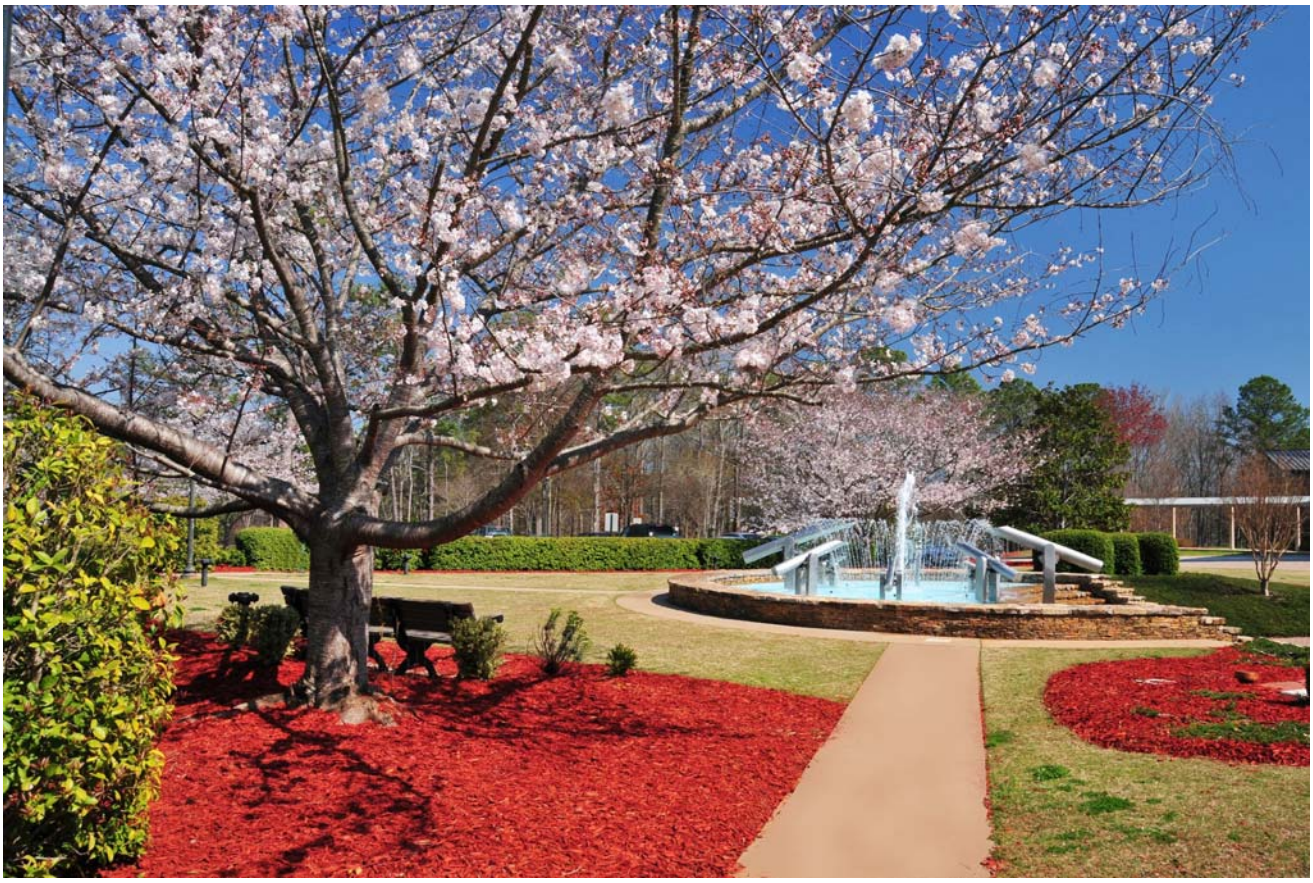
PEACHTREE CITY
PLAN TO STAY™



PEACHTREE CITY, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2014

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PEACHTREE CITY, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

Prepared by:
Paul J. Salvatore
Financial Services Director

Submitted by:
James L. Pennington
City Manager

INTRODUCTORY SECTION

PEACHTREE CITY, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

TABLE OF CONTENTS

Page Number

INTRODUCTORY SECTION

- Letter of Transmittal – City Manager and Financial Services Director ..... I - vi
- GFOA Certificate of Achievement vii
- Organizational Chart viii
- Listing of Principal Officials ix

FINANCIAL SECTION

- Independent Auditor's Report ..... 1 - 3
- Management's Discussion and Analysis ..... 4 - 13
- Basic Financial Statements:
  - Government-wide Financial Statements
    - Statement of Net Position ..... 14 and 15
    - Statement of Activities 16
  - Fund Financial Statements
    - Balance Sheet – Governmental Funds ..... 17 and 18
    - Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds 19
    - Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities 20
    - General Fund – Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual ..... 21 and 22
    - Statement of Net Position – Proprietary Funds 23
    - Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds 24
    - Statement of Cash Flows – Proprietary Funds ..... 25 and 26
    - Statement of Fiduciary Net Position – Fiduciary Funds 27
    - Statement of Changes in Fiduciary Net Position – Pension Trust Fund 28
  - Notes to Financial Statements ..... 29 - 76
- Required Supplementary Information:
  - Schedules of Funding Progress 77
  - Schedule of Changes in the City's Net Pension Liability and Related Ratios 78
  - Schedule of City Contributions – Retirement 79
  - Schedule of Pension Investment Returns – Retirement Plan 80

PEACHTREE CITY, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

TABLE OF CONTENTS

Page Number

FINANCIAL SECTION (CONTINUED)

Combining and Individual Fund Statements and Schedules:

Combining Balance Sheet – Nonmajor Governmental Funds ..... 81 - 83

Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds ..... 84 - 86

Association Fees Fund – Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual 87

Neighborhood Parks Fund – Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual 88

DARE Program Fund – Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual 89

State/Federal Seizure Fund – Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual 90

HAZMAT Fund – Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual 91

Police Department Tuition Fund – Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual 92

Youth Fund – Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual 93

Hotel/Motel Tax Fund – Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual 94

Grants/Donations Fund – Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual 95

Keep Peachtree City Beautiful Fund – Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual ..... 96 and 97

Debt Service Fund – Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual 98

Schedule of Expenditures of Special Purpose Local Option Sales Tax 99

Combining Statement of Assets and Liabilities – Agency Funds 100

Combining Statement of Changes in Assets and Liabilities – Agency Funds 101

PEACHTREE CITY, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

TABLE OF CONTENTS

Page Number

STATISTICAL SECTION

Net Position by Component 102
Changes in Net Position ..... 103 - 105
Governmental Activities Tax Revenues by Source 106
Fund Balances of Governmental Funds 107
Changes in Fund Balances of Governmental Funds ..... 108 and 109
General Governmental Tax Revenues by Source 110
Assessed Value and Estimated Actual Value – All Taxable Property 111
Property Tax Rates – All Overlapping Governments 112
Principal Taxpayers 113
Property Tax Levies and Collections 114
Ratios of Outstanding Debt by Type 115
Ratios of General Bonded Debt Outstanding 116
Direct and Overlapping Governmental Activities Debt 117
Legal Debt Margin Information 118
Pledged-Revenue Coverage 119
Demographic and Economic Statistics 120
Principal Employers 121
Full-time City Government Employees by Function 122
Operating Indicators by Function 123
Capital Asset Statistics by Function 124

COMPLIANCE SECTION

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* ..... 125 and 126
Schedule of Findings and Responses 127

PEACHTREE CITY
PLAN TO STAY™

March 18, 2015

Honorable Vanessa Fleisch, Mayor,
Members of the City Council,
and Citizens of Peachtree City, Georgia

Ladies and Gentlemen:

The Comprehensive Annual Financial Report of Peachtree City, Georgia, for the fiscal year ended September 30, 2014, is hereby submitted as mandated by both local ordinance and state statutes. These ordinances and statutes require that Peachtree City issue an annual report on its financial position and activity and that this report be audited by an independent firm of certified public accountants.

Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe that the data presented is accurate in all material respects and it is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of its various funds. All disclosures necessary to enable interested citizens to gain a reasonable understanding of the City's financial activities have been included.

Mauldin & Jenkins, LLC, Certified Public Accountants, have issued an unmodified ("clean") opinion on Peachtree City's financial statements for the year ended September 30, 2014. The independent auditor's report is located at the front of the financial section of this report.

As a recipient of federal and state financial assistance, Peachtree City is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. The City's comprehensive internal control structure is subject to evaluation by the management of Peachtree City. Because the cost of internal controls should not outweigh their benefits, the City's internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. If required, information related to a Single Audit, including a schedule of expenditures of federal awards, the independent auditor's reports on internal controls and compliance with applicable laws and regulations, and a schedule of findings and questioned costs are included in a separately issued single audit report. For fiscal year 2014 the City was not required to have a Single Audit conducted.

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

PROFILE OF PEACHTREE CITY

Peachtree City, established in 1959, is 56 years old and is a body corporate and politic organized and existing under the Constitution and laws of the State of Georgia. Peachtree City is a planned community situated in the western part of Fayette County and is known as a "family oriented" community. The City features three privately owned golf courses, two large lakes, an

amphitheater with a maximum seating capacity of 2,510, an award winning tennis center, an indoor swimming complex, and numerous other recreational facilities. For Peachtree City residents, multi-use pathways line the City, going under and over major thoroughfares. The City has approximately 90 miles of these paved multi-use paths providing alternate transportation (golf carts, bicycles, pedestrians, etc.) that connect neighborhoods, retail centers, churches, schools, and recreational areas in the five separate villages that make up Peachtree City.

Peachtree City provides a full range of services to its estimated 34,893 citizens. These services include police and fire protection; emergency medical services; air transport facilities; public works; court system; library services; the construction and maintenance of recreational pathways, streets, and infrastructure; planning and zoning; building inspections; recreational activities and cultural events; stormwater management; and inherent administrative and support activities.

Encompassing 16,339 acres, or approximately 25.5 square miles, Peachtree City is geographically located in northwestern Georgia and is found in Fayette County, which is bordered on the north by Fulton County, on the east by Clayton County, on the south by Spalding County, and on the west, by Coweta County. It is situated about 15 miles south of the City limits of Atlanta and is considered an integral part of the Metro Atlanta area, often referred to as part of the Southern Crescent. Incorporated communities located near Peachtree City include Fayetteville, Brooks, Tyrone, and Woolsey in Fayette County, and Sharpsburg, Senoia, and Newnan in Coweta County. From a long-range planning and services coordination standpoint, the City is a member of the Atlanta Regional Commission.

Peachtree City exhibits excellent physical characteristics. Average rainfall is 48.6 inches a year and temperatures range from an average high of 87 degrees in the summer to an average low of 34 degrees in the winter. With year-round average temperatures of 61 degrees, the climate is very favorable, consisting of warm summers and moderate winters. Between these seasons, the Peachtree City area is decorated with dogwoods and azaleas blooming in the spring and a colorful change of leaves in the fall. The general terrain of the area is characteristic of the Piedmont region of Georgia, with hills with broad ridges, sloping uplands, and relatively narrow valleys. Land elevations within the City range from 740 to 961 feet above sea level.

Another important attribute of Peachtree City is its location in relation to major transportation modes. Peachtree City residents enjoy ready access to several methods of conveyance. If one wishes to use their vehicle to get around, the City is strategically located in proximity to two interstate highway systems, Interstate-75 and Interstate-85. In addition, two principal arterial roadways, State Highways 54 and 74, pass through Peachtree City. Citizens also have fairly easy access to the public transportation system, which serves the immediate Atlanta area. From terminals in south Fulton County, one can take advantage of the trains and buses operated by the Metropolitan Atlanta Rapid Transit Authority (MARTA). In addition, Amtrak has passenger trains that pass through nearby Atlanta. The City also has convenient access to Hartsfield-Jackson International Airport.

Other transportation needs can also be easily accommodated. For any business that might have to move freight, there is a direct railway service provided by CSX (Chessie Seaboard Railroad), which serves as a link to the Southeast. For international shipping, Savannah, Georgia, and Jacksonville, Florida, serve as major deep-water seaports that can be reached by interstate highway in a matter of hours. The Atlanta Regional Airport – Falcon Field, located on the western fringes of the City, makes it possible for executive aircraft to taxi virtually to the office door. The 5,770 foot lighted runway can accommodate aircraft up to 60,000 pounds and is capable of handling large corporate and military jet aircraft.

The financial reporting entity (the government) includes all the funds of the primary government (i.e., Peachtree City, Georgia, as legally defined), including the Stormwater Utility Fund created in fiscal year 2006 and the Amphitheater Fund created in fiscal year 2009, as well as all of its component units. Component units are legally separate entities for which the primary

government is financially accountable. Blended component units (although legally separate entities) are, in substance, part of the primary government's operations and are included as part of the primary government. The City reported three blended component units as of September 30, 2014 – the Peachtree City Governmental Finance Corporation, Inc. that is used as a mechanism to finance the purchase of machinery and equipment for City operations, the City of Peachtree City Public Facilities Authority that is used as a mechanism to finance capital additions and improvements to City facilities and Keep Peachtree City Beautiful which provides the City with litter prevention, waste reduction and beautification services. 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. The Peachtree City Water and Sewerage Authority, the Peachtree City Airport Authority, and the Peachtree City Convention and Visitors Bureau, Inc., are reported as discretely presented component units at September 30, 2014.

The governing authority of Peachtree City is the City Council, consisting of five elected members. The Mayor is elected to a term of four years to serve on a part-time basis. The remaining four Council Members also serve on a part-time basis and are elected to staggered terms of four years. While all five Council Members are elected at large, all must reside within Peachtree City. The Mayor and each Council member have one equal vote, and the Mayor votes on all issues. At their first meeting each calendar year, the Mayor Pro-Tem is selected by the City Council. In their policy-making capacity, the City Council is authorized to perform the following functions:

- Allocate taxes levied by Fayette County.
- Establish millage rate for Peachtree City.
- Direct and control all property located within Peachtree City.
- Establish, alter, or abolish Peachtree City roads and bridges.
- Fill vacancies in the Peachtree City offices unless others are empowered to do so.
- Examine, settle, and allow claims against Peachtree City.
- Examine and audit the accounts of all officers having the care, management, keeping, collection, or disbursement of money belonging to Peachtree City.
- Establish the costs of licenses.
- Make such rules and regulations as necessary for the protection and preservation of health, safety, welfare, and morals.

The Chief Administrative and Operational Officer of the City is the City Manager, who is appointed by the Peachtree City Council to: implement Council policies; oversee the daily activities of the City; and supervise departments within the City.

An organizational chart depicting the current structure associated with the management of the City of Peachtree City is included in this introductory section.

Peachtree City maintains budgetary controls to ensure compliance with the legal provision of the annual appropriations budget approved by the City Council. Peachtree City ordinances require that the City operate under an annual balanced budget. The City Manager, assisted by the Financial Services Director, is responsible for preparing the annual budget, which is then submitted to the City Council for discussion and approval. Activities of the General Fund, Special Revenue Funds, the Debt Service Fund, the Stormwater Utility Fund (a business-type activity), and the Amphitheater Fund (a business-type activity) are included in the annual appropriations budget. Project-length budgets are adopted for the Capital Projects Funds.

The applicable City ordinances require that Peachtree City not exceed its budget at the fund level. The legal level at which Peachtree City budget expenditures may not exceed the adopted annual operating budget is at the department level. The transfer of appropriations among accounts within a department's budget can be authorized by the Financial Services Director. All

other transfers or supplemental appropriations must be approved by the City Council. Peachtree City's budget procedures are more fully explained in the accompanying Notes to Financial Statements.

Peachtree City maintains an encumbrance accounting system as another means of accomplishing budgetary control. As purchase orders are issued, the balance of the unexpended and unencumbered appropriations is reduced by a corresponding amount. As demonstrated by the statements and schedules included in the financial section of this report, the government continues to meet its responsibility for sound financial management.

INFORMATION USEFUL IN ASSESSING THE CITY'S ECONOMIC CONDITION

Peachtree City is one of the most affluent communities in Georgia and continues to benefit economically by being an integral part of Metropolitan Atlanta. The Metro Atlanta region represents one of the southeast's primary transportation, distribution, financial, and consumer centers. Economists project that the Atlanta area will continue to expand, with the metropolitan area possibly extending as far north as Chattanooga, Tennessee, and as far south as Macon, Georgia, in the coming years. The City is well positioned geographically within this growth area. New rezoning has added 870 acres of residential growth to Peachtree City's west side and the City continues to benefit through growth in the commercial and industrial sectors. Peachtree City's industrial park is situated along the City's western boundaries. Of the nearly 1,889 acres set aside for industrial uses, approximately 365 acres are still available for future industrial growth.

Peachtree City currently boasts around 7,902 jobs in 551 different industry operations; many of these are international, calling different countries home. From Japan, we have corporations such as Rinnai, Shinsei, TDK, Panasonic, and Hoshizaki. Gerresheimer and Hella hail from Germany, while Amcor is proudly Canadian and Sigvaris is from Switzerland. The Chinese SANY Corporation houses their North American headquarters in Peachtree City, as does the Dutch Innovative Packaging Network. Additionally, the Peachtree City workforce is strengthened by nearly 8000 positions in banking, finance, retail, real estate, professional & technical services and health care. Overall, this strong foundation in a variety of industries makes Peachtree City a great place to call home.

Peachtree City has been designated a Foreign Trade Zone by the U.S. Customs Service. This is a site in or near a U.S. Customs port of entry (in this case Hartsfield-Jackson International Airport), designated free of customs entry procedures.

A Freeport Exemption has been instituted by the voters of Fayette County. This exemption allows 100 percent of the following types of commercial and industrial inventory for taxes: 1) raw material and goods in process of manufacture, 2) finished goods produced in Georgia within the last 12 months, and 3) finished goods stored in Georgia within the last 12 months and destined for shipment out-of-state.

Among the elements making Peachtree City a standout community is the top-rated Fayette County school system, Peachtree City's exceptionally low crime rate, abundant recreation opportunities, official status as both a Bicycle Friendly and Runner Friendly Community, and the City's unique path system for golf carts. Peachtree City has been recognized as one of the top places to locate by CNN/Money and *Money Magazine* in 2005, 2007, 2009, 2011 and 2013. In 2009, *Business Week* listed Peachtree City as one of Georgia's best affordable suburbs and *News Max Magazine* noted that the City was one of the ten greatest places for "Boomers." Other accolades include Georgia's best place to raise kids - 2013 *Business Week,* 86th Safest City in the Nation – 2014 *Neighborhood Scout*, and Safest Cities in Georgia - *Safewise.com (2014) and ValuePenguin.com (2015).*

Planning for the Future

In planning for the future, in the coming year Peachtree City will pursue three significant goals. The number one priority continues the focus on the transportation system serving Peachtree City. Peachtree City has been concerned with the traffic issues that exist along the State 54 and State 74 corridors including funding a major traffic study for the 54 corridor, which will require cooperation from the Georgia department of Transportation for implementation of findings. In addition, Peachtree City continues to work with the other municipalities in Fayette County, the Fayette County Board of Commissioners, as well as adjacent Coweta and South Fulton Counties and the State of Georgia to maximize the area's access to Interstate 85. Peachtree City must also focus on developing financial mechanisms to fund the maintenance of the local street and path systems following the expenditure of the remaining Fayette County SPLOST.

The second goal involves the City's continuing efforts to enhance its Storm Water Management Program. Phase II of the Environmental Protection Agency's (EPA) National Pollutant Discharge Elimination System (NPDES) requires cities to develop, implement, monitor, and enforce a Storm Water Management Program. In fiscal year 2006, the City established the Stormwater Utility Fund to generate funds to fulfill Phase II objectives of the NPDES. Program elements include education, public involvement, illicit discharge detection and elimination, construction site controls, post-construction controls, and pollution prevention. To date the program has been very successful.

The third, but not final, goal is possibly the most important and is certainly the most far-reaching. Peachtree City has developed over the last 56 years as a master-planned city. With the majority of development complete, Peachtree City is now looking to develop a strategic plan that will carry the community's success through the next 50 years. This is important as the city looks to annex adjacent areas to maintain developmental control and quality of life in Peachtree City. A strategic approach is also needed as the west side Wilksmoor development becomes a reality. The development will add over 1350 homes to the city thus impacting the city's service levels and strategic operational and financial plans.

Impact of Financial Policies on Financial Statements

As the economy begins to rebound, the City has updated the Budget Policy increasing operating reserves equal to twenty-five percent (25%) up from twenty percent (20%) of the "Total Use of Funds" amount appropriated in the General Fund budget for the FY2016 budget. Such reserves are intended to 1) maintain sufficient cash on hand to satisfy cash flow needs of the City, 2) provide resources to cover unanticipated revenue shortfalls due to economic conditions, 3) pay for expenses that were not originally appropriated in the annual operating budget, and 4) provide funding for unanticipated costs associated with the repair and/or replacement of City property unexpectedly damaged or destroyed and for other claims against the City in excess of amounts recovered through insurance carriers. In late fiscal year 2010, the City adopted GASB Statement No. 54 – The New Fund Balance. With this action the City is reporting Fund Balance Committed for Property Tax Rate Stabilization in the General Fund that consists of those funds in excess of the required reserves and those funds classified as non-spendable.

In January 2013, Moody's Investors Service, Inc. changed their rating criteria and reassigned Peachtree City's credit rating to **"Aa1"** on the City's general obligation bonds as well as the revenue bonds issued through the Public Facilities Authority, which are ultimately supported by the City's absolute and unconditional obligation. Also, in January 2013, Standard and Poor's reaffirmed Peachtree City's credit rating to **"AAA"** and affirmed its AAA long-term rating and underlying rating, with a stable outlook, on the City's general obligation parity debt. These ratings place Peachtree City in the highest-grade credit category with only a few municipalities in the State of Georgia.

AWARDS AND ACKNOWLEDGEMENTS

Awards

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Peachtree City, Georgia for its Comprehensive Annual Financial Report (CAFR) for the year ended September 30, 2013. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR with contents that conform to program standards. Such reports must also satisfy both accounting principles generally accepted in the United States of America 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 again meets the requirements of this program, and we are submitting it to GFOA to determine its eligibility for certification again.

In addition, the City received the GFOA Award for Distinguished Budget Presentation for the annual budgets for fiscal years 2004 - 2010.

Acknowledgements

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the administrative staff of the various Peachtree City departments and officials and, in particular, the City's finance staff and the auditors for the City. Our sincere appreciation is extended to each individual for the contributions made in the preparation of this report.

We would also like to thank the Mayor and the members of the City Council for their interest and support in planning and conducting the financial operations of the Peachtree City in a responsible and progressive manner, and through whose efforts we have made substantial progress in responding to the extraordinary demands placed upon our community. The quality and quantity of services provided by the Peachtree City to its residents is second to none. We believe that the accomplishments identified in this transmittal letter clearly indicate that the City Council has effectively and efficiently planned and managed the resources that were entrusted to them by the citizens of Peachtree City.

As Peachtree City continues its evolution as a suburban Atlanta community, the progress that has been made in recent years will, in our opinion, provide a sound foundation for the identification, development, and implementation of future programs and policies, and we are optimistic that our community's leadership will continue to do an excellent job of addressing the complex issues facing our community. We thank you for the opportunity to assist you in your efforts.

Respectfully submitted,



James L. Pennington, EdD
City Manager

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Peachtree City

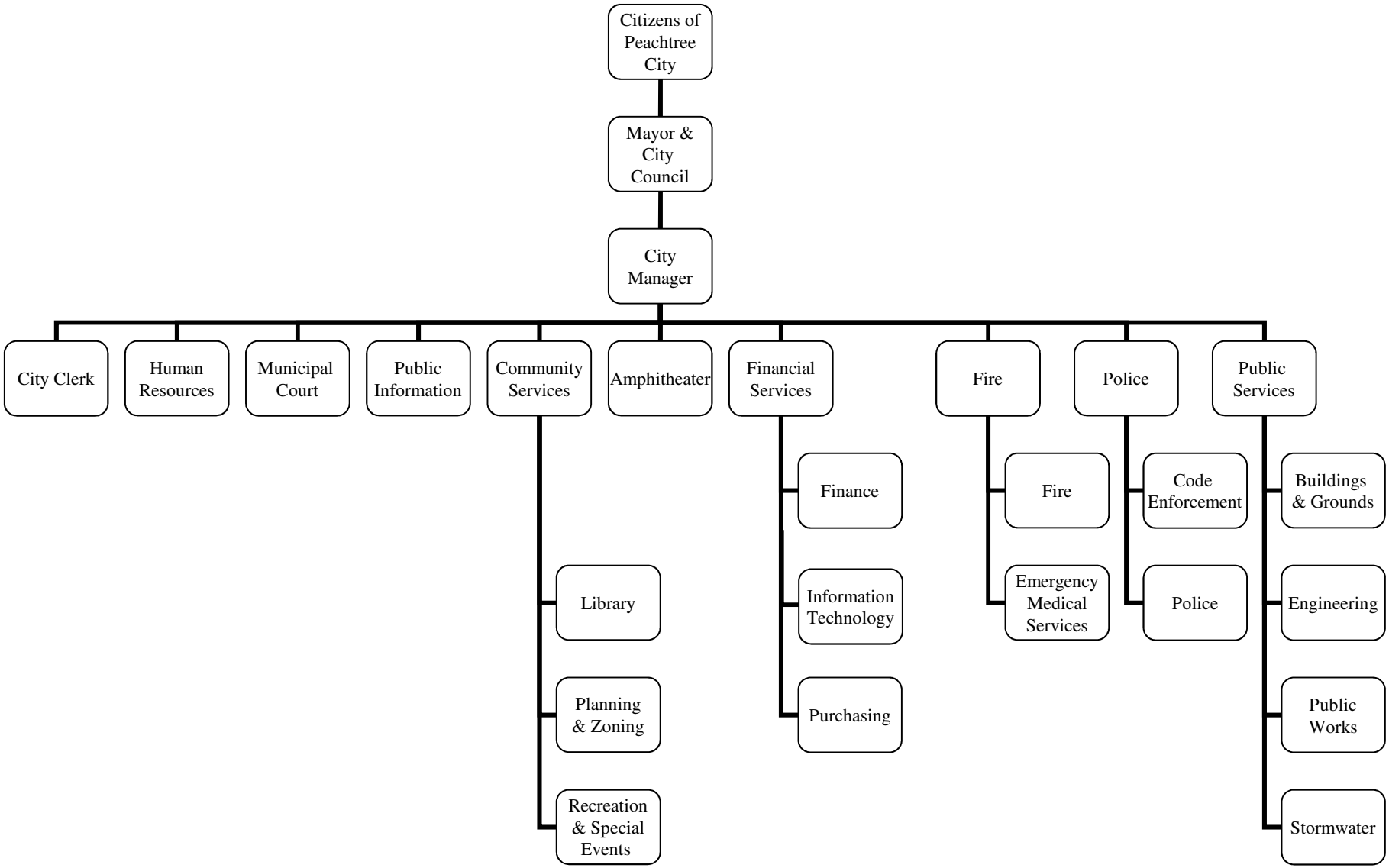
Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2013

Executive Director/CEO

Peachtree City Organizational Chart



PEACHTREE CITY, GEORGIA

Listing of Principal Officials
at September 30, 2014

Mayor
Vanessa Fleisch

City Council Members
Eric Imker
Terry Ernst
Kim Learnard
Mike King

City Manager
James L. Pennington, EdD.

