516
524,788	-	-	-	463,491	396,708	-	1,391,523
1,170,098	3,684,486	-	34,131	783,491	2,000,696	-	20,080,297
(1,170,098)	(3,684,486)	-	66,238	(783,465)	(1,653,855)	-	(7,612,784)
1,033,694	1,650,449	-	-	587,890	1,259,434	-	6,536,697
-	(302,893)	(51,258)	-	-	(2,100,267)	-	(3,920,760)
-	1,124,133	-	-	-	-	-	1,972,950
1,033,694	2,471,689	(51,258)	-	587,890	(840,833)	-	4,588,887
(136,404)	(1,212,797)	(51,258)	66,238	(195,575)	(2,494,688)	-	(3,023,897)
683,209	(212)	51,258	(146,154)	186,488	6,259,368	82,061	9,203,085
$ 546,805	$ (1,213,009)	$ -	$ (79,916)	$ (9,087)	$ 3,764,680	$ 82,061	$ 6,179,188

CITY OF MACON, GEORGIA
HOTEL/MOTEL TAX FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2012

	Final Budgeted Amounts	Actual	Variance
REVENUES			
Other taxes - Hotel/Motel taxes	$ 750,000	$ 885,490	$ 135,490
EXPENDITURES			
Culture and recreation	409,275	483,249	(73,974)
Total expenditures	409,275	483,249	(73,974)
Excess of revenues over expenditures	340,725	402,241	61,516
Other financing uses			
Transfers out	(340,725)	(402,241)	(61,516)
Total other financing uses	(340,725)	(402,241)	(61,516)
Net change in fund balance	-	-	-
FUND BALANCES, beginning of year	-	-	-
FUND BALANCES, end of year	$ -	$ -	$ -

CITY OF MACON, GEORGIA
LAW ENFORCEMENT CONFISCATION FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2012

	Final Budgeted Amounts	Actual	Variance
REVENUES			
Other revenue - Federal/state cases	$ 60,000	$ 66,181	$ 6,181
Total revenues	60,000	66,181	6,181
EXPENDITURES			
Public safety	170,000	58,366	111,634
Total expenditures	170,000	58,366	111,634
Excess (deficiency) of revenues over (under) expenditures	(110,000)	7,815	117,815
FUND BALANCES, beginning of year	229,983	229,983	-
FUND BALANCES, end of year	$ 119,983	$ 237,798	$ 117,815

CITY OF MACON, GEORGIA
LAW ENFORCEMENT GRANT FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2012

	Final Budgeted Amounts	Actual	Variance
REVENUES			
Intergovernmental	$ 1,085,991	$ 1,211,269	$ 125,278
Total revenues	1,085,991	1,211,269	125,278
EXPENDITURES			
Public safety	1,085,991	1,085,612	379
Total expenditures	1,085,991	1,085,612	379
Excess of revenues over expenditures	-	125,657	125,657
Net change in fund balance	-	125,657	125,657
FUND DEFICIT, beginning of year	(49,300)	(49,300)	-
FUND BALANCE (DEFICIT), end of year	$ (49,300)	$ 76,357	$ 125,657

CITY OF MACON, GEORGIA
HOUSING AND URBAN DEVELOPMENT (HUD) GRANT FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012

	Final Budgeted Amounts	Actual	Variance
REVENUES			
Intergovernmental	$ 4,417,618	$ 1,952,322	$ (2,465,296)
Other revenue	733,638	734,066	428
Total revenues	5,151,256	2,686,388	(2,464,868)
EXPENDITURES			
Housing and development	5,247,922	3,153,514	2,094,408
Total expenditures	5,247,922	3,153,514	2,094,408
Excess (deficiency) of revenues over (under) expenditures	(96,666)	(467,126)	(370,460)
Other financing sources			
Transfers in	-	1,584,641	1,584,641
Transfers out	(746,266)	(746,266)	-
Total other financing sources	(746,266)	838,375	1,584,641
Net change in fund balance	(842,932)	371,249	1,214,181
FUND BALANCES, beginning of year	1,231,940	1,231,940	-
FUND BALANCES (DEFICIT), end of year	$ 389,008	$ 1,603,189	$ 1,214,181

CITY OF MACON, GEORGIA
HOME INVESTMENT TRUST FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2012

	Final Budgeted Amounts	Actual	Variance
REVENUES			
Intergovernmental	$ 1,083,858	$ 1,040,037	$ (43,821)
Interest revenue	2,700	2,694	(6)
Other revenue	2,500	2,414	(86)
Total revenues	1,089,058	1,045,145	(43,913)
EXPENDITURES			
Housing and development	1,232,658	641,594	591,064
Total expenditures	1,232,658	641,594	591,064
Excess (deficiency) of revenues over (under) expenditures	(143,600)	403,551	547,151
Other financing sources			
Transfers in	143,600	420,589	276,989
Total other financing sources	143,600	420,589	276,989
Net change in fund balance	-	824,140	824,140
FUND BALANCES (DEFICIT), beginning of year	(69,594)	(69,594)	-
FUND BALANCES (DEFICIT), end of year	$ (69,594)	$ 754,546	$ 824,140

CITY OF MACON, GEORGIA
ENHANCED 911 FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012

	Final Budgeted Amounts	Actual	Variance
REVENUES			
Charges for services	$ 3,600,000	$ 2,679,845	$ (920,155)
Interest	1,200	-	(1,200)
Total revenues	3,601,200	2,679,845	(921,355)
EXPENDITURES			
Public safety	4,240,036	3,374,091	865,945
Debt service:			
Principal	-	171,718	(171,718)
Interest	-	6,536	(6,536)
Total expenditures	4,240,036	3,552,345	687,691
Deficiency of revenues over expenditures	(638,836)	(872,500)	(233,664)
Other financing sources (uses)			
Transfers in	1,045,696	-	1,045,696
Transfers out	(278,752)	(220,751)	(58,001)
Capital lease	-	848,817	(848,817)
Total other financing sources (uses)	766,944	628,066	138,878
Net change in fund balance	128,108	(244,434)	372,542
FUND BALANCES, beginning of year	794,800	794,800	-
FUND BALANCES, end of year	$ 922,908	$ 550,366	$ 372,542

CITY OF MACON, GEORGIA
TERMINAL STATION FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012

	Budgeted Amounts	Actual	Variance
OTHER FINANCING USES			
Transfers out	-	(97,084)	(97,084)
Total other financing uses	-	(97,084)	(97,084)
Net change in fund balance	-	(97,084)	(97,084)
FUND BALANCES, beginning of year	97,084	97,084	-
FUND BALANCES, end of year	$ 97,084	$ -	$ (97,084)

CITY OF MACON, GEORGIA
GENERAL GRANT ACTIVITY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012

	Final Budgeted Amounts	Actual	Variance
REVENUES			
Intergovernmental	$ 636,093	$ 334,833	$ (301,260)
Total revenues	636,093	334,833	(301,260)
EXPENDITURES			
General government	125,583	20,199	105,384
Public safety	500,510	180,275	320,235
Culture and recreation	10,000	10,000	-
Capital outlay	-	105,384	(105,384)
Total expenditures	636,093	315,858	320,235
Excess of revenues over expenditures	-	18,975	18,975
FUND DEFICIT, beginning of year	(96,353)	(96,353)	-
FUND DEFICIT, end of year	$ (96,353)	$ (77,378)	$ 18,975

CITY OF MACON, GEORGIA
WORKFORCE DEVELOPMENT FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2012

	Final Budgeted Amounts	Actual	Variance
REVENUES			
Intergovernmental	$ 1,758,760	$ 1,755,417	$ (3,343)
Total revenues	1,758,760	1,755,417	(3,343)
EXPENDITURES			
Health and welfare	1,758,760	1,760,648	(1,888)
Total expenditures	1,758,760	1,760,648	(1,888)
Deficiency of revenues under expenditures	-	(5,231)	(5,231)
FUND DEFICIT, beginning of year	(51,493)	(51,493)	-
FUND DEFICIT, end of year	$ (51,493)	$ (56,724)	$ (5,231)

CITY OF MACON, GEORGIA
DANNENBURG GRANT FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2012

	Final Budgeted Amounts	Actual	Variance
REVENUES			
Intergovernmental	$ 1,211,209	$ 1,355,709	$ 144,500
Total revenues	1,211,209	1,355,709	144,500
EXPENDITURES			
Housing and development	1,211,209	1,356,209	(145,000)
Total expenditures	1,211,209	1,356,209	(145,000)
Net change in fund balance	-	(500)	(500)
FUND BALANCES, beginning of year	-	-	-
FUND DEFICIT, end of year	$ -	$ (500)	$ (500)

CITY OF MACON, GEORGIA
DEBT SERVICE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012

	Final Budgeted Amounts	Actual	Variance
REVENUES			
Property taxes	$ -	$ -	$ -
Total revenues	-	-	-
EXPENDITURES			
Debt service	-	-	-
Total expenditures	-	-	-
Excess of revenues over expenditures	-	-	-
Other financing uses			
Transfers out	-	-	-
Total other financing uses	-	-	-
Net change in fund balance	-	-	-
FUND BALANCES, beginning of year	82,061	82,061	-
FUND BALANCES, end of year	$ 82,061	$ 82,061	$ -

The accompanying notes are an integral part of these financial statements.

CITY OF MACON, GEORGIA
NONMAJOR ENTERPRISE FUNDS

Operations of enterprise funds are designed to be self-supporting.

The **Coliseum & Auditorium Fund** accounts for revenues and expenses relating to the operations of the Coliseum and Auditorium. All activities necessary for operation are accounted for in this fund.

The **Bowden Golf Course Fund** accounts for revenues and expenses relating to the operations of the Bowden Golf Course. All activities necessary for operation are accounted for in this fund.

The **Mulberry Street Parking Garage Fund** is used to account for the activities of the downtown parking garage.

