

**Fulton County, Georgia 2016 Continuing Disclosure Annual Filing
for Atlanta/Fulton County Recreation Authority
Revenue Refunding and Improvement Bonds
(Downtown Arena Private Improvements Project), Taxable Series 2010**

Major Employers. The five major employers in Fulton County-2016:

Delta Airlines

United Parcel Service

Fulton County Schools

Northside Hospital

Home Depot

Source: Atlanta Business Chronicle Book of Lists, within 29 Metro-Atlanta county area dated 12/23/2016.

**HISTORICAL ASSESSED VALUE OF TAXABLE PROPERTY ⁽¹⁾
(In Thousands of Dollars)**

Fiscal Year	Real Property	Personal Property	Public Utilities	Total Assessed Value (Gross)	Total M&O Exemptions	Net Assessed Value for General Purposes
2007	\$46,380,413	\$6,991,764	\$1,090,830	\$54,463,007	\$6,706,040	\$47,756,967
2008	49,883,106	7,256,388	1,108,038	58,247,532	6,814,074	51,433,458
2009	50,156,181	7,403,437	1,119,093	58,678,711	7,360,778	51,317,933
2010	47,152,996	6,999,360	1,067,474	55,219,830	7,638,222	47,581,608
2011	45,294,177	7,166,610	1,067,474	53,528,261	7,895,543	45,632,718
2012	43,328,112	7,517,644	1,147,265	51,993,021	7,648,239	44,344,782
2013	42,813,235	8,126,964	1,055,835	51,996,034	7,508,857	44,487,177
2014	44,423,387	7,721,837	1,063,189	53,208,413	7,777,452	45,430,961
2015	49,532,798	7,190,827	1,137,292	57,860,917	8,727,399	49,133,518
2016	50,666,238	7,406,453	1,129,634	59,202,325	8,886,618	50,315,707

⁽¹⁾ Under Georgia law, the value of taxable tangible property, with certain exceptions, is required to be assessed at 40% of its estimated fair market value.

Source: Fulton County Tax Commissioner and Georgia Department of Revenue.

TAX RATES⁽¹⁾
(Rate per \$1,000 Assessed Value)

Fiscal Year	County Bonds and Operating	Special Tax District	South Fulton Special Tax District	County Schools	State	Total
2007	10.28	3.87	5.66	18.09	0.25	38.15
2008	10.28	3.87	5.66	17.50	0.25	37.56
2009	10.28	-	8.16	17.50	0.25	36.19
2010	10.28	-	8.16	18.50	0.25	37.19
2011	10.55	-	8.97	18.50	0.25	38.27
2012	10.55	-	10.47	18.50	0.20	39.72
2013	10.48	-	12.47	18.50	0.15	41.60
2014	12.05	-	12.47	18.50	0.10	43.12
2015	10.75	-	11.58	18.50	0.05	40.88
2016	10.70	-	11.58	18.48	--	40.76

⁽¹⁾ Does not include tax millage rates for municipalities or the Atlanta Independent School District located wholly or partially within the County. For 2016, such tax millage rates were as follows: (1) Alpharetta – 5.75, (2) Atlanta – 11.83, (3) Atlanta Independent School District – 21.74, (4) Chattahoochee Hills – 10.96, (5) College Park – 12.62, (6) East Point – 15.00 (7) Fairburn – 9.57, (8) Hapeville – 16.61, (9) Johns Creek – 4.36, (10) Milton – 4.73, (11) Mountain Park – 12.90, (12) Palmetto – 8.50, (13) Roswell – 5.46, (14) Sandy Springs – 4.73, and (15) Union City – 15.69. Millage rates for the City of South Fulton have not yet been determined and are expected to impact the millage rate established each year and the service area for the South Fulton Special Services District. Millage rates have, in certain cases, been rounded to the nearest 100th of a percent.

Source: Georgia Department of Revenue, Local Government Services Division.

TAX COLLECTION RECORD – FULTON COUNTY GENERAL FUND
AS OF DECEMBER 31, 2016
(In Thousands of Dollars)