Financial Services Director
Paul J. Salvatore, CPFO

Community Services Director
Jonathan Rorie

Public Services Director
Vacant

Human Resources Director
Ellece Brown

Police Chief
William McCollum

Fire Chief
Joseph E. O'Conor

Municipal Court Judge
Stephen D. Ott

City Attorney
Theodore P. Meeker, III

City Auditors
Mauldin & Jenkins, LLC

FINANCIAL SECTION

MAULDIN & JENKINS

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members
of the City Council of
Peachtree City, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of **Peachtree City, Georgia** (the "City"), as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Peachtree City Airport Authority, which represents 36%, 58%, and 32% of the assets, net position and revenues, respectively, of the discretely presented component units. 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 Peachtree City Airport 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 reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Peachtree City, Georgia as of September 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison 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 10, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 67*, Financial Reporting for Pension Plans – An Amendment of GASB Statement No. 25,* as of October 1, 2013. 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 4 through 13), the Schedules of Funding Progress (on page 77), the Schedule of Changes in the City's Net Pension Liability and Related Ratios (on page 78), the Schedule of City Contributions – Retirement Plan (on page 79), and the Schedule of Pension Investment Returns – Retirement Plan (on page 80) 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 Peachtree City, Georgia's basic financial statements. The introductory section, combining and individual non-major fund financial statements and schedules, and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of special purpose local option sales tax is presented for purposes of additional analysis as required by the Official Code of Georgia 48-8-121, and is not a required part of the basic financial statements.

The combining and individual non-major fund financial statements and schedules and the schedule of expenditures of special purpose local option sales tax are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements and schedules and the schedule of expenditures of special purpose local option sales tax are 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 March 18, 2015, on our consideration of Peachtree City, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Peachtree City, Georgia's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Macon, Georgia
March 18, 2015

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Peachtree City, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of Peachtree City for the fiscal year ended September 30, 2014. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i - vi of this report.

FINANCIAL HIGHLIGHTS

- The assets of Peachtree City exceeded its liabilities at the close of the most recent fiscal year by $87,222,671 (net position). Of this amount $12,327,709 (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors.
- Total net position is comprised of the following:
    - Net investment in capital assets of $71,965,751 include property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets,
    - Net position of $2,929,211 is restricted by constraints imposed from outside the City such as debt covenants, grantors, laws, or regulations.
    - At the end of the current fiscal year, unrestricted net position increased from $10,529,306 in fiscal year 2013 to $12,327,709.
- The City's total net position increased by $2,253,575. This is a result of an increase in net position in business-type activities of $767,242 for increased capital assets due to the completion of Stormwater infrastructure projects, and an increase in net position in governmental activities of $1,486,333 which is also reflected in the general fund balance as increased cash and equivalents due to increased TAVT tax and paving projects delayed until fiscal year 2015.
- At the close of the current fiscal year, Peachtree City's governmental funds reported combined ending fund balances of $15,194,693, an increase of $1,239,100 in comparison with the prior year. This is primarily due to an increase in the general fund of $1,267,169 due to a major paving project delayed by construction in a nearby shopping center. Approximately 35 percent or $5,295,663 of the total fund balance is classified as Unassigned Fund Balance.
- At the end of the current fiscal year, the Unassigned Fund Balance for the General Fund was $5,707,685, or 20.0 percent of total General Fund expenditures and operating transfers out, as required by the City's budget policies. Another $6,581,297 of the fund balance of the General Fund is Committed for Property Tax Rate Stabilization and $412,060 is assigned for the subsequent year's budget.
- Peachtree City's total long-term bonds had a net decrease of $1,265,000 (7.3 percent) during the current fiscal year. The decrease is due to the payment of debt service.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to Peachtree City's basic financial statements. The City's basic financial statements comprise three components: 1) Government-wide Financial Statements, 2) Fund Financial Statements, and 3) Notes to Financial Statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide Financial Statements. The Government-wide Financial Statements are designed to provide readers with a broad overview of Peachtree City's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on Peachtree City's assets and liabilities at September 30, 2014, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Peachtree City is improving or deteriorating.

The Statement of Activities presents information showing how the City's net position changed during the fiscal year ended September 30, 2014. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the Government-wide Financial Statements present functions of Peachtree City that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of Peachtree City include general government; public safety; public works; health and welfare; culture and recreation; and housing and development. The business-type activities of Peachtree City include a Stormwater Utility Fund, established in fiscal year 2006 and an Amphitheater Fund, established in fiscal year 2009.

The Government-wide Financial Statements include not only Peachtree City (known as the primary government), but also the following legally separate component units for which Peachtree City is financially accountable: Peachtree City Water and Sewerage Authority, Peachtree City Airport Authority and the Peachtree City Convention and Visitors Bureau, Inc. Financial information for these business-type component units is reported separately from the financial information presented for the primary government. The Government-wide Financial Statements also include the blended component units - the Peachtree City Governmental Finance Corporation, Inc., that is used as the financing arm of the City government for acquisition of land, buildings, machinery and equipment, the City of Peachtree City Public Facilities Authority that is used as a mechanism to finance capital additions and improvements to City facilities and Keep Peachtree City Beautiful which provides the City with litter prevention, waste reduction and beautification services.

The Government-wide Financial Statements can be found on pages 14 - 16 of this report.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Peachtree City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of Peachtree City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. Governmental Funds are used to account for essentially the same functions reported as the City's governmental activities in the Government-wide Financial Statements. However, unlike the Government-wide Financial Statements, Governmental Fund Financial Statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the City's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the Government-wide Financial Statements, it is useful to compare the information presented for the City's governmental funds with similar information presented for the City's governmental activities in the Government-wide Financial Statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. The Governmental Fund Balance Sheet and the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Peachtree City maintains numerous individual governmental funds that are combined into seventeen (17) funds for reporting purposes. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance for the General Fund, a major fund, and the Debt Service Fund, while technically not a major fund, is important to financial statement users. Data from the other fifteen (15) governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

Annual operating budgets are adopted each fiscal year by Peachtree City through passage of an annual budget resolution and amended as required for the General Fund, Special Revenue Funds, and the Debt Service Fund. Project-length budgets are adopted for the Capital Projects Funds.

The basic governmental fund financial statements can be found on pages 17 - 22 of this report.

Proprietary Funds. As of September 30, 2014, Peachtree City maintains two proprietary funds. Proprietary funds are used to report the same functions presented as business-type activities in the Government-wide Financial Statements. Peachtree City uses proprietary funds to account for its Stormwater Utility Fund, established in April 2006, and its Amphitheater Fund, established in November 2009, and adopts budgets annually for these proprietary funds.

Proprietary funds provide the same type of information as the Government-wide Financial Statements. The proprietary fund financial statements provide separate information for the Stormwater Utility Fund and Amphitheater Fund.

The basic proprietary fund financial statements can be found on pages 23 - 26 of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the Government-wide Financial Statement because the resources of those funds are not available to support the programs of Peachtree City.

The basic fiduciary fund financial statements can be found on pages 27 and 28 of this report.

Notes to Financial Statements. The notes provide additional information that is essential to the full understanding of the data provided in the Government-wide and Fund Financial Statements. The Notes to Financial Statements can be found on pages 29 - 76 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented following the Notes to Financial Statements. Combining and individual funds statements and schedules can be found on pages 81 - 86 of this report.

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Peachtree City, assets exceed liabilities by $87,222,671 at the close of the most recent fiscal year.

PEACHTREE CITY
NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Current and other assets	$28,087,785	$27,002,857	$ 7,735,687	$ 9,946,145	$35,823,472	$36,949,002
Capital assets, net of depreciation	74,786,048	75,946,319	13,444,699	10,813,251	88,230,747	86,759,570
Total assets	102,873,833	102,949,176	21,180,386	20,759,396	124,054,219	123,708,572
Deferred outflows of resources	43,476	58,968	52,821	57,133	96,297	116,101
Current liabilities	12,825,822	12,995,140	200,351	196,038	13,026,173	13,191,178
Long-term liabilities	13,740,385	15,148,235	10,161,287	10,516,164	23,901,672	25,664,399
Total liabilities	26,566,207	28,143,375	10,361,638	10,712,202	36,927,845	38,855,577
Net Position:						
Net investment in capital assets	62,409,235	62,080,601	9,556,516	9,428,695	71,965,751	71,509,296
Restricted	2,148,413	2,749,490	780,798	177,293	2,929,211	2,926,783
Unrestricted	11,793,454	10,034,678	534,255	498,339	12,327,709	10,533,017
Total net position	$76,351,102	$74,864,769	$10,871,569	$10,104,327	$87,222,671	$84,969,096

By far the largest portion of Peachtree City's net position (83 percent) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, and infrastructure); less any related debt used to acquire those assets that is still outstanding. Peachtree City uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although Peachtree City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

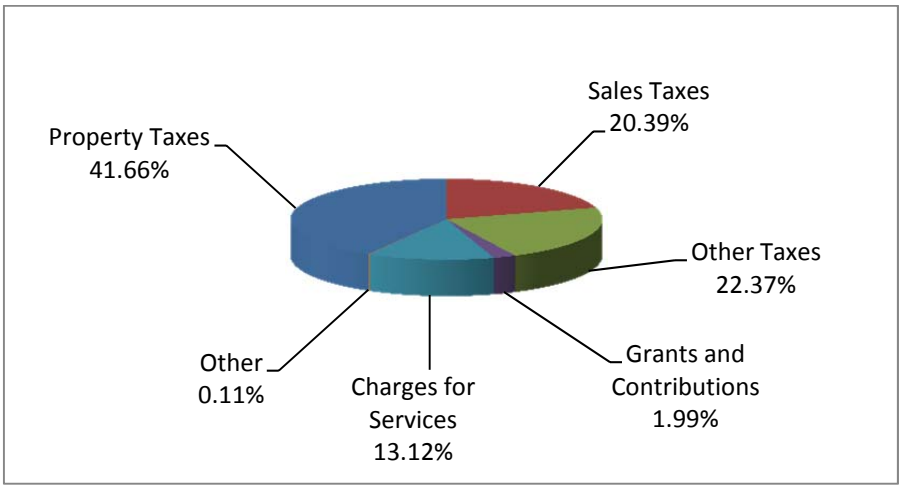
An additional portion of Peachtree City's net position (3 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position ($12,327,709 or 14%) may be used to meet the City's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, Peachtree City is able to report positive balances in net position for governmental activities and business-type activities. The same situation held true for the prior fiscal year for both governmental activities and business-type activities.

PEACHTREE CITY
CHANGES IN NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Revenues:						
Program revenues:						
Charges for services	$ 4,130,482	$ 3,802,942	$ 3,320,594	$ 2,660,536	$ 7,451,076	$ 6,463,478
Operating grants and contributions	734,915	762,373	-	-	734,915	762,373
Capital grants and contributions	2,459	417,443	-	-	2,459	417,443
General revenues:						
Property taxes	13,112,487	13,108,218	-	-	13,112,487	13,108,218
Sales taxes	6,417,060	6,519,042	-	-	6,417,060	6,519,042
Hotel/motel taxes	1,391,129	949,294	-	-	1,391,129	949,294
Other taxes	5,650,205	5,537,463	-	-	5,650,205	5,537,463
Other revenues	36,127	58,658	5,488	6,050	41,615	64,708
Total revenues	31,474,864	31,155,433	3,326,082	2,666,586	34,800,946	33,822,019
Current expenses:						
General government	4,990,989	4,368,257	-	-	4,990,989	4,368,257
Health and welfare	221,251	200,354	-	-	221,251	200,354
Public safety	14,285,892	14,092,520	-	-	14,285,892	14,092,520
Public works	4,440,411	4,898,012	-	-	4,440,411	4,898,012
Culture and recreation	4,741,706	5,021,548	-	-	4,741,706	5,021,548
Housing and development	956,261	391,961	-	-	956,261	391,961
Interest on long-term debt	352,021	429,528	-	-	352,021	429,528
Stormwater	-	-	1,570,191	1,518,065	1,570,191	1,518,065
Amphitheater	-	-	988,649	781,310	988,649	781,310
Total expenses	29,988,531	29,402,180	2,558,840	2,299,375	32,547,371	31,701,555
Increase (decrease) in net position	1,486,333	1,753,253	767,242	367,211	2,253,575	2,120,464
Net position, beginning of year, as restated	74,864,769	73,111,516	10,104,327	9,737,116	84,969,096	82,848,632
Net position, end of year	$76,351,102	$74,864,769	$10,871,569	$10,104,327	$87,222,671	$84,969,096

PEACHTREE CITY
REVENUES BY SOURCE
GOVERNMENTAL ACTIVITIES

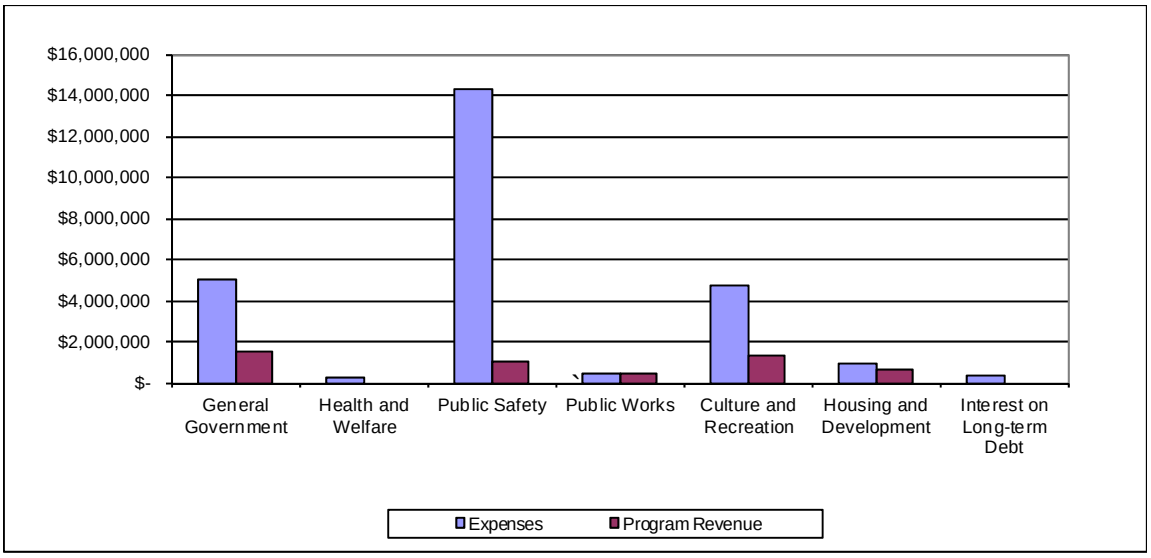


Governmental Activities:

The City's governmental activities are heavily reliant on property taxes, sales taxes and other taxes to support governmental operations. Property taxes provided 41.66 %, other taxes (hotel/motel, alcoholic beverage, and franchise, and Insurance Premium taxes) provided 22.37% and sales taxes provided 20.39% of the City's total governmental revenues. Also note that program revenues cover 16.1% of governmental expenses. This means that the government's taxpayers and the City's other general revenues fund 83.9% of the governmental activities. As a result, the general economy and the local businesses have a major impact on the City's revenue streams. Total governmental revenues increased by $319,431 in fiscal year 2014 over fiscal year 2013 as the local economy continues to rebound.

- Property taxes increased slightly during the year by $4,269.
- Sales taxes decreased $101,982 during the year, due primarily to a decrease in the formula for HB489 and the calculated split with the County and the City of Fayetteville based on population and other factors.
- Hotel/motel taxes increased $441,835 during the year, due to an increase in the Hotel/Motel tax in the last quarter of fiscal year 2013 from 6% to 8%.
- Other taxes that include franchise taxes and insurance premium taxes increased during the year by $112,742.
- Capital grants and contributions decreased $414,984, primarily due to fewer capital projects in progress during the fiscal year.
- Charges for services increased $327,540. The primary increase was in culture and recreation. In fiscal year 2013, this revenue was down due to the closure of the Kedron Fieldhouse and Aquatic center for renovations after a fire.
- General Government expenses increased by $622,732. This is primarily due to costs of a municipal election and personnel cost in buildings and grounds department for in-house expansion of landscaping within the city.
- Public Safety and Housing and Development expenses increased by $757,672 primarily due to increased spending on capital improvements to building and depreciation expense.
- Public Works expenses decreased $457,601 due to a combination of vacancies and the retirement of two long-term employees resulting in salary savings and reduced capital expenses.
- Culture and Recreation expenses decreased $279,842. Costs were increased in fiscal year 2013 when the Library roof was replaced.

PEACHTREE CITY
EXPENSES AND PROGRAM REVENUES
GOVERNMENTAL ACTIVITIES

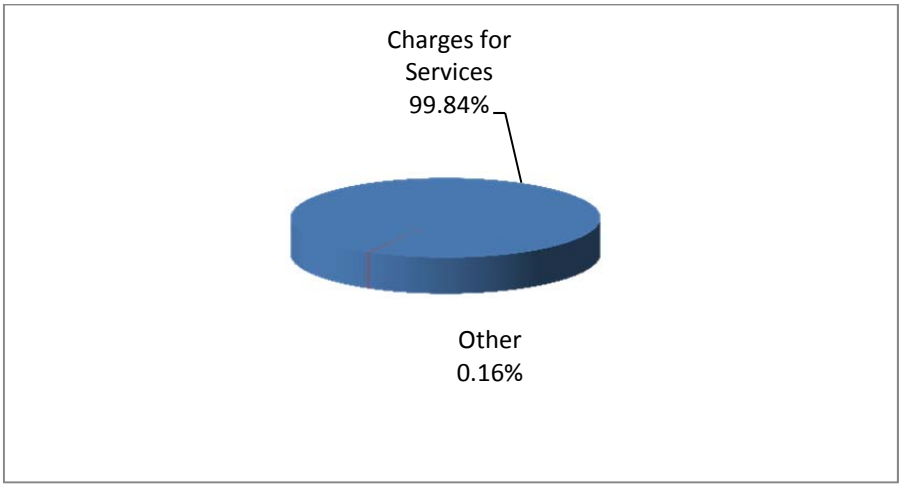


Business-type Activities:

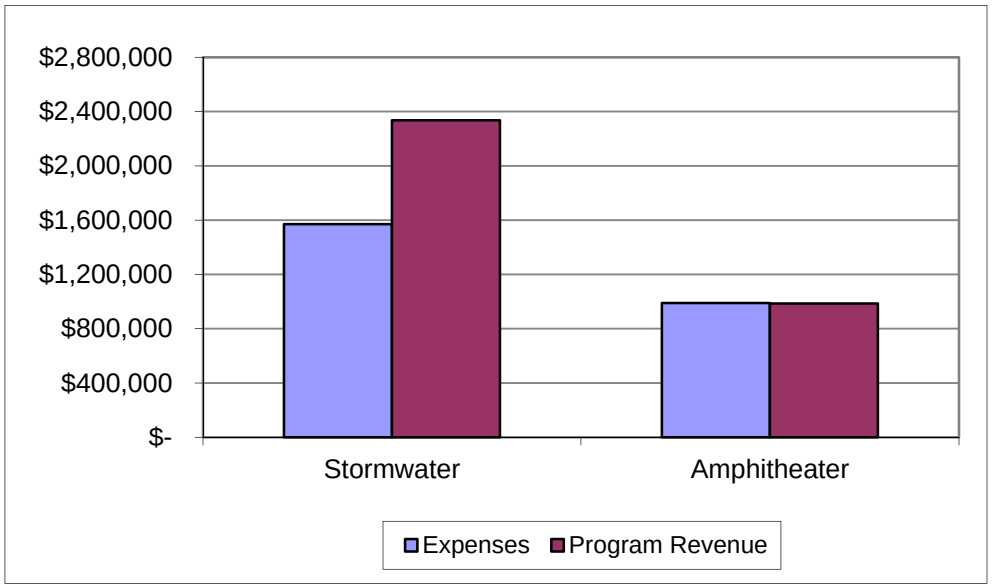
Revenue in the Stormwater and Amphitheater Funds is 99.84% comprised of charges for services.

- The increase in Charges for Services in Business-type Activities of $660,058 is due to a complete year with rate increase in Stormwater that initiated mid-way through fiscal year 2013.
- The increase in Stormwater Expenses of $52,126 is due to ongoing expanded Stormwater projects.
- The Amphitheater Charges for Services increased by $156,996 and Expenses increased $207,339 for a net expense over revenue of $50,343. These increases were primarily due to the enhancement of performances in honor of the Amphitheater's 20th year Anniversary.

PEACHTREE CITY
REVENUE BY SOURCE
BUSINESS-TYPE ACTIVITIES



PEACHTREE CITY
EXPENSES AND PROGRAM REVENUES
BUSINESS-TYPE ACTIVITIES



FINANCIAL ANALYSIS OF THE GOVERNMENTAL FUNDS

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

Governmental Funds. The focus of Peachtree City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing Peachtree City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the City's net resources available for spending at the end of the fiscal year**. It is, however, important to note that fund balance is not cash and must be analyzed carefully to determine spendable resources.**

As of the end of the current fiscal year, the Peachtree City's governmental funds reported combined ending fund balances of $15,194,693 an increase of $1,239,100 in comparison with the prior year. Approximately 34 percent of this total fund balance amount ($5,295,663) constitutes unassigned fund balance, which is available for spending at the City's discretion. The remainder of fund balance is non-spendable for inventories and prepaid items ($452,260); restricted for various categories including debt service ($2,148,413); committed for property tax rate stabilization ($6,581,297); or assigned for capital projects and subsequent year's budget ($717,060).

The General Fund is the chief operating fund of Peachtree City. At the end of the current fiscal year, unassigned fund balance of the General Fund was $5,707,685 while total fund balance was $13,153,302. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures.

During the fiscal year, the fund balance of Peachtree City's General Fund increased by $1,267,169 primarily due to paving projects delayed until after the end of the fiscal year. The ending fund balance in Nonmajor Governmental Funds that includes the Debt Service Fund, the Special Purpose Local Option Sales Tax Fund(SPLOST) and Capital Projects Funds was $2,041,391, a decrease of $28,069.

Proprietary Funds. Peachtree City's proprietary funds (Stormwater Utility Fund and Amphitheater Fund) provide the same type of information found in the government-wide financial statements.

As of September 30, 2014, unrestricted net position of the Stormwater Utility Fund was $405,760, an increase of $2,571. The Amphitheater Fund unrestricted net position as of September 30, 2014 totaled $128,495, an increase of $33,345 due to enhancements in operations for the 20th anniversary season.

GENERAL FUND BUDGETARY HIGHLIGHTS

Differences between the General Fund original budget and the final amended budget can be summarized as follows:

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- Budgeted charges for services were increased $106,156, primarily due to an increase in protective inspection (building permits) the increase in revenue was offset by an increase in expense. The City outsources building inspections.
- The increase in the General Government budgeted expenditures of $425,638 is due primarily to fund a traffic study for the Highway 54 corridor and to add 4 full time personnel and 2 seasonal workers and equipment to the buildings and grounds department in order to provide in-house landscaping services alongside primary and secondary roads and within Municipal facilities and parks.
- The Increase in Public Works budgeted expenditures of $442,784 was primarily to fund street resurfacing due to the depletion of SPLOST funds.
- The increase in budgeted expenditures in Housing and Development activities is $123,993 and is primarily due to the increased expense associated with issuing building permits.
- The increase in transfers out is $684,829 due primarily to fund safety sensitive infrastructure projects in the Public Improvement Plan funds.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. Peachtree City's investment in capital assets for its governmental and business-type activities as of September 30, 2014, is $88,230,747 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, park facilities, roads, multi-use paths, and storm drainage systems. The net increase in Peachtree City's investment in capital assets for the current fiscal year was $1,471,177.