CITY OF MACON, GEORGIA

COMBINING BALANCE SHEET - NONMAJOR ENTERPRISE FUNDS JUNE 30, 2012

	Coliseum & Auditorium Fund	Bowden Golf Course Fund	Mulberry Street Parking Garage Fund	Totals
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	$ -	$ 5,152	$ -	$ 5,152
Accounts receivable, net of allowances	-	4,077	7,681	11,758
Due from other funds	485,590	-	-	485,590
Total current assets	485,590	9,229	7,681	502,500
NONCURRENT ASSETS				
Capital assets:				
Nondepreciable	72,260	773,621	-	845,881
Depreciable, net of accumulated depreciation	2,558,082	113,371	-	2,671,453
Total noncurrent assets	2,630,342	886,992	-	3,517,334
Total assets	3,115,932	896,221	7,681	4,019,834
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable	1,932	10,029	4,772	16,733
Accrued liabilities	-	10,291	-	10,291
Compensated absences, current portion	-	16,693	-	16,693
Capital lease payable, current portion	-	56,223	-	56,223
Due to other funds	6,953	5,260	-	12,213
Total current liabilities	8,885	98,496	4,772	112,153
NONCURRENT LIABILITIES				
Capital lease payable, net of current portion	-	59,411	-	59,411
Net other post employment benefits (OPEB) Obligation	-	155,544	-	155,544
Total long-term liabilities	-	214,955	-	214,955
Total liabilities	8,885	313,451	4,772	327,108
NET ASSETS				
Invested in capital assets, net of related debt	2,630,342	771,358	-	3,401,700
Unrestricted	476,705	(188,588)	2,909	291,026
Total net assets	$ 3,107,047	$ 582,770	$ 2,909	$ 3,692,726

CITY OF MACON, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS - NONMAJOR ENTERPRISE FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Coliseum & Auditorium Fund	Bowden Golf Course Fund	Mulberry Street Parking Garage Fund	Totals
OPERATING REVENUES				
Charges for services	$ -	$ 130,549	$ -	$ 130,549
Rentals, admissions and concessions	-	151,741	-	151,741
Miscellaneous	-	614	-	614
Total operating revenues	-	282,904	-	282,904
OPERATING EXPENSES				
Salaries and benefits	-	335,075	-	335,075
Utilities	-	74,755	-	74,755
Supplies and materials	-	51,881	-	51,881
Repairs, maintenance and other contractual services	-	23,275	-	23,275
Miscellaneous	-	23,900	-	23,900
Management fee	1,147,407	-	-	1,147,407
Depreciation	108,497	61,430	-	169,927
Total operating expenses	1,255,904	570,316	-	1,826,220
Operating loss	(1,255,904)	(287,412)	-	(1,543,316)
NONOPERATING EXPENSES				
Interest expense	-	(6,437)	-	(6,437)
Total nonoperating expenses	-	(6,437)	-	(6,437)
Loss before transfers and capital contributions	(1,255,904)	(293,849)	-	(1,549,753)
CAPITAL CONTRIBUTIONS	40,603	-	-	40,603
TRANSFERS				
Transfers in	1,477,492	305,446	2,909	1,785,847
Total transfers	1,477,492	305,446	2,909	1,785,847
Change in net assets	262,191	11,597	2,909	276,697
NET ASSETS, beginning of year	2,844,856	571,173	-	3,416,029
NET ASSETS, end of year	$ 3,107,047	$ 582,770	$ 2,909	$ 3,692,726

CITY OF MACON, GEORGIA

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Coliseum & Auditorium Fund	Bowden Golf Course Fund	Mulberry Street Parking Garage Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	$ -	$ 280,663	$ -	$ 280,663
Payments to suppliers	(1,470,110)	(179,140)	(2,909)	(1,652,159)
Payments to employees	-	(321,703)	-	(321,703)
Net cash used in operating activities	(1,470,110)	(220,180)	(2,909)	(1,693,199)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers in	1,477,492	305,446	2,909	1,785,847
Net cash provided by noncapital financing activities	1,477,492	305,446	2,909	1,782,938
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	(47,985)	(24,490)	-	(72,475)
Principal paid on notes payable and capital leases	-	(54,425)	-	(54,425)
Interest paid	-	(6,437)	-	(6,437)
Net cash used in capital and related financing activities	(47,985)	(85,352)	-	(133,337)
Net change in cash and cash equivalents	(40,603)	(86)	-	(40,689)
Cash and cash equivalents:				
Beginning of year	-	5,238	-	5,238
End of year	$ (40,603)	$ 5,152	$ -	$ (35,451)
Classified as:				
Cash and cash equivalents	$ (40,603)	$ 5,152	$ -	$ (35,451)
Reconciliation of operating loss to net cash used in operating activities:				
Operating loss	$ (1,255,904)	$ (287,412)	$ -	$ (1,543,316)
Adjustments to reconcile operating loss to net cash used in operating activities:				
Depreciation	108,497	61,430	-	169,927
Changes in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	(1,653)	(7,681)	(9,334)
Due from other funds	(327,717)	-	-	(327,717)
Increase (decrease) in:				
OPEB obligation	-	11,227	-	11,227
Accounts payable	-	(4,542)	4,772	230
Accrued liabilities	-	(6,047)	-	(6,047)
Compensated absences payable	-	2,145	-	2,145
Deferred revenues	-	(588)		(588)
Due to other funds	5,014	5,260	-	10,274
Net cash used in operating activities	$ (1,470,110)	$ (220,180)	$ (2,909)	$ (1,693,199)

CITY OF MACON, GEORGIA
INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other governmental units, on a cost reimbursement basis.

The **Vehicle Maintenance Fund** accounts for servicing of certain personal property of the City of Macon primarily related to transportation equipment.

The **Group Insurance Fund** accounts for the healthcare services provided by the City of Macon to employees of the City of Macon and their respective dependents as applicable.

The **IT Communication Fund** accounts for all IT costs to include radio, telephones, computers, towers and networks, etc.

CITY OF MACON, GEORGIA
INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF NET ASSETS
JUNE 30, 2012

ASSETS	Vehicle Maintenance Fund	Group Insurance Fund	IT Communication Fund	Total
CURRENT ASSETS				
Cash and cash equivalents	$ 64,620	$ 142,047	$ -	$ 206,667
Accounts receivable	1,061	101,354	-	102,415
Due from other funds	513,043	1,236,261	-	1,749,304
Inventory	15,459	-	-	15,459
Total current assets	594,183	1,479,662	-	2,073,845
NONCURRENT ASSETS				
Capital assets:				
Nondepreciable	80,132	-	-	80,132
Depreciable, net of accumulated depreciation	24,607	-	-	24,607
Total noncurrent assets	104,739	-	-	104,739
Total assets	$ 698,922	$ 1,479,662	$ -	$ 2,178,584
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Accounts payable	$ 329,963	$ 740	$ 3,500	$ 334,203
Accrued liabilities	18,195	1,020,000	-	1,038,195
Compensated absences	40,553	-	-	40,553
Total current liabilities	388,711	1,020,740	3,500	1,412,951
NONCURRENT LIABILITIES				
Net other post employment benefits (OPEB) obligation	380,495	-	-	380,495
Total noncurrent liabilities	380,495	-	-	380,495
Total liabilities	769,206	1,020,740	3,500	1,793,446
NET ASSETS (DEFICIT)				
Invested in capital assets	104,739	-	-	104,739
Unrestricted	(175,023)	458,922	(3,500)	280,399
Total net deficit	(70,284)	458,922	(3,500)	385,138
Total liabilities and net assets	$ 698,922	$ 1,479,662	$ -	$ 2,178,584

CITY OF MACON, GEORGIA
INTERNAL SERVICE FUNDS

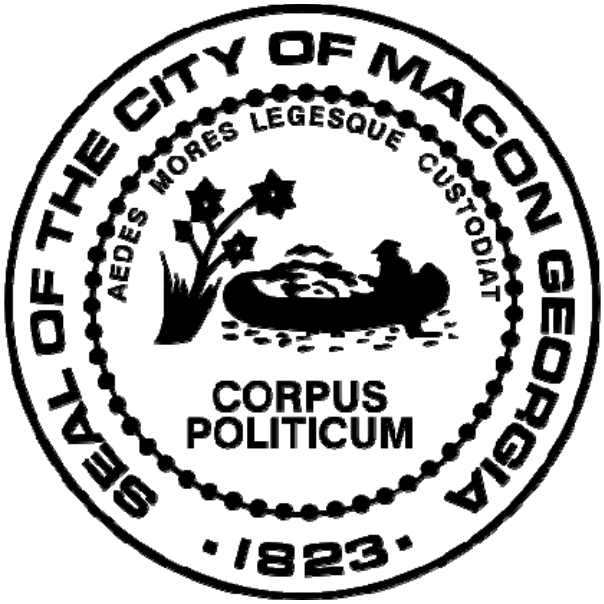
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2012

	Vehicle Maintenance Fund	Group Insurance Fund	IT Communication Fund	Total
OPERATING REVENUES				
Charges for services	$ 1,990,662	$ 12,148,304	$ -	$ 16,188,591
Total operating revenues	1,990,662	12,148,304	-	16,188,591
OPERATING EXPENSES				
Salaries and benefits	1,051,603	-	-	1,162,028
Supplies and materials	558	-	-	558
Repairs and maintenance	879,501	-	-	879,501
Miscellaneous	80,056	-	-	1,973,244
Claims expense	-	11,689,382	-	11,735,394
Depreciation	11,374	-	-	11,374
Total operating expenses	2,023,092	11,689,382	-	15,762,099
Operating income (loss)	(32,430)	458,922	-	426,492
Transfers out	-	-	(3,500)	(3,500)
	-	-	(3,500)	(3,500)
Change in net assets	(32,430)	458,922	(3,500)	422,992
TOTAL NET DEFICIT, beginning of year	(37,854)	-	-	(37,854)
TOTAL NET ASSETS (DEFICIT), end of year	$ (70,284)	$ 458,922	$ (3,500)	$ 385,138

CITY OF MACON, GEORGIA
INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2012

	Vehicle Maintenance Fund	Group Insurance Fund	IT Communication Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from interfund services provided	$ 2,122,865	$ 11,461,419	$ -	$ 15,633,909
Payments to suppliers	(1,024,883)	(11,319,372)	3,500	(14,279,955)
Payments to employees	(1,026,467)	-	-	(1,136,892)
Net cash provided by operating activities	71,515	142,047	3,500	217,062
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers out	-	-	(3,500)	(3,500)
Net cash used in noncapital financing activities	-	-	(3,500)	(3,500)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	(6,895)	-	-	(6,895)
Net cash used in capital and related financing activities	(6,895)	-	-	(6,895)
Net change in cash and cash equivalents	64,620	142,047	-	206,667
Cash and cash equivalents, beginning of year	-	-	-	-
Cash and cash equivalents, end of year	$ 64,620	$ 142,047	$ -	$ 206,667
Reconciliation of operating income to net cash provided by (used in) operating activities:				
Operating income	$ (32,430)	$ 458,922	-	$ 426,492
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:				
Depreciation	11,374	-	-	11,374
Change in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	(1,061)	568,392	-	567,331
Due from other funds	133,264	(1,236,261)	-	(1,102,997)
Inventory	4,709	-	-	4,709
Increase (decrease) in:				
OPEB obligation	27,266	-	-	27,266
Accounts payable	(43,519)	10	3,500	(40,009)
Accrued liabilities	(25,958)	370,000	-	344,042
Compensated absences	(2,130)	-	-	(2,130)
Due to other funds	-	(19,016)	-	(19,016)
Net cash provided by operating activities	$ 71,515	$ 142,047	$ 3,500	$ 217,062



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CITY OF MACON, GEORGIA
PENSION TRUST FUNDS

Pension trust funds are used to account for the providing of retirement benefits to eligible employees and retired personnel of the City of Macon. Two separate funds exist to account for these beneficiaries.