Fiscal Year	Total Tax Levy	Current Tax Collected ⁽¹⁾	Percent of Levy Collected	Delinquent Tax Collected	Total Tax Collected	Total Collections as Percent of Current Levy	Outstanding Delinquent Taxes	Outstanding Delinquent Taxes as Percent of Current Levy
2007	\$414,657	\$385,257	92.9%	\$17,709	\$402,966	97.2%	\$16,179	3.9%
2008 ⁽¹⁾	451,295	409,951	90.8	24,407	434,358	96.2	19,966	4.4
2009 ⁽²⁾	463,906	406,758	87.7	43,475	450,233	97.1	24,634	5.3
2010 ⁽¹⁾	422,255	411,352	97.4	56,896	468,248	110.9	17,076	4.0
2011	388,373	371,795	95.7	6,111	377,906	97.3	17,069	4.4
2012	378,534	371,493	98.1	15,639	387,132	102.3	16,591	4.4
2013	379,864	364,179	95.9	10,748	374,927	98.7	15,565	4.1
2014 ⁽¹⁾	458,863	443,945	96.7	22,903	466,848	101.7	13,329	2.9
2015	449,477	437,411	97.3	17,517	454,928	101.2	13,204	2.9
2016 ⁽³⁾	463,919	440,273	94.9	8,744	449,017	96.8	11,555	2.5

⁽¹⁾ 2008, 2010 and 2014 due date October 31 as opposed to a normal due date of October 15.

⁽²⁾ 2009 due date December 15 as opposed to a normal due date of October 15.

⁽³⁾ 2016 due date November 15 as opposed to a normal due date of October 15.

Source: Fulton County Tax Commissioner.

Major Taxpayers

TEN MAJOR TAXPAYERS OF 2016 - FULTON COUNTY⁽¹⁾

	Assessment	Percentage of Total Assessed Value	Taxes ⁽²⁾
Development Authority of Fulton County	\$ 1,544,466,389	2.61%	\$16,139,674
Georgia Power	436,715,245	0.74	4,563,674
AT&T	275,399,699	0.47	2,877,927
Coca Cola Company	234,970,942	0.40	2,455,446
Post Apartment Homes	172,118,239	0.29	1,798,636
Delta Airlines	153,035,796	0.26	1,599,224
SunTrust Plaza Associates LLC	136,789,840	0.23	1,429,454
BellSouth Telecommunications	118,583,088	0.20	1,239,193
Corporate Property Investors	110,808,080	0.19	1,157,944
Selig Enterprises Inc.	98,136,623	0.17	1,025,528
Total ten major taxpayers	<u>\$ 3,281,023,941</u>	5.54%	<u>\$34,286,700</u>
Total County gross assessed value ⁽¹⁾	\$59,202,325,232		

⁽¹⁾ Taxes and assessments based on values at time of presentment, with the temporary collection order in place.

⁽²⁾ "Taxes Levied" include taxes levied by Fulton County, the State of Georgia, Fulton County Special Service Districts (where applicable), non-City of Atlanta Community Improvement Districts (where applicable) and Fulton County Board of Education, except that properties located within the City of Atlanta do not pay Fulton County Board of Education taxes.

Source: Fulton County Tax Commissioner.

Note: Property held by the Development Authority of Fulton County is subject to reduced property tax payments for a period of time (usually 10 years) pursuant to a tax incentive program administered by this entity

FULTON COUNTY, GEORGIA
Computation of Direct and Overlapping Debt
as of December 31, 2016

Name of governmental unit	Amount outstanding	Percentage applicable	Amount applicable
Direct debt:			
Fulton County General Obligation Library bonds	\$ 143,880,673	100.00%	143,880,673
Fulton County School District	55,870,000	100.00%	55,870,000
Municipalities:			
Alpharetta	94,330,000	100.00%	94,330,000
Atlanta (including School District)	387,953,000	94.02% *	364,772,411
Hapeville	12,925,000	100.00%	12,925,000
Fairburn	8,830,289	100.00%	8,830,289
Union City	10,179,160	100.00%	10,179,160
Roswell	11,409,238	100.00%	11,409,238
Total direct debt	725,377,360		702,196,771
Contractual obligations and overlapping contractual obligations:			
Fulton County Urban Redevelopment Agency	21,291,000	100.00%	21,291,000
College Park Business and Industrial Development Authority	210,000	100.00%	210,000
The Fulton-DeKalb Hospital Authority:			
Revenue Refunding Certificates Series 2012	99,330,000	100.00%	99,330,000
City of Atlanta and Fulton County Recreation Authority:			
Arena Series 2010 (1)	97,285,000	96.02% *	93,409,748
Zoo Series 2007 (1)	10,930,000	95.52% *	10,440,191
East Point Building Authority	55,008,693	100.00%	55,008,693
Total overlapping debt	\$ 284,054,693		279,689,632
Total direct and overlapping debt and contractual obligations and overlapping contractual obligations (2)	\$ 1,009,432,053		981,886,403

* For above debt funded through property tax collections the percentage of overlapping debt applicable is estimated using taxable property values for the specific geographic area.

