

YEAR ENDED JUNE 30, 2019

COMPREHENSIVE ANNUAL FINANCIAL REPORT

CITY OF SUWANEES
GEORGIA





city of
Suwanee
georgia

COMPREHENSIVE ANNUAL FINANCIAL REPORT

year ended
June 30, 2019

prepared by:
**Financial
Services
Department**

CITY COUNCIL

COMPREHENSIVE ANNUAL FINANCIAL REPORT



Jimmy Burnette
Mayor



Dick Goodman
Mayor ProTem



Dan Foster
Councilmember



Beth Hilscher
Councilmember



Doug Ireland
Councilmember



Linnea Miller
Councilmember

CITY OF SUWANEE GA YEAR ENDED JUNE 30, 2019

MANAGEMENT TEAM



Marty Allen
City Manager



Denise Brinson
Assistant City Manager



Elvira Rogers
Administrative Services Director



Jessica Roth
Business Services Director

Amie Sakmar
Financial Services Director



James Miller
Parks & Public Works Director



Josh Campbell
Planning Director



Mike Jones
Chief of Police

COMPREHENSIVE ANNUAL FINANCIAL REPORT

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INTRODUCTORY SECTION

LETTER OF
TRANSMITTAL

GFOA
CERTIFICATE
OF ACHIEVEMENT

ORGANIZATIONAL
CHART





CITY OF SUWANEE, GA YEAR ENDED JUNE 30, 2019

December 8, 2019
Citizens, Mayor, and Members of the City Council
Suwanee, Georgia:



“To me, photography is an art of observation. It’s about finding something interesting in an ordinary place... I’ve found it has little to do with the things you see and everything to do with the way you see them.”

– Elliott Erwit

Photographs connects us to our past, they remind us of people, places, and feelings. They can help us know who we are. This year with Suwanee’s financial report we want to take the opportunity to connect Suwanee as a place with the reader and not just a number or a financial statement. Creating a story of a city within the annual financial report. If you look carefully, you never know who or what you might find inside the pictures!

Suwanee’s Comprehensive Annual Financial Report (CAFR) illustrates how the City receives, spends, and accounts for financial resources and explains the key indicators of its financial strength. Responsibility for the accuracy of the data and the completeness and fairness of the presentation rests with the City. We believe that the data, as presented, is accurate in all material aspects and is presented in a manner designed to enable the reader to understand the City’s financial position and the operational achievements over the last year. Readers are encouraged to consider the presented information in conjunction with information provided in management’s discussion and analysis, the financial statements, and the notes to the financial statements.

This Comprehensive Annual Financial Report (CAFR) is organized into three main sections:

- 1. The Introductory Section** will familiarize the reader with the organizational structure of the City, the nature and scope of the services it provides, and the specifics of its operating environment within the context of the local economy.
- 2. The Financial Section** includes the independent auditor’s report on the basic financial statements, management’s discussion and analysis, the audited basic financial statements, the notes to the basic financial statements, required supplementary information, and combining and individual fund statements and schedules.
- 3. The Statistical Section** provides readers with additional historical perspective, content, and detail to: 1) assist in understanding the information in the financial statements, notes to the financial statements, and required supplementary information, and 2) assess the City’s economic condition.

A **Compliance Section** is also included in this report in order to satisfy other legal requirements. This section includes the independent auditor’s report on internal controls and compliance with laws and regulations.

This report includes government-wide statements and fund financial statements for all funds of the City, including two blended component units. Blended component units are, in substance, part of the primary government. Suwanee’s Urban Redevelopment Agency (URA) and Downtown Development Authority (DDA) are blended component units and are reported as part of the primary government.

COMPREHENSIVE ANNUAL FINANCIAL REPORT

OUR STORY

Suwanee originated as a Native American village along the banks of Suwanee Creek and Chattahoochee River. The community was named for the Shawnee Indian tribe that settled here in the latter part of the 18th century. The City's name is thought to derive from the English mispronunciation of Shawnee. Suwanee was incorporated in 1949 and encompasses 11.0 square miles. The City is located in the north central portion of Georgia, approximately 30 miles northeast of downtown Atlanta. Highways serving the City include Interstate 85, U.S. Highway 23 (Buford Highway), Georgia Route 317 (Lawrenceville Suwanee Road), and Georgia Route 141 (Peachtree Industrial Boulevard). Additional demographic information is provided in the statistical section of this report.

CITY HALL

The City operates under a council-manager form of government. The City Council consists of five members elected at large to staggered four-year terms. The Mayor is the sixth voting member of council, who, along with the remaining council members is elected on a non-partisan basis. Council provides responsive, progressive leadership and a vision for the community by setting policies, passing ordinances, adopting the budget, making appointments to citizen boards, and hiring the City Manager. The City Manager carries out the policies and ordinances of the City Council, oversees the day-to-day operations of the City, prepares the budget, and supervises the various department heads.

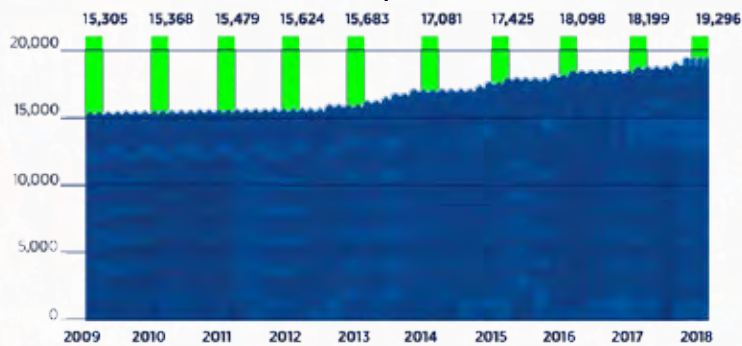
The City provides a wide range of municipal services to citizens including police protection, parks and recreation, planning and zoning, building inspections, code enforcement, economic and community development, special events, municipal court services, and infrastructure maintenance. The City also provides water services to a small number of citizens in the historic Old Town area of Suwanee. Sanitation services are provided to citizens by private firms.

ECONOMIC CONDITION

Bond Rating: Suwanee maintains a AAA bond rating from Standard & Poor's. Suwanee's strong bond rating has allowed the City to take advantage of near-historic low interest rates in 2016 and 2017, resulting in significant interest savings for Suwanee residents. Additional information on long term debt can be found in the notes to the financial statements, pages 43-66.

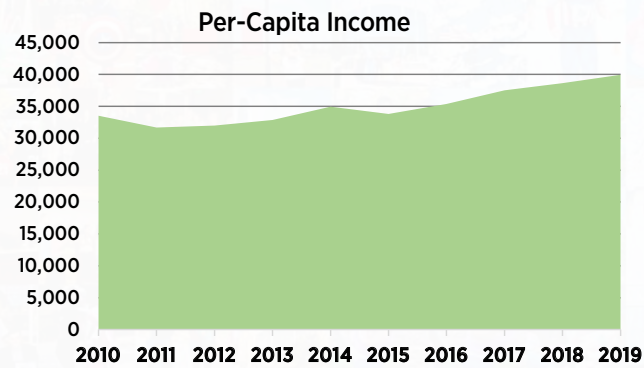
Population: The Planning Department estimates the population of Suwanee at 19,661 residents as of June 30, 2019. Suwanee's population has grown by 4,293 since 2010, a 28% increase in population over the past ten years. Per capita income, a measure of standard of living, is a useful indicator of the City's economic well being. 2010 and 2011, with the economic recession, citizens' incomes declined. In 2012, per capita personal income began to improve and to exceed the pre-recession levels. Some fluctuation is noted with fiscal years 2014 to current, but overall improvements have been maintained. For 2019, Suwanee's per capita personal income is \$39,947 compared to 2010 at \$33,527, an increase of \$6,420 or 19%.

Suwanee Population





CITY OF SUWANEЕ, GA YEAR ENDED JUNE 30, 2019



Unemployment. The national unemployment rate in June 2019 was 3.6 percent. Georgia is lower than the national average with a June 2019 unemployment rate of 3.1 percent. The Georgia Civilian Labor Force maintains unemployment rate estimates for each Census Tract within the state. A majority of the City is included in three tracts: Tracts 502.10, 502.12 and 502.13. Cumulatively, these tracts had an estimated unemployment rate of 2.8% in June 2019.

Suwanee’s Development. At the end of fiscal year 2019, there were 361 single family lots in Suwanee. Active neighborhoods have 633 units permitted per rezoning with 266 permits issued and 361 lots remaining.

Home Values. The median home value in 30024 zip code is \$356,000. The 30024 zip code home values have gone up 2.7% over the past year and Zillow predicts they will rise 2.33% within the next year. The median list price per square foot in 30024 zip code is \$140. The median price of homes currently listed in 30024 zip code is \$399,000. The median rent price in 30024 zip code is \$1,912.

Mortgage delinquency is the first step in the foreclosure process. This is when a homeowner fails to make a mortgage payment. The percent of delinquent mortgages in 30024 zip code is 0.5%, which is lower than the national value of 1.1%. The percent of 30024 zip code homeowners with negative equity is 4.3%, which is lower than the Atlanta metro average of 7.6%.

WHAT’S GOING ON NOW!

City Updates Comprehensive Plan. In 2017, the City embarked on a major update to the Comprehensive plan. An important tool that guides decisions about how to manage growth with the city. The 2040 Comprehensive Plan provides predictability for residents and property owners about the future use of land. After a 2 year process, this plan was adopted on February 28, 2019.

Berlin Wall Public Art Piece Returns to Town Center. An authenticated piece of the Berlin Wall that once separated West Berlin and East Germany has returned to Suwanee Town Center. The 12-foot tall, 7,000 pound section of the wall was donated to the City by Friends Suwanee Grill proprietors Ray Stanjevich and Suzanne Cartwright, who purchased the piece in 2013 at an auction on the Town Center Stage.

Suwanee Breaks Ground on Courthouse Renovations and Expansion. Renovations to the almost 60-year old building will significantly improve the court customer experience and create more space for court and police employees. The courthouse lobby will be expanded to accommodate court sessions crowds, court clerk work space will more than double, and new space will be constructed for the police Special Enforcement Unit. Renovations are expected to be completed in early 2020.

Suwanee Police Special Response Team. Suwanee’s Police Department recently developed a brand-new force called the Special Response Team (SRT). This specialized team of eight officers deals specifically with high risk crimes, handling search and arrest warrants, and undercover operations. Most recently, the unit has seen success in preventing internet crimes against children, reducing drug activity and burglaries in the area, and handling barricaded suspects.

Art for All Campaign. The City’s first-ever capital campaign for public art, Art for All, seeks to raise \$1.25 million in private contributions to support the inclusion of three new public art pieces in the Town Center Park Expansion.





COMPREHENSIVE ANNUAL FINANCIAL REPORT

WHAT'S GOING TO HAPPEN NEXT!

Suwanee's top priorities for the future include reconstruction of Buford Highway as a context-sensitive* multi-modal roadway, realignment of Main Street, construction of a new park on Main Street, and continued focus on annual road resurfacing and storm drainage infrastructure with the continuation of the 2017 SPLOST program.

Reconstruction of Buford Highway. Suwanee will use a nearly \$3.3 million Livable Centers Initiative (LCI) grant funds, received through the Atlanta Regional Commission (ARC), to help fund reconstruction of a portion of Buford Highway as a context-sensitive* roadway that will safely accommodate multiple modes of transportation and help connect residents and visitors to multiple activity centers. Rather than simply widening Buford Highway, Suwanee's plans call for the thoroughfare to remain a two-lane road. The City plans to add sidewalks, multi-use trails, landscaped medians, streetscaping, operational improvements such as turn lanes, and a roundabout in order to accommodate additional modes of transportation, calm existing traffic, promote Town Center styled development, and provide safer pedestrian access.

Town Center on Main. Located on approximately 25-acres known locally as the DeLay Property, the site is situated behind the Suwanee library and PlayTown Suwanee on Suwanee Dam Road. The park plan features a mixture of urban and rural environments, including:

A roughly 900 foot, elevated signature bridge for pedestrian and bicycle use, spanning the entire park and crossing an approximately one-acre water feature.

An open terrace plaza and lawn area at the peak of the park's elevation that will include a waterfall feature.

An extension of the existing PlayTown Suwanee geared towards older children, expanding the age range of PlayTown Suwanee without interfering with its existing success.

Sandpit volleyball courts and an iconic public art piece.

Realignment of Main Street will shift the road around the new park, Town Center on Main, and will exit onto Suwanee Dam Road at the existing traffic signal at the library entrance. This shift will allow the median break at the existing Main Street to close, greatly improving the safety and traffic flow on Suwanee Dam.

2017 SPLOST is expected to bring nearly \$19 million in transportation improvements to Suwanee. Together, Gwinnett County and the City of Suwanee have allocated approximately \$19 million in 2017 SPLOST funding towards transportation, sidewalk improvements and recreational projects. Funding is provided by a restricted one-cent sales tax. Collections of this six year sales tax began April 2017 and will continue until March 2023.

Suwanee is committed to providing effective and responsive delivery of services with an emphasis on safety and planning for the future. The City uses a Capital Improvement Plan (CIP) to develop a framework to advance the goals and objectives of City Council. The CIP is a comprehensive five-year plan that helps identify priorities, provides project cost estimates and identifies financial resources. Longer range planning is accomplished through the City's Comprehensive Plan which is developed and maintained in accordance with State of Georgia planning requirements.

***Context Sensitive**
A planning term used to describe a design that respects the existing scale and character of the surrounding environment.



CITY OF SUWANEE, GA YEAR ENDED JUNE 30, 2019

FINANCIAL CONTROLS

Internal controls

City management is responsible for establishing and maintaining an internal accounting control system. This system is designed to ensure that City assets are protected from loss, theft, or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. Internal accounting controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: 1) the cost of an accounting control should not exceed the benefits likely to be derived, and 2) the evaluation of costs and benefits requires estimates and judgment by management.

Budget controls

Budgetary control is essential for good financial management and legal compliance. The City achieves and maintains budgetary control by operating under the statutes of the State of Georgia, which require the City to adopt an annual balanced budget. Expenditures may not legally exceed appropriations at the department level, within each fund. Operational control of department budgets is accomplished through a purchase order verification process. Additional details regarding budgetary controls may be found in Note 3 of the notes to the financial statements section.

Debt refunding

The City recognizes that the foundation of any well-managed debt program is a comprehensive debt policy. A debt policy sets forth the parameters for issuing debt and managing outstanding debt and provides guidance to decision makers regarding timing and purposes for which debt may be issued, types and amounts of permissible debt, method of sale that may be used and the structural features that may be incorporated. The policy also includes the parameters for refunding opportunities. In general, advance refunding for economic savings will be undertaken when a net present value savings of at least 3% of the refunding principal can be achieved. Additional information regarding outstanding debt can be found in Note 7, page 55.

Fund balance

The City of Suwanee maintains its financial operations in a manner consistent with sound financial management principles, which require that sufficient funds be retained by the City to provide a stable financial base at all times. An adequate fund balance level is an essential element in both short-term and long-term financial planning. Maintenance of sufficient levels of fund balance enables the City to stabilize funding for operations, stabilize taxes and fees, and realize cost savings in issuing debt. While adequate levels of fund balance are important, the City strives to maintain an appropriate amount that is neither too high nor too low. The City's policy is to maintain a minimum of four months of general fund budgeted expenditures and transfers. As part of the budget resolution, City Council annually commits this funding level. Additional information on fund balance can be found on Note 1, pages 44-51.

Independent audit

The financial statements included in this report are prepared in compliance with governmental financial reporting standards issued by the Governmental Accounting Standards Board, guidelines issued by the Government Finance Officers Association of the United States and Canada, and generally accepted accounting principles applicable to governmental entities. State of Georgia statutes require an annual audit by an independent Certified Public Accountant.

Mauldin & Jenkins, LLC, issued an unmodified ("clean") opinion on the City of Suwanee's financial statements for the year ended June 30, 2019. The independent auditor's report is located at the front of the financial section of this report.

WOOHOO!

The City of Suwanee is proud that many of its initiatives and projects have earned regional, state, and national awards and certification over the past several years. Listed below are a few awards received recently. Visit suwanee.com for a complete listing.

- **Best Cities to Live in Georgia - #10**, Chamber of Commerce
- **Top 10 Best Places to Live in Georgia**, HomeSnacks
- **Certificate of Distinction for Superior Performance Management**, International City/County Management Association
- **Voice of the People Award; Community Engagement**, International City/County Management Association and National Research Center
- **100 Most Genius Places in America list**, Time magazine
- **Distinguished Budget Presentation Award for fiscal year 2019 budget**, Government Finance Officers Association
- **Georgia Outstanding Chief of the Year - Suwanee Police Chief Mike Jones**, Georgia Association of Chiefs of Police.
- **Designated a PlanFirst Community**, Georgia Department of Community Affairs

SUWANEE'S ANCHOR POINTS

SUWANEE QUALITY

HIGH STANDARDS. OTHERS TAKE NOTICE. NOT DONE TO RECEIVE AWARDS, BUT AWARDS ARE LIKELY TO FOLLOW.

UNIQUE

BOLD, RISKY, QUIRKY, ARTSY, COOL, DIFFERENT, INNOVATIVE, EYE-CATCHING. IF IT HASN'T BEEN DONE BEFORE AND IF IT HAS IT WILL BE DIFFERENT IN SUWANEE. THE NORMAL SOLUTION IS NOT THE SOLUTION IN SUWANEE.

REMARKABLE

ATTRACTING ATTENTION BY BEING SPECIAL, UNUSUAL OR EXTRAORDINARY. WORTHY OF REMARKS FROM OTHERS, BOTH SUPPORTIVE AND CRITICAL.

VISIONARY

LASTING BEYOND THOSE WHO MAKE THE DECISIONS.



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

**City of Suwanee
Georgia**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morvill
Executive Director/CEO

Suwanee Awarded For Excellence In Financial Reporting. GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2018. This was the 16th consecutive year that the City has received this prestigious award, given for publishing an easily readable, efficiently organized comprehensive annual financial report conforming to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to GFOA for consideration. The City is committed to this effort and will strive to maintain and surpass these standards on future reports.

THANK YOU!

The preparation and production of this document would not be possible without the dedication and cooperation of all City departments. Their willingness to work together has enabled Suwanee to exceed expectations, to boldly go where no financial document has gone, striving to be unique, remarkable, and quirky in providing a quality financial report that is readable, informative, and beneficial to Suwanee citizens. We also extend our appreciation and gratitude to our independent auditors, Mauldin & Jenkins (GASB Junkies!), for the professional guidance, assistance, and encouragement in producing a CAFR. Most importantly, we express our appreciation to Mayor Jimmy Burnette and to each of our Councilmembers for setting the tone and providing the leadership to keep Suwanee moving in the right direction. Their dedication, leadership, vision, and support in planning and conducting the affairs of the City in a responsible and progressive manner ensure that Suwanee is a well-rounded, vibrant community, that residents can be proud to call home today and well into the future.

Respectfully submitted,

Amie Sakmar
Financial Services Director

Marty Allen
City Manager

BECAUSE EVERY PICTURE TELLS A STORY...

Citizens

Mayor and Council



Planning & Zoning Commission



Chief Municipal Court Judge

Lead Municipal Court Prosecuting Attorney

City Attorney

Associate Municipal Court Judge

Municipal Court Prosecuting Attorney

Public Works Director

Administrative Services Director

Assistant City Manager

Administrative Assistant

Assistant to Public Works Director

Special Projects Coordinator

Event Staff (pooled)

Public Works Superintendent

Field Services Manager

Environmental Manager

Facilities Technician

Human Resources Manager

Special Projects Coordinator

Downtown & Business Development Manager

Events & Outreach Manager

Public Information Officer

Crew Leader

Public Works Crew Member

Public Works Crew Member

Lead Custodian

Custodian

Events Coordinator

CITY OF SUWANEЕ, GA YEAR ENDED JUNE 30, 2019

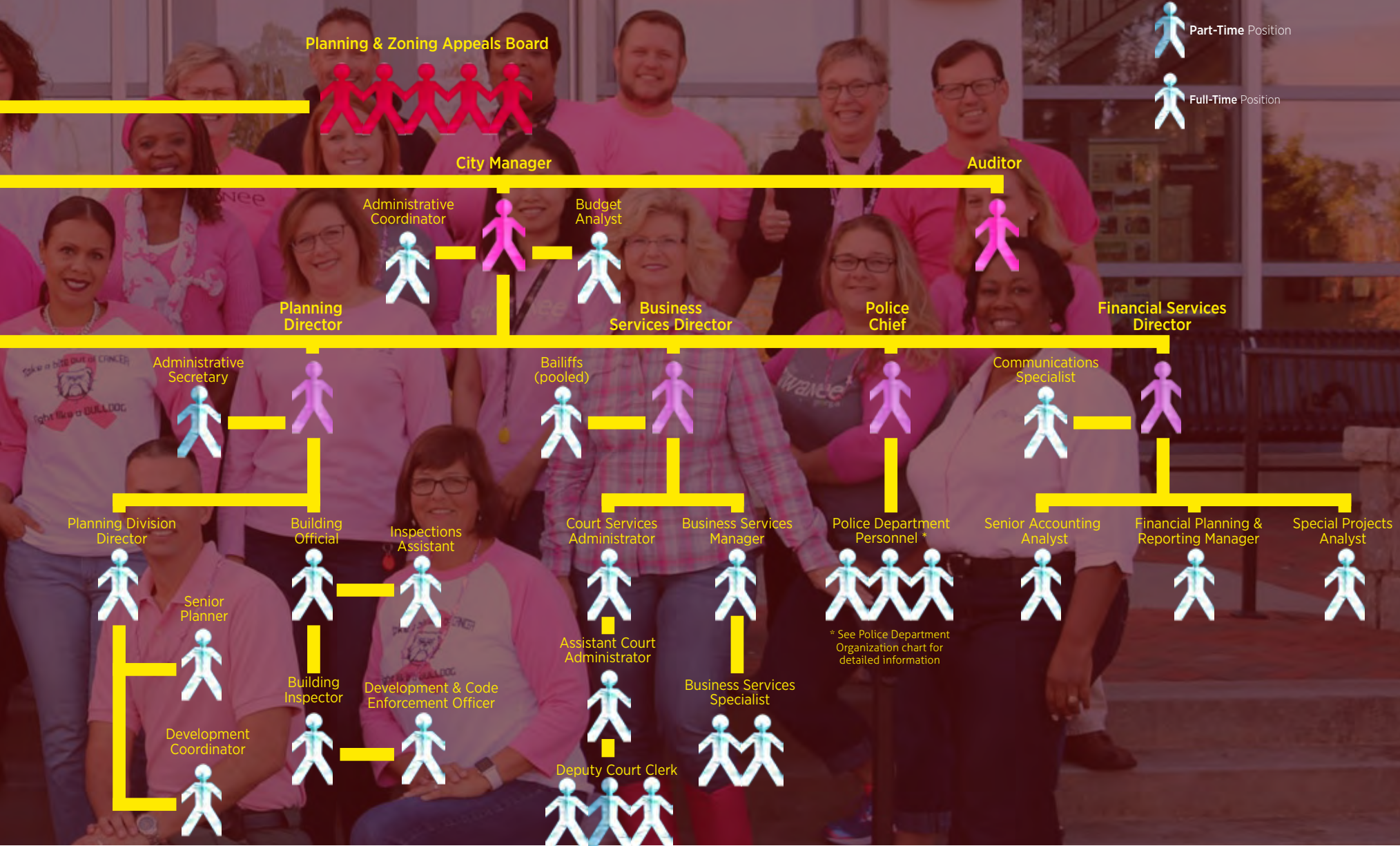
LEGEND



Part-Time Position



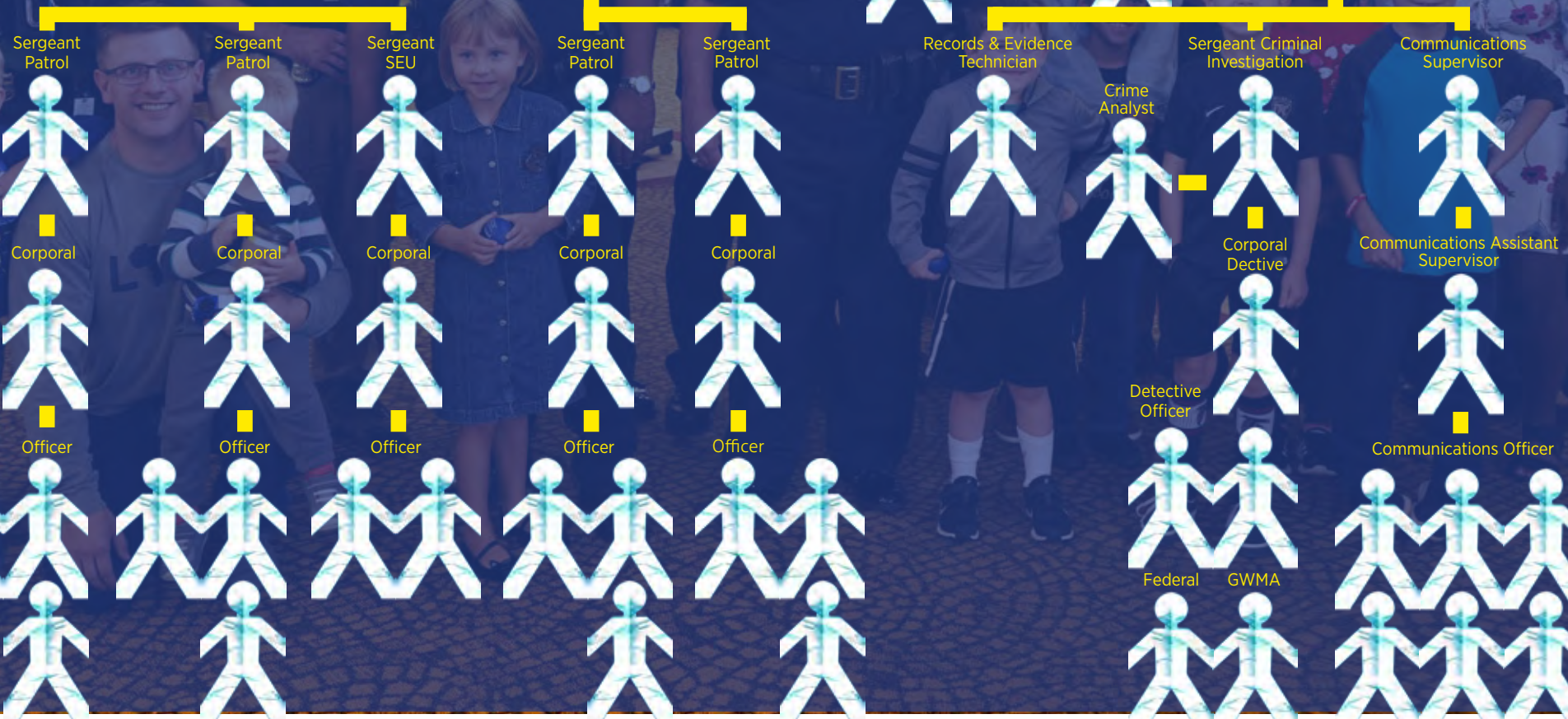
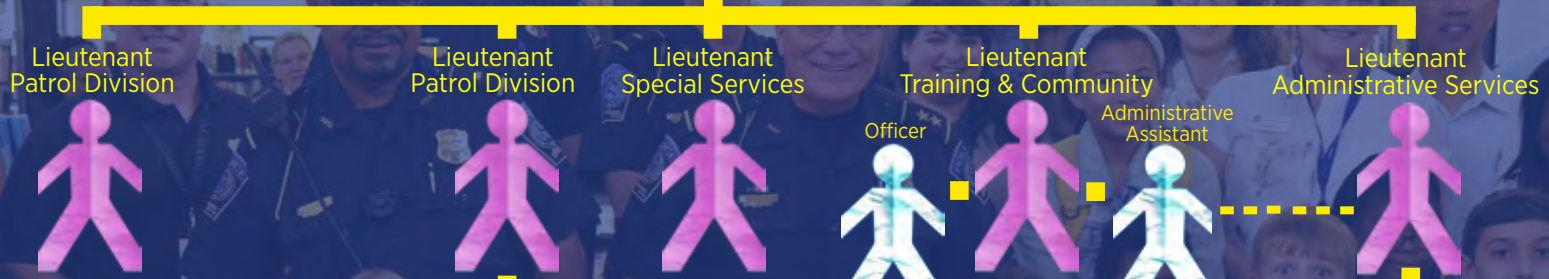
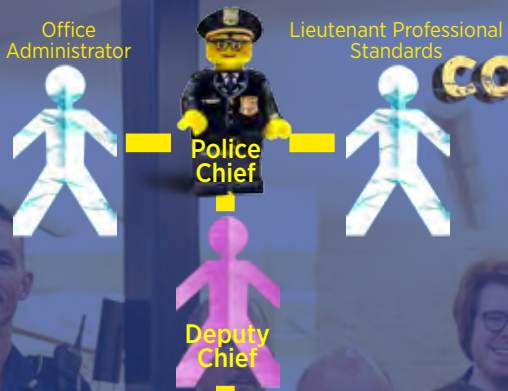
Full-Time Position



POLICE DEPARTMENT ORGANIZATIONAL CHART

COMPREHENSIVE ANNUAL FINANCIAL REPORT

LEGEND





FINANCIAL SECTION

INDEPENDENT
AUDITOR'S
REPORT

MANAGEMENT'S
DISCUSSION
AND ANALYSIS



INDEPENDENT AUDITOR'S REPORT

**Honorable Mayor and Members of City Council
City of Suwanee
Suwanee, Georgia**

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the **City of Suwanee, Georgia (the "City")**, as of and for the year ended June 30, 2019, 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 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, each major fund, and the aggregate remaining fund information of the City of Suwanee, Georgia as of June 30, 2019, 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.

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 14-28, the Schedule of Changes in the Net Pension Asset and Related Ratios on page 67, and the Schedule of City Contributions on page 69 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.

CITY OF SUWANEЕ, GA YEAR ENDED JUNE 30, 2019

Other Information

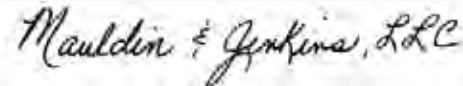
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Suwanee, Georgia's basic financial statements. The combining and individual fund financial statements and schedules, including the Special Purpose Local Option Sales Tax Proceeds Schedule of Expenditures and the Certification of 911 Expenditures, and the introductory and statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements, although the Special Purpose Local Option Sales Tax Proceeds Schedule of Expenditures is required by Official Code of Georgia Annotated 48-8-121.

The combining and individual fund financial statements and schedules, including the Special Purpose Local Option Sales Tax Proceeds Schedule of Expenditures and the Certification of 911 Expenditures, (the "supplementary information") are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Governmental Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2019 on our consideration of the City of Suwanee, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Suwanee's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Suwanee, Georgia's internal control over financial reporting and compliance.



Atlanta, Georgia
December 8, 2019

The following management discussion and analysis is provided as an introduction to the basic financial statements for the fiscal year ended June 30, 2019. This narrative is intended to assist the reader in understanding significant financial issues, provide an overview of financial activities and identify changes in financial position, material deviations from the original budget, and individual fund issues or concerns. We encourage readers to consider the information presented here in conjunction with the information furnished in the City's basic financial statements and notes to the financial statements.

Government-wide

Assets and deferred outflows of resources of the City's governmental activities exceeded liabilities and deferred inflows of resources by \$85,677,161. This is an increase of \$3,753,569 or 4.6%, as compared to the prior year amount of \$81,923,592. The majority of the governmental activities increase is due to capital outlay for building improvements and infrastructure from SPLOST funds. SPLOST revenues are recognized as revenue as funds are received but expenses for capitalized assets are amortized over the life of the asset instead of expensed at the time of construction or purchase as in the fund level statements.

Assets of the City's business-type activities exceeded liabilities by \$3,612,945 an increase of \$151,648, or 4.4%, as compared to the prior year amount of \$3,461,297. The majority of this increase is due to the \$120,000 general fund transfer during the period for future water system improvements.

In total, net position increased by \$3,905,217 to \$89,290,106. Of this amount, unrestricted net position on June 30, 2019 was \$19,327,132 or 21.6% of the City's total net position.

Fund level

As of June 30, 2019, the City's governmental funds reported a combined ending fund balance \$42,523,492, an increase of \$551,906 or 1.3% increase from fiscal year 2018. This majority of this increase is due to the intergovernmental revenues received from the 2017 SPLOST that were received but not expended during the reporting period. Enterprise fund assets exceeded liabilities by \$3,612,945 of which \$2,422,828 was invested in capital assets leaving an unrestricted balance of \$1,190,117.

Long-term debt

In total the City's bonds payable outstanding decreased by (\$1,512,000) or 4.2% during fiscal year 2019. This decrease is due to scheduled debt service payments. Additional information regarding long-term debt can be found in the notes to the financial statements, Note 7, on pages 55-56.