The **Fire and Police Pension Fund** accounts for the pension plan assets, liabilities, additions and deductions relative to eligible employees and retired personnel of the City of Macon serving in the public safety functions of fire and police.

The **General Employees' Pension Fund** accounts for the pension plan assets, liabilities, additions and deductions relative to eligible employees and retired personnel of the City of Macon serving outside of the public safety functions of fire and police.

CITY OF MACON, GEORGIA
PENSION TRUST FUNDS

COMBINING STATEMENT OF FIDUCIARY NET ASSETS
JUNE 30, 2012

ASSETS	Fire and Police Pension Fund	General Employees' Pension Fund	Total
Cash	$ 16,669,256	$ 2,380,456	$ 19,049,712
Investments:			
Common stock	-	16,304,352	16,304,352.00
Governmental funds	20,496,683	-	20,496,683
Corporate bonds	13,781,399	-	13,781,399
Asset-backed securities	10,054,864	-	10,054,864
Mutual funds	112,916,783	43,996,265	156,913,048
Collateralized mortgage obligations	5,791,747	-	5,791,747
Total investments	163,041,476	60,300,617	223,342,093
Receivables:			
Accrued interest and dividends	392,021	96,586	488,607
Accounts receivables for investment sales pending	1,232,174	-	1,232,174
Total receivables	1,624,195	96,586	1,720,781
Prepaid expenses	7,767	2,872	10,639
Notes receivable	-	623,273	623,273
Total assets	181,342,694	63,403,804	244,746,498
LIABILITIES			
Accounts payable	69,483	10,463	79,946
Settlements payable	3,716,638	-	3,716,638
Total current liabilities	3,786,121	10,463	3,796,584
NET ASSETS			
Net assets held in trust for pension benefits	$ 177,556,573	$ 63,393,341	$ 240,949,914

CITY OF MACON, GEORGIA
PENSION TRUST FUNDS

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
JUNE 30, 2012

ADDITIONS	Fire and Police Pension Fund	General Employees' Pension Fund	Total
Employer contributions	$ 4,059,025	$ 2,455,897	$ 6,514,922
Net depreciation in fair value of investments	(5,291,590)	(296,886)	(5,588,476)
Investment income	9,618,782	1,051,227	10,670,009
Less: investment expenses	(230,404)	(111,317)	(341,721)
Net investment income	4,096,788	643,024	4,739,812
Total additions	8,155,813	3,098,921	11,254,734
DEDUCTIONS			
Benefit payments	9,098,990	3,943,148	13,042,138
Administrative expenses	204,733	9,311	214,044
Total deductions	9,303,723	3,952,459	13,256,182
Net decrease in net assets held in trust for pension benefits	(1,147,910)	(853,538)	(2,001,448)
Net assets held in trust for pension benefits:			
Beginning of year	178,704,483	64,246,879	242,951,362
End of year	$ 177,556,573	$ 63,393,341	$ 240,949,914

CITY OF MACON, GEORGIA

SCHEDULE OF EXPENDITURES OF
2005 SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
FOR THE YEAR ENDED JUNE 30, 2012

Project Description	Original Estimated Cost	Expenditures		
		Prior Years	Current Year	Total
Repay lease obligations of Middle Georgia Coliseum Authority, Series 1996 and 2003	$ 16,036,250	$ 15,998,993	$ -	$ 15,998,993
Repay amounts associated with 1990 and 1998 Georgia Municipal Association lease pools	5,750,000	11,776,244	691,506	12,467,750
Retirement of all outstanding City of Macon General Obligation Bonds, Series 1976	1,815,000	1,807,260	-	1,807,260
Improvements to storm water management system	5,150,000	3,840,813	1,309,190	5,150,003
	$ 28,751,250	$ 33,423,310	$ 2,000,696	$ 35,424,006

Note: Transfers totaling $2,001,267 out of the SPLOST Fund for fiscal year ending June 30, 2012 are not included on the above schedule. Transfers are associated with transactions involving the drawdown of funds from the 1998 GMA lease pool investment account.

CITY OF MACON, GEORGIA

SCHEDULE OF EXPENDITURES OF
2012 SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
FOR THE YEAR ENDED JUNE 30, 2012

Project Description	Original Estimated Cost	Expenditures		
		Prior Years	Current Year	Total
Second Street Downtown Corridor revitalization	$ 8,000,000	$ -	$ 139,500	$ 139,500
Improvements to emergency communication system	8,000,000	-	-	-
Improvements to storm water management system	7,000,000	-	109,662	109,662
Improvements to the Macon Centreplex, including Macon Coliseum and Macon City Auditorium	5,000,000	-	120,872	120,872
Resurfacing and repairing of streets	5,000,000	-	-	-
Improvements to cultural and recreational facilities, including Fort Hawkins, Rose Hill Cemetery, Bowden Golf Course, and Harriet Tubman Museum	6,150,000	-	2,500,000	2,500,000
Acquisition and equipping of police cars and public safety vehicles and equipment	12,500,000	-	233,491	233,491
	$ 51,650,000	$ -	$ 3,103,525	$ 3,103,525

Note: Transfers totaling $1,259,434 out of the SPLOST 2012 Fund for fiscal year ending June 30, 2012 are not included on the above schedu
The transfer was to the SPLOST Fund for 1998 GMA debt payment. In addition, $322,758 was expended for debt service on the Series 2012 General Obligation SPLOST Bonds.

CITY OF MACON, GEORGIA
STATISTICAL SECTION

This part of the City of Macon's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents **Page**

Financial Trends ..... **114 - 125**

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity ..... **126 - 130**

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.

Debt Capacity ..... **131 - 136**

These schedules contain information to help the reader assess the affordability of the County's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information ..... **137 and 138**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information ..... **139 - 141**

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the government provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

CITY OF MACON, GEORGIA
NET ASSETS BY COMPONENT

LAST NINE FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year				
	2004	2005	2006	2007	2008
Governmental Activities:					
Invested in capital assets, net of related debt	$ 6,651,701	$ 8,981,061	$ 35,843,204	$ 48,906,444 1)	$ 55,645,738
Restricted	11,640,163	14,573,906	8,526,892	13,964,766	20,763,734
Unrestricted	(17,564,288)	(12,307,939)	(10,990,694)	(5,305,618)	(6,740,538)
Total governmental activities net assets	727,576	11,247,028	$ 33,379,402	$ 57,565,592	$ 69,668,934
Restatements	8,341,497	10,309,774			
Restated total governmental activities net assets	$ 9,069,073	$ 21,556,802			
Business-Type Activities:					
Invested in capital assets, net of related debt	$ 8,819,274	$ 11,918,573	$ 15,165,976	$ 17,521,276	$ 17,413,707
Restricted	7,182,641	6,477,336	6,785,849	6,184,647	4,493,474
Unrestricted	(3,058,652)	(3,781,814)	(1,814,130)	(3,085,068)	(2,775,872)
Total business-type activities net assets	12,943,263	14,614,095	$ 20,137,695	$ 20,620,855	$ 19,131,309
Restatements	203,616	2,669,202			
Restated total business-type activities net assets	$ 13,146,879	$ 17,283,297			
Primary government:					
Invested in capital assets, net of related debt	$ 15,470,975	$ 20,899,634	$ 37,596,207	$ 53,642,222	$ 62,024,320
Restricted	18,822,804	21,051,242	15,312,741	20,149,413	25,257,208
Unrestricted	(20,622,940)	(16,089,753)	608,149	4,394,812	1,518,715
Total primary government net assets	13,670,839	25,861,123	$ 53,517,097	$ 78,186,447	$ 88,800,243
Restatements	8,545,113	12,978,976			
Restated total primary government net assets	$ 22,215,952	$ 38,840,099			

1) The City has retroactively reported major general infrastructure assets as allowed by provisions of GASB Statement No. 34 in fiscal year 2007.

2) As of September 2009, the Centreplex/Coliseum (business-type activity) was managed by Noble Investment Group.

CITY OF MACON, GEORGIA

NET ASSETS BY COMPONENT
LAST NINE FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year			
	2009	2010	2011	2012
Governmental Activities:				
Invested in capital assets, net of related debt	$ 50,934,848	$ 56,441,093	$ 62,108,672	$ 60,309,919
Restricted	16,563,785	13,187,186	13,356,863	6,353,359
Unrestricted	(9,940,249)	(24,221,495)	(28,811,727)	(22,100,199)
Total governmental activities net assets	$ 57,558,384	$ 45,406,784	$ 46,653,808	$ 44,563,079
Restatements				
Restated total governmental activities net assets				
Business-Type Activities:				
Invested in capital assets, net of related debt	$ 18,014,064	$ 18,938,992 2	$ 21,772,163	$ 21,610,324
Restricted		- 2	-	
Unrestricted	(350,426)	743,537 2	892,535	(3,067,589)
Total business-type activities net assets	$ 17,663,638	$ 19,682,529	$ 22,664,698	$ 18,542,735
Restatements				
Restated total business-type activities net assets				
Primary government:				
Invested in capital assets, net of related debt	$ 69,087,329	$ 100,030,671	$ 107,221,666	$ 68,575,719
Restricted	16,563,785	13,187,186	13,356,863	6,353,359
Unrestricted	(10,429,092)	(48,128,544)	(51,260,023)	(11,823,264)
Total primary government net assets	$ 75,222,022	$ 65,089,313	$ 69,318,506	$ 63,105,814
Restatements				
Restated total primary government net assets				

1) The City has retroactively reported major general infrastructure assets as allowed by provisions of GASB Statement No. 34 in fiscal year 2007.

2) As of September 2009, the Centreplex/Coliseum (business-type activity) was managed by Noble Investment Group.