- (1) The County and the City are obligated to pay one-third and two-thirds, respectively, of the debt service on the Arena Series 2010 Bonds in the event that revenues from Philips Arena are not sufficient to pay debt service. To date, the County has not been called upon to pay any debt service. The County and the City of Atlanta are obligated to pay one-quarter and three-quarters, respectively, of debt service on the Zoo Series 2007 bonds.
- (2) Does not include the County's obligations pursuant to an annually renewable lease agreement with the Fulton County Facilities Corporation. The balance outstanding as of December 31, 2015 is \$55,275,000
- (3) Does not include the City of Sandy Springs obligations pursuant to an annually renewable lease agreement with the Public Facilities Authority. The balance outstanding as of December 31, 2016 is \$159,475,000

Calculation of City of Atlanta overlapping percentages:	M&O A.V. (\$000's)	% of M&O A.V.	Bond A.V. (\$000's)	% Bond A.V.
City of Atlanta in Fulton	\$ 24,171,294	94.56%	\$ 25,945,549	94.02%
City of Atlanta in DeKalb	1,391,543	5.44%	1,648,790	5.98%
	\$ 25,562,837	100.00%	\$ 27,594,339	100.00%

FULTON COUNTY, GEORGIA

Legal Debt Margin Information

Last Ten Fiscal Years

(in thousands)

Assessed value	\$ 592,202,325
Less:	
Applicable property tax exemptions	<u>(3,286,053)</u>
Assessed value for bond purposes	<u>55,916,272</u>
Debt limit 10% of assessed value	5,591,627
Less amounts of debt applicable to the limit:	
General Obligation debt outstanding	143,881
less available debt service funds	<u>(22,729)</u>
Total amount applicable to debt limit	<u>121,152</u>
Legal Debt Margin	\$ <u>5,470,475</u>

	Debt Limit	Total net bonded debt applicable to limit	Legal Debt Margin	Total net debt applicable to the limit as a % of debt limit
2007	5,189,301	—	5,189,301	0.00%
2008	5,548,295	—	5,548,295	0.00%
2009	5,571,767	—	5,571,767	0.00%
2010	5,398,156	169,469	5,228,687	0.32%
2011	5,076,221	164,324	4,911,897	0.33%
2012	4,925,028	157,064	4,767,964	0.33%
2013	4,927,896	148,341	4,779,555	0.31%
2014	5,033,761	139,498	4,894,263	0.29%
2015	5,458,818	130,257	5,328,561	0.24%
2016	5,591,627	121,152	5,470,475	0.22%

This schedule also contains all information for Records of Direct Bonded Debt, 2016's County population estimate is 1,023,336.

FULTON COUNTY, GEORGIA Ratios of General Obligation Debt Outstanding Last Ten Fiscal Years (in thousands)						
Fiscal Year	General Obligation bonds*	Less debt service funds	Net bonded debt	Assessed value for bond purposes	Percentage of actual taxable value	Net bonded debt per capita (not in thousands)
2007	\$ 4,581	6,600	—	51,893,006	— %	\$ —
2008	1,760	3,429	—	55,482,952	—	—
2009	—	—	—	55,717,671	—	—
2010	169,469	—	169,469	53,981,561	0.31	184.09
2011	165,564	1,240	164,324	50,762,207	0.32	173.05
2012	161,545	4,481	157,064	49,250,278	0.32	160.63
2013	157,373	9,032	148,341	49,278,963	0.30	150.71
2014	153,044	13,546	139,498	50,337,606	0.28	140.01
2015	148,548	18,291	130,257	54,588,184	0.24	128.90
2016	143,881	22,729	121,152	55,916,272	0.22	118.39

General Fund Revenues, Expenditures and Changes in Fund Balance

GENERAL FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE⁽¹⁾ LAST FIVE YEARS (In Thousands of Dollars)

