

CITY OF BROOKHAVEN, GEORGIA

Comprehensive Annual Financial Report

For the Year Ended December 31, 2017

Prepared by:

Finance Department

CITY OF BROOKHAVEN, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2017

Prepared by:
Finance Department

CITY OF BROOKHAVEN, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2017

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CITY OF BROOKHAVEN, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
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INTRODUCTORY SECTION

June 13, 2018

Honorable Mayor,
Members of the City Council, City Manager and Assistant City Manager
City of Brookhaven, Georgia

The Finance Department of the City of Brookhaven (the "City") is pleased to submit the Comprehensive Annual Financial Report of the City of Brookhaven, Georgia for the fiscal year ended December 31, 2017. The purpose of the report is to provide the Mayor, City Council, management, staff, the public and other interested parties with detailed information reflecting the City's financial condition.

THE REPORT

State law and local ordinances require that every general-purpose local government publish a complete set of audited financial statements each fiscal year. This report has been prepared in accordance with State statutes set forth in the Act providing uniform standards for audits of municipalities and counties within the State of Georgia, approved March 28, 1968 (p.464), and as amended by the Act approved April 21, 1968 (GA Laws 1977, p.883). Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City.

We believe the data is accurate in all material respects and is presented in a manner that fairly sets forth the financial position of the City of Brookhaven. We also believe all disclosures necessary to enable the reader to gain an understanding of the City's financial affairs have been included.

The management of the City of Brookhaven has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Brookhaven's financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the City of Brookhaven's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. Management asserts that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Brookhaven's financial statements have been audited by Mauldin & Jenkins, LLC. The responsibility of the independent audit was to provide reasonable assurance that the financial statements of the City of Brookhaven for the fiscal year ended December 31, 2017 are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Brookhaven's financial statements for the fiscal year ended December 31, 2017 are fairly presented in conformity with GAAP. Note that the auditors do not express an opinion on the effectiveness of the City's internal controls. The independent auditor's report is presented as the first component of the financial section of this report.

Also included in the report is the Management's Discussion and Analysis (MD&A) that provides a narrative introduction, overview, and analysis. The basic financial statements, including the accompanying notes, represent the core of the financial section. These financial statements present the financial condition of the City of Brookhaven as a single entity, as well as the individual funds that account for the City's various governmental and business-type activities.

PROFILE OF THE CITY

After a July 31, 2012 voter referendum, approving the establishment of the City of Brookhaven, the City officially became the largest city in DeKalb, Georgia on December 17, 2012. Brookhaven is in the northeast suburbs of Atlanta and is bounded by the Fulton County line to its west, just south of interstate I-85 to its south, the City of Dunwoody at interstate I-285 to its north, and the City of Chamblee to its east. At 11.6 square miles, the area has developed rapidly over the past three decades, and is home to affluent neighborhoods, numerous work-play communities, scores of quality restaurants, quality shopping, and a large diverse international population.

Under the Charter, the Council is comprised of a Mayor and four Council Members who enact local legislation, determine policies, adopt the City's annual budget and millage rates. The Mayor and Councilmembers are elected for four-year terms with the Mayor and two Councilmembers alternating with the other two Councilmembers on odd-numbered years. The City Manager is appointed by the Mayor and confirmed by the City Council and is responsible for implementing the policies set forth by the Council, overseeing all City employees, and managing the day to day operations of the City. Since incorporation, the City has undergone one annexation which became effective and grew the City by 0.3 square miles.

The City provides a range of municipal services including general government, public safety (police), streets, parks and recreation, planning and zoning, code enforcement, and stormwater utility. Sanitation collection services, fire protection, and emergency medical services are provided to residents via an intergovernmental agreement with DeKalb County. DeKalb County also provides water and sewer services to all municipalities, within its borders, including Brookhaven.

The annual budget of the City of Brookhaven serves as the foundation for the City's financial planning and control. The budget is prepared by the City Manager, transmitted to the City Council by the Mayor, and adopted by the City Council in accordance with policies and procedures established by the Brookhaven Charter and council ordinances. The appropriated budget is prepared and presented by fund, department (e.g. police) or function (e.g. debt service), and major cost category (e.g., personnel services). All expenditures of the City are made in accordance with the adopted annual budget. The department level is the legal level of control enacted by the Brookhaven Code ordinance. Budgetary control is maintained at the individual expenditure account level by the review of all requisitions of estimated purchase amounts prior to the release of purchase orders to vendors. Transfers among expenditure accounts in one department may occur with the approval of the Finance Director. Transfers between operating departments may occur with the approval of the City Council. Transfers between funds accomplished via budget amendment must be approved by the City Council. Budget amendments, increasing or decreasing fund appropriations, must also be approved by the City Council.

Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For all governmental funds with appropriated annual budgets, this comparison is presented in the required supplementary information (RSI) or combining fund section of this report.

ECONOMIC CONDITION AND OUTLOOK

Some of the factors, which will contribute to the future growth and development of the City of Brookhaven, are listed below:

Improved Transportation System

The City of Brookhaven is home to a heavy rail rapid transit station operated by the Metropolitan Atlanta Rapid Transit Authority (MARTA). Opening in 1984, the Brookhaven station has over 2,350 daily passengers pass through its turnstiles. Transportation systems have a major impact on the growth and development of any community. With access to I-85 and I-285, the City's major local thoroughfares include Buford Highway (GA 13), Ashford Dunwoody Road, and Peachtree Road. Also, the City has paved over 20 lane-miles during the last two years, while a total of over 9,000 linear feet of new sidewalks have been added.

Redevelopment of Existing Land/Properties

With most of the land/property in the City developed, the City's growth has been redevelopment in nature. This redevelopment includes mixed-use (commercial and residential), multiple family residences, and larger, modern homes. With an estimated population of 54,169 (Source: January 2018 ESRI Community Profile), the Community Development Department continues to work with developers and builders on projects promoting live-work-play communities, bike and pedestrian mobility, and neighborhood character preservation. Continuous measures have been

implemented to make the City of Brookhaven esthetically pleasing for its citizens and business owners such as design standards and overlay districts.

Recent Economic Development

The City continues its growth through mixed-use development and other zoning improvements. Located on Ashford Dunwoody Road, near Perimeter Summit and I-285, the Ashford Green Development is a 1.13 million square foot project, consisting of two (2) 10-story office buildings and approximately 300 apartments.

Children's Healthcare of Atlanta (CHOA), recognized by US News and World Reports as one of the top pediatric hospitals in the country, has started building an 8-story, 300,000 square foot clinic/ambulatory care facility at its I-85 and North Druid Hills Road location. The facility was in the area annexed into the City in 2014, and is under construction. The facility is expected to service 300,000 patients annually, provide for ancillary health services, and treat children with complex and chronic illnesses.

Decide DeKalb, the development authority arm of DeKalb County, provided tax incentives for the development of an 18-story, 400,000 square foot office tower at Perimeter Parkway. Perimeter Summit is an 83-acre master planned development in the northern, I-285 area of the city currently consisting of three office buildings providing a total of more than 1.3 million square feet of Class A office space, two hotels (Hyatt Regency and Villa Christina) and residential housing. The Perimeter Summit development has over 300 residential condominiums and almost 200 hotel rooms.