CITY OF MACON, GEORGIA

CHANGES IN NET ASSETS
LAST NINE FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year				
	2004(1)	2005(1)	2006	2007	2008
Expenses					
Governmental Activities:					
General Government	$ 24,454,301	$ 21,264,232	$ 12,780,048	$ 14,678,991	$ 12,952,841
Public safety & judicial	38,992,465	39,384,563	41,211,233	42,657,071	43,507,163
Public works	8,829,153	7,901,846	7,896,418	8,061,815	7,934,410
Cultural & recreation	9,630,284	5,732,535	5,737,043	5,429,519	5,770,679
Housing & development	-	-	5,408,594	3,984,602	4,881,552
Health & welfare	-	-	1,469,690	1,891,431	1,694,395
Interest on long-term debt	1,741,383	1,677,973	2,515,638	1,795,620	2,052,632
Total governmental activities	83,647,586	75,961,149	77,018,664	78,499,049	78,793,672
Business-type activities:					
Airport	1,461,416	1,289,328	1,649,305	1,401,960	1,693,602
Bowden	542,952	506,865	533,731	514,610	523,993
Coliseum/Auditorium	5,106,741	4,579,337	4,207,262	4,268,582	4,457,620
Economic & community development	4,821	59,182	88,675	122,190	1,922,171
Solid Waste Management	5,132,274	4,827,960	5,866,042	6,102,214	6,572,107
Total business-type activities	12,248,204	11,262,672	12,345,015	12,409,556	15,169,493
Total primary government	$ 95,895,790	$ 87,223,821	$ 89,363,679	$ 90,908,605	$ 93,963,165
Program Revenues					
Governmental Activities:					
Charges for services					
General government	$ 8,607,843	$ 7,011,731	$ 6,593,855	$ 8,612,082	$ 6,144,612
Public safety & judicial	8,934,792	9,556,934 [2]	10,675,405	11,431,235	11,984,013
Public works	599,497	699,304	105,776	118,209	114,385
Cultural & recreation	300,584	312,218	417,682	378,696	398,788
Housing & development	-	-	1,325,369	1,231,093	993,354
Health & welfare	-	-	-	-	-
Operating grants and contributions	3,386,757	2,596,308 [3]	10,488,486	4,018,985	4,426,433
Capital grants and contributions	6,314,733	3,817,857 [4]	1,603,681	565,534	1,275,691
Total governmental activities	28,144,206	23,994,352	31,210,254	26,355,834	25,337,276
Business-type Activities					
Charges for services					
Airport	1,802,761	1,767,689	1,845,154	1,849,170	1,903,887
Bowden	314,588	310,907	347,568	378,964	337,437
Coliseum/Auditorium	3,546,816	3,428,261	3,113,956	2,849,638	2,943,862
Economic & community development	218,663	206,752	187,217	64,651	63,789
Solid Waste Management	4,159,899	5,969,226 [5]	6,199,166	5,026,088	5,886,721
Operating grants and contributions	-	-	-	-	695,154
Capital grants and contributions	3,382,179	1,506,649	496,324	1,124,944	363,072
Total business-type activities	13,424,906	13,189,484	12,189,385	11,293,455	12,193,922
Total primary government	$ 41,569,112	$ 37,183,836	$ 43,399,639	$ 37,649,289	$ 37,531,198

CITY OF MACON, GEORGIA

CHANGES IN NET ASSETS
LAST NINE FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year			
	2009	2010	2011	2012
Expenses				
Governmental Activities:				
General Government	$ 14,216,871	$ 14,366,970	$ 13,644,531	$ 13,808,795
Public safety & judicial	50,220,237	51,157,374	49,642,130	51,297,744
Public works	9,270,496	8,943,181	7,842,818	8,912,576
Cultural & recreation	6,813,743	6,283,643	6,034,537	6,469,425
Housing & development	12,324,871	6,599,027	4,003,190	6,503,133
Health & welfare	1,758,292	2,377,937	1,775,920	1,781,165
Interest on long-term debt	2,016,074	1,681,089	1,636,419	1,871,033
Total governmental activities	96,620,584	91,409,221	84,579,545	90,643,871
Business-type activities:				
Airport	1,813,931	1,684,843	1,862,341	1,691,131
Bowden	659,605	718,688	512,027	574,992
Coliseum/Auditorium	4,847,607	1,225,971 [10]	1,036,446	1,255,904
Economic & community development	- [9]	-	-	-
Solid Waste Management	8,151,412	6,105,227	5,036,711	9,445,993
Total business-type activities	15,472,555	9,734,729	8,447,525	12,968,020
Total primary government	$ 112,093,139	$ 101,143,950	$ 93,027,070	$ 103,611,891
Program Revenues				
Governmental Activities:				
Charges for services				
General government	$ 6,402,172	$ 4,332,422	$ 8,587,289	$ 8,073,590
Public safety & judicial	11,878,365	11,789,897	12,855,343	13,988,337
Public works	132,401	140,614	141,073	-
Cultural & recreation	402,600	489,849	352,565	336,750
Housing & development	734,271	654,566	730,006	667,118
Health & welfare	- [9]	-	-	-
Operating grants and contributions	5,001,479	6,266,038	6,823,662	7,270,037
Capital grants and contributions	8,411,938	4,319,702	2,107,552	3,214,747
Total governmental activities	32,963,226	27,993,088	31,597,490	33,550,579
Business-type Activities				
Charges for services				
Airport	1,652,627	1,582,254	1,594,087	1,387,571
Bowden	334,868	285,736	260,438	282,904
Coliseum/Auditorium	2,512,832	235,718 [10]	57,794	-
Economic & community development	- [9]	-	-	-
Solid Waste Management	7,575,340	5,924,665	6,092,496	5,869,663
Operating grants and contributions	353,303	-	-	-
Capital grants and contributions	698,627	1,015,644	2,553,260	101,272
Total business-type activities	13,127,597	9,044,017	10,558,075	7,641,410
Total primary government	$ 46,090,823	$ 37,037,105	$ 42,155,565	$ 41,191,989

CITY OF MACON, GEORGIA

CHANGES IN NET ASSETS
LAST NINE FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year				
	2004(1)	2005(1)	2006	2007	2008
Net (expense)/revenue:					
Governmental activities	$ (55,503,380)	$ (51,966,797)	$ (45,808,410)	$ (52,143,215)	$ (53,456,396)
Business-type activities	1,176,702	1,926,812	(155,630)	(1,116,101)	(2,975,571)
Total governmental net expense	$ (54,326,678)	$ (50,039,985)	$ (45,964,040)	$ (53,259,316)	$ (56,431,967)
General Revenues and Other Changes in Net Assets					
Governmental activities:					
Taxes					
Property taxes	$ 17,355,765	$ 20,574,645	$ 19,638,069	$ 19,109,861	$ 17,813,812
Sales taxes	17,261,450	17,690,503	25,958,980 6	30,126,207	30,831,830
Other taxes	13,226,547	12,872,588	14,156,144 7	14,404,173	17,117,165
Unrestricted investment activities	205,715	330,550	736,632	1,192,900	1,512,574
Gain (loss) on sale of capital assets	15,357	593,019	112,073	0	0
Transfers	183,990	465,070 8	(2,970,888)	(1,531,373)	(1,400,641)
Other	141,101	1,618,377	0	0	0
Total governmental activities	48,389,925	54,144,752	57,631,010	63,301,768	65,874,740
Business-type activities:					
Unrestricted investment activities	4,049	5,472	39,140	67,887	85,384
Transfers	(183,989)	(465,070)	2,970,888	1,531,373	1,400,641
Total business-type activities	(179,940)	(459,598)	3,010,028	1,599,260	1,486,025
Total primary government	$ 48,209,985	$ 53,685,154	$ 60,641,038	64,901,028	$ 67,360,765
Change in Net Assets					
Government activities	$ (7,113,455)	$ 2,177,955	$ 11,822,600	$ 11,158,553	$ 12,418,344
Business-type activities	996,762	1,467,214	2,854,398	483,159	(1,489,546)
Total primary government	(6,116,693)	3,645,169	14,676,998	11,641,712	10,928,798
Net assets, beginning of year (as previously reported)	15,545,817	13,670,839	25,861,123	53,517,097	78,186,447
Restatements	4,241,714	8,545,113	12,978,976	13,027,638	(315,002)
Net assets, beginning of year (restated)	19,787,531	22,215,952	38,840,099	66,544,735	77,871,445
Net assets, end of year	$ 13,670,838	$ 25,861,121	$ 53,517,097	$ 78,186,447	$ 88,800,243

1 Classifications of expenses and revenues changed slightly starting in 2006. Certain categories were added, such as Housing & Development and Health and Welfare, while other categories were deleted, such as Central Services & Agent Fees.

2 Prior to 2006, Judicial - Program Revenues - Charges for service were classified as General Government.

3 Prior to FY 2006, Housing and Development was not included as a Charge for Service under Program Revenues. Housing and Development accounts for the entire increase in Operating Grants and Contributions.

4 Grant Funding levels have significantly decreased with loss of the Grants Manager position.

5 In FY 2005, the Solid Waste fee was increased from $10 to $15 per month per resident.

6 Starting in fiscal year 2006, the City received a Special Purpose Local Option Sales Tax.

7 Fiscal year 2005 does not include tax revenue generated by the Hotel Motel Tax.

8 Transfer was made to adjust negative fund balance to other funds.

9 At the end of fiscal year 2009, ECD Fund 44 and Fund 63 were combined into one fund, Fund 44. ECD assets and loans are now a part of governmental activities.

10 As of September 2009, the Centreplex/Coliseum (business-type activity) was managed by Noble Investment Group.

CITY OF MACON, GEORGIA

CHANGES IN NET ASSETS
LAST NINE FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year			
	2009	2010	2011	2012
Net (expense)/revenue:				
Governmental activities	$ (63,657,358)	$ (63,416,133)	$ (52,982,055)	$ (57,093,292)
Business-type activities	(2,344,958)	(690,712)	2,110,550	(5,326,610)
Total governmental net expense	$ (66,002,316)	$ (64,106,845)	$ (50,871,505)	$ (62,419,902)
General Revenues and Other Changes in Net Assets				
Governmental activities:				
Taxes				
Property taxes	$ 17,129,859	$ 18,506,467	$ 17,335,465	$ 18,126,087
Sales taxes	17,855,942	18,324,116	20,080,628	20,904,316
Other taxes	17,229,170	16,854,313	17,468,796	16,774,808
Unrestricted investment activities	667,654	57,962	39,102	15,705
Gain (loss) on sale of capital assets	0	54,952	71,583	261,126
Transfers	(2,186,507)	(2,533,278)	(766,495)	(1,079,479)
Other	0	0	0	0
Total governmental activities	50,696,118	51,264,532	$ 54,229,079	55,002,563
Business-type activities:				
Unrestricted investment activities	77,578	176,325	105,124	125,168
Transfers	2,186,507	2,533,278	766,495	1,079,479
Total business-type activities	2,264,085	2,709,603	871,619	1,204,647
Total primary government	$ 52,960,203	$ 53,974,135	$ 55,100,698	$ 56,207,210
Change in Net Assets				
Government activities	$ (12,961,240)	$ (12,151,601)	$ 1,247,024	$ (2,090,729)
Business-type activities	(80,873)	2,018,891	2,982,169	(4,121,963)
Total primary government	(13,042,113)	(10,132,710)	4,229,193	(6,212,692)
Net assets, beginning of year (as previously reported)	88,800,243	75,222,023	65,089,313	69,318,506
Restatements	(536,107)			
Net assets, beginning of year (restated)	88,264,136	75,222,023	65,089,313	69,318,506
Net assets, end of year	$ 75,222,023	$ 65,089,313	$ 69,318,506	$ 63,105,814

1 Classifications of expenses and revenues changed slightly starting in 2006. Certain categories were added, such as Housing & Development and Health and Welfare, while other categories were deleted, such as Central Services & Agent Fees.

