CITY OF MACON



Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2013

CAFR

List of Principal Officials

City Council

President James E. Timley
Council Member Lauren Benedict
Council Member Ed DeFore
Council Member Tom Ellington
Council Member Henry C. Ficklin
Council Member Henry Gibson
Council Member Rick Hutto

President Pro Tem Larry Schlesinger
Council Member Charles Jones
Council Member Elaine Lucas
Council Member Lonnie Miley
Council Member Beverly Olson
Council Member Frank Tompkins
Council Member Virgil Watkins, Jr.
Council Member Nancy White

Elective and Administrative

Mayor Robert A.B. Reichert
Assistant Chief Administrative Officer Vacant
Assistant to Chief Adm. Officer Keith Moffett
Director of Public Affairs Chris Floore
Central Services Director Gene Simonds
Clerk of City Council Joyce Humphrey
Economic & Community Dev. Wanzina Jackson
Fire Chief Marvin Riggins
Information Technology Officer Steve Masteller
Police Chief Henderson Carswell
Vehicle Maintenance Director Sam Hugley
Internal Auditor Stephanie Jones

Chief Administrative Officer Dale M. Walker
Executive Assistant to the Mayor Sam Henderson
Director of Finance Megan McMahon
Airport Manager Doug Faour
City Attorney Judd Drake
City Clerk Jean Howard
Emergency Management Director Donald Druitt
Human Resources Director Ben Hubbard
Municipal Court Clerk John Pattan
Public Works Director Richard Powell
Chief Judge Municipal Court Robert Faulkner
Grants Director Julie Moore

This is the last fiscal year the City Seal will be used as an official Seal. Consolidation between the city and the county will create a new Macon-Bibb County government as of January 1, 2014 ,as well as a new Seal.



CITY OF MACON, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

JUNE 30, 2013

Megan McMahon

Director of Finance

CITY OF MACON, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

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CITY OF MACON, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
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CITY OF MACON, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

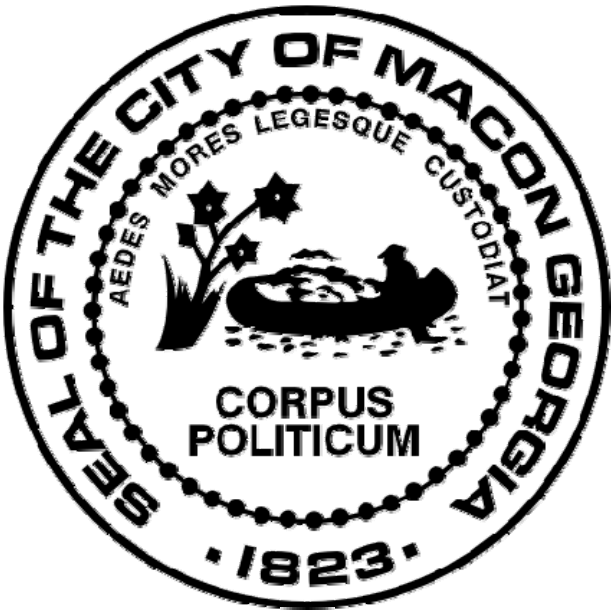
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INTRODUCTORY SECTION

City of Macon
Office of the Chief Administrative Officer

December 23, 2013

Citizens of Macon
President Timely and Council Members
Mayor Robert A.B. Reichert

Presented herewith is the Comprehensive Annual Financial Report for the City of Macon, Georgia for the fiscal year ended June 30, 2013. 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 Mauldin & Jenkins, LLC to complete the audit of the 2013 fiscal year and the auditors unmodified opinion has been included in this report.

The goal of the independent audit is to provide reasonable assurance that the financial statements of the City of Macon for the fiscal year ended June 30, 2013 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 unmodified opinion that the City of Macon and its component unit's financial statements for the fiscal year ended June 30, 2013 are fairly presented and conform to 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, 2013. 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 the 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. A blended component unit, although a legally separate entity, is in substance part of the primary government's operations and are included as part of the primary government for reporting purposes. There are no entities that meet the criteria for a blended unit of the City of Macon. Discretely presented component units are reported in a separate column in the government-wide financial statements 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, 2013.

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. 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: Middle Georgia 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; 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.

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 funds, 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. 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 A1 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 limit of 10% of the assessed value.

LOCAL ECONOMY

Property tax values have remained approximately the same over the past couple of years. Sales taxes were showing a slow increase over the past couple of years but have unexpectedly decreased this year. In spite of these challenges, there are amazing opportunities for this region of the state. The geographic location of Macon links it with the coastal ports of Savannah and the State of Florida.
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. The Dannenburg Lofts project is underway which will offer upscale lofts, retail shopping, and a fitness facility.

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 allows for it to serve as a centralized point for shipping and redistribution. Shipping through the Port of Savannah has increased in the past several years, and it will continue to 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. This year Silver Airways began providing affordable flights from Macon to Atlanta and Orlando. This should provide additional revenue and traffic through Macon.

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

The City and County are set to consolidate into a new Macon-Bibb County government beginning January 1, 2014. This will ultimately streamline government services, reduce overlapping responsibilities and jurisdictions, improve inefficiencies, and reduce any excess taxation of City residents.

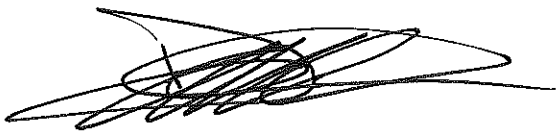
AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Macon, Georgia for its annual budget for the fiscal year beginning July 1, 2012. 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.

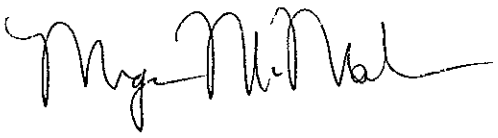
The Government Finance Officers Association of the United States and Canada (GFOA) presented a Certificate of Achievement for Excellence in Financial Reporting to the City of Macon, Georgia for the fiscal year ended June 30, 2012. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting. The 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.

Respectfully submitted,

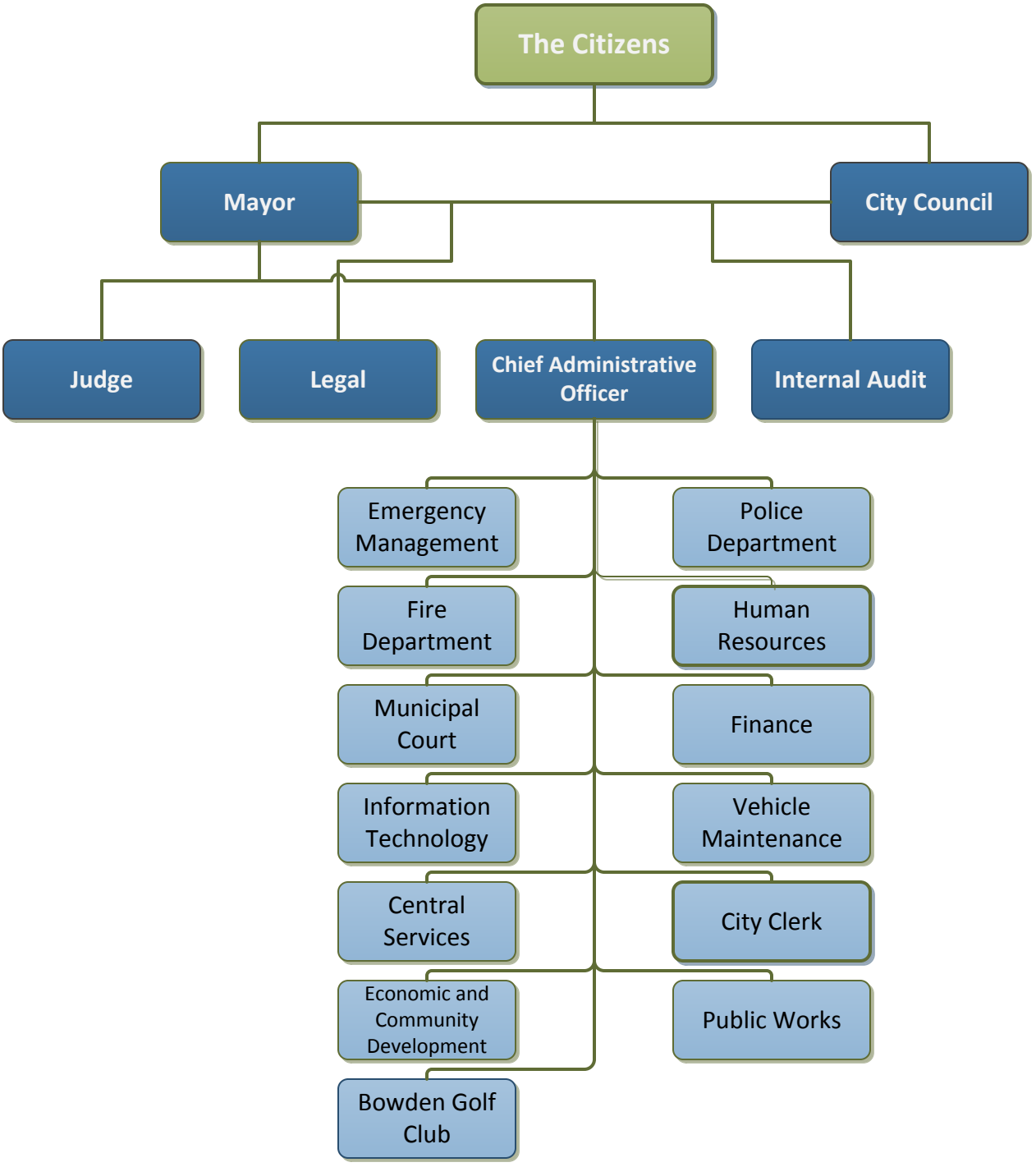


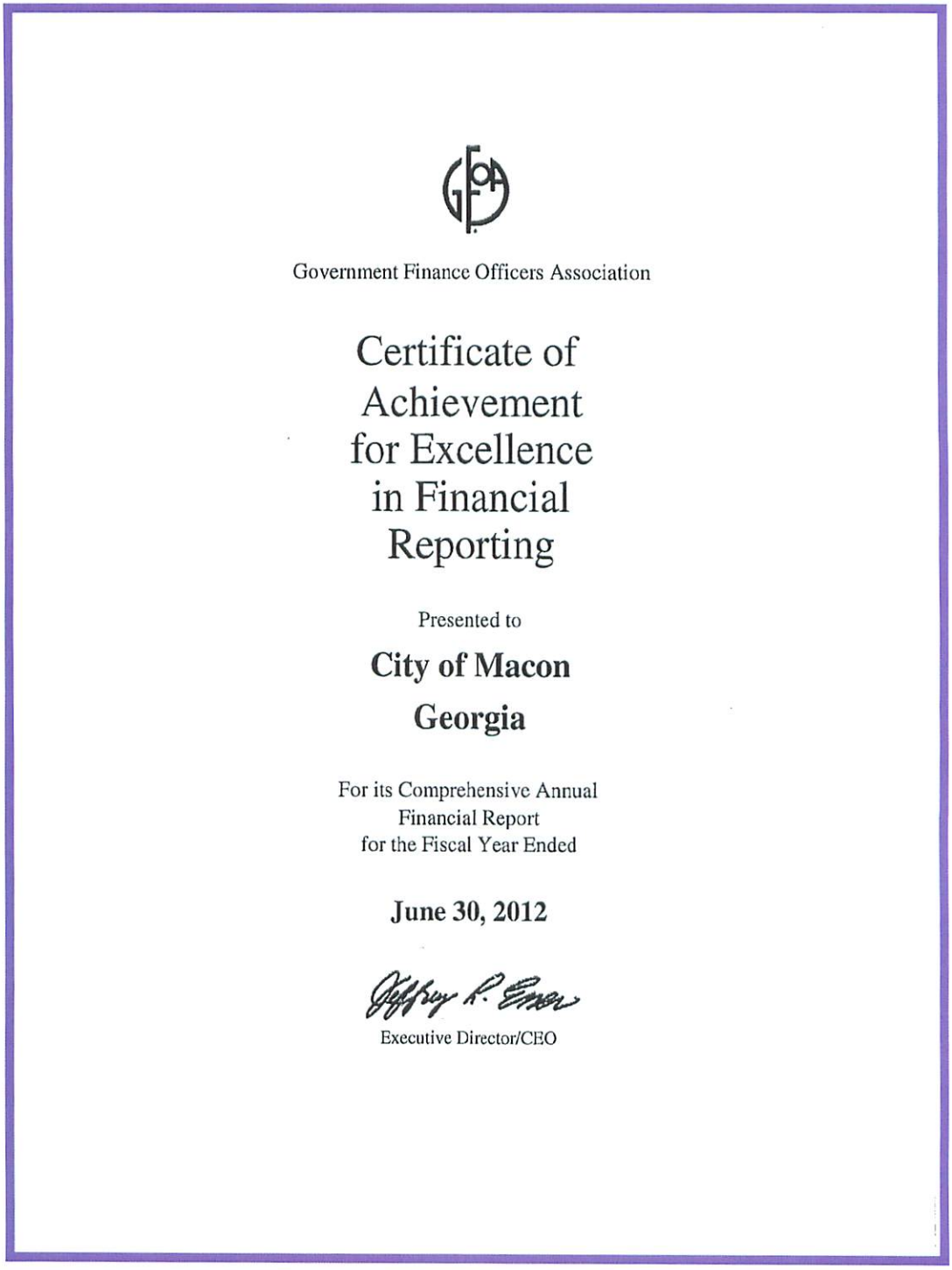
Dale M. Walker, CGFM, ICMA-CM
Chief Administrative Officer



Megan McMahon, CPA
Finance Director

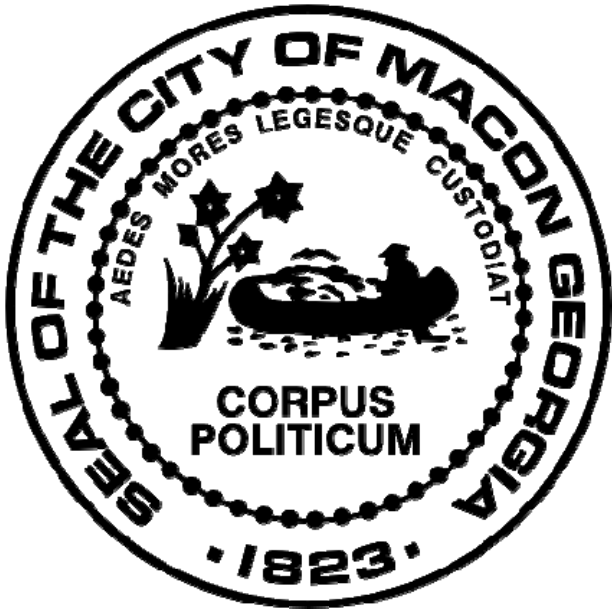
City Wide Chart of Organization



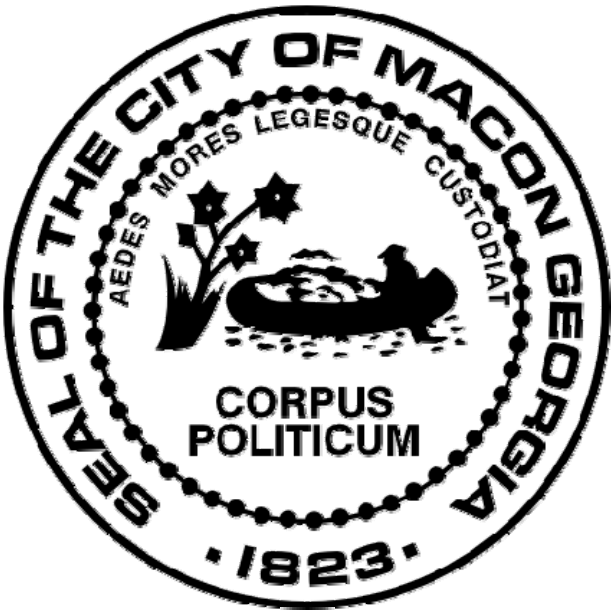


The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Macon, Georgia for its comprehensive annual financial report for the fiscal year ended June 30, 2012. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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



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FINANCIAL SECTION

MAULDIN & JENKINS
CERTIFIED PUBLIC ACCOUNTANTS, LLC

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

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** (the "City"), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the City of Macon, Georgia's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Macon-Bibb County Transit Authority which represent 100% of the assets, net position and revenues of the discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Macon-Bibb County Transit Authority, is based solely on the report 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonbleness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the report 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 as of June 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* as of July 1, 2012. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (on pages 22 through 29) and the Schedule of Funding Progress and Schedule of Employer Contributions (on pages 99 and 100) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Macon, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements of the City of Macon, Georgia. The accompanying schedules of expenditures of special purpose local option sales tax proceeds are presented for purposes of additional analysis as required by the Official Code of Georgia 48-8-21, and are not a required part of the basic financial statements. The introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund statements and schedules and schedules of expenditures of special purpose local option sales tax proceeds (collectively "the supplementary information") are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2013, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Macon, Georgia
December 23, 2013

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, 2013. 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 position for the total primary government increased $1,806 or 2.9%.
- General Fund revenues exceeded its expenditures by $328, exclusive of other financing sources (uses). Total governmental funds revenue exceeded expenditures by $2,443.
- Overall, the business-type funds recorded an operating loss of $269.
- As of the close of the current fiscal year, the City's governmental funds reported combined fund balance of $23,733 as compared to the prior year of $32,267.
- The unassigned fund balance for the General Fund is $4,618.

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 sixteen (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 and internal service funds.

Enterprised Funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The proprietary fund statements provide more detail. 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, Mulberry Street Parking Garage Fund, and the Bowden Golf Course.

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. Internal service funds are combined 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 elswhere 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.

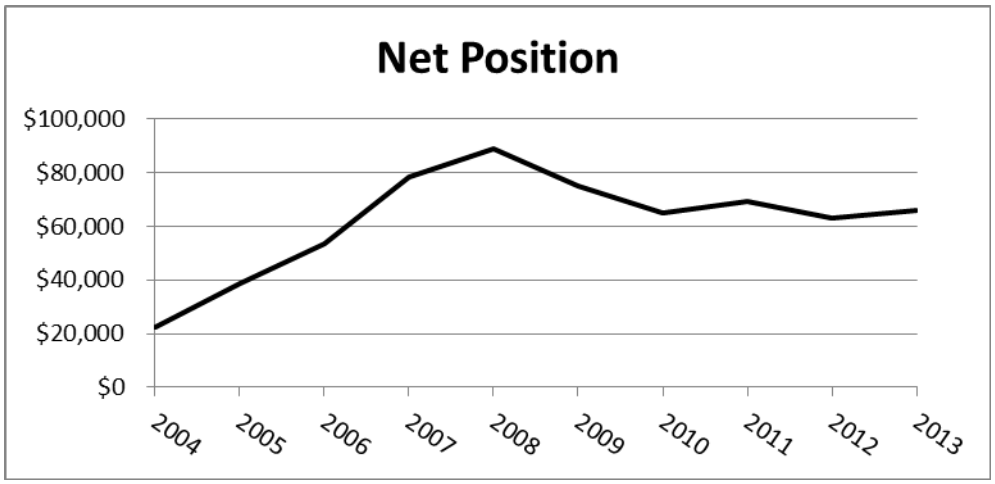
The combining statements in connection with non-major governmental funds, non-major enterprise funds, and internal service funds are presented immediately following the required supplementary information on pensions.