Budgetary Controls

The City of Brookhaven maintains budgetary controls to ensure compliance with legal provisions of the annual appropriated budget approved by the City Council. Activities of the General Fund, Confiscated Funds, E911 Fund, Special Tax District Fund, Hotel Motel Tax Fund, Streetlight Fund, Homestead Option Sales Tax Fund, Capital Project Fund, and Debt Service Fund are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is the department level.

A copy of the City of Brookhaven's annual budget can be obtained from the City of Brookhaven's Finance Department by calling (404) 637-0500. The copies of the annual budget or the various master plans can also be accessed through the department's web site at www.brookhavenga.gov.

Financial Policies

The City's Financial Management Policy guides management in the preparation of its annual budget and daily financial operations. The Policy provides standards for the use of contingencies, unexpected expenditures, the establishment of an unassigned fund balance reserve of 25% of

annually budgeted following year expenditures in the General Fund, cash and investment management, grant management, purchasing policies, and internal control policies.

Internal accounting controls are designed to provide reasonable assurance regarding the safety of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements in conformity with Generally Accepted Accounting Principles (GAAP). The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework.

Long-Term Financial Planning

The City actively engages in multi-year financial planning. The City has developed several master plans including parks, transportation and sidewalks, and stormwater infrastructure. The 2017 budget funded substantial progress for execution. It is expected that work on these plans will be implemented over the subsequent ten-year (2018-2028) period. As part of the annual capital improvement program, future capital acquisitions and capital asset replacements are considered in the forecast. The City uses various data in forecasts for future operating and capital needs in the preparation of the City's annual budget document.

MAJOR INITIATIVES

Parks Master Plan

With the conveyance of the park property from DeKalb County in 2014, the City primarily concluded its park master planning process in 2015. The master plan establishes the amenities and functional thresholds for City parks and recreational facilities. The City is executing the parks master plan in a pay as you go manner. Personalizing each park will include the various park specific amenities – signage, tennis courts, open fields, athletic fields, walking and nature trails, playground structures, parking, restroom construction/renovation, and stream cleanup/stabilization.

Since the fall of 2016, the City has completed three (3) park master plan projects to include Clacks Corner Park, Georgian Hills Park Phase I, and Murphey Candler Park Open Space Field Project. Other projects included the Tike Track and the Sand Box Shade Structure at Ashford Park. Substantial work was done on Skyland Park Project and Park Monument Signs were installed in all parks.

Peachtree Creek Greenway Project

The Peachtree Creek Greenway is a 12-mile multi-city trail project beginning just outside of I-285, following the North Fork of Peachtree Creek to its confluence with the South Fork, and linking with regional trails including the Atlanta Beltline. Brookhaven is leveraging the project to provide

transportation and recreation alternatives, while encouraging development facing the creek. Plans call for a 2.7-mile multi-use trail and linear park featuring a series of paved multi-purpose and promenade trails near a revitalized corridor dotted with residences, offices, restaurants, bike rental stands, coffee shops, and picnic areas. The City plans to leverage funding via the Atlanta Regional Transportation Improvement Plan, grants, and a bond funded via Hotel/Motel tax to meet the projected $38 million cost for this portion of the Peachtree Creek Greenway.

AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) *Certificate of Achievement for Excellence in Financial Reporting (CAFR)* is the highest form of recognition for excellence in state and local government financial reporting. To be awarded a *Certificate of Achievement*, a government unit must publish an easily readable and efficiently organized CAFR whose contents conform to program standards. The document must satisfy both generally accepted accounting principles and applicable legal requirements. Our 2015 report was our first submittal and the City was successful in receiving the GFOA Certificate of Achievement. We are submitting our fiscal year 2017 report expecting to receive the award for a third time.

I would like to thank all members of the Finance Department as well as all other departments who assisted with assembling the information presented in this report. I would like to acknowledge the City's auditors, Mauldin & Jenkins, LLC, with the assistance they provided in meeting the deadlines established for publication of the document. The Mayor, City Council, City Manager and Assistant City Manager have been significant agents of change. Many projects have been completed and more are underway.