Major capital asset events during the current fiscal year included the following:

- The purchase of vehicles, machinery, and equipment.
- Depreciation
- Building Improvement
- Infrastructure Improvements

PEACHTREE CITY
CAPITAL ASSETS
(NET OF DEPRECIATION)

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Land and improvements	$23,078,582	$23,105,296	$ 112,496	$ 122,041	$23,191,078	$23,227,337
Easements	82,402	82,402	-	-	82,402	82,402
Buildings and improvements	21,017,159	20,884,311	604,439	631,133	21,621,598	21,515,444
Machinery and equipment	4,225,707	4,534,303	254,579	147,480	4,480,286	4,681,783
Infrastructure	25,607,251	26,203,839	12,276,653	9,573,531	37,883,904	35,777,370
Construction in progress	774,947	1,136,168	196,532	339,066	971,479	1,475,234
Total	$74,786,048	$75,946,319	$13,444,699	$10,813,251	$88,230,747	$86,759,570

Additional information on Peachtree City's capital assets can be found in the Notes to Financial Statements on pages 36 and 37.

Long-term Debt. As of September 30, 2014, Peachtree City had total bonded debt outstanding of $16,020,000. Of this amount, $6,895,000 is backed by the full faith and credit of Peachtree City. The remainder of the Peachtree City's debt represents bonds secured solely by revenues of the Stormwater Utility Fund.

PEACHTREE CITY
OUTSTANDING DEBT
GENERAL OBLIGATION AND REVENUE BONDS

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
General obligation bonds	$ 2,685,000	$ 3,185,000	$ -	$ -	$ 2,685,000	$ 3,185,000
Revenue bonds	4,210,000	4,705,000	9,125,000	9,395,000	13,335,000	14,100,000
Total	$ 6,895,000	$ 7,890,000	$ 9,125,000	$ 9,395,000	$16,020,000	$17,285,000

Peachtree City's general obligation debt decreased by $500,000 during the current fiscal year due to regular principal payments of the outstanding general obligation debt. The City's revenue bond debt decreased $765,000 due to regular principal payments of the outstanding debt.

Additional information regarding Peachtree City's long-term debt can be found in the Notes to Financial Statements on pages 29 - 76.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Factors considered in preparing Peachtree City's budget for the 2014 fiscal year include the following:

- Net assessed values for real and personal property for the City's General Fund increased from the 2013 tax year to the 2014 tax year (fiscal year 2015) by 10% due to property reassessments.
- The 2015 budget resulted in the addition of 6 full-time positions in the Buildings and Grounds Department for expansion of the in-house landscaping.
- Health insurance costs held level for fiscal year 2014. Fiscal year 2015 budgeted costs remained the same as budgeted for fiscal year 2014 as no increases are expected.
- Defined benefit pension costs held level for fiscal year 2014. Fiscal year 2015 budgeted costs remained the same as budgeted for fiscal year 2014 as no increase is expected.

The City continues to review revenues and expenditures as they begin the preparation of the 2016 City budget.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Peachtree City'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 financial information should be addressed to the Office of the Financial Services Director, City of Peachtree City, 151 Willowbend Road, Peachtree City, Georgia 30269. The notes to the financial statements (Section 1.A.) provide addresses where the separately issued statements of the City's component units are available.

PEACHTREE CITY, GEORGIA

STATEMENT OF NET POSITION
SEPTEMBER 30, 2014

ASSETS	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Cash and cash equivalents	$ 7,175,341	$ 7,604,333	$ 14,779,674	$ -
Investments	5,194,305	-	5,194,305	-
Taxes receivable	11,459,162	-	11,459,162	-
Accounts receivable, net of allowances	526,821	110,804	637,625	-
Interest receivable	20,133	-	20,133	-
Due from other governments	3,206,278	-	3,206,278	-
Due from component unit	53,485	4,240	57,725	-
Due from primary government	-	-	-	67,593
Inventories	46,560	1,815	48,375	-
Prepaid expenses	405,700	14,495	420,195	-
Other assets	-	-	-	14,548,212
Capital assets:				
Non-depreciable	23,329,953	274,027	23,603,980	12,880,922
Depreciable, net of accumulated depreciation	51,456,095	13,170,672	64,626,767	40,231,019
Total assets	102,873,833	21,180,386	124,054,219	67,727,746
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refunding	43,476	52,821	96,297	1,957,485
Total deferred outflows of resources	43,476	52,821	96,297	1,957,485
LIABILITIES				
Accounts payable	545,061	78,776	623,837	-
Retainage payable	13,131	-	13,131	-
Accrued liabilities	530,977	101,560	632,537	-
Unearned revenues	11,672,530	13,360	11,685,890	-
Due to component unit	64,123	3,470	67,593	-
Due to primary government	-	-	-	57,725
Other current liabilities	-	3,185	3,185	1,027,939
Compensated absences due within one year	676,763	18,705	695,468	-
Notes and capital leases due within one year	1,377,403	-	1,377,403	-
Bonds payable due within one year	1,040,000	350,000	1,390,000	-
Compensated absences due in more than one year	171,976	-	171,976	-
Notes and capital leases due in more than one year	3,831,168	-	3,831,168	-
Bonds payable due in more than one year	6,128,242	9,792,582	15,920,824	-
Other long-term liabilities:				
Due within one year	-	-	-	2,193,815
Due in more than one year	514,833	-	514,833	25,778,208
Total liabilities	26,566,207	10,361,638	36,927,845	29,057,687

Continued

PEACHTREE CITY, GEORGIA

STATEMENT OF NET POSITION
SEPTEMBER 30, 2014

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
NET POSITION				
Net investment in capital assets	62,409,235	9,556,516	71,965,751	25,139,918
Restricted for:				
Public safety	169,978	-	169,978	-
Public works	9,703	-	9,703	-
Culture and recreation	15,473	-	15,473	-
Capital projects	1,793,690	-	1,793,690	-
Debt service	159,569	-	159,569	1,517,079
Renewals and extensions	-	780,798	780,798	-
Other	-	-	-	166,315
Unrestricted	11,793,454	534,255	12,327,709	13,804,232
Total net position	$ 76,351,102	$ 10,871,569	$ 87,222,671	$ 40,627,544

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

PEACHTREE CITY, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total	Component Units
Primary government:								
Governmental activities:								
General government	$ 4,990,989	$ 1,480,244	$ -	$ -	$ (3,510,745)	$ -	$ (3,510,745)	$ -
Health and welfare	221,251	-	-	-	(221,251)	-	(221,251)	-
Public safety	14,285,892	856,577	156,782	-	(13,272,533)	-	(13,272,533)	-
Public works	4,440,411	5,593	458,133	2,459	(3,974,226)	-	(3,974,226)	-
Culture and recreation	4,741,706	1,178,766	120,000	-	(3,442,940)	-	(3,442,940)	-
Housing and development	956,261	609,302	-	-	(346,959)	-	(346,959)	-
Interest on long-term debt	352,021	-	-	-	(352,021)	-	(352,021)	-
Total governmental activities	29,988,531	4,130,482	734,915	2,459	(25,120,675)	-	(25,120,675)	-
Business-type activities:								
Stormwater	1,570,191	2,334,960	-	-	-	764,769	764,769	-
Amphitheater	988,649	985,634	-	-	-	(3,015)	(3,015)	
Total business-type activities	2,558,840	3,320,594	-	-	-	761,754	761,754	-
Total primary government	$ 32,547,371	$ 7,451,076	$ 734,915	$ 2,459	$ (25,120,675)	$ 761,754	$ (24,358,921)	$ -
Component units	$ 10,262,871	$ 11,088,268	$ 3,224,390	$ 14,238	$ -	$ -	$ -	$ 4,064,025
General revenues								
Property taxes					13,112,487	-	13,112,487	-
Sales taxes					6,417,060	-	6,417,060	-
Hotel/motel taxes					1,391,129	-	1,391,129	-
Alcoholic beverage taxes					778,404	-	778,404	-
Franchise taxes					2,561,027	-	2,561,027	-
Insurance premium taxes					1,853,415	-	1,853,415	-
Other taxes					457,359	-	457,359	-
Unrestricted investment earnings					36,127	5,488	41,615	-
Miscellaneous revenues					-	-	-	122,809
Total general revenues					26,607,008	5,488	26,612,496	122,809
Change in net position					1,486,333	767,242	2,253,575	4,186,834
Net position, beginning of year, as restated					74,864,769	10,104,327	84,969,096	36,440,710
Net position, end of year					$ 76,351,102	$ 10,871,569	$ 87,222,671	$ 40,627,544

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

PEACHTREE CITY, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2014

ASSETS	General Fund	Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
Cash and cash equivalents	$ 4,607,941	$ 154,754	$ 2,412,646	$ 7,175,341
Investments	5,194,305	-	-	5,194,305
Taxes receivable	10,799,760	531,157	128,245	11,459,162
Accounts receivable, net of allowances	463,072	-	63,749	526,821
Interest receivables	20,133	-	-	20,133
Intergovernmental receivables	3,159,919	26,658	19,701	3,206,278
Due from other funds	470,866	-	-	470,866
Due from component units	53,485	-	-	53,485
Inventories	46,560	-	-	46,560
Prepaid expenditures	405,700	-	-	405,700
Total assets	$ 25,221,741	$ 712,569	$ 2,624,341	$ 28,558,651
LIABILITIES				
Accounts payable	$ 351,742	$ -	$ 193,319	$ 545,061
Retainage payable	-	-	13,131	13,131
Accrued liabilities	472,123	-	-	472,123
Unearned revenues	-	-	1,080	1,080
Due to other funds	-	-	470,866	470,866
Due to component units	-	-	64,123	64,123
Total liabilities	823,865	-	742,519	1,566,384
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	11,244,574	553,000	-	11,797,574
Total deferred inflows of resources	$ 11,244,574	$ 553,000	$ -	$ 11,797,574

PEACHTREE CITY, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2014

FUND BALANCES	General Fund	Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:				
Inventories	$ 46,560	$ -	$ -	$ 46,560
Prepaid expenditures	405,700	-	-	405,700
Restricted for:				
Public safety	-	-	169,978	169,978
Public works	-	-	9,703	9,703
Culture and recreation	-	-	15,473	15,473
Capital projects	-	-	1,793,690	1,793,690
Debt service	-	159,569	-	159,569
Committed to:				
Property tax rate stabilization	6,581,297	-	-	6,581,297
Assigned to:				
Capital projects	-	-	305,000	305,000
Subsequent year's budget	412,060	-	-	412,060
Unassigned	5,707,685	-	(412,022)	5,295,663
Total fund balances	13,153,302	159,569	1,881,822	15,194,693
Total liabilities, deferred inflows of resources, and fund balances	$ 25,221,741	$ 712,569	$ 2,624,341	
Amounts reported for governmental activities in the statement of net position are different because:				
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.				74,786,048
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.				126,124
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.				(13,755,763)
Net position of governmental activities				$ 76,351,102

The accompanying notes are an integral part of these statements.

PEACHTREE CITY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	General Fund	Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:				
Taxes	$ 24,584,638	$ 561,298	$ 1,424,945	$ 26,570,881
Licenses and permits	790,607	-	-	790,607
Intergovernmenta	608,209	-	87,433	695,642
Charges for services	1,930,047	-	247,376	2,177,423
Fines	926,796	-	-	926,796
Donations	-	-	57,493	57,493
Interest earnec	35,052	145	3,389	38,586
Miscellaneous	217,436	-	-	217,436
Total revenues	29,092,785	561,443	1,820,636	31,474,864
Expenditures:				
Current:				
General governmen	4,734,103	2,212	-	4,736,315
Health and welfare	211,428	-	-	211,428
Public safety	12,879,596	-	88,533	12,968,129
Public works	3,373,028	-	-	3,373,028
Culture and recreatior	3,308,855	-	844,830	4,153,685
Housing and developmer	947,966	-	-	947,966
Capital outlay	-	-	2,017,298	2,017,298
Debt service:				
Principal retiremen	-	2,574,647	-	2,574,647
Interest charges	-	435,468	-	435,468
Bond issuance costs	-	-	1,450	1,450
Total expenditures	25,454,976	3,012,327	2,952,111	31,419,414
Excess (deficiency) of revenues over (under) expenditure	3,637,809	(2,450,884)	(1,131,475)	55,450
Other financing sources (uses):				
Capital leases	-	-	1,170,985	1,170,985
Transfers in	700,142	2,329,619	753,828	3,783,589
Transfers out	(3,083,447)	-	(700,142)	(3,783,589)
Proceeds from sale of capital assets	12,665	-	-	12,665
Total other financing sources (uses)	(2,370,640)	2,329,619	1,224,671	1,183,650
Net change in fund balances	1,267,169	(121,265)	93,196	1,239,100
Fund balances, beginning of year, as restatec	11,886,133	280,834	1,788,626	13,955,593
Fund balances, end of year	$ 13,153,302	$ 159,569	$ 1,881,822	$ 15,194,693

The accompanying notes are an integral part of these financial statements

PEACHTREE CITY, 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 SEPTEMBER 30, 2014

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds	$	1,239,100
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 depreciation exceeded capital outlays in the current period.		(1,160,271)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized for governmental activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		1,403,662
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		3,842
	$	1,486,333

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

PEACHTREE CITY, GEORGIA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Taxes	$ 24,162,057	$ 24,162,057	$ 24,584,638	$ 422,581
Licenses and permits	725,199	725,199	790,607	65,408
Intergovernmental	190,797	464,279	608,209	143,930
Charges for services	1,752,669	1,858,825	1,930,047	71,222
Fines	1,158,684	1,158,684	926,796	(231,888)
Interest earned	55,994	55,994	35,052	(20,942)
Miscellaneous	109,704	109,704	217,436	107,732
Total revenues	28,155,104	28,534,742	29,092,785	558,043
Expenditures:				
Current:				
General government:				
Mayor and Council	132,267	159,075	135,802	23,273
City Manager	253,845	270,978	263,379	7,599
General administration	441,523	515,559	515,361	198
Finance department	637,055	653,140	615,248	37,892
Purchasing department	161,622	165,686	150,403	15,283
Information technology	458,137	467,088	457,374	9,714
Human resources	346,219	354,037	320,015	34,022
Buildings and grounds	980,471	1,195,161	1,127,924	67,237
Public information	170,638	174,733	155,037	19,696
Engineering	278,483	350,355	337,386	12,969
City Clerk	320,179	291,006	257,838	33,168
Municipal Court	405,799	415,058	398,336	16,722
Total general government	4,586,238	5,011,876	4,734,103	277,773
Health and welfare	219,273	219,273	211,428	7,845
Public safety:				
Police department	6,163,337	6,501,272	6,295,531	205,741
Fire department	6,650,901	6,442,326	6,272,788	169,538
Emergency medical services	329,207	331,292	311,277	20,015
Total public safety	13,143,445	13,274,890	12,879,596	395,294
Public works	4,354,550	4,797,334	3,373,028	1,424,306
Culture and recreation				
Administration	1,774,060	1,822,352	1,655,078	167,274
Kedron Fieldhouse	712,224	727,858	715,501	12,357
Library administration	999,155	1,012,724	938,276	74,448
Total culture and recreation	3,485,439	3,562,934	3,308,855	254,079
Housing and development:				
Planning and zoning	231,962	235,034	191,273	43,761
Economic development	75,000	75,000	75,000	-
Code enforcement	247,959	257,880	245,732	12,148
Protective inspection	325,043	436,043	435,961	82
Total housing and development	879,964	1,003,957	947,966	55,991
Total expenditures	26,668,909	27,870,264	25,454,976	2,415,288
Excess of revenues over expenditures	1,486,195	664,478	3,637,809	2,973,331

Continued

PEACHTREE CITY, GEORGIA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	Budget			Variance With
	Original	Final	Actual	Final Budget
Other financing sources (uses):				
Transfers in	569,200	569,200	700,142	130,942
Transfers out	(2,869,826)	(3,554,655)	(3,083,447)	471,208
Proceeds from sale of capital assets	20,000	20,000	12,665	(7,335)
Total other financing sources (uses)	(2,280,626)	(2,965,455)	(2,370,640)	594,815
Net change in fund balance	(794,431)	(2,300,977)	1,267,169	3,568,146
Fund balances, beginning of year	11,886,133	11,886,133	11,886,133	-
Fund balances, end of year	$ 11,091,702	$ 9,585,156	$ 13,153,302	$ 3,568,146

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

PEACHTREE CITY, GEORGIA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2014

	Major Fund		
	Stormwater Fund	Amphitheater Fund	Totals
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	$ 7,495,430	$ 108,903	$ 7,604,333
Accounts receivable, net of allowances	31,432	79,372	110,804
Inventory	-	1,815	1,815
Due from component unit	-	4,240	4,240
Prepaid expenses	13,058	1,437	14,495
Total current assets	7,539,920	195,767	7,735,687
NONCURRENT ASSETS			
Capital assets			
Non-depreciable	196,532	77,495	274,027
Depreciable, net of accumulated depreciation	12,531,234	639,438	13,170,672
Total noncurrent assets	12,727,766	716,933	13,444,699
Total assets	20,267,686	912,700	21,180,386
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding	52,821	-	52,821
Total deferred outflows of resources	52,821	-	52,821
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable	22,247	56,529	78,776
Accrued liabilities	99,368	2,192	101,560
Unearned revenue	13,360	-	13,360
Due to others	220	2,965	3,185
Due to component unit	-	3,470	3,470
Compensated absences	16,589	2,116	18,705
Current portion of bonds payable	350,000	-	350,000
Total current liabilities	501,784	67,272	569,056
LONG-TERM LIABILITIES			
Revenue bonds payable, net	9,792,582	-	9,792,582
Total liabilities	10,294,366	67,272	10,361,638
NET POSITION			
Net investment in capital assets	8,839,583	716,933	9,556,516
Restricted for renewals and extensions	780,798	-	780,798
Unrestricted	405,760	128,495	534,255
Total net position	$ 10,026,141	$ 845,428	$ 10,871,569

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

PEACHTREE CITY, GEORGIA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	Major Fund		
	Stormwater Fund	Amphitheater Fund	Totals
OPERATING REVENUE			
Charges for services	$ 2,316,481	$ 730,579	$ 3,047,060
Sponsorships	-	255,055	255,055
Other fees and charges	18,479	-	18,479
Total operating revenues	2,334,960	985,634	3,320,594
OPERATING EXPENSES			
Purchased or contracted services	42,484	22,285	64,769
Costs of services	425,250	854,174	1,279,424
Salaries, wages and related benefits	564,505	75,951	640,456
Depreciation	278,074	36,239	314,313
Total operating expenses	1,310,313	988,649	2,298,962
Operating income (loss)	1,024,647	(3,015)	1,021,632
NONOPERATING REVENUES (EXPENSES)			
Interest income	5,367	121	5,488
Interest expense	(259,878)	-	(259,878)
Total nonoperating revenues (expenses)	(254,511)	121	(254,390)
Change in net position	770,136	(2,894)	767,242
Total net position, beginning of year	9,256,005	848,322	10,104,327
Total net position, end of year	$ 10,026,141	$ 845,428	$ 10,871,569

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

PEACHTREE CITY, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	Major Fund		
	Stormwater Fund	Amphitheater Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	$ 2,340,717	$ 949,772	$ 3,290,489
Payments to suppliers	(478,448)	(862,903)	(1,341,351)
Payments to employees	(558,328)	(75,181)	(633,509)
Net cash provided by operating activities	1,303,941	11,688	1,315,629
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchases of capital assets	(2,945,761)	-	(2,945,761)
Principal paid on revenue bonds	(270,000)	-	(270,000)
Interest paid	(346,499)	-	(346,499)
Net cash used in capital and related financing activities	(3,562,260)	-	(3,562,260)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	5,367	121	5,488
Net cash provided by investing activities	5,367	121	5,488
Net change in cash	(2,252,952)	11,809	(2,241,143)
Cash and cash equivalents, beginning of year	9,748,382	97,094	9,845,476
Cash and cash equivalents, end of year	$ 7,495,430	$ 108,903	$ 7,604,333

(Continued)

PEACHTREE CITY, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	Major Fund		
	Stormwater Fund	Amphitheater Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income (loss)	$ 1,024,647	$ (3,015)	$ 1,021,632
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation	278,074	36,239	314,313
Change in assets and liabilities:			
(Increase) decrease in accounts receivable	3,186	(58,075)	(54,889)
Decrease in inventory	-	545	545
(Increase) decrease in prepaid expenses	(932)	878	(54)
Decrease in due from other funds	-	31	31
Decrease in due from component units	-	23,682	23,682
Increase (decrease) in accounts payable	(9,782)	11,850	2,068
Increase (decrease) in unearned revenue	2,571	(1,500)	1,071
Increase in accrued liabilities	6,177	770	6,947
Increase in due to others	-	945	945
Decrease in due to component units	-	(662)	(662)
Net cash provided by operating activities	$ 1,303,941	$ 11,688	$ 1,315,629

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

PEACHTREE CITY, GEORGIA

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2014

ASSETS	Pension Trust Fund	Agency Funds
Cash	$ 20,705	$ 306,274
Mutual funds	26,060,305	-
Accounts receivable	-	4,950
Prepaid items	-	2,927
Total assets	26,081,010	314,151
LIABILITIES		
Cash bonds held	-	167,936
Accounts payable	-	1,858
Due to others	-	42,057
Deposits held	-	102,300
Other current liabilities	20,705	-
Total liabilities	20,705	314,151
NET POSITION		
Assets restricted for pension benefits	$ 26,060,305	$ -

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

PEACHTREE CITY, GEORGIA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION PENSION TRUST FUND FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

ADDITIONS	
Contributions	
Employer contributions	$ 1,608,278
Total contributions	1,608,278
Investment income	
Net appreciation in fair value of investments	175,362
Interest and dividends	2,400,751
Total investment income	2,576,113
Total additions	4,184,391
DEDUCTIONS	
Benefit payments	1,202,360
Administrative fees	49,752
Total deductions	1,252,112
Net increase	2,932,279
Net position at beginning of year	23,128,026
Net position at end of year	$ 26,060,305

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Peachtree City, 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. Reporting Entity

The City was incorporated under the provisions of Georgia Laws 1959, H.B. No. 242, Act No. 148. The City operates under a Mayor/Council form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, culture and recreation, public improvements, planning and zoning, stormwater management, and general administrative services.

As required by accounting principles generally accepted in the United States of America, the financial statements of the reporting entity include those of Peachtree City (the primary government) and its component units. The component units discussed below are included in the City's reporting entity because of the significant influence and financial relationship with the City.

Blended Component Units. The following three component units are blended as governmental funds of the City due to their providing services substantially to the primary government (the City).

The Peachtree City Governmental Finance Corporation, Inc. (the "Corporation") - The Corporation provides a means to finance lease/purchase arrangements with a separate financial institution. The Corporation is governed by a five-member board consisting of the Mayor and the four City Council members. Although it is a separate legal entity from the City, the Corporation is reported as if it were part of the primary government because its sole purpose is to finance the purchase of machinery and equipment for the City. The Corporation had no financial activity during the fiscal year, and reported no financial position; therefore, separate financial statements for the Corporation were not prepared.

The City of Peachtree City Public Facilities Authority (the "Authority") - In 2011, the Georgia General Assembly approved HB 589 to create the City of Peachtree City Public Facilities Authority (the "Authority"). The Authority is a five-member board consisting of the Mayor and the four Council members. The Authority is authorized to issue revenue bonds for the acquisition and/or construction of lands, buildings, and certain equipment. Although it is a separate legal entity from the City, the Authority is reported as if it were part of the primary government because its sole purpose is to finance City facilities. The Authority had limited financial activity in fiscal year 2014. Separate financial statements for the Authority were not prepared.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Keep Peachtree City Beautiful, Inc. – Keep Peachtree City Beautiful's principal business consists of controlling litter, reducing waste, and supporting beautification efforts throughout the City. The City has the ability to impose its will on Keep Peachtree City Beautiful as it provides services almost entirely to the City. Separate financial statements for Keep Peachtree City Beautiful were not prepared. Financial information for Keep Peachtree City Beautiful is included in Peachtree City, Georgia's Comprehensive Annual Financial Report. Keep Peachtree City Beautiful Inc. changed their year end from March 31 to September 30 during the current year.

Discretely Presented Component Units. The component units column in the government-wide financial statements includes the financial data of the City's three discretely presented component units. The component units are reported in a separate column to emphasize that they are legally separate from the City, and that they primarily serve the greater community.

The Peachtree City Water and Sewerage Authority ("Water and Sewerage Authority") – The purpose of the Water and Sewerage Authority is to manage the sewerage systems of the City. The City appoints all board members of the Water and Sewerage Authority. The Water and Sewerage Authority and the City have entered into an agreement whereby the City is obligated to make contract payments when the Water and Sewerage Authority has insufficient funds to meet debt service requirements. The contract represents a general obligation of the City to which its full faith and credit are pledged. Separate audited financial statements for the Water and Sewerage Authority are available at the offices of the Water and Sewerage Authority located at 1127 Highway 74 South, Peachtree City, Georgia 30269.