2 Prior to 2006, Judicial-Program Revenues-Charges for service were classified as General Government.

3 Prior to 2006, Housing & Development was not included as a Charge for Service under Program Revenues. Housing & Development accounts for the entire increase in Operating Grants & Contributions.

4 Grant Funding levels have significantly decreased with loss of the Grants Manager position.

5 In FY 2005, the Solid Waste fee was increased from $10 to $15 per month per resident.

6 Starting in fiscal year 2006, the City received a Special Purpose Local Option Sales Tax.

7 Fiscal year 2005 does not include tax revenue generated by the Hotel Motel Tax.

8 Transfer was made to adjust negative fund balance to other funds.

9 At the end of fiscal year 2009, ECD Fund 44 and Fund 63 were combined into one fund, Fund 44. ECD assets and loans are now a part of governmental activities.

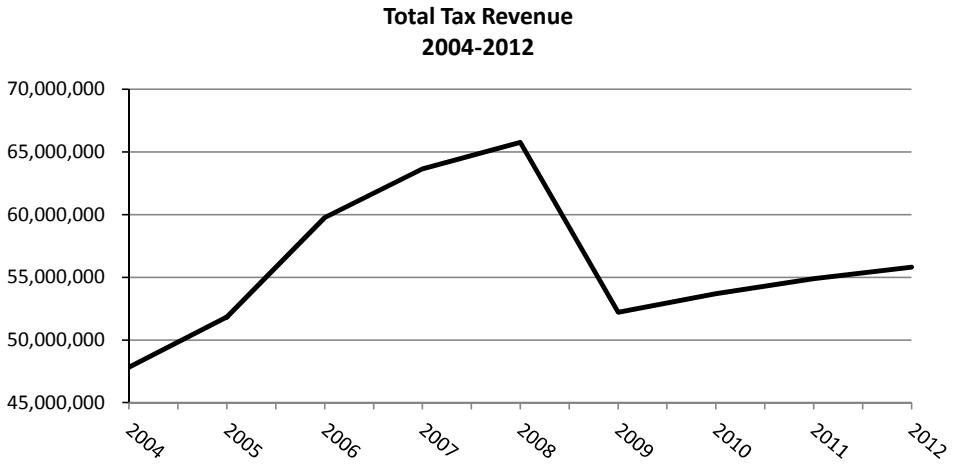
10 As of September 2009, the Centreplex/Coliseum (business-type activity) was managed by Noble Investment Group.

CITY OF MACON, GEORGIA

GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST NINE FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

Fiscal Year	Property Tax	Sales Tax	Franchise Tax	Alcoholic Beverage Tax	Insurance Premium Tax	Other Taxes	Total
2004	17,355,765	17,261,450	6,656,406	1,731,702	4,177,601	660,839	47,843,763
2005	20,574,645	17,690,503	6,683,585	1,661,621	4,527,382	693,291	51,831,027
2006	19,638,069	25,958,980 [1]	7,006,346	1,630,380	4,870,869	648,549	59,753,194
2007	19,109,861	30,126,207	7,161,086	1,468,882	5,096,148	678,057	63,640,241
2008	19,971,934	30,831,830	7,360,103	1,575,137	5,315,850	707,953	65,762,807
2009	17,129,859	17,855,942	7,692,374	1,639,253	5,443,189	2,454,354	52,214,971
2010	18,506,467	18,324,116	7,361,478	1,643,784	5,392,121	2,456,930	53,684,896
2011	17,335,465	20,080,628	7,783,541	1,644,147	5,235,412	2,805,696	54,884,889
2012	18,126,087	20,904,316	8,129,703	1,659,096	4,284,746	2,701,263	55,805,211

1) Starting in 2006, the City began receiving a Special Purpose Local Option Sales Tax.



CITY OF MACON, GEORGIA

GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

Fiscal Year		Property Tax	Sales Tax	Franchise Tax	Alcoholic Beverage Tax	Insurance Premium Tax	Other Taxes	Total
2003		15,303,091	21,014,108	6,198,869	1,632,043	3,876,176	619,741	48,644,028
2004		17,385,997	17,261,450	6,656,406	1,731,702	4,177,601	660,839	47,873,995
2005		19,949,109	17,690,503	6,683,585	1,661,621	4,527,382	693,291	51,205,491
2006		19,638,068	25,958,980	7,006,346	1,630,381	4,870,869	648,549	59,753,193
2007		19,109,861	30,126,207	7,161,086	1,468,882	5,096,148	678,057	63,640,241
2008		19,971,934	30,831,830	7,360,103	1,575,137	5,315,850	707,953	65,762,807
2009	1	17,329,208	17,412,769	7,692,374	1,639,253	5,443,189	2,454,354	51,971,147
2010	1	18,506,467	18,324,116	7,361,478	1,643,784	5,392,121	2,456,930	53,684,896
2011		18,945,847	20,456,270	7,783,541	1,644,147	5,235,412	2,805,696	56,870,913
2012		17,853,911	20,904,316	8,129,703	1,659,096	4,284,746	2,701,263	55,533,035

1) Starting in 2009, the City classified auto tags and taxes, railroad equipment tax, recording intangible tax, real estate transfer tax, and payments in lieu of taxes as other taxes. Prior to this, these items were included with property taxes.

CITY OF MACON, GEORGIA

FUND BALANCES OF GOVERNMENTAL FUNDS
LAST NINE FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year				
	2004	2005	2006	2007	2008
General Fund					
Reserved	$ 117,268	$ 315,135	$ 430,532	$ 816,387	$ 1,028,665
Unreserved	7,519,102	9,913,802	(4,809,177) 1	(4,367,890)	1,060,418
Nonspendable:					
Prepaids					
Assigned:					
General government expenditures					
Unassigned					
Total General Fund	$ 7,636,370	$ 10,228,937	$ (4,378,645)	$ (3,551,503)	$ 2,089,083
All Other Governmental Funds					
Reserved	$ 11,688,194	$ 16,492,803	$ 9,273,409 2	$ 14,941,312	$ 21,438,179
Unreserved, reported in:					
Special Revenue Funds	335,610	514,348	791,320	2,077,252	2,329,486
Debt Service Funds	-	-	-	-	101,743
Capital Project Funds	(1,304,555)	(2,056,572)	6,499,752 2	4,348,467	13,432,328
Nonspendable:					
Prepaids					
Long-term receivables					
Restricted:					
Capital Projects					
Federal and State grants					
Law enforcement purposes					
Public safety purposes					
Debt service					
Unassigned					
Special Revenue Funds					
Capital Projects Funds					
Total All Other Governmental Funds	$ 10,719,249	$ 14,950,579	$ 16,564,481	$ 21,367,031	$ 37,301,736

1) Negative Fund balances of other Funds were adjusted.

2) Beginning in FY 2006, Capital Outlay ($6.49 million) is shown in Capital Project Funds
In FY 2005, this was shown in Reserved Fund Balance.

3) Beginning in FY 2006, Capital Outlay ($6.49 million) is shown in Capital Project Funds
In FY 2005, this was shown in Reserved Fund Balance.

4) The city implemented GASB 54, Fund Balance Reporting and Governmental Fund Type Definitions as of 7/1/2010

CITY OF MACON, GEORGIA

FUND BALANCES OF GOVERNMENTAL FUNDS
LAST NINE FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year			
	2009	2010	2011 (4)	2012
General Fund				
Reserved	$ 357,652	$ 129,873		
Unreserved	250,241	4,420,017		
Nonspendable:				
Prepaids			15,209	51,800
Assigned:				
General government expenditures			284,460	-
Unassigned			9,824,875	8,873,685
Total General Fund	$ 607,893	$ 4,549,890	$ 10,124,544	$ 8,925,485
All Other Governmental Funds				
Reserved	$ 15,362,284	$ 10,778,896		
Unreserved, reported in:				
Special Revenue Funds	2,443,608	2,131,920		
Debt Service Funds	2,144,034	82,037		
Capital Project Funds	3,414,863	465,714		
Nonspendable:				
Prepaids			5,757	4,392
Long-term receivables			2,768,440	2,648,236
Restricted:				
Capital Projects			7,180,323	21,473,463
Federal and State grants			593,378	973,019
Law enforcement purposes			229,983	237,798
Public safety purposes			794,800	550,366
Debt service			82,061	82,061
Unassigned				
Special Revenue Funds			(2,305,291)	(1,326,157)
Capital Projects Funds			(146,366)	(1,302,012)
Total All Other Governmental Funds	$ 23,364,789	$ 13,458,567	$ 9,203,085	$ 23,341,166

CITY OF MACON, GEORGIA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST NINE FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year				
	2004	2005	2006	2007	2008
Revenues					
Taxes	$ 47,873,995	$ 51,205,491	$ 59,753,193	$ 63,640,241	$ 65,762,807
Licenses and permits	3,121,797	2,879,775	3,286,075	3,250,543	3,112,685
Intergovernmental	17,746,272	15,077,147	6,237,644 1	4,585,519	5,702,123
Charges for services	4,119,714	3,469,638	10,658,745 1	11,044,326	11,658,280
Fines and forfeitures	1,932,940	1,951,960	1,682,329	2,004,684	1,961,955
Special Assessments	-	-	45,575	5,135	5,623
Interest revenue	205,715	327,486	736,632	1,191,900	1,512,574
Other revenues	568,452	1,966,209	2,203,927	2,452,032	3,587,804
Total Revenues	75,568,885	76,877,706	84,604,120	88,174,380	93,303,851
Expenditures					
General Government	21,952,210	19,413,295	12,086,612	11,799,460	11,282,753
Judicial	-	-	819,363 2	1,010,798	1,055,650
Public Safety	35,246,006	37,512,009	39,203,022	40,532,264	40,894,931
Public Works	7,288,159	6,790,424	6,923,346	7,227,698	7,146,438
Culture and recreation	8,384,655	4,965,436	5,368,674	5,337,176	5,351,874
Housing and development	-	-	4,641,789 3	3,845,858	4,162,707
Health and welfare	-	-	1,465,291 3	1,887,032	1,695,943
Capital outlay	5,135,474	3,598,177	2,250,953	5,119,556	4,050,060
Debt service:					
Principal	4,161,819	2,750,244	2,638,888	3,333,491	2,345,992
Interest and other charges	1,741,383	1,677,966	2,000,500	1,741,442	1,843,575
Issuance costs	-	-	-	-	774,123
Total Expenditures	83,909,706	76,707,551	77,398,438	81,834,775	80,604,046
Excess of revenues over(under) expenditures	(8,340,821)	170,155	7,205,682	6,339,605	12,699,805
Other Financing Sources (Uses)					
Transfers in	-	-	6,337,557 4	5,826,601	5,547,870
Transfers out	(76,010)	(782,718)	(11,207,273) 4	(7,865,341)	(7,730,670)
Proceeds from disposition of capital assets	413,431	957,456	25,265	57,779	14,505
Capital leases	-	-	-	871,045	98,781
Proceeds from capital contributions	-	-	-	400,000	-
Proceeds from issuance of general obligation	-	-	- -	-	-
Other financing sources (uses)	1,995,343	76,376	-	-	-
Issuance of bonds	-	-	-	-	10,945,000
Total other financing sources (uses)	2,332,764	251,114	(4,844,451)	(709,916)	8,875,486
Net change in fund balances	$ (6,008,057)	$ 421,269	$ 2,361,231	$ 5,629,689	$ 21,575,291
Debt service as a percentage of noncapital expenditures	8.1%	6.4%	6.6%	7.1%	5.9%

1) Some of the expenses moved from Intergovernmental to Charges for Services.