Respectfully submitted,

L Nabers

Linda Nabers
Finance Director

CITY OF BROOKHAVEN, GEORGIA

LIST OF PRINCIPAL OFFICIALS

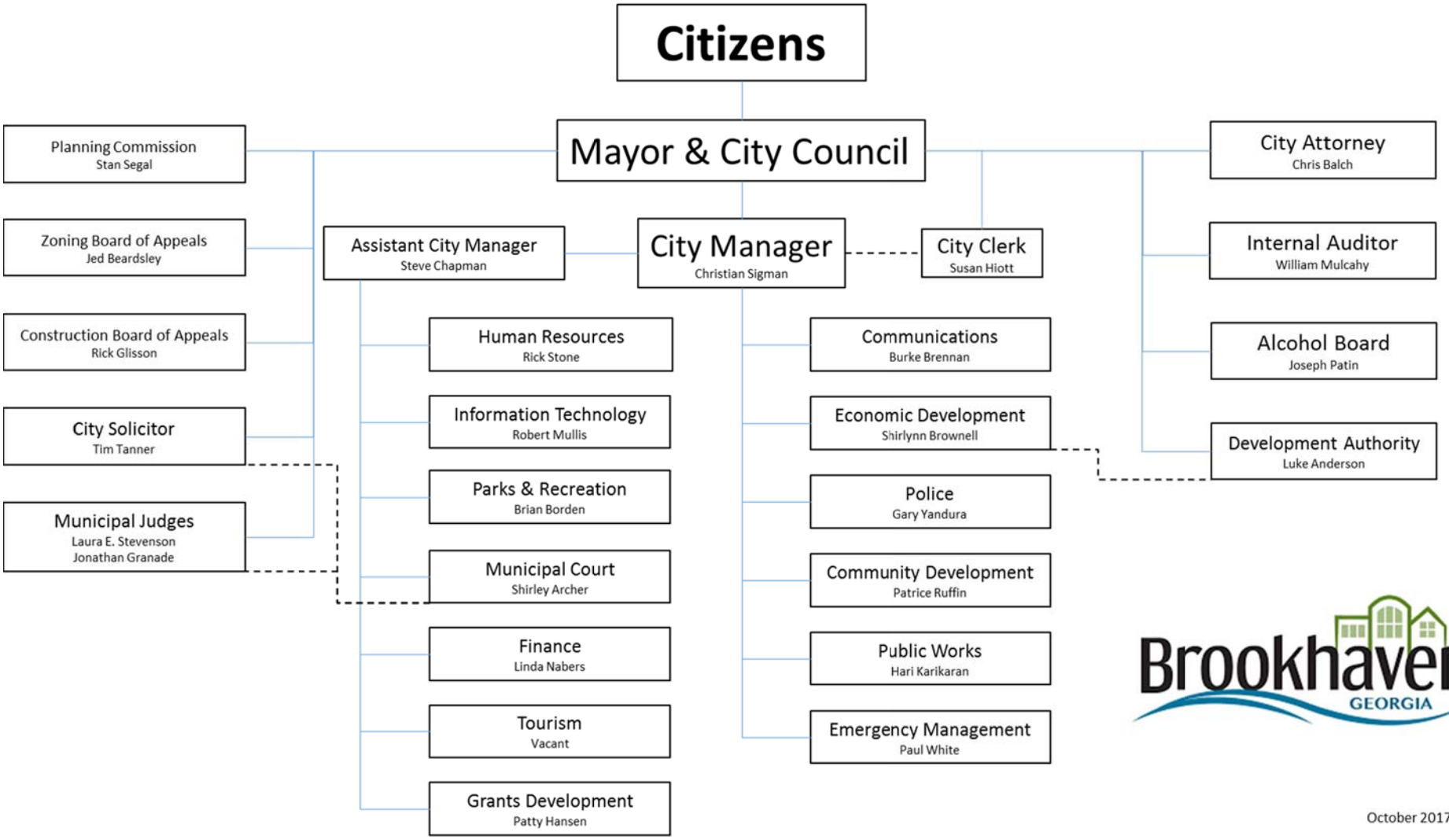
DECEMBER 31, 2017

LEGISLATIVE BRANCH

Mayor	John A. Ernst, Jr.
Council Member – District 1	Linley Jones
Council Member – District 2	John Park
Council Member – District 3	Bates Mattison
Council Member – District 4	Joe Gebbia

MANAGEMENT STAFF

City Manager	Christian Sigman
Asst. City Manager/CFO	Steve Chapman II
City Clerk	Susan Hiott
Director of Human Resources	Rick Stone
Director of Finance	Linda Nabers
Communications Director	Burke Brennan
Director of Information Technology	Robert Mullis
Municipal Court Administrator	Shirley Archer
Police Chief	Gary Yandura
Director of Public Works	Hari Karikaran
Director of Parks & Recreation	Brian Borden
Director of Community Development	Patrice Ruffin
Director of Economic Development	Shirlynn Brownell


Citizens
Mayor & City Council
Planning Commission
Stan Segal
Zoning Board of Appeals
Jed Beardsley
Construction Board of Appeals
Rick Glisson
City Solicitor
Tim Tanner
Municipal Judges
Laura E. Stevenson
Jonathan Granade
Assistant City Manager
Steve Chapman
City Manager
Christian Sigman
City Clerk
Susan Hiott
City Attorney
Chris Balch
Internal Auditor
William Mulcahy
Alcohol Board
Joseph Patin
Development Authority
Luke Anderson
Human Resources
Rick Stone
Information Technology
Robert Mullis
Parks & Recreation
Brian Borden
Municipal Court
Shirley Archer
Finance
Linda Nabers
Tourism
Vacant
Grants Development
Patty Hansen
Communications
Burke Brennan
Economic Development
Shirlynn Brownell
Police
Gary Yandura
Community Development
Patrice Ruffin
Public Works
Hari Karikaran
Emergency Management
Paul White
Brookhaven
GEORGIA
October 2017

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Brookhaven

Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2016

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION

MAULDIN & JENKINS

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members
of the City Council of the
City of Brookhaven, 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 Brookhaven, Georgia**, as of and for the year ended December 31, 2017, 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 as of December 31, 2017, and the respective changes in financial position, and, where applicable, cash flows thereof 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 and General Fund and Grant Fund – Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (GAAP Basis), as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Other Information (Continued)

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 13, 2018, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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'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's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Atlanta, Georgia
June 13, 2018

CITY OF BROOKHAVEN, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Brookhaven (City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the year ended December 31, 2017. We encourage readers to consider the information presented in conjunction with the basic financial statements, notes, and supplementary information found in this report. This information taken collectively is designed to provide readers with an understanding of the City's finances.

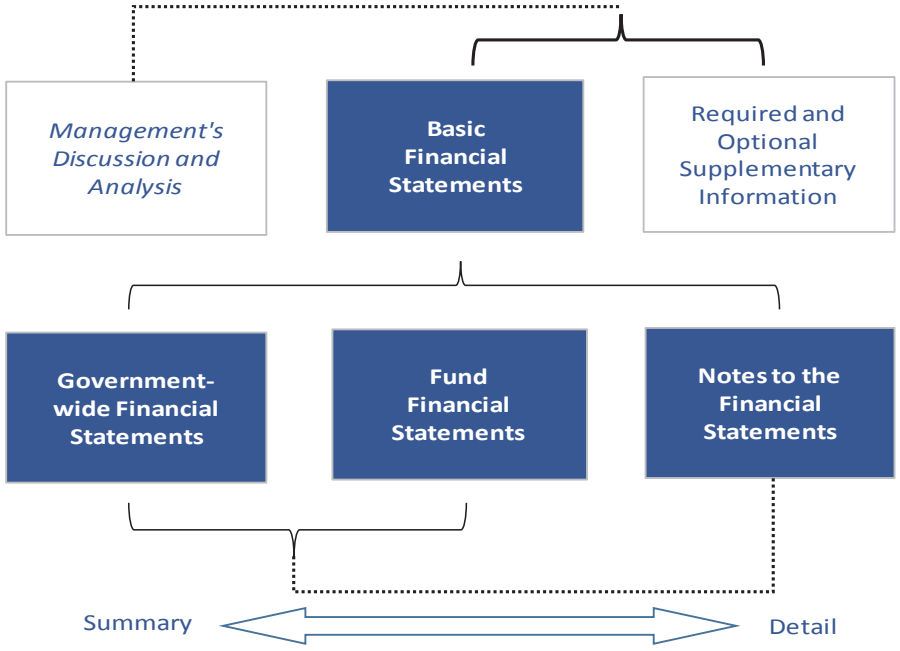
FINANCIAL HIGHLIGHTS

- The assets of the City exceeded its liabilities at the close of the fiscal period by $107,673,951. Of this amount, unrestricted net position of $25,524,070 is available to meet the ongoing obligations of the government.

- As of the close of the fiscal period, the City's governmental funds reported combined ending fund balances of $27,247,538.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report is comprised of four segments as dictated by generally accepted accounting principles (GAAP); management's discussion and analysis (this section), the basic financial statements, required supplementary information and other supplementary information. The basic financial statements include two kinds of statements that present different views of the City comprise four components: 1) government-wide financial statements, 2) fund financial statements, 3) notes to the financial statements and 4) other supplementary information in addition to the basic financial statements themselves.



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

The statement of net position presents information on all of the City's assets and liabilities, with the difference between them reported as net position. Overtime, increases or decreases in net position may serve as a useful 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 most recent fiscal period. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cashflows. Thus, revenues and expenses are reported in this statement for some items that will only result in cashflows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Major Features of the City of Brookhaven's Government-wide and Fund Financial Statements

		Fund Statements	
	Government-wide Statements	Governmental Funds	Proprietary Funds
Scope	Entire City government	Activities of the City that are not proprietary, such as police, zoning, and parks	Activities the City operates similar to private business; stormwater utility
Required financial statements	* Statement of net position * Statement of activities	* Balance sheet * Statement of revenues, expenditures, and changes in fund balance	* Statement of net position * Statement of revenues, expenses, and changes in net position * Statement of cash flows
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, short-term and long-term
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, judicial, public safety, public works, housing and development and recreation.

The government-wide financial statements can be found on pages 25 and 26 of this report.

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the 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 four major governmental funds. The City's major governmental funds are the General, Homestead Option Sales Tax (HOST), Grant and Capital Projects fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for these major funds.