Government-wide Financial Analysis

Net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded its liabilities by $64,912 at the close of June 30, 2013. 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 Position

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Current and other assets	$ 50,293	$ 62,356	$ 14,102	$ 12,560	$ 64,395	$ 74,916
Capital assets	83,596	77,528	28,362	26,955	111,958	104,483
Total assets	133,889	139,884	42,464	39,515	176,353	179,399
Current and other liabilities	15,454	18,605	1,780	1,949	17,234	20,554
Long-term liabilities	75,632	76,716	17,100	19,024	92,732	95,740
Total Liabilities	91,086	95,321	18,880	20,973	109,966	116,294
Deferred inflow of resources	1,475	-	-	-	1,475	-
Net Assets:						
Net investment in capital assets	56,007	60,310	23,532	21,610	66,785	68,576
Restricted	11,443	6,353	-	-	11,443	6,353
Unrestricted	(26,122)	(22,100)	52	(3,068)	(13,316)	(11,824)
	$ 41,328	$ 44,563	$ 23,584	$ 18,542	$ 64,912	$ 63,105



The City's net position increased $1,807 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's Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Revenues:						
Program Revenues						
Charges for services	$ 16,778	$ 23,066	$ 8,709	$ 7,540	$ 25,487	$ 30,606
Operating grants and contributions	5,301	7,270	1,535	-	6,836	7,270
Capital grants and contributions	13,448	3,215	-	101	13,448	3,316
General revenues						
Property taxes	17,192	18,126	-	-	17,192	18,126
Other taxes	35,222	37,679	-	-	35,222	37,679
Unrestricted investment earnings	365	16	193	125	558	141
Other	-	261	560	-	560	261
Total Revenues	88,306	89,633	10,997	7,766	99,303	97,399
Expenses:						
General government	21,069	13,809	-	-	21,069	13,809
Judicial	964	977	-	-	964	977
Public safety	49,360	50,321	-	-	49,360	50,321
Public works	6,096	8,913	-	-	6,096	8,913
Cultural & recreational	2,211	6,469	-	-	2,211	6,469
Housing & development	4,232	6,503	-	-	4,232	6,503
Health & welfare	1,565	1,781	-	-	1,565	1,781
Interest on long-term debt	1,684	1,871	-	-	1,684	1,871
Solid waste management	-	-	6,242	9,446	6,242	9,446
Airport enterprise	-	-	1,595	1,691	1,595	1,691
Coliseum & auditorium	-	-	1,689	1,256	1,689	1,256
Bowden Golf Course	-	-	653	575	653	575
Mulberry street parking garage	-	-	136	-	136	-
Total expenses	87,181	90,644	10,315	12,968	97,496	103,612
Change in net assets before transfers	1,125	(1,011)	682	(5,202)	1,807	(6,213)
Transfers	(4,360)	(1,079)	4,360	1,079	-	-
Change in net assets	(3,235)	(2,090)	5,042	(4,123)	1,807	(6,213)
Net position, beginning	44,563	46,653	18,542	22,665	63,105	69,318
Net position, ending	$ 41,328	$ 44,563	$ 23,584	$ 18,542	$ 64,912	$ 63,105

Cash and cash equivalents decreased by 14.1% in 2013 compared to 2012. Accounts Receivable net of allowances increased 14.4% over the prior period. Net pension assets decreased by $883 in 2013. Capital assets rose 7.2% from the prior year. It was the intent to stabilize the cash and to slowly improve the capital assets needed to operate the City. Long-term liabilities decreased by 3.1%. The non-funded OPEB Liability increased by $1,839 for 6.5%, while the landfill post-closure liability decreased by $1,410 or 11%.

Governmental Activities – Governmental activities decreased the City's net position by $3,235. Key elements of the change are as follows:

- Sales tax revenue decreased by $2,649.
- Property tax revenue decreased by $934.
- The increase in transfers of $3,280 is larger due to SPLOST projects in the business-type activities.

Business-type activities – Business-type activities increased the City's net position by $5,041. Key elements of this increase are as follows:

- Operating grants and contributions increased by $1,535 as compared to the prior year.
- The major impact was the total expenses decreased due to the Solid Waste Management decrease in expenses of $3,205 in 2013. This is partially due to post-closure costs of the landfill decreasing by $1,410.
- Business-type activities had increased transfers in due to SPLOST projects.

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 net position of $23,733, a decrease of $8,533 from the prior year. Of this total amount, $3,263 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 $4,971 as compared to $8,925 in 2012, $10,125 in 2011, $4,559 in 2010, and $608 for fiscal year 2009. The decrease is largely due to a decrease in Sales Tax revenues.

The SPLOST fund is reported as a major fund. Total revenues of this fund for the year ended June 30, 2013 amounted to $10,166 and ending fund balance was $14,784.

Proprietary funds – The City's proprietary funds experienced an increase in net position of $5,160 during the 2013 fiscal year. There was a net increase of $800 before capital contributions and transfers. Net transfers in from other fund types amounted to $4,228.

General Fund Budgetary Highlights

In fiscal year 2013, 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 expenditures were amended upward by 4.69%.

Overall, the General Fund revenues came in $5,332 under budget and expenditures were $2,312 less than the budget. When the other financing sources of $4,282 are subtracted, the net decrease in fund balance was $3,954.

Sales Tax had the largest revenue variance from the budget of $5,744 decrease. The trend had been that sales tax was steadily increasing over the past couple of years and had an unexpected decrease in 2013. Franchise fees was the next largest variance decrease in the budget $895 or 11%.

The General Fund is broken down by several departments; General Government was 3.5% below the budget but, also, accounts for 21% of the total savings 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, $477; Judicial, $43; Public Safety, $902; Public Works, $340, Central Services, $80; Parks and Recreation, $82; and Housing and Development, $228.

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, 2013 amounts to $111,958. Major capital asset acquisitions during the current fiscal year included construction in progress of $5,649 and infrastructure of $3,316.

See the following table for an understanding of the capital assets, net of accumulated depreciation, of the City as of June 30, 2013 and 2012, respectively. See the Notes to the Financial Statements, Note 8: Capital Assets, for more detailed information regarding capital assets.

City of Macon's Capital Assets

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Land	$ 7,691	$ 10,535	$ 7,221	$ 7,221	$ 14,912	$ 17,756
Construction in progress	26,138	18,534	922	2,877	27,060	21,411
Buildings	14,979	15,944	8,922	8,621	23,901	24,565
Land improvements	-	10	2,369	2,515	2,369	2,525
Machinery & equipment	1,796	1,304	669	380	2,465	1,684
Vehicles	7,391	5,847	2,300	2,882	9,691	8,729
Furniture and fixtures	-	-	432	-	432	-
Infrastructure	25,602	25,354	5,527	2,459	31,129	27,813
Total	$ 83,597	$ 77,528	$ 28,362	$ 26,955	$ 111,959	$ 104,483

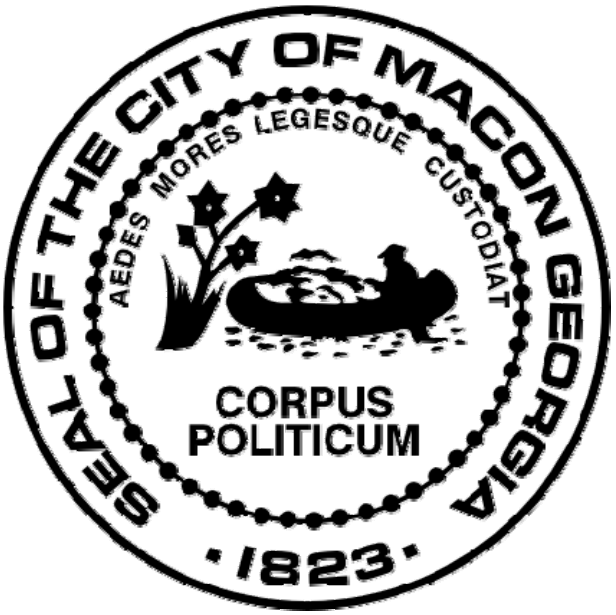
Long-term debt – In 2013, the City had no new issuance of bond debt. The following is a summary of the long-term debt of the City as of June 30, 2013 and 2012, respectively. See the Notes to the Financial Statements, Note 9: Long-Term Debt, for more detailed information regarding long-term debt.

Total Outstanding Long-term Liabilities

	2013	2012	Percent Change
Governmental Activities			
Revenue Bonds-2002 A&B	$ 9,058	$ 9,593	-5.6%
Hotel Revenue Bonds-2007	10,005	10,340	-3.2%
General Obligation Bonds	19,010	19,287	0.0%
Lease Purchase Agreements	4,055	5,482	-26.0%
Georgia Municpal Association	6,300	6,300	0.0%
Pension Notes	430	623	-31.0%
Net Post Employment Benefits	27,990	26,280	6.5%
Compensated Absences	2,559	2,699	-5.2%
Claims & Judgements Payable	706	706	0.0%
Workers' Compensation Claims	5,071	4,822	5.2%
Total Governmental Activities	$ 85,184	$ 86,132	-1.1%
Business-type Activities			
Revenue Bonds	$ 2,921	$ 3,418	-14.5%
Lease Purchase Agreements	1,586	1,927	-17.7%
Notes Payable	323	-	100.0%
Net Post Employment Benefits	2,015	1,885	6.9%
Compensated Absences	118	115	2.6%
Landfill Closure/Post Closure Care Costs	11,430	12,840	-11.0%
Total Business-type Activities	$ 18,393	$ 20,185	-8.9%

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 POSITION
JUNE 30, 2013

ASSETS	Governmental Activities	Business-type Activities	Total Primary Government	Component Unit Macon-Bibb County Transit Authority
Cash and cash equivalents	$ 31,619,945	$ 2,204,408	$ 33,824,353	$ 155,051
Taxes receivable	1,730,462	-	1,730,462	-
Accounts receivable, net of allowances	1,790,191	3,541,120	5,331,311	-
Due from other governments	4,584,454	12,134	4,596,588	283,713
Internal balances	(8,318,904)	8,318,904	-	-
Inventories	572	-	572	232,356
Prepaid expenses	102,958	-	102,958	298,138
Investment in joint venture	3,728,721	-	3,728,721	-
Long-term loans receivable	2,456,340	-	2,456,340	-
Restricted assets:				
Cash and cash equivalents	-	-	-	320,739
Investments	1,508,704		1,508,704	-
Deferred charges	530,320	25,297	555,617	-
Net pension asset	9,084,391	-	9,084,391	-
Fair value of interest rate swap agreement	1,475,037	-	1,475,037	-
Capital assets:				
Nondepreciable	33,828,583	8,143,575	41,972,158	-
Depreciable, net of accumulated depreciation	49,767,616	20,218,282	69,985,898	5,060,888
Total assets	133,889,390	42,463,720	176,353,110	6,350,885
LIABILITIES				
Accounts payable	3,680,987	365,120	4,046,107	538,354
Accrued liabilities	2,201,104	119,637	2,320,741	74,237
Unearned revenues	12,500	2,153	14,653	-
Due to other governments	8,075	-	8,075	-
Capital leases due within one year	1,559,133	536,642	2,095,775	-
Capital leases due in more than one year	2,495,977	1,049,517	3,545,494	-
Certificates of participation due in more than one year	6,300,000	-	6,300,000	-
Line of credit due within one year	-	-	-	10,000
Notes payable due within one year	-	107,736	107,736	-
Notes payable due in more than one year	-	215,471	215,471	-
Bonds payable due within one year	1,431,079	526,963	1,958,042	-
Bonds payable due in more than one year				-
net of unamortized premiums and discounts	36,641,491	2,393,610	39,035,101	-
Workers' compensation due within one year	3,803,250	-	3,803,250	-
Workers' compensation due in more than one year	1,267,750	-	1,267,750	-
Compensated absences due within one year	1,841,795	118,421	1,960,216	34,168
Compensated absences due in more than one year	717,385	-	717,385	-
Net other post employment benefits (OPEB) obligation	27,989,856	2,014,409	30,004,265	-
Net pension obligation	-	-	-	720,916
Claims and judgments due within one year	706,320	-	706,320	-
Pension fund notes payable due within one year	209,595	-	209,595	-
Pension fund notes payable due in more than one year	220,146	-	220,146	-
Landfill postclosure care costs due in more than one year	-	11,430,000	11,430,000	-
Total liabilities	91,086,443	18,879,679	109,966,122	1,377,675
DEFERRED INFLOW OF RESOURCES				
Accumulated increase in fair value of hedging activities	1,475,037	-	1,475,037	-
NET POSITION				
Net investment in capital assets	56,007,628	23,531,918	66,785,136	5,060,888
Restricted for:				
Capital projects	9,573,388	-	9,573,388	-
Federal and state grant programs	1,491,672	-	1,491,672	-
Law enforcement purposes	45,605	-	45,605	-
Culture and recreation purposes	249,800	-	249,800	-
Debt service	82,061	-	82,061	-
Other purposes	-	-	-	320,739
Unrestricted (deficit)	(26,122,244)	52,123	(13,315,711)	(408,417)
Total net position	$ 41,327,910	$ 23,584,041	$ 64,911,951	$ 4,973,210

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, 2013

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	$ 21,068,709	$ 3,416,472	$ -	$ 11,996,034
Judicial	964,043	-	-	-
Public safety	49,359,563	13,222,823	644,603	1,310,212
Public works	6,096,237	-	-	-
Culture and recreation	2,211,495	99,888	15,400	-
Housing and development	4,232,689	38,909	3,191,799	141,291
Health and welfare	1,565,036	-	1,449,424	-
Interest on long-term debt	1,684,100	-	-	-
Total governmental activities	87,181,872	16,778,092	5,301,226	13,447,537
Business-type activities:				
Solid waste management	6,241,480	6,852,571	1,535,054	-
Airport	1,595,490	1,376,796	-	-
Coliseum and auditorium	1,689,523	-	-	-
Bowden golf course	653,168	309,039	-	-
Mulberry street parking garage	136,439	170,820	-	-
Total business-type activities	10,316,100	8,709,226	1,535,054	-
Total primary government	$ 97,497,972	$ 25,487,318	$ 6,836,280	$ 13,447,537
Component unit:				
Macon-Bibb County Transit Authority	$ 7,279,733	$ 1,460,699	$ 4,631,005	$ 666,890
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 position, beginning of year				
Net position, 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, 2013

Net (Expenses) Revenues and Changes in Net Position			Component Unit
Governmental Activities	Business-type Activities	Total	Macon-Bibb County Transit Authority
$ (5,656,203)	$ -	$ (5,656,203)	$ -
(964,043)	-	(964,043)	-
(34,181,925)	-	(34,181,925)	-
(6,096,237)	-	(6,096,237)	-
(2,096,207)	-	(2,096,207)	-
(860,690)	-	(860,690)	-
(115,612)	-	(115,612)	-
(1,684,100)	-	(1,684,100)	-
(51,655,017)	-	(51,655,017)	-
-	2,146,145	2,146,145	-
-	(218,694)	(218,694)	-
-	(1,689,523)	(1,689,523)	-
-	(344,129)	(344,129)	-
-	34,381	34,381	
-	(71,820)	(71,820)	-
(51,655,017)	(71,820)	(51,726,837)	-
-	-	-	(521,139)
17,192,201	-	17,192,201	-
1,938,809	-	1,938,809	-
16,894	-	16,894	-
197,022	-	197,022	-
49,284	-	49,284	-
245,526	-	245,526	-
18,255,711	-	18,255,711	-
4,551,117	-	4,551,117	-
1,784,025	-	1,784,025	-
908,608	-	908,608	-
7,274,618	-	7,274,618	-
365,929	192,933	558,862	269
-	560,297	560,297	-
(4,359,896)	4,359,896	-	-
48,419,848	5,113,126	53,532,974	269
(3,235,169)	5,041,306	1,806,137	(520,870)
44,563,079	18,542,735	63,105,814	5,494,080
$ 41,327,910	$ 23,584,041	$ 64,911,951	$ 4,973,210

CITY OF MACON, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2013

ASSETS	General Fund	SPLOST 2012 Fund	Other Governmental Funds	Totals Governmental Funds
Cash and cash equivalents	$ 13,390,520	$ 14,410,319	$ 3,612,439	$ 31,413,278
Taxes receivable, net	1,619,851	-	110,611	1,730,462
Accounts receivable, net	1,275,964	-	409,654	1,685,618
Due from other governments	2,588,959	814,585	1,180,910	4,584,454
Due from other funds	1,259,598	-	524,605	1,784,203
Prepaid expenditures	102,958	-	-	102,958
Restricted assets	-	-	1,508,704	1,508,704
Long-term receivable	-	-	2,456,340	2,456,340
Total assets	$ 20,237,850	$ 15,224,904	$ 9,803,263	$ 45,266,017
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ 1,599,383	$ 440,341	$ 1,084,496	$ 3,124,220
Accrued liabilities	764,627	-	60,004	824,631
Unearned revenues	1,376,228		3,419,749	4,795,977
Due to other governments	-	-	8,075	8,075
Due to other funds	2,919,623	1,025	1,252,455	4,173,103
Advances from other funds	8,606,783	-	-	8,606,783
Total liabilities	15,266,644	441,366	5,824,779	21,532,789
FUND BALANCES				
Nonspendable:				
Prepaids	102,958	-	-	102,958
Long-term receivables	-	-	2,456,340	2,456,340
Restricted for:				
Capital projects	-	14,783,538	1,258,109	16,041,647
Federal and state grant programs	-	-	1,491,672	1,491,672
Law enforcement purposes	-	-	45,605	45,605
Debt service		-	82,061	82,061
Assigned:				
Culture and recreation	249,800	-	-	249,800
Unassigned:				
General Fund	4,618,448	-	-	4,618,448
Special Revenue Funds	-	-	(1,355,303)	(1,355,303)
Total fund balances	4,971,206	14,783,538	3,978,484	23,733,228
Total liabilities, deferred inflows of resources, and fund balances	$ 20,237,850	$ 15,224,904	$ 9,803,263	$ 45,266,017

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 POSITION JUNE 30, 2013

Total fund balances of governmental funds			$ 23,733,228
Amounts reported for governmental activities in the Statement of Net Position are different because:			
Recognition of pension assets from contributions in excess of the annual required contribution are not recognized at the fund level.			9,084,391
Capital assets used in governmental activities are not financial resources; therefore, they are not reported in the respective governmental funds:			
	Cost of capital assets	$ 138,048,556	
	Accumulated depreciation	(62,831,051)	75,217,505
Investment in joint ventures			3,728,721
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds			2,518,383
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 $8,378,694 of capital assets. Amount also includes $104,570 of compensated absences payable and $665,652 for net other post employment benefit (OPEB) obligations.			9,116,494
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	$ (8,090,016)	
	Unamortized issuance costs on 2007 Hotel Bonds	530,320	
	Revenue and general obligation bonds	(38,072,570)	
	Accrued interest	(452,671)	
	Compensated absences	(2,454,610)	
	Net post employment benefit (OPEB) obligation	(27,324,204)	
	Claims and judgments payable	(706,320)	
	Pension fund note payable	(429,741)	
	Workers' compensation	(5,071,000)	(82,070,812)
Net position of governmental activities			$ 41,327,910

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, 2013

	General Fund	SPLOST 2012 Fund	Other Governmental Funds	Totals Governmental Funds
REVENUES				
Property taxes	$ 17,215,514	$ -	$ -	$ 17,215,514
Auto tags and taxes	1,938,809	-	-	1,938,809
Railroad equipment tax	16,894	-	-	16,894
Recording intangible tax	197,022	-	-	197,022
Real estate transfer tax	49,284	-	-	49,284
Payments in lieu of taxes	245,526	-	-	245,526
Sales taxes	18,255,711	-	-	18,255,711
Insurance premium tax	4,551,117	-	-	4,551,117
Alcoholic beverage taxes	1,784,025	-	-	1,784,025
Hotel/motel taxes	-	-	908,608	908,608
Franchise taxes	7,274,618	-	-	7,274,618
Charges for services	10,171,153	-	2,686,544	12,857,697
Licenses and permits	2,068,658	-	-	2,068,658
Intergovernmental	61,848	10,166,370	8,326,506	18,554,724
Fines and forfeitures	1,416,139	-	-	1,416,139
Interest revenue	7,126	-	358,803	365,929
Rental income	38,909	-	-	38,909
Other revenues	2,381,852	-	72,667	2,454,519
Total revenues	67,674,205	10,166,370	12,353,128	90,193,703
EXPENDITURES				
Current:				
General government	13,830,572	750,000	962,981	15,543,553
Judicial	936,727	-	-	936,727
Public safety	41,502,448	-	5,303,434	46,805,882
Public works and central services	6,903,991	-	-	6,903,991
Culture and recreation	1,455,166	-	496,290	1,951,456
Housing and development	1,181,785	-	3,035,825	4,217,610
Health and welfare	-	-	1,544,316	1,544,316
Capital outlay	-	1,774,134	3,702,625	5,476,759
Debt service:				
Principal	1,371,617	-	1,050,803	2,422,420
Interest and other charges	163,778	503,750	1,280,657	1,948,185
Total expenditures	67,346,084	3,027,884	17,376,931	87,750,899
Excess (deficiency) of revenues under expenditures	328,121	7,138,486	(5,023,803)	2,442,804
OTHER FINANCING SOURCES (USES)				
Transfers in	893,644	-	9,164,821	10,058,465
Transfers out	(5,441,804)	(9,516,926)	(6,472,343)	(21,431,073)
Capital lease	-	-	130,621	130,621
Proceeds from disposition of capital assets	265,760	-	-	265,760
Total other financing sources (uses)	(4,282,400)	(9,516,926)	2,823,099	(10,976,227)
Net change in fund balances	(3,954,279)	(2,378,440)	(2,200,704)	(8,533,423)
Fund balances, beginning of year	8,925,485	17,161,978	6,179,188	32,266,651
Fund balances, end of year	$ 4,971,206	$ 14,783,538	$ 3,978,484	$ 23,733,228