The Peachtree City Airport Authority ("Airport Authority") – The Airport Authority was created to acquire, construct, equip, maintain, operate, own and improve airports and landing fields for the use of aircraft within the City. The City appoints all board members of the Airport Authority and has the ability to impose its will on the Airport Authority. Separate audited financial statements for the Airport Authority are available at the offices of the Airport Authority located at 7 Falcon Drive, Peachtree City, Georgia 30269.

The Peachtree City Convention and Visitors Bureau ("CVB") – The CVB's principal business is to promote tourism, conventions, and trade shows within Peachtree City, as well as support City events that promote tourism. The City appoints all board members of the CVB. The City possesses the authority to review, approve, and revise the budget of the CVB. Separate audited financial statements for the CVB are available at the offices of the CVB located at 201 McIntosh Trail, Peachtree City, Georgia 30269.

All three discretely presented component units are reported as proprietary type component units.

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 non-fiduciary activities of the City. Governmental activities, which are normally 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 those 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 Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Agency funds have no measurement focus; however, they use the accrual basis of accounting to recognize assets and liabilities. 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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

Property taxes, sales tax, intergovernmental grants, 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. All other revenue items are considered to be measurable and available only when cash is received by the City.

In accordance with GASB Statement No. 34, major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

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

The **Debt Service Fund** accounts for the accumulation of resources that are restricted and assigned for the payment of general obligation bond principal and interest.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The City reports the following major proprietary fund:

The **Stormwater Fund** accounts for the collection of fees for upgrades to stormwater infrastructure and related expenses.

Additionally, the City reports the following fund types:

The **special revenue funds** are used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes.

The **capital projects funds** are used to account for financial resources that are restricted and assigned for the construction and financing of general capital assets.

The **enterprise funds** are used to account for those operations that are financed and operated in a manner similar to private business.

The **pension trust fund** accounts for the accumulation of resources to be used for retirement annuity payments at appropriate amounts and times in the future. Resources are contributed by the City at rates determined by actuarial computations.

The **agency funds** are used to account for the collection and disbursement of monies by the City on behalf of other individuals or entities. The **Municipal Court Fund** accounts for the collection of cash appearance bonds by the Municipal Court. The **Landscape Deposit Fund** accounts for the collection of cash surety bonds held until completion of prescribed landscaping on new developments. The **Flexible Spending Fund** accounts for contributions by employees for health benefits and dependent care costs that are disbursed under a Section 125 Cafeteria Plan for eligible expenses. The Plan is administered by a third party contractor.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

D. Encumbrances

The City employed encumbrance accounting during the year. Encumbrances, if existing at the end of the fiscal year, are recorded and appropriations lapse at year end. Open encumbrances would then be assigned or committed fund balance since the commitments would be honored in subsequent years. Encumbrances do not constitute expenditures or liabilities. There were no encumbrances outstanding at September 30, 2014, and none were recorded.

All unencumbered budget appropriations lapse at the end of each year.

E. Budgets and Budgetary Accounting

Formal budgetary accounting is employed as a management control device for the general fund, special revenue funds, the debt service fund, capital projects funds, and the proprietary funds of the City. The budgets for the proprietary funds are for management control purposes and are not required to be reported. All budgets are adopted on the same basis of accounting used to reflect actual revenues and expenditures/expenses recognized on a basis consistent with accounting principles generally accepted in the United States of America. Annual operating budgets are adopted each fiscal year with a resolution and amended as required for the general fund, special revenue funds, the debt service fund, and the proprietary funds. Project-length budgets are adopted for the capital projects funds. During the fiscal year ended September 30, 2014, the original budget was amended through supplemental appropriations. These changes are reflected in the Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Cash and Investments

Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the City. The City pools cash resources of its various funds in order to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balance in the pooled cash accounts is available to meet current operating requirements.

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

Investments are valued at fair value at the quoted market price. Statutes authorize the City to invest U.S. Government obligations, U.S. Government Agency obligations, State of Georgia obligations, obligations of other municipalities, and repurchase agreements. The Pension Plan is authorized to invest in corporate bonds, domestic common stocks, and equity real estate through pooled investment accounts.

G. Receivables

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. Estimated unbilled revenues from the Water and Sewerage Authority are recognized at the end of each fiscal year on a pro rata basis. The estimated amount is based on billings during the month following the close of the fiscal year.

H. Interfund Receivables and Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year, as well as all other outstanding balances between funds, are reported as “due to/from other funds.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Inventories

Inventories, which are accounted for using the consumption method, consist of consumable supplies and are stated at cost, using the first-in/first-out (FIFO) method. Reported inventories are equally offset by a fund balance reserve.

J. Prepaid Items

Payments made to vendors for services that will benefit periods beyond September 30, 2014, are recorded as prepaid items in both the government-wide and fund financial statements. The consumption method is used to account for prepaid items in the City's funds.

K. Restricted Assets

The Stormwater Fund and the Water and Sewerage Authority, based on certain bond covenants, are required to establish and maintain prescribed amounts of resources (consisting of cash and temporary investments) that can be used only to service outstanding debt and purchase additional equipment and improvements.

L. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. 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. Infrastructure (e.g., roads, bridges, sidewalks, and similar items) prior to October 1, 2002 have been reported.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Capital Assets (Continued)

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives is not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of the Water and Sewerage Authority is included as part of the capitalized value of the assets constructed.

Capital assets of the primary government are depreciated using the straight line method over the following useful lives:

Land improvements	10 years
Machinery and equipment	5-15 years
Buildings and improvements	40 years
Infrastructure	60 years

Capital assets of the City's component units are depreciated using the straight line method over the following useful lives:

Peachtree City Water and Sewerage Authority	
Land improvements	10 years
Buildings	50 years
Vehicles	5 years
Equipment	10 years
Sewer plants	10-25 years
Pump stations	20 years
Pipeline	50 years
Infrastructure	50 years
Peachtree City Airport Authority	
Equipment	5 years
Land improvements	15-40 years
Building and improvements	15-30 years
Peachtree City Convention and Visitors Bureau	
Machinery and equipment	5 years
Land improvements	10 years
Buildings improvements	10 years

Fully depreciated assets still in service are carried in the capital asset accounts.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation is accrued when incurred in the government-wide and proprietary fund financial statements. Sick leave is accrued only for those eligible for retirement at September 30, 2014. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

N. Long-Term Obligations

In the government-wide and proprietary fund type 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 position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

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

O. Deferred Outflows / Inflows of Resources

GASB Statements No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and No. 65, *Items Previously Reported as Assets and Liabilities* established 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 has only one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide and proprietary fund statements of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded debt or the refunding debt.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Deferred Outflows / Inflows of Resources (Continued)

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 item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes and these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available.

P. 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 Financial Services Director to assign fund balances.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Fund Equity (Continued)

- ***Unassigned*** – Fund balances are reported as unassigned as the residual amount 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.

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: 1) committed, 2) assigned, and 3) unassigned.

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

The City Council formally adopted a stabilization arrangement to commit fund balance in the General Fund in order to offset anticipated tax revenue shortages. Minimum unassigned fund balance shall be reviewed annually and any significant amount over the 20% minimum shall be added to the stabilization commitment, unless an alternate use is agreed upon by the City Council. The stabilization account can be budgeted to be spent to maintain the 20% minimum unassigned fund balance, as approved by the City Council each year.

Net Position – Net position represents the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources in reporting which utilizes the economic resources measurement focus. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the City has spent) for the acquisition, construction or improvement of those assets. Net position is reported as restricted using the same definition as used for restricted fund balance as described in the section above. All other net position is reported as unrestricted.

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

Q. Use of Estimates

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

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

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that "long-term liabilities are not due and payable in the current period and therefore are not reported in the funds." The details of this $13,755,763 difference are as follows:

Notes and capital leases payable	$	(5,208,571)
Bonds payable		(6,895,000)
Deferred charges on refunding		43,476
Premiums on bonds payable		(273,242)
Compensated absences		(848,739)
Accrued interest		(58,854)
OPEB liability		(514,833)
Net adjustment to reduce *fund balance - total governmental funds to arrive at net position - governmental activities*	$	(13,755,763)

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net change in fund balances – total governmental funds and change in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this $1,160,271 difference are as follows:

Capital outlay	$	1,881,817
Depreciation expense		(3,042,088)
Net adjustment to decrease *net change in fund balances - total governmental funds to arrive at change in net position - governmental activities*	$	(1,160,271)

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

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities (Continued)

Another element of the reconciliation states that "the issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized for governmental activities." The details of this $1,403,662 difference are as follows:

Debt issued or incurred:		
Capital leases	$	(1,170,985)
Principal repayments:		
Principal retirement of long-term debt		2,574,647
Net adjustment to increase *net change in fund balances - total governmental funds to arrive at change in net position - governmental activities*	$	1,403,662

Another element of the reconciliation states that "some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds." The details of this $3,842 difference are as follows:

Compensated absences	$	64,386
Net OPEB obligation		(145,441)
Amortization of deferred charge on refunding		(15,492)
Amortization of bond premiums		85,243
Accrued interest		15,146
Net adjustment to increase *net change in fund balances - total governmental funds to arrive at change in net position - governmental activities*	$	3,842

NOTE 3. LEGAL COMPLIANCE - BUDGETS

Budgets and Budgetary Accounting

The City code provides for the following procedures in establishing the budgetary data reflected in these financial statements:

At least 30 days before its adoption, the budget is prepared by the chief administrative officer, transmitted to members of the governing body for their review, and made available for public inspection.

No earlier than seven days after the budget is transmitted to members of the governing body and no later than the date the budget is adopted by the governing body, a public hearing is held to give the public the opportunity to comment on the proposed budget.

The budget is officially adopted by the governing body prior to the beginning of its fiscal year, or a resolution authorizing the continuation of necessary and essential expenditures to operate the City will be adopted. The budget is adopted at the department level.

Transfers of appropriations within a department budget or within a non-departmental expenditure category require only the approval of the chief financial officer. Increases in appropriations in a departmental budget or in a non-departmental expenditure category, require approval of the governing body in the form of amendments to the budget resolution.

NOTE 4. DEPOSITS AND INVESTMENTS

Primary Government

Total deposits and investments as of September 30, 2014 are summarized as follows:

Statement of Net Position:	
Cash and cash equivalents	$ 14,779,674
Investments	5,194,305
Statement of Fiduciary Net Position:	
Cash - Pension Trust Fund	20,705
Mutual funds - Pension Trust Fund	26,060,305
Cash - Agency Funds	306,274
	$ 46,361,263
Cash deposited with financial institutions	$ 13,388,306
Investments - mutual funds	26,060,305
Investments - certificates of deposit	5,194,305
Cash deposited with Georgia Fund 1	1,718,347
	$ 46,361,263

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

Primary Government (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. As of September 30, 2014, the City's investment in Georgia Fund 1 was rated AAAf by Standard & Poor's. It is the City's policy to limit its pension investments to mutual funds, separate accounts, or collective unit trusts that invest in any combination of the following permitted categories:

- Cash and cash equivalents, including money market funds and stable value funds;
- Fixed income (bonds of U.S. corporate and government issuers, asset-backed securities, commercial paper or similar fixed income contracts);
- Domestic Equities (Stocks)
- Foreign Equities (Stocks)

As of September 30, 2014, the City had $26,060,305 invested on behalf of a defined benefit pension fund, $5,194,305 in certificates of deposit and $1,718,347 in Georgia Fund 1 for its governmental funds. The City has adopted a separate policy for pension fund assets in compliance with state law. The City's pension fund assets are invested in stock mutual funds and bond mutual funds based on asset allocation ranges and performance benchmarks.

Investment	Maturities	Fair Value
Stock mutual funds	(1)	$ 15,696,730
Bond mutual funds	1-5 years	7,748,871
Real estate mutual funds	Less than 1 year	2,614,704
Certificates of deposit	Less than 1 year	4,215,209
Certificates of deposit	1-5 years	979,096
Georgia Fund 1	66 day weighted average	1,718,347
Total		$ 32,972,957

(1) Stock mutual funds are not impacted by changes in interest rates.

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

Interest rate risk: The City's investment policy limits investments in securities maturing more than five years from the date of purchase unless matched by a specific cash flow as a means of limiting its exposure to fair value losses arising from increasing interest rates. The Pension Plan investment policy limits each investment class by the associated benchmark. The maturity varies by investment class and the pension funds manager is expected to manage against the risks in the investment policy. The Pension Plan investment policy requires the bond manager's benchmarks to be investment grade bonds. The fund managers, at their discretion, can adjust their weights of investment and below investment grade bonds. At September 30, 2014, the duration of the bond mutual funds was 2.91 years. Of the City's investments in bond mutual funds, $2,840,354 had an average rating of A and $4,908,517 had an average rating of B.

The actual liabilities funded by the bonds have a longer duration and as such, the financial condition of the pension plan improves with increasing interest rates even if the market value of the bond portfolio declines.

The local government investment pool, "Georgia Fund 1," created by OCGA 36-83-8, is a stable net asset value investment pool, which follows Standard & Poor's criteria for AAAf rated money market funds and is regulated by the Georgia Office of the State Treasurer. However, Georgia Fund 1 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 participant's shares sold and redeemed based on $1 per share. As of September 30, 2014, the City considers amounts held in Georgia Fund 1 as cash equivalents for financial statement presentation.

Custodial Credit Risk – Deposits: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. 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 September 30, 2014, all of the City's bank balances were adequately insured and collateralized as defined by GASB.

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

Custodial Credit Risk – Deposits: (Continued)

Peachtree City Convention and Visitors Bureau

As of September 30, 2014, the bank balances for the CVB were adequately insured and collateralized as defined by GASB.

Peachtree City Water and Sewerage Authority

As of September 30, 2014, the bank balances for the Water and Sewerage Authority were adequately insured and collateralized as defined by GASB.

As of September 30, 2014, the Water and Sewerage Authority had the following investments:

Investment	Maturities	Fair Value
Certificate of Deposit	December 23, 2014	$ 500,000
Certificate of Deposit	August 29, 2015	500,000
Certificate of Deposit	April 29, 2016	500,000
Certificate of Deposit	April 29, 2018	1,000,000
Total		$ 2,500,000

Interest rate risk: The Water and Sewerage Authority 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.

Peachtree City Airport Authority

As of September 30, 2014, the bank balances for the Airport Authority were adequately insured and collateralized as defined by GASB.

NOTE 5. RECEIVABLES

Property taxes are levied as of the date the City Council sets the millage rate. Property taxes were levied on August 21, 2014, with property values assessed as of January 1, 2014. The taxes become a lien against the assessed property on January 1. The billings for the August 21, 2014, levy were mailed in September 2014. The billings are considered due upon receipt by the taxpayer; however, these bills are considered delinquent 60 days after the tax bill mailing. On this date, penalties and interest may be assessed by the City.

Receivables at September 30, 2014, for the City's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts are as follows:

	General	Debt Service	Stormwater
Receivables:			
Taxes	$ 10,799,760	$ 531,157	$ -
Accounts	781,576	-	101,499
Interest	20,133	-	-
Intergovernmental	3,159,919	26,658	-
Total receivables	14,761,388	557,815	101,499
Less allowance for uncollectible	318,504	-	70,067
Net total receivable	$ 14,442,884	$ 557,815	$ 31,432

	Amphitheater	Nonmajor Governmental Funds	Total
Receivables:			
Taxes	$ -	$ 128,245	$ 11,459,162
Accounts	79,372	63,749	1,026,196
Interest	-	19,701	39,834
Intergovernmental	-	-	3,186,577
Total receivables	79,372	211,695	15,711,769
Less allowance for uncollectible	-	-	388,571
Net total receivable	$ 79,372	$ 211,695	$ 15,323,198

Delinquent taxes receivable is included in taxes receivable and represents past years of uncollected tax levies. There is no allowance for uncollected taxes since the underlying property will be sold to recover any outstanding taxes.

NOTE 6. CAPITAL ASSETS

A. Primary Government

Capital asset activity for the governmental activities of the primary government for the year ended September 30, 2014 is as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	$ 22,472,604	$ -	$ -	$ -	$ 22,472,604
Easements	82,402	-	-	-	82,402
Construction in progress	1,136,168	862,160	-	(1,223,381)	774,947
Total	23,691,174	862,160	-	(1,223,381)	23,329,953
Capital assets, being depreciated:					
Land improvements	2,202,333	-	-	86,018	2,288,351
Buildings and improvements	31,283,340	41,034	-	983,428	32,307,802
Machinery and equipment	16,475,556	892,827	(278,374)	153,935	17,243,944
Infrastructure	40,797,166	85,796	-	-	40,882,962
Total	90,758,395	1,019,657	(278,374)	1,223,381	92,723,059
Less accumulated depreciation for:					
Land and improvements	(1,569,641)	(112,732)	-	-	(1,682,373)
Buildings and improvements	(10,399,029)	(891,614)	-	-	(11,290,643)
Machinery and equipment	(11,941,253)	(1,355,358)	278,374	-	(13,018,237)
Infrastructure	(14,593,327)	(682,384)	-	-	(15,275,711)
Total	(38,503,250)	(3,042,088)	278,374	-	(41,266,964)
Total capital assets, being depreciated, net	52,255,145	(2,022,431)	-	1,223,381	51,456,095
Governmental activities capital assets, net	$ 75,946,319	$ (1,160,271)	$ -	$ -	$ 74,786,048

NOTE 6. CAPITAL ASSETS (CONTINUED)

A. Primary Government (Continued)

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

Governmental activities:	
General government	$ 291,159
Public safety	1,199,651
Public works	897,656
Culture and recreation	641,305
Housing and development	9,178
Health and welfare	3,139
Total depreciation expense - governmental activities	$ 3,042,088

Capital asset activity for the business-type activities of the primary government for the year ended September 30, 2014 is as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type activities:					
Capital assets, not being depreciated:					
Land	$ 77,495	$ -	$ -	$ -	$ 77,495
Construction in progress	339,066	2,663,762	-	(2,806,296)	196,532
Total	416,561	2,663,762	-	(2,806,296)	274,027
Capital assets, being depreciated:					
Land improvements	161,027	-	-	-	161,027
Buildings and improvements	972,301	-	-	-	972,301
Machinery and equipment	518,391	144,956	-	-	663,347
Infrastructure	10,993,768	137,043	-	2,806,296	13,937,107
Total	12,645,487	281,999	-	2,806,296	15,733,782
Less accumulated depreciation for:					
Land improvements	(116,481)	(9,545)	-	-	(126,026)
Buildings and improvements	(341,168)	(26,694)	-	-	(367,862)
Machinery and equipment	(370,911)	(37,857)	-	-	(408,768)
Infrastructure	(1,420,237)	(240,217)	-	-	(1,660,454)
Total	(2,248,797)	(314,313)	-	-	(2,563,110)
Total capital assets, being depreciated, net	10,396,690	(32,314)	-	2,806,296	13,170,672
Business-type activities capital assets, net	$ 10,813,251	$ 2,631,448	$ -	$ -	$ 13,444,699

NOTE 6. CAPITAL ASSETS (CONTINUED)

A. Primary Government (Continued)

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

Business-type activities:	
Stormwater	$ 278,074
Amphitheater	36,239
Total depreciation expense - business-type activities	$ 314,313

B. Discretely Presented Component Unit – Airport Authority

Capital asset activity for the Airport Authority for the year ended September 30, 2014, is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	$ 7,687,974	$ -	$ -	$ 7,687,974
Construction in progress	-	2,543,064	-	2,543,064
Total	7,687,974	2,543,064	-	10,231,038
Capital assets, being depreciated:				
Land improvements	19,914,059	-	-	19,914,059
Building and improvements	7,097,030	52,101	-	7,149,131
Equipment	336,844	55,790	(11,711)	380,923
Total	27,347,933	107,891	(11,711)	27,444,113
Less accumulated depreciation for:				
Land improvements	(10,562,686)	(339,957)	-	(10,902,643)
Building and improvements	(3,168,010)	(282,304)	-	(3,450,314)
Equipment	(278,702)	(17,231)	11,222	(284,711)
Total	(14,009,398)	(639,492)	11,222	(14,637,668)
Total capital assets, being depreciated, net	13,338,535	(531,601)	(489)	12,806,445
Total capital assets, net	$ 21,026,509	$ 2,011,463	$ (489)	$ 23,037,483

NOTE 6. CAPITAL ASSETS (CONTINUED)

C. Discretely Presented Component Unit – Water and Sewerage Authority

Capital asset activity for the Water and Sewerage Authority for the year ended September 30, 2014 is as follows:

	Beginning Balance	Increases	Decreases and Transfers	Ending Balance
Capital assets, not being depreciated:				
Land	$ 1,609,580	$ -	$ -	$ 1,609,580
Construction in progress	356,512	183,792	-	540,304
Assets to be disposed of	500,000	-	-	500,000
Total	2,466,092	183,792	-	2,649,884
Capital assets, being depreciated:				
Land improvements	18,300	-	-	18,300
Buildings	1,780,066	-	-	1,780,066
Vehicles	1,394,510	383,017	-	1,777,527
Equipment	1,164,842	13,705	-	1,178,547
Infrastructure	373,776	-	-	373,776
Sewer plants	22,835,030	662,022	-	23,497,052
Pump stations	7,979,802	159,995	-	8,139,797
Pipeline	13,005,108	679,250	-	13,684,358
Total	48,551,434	1,897,989	-	50,449,423
Less accumulated depreciation for:				
Land improvements	(13,725)	(1,830)	-	(15,555)
Buildings	(381,192)	(35,601)	-	(416,793)
Vehicles	(973,375)	(138,959)	-	(1,112,334)
Equipment	(1,028,135)	(38,668)	-	(1,066,803)
Infrastructure	(27,456)	(3,668)	-	(31,124)
Sewer plants	(10,995,438)	(926,577)	-	(11,922,015)
Pump stations	(4,691,766)	(399,219)	-	(5,090,985)
Pipeline	(3,233,982)	(262,924)	-	(3,496,906)
Total	(21,345,069)	(1,807,446)	-	(23,152,515)
Total capital assets, being depreciated, net	27,206,365	90,543	-	27,296,908
Total capital assets, net	$ 29,672,457	$ 274,335	$ -	$ 29,946,792

NOTE 6. CAPITAL ASSETS (CONTINUED)

D. Discretely Presented Component Unit – Convention and Visitors Bureau

Capital asset activity for the Convention and Visitors Bureau for the year ended September 30, 2014 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, being depreciated:				
Machinery & equipment	$ 163,338	$ -	$ -	$ 163,338
Total	163,338	-	-	163,338
Less accumulated depreciation for:				
Machinery & equipment	(18,337)	(17,335)	-	(35,672)
Total	(18,337)	(17,335)	-	(35,672)
Total capital assets, net	$ 145,001	$ (17,335)	$ -	$ 127,666

NOTE 7. LONG-TERM DEBT, CAPITAL LEASES, AND OTHER FINANCING ARRANGEMENTS

General Obligation Bonds

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities.

On May 28, 2003, the City issued $3,400,000 in General Obligation Refunding Bonds (Series 2003) with an interest rate of 3.26%. The proceeds are to be used to refund all of the outstanding General Obligation Bonds (Series 1993A) with interest rates from 3.20% to 5.70% and all of the outstanding General Obligation Bonds (Series 1993B) with interest rates from 2.70% to 5.30%.

On November 8, 2011, the City issued $2,930,000 in General Obligation Refunding Bonds (Series 2011) with an interest rate of 2.00% to 5.00%. The proceeds are to be used for refunding the City's $4,900,000 original principal General Obligation Library Bonds, series 2004.

NOTE 7. LONG-TERM DEBT, CAPITAL LEASES, AND OTHER FINANCING ARRANGEMENTS (CONTINUED)

General Obligation Bonds (Continued)

General obligation bonds are direct obligations and pledge the full faith and credit of the government. General obligation bonds currently outstanding are as follows:

Series 2003 General Obligation Refunding Bonds

3.26% general obligation refunding bonds of $3,400,000 dated May 28, 2003, with annual principal installments due on January 1 and semi-annual interest installments due on January 1 and July 1. The debt service requirements to maturity are as follows:

Fiscal year ending September 30,	Principal	Interest	Total
2015	$ 180,000	$ 21,353	$ 201,353
2016	180,000	15,485	195,485
2017	190,000	9,454	199,454
2018	195,000	3,179	198,179
	$ 745,000	$ 49,471	$ 794,471

Series 2011 General Obligation Refunding Bonds

2.00% to 5.00% general obligation bonds of $2,930,000 dated November 7, 2011, with annual principal installments due on January 1 and semi-annual interest installments due on January 1 and July 1. The debt service requirements to maturity are as follows:

Fiscal year ending September 30,	Principal	Interest	Total
2015	$ 350,000	$ 64,350	$ 414,350
2016	375,000	52,725	427,725
2017	385,000	39,275	424,275
2018	405,000	22,475	427,475
2019	425,000	6,375	431,375
	$ 1,940,000	$ 185,200	$ 2,125,200

NOTE 7. LONG-TERM DEBT, CAPITAL LEASE AND OTHER FINANCING ARRANGEMENTS (CONTINUED)

Revenue Bonds

Series 2011 Revenue Bonds

On October 27, 2011, the Peachtree City Public Facilities Authority issued $5,475,000 in revenue bonds (Series 2011) with an interest rate of 2.00% - 3.50%. The proceeds were used to refund the Peachtree City and Peachtree City Governmental Finance Corporation Equipment Master Lease and Option Agreement, outstanding at October 1, 2011 in the amount of $1,853,215; to refund the Master Equipment Lease-Purchase Agreement, Schedule No. 4, outstanding at October 1, 2011 in the amount of $736,287; and for the acquisition, construction, improvement, renovation, installation, equipping and expansion of existing governmental facilities of Peachtree City, Georgia.