The City adopts an annual appropriated budget for its general and special revenue funds. A project length budget is adopted for the capital project fund. A budgetary comparison statement has been provided for the general fund and special revenue funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 27 through 29 of this report.

Proprietary Funds. Under GASB Statement No. 34, governments report two types of proprietary funds if applicable. The City maintains one proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses an enterprise fund to account for its stormwater fund. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

The proprietary fund financial statements can be found on pages 30 through 32 of this report.

Notes to the Financial Statements. The notes 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 33 through 52 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information such as the budgetary comparison schedule for the general fund and major special revenue funds as presented on a generally accepted accounting principal basis in this section. This schedule is intended to demonstrate the City's compliance with the legally adopted

basis in this section. This schedule is intended to demonstrate the City's compliance with the legally adopted and amended budget. Required supplementary information can be found on pages 53 through 55 of this report.

The combining fund financial statements are presented immediately following the required supplementary information. They can be found on pages 56 and 57 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

City of Brookhaven, Georgia's Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2017	2016	2017	2016	2017	2016
Assets:						
Current assets	$ 32,034,129	$ 25,493,827	$ 1,929,770	$ 1,954,037	$ 33,963,899	$ 27,447,864
Capital assets, net	77,328,582	65,150,566	7,412,334	7,146,150	84,740,916	72,296,716
Total assets	109,362,711	90,644,393	9,342,104	9,100,187	118,704,815	99,744,580
Liabilities						
Current liabilities	4,706,898	2,424,274	236,690	89,327	4,943,588	2,513,601
Long-term liabilities	6,087,276	1,469,276	-	-	6,087,276	1,469,276
Total liabilities	10,794,174	3,893,550	236,690	89,327	11,030,864	3,982,877
Net Position						
Net investment in capital assets	72,013,003	64,370,907	7,412,334	7,146,150	79,425,337	71,517,057
Restricted	2,724,544	2,405,177	-	-	2,724,544	2,405,177
Unrestricted	23,830,990	19,974,759	1,693,080	1,864,710	25,524,070	21,839,469
Total net position	$ 98,568,537	$ 86,750,843	$ 9,105,414	$ 9,010,860	$ 107,673,951	$ 95,761,703

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by $107,673,951 at the close of the most recent fiscal year.

By far the largest portion of the City's net position (73.8%) reflects its investment in capital assets (e.g. land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position ($2,724,544) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position ($25,524,070 or 23.7%) may be used to meet the City's ongoing obligations to citizens and creditors.

At the end of the current year, the City is able to report positive balances in all three categories of net position, both for the City as a whole, as well as for its separate governmental and business-type activities.

Governmental Activities. Governmental activities increased the City of Brookhaven's net position by $11,817,694, thereby accounting for 99.2% of the total increase in the net position of the City. Key elements of this increase are shown in detail in the table on the following page.

City of Brookhaven, Georgia's Change in Net Posistion

	Governmental Activities		Business-type Activities		Total Primary Government	
	2017	2016	2017	2016	2017	2016
Revenues						
Program revenues:						
Charges for services	$ 5,921,195	$ 6,867,248	$ 1,988,504	$ 1,581,760	$ 7,909,699	$ 8,449,008
Capital grants & contributions	2,492,933	326,032	-	-	2,492,933	326,032
General revenues:						
Property taxes	9,454,749	7,684,986	-	-	9,454,749	7,684,986
Sales taxes	6,691,614	6,911,336	-	-	6,691,614	6,911,336
Hotel/Motel tax	2,948,420	1,950,677	-	-	2,948,420	1,950,677
Franchise taxes	4,630,027	4,111,311	-	-	4,630,027	4,111,311
Business tax	5,367,889	5,008,501	-	-	5,367,889	5,008,501
Alcohol and excise taxes	1,468,069	1,396,966	-	-	1,468,069	1,396,966
Unrestricted Investment earnings	43,259	9,677	-	-	43,259	9,677
Miscellaneous	424,329	403,235	-	-	424,329	403,235
Gain on sale of capital assets	7,429,465	-	-	-	7,429,465	-
Capital contributions	-	-	-	251,800	-	251,800
Total revenues	46,871,949	34,669,969	1,988,504	1,833,560	48,860,453	36,503,529
Expenses:						
General government	5,896,748	5,101,706	-	-	5,896,748	5,101,706
Judicial	580,297	584,753	-	-	580,297	584,753
Public safety	11,552,258	10,595,386	-	-	11,552,258	10,595,386
Public works	6,628,883	4,295,145	-	-	6,628,883	4,295,145
Housing and development	4,644,383	3,736,194	-	-	4,644,383	3,736,194
Culture and recreation	5,695,736	4,423,411	-	-	5,695,736	4,423,411
Community development	-	146,983	-	-	-	146,983
Interest on long-term debt	95,950	28,226	-	-	95,950	28,226
Stormwater	-	-	1,853,950	1,488,786	1,853,950	1,488,786
Total expenses	35,094,255	28,911,804	1,853,950	1,488,786	36,948,205	30,400,590
Transfers	40,000	-	(40,000)	-	-	-
Changes in net position	11,817,694	5,758,165	94,554	344,774	11,912,248	6,102,939
Net position, beginning of year	86,750,843	80,992,678	9,010,860	8,666,086	95,761,703	89,658,764
Net position, end of year	$ 98,568,537	$ 86,750,843	$ 9,105,414	$ 9,010,860	$ 107,673,951	$ 95,761,703

- The City's governmental activities has recognized a $946,053 or 13.8% decrease in charges for services from 2016. This is principally due to decreased judicial fines, as well as, the end of the legal fee reimbursement, offset marginally by the building permitting activities.