Suwanee's financial reporting focuses on the City as a whole and on the major individual funds. Both reporting perspectives provide a comprehensive view of the City's financial activities and a broad basis for comparison from year to year and from government to government. The financial section of this report presents the City's financial activities in four parts:

- 1) Management's Discussion and Analysis (MD&A),
- 2) The Basic Financial Statements,
- 3) Required Supplementary Information, and
- 4) Other Supplementary Information presenting combining statements. This report also includes statistical and economic data.

The Basic Financial Statements include government-wide financial statements, fund financial statements, and notes to the financial statements. Notes to the financial statements provide additional detailed information to supplement the Basic Financial Statements.

CITY OF SUWANEЕ, GA YEAR ENDED JUNE 30, 2019

GOVERNMENT WIDE FINANCIAL STATEMENTS

The government-wide financial statements are designed to provide the reader with a broad overview of the City's finances, in a manner similar to a private sector business. The statement of net position and the statement of activities are prepared using the economic resources measurement focus and the accrual basis of accounting. This means that all the current year's revenues and expenses are included, regardless of when cash is received or paid. In addition, capital expenditures are added to capital assets and depreciated over the life of the asset.

- The statement of net position combines and consolidates the City's current financial resources with capital assets and long-term obligations. This statement presents information regarding all of the City's assets and deferred outflows of resources, liabilities and deferred inflows of resources, for all fund types except for fiduciary funds, with the difference between these items reported as net position. Over time, increases or decreases in net position may serve as an indicator of whether the financial position of the City is improving or deteriorating.
- The statement of activities presents information showing how the City's net position changed during the fiscal year. The focus is on both the gross and net cost of governmental and business-type activities. This statement summarizes the cost or subsidy of providing specific government services and includes all current year revenues and expenses. The format is intended to portray the extent to which governmental activities are funded by taxes and the extent to which business-type activities are supported by the revenue they generate.

The government-wide financial statements distinguish governmental activities (those that are principally supported by taxes and intergovernmental revenues) from business-type activities (other functions that are intended to recover all or a significant portion of their costs through user fees and charges). City governmental activities include general government, judiciary, police service, public works, planning and zoning, inspections, economic and community development, parks, tourism, and code enforcement. Business-type activities include the water and sewer system.

The government-wide financial statements can be found on pages 30-32.

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. Fund financial statements focus on the most significant funds, reporting on the City's operations in greater detail than the government-wide statements. The City's funds can be divided into three categories: governmental, proprietary, and fiduciary.

Governmental funds

Most of the basic services provided by the City are financed through governmental funds and are essentially the same functions reported as governmental activities in the government-wide statements. Reporting of these funds focuses on how money flows into and out of the funds and the amounts remaining at year-end for future spending. Governmental funds use the modified accrual basis of accounting, which measures cash and other assets that can be readily converted to cash. These statements provide a detailed short-term view of the City's finances and assist in determining whether there will be adequate financial resources available to meet the current needs of the City.

Because the focus of governmental funds is short-term and the focus of the government-wide statements is both short-term and long-term, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. This comparison is useful in understanding the long-term impact of the City's near term financing decisions. Both 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.

The City maintains twenty governmental funds. Six of these funds are considered major funds for financial reporting purposes: general, debt service, 2017 SPLOST, other capital projects, Urban Redevelopment Authority, and Downtown Development Authority. Each major fund is presented in a separate column in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances. Data for non-major governmental funds are combined into a single, aggregated column. Specific fund data for each of the non-major funds is provided in the form of combining statements beginning on page 72. Suwanee adopts an annual appropriated budget for general, special revenue, and debt service funds. A budgetary comparison statement has been provided for the general fund on pages 37 and 38. Budgetary comparisons for other governmental funds with legally adopted annual budgets start on page 76.

The basic governmental fund financial statements can be found on pages 33-35.

Proprietary funds

The City maintains one proprietary fund, the water and sewer fund. This fund operates as an enterprise fund where fees for services are charged to outside customers and to departments of the City. Like the government-wide financial statements, proprietary fund statements use the accrual basis of accounting. No reconciliation is needed between the government-wide financial statements and the proprietary fund financial statements.

The basic proprietary fund financial statements can be found on pages 39-41.

Fiduciary funds

Fiduciary funds are used to account for resources held for the benefit of parties outside of the City's government. These funds are excluded from the government-wide financial statements because the resources of those funds are not owned by or available to support the City's operations. Fiduciary funds use the accrual basis of accounting, similar to proprietary funds. Suwanee maintains one fiduciary fund, the municipal court agency fund.

The municipal court agency fund information is presented in the statement of fiduciary assets and liabilities on page 42.

CITY OF SUWANEE, GA YEAR ENDED JUNE 30, 2019

NOTES TO THE FINANCIAL STATEMENTS

REQUIRED SUPPLEMENTARY INFORMATION

OTHER INFORMATION

GOVERNMENT WIDE FINANCIAL ANALYSIS

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 43-66.

Required supplementary information includes the required pension schedules and notes to the schedules. The schedule of changes in net pension assets and related ratios and the schedule of city contributions can be found on pages 67-69.

Other supplemental information includes combining financial statements for non-major governmental funds. Schedules of revenues, expenditures, and changes in fund balance budget to actual are also presented for all governmental funds with annually adopted budgets. These supplemental statements can be found on pages 72-75.

As noted earlier, changes in net position may serve as a useful indicator of a government's financial position and an important determinant of its ability to finance services in the future. On a government-wide basis, the City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows by \$89,290,106 and \$85,384,889 at June 30, 2019 and 2018 respectively. This represents an increase of \$3,905,217, or 4.6 percent from fiscal year 2018. The following is a condensed version of the government-wide statement of net position.

| | Net Position on June 30th | | | | | |
|-----------------------------------|---------------------------|----------------------|--------------------------|---------------------|--------------------------|----------------------|
| | Governmental Activities | | Business-type Activities | | Total Primary Government | |
| | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 |
| Assets | | | | | | |
| Current and other assets | \$ 50,336,880 | \$ 47,935,231 | \$ 1,194,876 | \$ 1,001,551 | \$ 51,531,756 | \$ 48,936,782 |
| Capital assets | 75,136,683 | 74,079,293 | 2,422,828 | 2,467,886 | 77,559,511 | 76,547,179 |
| Total assets | 125,473,563 | 122,014,524 | 3,617,704 | 3,469,437 | 129,091,267 | 125,483,961 |
| Deferred outflows of resources | 1,064,832 | 1,149,878 | - | - | 1,064,832 | 1,149,878 |
| Liabilities | | | | | | |
| Long-term liabilities outstanding | 37,152,705 | 38,738,644 | - | - | 37,152,705 | 38,738,644 |
| Other liabilities | 859,234 | 1,830,362 | 4,759 | 8,140 | 863,993 | 1,838,502 |
| Total liabilities | 38,011,939 | 40,569,006 | 4,759 | 8,140 | 38,016,698 | 40,577,146 |
| Deferred inflows of resources | 2,849,295 | 671,804 | - | - | 2,849,295 | 671,804 |
| Net Position | | | | | | |
| Net investment in capital assets | 61,580,997 | 59,582,331 | 2,422,828 | 2,467,886 | 64,003,825 | 62,050,217 |
| Restricted | 5,959,149 | 5,167,127 | - | - | 5,959,149 | 5,167,127 |
| Unrestricted | 18,137,015 | 17,174,134 | 1,190,117 | 993,411 | 19,327,132 | 18,167,545 |
| Total net position | \$ 85,677,161 | \$ 81,923,592 | \$ 3,612,945 | \$ 3,461,297 | \$ 89,290,106 | \$ 85,384,889 |

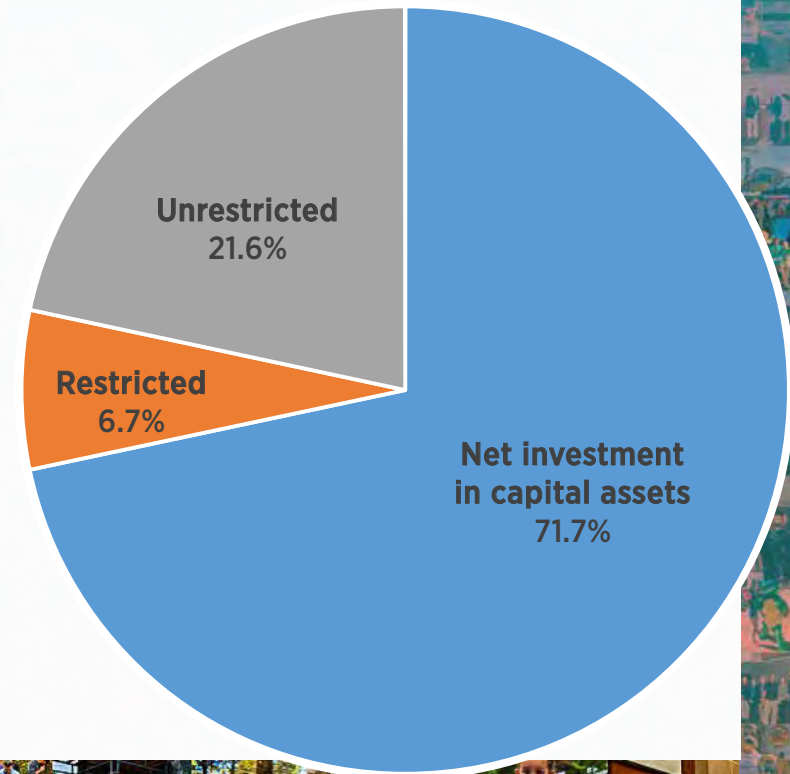
COMPREHENSIVE ANNUAL FINANCIAL REPORT

PRIMARY GOVERNMENT NET POSITION JUNE 30, 2019

The largest portion of the City's net position, 71.7%, reflects its investment in capital assets such as land, buildings, equipment and infrastructure (roads, bridges, and other immovable assets), net of any related debt used to acquire those assets. Net investment in capital assets increased by \$1,953,608 or 3.1%. This increase is due to additions to capital assets, building improvements and infrastructure categories.

The City's investment in its capital assets is reported net of related debt, 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. City has restrictions of \$5,959,149 of net position to be used on debt service, capital projects and special programs. The increase in restricted net position is due to 2017 SPLOST revenues that were received but not expended during the fiscal period. The remaining portion of unrestricted net position, 21.6%, may be used to meet the City's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City was able to report positive balances in all three categories for the governmental activities. Business type activities were also able to report positive balances in two categories. Overall growth in net position is a positive economic indicator of the City's improved financial position from 2018.



CITY OF SUWANEЕ, GA YEAR ENDED JUNE 30, 2019

GOVERNMENTAL ACTIVITIES

Governmental activities increased the City's net position by \$3,753,569 thereby accounting for 96.1% of the total growth in net position. This increase in governmental activities is related to capital grant contributions from SPLOST revenues, intergovernmental (local, state, and federal) grants, and capital donations from developers \$5,533,649. The reader should remember that the basis of accounting used in the government-wide statement of activities excluded capital expenditures, while its revenues include capital grants and donations. The following condensed financial information was derived from the government-wide Statement of Activities and reflects how net position changed during fiscal year 2019.

| | Change in Net Position | | | | | |
|--|-------------------------|----------------------|--------------------------|---------------------|--------------------------|----------------------|
| | Governmental Activities | | Business-type Activities | | Total Primary Government | |
| | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 |
| Revenues | | | | | | |
| Program revenues: | | | | | | |
| Charge for services | \$ 2,238,138 | \$ 2,379,378 | \$ 135,767 | \$ 132,295 | \$ 2,373,905 | \$ 2,511,673 |
| Operating grants and contributions | 798,330 | 1,011,423 | - | - | 798,330 | 1,011,423 |
| Capital grants and contributions | 5,533,649 | 3,301,807 | - | - | 5,533,649 | 3,301,807 |
| General revenues: | | | | | | |
| Property taxes | 6,496,848 | 6,001,465 | - | - | 6,496,848 | 6,001,465 |
| Franchise fees | 1,790,469 | 1,715,558 | - | - | 1,790,469 | 1,715,558 |
| Alcoholic beverage taxes | 808,436 | 812,385 | - | - | 808,436 | 812,385 |
| Business and occupation taxes | 1,243,644 | 1,191,440 | - | - | 1,243,644 | 1,191,440 |
| Other | 2,541,795 | 2,261,873 | - | - | 2,541,795 | 2,261,873 |
| Unrestricted investment earnings | 137,768 | 102,254 | 12,065 | 6,633 | 149,833 | 108,887 |
| Total revenues | 21,589,077 | 18,777,583 | 147,832 | 138,928 | 21,736,909 | 18,916,511 |
| Expenses | | | | | | |
| General government | 3,041,315 | 3,202,083 | - | - | 3,041,315 | 3,202,083 |
| Judicial | 434,217 | 399,218 | - | - | 434,217 | 399,218 |
| Public safety | 4,986,349 | 4,634,147 | - | - | 4,986,349 | 4,634,147 |
| Public works | 5,404,858 | 4,004,108 | - | - | 5,404,858 | 4,004,108 |
| Culture and recreation | 992,751 | 1,023,763 | - | - | 992,751 | 1,023,763 |
| Housing and development | 1,301,352 | 1,368,680 | - | - | 1,301,352 | 1,368,680 |
| Tourism and trade | 453,755 | 460,706 | - | - | 453,755 | 460,706 |
| Interest on long term debt | 1,100,911 | 1,106,628 | - | - | 1,100,911 | 1,106,628 |
| Water and sewer | - | - | 116,184 | 140,699 | 116,184 | 140,699 |
| Total expenses | 17,715,508 | 16,199,333 | 116,184 | 140,699 | 17,831,692 | 16,340,032 |
| Increase (decrease) in net position before transfers | 3,873,569 | 2,578,250 | 31,648 | (1,771) | 3,905,217 | 2,576,479 |
| Transfers | (120,000) | (120,000) | 120,000 | 120,000 | - | - |
| Change in net position | 3,753,569 | 2,458,250 | 151,648 | 118,229 | 3,905,217 | 2,576,479 |
| Net position - July | 81,923,592 | 79,465,342 | 3,461,297 | 3,343,068 | 85,384,889 | 82,808,410 |
| Net position - June 30 | \$ 85,677,161 | \$ 81,923,592 | \$ 3,612,945 | \$ 3,461,297 | \$ 89,290,106 | \$ 85,384,889 |

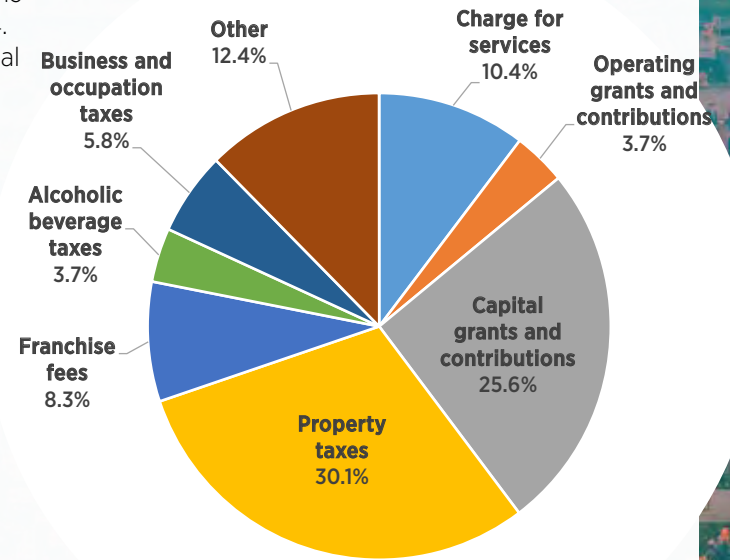
COMPREHENSIVE ANNUAL FINANCIAL REPORT

REVENUES BY SOURCE GOVERNMENTAL ACTIVITIES

Governmental activities revenues totaled \$21,589,077 for fiscal year 2019 and \$18,777,583 for fiscal year 2018, reporting an increase of \$2,811,494. The major difference between the two fiscal years is the donated capital assets, \$1,867,331, received in fiscal year 2019.

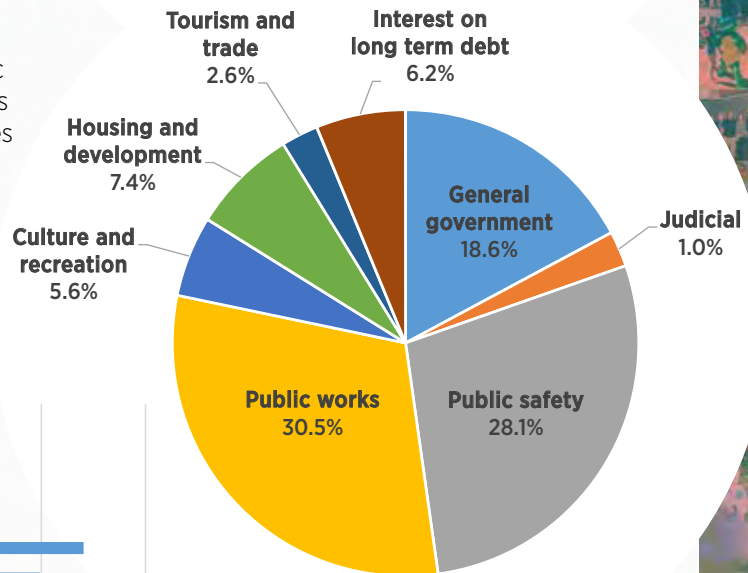
Property tax revenue in fiscal year 2019 increased when compared to fiscal year 2018, by \$495,383. This growth is due to rising property values. Total taxable assessed values for calendar year 2018 increased by \$66,624,384, to an estimated total of \$1,354,617,204. Additional information on Suwanee's taxable assessed property values can be found in the statistical section, page S13.

Property taxes are the largest revenue source for governmental activities accounting for 30.1% of total revenues. Capital grants and contributions, which include SPLOST funds received from Gwinnett County, intergovernmental grants (local, state, and federal), and developer asset donations, account for the second largest at 25.6%. Charges for services, which include municipal court fines and building permits, are the third largest (single) revenue sources, accounting for 10.4% of governmental revenues for the year.

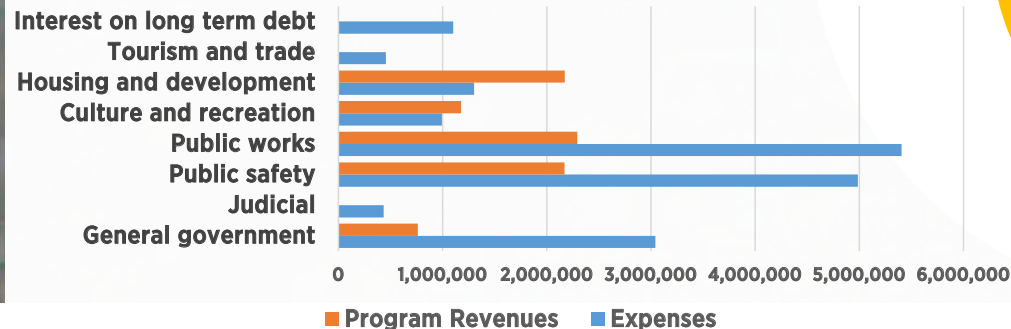


EXPENSES BY SOURCE GOVERNMENTAL ACTIVITIES

Governmental expenses totaled \$17,715,508 for the fiscal year. Of the expenses, 30.5%, or \$5,404,858, are related to public works, while public safety accounted for \$4,986,349, or 28.1%. General government activities accounted for the third highest with 18.6%. General government activities include administration, legal, IT, and facilities. The chart below compares governmental activities with their respective program revenues, if any.



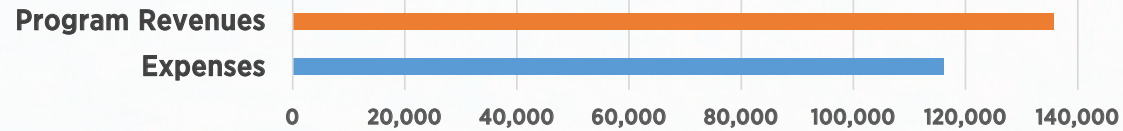
GOVERNMENTAL ACTIVITIES EXPENSES AND PROGRAM REVENUES



CITY OF SUWANEЕ, GA YEAR ENDED JUNE 30, 2019

BUSINESS-TYPE ACTIVITIES

Business-type activities increased the City's net position by \$151,648 accounting for 3.9% of the City's net position increase in fiscal year 2019. This increase is due to general fund transfer of \$120,000 for future water system improvements.



FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Governmental funds

General governmental functions are contained in the general, special revenue, debt service, and capital projects funds. As noted earlier, the focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements.

As of June 30, 2019, the City's governmental funds reported a combined ending fund balance of \$42,523,492, an increase of \$551,906 in comparison with the prior year. The majority of this increase is due to 2017 SPLOST revenues received but not expended in the current period. In the governmental fund financial statements, the City's fund balance is reported in five classifications.

Nonspendable

Fund balances are reported as nonspendable when amounts cannot be spent because they are either 1) not in spendable form (i.e. items that are not expected to be converted to cash) or 2) legally contractually required to be maintained intact.

Restricted

Restricted fund balance encompasses the net fund resources subject to externally enforceable legal restrictions. Such restrictions would include 1) externally imposed by creditors, grantors, contributors, or laws and regulations of other governments, or 2) imposed by law through constitutional provisions or enabling legislation.

Committed

Committed fund balance represents resources the use of which is constrained by limitations that the government imposes upon itself at the highest level of decision making, City Council, and can only be removed by formal action equivalent to the action taken to impose it.

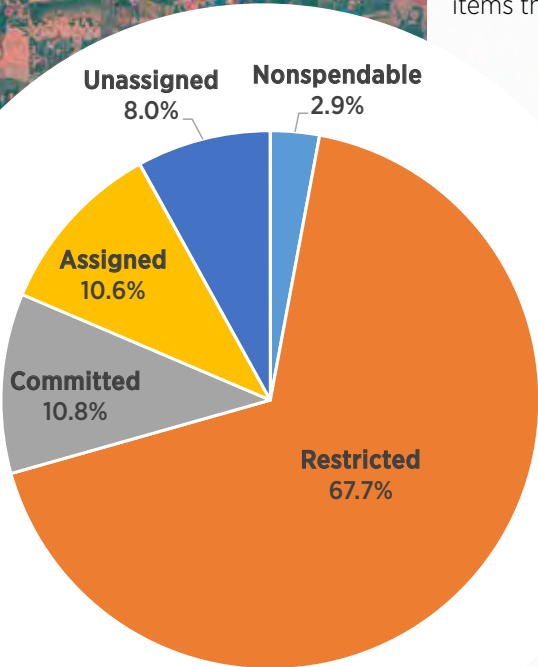
Assigned

Assigned fund balance includes the portion of fund balance that reflects the City's intended use of resources. Such intent was established by formal action of the City Council or their designee.

Unassigned

Unassigned includes fund balance that has not been reported in any other classification.

As of June 30, 2019, Suwanee's total fund balance for governmental funds was \$42,523,492 of which \$1,245,335 was nonspendable, \$28,777,201 was restricted, \$4,588,927 was committed, \$4,492,346 was assigned, and \$3,419,683 was unassigned. Additional information on fund balance can be found on Note 1 on pages 50-51.



COMPREHENSIVE ANNUAL FINANCIAL REPORT

GOVERNMENTAL FUND BALANCES

REVENUES CLASSIFIED BY SOURCE GENERAL FUND

The general fund is the chief operating fund of the City. On June 30, 2019, unassigned fund balance of the general fund was \$3,419,683. As a measure of the general fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 25.8% of total general fund expenditures and transfers, compared to 27.8% in the prior year. The decrease in unassigned fund balance of (\$210,992) is approximately 5.8% lower than the previous fiscal year. This decrease in unassigned is related to a fourth quarter 2019 capital improvements prefunding of \$658,000. Prefunding Suwanee's capital improvement program is part of Suwanee's pay-as-you go financing for capital projects.

| | FY 2019 | | FY 2018 | | Increase/ (Decrease) | |
|----------------------------|----------------------|----------------|----------------------|----------------|----------------------|--------------|
| | Amount | % of Total | Amount | % of Total | Amount | % of Change |
| Revenues by Source: | | | | | | |
| Taxes | \$ 9,913,075 | 76.46% | \$ 9,376,814 | 74.20% | \$ 536,261 | 5.72% |
| Licenses and permits | 591,968 | 4.57% | 1,084,965 | 8.59% | (492,997) | -45.44% |
| Intergovernmental | 626,950 | 4.84% | 808,945 | 6.40% | (181,995) | -22.50% |
| Charge for services | 205,383 | 1.58% | 148,967 | 1.18% | 56,416 | 37.87% |
| Fines and forfeitures | 1,387,121 | 10.70% | 1,064,522 | 8.42% | 322,599 | 30.30% |
| Other | 240,274 | 1.85% | 153,417 | 1.21% | 86,857 | 56.61% |
| Total | \$ 12,964,771 | 100.00% | \$ 12,637,630 | 100.00% | \$ 327,141 | 2.59% |

The following provides an explanation of revenues by source changes from 2018 to 2019:

- Taxes.** Real and personal property tax collections increased by \$283,293 from fiscal year 2018. Suwanee's property tax digest has shown value growth over the past five years. Calendar year 2018 total taxable assessed value increased by \$66,624,384 from 2017 values. Please note that property tax values are assessed at January 1 and are based on a calendar year. Taxes billed and collected are based on a fiscal years. Franchise fees increased by \$74,911, mainly in electric fees which increased by \$91,318 from the prior year. Title ad valorem taxes increased by \$47,438 due to changes in the tax structure, changed by the state legislatures. Business taxes also had an increase of \$132,265 as compared to fiscal year 2018.
- License and permits.** Alcohol beverage fees remained stable with small difference of (\$4,050) between the two years. Building permits decreased by (\$497,655), this decrease is due to a lower number of building permits being issued in fiscal year 2018. Due to Suwanee's size, building permit revenues tend to fluctuate. One or two permits in one period can cause a variance in the next period.
- Intergovernmental.** Intergovernmental revenues decreased by (\$181,995) from the prior period. In fiscal year 2018, Suwanee received \$808,945 from Gwinnett County for 911 dispatch and police services provided by the City. In fiscal year 2019, Suwanee received \$601,625. This annual payment for 911 and police services provided by Gwinnett was part of the Service Delivery Strategy (SDS) settlement agreed upon in March 2012. Payments are based on actual expenditures incurred. These annual payments will continue until the next SDS negotiations in 2019.
- Fines and forfeitures.** Municipal court fees increased by \$322,599. During fiscal year 2019, several police positions were unfilled due to vacancies and injuries. With reduced man power, special enforcements units were re-allocated to patrol resulting in a decrease in higher fine tickets in fiscal year 2019.

CITY OF SUWANEЕ, GA YEAR ENDED JUNE 30, 2019

EXPENDITURES BY FUNCTION GENERAL FUND

| | FY 2019 | | FY 2018 | | Increase/ (Decrease) | |
|----------------------------------|----------------------|----------------|----------------------|----------------|----------------------|--------------|
| | Amount | % of Total | Amount | % of Total | Amount | % of Change |
| Expenditures by Function: | | | | | | |
| General government | \$ 2,571,428 | 20.63% | \$ 2,474,238 | 21.47% | \$ 97,190 | 3.93% |
| Judicial | 462,399 | 3.71% | 425,474 | 3.69% | 36,925 | 8.68% |
| Public safety | 5,084,136 | 40.79% | 4,763,566 | 41.34% | 320,570 | 6.73% |
| Public works | 2,635,428 | 21.14% | 2,157,769 | 18.73% | 477,659 | 22.14% |
| Culture and recreation | 267,137 | 2.14% | 340,598 | 2.96% | (73,461) | -21.57% |
| Housing and development | 1,444,405 | 11.59% | 1,361,269 | 11.81% | 83,136 | 6.11% |
| Total | \$ 12,464,933 | 100.00% | \$ 11,522,914 | 100.00% | \$ 942,019 | 8.17% |

The following provides an explanation of expenditures by function changes from the prior period:

- **General government.** Expenditures increased by \$97,190 or 3.93%. The majority of this increase is due to annual performance raises (up to 4%) and increases in the general building insurance expenditures.
- **Judicial.** Expenditures increased by \$36,925 or 8.68%. The majority of this increase is due to annual performance raises and prior period vacancies.
- **Public safety.** Expenditures increased by \$320,570 or 6.73%. The majority of this increase is due to annual performance raises, prior period vacancies, and building improvements.
- **Public works.** Expenditures increased by \$477,659 or 22.14%. This increase is due to increase in salaries and benefits due to annual performance raises and a new environmental division created, \$340,200. Some expenditures were also transferred to the new environmental division out of the culture and recreation functions. Mainly grounds keeping related to park areas.
- **Culture and recreation.** Expenditures decreased by (\$73,461) or -21.57%. The majority of this decrease is due to expenditures transferred to the new environmental division in the public works function.
- **Housing and development.** Expenditures increased by \$83,136 or 6.11%. The majority of this increase is due to annual performance raises and the purchase of a new vehicle.

Capital projects funds account for the financial resources used for the purchase and construction of major facilities and related equipment. During fiscal year 2019, the City had four capital project funds considered major funds: the 2017 SPLOST, Other Capital Projects, the Urban Redevelopment Authority, and the Downtown Development Authority.

CAPITAL PROJECTS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

CAPITAL PROJECTS (continued)

The 2017 SPLOST fund consists of eight separate projects focusing on transportation projects 68%, recreation improvements 16%, and administrative facilities 16%. The 2017 SPLOST program was approved by voters on November 8, 2016. This SPLOST program is a six year program with 72 months of revenue collections. Collections began on April 1, 2017 and will continue through March 31, 2023. The fund has a restricted fund balance of \$1,490,551, comprised entirely of 2017 SPLOST funds received and unspent. On average, this fund receives \$250,000 in SPLOST funds per month. The majority of capital expenditures include Buford Highway reconstruction \$74,270, street resurfacing \$457,624, and storm water improvements \$44,107.

Other capital projects fund accounts for the local financial resources used for the purchase and construction of capital equipment, facilities, master plan implementation, and community stabilization. As of June 30, 2019, the fund had nonspendable fund balance of \$1,245,335 (redevelopment land held for development), restricted balance of \$190,018 (intergovernmental funds for paving) and assigned fund balance of \$4,463,301. During fiscal year 2019, fund balance decreased by (\$527,859). The majority of the capital expenditures were for facility maintenance \$305,788, facility enhancements \$236,906, paved streets \$346,886, storm drainage \$125,267, and master plan implementation \$274,837.

The Urban Redevelopment Authority fund accounts for the financial resources provided from the 2017 URA bond issue. These funds will finance the costs associated with the cash flow bond repayment (2017 SPLOST) program, construction of a new park (Town Center on Main), administrative facilities renovations, and transportation projects within the URA district. The fund had a restricted fund balance of \$23,288,812, comprised entirely of unspent bond proceeds and investment income. The fund had capital expenditures of \$253,446 during the period for administrative facilities (Court House) renovations.

The Downtown Development Authority is a seven-member board of directors appointed by City Council to serve as advocates and advisors to the City of issues related to downtown Suwanee. The authority is a hybrid agency - neither wholly a public agency nor wholly a private corporation, enacted by municipal government and authorized by state law. It provides centralized leadership, a forum for all stakeholders, and opportunities for public/private partnerships committed to downtown revitalization. The fund had a restricted fund balance of \$1,267,812. During the fiscal year 2019, fund balance decreased by (\$51,922). The majority of the expenditures were for commission payments for property leases at the Solis project. See note 14 on pages 63-66 for additional information.



CITY OF SUWANEЕ, GA YEAR ENDED JUNE 30, 2019

DEBT SERVICES

PROPRIETARY FUNDS

GENERAL FUND BUDGETARY HIGHLIGHTS

GENERAL FUND BUDGET COMPARISON

The debt service restricted fund balance was \$175,017 as of June 30, 2019, all of which is restricted for future debt service payments.

The proprietary fund statements share the same focus as the government-wide statements, reporting both short-term and long-term financial activity. For the fiscal year end, the water and sewer fund had an operating income of \$19,583 compared to an operating loss of (\$3,836) in the prior year. Operating revenues increased by \$3,472. Operating expenses decreased by (\$19,947). Net position increased by \$151,648. The majority of this increase is from the general fund transfer of \$120,000 for future water system improvements.

Differences between the original budget, \$13,366,910, and the final amended budget, \$14,096,910, amounted to an overall increase of \$730,000. Operational functions increased by \$72,000, or less than 1%. Capital transfers were increased by \$658,000. Listed below is a summary of the additional capital transfers:

- \$200,000, prefunding for fiscal year 2019 facilities maintenance.
- \$29,000, tax allocation funding.
- \$205,000, prefunding for fiscal year 2019 street maintenance, resurfacing, and storm drainage.
- \$100,000, prefunding for public facilities and park enhancements.
- \$120,000, for future water system improvements.
- \$4,000, Harvest Farm funding.