The bonds have annual principal installments due on January 1 and semi-annual interest installments due on January 1 and July 1. The debt service requirements to maturity are as follows:

Fiscal year ending September 30,	Principal	Interest	Total
2015	$ 510,000	$ 120,650	$ 630,650
2016	530,000	104,550	634,550
2017	485,000	88,825	573,825
2018	500,000	74,050	574,050
2019	520,000	58,750	578,750
2020-2022	1,665,000	77,875	1,742,875
	$ 4,210,000	$ 524,700	$ 4,734,700

Series 2013 Revenue Refunding Bonds

On March 1, 2013, the Peachtree City Public Facilities Authority issued $9,395,000 in revenue refunding bonds (Series 2013) with an interest rate of 2.00% - 4.00%. The proceeds were used for financing the costs of acquiring, constructing, and installing storm water collection and disposal facilities for Peachtree City, Georgia and to refund the outstanding 2007 series bonds.

NOTE 7. LONG-TERM DEBT, CAPITAL LEASE AND OTHER FINANCING ARRANGEMENTS (CONTINUED)

Revenue Bonds (Continued)

The bonds have annual principal installments due on January 1 and semi-annual interest installments due on January 1 and July 1. The debt service requirements to maturity are noted below:

Fiscal year ending September 30,	Principal	Interest	Total
2015	$ 350,000	$ 340,300	$ 690,300
2016	360,000	331,400	691,400
2017	375,000	320,375	695,375
2018	380,000	310,950	690,950
2019	385,000	301,375	686,375
2020-2024	2,150,000	1,311,025	3,461,025
2025-2029	2,605,000	813,225	3,418,225
2030-2033	2,520,000	206,600	2,726,600
	$ 9,125,000	$ 3,935,250	$ 13,060,250

Notes and Capital Leases Payable

Georgia Municipal Association Notes Payable

In December 1999, the City entered into an agreement through a financial institution to borrow $2,269,415 from the Georgia Municipal Association for the purchase of land and construction of a new police station. Quarterly payments of $57,131, including interest at a rate of 5.27% began in February 2001 and will continue until December 2014. The debt service requirements to maturity are as follows:

Fiscal year ending September 30,	Principal	Interest	Total
2015	$ 112,985	$ 1,765	$ 114,750
	$ 112,985	$ 1,765	$ 114,750

NOTE 7. LONG-TERM DEBT, CAPITAL LEASE AND OTHER FINANCING ARRANGEMENTS (CONTINUED)

Notes and Capital Leases Payable (Continued)

Georgia Municipal Association Notes Payable (Continued)

In December 2001, the City entered into an agreement through a financial institution to borrow $4,550,814 from the Georgia Municipal Association for the acquisition and improvement of various City facilities. The interest on this loan is at a rate of 4.415% per annum. Quarterly payments began in March 2002, and continue until December 2016. The debt service requirements to maturity are as follows:

Fiscal year ending September 30,	Principal	Interest	Total
2015	$ 383,608	$ 33,325	$ 416,933
2016	401,019	15,914	416,933
2017	102,971	1,151	104,122
	$ 887,598	$ 50,390	$ 937,988

In June 2002, the City entered into an agreement through a financial institution to borrow $843,775 from the Georgia Municipal Association for the acquisition of land. The interest on this loan is at a rate of 6.12% per annum. Quarterly payments began in September 2002, and continue until June 2017. The debt service requirements to maturity are as follows:

Fiscal year ending September 30,	Principal	Interest	Total
2015	$ 75,080	$ 11,800	$ 86,880
2016	79,827	7,053	86,880
2017	63,215	1,961	65,176
	$ 218,122	$ 20,814	$ 238,936

Other Notes Payable

In December 2009, the City entered into an installment sale agreement to borrow $2,554,009 from Bank of America for the financing of two fire stations and for the purpose of renovations and improvements to various City properties. Quarterly payments of $57,513, including interest at a rate of 4.16% began in March 2010 and continue until December 2024. The debt service requirements to maturity are noted on the following page:

NOTE 7. LONG-TERM DEBT, CAPITAL LEASE AND OTHER FINANCING ARRANGEMENTS (CONTINUED)

Notes and Capital Leases Payable (Continued)

Fiscal year ending September 30,	Principal	Interest	Total
2015	$ 152,960	$ 77,093	$ 230,053
2016	159,415	70,638	230,053
2017	166,143	63,910	230,053
2018	173,155	56,898	230,053
2019	180,463	49,590	230,053
2020-2024	1,023,189	127,076	1,150,265
2025	56,924	591	57,515
	$ 1,912,249	$ 445,796	$ 2,358,045

Capital Leases

The City is obligated under certain leases accounted for as capital leases. Assets under capital leases are as follows at September 30, 2014:

	Cost	Accumulated Depreciation
Machinery and equipment	$ 4,398,384	$ 2,392,615

Depreciation expense on the above assets under capital lease totaled $1,008,058 at September 30, 2014.

The following is a schedule of future minimum lease payments under capital leases:

Fiscal year ending September 30,	
2015	$ 676,486
2016	569,447
2017	526,719
2018	294,294
2019	60,260
Total minimum lease payments	2,127,206
Amount representing interest	49,589
Present value of future minimum lease payments	$ 2,077,617

NOTE 7. LONG-TERM DEBT, CAPITAL LEASE AND OTHER FINANCING ARRANGEMENTS (CONTINUED)

Component Units – Long-Term Debt

Peachtree City Water and Sewerage Authority

On January 30, 2013, the Authority issued $7,800,000 in 2013A series sewer system revenue bonds with interest rates ranging from 2.0% to 4.0% to fully refund the 2002 Series bonds.

Annual principal installments are due on March 1 and semi-annual interest installments are due on March 1 and September 1, beginning September 1, 2013. The debt service requirements to maturity are as follows:

Fiscal year ending September 30,	Principal	Interest	Total
2015	$ -	$ 300,000	$ 300,000
2016	-	300,000	300,000
2017	-	300,000	300,000
2018	-	300,000	300,000
2019	-	300,000	300,000
2020-2024	1,900,000	1,376,300	3,276,300
2025-2027	5,900,000	276,100	6,176,100
	$ 7,800,000	$ 3,152,400	$ 10,952,400

On January 30, 2013, the Authority issued $20,800,000 in 2013B sewer system revenue bonds with interest rates ranging from .48% to 2.67% in order to advance refund $18,975,000 of outstanding 2005 Series bonds. The proceeds were deposited into an escrow account to provide for the future debt service payments on the 2005 Series bonds. As a result, that portion of the Series 2005 bonds is considered defeased and has been removed from the Authority's financial statements. The outstanding principal of the defeased bonds is $17,965,000 as of September 30, 2014.

Annual principal installments are due on March 1 and semi-annual interest installments are due on March 1 and September 1, beginning September 1, 2013. The debt service requirements to maturity are as follows:

Fiscal year ending September 30,	Principal	Interest	Total
2015	$ 2,165,000	$ 284,926	$ 2,449,926
2016	2,185,000	269,689	2,454,689
2017	2,205,000	250,036	2,455,036
2018	2,225,000	223,878	2,448,878
2019	2,260,000	189,430	2,449,430
2020-2023	7,615,000	299,705	7,914,705
	$ 18,655,000	$ 1,517,664	$ 20,172,664

NOTE 7. LONG-TERM DEBT, CAPITAL LEASE AND OTHER FINANCING ARRANGEMENTS (CONTINUED)

Component Units – Long-Term Debt (Continued)

Peachtree City Water and Sewerage Authority (Continued)

The Series 2013A and Series 2013B bonds are limited obligations of the Water and Sewerage Authority, payable solely from net operating revenues of the system and the Contract Payments. The Water and Sewerage Authority and Peachtree City have entered into a sewer system agreement whereby the City is obligated to make Contract Payments when the Water and Sewerage Authority has insufficient funds to meet the debt service requirements. The Contract represents a general obligation of the City to which its full faith and credit are pledged.

Peachtree City Airport Authority

The Airport Authority's long-term debt at September 30, 2014 consists of a note payable for funding the working capital needed to finance the Authority's 25% match for various state grants. This note is due in monthly installments of $3,512 at a rate of 4%. This note is unsecured.

The debt service requirements to maturity are as follows:

Fiscal year ending September 30,	Principal	Interest	Total
2015	$ 28,815	$ 13,096	$ 41,911
2016	30,205	11,944	42,149
2017	31,471	10,678	42,149
2018	32,755	9,393	42,148
2019	34,092	8,057	42,149
2020-2023	183,885	18,298	202,183
	$ 341,223	$ 71,466	$ 412,689

NOTE 7. LONG-TERM DEBT, CAPITAL LEASE AND OTHER FINANCING ARRANGEMENTS (CONTINUED)

Changes in Long-Term Liabilities

Primary Government

The following is a summary of long-term debt activity of the primary government for the year ended September 30, 2014:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable					
General obligation bonds	$ 3,185,000	$ -	$ (500,000)	$ 2,685,000	$ 530,000
Revenue bonds	4,705,000	-	(495,000)	4,210,000	510,000
Plus premiums	358,485	-	(85,243)	273,242	-
Total bonds payable	8,248,485	-	(1,080,243)	7,168,242	1,040,000
Notes payable	3,930,238	-	(799,284)	3,130,954	724,633
Capital leases	1,686,995	1,170,985	(780,363)	2,077,617	652,770
Compensated absences	913,125	1,262,056	(1,326,442)	848,739	676,763
OPEB obligation	369,392	145,441	-	514,833	-
Governmental activity Long-term liabilities	$ 15,148,235	$ 2,578,482	$ (3,986,332)	$ 13,740,385	$ 3,094,166
Business-type activities:					
Revenue bonds	$ 9,395,000	$ -	$ (270,000)	$ 9,125,000	$ 350,000
Plus premium	1,107,180	-	(89,598)	1,017,582	-
Total bonds payable	10,502,180	-	(359,598)	10,142,582	350,000
Compensated absences	13,984	34,616	(29,895)	18,705	18,705
Business-type activity Long-term liabilities	$ 10,516,164	$ 34,616	$ (389,493)	$ 10,161,287	$ 368,705

For governmental activities, compensated absences and the OPEB obligation are generally liquidated by the General Fund.

NOTE 7. LONG-TERM DEBT, CAPITAL LEASE AND OTHER FINANCING ARRANGEMENTS (CONTINUED)

Changes in Long-Term Liabilities (Continued)

Component Units

Water and Sewerage Authority

The following is a summary of long-term debt activity of the Water and Sewerage Authority for the year ended September 30, 2014:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Revenue bonds	$ 28,600,000	$ -	$ (2,145,000)	$ 26,455,000	$ 2,165,000
Deferred charges, net	1,287,695	-	(111,895)	1,175,800	-
Revenue bonds, net	29,887,695	-	(2,256,895)	27,630,800	2,165,000
Compensated absences	107,944	80,742	(60,061)	128,625	128,625
Long-term liabilities	$ 29,995,639	$ 80,742	$ (2,316,956)	$ 27,759,425	$ 2,293,625

Airport Authority

The following is a summary of long-term debt activity of the Airport Authority for the year ended September 30, 2014:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Notes payable	$ 383,121	$ -	$ (41,898)	$ 341,223	$ 28,815

NOTE 8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of September 30, 2014 is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor Governmental Funds	$ 470,866
		$ 470,866

NOTE 8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

Due from/to primary government and component units:

Receivable Entity	Payable Entity	Amount
Component unit - Convention and Visitors Bureau	Primary government - Nonmajor Governmental Funds	$ 64,123
Component unit - Convention and Visitors Bureau	Primary government - Amphitheater Fund	3,470
Primary government - General Fund	Component unit - Convention and Visitors Bureau	53,485
Primary government - Amphitheater Fund	Component unit - Convention and Visitors Bureau	4,240
		$ 125,318

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

Interfund transfers:

Transfers In	Transfers Out	Amount
General Fund	Nonmajor Governmental Funds	$ 700,142
Debt Service Fund	General Fund	2,329,619
Nonmajor Governmental Funds	General Fund	753,828
		$ 3,783,589

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

NOTE 9. COMMITMENTS AND CONTINGENT LIABILITIES

The City is involved in several pending lawsuits. Liability, if any, which might result from these proceedings, would not, in the opinion of management and legal counsel, have a material adverse effect on the financial position of the City.

The City has outstanding construction and other significant commitments of $175,362 at September 30, 2014.

NOTE 10. EMPLOYEE RETIREMENT SYSTEM

A. Plan Description

Peachtree City maintains a single-employer defined benefit pension plan, the Peachtree City Defined Benefit Pension Plan (the "Plan"), for the employees of Peachtree City. The Plan is administered by a Board of Trustees, who have executed a trust agreement with a financial institution to hold, manage, invest, and distribute contributions in accordance with the provision of the Plan. Benefit provisions are established and may be amended by the City Council. Annual contributions are determined through an actuarial valuation of the Plan and are approved by City Council as part of the annual budgeting process.

The Plan covers all full-time employees and selected part-time employees of the City. Employees become eligible to participate in the Plan after one year of employment and are fully vested after five years of employment. Benefit provisions are established by a resolution of City Council. The Plan provides retirement and death benefits to Plan members and beneficiaries. The Plan does not issue a separate stand-alone financial report. At January 1, 2014, the date of the most recent actuarial valuation, there were 383 participants consisting of the following:

Retirees and beneficiaries currently receiving benefits	74
Vested terminated employees not yet receiving benefits	104
Nonvested accrued benefits	42
Active employees	163
Total	383

B. Summary of Significant Accounting Policies

Basis of Accounting. The financial statements of the Plan are prepared using the accrual basis of accounting. The City's contributions are recognized when due and a formal commitment to provide the contributions has been made as part of the budget process. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. Administrative costs of the plan are financed through contributions.

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

NOTE 10. EMPLOYEE RETIREMENT SYSTEM (CONTINUED)

C. Plan Disclosures

Effective September 1, 2013, the Plan implemented the provisions of Governmental Accounting Standards Board (GASB) Statement No. 67, *Financial Reporting for Pension Plans – an amendment of GASB Statement No. 25*, which significantly changed the disclosures required related to the Plan. The information disclosed below is presented in accordance with this new standard. The Plan does not issue separate financial statements.

D. Net Pension Liability

The components of the net pension liability of the City at September 30, 2014 were as follows:

Total pension liability	$	29,245,923
Plan fiduciary net position		26,060,305
City's net pension liability	$	3,185,618
Plan fiduciary net position as a percentage of the total pension liability		89.1%

The required schedule of changes in the City's net pension liability and related ratios immediately following the notes to the financial statements presents multiyear trend information about whether the value of plan assets is increasing or decreasing over time relative to the total pension liability.

Actuarial assumptions. The total pension liability was determined by an actuarial valuation as of September 30, 2014. The following actuarial assumptions applied to all periods included in the measurement:

Inflation	3.0%
Salary increases, including inflation	.4 to 2.4%
Investment rate of return	7.75%, including inflation, net of investment expense

Mortality rates were based upon the 1981 GAM mortality table.

The actuarial assumptions used in the September 30, 2014 valuation were based on the results of the most recent experience study which was completed in May 2005 taking into account 10 years of data experience.

NOTE 10. EMPLOYEE RETIREMENT SYSTEM (CONTINUED)

D. Net Pension Liability (Continued)

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2014 are: Fixed Income – 3% and Domestic Equities – 6%.

Discount rate. The discount rate used to measure the total pension liability was 7.75%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the net pension liability to changes in the discount rate. The following table presents the net pension liability of the City, calculated using the discount rate of 7.75%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75%) or 1-percentage-point higher (8.75%) than the current rate:

1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
$ 7,318,809	$ 3,206,323	$ (170,194)

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 continual 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 substantive plan in effect as of September 30, 2014 and the current sharing pattern of costs between employer and employee.

NOTE 10. EMPLOYEE RETIREMENT SYSTEM (CONTINUED)

E. Employer Disclosures

Funding Policy

Only the City makes contributions to the Plan. The City is required to contribute at an actuarially determined rate; the current rate is 15.0% of annual covered payroll.

The annual required contribution for the current year was determined as part of the January 1, 2013, actuarial valuation using the projected unit credit method. The actuarial assumptions included (a) a rate of return on the investments of present and future assets of 6.75% per year, compounded annually and net of investment expenses and (b) projected salary increases of 4.3% per year, which includes 3% for inflation. The period for amortizing the unfunded actuarial accrued liability is 15 years for gains and losses, 20 years for plan changes and 30 years for assumption changes. The method used to amortize the unfunded actuarial accrued liability is level dollar. The amortization period is closed for this plan year.

Annual Pension Cost and Net Pension Asset (NPA)

	For The Plan Year Ending September 30, 2014
Annual required contribution (ARC)	$ 1,608,278
Contribution made	1,608,278
Change in NPA	-
NPA at beginning of year	-
NPA at end of year	$ -

Schedule of Employer Contributions

Fiscal Period Ending	Annual Pension Cost	Percentage Contributed	Net Pension Asset
9/30/2014	$ 1,608,278	100 %	$ -
9/30/2013	1,660,833	100	-
9/30/2012	1,575,820	100	-
9/30/2011	1,527,976	-	-
9/30/2010	1,449,218	209	1,527,976
9/30/2009	1,343,221	100	-
9/30/2008	1,263,376	95	-

NOTE 10. EMPLOYEE RETIREMENT SYSTEM (CONTINUED)

E. Employer Disclosures (Continued)

As of the most recent valuation date, January 1, 2014, the funded status of the 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 (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
1/1/2014	$ 23,517,646	$ 27,474,194	$ 3,956,548	85.6 %	$ 10,624,609	37.2 %

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. Calculations are based on the substantive plan in effect as of January 1, 2014.

NOTE 11. DEFINED CONTRIBUTION PENSION PLAN

The Peachtree City Senior Management Plan (the “Plan”) is a single employer defined contribution plan established and administered by Peachtree City for all employees defined within the Plan as senior management. At September 30, 2014, there were six plan members. The City contributes a discretionary amount annually as determined by the City. Contribution requirements are established and may be amended by the City Council. Employees are not required to contribute to the Plan. Employees participating in the Plan are fully vested in the employer’s contribution after one year of service. For the fiscal year ending September 30, 2014, the City’s contributions to the Plan were $30,117. Plan provisions are established and amended by the authority of the City Council.

NOTE 11. DEFINED CONTRIBUTION PENSION PLAN (CONTINUED)

The Peachtree City Money Purchase Plan is a single employer defined contribution plan established and administered by Peachtree City for all full time employees other than those qualifying as senior management. At September 30, 2014, there were 145 plan members. The City matches 50% for each dollar of employee contributions to a separate Section 457 plan up to 2% of the employee's salary. Contribution requirements are established and may be amended by the City Council. Employees do not contribute to the Money Purchase Plan. Employees are eligible after one year of service and are fully vested upon participation. For the fiscal year ending September 30, 2014, the City's contributions to the Plan were $127,605. Plan provisions are established and amended by the authority of the City Council.

NOTE 12. PROFIT SHARING AND SAVINGS PLANS

Peachtree City Water and Sewerage Authority

All employees of the Peachtree City Water and Sewerage Authority over 18 years of age and after completing one year of service are eligible to participate in the Peachtree City Water and Sewerage Authority Profit Sharing and Savings Plan. Participants are 100% vested in profit sharing and matching accounts after five years of service.

The Water and Sewerage Authority contributes 4% of defined compensation for all eligible employees. Prior to June 2008, if the employee also contributed 4% to the Plan, the Water and Sewerage Authority matched 50% of the employee's contribution up to a max of 4% of the employee's salary. After June 2008, if the employee also contributes between 4% and 8% to the Plan, the Authority matches 50% of the employee's contribution up to a max of 4% of the employee's salary.

The Water and Sewerage Authority also contributes $10,000 annually to another Money Purchase Plan and Trust for the sole benefit of the general manager (GM). The GM is immediately 100% vested and does not make any voluntary contributions to this plan.

Retirement expense for the year ended September 30, 2014 was $109,834. These plans were effective June 1, 1998.

Peachtree City Airport Authority

The Peachtree City Airport Authority adopted a Savings Incentive Match Plan for Employees (SIMPLE) on April 1, 2007, whereby up to 3% of a participating employee's salary contributed to the SIMPLE Plan is matched by the Authority, with a maximum match of $11,500. The Authority contributed $5,226 for the year ended September 30, 2014.

NOTE 13. POST EMPLOYMENT HEALTHCARE PLAN

Plan Description

The Peachtree City Other Post Employment Benefits (OPEB) Plan is a single-employer defined benefit healthcare plan administered by Peachtree City. The City provides health insurance benefits to retirees. All fulltime employees qualifying as a policeman or firefighter may become eligible for those benefits if they retire on or after the age of 55 with 10 years of service. The City has the authority to establish and amend benefit provisions.

Funding Policy

The contribution requirements are established and may be amended by the City. The required contribution was determined by actuarial valuation. During the fiscal year 2014, the City contributed $37,618 to the Plan. The cost of benefits for retirees is to be paid by the City and by the retiree. The retirees' contributions are based on their years of service with the City.

Annual OPEB Cost and Net OPEB Obligation

The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation (asset) to the OPEB Plan:

Annual required contribution	$	185,263
Interest on net OPEB obligation		20,532
Adjustments to annual required contribution		(22,736)
Annual OPEB cost		183,059
Contributions made		37,618
Increase in net OPEB obligation		145,441
Net OPEB obligation, beginning of year		369,392
Net OPEB obligation, end of year	$	514,833

NOTE 13. POST EMPLOYMENT HEALTHCARE PLAN (CONTINUED)

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the OPEB Plan, and the net OPEB obligation was as follows:

Year Ending	Annual OPEB Cost	Actual City Contribution	Percentage Contributed	Net OPEB Obligation
September 30, 2014	$ 145,441	$ 37,618	25.86 %	$ 514,833
September 30, 2012	255,292	1,093	0.43	369,392
September 30, 2010	60,523	-	-	115,193

Funded Status and Funding Progress

As of the most recent valuation date, January 1, 2014, the funded status of the 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 (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
1/1/2014	$ -	$ 1,688,286	$ 1,688,286	- %	$ 6,395,491	26.4 %

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. Calculations are based on the substantive plan in effect as of January 1, 2014.

NOTE 13. POST EMPLOYMENT HEALTHCARE PLAN (CONTINUED)

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the 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.

In the January 1, 2014 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included an annual healthcare cost trend rate of 5.0 percent, a discount rate of 4.0%, and an inflation rate of 2.5%. The UAAL is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at January 1, 2014, continues to grade down to 15 years at which point it will freeze.

The OPEB plan does not issue separate financial statements.

NOTE 14. JOINT VENTURE

Under Georgia law, the City, in conjunction with other cities and counties in the 10-county Atlanta regional area, is a member of the Atlanta Regional Commission and is required to pay annual dues thereto. During its year ended September 30, 2014, the City's membership dues were paid by Fayette County, Georgia. The City did not pay any annual dues. Membership in a regional commission (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, one mayor from each county, the mayor of the City of Atlanta, a mayor from both the north and south halves of Fulton County, a member of the Atlanta City Council, 15 private citizens, and a member appointed by the Board of the Georgia Department of Community Affairs. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC. Separate financial statements may be obtained from the Atlanta Regional Commission, 40 Courtland Street, North East, Atlanta, Georgia 30303.

NOTE 15. HOTEL/MOTEL LODGING TAX

The City has levied an 8% lodging tax. The City allocates 4% of this tax to the Peachtree City Convention and Visitors Bureau each year and 1% to tourism product and development as required by the Official Code of Georgia Annotated 48-13-51(a)(5.1). During the year ended September 30, 2014, the City received $1,391,129 in hotel/motel taxes. Of this amount, $1,391,129 or 100%, was used for the promotion of tourism, conventions, or trade shows and tourism product development.

NOTE 16. RISK MANAGEMENT

The City is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has joined together with other municipalities in the state as part of the Georgia Interlocal Risk Management Agency Property and Liability Insurance Fund and the Georgia Municipal Association Group Self-Insurance Workers' Compensation Fund, a public entity risk pool currently operating as a common risk management and insurance program for member local governments.

As part of these risk pools, the City is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pools' agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the funds being required to pay any claim of loss. The City is also to allow the pools' agents and attorneys to represent the City in investigation, settlement discussions and all levels of litigation arising out of any claim made against the City within the scope of loss protection furnished by the funds.

The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the workers' compensation law of Georgia. The funds are to pay all cost taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

Settled claims in the past three years have not exceeded the coverages.

The City carries commercial insurance for other risks of losses. For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

NOTE 16. RISK MANAGEMENT (CONTINUED)

In 1986, the City established a limited risk management program for major medical. The City is responsible for claims, claim reserves and administrative costs of the program. The City's self-insurance is limited to $75,000 per individual per calendar year. After claims reach this amount, a private insurance carrier will pay the remaining claims. Liabilities for this program are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts and other economic and social factors. The liability for claims payable is reported in the General Fund, the Stormwater Fund, and the Amphitheater Fund because it is expected to be liquidated with expendable available financial resources.