2) Prior to 2006, Judicial was included in General Government.

3) Prior to 2006, Housing and Development and Health and Welfare were included in General Government.

4) Prior to 2006, Transfers In were netted with Transfers Out.

5) Revenue Bonds were issued in 2008.

CITY OF MACON, GEORGIA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST NINE FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year			
	2009	2010	2011	2012
Revenues				
Taxes	$ 51,971,147	$ 52,998,643	$ 56,870,913	$ 55,533,035
Licenses and permits	2,722,274	2,608,562	2,835,722	2,643,916
Intergovernmental	13,327,282	10,179,971	8,574,431	10,558,002
Charges for services	11,542,046	11,597,378	12,729,537	13,413,363
Fines and forfeitures	1,805,383	1,735,750	1,545,102	1,848,793
Special Assessments	100	464	-	-
Interest revenue	667,654	463,731	395,885	338,323
Other revenues	3,236,180	2,709,078	3,331,641	3,502,522
Total Revenues	85,272,066	82,293,577	86,283,231	87,837,954
Expenditures				
General Government	12,315,687	12,444,273	13,230,427	13,212,372
Judicial	1,056,978	1,059,409	890,092	945,261
Public Safety	41,789,548	38,700,476	44,426,074	49,890,676
Public Works	7,753,972	6,832,333	6,748,716	7,387,088
Culture and recreation	5,612,218	5,207,001	5,745,099	6,098,911
Housing and development	4,797,622	5,658,678	4,261,614	6,367,418
Health and welfare	1,631,459	2,272,942	1,750,046	1,760,648
Capital outlay	11,090,274	11,706,631	4,234,385	5,837,895
Debt service:				
Principal	13,820,552	1,831,288	1,993,814	2,100,003
Interest and other charges	1,902,501	1,638,049	1,588,193	1,847,863
Issuance costs	-	-	82,061	-
Total Expenditures	101,770,811	87,351,080	84,950,521	95,448,135
Excess of revenues over (under) expenditures	(16,498,745)	(5,057,503)	1,332,710	(7,610,181)
Other Financing Sources (Uses)				
Transfers in	4,021,605	9,508,894	13,474,969	10,805,687
Transfers out	(6,208,112)	(11,624,437)	(13,666,337)	(11,841,063)
Proceeds from disposition of capital assets	6,120	54,952	95,769	261,126
Capital leases	2,051,667	1,153,869	-	1,972,950
Proceeds from capital contributions	-	-	-	-
Proceeds from issuance of general obligation bonds	-	-	-	19,350,503
Other financing sources (uses)	-	-	-	-
Issuance of bonds	-	-	-	-
Total other financing sources (uses)	(128,720)	(906,722)	(95,599)	20,549,203
Net change in fund balances	$ (16,627,465)	$ (5,964,225)	$ 1,237,111	$ 12,939,022
Debt service as a percentage of noncapital expenditures	21.0%	4.8%	4.6%	4.6%

1) Some of the expenses moved from Intergovernmental to Charges for Services.

2) Prior to 2006, Judicial was included in General Government.

3) Prior to 2006, Housing and Development and Health and Welfare were included in General Government.

4) Prior to 2006, Transfers In were netted with Transfers Out.

5) Revenue Bonds were issued in 2008.

CITY OF MACON, GEORGIA

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
2003-2012

Fiscal Year	Assessed Value					
	Residential Property	Commercial Property	Industrial Property	Motor Vehicle	Other	Total
2003	746,665,536	697,309,871	194,882,234	165,855,980	87,929,065	1,892,642,686
2004	758,393,169	686,409,229	176,784,430	172,228,590	92,961,902	1,886,777,320
2005	765,389,295	695,879,191	179,282,087	179,664,660	89,883,955	1,910,099,188
2006	770,444,546	695,312,032	168,081,788	183,637,340	88,858,748	1,906,334,454
2007	773,679,936	720,418,702	160,016,214	179,807,080	86,209,062	1,920,130,994
2008	785,414,941	761,876,957	148,149,814	158,994,200	82,979,541	1,937,415,453
2009	788,162,929	739,226,855	143,873,184	158,825,940	78,853,828	1,908,942,736
2010	944,812,331	815,872,706	148,661,817	165,300,720	69,723,330	2,144,370,904
2011	923,089,292	796,384,010	141,223,116	159,284,130	65,215,359	2,085,195,907
2012	905,490,828	781,340,192	147,026,775	154,420,010	82,052,984	2,070,330,789

Source: *Macon-Bibb County Tax Commissioner's Office*

Notes: *The county assesses property at 40% of actual value. Actual taxable value is calculated by dividing assessed value by 40%. Tax rate is per $1,000 of assessed value.*

CITY OF MACON, GEORGIA

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
2003-2012

Fiscal Year	Less: Exemptions	Total Taxable Property Assessed Value	Actual Value	Total Direct Tax Rate
2003	35,072,219	1,857,570,467	4,731,606,715	7.8760
2004	40,920,188	1,845,857,132	4,716,943,300	9.16
2005	43,118,613	1,866,980,575	4,775,247,970	10.6600
2006	39,675,779	1,866,658,675	4,765,836,135	10.1600
2007	41,099,745	1,879,031,249	4,800,327,485	10.1600
2008	42,052,528	1,895,362,925	4,843,538,633	10.1600
2009	42,940,520	1,866,002,216	4,772,356,840	10.1600
2010	47,914,553	2,096,456,351	5,360,927,260	9.8000
2011	39,832,742	2,045,363,165	5,212,989,768	9.8000
2012	42,559,361	2,027,771,428	5,175,826,973	9.8000

Source: *Macon-Bibb County Tax Commissioner's Office*

Notes: *The county assesses property at 40% of actual value. Actual taxable value is calculated by dividing assessed value by 40%. Tax rate is per $1,000 of assessed value.*

CITY OF MACON, GEORGIA

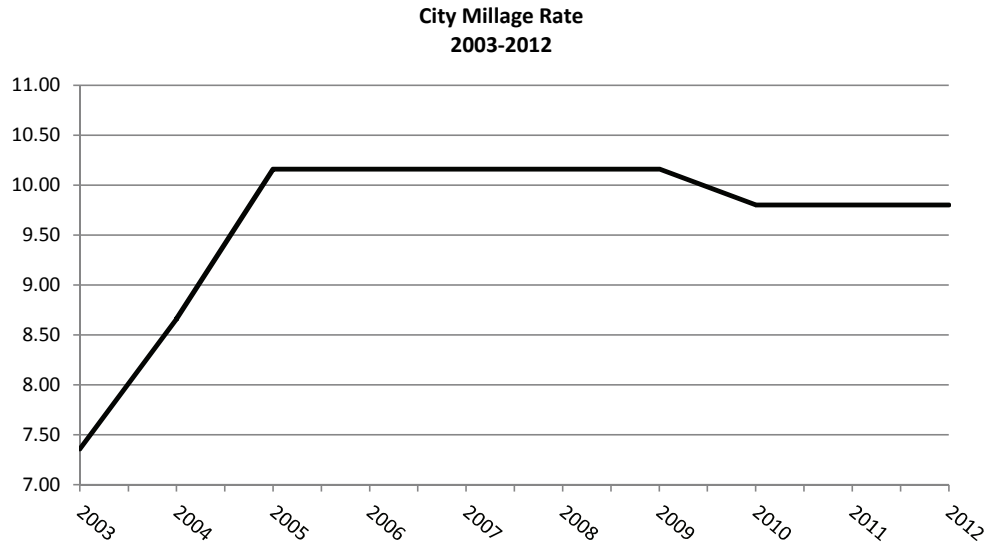
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
2003 - 2012

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
City General Millage	7.36	8.66	10.16	10.16	10.16	10.16	10.16	9.80	9.80	9.80
City Bonded Debt Millage	0.52	0.50	0.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00
City Total Millage	7.88	9.16	10.66	10.16	10.16	10.16	10.16	9.80	9.80	9.80
Bibb County Millage	30.12	30.12	31.12	29.97	29.97	32.47	31.47	27.95	27.95	29.95
Total	38.00	39.28	41.78	40.13	40.13	42.63	41.63	37.75	37.75	39.75

Sources of Bibb County tax rates - Bibb County Tax Commissioner's Office

Note: The above presents tax rates per $1,000 of assessed valuation.

Note: Bibb County millage does not include the Bibb County Fire district which lies entirely outside Macon.