A detail budgetary comparison schedule for the fiscal year ended June 30, 2019 can be found on pages 37-38. The following chart is a summary of that schedule:

| | Budget | | | Variance with Final Budget |
|--|-------------------|-------------------|-------------------|----------------------------|
| | Original | Final | Actual | |
| Revenues, transfers, and other financing sources: | | | | |
| Taxes | \$ 9,734,170 | \$ 9,779,170 | \$ 9,913,075 | \$ 133,905 |
| Licenses and permits | 801,870 | 801,870 | 591,968 | (209,902) |
| Intergovernmental revenues | 910,000 | 910,000 | 626,950 | (283,050) |
| Charges for services | 161,720 | 161,720 | 205,383 | 43,663 |
| Fines and forfeitures | 1,448,350 | 1,448,350 | 1,387,121 | (61,229) |
| Investment income | 50,000 | 50,000 | 93,926 | 43,926 |
| Miscellaneous revenues | 69,500 | 129,500 | 146,348 | 16,848 |
| Other financing sources | 191,300 | 191,300 | 191,456 | 156 |
| Total | 13,366,910 | 13,471,910 | 13,156,227 | (315,683) |
| Expenditures and transfers out: | | | | |
| Expenditures | 13,255,910 | 13,327,910 | 12,464,933 | 862,977 |
| Transfer out | 111,000 | 769,000 | 768,996 | 4 |
| Total | 13,366,910 | 14,096,910 | 13,233,929 | 862,981 |
| Change in fund balance | \$ - | \$ (625,000) | \$ (77,702) | \$ 547,298 |

During the year, general fund revenues were less than budgetary appropriations by (\$315,683), or 2.3%. The majority of this decrease was due to the end of the annual police payments from Gwinnett County, \$311,000 received in fiscal year 2018 compared to \$0 received in fiscal year 2019. These payments were a part of the service delivery negotiations agreed upon in 2012. The current service delivery agreement is under negotiations and should be settled during fiscal year 2020.

GENERAL FUND BUDGET COMPARISON (continued)

General fund expenditures were less (\$862,977), than budgetary estimates. Listed below are the major areas that expenditures were lower than appropriations.

- Salaries and benefits expenditures were (\$261,000) less than appropriations. This was due to staff vacancies and changes in health care enrollment. Salaries and wages were 98% of budgetary projections and employee benefits were 93%.
- Purchased professional services expenditures were (\$183,000) less than appropriations, 75% expended. The major consultant areas were development reviews, legal services and landscape maintenance.
- Other purchase services expenditures were (\$155,000) less than appropriations, 87% expended. This classification includes training, education, travel, printing, and dues and fees.
- Supplies expenditures were (\$131,000) less than appropriations, 88% expended. This classification includes supplies and utilities.
- Purchase property services were (\$59,000) less than appropriations, 83% expended. This category includes repairs and rental of equipment.
- Capital outlay expenditures were (\$65,000) less than appropriations, 91% expended.

Capital assets

On June 30, 2019, the City's investments in capital assets in both governmental and business-type activities amounted to \$77,559,511 net of accumulated depreciation. This includes land, land improvements, buildings, machinery and equipment, park facilities and infrastructure. The majority of the increase in capital assets is due to donated capital assets, \$1,827,614. The decrease in construction in progress is due to projects being completed and then transferred from construction in progress to the related capital assets accounts. Additional information on capital assets can be found in Note 6 on pages 53-54 of this report.

| | Governmental Activities | | Business-type Activities | | Total Primary Government | |
|--------------------------|-------------------------|----------------------|--------------------------|---------------------|--------------------------|----------------------|
| | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 |
| Land | \$ 14,042,281 | \$ 13,727,281 | \$ 7,500 | \$ 7,500 | \$ 14,049,781 | \$ 13,734,781 |
| Land improvements | 1,083,958 | 690,435 | - | - | 1,083,958 | 690,435 |
| Buildings | 29,604,152 | 26,841,642 | - | - | 29,604,152 | 26,841,642 |
| Water system | - | - | 2,187,587 | 2,267,867 | 2,187,587 | 2,267,867 |
| Machinery and equipment | 887,051 | 799,771 | - | - | 887,051 | 799,771 |
| Vehicles | 931,513 | 748,110 | - | - | 931,513 | 748,110 |
| Infrastructure | 19,601,140 | 18,848,358 | - | - | 19,601,140 | 18,848,358 |
| Construction in progress | 8,986,588 | 12,423,696 | 227,741 | 192,519 | 9,214,329 | 12,616,215 |
| Total | \$ 75,136,683 | \$ 74,079,293 | \$ 2,422,828 | \$ 2,467,886 | \$ 77,559,511 | \$ 76,547,179 |

CAPITAL ASSETS & DEBT ADMINISTRATION

CAPITAL ASSETS-NET OF ACCUMULATED DEPRECIATION

CITY OF SUWANEЕ, GA YEAR ENDED JUNE 30, 2019

LONG-TERM DEBT

Long-term debt

At the end of the current fiscal year, the City had total bonded debt outstanding of \$36,758,054 comprised of general obligation debt \$9,835,000 backed by the full faith and credit of the City, and revenue bonds \$26,923,054 obligated through an intergovernmental agreement with the Urban Redevelopment Agency.

The City's total long-term bonds decreased by (\$1,670,079) or 4.3% during the current fiscal year. This decrease is due to regular scheduled bond payments. The City's bond rating is AAA from Standard & Poor's, which was re-affirmed in June 2017. State statutes limit the amount of general obligation debt a government entity may issue up to 10% of its total assessed valuation. The current debt limit for the City is \$135,461,720; current general obligation debt is below this limit with 7.13% of the legal debt limit used. Additional information regarding long-term debt can be found in Note 7 on pages 55-56 of this report.

Unemployment

According to the U.S. Bureau of Labor Statistics, the national unemployment rate in June 2019 was 3.6 percent. Georgia is among several states that was lower than the national average with a June 2019 unemployment rate of 3.1 percent. The Georgia Civilian Labor Force maintains unemployment rate estimates for each Census Tract within the state. Suwanee's census includes three tracts; Tracts 502.10, 502.12, and 502.13 had an unemployment rate of 2.8 percent in June 2019.

New home starts

In calendar year 2018, there were 7 neighborhoods actively under development. The neighborhoods were in various stages of development, with Suwanee Square permitted for 43 lots, but no homes under construction, to Suwanee Green (121 homes) nearing the completion of the final few homes.

Active neighborhood developments

Active neighborhoods have 721 units permitted per rezoning with 338 permits issued and 346 lots remaining.

Single family resales

309 single family homes were resold in calendar year 2018. Prices for 2018 single family homes ranged from \$279,000 to \$620,000, with an average price of \$345,075. Townhome resale prices ranged from \$218,000 to \$328,000 with an average resale price of \$273,000.

Commercial

The vacancy rate has raised from 15% to 17% during calendar year 2018. No new commercial space was completed in 2018.

Housing values

According to Zillow, Suwanee home values have gone up 2.7% over the past year and Zillow predicts they will rise 2.3% within the next year. The median list price per square foot in Suwanee is \$140, which is higher than the Atlanta Metro average of \$32. The median price of homes currently listed in Suwanee is \$399,000 while the median price of homes that sold is \$335,500. The median rent price in Suwanee is \$1,912, which is higher than the Atlanta Metro median of \$1,525.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET & RATES

COMPREHENSIVE ANNUAL FINANCIAL REPORT

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET & RATES (continued)

REQUEST FOR INFORMATION

General fund budget

The City takes a conservative approach on budgeting, placing emphasis on ensuring financial stability and long term sustainability. Suwanee recognizes the balancing of results (current services, new services, and capital projects) and resources (long term sustainability, debt and long term obligations, and the community's tax burden). The balancing of results to resources creates public value in city services. The fiscal year 2020 annual budget for the general fund is \$13,766,780; this is a decrease of (\$330,130) or -2.3% from the final amended 2019 budget. The majority of the difference in the fiscal year 2019 final budget and the fiscal year 2020 budget is due to the fourth quarter fiscal year 2019 capital improvements prefunding of \$658,000. Prefunding Suwanee's capital improvement program is part of Suwanee's pay-as-you go financing for capital projects.

This financial report is designed to provide a general overview of Suwanee's finances to our citizens, taxpayers, customers, investors, creditors, and other interested parties. Questions concerning any of the information contained in this report, or requests for additional financial information, should be addressed to the Financial Services Director, 330 Town Center Avenue, Suwanee, Georgia 30024.





BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE
FINANCIAL STATEMENTS

FUND FINANCIAL STATEMENTS

CITY OF SUWANEЕ, GA YEAR ENDED JUNE 30, 2019



| | Governmental Activities | Business-type Activities | Total |
|--|----------------------------|-----------------------------|--------------------|
| ASSETS | | | |
| Cash and cash equivalents | \$ 17,951,321 | \$ 873,511 | \$ 18,824,832 |
| Investments | 23,591,466 | 310,538 | 23,902,004 |
| Receivables: | | | |
| Lease receivable, current | 149,746 | - | 149,746 |
| Lease receivable, long term | 1,969,525 | - | 1,969,525 |
| Property taxes | 219,637 | - | 219,637 |
| Other | 312,742 | 7,652 | 320,394 |
| Due from other governments | 272,593 | - | 272,593 |
| Inventory land held for development | 1,245,335 | - | 1,245,335 |
| Net pension asset | 4,624,515 | - | 4,624,515 |
| Restricted cash | - | 3,175 | 3,175 |
| Capital assets, nondepreciable | 23,028,869 | 235,241 | 23,264,110 |
| Capital assets, depreciable, net of accumulated depreciation | 52,107,814 | 2,187,587 | 54,295,401 |
| Total assets | 125,473,563 | 3,617,704 | 129,091,267 |
| DEFERRED OUTFLOW OF RESOURCES | | | |
| Pension contribution subsequent to measurement date | 329,514 | - | 329,514 |
| Pension assumption changes | 48,774 | - | 48,774 |
| Pension demographic changes | 315,051 | - | 315,051 |
| Deferred loss on refunding of bonds | 371,493 | - | 371,493 |
| Total deferred outflow of resources | 1,064,832 | - | 1,064,832 |
| LIABILITIES | | | |
| Current liabilities: | | | |
| Accounts payable | 813,159 | 1,584 | 814,743 |
| Retainage payable | 46,075 | - | 46,075 |
| Liabilities payable from restricted assets | - | 3,175 | 3,175 |
| Noncurrent liabilities: | | | |
| General obligation bonds due within one year | 1,150,000 | - | 1,150,000 |
| General obligation bonds due in more than one year | 8,685,000 | - | 8,685,000 |
| Revenue bonds due within one year | 392,000 | - | 392,000 |
| Revenue bonds due in more than one year | 26,531,054 | - | 26,531,054 |
| Compensated absences due within one year | 126,288 | - | 126,288 |
| Compensated absences due more than one year | 268,363 | - | 268,363 |
| Total liabilities | 38,011,939 | 4,759 | 38,016,698 |

(continued)

CITY OF SUWANEЕ, GA YEAR ENDED JUNE 30, 2019

STATEMENT OF NET POSITION June 30, 2019 (continued)

| | Governmental Activities | Business-type Activities | Total |
|---|-------------------------|--------------------------|----------------------|
| DEFERRED INFLOW OF RESOURCES | | | |
| Unearned revenue, leases | 2,122,313 | - | 2,122,313 |
| Pension demographic changes | 169,482 | - | 169,482 |
| Pension investment differences | 557,500 | - | 557,500 |
| Total deferred inflow of resources | 2,849,295 | - | 2,849,295 |
| NET POSITION | | | |
| Net investment in capital assets | 61,580,997 | 2,422,828 | 64,003,825 |
| Restricted for: | | | |
| Capital projects | 5,142,070 | - | 5,142,070 |
| Debt service | 233,915 | - | 233,915 |
| Special programs | 583,164 | - | 583,164 |
| Unrestricted | 18,137,015 | 1,190,117 | 19,327,132 |
| Total net position | \$ 85,677,161 | \$ 3,612,945 | \$ 89,290,106 |

The notes to the financial statements are an integral part of these statements.



| Functions/Programs | Expenses | Program Revenues | | | Net (Expense) Revenue and Changes in Net Position | | |
|---|----------------------|----------------------|------------------------------------|----------------------------------|---|--------------------------|-----------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities | Business Type Activities | Total |
| Governmental activities: | | | | | | | |
| General government | \$ 3,041,315 | \$ 278,850 | \$ - | \$ 483,261 | \$ (2,279,204) | \$ - | \$ (2,279,204) |
| Judicial | 434,217 | - | - | - | (434,217) | - | (434,217) |
| Public safety | 4,986,349 | 1,558,907 | 609,125 | 419 | (2,817,898) | - | (2,817,898) |
| Public works | 5,404,858 | - | - | 2,291,607 | (3,113,251) | - | (3,113,251) |
| Culture and recreation | 992,751 | 56,373 | 189,205 | 930,748 | 183,575 | - | 183,575 |
| Housing and development | 1,301,352 | 344,008 | - | 1,827,614 | 870,270 | - | 870,270 |
| Tourism and trade | 453,755 | - | - | - | (453,755) | - | (453,755) |
| Interest on long term debt | 1,100,911 | - | - | - | (1,100,911) | - | (1,100,911) |
| Total governmental activities | 17,715,508 | 2,238,138 | 798,330 | 5,533,649 | (9,145,391) | - | (9,145,391) |
| Business-type activities: | | | | | | | |
| Water and Sewer | 116,184 | 135,767 | - | - | - | 19,583 | 19,583 |
| Total | \$ 17,831,692 | \$ 2,373,905 | \$ 798,330 | \$ 5,533,649 | \$ (9,145,391) | \$ 19,583 | \$ (9,125,808) |
| General revenues: | | | | | | | |
| Taxes: | | | | | | | |
| Property taxes | | | | | \$ 6,496,848 | \$ - | \$ 6,496,848 |
| Franchise fees | | | | | 1,790,469 | - | 1,790,469 |
| Alcoholic beverage tax | | | | | 808,436 | - | 808,436 |
| Business and occupation taxes | | | | | 1,243,644 | - | 1,243,644 |
| Hotel/motel taxes | | | | | 646,103 | - | 646,103 |
| Insurance premium taxes | | | | | 1,100,569 | - | 1,100,569 |
| Other taxes | | | | | 617,750 | - | 617,750 |
| Unrestricted investment earnings | | | | | 137,768 | 12,065 | 149,833 |
| Miscellaneous | | | | | 177,373 | - | 177,373 |
| Transfers | | | | | (120,000) | 120,000 | - |
| Total general revenues and transfers | | | | | 12,898,960 | 132,065 | 13,031,025 |
| Change in net position | | | | | 3,753,569 | 151,648 | 3,905,217 |
| Net position - beginning | | | | | 81,923,592 | 3,461,297 | 85,384,889 |
| Net position - ending | | | | | \$ 85,677,161 | \$ 3,612,945 | \$ 89,290,106 |

The notes to the financial statements are an integral part of these statements.

CITY OF SUWANEEN, GA YEAR ENDED JUNE 30, 2019

GOVERNMENTAL FUNDS BALANCE SHEET june 30, 2019

| | General | Debt Service | 2017 SPLOST | Other Capital Projects | Urban Redevelopment Authority | Downtown Development Authority | Other Governmental Funds | Total Governmental Funds |
|---|---------------------|-------------------|---------------------|------------------------|-------------------------------|--------------------------------|--------------------------|--------------------------|
| ASSETS | | | | | | | | |
| Cash and cash equivalents | \$ 4,262,742 | \$ 171,312 | \$ 1,257,958 | \$ 4,004,973 | \$ 4,548,128 | \$ 1,329,101 | \$ 2,377,107 | \$ 17,951,321 |
| Investments | 3,828,385 | - | - | 743,499 | 18,969,095 | - | 50,487 | 23,591,466 |
| Receivables: | | | | | | | | |
| Property taxes | 157,034 | 62,603 | - | - | - | - | - | 219,637 |
| Leases | - | - | - | 77,403 | - | 2,041,868 | - | 2,119,271 |
| Due from other governments | - | - | 272,593 | - | - | - | - | 272,593 |
| Due from other funds | 9,850 | - | - | - | - | - | - | 9,850 |
| Other | 252,180 | - | - | - | - | - | 60,562 | 312,742 |
| Inventory land held for development | - | - | - | 1,245,335 | - | - | - | 1,245,335 |
| Total assets | \$ 8,510,191 | \$ 233,915 | \$ 1,530,551 | \$ 6,071,210 | \$ 23,517,223 | \$ 3,370,969 | \$ 2,488,156 | \$ 45,722,215 |
| LIABILITIES | | | | | | | | |
| Accounts payable | \$ 353,153 | \$ - | \$ 1,350 | \$ 91,854 | \$ 224,285 | \$ 58,247 | \$ 84,270 | \$ 813,159 |
| Retainage payable | - | - | 38,650 | 3,299 | 4,126 | - | - | 46,075 |
| Due to other funds | - | - | - | - | - | - | 9,850 | 9,850 |
| Total liabilities | 353,153 | - | 40,000 | 95,153 | 228,411 | 58,247 | 94,120 | 869,084 |
| DEFERRED INFLOWS OF RESOURCES | | | | | | | | |
| Unavailable revenue | 148,428 | 58,898 | - | - | - | - | - | 207,326 |
| Unearned revenue, leases | - | - | - | 77,403 | - | 2,044,910 | - | 2,122,313 |
| Total deferred inflows of resources | 148,428 | 58,898 | - | 77,403 | - | 2,044,910 | - | 2,329,639 |
| FUND BALANCES | | | | | | | | |
| Nonspendable | - | - | - | 1,245,335 | - | - | - | 1,245,335 |
| Restricted | - | 175,017 | 1,490,551 | 190,018 | 23,288,812 | 1,267,812 | 2,364,991 | 28,777,201 |
| Committed | 4,588,927 | - | - | - | - | - | - | 4,588,927 |
| Assigned | - | - | - | 4,463,301 | - | - | 29,045 | 4,492,346 |
| Unassigned | 3,419,683 | - | - | - | - | - | - | 3,419,683 |
| Total fund balances | 8,008,610 | 175,017 | 1,490,551 | 5,898,654 | 23,288,812 | 1,267,812 | 2,394,036 | 42,523,492 |
| Total liabilities, deferred inflows of resources and fund balances | \$ 8,510,191 | \$ 233,915 | \$ 1,530,551 | \$ 6,071,210 | \$ 23,517,223 | \$ 3,370,969 | \$ 2,488,156 | |

| | | |
|--|-----------|-------------------|
| Amounts reported for governmental activities in the statement of net position are different because: | | |
| Net pension asset is not a current financial resource and is not recorded in the governmental fund statements. | | 4,624,515 |
| Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds. | | 75,136,683 |
| Deferred outflows related to pension contributions, demographic, investment differences, and pension assumption changes, are not current financial resources and, therefore, are not reported in the governmental funds. | | 693,339 |
| Deferred outflows related to losses on bond refunding, are not current financial resources and, therefore, are not reported in the governmental funds. | | 371,493 |
| Deferred inflows in the governmental funds for unavailable revenue, are susceptible to full accrual on the government wide statements. | | 207,326 |
| Deferred inflows related to pensions are not related to current financial resources and, therefore, not reported in the governmental funds. | | (726,982) |
| Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds. | | (37,152,705) |
| Net position of governmental activities | \$ | 85,677,161 |

The notes to the financial statements are an integral part of these statements.

| | General | Debt Service | 2017 SPLOST | Other Capital Projects | Urban Redevelopment Authority | Downtown Development Authority | Other Governmental Funds | Total Governmental Funds |
|---|----------------------|---------------------|---------------------|------------------------|-------------------------------|--------------------------------|--------------------------|--------------------------|
| REVENUES | | | | | | | | |
| Property taxes | \$ 4,528,625 | \$ 1,904,032 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 6,432,657 |
| Franchise taxes | 1,790,469 | - | - | - | - | - | - | 1,790,469 |
| Alcoholic beverage taxes | 808,436 | - | - | - | - | - | - | 808,436 |
| Business taxes | 2,344,213 | - | - | - | - | - | - | 2,344,213 |
| Hotel/motel taxes | - | - | - | - | - | - | 646,103 | 646,103 |
| Other taxes | 441,332 | - | 138,267 | - | - | - | 38,151 | 617,750 |
| Licenses and permits | 591,968 | - | - | - | - | - | - | 591,968 |
| Intergovernmental revenues | 626,950 | - | 3,019,459 | 190,018 | - | - | - | 3,836,427 |
| Charges for services | 205,383 | - | - | - | - | - | - | 205,383 |
| Fines and forfeitures | 1,387,121 | - | - | - | - | - | 19,446 | 1,406,567 |
| Investment income | 93,926 | 1,991 | 930 | 26,623 | 411,862 | 14,305 | 4,647 | 554,284 |
| Rental income | - | - | - | 40,184 | - | 13,341 | 34,220 | 87,745 |
| Contributions and donations | 23,360 | - | - | - | - | - | 189,205 | 212,565 |
| Miscellaneous revenue | 122,988 | - | - | - | - | - | - | 122,988 |
| Total revenues | \$ 12,964,771 | \$ 1,906,023 | \$ 3,158,656 | \$ 256,825 | \$ 411,862 | \$ 27,646 | \$ 931,772 | \$ 19,657,555 |
| EXPENDITURES | | | | | | | | |
| Current: | | | | | | | | |
| General government | \$ 2,571,428 | \$ - | \$ - | 305,788 | \$ - | \$ - | \$ - | \$ 2,877,216 |
| Judicial | 462,399 | - | - | - | - | - | - | 462,399 |
| Public safety | 5,084,136 | - | - | - | - | - | 4,638 | 5,088,774 |
| Public works | 2,635,428 | - | - | - | - | - | 770 | 2,636,198 |
| Culture and recreation | 267,137 | - | - | - | - | - | 323,472 | 590,609 |
| Housing and development | 1,444,405 | - | - | - | - | 66,481 | - | 1,510,886 |
| Tourism and trade | - | - | - | - | - | - | 453,755 | 453,755 |
| Capital outlay | - | - | 576,001 | 983,896 | 253,446 | 13,087 | 873,546 | 2,699,976 |
| Debt service: | | | | | | | | |
| Principal | - | 1,512,000 | - | - | - | - | - | 1,512,000 |
| Interest and fiscal charges | - | 1,163,104 | - | - | - | - | - | 1,163,104 |
| Total expenditures | \$ 12,464,933 | \$ 2,675,104 | \$ 576,001 | \$ 1,289,684 | \$ 253,446 | \$ 79,568 | \$ 1,656,181 | \$ 18,994,917 |
| Excess (deficiency) of revenues over (under) expenditures | 499,838 | (769,081) | 2,582,655 | (1,032,859) | 158,416 | (51,922) | (724,409) | 662,638 |

The notes to the financial statements are an integral part of these statements.

(continued)

CITY OF SUWANEЕ, GA YEAR ENDED JUNE 30, 2019

GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES year ended June 30, 2019 (continued)

(continued)

| | General | Debt Service | 2017 SPLOST | Other Capital Projects | Urban Redevelopment Authority | Downtown Development Authority | Other Governmental Funds | Total Governmental Funds |
|---|---------------------|-------------------|---------------------|------------------------|-------------------------------|--------------------------------|--------------------------|--------------------------|
| OTHER FINANCING SOURCES (USES) | | | | | | | | |
| Sale of capital assets | \$ 7,185 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 2,083 | \$ 9,268 |
| Transfers in | 184,271 | 600,000 | - | 505,000 | - | - | 143,996 | 1,433,267 |
| Transfers out | (768,996) | - | - | - | (600,000) | - | (184,271) | (1,553,267) |
| Total other financing sources (uses) | (577,540) | 600,000 | - | 505,000 | (600,000) | - | (38,192) | (110,732) |
| Net change in fund balances | (77,702) | (169,081) | 2,582,655 | (527,859) | (441,584) | (51,922) | (762,601) | 551,906 |
| FUND BALANCES, beginning of year | 8,086,312 | 344,098 | (1,092,104) | 6,426,513 | 23,730,396 | 1,319,734 | 3,156,637 | 41,971,586 |
| FUND BALANCES - end of year | \$ 8,008,610 | \$ 175,017 | \$ 1,490,551 | \$ 5,898,654 | \$ 23,288,812 | \$ 1,267,812 | \$ 2,394,036 | \$ 42,523,492 |

The notes to the financial statements are an integral part of these statements.



Amounts reported for governmental activities in the statement of activities are different because:

| | | | |
|---|--|-----------|------------------|
| Net change in fund balances-total governmental funds. | | \$ | 551,906 |
| Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the fund statements. | | | |
| Revenues earned that are deferred in governmental funds due to availability criteria. | | | 64,191 |
| Governmental Funds report capital outlay as expenditures. However, in the Government-Wide Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of capital assets recorded in the current period. | | | |
| | Additions | \$ | 1,957,939 |
| | Donations | | 1,827,614 |
| | Net effect of deletions | | (10,021) |
| | Depreciation expense | | (2,718,142) |
| | | | 1,057,390 |
| The Governmental Funds report bond proceeds as another financing source, while repayment of bond principal is reported as an expenditure. | | | |
| | Principal payment | | 1,512,000 |
| Government-Wide Statement of Activities, report pension expense using long term financial resources. The following adjustments were made at the governmental wide level: | | | |
| | Deferred outflow assumption changes | \$ | (3,503) |
| | Deferred outflow demographic changes | | (24,043) |
| | Deferred outflow pension investment return | | (91,570) |
| | Deferred inflow demographic changes | | 12,057 |
| | Deferred inflow pension investment return | | 256,164 |
| | Service costs | | (324,030) |
| | Interest on TPL | | (452,099) |
| | Employee contributions | | 91,603 |
| | Plan administrative expenses | | (26,248) |
| | Expected rate of return | | 743,919 |
| | Deferred outflow for pension payments | | 407,779 |
| | | | 590,029 |
| Governmental Funds report the effect of issuance, premiums, discounts, and similar items when debt is first issued, whereas these amounts are accrued and amortized in the statement of activities. This amount is the net effect of these differences. | | | |
| | Amortization of: | | |
| | Premium/Discount | \$ | 158,079 |
| | Loss on Refunding | | (95,886) |
| | | | 62,193 |
| Long-term compensated absences are reported in the Government-Wide Statement of Activities, but they do not require the use of current financial resources. Therefore, long-term compensated absences are not reported as expenditures in Governmental Funds. This is the change in compensated absence payable. | | | (84,140) |
| Change in net position of governmental activities. | | \$ | 3,753,569 |

The notes to the financial statements are an integral part of these statements.

CITY OF SUWANEЕ, GA YEAR ENDED JUNE 30, 2019

GENERAL FUND - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL year ended June 30, 2019

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|---|---------------------|---------------------|---------------------|--|
| | Original | Final | | |
| REVENUES | | | | |
| Taxes: | | | | |
| Property taxes | \$ 4,368,000 | \$ 4,368,000 | \$ 4,528,625 | \$ 160,625 |
| Franchise taxes | 1,791,760 | 1,811,760 | 1,790,469 | (21,291) |
| Alcoholic beverage taxes | 829,000 | 829,000 | 808,436 | (20,564) |
| Business taxes | 2,385,600 | 2,410,600 | 2,344,213 | (66,387) |
| Other taxes | 359,810 | 359,810 | 441,332 | 81,522 |
| Total taxes | 9,734,170 | 9,779,170 | 9,913,075 | 133,905 |
| Licenses and permits: | | | | |
| Alcoholic beverage fees | 234,750 | 234,750 | 244,250 | 9,500 |
| Business licenses | 36,120 | 36,120 | 34,600 | (1,520) |
| Building permits | 531,000 | 531,000 | 313,118 | (217,882) |
| Total licenses and permits | 801,870 | 801,870 | 591,968 | (209,902) |
| Intergovernmental revenues: | | | | |
| Local grants | 910,000 | 910,000 | 626,950 | (283,050) |
| Total intergovernmental revenues | 910,000 | 910,000 | 626,950 | (283,050) |
| Charges for services: | | | | |
| Planning and development fees | 30,000 | 30,000 | 30,890 | 890 |
| Public safety services | 111,720 | 111,720 | 152,340 | 40,620 |
| Special events | 20,000 | 20,000 | 22,153 | 2,153 |
| Total charges for services | 161,720 | 161,720 | 205,383 | 43,663 |
| Fines and forfeitures | 1,448,350 | 1,448,350 | 1,387,121 | (61,229) |
| Investment income | 50,000 | 50,000 | 93,926 | 43,926 |
| Contributions and donations | 29,500 | 29,500 | 23,360 | (6,140) |
| Miscellaneous revenue | 40,000 | 100,000 | 122,988 | 22,988 |
| Total revenues | 13,175,610 | 13,280,610 | 12,964,771 | (315,839) |
| EXPENDITURES | | | | |
| Current: | | | | |
| General Government: | | | | |
| Governing body | 144,550 | 163,150 | 139,944 | 23,206 |
| Legislative committees | 7,250 | 7,250 | 4,849 | 2,401 |
| Chief executive | 499,470 | 497,870 | 444,169 | 53,701 |
| General administration | 368,000 | 329,400 | 285,905 | 43,495 |
| Financial administration | 606,160 | 632,160 | 608,850 | 23,310 |
| Law | 51,280 | 41,280 | 27,889 | 13,391 |
| Data processing | 232,500 | 249,500 | 199,213 | 50,287 |
| General government building and plant | 275,800 | 320,800 | 272,257 | 48,543 |
| Public information | 166,020 | 179,020 | 168,497 | 10,523 |
| Business services | 420,860 | 441,860 | 419,855 | 22,005 |
| Total general government | \$ 2,771,890 | \$ 2,862,290 | \$ 2,571,428 | \$ 290,862 |

The notes to the financial statements are an integral part of these statements.

(continued)

**GENERAL FUND - STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL**
year ended June 30, 2019 (continued)

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|---|---------------------|---------------------|---------------------|--|
| | Original | Final | | |
| EXPENDITURES (continued) | | | | |
| Judicial | \$ 449,230 | \$ 477,530 | \$ 462,399 | \$ 15,131 |
| Public safety: | | | | |
| Police administration | 457,290 | 439,940 | 400,603 | 39,337 |
| Criminal investigation | 642,490 | 651,990 | 611,222 | 40,768 |
| Patrol | 2,880,490 | 2,868,990 | 2,801,869 | 67,121 |
| Records and identification | 79,650 | 79,650 | 71,602 | 8,048 |
| Police training | 211,800 | 221,500 | 201,015 | 20,485 |
| Special detail services | 66,590 | 93,290 | 93,003 | 287 |
| Police stations and buildings | 185,300 | 210,800 | 199,397 | 11,403 |
| Police substation and training center | 40,200 | 43,200 | 27,732 | 15,468 |
| Dispatcher | 653,570 | 607,020 | 580,210 | 26,810 |
| Public relations | 97,200 | 100,200 | 97,483 | 2,717 |
| Total public safety | 5,314,580 | 5,316,580 | 5,084,136 | 232,444 |
| Public works: | | | | |
| Public works administration | 2,313,790 | 2,323,790 | 2,256,413 | 67,377 |
| Environmental | 522,310 | 447,110 | 340,200 | 106,910 |
| Storm drainage | 44,500 | 45,500 | 38,815 | 6,685 |
| Total public works | 2,880,600 | 2,816,400 | 2,635,428 | 180,972 |
| Culture and recreation: | | | | |
| Special facilities and activities | 163,750 | 175,750 | 175,750 | - |
| Park areas | 110,500 | 111,000 | 91,387 | 19,613 |
| Total culture and recreation | 274,250 | 286,750 | 267,137 | 19,613 |
| Housing and development: | | | | |
| Protective inspection administration | 341,020 | 369,270 | 337,558 | 31,712 |
| Planning and zoning | 527,560 | 497,610 | 457,051 | 40,559 |
| Code enforcement | 77,740 | 82,440 | 79,040 | 3,400 |
| Economic development and assistance | 504,310 | 501,910 | 461,084 | 40,826 |
| Downtown Suwanee | 114,730 | 117,130 | 109,672 | 7,458 |
| Total housing and development | 1,565,360 | 1,568,360 | 1,444,405 | 123,955 |
| Total expenditures | 13,255,910 | 13,327,910 | 12,464,933 | 862,977 |
| Excess of revenues over expenditures | (80,300) | (47,300) | 499,838 | 547,138 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfer in | 181,300 | 181,300 | 184,271 | 2,971 |
| Transfer out | (111,000) | (769,000) | (768,996) | 4 |
| Sale of capital assets | 10,000 | 10,000 | 7,185 | (2,815) |
| Total other financing sources (uses) | 80,300 | (577,700) | (577,540) | 160 |
| Net change in fund balances | - | (625,000) | (77,702) | 547,298 |
| FUND BALANCES - beginning of year | 8,086,312 | 8,086,312 | 8,086,312 | - |
| FUND BALANCES - end of year | \$ 8,086,312 | \$ 7,461,312 | \$ 8,008,610 | \$ 547,298 |

The notes to the financial statements are an integral part of these statements.