Reconciliation of changes in the aggregate liabilities for claims:

	2014	2013
Claims liability, beginning of year	**$ 147,371**	$ 107,246
Incurred claims (including IBNRs)	**2,475,418**	2,511,591
Claims paid	**(2,484,936)**	(2,471,466)
Claims liability, end of year	**$ 137,853**	$ 147,371

NOTE 17. MINIMUM FUND BALANCE POLICY

The City's policy is to maintain adequate General Fund balance to provide liquidity in the event of an economic downturn. The City Council has adopted a financial standard to maintain a General Fund minimum unassigned fund balance of 20% of expenditures and transfers out.

NOTE 18. DEFICIT FUND BALANCE

The Public Improvement Fund had a deficit fund balance of $29,751 at September 30, 2014 which is expected to be reduced by additional funding sources in fiscal year 2015.

NOTE 19. DISCRETELY PRESENTED COMPONENT UNITS

The following represents condensed statements of net position for the City's discretely presented component units as of and for the year ended September 30, 2014:

	Water and Sewerage Authority	Airport Authority	Convention and Visitors Bureau	Total Component Units
Due from primary government	$ -	$ -	$ 67,593	$ 67,593
Other assets	13,017,859	1,396,169	134,184	14,548,212
Capital assets:				
Non-depreciable	2,649,884	10,231,038	-	12,880,922
Depreciable, net of accumulated depreciation	27,296,908	12,806,445	127,666	40,231,019
Total assets	42,964,651	24,433,652	329,443	67,727,746
Deferred refunding loss	1,957,485	-	-	1,957,485
Total deferred outflows of resources	1,957,485	-	-	1,957,485
Due to primary government	-	-	57,725	57,725
Other current liabilities	454,337	556,758	16,844	1,027,939
Long-term liabilities:				
Due within one year	2,165,000	28,815	-	2,193,815
Due in more than one year	25,465,800	312,408	-	25,778,208
Total liabilities	28,085,137	897,981	74,569	29,057,687
Net position:				
Net investment in capital assets	2,315,992	22,696,260	127,666	25,139,918
Restricted for:				
Other	-	39,107	127,208	166,315
Debt service	1,517,079	-	-	1,517,079
Unrestricted	13,003,928	800,304	-	13,804,232
Total net position	$ 16,836,999	$ 23,535,671	$ 254,874	$ 40,627,544

NOTE 19. DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)

The following represents condensed statements of activities for the City's discretely presented component units as of and for the year ended September 30, 2014:

		Program Revenues		Net (Expenses) Revenues and Changes in Net Position			
	Expenses	Charges for Services	Operating and Capital Grants and Contributions	Water and Sewerage Authority	Airport Authority	Convention and Visitors Bureau	Totals
Water and Sewerage Authority							
Depreciation expense	$ 1,807,446	$ -	$ -	$ (1,807,446)	$ -	$ -	$ (1,807,446)
Other expenses	5,325,965	9,105,958	-	3,779,993	-	-	3,779,993
Total Water and Sewerage Authority	7,133,411	9,105,958	-	1,972,547	-	-	1,972,547
Airport Authority							
Depreciation expense	639,492	-	-	-	(639,492)	-	(639,492)
Other expenses	1,834,393	1,957,936	2,543,064	-	2,666,607	-	2,666,607
Total Airport Authority	2,473,885	1,957,936	2,543,064	-	2,027,115	-	2,027,115
Convention and Visitors Bureau							
Depreciation expense	17,335	-	-	-	-	(17,335)	(17,335)
Other expenses	638,240	24,374	695,564	-	-	81,698	81,698
Total CVB	655,575	24,374	695,564	-	-	64,363	64,363
Total component units	$ 10,262,871	$ 11,088,268	$ 3,238,628	$ 1,972,547	$ 2,027,115	$ 64,363	$ 4,064,025
General revenues							
Other nontax general revenues				20,798	102,011	-	122,809
Total general revenues				20,798	102,011	-	122,809
Change in net position				1,993,345	2,129,126	64,363	4,186,834
Net position, beginning of year				14,843,654	21,406,545	190,511	36,440,710
Net position, end of year				$ 16,836,999	$ 23,535,671	$ 254,874	$ 40,627,544

NOTE 20. RESTATEMENTS

The City has determined that a restatement to beginning net position of the Governmental Activities was required to recognize the change in year end for Keep Peachtree City Beautiful, Inc., a blended component unit of the City. This adjustment resulted in a change to beginning net position of Governmental Activities as follows:

	Governmental Activities
Net position, as previously reported	$ 74,861,058
Difference as a result of the change in year end	3,711
Net position, as restated	$ 74,864,769

The City has determined that a restatement to beginning fund balance of the Keep Peachtree City Beautiful, Inc special revenue fund was required to recognize the change in year end for Keep Peachtree City Beautiful, Inc. This adjustment resulted in a change to beginning fund balance of Keep Peachtree City Beautiful, Inc. as follows:

	Keep Peachtree City Beautiful, Inc
Fund balance, as previously reported	$ 24,418
Difference as a result of the change in year end	3,711
Fund balance, as restated	$ 28,129

REQUIRED SUPPLEMENTARY INFORMATION

PEACHTREE CITY, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF FUNDING PROGRESS

Employee Retirement System:

Actuarial Valuation Date	Actuarial Value of Assets	(AAL) Actuarial Accrued Liability	(UAAL) Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
1/1/2014	$23,517,646	$27,474,194	$ 3,956,548	85.6 %	$ 10,624,609	37.2 %
1/1/2013	21,076,108	25,748,603	4,672,495	81.9	10,959,836	42.6
1/1/2012	19,099,818	24,553,723	5,453,905	77.8	11,382,889	47.9
1/1/2011	17,494,519	22,128,036	4,633,517	79.1	11,685,833	39.7
1/1/2010	15,611,013	20,480,425	4,869,412	76.2	12,251,573	39.7
1/1/2009	14,143,525	18,589,657	4,446,132	76.1	10,998,767	40.4
1/1/2008	13,284,275	16,949,531	3,665,256	78.4	10,040,199	36.5
1/1/2007	11,482,388	14,885,564	3,403,176	77.1	10,105,540	33.7
1/1/2006	9,197,442	13,760,543	4,563,101	66.8	10,392,428	43.9
1/1/2005	7,865,953	11,357,267	3,491,314	69.3	9,357,564	37.3

The assumptions used in the preparation of the above schedule are disclosed in Note 10 in the Notes to the Financial Statements.

Post Employment Health Care Plan:

Actuarial Valuation Date	Actuarial Value pf Assets	(AAL) Actuarial Accrued Liability	(UAAL) Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
1/1/2014	$ -	$ 1,688,286	$ 1,688,286	- %	$ 6,395,491	26.4 %
1/1/2012	-	1,235,316	1,235,316	-	6,662,659	18.5
1/1/2010	-	779,207	779,207	-	6,272,806	12.4
1/1/2008	-	384,237	384,237	-	-	-

The assumptions used in the preparation of the above schedule are disclosed in Note 13 in the Notes to the Financial Statements.

PEACHTREE CITY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
RETIREMENT PLAN
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	2014
Total pension liability	
Service cost	$ 434,821
Interest on total pension liability	2,128,586
Differences between expected and actual experience	311,865
Benefit payments, including refunds of employee contributions	(1,296,135)
Net change in total pension liability	1,579,137
Total pension liability - beginning	27,666,786
Total pension liability - ending (a)	$ 29,245,923
Plan fiduciary net position	
Contributions - employer	$ 1,608,278
Net investment income	2,576,113
Benefit payments, including refunds of member contributions	(1,202,360)
Administrative expenses	(49,752)
Net change in plan fiduciary net position	2,932,279
Plan fiduciary net position - beginning	23,128,026
Plan fiduciary net position - ending (b)	$ 26,060,305
City's net pension liability - ending (a) - (b)	$ 3,185,618
Plan fiduciary net position as a percentage of the total pension liability	89.1%
Covered-employee payroll	$ 10,624,609
Net pension liability as a percentage of covered-employee payroll	30.0%

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

PEACHTREE CITY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
RETIREMENT PLAN
SCHEDULE OF CITY CONTRIBUTIONS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	2014
Actuarially determined contribution	$ 1,608,278
Contributions in relation to the actuarially determined contribution	1,608,278
Contribution deficiency (excess)	$ -
Covered employee payroll	$ 10,624,609
Contributions as a percentage of covered-employee payroll	15.14%

Notes to the Schedule:

(1) Actuarial Assumptions

Valuation Date	September 30, 2014
Cost Method	Individual Entry Age Normal
Actuarial Asset Valuation Method	Market Value of Assets
Assumed Rate of Return on Investments	7.75%
Projected Salary Increases	3.0% for inflation plus merit increases of .4 - 2.4%
Cost-of-living Adjustment	N/A
Amortization Method	Level dollar for unfunded liability
Remaining Amortization Period	Varies by source of amortization

(2) The schedule will present 10 years of information once it is accumulated.

PEACHTREE CITY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
RETIREMENT PLAN
SCHEDULE OF PENSION INVESTMENT RETURNS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	2014
Annual money-weighted rate of return, net of investment expenses for the City's Pension Plan	10.7%

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Association Fees Fund – To account for fees charged on all programs managed by the various athletic associations in the City. The funds are used in conjunction with City funds to provide improvements to City athletic facilities used by the associations.

Neighborhood Parks Fund – To account for the building and additions to parks located within the City. Financing is provided primarily by donations.

DARE Program Fund – To account for the purchase of materials for the schools' DARE programs. Financing is provided primarily by the Kiwanis Club of Peachtree City.

State/Federal Seizure Fund – To account for state and federal seizures of cash and property used to provide training, materials, supplies, and services to the police department.

HAZMAT Fund – To account for donations used to provide training, materials, supplies, and services to the fire department.

Police Department Tuition Fund – To account for a private donation that is used to reimburse police officers for books and fees paid for college courses, not covered by the City's tuition reimbursement plan.

Youth Fund – To account for donations and other revenues associated with activities sponsored by the Youth Council and the Police Department Explorer Troop.

Hotel/Motel Tax Fund – To account for the six percent lodging tax levied by the City. Two percent is transferred to the City general fund to offset debt service costs for the construction of the Tennis Center and improvements to the Amphitheater. Four percent is transferred to the Peachtree City Convention and Visitors Bureau to promote tourism, conventions, and trade shows within Peachtree City, as well as support City events that promote tourism.

Grants/Donations Fund – To account for federal and state grants and donations associated with expenditures for public safety preparedness.

Keep Peachtree City Beautiful Fund – To account for franchise fees collected on waste haulers in the City to support the Keep Peachtree City Beautiful program.

Keep Peachtree City Beautiful, Inc. – To account for the activity of the Keep Peachtree City Beautiful program consisting of controlling litter, reducing waste, and supporting beautification efforts throughout the City.

NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

Capital Project Funds

Impact Fee Fund – To account for the accumulation of impact fees collected as a part of new development in the City. The funds are to be maintained for future capital outlay based on the City's impact fee ordinance.

Public Improvement Fund – To account for the accumulation of resources (transfers from the general fund, grants, developer contributions, and loan proceeds) for the nonmajor capital project funds for the payment of expenditures for construction projects and equipment/machinery capital purchases.

Facilities Authority Fund – To account for the acquisition and/or construction of land, buildings, and certain equipment, primarily financed by Public Facility Revenue Bonds.

2005 SPLOST FUND – To account for the one percent Special Purpose Local Option Sales Tax (SPLOST) funds collected by Fayette County and disbursed to the City. The funds are used for capital projects as approved by voter referendum.

PEACHTREE CITY, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2014

	Special Revenue Funds			
ASSETS	**Association Fees Fund**	**Neighborhood Parks Fund**	**DARE Program Fund**	**State/Federal Seizure Fund**
Cash	$ 5,095	$ 9,686	$ 2,371	$ 205,211
Taxes receivable	-	-	-	-
Accounts receivable	-	-	-	-
Intergovernmental receivabl	-	-	-	-
Total assets	$ 5,095	$ 9,686	$ 2,371	$ 205,211
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ -	$ -	$ -	$ 52,501
Retainage payable	-	-	-	-
Unearned revenue	-	-	-	-
Due to other funds	-	-	-	-
Due to component units	-	-	-	-
Total liabilities	-	-	-	52,501
FUND BALANCES (DEFICIT)				
Restricted for:				
Public safety	-	-	2,371	152,710
Public works	-	-	-	-
Culture and recreation	5,095	9,686	-	-
Capital projects	-	-	-	-
Assigned to:				
Capital projects	-	-	-	-
Unassigned	-	-	-	-
Total fund balances (deficit	5,095	9,686	2,371	152,710
Total liabilities and fund balances	$ 5,095	$ 9,686	$ 2,371	$ 205,211

Continued

Special Revenue Funds							
HAZMAT Fund	Police Department Tuition Fund	Youth Fund	Hotel/Motel Tax Fund	Grants/ Donations Fund	Keep Peachtree City Beautiful Fund	Keep Peachtree City Beautiful, Inc.
$ 131	$ 4,285	$ 1,940	$ -	$ 8,762	$ 97	$ 11,428
-	-	-	128,245	-	-	-
-	-	-	-	-	3,442	3,539
-	-	-	-	19,701	-	-
$ 131	$ 4,285	$ 1,940	$ 128,245	$ 28,463	$ 3,539	$ 14,967
$ -	$ -	$ -	$ -	$ 901	$ 3,539	$ -
-	-	-	-	-	-	-
-	-	-	-	1,080	-	-
-	-	-	64,122	17,249	-	5,264
-	-	-	64,123	-	-	-
-	-	-	128,245	19,230	3,539	5,264
131	4,285	1,248	-	9,233	-	-
-	-	-	-	-	-	9,703
-	-	692	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
131	4,285	1,940	-	9,233	-	9,703
$ 131	$ 4,285	$ 1,940	$ 128,245	$ 28,463	$ 3,539	$ 14,967

PEACHTREE CITY, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2014

ASSETS	Capital Projects Funds				Total Nonmajor Governmental Funds
	Impact Fee Fund	Public Improvement Fund	Facilities Authority Fund	2005 SPLOST Fund	
Cash	$ 746,040	$ 493,461	$ 96,431	$ 827,708	$ 2,412,646
Taxes receivable	-	-	-	-	128,245
Accounts receivable	56,768	-	-	-	63,749
Intergovernmental receivabl	-	-	-	-	19,701
Total assets	$ 802,808	$ 493,461	$ 96,431	$ 827,708	$ 2,624,341
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	$ -	$ 136,178	$ 200	$ -	$ 193,319
Retainage payable	-	8,131	5,000	-	13,131
Unearned revenue	-	-	-	-	1,080
Due to other funds	4,578	378,903	750	-	470,866
Due to component units	-	-	-	-	64,123
Total liabilities	4,578	523,212	5,950	-	742,519
FUND BALANCES (DEFICIT)					
Restricted for:					
Public safety	-	-	-	-	169,978
Public works	-	-	-	-	9,703
Culture and recreation	-	-	-	-	15,473
Capital projects	798,230	381,321	91,431	522,708	1,793,690
Assigned to:					
Capital projects	-		-	305,000	305,000
Unassigned	-	(411,072)	(950)	-	(412,022)
Total fund balances (deficit	798,230	(29,751)	90,481	827,708	1,881,822
Total liabilities and fund balances	$ 802,808	$ 493,461	$ 96,431	$ 827,708	$ 2,624,341

PEACHTREE CITY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	Special Revenue Funds			
	Association Fees Fund	Neighborhood Parks Fund	DARE Program Fund	State/Federal Seizure Fund
Revenues:				
Taxes	$ -	$ -	$ -	$ -
Intergovernmenta	-	-	-	26,273
Charges for services	-	-	-	-
Contributions and donations	-	-	1,403	-
Interest	-	7	1	98
Total revenues	-	7	1,404	26,371
Expenditures:				
Current:				
Public safety	-	-	289	42,477
Culture and recreation	-	1,707	-	-
Capital outlay	14,880	-	-	-
Debt service:				
Issuance costs	-	-	-	-
Total expenditures	14,880	1,707	289	42,477
Excess (deficiency) of revenues over (under) expenditure	(14,880)	(1,700)	1,115	(16,106)
Other financing sources (uses)				
Capital leases	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	(14,880)	(1,700)	1,115	(16,106)
Fund balances (deficit), beginning of year, as restated	19,975	11,386	1,256	168,816
Fund balances (deficit), end of year	$ 5,095	$ 9,686	$ 2,371	$ 152,710

Continued

Special Revenue Funds						
HAZMAT Fund	Police Department Tuition Fund	Youth Fund	Hotel/Motel Tax Fund	Grants/ Donations Fund	Keep Peachtree City Beautiful Fund	Keep Peachtree City Beautiful, Inc.
$ -	$ -	$ -	$ 1,391,129	$ -	$ 33,816	$ -
-	-	-	-	61,160	-	-
-	-	298	-	-	-	95,017
-	-	-	-	4,350	-	-
1	3	1	-	15	-	-
1	3	299	1,391,129	65,525	33,816	95,017
1,323	-	-	-	44,444	-	-
-	-	299	695,565	-	33,816	113,443
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,323	-	299	695,565	44,444	33,816	113,443
(1,322)	3	-	695,564	21,081	-	(18,426)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	(695,564)	-	-	-
-	-	-	(695,564)	-	-	-
(1,322)	3	-	-	21,081	-	(18,426)
1,453	4,282	1,940	-	(11,848)	-	28,129
$ 131	$ 4,285	$ 1,940	$ -	$ 9,233	$ -	$ 9,703

PEACHTREE CITY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	Capital Projects Funds				
	Impact Fee Fund	Public Improvement Fund	Facilities Authority Fund	2005 SPLOST Fund	Total Nonmajor Governmental Funds
Revenues:					
Taxes	$ -	$ -	$ -	$ -	$ 1,424,945
Intergovernmenta	-	-	-	-	87,433
Charges for services	152,061	-	-	-	247,376
Contributions and donations	-	51,740	-	-	57,493
Interest	245	400	159	2,459	3,389
Total revenues	152,306	52,140	159	2,459	1,820,636
Expenditures:					
Current:					
Public safety	-	-	-	-	88,533
Culture and recreation	-	-	-	-	844,830
Capital outlay	-	1,711,883	114,899	175,636	2,017,298
Debt service:					
Issuance costs	-	-	1,450	-	1,450
Total expenditures	-	1,711,883	116,349	175,636	2,952,111
Excess (deficiency) of revenues over (under) expenditure	152,306	(1,659,743)	(116,190)	(173,177)	(1,131,475)
Other financing sources (uses)					
Capital leases	-	1,170,985	-	-	1,170,985
Transfers in	-	753,828	-	-	753,828
Transfers out	(4,578)	-	-	-	(700,142)
Total other financing sources (uses)	(4,578)	1,924,813	-	-	1,224,671
Net change in fund balances	147,728	265,070	(116,190)	(173,177)	93,196
Fund balances (deficit), beginning of year	650,502	(294,821)	206,671	1,000,885	1,788,626
Fund balances (deficit), end of year	$ 798,230	$ (29,751)	$ 90,481	$ 827,708	$ 1,881,822

PEACHTREE CITY, GEORGIA

ASSOCIATION FEES FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	Final Budget	Actual	Variance With Final Budget
Revenues:			
Interest	$ -	$ -	$ -
Total revenues	-	-	-
Expenditures:			
Capital outlay	19,975	14,880	5,095
Total expenditures	19,975	14,880	5,095
Net change in fund balances	(19,975)	(14,880)	5,095
Fund balances, beginning of year	19,975	19,975	-
Fund balances, end of year	$ -	$ 5,095	$ 5,095

PEACHTREE CITY, GEORGIA

NEIGHBORHOOD PARKS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	Final Budget	Actual	Variance With Final Budget
Revenues:			
Interest	$ -	$ 7	$ 7
Total revenues	-	7	7
Expenditures:			
Culture and recreation	11,386	1,707	9,679
Total expenditures	11,386	1,707	9,679
Net change in fund balances	(11,386)	(1,700)	9,686
Fund balances, beginning of year	11,386	11,386	-
Fund balances, end of year	$ -	$ 9,686	$ 9,686

PEACHTREE CITY, GEORGIA

DARE PROGRAM FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	Final Budget	Actual	Variance With Final Budget
Revenues:			
Donations	$ -	$ 1,403	$ 1,403
Interest	-	1	1
Total revenues	-	1,404	1,404
Expenditures:			
Public safety	1,256	289	967
Total expenditures	1,256	289	967
Net change in fund balances	(1,256)	1,115	2,371
Fund balances, beginning of year	1,256	1,256	-
Fund balances, end of year	$ -	$ 2,371	$ 2,371

PEACHTREE CITY, GEORGIA

STATE/FEDERAL SEIZURE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	Final Budget	Actual	Variance With Final Budget
Revenues:			
Intergovernmental revenu	$ -	$ 26,273	$ 26,273
Interest	-	98	98
Total revenues	-	26,371	26,371
Expenditures:			
Public safety	168,816	42,477	126,339
Total expenditures	168,816	42,477	126,339
Net change in fund balances	(168,816)	(16,106)	152,710
Fund balances, beginning of year	168,816	168,816	-
Fund balances, end of year	$ -	$ 152,710	$ 152,710

PEACHTREE CITY, GEORGIA

HAZMAT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	Final Budget	Actual	Variance With Final Budget
Revenues:			
Interest	$ -	$ 1	$ 1
Total revenues	-	1	1
Expenditures:			
Public safety	1,453	1,323	130
Total expenditures	1,453	1,323	130
Net change in fund balances	(1,453)	(1,322)	131
Fund balances, beginning of year	1,453	1,453	-
Fund balances, end of year	$ -	$ 131	$ 131

PEACHTREE CITY, GEORGIA

POLICE DEPARTMENT TUITION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	Final Budget	Actual	Variance With Final Budget
Revenues:			
Interest	$ -	$ 3	$ 3
Total revenues	-	3	3
Expenditures:			
Public safety	4,282	-	4,282
Total expenditures	4,282	-	4,282
Net change in fund balances	(4,282)	3	4,285
Fund balances, beginning of year	4,282	4,282	-
Fund balances, end of year	$ -	$ 4,285	$ 4,285

PEACHTREE CITY, GEORGIA

YOUTH FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	Final Budget	Actual	Variance With Final Budget
Revenues:			
Charges for services	$ -	$ 298	$ 298
Interest	1	1	-
Total revenues	1	299	298
Expenditures:			
Public safety	1,248	-	1,248
Culture and recreation	693	299	394
Total expenditures	1,941	299	1,642
Net change in fund balances	(1,940)	-	1,940
Fund balances, beginning of year	1,940	1,940	-
Fund balances, end of year	$ -	$ 1,940	$ 1,940

PEACHTREE CITY, GEORGIA

HOTEL/MOTEL TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	Final Budget	Actual	Variance With Final Budget
Revenues:			
Taxes	$ 1,391,836	$ 1,391,129	$ (707)
Total revenues	1,391,836	1,391,129	(707)
Expenditures:			
Culture and recreation	695,918	695,565	353
Total expenditures	695,918	695,565	353
Excess of revenues over expenditures	695,918	695,564	(354)
Other financing uses:			
Transfers out	(695,918)	(695,564)	354
Total other financing uses	(695,918)	(695,564)	354
Net change in fund balances	-	-	-
Fund balances, beginning of year	-	-	-
Fund balances, end of year	$ -	$ -	$ -

PEACHTREE CITY, GEORGIA

GRANTS/DONATIONS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	Final Budget	Actual	Variance With Final Budget
Revenues:			
Intergovernmental	$ 64,084	$ 61,160	$ (2,924)
Donations	-	4,350	4,350
Interest	-	15	15
Total revenues	64,084	65,525	1,441
Public safety	52,237	44,444	7,793
Total expenditures	52,237	44,444	7,793
Net change in fund balances	11,847	21,081	9,234
Fund balances, beginning of year	(11,848)	(11,848)	-
Fund balances, end of year	$ (1)	$ 9,233	$ 9,234

PEACHTREE CITY, GEORGIA

KEEP PEACHTREE CITY BEAUTIFUL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	Final Budget	Actual	Variance With Final Budget
Revenues:			
Taxes	$ 37,200	$ 33,816	$ (3,384)
Total revenues	37,200	33,816	(3,384)
Expenditures:			
Culture and recreation	37,200	33,816	3,384
Total expenditures	37,200	33,816	3,384
Net change in fund balances	-	-	-
Fund balances, beginning of year	-	-	-
Fund balances, end of year	$ -	$ -	$ -

PEACHTREE CITY, GEORGIA

KEEP PEACHTREE CITY BEAUTIFUL, INC.
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	Final Budget	Actual	Variance With Final Budget
Revenues:			
Charges for services	$ 115,430	$ 95,017	$ (20,413)
Total revenues	115,430	95,017	(20,413)
Expenditures:			
Culture and recreation	115,430	113,443	1,987
Total expenditures	115,430	113,443	1,987
Net change in fund balances	-	(18,426)	(18,426)
Fund balances, beginning of year	28,129	28,129	-
Fund balances, end of year	$ 28,129	$ 9,703	$ (18,426)

PEACHTREE CITY, GEORGIA

DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	Final Budget	Actual	Variance With Final Budget
Revenues:			
Taxes	$ 589,240	$ 561,298	$ (27,942)
Interest	-	145	145
Total revenues	589,240	561,443	(27,797)
Expenditures:			
Current:			
General government	2,680	2,212	468
Debt service:			
Principal retirement	2,880,378	2,574,647	305,731
Interest	661,706	435,468	226,238
Total expenditures	3,544,764	3,012,327	532,437
Deficiency of revenues under expenditures	(2,955,524)	(2,450,884)	504,640
Other financing sources:			
Transfers in	2,860,826	2,329,619	(531,207)
Total other financing sources	2,860,826	2,329,619	(531,207)
Net change in fund balances	(94,698)	(121,265)	(26,567)
Fund balances, beginning of year	280,834	280,834	-
Fund balances, end of year	$ 186,136	$ 159,569	$ (26,567)

PEACHTREE CITY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

Project	Original Estimated Cost	Current Estimated Cost	Prior Year	Current Year	Total
Bridges	$ 1,403,550	$ 109,957	$ 109,957	$ -	$ 109,957
Intersections	3,187,740	445,960	445,960	-	445,960
Roadways	6,321,901	7,568,854	6,762,574	-	6,762,574
Streetscape/Paths	1,112,793	3,889,733	3,692,669	175,636	3,868,305
	$ 12,025,984	$ 12,014,504	$ 11,011,160	$ 175,636	$ 11,186,796

AGENCY FUNDS

Agency funds are used to account for assets held by the City as an agent for others.

