

The Performer[®]

**A Financial Statement Analysis
of City of Suwanee, Georgia**
As of and for the year ended June 30, 2018



The Performer[®]

The Performer[®] was developed by *Crawford & Associates* to provide a “plain English” evaluation of a government’s financial information. It uses ratios of a government’s financial statements to provide a numerical value representing financial health and level of performance.

The value of the rating is based on a 10-point scale, with 10 representing excellent health, five represents satisfactory and zero indicates poor financial health and performance. The Performer is not intended as a replacement of the annual financial statements, but as a useful supplement to the statements.

The financial ratios evaluated in the Performer can be summarized into three categories:

FINANCIAL POSITION: “point-in-time measures” of the government’s financial status, solvency, and liquidity as of the fiscal year end.

FINANCIAL PERFORMANCE: “look-back measures” as to whether the government’s financial position has been improving, deteriorating, or remaining steady.

FINANCIAL CAPABILITY: “look-forward measures” of the government’s ability to obtain resources in the form of revenues or borrowing in order to finance future services.

Suwanee's 2018 Performeter[®] Score 8.7

The overall score of 8.7 indicates that Suwanee's overall financial health and success is well above the satisfactory level.

SCORE BY CATEGORY

Financial Position 9.4

Financial Performance 8.9

Financial Capability 7.3

Performeter Overall 8.7

The value of the rating is based on a 10-point scale



9.4 Financial Position Ratios

UNRESTRICTED NET POSITION	How do our total rainy day funds look?
GENERAL FUND UNASSIGNED FUND BALANCE	How does our General Fund unassigned fund balance position look?
CAPITAL ASSET CONDITION	How much life do we still have left in our capital assets?
PENSION PLAN FUNDING	Will our employees be happy with us when they retire?
DEBT TO ASSETS	Who really owns the City?
CURRENT RATIO	Will our employees and vendors be pleased with our ability to pay them on time?
QUICK RATIO	How is our short-term cash position?

Level of Unrestricted Net Position



Suwanee's total unrestricted net position was approximately \$18.2 million, or 96% of annual total revenues.

This exceeds the model's desired excellent ratio of 50% and is considered excellent.

Level of General Fund Unassigned Fund Balance



The unassigned fund balance of the General Fund amounted to \$3.6 million or 28.7% of annual General Fund revenues.

Although a slight decline when compared to the ratio of the prior period, the ratio still remains near excellent.

Capital Asset Condition



At June 30, 2018, the City's depreciable capital assets amounted to \$87 million while accumulated depreciation totaled \$37 million.

This indicates that, on average, the City's capital assets have a little more than one-half (57%) of their useful lives remaining. This remains above satisfactory financial indicator in the model.

Employee Pension Plan Funding Ratio



The City's pension plan net position was 169% of the total pension liability, indicating the plan was slightly over one and two-thirds funded, from an actuarial perspective, at the last valuation date.

This ratio has improved over the prior periods shown, and remains an excellent ratio.

Debt to Assets



Nearly one-third (32.3%) of the City's \$126 million of total assets were funded with debt or other obligations.

This is considered a favorable financial indicator and indicates that for each dollar of City assets owned, it owes approximately 32 cents of that dollar to others.

Current Ratio



Suwanee's government-wide ratio of current assets to current liabilities was 12.68 to 1.

This indicates that the City had over twelve and two-thirds times the amount of current assets needed to pay current liabilities. This is considered an excellent indicator of liquidity.

Quick Ratio



At June 30, 2018, the government-wide ratio of cash and cash equivalents to current operating liabilities was 5.59 to 1.

This indicates that the City had nearly five and two-thirds the minimum amount of cash and cash equivalents needed to pay short-term operating obligations at year end. This is considered an excellent indicator of liquidity.

8.9 Financial Performance

CHANGE IN NET POSITION	Did our overall financial condition improve, decline, or remain steady from the past year?
INTERPERIOD EQUITY	Who paid for the costs of current year services: current, past, or future tax and rate payers?
BTA SELF-SUFFICIENCY	Did current year business-type activities pay for themselves?
DEBT SERVICE COVERAGE	Were our revenue bond and note investors pleased with our ability to pay them on time?
PROPERTY TAX GROWTH	What is the state of our local economic growth?
CAPITAL ASSET SUSTAINABILITY	How willing are we to maintain our investment in capital assets?

Change in Net Position



For the year ended June 30, 2018, total net position increased by \$2.6 million, or 3.1% from the prior year restated beginning net position.

Interperiod Equity



For the year ended June 30, 2018, the City's total costs were fully funded by current year tax and rate payers, with current year revenues, excluding fund balance carryovers, generating revenues at a level of 116% of current year costs.

Business Type Activities Self-Sufficiency



Suwanee's business-type activities were 94% self-sufficient in total.

This indicates that 94% of the current year costs of the City's business-type activities were funded by current year revenues, and required a small subsidy in order to pay for remaining current year costs.

Debt Service Coverage



The City paid 100% of its revenue bond debt service from the proceeds of a current property tax levy and previously unspent property tax levies from prior years.

Since the City can and will levy 100% of the debt service requirements each year, the City is considered to have sufficient ability to satisfy their debt service requirements.

Property Tax Growth



For the year ended June 30, 2018, the City experienced an increase in property tax earned in the amount of \$469,898 or 8.5% from the prior year.

Capital Asset Sustainability



Suwanee expended \$10.5 million on capital assets, while depreciation on such capital assets totaled \$2.5 million.

This indicates that the City is replacing capital assets that are depreciating at a ratio of 4.1 to 1. This is considered an excellent financial indicator in the model.

7.3 Financial Capability

REVENUE DISPERSION How much of our revenue is beyond our direct control?

DEBT SERVICE LOAD How heavily is our budget loaded with payments to retire long-term debt?

BONDED DEBT PER CAPITA What is the general bonded debt burden per capita?

LEGAL DEBT LIMIT REMAINING Will we be legally able to issue more long-term debt, if needed?

PROPERTY TAXES PER CAPITA Will our citizens be willing to accept property tax increases, if needed?

Revenue Dispersion



For the year ended June 30, 2018, the City had direct control over 45% (service charges and property taxes) of its revenues.

This ratio indicates the City has limited exposure, as do most cities, to financial difficulties due to reliance (55%) on taxes that are capped or require voter approval, or on grants, contributions and other revenue.

Debt Service Load



Suwanee's total non-capital expenditures amounted to \$15.6 million, of which \$2.6 million (or 16.9%), were payments for principal and interest on annual long-term debt.

In the model, this is an above satisfactory financial indicator and indicates that for every dollar the City spent on non-capital items, 16.9 cents of that dollar was used for debt service.

Bonded Debt Per Capita



For the year ended June 30, 2018, the City had a general bonded debt per capital ratio of \$568.

In the model, this represents a lower than average bonded debt per capita.

Legal Debt Limit Remaining



Suwanee had approximately \$11 million of general obligation debt applicable to the legal debt limit.

This means that at June 30, 2018, the City had a little over \$118 million, or 91% of its general bonded debt legal limit remaining.

Property Taxes Per Capita



Suwanee had a property tax per capita ratio of approximately \$303.

This is above satisfactory ratio in the model.



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