CITY OF SUWANEЕ, GA YEAR ENDED JUNE 30, 2019

PROPRIETARY FUNDS STATEMENT OF NET POSITION June 30, 2019

| | Major Enterprise Fund Water & Sewer Fund | |
|--|---|------------------|
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ | 873,511 |
| Investments | | 310,538 |
| Accounts receivable | | 7,652 |
| Total current assets | | 1,191,701 |
| Noncurrent assets: | | |
| Restricted assets: | | |
| Cash and cash equivalents | | 3,175 |
| Capital assets, nondepreciable | | 235,241 |
| Capital assets, depreciable, net of accumulated depreciation | | 2,187,587 |
| Total noncurrent assets | | 2,426,003 |
| Total assets | \$ | 3,617,704 |
| LIABILITIES | | |
| Current liabilities: | | |
| Accounts payable | \$ | 1,584 |
| Noncurrent liabilities: | | |
| Payable from restricted assets: | | |
| Customer deposits payable | | 3,175 |
| Total liabilities | | 4,759 |
| NET POSITION | | |
| Investment in capital assets | | 2,422,828 |
| Unrestricted | | 1,190,117 |
| Total net position | \$ | 3,612,945 |

The notes to the financial statements are an integral part of these statements.

| | | Major Enterprise Fund Water & Sewer Fund |
|---|-----------|---|
| OPERATING REVENUES | | |
| Water and sewer charges | \$ | 135,767 |
| Total operating revenues | | 135,767 |
| OPERATING EXPENSES | | |
| Contracted services | | 13,020 |
| Supplies | | 22,884 |
| Depreciation | | 80,280 |
| Total operating expenses | | 116,184 |
| Operating income (loss) | | 19,583 |
| NONOPERATING REVENUES (EXPENSES) | | |
| Investment income | | 12,065 |
| Total nonoperating revenues (expenses) | | 12,065 |
| Income (loss) before transfers | | 31,648 |
| Transfer in | | 120,000 |
| Change in net position | | 151,648 |
| Total net position - beginning of year | | 3,461,297 |
| Total net position - ending | \$ | <u>3,612,945</u> |

The notes to the financial statements are an integral part of these statements.

CITY OF SUWANEЕ, GA YEAR ENDED JUNE 30, 2019

PROPRIETARY FUNDS STATEMENT OF CASH FLOWS year ended June 30, 2019

| | Major Enterprise Fund Water & Sewer Fund |
|--|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | |
| Receipts from customers and users | \$ 135,774 |
| Payments to suppliers for goods and services | (39,256) |
| Net cash provided (used) by operating activities | 96,518 |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | |
| Transfers from other funds | 120,000 |
| Net cash provided by noncapital activities | 120,000 |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | |
| Acquisition of capital asset | (35,222) |
| Net cash used by capital and related financing activities | (35,222) |
| CASH FLOWS FROM INVESTING ACTIVITIES | |
| Interest received | 6,792 |
| Net cash provided by investing activities | 6,792 |
| Net increase in cash and cash equivalents | 188,088 |
| Cash and cash equivalents - beginning | 688,598 |
| Cash and cash equivalents - ending | \$ 876,686 |
| Reconciliation of operating income (loss) to net cash provided by operating activities: | |
| Operating income | \$ 19,583 |
| Adjustments to reconcile operating income to net cash provided (used) by operating activities: | |
| Depreciation | 80,280 |
| Change in assets and liabilities | |
| (Increase) decrease in accounts receivable | 37 |
| Increase (decrease) in accounts payable not related to a capital asset | (3,352) |
| Increase (decrease) in customer deposits | (30) |
| Net cash provided (used) by operating activities | \$ 96,518 |

The notes to the financial statements are an integral part of these statements.

| | Agency Fund |
|---------------------------|------------------|
| ASSETS | |
| Cash and cash equivalents | \$ 70,375 |
| Total assets | 70,375 |
| LIABILITIES | |
| Due to others | 70,375 |
| Total liabilities | \$ 70,375 |

The notes to the financial statements are an integral part of these statements.





NOTES TO THE FINANCIAL STATEMENTS

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NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Suwanee (the “City”), have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the City are described below:

A. Reporting Entity

The City operates under a Council-Manager form of government and provides the following services to its citizens: public safety (police), public works, recreation and parks, planning and zoning, building inspection, code enforcement, community development, municipal court services and general and administrative services. The City also provides water services to a portion of the City’s residents.

As required by accounting principles generally accepted in the United States of America, the financial statements of the reporting entity include those of the City (the primary government) and its component units. The component units discussed below are included in the City’s reporting entity because of the significance of their operational and financial relationships with the City. In conformity with GASB Statement No. 14, “The Financial Reporting Entity”, as amended by GASB Statement No. 39, “Determining Whether Certain Organizations Are Component Units”, and GASB Statement No. 61, “The Financial Reporting Entity”, both of the component unit’s financial statements have been included as blended component units.

Blended component units, although also legally separate entities, are in substance part of the City’s operations; data from these units are combined with the data of the City of Suwanee.

The Downtown Development Authority (DDA) was established as a legally separate entity in 2001. The seven (7) members of the DDA are appointed by the Mayor and City Council and they may also be removed by the Mayor and City Council. Day to day operations are managed by the Downtown Development Manager, a City of Suwanee staff member, and the financial information is maintained by the Financial Services Director, a City of Suwanee staff member. The DDA is charged with financing the revitalization of Suwanee’s downtown district, particularly the historic Old Town area, and in performing this financing, only serves the City. The Urban Redevelopment Agency of the City of Suwanee was established as a legally separate entity on August 22, 2002. The five (5) members of the Urban Redevelopment Agency are appointed by the Mayor and City Council and they may also be removed by the Mayor and City Council. The Urban Redevelopment Agency provides a means to issue revenue bonds for development within the City. Although it is legally separate from the City, the Urban Redevelopment Agency is reported as if it were a part of the primary government because its sole purpose is to finance the City’s acquisition of property within the City’s redevelopment district.

The Downtown Development Authority and the Urban Redevelopment Agency of the City of Suwanee financial information is maintained by the City’s Finance Department. However, separate financial statements will not be prepared.

CITY OF SUWANEЕ, GA YEAR ENDED JUNE 30, 2019

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 primary government and its component units. (For the most part, the effect of interfund activity has been removed from these statements). Government-wide financial statements do not provide information by fund, but distinguish between the City's governmental activities and business-type activities. 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 discretely presented component units. The statement of net position will include noncurrent assets and noncurrent liabilities. In addition, the government-wide statement of activities reflects depreciation expense on the City's capital assets.

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

The City reports the following major governmental funds:

- The **General Fund** is the City's primary operating fund. It is used to account for and report all financial resources traditionally associated with government, which are not accounted for and reported in another fund.
- The **Debt Service Fund** accounts for and reports financial resources that are restricted to principal and interest expenditures.
- The **2017 Special Purpose Local Option Sales Tax (SPLOST) Fund** accounts for and reports financial resources that are restricted or assigned to expenditures for capital outlays. The 2017 SPLOST program focuses on various transportation projects (68%), recreation improvements (16%), and administrative facilities (16%). Funding is provided by a restricted one-cent special purpose local option sales tax approved by voters in 2016.
- The **Other Capital Projects Fund** accounts for and reports financial resources that are assigned to expenditures primarily for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Funding is provided from local assigned funds.
- The **Urban Redevelopment Authority (URA) Fund** accounts for the financial resources provided from the 2017 URA bond issue. The URA bonds will finance the costs associated with construction of a new park and quality-of-life amenities (34%), administrative facilities renovations (19%), transportation projects (11%), and cash flow for the 2017 SPLOST program (36%).
- The mission of Suwanee's **Downtown Development Authority (DDA)** is to revitalize, create, historically preserve, and maintain downtown Suwanee so that it is a symbol of community pride, making it the heart of the City, and a visible example of why Suwanee is a great place to live, work, play, invest, and do business.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The City aggregates other nonmajor governmental funds in a single column in the fund financial statements.

The City reports the following major enterprise fund:

- The **Water and Sewer Fund** accounts for the operation of the water system including all revenues from sources applicable to the system's operations and all expenses of the operation.

Additionally, the City reports the following fund type:

- The **Agency Fund** is used to account for assets held by the City's Municipal Court until they can be disbursed to other parties.

C. Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. The fiduciary fund financial statements report on the accrual basis of accounting, yet the agency funds have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flow. Property taxes are recognized as revenues in the year for which they are levied. Other taxes are recognized predominately when the underlying transaction occurs. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay for current obligations. For this purpose, the government 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 taxes, intergovernmental grants, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and 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.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's water and sewer function and the other functions of the government. Elimination of these charges would distort the direct costs reported for the various functions concerned.

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 fund are charges for goods and services provided. Operating expenses of the enterprise fund 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.

CITY OF SUWANEЕ, GA YEAR ENDED JUNE 30, 2019

D. Deferred Outflow/Inflow of Resources

Deferred outflows of resources represent 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 reports the following deferred charges that are reported on the full accrual in the government-wide statement of net position:

| | | |
|---|-----------|------------------|
| Pension contribution made subsequent to the measurement date | \$ | 329,514 |
| Pension assumption changes | | 48,774 |
| Pension demographic changes | | 315,051 |
| Deferred loss on refunding bonds | | 371,493 |
| Total deferred outflow of resources, statement of net position | \$ | 1,064,832 |

The deferred charge on refunding resulted 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 or refunding debt.

Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

The City has the following types of deferred inflow that are reported on the full accrual in the government-wide statement of net position:

| | | |
|--|-----------|------------------|
| Unearned revenue, leases | \$ | 2,122,313 |
| Pension demographic changes | | 169,482 |
| Pension investment differences | | 557,500 |
| Total deferred inflow of resources, statement of net position | \$ | 2,849,295 |

Unavailable revenue, which arise only under a modified accrual basis of accounting, qualifies for reporting in this category on the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes (\$207,326), as these amounts are deferred and will be recognized as an inflow of resources in the period that the amounts become available.

Additional information regarding pension related deferred inflows and outflows is located in note 10, on pages 57-61. Additional information regarding unearned revenue (leases) is located in note 14, on pages 63-66.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Cash and Investments

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

State statutes authorize the City to invest in: obligations of the United States, the State of Georgia and other political subdivisions of the State of Georgia, and other states; prime banker's acceptances; repurchase agreements; and the State of Georgia Office of State Treasurer Georgia Fund-1 Liquidity Pool. The City's investments are all certificates of deposit, which are non-participating interest earning investment contracts, that are reported at cost.

F. Interfund Receivables and Payables

Activity between funds that are 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."

G. Prepaid Items

Payments made to vendors for services that will benefit periods beyond the balance sheet date are recorded as prepaid assets and are recognized as expenditures when consumed (consumption method).

H. Inventory Land Held for Development

Land held for development is valued at cost. Additional costs for demolition were expended, since these costs are not anticipated to be recovered and do not add to the service capacity of the asset.

I. 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 \$10,000 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 acquisition value at the date of donation. Additional information can be found in note 6 Capital Assets on pages 53-54.

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

CITY OF SUWANEЕ, GA YEAR ENDED JUNE 30, 2019

Capital assets of the City are depreciated using the straight-line method over the following useful lives:

| Assets | Years |
|-----------------------------|-------|
| Land | 0* |
| Land Improvements | 8-50 |
| Buildings/Construction | 50 |
| Infrastructure | 10-75 |
| Machinery and equipment | 5-20 |
| Licensed Vehicles | 8 |
| Water System Infrastructure | 30-65 |

**Useful Live = 0 years. Land has an inexhaustible life and does not depreciate*

J. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the City does not have a policy to pay any amounts when the employees separate from service with the City. All vacation pay is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. 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.

K. Long-Term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are accrued 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. Bond issuance costs are reported as expenses in the year of issuance.

In the fund financial statements, governmental funds recognize bond premiums and discounts 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. Bond issuance costs are reported as debt service expenditures in the year of issuance.

L. Pensions

For purposes of measuring the net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Georgia Municipal Association Employee Pension Plan for the City of Suwanee (the GMA plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

M. Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources in government-wide financial statements and proprietary fund financial statements, which utilizes the economic resources measurement focus. Net position in the statement of net position is distinguished between amounts invested in capital assets (net of any related debt), amounts that are restricted for use by third parties or outside requirements, and amounts that are unrestricted.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

N. 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, liabilities, deferred outflows of resources, and deferred inflows of resources, 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.

O. Fund Balance

GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions," shifts the focus of fund balance reporting from the concept of availability of fund resources to the extent a government is bound to constraints on the specific purposes for which the funds can be spent. In the governmental fund financial statements, fund balance is reported in five classifications.

1. **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 contractually required to be maintained intact. The City has the following nonspendable fund balance:*
 - *Other Capital Projects Fund - \$1,245,335 in inventory land held for development.*
2. **Restricted.** *Restricted fund balance encompasses the net fund resources subject to externally enforceable legal restrictions. Such restrictions would include 1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or 2) imposed by law through constitutional provisions or enabling legislation. The City has the following restricted fund balances:*
 - *Debt Service Fund - \$175,017 externally imposed by bond covenant for debt.*
 - *2017 SPLOST Fund - \$1,490,551 externally imposed by laws or regulations of other governments for capital projects.*
 - *Other Capital Projects Fund - \$190,018 externally imposed by laws or regulations of other governments for capital paving.*
 - *Urban Redevelopment Authority - \$23,288,812 externally imposed by bond covenant for capital projects.*
 - *Downtown Development Authority - \$1,267,812 externally imposed by grantors and laws or regulations of other governments.*
 - *Other Governmental Funds - \$2,364,991 externally imposed by grantors and laws or regulations of other governments. Of this amount, \$1,781,827 is for capital projects, \$182,135 for public safety, \$231,324 for economic development, and \$169,705 for cultural and recreation.*

CITY OF SUWANEЕ, GA YEAR ENDED JUNE 30, 2019

3. **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, through a resolution, may modify or rescind the commitment. The City has committed \$4,588,927 in the general fund by resolution adopted on June 25, 2019 for stabilization. The stabilization account consists of a minimum of four months of general fund expenditures and transfers.

If it becomes necessary for the City to draw funds from the stabilization account, a new resolution will need to be adopted to authorize any use. The City will develop a plan to replenish the account to the minimum level from net revenue surpluses in subsequent fiscal year(s) until the balance is restored to the minimum level. This plan, which would be a component of the ten year projections, would be submitted and approved along with the resolution authorizing the use of the stabilization account.

4. **Assigned.** Assigned fund balance includes the portion of fund balance that reflects the City's intended use of resources. Such intent is established by formal action of the City Council, including an allocation of resources by approved budget adjustment, and City Council has not delegated the ability to assign fund balance to any member of management. Modifications require action by the City Council. These funds are expended last after all other revenue sources have been depleted. The City has the following assigned fund balances:

- **Other Capital Funds** - \$4,463,301 assigned by City Council for capital projects appropriation.
- **Other Governmental Funds** - \$29,045 assigned by City Council for capital projects appropriation (\$24,045) and cultural and recreation appropriation (\$5,000).

5. **Unassigned.** Unassigned includes fund balance that has not been reported in any other classification. The City has \$3,419,683 in unassigned general fund balance.

Suwanee has a revenue spending policy that provides for resources to be used in the following hierarchy: bond proceeds, federal funds, state funds, and local funds. For the purpose of the fund balance classification expenditures are to be spent from restricted fund balance first, followed in order by committed, assigned and unassigned. Suwanee considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. Committed, assigned, or unassigned amounts are also considered to have been spent when an expenditure has been incurred.

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 governmental funds." The details of this \$37,152,705 difference are as follows:

| | | |
|--|----|-------------------|
| Compensated absences payable | \$ | 394,651 |
| Bonds payable | | 36,758,054 |
| Net adjustment to reduce fund balance - total governmental funds to arrive at net position - governmental activities | \$ | <u>37,152,705</u> |

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

NOTE 3 LEGAL COMPLIANCE-BUDGETS

Budgets and Budgetary Accounting

The City of Suwanee, Georgia follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The City's annual budget is prepared based on anticipated revenues and appropriated expenditures. Revenue anticipation is designed to help ensure fiscal responsibility and maintain a balanced budget. Budgeting is the responsibility of the Mayor and the City Council members, with assistance provided by the City Manager and his designated staff persons.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to June 30, the budget is legally enacted by passage of an ordinance.
4. The budget was originally adopted on June 26, 2018. The level of legal budgetary control is at the department level. Council approval is required to increase or decrease the total budget of any department.
5. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are adopted for the General Fund, Special Revenue Funds, and Debt Service Funds. Project length budgets are adopted for all Capital Projects Funds.

Material supplementary budgetary changes were made to increase transfer out by (\$658,000). These funds were transferred to provide funding for fiscal year 2020 capital improvement program. Transfer of these local funds provided the necessary resources to maintain the current capital projects budgets for fiscal year 2020.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year end do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year. At June 30, 2019, there were no outstanding encumbrances.

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 or pledged securities. Amounts that exceed standard depository insurance limits are required to be collateralized either (1) individually by the financial institutions through pledged obligations of the U.S. Government, obligations backed by the full faith and credit of the U.S. Government, obligations of the State of Georgia or other states, or obligations of counties, municipalities, or public authorities of the State of Georgia, or (2) participation in the State of Georgia Secure Deposit Program, which is administered by the Office of the State Treasurer, requires participating banks holding deposits of public funds to pledge collateral at varying rates depending on tier assigned by the State. As of June 30, 2019, all of the City's bank balances were insured and/or collateralized as defined by GASB and required by State Statutes.

Investments.

At June 30, 2019, the City's investments consisted solely of certificates of deposit which do not qualify as cash equivalents under the City's policy. All certificates of deposit are covered under the custodial credit risk – deposit footnote above.

The City receives property tax assessments from Gwinnett County. Tax bills were levied on all real and personal property as of January 1, 2018 and were mailed to taxpayers on October 1, 2018. The due date for these taxes was December 20, 2018, and after that date, both penalty and interest are accrued until the taxes are collected. The lien date was January 1, 2019. Receivables are recorded when taxes are levied and billed (October 1).

NOTE 4 DEPOSITS AND INVESTMENTS

NOTE 5 RECEIVABLES

CITY OF SUWANEЕ, GA YEAR ENDED JUNE 30, 2019

Receivables at June 30, 2019 for the City's individual major funds and nonmajor funds in the aggregate are as follows:

| | General | Debt Service | 2017 SPLOST | Other Capital Projects | Downtown Development Authority | Other Governmental Funds | Water and Sewer | Total |
|------------------------------|-------------------|------------------|-------------------|------------------------|--------------------------------|--------------------------|-----------------|---------------------|
| Receivables | | | | | | | | |
| Property taxes | \$ 157,034 | \$ 62,603 | \$ - | \$ - | \$ - | \$ - | \$ - | 219,637 |
| Due from other governments | - | - | 272,593 | - | - | - | - | 272,593 |
| Leases | - | - | - | 77,403 | 2,041,868 | - | - | 2,119,271 |
| Other | 252,180 | - | - | - | - | 60,562 | 7,652 | 320,394 |
| Net total receivables | \$ 409,214 | \$ 62,603 | \$ 272,593 | \$ 77,403 | \$ 2,041,868 | \$ 60,562 | \$ 7,652 | \$ 2,931,895 |

There is no allowance for uncollectible accounts related to these receivables.

NOTE 6 CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2019 is as follows:

| | Beginning Balances | Increases | Decreases | Transfer | Ending Balance |
|--|----------------------|---------------------|--------------------|--------------------|----------------------|
| Governmental activities | | | | | |
| Capital assets, not being depreciated: | | | | | |
| Land | \$ 13,727,281 | \$ - | \$ - | \$ 315,000 | \$ 14,042,281 |
| Construction in progress | 12,423,696 | 1,339,132 | - | (4,776,240) | 8,986,588 |
| Total | 26,150,977 | 1,339,132 | - | (4,461,240) | 23,028,869 |
| Capital assets, being depreciated | | | | | |
| Land improvements | 986,560 | - | (6,575) | 472,348 | 1,452,333 |
| Buildings and improvements | 33,722,261 | 1,827,614 | (17,789) | 1,730,000 | 37,262,086 |
| Machinery and equipment | 1,575,895 | 242,370 | (16,212) | - | 1,802,053 |
| Vehicles | 1,889,787 | 376,437 | (116,275) | - | 2,149,949 |
| Infrastructure | 45,978,733 | - | (4,891,739) | 2,258,892 | 43,345,886 |
| Total | 84,153,236 | 2,446,421 | (5,048,590) | 4,461,240 | 86,012,307 |
| Less accumulated depreciation for | | | | | |
| Land improvements | 296,125 | 78,825 | (6,575) | - | 368,375 |
| Buildings and improvements | 6,880,619 | 785,083 | (7,768) | - | 7,657,934 |
| Machinery and equipment | 776,124 | 155,090 | (16,212) | - | 915,002 |
| Vehicles | 1,141,677 | 193,034 | (116,275) | - | 1,218,436 |
| Infrastructure | 27,130,375 | 1,506,110 | (4,891,739) | - | 23,744,746 |
| Total | 36,224,920 | 2,718,142 | (5,038,569) | - | 33,904,493 |
| Total capital assets, being depreciated, net | 47,928,316 | (271,721) | (10,021) | 4,461,240 | 52,107,814 |
| Governmental activities capital assets, net | \$ 74,079,293 | \$ 1,067,411 | \$ (10,021) | \$ - | \$ 75,136,683 |

COMPREHENSIVE ANNUAL FINANCIAL REPORT

NOTE 6 CAPITAL ASSETS (continued)

Business capital assets activity for the year ended June 30, 2019 is as follows:

| | Beginning Balances | Increases | Decreases | Ending Balances |
|--|---------------------|--------------------|-----------------|---------------------|
| Business-type activities/Water and Sewer fund | | | | |
| Capital assets, not being depreciated: | | | | |
| Land | \$ 7,500 | \$ - | \$ - | \$ 7,500 |
| Construction in progress | 192,519 | 35,222 | - | 227,741 |
| Total | 200,019 | 35,222 | - | 235,241 |
| Capital assets, being depreciated | | | | |
| Water system | 3,235,221 | - | (19,876) | 3,215,345 |
| Total | 3,235,221 | - | (19,876) | 3,215,345 |
| Less accumulated depreciation for | | | | |
| Water system | 967,354 | 80,280 | (19,876) | 1,027,758 |
| Total | 967,354 | 80,280 | (19,876) | 1,027,758 |
| Total capital assets, being depreciated, net | 2,267,867 | (80,280) | - | 2,187,587 |
| Business-type activities capital assets, net | \$ 2,467,886 | \$ (45,058) | \$ - | \$ 2,422,828 |

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

| Governmental activities | |
|--|---------------------|
| General government | \$ 254,852 |
| Judicial | 176 |
| Public safety | 245,856 |
| Public works | 1,684,298 |
| Culture and recreation | 478,146 |
| Housing and development | 54,814 |
| Total depreciation expenses-governmental activities | \$ 2,718,142 |

CITY OF SUWANEЕ, GA YEAR ENDED JUNE 30, 2019

NOTE 7 LONG TERM DEBT

The following is a summary of long-term debt activity for the year ended June 30, 2019:

| | Beginning Balances | Additions | Reductions | Ending Balances | Due Within One Year |
|--|----------------------|-------------------|-----------------------|----------------------|---------------------|
| GOVERNMENTAL ACTIVITIES | | | | | |
| Bonds payable | | | | | |
| General obligation bonds, direct placement | \$ 10,965,000 | \$ - | \$ (1,130,000) | \$ 9,835,000 | \$ 1,150,000 |
| Total general obligation bonds payable | 10,965,000 | - | (1,130,000) | 9,835,000 | 1,150,000 |
| Revenue bonds | | | | | |
| Revenue bonds, direct placement | 3,730,000 | - | (382,000) | 3,348,000 | 392,000 |
| Revenue bonds, open market | 21,470,000 | - | - | 21,470,000 | - |
| Add: Issuance premium | 2,263,133 | - | (158,079) | 2,105,054 | - |
| Total revenue bonds payable | 27,463,133 | - | (540,079) | 26,923,054 | 392,000 |
| Compensated absences | 310,511 | 357,420 | (273,280) | 394,651 | 126,288 |
| Governmental activities long term liabilities | \$ 38,738,644 | \$ 357,420 | \$ (1,943,359) | \$ 37,152,705 | \$ 1,668,288 |

For governmental activities, compensated absences are liquidated by the General Fund.

2016 General Obligation Refunding Series, direct placement.

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the City. General obligation bonds have been issued for general government activities, parks and open space, and are reported in the governmental column of the governmentwide statement of net position.

On October 4, 2016, the City entered into a direct placement, bank qualified refunding bond agreement with JP Morgan Chase bank, (2016 General Obligation Refunding series). The City refunded \$12,235,000 of the City's 2006 General Obligation Refunding series, maturing January 2017 through 2032. This refunding is considered a legal defeasement of the 2006 General Obligation Refunding series January 2017 through 2032. The 2016 General Obligation Refunding series were issued with a principal amount of \$12,635,000 and a non-callable rate of 1.96%, which has been determined to have a savings in total debt service of \$2,968,250, which has a present value savings of \$1,939,041.

NOTE 7 LONG TERM DEBT (continued)

The debt service requirements to maturity on the general obligation refunding bonds are as follows:

| Year ending June 30, | Principal | Interest |
|----------------------|---------------------|-------------------|
| 2020 | \$ 1,150,000 | \$ 181,496 |
| 2021 | 1,175,000 | 158,711 |
| 2022 | 1,195,000 | 135,485 |
| 2023 | 1,220,000 | 111,818 |
| 2024 | 1,240,000 | 87,710 |
| 2025 - 2027 | 3,855,000 | 114,121 |
| Total | \$ 9,835,000 | \$ 789,341 |

Revenue Bonds.

Direct Placement

On November 12, 2015, the City entered into a direct placement, bank qualified refunding bond agreement with JP Morgan Chase Bank, 2015 URA refunding series. The City advanced refunded \$3,890,000 of the 2006 URA Bond series, maturing January 2017 through 2027. This advanced refunding is considered a legal defeasement of the 2006 URA bonds series January 2017 through 2027. The 2015 URA refunding series has a non-callable rate of 1.94% and has been determined to create debt service savings of \$200,012, which has a present value savings of \$180,855.

Open Market

On July 18, 2017, the URA closed on \$21,470,000 of revenue bonds. The bond sale resulted in proceeds totaling \$23,494,404 available for Town Center on Main projects, transportation improvements, and administrative facilities in the Urban Redevelopment district. The all-in true interest cost is 3.313% and the average coupon is 4.158%. The 20 year bonds mature on January 1, 2038, and have interest only payments for the first five years.

The amount of revenue bonds outstanding at June 30, 2019 is \$24,818,000 in total. There is no required revenue coverage for these bonds. The revenue source of these bonds is pledged by the City of Suwanee through an intergovernmental agreement with the URA. Revenue bonds have been issued for general government activities, financing a new City Hall, and are reported in the governmental column of the governmentwide statement of net position.

The debt service requirements to maturity on the revenue bonds are as follows:

| Year ending June 30, | Direct Principal | Placement Interest | Open Principal | Market Interest | Total Principal | Interest |
|----------------------|---------------------|-----------------------|----------------------|----------------------|----------------------|----------------------|
| 2020 | \$ 392,000 | \$ 61,149 | \$ - | \$ 892,750 | \$ 392,000 | \$ 953,899 |
| 2021 | 397,000 | 53,495 | - | 892,750 | 397,000 | 946,245 |
| 2022 | 407,000 | 45,697 | - | 892,750 | 407,000 | 938,447 |
| 2023 | 416,000 | 37,714 | 245,000 | 887,850 | 661,000 | 925,564 |
| 2024 | 419,000 | 29,614 | 255,000 | 879,125 | 674,000 | 908,739 |
| 2025-2029 | 1,317,000 | 38,596 | 3,495,000 | 4,132,400 | 4,812,000 | 4,170,996 |
| 2030-2034 | - | - | 8,605,000 | 2,586,850 | 8,605,000 | 2,586,850 |
| 2035-2038 | - | - | 8,870,000 | 723,800 | 8,870,000 | 723,800 |
| Total | \$ 3,348,000 | \$ 266,265 | \$ 21,470,000 | \$ 11,888,275 | \$ 24,818,000 | \$ 12,154,540 |

CITY OF SUWANEЕ, GA YEAR ENDED JUNE 30, 2019

NOTE 8 INTERFUND TRANSFERS AND BALANCES

The composition of interfund transfers for the year ended June 30, 2019 is as follows:

| Transfer In | Transfer Out | Amount |
|------------------------------|-------------------------------|----------------------------|
| General fund | Non-major governmental funds | \$ 184,271 |
| Debt Service fund | Urban Redevelopment Authority | 600,000 |
| Other capital projects fund | General fund | 505,000 |
| Non-major governmental funds | General fund | 143,996 |
| Water and Sewer fund | General fund | 120,000 |
| | Total | \$ <u>1,553,267</u> |

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

Interfund receivable and payable balance as of June 30, 2019 is as follows:

| Due to | Due From | Amount |
|--------------|------------------------------|----------|
| General fund | Non-major governmental funds | \$ 9,850 |

The interfund receivables and payables noted above is due to cash flow related to year end transactions.

NOTE 9 JOINT VENTURE

Under Georgia law, the City, in conjunction with other cities and counties in the ten (10) county Atlanta area, is a member of the Atlanta Regional Commission (the ARC) and is required to pay annual dues thereto. During its fiscal year ended June 30, 2019, the City's membership dues were paid by Gwinnett County, Georgia. The City did not pay any annual dues. Membership in the ARC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the ARC in Georgia.

The ARC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of the ARC. Separate financial statements may be obtained from:

Atlanta Regional Commission
Office of Financial Services Manager
40 Courtland Street NE
Atlanta, GA 30303

NOTE 10 PENSION PLAN

Effective November 1, 2005, the City changed its retirement program for full time employees from a 401(a) defined contribution plan, the **City of Suwanee Money Purchase Pension Plan**, to a defined benefit plan, the **Georgia Municipal Association Employee Pension Plan for the City of Suwanee**. Employees hired or rehired on or after November 1, 2005 automatically participate in the defined benefit plan. Current employees hired before November 1, 2005 had a choice of remaining in the 401(a) plan or electing to participate in the defined benefit plan. Employees that remained in the 401(a) plan will continue to receive contributions under the terms of the 401(a) plan.

NOTE 10 PENSION PLAN (continued)

Defined Contribution Plan

The City of Suwanee Money Purchase Pension Plan, a defined contribution plan is administered by ICMA-RC, International City/County Management Association Retirement Center. A participant is covered after ninety (90) days of service. The City is required to contribute 5% of annual covered payroll, with 100% of these funds going into a fixed-rate savings account. The City's total payroll for the fiscal year was \$6,503,065 including \$610,905 of payroll covered by this plan. Contributions by the City totaled \$30,545 for the fiscal year ended June 30, 2019. Plan provisions and contribution requirements are established by City ordinance and may be amended by the Suwanee City Council.

The employee vesting schedule for the 401 (a) plan is as follows:

| | | | |
|-------------------|-----|---------|------|
| Less than 2 years | 0% | 4 years | 60% |
| 2 years | 20% | 5 years | 80% |
| 3 years | 40% | 6 years | 100% |

Defined Benefit Plan

General Information

Employees electing to participate in the **Georgia Municipal Association Employee Pension Plan for the City of Suwanee**, (the GMA plan), ceased contributions to the 401(a) plan on November 1, 2005 and all related subsequent contributions were made to the GMA plan. Prior full time service with the City was counted for eligibility for retirement and death benefits for vesting. The City contributed 20% of full time service with the City before November 1, 2005 towards the amount of benefits payable under the plan. Employees have the option to use their funds in the 401(a) plan to purchase some or all of the remaining past service to increase the amount of benefits payable under the plan. The GMA plan currently requires an annual employee contribution of 2% and a City contribution of .55%. However, the City has elected to contribute a higher rate of 8% for employer contributions. This rate was determined by a separate actuarial study that was performed in 2017 to provide for an even level of funding year to year and to prevent large fluctuation of pension contributions from year to year. Due to this difference in required contribution and contributions paid by the City, the statement of net position reports a net pension asset of \$4,624,515.

The GMA plan board elected to change the valuation schedule from November 1 to January 1 to assist the plan members with their financial forecasting and budgeting process. The annual contribution rate will not change until the commencement of a new fiscal year.

Benefit Terms

The GMA plan provides retirement, disability, and death benefits to plan participants and beneficiaries. The GMA plan is an agent multiple-employer pension plan, administered by The Segal Company. The City Council in its role as the Plan Sponsor, has the sole authority to amend the provisions, including specific benefit provisions and contribution requirements, of the GMA plan, as provided in the Plan document. Benefits are provided by the GMA plan whereby retirees receive 1.5% multiplied by the average of the five highest years of regular earnings multiplied by the total credited years of service. GMA issued a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Georgia Municipal Association, Risk Management and Employee Benefit Services, 201 Pryor Street SW, Atlanta, Georgia 30303, or by calling (404) 688-0472.