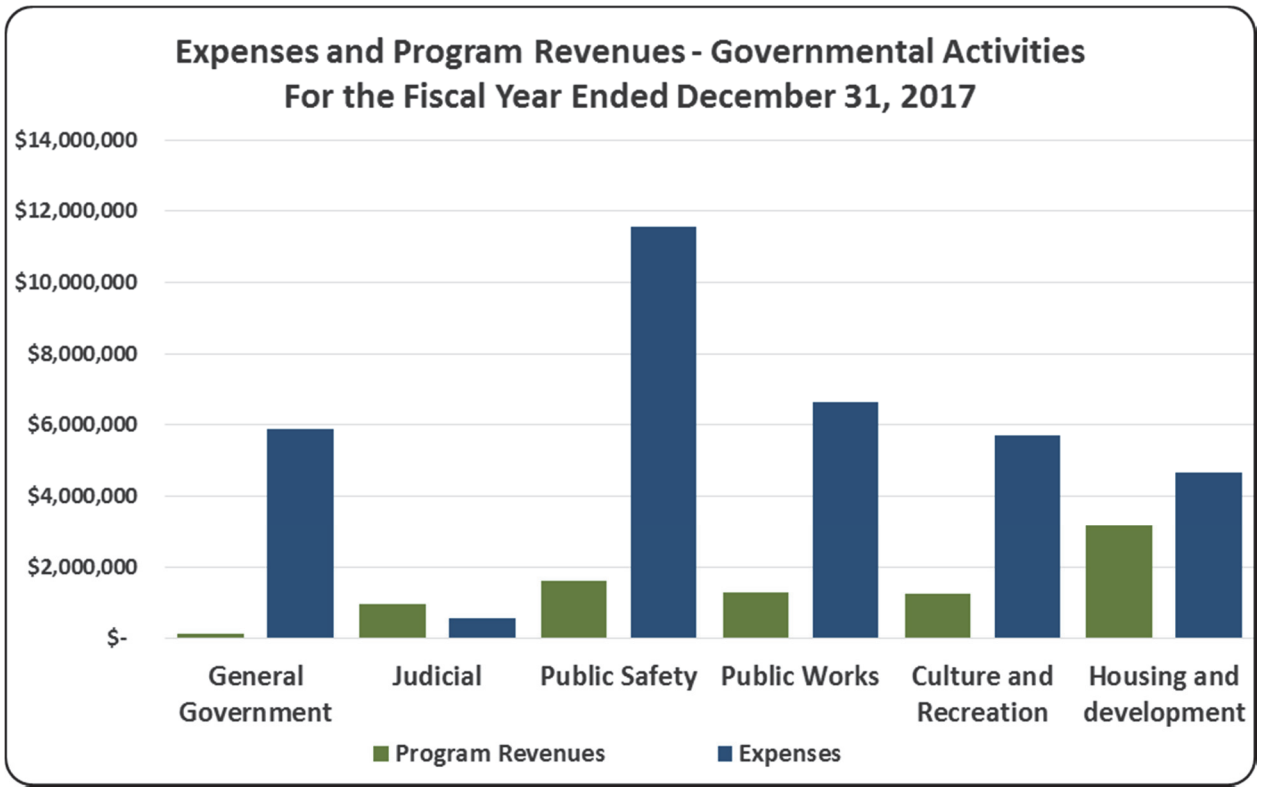
- Property tax revenues for 2017 were $1.8 million greater than those of 2016. This 23.0% increase was due to the healthy growth in the tax digest due to new construction and improvements. Additionally, the City Council did not rollback the millage from 2.740 mills, providing approximately $933,000 in additional property taxes as a result of property appreciation. This amount has been assigned for capital improvement through the City Council's approval of the FY 2018 budget.

- A slight decrease in the sales tax revenues in 2017 from 2016 by ($219,722). The HOST revenues are dedicated to capital improvements. The HOST funds were moved to a Capital Improvement Fund where projects were established and the funds were designated appropriately, to Council approved projects which included various park improvements, road and sidewalks improvements.

- Franchise fees for the City increased by $518.7 thousand or 12.6%. The City collected franchise fees that included electricity, cable and telephone. The Georgia Power distribution was the major contributor in this increase.

- The City's business tax revenues increased by $359.4 thousand or 7.2% from 2016 revenues. The City had new business revenues for 2017 showing a strengthening economy.

- The City made an exchange with the DeKalb County Board of Education on land that resulted in a gain on the exchange of capital assets in the amount of $7.4 million. The exchange of property was for relocation of Skyland Park and the new park is expected to be finished in 2018.



The increase in governmental activities expenses of $6.1 million is attributed to the following major changes:

- In 2017, the general government activities expenses of the City increased by $795.0 thousand over the 2016 expenses. This 15.6% increase was primarily due to the digital video archiving project, the City's fifth anniversary celebration, and first floor City hall women's restroom

renovation $50 thousand. Legal fees for condemnation matters and other legal matters $190 thousand, archiving digital data and implementation of City Works for Public Works and Community Development $200 thousand, and transition from contracted positions in Communications to full time City employees. We added several parks that also included the contracted maintenance expenses to increase in this area by $190 thousand.

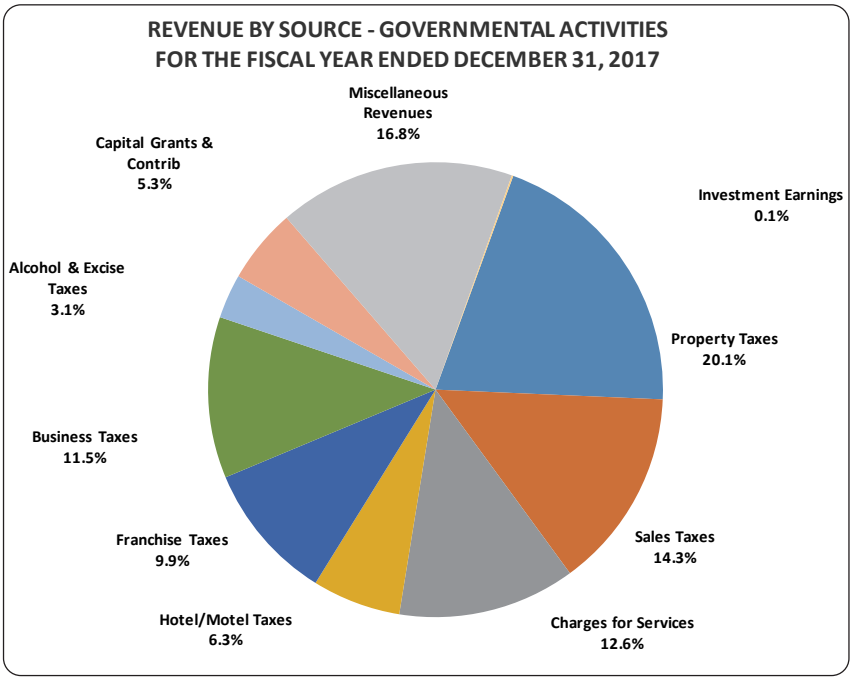
- Public safety activities increased by $956.9 thousand or 9.0% for 2017. Contributing to the increase is the active Government of Highway Safety Grant (GOHS) and the Project Safe Neighborhood Grant (PSN) for a total of $284.5 thousand. The City also purchased 18 new Public Safety vehicles for $630.7 thousand.

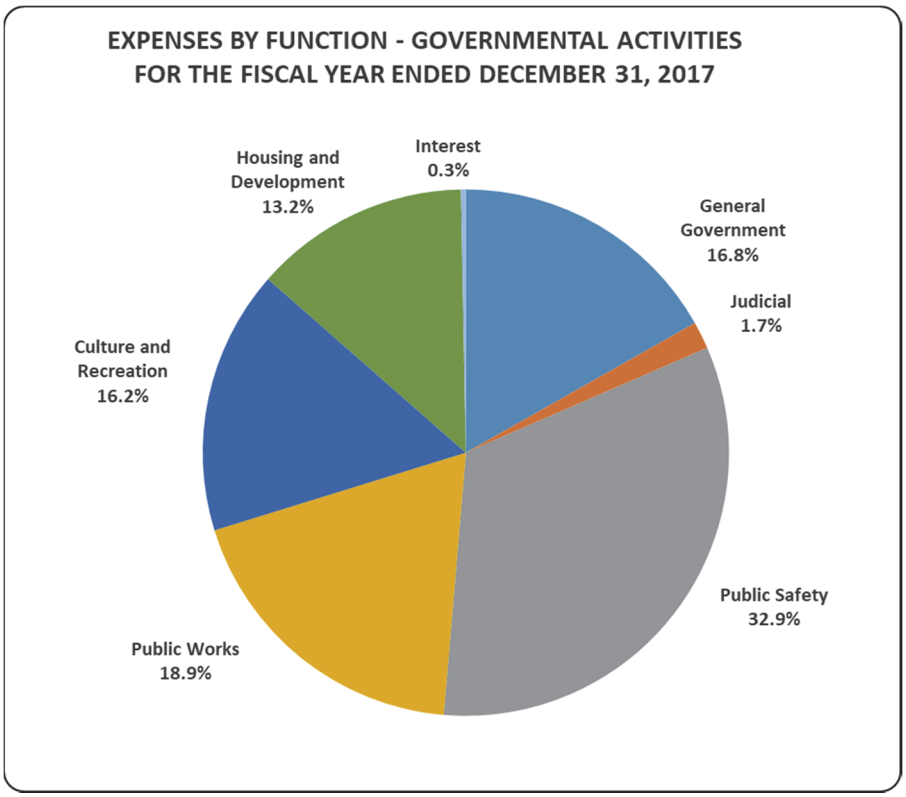
- In 2017, public works activity expenses increased by $2.3 million or 54.3%. This increased as the City continues to prioritize street paving funded through HOST and the Capital Projects Fund.