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, 2013

Net change in fund balances of total governmental funds as noted in the Statement of Revenues, Expenditures and Changes in Fund Balances			$ (8,533,423)
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		$ 7,093,138	
Depreciation expense (excludes depreciation expense for internal service fund which is captured later in this analysis)		(2,967,799)	4,125,339
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins donations, transfers to internal service funds) is to decrease net position.			(6,331,589)
Change in investment in joint venture.			(1,175,256)
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		$ (4,612,751)	
Deferred revenue in current year		4,783,477	170,726
The issuance of long-term debt provides current financial resources to governmental funds, but increases liabilities in the Statement of Net Position. Repayment of debt is an expenditure in the governmental funds, but reduces long-term liabilities in the Statement of Net Position.			
Payment of pension notes payable		$ 193,532	
Proceeds from capital lease obligations		(130,621)	
Payment of bond principal and capital leases			
2002A and 2002B Macon-Bibb County UDA revenue bonds and 2007 Hotel Bonds	$ 865,000		
Lease purchase agreements	1,557,420	$ 2,422,420	
Change in accrual of interest expense and amortization of issuance costs, premiums and discounts			
Amortization of issuance costs, premiums and discounts	$ 248,756		
Change in accrued interest	15,329	264,085	2,749,416
Internal service funds are used by management to charge the costs of automotive services activities, transactions related to the provision of life, accident, and medical insurance benefits through outside insurance companies for permanent employees and retirees, and to charge costs of IT related services. The net income of these activities are reported with governmental activities.			8,112,386
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		$ (1,425,024)	
Current year change in compensated absences		203,830	
Current year change in workers' compensation liability		(249,000)	
Current year change in net pension asset		(882,574)	(2,352,768)
Net change in net position of governmental activities as noted in the Statement of Activities			$ (3,235,169)

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, 2013

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
REVENUES:				
Property taxes	$ 17,173,000	$ 17,173,000	$ 17,215,514	$ 42,514
Auto tags and taxes	1,500,000	1,500,000	1,938,809	438,809
Railroad equipment tax	13,000	13,000	16,894	3,894
Recording intangible tax	120,000	120,000	197,022	77,022
Real estate transfer tax	35,000	35,000	49,284	14,284
Payments in lieu of taxes	166,600	166,600	245,526	78,926
Sales taxes	20,500,000	24,000,000	18,255,711	(5,744,289)
Insurance premium tax	4,300,000	4,300,000	4,551,117	251,117
Alcoholic beverage taxes	1,650,000	1,650,000	1,784,025	134,025
Franchise taxes	8,170,000	8,170,000	7,274,618	(895,382)
Charges for services	10,016,300	10,016,300	10,171,153	154,853
Licenses and permits	2,049,000	2,049,000	2,068,658	19,658
Intergovernmental	85,700	85,700	61,848	(23,852)
Fines and forfeitures	1,882,000	1,882,000	1,416,139	(465,861)
Interest revenue	25,000	25,000	7,126	(17,874)
Rental income	35,000	35,000	38,909	3,909
Other revenues	1,785,800	1,785,800	2,381,852	596,052
Total revenues	69,506,400	73,006,400	67,674,205	(5,332,195)
EXPENDITURES:				
Current:				
General government				
Mayor and staff	1,043,290	1,043,290	1,040,781	2,509
Internal audit	210,600	210,600	202,509	8,091
City council	844,400	844,400	781,953	62,447
Personnel administration	1,149,200	1,110,064	956,524	153,540
Finance department	1,510,400	1,518,453	1,412,239	106,214
City attorney	979,900	983,576	855,798	127,778
City clerk	175,800	175,800	161,218	14,582
Nondepartmental-public utilities	1,145,000	1,499,600	1,499,022	578
Miscellaneous	430,210	4,085,977	4,084,552	1,425
Payments to other agencies	2,159,400	2,302,824	2,302,700	124
Risk management	470,000	533,300	533,276	24
Total general government	10,118,200	14,307,884	13,830,572	477,312
Judicial				
Municipal court	987,000	980,315	936,727	43,588
Public safety:				
Police:				
Youth and intervention	4,836,100	4,675,524	4,483,566	191,958
Administration	2,611,600	2,664,566	2,664,215	351
Support services	1,909,000	1,761,362	1,619,966	141,396
Patrol	10,524,000	10,107,950	9,962,474	145,476
Management services	712,000	712,000	682,704	29,296
Fire:				
Administration	653,700	645,700	607,767	37,933
Fire fighting	20,558,900	20,295,550	19,990,685	304,865
Prevention	550,400	634,400	634,286	114
Training	426,600	414,308	366,804	47,504
Emergency management	492,300	493,600	489,981	3,619
Total public safety	43,274,600	42,404,960	41,502,448	902,512

(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, 2013

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
Expenditures: (Continued)				
Public works:				
City engineering office	$ -	$ 3,800	$ 3,800	$ -
Administration	445,000	445,000	428,306	16,694
Street cleaning	1,451,300	1,432,865	1,180,087	252,778
Street maintenance	1,568,800	1,650,400	1,647,421	2,979
Street drainage	444,600	444,600	376,407	68,193
Total public works	3,909,700	3,976,665	3,636,021	340,644
Central services:				
Administration	405,300	420,800	420,772	28
Signals and signs	629,400	586,525	585,746	779
Building custodial	633,000	628,000	601,546	26,454
HVAC	418,900	418,900	400,174	18,726
General maintenance	536,200	532,700	519,559	13,141
Electrical	460,000	460,000	451,076	8,924
Traffic operations	325,500	300,833	289,097	11,736
Total central services	3,408,300	3,347,758	3,267,970	79,788
Parks and recreation:				
Operations	1,667,800	1,537,222	1,455,166	82,056
Total parks and recreation	1,667,800	1,537,222	1,455,166	82,056
Housing and development:				
Inspection and fees	741,600	689,920	667,174	22,746
Acquisition	196,000	193,250	39,883	153,367
Demolition and board up	374,000	374,000	373,985	15
Economic development	165,000	152,833	100,743	52,090
Total housing and development	1,476,600	1,410,003	1,181,785	228,218
Debt service				
Principal	1,432,400	1,432,400	1,371,617	60,783
Interest and other fees	261,600	261,600	163,778	97,822
Total debt service	1,694,000	1,694,000	1,535,395	158,605
Total expenditures	66,536,200	69,658,807	67,346,084	2,312,723
Excess revenues over expenditures	2,970,200	3,347,593	328,121	(3,019,472)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	893,644	893,644
Transfers out	(3,020,200)	(4,065,557)	(5,441,804)	(1,376,247)
Proceeds from the disposition of capital assets	50,000	50,000	265,760	215,760
Total other financing sources (uses)	(2,970,200)	(4,015,557)	(4,282,400)	(266,843)
Net change in fund balances	-	(667,964)	(3,954,279)	(3,286,315)
Fund balances, beginning of year	8,925,485	8,925,485	8,925,485	-
Fund balances, end of year	$ 8,925,485	$ 8,257,521	$ 4,971,206	$ (3,286,315)

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

CITY OF MACON, GEORGIA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2013

	Solid Waste Management Fund	Airport Enterprise Fund	Other Enterprise Funds	Totals	Governmental Activities Internal Service Funds
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	$ 1,892,628	$ 252,431	$ 59,349	$ 2,204,408	$ 206,667
Accounts receivable, net of allowances	3,440,799	90,742	9,579	3,541,120	104,573
Due from other governments	-	12,134	-	12,134	-
Due from other funds	-	-	710,740	710,740	1,938,979
Inventories	-	-	-	-	572
Total current assets	5,333,427	355,307	779,668	6,468,402	2,250,791
NONCURRENT ASSETS					
Deferred charges		25,297		25,297	-
Advances to other funds	8,606,783	-	-	8,606,783	-
Capital assets:					
Nondepreciable	73,126	6,792,336	1,278,113	8,143,575	7,514,361
Depreciable, net of accumulated depreciation	4,055,302	12,349,818	3,813,162	20,218,282	864,333
Total noncurrent assets	12,735,211	19,167,451	5,091,275	36,993,937	8,378,694
Total assets	18,068,638	19,522,758	5,870,943	43,462,339	10,629,485
LIABILITIES					
CURRENT LIABILITIES					
Accounts payable	257,744	91,486	15,890	365,120	556,767
Accrued liabilities	57,046	-	6,182	63,228	923,802
Compensated absences, current portion	104,210	-	14,211	118,421	104,570
Accrued interest	23,200	33,209	-	56,409	-
Current portion - notes payable	107,736	-	-	107,736	-
Capital lease payable, current portion	507,394	-	29,248	536,642	-
Unearned revenues	-	2,043	110	2,153	-
Due to other funds	-	253,866	6,953	260,819	-
Revenue bonds payable, current portion	-	530,000	-	530,000	-
Total current liabilities	1,057,330	910,604	72,594	2,040,528	1,585,139
NONCURRENT LIABILITIES					
Capital lease payable, net of current portion	1,019,353	-	30,164	1,049,517	-
Revenue bonds payable, net of current portion	-	2,390,573	-	2,390,573	-
Notes payable, net of current portion	215,471	-	-	215,471	-
Net other post employment benefits (OPEB) Obligation	1,847,708	-	166,701	2,014,409	665,652
Landfill closure / postclosure care costs	11,430,000	-	-	11,430,000	-
Total long-term liabilities	14,512,532	2,390,573	196,865	17,099,970	665,652
Total liabilities	15,569,862	3,301,177	269,459	19,140,498	2,250,791
NET POSITION					
Net investment in capital assets	2,278,474	16,221,581	5,031,863	23,531,918	8,378,694
Unrestricted	220,302	-	569,621	789,923	-
Total net position	$ 2,498,776	$ 16,221,581	$ 5,601,484	24,321,841	$ 8,378,694
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.				(737,800)	
Net assets of business-type activities				$ 23,584,041	

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

CITY OF MACON, GEORGIA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Solid Waste Management Fund	Airport Enterprise Fund	Other Enterprise Funds	Totals	Governmental Activities - Internal Service Funds
OPERATING REVENUES					
Charges for services	$ 6,852,571	$ 1,376,257	$ 314,407	$ 8,543,235	$ 15,628,080
Rentals, admissions and concessions	-	-	164,805	164,805	-
Miscellaneous	-	539	647	1,186	-
Total operating revenues	6,852,571	1,376,796	479,859	8,709,226	15,628,080
OPERATING EXPENSES					
Salaries and benefits	3,253,419	-	428,209	3,681,628	2,218,757
Utilities	41,302	118,238	95,748	255,288	-
Supplies and materials	679,552	54,876	73,266	807,694	148,079
Repairs, maintenance and other contractual services	1,488,869	671,415	33,594	2,193,878	874,489
Closure and postclosure care costs	(137,636)	-	-	(137,636)	-
Miscellaneous	4,363	82,987	55,613	142,963	542,465
Claims expense	-	-	-	-	11,925,211
Management fee	-	-	1,484,209	1,484,209	-
Depreciation	747,734	472,208	303,535	1,523,477	187,725
Total operating expenses	6,077,603	1,399,724	2,474,174	9,951,501	15,896,726
Operating income (loss)	774,968	(22,928)	(1,994,315)	(1,242,275)	(268,646)
NONOPERATING INCOME (EXPENSES)					
Gain on sale of assets	-	560,297	-	560,297	-
Interest income	192,933	-	-	192,933	-
Intergovernmental revenue	1,535,054	-	-	1,535,054	-
Interest expense	(51,681)	(193,378)	(710)	(245,769)	-
Total nonoperating income (expenses)	1,676,306	366,919	(710)	2,042,515	-
Income (loss) before capital contributions and transfers	2,451,274	343,991	(1,995,025)	800,240	(268,646)
CAPITAL CONTRIBUTIONS	-	-	131,872	131,872	1,117,618
TRANSFERS					
Transfers out	-	-	(111,034)	(111,034)	-
Transfers in	275,769	180,344	3,882,945	4,339,058	7,144,584
Total transfers	275,769	180,344	3,771,911	4,228,024	7,144,584
Change in net position	2,727,043	524,335	1,908,758	5,160,136	7,993,556
NET POSITION (DEFICIT), beginning of year	(228,267)	15,697,246	3,692,726		385,138
NET POSITION, end of year	$ 2,498,776	$ 16,221,581	$ 5,601,484		$ 8,378,694
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.				(118,830)	
Change in net position of business-type activities				$ 5,041,306	

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, 2013

	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	$ 6,490,710	$ 1,322,760	$ 445,215	$ 8,258,685	$ -
Receipts from interfund services provided	-	-	-	-	15,436,247
Payments to suppliers	(4,000,390)	(730,963)	(1,940,859)	(6,672,212)	(13,367,186)
Payments to employees	(3,130,015)	-	(419,534)	(3,549,549)	(2,162,416)
Net cash provided by (used in) operating activities	(639,695)	591,797	(1,915,178)	(1,963,076)	(93,355)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Advances (to) from other funds	701,877	-	-	701,877	-
Intergovernmental grant	1,535,054	-	-	1,535,054	-
Transfers in	275,769	180,344	3,882,945	4,339,058	7,144,584
Transfers out	-	-	(111,034)	(111,034)	-
Net cash provided by noncapital financing activities	2,512,700	180,344	3,771,911	6,464,955	7,144,584
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition and construction of capital assets	(490,193)	(562,984)	(1,745,604)	(2,798,781)	(7,051,229)
Proceeds from the sale of capital assets	-	560,297	-	560,297	-
Intergovernmental grant	-	9,291	-	9,291	-
Principal paid on bonds	-	(500,000)	-	(500,000)	-
Principal paid on notes payable and capital leases	(503,541)	-	(56,222)	(559,763)	-
Proceeds from intergovernmental agreement	323,207	-	-	323,207	-
Proceeds from capital lease financing	219,100	-	-	219,100	-
Interest paid	(48,081)	(190,640)	(710)	(239,431)	-
Net cash used in capital and related financing activities	(499,508)	(684,036)	(1,802,536)	(2,986,080)	(7,051,229)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest and dividends received	192,933	-	-	192,933	-
Net cash provided by investing activities	192,933	-	-	192,933	-
Increase in cash and cash equivalents	1,566,430	88,105	54,197	1,708,732	-
Cash and cash equivalents:					
Beginning of year	326,198	164,326	5,152	495,676	206,667
End of year	$ 1,892,628	$ 252,431	$ 59,349	$ 2,204,408	$ 206,667
Classified as:					
Cash and cash equivalents	$ 1,892,628	$ 252,431	$ 59,349	$ 2,204,408	$ 206,667

(Continued)

CITY OF MACON, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	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)	$ 774,968	$ (22,928)	$ (1,994,315)	$ (1,242,275)	$ (268,646)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	747,734	472,208	303,535	1,523,477	187,725
Provision for landfill closure / postclosure care costs	(1,410,000)	-	-	(1,410,000)	-
Changes in assets and liabilities:					
(Increase) decrease in:					
Accounts receivable	(361,861)	(54,036)	2,179	(413,718)	(2,158)
Inventories	-	-	-	-	14,887
Due from other funds	-	-	(225,150)	(225,150)	(189,675)
Increase (decrease) in:					
OPEB obligation	117,944	-	11,157	129,101	51,003
Accounts payable	(242,015)	(55,345)	(843)	(298,203)	222,564
Accrued liabilities	3,846	-	(4,109)	(263)	(114,393)
Compensated absences payable	5,460	-	(2,482)	2,978	5,338
Unearned revenues	-	-	110	110	-
Due to other funds	(275,771)	251,898	(5,260)	(29,133)	-
Net cash provided by (used in) operating activities	$ (639,695)	$ 591,797	$ (1,915,178)	$ (1,963,076)	$ (93,355)

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

CITY OF MACON, GEORGIA

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2013

	Agency Funds	Pension Trust Funds
ASSETS		
Cash	$ -	$ 7,637,494
Investments:		
Common stock	-	30,564,783
Governmental funds	-	37,339,910
Corporate bonds	-	20,428,207
Asset-backed securities	-	13,678,624
Mutual funds	-	140,102,882
Collateralized mortgage obligations	-	9,444,962
Total investments	-	251,559,368
Receivables:		
Grants receivable	205,568	-
Accounts receivable	6,950	-
Accrued interest	-	422,841
Accounts receivable for investment sales pending	-	1,380,881
Total receivables	212,518	1,803,722
Prepaid expenses	-	11,525
Notes receivable	-	429,741
Total assets	212,518	261,441,850
LIABILITIES		
Accounts payable	212,518	93,820
Settlements payable	-	2,272,985
Total liabilities	212,518	2,366,805
NET POSITION		
Held in trust for pension benefits	$ -	$ 259,075,045

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

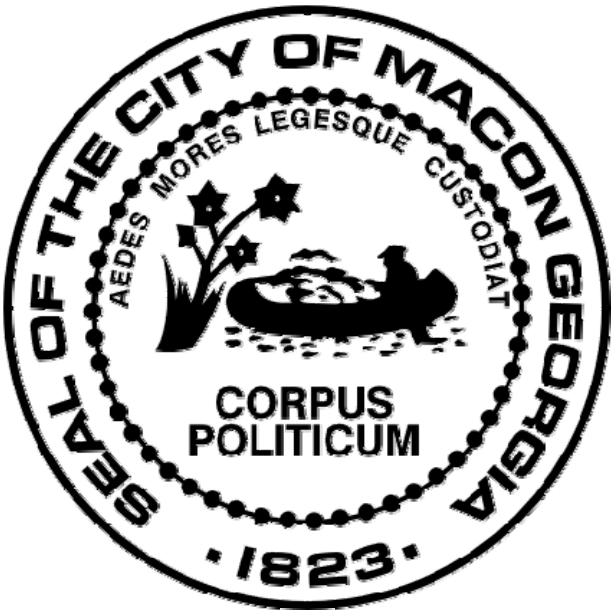
The accompanying notes are an integral part of these financial statements.

CITY OF MACON, GEORGIA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Pension Trust Funds
Additions	
Contributions:	
Employer	$ 6,771,364
	6,771,364
Investment income:	
Net depreciation in fair value of investments	6,904,688
Investment income	18,964,849
Less: investment expenses	(632,643)
	25,236,894
Total additions	32,008,258
Deductions	
Benefits paid	13,556,279
Administrative expenses	326,848
Total deductions	13,883,127
Net increase in net position held in trust for pension benefits	18,125,131
Net position available for benefits:	
Beginning of year	240,949,914
End of year	$ 259,075,045

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.

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 1, 2014.

Based upon criteria set forth by Governmental Accounting Standards Board (GASB) Statement 61 "The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34", the City was determined to have two component units as of June 30, 2013. The component units discussed below are included in the City's reporting entity because of the significance of its operational and financial relationships with 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)

The Authority is included in the City's reporting entity because of the significance of its operation and financial relationship with the City. The financial statements of the Authority have been included as a discretely presented component unit. The component unit column in the Statement of Net Position and Statement of Activities includes the finanical data for the Authority, as reflected in their most recent audited financial statements for June 30, 2013. 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

The Macon-Bibb County Workforce Investment Board, Inc. – The Workforce Investment Act of 1998 (the "Federal Act"), enacted by the Congress of the United States, provides for federal Department of Labor funds to be granted to several states, and for each state to designate Local Workforce Areas within the state, for delivery of services and programs under the Federal Act. The Governor of the State of Georgia has the authority to designate the geographic area encompassing governmental entities as a Local Workforce Investment Area. The Governor has designated Macon and Bibb County as such an area.