CITY OF SUWANEЕ, GA YEAR ENDED JUNE 30, 2019

Employees Covered

At June 30, 2019, the Plan consisted of the following:

| | |
|---|----|
| Inactive employees and beneficiaries currently receiving benefits | 9 |
| Inactive employees and beneficiaries entitled to benefits, but not yet receiving benefits | 26 |
| Active employees | 98 |

Contribution Requirements

The City is required to contribute an actuarially determined amount annually to the Plan's trust. The plan's contribution amount is determined using actuarial methods and assumptions approved by the GMA Plan of trustees and meets or exceeds the minimum contribution requirement contained in the State of Georgia statutes. However, as noted above, the City, as authorized by the City Council, has chosen to contribute at a higher rate of 8% instead of the plan's contribution amount of .55%. This excess funding does not represent any additional postemployment benefit obligation to the City. City contributions to the GMA Plan were \$407,779 for the year ended June 30, 2019.

Net Pension Liability

The City's net pension asset was measured as of September 30, 2018, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2018, with update procedures performed by the actuary to roll forward to the total pension liability as of September 30, 2018.

Actuarial Assumptions

The total pension liability in the January 1, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|--|-------|
| Inflation | 2.75% |
| Salary increases (including inflation) | 3.75% |
| Cost of living adjustments | 0.00% |
| Investment rate of return | 7.50% |

The demographic and economic actuarial used in the January 1, 2018 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through June 30, 2014.

Mortality rates:

| | |
|------------------------------------|--|
| Healthy | 1994 Group Annuity Reserving Unisex Table |
| Disabled | RP-2000 Disabled Retiree Mortality Table with sex-distinct rates |
| Plan termination basis (all lives) | 1994 Group Annuity Reserving Unisex Table |

NOTE 10 PENSION PLAN (continued)

The long-term expected rate of return on pension plan investments, 7.50% on-going basis, 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, 2018 are summarized in the following table:

| Asset Class | Target Allocation | Long-term Expected Real Rate of Return* | Long-term Nominal Real Rate of Return |
|-----------------------|-------------------|---|---------------------------------------|
| Domestic equity | 45% | 6.40% | 9.15% |
| International equity | 20% | 7.40% | 10.15% |
| Domestic fixed income | 20% | 1.75% | 4.50% |
| Real estate | 10% | 5.10% | 7.85% |
| Global fixed income | 5% | 3.03% | 5.78% |
| Total | 100% | | |

*Rates shown here are net of the 2.75% assumed rate of inflation.

Discount Rate

The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current rate of 2% and the City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current and active and inactive employees. 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 asset.

| Change in the Net Pension Asset | Increase (Decrease) | | |
|---|-----------------------------|---------------------------------|-----------------------------|
| | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Asset (a) - (b) |
| Balances at 6/30/2018 | \$ 5,758,824 | \$ 9,748,972 | \$ (3,990,148) |
| Changes for the year: | | | |
| Service Cost | 324,030 | - | 324,030 |
| Interest | 452,099 | - | 452,099 |
| Difference between expected and actual experience | 18,243 | - | 18,243 |
| Contributions employer | - | 384,269 | (384,269) |
| Contributions employee | - | 91,603 | (91,603) |
| Net investment income | - | 979,115 | (979,115) |
| Benefit payments, including refunds of employee contributions | (109,725) | (109,725) | - |
| Administrative expense | - | (26,248) | 26,248 |
| Net change | 684,647 | 1,319,014 | (634,367) |
| Balances at 6/30/2019 | \$ 6,443,471 | \$ 11,067,986 | \$ (4,624,515) |

CITY OF SUWANEЕ, GA YEAR ENDED JUNE 30, 2019

Sensitivity of the Net Pension Asset

The following represents the net pension asset of the City, calculated using the discount rate of 7.50%, as well as what the City's net pension asset would be if it were calculated using a discount rate that is 1% point lower (6.50%) or 1% point higher (8.50%) than the current rate:

| | 1% decrease (6.50%) | Current discount rate (7.50%) | 1% increase (8.50%) |
|----------------------------|------------------------|----------------------------------|------------------------|
| City's net pension (asset) | \$ (3,741,421) | \$ (4,624,515) | \$ (5,352,596) |

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2019, the City recognized a negative pension expense of (\$182,250). The statement of net position includes a deferred outflows for employer pension contributions of \$329,514 subsequent to the measurement date. This amount includes employer payments made to the plan after 9/30/2018, the measurement date, and prior to 6/30/2019, the City's fiscal year end.

As of June 30, 2019, the City reported deferred outflows and inflows of resources related to pensions, except for employer pension contributions subsequent to the measurement date noted above, to the following sources:

| | Deferred Outflows | Deferred Inflows |
|---|-------------------|-------------------|
| Assumption changes | \$ 48,774 | \$ - |
| Demographic changes | 315,051 | 169,482 |
| Net difference between projected and actual earnings on pension investments | - | 557,500 |
| Total | \$ 363,825 | \$ 726,982 |

City contributions subsequent to the measurement date of \$329,514 are reported as deferred outflows of resources and will be recognized as an increase of the net pension asset in the year ending June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

| Year ended June 30 | |
|--------------------|--------------|
| 2020 | \$ (109,652) |
| 2021 | (201,222) |
| 2022 | (153,129) |
| 2023 | (31,553) |
| 2024 | 15,486 |
| Thereafter | 116,913 |

NOTE 11 RISK MANAGEMENT

The City is exposed to various risks of losses related to: torts, damage to, theft of, and destruction of assets, errors and omissions, injuries to employees and natural disasters. The goal is to provide resources to reduce loss-related expenses and enhance delivery of public services. Therefore in 2018, City Council approved changing insurance providers to Travelers Property Casualty Insurance Company. Apex Insurance Agency, LLC acts as the broker and provides Loss Control and Risk Management Services to the City. The policy covers workers' compensation, general liability, property liability and automobile liability (including comprehensive and collision coverage). The current coverage agreement period is from March 31, 2019 to March 31, 2020 and covers all buildings, vehicles, mobile equipment and other City owned property which are included on our exposure schedules. Upon knowledge of an occurrence, wrongful act or any other happening or incident which may result in a loss, Apex and Travelers are notified as promptly as possible. Travelers is responsible for payment for covered losses, covered damages and defense costs on behalf of the City of Suwanee in excess of the \$1,000 deductible per occurrence and shall not exceed \$1,000,000 per each occurrence. A Certificate of Coverage is provided and is used to verify the existence of insurance coverage. It lists the effective dates of the policy, the types of insurance coverage purchased, and the applicable limits of liability. Annually, a renewal package is reviewed for accuracy and updated with any applicable changes for the new year. The renewal package provides the most current information and is prepared in an effort to gather updated exposure information including three exposure schedules for property, mobile equipment and vehicles.

Settled claims in the past three years have not exceeded insurance coverage.

Contractual Commitments:

In addition to the liabilities enumerated in the balance sheet at June 30, 2019, the City has contractual commitments on uncompleted contracts of approximately \$6,727,252 for the following projects: \$104,861 Town Center on Main, \$346,760 Jackson Street Reconstruction, \$214,275 Sidewalk Projects, \$3,770,222 Municipal Court Renovation and Expansion, \$1,646,418 Street Resurfacing, and \$644,716 Buford Highway Reconstruction and Streetscape.

Litigation:

The City is involved in several pending lawsuits in the normal course of the City's business. 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.

Grant Contingencies:

The City has received grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to the disallowance of certain expenditures previously reimbursed by those agencies. Based upon prior experience, management of the City believes such disallowances, if any, will not be significant.

Hotel/Motel Tax

The City believes it is in compliance with OCGA Section 36-81-7 related to the disbursement of hotel/motel taxes collected. Obligated collections were \$648,019 as reported in the City's Hotel/Motel Tax Fund. Expenditures and transfers totaled \$638,026 leaving a fund balance of \$193,146 to be used for tourism and trade.

NOTE 12 COMMITMENTS AND CONTINGENCIES

NOTE 13 COMPLIANCE

CITY OF SUWANEЕ, GA YEAR ENDED JUNE 30, 2019

NOTE 13 COMPLIANCE (continued)

Rental Motor Vehicle Excise Tax

During the fiscal year 2019, Suwanee started levying an excise tax on the rental of motor vehicles. The City believes it is in compliance with OCGA 48-13-93 which requires that all motor vehicle excise taxes be expended or obligated contractually for the promotion of tourism or the acquisition, construction, renovating, improving maintenance and equipping of pedestrian walkways, installation of traffic lights, and street lights associated with public safety facilities or public improvements for sports and recreational facilities. During the fiscal year, the City received \$38,178 in motor vehicle excise taxes. None of these revenues were expended during the period, leaving a fund balance of \$38,178 to be used in future periods.

NOTE 14 IMPLEMENTATION OF GASB 87 LEASE RECEIVABLES

The City of Suwanee has selected to early implement GASB Statement No. 87, Accounting for Leases. GASB Statement No. 87 objective is to improve the usefulness of governmental accounting statements by requiring the recognition of lease assets and liabilities for leases and inflows of resources or outflows based on contract terms. Under the new standard, a lessor is required to recognize a lease receivable and a deferred inflow of resources.

1. DOWNTOWN DEVELOPMENT AUTHORITY

SOLIS Project:

During fiscal year 2019, Suwanee's Downtown Development Authority acquired 12,000 square feet of retail and restaurant space, in white box condition, on the ground floor of the Solis development. At June 30, 2019 three of the units have been leased.

| | Lease Execution Date | Commencement Date | Term | Base Rent | Renewal Option | Lease Receivable Present Value | Interest Receivable at 6.30.2019 |
|--------------------|----------------------|-------------------|---|--|---|--------------------------------|----------------------------------|
| Unit 1 4,400 sf | Mar. 20, 2019 | Sep. 20, 2019 | 120 Months Sep. 2019 to Sep. 2029 | \$125,160 annually Base rent escalates by 10% after five years | Two five-year renewal options with base rent for renewal terms 110% of previous year base rental rate | \$1,095,617 | - |
| Unit 2 980 sf | Mar. 20, 2019 | Jun. 20, 2019 | 36 Months Mar. 2019 to Mar. 2022 | \$13,720 annually Base rent escalates by 3% annually | N/A | \$40,437 | \$409 |
| Unit 3 2,235 sf | Apr. 15, 2019 | Jun. 1, 2019 | 66 months Jun. 2019 to Nov. 2024 | \$51,830 annually Base rent escalates by 3% annually | One five-year renewal option with the continuation of the 3% annual escalation | \$249,773 | \$676 |
| TOTAL SOLIS | | | | | | \$1,385,827 | \$1,085 |

NOTE 14

IMPLEMENTATION OF GASB 87 LEASE RECEIVABLES

(continued)

FIRE STATION:

During fiscal year 2019, Suwanee's Downtown Development Authority entered into an agreement to lease the old Fire Station for a privately-owned brewery.

| Lease Execution Date | Commencement Date | Term | Base Rent | Purchase Option | Lease Receivable Present Value |
|----------------------|-------------------|---|---|---|--------------------------------|
| May 1, 2019 | Nov. 1, 2019 | 132 Months Nov. 2019 to Oct. 2030 | 8% of the gross revenue paid monthly in arrears. Minimum base rent \$7,000. Rent is due 18 months from lease commencement. | After 36 months of the term lease (Dec. 1, 2022) Floor \$1,250,000 Ceiling \$1,600,000 | \$654,956 |

At June 30, 2019 the Downtown Development Authority reported:

Lease Receivable \$2,040,783

Interest Receivable \$1,085 (included in lease receivable balance on financial statements)

Deferred Inflows \$2,044,910

Interest Revenue from Leasing \$1,085

Rental Income from Leasing \$13,341

Activity on the Downtown Development Authority lease receivable balances for the fiscal year 2019 is shown below.

| | Beginning Balance | Additions | Reductions | Ending Balance | Due Within One Year |
|---------------|-------------------|---------------------|-------------|---------------------|---------------------|
| Solis Project | \$ - | \$ 1,385,827 | \$ - | \$ 1,385,827 | \$ 119,403 |
| Fire Station | - | 654,956 | - | 654,956 | - |
| Total | \$ - | \$ 2,040,783 | \$ - | \$ 2,040,783 | \$ 119,403 |

CITY OF SUWANEE, GA YEAR ENDED JUNE 30, 2019

NOTE 14 IMPLEMENTATION OF GASB 87 LEASE RECEIVABLES

(continued)

Schedule of future lease receipts Downtown Development Authority:

| Year Ending June 30 | Principal | Interest |
|------------------------|---------------------|-------------------|
| 2020 | \$ 119,403 | \$ 52,452 |
| 2021 | 196,968 | 61,591 |
| 2022 | 253,524 | 55,402 |
| 2023 | 238,254 | 48,414 |
| 2024 | 232,094 | 41,236 |
| 2025-2029 | 895,391 | 105,585 |
| 2030 | 105,149 | 2,334 |
| Total | \$ 2,040,783 | \$ 367,014 |

2. CITY OF SUWANEE

BILLBOARD:

The City of Suwanee obtained a billboard with the purchase of the Police Sub-station property. The property was purchased with the billboard lease in place. The billboard lease term ends December of 2021. The City has no plans to renew this lease and is planning on removing the billboard from the property.

At June 30, 2019 the Billboard Lease balances are as follows:

- Lease Receivable \$77,403
- Deferred Inflows \$77,403
- Interest Revenue from Leasing \$3,691
- Rental Income from Leasing \$27,059

Activity on the Billboard lease receivable balances for the fiscal year 2019 is shown below.

| | Beginning Balance | Additions | Reductions | Ending Balance | Due Within One Year |
|-----------------|----------------------|-----------|------------|----------------|------------------------|
| Billboard Lease | \$ 104,462 | \$ - | \$ 27,059 | \$ 77,403 | \$ 29,258 |

COMPREHENSIVE ANNUAL FINANCIAL REPORT

NOTE 14 IMPLEMENTATION OF GASB 87 LEASE RECEIVABLES (continued)

Schedule of future lease receipts City of Suwanee

| Year Ending June 30 | Principal | Interest |
|------------------------|------------------|-----------------|
| 2020 | \$ 29,258 | \$ 2,569 |
| 2021 | 31,585 | 1,357 |
| 2022 | 16,560 | 194 |
| Total | \$ 77,403 | \$ 4,120 |





REQUIRED SUPPLEMENTARY INFORMATION

PARKER

30024

city of
Suwannee
georgia

| | Fiscal Year 2019 | Fiscal Year 2018 | Fiscal Year 2017 | Fiscal Year 2016 | Fiscal Year 2015 |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| TOTAL PENSION LIABILITY | | | | | |
| Service cost | \$ 324,030 | \$ 326,373 | \$ 291,552 | \$ 317,834 | \$ 313,930 |
| Interest | 452,099 | 390,116 | 357,340 | 284,715 | 250,350 |
| Difference between expected and actual experience | 18,243 | 4,010 | (148,787) | 385,032 | (64,451) |
| Changes of assumptions | - | 53,902 | - | - | 2,284 |
| Benefit payments, including refunds of employee contributions | (109,725) | (98,660) | (55,731) | (45,240) | (72,134) |
| Net change in pension liability | 684,647 | 675,741 | 444,374 | 942,341 | 429,979 |
| Total pension liability, beginning | 5,758,824 | 5,083,083 | 4,638,709 | 3,696,368 | 3,266,389 |
| Total pension liability, ending (a) | \$ 6,443,471 | \$ 5,758,824 | \$ 5,083,083 | \$ 4,638,709 | \$ 3,696,368 |
| PLAN FIDUCIARY NET POSITION | | | | | |
| Contributions employer | \$ 384,269 | \$ 404,249 | \$ 384,200 | \$ 361,750 | \$ 341,092 |
| Contributions employee | 91,603 | 91,837 | 90,104 | 80,779 | 73,029 |
| Net investment income | 979,115 | 1,252,027 | 793,135 | 59,795 | 638,016 |
| Benefit payments, including refunds of employee contributions | (109,725) | (98,660) | (55,731) | (45,240) | (72,134) |
| Administrative expense | (26,248) | (26,623) | (15,071) | (16,447) | (14,301) |
| Net change in fiduciary net position | 1,319,014 | 1,622,830 | 1,196,637 | 440,637 | 965,702 |
| Plan fiduciary net position, beginning | 9,748,972 | 8,126,142 | 6,929,505 | 6,488,868 | 5,523,166 |
| Plan fiduciary net position, ending (b) | \$ 11,067,986 | \$ 9,748,972 | \$ 8,126,142 | \$ 6,929,505 | \$ 6,488,868 |
| Net pension asset, ending (a) - (b) | \$ (4,624,515) | \$ (3,990,148) | \$ (3,043,059) | \$ (2,290,796) | \$ (2,792,500) |
| Plan's fiduciary net position as a percent of the total pension liability | 171.77% | 169.29% | 159.87% | 149.38% | 175.55% |
| Covered payroll | \$ 4,989,565 | \$ 4,657,826 | \$ 4,421,301 | \$ 3,979,442 | \$ 3,427,605 |
| Net pension asset as a percentage of covered payroll | -92.68% | -85.67% | -68.83% | -57.57% | -81.47% |

The pension schedules in the required supplementary information are intended to show information for ten years. Additional years' information will be displayed as it becomes available.

Notes to schedule:

1. Changes of assumptions:

- a. As a result of the plan change to provide immediate participation for employees and officials, for the fiscal year ending 2015, the eligibility assumption has been changed from three months to immediate. The decrease in the plan's net pension asset is minimal and has been included in the differences between the expected and actuarial experience.
- b. As a result of the new administrative fee approved by the Board, the administrative expense assumption was updated for fiscal years beginning in 2016.

| | | FY 2016 | | Prior to FY 2016 |
|---|----|---------|----|------------------|
| Base fee | \$ | 9,000 | \$ | 7,000 |
| Per active and terminated vested participant | \$ | 66 | \$ | 65 |
| Per retiree and beneficiary | \$ | 78 | \$ | 65 |
| Percentage of the market value of assets | | .06% | | .05% |
| Per active participant for the administration of employee contributions | \$ | 18 | \$ | 10 |
| Per inactive participant for the administration of employee contributions | \$ | 9 | \$ | 0 |

- c. Amounts reported for the fiscal year ending in 2016 and later, reflect the following assumption changes based on the results of an actuarial experience study covering the period January 1, 2010 to June 30, 2014:
1. The mortality table for disabled participants was changed to remove the two-year set-forward for females.
 2. The inflation assumption was decreased from 3.50% to 3.25%.
- d. Amounts reported for the fiscal year ending in 2018 and later, reflect the following assumption changes based on the results of an actuarial experience study conducted in September 2017.
1. The investment return assumption was decreased from 7.75% to 7.50%.
 2. The inflation assumption was decreased from 3.25% to 2.75%.
 3. The salary increase rate was reduced from 4.25% to 3.75%.

2. Benefit changes:

Effective January 1, 2015, the plan was amended to provide for immediate participation for employees and officials. This change has no impact on the service credited under the plan and has no impact on benefits.

| | 2019 | 2018 | 2017 | 2016 | 2015 |
|--|--------------|--------------|--------------|--------------|--------------|
| Actuarially determined contribution | \$ 28,035 | \$ 26,139 | \$ 33,225 | \$ 64,798 | \$ 53,343 |
| Contributions in relation to the actuarially determined contribution | 407,779 | 373,417 | 415,313 | 381,166 | 357,671 |
| Contributions deficiency (excess) | \$ (379,744) | \$ (347,278) | \$ (382,088) | \$ (316,368) | \$ (304,328) |
| Covered payroll | \$ 5,097,235 | \$ 4,667,712 | \$ 4,614,591 | \$ 4,235,178 | \$ 3,974,126 |
| Contributions as a percent of covered payroll | 8.0% | 8.0% | 9.0% | 9.0% | 9.0% |
| | 2014 | 2013 | 2012 | 2011 | 2010 |
| Actuarially determined contribution | \$ 68,496 | \$ 117,418 | \$ 151,635 | \$ 161,429 | \$ 167,828 |
| Contributions in relation to the actuarially determined contribution | 338,792 | 398,849 | 389,788 | 372,947 | 368,203 |
| Contributions deficiency (excess) | \$ (270,296) | \$ (281,431) | \$ (238,153) | \$ (211,518) | \$ (200,375) |
| Covered payroll | \$ 3,717,773 | \$ 3,625,901 | \$ 3,543,524 | \$ 3,390,429 | \$ 3,347,053 |
| Contributions as a percent of covered payroll | 9.1% | 11.0% | 11.0% | 11.0% | 11.0% |

Notes to schedule:

1. Valuation date:

a. Fiscal years 2019 - 2010: January 1 annually

2. Methods and assumptions used to determine contribution rates:

The investment return and inflation assumptions used in the January 1, 2019 valuation were based on the results of an actuarial study conducted in September 2017. The mortality and other actuarial assumptions used in the January 2019 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through June 30, 2014.

a. **Actuarial cost method:** aggregate cost method

b. **Amortization method:** n/a- aggregate method does not identify or separately amortize unfunded actuarial accrued liabilities.

c. **Remaining amortization method:** n/a

d. **Asset valuation method:** Sum of actuarial value at beginning of year and cash flow during the year plus assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at the end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value.

Investment rate of return: 7.50% **Cost of living adjustments:** 0.00%

Projected salary increases: 3.75% **Expected annual inflation:** 2.75%

Retirement age: 65 with 5 years of service

Mortality Rates: Healthy: 1994 Group Annuity Reserving Unisex Table

Disabled: RP-2000 Disabled Retiree Mortality Table with sex-distinct rates

Plan termination basis (all lives): 1994 Group Annuity Reserving Unisex Table

Other Information:

The Georgia Municipal Association Employee Pension Plan for the City of Suwanee (the GMA plan) was established November 1, 2005.

COMPREHENSIVE ANNUAL FINANCIAL REPORT



GOVERNMENTAL FUNDS



SPECIAL REVENUE

Suwanee Fest

The purpose of the Suwanee Fest is to provide a high-quality two day family festival for the citizens of Suwanee. The festival is self-funded whereby it generates sponsorship dollars to offset the cost of the festival. These funds are restricted by contribution requirements from sponsors.

Community Arts

The City Council appointed Public Arts Commission was established to work with and encourage developers to include public art or support public art as a component of new projects and to create programs that bring and promote public art in Suwanee. The Suwanee Public Arts Partnership, a volunteer-based organization, was launched to raise funds for and build community awareness of public art initiatives. These funds are restricted by contribution requirements from sponsors.

Confiscated Assets

Georgia law allows police agencies to file for seizure of property related to illegal substances or activities. These funds must be used, under federal and state law, to purchase police equipment. Suwanee participates in the Federal Drug Task Force and the Joint Gwinnett Municipal Drug Task Force. These task forces provide the participants a percentage of the amount of funds/property seized. Currently, Suwanee has one police officer assigned to each of these task forces.

Community Garden

Suwanee's Community Garden, Harvest Farm, was established in 2010 to offer residents and members of the community the opportunity to enjoy nature, build community, learn about gardening and grow fresh produce. Contributions to this fund include plot rental fees and donations received from corporations, individuals, and citizen groups. These funds are restricted by plot rental agreements and contribution requirements from sponsors.

Hotel/Motel Tax

This fund accounts for the accommodation taxes collected from the 7% Hotel/Motel tax. These revenues are collected on a monthly basis from each hotel or motel in Suwanee. By state law, the City is required to spend 57% of the collections on programs and initiatives that promote tourism.

Rental Vehicle Excise Tax

State Law permits Georgia municipalities to levy a 3% excise tax on vehicle rentals. In December of 2018, Suwanee adopted the rental vehicle excise tax ordinance that allows for the collection of rental motor vehicle excise tax. By state law, the City is required to spend these funds on the promotion of tourism, public safety, and transportation.

Cemetery

The cemetery fund was created to implement landscaping and other infrastructure improvements to Suwanee's small cemeteries as outlined in the 2009 Cemetery Preservation Assessment. Cemeteries included in the study were Jackson Street, Shadowbrook and Sims Lake.

Tax Allocation District

Suwanee's Tax Allocation District (TAD) was created to revitalize Suwanee's commercial district along I-85, Suwanee's Gateway, through capital investment. Funds obtained through the creation of a tax allocation district will ignite additional private investment and growth.

2009 SPLOST

The 2009 Special Purpose Local Option Sales Tax (SPLOST) Fund accounts for and reports financial resources that are restricted or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Funding is provided by a restricted one-cent special purpose local option sales tax approved by voters in 2008, restricted federal, and local resources.

2014 SPLOST

The 2014 SPLOST accounts for and reports financial resources that are restricted or assigned to expenditures for capital outlays. The 2014 program focuses on various transportation projects, sidewalk improvement projects, and recreational improvements. Funding is provided by a restricted one-cent special purpose local option sales tax approved by voters in 2013, restricted federal, and local resources.

CAPITAL PROJECTS

SPECIAL REVENUE

| | Suwanee Fest | Community Arts | Confiscated Assets | Community Garden | Hotel/Motel Tax | Rental Vehicle Tax | Total |
|--|------------------|-------------------|-----------------------|---------------------|-------------------|-----------------------|-------------------|
| ASSETS | | | | | | | |
| Cash and cash equivalents | \$ 62,126 | \$ 79,161 | \$ 142,136 | \$ 40,694 | \$ 182,012 | \$ 31,917 | \$ 538,046 |
| Investments | - | - | 50,487 | - | - | - | 50,487 |
| Receivables: | | | | | | | |
| Other | - | 475 | - | - | 53,826 | 6,261 | 60,562 |
| Total assets | \$ 62,126 | \$ 79,636 | \$ 192,623 | \$ 40,694 | \$ 235,838 | \$ 38,178 | \$ 649,095 |
| LIABILITIES AND FUND BALANCES | | | | | | | |
| Liabilities: | | | | | | | |
| Accounts payable | \$ 6,345 | \$ - | \$ 10,488 | \$ 1,406 | \$ 42,692 | \$ - | \$ 60,931 |
| Due to other funds | - | - | - | - | - | - | - |
| Total liabilities | 6,345 | - | 10,488 | 1,406 | 42,692 | - | 60,931 |
| Fund Balances: | | | | | | | |
| Restricted | 55,781 | 79,636 | 182,135 | 34,288 | 193,146 | 38,178 | 583,164 |
| Assigned | - | - | - | 5,000 | - | - | 5,000 |
| Total fund balances | 55,781 | 79,636 | 182,135 | 39,288 | 193,146 | 38,178 | 588,164 |
| TOTAL LIABILITIES AND FUND BALANCES | \$ 62,126 | \$ 79,636 | \$ 192,623 | \$ 40,694 | \$ 235,838 | \$ 38,178 | \$ 649,095 |

CAPITAL PROJECTS

| | Cemetery | Tax Allocation District | 2009 SPLOST | 2014 SPLOST | Total | Total Non-major Governmental Funds |
|--|------------------|-------------------------------|-------------------|-------------------|---------------------|--|
| ASSETS | | | | | | |
| Cash and cash equivalents | \$ 24,045 | \$ 469,263 | \$ 683,634 | \$ 662,119 | \$ 1,839,061 | \$ 2,377,107 |
| Investments | - | - | - | - | - | 50,487 |
| Receivables: | | | | | | |
| Other | - | - | - | - | - | 60,562 |
| Total assets | \$ 24,045 | \$ 469,263 | \$ 683,634 | \$ 662,119 | \$ 1,839,061 | \$ 2,488,156 |
| LIABILITIES AND FUND BALANCES | | | | | | |
| Liabilities: | | | | | | |
| Accounts payable | \$ - | \$ - | \$ 23,339 | \$ - | \$ 23,339 | \$ 84,270 |
| Due to other funds | - | - | 9,850 | - | 9,850 | 9,850 |
| Total liabilities | - | - | 33,189 | - | 33,189 | 94,120 |
| Fund Balances: | | | | | | |
| Restricted | - | 469,263 | 650,445 | 662,119 | 1,781,827 | 2,364,991 |
| Assigned | 24,045 | - | - | - | 24,045 | 29,045 |
| Total fund balances | 24,045 | 469,263 | 650,445 | 662,119 | 1,805,872 | 2,394,036 |
| TOTAL LIABILITIES AND FUND BALANCES | \$ 24,045 | \$ 469,263 | \$ 683,634 | \$ 662,119 | \$ 1,839,061 | \$ 2,488,156 |

SPECIAL REVENUE

| | Suwanee Fest | Community Arts | Confiscated Assets | Community Garden | Hotel/Motel Tax | Rental Vehicle Tax | Total |
|--|------------------|-------------------|-----------------------|---------------------|--------------------|-----------------------|-------------------|
| REVENUES | | | | | | | |
| Hotel/motel taxes | \$ - | \$ - | \$ - | \$ - | \$ 646,103 | \$ - | \$ 646,103 |
| Other taxes | - | - | - | - | - | 38,151 | 38,151 |
| Fines and forfeitures | - | - | 19,446 | - | - | - | 19,446 |
| Investment income | - | - | 682 | 8 | 206 | 27 | 923 |
| Rental income | - | 26,812 | - | 7,408 | - | - | 34,220 |
| Contributions and donations | 137,148 | 48,184 | - | 2,163 | 1,710 | - | 189,205 |
| Total revenues | 137,148 | 74,996 | 20,128 | 9,579 | 648,019 | 38,178 | 928,048 |
| EXPENDITURES | | | | | | | |
| Current: | | | | | | | |
| Public safety | - | - | 4,638 | - | - | - | 4,638 |
| Public works | - | - | - | - | - | - | - |
| Culture and recreation | 172,996 | 143,825 | - | 6,651 | - | - | 323,472 |
| Tourism and trade | - | - | - | - | 453,755 | - | 453,755 |
| Capital Outlay | - | - | - | - | - | - | - |
| Total expenditures | 172,996 | 143,825 | 4,638 | 6,651 | 453,755 | - | 781,865 |
| Excess of revenues over (under) expenditures | (35,848) | (68,829) | 15,490 | 2,928 | 194,264 | 38,178 | 146,183 |
| OTHER FINANCING SOURCES (USES) | | | | | | | |
| Sale of capital assets | - | - | 2,083 | - | - | - | 2,083 |
| Transfer in | - | - | - | 5,000 | - | - | 5,000 |
| Transfer out | - | - | - | - | (184,271) | - | (184,271) |
| Total other financing sources (uses) | - | - | 2,083 | 5,000 | (184,271) | - | (177,188) |
| Net change in fund balances | (35,848) | (68,829) | 17,573 | 7,928 | 9,993 | 38,178 | (31,005) |
| FUND BALANCE - beginning | 91,629 | 148,465 | 164,562 | 31,360 | 183,153 | - | 619,169 |
| FUND BALANCES - end of year | \$ 55,781 | \$ 79,636 | \$ 182,135 | \$ 39,288 | \$ 193,146 | \$ 38,178 | \$ 588,164 |

CITY OF SUWANEЕ, GA YEAR ENDED JUNE 30, 2019

NON-MAJOR GOVERNMENTAL FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES year ended june 30, 2019

CAPITAL PROJECTS

| | Cemetery | Tax Allocation District | 2009 SPLOST | 2014 SPLOST | Total | Total Non-major Governmental Funds |
|--|------------------|-------------------------|-------------------|-------------------|---------------------|------------------------------------|
| REVENUES | | | | | | |
| Hotel/motel taxes | \$ - | \$ - | \$ - | \$ - | \$ - | 646,103 |
| Other taxes | - | - | - | - | - | 38,151 |
| Fines and forfeitures | - | - | - | - | - | 19,446 |
| Investment income | - | - | 2,796 | 928 | 3,724 | 4,647 |
| Rental income | - | - | - | - | - | 34,220 |
| Contributions and donations | - | - | - | - | - | 189,205 |
| Total revenues | - | - | 2,796 | 928 | 3,724 | 931,772 |
| EXPENDITURES | | | | | | |
| Current: | | | | | | |
| Public safety | - | - | - | - | - | 4,638 |
| Public works | 770 | - | - | - | 770 | 770 |
| Culture and recreation | - | - | - | - | - | 323,472 |
| Tourism and trade | - | - | - | - | - | 453,755 |
| Capital outlay | - | - | 383,299 | 490,247 | 873,546 | 873,546 |
| Total expenditures | 770 | - | 383,299 | 490,247 | 874,316 | 1,656,181 |
| Excess of revenues over (under) expenditures | (770) | - | (380,503) | (489,319) | (870,592) | (724,409) |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Sale of capital assets | - | - | - | - | - | 2,083 |
| Transfer in | - | 138,996 | - | - | 138,996 | 143,996 |
| Transfer out | - | - | - | - | - | (184,271) |
| Total other financing sources (uses) | - | 138,996 | - | - | 138,996 | (38,192) |
| Net change in fund balances | (770) | 138,996 | (380,503) | (489,319) | (731,596) | (762,601) |
| FUND BALANCE - beginning | 24,815 | 330,267 | 1,030,948 | 1,151,438 | 2,537,468 | 3,156,637 |
| FUND BALANCES - end of year | \$ 24,045 | \$ 469,263 | \$ 650,445 | \$ 662,119 | \$ 1,805,872 | \$ 2,394,036 |