- In 2017, the City continued bringing various parks online, resulting in investments in repair and maintenance and park facility programming. The expenses for culture and recreation increased by $1.2 million due to the engagement of technical and professional contractors and staff to bring parks, pools and recreational amenities online. Over $1.5 million was expended in the Capital Projects Fund for Skyland Park in 2017. Georgian Hills Park was near completion in 2017 as well.

- Housing and development expenses increased $908.2 thousand or 24.3% from those for 2016. This difference is principally attributed to the City's increase in the Hotel/Motel tax rate from 5% to 8%. The change went into effect in October thus causing an increase in the expenses paid to the Dekalb Convention Visitors Bureau. The City also collected back taxes from the Marriott in the amount of $545 thousand.

The charts below denote the source of the City's governmental revenues and expenses:





Business-Type Activities. Business-type activities increased the City's net position by $94,554, thereby accounting for 0.8% of the total increase in the net position of the City. The sole business-type activity is its stormwater operations, which are accounted for in its Stormwater Fund. This fund is used to facilitate the repair, maintenance, and improvements to the City's stormwater facilities.

Stormwater Fund Operations

	Operating Revenues		Operating Expenses		Income from Operations	
	2017	2016	2017	2016	2017	2016
Fund:						
Stormwater	$1,988,504	$1,581,760	$1,853,950	$1,488,786	$134,554	$92,974
Totals	$1,988,504	$1,581,760	$1,853,950	$1,488,786	$134,554	$92,974

The revenues for the Stormwater Fund increased $406,744 or 25.7% from the previous year. Although the City took over stormwater services during incorporation of the City in 2012, efforts continue to define the elements of the stormwater program.

Stormwater assessment fees (computed based on a property's impervious surface area) were $1,894,504 up from 2016 by $312,744; the stormwater fund also recaptured $94,000 from the buildout of Byrnwick Drive Bypass. Depreciation on the capital assets accounted for 9.9% of the operating expenses.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental Funds. 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 the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the City's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balance of $27,247,538.

General Government Fund Balance		Purpose	2017	2016	Diff.
	Non-spendable "inherently non-expendable "such as deposits or inventory	Prepaid Expenses	$ 697,283	$ 431,443	$ 265,840
	Restricted External "legal limitations" on use	Streetlighting	335,582	337,995	(2,413)
		Confiscated Funds	300,353	194,165	106,188
		E911 Operations	-	167,434	(167,434)
		Public Works	562,446	-	562,446
		Tourism (Hotel Motel)	1,485,020	1,660,476	(175,456)
		Police Donations	30,928	31,569	(641)
UNRESTRICTED FUND BALANCE	**Committed** "Self-imposed" limitations on use	Debt Service	1,194,763	-	1,194,763
	Assigned Limitations resulting from "intended use"	HOST	1,661,404	9,486,486	(7,825,082)
		Subsequent year's budget: appropriation of fund balance	173,719	550,043	(376,324)
		Capital Projects	10,975,319	3,028,983	7,946,336
		Public Safety	286,966	-	286,966
		Future Capital Improvements	933,953	933,953	-
		Tree Conservation	43,969	21,369	22,600
	Unassigned "Residual" net resources	General Fund	8,565,833	6,253,311	2,312,522
		Special Tax District No 1	-	(76,521)	76,521
	TOTALS FOR GOVERNMENTAL FUNDS		$ 27,247,538	$ 23,020,706	$ 4,226,832

General Fund. The general fund is the primary operating fund of the City. At the end of the current fiscal period, unassigned fund balance was $8,565,833 while total fund balance was $10,445,685. This balance includes $697,283 in prepaid expenses and $30,928 in police donations as restricted fund balance. Additionally, $1,151,641 was assigned for other purposes. This includes $173,719 for next year's budget, $933,953 for future capital improvements, and $43,969 for tree conservation. Fund balance increased $2,223,997 over the prior year primarily from actual revenues exceeding expectations for electric and gas

franchise fees by $1.4 million, due to prior annexation changes. Permitting fees were up by $967.3 thousand due to the new construction associated with the Children's Healthcare of Atlanta complex and insurance premium tax increased by $477.3 thousand. The Unassigned Reserve accounts for 33% of FY 2018 approved budgetary expenditures which is above the target set by the City's fund balance policy as approved by the City Council. This is the second year that the City has fully funded its policy mandated unassigned reserve.

Homestead Option Sales Tax Fund (HOST). The HOST fund was set up to account for receipt of HOST sales tax revenues and associated expenditures for capital improvements. During the current year, $6,655,518 ($6,636,024 in sales tax revenues, and $19,494 in investment income) was recognized as revenues, while a total of $667,961 was expended and $13.8 million was transferred out to the Capital Project Fund.

Grant Fund. The Grant Fund was established to account for funds received from the federal and state government. In 2017, $1.6 million in revenues were received, and $285.1 thousand spent mostly on the Project Safe Neighborhood Program and the Government of Highway Safety Grant. There were transfers out to the Capital Projects Fund for expenditures related to transportation improvements of $718,748. The primary increase was due to receipt of State LMIG funding (916 thousand) in 2017.

Capital Projects Fund. The Capital Projects Fund was set up to capture the costs related to major projects that include, public safety, public works and recreation. The projects were funded using fund balance from the HOST fund, as well as, proceeds from the sale of capital assets and a new GEFA loan was obtained to fund the purchase of greenspace property. During 2017, $920,360 was recognized as intergovernmental revenues. There was $11.6 million spent on capital outlay with the bulk of the expenses used for street paving, sidewalk projects, and park improvements. The fund balance remains at $10.2 million at the end of 2017 to be used for future capital projects. The primary increase in fund balance was due to $4.7 million received from DeKalb County for the sale of land and transfers in from the HOST fund.

GENERAL FUND BUDGETARY HIGHLIGHTS

The City utilized a conservative approach for budgeting purposes. Emphasis was given to ensuring financial stability for the current period as well as long-term stability.

The City employs an annual mid-year budget process in order to re-align appropriations made during the annual budget process with significant unexpected trends. This ensures adjustments facilitating appropriations to be in alignment with expected resources. On September 1, 2017, the City Council amended the 2017 budget by $933,953 and appropriated from fund balance projects to include future Capital Improvement Projects. On November 2, 2017, the Council also amended the 2017 Budget by $350,000 being appropriated from fund balance, so Public Works could proceed on projects for 2018 road paving.