The Mayor of the City of Macon (the "Mayor") and the County Commission Chairperson for Bibb County have entered into an Agreement under Section 117 of the Federal Act to provide for a Workforce Investment Board for Macon and Bibb County which specifies the respective role of the Chief Local Elected Official pursuant to Section 117(c)(1)(B) of the Federal Act, and the functions of the local Board. The Chief Local Elected Official by this agreement is the Mayor. The Chief Local Elected Official has chosen The Macon-Bibb County Workforce Investment Board, Inc. to be the subrecipient of the funds.

The Macon-Bibb County Workforce Investment Board, Inc. has been shown as an agency fund within the City's financial statements due to the fiduciary relationship between the City and The Macon-Bibb County Workforce Investment Board, Inc. Complete audited financial statements of The Macon-Bibb County Workforce Investment Board, Inc. can be obtained directly from their administrative offices as follows:

The Macon-Bibb County Workforce Investment Board, Inc.
175 Emery Highway, Suite C
Macon, Georgia 31217

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. The Financial Reporting Entity (Continued)

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, 2013 was $3,150,426.

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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. The Financial Reporting Entity (Continued)

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, 2013 was $578,295.

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

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, 2013, the City paid $77,700 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 position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its discretely presented 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; acquisition and equipping of police cars and public safety vehicles and equipment; and retirement of previously incurred debt of the City including Series 1993 and Series 2002 Macon Industrial Authority bonds and Series 2002A and Series 2002B Macon-Bibb County Urban Development Authority bonds.

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 the 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.

Agency fund is used to account for the receipt and disbursement of monies received by the City and passed through to the Macon-Bibb County Workforce Investment Board, Inc.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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. 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, 2013, interest expense incurred by the City's business-type activities was $245,769. 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
Furniture and fixtures	5-7 years
Infrastructure	20-60 years

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Unearned Revenue

The City of Macon reports unearned revenue on its combined balance sheet. Unearned revenue arises when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned 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 unearned 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 position."

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. Through resolution, the City Council has authorized the City's Chief Administrative Officer or Finance Director to assign fund balance.

- **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 Position

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

1. Net investment in capital assets - 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 position - Consists of net position 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 positon is reported as restricted using the same definition as used for restricted fund balance as described in the section above.

3. Unrestricted net position - All other net postion that does not meet the definition of "restricted" or "net investment in capital assets".

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Deferred Outflows / Inflows of Resources

The City implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* as of July 1, 2012. This new standard establishes accounting and financial reporting for deferred outflows / inflows of resources and the concept of net position as the residual of all other elements presented in a statement of net position.

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense / expenditure) until then. The City did not have any items that qualified for reporting in this category.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of fund balance that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has one type of item which arises only under the full-accrual basis of accounting and reported at the entity-wide level. An e*ffective hedge* is reported in the government-wide statement of net position. The effective hedge results from the change in market value of a swap agreement related to the certificates of participation. The amount is deferred and will mature on June 1, 2028, at the same time as the certificates of participation.

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.

NOTE 2. BUDGETS AND BUDGETARY ACCOUNTING (CONTINUED)

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.

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.

NOTE 2. BUDGETS AND BUDGETARY ACCOUNTING (CONTINUED)

Deficit Fund Equity

For the year ended June 30, 2013, the following funds had deficit fund balances or net position:

	Fund Deficit
Special Revenue Funds:	
General Grant Activity Fund	$ 181,637
Workforce Development Fund	96,495
Dannenburg Grant Fund	500

The deficits in the General Grant and Workforce Development Funds will be eliminated through recognition of unearned revenue in future periods. The deficit in the Dannenburg Grant Fund will be eliminated through a future transfer from the General Fund.

Expenditures Exceeding Budget

For the year ended June 30, 2013, expenditures exceeded final amended budgets as follows:

	Excess
Workforce Development Fund	$ 16,825

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.

NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

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.

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, 2013, the City had uncollateralized deposits totaling $7,667,147.

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, 2013, the City had the following investments:

Investment Type	Rating	Fair Value	Investment Maturities (in Years)			
			Less than 1	1 - 5	6 - 10	11 - 15
Mutual funds	NA	$ 140,102,882	$ 140,102,882	$ -	$ -	$ -
Common stock	NA	30,564,783	30,564,783	-	-	-
Corporate bonds	A1	1,109,846	-	475,552	241,143	-
Corporate bonds	A2	4,095,618	-	1,642,364	2,094,752	-
Corporate bonds	A3	2,564,320	-	828,622	1,065,674	-
Corporate bonds	AA1	129,775	-	-	-	-
Corporate bonds	AA2	385,962	-	385,962	-	-
Corporate bonds	AA3	1,288,855	-	304,005	402,191	-
Corporate bonds	NR	357,058	-	-	357,058	-
Corporate bonds	BAA1	3,111,446	-	1,648,654	637,274	-
Corporate bonds	BAA2	5,330,052	165,920	1,897,335	2,370,316	-
Corporate bonds	BAA3	1,694,879	-	965,492	430,304	-
Corporate bonds	BSS1	360,396	-	360,396	-	-
Government issues	AAA	13,782,982	655,052	7,931,851	3,550,876	121,985
Government issues	AA2	249,759	-	-	-	-
Government issues	NR	19,010,279	1,649,710	13,104,036	2,691,608	-
Mortgage & asset backed securities	A	1,838,495	-	-	-	1,353,668
Mortgage & asset backed securities	A-	1,449,211	-	-	-	-
Mortgage & asset backed securities	A+	900,324	-	-	-	-
Mortgage & asset backed securities	A1	271,328	-	-	-	-
Mortgage & asset backed securities	A2	696,417	-	-	-	-
Mortgage & asset backed securities	A3	263,489	-	-	-	-
Mortgage & asset backed securities	AA-	308,784	-	-	-	-
Mortgage & asset backed securities	AA2	496,365	-	-	-	-
Mortgage & asset backed securities	AA3	194,186	-	-	-	-
Mortgage & asset backed securities	AAA	10,379,814	-	294,030	427,691	872,769
Mortgage & asset backed securities	BA3	139,534	-	-	-	139,534
Mortgage & asset backed securities	BAA1	684,340	-	-	684,340	-
Mortgage & asset backed securities	BAA3	1,563,777	-	-	492,827	-
Mortgage & asset backed securities	BBB	1,192,291	-	-	-	333,172
Mortgage & asset backed securities	BBB+	1,491,551	-	-	1,491,551	-
Mortgage & asset backed securities	NR	5,550,570	-	-	671,458	177,606
Guaranteed investment contract	AA-	1,508,704	-	-	-	-
Total Fair Value		$ 253,068,072	$ 173,138,347	$ 29,838,299	$ 17,609,063	$ 2,998,734

NA = Not applicable. NR = Not rated.

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

NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

Please see the following table for completion of the previous page's analysis.

	Investment Maturities (in Years)					
Investment Type	**16 - 20**	**21 - 25**	**26 - 30**	**31 - 35**	**41 - 45**	**46 - 50**
Mutual funds	$ -	$ -	$ -	$ -	$ -	$ -
Corporate bonds	-	-	-	-	-	-
Corporate bonds	-	96,867	296,284	-	-	-
Corporate bonds	-	-	358,502	-	-	-
Corporate bonds	-	-	509,938	160,086	-	-
Corporate bonds	-	-	129,775	-	-	-
Corporate bonds	-	-	-	-	-	-
Corporate bonds	-	-	582,659	-	-	-
Corporate bonds	-	-	-	-	-	-
Corporate bonds	-	-	825,518	-	-	-
Corporate bonds	-	-	462,316	434,165	-	-
Corporate bonds	-	-	299,083	-	-	-
Corporate bonds	-	-	-	-	-	-
Government issues	313,465	-	1,209,753	-	-	-
Government issues	-	-	249,759	-	-	-
Government issues	-	-	1,564,925	-	-	-
Mortgage & asset backed securities	-	213,308	-	271,519	-	-
Mortgage & asset backed securities	184,838	-	-	600,068	310,911	353,394
Mortgage & asset backed securities	-	-	-	384,232	230,673	285,419
Mortgage & asset backed securities	237,589	33,739	-	-	-	-
Mortgage & asset backed securities	-	-	-	696,417	-	-
Mortgage & asset backed securities	-	-	-	263,489	-	-
Mortgage & asset backed securities	308,784	-	-	-	-	-
Mortgage & asset backed securities	-	-	233,122	263,243	-	-
Mortgage & asset backed securities	-	-	-	194,186	-	-
Mortgage & asset backed securities	663,082	1,370,256	6,751,986	-	-	-
Mortgage & asset backed securities	-	-	-	-	-	-
Mortgage & asset backed securities	-	-	-	-	-	-
Mortgage & asset backed securities	-	-	-	1,070,950	-	-
Mortgage & asset backed securities	483,749	-	-	375,370	-	-
Mortgage & asset backed securities	-	-	-	-	-	-
Mortgage & asset backed securities	-	325,451	3,557,056	818,999	-	-
Guaranteed investment contract	1,508,704	-	-	-	-	-
Total Fair Value	$ 3,700,211	$ 2,039,621	$ 17,030,676	$ 5,532,724	$ 541,584	$ 638,813

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 2012 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, 2012	January 1
Levy date	August 7, 2012	January 1
Due dates and collection dates	October 15, 2012 and November 15, 2012	Staggered
FIFA Date	April 5, 2013	N/A

Hotel/Motel Excise Tax

A summary of the hotel/motel excise tax expenditures and receipts for the fiscal year ended June 30, 2013 is as follows:

Expenditure by Purpose	Amount	Tax Receipts	Percentage
Promote tourism	$ 908,608	$ 908,608	100 %

NOTE 5. OTHER RECEIVABLES

Receivables as of June 30, 2013 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	$ 3,444,333	$ 140,170	$ -	$ -
Special Assessments	-	-	-	-
Accounts	1,681,529	410,500	1,380,881	187,917
Loans	-	8,003,491	-	-
Accrued interest	-	-	422,841	-
Gross receivable	5,125,862	8,554,161	1,803,722	187,917
Less: allowance for uncollectibles	(2,230,047)	(5,577,556)	-	(83,344)
Net total receivables	$ 2,895,815	$ 2,976,605	$ 1,803,722	$ 104,573

NOTE 5. OTHER RECEIVABLES (CONTINUED)

Receivables as of June 30, 2013 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	$ 7,527,491	$ 358,414	$ 3,085	$ 6,494
Gross Receivables	7,527,491	358,414	3,085	6,494
Less: allowance for uncollectibles	(4,086,692)	(267,672)	-	-
Net total receivables	$ 3,440,799	$ 90,742	$ 3,085	$ 6,494

NOTE 6. DUE FROM OTHER GOVERNMENTS

Amounts receivable from other governments as of June 30, 2013 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	Airport Enterprise Fund	Nonmajor Governmental Funds
Federal	$ -	$ -	$ 10,044	$ 718,812
State	1,591,115	-	2,090	462,098
County	1,188,442	814,585	-	-
Other	-	-	-	-
Gross receivables	2,779,557	814,585	12,134	1,180,910
Less: allowance for uncollectibles	(190,598)	-	-	-
Net total receivable	$ 2,588,959	$ 814,585	$ 12,134	$ 1,180,910

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 Out:				
Fund Transfers In:	**General**	**SPLOST 2012**	**Non-Major Enterprise**	**Non-Major Governmental**	**Total**
General	$ -	$ 17,309	$ 111,034	$ 765,301	$ 893,644
Solid Waste	-	-	-	275,769	275,769
Airport	180,344	-	-	-	180,344
Non-Major Governmental	2,119,791	2,026,075	-	5,018,955	9,164,821
Non-Major Enterprise	1,730,663	1,739,964	-	412,318	3,882,945
Internal Service	1,411,006	5,733,578	-	-	7,144,584
	$ 5,441,804	$ 9,516,926	$ 111,034	$ 6,472,343	$ 21,542,107

The transfers out of the 2012 SPLOST Fund are transfers for debt service payments made by other funds and transfers for approved SPLOST projects paid and accounted for in other funds.

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	$ 8,606,783

The City's interfund receivables and payables at June 30, 2013 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	$ -	$ 426,041	$ 554,603	$ 1,938,979	$ 2,919,623
SPLOST 2012	1,025	-	-	-	1,025
Non-Major Governmental	1,004,707	91,611	156,137	-	1,252,455
Airport	253,866	-	-	-	253,866
Non-Major Enterprise	-	6,953	-	-	6,953
	$ 1,259,598	$ 524,605	$ 710,740	$ 1,938,979	$ 4,433,922

NOTE 8. CAPITAL ASSETS

Capital asset activity of the City's governmental activities for the fiscal year ended June 30, 2013 was as follows:

Governmental Activities	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Capital Assets, not being depreciated:					
Land	$ 10,535,034	$ -	$ (2,844,404)	$ -	$ 7,690,630
Construction in progress	18,534,585	7,603,368	-	-	26,137,953
Total capital assets, not being depreciated	29,069,619	7,603,368	(2,844,404)	-	33,828,583
Capital assets, being depreciated:					
Buildings	39,551,305	1,335,725	(6,211,260)	-	34,675,770
Land improvements	52,475	-	(52,475)	-	-
Machinery and equipment	8,027,160	1,109,395	(722,009)	-	8,414,546
Vehicles	26,340,686	3,283,979	(3,133,157)	-	26,491,508
Furnitures and fixtures	24,069	-	-	-	24,069
Infrastructure	34,468,173	811,897	-	-	35,280,070
Total capital assets, being depreciated	108,463,868	6,540,996	(10,118,901)	-	104,885,963
Less accumulated depreciation for:					
Buildings	(23,607,542)	(525,759)	4,436,182	-	(19,697,119)
Land improvements	(42,445)	(1,180)	43,625	-	-
Machinery and equipment	(6,723,098)	(598,788)	703,060	-	(6,618,826)
Vehicles	(20,493,354)	(1,466,465)	2,859,303	-	(19,100,516)
Furnitures and fixtures	(24,070)	-	-	-	(24,070)
Infrastructure	(9,114,484)	(563,332)	-	-	(9,677,816)
Total accumulated depreciation	(60,004,993)	(3,155,524)	8,042,170	-	(55,118,347)
Total capital assets, being depreciated, net	48,458,875	3,385,472	(2,076,731)	-	49,767,616
Governmental activities capital assets, net	$ 77,528,494	$ 10,988,840	$ (4,921,135)	$ -	$ 83,596,199

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, $8,378,694 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, 2013 was as follows:

Business-type activities	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Capital Assets, not being depreciated:					
Land	$ 7,220,673	$ -	$ -	$ -	$ 7,220,673
Construction in progress	2,876,633	695,584	-	(2,649,315)	922,902
Total capital assets, not being depreciated	10,097,306	695,584	-	(2,649,315)	8,143,575
Capital assets, being depreciated:					
Land improvements	3,174,629	-	-	-	3,174,629
Buildings	19,863,234	589,354	-	-	20,452,588
Infrastructure	2,932,080	583,485		2,649,315	6,164,880
Machinery and equipment	3,558,716	475,015	-	-	4,033,731
Vehicles	8,141,615	123,393	(133,782)	-	8,131,226
Furnitures and fixtures	1,236,189	507,779		-	1,743,968
Total capital assets, being depreciated	38,906,463	2,279,026	(133,782)	2,649,315	43,701,022
Less accumulated depreciation for:					
Land improvements	(659,232)	(146,381)		-	(805,613)
Buildings	(11,286,398)	(244,633)		-	(11,531,031)
Infrastructure	(473,007)	(164,901)		-	(637,908)
Machinery and equipment	(3,178,340)	(186,475)		-	(3,364,815)
Vehicles	(5,259,879)	(705,320)	133,782	-	(5,831,417)
Furnitures and fixtures	(1,236,189)	(75,767)		-	(1,311,956)
Total accumulated depreciation	(22,093,045)	(1,523,477)	133,782	-	(23,482,740)
Total capital assets, being depreciated, net	16,813,418	755,549	-	2,649,315	20,218,282
Business-type activities capital assets, net	$ 26,910,724	$ 1,451,133	$ -	$ -	$ 28,361,857

NOTE 8. CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Increases	Decreases	Ending Balance
Component Unit:				
Macon Transit Authority				
Capital assets, being depreciated:				
Buses	7,002,311	314,529	-	7,316,840
Machinery and equipment	1,229,179	308,641	-	1,537,820
Total capital assets, being depreciated	8,231,490	623,170	-	8,854,660
Less accumulated depreciation for:				
Buses	(2,151,786)	(939,664)	-	(3,091,450)
Machinery and equipment	(544,800)	(157,522)	-	(702,322)
Total accumulated depreciation	(2,696,586)	(1,097,186)	-	(3,793,772)
Total capital assets, being depreciated, net	5,534,904	(474,016)	-	5,060,888
Component unit activities capital assets, net	$ 5,534,904	$ (474,016)	$ -	$ 5,060,888

Depreciation expense, including $187,725 applicable to internal service funds, was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	$ 468,492
Public safety	1,564,767
Public works	973,615
Parks and recreation	143,475
Housing and development	5,175
Total depreciation expense - governmental activities	$ 3,155,524
Business-type activities:	
Airport	$ 472,208
Bowden golf	98,221
Coliseum and auditorium	205,314
Solid waste	747,734
Total depreciation expense - business-type activities	$ 1,523,477

NOTE 9. LONG-TERM DEBT

The following is a summary of long-term debt activity of the City for the year ended June 30, 2013:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Governmental Activities:					
Revenue bonds:					
2002A Macon-Bibb County Urban Development Authority Revenue Bonds	$ 6,015,000	$ -	$ (345,000)	$ 5,670,000	$ 360,000
2002B Macon-Bibb County Urban Development Authority Revenue Bonds	3,520,000	-	(185,000)	3,335,000	200,000
Plus: Premium on 2002B Bonds	58,295	-	(5,829)	52,466	5,829
	9,593,295	-	(535,829)	9,057,466	565,829
2007 Hotel Revenue Bonds	10,340,000	-	(335,000)	10,005,000	340,000
Total Revenue Bonds	19,933,295	-	(870,829)	19,062,466	905,829
General Obligation Bonds:					
General Obligation Sales Tax Bonds, Series 2012	18,000,000	-	-	18,000,000	250,000
Plus: Premium on Series 2012 Bonds	1,286,726	-	(276,622)	1,010,104	275,250
Total General Obligation Bonds	19,286,726	-	(276,622)	19,010,104	525,250
Lease Purchase Agreements:					
Secretary of State	2,106,534	-	(861,343)	1,245,191	922,116
Capital Leases	3,375,375	130,621	(696,077)	2,809,919	637,017
Total Obligation	5,481,909	130,621	(1,557,420)	4,055,110	1,559,133
Georgia Municpal Association:					
1998 Certificates of Participation	6,300,000	-	-	6,300,000	-
Pension Notes	623,273	-	(193,532)	429,741	209,595
Net other post-employment benefits (OPEB) obligation	26,279,675	3,231,878	(1,521,697)	27,989,856	-
Compensated absences	2,698,993	1,778,008	(1,917,821)	2,559,180	1,841,795
Claims and judgements payable	706,320	-	-	706,320	706,320
Workers' compensation claims	4,822,000	2,134,950	(1,885,950)	5,071,000	3,803,250
Governmental Long-term Liabilities	$ 86,132,191	$ 7,275,457	$ (8,223,871)	$ 85,183,777	$ 9,551,172

See the following page for a summary of business-type long-term debt activity for the City for the year ended June 30, 2013.