CITY OF MACON, GEORGIA

PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

	FY 2012			FY 2003		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Graphic Packaging International, Inc. (Formerly Riverwood International)	$ 62,647,406	1	3.06%	$87,614,949	1	4.71%
Coliseum Medical Center	41,325,017	2	2.20%	41,454,584	2	2.23%
Georgia Power Company	32,980,965	3	1.61%	23,243,501	5	1.25%
Armstrong World Industries	23,156,047	4	1.13%	17,769,070	6	0.96%
Verizon Wireless East LLP	16,322,097	5	80.00%	-	-	0.00%
DDRTC Eisenhower Crossing, LLP	14,624,205	6	71.00%	-	-	0.00%
Bellsouth Telecommunications	12,602,984	7	62.00%	37,084,364	3	1.99%
Cherokee Brick & Tile	8,227,198	8	40.00%	-	-	0.00%
Norfolk Southern Combined Railroad	7,911,467	9	0.39%	-	-	0.00%
Atlanta Gas Light Company	7,900,986	10	0.39%	-	-	0.00%
Macon Mall	-	-	0.00%	33,388,910	4	1.79%
Keebler Company	-	-	0.00%	12,890,073	7	0.69%
Inland Southeast	-	-	0.00%	9,601,200	8	0.52%
Wal-Mart	-	-	0.00%	8,079,790	9	0.43%
Freudenberg Texbond LP	-	-	0.00%	7,364,488	10	0.00%
Total	227,698,372		11.23%	$278,490,929		14.99%

Source: Macon-Bibb County Tax Commissioner's Office

CITY OF MACON, GEORGIA

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS
CALENDAR YEARS 2003-2012

Year	Taxes Levied for the Fiscal Year (Original Levy)	Adjustments	Total Adjusted Levy	Collected within the Fiscal Year of the Levy		(1) Collections Subsequent Years	Total Collections to Date	
				Amount	Percentage of Original Levy		Amount	Percentage of Adjusted Levy
2003	14,630,225	(123,201)	14,507,024	14,090,132	96.31%	386,798	14,476,930	99.79%
2004	16,908,053	(13,735)	16,894,318	16,225,154	95.96%	410,887	16,636,041	98.47%
2005	19,902,013	(122,943)	19,779,070	18,801,305	94.47%	565,970	19,367,275	97.92%
2006	18,965,252	8,275	18,973,527	18,332,275	96.66%	366,981	18,699,256	98.55%
2007	19,090,958	(10,777)	19,080,181	18,072,402	94.66%	910,037	18,982,439	99.49%
2008	19,256,887	(215,254)	19,041,633	18,405,692	95.58%	518,946	18,924,638	99.39%
2009	18,958,605	(135,743)	18,822,862	18,054,133	95.23%	507,391	18,561,524	98.61%
2010	20,545,272	(179,312)	20,365,960	18,192,854	88.55%	1,636,878	19,829,732	97.37%
2011	20,044,559	93,219	20,137,778	18,698,211	93.28%	567,651	19,265,862	95.67%
2012	19,872,160	(265,500)	19,606,660	18,228,574	91.73%	-	18,228,574	92.97%

Source: Macon-Bibb County Tax Commissioners Office

(1) Information differs from what was reported in previous CAFR's due to update from the Macon-Bibb County Tax Commissioner's Office.

CITY OF MACON, GEORGIA

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS
2003-2012

Fiscal Year Ended June 30,	General Obligation Bonds	Percentage of Actual Property Value (3)	Per Capita	Governmental Activities		
				Revenue Bonds	Certificates of Participation	Capital Lease Obligations
2003	3,215,000	0.17%	34	29,050,501	- *	10,902,076 *
2004	2,495,000	0.14%	26	27,485,748	9,286,005	7,474,627
2005	1,715,000	0.09%	18	26,350,995	9,184,493	6,845,895
2006	890,000	0.05%	10	25,531,242	6,618,684	6,170,443
2007	-	0.00%		24,081,490	6,300,000	6,471,680
2008	-	0.00%		33,523,564	6,300,000	5,849,468
2009	-	0.00%		22,015,782	6,300,000	6,000,194
2010	-	0.00%		21,544,953	6,300,000	6,002,776
2011	-	0.00%		20,769,124	6,300,000	4,778,962
2012	19,286,726 5)	0.09%		19,933,295	6,300,000	5,481,909

1) See the schedule of Assessed and Estimated Actual Value of Taxable Property for assessed value of taxable property.
2) See the schedule of Demographic and Economic Statistics for per capita personal income and population data.
3) Actual property value is used as the denominator instead of personal income because actual property number value is deemed to be a more accurate number.
4) Population data for fiscal year 2007 was originally estimated. The Census Bureau has since updated this information.
5) City issued $19,350,503 General Obligation Sales Tax Bonds in fiscal year 2012, including bond premium.

*For fiscal years up to and including 2003, certificates of participation and capital leases were not separated.

CITY OF MACON, GEORGIA

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS
2003-2012

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CITY OF MACON, GEORGIA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2012

	Total Amount of Debt Outstanding	Percentage Applicable to City of Macon(1)	Amount Applicable to City of Macon
Direct Debt			
Series 2012 General Obligation Sales Tax	$ 19,286,726	100.0%	$ 19,286,726
Certificates of Participation	6,300,000	100.0%	6,300,000
Capital Lease Obligations	5,481,909	100.0%	5,481,909
Convention Center Hotel Public Contribution Project	10,340,000	100.0%	10,340,000
Revenue Bonds Series 1993 (Zantop Int'l Proj)	1,740,000	100.0%	1,740,000
Revenue Bonds Series 2002 (ASA Airport)	1,677,536	100.0%	1,677,536
Revenue Bonds Series 2002 A&B (City Projects)	9,593,295	100.0%	9,593,295
Total Direct Debt	54,419,466		54,419,466
Overlapping Debt			
Revenue Bonds Series 2006 & 2009 (Public Projects)	9,815,000	50.5%	4,956,575
Series 2002B Urban Dev. Auth. Riverside Dr.	960,000	50.5%	484,800
Series 2002A Urban Dev. Auth.	7,525,000	50.5%	3,800,125
Total Overlapping Debt	18,300,000		9,241,500
Total Direct and Overlapping Debt	$ 72,719,466		$ 63,660,966

Sources: Bibb County

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Macon. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt borne by residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

1) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the County's taxable assessed value that is within the City's boundaries and dividing it by the County's total taxable assessed value.

CITY OF MACON, GEORGIA

LEGAL DEBT MARGIN INFORMATION
LAST TEN YEARS
2003-2012

	2003*	2004*	2005*	2006	2007
Debt Limit	185,757,047	184,585,713	186,698,058	186,665,868	187,903,125
Total net debt applicable to limit	3,215,000	2,495,000	1,715,000	890,000	-
Legal debt margin	182,542,047	182,090,713	184,983,058	185,775,868	187,903,125
Total net debt applicable to the limit as a percentage of debt limit	1.73%	1.35%	0.92%	0.48%	0.00%

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

**Information differs from that which we reported in previous CAFR's due to update from Macon-Bibb County Tax Commissioner's Office.*

CITY OF MACON, GEORGIA

LEGAL DEBT MARGIN INFORMATION
LAST TEN YEARS
2003-2012

	2008	2009	2010	2011	2012
Debt Limit	189,536,493	186,600,222	209,645,635	204,536,316	$ 202,777,143
Total net debt applicable to limit	-	-	-	-	19,286,726
Legal debt margin	189,536,493	186,600,222	209,645,635	204,536,316	183,490,417
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	9.51%

Legal Debt Margin Calculation for Fiscal Year 2012:	
Assessed Value	$ 2,027,771,428
Debt limit (10% assessed value)	202,777,143
Debt applicable to limit:	
General obligation bonds	-
Less: Amount set aside for repayment of General obligation debt	-
Total net debt applicable to limit	-
Legal debt margin	$ 202,777,143

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

**Information differs from that which we reported in previous CAFR's due to update from Macon-Bibb County Tax Commissioner's Office.*

CITY OF MACON, GEORGIA

AIRPORT PLEDGED-REVENUE COVERAGE
LAST TEN YEARS
2003-2012

Fiscal Year	Airport Operating Income	Less: Operating Expenses	Net Available Revenue	Principal (1)	Interest	Coverage
2003	1,713,172	921,574	791,598	-	455,455	1.74
2004	1,802,761	920,308	882,453	-	373,019	2.37
2005	1,767,689	794,110	973,579	-	354,568	2.75
2006	1,845,154	1,017,690	827,464	-	346,532	2.39
2007	1,849,170	809,386	1,039,784	-	329,634	3.15
2008	1,903,887	1,373,791	530,096	-	311,234	1.70
2009	1,652,627	1,522,088	130,539	-	290,340	0.45
2010	1,582,254	1,041,792	540,462	-	264,290	2.04
2011	1,594,087	1,234,488	359,599	-	244,290	1.47
2012	1,387,571	1,057,040	330,531	-	219,565	1.51

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest, depreciation, or amortization costs.

(1) Principal for debt is paid by a third party according to the terms of the lease agreements.

CITY OF MACON, GEORGIA

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS
2003 - 2012

Fiscal Year	Population	Personal Income (1)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2003	95,862	2,618,470,530 *	27,315 *	33.6	24,938	5.25%
2004	95,267	2,686,053,065 *	28,195 *	33.6	25,276	5.01%
2005	94,990	2,812,938,870 *	29,613 * (2)	33.6	25,148	5.95%
2006	91,682 *	2,807,302,840 *	30,620 * (2)	34.0 *	25,253	6.08%
2007	92,894 *	2,941,116,934 *	31,661	34.0	25,223	4.90%
2008	90,623 (3)	2,956,031,637	32,619	33.8	25,030	6.70% (4)
2009	92,179	3,079,884,748	33,412	33.6	24,968	9.90%
2010	92,582 *	3,218,428,066	34,763	33.6	25,109	9.80%
2011	91,351	3,263,423,124	35,724	33.6	24,961	10.50%
2012	91,856	3,265,848,224	35,554	33.6	23,497	9.80%

Sources: US Bureau of Labor Statistics: US Bureau of the Census, Census 200, Bibb County School District CAFR; Bureau of Economic Analysis - Macon Statistical Area, Georgia Department of Labor

(1) Personal income is derived at by multiplying population by per capita personal income.

(2) Per capital personal income (PCPI) was not available for 2005 and 2006. To estimate PCPI for these two years the preceding years' PCPI was multiplied by one plus the average increase in PCPI for 1997-2004.

(3) Population data was not available for 2008. To estimate population fro 2008, the proceeding years' population was multiplied by one plus the average decrease in population for 1999-2007.

(4) Unemployment was calculated by averaging the monthly unemployment rate for the Macon Statistical Area.