The General Fund 2017 actual revenues were $2.5 million or 11.2% greater than the amended budget. This variance is principally attributed to $1.4 million franchisee fees and $967 thousand in building permit revenues offset slightly by less than anticipated revenues from property taxes ($220.4 thousand), and fines and forfeitures ($447.0 thousand). The 2017 expenditures were $1.2 million or 5.3% less than the amended budget. No departments exceeded their appropriations for 2017. Details of the original general fund budget and the amended budget are contained on pages 53 and 54 of this report.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. The City's investment in capital assets for its governmental and business-type activities at December 31, 2017, amounts to $84,740,916 (net of accumulated depreciation). This investment in capital assets includes land, structures, vehicles, as well as infrastructure assets such as streets, curbs, sidewalks, culverts and drainage ponds. A majority of these infrastructure assets were transferred to the City from DeKalb County. The City continues to work on projects and improvements.

The following table summarizes the capital assets (net of depreciation) for governmental activities, business-type activities and the total for the primary government.

City of Brookhaven, Georgia's Capital Assets
(Net of depreciation)

	Governmental Activities		Business-type Activities		Totals	
	2017	2016	2017	2016	2017	2016
Land	$ 11,304,991	$ 1,924,238	$ -	$ -	$ 11,304,991	$ 1,924,238
Construction in progress	4,725,214	208,911	251,800	251,800	4,977,014	460,711
Improvements	2,103,893	2,102,832	-	-	2,103,893	2,102,832
Buildings	1,349,246	1,443,224	-	-	1,349,246	1,443,224
Machinery and equipment	2,129,338	2,785,233	-	-	2,129,338	2,785,233
Infrastructure	55,715,900	56,686,128	-	-	55,715,900	56,686,128
Stormwater infrastructure	-	-	7,160,534	6,894,350	7,160,534	6,894,350
Totals	$ 77,328,582	$ 65,150,566	$ 7,412,334	$ 7,146,150	$ 84,740,916	$ 72,296,716

Additional information on the City's capital assets can be found in note 6 on pages 45 and 46 of this report.

Long-Term Debt. At December 31, 2017, the City's long-term debt amounted to $6,087,276. The debt consisted of capital leases used to acquire police equipment, computers and software, as well as any accrued compensated absences in the amount of $771.7 thousand.

The City took out a Georgia Environmental Finance Authority (GEFA) loan in the amount of $5.2 million for the purchase of greenspace near the Peachtree Dekalb Airport utilizing a low interest rate loan acquired through the Clean Water State Revolving Fund.

Additional information on the City's long-term debt can be found in note 7 on pages 46 through 48 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City's management and elected officials considered many factors when adopting the budget for the fiscal year ending December 31, 2018.

- The 2018 budget anticipates a relatively stable tax digest.

- The City has an operating millage rate cap of 3.35 mills that is set by City Charter. The 2018 budget was prepared using the same rate as in FY 2017 of 2.740 mills.

- The City changed health care carriers in 2017 in order to stay within the budgeted employee benefits budgeted for 2018, while still maintaining the same level of services for healthcare.

- The City sees the biggest challenge in the upcoming budget year as continuing to strive to provide excellent customer service to citizens, while executing on completion of budgeted capital improvements throughout the City.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City of Brookhaven's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department, City of Brookhaven, 4362 Peachtree Road, Brookhaven, Georgia, 30319, or by calling (404)637-0500.

CITY OF BROOKHAVEN, GEORGIA

STATEMENT OF NET POSITION
DECEMBER 31, 2017

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	$ 25,257,864	$ 1,855,051	$ 27,112,915
Accounts receivable	3,220,013	60,500	3,280,513
Property taxes receivable	472,524	-	472,524
Due from other governments	2,386,445	-	2,386,445
Prepaids	697,283	14,219	711,502
Capital assets:			
Nondepreciable	16,030,205	251,800	16,282,005
Depreciable, net of accumulated depreciation	61,298,377	7,160,534	68,458,911
Total assets	109,362,711	9,342,104	118,704,815
LIABILITIES			
Accounts payable	3,688,503	236,690	3,925,193
Accrued liabilities	309,214	-	309,214
Unearned revenue	709,181	-	709,181
Compensated absences, due within one year	617,357	-	617,357
Compensated absences, due in more than one year	154,340	-	154,340
Capital leases payable, due within one year	230,830	-	230,830
Capital leases payable, due in more than one year	23,682	-	23,682
Note payable, due within one year	239,856	-	239,856
Note payable, due in more than one year	4,821,211	-	4,821,211
Total liabilities	10,794,174	236,690	11,030,864
NET POSITION			
Net investment in capital assets	72,013,003	7,412,334	79,425,337
Restricted for streetlight service	345,059	-	345,059
Restricted for law enforcement	301,091	-	301,091
Restricted for promotion of tourism	1,485,020	-	1,485,020
Restricted for police donations	30,928	-	30,928
Restricted for public works	562,446	-	562,446
Unrestricted	23,830,990	1,693,080	25,524,070
Total net position	$ 98,568,537	$ 9,105,414	$ 107,673,951

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

CITY OF BROOKHAVEN, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position: Governmental Activities	Net (Expenses) Revenues and Changes in Net Position: Business-Type Activities	Net (Expenses) Revenues and Changes in Net Position: Total
Primary government:						
Governmental activities:						
General government	$ 5,896,748	$ 142,787	$ -	$ (5,753,961)	$ -	$ (5,753,961)
Judicial	580,297	979,400	-	399,103	-	399,103
Public safety	11,552,258	1,320,894	292,724	(9,938,640)	-	(9,938,640)
Public works	6,628,883	-	1,279,849	(5,349,034)	-	(5,349,034)
Housing and development	4,644,383	3,150,238	-	(1,494,145)	-	(1,494,145)
Culture and recreation	5,695,736	327,876	920,360	(4,447,500)	-	(4,447,500)
Interest and fiscal charges	95,950	-	-	(95,950)	-	(95,950)
Total governmental activities	35,094,255	5,921,195	2,492,933	(26,680,127)	-	(26,680,127)
Business-type activities:						
Stormwater	1,853,950	1,988,504	-	-	134,554	134,554
Total primary government	$ 36,948,205	$ 7,909,699	$ 2,492,933	(26,680,127)	134,554	(26,545,573)
General revenues:						
Property taxes				9,454,749	-	9,454,749
Sales taxes				6,691,614	-	6,691,614
Hotel/Motel taxes				2,948,420	-	2,948,420
Franchise taxes				4,630,027	-	4,630,027
Business taxes				5,367,889	-	5,367,889
Alcohol & excise taxes				1,468,069	-	1,468,069
Unrestricted investment earnings				43,259	-	43,259
Miscellaneous revenues				424,329	-	424,329
Gain on sale of capital assets				7,429,465	-	7,429,465
Transfers				40,000	(40,000)	-
Total general revenues and transfers				38,497,821	(40,000)	38,457,821
Change in net position				11,817,694	94,554	11,912,248
Net position, beginning of year				86,750,843	9,010,860	95,761,703
Net position, end of year				$ 98,568,537	$ 9,105,414	$ 107,673,951