Municipal Court Fund – To account for the collection of cash appearance bonds by the Municipal Court.

Landscape Deposit Fund – To account for the collection of cash surety bonds held until completion of prescribed landscaping on new developments or redevelopments.

Flexible Spending Account Fund – To account for the collection and disbursement of the City's flexible spending plan that is administered by a third party.

PEACHTREE CITY, GEORGIA

COMBINING STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
SEPTEMBER 30, 2014

ASSETS	Municipal Court Fund	Landscape Deposit Fund	Flexible Spending Account Fund	Totals
Cash	$ 203,974	$ 102,300	$ -	$ 306,274
Accounts receivable	-	-	4,950	4,950
Prepaid items	-	-	2,927	2,927
Total assets	$ 203,974	$ 102,300	$ 7,877	$ 314,151
LIABILITIES				
Cash bonds held	$ 167,936	$ -	$ -	$ 167,936
Accounts payable	-	-	1,858	1,858
Due to others	36,038	-	6,019	42,057
Deposits held	-	102,300	-	102,300
Total liabilities	$ 203,974	$ 102,300	$ 7,877	$ 314,151

PEACHTREE CITY, GEORGIA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	Balance October 1, 2013	Additions	Deductions	Balance September 30, 2014
MUNICIPAL COURT FUND				
Assets:				
Cash	$ 160,657	$ 1,766,011	$ 1,722,694	$ 203,974
Liabilities:				
Cash bonds held	$ 121,664	$ 1,442,350	$ 1,396,078	$ 167,936
Due to others	38,993	463,318	466,273	36,038
	$ 160,657	$ 1,905,668	$ 1,862,351	$ 203,974
LANDSCAPE DEPOSIT FUND				
Assets:				
Cash	$ 106,315	$ -	$ 4,015	$ 102,300
Liabilities:				
Deposits held	$ 106,315	$ -	$ 4,015	$ 102,300
FLEXIBLE SPENDING ACCOUNT FUND				
Assets:				
Cash	$ -	$ 119,994	$ 119,994	$ -
Accounts receivable	4,823	4,950	4,823	4,950
Prepaid - Swerdlir	-	4,698	4,698	-
Prepaid - Evolution Benefi	2,927	-	-	2,927
	$ 7,750	$ 129,642	$ 129,515	$ 7,877
Liabilities:				
Accounts payable	$ 714	$ 1,858	$ 714	$ 1,858
Due to other	3,862	2,248	4,067	2,043
Medical Care FSA	2,573	109,647	108,244	3,976
Dependent Care FSA Liabilit	601	11,693	12,294	-
	$ 7,750	$ 125,446	$ 125,319	$ 7,877
TOTALS - ALL AGENCY FUNDS				
Assets:				
Cash	$ 266,972	$ 1,886,005	$ 1,846,703	$ 306,274
Accounts receivable	4,823	4,950	4,823	4,950
Prepaid items	2,927	4,698	4,698	2,927
Total assets	$ 274,722	$ 1,895,653	$ 1,856,224	$ 314,151
Liabilities:				
Cash bonds held	$ 121,664	$ 1,442,350	$ 1,396,078	$ 167,936
Accounts payable	714	1,858	714	1,858
Due to others	46,029	586,906	590,878	42,057
Deposits held	106,315	-	4,015	102,300
Total liabilities	$ 274,722	$ 2,031,114	$ 1,991,685	$ 314,151

STATISTICAL SECTION

STATISTICAL SECTION

This part of Peachtree City'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 City's overall financial health.

Page

Financial Trends.....102 - 110

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 .....111 - 115

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

Debt Capacity .....116 - 119

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

Demographic and Economic Information.....120 and 121

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 .....122 - 124

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 City provides and the activities it performs.

PEACHTREE CITY, GEORGIA

NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(amounts expressed in thousands)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental activities										
Invested in capital assets net of related debt (1)	$ 67,510	$ 62,390	$ 61,499	$ 63,714	$ 61,595	$ 60,517	$ 61,998	$ 60,414	$ 62,081	$ 62,409
Restricted	3,820	2,958	3,280	3,126	3,703	5,490	4,791	3,646	2,749	2,149
Unrestricted	9,304	9,451	12,005	9,797	8,460	8,521	8,350	9,369	10,031	11,793
Total governmental activities net position	80,634	74,799	76,784	76,637	73,758	74,528	75,139	73,429	74,861	76,351
Business-type activities (2)(4)										
Invested in capital assets, net of related debt (1)	-	8,117	7,621	7,369	8,120	8,239	8,240	8,321	9,429	9,557
Restricted (3)	-	-	344	1,029	1,051	1,298	983	1,029	177	781
Unrestricted	-	80	383	114	275	46	436	431	498	534
Total business-type activities net position	-	8,197	8,348	8,512	9,446	9,583	9,659	9,781	10,104	10,872
Primary government										
Invested in capital assets, net of related debt	67,510	70,507	69,120	71,083	69,715	68,756	70,238	68,735	71,509	71,965
Restricted (3)	3,820	2,958	3,624	4,155	4,754	6,788	5,774	4,675	2,927	2,931
Unrestricted	9,304	9,531	12,388	9,911	8,735	8,567	8,786	9,800	10,529	12,327
Total primary government net position	$ 80,634	$ 82,996	$ 85,132	$ 85,149	$ 83,204	$ 84,111	$ 84,798	$ 83,210	$ 84,965	$ 87,223

(1) Net capital assets totaling $7,711,545 were transferred in fiscal year 2006 from governmental activities to business-type activities, as part of the establishment of the Stormwater Utility Fund. Net position totaling $919,474 were transferred in fiscal year 2009 from governmental activities to business-type activities, as part of the establishment of the Amphitheater Fund.

(2) The Stormwater Utility Fund (a business-type activity) was established by City Ordinance in February 2006, effective April 2006.

(3) Restricted assets were increased in 2007 the Stormwater Utility Fund (a business-type activity) due to amounts restricted from revenue bond proceeds for capital improvement drainage projects, debt service requirements, and in 2008 for renewal and extension requirements.

(4) The Amphitheater Fund (a business-type activity) was established in November 2008 when management was transferred from the Tourism Association.

PEACHTREE CITY, GEORGIA

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(amounts expressed in thousands)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Expenses										
Governmental activities:										
General government (1)	$ 2,771	$ 2,898	$ 3,056	$ 3,081	$ 3,992	$ 2,783	$ 3,411	$ 5,088	$ 4,368	$ 4,991
Health and welfare	157	150	171	171	164	147	142	121	200	221
Public safety (2)	9,078	9,921	10,810	11,133	13,053	13,008	14,053	14,530	14,093	14,285
Public works (3)	4,445	6,068	6,641	7,866	5,375	4,927	4,498	6,390	4,898	4,440
Culture and recreation (4)	5,340	6,811	5,722	5,630	5,460	5,126	5,182	4,525	5,021	4,741
Housing and development	1,129	1,116	1,065	1,095	1,010	999	937	985	392	956
Interest on long-term debt	672	634	650	635	715	751	595	588	430	352
Total governmental activities expenses	23,592	27,598	28,115	29,611	29,769	27,741	28,818	32,227	29,402	29,986
Business-type activities:										
Stormwater (5)	-	605	1,262	1,317	1,324	1,163	1,225	1,193	1,518	1,570
Amphitheater (6)	-	-	-	-	1,285	893	776	776	782	989
Total business-type activities expenses	-	605	1,262	1,317	1,324	2,056	2,001	1,969	2,300	2,559
Total primary government expenses	23,592	28,203	29,377	30,928	31,093	29,797	30,819	34,196	31,702	32,545
Program Revenues										
Governmental activities:										
Charges for services:										
General government (7)	1,625	1,462	1,523	1,207	638	730	810	1,015	1,004	1,480
Health and Welfare (8)	-	-	-	-	-	-	32	-	-	-
Public safety (7)	310	266	318	303	1,536	1,807	1,822	1,750	1,612	857
Public works (9)	5	6	7	13	8	2	4	-	-	6
Culture and recreation (10)	814	797	762	732	644	677	780	847	844	1,179
Housing and development (11)	504	739	627	485	457	372	329	261	343	609
Operating grants and contributions	292	590	375	294	249	452	438	1,067	762	734
Capital grants and contributions (12)	223	700	426	2,373	1,817	1,357	150	54	417	2
Total governmental activities program revenues	3,773	4,560	4,038	5,407	5,349	5,397	4,365	4,994	4,982	4,867
Business-type activities:										
Charges for services:										
Stormwater (5)	-	641	1,294	1,307	1,328	1,331	1,329	1,345	1,832	2,335
Amphitheater (6)	-	-	-	-	734	556	697	744	829	986
Operating grants and contributions (6)	-	-	-	-	243	211	-	-	-	-
Capital grants and contributions (13)	-	438	29	5	18	-	-	-	-	-
Total business-type activities program revenues	-	1,079	1,323	1,312	2,323	2,098	2,026	2,089	2,661	3,321
Total primary government program revenues	3,773	5,639	5,361	6,719	7,672	7,495	6,391	7,083	7,643	8,188
Net (expense)/revenue										
Governmental activities	(19,819)	(23,038)	(24,077)	(24,204)	(24,420)	(22,344)	(24,453)	(27,233)	(24,420)	(25,119)
Business-type activities	-	474	61	61	999	42	25	120	361	762
Total primary government net expense	(19,819)	(22,564)	(24,016)	(24,143)	(23,421)	(22,302)	(24,428)	(27,113)	(24,059)	(24,357)

PEACHTREE CITY, GEORGIA

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(amounts expressed in thousands)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes (14)	8,548	9,096	9,786	10,435	10,592	10,580	12,447	12,342	13,109	13,112
Sales taxes (15)	7,152	9,140	9,349	6,707	5,874	6,497	6,406	6,693	6,519	6,417
Hotel/motel taxes (16)	1,006	1,034	933	1,067	760	801	854	885	949	1,391
Alcoholic beverage taxes	625	649	691	690	707	697	692	732	752	778
Franchise taxes	2,013	2,126	2,225	2,360	2,474	2,404	2,571	2,656	2,543	2,561
Insurance premium taxes	1,582	1,655	1,726	1,768	1,751	1,700	1,612	1,712	1,773	1,853
Other taxes	419	452	469	466	458	424	449	449	469	457
Unrestricted investment earnings (17)	411	720	883	564	120	89	54	54	59	36
Gain on sale of capital assets	38	43	-	-	-	-	16	-	-	-
Miscellaneous revenues	-	-	-	-	-	12	-	-	-	-
Transfers (18)	-	(7,712)	-	-	(1,196)	(90)	(37)	-	-	-
Total governmental activities	21,794	17,203	26,062	24,057	21,540	23,114	25,064	25,523	26,173	26,605
Business-type activities:										
Unrestricted investment earnings	-	8	86	90	12	5	3	2	6	5
Gain on sale of capital assets	-	-	-	-	-	-	4	-	-	-
Miscellaneous revenues (19)	-	3	4	79	12	1	8	-	-	-
Transfers (18)	-	7,712	-	-	1,196	90	37	-	-	-
Total business-type activities (20)	-	7,723	90	169	1,220	96	52	2	6	5
Total primary government	$ 1,975	$ 2,362	$ 2,136	$ 83	$ (661)	$ 908	$ 688	$ (1,588)	$ 2,120	$ 2,253
Change in Net Position										
Governmental activities	$ 1,975	$ (5,835)	$ 1,985	$ (147)	$ (2,880)	$ 770	$ 611	$ (1,710)	$ 1,753	$ 1,486
Business-type activities	-	8,197	151	230	2,219	138	77	122	367	767
Total primary government	$ 1,975	$ 2,362	$ 2,136	$ 83	$ (661)	$ 908	$ 688	$ (1,588)	$ 2,120	$ 2,253

See notes following page.

PEACHTREE CITY, GEORGIA

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(amounts expressed in thousands)

(1) General government expenses increased in fiscal year 2009 primarily due to the loss on disposal or write-off of capital assets, as opposed to a gain on sale of capital assets in fiscal year 2008.

(2) Public safety expenses increased in fiscal year 2009 due to full staffing levels, increased costs of salaries and benefits, increased costs in compensated absences, increased costs associated with post employment benefits, and increased costs of depreciation expense, primarily related to Police Station upgrades. Additional increases are associated with adjustments associated with the capitalization of assets.

(3) Public works expenses increased in fiscal year 2006 primarily due to repaving of streets and multi-use paths in both the General Fund and the SPLOST Fund. Additional increases in street repaving occurred in fiscal year 2008. In fiscal year 2009, there was a significant decrease in SPLOST street resurfacing, along with a significant decrease in other SPLOST project costs and a small decrease in multi-use path reconstruction.

(4) Culture and recreation expenses increased in fiscal year 2006 primarily due to an expense of $1,050,000 recorded for the settlement of the Development Authority Debt. Decreases in Culture and Recreation expenses in fiscal year 2009 are due to a reduction in operating expenses primarily in Recreation due to staff reductions, and a decrease in depreciation expense due to the transfer of capital assets to the Amphitheater Fund. These decreases are off-set by increases associated with adjustments with the capitalization of assets.

(5) The Stormwater Utility Fund (a business-type activity) was established by City Ordinance in February 2006, effective April 2006. Stormwater utility expenses increased in fiscal year 2007 due to a full year of operations in fiscal year 2007, as opposed to fiscal year 2006 with only six months of operations. Corresponding stormwater utility revenue increased proportionately in fiscal year 2007.

(6) The Amphitheater Fund (a business-type activity) was established in November 2008 when management was transferred from the Tourism Association (now the Convention and Visitors Bureau). The operating grants and contributions in the Amphitheater fund have been moved to Charges for Services. These revenues consist of Sponsorships where benefits are received by each sponsor.

(7) Court revenues were shifted in fiscal year 2004 from Public Safety to General Government and shifted back in fiscal year 2009. These revenues are primarily generated by Public Safety. In both fiscal year 2008 and 2009, court revenues were down due to a reduction in citations.

(8) Revenues for Health and Welfare were broken out based on the Uniform Chart of Accounts for Georgia in fiscal year 2011.

(9) Information regarding changes from fiscal year 2003 to 2004 is not available.

(10) Culture and recreation revenues vary from year-to-year based on number of programs offered.

(11) Housing and development building permits vary from year-to-year based on new development and redevelopment in the City. Building permits are trending downward due to the fact that the City is reaching build-out.

(12) The increase in capital grants and contributions in fiscal year 2008 is due to the reclassification of Special Purpose Local Option Sales Tax (SPLOST) from sales taxes to grants and contributions. This tax is a County tax that is shared with the City through an inter-governmental agreement. Capital grants and contributions decreased significantly in 2011 due to the expiration of the Special Purpose Local Option Sales Tax (SPLOST).

(13) Capital grants and contributions decreased in the Stormwater Utility Fund in fiscal year 2007 due to fewer capital assets donated by developers. In 2010 and 2011, there were no capital assets donated by developers.

(14) Property taxes have increased primarily due to increased assessed values. Property tax revenue increased in fiscal year 2011 due to a millage rate increase of 1.25 mills.

(15) Sales taxes increased in fiscal year 2006 primarily due to a full year of Special Purpose Local Option Sales Tax (SPLOST) collections, due to a referendum approved by voters in November 2004. Sales taxes decreased in fiscal year 2008 due to the reclassification of SPLOST revenue. In fiscal year 2009, sales taxes decreased due to economic conditions.

(16) Hotel/motel taxes decreased in fiscal year 2009 due to economic conditions.

(17) Unrestricted interest earnings increased significantly in fiscal year 2005 & 2006 due to 1) an increase in overall interest rates and 2) a banking services agreement entered into in fiscal year 2005. Interest earnings decreased in fiscal year 2009 & 2010 due to a reduction in interest rates.

(18) Net capital assets totaling $7,711,545 were transferred in fiscal year 2006 from governmental activities to business-type activities as part of the establishment of the Stormwater Utility Fund. Net assets of $919,474 were transferred in fiscal year 2009 from governmental activities to business-type activities as part of the establishment of the Amphitheater Fund. Additionally, operating transfers totaling $277,003 were transferred from governmental activities to the Amphitheater Fund in fiscal year 2009.

(19) Miscellaneous revenues for business-type activities increased in fiscal year 2008 due primarily to a gain from a settlement in the Utility Fund.

(20) The Stormwater Utility Fund billing structure was amended in fiscal year 2013 to semi-annual and rates were increased due to a Revenue Bond issued to finance infrastructure repairs and maintenance.

PEACHTREE CITY, GEORGIA

GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(amounts expressed in thousands)

Fiscal Year	Property Taxes (1)	Sales Taxes (2)	Hotel/ Motel Taxes (3) (6)	Alcoholic Beverage Taxes	Franchise Taxes (4)	Insurance Premium Taxes (5)	Other Taxes	Total
2005	8,548	7,152	1,006	625	2,013	1,582	419	21,345
2006	9,096	9,140	1,034	649	2,126	1,655	452	24,152
2007	9,786	9,348	933	691	2,225	1,726	469	25,178
2008	10,435	6,707	1,067	690	2,360	1,768	466	23,493
2009	10,592	5,874	760	707	2,474	1,751	458	22,616
2010	10,580	6,497	801	697	2,404	1,700	424	23,103
2011	12,447	6,406	854	692	2,571	1,612	449	25,031
2012	12,342	6,693	885	732	2,656	1,712	450	25,470
2013	13,108	6,519	949	752	2,543	1,773	469	26,113
2014	13,112	6,417	1,391	778	2,561	1,853	457	26,569

(1) Property taxes have increased primarily due to increased assessed values. Property taxes increased in fiscal year 2011 due to a millage rate increase of 1.25 mills.

(2) Sales taxes increased in fiscal year 2006 primarily due to a full year of Special Purpose Local Option Sales Tax (SPLOST) collections, due to a referendum approved by voters in April 2005. The sales taxes decreased in fiscal year 2008 due to a reclassification of the Special Purpose Local Option Sales Taxes (SPLOST) to capital grants and contributions. This is a County sales tax shared with the City through an inter-governmental agreement. Sales tax decreased in fiscal year 2009 due to economic conditions.

(3) Hotel/Motel taxes decreased in fiscal year 2009 due to economic conditions and increased in fiscal years 2010 and 2011 due to improved economic conditions.

(4) Franchise fees decreased in fiscal year 2010 due to lower costs of energy for Georgia Power and Coweta/Fayette EMC.

(5) Insurance premium taxes decreased in fiscal years 2010 and 2011 due to fewer policies written and policy values lower in fiscal years 2010 and 2011 .

PEACHTREE CITY, GEORGIA

FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(amounts expressed in thousands)

	2005	2006	2007	2008	2009	2010 (3)	2011	2012	2013	2014
General fund										
Reserved	$ 232	$ 246	$ 350	$ 371	$ 329	$ -	$ -	$ -	$ -	$ -
Unreserved-designated	1,144	450	853	1,147	451	-	-	-	-	-
Unreserved	8,863	8,977	9,755	8,944	9,097	-	-	-	-	-
Non-spendable	-	-	-	-	-	357	326	297	339	452
Committed (1)	-	-	-	-	-	2,618	3,595	5,210	5,052	6,572
Assigned	-	-	-	-	-	-	-	-	924	412
Unassigned	-	-	-	-	-	5,459	5,394	5,418	5,571	5,717
Total general fund	10,239	9,673	10,958	10,462	9,877	8,434	9,315	10,925	11,886	13,153
All other governmental funds										
Reserved (2)	3,820	600	625	652	137					
Unreserved, reported in:						-	-	-	-	-
Special Revenue funds	68	94	104	146	619	-	-	-	-	-
Debt service funds	-	-	-	-	-					
Capital projects funds	-	3,727	5,506	3,394	3,566	-	-	-	-	-
Restricted for:										
Public Safety	-	-	-	-	-	327	398	97	177	170
Public Works	-	-	-	-	-	-	10	8	24	10
Culture and recreation	-	-	-	-	-	82	93	55	32	15
Capital projects	-	-	-	-	-	4,939	3,783	3,092	2,235	1,794
Debt service	-	-	-	-	-	142	507	394	281	160
Assigned to:										
Debt service (4)	-	-	-	-	-	479	-	-	-	-
Capital projects funds	-	-	-	-	-	111	602	-	411	305
Unassigned (5) (6)	-	-	-	-	-	-	(116)	(346)	(1,094)	(412)
Total all other governmental funds	3,888	4,421	6,235	4,192	4,322	6,080	5,277	3,300	2,066	2,042
Total all governmental funds	$ 14,127	$ 14,094	$ 17,193	$ 14,654	$ 14,199	$ 14,514	$ 14,592	$ 14,225	$ 13,952	$ 15,195

(1) The increase in Committed fund balance is due to the increase in the millage rate in fiscal year 2011.

(2) The increase in the reserved fund balance in All Other Governmental Funds in fiscal year 2004 is primarily due to the issuance of the Series 2003 library bond issue totaling $4,900,000, that was expended in full by the end of fiscal year 2006.

The decrease in the reserved fund balance in All other Governmental Funds in fiscal year 2009 is due to the use of reserves in the General Debt Service Fund.

(3) The City adopted GASB 54 reporting for Fund Balance in fiscal year 2010.

(4) Fund balance assigned for debt service was moved to restricted for debt service after review of debt covenants.

(5) The negative fund balance in fiscal year 2011 is due to the establishment of the Facilities Authority Fund in 2011 with bonds not issued until fiscal year 2012.

(6) The decrease in unassigned fund balance on fiscal year 2013 is due primarily to the expiration of the sales tax funding from the SPLOST capital projects fund and use of the available funds for projects.

PEACHTREE CITY, GEORGIA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(amounts expressed in thousands)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenues										
Taxes (1)	$ 21,351	$ 24,116	$ 25,416	$ 23,418	$ 22,559	$ 23,169	$ 25,073	$ 25,471	$ 26,132	$ 26,571
Licenses and permits	792	1,042	926	828	817	679	727	685	741	791
Intergovernmental (2)	465	482	601	2,394	2,030	1,807	532	1,101	877	696
Charges for services	1,312	1,245	1,269	1,124	1,330	1,502	1,584	1,894	1,995	2,177
Fines	1,053	949	992	1,074	1,105	1,266	1,349	1,131	922	927
Donations	35	26	26	59	29	101	31	16	302	57
Interest earned (3)	411	720	883	564	120	89	74	59	60	39
Miscellaneous (4)	116	36	50	244	38	54	123	161	145	217
Total revenues	25,535	28,616	30,163	29,705	28,028	28,667	29,493	30,518	31,174	31,475
Expenditures										
General government	2,428	2,901	2,888	2,986	3,026	3,118	3,852	4,242	4,086	4,736
Health and welfare	156	151	170	169	170	151	132	184	199	211
Public safety	8,366	9,158	9,985	10,995	11,832	12,997	11,877	13,267	13,109	12,968
Public works	3,753	4,577	3,806	3,884	3,797	3,228	3,130	3,506	3,476	3,373
Culture and recreation	4,786	5,111	5,152	5,237	4,782	4,728	4,412	3,840	3,905	4,154
Housing and development	1,103	1,095	1,029	1,068	960	1,018	892	989	886	948
Capital outlay (5)	5,174	4,053	5,786	5,308	2,130	3,403	2,277	5,818	3,464	2,018
Debt service										
Principal retirement	2,168	1,848	2,045	2,109	2,087	2,399	2,207	2,208	2,848	2,575
Interest charges	679	638	643	746	711	829	615	740	513	435
	-	-	-	-	-	-	-	-	2	1
Total expenditures	28,613	29,532	31,504	32,502	29,495	31,871	29,394	34,794	32,488	31,419
Excess (deficiency) of revenues over expenditures	(3,078)	(916)	(1,341)	(2,797)	(1,467)	(3,204)	99	(4,276)	(1,314)	56
Other financing sources (uses)										
Issuance of long-term debt	792	822	4,432	-	1,108	3,565	-	3,714	1,015	1,171
Transfers in	4,050	4,023	3,460	2,765	2,343	3,642	3,634	2,694	3,330	3,784
Transfers out	(4,050)	(4,023)	(3,460)	(2,765)	(2,620)	(3,732)	(3,671)	(2,694)	(3,330)	(3,784)
Proceeds from sale of capital assets (6)	38	61	8	258	181	44	16	194	26	13
Total other financing sources (uses)	830	883	4,440	258	1,012	3,519	(21)	3,908	1,041	1,184
Net change in fund balances	$ (2,248)	$ (33)	$ 3,099	$ (2,539)	$ (455)	$ 315	$ 78	$ (368)	$ (273)	$ 1,240
Debt service as a percentage of non-capital expenditures	12.15%	9.76%	9.53%	10.50%	10.22%	10.62%	10.76%	9.01%	11.32%	10.51%

PEACHTREE CITY, GEORGIA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(amounts expressed in thousands)

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(1) Sales taxes increased in fiscal year 2006 primarily due to a full year of Special Purpose Local Option Sales Tax (SPLOST) collections, due to a referendum approved by voters in April 2005. Sales taxes decreased in fiscal year 2008 due to the reclassification of Special Purpose Local Option Sales Tax (SPLOST) to intergovernmental revenue. Sales taxes decreased in fiscal year 2009 primarily due to economic conditions and increased in fiscal year 2010 due to improved economic conditions. Property taxes increased in fiscal year 2011 due to a 1.25 millage rate increase.