SPECIAL REVENUE FUNDS
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 budget and actual-year ended June 30, 2019

**COMPREHENSIVE ANNUAL
 FINANCIAL REPORT**

**SUWANEE
 FEST**

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|--|------------------|------------------|------------------|--|
| | Original | Final | | |
| REVENUES | | | | |
| Contributions and donations | \$ 176,000 | \$ 195,000 | \$ 137,148 | \$ (57,852) |
| Total revenues | 176,000 | 195,000 | 137,148 | (57,852) |
| EXPENDITURES | | | | |
| Current: | | | | |
| Culture and recreation | 176,000 | 195,000 | 172,996 | 22,004 |
| Total expenditures | 176,000 | 195,000 | 172,996 | 22,004 |
| Net change in fund balances | - | - | (35,848) | (35,848) |
| FUND BALANCES - beginning of year | 91,629 | 91,629 | 91,629 | - |
| FUND BALANCES - end of year | \$ 91,629 | \$ 91,629 | \$ 55,781 | \$ (35,848) |

**COMMUNITY
 ARTS**

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|--|-------------------|-------------------|------------------|--|
| | Original | Final | | |
| REVENUES | | | | |
| Rental income | \$ 19,000 | \$ 19,000 | \$ 26,812 | \$ 7,812 |
| Contributions and donations | 210,000 | 210,000 | 48,184 | (161,816) |
| Total revenues | 229,000 | 229,000 | 74,996 | (154,004) |
| EXPENDITURES | | | | |
| Current: | | | | |
| Culture and recreation | 229,000 | 229,000 | 143,825 | 85,175 |
| Total expenditures | 229,000 | 229,000 | 143,825 | 85,175 |
| Net change in fund balances | - | - | (68,829) | (68,829) |
| FUND BALANCES - beginning of year | 148,465 | 148,465 | 148,465 | - |
| FUND BALANCES - end of year | \$ 148,465 | \$ 148,465 | \$ 79,636 | \$ (68,829) |

CITY OF SUWANEЕ, GA YEAR ENDED JUNE 30, 2019

SPECIAL REVENUE FUNDS SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES budget and actual-year ended june 30, 2019

CONFISCATED ASSETS

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|--|-------------------|-------------------|-------------------|--|
| | Original | Final | | |
| REVENUES | | | | |
| Fines and forfeitures | \$ 149,500 | \$ 149,500 | \$ 19,446 | \$ (130,054) |
| Investment income | 500 | 500 | 682 | 182 |
| Total revenues | 150,000 | 150,000 | 20,128 | (129,872) |
| EXPENDITURES | | | | |
| Current: | | | | |
| Public safety | 150,000 | 150,000 | 4,638 | 145,362 |
| Total expenditures | 150,000 | 150,000 | 4,638 | 145,362 |
| Excess of revenues over expenditures | - | - | 15,490 | 15,490 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Sale of capital assets | - | - | 2,083 | 2,083 |
| Net change in fund balances | - | - | 17,573 | 17,573 |
| FUND BALANCES - beginning of year | 164,562 | 164,562 | 164,562 | - |
| FUND BALANCES - end of year | \$ 164,562 | \$ 164,562 | \$ 182,135 | \$ 17,573 |

COMMUNITY GARDEN

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|--|------------------|------------------|------------------|--|
| | Original | Final | | |
| REVENUES | | | | |
| Investment income | \$ 100 | \$ 100 | \$ 8 | \$ (92) |
| Rental Income | 8,000 | 8,000 | 7,408 | (592) |
| Contributions and donations | 4,000 | 4,000 | 2,163 | (1,837) |
| Total revenues | 12,100 | 12,100 | 9,579 | (2,521) |
| EXPENDITURES | | | | |
| Current: | | | | |
| Culture and recreation | 13,100 | 13,100 | 6,651 | 6,449 |
| Total expenditures | 13,100 | 13,100 | 6,651 | 6,449 |
| Excess of revenues over expenditures | (1,000) | (1,000) | 2,928 | 3,928 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfer in | 1,000 | 1,000 | 5,000 | 4,000 |
| Net change in fund balances | - | - | 7,928 | 7,928 |
| FUND BALANCES - beginning of year | 31,360 | 31,360 | 31,360 | - |
| FUND BALANCES - end of year | \$ 31,360 | \$ 31,360 | \$ 39,288 | \$ 7,928 |

SPECIAL REVENUE FUNDS
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 budget and actual-year ended June 30, 2019

**COMPREHENSIVE ANNUAL
 FINANCIAL REPORT**

**HOTEL/MOTEL
 TAX**

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|--|-------------------|-------------------|-------------------|--|
| | Original | Final | | |
| REVENUES | | | | |
| Hotel/motel taxes | \$ 632,140 | \$ 649,140 | \$ 646,103 | \$ (3,037) |
| Investment income | 500 | 500 | 206 | (294) |
| Contributions and donations | 2,500 | 2,500 | 1,710 | (790) |
| Total revenues | 635,140 | 652,140 | 648,019 | (4,121) |
| EXPENDITURES | | | | |
| Current: | | | | |
| Tourism and trade | 453,140 | 468,640 | 453,755 | 14,885 |
| Total expenditures | 453,140 | 468,640 | 453,755 | 14,885 |
| Excess of revenues over expenditures | 182,000 | 183,500 | 194,264 | 10,764 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfer out | (182,000) | (183,500) | (184,271) | (771) |
| Net change in fund balances | - | - | 9,993 | 9,993 |
| FUND BALANCES - beginning of year | 183,153 | 183,153 | 183,153 | - |
| FUND BALANCES - end of year | \$ 183,153 | \$ 183,153 | \$ 193,146 | \$ 9,993 |

**RENTAL VEHICLE
 TAX**

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|--|------------------|---------------|------------------|--|
| | Original | Final | | |
| REVENUES | | | | |
| Other taxes | \$ 35,000 | \$ 35,000 | \$ 38,151 | \$ 3,151 |
| Investment income | - | - | 27 | 27 |
| Total revenues | 35,000 | 35,000 | 38,178 | 3,178 |
| EXPENDITURES | | | | |
| Current: | | | | |
| Public safety | 17,500 | 17,500 | - | 17,500 |
| Tourism and trade | 17,500 | 17,500 | - | 17,500 |
| Total expenditures | 35,000 | 35,000 | - | 35,000 |
| Excess of revenues over expenditures | - | - | 38,178 | 38,178 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfer out | - | - | - | - |
| Net change in fund balances | - | - | 38,178 | 38,178 |
| FUND BALANCES - beginning of year | - | - | - | - |
| FUND BALANCES - end of year | \$ - | \$ - | \$ 38,178 | \$ 38,178 |

CITY OF SUWANEЕ, GA YEAR ENDED JUNE 30, 2019

DEBT SERVICE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES budget and actual-year ended june 30, 2019

**DEBT
SERVICE**

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|--|-------------------|-------------------|-------------------|--|
| | Original | Final | | |
| REVENUES | | | | |
| Property taxes | \$ 1,822,500 | \$ 1,822,500 | \$ 1,904,032 | \$ 81,532 |
| Investment income | 5,000 | 5,000 | 1,991 | (3,009) |
| Total revenues | 1,827,500 | 1,827,500 | 1,906,023 | 78,523 |
| EXPENDITURES | | | | |
| Debt Service: | | | | |
| Principal retirement | 1,512,000 | 1,512,000 | 1,512,000 | - |
| Interest | 1,165,250 | 1,165,250 | 1,162,354 | 2,896 |
| Fiscal agent fees | 5,000 | 5,000 | 750 | 4,250 |
| Total expenditures | 2,682,250 | 2,682,250 | 2,675,104 | 7,146 |
| Excess of revenues over expenditures | (854,750) | (854,750) | (769,081) | 85,669 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfer in | 854,750 | 854,750 | 600,000 | (254,750) |
| Net change in fund balances | - | - | (169,081) | (169,081) |
| FUND BALANCES - beginning of year | 344,098 | 344,098 | 344,098 | - |
| FUND BALANCES - end of year | \$ 344,098 | \$ 344,098 | \$ 175,017 | \$ (169,081) |

**SPLOST
2009**

| Description | Original Estimated Cost | Current Estimated Cost | Prior Years | Current Year | Total |
|--|-------------------------|------------------------|---------------------|-------------------|----------------------|
| Administrative buildings | \$ 118,780 | \$ 80,802 | \$ 80,802 | \$ - | \$ 80,802 |
| Recreational facilities | 2,256,827 | 2,052,511 | 1,464,511 | 349,189 | 1,813,700 |
| Parking facilities | 2,256,780 | 2,035,585 | 2,035,585 | - | 2,035,585 |
| Public safety facilities and equipment | 1,781,710 | 1,532,302 | 1,532,302 | - | 1,532,302 |
| Roads, streets and bridges | 5,463,953 | 4,954,576 | 4,509,141 | 34,110 | 4,543,251 |
| Total | \$ 11,878,050 | \$ 10,655,776 | \$ 9,622,341 | \$ 383,299 | \$ 10,005,640 |

**SPLOST
2014**

| Description | Original Estimated Cost | Current Estimated Cost | Prior Years | Current Year | Total |
|----------------------------|-------------------------|------------------------|---------------------|-------------------|---------------------|
| Roads, streets and bridges | \$ 7,239,371 | \$ 6,719,473 | \$ 5,881,657 | \$ 334,692 | \$ 6,216,349 |
| Recreational facilities | 804,375 | 685,389 | 371,663 | 155,555 | 527,218 |
| Total | \$ 8,043,746 | \$ 7,404,862 | \$ 6,253,320 | \$ 490,247 | \$ 6,743,567 |

**SPLOST
2017**

| Description | Original Estimated Cost | Current Estimated Cost | Prior Years | Current Year | Total |
|----------------------------|-------------------------|------------------------|---------------------|-------------------|---------------------|
| Administrative facilities | \$ 2,313,100 | \$ 2,313,100 | \$ 2,313,100 | \$ - | \$ 2,313,100 |
| Recreational facilities | 2,313,053 | 2,313,053 | - | - | - |
| Roads, streets and bridges | 9,680,709 | 9,995,709 | 2,433,489 | 576,001 | 3,009,490 |
| Total | \$ 14,306,862 | \$ 14,621,862 | \$ 4,746,589 | \$ 576,001 | \$ 5,322,590 |

CITY OF SUWANEЕ, GA YEAR ENDED JUNE 30, 2019

CITY OF SUWANEЕ CERTIFICATION OF 911 EXPENDITURES for the year ended June 30, 2019

| | | O.C.G.A. Reference: | | |
|-----|---|------------------------|----|---------|
| 1 | Indicate UCOA Fund Type Used to Account for 9-1-1 Activity (choose one): _____ Special Revenue Fund _____ Enterprise Fund <u> X </u> General Fund Expenditures (UCOA Activity 3800) | | | |
| 2 | Wireless service supplier cost recovery charges (identify each supplier individually on lines below - attach list, if necessary) _____ _____ | 46-5-134(e) | \$ | _____ |
| 3 | Emergency telephone equipment, including necessary computer hardware, software, and data base provisioning, addressing, and nonrecurring costs of establishing a 9-1-1 system: | | | |
| 3a | Lease costs | 46-5-134(f)(1)(A) | \$ | |
| 3b | Purchase costs | 46-5-134(f)(1)(A) | \$ | |
| 3c | Maintenance costs | 46-5-134(f)(1)(A) | \$ | |
| 4 | Rates associated with the service suppliers 9-1-1 service and other service suppliers recurring charges | 46-5-134(f)(1)(B) | \$ | |
| 5 | Employees hired by the local government solely for the operation and maintenance of the emergency 9-1-1 system and employees who work as directors as defined in O.C.G.A. §46-5-138.2 | | | |
| 5a | Salaries and wages | 46-5-134(f)(1)(C) | \$ | 310,563 |
| 5b | Employee benefit | 46-5-134(f)(1)(C) | \$ | 106,079 |
| 6 | Cost of training of employees who work as dispatchers or directors | 46-5-134(f)(1)(D) | \$ | 3,320 |
| 7 | Office supplies of the public safety answering points used directly in providing emergency 9-1-1 system services | 46-5-134(f)(1)(E) | \$ | 3,946 |
| 8 | Building used as a public safety answering point: | | | |
| 8a | Lease costs | 46-5-134(f)(1)(F) | \$ | |
| 8b | Purchase costs | 46-5-134(f)(1)(F) | \$ | 1,146 |
| 9 | Computer hardware and software used at a public safety answering point, including computer assisted dispatch systems and automatic vehicle location systems: | | | |
| 9a | Lease costs | 46-5-134(f)(1)(G) | \$ | 136,120 |
| 9b | Purchase costs | 46-5-134(f)(1)(G) | \$ | |
| 9c | Maintenance costs | 46-5-134(f)(1)(G) | \$ | |
| 10 | Supplies directly related to providing emergency 9-1-1 system services, including the cost of printing emergency 9-1-1 public education materials | 46-5-134(f)(1)(H) | \$ | 4,377 |
| 11 | Logging recorders used at a public safety answering point to record telephone and radio traffic: | | | |
| 11a | Lease costs | 46-5-134(f)(1)(I) | \$ | 2,859 |
| 11b | Purchase costs | 46-5-134(f)(1)(I) | \$ | |
| 11c | Maintenance costs | 46-5-134(f)(1)(I) | \$ | |

(continued)


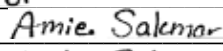
CITY OF SUWANEE
CERTIFICATION OF 911 EXPENDITURES
 for the year ended June 30, 2019 (continued)

COMPREHENSIVE ANNUAL
FINANCIAL REPORT

(Continued)

| | | O.C.G.A. Reference: | |
|-----|---|------------------------|------------|
| 12 | Insurance purchased to insure against risks and liability in the operation and maintenance of the 9-1-1 system on behalf of the local government or on behalf of employees hired by the local government solely for the operation and maintenance of the 9-1-1 system and employees who work as directors | 46-5-134(f)(2)(B)(i) | \$ _____ |
| 13 | Mobile communications vehicle and equipment, if the primary purpose and designation of such vehicle is to function as a backup 9-1-1 system center | | |
| 13a | Lease costs | 46-5-134(f)(2)(B)(ii) | \$ _____ |
| 13b | Purchase costs | 46-5-134(f)(2)(B)(ii) | \$ _____ |
| 13c | Maintenance costs | 46-5-134(f)(2)(B)(ii) | \$ _____ |
| 14 | Allocation of indirect costs associated with supporting the 9-1-1 system center and operations as identified and outlined in an indirect cost allocation plan approved by the local governing authority that is consistent with the costs allocated within the local government to both governmental and business-type activities | 46-5-134(f)(2)(B)(iii) | \$ _____ |
| 15 | Mobile public safety voice and data equipment, geo-targeted test messaging alert systems, or towers necessary to carry out the function of 9-1-1 system operations | | |
| 15a | Lease costs | 46-5-134(f)(2)(B)(iv) | \$ 11,800 |
| 15b | Purchase costs | 46-5-134(f)(2)(B)(iv) | \$ _____ |
| 15c | Maintenance costs | 46-5-134(f)(2)(B)(iv) | \$ _____ |
| 16 | Public safety voice and data communications systems located in the 9-1-1 system facility that further the legislative intent of providing the highest level of emergency response service on a local, regional, and state-wide basis, including equipment and associated hardware and software that supports the use of public safety wireless voice and data communication systems | | |
| 16a | Lease costs | 46-5-134(f)(2)(B)(v) | \$ _____ |
| 16b | Purchase costs | 46-5-134(f)(2)(B)(v) | \$ _____ |
| 16c | Maintenance costs | 46-5-134(f)(2)(B)(v) | \$ _____ |
| 17 | Other expenditures not included in Lines 2 through 16 above. Identify by object and purpose. | | |
| 18 | Total Expenditures (total of all amounts reported on Lines 2 through 17 above) | | \$ 580,210 |

I have reviewed the information presented in this report and certify that it is accurate and correct. I further certify that the 9-1-1 funds were expended in compliance with the expenditure requirements specified in the Official Code of Georgia Annotated (OCGA), section 46-5-134. I understand that, in accordance with OCGA Section 46-5-134 (m) (2), any local government which makes expenditures not in compliance with this Code section may be held liable for pro rata reimbursement to telephone and wireless telecommunications subscribers of amounts improperly expended. Further, the noncompliant local government shall be solely financially responsible for the reimbursement and for any costs associated with the reimbursement. Such reimbursement shall be accomplished by the service providers abating the imposition of the 9-1-1 charges and 9-1-1 wireless enhanced charges until such abatement equals the total amount of the rebate.

Signature of Chief Elected Official 
 Print Name of Chief Elected Official Jimmy Burnette
 Title of Chief Elected Official Mayor
 Signature of Chief Financial Officer 
 Print Name of Chief Financial Officer Amie Sakmar

Date 12/01/2019

Date 12/01/2019



AGENCY FUND

PARKER

30024

city of
Suwanee
georgia

Municipal Court Fund - Accounts for the collection of various fines and forfeitures (mostly traffic violations) which are disbursed to other parties. The City of Suwanee Municipal Court was established to adjudicate violations of the City Charter, ordinances and the laws of the State of Georgia thereby maintaining the public respect, confidence and satisfaction. The Suwanee Court adjudicates citations written by the Suwanee Police Department and the Suwanee Code Enforcement Officers. The court also receives citations from the Gwinnett County and the Georgia State Patrol that are written in the City limits of Suwanee.

| | Balance June 30, 2018 | Increases | Decreases | Balance June 30, 2019 |
|---------------------------|--------------------------|---------------------|---------------------|--------------------------|
| ASSETS | | | | |
| Cash and cash equivalents | \$ 149,103 | \$ 1,922,515 | \$ 2,001,243 | \$ 70,375 |
| Total assets | 149,103 | 1,922,515 | 2,001,243 | 70,375 |
| LIABILITIES | | | | |
| Due to others | 149,103 | 1,922,515 | 2,001,243 | 70,375 |
| Total liabilities | \$ 149,103 | \$ 1,922,515 | \$ 2,001,243 | \$ 70,375 |

COMPREHENSIVE ANNUAL FINANCIAL REPORT



STATISTICAL SECTION



CITY OF SUWANEE, GA YEAR ENDED JUNE 30, 2019

The statistical section provides users with additional historical perspective, content, and detail to assist in understanding the information in the financial statements, notes to financial statements, required supplementary information, and for assessing the City's overall financial health.

Financial Trends..... S2 - S11

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..... S12 - S16

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

Debt Capacity..... S16 - S18

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..... S19 - S20

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..... S21 - S23

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

Sources:

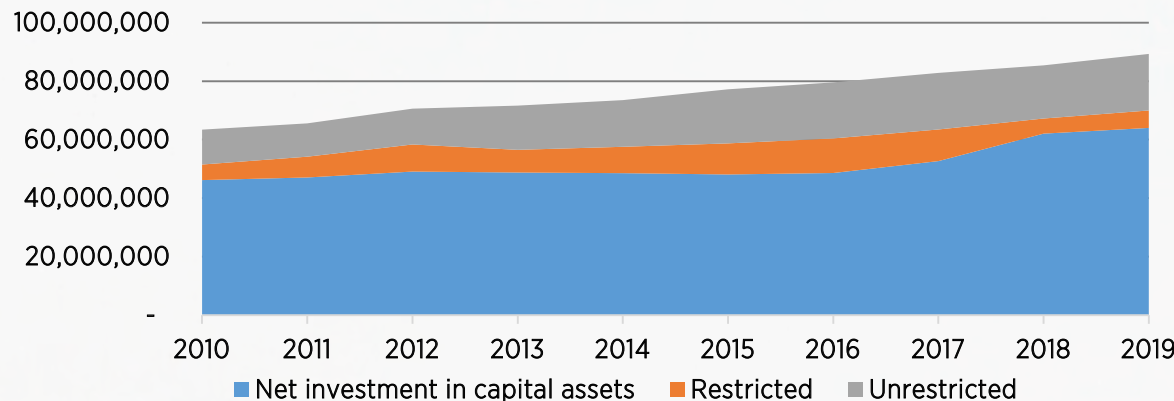
Unless otherwise noted, the information in these schedules is derived from the comprehensive financial reports for the relevant year.

NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
 accrual basis of accounting

COMPREHENSIVE ANNUAL
FINANCIAL REPORT

| | Fiscal Year | | | | | | | | | |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 ⁽¹⁾ | 2018 ⁽²⁾ | 2019 |
| GOVERNMENTAL ACTIVITIES | | | | | | | | | | |
| Net investment in capital assets | \$ 44,567,430 | \$ 44,574,711 | \$ 46,621,467 | \$ 46,345,264 | \$ 46,099,920 | \$ 45,677,292 | \$ 46,227,029 | \$ 50,688,142 | \$ 59,582,331 | \$ 61,580,997 |
| Restricted | 5,324,060 | 7,106,408 | 9,258,180 | 7,751,943 | 9,014,457 | 10,619,460 | 11,805,962 | 10,395,298 | 5,167,127 | 5,959,149 |
| Unrestricted | 11,357,212 | 11,402,670 | 12,074,139 | 14,650,624 | 15,397,429 | 17,885,344 | 18,289,659 | 18,381,902 | 17,174,134 | 18,137,015 |
| Total governmental activities net position | 61,248,702 | 63,083,789 | 67,953,786 | 68,747,831 | 70,511,806 | 74,182,096 | 76,322,650 | 79,465,342 | 81,923,592 | 85,677,161 |
| BUSINESS-TYPE ACTIVITIES | | | | | | | | | | |
| Net investment in capital assets | 1,600,503 | 2,493,896 | 2,462,489 | 2,417,932 | 2,435,908 | 2,419,524 | 2,365,189 | 2,388,864 | 2,467,886 | 2,422,828 |
| Unrestricted | 566,975 | (18,533) | 171,054 | 460,124 | 557,100 | 596,118 | 877,387 | 954,204 | 993,411 | 1,190,117 |
| Total business-type activities net position | 2,167,478 | 2,475,363 | 2,633,543 | 2,878,056 | 2,993,008 | 3,015,642 | 3,242,576 | 3,343,068 | 3,461,297 | 3,612,945 |
| PRIMARY GOVERNMENT | | | | | | | | | | |
| Net investment in capital assets | 46,167,933 | 47,068,607 | 49,083,956 | 48,763,196 | 48,535,828 | 48,096,816 | 48,592,218 | 53,077,006 | 62,050,217 | 64,003,825 |
| Restricted | 5,324,060 | 7,106,408 | 9,258,180 | 7,751,943 | 9,014,457 | 10,619,460 | 11,805,962 | 10,395,298 | 5,167,127 | 5,959,149 |
| Unrestricted | 11,924,187 | 11,384,137 | 12,245,193 | 15,110,748 | 15,954,529 | 18,481,462 | 19,167,046 | 19,336,106 | 18,167,545 | 19,327,132 |
| Total government net position | \$ 63,416,180 | \$ 65,559,152 | \$ 70,587,329 | \$ 71,625,887 | \$ 73,504,814 | \$ 77,197,738 | \$ 79,565,226 | \$ 82,808,410 | \$ 85,384,889 | \$ 89,290,106 |

Government Net Position



NOTES:

1. Fiscal year 2017 balances have been restated to reflect the change in reporting entity and change in accounting principal. See note 14 on page 63 for additional information.

2. The increase in net investment in capital assets and the decrease in restricted net position, in 2018, is due to issuance of \$21,470,000 in revenue bonds. See note 7 on page 56 for additional information.

CITY OF SUWANEЕ, GA YEAR ENDED JUNE 30, 2019



**CHANGES IN NET POSITION
LAST TEN FISCAL YEARS**
accrual basis of accounting

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

| | Fiscal Year | | | | |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2010 | 2011 | 2012 | 2013 | 2014 |
| EXPENSES | | | | | |
| Governmental activities | | | | | |
| General government | \$ 2,099,857 | \$ 2,322,019 | \$ 2,700,781 | \$ 2,305,973 | \$ 2,292,068 |
| Judicial | 313,015 | 292,492 | 301,056 | 292,101 | 330,822 |
| Public safety | 3,664,152 | 3,820,293 | 3,534,734 | 3,967,481 | 4,196,704 |
| Public works | 3,288,472 | 3,571,459 | 3,420,275 | 4,373,999 | 4,102,997 |
| Culture and recreation | 404,798 | 986,196 | 865,504 | 903,031 | 860,294 |
| Housing and development | 854,357 | 836,946 | 856,126 | 1,043,376 | 1,100,089 |
| Tourism and trade | 313,034 | 206,151 | 201,986 | 223,291 | 257,322 |
| Interest on long-term debt | 924,622 | 882,684 | 842,818 | 807,603 | 777,418 |
| Total governmental activities expenses | 11,862,307 | 12,918,240 | 12,723,280 | 13,916,855 | 13,917,714 |
| Business-type activities | | | | | |
| Water and sewer | 127,954 | 131,913 | 110,069 | 109,558 | 119,767 |
| Total business-type activities expenses | 127,954 | 131,913 | 110,069 | 109,558 | 119,767 |
| TOTAL GOVERNMENT EXPENSES | \$ 11,990,261 | \$ 13,050,153 | \$ 12,833,349 | \$ 14,026,413 | \$ 14,037,481 |
| PROGRAM REVENUES | | | | | |
| Governmental activities | | | | | |
| Charge for services: | | | | | |
| General government | \$ 186,490 | \$ 187,156 | \$ 214,742 | \$ 214,416 | \$ 225,269 |
| Public safety | 1,388,226 | 1,315,848 | 1,209,555 | 1,046,161 | 1,616,598 |
| Culture and recreation | 11,086 | 19,363 | 32,111 | 33,695 | 30,941 |
| Housing and development | 167,414 | 262,091 | 420,085 | 443,094 | 374,743 |
| Operating grants and contributions (1) | 105,380 | 136,876 | 2,160,502 | 1,115,960 | 982,857 |
| Capital grants and contributions | 2,138,237 | 2,572,310 | 3,156,081 | 2,553,174 | 2,482,730 |
| Total governmental activities program revenues | 3,996,833 | 4,493,644 | 7,193,076 | 5,406,500 | 5,713,138 |
| Business-type activities | | | | | |
| Charge for services: | | | | | |
| Water and sewer | 62,501 | 97,113 | 118,172 | 153,714 | 133,790 |
| Capital grants and contributions (2) | - | 192,018 | - | - | - |
| Total business-type activities program revenues | 62,501 | 289,131 | 118,172 | 153,714 | 133,790 |
| TOTAL GOVERNMENT PROGRAM REVENUES | \$ 4,059,334 | \$ 4,782,775 | \$ 7,311,248 | \$ 5,560,214 | \$ 5,846,928 |
| NET (EXPENSE)/REVENUE | | | | | |
| Governmental activities | \$ (7,865,474) | \$ (8,424,596) | \$ (5,530,204) | \$ (8,510,355) | \$ (8,204,576) |
| Business-type activities | (65,453) | 157,218 | 8,103 | 44,156 | 14,023 |
| TOTAL GOVERNMENT NET EXPENSES | \$ (7,930,927) | \$ (8,267,378) | \$ (5,522,101) | \$ (8,466,199) | \$ (8,190,553) |

(continued)

CITY OF SUWANEЕ, GA YEAR ENDED JUNE 30, 2019

CHANGES IN NET POSITION LAST TEN FISCAL YEARS accrual basis of accounting

| | Fiscal Year | | | | |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2015 | 2016 | 2017 | 2018 | 2019 |
| EXPENSES | | | | | |
| Governmental activities | | | | | |
| General government | \$ 2,592,707 | \$ 3,112,213 | \$ 2,893,685 | \$ 3,202,083 | \$ 3,041,315 |
| Judicial | 377,590 | 375,779 | 396,909 | 399,218 | 434,217 |
| Public safety | 4,150,355 | 4,518,605 | 4,592,531 | 4,634,147 | 4,986,349 |
| Public works | 4,867,064 | 4,196,203 | 6,080,986 | 4,004,108 | 5,404,858 |
| Culture and recreation | 1,024,032 | 982,783 | 815,305 | 1,023,763 | 992,751 |
| Housing and development | 1,141,337 | 1,654,873 | 1,294,426 | 1,368,680 | 1,301,352 |
| Tourism and trade | 321,677 | 386,987 | 409,850 | 460,706 | 453,755 |
| Interest on long-term debt | 745,439 | 637,549 | 303,200 | 1,106,628 | 1,100,911 |
| Total governmental activities expenses | 15,220,201 | 15,864,992 | 16,786,892 | 16,199,333 | 17,715,508 |
| Business-type activities | | | | | |
| Water and sewer | 114,535 | 106,428 | 136,401 | 140,699 | 116,184 |
| Total business-type activities expenses | 114,535 | 106,428 | 136,401 | 140,699 | 116,184 |
| TOTAL GOVERNMENT EXPENSES | \$ 15,334,736 | \$ 15,971,420 | \$ 16,923,293 | \$ 16,340,032 | \$ 17,831,692 |
| PROGRAM REVENUES | | | | | |
| Governmental activities | | | | | |
| Charge for services: | | | | | |
| General government | \$ 238,239 | \$ 251,147 | \$ 252,363 | \$ 273,788 | \$ 278,850 |
| Public safety | 2,069,818 | 1,568,339 | 1,210,463 | 1,213,058 | 1,558,907 |
| Culture and recreation | 35,346 | 32,279 | 56,574 | 52,859 | 56,373 |
| Housing and development | 386,581 | 492,197 | 462,684 | 839,673 | 344,008 |
| Operating grants and contributions (1) | 1,003,759 | 1,321,293 | 1,103,171 | 1,011,423 | 798,330 |
| Capital grants and contributions | 3,576,852 | 3,407,960 | 5,087,607 | 3,301,807 | 5,533,649 |
| Total governmental activities program revenues | 7,310,595 | 7,073,215 | 8,172,862 | 6,692,608 | 8,570,117 |
| Business-type activities | | | | | |
| Charge for services: | | | | | |
| Water and sewer | 135,721 | 131,682 | 140,759 | 132,295 | 135,767 |
| Capital grants and contributions (2) | - | - | - | - | - |
| Total business-type activities program revenues | 135,721 | 131,682 | 140,759 | 132,295 | 135,767 |
| TOTAL GOVERNMENT PROGRAM REVENUES | \$ 7,446,316 | \$ 7,204,897 | \$ 8,313,621 | \$ 6,824,903 | \$ 8,705,884 |
| NET (EXPENSE)/REVENUE | | | | | |
| Governmental activities | \$ (7,909,606) | \$ (8,791,777) | \$ (8,614,030) | \$ (9,506,725) | \$ (9,145,391) |
| Business-type activities | 21,186 | 25,254 | 4,358 | (8,404) | 19,583 |
| TOTAL GOVERNMENT NET EXPENSES | \$ (7,888,420) | \$ (8,766,523) | \$ (8,609,672) | \$ (9,515,129) | \$ (9,125,808) |

(continued)

**CHANGES IN NET POSITION
LAST TEN FISCAL YEARS**
accrual basis of accounting

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

| | Fiscal Year | | | | |
|---|----------------------|----------------------|----------------------|---------------------|----------------------|
| | 2010 | 2011 | 2012 | 2013 | 2014 |
| <i>(continued)</i> | | | | | |
| GENERAL REVENUES AND OTHER CHANGES IN NET POSITION | | | | | |
| Governmental activities | | | | | |
| Taxes | | | | | |
| Property taxes | \$ 6,254,003 | \$ 5,801,792 | \$ 5,568,706 | \$ 4,790,195 | \$ 5,134,943 |
| Franchise fees | 1,694,211 | 1,825,464 | 1,897,907 | 1,755,375 | 1,724,565 |
| Alcoholic beverage taxes | 784,189 | 836,438 | 881,679 | 865,862 | 835,071 |
| Other taxes | 1,826,442 | 1,812,445 | 2,083,173 | 2,190,080 | 2,252,424 |
| Unrestricted investment earnings | 231,739 | 105,368 | 56,663 | 31,708 | 41,835 |
| Miscellaneous | 21,699 | 28,176 | 62,073 | 37,579 | 79,713 |
| Transfers | (287,450) | (150,000) | (150,000) | (200,000) | (100,000) |
| Total governmental activities | 10,524,833 | 10,259,683 | 10,400,201 | 9,470,799 | 9,968,551 |
| Business-type activities | | | | | |
| Unrestricted investment earnings | 1,485 | 667 | 77 | 357 | 929 |
| Transfers | 287,450 | 150,000 | 150,000 | 200,000 | 100,000 |
| Total business-type activities | 288,935 | 150,667 | 150,077 | 200,357 | 100,929 |
| TOTAL GOVERNMENT | \$ 10,813,768 | \$ 10,410,350 | \$ 10,550,278 | \$ 9,671,156 | \$ 10,069,480 |
| CHANGE IN NET POSITION | | | | | |
| Governmental activities | \$ 2,659,359 | \$ 1,835,087 | \$ 4,869,997 | \$ 960,444 | \$ 1,763,975 |
| Business-type activities | 223,482 | 307,885 | 158,180 | 244,513 | 114,952 |
| TOTAL GOVERNMENT | \$ 2,882,841 | \$ 2,142,972 | \$ 5,028,177 | \$ 1,204,957 | \$ 1,878,927 |

(continued)

NOTES:

1. Operating grants and contributions increase in fiscal year 2012 is due to a negotiated intergovernmental payment for the settlement of service delivery strategy lawsuit with Gwinnett County.
2. Business-type capital grants and contributions for fiscal year 2011 is due to the American Recovery and Reinvestment Act of 2009 (ARRA), whereby 40% of the loan principal payments were forgiven.