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	$ 1,740,000	$ -	$ (250,000)	$ 1,490,000	$ 265,000
2002 Macon-Bibb County Industrial Authority Revenue Bonds	1,695,000	-	(250,000)	1,445,000	265,000
Less: Discount on 2002 Bonds	(17,464)	-	3,037	(14,427)	(3,037)
Total Revenue Bonds	3,417,536	-	(496,963)	2,920,573	526,963
Capital leases	1,926,822	219,100	(559,763)	1,586,159	536,642
Notes payable	-	323,207	-	323,207	107,736
Net other post-employment benefits (OPEB) obligation	1,885,308	238,617	(109,516)	2,014,409	-
Compensated absences	115,443	120,963	(117,985)	118,421	118,421
Landfill closure/postclosure care costs	12,840,000	-	(1,410,000)	11,430,000	-
Business-type Long-term Liabilities	$ 20,185,109	$ 901,887	$ (2,694,227)	$ 18,392,769	$ 1,289,762

Compensated absences, workers' compensation claims payables, OPEB obligations, 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, 2013, the balance of this obligation (including unamortized bond premiums of $52,466) is $9,057,466. Bond proceeds were used to aid in redevelopment projects within the central business district of Macon, Georgia. As of June 30, 2013, 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,			
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	680,000	342,388	1,022,388
2019-2023	4,000,000	1,103,778	5,103,778
2024-2025	1,925,000	108,057	2,033,057
	$ 9,005,000	$ 3,259,850	$ 12,264,850

Series 2007 Hotel Revenue Bonds totaling $10,340,000 are due in varying annual installments of $152,846 to $774,075 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, 2013, revenue bonds debt service requirements to maturity, excluding amortization of bond issuance costs, are:

	Principal	Interest	Total
Fiscal year ending June 30,			
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	370,000	377,075	747,075
2019-2023	2,010,000	1,649,072	3,659,072
2024-2028	2,350,000	1,164,906	3,514,906
2029-2033	2,710,000	586,219	3,296,219
2034-2035	1,155,000	53,534	1,208,534
	$ 10,005,000	$ 5,483,106	$ 15,488,106

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, 2013, the balance of this obligation (including unamortized bond premium of $1,010,104) is $19,010,104. 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, 2013, general obligation bonds debt service requirements to maturity, excluding amortization of bond issuance costs, are:

Fiscal year ending June 30,	Principal	Interest	Total
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	3,630,000	165,450	3,795,450
2019	3,700,000	55,500	3,755,500
	$ 18,000,000	$ 1,839,475	$ 19,839,475

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, 2013:

Buildings	$ 8,958,310
Less: Accumulated depreciation	(3,231,513)
	$ 5,726,797

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, 2013 is $1,245,191.

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, 2013:

	Governmental Activities
Fiscal year ending June 30,	
2014	$ 965,392
2015	326,570
Total minimum lease payments	1,291,962
Less amount representing interest	(46,771)
Present value of future minimum lease payments	$ 1,245,191

The City has obtained several leases through a local financial institution to finance the acquisition of various equipment. The leasing arrangement is structured in a way that requires the city to first expend the money for purchase of the assets. The lease proceeds are then remitted to the City by the financial instutuion and the lease agreement begins. 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, 2013, the principal amount outstanding related to lines of credit extended by a financial institution included the following: 1) governmental activities in the amount of $2,809,919; 2) Solid Waste Management Fund in the amount of $1,526,747; 3) and the Bowden Golf Course Fund in the amount of $59,412 for a total amount due of $4,396,078.

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, 2013 (governmental activities; Solid Waste Management Fund and Bowden Golf Course Fund - proprietary funds):

	Governmental Activities
Fiscal year ending June 30,	
2014	$ 716,961
2015	716,958
2016	716,958
2017	446,421
2018	183,365
2019-2022	278,693
Total minimum lease payments	3,059,356
Less amount representing interest	(249,437)
Present value of future minimum lease payments	$ 2,809,919

	Business-Type Activities
Fiscal year ending June 30,	
2014	$ 573,798
2015	573,798
2016	342,546
2017	170,187
Total minimum lease payments	1,660,329
Less amount representing interest	(74,170)
Present value of future minimum lease payments	$ 1,586,159

The following is an analysis of leased assets under capital lease purchased with lease proceeds as of June 30, 2013:

	Governmental Activities	Business-type Activities
Vehicles	$ 2,921,754	$ 3,177,498
Less: Accumulated depreciation	(1,057,476)	(1,600,902)
	$ 1,864,278	$ 1,576,596
Machinery & Equipment	$ 485,018	$ -
Less: Accumulated depreciation	(266,955)	-
	$ 218,063	$ -

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,			
2014	$ -	$ 299,250	$ 299,250
2015	-	299,250	299,250
2016	-	299,250	299,250
2017	-	299,250	299,250
2018	-	299,250	299,250
2019-2023	-	1,496,250	1,496,250
2024-2028	6,300,000	1,496,250	7,796,250
	$ 6,300,000	$ 4,488,750	$ 10,788,750

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, 2013, the floating rate being paid by the City is 0.49% and the market value of this agreement is $1,475,037, a decrease of $790,056 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, 2013 based on the derivative contract. This market value is reported as a component of assets in the statement of net position. 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 a deferred inflow of resources in the statement of net position.

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, 2013 is $429,741.

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

	Principal	Interest	Total
Fiscal year ending June 30,			
2014	$ 209,595	$ 26,805	$ 236,400
2015	220,146	9,408	229,554
	$ 429,741	$ 36,213	$ 465,954

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, 2013 is $1,490,000. 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, 2013, the balance of this obligation (including unamortized discount of $14,427) is $1,430,573. 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, 2013:

	Principal	Interest	Total
Fiscal year ending June 30,			
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
	$ 2,935,000	$ 506,095	$ 3,441,095

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, 2013, the City has determined that it has used approximately 3,131,035 cubic yards out of a total available capacity of approximately 4,700,000 cubic yards which approximates 67% capacity used. Further, estimated costs of closure and post-closure care costs as determined at June 30, 2013 amount to approximately $19,980,000. Based on the above facts and estimated amounts, the City has incurred a liability of $11,430,000 which represents the amount of costs reported to date based on 67% of landfill capacity used to date as of June 30, 2013. 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, 2013:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Line of credit	$ 70,795	$ 1,316,300	$ (1,377,095)	$ 10,000	$ 10,000
Net pension obligation	811,884	328,575	(419,543)	720,916	-
Compensated absences	36,677	22,717	(25,226)	34,168	34,168
	919,356	1,667,592	(1,821,864)	765,084	44,168

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, 2013, the balance outstanding on this line of credit was $10,000.

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 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, 2013

ASSETS	Fire and Police Pension Fund	General Employees' Pension Fund	Total
Cash	$ 4,584,797	$ 3,052,697	$ 7,637,494
Investments:			
Common stock	-	30,564,783	30,564,783
Government funds	19,793,028	17,546,882	37,339,910
Corporate bonds	14,381,010	6,047,197	20,428,207
Asset-backed securities	13,678,624	-	13,678,624
Mutual funds	130,220,532	9,882,350	140,102,882
Collateralized mortgage obligations	9,444,962	-	9,444,962
Total investments	187,518,156	64,041,212	251,559,368
Receivables:			
Accrued interest and dividends	287,070	135,771	422,841
Accounts receivables for investment sales pending	1,380,881	-	1,380,881
Total receivables	1,667,951	135,771	1,803,722
Prepaid expenses	8,414	3,111	11,525
Notes receivable	-	429,741	429,741
Total assets	193,779,318	67,662,532	261,441,850
LIABILITIES			
Accounts payable	93,820	-	93,820
Settlements payable	2,272,985	-	2,272,985
Total current liabilities	2,366,805	-	2,366,805
NET POSITION			
Net position held in trust for pension benefits	$ 191,412,513	$ 67,662,532	$ 259,075,045

NOTE 10. PENSION PLAN (CONTINUED)

CITY OF MACON, GEORGIA
PENSION TRUST FUNDS

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
JUNE 30, 2013

	Fire and Police Pension Fund	General Employees' Pension Fund	Total
ADDITIONS			
Employer contributions	$ 3,586,837	$ 3,184,527	$ 6,771,364
Net appreciation (depreciation) in fair value of investments	9,523,832	(2,619,144)	6,904,688
Investment income	10,579,307	8,385,542	18,964,849
Less: investment expenses	(195,788)	(436,855)	(632,643)
Net investment income	19,907,351	5,329,543	25,236,894
Total additions	23,494,188	8,514,070	32,008,258
DEDUCTIONS			
Benefit payments	9,434,336	4,121,943	13,556,279
Administrative expenses	203,914	122,936	326,850
Total deductions	9,638,250	4,244,879	13,883,129
Net decrease in net position held in trust for pension benefits	13,855,938	4,269,191	18,125,129
Net position held in trust for pension benefits:			
Beginning of year	177,556,573	63,393,341	240,949,914
End of year	$ 191,412,511	$ 67,662,532	$ 259,075,043

NOTE 10. PENSION PLAN (CONTINUED)

Membership

	Fire & Police Employees' Pension	General Employees' Pension
Current active employees	681	484
Terminated plan members entitled to but not yet receiving benefits	232	255
Retirees and beneficiaries currently receiving benefits	448	395
	1,361	1,134

The City's actuarially determined contribution, pension cost and increase in net pension obligation (asset) for the year ended June 30, 2013 are as follows:

	Fire & Police Employees' Pension	General Employees' Pension
Annual required contribution	$ 4,657,164	$ 3,053,599
Interest on net pension obligation (asset)	(658,639)	(28,668)
Adjustments to annual required contribution	415,086	21,864
Annual pension cost	4,413,611	3,046,795
Employer contributions	3,586,837	2,990,995
(Increase) decrease in net pension asset	826,774	55,800
Net pension obligation (asset), beginning of year	(9,608,621)	(358,344)
Net pension obligation (asset), end of year	$ (8,781,847)	$ (302,544)

The above net pension assets of $8,781,847 and $302,544 are reported within the other non-current assets line item on the Statement of Net Position.

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				
6/30/11	$ 3,891,502	$ 6,447,175	$ 166%	$ (9,272,696)
6/30/12	3,723,100	4,059,025	109%	(9,608,621)
6/30/13	4,413,611	3,586,837	81%	(8,781,847)
General Employees' Pension				
6/30/11	$ 2,211,302	$ 1,275,317	$ 97%	$ (109,589)
6/30/12	2,207,142	2,455,897	111%	(358,344)
6/30/13	3,046,795	2,990,995	98%	(302,544)

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

Description	Fire & Police Employees' Pension	General Employees' Pension
Valuation date	July 1, 2013	July 1, 2013
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	7.50% per year	8.00% per year
Rate of return on investments	8.00% per year	8.00% per year
Projected salary increases	3.00% 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, 2013, 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)
7/1/2013	$ 191,412,512	$ 196,653,934	$ 5,241,422	97.3 %	$ 26,250,174	20.0 %

As of the most recent valuation date, July 1, 2013, 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)
7/1/2013	$ 67,470,067	$ 80,012,170	$ 12,542,103	84.3 %	$ 17,377,335	72.2 %

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, 2013 for both the Fire and Police Pension Fund and 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, 2013. 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	1. Assumed discount rate decreased from 8.00% to 7.50% per 2. Assumed increase in future salaries has been decreased from 4.00% per year to 3.00% per year.	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 post-retirement benefits to the time during which the employee is working for the employer. GASB 45 requires allocation of the costs of a post-retirement 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, 2013. 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, 2013.

The City provides post-retirement health care benefits through its Other Post-Employment 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 post-retirement 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, 2012) reflects membership for the post-retirement benefit plan as of July 1, 2012.

Active members	926
Retired members	151
	1,077

Contributions

As of the most recent valuation date, plan members are required to contribute 50% of monthly premium rates. Premium rates per month for retiree only coverage are $384 for HMO and $690 for POS/PPO. Premium rates per month for retiree plus spouse coverage are $732 for HMO and $1,317 for POS/PPO.

The City contributed $1,631,212 to the post-retirement benefit plan in fiscal year 2013. 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 post-retirement benefit plan.

Annual required contribution	$ 3,567,989
Interest on net benefit obligation	985,774
Adjustments to annual required contribution	(1,083,269)
Annual benefit cost	3,470,494
Employer contributions	1,631,212
Increase in net benefit obligation	1,839,282
Net pension obligation, beginning of year	28,164,983
Net pension obligation, end of year	$ 30,004,265

The above net benefit obligation of $30,004,265 is reported as a separate line item within the liability section on the Statement of Net Position.

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
6/30/11	$ 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
6/30/13	3,470,494	1,631,212	47.00	30,004,265

NOTE 11. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

As of the most recent valuation date, July 1, 2012, the funded status of the post-retirement benefit plan was as follows:

Actuarial Valuation Date	Actuarial Value of Assets	Acturial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Annual Covered Payroll	Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll
7/1/08	$ -	$ 173,529,118	$ 173,529,118	- %	$ 40,905,813	424.22 %
7/1/10	-	41,156,182	41,156,182	-	37,224,235	110.56
7/1/12	-	37,646,442	37,646,442	-	32,734,501	115.01

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, 2012 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, 2013, 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, 2012. The assumptions used in the July 1, 2012 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	8.50%
Ultimate Healthcare Trend Rate	5.00%
Year of Ultimate Trend Rate	2020
Amortization Method	Closed amortization, level percent of payroll
Remaining Amortization Period	26 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 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

Fiscal year 2013	Beginning of year	Current year claims and changes in estimates	Claim payments	End of year
Workers' Compensation	$ 4,822,000	$ 2,134,950	$ 1,885,950	$ 5,071,000
Group Health	$ 1,020,000	$ 11,925,211	$ 12,055,211	$ 890,000

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 $5,071,000 as of June 30, 2013 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

Contractual Commitments:

In addition to the liabilities enumerated in the balance sheet at June 30, 2013, the City has contractual commitments on various uncompleted construction contracts of approximately $3,400,000.

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, 2013 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, 2013.

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.



REQUIRED SUPPLEMENTARY INFORMATION

CITY OF MACON, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF FUNDING PROGRESS
JUNE 30, 2013

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%
07/01/2012	177,556,573	185,015,880	7,459,307	96.0%	26,252,337	28.4%
07/01/2013	191,412,512	196,653,934	5,241,422	97.3%	26,250,174	20.0%
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%
07/01/2013	67,470,067	80,012,170	12,542,103	84.3%	17,377,335	72.2%

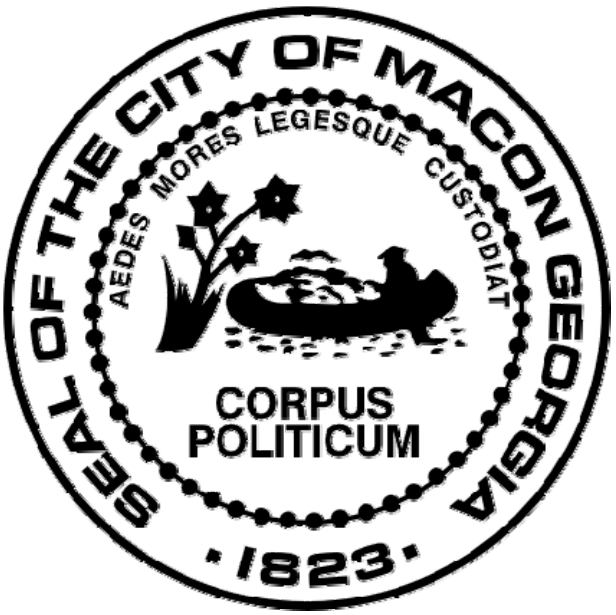
The assumptions used in the preparation of the above schedules are disclosed in Note 10 to the financial statements.

CITY OF MACON, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF EMPLOYER CONTRIBUTIONS
JUNE 30, 2013

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%
2013	4,657,164	3,586,837	77%
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%
2013	3,053,599	2,990,995	98%

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



COMBINING STATEMENTS AND SCHEDULES

CITY OF MACON, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

The **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 **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 from the U.S. Department of Labor and passed through to The Macon-Bibb County Workforce Investment Boar, Inc.

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 **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, 2013

	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	General Grant Activity Fund	Workforce Development Fund	Dannenburg Grant Fund
ASSETS									
Cash and cash equivalents	$ -	$ 444,659	$ -	$ 2,129,645	$ 819,965	$ 135,410	$ -	$ -	$ 500
Taxes receivable	110,611	-	-	-	-	-	-	-	-
Accounts receivable	-	-	10	16,159	14,900	378,585	-	-	-
Due from other governments	-	-	162,649	330,155	231	-	482,307	205,568	-
Due from other funds	208,810	-	30,718	179,095	1,269	-	97,760	-	-
Restricted assets	-	-	-	-	-	-	-	-	-
Long-term receivable	-	-	-	667,927	1,788,413	-	-	-	-
Total assets	$ 319,421	$ 444,659	$ 193,377	$ 3,322,981	$ 2,624,778	$ 513,995	$ 580,067	$ 205,568	$ 500
LIABILITIES AND FUND BALANCES									
LIABILITIES									
Accounts payable	$ 163,284	$ 7,754	$ 77	$ 267,302	$ -	$ 80,147	$ 295,982	$ 153,432	$ 500
Accrued liabilities	-	-	8,503	10,074	-	41,427	-	-	-
Unearned revenues	-	385,383	10,317	691,006	1,867,454	-	367,961	97,628	-
Due to other funds	156,137	5,917	6,261	363,219	37,507	392,421	97,761	51,003	500
Due to other governments	-	-	-		8,075	-		-	
Total liabilities	319,421	399,054	25,158	1,331,601	1,913,036	513,995	761,704	302,063	1,000
FUND BALANCES (DEFICIT)									
Nonspendable:									
Long-term receivables	-	-	-	667,927	1,788,413	-	-	-	-
Restricted for:									
Capital projects	-	-	-	-	-	-	-	-	-
Federal and State grant programs	-	-	168,219	1,323,453	-		-	-	-
Law enforcement purposes	-	45,605		-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	(1,076,671)	-	(181,637)	(96,495)	(500)
Total fund balances	-	45,605	168,219	1,991,380	711,742	-	(181,637)	(96,495)	(500)
Total liabilities and fund balances	$ 319,421	$ 444,659	$ 193,377	$ 3,322,981	$ 2,624,778	$ 513,995	$ 580,067	$ 205,568	$ 500

CITY OF MACON, GEORGIA

COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2013

	Capital Project Funds						
	UDA Fund	Capital Improvements Fund	Parks & Recreation Grants Fund	2007 Hotel Bond Fund	SPLOST Fund	Debt Service Fund	Totals
	$ -	$ -	$ -	$ -	$ -	$ 82,260	$ 3,612,439
	-	-	-	-	-		110,611
	-	-	-	-	-	-	409,654
	-	-	-	-	-	-	1,180,910
	-	6,953	-	-	-	-	524,605
	-	1,508,704	-	-	-	-	1,508,704
	-	-	-	-	-	-	2,456,340
	$ -	$ 1,515,657	$ -	$ -	$ -	$ 82,260	$ 9,803,263
	$ -	$ 115,819	$ -	$ -	$ -	$ 199	$ 1,084,496
	-	-	-	-	-	-	60,004
	-	-	-	-	-	-	3,419,749
	-	141,729	-	-	-	-	1,252,455
	-	-	-	-	-	-	8,075
	-	257,548	-	-	-	199	5,824,779
	-	-	-	-	-	-	2,456,340
	-	1,258,109	-	-	-	-	1,258,109
	-	-	-	-	-	-	1,491,672
	-	-	-	-	-	-	45,605
	-	-	-	-	-	82,061	82,061
	-	-	-	-	-	-	(1,355,303)
	-	1,258,109	-	-	-	82,061	3,978,484
	$ -	$ 1,515,657	$ -	$ -	$ -	$ 82,260	$ 9,803,263

CITY OF MACON, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	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	General Grant Activity Fund	Workforce Development Fund	Dannenburg Grant Fund
Revenues:									
Hotel/motel taxes	$ 908,608	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Charges for services	-	-	-	-	-	2,686,544	-	-	-
Intergovernmental	-	-	1,138,427	2,912,846	278,953	-	2,390,165	1,449,424	141,291
Interest revenue	-	-	-	-	4,221	-	-	-	-
Other revenues	-	28,766	-	38,750	5,151	-	-	-	-
Total revenues	908,608	28,766	1,138,427	2,951,596	288,325	2,686,544	2,390,165	1,449,424	141,291
Expenditures:									
General government	-	-	-	-	-	-	962,981	-	-
Public safety	-	220,959	1,046,565	-	-	3,250,527	785,383	-	-
Culture and recreation	496,290	-	-	-	-	-	-	-	-
Housing and development	-	-	-	2,782,905	111,629	-	-	-	141,291
Health and welfare	-	-	-	-	-	-	-	1,544,316	-
Capital outlay	-	-	-	-	-	-	25,111	-	-
Debt service:									
Principal	-	-	-	-	-	185,803	-	-	-
Interest and other charges	-	-	-	-	-	15,506	-	-	-
Total expenditures	496,290	220,959	1,046,565	2,782,905	111,629	3,451,836	1,773,475	1,544,316	141,291
Excess (deficiency) of revenues over (under) expenditures	412,318	(192,193)	91,862	168,691	176,696	(765,292)	616,690	(94,892)	-
Other financing sources (uses)									
Transfers in	-	-	-	219,500	-	214,926	38,171	55,121	-
Transfers out	(412,318)	-	-	-	(219,500)	-	(759,120)	-	-
Capital lease	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(412,318)	-	-	219,500	(219,500)	214,926	(720,949)	55,121	-
Net change in fund balances	-	(192,193)	91,862	388,191	(42,804)	(550,366)	(104,259)	(39,771)	-
Fund balances (deficit), beginning of year	-	237,798	76,357	1,603,189	754,546	550,366	(77,378)	(56,724)	(500)
Fund balances (deficit), end of year	$ -	$ 45,605	$ 168,219	$ 1,991,380	$ 711,742	$ -	$ (181,637)	$ (96,495)	$ (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, 2013