	(Modified Accrual Basis)				
	2016	2015	2014	2013	2012
REVENUES:					
Taxes	\$531,290	\$551,132	\$550,717	\$470,554	\$467,573
Intergovernmental	4,559	4,357	4,642	4,090	3,872
Charges for Services	28,296	28,549	29,957	26,988	29,248
Courts and law enforcement	14,540	15,578	15,737	16,294	16,459
Use of Money and Property	3,314	3,015	3,914	3,835	3,956
Miscellaneous	12,464	9,512	6,192	3,564	4,342
Net(depreciation)appreciation on investments	-	-	-	-	-
Total Revenues	\$594,463	\$612,143	\$611,159	\$525,325	\$525,450
EXPENDITURES:					
<i>Current:</i>					
Administration	92,642	79,827	86,263	79,844	86,787
Public Safety	100,733	98,894	113,276	107,654	105,389
Legal	120,474	115,786	115,418	108,685	106,993
Infrastructure and facilities	30,422	29,355	46,390	40,390	41,748
Social Services	50,993	50,116	30,638	34,647	37,328
Health Services	84,917	87,889	111,079	89,648	109,799
Other nonagency	71,712	66,620	27,803	25,118	29,812
<i>Debt Service:</i>					
Principal Retirement	5,067	5,295	5,101	3,061	4,000
Interest	2,096	2,008	2,131	2,085	2,136
Total Expenditures	\$559,056	\$535,790	\$538,099	\$491,132	\$523,992
 Excess (Deficiency) of Revenues over (under) expenditures	 35,407	 76,353	 73,060	 34,193	 1,458
 Other financing sources (uses):					
Transfer in from enterprise fund				400	
Transfers in	822	695	697	4,689	8,191
Transfers out	(64,484)	(44,771)	(36,957)	(44,509)	(49,225)
Total other financing sources (uses)	(63,662)	(44,076)	(36,260)	(39,420)	(41,034)
 Net change in fund balances	 (28,255)	 32,277	 36,800	 (5,227)	 (39,576)
Fund Balance at beginning of year	152,835	120,558	83,758	88,985	128,561
Fund Balance at end of year	\$124,580	\$152,835	\$120,558	\$ 83,758	\$ 88,985

⁽¹⁾ This schedule was prepared by the Fulton County Finance Department. Information shown for years 2012 through 2016 was obtained from audited financial statements of the County prepared on a modified accrual basis. .

Source: Fulton County Finance Department.

Recent Matters

DISCLOSURE REQUIRED BY THE SEC PURSUANT TO THE MCDC ORDER

The County previously self-reported to the SEC pursuant to the Division of Enforcement's (the "Division") Municipalities Continuing Disclosure Cooperation Initiative (the "MCDC Initiative"). In anticipation of the institution of proceedings by the SEC in connection with the MCDC Initiative, the County submitted an Offer of Settlement in April 2016 which the SEC accepted and which resulted in an order being entered by the SEC on the matter on August 24, 2016 (the "MCDC Order"). Solely for the purpose of the proceedings brought by or on behalf of the SEC under the MCDC Initiative, and without admitting or denying the findings in the MCDC Order, except as to the SEC's jurisdiction over it and the subject matter of the proceedings, which were admitted, the County consented to the entry of the MCDC Order. Pursuant to the MCDC Order, the SEC ordered, among other things, that the County shall comply with the following undertakings:

(a) Within 180 days of the entry of the MCDC Order, establish appropriate written policies and procedures and periodic training regarding continuing disclosure obligations to effect compliance with the federal securities laws, including the designation of an individual or officer at the County responsible for ensuring compliance by the County with such policies and procedures and responsible for implementing and maintaining a record (including attendance) of such training.

(b) Within 180 days of the entry of the MCDC Order, comply with existing continuing disclosure undertakings, including updating past delinquent filings if the County is not currently in compliance with its continuing disclosure obligations.

(c) For good cause shown, the SEC staff may extend any of the procedural dates relating to these undertakings. Deadlines for procedural dates shall be counted in calendar days, except that if the last day falls on a weekend or federal holiday, the next business day shall be considered the last day.

(d) Disclose in a clear and conspicuous fashion the terms of the settlement in any final official statement for an offering by the County within five years of the institution of the proceedings.

(e) Certify, in writing, compliance with the undertakings set forth above. The certification shall identify the undertakings, provide written evidence of compliance in the form of a narrative, and be supported by exhibits sufficient to demonstrate compliance. The SEC staff may make reasonable requests for further evidence of compliance, and the County has agreed to provide such evidence. The certification and supporting material shall be submitted to SEC staff with a copy to the Office of Chief Counsel of the Division, no later than the one-year anniversary of the institution of these proceedings (August 24, 2017).

(f) Cooperate with any subsequent investigation by the Division regarding the false statement(s) and/or material omission(s), including the roles of individuals and/or other parties involved.

LITIGATION

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

There is no litigation now pending or, to the knowledge of the County, threatened against the County which restrains or enjoins the issuance or delivery of the Notes or the use of the proceeds of the Notes or which questions or contests the validity of the Notes or the proceedings and authority under which they are to be issued, executed and delivered. Neither the creation, organization nor existence of the County, nor the title of the present members or other officials of the County to their respective offices, is being currently contested or questioned to the knowledge of the County.