(2) Intergovernmental revenue increased in fiscal year 2008 due to the reclassification of SPLOST from sales taxes and decreased in fiscal year 2010 due to the mid-year expiration of SPLOST, off-set with increases in grant revenue. Intergovernmental revenues decreased again due to minimal SPLOST revenue in fiscal year 2011.

(3) Unrestricted interest earnings increased significantly in fiscal years 2005 & 2006 due to 1) an increase in overall interest rates and 2) a banking services agreement entered into in fiscal year 2005. Interest earnings decreased in fiscal years 2008, 2009, 2010, and 2011 due to a decrease in interest rates.

(4) Miscellaneous revenue increased in fiscal year 2008 primarily due to a reimbursement of a deposit on a project that was subsequently canceled.

(5) Capital Outlay expenditures vary from year-to-year, primarily based on projects in the Capital Projects Fund that are budgeted on a project length basis.

(6) Proceeds from sale of capital assets increased in fiscal year 2008 due to the Highway 74 widening project with GDOT. Proceeds from sale of capital assets in fiscal years 2009 are primarily from sales of equipment no longer needed attributed to staff downsizing in Public Works and Recreation Departments.

PEACHTREE CITY, GEORGIA

GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(amounts expressed in thousands)

Fiscal Year	Property Taxes (1)	Sales Taxes (2)	Hotel/ Motel Taxes (3)	Alcoholic Beverage Taxes	Franchise Taxes	Insurance Premium Taxes	Other Taxes	Total
2005	$ 8,553	$ 7,152	$ 1,006	$ 625	$ 2,013	$ 1,582	$ 420	$ 21,351
2006	9,060	9,140	1,034	649	2,126	1,655	452	24,116
2007	10,024	9,348	933	691	2,225	1,726	469	25,416
2008	10,360	6,707	1,067	690	2,360	1,768	466	23,418
2009	10,534	5,874	760	707	2,474	1,751	458	22,558
2010	10,646	6,497	801	697	2,404	1,700	424	23,169
2011	12,489	6,406	854	692	2,571	1,612	449	25,073
2012	12,344	6,693	885	732	2,617	1,712	488	25,471
2013	13,125	6,519	949	752	2,503	1,773	469	26,090
2014	13,112	6,417	1,391	778	2,561	1,853	457	26,569

(1) Property taxes have increased primarily due to increased assessed values.
Property Taxes increased in fiscal year 2011 due to an increase in the millage rate of 1.25 mills.

(2) Sales taxes increased in fiscal year 2006 primarily due to a full year of Special Purpose Local Option Sales Tax (SPLOST) collections, due to a referendum approved by voters in April 2005.
SPLOST collections were reclassified as intergovernmental revenue in fiscal year 2008 resulting in a reduction in sales taxes. Sales taxes decreased in fiscal year 2009 due to current economic conditions, and increased in fiscal year 2010 due to improved economic conditions.

(3) Hotel/Motel Taxes increased in fiscal year 2013 due to an increase in the percentage rate by 2%.

PEACHTREE CITY, GEORGIA

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE - ALL TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(amounts expressed in thousands)

Fiscal Year	Tax Year	Real Property	Personal Property	Motor Vehicles	Other (1)	Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Value	Assessed Value as a Percentage of Actual Value
2005	2004	$ 1,335,715	$ 201,558	$ 108,467	$ 5	$ 70,496	$ 1,575,249	5.283	$ 4,114,363	40.00%
2006	2005	1,436,091	203,230	105,160	60	74,033	1,670,508	5.283	4,361,353	40.00%
2007	2006	1,545,861	205,930	101,863	74	84,801	1,768,927	5.533	4,634,320	40.00%
2008	2007	1,619,834	200,610	109,030	61	81,254 (2)	1,848,281	5.533 (3)	4,823,838	40.00%
2009	2008	1,647,588	213,250	120,011	28	85,158 (2)	1,895,719	5.533 (3)	4,952,193	40.00%
2010	2009	1,673,822	224,314	124,736	73	97,595 (2)	1,925,350	5.533 (4)	5,057,363	40.00%
2011	2010	1,620,444	196,470	101,567	42	87,361 (2)	1,831,162	6.783 (5)	4,796,308 (6)	40.00%
2012	2011	1,578,296	212,251	102,404	-	91,328 (2)	1,801,623	6.783 (5)	4,732,378 (6)	40.00%
2013	2012	1,482,158	226,159	106,338	-	105,410 (2)	1,709,245	7.178 (7)	4,536,638 (6)	40.00%
2014	2013	1,473,142	281,368	115,824	14	127,542 (2)	1,742,806	7.088 (8)	4,675,870	40.00%

Source: Fayette County Tax Commissioner.

Note: Property in the County is reassessed annually. The County assesses property at 40 percent of its estimated actual value for all types of real and personal property. Tax rates are per $1,000 of assessed value.

(1) Includes heavy duty equipment and timber.
(2) Tax exempt property is for General Fund only. The amount of exempt for the Debt Service Fund levy is slightly less.
(3) Includes General Fund tax rate for fiscal year 2009 of 5.122 and Debt Service Fund Tax Rate of 0.411 (these tax rates first split in tax year 2007).
(4) Includes General Fund tax rate for fiscal year 2010 of 5.134 and Debt Service Fund Tax Rate of 0.399 (these tax rates first split in tax year 2007).
(5) Includes General Fund tax rate for fiscal years 2011 and 2012 of 6.384 and Debt Service Fund Tax Rate of 0.399 (these tax rates first split in tax year 2007).
(6) Property tax values dropped in the tax year 2010 (fiscal year 2011) and tax year 2011 (fiscal year 2012) due to economic conditions impacting the fair market values of real estate in the City.
(7) Includes General Fund tax rate for fiscal year 2013 of 6.756 and Debt Service Fund Tax Rate of 0.422 (these tax rates first split in tax year 2007).
(8) Includes General Fund tax rate for fiscal year 2014 of 6.756 and Debt Service Fund Tax Rate of 0.332.

PEACHTREE CITY, GEORGIA

PROPERTY TAX RATES - ALL OVERLAPPING GOVERNMENTS
(Per $1,000 of Assessed Value)
LAST TEN FISCAL YEARS

Fiscal Year	Tax Year	Peachtree City		Fayette County	Fayette Board of Education	State of Georgia	Total Direct & Overlapping Rates
2005	2004	5.283		6.375	22.677	0.25	34.585
2006	2005	5.283		6.083	22.350	0.25	33.966
2007	2006	5.533		5.692	22.150	0.25	33.625
2008	2007	5.533		5.432	22.146	0.25	33.361
2009	2008	5.533	(1)	5.400	23.920	0.25	35.103
2010	2009	5.533	(2)	5.400	23.420	0.25	34.603
2011	2010	6.783	(3)	5.400	21.650	0.25	34.083
2012	2011	6.783	(3)	5.645	21.650	0.25	34.328
2013	2012	7.178	(4)	5.714	21.450	0.20	34.592
2014	2013	7.088	(5)	5.812	21.450	0.00	34.350

Source: Georgia Department of Revenue.

(1) Includes both 5.122 for General Fund and 0.411 for Debt Service Fund for fiscal year 2009 (first split for tax year 2007).
(2) Includes both 5.134 for General Fund and 0.399 for Debt Service Fund for fiscal year 2010.
(3) Includes both 6.384 for General Fund and 0.399 for Debt Service Fund for fiscal year 2011 and 2012.
(4) Includes both 6.756 for General Fund and 0.422 for Debt Service Fund for Fiscal year 2013.
(5) Includes both 6.756 for General Fund and 0.332 for Debt Service Fund for Fiscal year 2014.

PEACHTREE CITY, GEORGIA

PRINCIPAL TAXPAYERS
CURRENT AND NINE YEARS AGO
(amounts expressed in thousands)

Taxpayer	Fiscal Year 2014 Taxable Assessed Value (1)	Rank	Percentage of Taxable Assessed Value	Fiscal Year 2005 Taxable Assessed Value	Rank	Percentage of Taxable Assessed Value
NCR Corporation	$ 26,078	1	0.79%	$ 35,085	1	1.69%
Cooper Lighting	14,500	2	0.75%	-		-
Hoshizaki America Inc.	14,027	3	0.66%	10,165	3	1.69%
Sany America	13,089	4	0.58%	-		-
Dixie Aerospace	12,876	5	0.54%	-		-
Sany America & Leasehold Account	10,715	6	0.49%			
Camden Summit Partnership LP	9,865	7	0.44%	-		-
CP Venture Five - APC LLC	8,457	8	0.44%	-		-
Cooper Lighting	8,444	9	0.44%	-		-
Highway 74 Holdings	7,488	10	0.32%	-		-
Matsushita Comm	-		-	25,604	2	1.69%
Summit Properties	-		-	9,865	1	0.75%
Photocircuits	-		-	8,983	6	0.68%
Alcan Packaging	-		-	9,800	5	0.63%
P B Leasing Corp.	-		-	8,017	7	0.54%
CP Venture Three	-		-	7,840	8	0.51%
Balmoral Group	-		-	7,455	10	0.51%
Amli At Peachtree City	-		-	7,238	9	0.51%
	$ 125,539		5.45%	$ 130,052		9.20%

Source: Fayette County Tax Commissioner.

PEACHTREE CITY, GEORGIA

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS
(amounts expressed in thousands)

Fiscal Year	Tax Year	Total Tax Levy (1)	Collected prior to or within the Fiscal Year of the Levy		Delinquent Tax Collections	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2005	2004	$ 8,270	$ 7,641	92.40%	$ 55	$ 7,696	93.06%
2006	2005	9,224	8,145	88.30%	29	8,174	88.62%
2007	2006	9,224	9,129	98.97%	60	9,189	99.62%
2008	2007	9,825	9,517	96.87%	45	9,562	97.32%
2009	2008	9,825	9,432	96.00%	105	9,537	97.07%
2010	2009	9,963	9,748	97.84%	156	9,904	99.41%
2011	2010	11,732	11,503	98.05%	163	11,665	99.43%
2012	2011	11,526	11,306	98.09%	65	11,371	98.66%
2013	2012	11,506	11,350	98.64%	113	11,463	99.63%
2014	2013	11,526	11,118	96.46%	76	11,194	97.12%

(1) Does not include motor vehicle taxes. Does include both General Fund and Debt Service Fund levy.

PEACHTREE CITY, GEORGIA

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS
(amounts expressed in thousands, except per capita amount)

Fiscal Year	Governmental Activities				Business-Type Activities	Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Revenue Bonds	Notes Payable	Capital Leases	Revenue Bonds			
2005	$ 8,755	$ -	$ 6,084	$ 1,911	$ -	$ 16,750	N/A	467.71
2006	8,040	-	6,693	2,041	-	16,774	N/A	463.93
2007	7,305	-	8,579	3,276	3,745	22,905	N/A	631.81
2008	6,535	-	7,903	2,613	3,620	20,671	N/A	564.12
2009	5,990	-	7,186	2,896	3,490	19,562	N/A	530.55
2010	5,425	-	8,897	2,916	3,355	20,593	N/A	599.26
2011	4,830	-	7,272	2,129	3,215	17,446	N/A	506.33
2012	4,130	5,190	4,692	1,328	3,070	18,410	N/A	530.93
2013	3,185	4,705	3,930	1,687	9,395	22,902	N/A	660.48
2014	2,685	4,210	3,131	2,078	9,125	21,229	N/A	614.69

Note: Details regarding the City's outstanding debt can be found in the Notes to the Financial Statements.

(1) See the Demographic and Economic Statistics for personal income and population data.

PEACHTREE CITY, GEORGIA

RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN TAX YEARS
(amounts expressed in thousands, except per capita amount)

Tax Year	General Obligation Bonds	Less: Amount Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita Total (2)
2005	$ 8,755	$ -	$ 8,755	0.56%	$ 244.46
2006	8,040	600	7,440	0.45%	205.77
2007	7,305	625	6,680	0.38%	184.26
2008	6,535	636	5,899	0.32%	160.99
2009	5,990	137	5,853	0.31%	158.74
2010	5,425	621	4,804	0.25%	139.80
2011	4,830	507	4,323	0.24%	125.46
2012	4,130	386	3,744	0.21%	107.97
2013	3,185	281	2,904	0.17%	83.75
2014	2,685	160	2,525	0.14%	73.11

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property.
(2) Population data can be found in the Schedule of Demographic and Economic Statistics.

PEACHTREE CITY, GEORGIA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
SEPTEMBER 30, 2014
(amounts expressed in thousands)

	Debt Outstanding	Percentage Applicable to Peachtree City (1)	Amount Applicable to Peachtree City
Direct debt:			
General obligation bonds	$ 2,685	100.00%	$ 2,685
Revenue bonds	13,335	100.00%	13,335
Notes payable	3,131	100.00%	3,131
Capital leases	2,078	100.00%	2,078
Total direct debt	21,229		21,229
Overlapping debt:			
Fayette County Board of Education	65,806	39.27%	25,842
Fayette County Board of Commissioners	38,241	39.27%	15,017
Total overlapping debt	104,047		40,859
Total direct and overlapping debt	$ 125,276		$ 62,088

Sources: Peachtree City Water & Sewerage Authority, Fayette County Board of Education, and Fayette County Board of Commissioners.

(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.

PEACHTREE CITY, GEORGIA

LEGAL DEBT MARGIN INFORMATION
LAST TEN TAX YEARS
(amounts expressed in thousands)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Debt limit	$ 174,454	$ 185,373	$ 192,954	$ 198,088	$ 202,294	$ 191,852	$ 189,295	$ 181,466	$ 187,035	$ 183,911
Total net debt applicable to limit	8,755	7,440	6,680	5,899	5,853	4,804	4,323	4,323	2,904	2,845
Legal debt margin	$ 165,699	$ 177,933	$ 186,274	$ 192,189	$ 196,441	$ 187,048	$ 184,972	$ 177,143	$ 184,131	$ 181,066
Total net debt applicable to the limit as a percentage of debt limit	5.02%	4.01%	3.46%	2.98%	2.89%	2.50%	2.28%	2.38%	1.55%	1.55%

Legal Debt Margin Calculation for Taxable Year 2014

Assessed value	$ 1,744,476
Plus exempt property	94,634
Total assessed value	$ 1,839,110
Debt limit (10% of total assessed value)	$ 183,911
Debt applicable to limit:	
General obligation bonds	2,685
Less: Amount set aside for repayment of general obligation debt	(160)
Total net debt applicable to limit	2,525
Legal debt margin	$ 181,386

PEACHTREE CITY, GEORGIA

PLEDGED-REVENUE COVERAGE
LAST SEVEN FISCAL YEARS

Fiscal Year	(1) Operating Revenue	(2) Operating Expense	Net Available Revenue	Principal		Interest	Coverage
2007	$ 1,293,497	$ 1,018,057	$ 275,440	$ -		$ -	N/A
2008	1,306,556	959,230	347,326	125,000		154,448	1.24
2009	1,328,057	950,679	377,378	130,000		143,380	1.38
2010	1,330,696	796,409	534,287	135,000		121,602	2.08
2011	1,328,753	827,425	501,328	140,000		138,087	1.80
2012	1,340,481	799,254	541,227	145,000		131,985	1.95
2013	1,824,204	845,681	978,523	3,070,000	(3)	185,884	0.30
2014	2,316,481	1,032,239	1,284,242	270,000	(3)	346,499	2.08

NOTES:

Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) Operating revenue includes fees and interest of the stormwater utility fund.

(2) Operating expenses do not include interest, depreciation, or amortization expense.

(3) City refunded the 2007 series bonds and issued the 2013 series bonds.

(4) Beginning with fiscal year 2014, Stormwater Utility fees are billed semi-annually each fiscal year.

Note: There was no pledged revenue prior to May 2007.

PEACHTREE CITY, GEORGIA

DEMOGRAPHIC AND ECONOMIC STATISTICS (1)
LAST TEN YEARS

Fiscal Year	Population (1)	Median Household Income (2) (in thousands)	Per Capita Personal Income (2)	Median Age (2)	Percentage of Population Age 25 and Older with Greater than 12 Years of Formal Schooling (2)	School Enrollment (3)	Unemployment Rate (4)
2005	35,813	N/A	N/A	N/A	N/A	22,338	4.2%
2006	36,156	N/A	N/A	N/A	N/A	22,291	4.5%
2007	36,253	N/A	N/A	N/A	N/A	22,190	4.4%
2008	36,643	N/A	N/A	N/A	N/A	22,367	4.6%
2009	36,871	N/A	N/A	N/A	N/A	22,108	7.6%
2010	34,364	93,044	40,241	40.8	96.3%	21,683	7.2%
2011	34,456	93,044	40,241	40.8	96.3%	20,293	8.6%
2012	34,675	93,044	40,241	40.8	96.3%	20,301	7.2%
2013	34,499	93,044	40,241	40.8	96.3%	20,318	7.0%
2014	34,536	93,044	40,241	40.8	96.3%	20,120	7.0%

N/A: Information is not available.

(1) Source: 2005 and 2006 population based on a report produced annually by the Atlanta Regional Commission.
2007 - 2009 Population provided by the City of Peachtree City Developmental Services Division.
2010 population based on 2010 US Census Bureau Information and Atlanta Regional Commission.
2011 population provided by Peachtree City Community Services Division.

(2) Source: Fayette County Board of Education.

(3) Source: Georgia Department of Labor.

(4) Source: Georgia Department of Labor.

PEACHTREE CITY, GEORGIA

PRINCIPAL EMPLOYERS
CURRENT YEAR AND EIGHT YEARS AGO

	2014 Calendar Year			2006 Calendar Year		
Employer	Number of Employees	Rank	Percentage of Total City Employment	Number of Employees	Rank	Percentage of Total City Employment
Fayette County Board of Education	758	1	5.15%	773	2	5.00%
Cooper Lighting	750	2	5.10%	630	3	4.07%
NCR Corporation	650	3	4.42%	400	4	2.59%
Panasonic	484	4	2.30%			2.00%
Hoshizaki America, Inc.	339	5	2.30%	309	6	
Alenco	252	6	2.12%	218	9	1.41%
Wal-Mart Supercenter #3461	235	7	1.60%	350	5	2.26%
Southland	198	8	1.35%			
Avery Dennison	178	9	1.21%			
Comcast	162	10	1.09%			
World Airways				262	7	1.69%
City of Peachtree City				244	8	1.58%
Matsushita Communication Corporation				909	1	5.88%
Target Store T-2129				200	10	1.29%
	4,006		26.91%	4,295		27.77%

Source: City of Peachtree City Business Licenses and Fayette County Board of Education.

Note: Information prior to 2006 is not available.

PEACHTREE CITY, GEORGIA

FULL-TIME CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

	2005	2006 (1)	2007 (2)	2008 (3)	2009	2010 (4)	2011	2012 (5)	2013	2014
Function										
General government	21	25	26	28	29	26	25	24	22	22
Health and welfare	1	1	1	1	1	1	1	-	-	-
Public Safety										
Police										
Officers	57	57	61	64	64	66	65	65	66	65
Civilians	5	4	4	4	4	4	4	4	4	4
Fire										
Firefighters/EMTs	46	46	52	58	58	64	64	64	64	63
Civilians	2	2	2	2	2	2	2	2	2	3
Public Works	54	54	57	58	55	39	38	50	50	50
Culture and recreation	38	39	39	39	38	33	31	19	19	19
Housing and development	14	15	14	14	14	9	8	8	7	7
Total Budgeted Positions	238	243	256	268	265	244	238	236	234	233

Source: Employment data is obtained from the annual City budget documents, updated with any changes following the budget adoption.

(1) Three of the positions added to General Government in fiscal year 2006 were directly related to the establishment of the Stormwater Utility Fund.
(2) Ten of the 13 positions added in fiscal year 2007 were for Public Safety.
(3) Nine of the 12 positions added in fiscal year 2008 were for Public Safety.
(4) Eight positions were added in fiscal year 2010 to Public Safety. Seventeen of the 29 workforce reductions were in Public Works.
(5) Eleven positions were transferred from Culture and Recreation to a new Buildings and Grounds Department in Public Works.

PEACHTREE CITY, GEORGIA

OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Function	2005	2006	2007	2008	2009	2010	2011 (1)	2012 (2)	2013	2014
General Administration										
Court cases closed	8,319	7,828	7,340	6,780	5,613	7,294	7,071	6,038	5,090	5,090
Purchase orders processed	2,745	2,879	3,082	3,086	3,164	2,934	2,731	2,748	2,475	2,569
Checks processed	12,073	13,119	13,182	13,434	13,645	13,671	13,811	13,937	13,875	14,147
Computer incidents supported	1,315	1,312	1,127	1,282	1,309	1,251	1,338	1,942	1,325	1,719
New business licenses issued	336	364	340	115	225	257	220	239	184	221
Police										
Total arrests	2,079	2,210	2,192	1,324	2,058	2,003	1,660	1,252	1,208	1,136
Traffic citations issued	7,834	6,786	7,038	6,900	6,647	7,622	7,322	5,938	6,044	5,462
Traffic accidents investigated	1,218	1,153	1,185	1,165	1,060	776	793	865	807	854
Fire/EMS										
Number of calls answered	2,704	2,642	2,741	2,735	2,023	2,142	3,013	3,076	3,139	3,387
Total EMS patients	1,947	2,126	2,142	2,006	2,020	2,162	1,384	1,322	1,136	2,516
Highways and streets										
Vehicle and equipment maintained	550	656	682	648	543	516	539	574	595	692
Miles of City multi-use paths constructed (new)	3.4	0.3	0.6	-	0.05	-	-	-	-	-
Culture and recreation										
Adult athletic program participants	9,589	12,164	13,715	14,360	16,701	15,433	3,544	1,975	3,597	3,624
Classes/programs participants	19,812	29,783	26,044	17,509	16,854	19,947	10,532	11,240	12,456	11,203
Special event participants	25,626	33,818	34,000	22,897	22,688	24,921	37,055	33,287	27,651	15,575
Library patrons	24,289	23,847	28,543	32,315	35,525	38,225	39,423	50,544	46,075	34,463
Library reference assistance	3,570	8,620	12,000	12,494	17,079	19,450	18,176	18,552	14,759	16,233
Housing and development										
Building permits	895	899	879	730	654	876	577	558	558	835

N/A: Information is not available.

(1) Previous years combined Adult and Youth athletic program participants

(2) Library instituted a new program for ebook/audio downloads. Information Technology support was outsourced in FY 2012.

Sources: Various City Departments.

PEACHTREE CITY, GEORGIA

CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

Function	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Public Safety										
Police stations	1	1	1	1	1	1	1	1	1	1
Fire stations	4	4	4	4	4	4	4	4	4	4
Highways and streets										
Streets (miles)	255	255	255	255	255	255	255	255	255	255
Street lights	2,005	2,005	2,005	2,005	2,005	2,005	2,005	2,005	2,005	2,005
Culture and recreation										
Parks acreage	400	400	400	400	400	400	400	400	400	400
Number of parks	33	33	33	33	33	33	33	33	33	33
Swimming pools	5	5	5	5	5	5	5	5	5	5
Libraries	1	1	1	1	1	1	1	1	1	1
Library volume/materials	68,875	75,526	75,000	80,466	97,190	96,006	98,793	98,844	100,895	100,494

Source: Various City Departments.

Note: Capital asset indicators are not available for the general government function.

COMPLIANCE SECTION

MAULDIN & JENKINS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Honorable Mayor and Members
of the City Council of
Peachtree City, Georgia

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Peachtree City, Georgia (the "City") as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated March 18, 2015. Our report includes a reference to the changes in accounting principle resulting from the implementation of Governmental Accounting Standards Board (GASB) Statement No. 67*, Financial Reporting for Pension Plans – An Amendment of GASB Statement No. 25.* Our report also includes a reference to other auditors who audited the financial statements of the Peachtree City Airport Authority, as described in our report on the City's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mauldin & Jenkins, LLC

Macon, Georgia
March 18, 2015

PEACHTREE CITY, GEORGIA

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

SECTION I
SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting: Material weaknesses identified?	_____yes __X__no
Significant deficiencies identified not considered to be material weaknesses?	_____yes __X__no
Noncompliance material to financial statements noted?	_____yes __X__no

Federal Awards

There was not an audit of major federal award programs as of September 30, 2014 due to the total amount expended being less than $500,000.

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

None reported.

SECTION III
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Not applicable.

SECTION IV
PRIOR YEAR FINDINGS AND RESPONSES

None reported.