CITY OF SUWANEЕ, GA YEAR ENDED JUNE 30, 2019

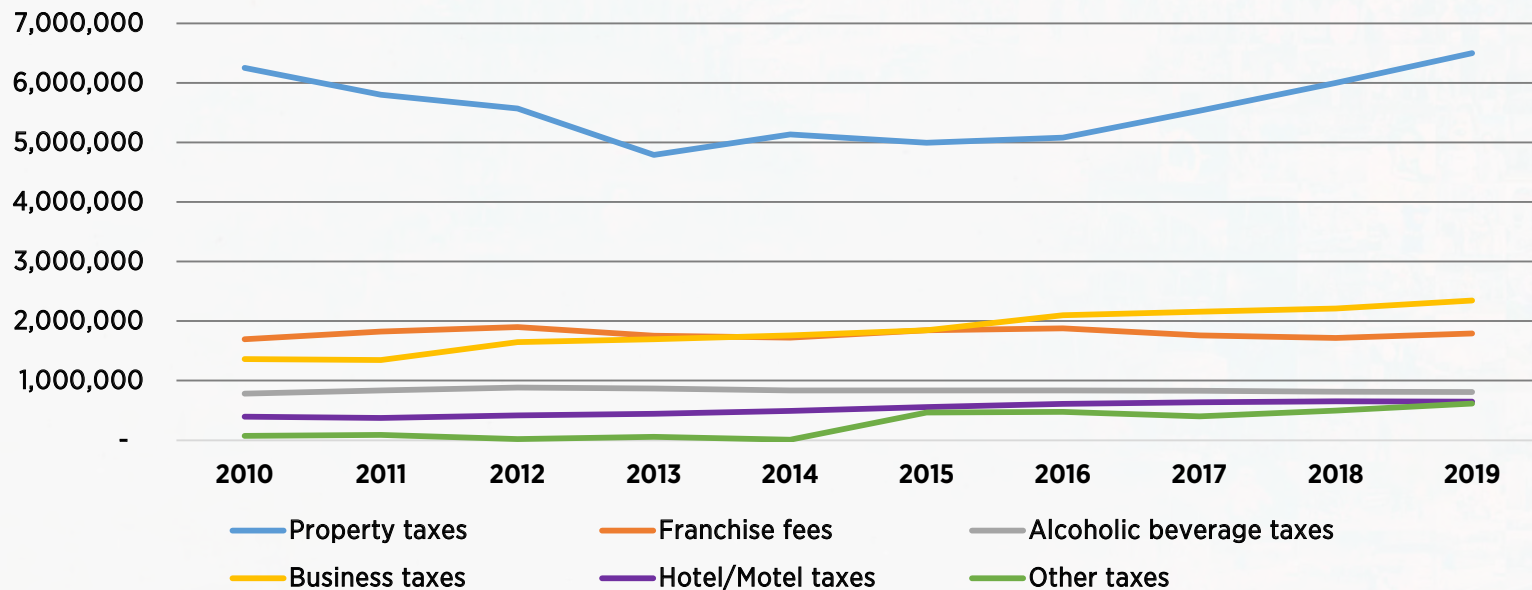
CHANGES IN NET POSITION LAST TEN FISCAL YEARS accrual basis of accounting

(continued)

| | Fiscal Year | | | | |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2015 | 2016 | 2017 | 2018 | 2019 |
| GENERAL REVENUES AND OTHER CHANGES IN NET POSITION | | | | | |
| Governmental activities | | | | | |
| Taxes: | | | | | |
| Property taxes | \$ 4,995,599 | \$ 5,082,644 | \$ 5,531,567 | \$ 6,001,465 | \$ 6,496,848 |
| Franchise fees | 1,845,517 | 1,880,182 | 1,757,052 | 1,715,558 | 1,790,469 |
| Alcoholic beverage taxes | 833,056 | 835,419 | 831,638 | 812,385 | 808,436 |
| Other taxes | 2,868,767 | 3,180,579 | 3,196,444 | 3,357,512 | 3,608,066 |
| Unrestricted investment earnings | 48,796 | 50,311 | 68,941 | 102,254 | 137,768 |
| Miscellaneous | 62,794 | 103,196 | 63,661 | 95,801 | 177,373 |
| Transfers | - | (200,000) | (100,000) | (120,000) | (120,000) |
| Total governmental activities | 10,654,529 | 10,932,331 | 11,349,303 | 11,964,975 | 12,898,960 |
| Business-type activities | | | | | |
| Unrestricted investment earnings | 1,448 | 1,680 | 3,308 | 6,633 | 12,065 |
| Transfers | - | 200,000 | 100,000 | 120,000 | 120,000 |
| Total business-type activities | 1,448 | 201,680 | 103,308 | 126,633 | 132,065 |
| TOTAL GOVERNMENT | \$ 10,655,977 | \$ 11,134,011 | \$ 11,452,611 | \$ 12,091,608 | \$ 13,031,025 |
| CHANGE IN NET POSITION | | | | | |
| Governmental activities | \$ 2,744,923 | \$ 2,140,554 | \$ 2,735,273 | \$ 2,458,250 | \$ 3,753,569 |
| Business-type activities | 22,634 | 226,934 | 107,666 | 118,229 | 151,648 |
| TOTAL GOVERNMENT | \$ 2,767,557 | \$ 2,367,488 | \$ 2,842,939 | \$ 2,576,479 | \$ 3,905,217 |

| Fiscal Year | Property Taxes | Franchise Fees | Alcoholic Beverage Taxes | Business Taxes | Hotel/Motel Taxes | Other Taxes | Total |
|-------------|----------------|----------------|--------------------------|----------------|-------------------|-------------|---------------|
| 2010 | \$ 6,254,003 | \$ 1,694,211 | \$ 784,189 | \$ 1,360,254 | \$ 393,156 | \$ 73,032 | \$ 10,558,845 |
| 2011 | 5,801,792 | 1,825,464 | 836,438 | 1,347,872 | 373,400 | 91,173 | 10,276,139 |
| 2012 | 5,568,706 | 1,897,907 | 881,679 | 1,648,831 | 417,319 | 17,023 | 10,431,465 |
| 2013 | 4,790,195 | 1,755,375 | 865,862 | 1,693,350 | 442,293 | 54,437 | 9,601,512 |
| 2014 | 5,134,943 | 1,724,565 | 835,071 | 1,757,237 | 489,208 | 5,979 | 9,947,003 |
| 2015 | 4,995,599 | 1,845,517 | 833,056 | 1,845,285 | 558,049 | 465,433 | 10,542,939 |
| 2016 | 5,082,644 | 1,880,182 | 835,419 | 2,096,080 | 608,004 | 476,495 | 10,978,824 |
| 2017 | 5,531,567 | 1,757,052 | 831,638 | 2,159,357 | 636,226 | 400,861 | 11,316,701 |
| 2018 | 6,001,465 | 1,715,558 | 812,385 | 2,211,948 | 651,105 | 494,459 | 11,886,920 |
| 2019 | 6,496,848 | 1,790,469 | 808,436 | 2,344,213 | 646,103 | 617,750 | 12,703,819 |

Tax Revenues by Year

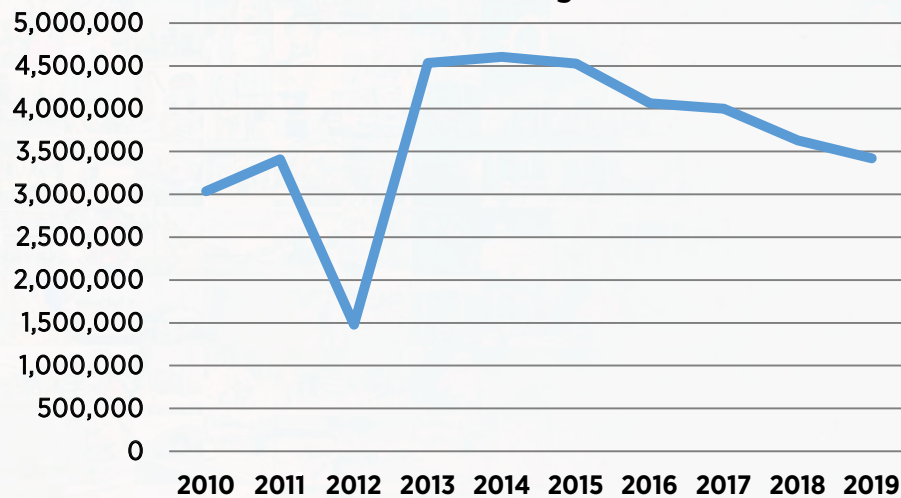


CITY OF SUWANEЕ, GA YEAR ENDED JUNE 30, 2019

FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS modified accrual basis of accounting

| | Fiscal Year | | | | | | | | | |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2010 ⁽¹⁾ | 2011 | 2012 ⁽²⁾ | 2013 ⁽³⁾ | 2014 | 2015 ⁽⁴⁾ | 2016 ⁽⁴⁾ | 2017 ⁽⁵⁾ | 2018 ⁽⁶⁾ | 2019 |
| General fund | | | | | | | | | | |
| Nonspendable | \$ - | \$ - | \$ 71,057 | \$ - | \$ 10,507 | \$ - | \$ 4,198 | \$ - | \$ - | \$ - |
| Restricted | - | - | 2,276,207 | - | - | - | - | - | - | - |
| Committed | 4,122,132 | 3,948,073 | 4,000,813 | 4,054,997 | 3,726,627 | 4,150,930 | 4,135,107 | 4,308,697 | 4,455,637 | 4,588,927 |
| Assigned | - | 222,520 | - | - | - | - | - | - | - | - |
| Unassigned | 3,034,066 | 3,408,881 | 1,478,613 | 4,534,625 | 4,603,911 | 4,526,649 | 4,063,891 | 3,998,170 | 3,630,675 | 3,419,683 |
| Total general fund | 7,156,198 | 7,579,474 | 7,826,690 | 8,589,622 | 8,341,045 | 8,677,579 | 8,203,196 | 8,306,867 | 8,086,312 | 8,008,610 |
| All other governmental funds | | | | | | | | | | |
| Nonspendable | - | - | - | 1,245,335 | 1,245,335 | 1,245,335 | 1,245,335 | 1,245,335 | 1,245,335 | 1,245,335 |
| Restricted | 5,324,060 | 7,106,408 | 6,981,973 | 7,753,653 | 8,995,204 | 10,573,448 | 11,773,891 | 10,359,321 | 28,624,320 | 28,777,201 |
| Assigned reported in: | | | | | | | | | | |
| Special Revenue funds | - | - | - | - | - | - | - | - | - | 5,000 |
| Capital projects funds | 2,921,975 | 2,857,086 | 4,912,866 | 3,477,767 | 4,314,150 | 5,189,973 | 5,834,900 | 5,370,020 | 5,107,723 | 4,487,346 |
| Unassigned | - | - | - | (1,710) | - | - | - | - | (1,092,104) | - |
| Total all other governmental funds | 8,246,035 | 9,963,494 | 11,894,839 | 12,475,045 | 14,554,689 | 17,008,756 | 18,854,126 | 16,974,676 | 33,885,274 | 34,514,882 |
| TOTAL ALL GOVERNMENTAL FUNDS | \$ 15,402,233 | \$ 17,542,968 | \$ 19,721,529 | \$ 21,064,667 | \$ 22,895,734 | \$ 25,686,335 | \$ 27,057,322 | \$ 25,281,543 | \$ 41,971,586 | \$ 42,523,492 |

General Fund Unassigned Fund Balance



NOTES:

- In fiscal year 2010, the City implemented GASB 54 and adopted a new fund balance policy. The City also transferred \$1,565,000 to capital projects for land purchases.
- In fiscal year 2012, the growth in restricted fund balance is due to a court order supersedeas sum restriction of \$2,276,207 for the Settles Bridge Farm appeal.
- In fiscal year 2013, the court ordered supersedeas sum restriction was removed by the court.
- Restricted fund balance increased in fiscal years 2015 and 2016 due to 2014 SPLOST revenues received for capital projects but not expended.
- Fiscal year 2017, balances have been restated to reflect the cumulative effect of implementing the change in reporting entity. See note 14 on page 63 for additional information.
- In fiscal year 2018, the negative unassigned balance in all other governmental funds is due to cash flow of SPLOST revenues to SPLOST expenditures. SPLOST revenues are received on a monthly basis. This negative balance will clear itself as additional SPLOST funds are received. The large increase in restricted fund balance is due to the issuance of \$21,470,000 in revenue bonds.

**CHANGES IN FUND BALANCES
OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**
modified accrual basis of accounting

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

| | Fiscal Year | | | | | |
|--|--------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
| REVENUES | | | | | | |
| Taxes | \$ 10,151,444 | \$ 10,431,766 | \$ 10,446,731 | \$ 9,999,238 | \$ 10,025,351 | \$ 10,481,744 |
| Licenses and permits | 349,965 | 441,763 | 613,838 | 648,686 | 588,696 | 601,618 |
| Intergovernmental revenues | 2,120,383 | 2,042,536 | 4,186,284 | 3,423,706 | 3,212,403 | 3,433,333 |
| Charges for services | 64,237 | 72,455 | 106,325 | 106,532 | 110,438 | 103,476 |
| Fines and forfeitures | 1,334,381 | 1,257,885 | 1,147,017 | 970,895 | 1,537,086 | 2,011,298 |
| Investment income | 258,468 | 127,186 | 73,733 | 49,953 | 61,057 | 69,349 |
| Rental Income | 22,134 | 32,502 | 50,982 | 53,768 | 54,722 | 57,889 |
| Contributions and donations | 96,504 | 121,672 | 123,460 | 132,108 | 178,261 | 209,983 |
| Miscellaneous | 21,699 | 25,529 | 37,904 | 38,047 | 36,322 | 18,497 |
| TOTAL REVENUES | 14,419,215 | 14,553,294 | 16,786,274 | 15,422,933 | 15,804,336 | 16,987,187 |
| EXPENDITURES | | | | | | |
| General government | 1,907,235 | 2,191,393 | 2,275,762 | 2,220,049 | 2,154,204 | 2,425,480 |
| Judicial | 334,362 | 298,827 | 310,091 | 297,447 | 336,529 | 379,879 |
| Public safety | 3,664,123 | 3,830,303 | 3,896,084 | 4,007,183 | 4,178,440 | 4,217,123 |
| Public works | 1,392,588 | 1,464,606 | 1,621,691 | 1,680,946 | 1,763,944 | 1,913,810 |
| Culture and recreation | 264,219 | 372,874 | 375,405 | 422,315 | 378,364 | 499,564 |
| Housing and development | 857,222 | 871,702 | 953,767 | 1,072,554 | 1,123,406 | 1,169,591 |
| Tourism and trade | 313,034 | 206,151 | 201,986 | 223,291 | 257,322 | 321,677 |
| Capital outlay | 3,735,144 | 1,370,219 | 3,217,098 | 2,374,332 | 2,102,221 | 1,687,975 |
| Debt service: | | | | | | |
| Principal | 784,861 | 775,959 | 765,795 | 780,000 | 810,000 | 840,000 |
| Interest and fiscal charges | 924,263 | 882,340 | 842,489 | 807,290 | 777,121 | 745,159 |
| Bond issuance costs | - | - | - | - | - | - |
| TOTAL EXPENDITURES | 14,177,051 | 12,264,374 | 14,460,168 | 13,885,407 | 13,881,551 | 14,200,258 |
| Excess of revenues over (under) expenditures | 242,164 | 2,288,920 | 2,326,106 | 1,537,526 | 1,922,785 | 2,786,929 |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfer in | 4,461,099 | 3,365,144 | 2,783,515 | 2,898,204 | 2,025,294 | 1,933,941 |
| Transfer out | (4,748,549) | (3,515,144) | (2,933,515) | (3,098,204) | (2,125,294) | (1,933,941) |
| Sale of capital assets | 21,165 | 1,815 | 2,455 | 5,612 | 8,282 | 3,672 |
| Bonds issued: | | | | | | |
| Principal | - | - | - | - | - | - |
| Premium | - | - | - | - | - | - |
| Refunded bonds issued | - | - | - | - | - | - |
| Payment to refunded bond escrow agent | - | - | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | (266,285) | (148,185) | (147,545) | (194,388) | (91,718) | 3,672 |
| Net change in fund balances | \$ (24,121) | \$ 2,140,735 | \$ 2,178,561 | \$ 1,343,138 | \$ 1,831,067 | \$ 2,790,601 |
| Total non capital expenditures | \$ 10,542,012 | \$ 10,342,579 | \$ 9,985,369 | \$ 12,173,503 | \$ 12,147,575 | \$ 12,389,558 |
| Debt service as a percentage of non capital expenditures | 16.2% | 16.0% | 16.1% | 13.0% | 13.1% | 12.8% |

CITY OF SUWANEЕ, GA YEAR ENDED JUNE 30, 2019

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS modified accrual basis of accounting

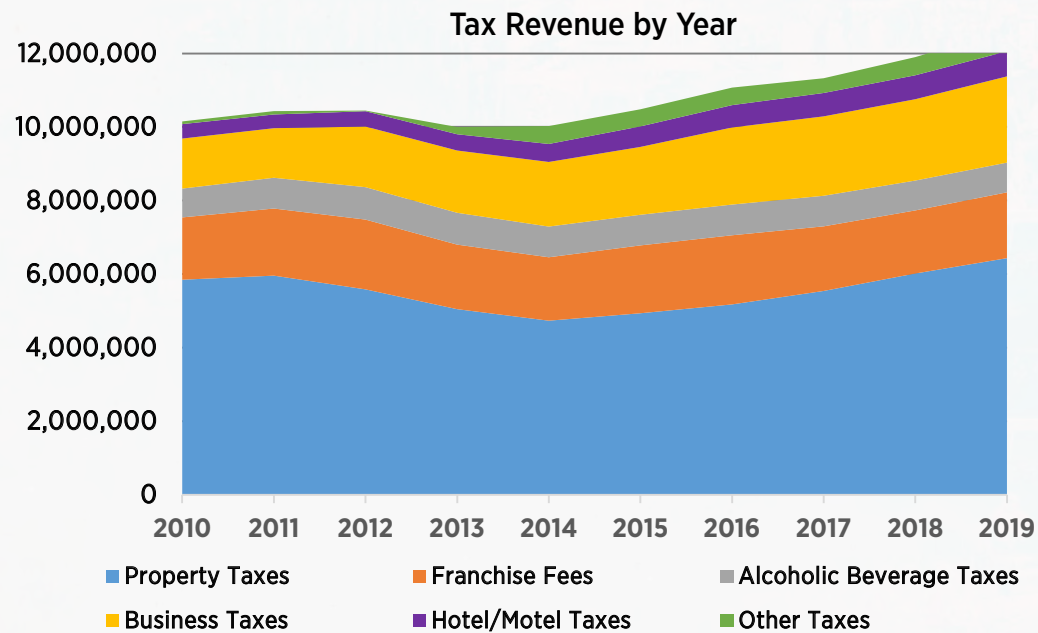
| | Fiscal Year | | | |
|--|---------------------|-----------------------|----------------------|-------------------|
| | 2016 ⁽¹⁾ | 2017 ⁽²⁾ | 2018 ⁽³⁾ | 2019 |
| REVENUES | | | | |
| Taxes | \$ 11,071,178 | \$ 11,326,266 | \$ 11,901,059 | \$ 12,639,628 |
| Licenses and permits | 728,018 | 674,097 | 1,084,965 | 591,968 |
| Intergovernmental revenues | 4,486,087 | 4,571,741 | 3,830,227 | 3,836,427 |
| Charges for services | 141,591 | 153,808 | 148,967 | 205,383 |
| Fines and forfeitures | 1,456,064 | 1,120,560 | 1,113,284 | 1,406,567 |
| Investment income | 78,966 | 98,119 | 351,579 | 554,284 |
| Rental Income | 62,424 | 79,825 | 79,372 | 87,745 |
| Contributions and donations | 214,511 | 302,827 | 234,257 | 212,565 |
| Miscellaneous | 59,061 | 17,455 | 48,012 | 122,988 |
| TOTAL REVENUES | 18,297,900 | 18,344,698 | 18,791,722 | 19,657,555 |
| EXPENDITURES | | | | |
| General government | 2,904,968 | 2,687,004 | 2,689,760 | 2,877,216 |
| Judicial | 390,015 | 417,033 | 425,474 | 462,399 |
| Public safety | 4,970,225 | 4,681,765 | 4,803,068 | 5,088,774 |
| Public works | 2,037,772 | 2,151,287 | 2,161,855 | 2,636,198 |
| Culture and recreation | 496,507 | 564,815 | 537,149 | 590,609 |
| Housing and development | 1,210,857 | 1,341,437 | 1,419,821 | 1,510,886 |
| Tourism and trade | 386,987 | 409,850 | 460,706 | 453,755 |
| Capital outlay | 2,798,022 | 6,748,921 | 10,349,481 | 2,699,976 |
| Debt service: | | | | |
| Principal | 933,000 | 1,516,000 | 1,486,000 | 1,512,000 |
| Interest and fiscal charges | 617,934 | 273,125 | 1,151,045 | 1,163,104 |
| Bond issuance costs | 122,364 | 118,000 | 392,463 | - |
| TOTAL EXPENDITURES | 16,868,651 | 20,909,237 | 25,876,822 | 18,994,917 |
| Excess of revenues over (under) expenditures | 1,429,249 | (2,564,539) | (7,085,100) | 662,638 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfer in | 4,059,237 | 760,249 | 2,221,807 | 1,433,267 |
| Transfer out | (4,259,237) | (860,249) | (2,341,807) | (1,553,267) |
| Sale of capital assets | 19,374 | 13,358 | 11,396 | 9,268 |
| Bonds issued: | | | | |
| Principal | - | - | 21,470,000 | - |
| Premium | - | - | 2,413,747 | - |
| Refunded bonds issued | 4,210,000 | 12,635,000 | - | - |
| Payment to refunded bond escrow agent | (4,087,636) | (12,482,487) | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | (58,262) | 65,871 | 23,775,143 | (110,732) |
| Net change in fund balances | \$ 1,370,987 | \$ (2,498,668) | \$ 16,690,043 | \$ 551,906 |
| Total non capital expenditures | \$ 13,844,972 | \$ 13,803,825 | \$ 15,762,601 | \$ 15,209,364 |
| Debt service as a percentage of non capital expenditures | 11.2% | 13.0% | 16.7% | 17.6% |



NOTES:

1. In fiscal year 2016, the City refunded a portion of the 2006 URA bonds.
2. In fiscal year 2017, the City refunded a portion of the 2006 General Obligation refunding series. For additional information see Note 7, page 55.
3. In fiscal year 2018, the City issued \$21,470,000 in revenue bonds. For additional information see Note 7, page 56.

| Fiscal Year | Property Taxes | Franchise Fees | Alcoholic Beverage Taxes | Business Taxes | Hotel/Motel Taxes | Other Taxes | Total |
|-------------|----------------|----------------|--------------------------|----------------|-------------------|-------------|---------------|
| 2010 | \$ 5,846,602 | \$ 1,694,211 | \$ 784,189 | \$ 1,360,254 | \$ 393,156 | \$ 73,032 | \$ 10,151,444 |
| 2011 | 5,957,419 | 1,825,464 | 836,438 | 1,347,872 | 373,400 | 91,173 | 10,431,766 |
| 2012 | 5,583,972 | 1,897,907 | 881,679 | 1,648,831 | 417,319 | 17,023 | 10,446,731 |
| 2013 | 5,045,704 | 1,755,375 | 865,862 | 1,693,350 | 442,293 | 196,654 | 9,999,238 |
| 2014 | 4,732,419 | 1,724,565 | 835,071 | 1,757,237 | 489,208 | 486,851 | 10,025,351 |
| 2015 | 4,934,404 | 1,845,517 | 833,056 | 1,845,285 | 558,049 | 465,433 | 10,481,744 |
| 2016 | 5,174,998 | 1,880,182 | 835,419 | 2,096,080 | 608,004 | 476,495 | 11,071,178 |
| 2017 | 5,541,132 | 1,757,052 | 831,638 | 2,159,357 | 636,226 | 400,861 | 11,326,266 |
| 2018 | 6,015,604 | 1,715,558 | 812,385 | 2,211,948 | 651,105 | 494,459 | 11,901,059 |
| 2019 | 6,432,657 | 1,790,469 | 808,436 | 2,344,213 | 646,103 | 617,750 | 12,639,628 |



CITY OF SUWANEЕ, GA YEAR ENDED JUNE 30, 2019

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY last ten calendar years

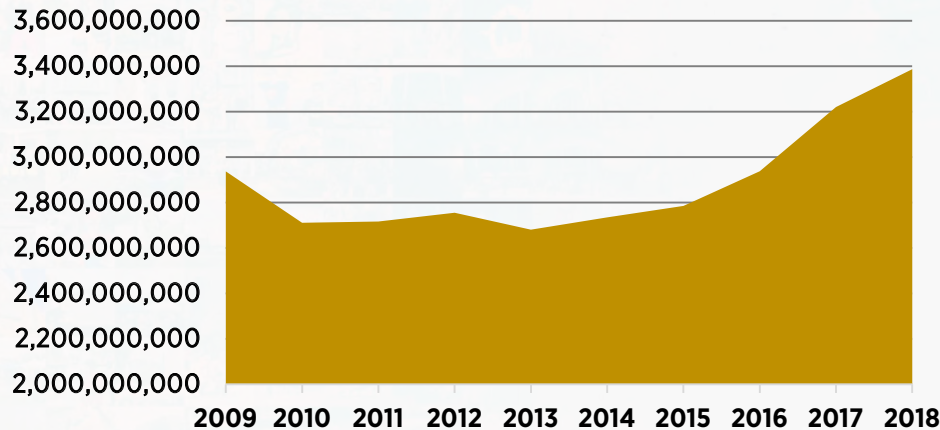
| Calendar Year | Real Property | | Personal Property | | Less Tax Exempt Real Property | Total Taxable Assessed Value | Total Direct Tax Rate | Estimated Actual Taxable Value | Assessed Value as a Percentage of Actual Value ⁽²⁾ |
|---------------------|----------------------|---------------------|-------------------|----------------------|-------------------------------|------------------------------|-----------------------|--------------------------------|---|
| | Residential Property | Commercial Property | Motor Vehicle | Other ⁽¹⁾ | | | | | |
| 2009 | \$ 520,627,280 | \$ 633,975,788 | \$ 50,619,070 | \$ 41,480 | \$ 30,550,320 | \$ 1,174,713,298 | 5.77 | \$ 2,936,783,245 | 40% |
| 2010 | 486,407,830 | 582,302,567 | 44,682,260 | 47,560 | 29,172,760 | 1,084,267,457 | 5.70 | 2,710,668,643 | 40% |
| 2011 | 481,932,370 | 589,573,770 | 46,381,880 | 15,360 | 31,418,600 | 1,086,484,780 | 5.65 | 2,716,211,950 | 40% |
| 2012 | 466,024,650 | 621,163,070 | 46,637,900 | 3,040 | 31,908,760 | 1,101,919,900 | 4.93 | 2,754,799,750 | 40% |
| 2013 | 466,529,900 | 584,533,920 | 51,763,830 | 3,040 | 30,700,960 | 1,072,129,730 | 4.93 | 2,680,324,325 | 40% |
| 2014 | 514,894,190 | 562,402,060 | 44,973,930 | 2,840 | 28,614,800 | 1,093,658,220 | 4.93 | 2,734,415,550 | 40% |
| 2015 | 564,291,800 | 554,733,360 | 31,967,540 | 2,840 | 37,053,560 | 1,113,941,980 | 4.93 | 2,784,854,950 | 40% |
| 2016 | 610,293,160 | 576,163,730 | 22,947,000 | 5,120 | 34,464,650 | 1,174,944,360 | 4.93 | 2,937,360,900 | 40% |
| 2017 | 667,712,260 | 638,764,340 | 16,178,630 | 5,120 | 34,667,530 | 1,287,992,820 | 4.93 | 3,219,982,050 | 40% |
| 2018 ⁽³⁾ | 674,053,390 | 706,899,010 | 11,381,600 | 129,654 | 37,846,450 | 1,354,617,204 | 4.93 | 3,386,543,010 | 40% |

NOTES:

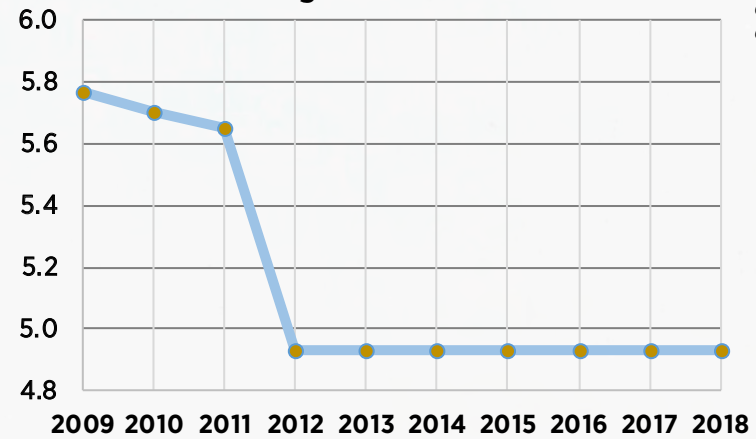
1. Includes mobile homes, timber, and heavy equipment.
2. Gwinnett County assesses property at 40% of actual value for all types of real and personal property.
3. The large increase in 2018 other personal property is due to an increase in heavy equipment due to ongoing construction.

Source: Consolidated Digest Reports provided by Gwinnett County Tax Commissioner's Office.