**Information differs from that which was reported in previous CAFR's due to update from respective sources.*

CITY OF MACON, GEORGIA

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

	FY 2012			FY 2003		
Taxpayer	Employees	Rank	Percentage of Employees per Major Employer*	Employees	Rank	Percentage of Employees per Major Employer*
Medical Center of Central Georgia	4,000	1	19.30%	4,446	1	32.27%
GEICO	3,800	2	18.34%			0.00%
Bibb County Board of Education	3,300	3	15.92%	3,700	2	26.85%
Mercer University	1,441	6	6.95%	1,290	5	9.36%
City of Macon	1,400	5	6.76%	1,635	3	11.87%
Coliseum Medical Centers	1,200	4	5.79%	1,500	4	10.89%
Bibb County	889	7	4.29%	696	6	5.05%
United States Postal Service	807	10	3.89%			0.00%
Wal-Mart Supper Stores	726	8	3.50%			0.00%
YKK (U.S.A), Inc.	650	9	3.14%			0.00%
Georgia Farm Bureau Federation	551	11	2.66%			0.00%
Graphic Packaging International	512	14	2.47%			0.00%
The Boeing Company	505	13	2.44%			0.00%
IKON Office Solutions	490	12	2.36%			0.00%
Armstrong World Industries	454	15	2.19%	512	7	3.72%
Total of Major Employers	20,725		100.00%	13,779		100.00%

Sources: Greater Macon Chamber of Commerce

**This formula is total employees by firm divided by total number of employees for major employers. The denominator should be the total number of employees within the City limits, but that number is not available.*

CITY OF MACON, GEORGIA

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN YEARS
2003-2012

Function		For Fiscal Year ended June 30, 2012									
		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Airport	1)	17	17	17	13	13	15	0	0	0	0
Bowden Golf Course	2)	7	7	7	8	8	8	8	8	7	7
Central Services		78	73	67	61	59	61	62	62	54	54
Centreplex	3)	55	52	52	48	48	49	49	49	0	0
City Attorney		8	7	9	10	6	10	10	10	6	5
Clerk of Council		3	3	3	3	3	3	3	3	3	3
City Engineer		19	18	17	17	15	16	17	17	14	14
Econ & Comm Dev.		33	32	31	30	26	30	30	28	24	24
Emergency Management		3	3	3	3	4	4	4	4	4	4
Finance		20	20	22	20	18	22	22	22	19	18
Fire		380	379	393	393	372	393	393	393	404	402
Human Resources		18	17	17	17	13	17	17	17	12	12
Inspection & Fees		24	24	24	24	17	20	20	20	19	19
Information Technology	4)	0	0	0	0	13	14	15	14	12	19
Internal Auditor	4)	0	0	0	0	2	2	2	2	2	2
Workforce Development	4)	0	0	0	0	16	15	15	15	13	13
City Clerk	4)	0	0	0	0	2	2	2	2	2	2
Mayor & Staff	4)	37	41	45	48	7	11	10	10	13	10
Municipal Court		12	12	12	11	12	12	12	14	12	12
Parks & Recreation		95	92	92	86	77	92	92	89	74	74
Police		402	401	401	401	388	413	413	413	404	404
Public Works		183	181	169	164	149	164	164	164	134	134
Vehicle Maintenance		26	22	22	20	16	19	18	18	17	17
Douglass Theater	5)	0	2	0	0	2	0	0	2	0	0
Clean Cities Coordinator	4)	0	0	0	0	0	1	1	1	1	1
Workers Comp	4)	0	0	0	0	0	0	0	0	0	2
Total		1,420	1,403	1,403	1,377	1,286	1,393	1,379	1,377	1,250	1,252

Source: Human Resources

1. Airport operation was contracted out.
2. Prior to 2003, Bowden Golf Course was budgeted under Parks and Recreation
3. As of September 2009, the Centreplex is now managed by Noble Investment Group.
4. Prior to 2007, Included in Mayors line
5. Fiscal year 2004 and 2007 were the only years the Douglass Theater was budgeted.

CITY OF MACON, GEORGIA

OPERATING INDICATORS BY FUNCTION
LAST EIGHT FISCAL YEARS
2005-2012

Function		For the fiscal year ended June 30, 2005	2006	2007	2008	2009	2010	2011	2012
Airport									
Flights		32,645	28,259	27,609	25,372	18,028	17,632	16,846	18532
Bowden Golf Course									
Rounds of Golf		n/a	16,225	16,023	14,447	15,361	16,200	16,175	13531
Finance									
Processed									
Accts Payable checks	1	11,556	12,555	11,679	11,334	10,321	9,743	9,514	9,121
Business Licenses	1	n/a	4,888	5,024	5,161	5,015	4,829	4,705	4,421
Fire									
Calls answered		15,810	16,267	15,054	14,443	14,540	17,538	16,244	15,802
Inspections		5,358	4,973	4,303	4,821	5,511	4,896	4,642	5,084
Inspection & Fees									
Permits	1								
General Contractor	2	1,934	1,656	1,316	908	502	769	511*	276
Building	2	417	411	434	551	370	396	419*	272
Trade	2	8,023	6,803	5,872	4,800	3,363	4,362	3671*	1903
Occupancy	2							93*	158
City Council									
No. of Ordinances		72	68	59	85	60	22	37	75
Municipal Court									
No. of tickets		n/a	38,076	47,420	56,652	47,895	50,585	46,168	41,425
Parks & Recreation									
Registrations	3	n/a	1,155	1,457	1,128	2,311	2,134	1,722	1,800
Participants	3	n/a	25,343	24,761	25,625	25,688	18,479	12,554	13,211
Police									
Arrests		5,893	5,779	7,019	8,100	7,914	8,742	9,009	12,707
Parking violations		6,883	7,231	2,653	3,732	6,843	3,767	2,088	2,111
Traffic violations		30,512	30,025	48,585	52,973	23,464	50,908	47,759	24,139
Public Works									
Streets									
Miles Swept		904	904	904	730	592	620	505	777.6
Miles Maintained		452	452	452	490	420	n/a	n/a	n/a

Note: Operating indicators were not maintained prior to fiscal year 2004

1. Calendar year basis
2. Numbers are reflective as of June 30, 2012 as department moved to Bibb County
3. The L.H. Williams Summer Program was closed 2011 due to repairs to facility by the BOE

* Numbers differ from those reported in previous CAFR's due to being updated by source

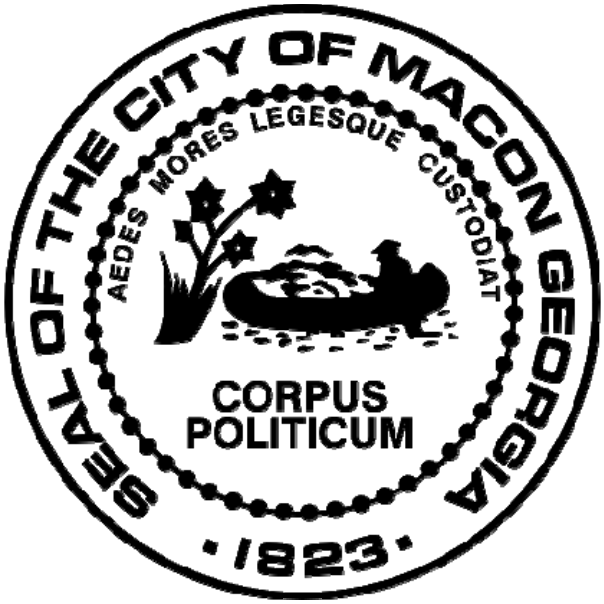
CITY OF MACON, GEORGIA

CAPITAL ASSET STATISTICS BY FUNCTION
LAST EIGHT FISCAL YEARS
2005-2012

Function	For the fiscal year ended June 30, 2012							
	2005	2006	2007	2008	2009	2010	2011	2012
Airport								
Enplanements [1]	19,616	16,106	14,988	9,787	3,883	2,152	2,318	767
Bowden Golf Course								
Golf Carts	60	60	60	60	60	60	60	60
Centreplex								
Auditorium Capacity	2,688	2,688	2,688	2,688	2,688	2,688	2,688	2,688
Coliseum Capacity	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,488
Square Foot - Conv. Center	102,000	102,000	102,000	102,000	102,000	102,000	102,000	102,000
Fire								
Stations	19	19	19	19	19	19	19	19
Fire Trucks	26	19	26	26	26	26	22	22
General Government								
Buildings	n/a	145	145	145	145	145	145	145
Information Technology								
Number of Servers	n/a	19	20	19	22	25	25	25
Parks & Recreation								
Acres Maintained	n/a	1,019	1,019	1,019	1,019	1,019	1,019	1,019
Recreation Centers	n/a	n/a	11	11	11	11	11	11
Police								
Police Stations						4	4	4
Patrol Units	209	200	224	206	202	218	190	190
Public Works								
Miles of Streets	452	452	452	550	550	550	550	550

N/A stands for Not Available

1. Prior to 2005, there were approximately 5 daily flights from Macon Airport. By 2006, it dropped to 3 and it has declined to no major commercial airlines fly out of the airport.



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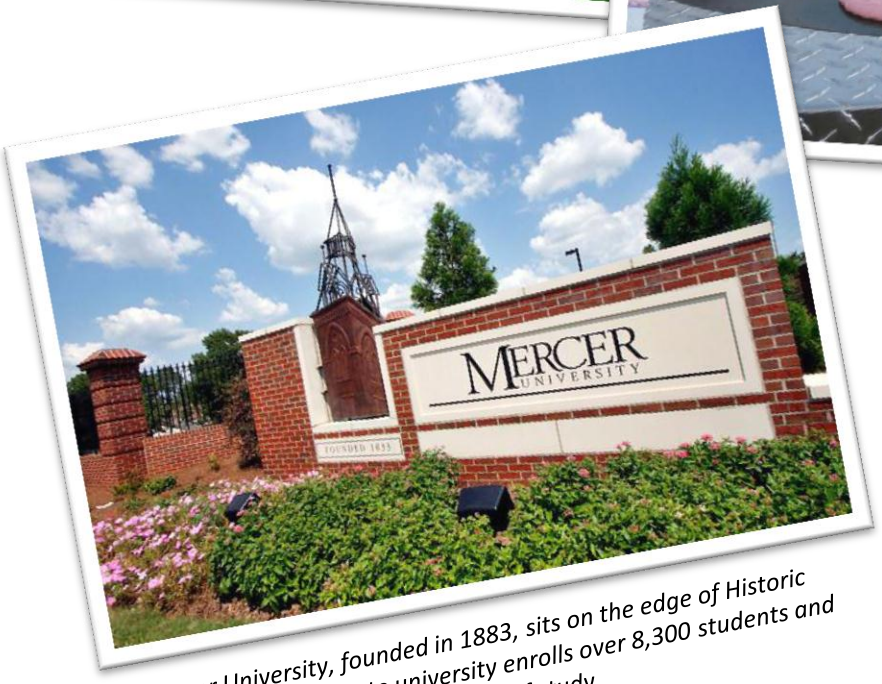
Macon at a Glance



Rising 200 feet into the air, the twin cross-topped spires of St. Joseph's Catholic Church add great beauty to the skyline of downtown Macon. The interior features 60 stained glass windows which teach the story of Salvation, a white Carrara marble altar and *pulpit, and an organ with 1,000 pipes. The foundation of the church was laid in 1889 and completed 14 years later. It was placed on the National Register of Historical Places in 1971.*



Each March, the City of Macon celebrates the blooming of over 300,000 Yoshino Cherry Trees. The ten day festival includes a multitude of events including the annual "Pink Pancake Breakfast." Macon-Bibb Fire Firefighters prepare pink pancakes and sell them to benefit the American Cancer Society.



Mercer University, founded in 1883, sits on the edge of Historic Downtown. The private university enrolls over 8,300 students and boasts of over 11 diversified fields of study.


SEAL OF THE CITY OF MACON GEORGIA
AEDES MORES LEGESQUE CUSTODIAT
CORPUS
POLITICUM
1823