	Capital Project Funds					
UDA Fund	Capital Improvements Fund	Parks & Recreation Grants Fund	2007 Hotel Bond Fund	SPLOST Fund	Debt Service Fund	Totals
$ -	$ -	$ -	$ -	$ -	$ -	$ 908,608
-	-	-	-	-	-	2,686,544
-	-	15,400	-	-	-	8,326,506
-	354,582	-	-	-	-	358,803
-	-	-	-	-	-	72,667
-	354,582	15,400	-	-	-	12,353,128
-	-	-	-	-	-	962,981
-	-	-	-	-	-	5,303,434
-	-	-	-	-	-	496,290
-	-	-	-	-	-	3,035,825
-	-	-	-	-	-	1,544,316
-	3,677,514	-	-	-	-	3,702,625
530,000	-	-	335,000	-	-	1,050,803
497,922	326,491	-	440,738	-	-	1,280,657
1,027,922	4,004,005	-	775,738	-	-	17,376,931
(1,027,922)	(3,649,423)	15,400	(775,738)	-	-	(5,023,803)
1,027,504	5,989,920	64,516	784,825	770,338	-	9,164,821
(546,387)	-	-	-	(4,535,018)	-	(6,472,343)
-	130,621	-	-	-	-	130,621
481,117	6,120,541	64,516	784,825	(3,764,680)	-	2,823,099
(546,805)	2,471,118	79,916	9,087	(3,764,680)	-	(2,200,704)
546,805	(1,213,009)	(79,916)	(9,087)	3,764,680	82,061	6,179,188
$ -	$ 1,258,109	$ -	$ -	$ -	$ 82,061	$ 3,978,484

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, 2013

	Final Budgeted Amounts	Actual	Variance
REVENUES			
Other taxes - Hotel/Motel taxes	$ 945,700	$ 908,608	$ (37,092)
EXPENDITURES			
Culture and recreation	531,275	496,290	34,985
Total expenditures	531,275	496,290	34,985
Excess of revenues over expenditures	414,425	412,318	(2,107)
Other financing uses			
Transfers out	(414,425)	(412,318)	2,107
Total other financing uses	(414,425)	(412,318)	2,107
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, 2013

	Final Budgeted Amounts	Actual	Variance
REVENUES			
Other revenue - Federal/state cases	$ 253,214	$ 28,766	$ (224,448)
Total revenues	253,214	28,766	(224,448)
EXPENDITURES			
Public safety	253,214	220,959	32,255
Total expenditures	253,214	220,959	32,255
Deficiency of revenues under expenditures	-	(192,193)	(192,193)
FUND BALANCES, beginning of year	237,798	237,798	-
FUND BALANCES, end of year	$ 237,798	$ 45,605	$ (192,193)

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, 2013

	Final Budgeted Amounts	Actual	Variance
REVENUES			
Intergovernmental	$ 1,138,493	$ 1,138,427	$ (66)
Total revenues	1,138,493	1,138,427	(66)
EXPENDITURES			
Public safety	1,138,493	1,046,565	91,928
Total expenditures	1,138,493	1,046,565	91,928
Excess of revenues over expenditures	-	91,862	91,862
Net change in fund balance	-	91,862	91,862
FUND BALANCE, beginning of year	76,357	76,357	-
FUND BALANCE, end of year	$ 76,357	$ 168,219	$ 91,862

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, 2013

	Final Budgeted Amounts	Actual	Variance
REVENUES			
Intergovernmental	$ 2,782,924	$ 2,912,846	$ 129,922
Other revenue	-	38,750	38,750
Total revenues	2,782,924	2,951,596	168,672
EXPENDITURES			
Housing and development	2,782,924	2,782,905	19
Total expenditures	2,782,924	2,782,905	19
Excess of revenues over expenditures	-	168,691	168,691
Other financing sources			
Transfers in	-	219,500	219,500
Total other financing sources	-	219,500	219,500
Net change in fund balance	-	388,191	388,191
FUND BALANCES, beginning of year	1,603,189	1,603,189	-
FUND BALANCES, end of year	$ 1,603,189	$ 1,991,380	$ 388,191

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, 2013

	Final Budgeted Amounts	Actual	Variance
REVENUES			
Intergovernmental	$ 497,855	$ 278,953	$ (218,902)
Interest revenue	4,221	4,221	-
Other revenue	18,525	5,151	(13,374)
Total revenues	520,601	288,325	(232,276)
EXPENDITURES			
Housing and development	301,101	111,629	189,472
Total expenditures	301,101	111,629	189,472
Excess of revenues over expenditures	219,500	176,696	(42,804)
Other financing uses			
Transfers out	(219,500)	(219,500)	-
Total other financing uses	(219,500)	(219,500)	-
Net change in fund balance	-	(42,804)	(42,804)
FUND BALANCES, beginning of year	754,546	754,546	-
FUND BALANCES, end of year	$ 754,546	$ 711,742	$ (42,804)

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, 2013

	Final Budgeted Amounts	Actual	Variance
REVENUES			
Charges for services	$ 3,000,100	$ 2,686,544	$ (313,556)
Total revenues	3,000,100	2,686,544	(313,556)
EXPENDITURES			
Public safety	3,427,600	3,250,527	177,073
Debt service:			
Principal	164,100	185,803	(21,703)
Interest	14,300	15,506	(1,206)
Total expenditures	3,606,000	3,451,836	154,164
Deficiency of revenues over expenditures	(605,900)	(765,292)	(159,392)
Net change in fund balance	(605,900)	(550,366)	(55,534)
FUND BALANCES, beginning of year	550,366	550,366	-
FUND DEFICITS, end of year	$ (55,534)	$ -	$ (55,534)

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, 2013

	Final Budgeted Amounts	Actual	Variance
REVENUES			
Intergovernmental	$ 3,669,974	$ 2,390,165	$ (1,279,809)
Total revenues	3,669,974	2,390,165	(1,279,809)
EXPENDITURES			
General government	2,581,509	962,981	1,618,528
Public safety	1,088,465	785,383	303,082
Capital outlay	-	25,111	(25,111)
Total expenditures	3,669,974	1,773,475	1,896,499
Excess of revenues over expenditures	-	616,690	616,690
Other financing sources (uses)			
Transfers in	-	38,171	38,171
Transfers out	-	(759,120)	(759,120)
Total other financing sources (uses)	-	(720,949)	(720,949)
Net change in fund balance	-	(104,259)	(104,259)
FUND DEFICIT, beginning of year	(77,378)	(77,378)	-
FUND DEFICIT, end of year	$ (77,378)	$ (181,637)	$ (104,259)

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, 2013

	Final Budgeted Amounts	Actual	Variance
REVENUES			
Intergovernmental	$ 1,527,491	$ 1,449,424	$ (78,067)
Total revenues	1,527,491	1,449,424	(78,067)
EXPENDITURES			
Health and welfare	1,527,491	1,544,316	(16,825)
Total expenditures	1,527,491	1,544,316	(16,825)
Deficiency of revenues under expenditures	-	(94,892)	(94,892)
Other financing sources			
Transfers in	-	55,121	55,121
Total other financing sources	-	55,121	55,121
Net change in fund balance	-	(39,771)	(39,771)
FUND DEFICIT, beginning of year	(56,724)	(56,724)	-
FUND DEFICIT, end of year	$ (56,724)	$ (96,495)	$ (39,771)

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, 2013

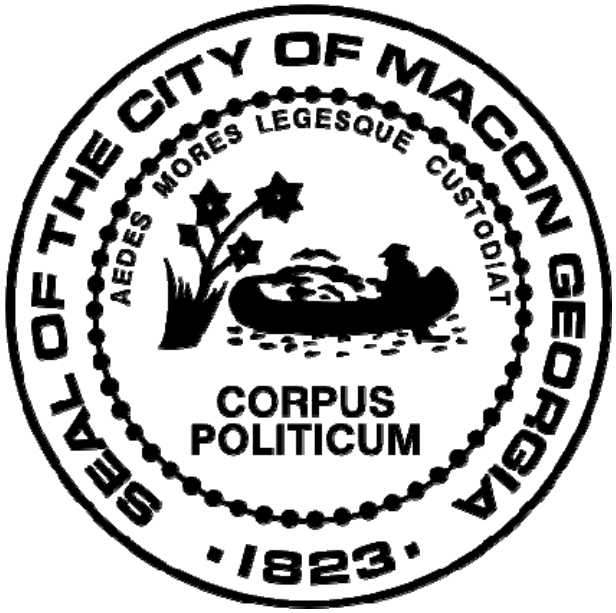
	Final Budgeted Amounts	Actual	Variance
REVENUES			
Intergovernmental	$ 143,791	$ 141,291	$ (2,500)
Total revenues	143,791	141,291	(2,500)
EXPENDITURES			
Housing and development	143,791	141,291	2,500
Total expenditures	143,791	141,291	2,500
Net change in fund balance	-	-	-
FUND DEFICITS, beginning of year	(500)	(500)	-
FUND DEFICITS, 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, 2013

	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.



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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 STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
JUNE 30, 2013

	Coliseum & Auditorium Fund	Bowden Golf Course Fund	Mulberry Street Parking Garage Fund	Totals
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	$ -	$ 59,349	$ -	$ 59,349
Accounts receivable, net of allowances	-	3,085	6,494	9,579
Due from other funds	674,994	-	35,746	710,740
Total current assets	674,994	62,434	42,240	779,668
NONCURRENT ASSETS				
Capital assets:				
Nondepreciable	504,492	773,621	-	1,278,113
Depreciable, net of accumulated depreciation	3,114,504	566,786	131,872	3,813,162
Total noncurrent assets	3,618,996	1,340,407	131,872	5,091,275
Total assets	4,293,990	1,402,841	174,112	5,870,943
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable	1,932	9,008	4,950	15,890
Accrued liabilities	-	6,182	-	6,182
Compensated absences, current portion	-	14,211	-	14,211
Capital lease payable, current portion	-	29,248	-	29,248
Unearned revenues	-	110	-	110
Due to other funds	6,953	-	-	6,953
Total current liabilities	8,885	58,759	4,950	72,594
NONCURRENT LIABILITIES				
Capital lease payable, net of current portion	-	30,164	-	30,164
Net other post employment benefits (OPEB) Obligation	-	166,701	-	166,701
Total long-term liabilities	-	196,865	-	196,865
Total liabilities	8,885	255,624	4,950	269,459
NET POSITION				
Net investment in capital assets	3,618,996	1,280,995	-	4,899,991
Unrestricted	666,109	(133,778)	169,162	701,493
Total net assets	$ 4,285,105	$ 1,147,217	$ 169,162	$ 5,601,484

CITY OF MACON, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION NONMAJOR ENTERPRISE FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Coliseum & Auditorium Fund	Bowden Golf Course Fund	Mulberry Street Parking Garage Fund	Totals
OPERATING REVENUES				
Charges for services	$ -	$ 143,587	$ 170,820	$ 314,407
Rentals, admissions and concessions	-	164,805	-	164,805
Miscellaneous	-	647	-	647
Total operating revenues	-	309,039	170,820	479,859
OPERATING EXPENSES				
Salaries and benefits	-	351,992	76,217	428,209
Utilities	-	50,945	44,803	95,748
Supplies and materials	-	71,811	1,455	73,266
Repairs, maintenance and other contractual services	-	28,203	5,391	33,594
Miscellaneous	-	47,040	8,573	55,613
Management fee	1,484,209	-	-	1,484,209
Depreciation	205,314	98,221	-	303,535
Total operating expenses	1,689,523	648,212	136,439	2,474,174
Operating income (loss)	(1,689,523)	(339,173)	34,381	(1,994,315)
NONOPERATING EXPENSES				
Interest expense	-	(710)	-	(710)
Total nonoperating expenses	-	(710)	-	(710)
Income (loss) before transfers and capital contributions	(1,689,523)	(339,883)	34,381	(1,995,025)
CAPITAL CONTRIBUTIONS	-	-	131,872	131,872
TRANSFERS				
Transfers out	(99,368)	(11,666)	-	(111,034)
Transfers in	2,966,949	915,996	-	3,882,945
Total transfers	2,867,581	904,330	-	3,771,911
Change in net position	1,178,058	564,447	166,253	1,908,758
NET POSITION, beginning of year	3,107,047	582,770	2,909	3,692,726
NET POSITION, end of year	$ 4,285,105	$ 1,147,217	$ 169,162	$ 5,601,484

CITY OF MACON, GEORGIA

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Coliseum & Auditorium Fund	Bowden Golf Course Fund	Mulberry Street Parking Garage Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	$ -	$ 310,141	$ 135,074	$ 445,215
Payments to suppliers	(1,673,613)	(208,389)	(58,857)	(1,940,859)
Payments to employees	-	(343,317)	(76,217)	(419,534)
Net cash used in operating activities	(1,673,613)	(241,565)	-	(1,915,178)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers in	2,966,949	915,996	-	3,882,945
Transfers out	(99,368)	(11,666)		(111,034)
Net cash provided by noncapital financing activities	2,867,581	904,330	-	3,771,911
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	(1,193,968)	(551,636)	-	(1,745,604)
Principal paid on notes payable and capital leases	-	(56,222)	-	(56,222)
Interest paid	-	(710)	-	(710)
Net cash used in capital and related financing activities	(1,193,968)	(608,568)	-	(1,802,536)
Net change in cash and cash equivalents	-	54,197	-	54,197
Cash and cash equivalents:				
Beginning of year	-	5,152	-	5,152
End of year	$ -	$ 59,349	$ -	$ 59,349
Classified as:				
Cash and cash equivalents	$ -	$ 59,349	$ -	$ 59,349
Reconciliation of operating income (loss) to net cash used in operating activities:				
Operating income (loss)	$ (1,689,523)	$ (339,173)	$ 34,381	$ (1,994,315)
Adjustments to reconcile operating income (loss) to net cash used in operating activities:				
Depreciation	205,314	98,221	-	303,535
Changes in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	992	1,187	2,179
Due from other funds	(189,404)	-	(35,746)	(225,150)
Increase (decrease) in:				
OPEB obligation	-	11,157	-	11,157
Accounts payable	-	(1,021)	178	(843)
Accrued liabilities	-	(4,109)	-	(4,109)
Compensated absences payable	-	(2,482)	-	(2,482)
Unearned revenues	-	110		110
Due to other funds	-	(5,260)	-	(5,260)
Net cash used in operating activities	$ (1,673,613)	$ (241,565)	$ -	$ (1,915,178)

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 POSITION
JUNE 30, 2013

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	92,073	-	12,500	104,573
Due from other funds	343,841	1,034,194	560,944	1,938,979
Inventory	572	-	-	572
Total current assets	501,106	1,176,241	573,444	2,250,791
NONCURRENT ASSETS				
Capital assets:				
Nondepreciable	80,132	-	7,434,229	7,514,361
Depreciable, net of accumulated depreciation	226,342	-	637,991	864,333
Total noncurrent assets	306,474	-	8,072,220	8,378,694
Total assets	$ 807,580	$ 1,176,241	$ 8,645,664	$ 10,629,485
LIABILITIES AND NET POSITION				
CURRENT LIABILITIES				
Accounts payable	$ 121,765	$ 740	$ 434,262	$ 556,767
Accrued liabilities	17,933	890,000	15,869	923,802
Compensated absences	45,891	-	58,679	104,570
Total current liabilities	185,589	890,740	508,810	1,585,139
NONCURRENT LIABILITIES				
Net other post employment benefits (OPEB) obligation	407,590	-	258,062	665,652
Total noncurrent liabilities	407,590	-	258,062	665,652
Total liabilities	593,179	890,740	766,872	2,250,791
NET POSITION				
Net investment in capital assets	306,474	-	8,072,220	8,378,694
Unrestricted	(92,073)	285,501	(193,428)	-
Total net position	214,401	285,501	7,878,792	8,378,694
Total liabilities and net position	$ 807,580	$ 1,176,241	$ 8,645,664	$ 10,629,485

CITY OF MACON, GEORGIA
INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
FOR THE YEAR ENDED JUNE 30, 2013

	Vehicle Maintenance Fund	Group Insurance Fund	IT Communication Fund	Total
OPERATING REVENUES				
Charges for services	$ 1,901,692	$ 11,751,790	$ 1,974,598	$ 15,628,080
Total operating revenues	1,901,692	11,751,790	1,974,598	15,628,080
OPERATING EXPENSES				
Salaries and benefits	1,128,486	-	1,090,271	2,218,757
Supplies and materials	893	-	147,186	148,079
Repairs and maintenance	866,721	-	7,768	874,489
Miscellaneous	85,223	-	457,242	542,465
Claims expense	-	11,925,211	-	11,925,211
Depreciation	29,369	-	158,356	187,725
Total operating expenses	2,110,692	11,925,211	1,860,823	15,896,726
Operating income (loss)	(209,000)	(173,421)	113,775	(268,646)
CAPITAL CONTRIBUTIONS	-	-	1,117,618	1,117,618
TRANSFERS				
Transfers in	493,685	-	6,650,899	7,144,584
Total transfers	493,685	-	6,650,899	7,144,584
Change in net position	284,685	(173,421)	7,882,292	7,993,556
TOTAL NET POSITION (DEFICIT), beginning of year	(70,284)	458,922	(3,500)	385,138
TOTAL NET POSITION , end of year	$ 214,401	$ 285,501	$ 7,878,792	$ 8,378,694

CITY OF MACON, GEORGIA
INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2013

	Vehicle Maintenance Fund	Group Insurance Fund	IT Communication Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from interfund services provided	$ 1,979,882	$ 12,055,211	$ 1,401,154	$ 15,436,247
Payments to suppliers	(1,146,410)	(12,055,211)	(165,565)	(13,367,186)
Payments to employees	(1,096,053)	-	(1,066,363)	(2,162,416)
Net cash provided by (used in) operating activities	(262,581)	-	169,226	(93,355)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers in	493,685	-	6,650,899	7,144,584
Net cash provided by noncapital financing activities	493,685	-	6,650,899	7,144,584
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	(231,104)	-	(6,820,125)	(7,051,229)
Net cash used in capital and related financing activities	(231,104)	-	(6,820,125)	(7,051,229)
Net change in cash and cash equivalents	-	-	-	-
Cash and cash equivalents, beginning of year	64,620	142,047	-	206,667
Cash and cash equivalents, end of year	$ 64,620	$ 142,047	$ -	$ 206,667
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	$ (209,000)	$ (173,421)	113,775	$ (268,646)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	29,369	-	158,356	187,725
Change in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	(91,012)	101,354	(12,500)	(2,158)
Due from other funds	169,202	202,067	(560,944)	(189,675)
Inventory	14,887	-	-	14,887
Increase (decrease) in:				
OPEB obligation	27,095	-	23,908	51,003
Accounts payable	(208,198)	-	430,762	222,564
Accrued liabilities	(262)	(130,000)	15,869	(114,393)
Compensated absences	5,338	-	-	5,338
Due to other funds	-	-	-	-
Net cash provided by operating activities	$ (262,581)	$ -	$ 169,226	$ (93,355)