Estimated Taxable Value 2009-2018



Millage Rate 2009-2018

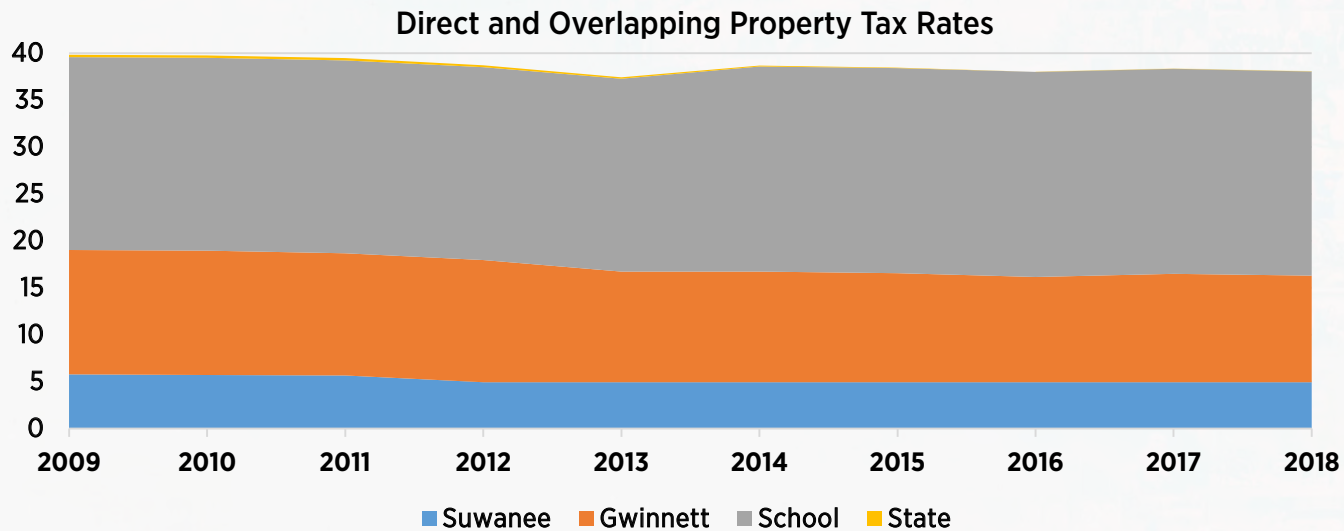


PROPERTY TAX RATES DIRECT AND OVERLAPPING GOVERNMENTS
last ten fiscal years

COMPREHENSIVE ANNUAL FINANCIAL REPORT

| Calendar Year | City of Suwanee Millage | | | Overlapping Rates | | | | | | | | | Total Direct & Overlapping Rates |
|---------------|-------------------------|--------------|-------|-------------------------|--------------|-----------------|------------|--------|--------------------------------------|--------------|-------|-------|----------------------------------|
| | | | | Gwinnett County Millage | | | | | Gwinnett County School Board Millage | | | | |
| | Operating | Debt Service | Total | Operating | Debt Service | Fire Protection | Recreation | Total | Operationing | Debt Service | Total | State | |
| 2009 | 3.84 | 1.93 | 5.77 | 11.78 | 0.47 | - | 1.00 | 13.25 | 19.25 | 1.30 | 20.55 | 0.25 | 39.82 |
| 2010 | 3.89 | 1.81 | 5.70 | 11.78 | 0.47 | - | 1.00 | 13.25 | 19.25 | 1.30 | 20.55 | 0.25 | 39.75 |
| 2011 | 3.89 | 1.76 | 5.65 | 11.78 | 0.24 | - | 1.00 | 13.02 | 19.25 | 1.30 | 20.55 | 0.25 | 39.47 |
| 2012 | 3.15 | 1.78 | 4.93 | 11.78 | 0.24 | - | 1.00 | 13.02 | 19.25 | 1.30 | 20.55 | 0.20 | 38.70 |
| 2013 | 3.21 | 1.72 | 4.93 | 7.40 | 0.24 | 3.20 | .95 | 11.79 | 19.80 | 2.05 | 21.85 | 0.15 | 38.72 |
| 2014 | 3.24 | 1.69 | 4.93 | 7.40 | 0.24 | 3.20 | .95 | 11.79 | 19.80 | 2.05 | 21.85 | 0.10 | 38.67 |
| 2015 | 3.35 | 1.58 | 4.93 | 7.229 | 0.24 | 3.20 | .95 | 11.619 | 19.80 | 2.05 | 21.85 | 0.05 | 38.449 |
| 2016 | 3.43 | 1.50 | 4.93 | 6.826 | 0.24 | 3.20 | .95 | 11.216 | 19.80 | 2.05 | 21.85 | - | 37.996 |
| 2017 | 3.43 | 1.50 | 4.93 | 7.40 | - | 3.20 | .95 | 11.55 | 19.80 | 2.05 | 21.85 | - | 38.33 |
| 2018 | 3.43 | 1.50 | 4.93 | 7.209 | - | 3.20 | .95 | 11.359 | 19.80 | 1.95 | 21.75 | - | 38.039 |

Source: Gwinnett County Tax Commissioner website

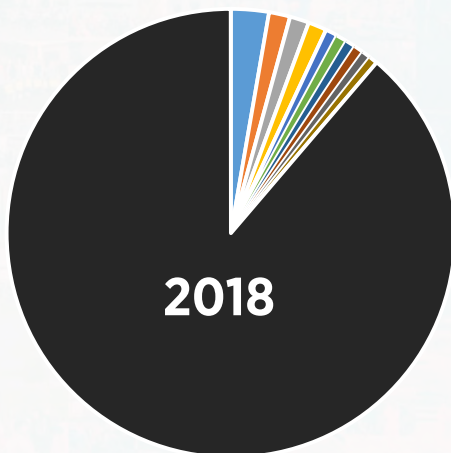


CITY OF SUWANEЕ, GA YEAR ENDED JUNE 30, 2019

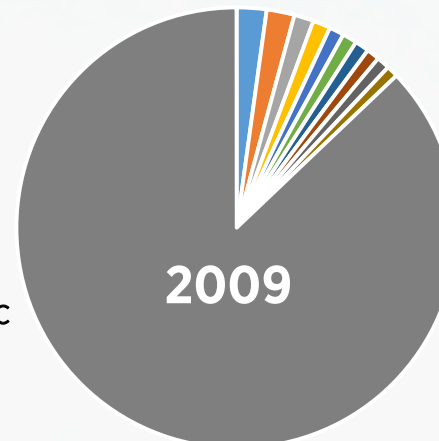
PRINCIPAL PROPERTY TAXPAYERS current and ten years ago (calendar year)

| Taxpayer | 2018 | | | 2009 | | |
|---------------------------------------|------------------------|------|---|------------------------|------|---|
| | Taxable Assessed Value | Rank | Percentage of Total City Taxable Assessed Value | Taxable Assessed Value | Rank | Percentage of Total City Taxable Assessed Value |
| Star McGinnis Ferry, LLC | \$ 36,944,800 | 1 | 2.7% | | | |
| Terraces at Suwanee Mtg, LLC | 20,698,160 | 2 | 1.5% | | | |
| Landmark at Grand Oasis, LP | 18,780,000 | 3 | 1.4% | | | |
| WRPV XII Century Suwanee, LLC | 17,991,520 | 4 | 1.3% | | | |
| Enterprise Services, LLC | 11,818,310 | 5 | 0.9% | | | |
| SHLP Artisan Station, LLC | 10,468,560 | 6 | 0.8% | | | |
| James Campbell Company, LLC | 9,612,880 | 7 | 0.7% | \$ 9,893,640 | 10 | 0.8% |
| Quality Inv Properties Suwanee, LLC | 9,400,000 | 8 | 0.7% | | | |
| Quality Technology Services | 8,635,190 | 9 | 0.6% | | | |
| DXC Technology Services, LLC | 8,206,800 | 10 | 0.6% | | | |
| Google, Inc | | | | 25,680,870 | 1 | 2.2% |
| AMLI Residential Properties | | | | 24,000,000 | 2 | 2.0% |
| Hewlett Packard Company | | | | 16,757,490 | 3 | 1.4% |
| CRLP McGinnis Ferry Road, LLC | | | | 15,230,120 | 4 | 1.3% |
| Gwinnett Prado, LP | | | | 12,721,200 | 5 | 1.1% |
| Caryle Centennial Suwanee Station, LP | | | | 12,480,000 | 6 | 1.1% |
| Flowers Bakery of Suwanee | | | | 12,118,080 | 7 | 1.0% |
| CLPF-Horizon Creek, LP | | | | 11,252,280 | 8 | 1.0% |
| Walmart | | | | 11,232,350 | 9 | 1.0% |
| Totals | \$ 152,556,220 | | 11.2% | \$ 151,366,030 | | 12.9% |

Source:
2018 and 2009 Tax Digest.



- Star McGinnis Ferry, LLC
- Terraces at Suwanee Mtg, LLC
- Landmark at Grand Oasis, LP
- WRPV XII Century Suwanee, LLC
- Enterprise Services, LLC
- SHLP Artisan Station, LLC
- James Campbell Company, LLC
- Quality Inv Properties Suwanee, LLC
- Quality Technology Services
- DXC Technology Services
- All Other Taxpayers



- Google Inc
- AMLI Residential Properties LP
- Hewlett Packard Company
- CRLP McGinnis Ferry Road, LLC
- Gwinnett Prado, LP
- Caryle Centennial Suwanee Station LP
- Flowers Bakery of Suwanee, LLC
- CLPF-Horizon Creek LP
- Wal-Mart
- James Campbell Company, LLC
- All Other Taxpayers

| Fiscal Year Ended ⁽¹⁾ | Taxes Levied for the Fiscal Year | Collected within the Fiscal Year of the Levy | | Collections in Subsequent Years | Total Collection to Date | |
|----------------------------------|----------------------------------|--|--------------------|---------------------------------|--------------------------|--------------------|
| | | Amount | Percentage of Levy | | Amount | Percentage of Levy |
| 2010 | \$ 5,972,640 | \$ 5,467,352 | 91.5% | \$ 480,056 | \$ 5,947,408 | 99.6% |
| 2011 | 5,568,361 | 5,323,252 | 95.6% | 217,057 | 5,540,309 | 99.5% |
| 2012 | 5,192,082 | 5,056,083 | 97.4% | 125,798 | 5,181,881 | 99.8% |
| 2013 | 4,498,518 | 4,422,212 | 98.3% | 65,481 | 4,487,693 | 99.8% |
| 2014 | 4,384,928 | 4,322,848 | 98.6% | 33,889 | 4,356,737 | 99.4% |
| 2015 | 4,666,809 | 4,557,650 | 97.7% | 44,514 | 4,602,164 | 98.6% |
| 2016 | 4,947,364 | 4,905,044 | 99.1% | 20,555 | 4,925,599 | 99.6% |
| 2017 | 5,358,951 | 5,324,391 | 99.4% | 15,647 | 5,340,038 | 99.6% |
| 2018 | 5,839,907 | 5,769,527 | 98.8% | 15,201 | 5,784,728 | 99.1% |
| 2019 | 6,309,304 | 6,225,520 | 98.7% | - | 6,225,520 | 98.7% |

NOTE:

1. Relates to preceding calendar year digest.

Source:

Consolidated Digest Reports provided by Gwinnett County Tax Commissioner.

Ratio of outstanding debt by type - last ten fiscal years

| Fiscal Year | Governmental Activities | | | Business-type Activities Note Payable ⁽¹⁾ | Total Government | Percentage of Personal Income ⁽²⁾ | Per Capita ⁽²⁾ |
|-------------|--------------------------|-------------------|----------------|--|------------------|--|---------------------------|
| | General Obligation Bonds | URA Revenue Bonds | Capital Leases | | | | |
| 2010 | \$ 15,920,000 | \$ 5,900,000 | \$ 61,754 | \$ 679,449 | \$ 22,561,203 | 4.38% | \$ 1,468 |
| 2011 | 15,455,000 | 5,640,000 | 10,795 | - | 21,105,795 | 4.58% | 1,364 |
| 2012 | 14,970,000 | 5,370,000 | - | - | 20,340,000 | 4.07% | 1,302 |
| 2013 | 14,465,000 | 5,095,000 | - | - | 19,560,000 | 3.79% | 1,247 |
| 2014 | 13,940,000 | 4,810,000 | - | - | 18,750,000 | 3.14% | 1,098 |
| 2015 | 13,410,661 | 4,513,221 | - | - | 17,923,882 | 3.04% | 1,029 |
| 2016 | 12,839,051 | 4,471,111 | - | - | 17,310,162 | 2.70% | 956 |
| 2017 | 12,075,000 | 4,106,000 | - | - | 16,181,000 | 2.37% | 889 |
| 2018 | 10,965,000 | 27,463,133 | - | - | 38,428,133 | 5.15% | 1,992 |
| 2019 | 9,835,000 | 26,923,054 | - | - | 36,758,054 | 4.68% | 1,869 |

NOTES:

- The City entered into a construction line of credit with the Georgia Environmental Facilities Authority (GEFA) for improvements to the City's water system. In fiscal year 2010, the City was awarded a GEFA construction loan for \$480,044. In accordance with Title VII of Division A of the American Recovery and Reinvestment Act of 2009 (ARRA), GEFA agrees to forgive 40% of each principal and interest payment due on the loan.
- The schedule of Demographic and Economic Statistics on page S-19 provides information on personal income and population.

CITY OF SUWANEЕ, GA YEAR ENDED JUNE 30, 2019

RATIO OF GENERAL BONDED DEBT OUTSTANDING last ten fiscal years

| Fiscal Year | General Obligation Bonds ⁽¹⁾ | URA Revenue Bonds ⁽¹⁾ | Total | Percentage of Estimated Actual Taxable Value of Property ⁽²⁾ | Per Capita ⁽³⁾ |
|-------------|---|----------------------------------|---------------|---|---------------------------|
| 2010 | \$ 15,920,000 | \$ 5,900,000 | \$ 21,820,000 | 0.74% | \$ 1,420 |
| 2011 | 15,455,000 | 5,640,000 | 21,095,000 | 0.78% | 1,363 |
| 2012 | 14,970,000 | 5,370,000 | 20,340,000 | 0.75% | 1,302 |
| 2013 | 14,465,000 | 5,095,000 | 19,560,000 | 0.71% | 1,247 |
| 2014 | 13,940,000 | 4,810,000 | 18,750,000 | 0.70% | 1,098 |
| 2015 | 13,410,661 | 4,513,221 | 17,923,882 | 0.66% | 1,029 |
| 2016 | 12,839,051 | 4,471,111 | 17,310,162 | 0.62% | 956 |
| 2017 | 12,075,000 | 4,106,000 | 16,181,000 | 0.55% | 889 |
| 2018 | 10,965,000 | 27,463,133 | 38,428,133 | 1.19% | 1,992 |
| 2019 | 9,835,000 | 26,923,054 | 36,758,054 | 1.08% | 1,869 |

NOTES:

1. Debt information from CAFR financial statements and Note 7 to the financial statements.
2. Details of estimated actual taxable value of property can be found on page S-13.
3. Details of population data can be found on page S-19.

Direct and overlapping governmental activities debt as of June 30, 2019

| Jurisdiction | Gross Outstanding | Estimated Percentage Applicable | Estimated Share of Overlapping Debt |
|---|-------------------------|---------------------------------|-------------------------------------|
| Direct Debt: | | | |
| City of Suwanee Bonds (General & Revenue) | \$ 36,758,054 | 100.0% | \$ 36,758,054 |
| Overlapping Debt: ⁽¹⁾ | | | |
| Gwinnett County | 103,549,000 | 4.4% | 4,556,156 |
| Gwinnett County Board of Education | 1,259,294,000 | 4.6% | 57,927,524 |
| Total Overlapping Debt | 1,362,843,000 | | 62,483,680 |
| Total Direct General Obligation and Overlapping Debt | \$ 1,399,601,054 | | \$ 99,241,734 |

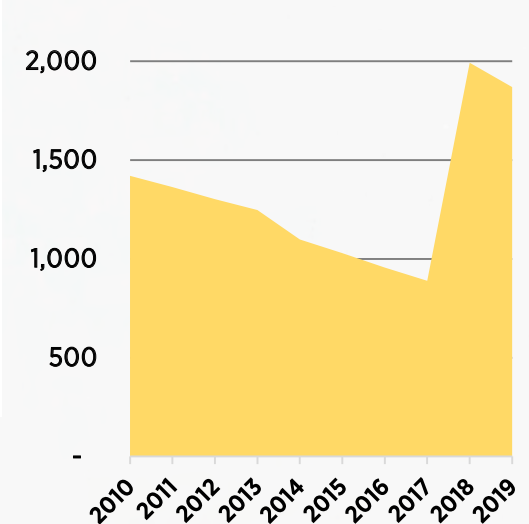
NOTE:

1. The percentage of overlapping debt chargeable to property in the City is calculated by dividing the net M&O assessed value of property in the City by the net M&O assessed value of property in the overlapping entity.

Source:

Gwinnett County Comprehensive Annual Financial Report for December 31, 2018.

Debt Per Capita 2010-2019



**LEGAL DEBT MARGIN
INFORMATION**
last ten fiscal years

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

| | Fiscal Year | | | | |
|--|------------------|------------------|------------------|------------------|------------------|
| | 2010 | 2011 | 2012 | 2013 | 2014 |
| Assessed value of all taxable property | \$ 1,174,713,298 | \$ 1,084,267,457 | \$ 1,086,484,780 | \$ 1,101,919,900 | \$ 1,072,129,730 |
| Debt limit: 10% of assessed value | 117,471,330 | 108,426,746 | 108,648,478 | 110,191,990 | 107,212,973 |
| Total net debt applicable to limit | 14,702,932 | 14,125,505 | 13,631,622 | 13,117,134 | 12,674,835 |
| Legal debt margin | \$ 102,768,398 | \$ 94,301,241 | \$ 95,016,856 | \$ 97,074,856 | \$ 94,538,138 |
| Total net debt applicable to the limit as a percentage of debt limit | 12.52% | 13.03% | 12.55% | 11.90% | 11.82% |

| | Fiscal Year | | | | |
|--|------------------|------------------|------------------|------------------|------------------|
| | 2015 | 2016 | 2017 | 2018 | 2019 |
| Assessed value of all taxable property | \$ 1,093,658,220 | \$ 1,113,941,980 | \$ 1,174,944,360 | \$ 1,287,992,820 | \$ 1,354,617,204 |
| Debt limit: 10% of assessed value | 109,365,822 | 111,394,198 | 117,494,436 | 128,799,282 | 135,461,720 |
| Total net debt applicable to limit | 12,118,900 | 11,502,713 | 10,873,717 | 10,620,902 | 9,659,983 |
| Legal debt margin | \$ 97,246,922 | \$ 99,891,485 | \$ 106,620,719 | \$ 118,178,380 | \$ 125,801,737 |
| Total net debt applicable to the limit as a percentage of debt limit | 11.08% | 10.33% | 9.25% | 8.25% | 7.13% |

**Legal Debt Margin Calculation
for Fiscal Year 2019**

| | |
|---|------------------|
| Assessed value | \$ 1,354,617,204 |
| Debt limit: 10% of total assessed value | 135,461,720 |
| Debt applicable to limit: | |
| General obligation bond | 9,835,000 |
| Less: Amount set aside for repayment of general obligation debt | 175,017 |
| Total net debt applicable to limit | 9,659,983 |
| Legal debt margin | \$ 125,801,737 |

NOTE:

Under Georgia financing laws, the City's outstanding general obligation debt should not exceed 10 percent of the total assessed property value and may be offset by amounts set aside for repaying the general obligation bonds.

CITY OF SUWANEЕ, GA YEAR ENDED JUNE 30, 2019

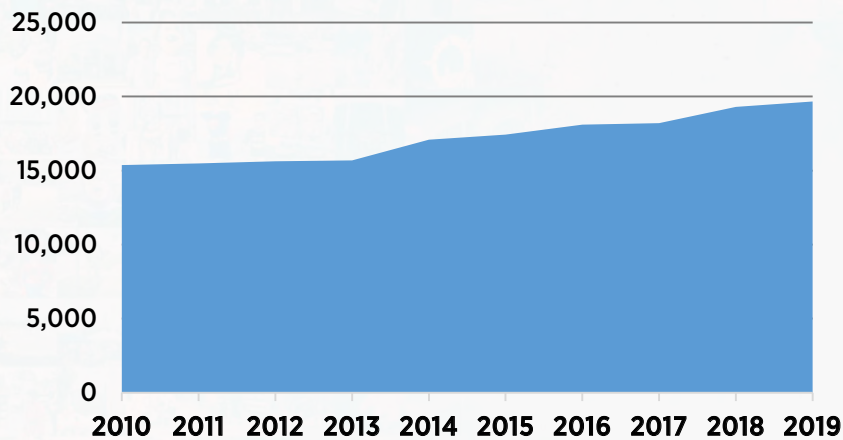
DEMOGRAPHIC AND ECONOMIC STATISTICS last ten fiscal years

| Fiscal Year | Population ⁽¹⁾ | Personal Income ⁽²⁾ | Per Capita Personal Income | Unemployment Rate ⁽³⁾ | Residential Construction Value ⁽¹⁾ | Commercial Construction Value ⁽¹⁾ |
|-------------|---------------------------|--------------------------------|----------------------------|----------------------------------|---|--|
| 2010 | 15,368 | \$ 515,242,936 | \$ 33,527 | 3.9% | \$ 7,997,527 | \$ 3,137,027 |
| 2011 | 15,479 | 490,343,762 | 31,678 | 4.0% | 12,322,129 | 17,788,046 |
| 2012 | 15,624 | 499,764,888 | 31,987 | 5.6% | 15,110,337 | 12,864,539 |
| 2013 | 15,683 | 515,359,063 | 32,861 | 5.6% | 26,684,558 | 7,725,320 |
| 2014 | 17,081 | 596,895,545 | 34,945 | 4.8% | 25,488,011 | 30,470,078 |
| 2015 | 17,425 | 589,069,550 | 33,806 | 3.9% | 36,057,376 | 29,642,115 |
| 2016 | 18,098 | 640,198,652 | 35,374 | 3.1% | 43,762,400 | 13,773,808 |
| 2017 | 18,199 | 682,662,689 | 37,511 | 3.1% | 12,361,039 | 25,431,417 |
| 2018 | 19,296 | 745,558,848 | 38,638 | 3.7% | 85,726,557 | 130,509,328 |
| 2019 | 19,661 | 785,397,967 | 39,947 | 2.8% | 29,940,259 | 47,851,806 |

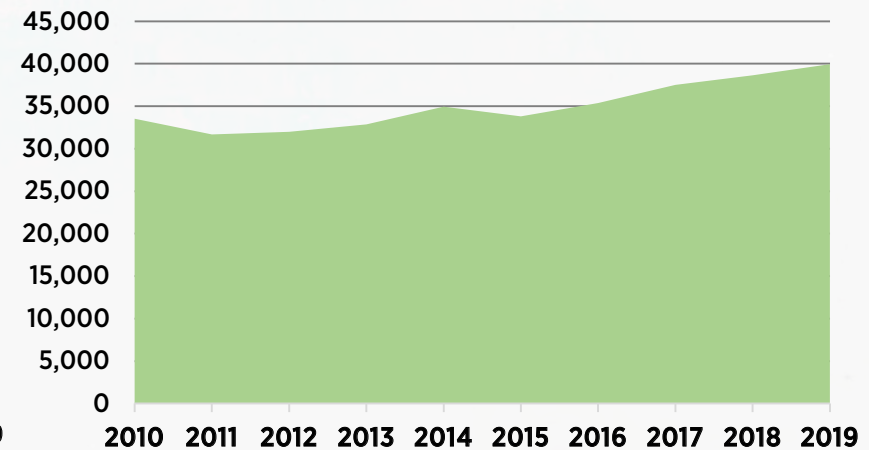
Sources:

1. City of Suwanee Planning Department
2. Bureau of Economic Analysis.
3. Georgia Department of Labor, not seasonally adjusted.

Population Changes 2010-2019



Per Capita Personal Income 2010-2019



PRINCIPAL EMPLOYERS
current year and ten years ago

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

| Employer | 2019 | | | 2010 | | |
|-------------------------------------|-----------|------|----------------------------|-----------|------|----------------------------|
| | Employees | Rank | % of Total City Employment | Employees | Rank | % of Total City Employment |
| Southeastern Freight Lines, Inc. | 425 | 1 | 3.3% | 375 | 1 | 4.2% |
| Walmart | 289 | 2 | 2.3% | 287 | 4 | 3.2% |
| Meggitt Training Systems, Inc. | 281 | 3 | 2.2% | 292 | 3 | 3.3% |
| Liberty Mutual Insurance | 230 | 4 | 1.8% | | | |
| Quality Technology Services | 228 | 5 | 1.8% | | | |
| Bank of America | 203 | 6 | 1.6% | | | |
| Kroger | 201 | 7 | 1.6% | 153 | 5 | 1.7% |
| Flowers Bakery | 170 | 8 | 1.3% | 118 | 10 | 1.3% |
| Annadale Village | 165 | 9 | 1.3% | | | |
| Publix Supermarkets | 160 | 10 | 1.3% | 133 | 7 | 1.5% |
| Dish Network/Echosphere Corporation | | | | 305 | 2 | 3.4% |
| Zebra Construction Company | | | | 144 | 6 | 1.6% |
| Mitsubishi Electric & Electronics | | | | 132 | 8 | 1.5% |
| Quality Construction Services, Inc. | | | | 129 | 9 | 1.5% |

Source:
City of Suwanee Business Services Department



CITY OF SUWANEЕ, GA YEAR ENDED JUNE 30, 2019

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION last ten fiscal years

| Function | Full-time Equivalent Employees as of June 30, 2019 | | | | | | | | | |
|--------------------------------|--|---------------------|-----------|-----------|-----------|---------------------|-----------|---------------------|---------------------|------------|
| | 2010 ⁽¹⁾ | 2011 ⁽²⁾ | 2012 | 2013 | 2014 | 2015 ⁽³⁾ | 2016 | 2017 ⁽⁴⁾ | 2018 ⁽⁵⁾ | 2019 |
| General Government | | | | | | | | | | |
| Chief Executive | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| General Administration | 2 | 2 | 2 | 2 | 2 | 2 | 3 | 2 | 2 | 2 |
| Business Services | - | - | - | - | - | 3 | 3 | 4 | 4 | 4 |
| Financial Administration | 7 | 8 | 8 | 8 | 8 | 4 | 4 | 5 | 5 | 5 |
| Public Information | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Judicial | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 4 | 4 | 4 |
| Public Safety | | | | | | | | | | |
| Police Administration | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Criminal Investigation | 4 | 3 | 3 | 4 | 4 | 5 | 6 | 6 | 7 | 7 |
| Patrol | 25 | 28 | 28 | 28 | 28 | 27 | 28 | 29 | 28 | 29 |
| Records and Identification | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Police Training | 1 | 1 | 1 | 1 | 1 | 1 | 2 | 2 | 2 | 2 |
| Dispatcher | 7 | 7 | 7 | 7 | 8 | 8 | 7 | 7 | 7 | 8 |
| Public Relations | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Targeted Police | 2 | - | - | - | - | - | - | - | - | - |
| Public Works | 15 | 15 | 15 | 15 | 15 | 16 | 17 | 20 | 21 | 23 |
| Housing and Development | | | | | | | | | | |
| Protective Inspection | 1 | 1 | 1 | 1 | 1 | 2 | 2 | 2 | 2 | 3 |
| Planning & Zoning | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| Economic Development | 3 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| TOTAL | 84 | 86 | 86 | 87 | 88 | 89 | 93 | 99 | 100 | 104 |

NOTES:

1. In fiscal year 2010, one Police Sergeant position was moved from Patrol to Police Training.
2. In fiscal year 2011, one Police Lieutenant position was moved from Criminal Investigation to Patrol and employees in Targeted Police were also moved to the Patrol Division.
3. In fiscal year 2015, Business Services Department was created. Members from Chief Executive, General Administration and Financial Administration were transferred to create this new department.
4. In fiscal year 2017, five part time positions were re-classified from part time to full time.
5. In fiscal year 2018, one Police Officer position was moved was upgraded to corporal and moved to Criminal Investigation.

Source: Various City departments and corresponding budget documents. City of Suwanee Business Services Department

| Function | Calendar Year | | | | | | | | | |
|--|----------------------|----------------------|--------|--------|----------------------|-----------------------|--------|--------|--------|--------|
| | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
| General government | | | | | | | | | | |
| Business licenses issued | 1,721 | 1,720 | 1,775 | 1,754 | 1,719 | 1,752 | 1,764 | 1,638 | 1,438 | 1,629 |
| Number of parcels and improvements | 11,859 | 11,897 | 12,004 | 12,297 | 12,336 | 12,737 | 12,737 | 12,887 | 13,352 | 13,551 |
| Judicial | | | | | | | | | | |
| Cases processed | 12,411 | 14,883 | 13,089 | 7,874 | 12,300 | 13,500 | 14,024 | 10,656 | 10,775 | 11,506 |
| Non-jury trials | 335 | 319 | 462 | 154 | 200 | 261 | 180 | 165 | 116 | 145 |
| Jury trials | 171 | 220 | 370 | 355 | 198 | 256 | 309 | 169 | 135 | 135 |
| Warrants issued | 180 | 236 | 297 | 212 | 240 | 312 | 222 | 204 | 145 | 205 |
| Police | | | | | | | | | | |
| Calls for service | 39,453 | 41,964 | 43,926 | 33,511 | 47,626 | 61,770 | 69,913 | 82,557 | 62,171 | 65,310 |
| Traffic accidents | 1,113 | 1,158 | 1,086 | 1,157 | 1,178 | 1,306 | 1,410 | 1,511 | 1,446 | 1,479 |
| Part I offenses | 528 | 505 | 452 | 443 | 484 | 569 | 651 | 830 | 752 | 651 |
| Traffic citations | 11,715 | 12,865 | 11,797 | 7,678 | 12,403 | 16,929 | 13,373 | 10,741 | 8,363 | 12,358 |
| Public works | | | | | | | | | | |
| Work orders | 6,151 | 3,685 ⁽¹⁾ | 5,294 | 5,175 | 5,371 | 6,135 | 5,054 | 5,187 | 4,948 | 3,408 |
| Street overlay (lane miles) | 1.51 | - | 3.88 | 6.63 | 6.8 | 11.59 | 4.11 | 3.54 | 8.35 | 5.62 |
| Hours of litter pick-up service provided | 585 | 605 | 985 | 876 | 941 | 920 | 921 | 1,128 | 1,259 | 911 |
| Culture and recreation | | | | | | | | | | |
| Number of annual city-sponsored events | 17 | 21 | 17 | 33 | 22 | 21 | 21 | 19 | 21 | 20 |
| Number of annual non-city sponsored events | 15 | 16 | 16 | 16 | 14 | 25 | 18 | 22 | 23 | 19 |
| Suwanee Fest attendance | 8,000 ⁽²⁾ | 40,000 | 45,000 | 50,000 | 8,500 ⁽²⁾ | 55,000 ⁽³⁾ | 58,000 | 56,000 | 62,000 | 60,000 |
| Protective Inspection | | | | | | | | | | |
| Number of residential permits | 65 | 108 | 173 | 200 | 220 | 113 | 208 | 312 | 260 | 288 |
| Number of total construction permits | 174 | 224 | 242 | 284 | 301 | 276 | 366 | 405 | 348 | 270 |
| Number of sign permits | 255 | 268 | 295 | 324 | 227 | 257 | 288 | 245 | 210 | 243 |
| Planning and Zoning | | | | | | | | | | |
| Zoning certification letters | 7 | 6 | 12 | 10 | 16 | 19 | 14 | 29 | 27 | 25 |
| Rezoning cases processed | 1 | 5 | 5 | 5 | 4 | 10 | 5 | 6 | 10 | 9 |
| Special use permits processed | 2 | 5 | 5 | 2 | 4 | 5 | 5 | 1 | 0 | 0 |
| Variances processed | 7 | 6 | 7 | 6 | 9 | 15 | 6 | 4 | 5 | 17 |
| Development review | 6 | 9 | 19 | 28 | 11 | 26 | 16 | 17 | 19 | 19 |
| Development permits | 6 | 9 | 8 | 14 | 8 | 18 | 30 | 15 | 20 | 16 |
| Water | | | | | | | | | | |
| Average daily consumption in gallons | 43,306 | 44,625 | 46,257 | 45,863 | 47,612 | 47,441 | 46,034 | 47,649 | 45,647 | 46,419 |

NOTES:

1. Overhauled work order system-some work orders combined.
2. Low attendance due to inclement weather.
3. In 2014, Suwanee Fest went from a one day to a two day event.

Source:
Various City departments and corresponding budget documents.

CITY OF SUWANEЕ, GA YEAR ENDED JUNE 30, 2019

CAPITAL ASSETS STATISTICS BY FUNCTION last ten years

| Function | Fiscal Year | | | | | | | | | |
|--------------------------------|-------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
| General Administration | | | | | | | | | | |
| Vehicles ⁽¹⁾ | 1 | 1 | 1 | 1 | 1 | 1 | - | - | - | - |
| Police | | | | | | | | | | |
| Patrol Units | 41 | 40 | 41 | 30 | 41 | 41 | 39 | 42 | 36 | 38 |
| Other Police Vehicles | 4 | 4 | 4 | 15 | 10 | 13 | 11 | 11 | 14 | 14 |
| Public Works | | | | | | | | | | |
| Vehicles | 15 | 15 | 16 | 17 | 18 | 16 | 19 | 19 | 20 | 24 |
| Street (Miles) ⁽²⁾ | 62 | 63 | 62 | 62 | 63 | 63 | 63 | 63 | 64 | 64 |
| Streetlights | 855 | 911 | 928 | 968 | 981 | 997 | 1,028 | 1,114 | 1,138 | 1,145 |
| Culture and Recreation | | | | | | | | | | |
| Acreage | 366 | 372 | 372 | 372 | 372 | 372 | 372 | 372 | 372 | 372 |
| Park Sites | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 |
| Public Art | 5 | 7 | 11 | 14 | 14 | 14 | 15 | 18 | 19 | 20 |
| Water | | | | | | | | | | |
| Water Mains (Miles) | 6.5 | 6.8 | 6.8 | 6.8 | 6.8 | 6.8 | 6.8 | 6.8 | 6.8 | 6.8 |
| Storage Capacity | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 |
| Housing and Development | | | | | | | | | | |
| Vehicles | 5 | 4 | 4 | 4 | 3 | 3 | 3 | 3 | 3 | 4 |

NOTES:

1. In fiscal year 2016, the vehicle under the general administration function was moved to the Public Works function.
2. In fiscal year 2012, the newly adopted SDS (Service Delivery Strategy) between the County and City(ies) resulted in a slight adjustment in street mileage maintained.

Source:
Various City departments

COMPREHENSIVE ANNUAL FINANCIAL REPORT





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**

**Honorable Mayor and Members
Of the City Council
City of Suwanee
Suwanee, 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, each major fund, and the aggregate remaining fund information of the **City of Suwanee, Georgia** (the "City") as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 8, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, 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.

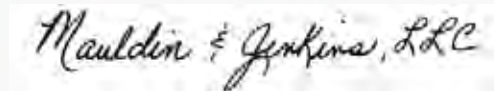
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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



Atlanta, Georgia
December 8, 2019



330 TOWN CENTER AVE.
SUWANEE, GA 30024
SUWANEE.COM