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

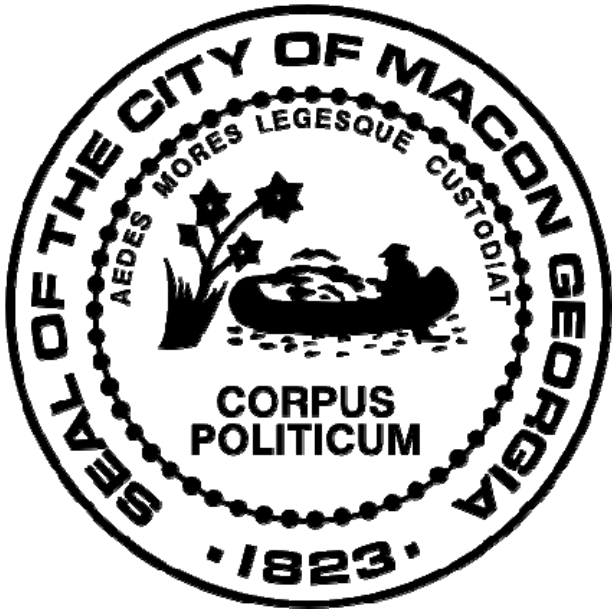
COMBINING STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2013

ASSETS	Fire and Police Pension Fund	General Employees' Pension Fund	Total
Cash	$ 4,584,797	$ 3,052,697	$ 7,637,494
Investments:			
Common stock	-	30,564,783	30,564,783
Governmental funds	19,793,028	17,546,882	37,339,910
Corporate bonds	14,381,010	6,047,197	20,428,207
Asset-backed securities	13,678,624	-	13,678,624
Mutual funds	130,220,532	9,882,350	140,102,882
Collateralized mortgage obligations	9,444,962	-	9,444,962
Total investments	187,518,156	64,041,212	251,559,368
Receivables:			
Accrued interest and dividends	287,070	135,771	422,841
Accounts receivables for investment sales pending	1,380,881	-	1,380,881
Total receivables	1,667,951	135,771	1,803,722
Prepaid expenses	8,414	3,111	11,525
Notes receivable	-	429,741	429,741
Total assets	193,779,318	67,662,532	261,441,850
LIABILITIES			
Accounts payable	93,820	-	93,820
Settlements payable	2,272,985	-	2,272,985
Total current liabilities	2,366,805	-	2,366,805
NET POSITION			
Net position held in trust for pension benefits	$ 191,412,513	$ 67,662,532	$ 259,075,045

CITY OF MACON, GEORGIA
PENSION TRUST FUNDS

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
JUNE 30, 2013

ADDITIONS	Fire and Police Pension Fund	General Employees' Pension Fund	Total
Employer contributions	$ 3,586,837	$ 3,184,527	$ 6,771,364
Net appreciation (depreciation) in fair value of investments	9,523,832	(2,619,144)	6,904,688
Investment income	10,579,307	8,385,542	18,964,849
Less: investment expenses	(195,788)	(436,855)	(632,643)
Net investment income	19,907,351	5,329,543	25,236,894
Total additions	23,494,188	8,514,070	32,008,258
DEDUCTIONS			
Benefit payments	9,434,336	4,121,943	13,556,279
Administrative expenses	203,912	122,936	326,848
Total deductions	9,638,248	4,244,879	13,883,127
Net increase in net position held in trust for pension benefits	13,855,940	4,269,191	18,125,131
Net position held in trust for pension benefits:			
Beginning of year	177,556,573	63,393,341	240,949,914
End of year	$ 191,412,513	$ 67,662,532	$ 259,075,045



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CITY OF MACON, GEORGIA
AGENCY FUNDS

Agency funds are used to account for monies received and disbursed by the City on behalf of the Workforce Investment Board.

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

CITY OF MACON, GEORGIA
AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
JUNE 30, 2013

	Balance July 1, 2012	Additions	Deletions	Balance June 30, 2013
WORKFORCE INVESTMENT BOARD				
ASSETS				
Accounts receivable	$ -	$ 6,950	$ -	$ 6,950
Grants receivable	165,653	1,558,527	1,518,612	205,568
	165,653	1,565,477	1,518,612	212,518
LIABILITIES				
Accounts payable	$ 165,653	$ 1,565,477	$ 1,518,612	$ 212,518
	$ 165,653	$ 1,565,477	$ 1,518,612	$ 212,518

CITY OF MACON, GEORGIA

SCHEDULE OF EXPENDITURES OF
2005 SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
FOR THE YEAR ENDED JUNE 30, 2013

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	12,467,750	-	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	5,150,003	-	5,150,003

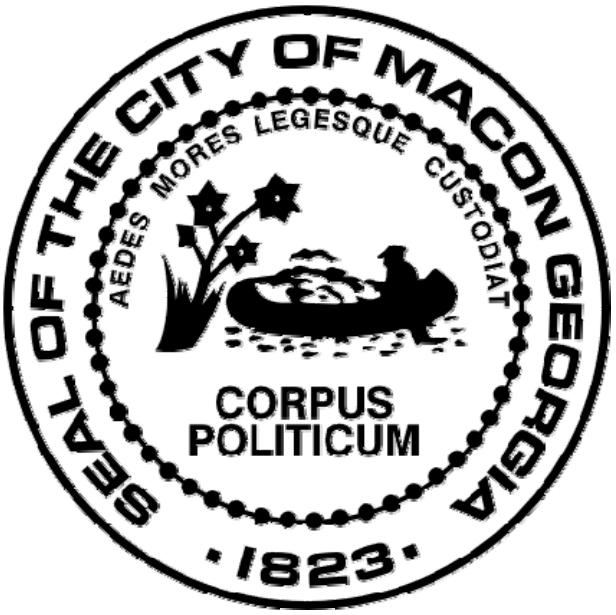
Note: Transfers totaling $4,535,018 out of the SPLOST Fund for fiscal year ending June 30, 2013 are not included on the above schedule. Transfers are associated with closing out of the 2005 SPLOST Fund, as this SPLOST has ended.

CITY OF MACON, GEORGIA

SCHEDULE OF EXPENDITURES OF
2012 SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
FOR THE YEAR ENDED JUNE 30, 2013

Project Description	Original Estimated Cost	Expenditures		
		Prior Years	Current Year	Total
Second Street Downtown Corridor revitalization	$ 8,000,000	$ 139,500	$ 381,075	$ 520,575
Improvements to emergency communication system	8,000,000	-	5,733,578	5,733,578
Improvements to storm water management system	7,000,000	109,662	5,464	115,126
Improvements to the Macon Centreplex, including Macon Coliseum and Macon City Auditorium	5,000,000	120,872	1,198,337	1,319,209
Resurfacing and repairing of streets	5,000,000	-	420,306	420,306
Improvements to cultural and recreational facilities, including Fort Hawkins, Rose Hill Cemetery, Bowden Golf Course, and Harriet Tubman Museum	4,150,000	2,500,000	1,359,050	3,859,050
Acquisition and equipping of police cars and public safety vehicles and other equipment, relocation of central services facilities and equipment, including fiber optics, information technology and various items of equipment leased through the 1998 Georgia Municipal Association lease pool	12,500,000	233,491	2,304,778	2,538,269
Retirement of previously incurred debt: Series 1993 and 2002 Macon Industrial Authority bonds; Series 2002A and Series 2002B Macon-Bibb UDA bonds	14,000,000	1,259,434	637,271	1,896,705
	$ 63,650,000	$ 4,362,959	$ 12,039,860	$ 16,402,819

Note: Included in the above expenditures are transfers to other funds in the amount of $2,026,074 which were used to make approved debt payments that are accounted for in other funds. Also included are transfers out of $7,490,852 related to capital outlay expenditures accounted for in other funds. The debt payments include the Series 1993 and 2002 Macon Industrial Authority bonds, the Series 2002A and 2002B Macon-Bibb UDA bonds, and 1998 Georgia Municipal Association lease pool. In addition, $504,950 was expended for debt service on the Series 2012 General Obligation SPLOST Bonds.



STATISTICAL SECTION

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 ..... **138 - 143**

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 ..... **145 - 157**

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

Debt Capacity ..... **158 - 164**

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 ..... **165 and 166**

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 ..... **167 - 169**

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 POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year				
	2004	2005	2006	2007	2008
Governmental Activities:					
Net investment in capital assets	$ 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 position	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 position	$ 9,069,073	$ 21,556,802			
Business-Type Activities:					
Net investment in capital assets	$ 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 position	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 position	$ 13,146,879	$ 17,283,297			
Primary government:					
Net investment in capital assets	$ 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 position	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 position	$ 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 POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year				
	2009	2010	2011	2012	2013
Governmental Activities:					
Net investment in capital assets	$ 50,934,848	$ 56,441,093	$ 62,108,672	$ 60,309,919	$ 56,007,628
Restricted	16,563,785	13,187,186	13,356,863	6,353,359	11,442,526
Unrestricted	(9,940,249)	(24,221,495)	(28,811,727)	(22,100,199)	(26,122,244)
Total governmental activities net position	$ 57,558,384	$ 45,406,784	$ 46,653,808	$ 44,563,079	$ 41,327,910
Restatements					
Restated total governmental activities net assets					
Business-Type Activities:					
Net investment in capital assets	$ 18,014,064	$ 18,938,992 2	$ 21,772,163	$ 21,610,324	$ 23,531,918
Restricted	-	- 2	-	-	-
Unrestricted	(350,426)	743,537 2	892,535	(3,067,589)	52,123
Total business-type activities net position	$ 17,663,638	$ 19,682,529	$ 22,664,698	$ 18,542,735	$ 23,584,041
Restatements					
Restated total business-type activities net position					
Primary government:					
Net investment in capital assets	$ 69,087,329	$ 100,030,671	$ 107,221,666	$ 68,575,719	$ 66,785,136
Restricted	16,563,785	13,187,186	13,356,863	6,353,359	11,442,526
Unrestricted	(10,429,092)	(48,128,544)	(51,260,023)	(11,823,264)	(13,315,711)
Total primary government net position	$ 75,222,022	$ 65,089,313	$ 69,318,506	$ 63,105,814	$ 64,911,951
Restatements					
Restated total primary government net position					

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 POSITION
LAST TEN 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
Mulberry Street Parking Garage	-	-	-	-	-
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
Mulberry Street Parking Garage	-	-	-	-	-
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 POSITION
LAST TEN 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	-	-
Transfers	183,990	465,070 8	(2,970,888)	(1,531,373)	(1,400,641)
Other	141,101	1,618,377	-	-	-
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
Gain (loss) on sale of capital assets	-	-	-	-	-
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 Position					
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 position, 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 position, beginning of year (restated)	19,787,531	22,215,952	38,840,099	66,544,735	77,871,445
Net position, 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 POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year				
	2009	2010	2011	2012	2013
Expenses					
Governmental Activities:					
General Government	$ 14,216,871	$ 14,366,970	$ 13,644,531	$ 13,808,795	$ 21,068,709
Public safety & judicial	50,220,237	51,157,374	49,642,130	51,297,744	50,323,606
Public works	9,270,496	8,943,181	7,842,818	8,912,576	6,096,237
Cultural & recreation	6,813,743	6,283,643	6,034,537	6,469,425	2,211,495
Housing & development	12,324,871	6,599,027	4,003,190	6,503,133	4,232,689
Health & welfare	1,758,292	2,377,937	1,775,920	1,781,165	1,565,036
Interest on long-term debt	2,016,074	1,681,089	1,636,419	1,871,033	1,684,100
Total governmental activities	96,620,584	91,409,221	84,579,545	90,643,871	87,181,872
Business-type activities:					
Airport	1,813,931	1,684,843	1,862,341	1,691,131	1,595,490
Bowden	659,605	718,688	512,027	574,992	653,168
Coliseum/Auditorium	4,847,607	1,225,971 [10]	1,036,446	1,255,904	1,689,523
Economic & community development	- [9]	-	-	-	-
Solid Waste Management	8,151,412	6,105,227	5,036,711	9,445,993	6,241,480
Mulberry Street Parking Garage	-	-	-	-	136,439
Total business-type activities	15,472,555	9,734,729	8,447,525	12,968,020	10,316,100
Total primary government	$ 112,093,139	$ 101,143,950	$ 93,027,070	$ 103,611,891	$ 97,497,972
Program Revenues					
Governmental Activities:					
Charges for services					
General government	$ 6,402,172	$ 4,332,422	$ 8,587,289	$ 8,073,590	$ 3,416,472
Public safety & judicial	11,878,365	11,789,897	12,855,343	13,988,337	13,222,823
Public works	132,401	140,614	141,073	-	-
Cultural & recreation	402,600	489,849	352,565	336,750	99,888
Housing & development	734,271	654,566	730,006	667,118	38,909
Health & welfare	- [9]	-	-	-	-
Operating grants and contributions	5,001,479	6,266,038	6,823,662	7,270,037	5,301,226
Capital grants and contributions	8,411,938	4,319,702	2,107,552	3,214,747	13,447,537
Total governmental activities	32,963,226	27,993,088	31,597,490	33,550,579	35,526,855
Business-type Activities					
Charges for services					
Airport	1,652,627	1,582,254	1,594,087	1,387,571	1,376,796
Bowden	334,868	285,736	260,438	282,904	309,039
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	6,852,571
Mulberry Street Parking Garage	-	-	-	-	170,820
Operating grants and contributions	353,303	-	-	-	1,535,054
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	10,244,280
Total primary government	$ 46,090,823	$ 37,037,105	$ 42,155,565	$ 41,191,989	$ 45,771,135

CITY OF MACON, GEORGIA

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year				
	2009	2010	2011	2012	2013
Net (expense)/revenue:					
Governmental activities	$ (63,657,358)	$ (63,416,133)	$ (52,982,055)	$ (57,093,292)	$ (51,655,017)
Business-type activities	(2,344,958)	(690,712)	2,110,550	(5,326,610)	(71,820)
Total governmental net expense	$ (66,002,316)	$ (64,106,845)	$ (50,871,505)	$ (62,419,902)	$ (51,726,837)
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes					
Property taxes	$ 17,129,859	$ 18,506,467	$ 17,335,465	$ 18,126,087	$ 17,192,201
Sales taxes	17,855,942	18,324,116	20,080,628	20,904,316	18,255,711
Other taxes	17,229,170	16,854,313	17,468,796	16,774,808	16,965,903
Unrestricted investment activities	667,654	57,962	39,102	15,705	365,929
Gain (loss) on sale of capital assets	-	54,952	71,583	261,126	-
Transfers	(2,186,507)	(2,533,278)	(766,495)	(1,079,479)	(4,359,896)
Other	-	-	-	-	-
Total governmental activities	50,696,118	51,264,532	$ 54,229,079	55,002,563	48,419,848
Business-type activities:					
Unrestricted investment activities	77,578	176,325	105,124	125,168	192,933
Gain (loss) on sale of capital assets	-	-	-	-	560,297
Transfers	2,186,507	2,533,278	766,495	1,079,479	4,359,896
Total business-type activities	2,264,085	2,709,603	871,619	1,204,647	5,113,126
Total primary government	$ 52,960,203	$ 53,974,135	$ 55,100,698	$ 56,207,210	$ 53,532,974
Change in Net Position					
Government activities	$ (12,961,240)	$ (12,151,601)	$ 1,247,024	$ (2,090,729)	$ (3,235,169)
Business-type activities	(80,873)	2,018,891	2,982,169	(4,121,963)	5,041,306
Total primary government	(13,042,113)	(10,132,710)	4,229,193	(6,212,692)	1,806,137
Net position, beginning of year (as previously reported)	88,800,243	75,222,023	65,089,313	69,318,506	63,105,814
Restatements	(536,107)				
Net position, beginning of year (restated)	88,264,136	75,222,023	65,089,313	69,318,506	63,105,814
Net position, end of year	$ 75,222,023	$ 65,089,313	$ 69,318,506	$ 63,105,814	$ 64,911,951

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.

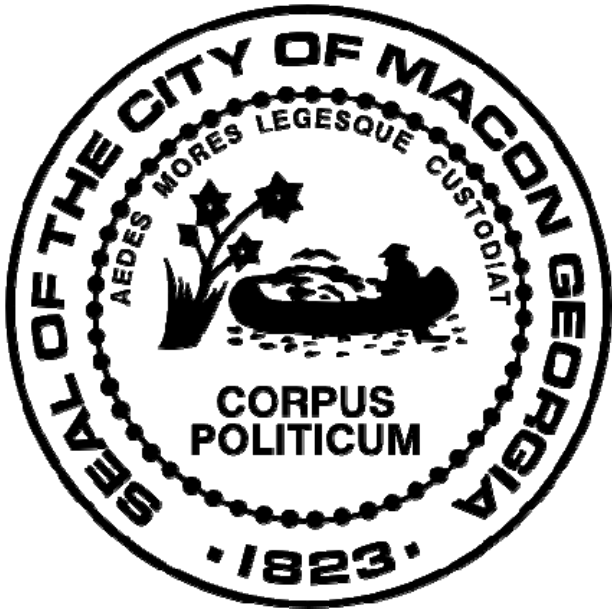
6 Starting in fiscal year 2006, the City received a Special Purpose Local Option Sales Tax.

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.



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CITY OF MACON, GEORGIA

GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN 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
2013	17,192,201	18,255,711	7,274,618	1,784,025	4,551,117	3,356,143	52,413,815

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

CITY OF MACON, GEORGIA

FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN 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	-	-	-	-	-
Culture and recreation	-	-	-	-	-
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 TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year				
	2009	2010	2011 (4)	2012	2013
General Fund					
Reserved	$ 357,652	$ 129,873	$ -	$ -	$ -
Unreserved	250,241	4,420,017	-	-	-
Nonspendable:					
Prepaids	-	-	15,209	51,800	102,958
Assigned:					
General government expenditures	-	-	284,460	-	-
Culture and recreation	-	-	-	-	249,800
Unassigned	-	-	9,824,875	8,873,685	4,618,448
Total General Fund	$ 607,893	$ 4,549,890	$ 10,124,544	$ 8,925,485	$ 4,971,206
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	2,456,340
Restricted:					
Capital Projects	-	-	7,180,323	21,473,463	16,041,647
Federal and State grants	-	-	593,378	973,019	1,491,672
Law enforcement purposes	-	-	229,983	237,798	45,605
Public safety purposes	-	-	794,800	550,366	-
Debt service	-	-	82,061	82,061	82,061
Unassigned					
Special Revenue Funds	-	-	(2,305,291)	(1,326,157)	(1,355,303)
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	$ 18,762,022

CITY OF MACON, GEORGIA

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

	Fiscal Year				
	2009	2010	2011	2012	2013
Revenues					
Taxes	$ 51,971,147	$ 52,998,643	$ 56,870,913	$ 55,533,035	$ 52,437,128
Licenses and permits	2,722,274	2,608,562	2,835,722	2,643,916	2,068,658
Intergovernmental	13,327,282	10,179,971	8,574,431	10,558,002	18,554,724
Charges for services	11,542,046	11,597,378	12,729,537	13,413,363	12,857,697
Fines and forfeitures	1,805,383	1,735,750	1,545,102	1,848,793	1,416,139
Special Assessments	100	464	-	-	-
Interest revenue	667,654	463,731	395,885	338,323	365,929
Other revenues	3,236,180	2,709,078	3,331,641	3,502,522	2,493,428
Total Revenues	85,272,066	82,293,577	86,283,231	87,837,954	90,193,703
Expenditures					
General Government	12,315,687	12,444,273	13,230,427	13,212,372	15,543,553
Judicial	1,056,978	1,059,409	890,092	945,261	936,727
Public Safety	41,789,548	38,700,476	44,426,074	49,890,676	46,805,882
Public Works	7,753,972	6,832,333	6,748,716	7,387,088	6,903,991
Culture and recreation	5,612,218	5,207,001	5,745,099	6,098,911	1,951,456
Housing and development	4,797,622	5,658,678	4,261,614	6,367,418	4,217,610
Health and welfare	1,631,459	2,272,942	1,750,046	1,760,648	1,544,316
Capital outlay	11,090,274	11,706,631	4,234,385	5,837,895	5,476,759
Debt service:					
Principal	13,820,552	1,831,288	1,993,814	2,100,003	2,422,420
Interest and other charges	1,902,501	1,638,049	1,588,193	1,847,863	1,948,185
Issuance costs	-	-	82,061	-	-
Total Expenditures	101,770,811	87,351,080	84,950,521	95,448,135	87,750,899
Excess of revenues over (under) expenditures	(16,498,745)	(5,057,503)	1,332,710	(7,610,181)	2,442,804
Other Financing Sources (Uses)					
Transfers in	4,021,605	9,508,894	13,474,969	10,805,687	10,058,465
Transfers out	(6,208,112)	(11,624,437)	(13,666,337)	(11,841,063)	(21,431,073)
Proceeds from disposition of capital assets	6,120	54,952	95,769	261,126	265,760
Capital leases	2,051,667	1,153,869	-	1,972,950	130,621
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	(10,976,227)
Net change in fund balances	$ (16,627,465)	$ (5,964,225)	$ 1,237,111	$ 12,939,022	$ (8,533,423)
Debt service as a percentage of noncapital expenditures	21.0%	4.8%	4.6%	4.3%	5.4%

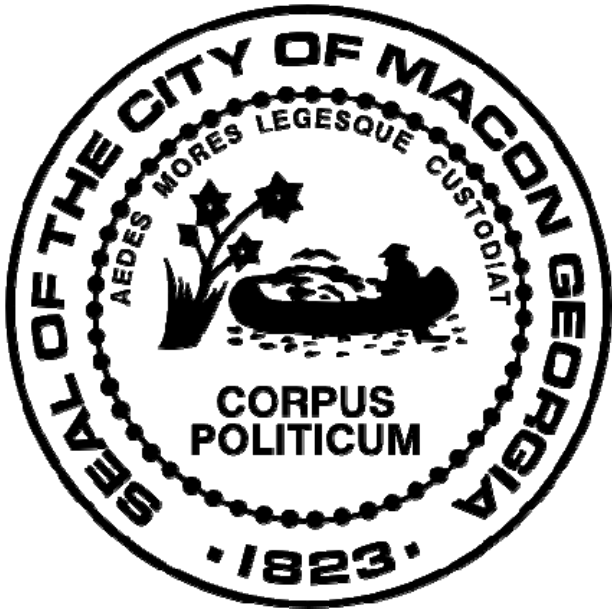
1) Some of the expenses moved from Intergovernmental to Charges for Services.

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.



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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
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
2013		17,215,514	18,255,711	7,274,618	1,784,025	4,551,117	3,356,143	52,437,128

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

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

Fiscal Year	Assessed Value					
	Residential Property	Commercial Property	Industrial Property	Motor Vehicle Property	Other Property	Total Property
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
2013	846,653,662	735,057,270	143,850,045	146,867,720	74,154,462	1,946,583,159

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.*

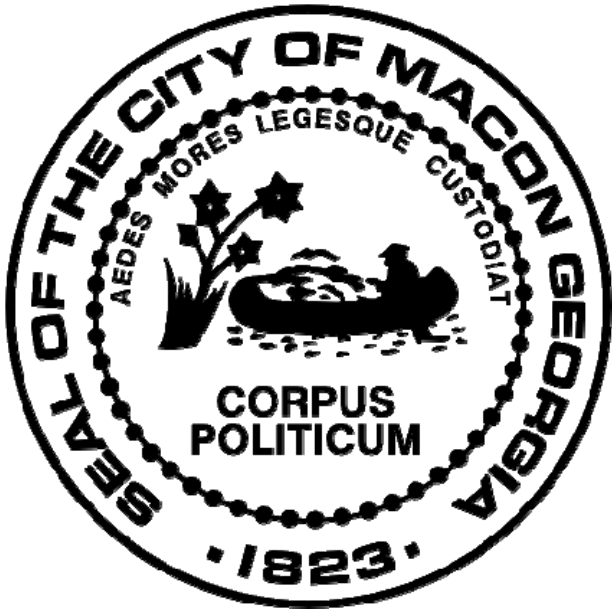
CITY OF MACON, GEORGIA

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

Fiscal Year	Less: Exemptions	Total Taxable Property Assessed Value	Total Taxable Property Actual Value	Total Direct Tax Rate
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
2013	42,111,577	1,904,471,582	4,866,457,898	9.7000

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.*



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CITY OF MACON, GEORGIA

PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
City General Millage	8.66	10.16	10.16	10.16	10.16	10.16	9.80	9.80	9.80	9.70
City Bonded Debt Millage	0.50	0.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
City Total Millage	9.16	10.66	10.16	10.16	10.16	10.16	9.80	9.80	9.80	9.70
Bibb County Millage	30.12	31.12	29.97	29.97	32.47	31.47	27.95	27.95	29.95	29.95
Total	39.28	41.78	40.13	40.13	42.63	41.63	37.75	37.75	39.75	39.65

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 2013			FY 2004		
	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)	$ 59,735,357	1	3.14%	$91,854,008	1	4.98%
Coliseum Medical Center	36,415,891	2	1.91%	24,885,257	4	1.35%
Georgia Power Company	35,704,220	3	1.87%	23,443,714	5	1.27%
Armstrong World Industries	26,187,937	4	1.38%	21,123,098	6	1.14%
Verizon Wireless East LLP	17,960,896	5	0.94%	-	-	0.00%
DDRTC Eisenhower Crossing, LLP	14,550,549	6	7.60%	-	-	0.00%
Bellsouth Telecommunications	11,857,197	7	0.62%	34,817,973	2	1.89%
Freudenberg Texbond LP	9,380,043	8	0.49%	9,687,193	10	0.52%
Atlanta Gas Light Company	8,173,141	9	0.43%	-	-	0.00%
Norfolk Southern Combined Railroad	8,166,735	10	0.43%	-	-	0.00%
Macon Mall	-	-	0.00%	32,926,880	3	1.78%
Keebler Company	-	-	0.00%	13,771,855	7	0.75%
Inland Southeast	-	-	0.00%	12,353,200	8	0.67%
Macon Northside Hospital	-	-	0.00%	10,664,456	9	0.58%
Total	228,131,966		11.25%	$275,527,634		14.83%

Source: Macon-Bibb County Tax Commissioner's Office

CITY OF MACON, GEORGIA

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS

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
2004	$ 16,908,053	$ (13,735)	$ 16,894,318	$ 16,225,154	95.96%	$ $ 411,618	$ 16,636,772	98.48%
2005	19,902,013	(122,943)	19,779,070	18,801,305	94.47%	566,498	19,367,803	97.92%
2006	18,965,252	8,275	18,973,527	18,332,275	96.66%	368,778	18,701,053	98.56%
2007	19,090,958	(10,777)	19,080,181	18,072,402	94.66%	913,787	18,986,189	99.51%
2008	19,256,887	(215,254)	19,041,633	18,405,692	95.58%	527,414	18,933,106	99.43%
2009	18,958,605	(135,743)	18,822,862	18,054,133	95.23%	508,709	18,562,842	98.62%
2010	20,545,272	(179,312)	20,365,960	18,192,854	88.55%	1,748,626	19,941,480	97.92%
2011	20,044,559	93,219	20,137,778	18,698,211	93.28%	824,004	19,522,215	96.94%
2012	19,872,160	(265,500)	19,606,660	18,228,574	91.73%	669,988	18,898,562	96.39%
2013	18,473,374	(47,126)	18,426,248	17,423,945	94.32%	-	17,423,945	94.56%

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

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
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
2013	19,010,104	1.00%		19,062,466	6,300,000	4,055,110

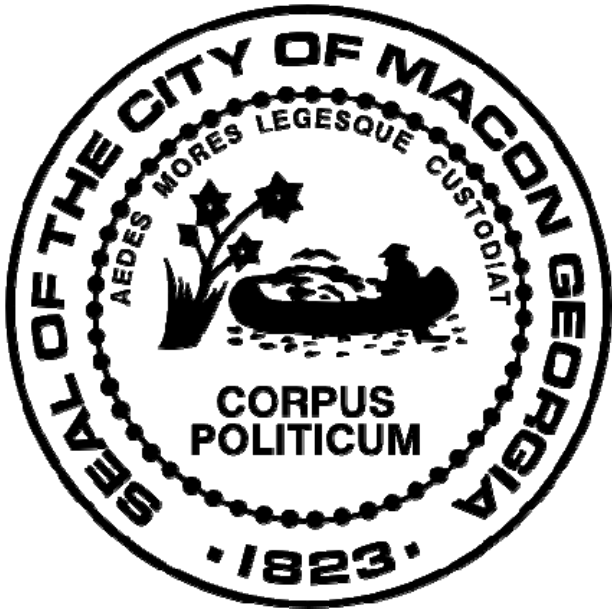
1) See the schedule of Assessed and Estimated Actual Value of Taxable Property for assessed value of taxable property.
2) See the schedule of Demographic and Economic Statistics for per capita personal income and population data.
3) Actual property value is used as the denominator instead of personal 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

Business-Type Activities							
Revenue Bonds	Certificates of Participation	Capital Lease Obligations	Total Primary Government	Percentage of Assessed Value of Taxable Property(1)(3)		Per Capita(2)	Percentage of Personal Income
6,563,238	-	1,864,823	55,169,441	2.99%		579	2.05%
6,231,275	530,092	-	50,857,750	2.72%		535	1.81%
5,889,313	265,046	-	45,364,728	2.43%		495	1.62%
5,527,350	-	597,879	42,978,399	2.29%	2)	463	1.46%
5,150,387	-	531,448	51,354,867	2.71%		567	1.74%
4,748,425	-	395,638	39,460,039	2.11%		428	1.28%
4,326,462	-	1,419,275	39,593,466	1.89%		407	1.23%
3,884,499	-	1,809,947	37,542,532	1.84%		411	1.15%
3,417,536	-	1,926,822	56,346,288	2.78%		569	1.73%
2,920,573	-	1,586,159	52,934,412	2.78%		580	1.69%



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CITY OF MACON, GEORGIA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2013

	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	$ 19,010,104	100.0%	$ 19,010,104
Certificates of Participation	6,300,000	100.0%	6,300,000
Capital Lease Obligations	4,055,110	100.0%	4,055,110
Convention Center Hotel Public Contribution Project	10,005,000	100.0%	10,005,000
Revenue Bonds Series 2002 A&B (City Projects)	9,057,466	100.0%	9,057,466
Total Direct Debt	48,427,680		48,427,680
Overlapping Debt			
Revenue Bonds Series 2006 & 2009 (Public Projects)	9,815,000	50.5%	4,956,575
Series 2002B Urban Dev. Auth. Riverside Dr.	910,000	50.5%	459,550
Series 2002A Urban Dev. Auth.	6,953,546	50.5%	3,511,541
Total Overlapping Debt	17,678,546		8,927,666
Total Direct and Overlapping Debt	$ 66,106,226		$ 57,355,346

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

	2004*	2005*	2006	2007	2008
Debt Limit	184,585,713	186,698,058	186,665,868	187,903,125	18,953,493
Total net debt applicable to limit	2,495,000	1,715,000	890,000	-	-
Legal debt margin	182,090,713	184,983,058	185,775,868	187,903,125	18,953,493
Total net debt applicable to the limit as a percentage of debt limit	1.35%	0.92%	0.48%	0.00%	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

	2009	2010	2011	2012	2013
Debt Limit	186,600,222	209,645,635	204,536,316	202,777,143	190,447,158
Total net debt applicable to limit	-	-	-	19,286,726	19,010,104
Legal debt margin	186,600,222	209,645,635	204,536,316	183,490,417	171,437,054
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	9.51%	9.98%

Legal Debt Margin Calculation for Fiscal Year 2013:	
Assessed Value	$1,904,471,582
Debt limit (10% assessed value)	190,447,158
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	$ 190,447,158

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

Fiscal Year	Airport Operating Income	Less: Operating Expenses	Net Available Revenue	Principal (1)	Interest	Coverage
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
2013	1,376,796	927,516	449,280	-	193,378	2.32

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

Fiscal Year	Population	Personal Income (1)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
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%
2013	91,234	3,139,818,110	34,415	33.3	24,500	9.00%

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 2013			FY 2004		
Taxpayer	Employees	Rank	Percentage of Employees per Major Employer*	Employees	Rank	Percentage of Employees per Major Employer*
Medical Center of Central Georgia	6,200	1	26.44%	5,016	1	35.33%
GEICO	4,700	2	20.04%			0.00%
Bibb County Board of Education	3,700	3	15.78%	3,330	2	23.46%
Coliseum Medical Centers	1,400	4	5.97%	1,900	4	13.38%
City of Macon	1,143	5	4.87%	1,404	6	9.89%
Mercer University	900	6	3.84%	1,360	7	9.58%
Bibb County	780	7	3.33%	703	8	4.95%
YKK (U.S.A), Inc.	750	8	3.20%			0.00%
Wal-Mart Super Stores	740	9	3.16%			0.00%
United States Postal Service	600	10	2.56%			0.00%
Ricoh USA	575	11	2.45%			0.00%
Georgia Farm Bureau Federation	525	12	2.24%			0.00%
The Boeing Company	518	13	2.21%			0.00%
Graphic Packaging International	518	14	2.21%			0.00%
Armstrong World Industries	400	15	1.71%	483	9	3.40%
Total of Major Employers	23,449		100.00%	14,196		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

Function		For Fiscal Year ended June 30, 2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Airport	1)	17	17	13	13	15	0	0	0	0	0
Bowden Golf Course	2)	7	7	8	8	8	8	8	7	7	7
Central Services		73	67	61	59	61	62	62	54	54	54
Centreplex	3)	52	52	48	48	49	49	49	0	0	0
City Attorney		7	9	10	6	10	10	10	6	5	5
Clerk of Council		3	3	3	3	3	3	3	3	3	3
City Engineer	6)	18	17	17	15	16	17	17	14	14	0
Econ & Comm Dev.		32	31	30	26	30	30	28	24	24	24
Emergency Management		3	3	3	4	4	4	4	4	4	4
Finance		20	22	20	18	22	22	22	19	18	16
Purchasing	7)										3
Fire		379	393	393	372	393	393	393	404	402	403
Human Resources		17	17	17	13	17	17	17	12	12	12
Inspection & Fees	6)	24	24	24	17	20	20	20	19	19	0
Information Technology	4)	0	0	0	13	14	15	14	12	19	15
Internal Auditor	4)	0	0	0	2	2	2	2	2	2	2
Workforce Development	4)	0	0	0	16	15	15	15	13	13	0
City Clerk	4)	0	0	0	2	2	2	2	2	2	2
Mayor & Staff	4)	41	45	48	7	11	10	10	13	10	10
Municipal Court		12	12	11	12	12	12	14	12	12	13
Parks & Recreation	6)	92	92	86	77	92	92	89	74	74	0
Police		401	401	401	388	413	413	413	404	404	396
Public Works		181	169	164	149	164	164	164	134	134	155
Vehicle Maintenance		22	22	20	16	19	18	18	17	17	17
Douglass Theater	5)	2	0	0	2	0	0	2	0	0	0
Clean Cities Coordinator	8)	0	0	0	0	1	1	1	1	1	0
Workers Comp	4)	0	0	0	0	0	0	0	0	2	2
Total		1,403	1,403	1,377	1,286	1,393	1,379	1,377	1,250	1,252	1,143

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.
6) As of July 1, 2012, City Engineer, Inspection & Fees, and Parks & Recreation were moved to Bibb County.
7) Prior to 2013, Purchasing was budgeted under Finance.
8) Clean Cities Coordinator function was moved to the Health Department.

CITY OF MACON, GEORGIA

OPERATING INDICATORS BY FUNCTION
LAST NINE FISCAL YEARS

Function		For the fiscal year ended June 30, 2005	2006	2007	2008	2009	2010	2011	2012	2013
Airport										
Flights		32,645	28,259	27,609	25,372	18,028	17,632	16,846	18,532	17,914
Bowden Golf Course										
Rounds of Golf		n/a	16,225	16,023	14,447	15,361	16,200	16,175	13,531	14,235
Finance										
Processed										
Accts Payable checks		11,556	12,555	11,679	11,334	10,321	9,743	9,514	9,121	8,086
Business Licenses		n/a	4,888	5,024	5,161	5,015	4,829	4,705	4,421	4,322
Fire										
Calls answered		15,810	16,267	15,054	14,443	14,540	17,538	16,244	15,802	16,962
Inspections		5,358	4,973	4,303	4,821	5,511	4,896	4,642	5,084	4,008
Inspection & Fees										
Permits	1									
General Contractor	1	1,934	1,656	1,316	908	502	769	511 *	276	0
Building	1	417	411	434	551	370	396	419 *	272	0
Trade	1	8,023	6,803	5,872	4,800	3,363	4,362	3,671 *	1903	0
Occupancy	1							93 *	158	0
City Council										
No. of Ordinances		72	68	59	85	60	22	37	75	71
Municipal Court										
No. of tickets		n/a	38,076	47,420	56,652	47,895	50,585	46,168	41,425	29,050
Parks & Recreation										
Registrations	1	n/a	1,155	1,457	1,128	2,311	2,134	1,722	1,800	0
Participants	1	n/a	25,343	24,761	25,625	25,688	18,479	12,554	13,211	0
Police										
Arrests		5,893	5,779	7,019	8,100	7,914	8,742	9,009	12,707	7,993
Parking violations		6,883	7,231	2,653	3,732	6,843	3,767	2,088	2,111	6,012
Traffic violations		30,512	30,025	48,585	52,973	23,464	50,908	47,759	24,139	11,342
Public Works										
Streets										
Miles Swept		904	904	904	730	592	620	505	777.6	893.8
Miles Maintained		452	452	452	490	420	n/a	n/a	n/a	n/a

Note: Operating indicators were not maintained prior to fiscal year 2005

1) As of July 1, 2012, Parks and Recreation and Inspection and Fees became apart of Bibb County.

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

CITY OF MACON, GEORGIA

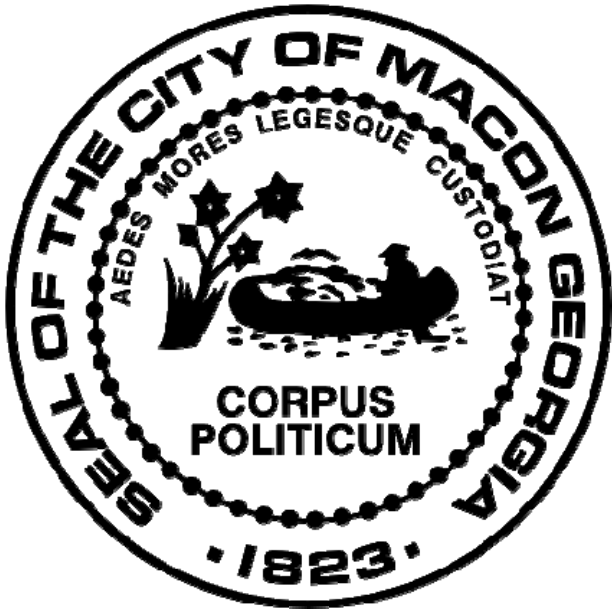
CAPITAL ASSET STATISTICS BY FUNCTION
LAST NINE FISCAL YEARS

Function		For the fiscal year ended June 30, 2013								
		2005	2006	2007	2008	2009	2010	2011	2012	2013
Airport										
Enplanements	1	19,616	16,106	14,988	9,787	3,883	2,152	2,318	767	758
Bowden Golf Course										
Golf Carts		60	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	2,688
Coliseum Capacity		8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,488	8,488
Square Foot - Conv. Center		102,000	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	20
Fire Trucks		26	19	26	26	26	26	22	22	20
General Government										
Buildings		n/a	145	145	145	145	145	145	145	145
Information Technology										
Number of Servers		n/a	19	20	19	22	25	25	25	10
Parks & Recreation	2									
Acres Maintained		n/a	1,019	1,019	1,019	1,019	1,019	1,019	1,019	0
Recreation Centers		n/a	n/a	11	11	11	11	11	11	0
Police										
Police Stations							4	4	4	4
Patrol Units		209	200	224	206	202	218	190	190	184
Public Works										
Miles of Streets		452	452	452	550	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 flying out of the airport.

2) As of July 1, 2012, Parks and Recreation became a part of Bibb County.



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Vision Statement

To create a more cohesive community that attracts opportunity, enhances the quality of life, promotes pride, and inspires hope.

Mission Statement

Provide municipal services needed and desired by citizens in an effective equitable manner.

B.E.S.T

Build a sustainable Community.

Educate our Citizens.

Safety and Services in every neighborhood.

Transit and Technology throughout the region.



MONUMENT TO WOMEN OF THE SOUTH DEDICATED BY R.A. SMITH UCV AND SIDNEY LANIER CHAPTER 25 UDC JUNE 3, 1911 REDEDICATED JUNE 3, 2011