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

CITY OF BROOKHAVEN, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2017

ASSETS	General Fund	Homestead Option Sales Tax Fund	Grant Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Cash and cash equivalents	$ 8,440,054	$ 32,752	$ 747,753	$ 11,039,834	$ 4,997,471	$ 25,257,864
Accounts receivable	3,128,856	-	-	-	91,157	3,220,013
Taxes receivable, net of allowance	149,739	-	-	-	322,785	472,524
Due from other funds	-	-	-	507,092	-	507,092
Intergovernmental receivable	43,431	1,631,212	358,402	353,400	-	2,386,445
Prepaids	697,283	-	-	-	-	697,283
Total assets	$ 12,459,363	$ 1,663,964	$ 1,106,155	$ 11,900,326	$ 5,411,413	$ 32,541,221
LIABILITIES						
Accounts payable	$ 1,279,138	$ 2,560	$ 36,617	$ 1,727,813	$ 642,375	$ 3,688,503
Accrued liabilities	289,347	-	-	-	12,150	301,497
Due to other funds	-	-	507,092	-	-	507,092
Unearned revenue	367,998	-	-	-	341,183	709,181
Total liabilities	1,936,483	2,560	543,709	1,727,813	995,708	5,206,273
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	77,195	-	-	-	10,215	87,410
Total deferred inflows of resources	77,195	-	-	-	10,215	87,410
FUND BALANCES						
Fund balances:						
Nonspendable:						
Prepaids	697,283	-	-	-	-	697,283
Restricted:						
Law enforcement	-	-	-	-	300,353	300,353
Streetlight service	-	-	-	-	335,582	335,582
E-911 operations	-	-	-	-	-	-
Tourism	-	-	-	-	1,485,020	1,485,020
Police donations	30,928	-	-	-	-	30,928
Public works	-	-	562,446	-	-	562,446
Committed - debt service	-	-	-	-	1,194,763	1,194,763
Assigned:						
Future capital improvements	933,953	-	-	-	-	933,953
Subsequent year's budget, appropriations of fund balance	173,719	-	-	-	-	173,719
Tree fund activities	43,969	-	-	-	-	43,969
HOST activities	-	1,661,404	-	-	-	1,661,404
Public safety	-	-	-	-	286,966	286,966
Capital projects	-	-	-	10,172,513	802,806	10,975,319
Unassigned	8,565,833	-	-	-	-	8,565,833
Total fund balances	10,445,685	1,661,404	562,446	10,172,513	4,405,490	27,247,538
Total liabilities, deferred inflows of resources, and fund balances	$ 12,459,363	$ 1,663,964	$ 1,106,155	$ 11,900,326	$ 5,411,413	
Amounts reported for governmental activities in the statement of net position are different because:						
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds.						77,328,582
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.						(6,094,993)
Some revenues are not available in the current period and, therefore, are not reported in the funds.						87,410
Net position of governmental activities						$ 98,568,537

The accompanying notes are an integral part of these statements.

CITY OF BROOKHAVEN, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE YEAR ENDED DECEMBER 31, 2017

	General Fund	Homestead Option Sales Tax Fund	Grant Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:						
Property taxes	$ 8,363,462	$ -	$ -	$ -	$ 1,062,147	$ 9,425,609
Sales taxes	55,590	6,636,024	-	-	-	6,691,614
Hotel/Motel taxes	-	-	-	-	2,948,420	2,948,420
Franchise taxes	4,630,027	-	-	-	-	4,630,027
Alcohol excise taxes	1,138,944	-	-	-	-	1,138,944
Business taxes	5,367,889	-	-	-	-	5,367,889
Excise taxes	329,125	-	-	-	-	329,125
Licenses and permits	3,207,348	-	-	-	-	3,207,348
Intergovernmental	6,281	-	1,566,292	920,360	-	2,492,933
Charges for services	795,095	-	-	-	939,532	1,734,627
Fines and forfeitures	902,971	-	-	-	76,249	979,220
Contributions	37,239	-	-	-	-	37,239
Interest earned	23,719	19,494	43	-	3	43,259
Miscellaneous	135,598	-	-	-	251,492	387,090
Total revenues	24,993,288	6,655,518	1,566,335	920,360	5,277,843	39,413,344
Expenditures:						
Current:						
General government	5,775,622	50	-	-	-	5,775,672
Judicial	576,361	-	-	-	-	576,361
Public safety	8,294,726	-	284,521	263,580	1,662,812	10,505,639
Public works	1,593,750	990	620	2,526,706	440,802	4,562,868
Recreation	2,477,765	-	-	2,948,853	-	5,426,618
Housing and development	3,246,127	-	-	-	1,385,326	4,631,453
Capital outlay	-	666,921	-	11,589,537	677,269	12,933,727
Debt service:						
Principal	-	-	-	-	664,080	664,080
Interest	-	-	-	-	40,656	40,656
Issuance cost	-	-	-	-	57,000	57,000
Total expenditures	21,964,351	667,961	285,141	17,328,676	4,927,945	45,174,074
Excess (deficiency) of revenues over (under) expenditures	3,028,937	5,987,557	1,281,194	(16,408,316)	349,898	(5,760,730)
Other financing sources (uses):						
Transfers in	1,571,011	-	-	16,022,879	2,511,610	20,105,500
Transfers out	(2,375,951)	(13,812,639)	(718,748)	(1,419,612)	(1,738,550)	(20,065,500)
Proceeds from issuance of note payable	-	-	-	5,200,000	-	5,200,000
Proceeds from sale of capital assets	-	-	-	4,747,562	-	4,747,562
Total other financing sources (uses)	(804,940)	(13,812,639)	(718,748)	24,550,829	773,060	9,987,562
Net change in fund balances	2,223,997	(7,825,082)	562,446	8,142,513	1,122,958	4,226,832
Fund balances, beginning of year	8,221,688	9,486,486	-	2,030,000	3,282,532	23,020,706
Fund balances, end of year	$ 10,445,685	$ 1,661,404	$ 562,446	$ 10,172,513	$ 4,405,490	$ 27,247,538

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

CITY OF BROOKHAVEN, GEORGIA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2017

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds	$	4,226,832
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.		9,496,113
The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, and donations) is to increase net position.		2,681,903
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		29,140
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the effect of these differences in the treatment of long-term debt.		(4,535,920)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		(80,374)
Change in net position - governmental activities	$	11,817,694

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

CITY OF BROOKHAVEN, GEORGIA

STATEMENT OF NET POSITION
PROPRIETARY FUND
DECEMBER 31, 2017

ASSETS	Stormwater Fund
CURRENT ASSETS	
Cash	$ 1,855,051
Accounts receivable, net of allowance	60,500
Prepaids	14,219
Total current assets	1,929,770
NONCURRENT ASSETS	
Capital assets, non-depreciable	251,800
Capital assets, depreciable	7,918,876
Accumulated depreciation	(758,342)
Total capital assets, net	7,412,334
Total assets	9,342,104
LIABILITIES	
CURRENT LIABILITIES	
Accounts payable and accrued liabilities	236,690
Total current liabilities	236,690
NET POSITION	
Investment in capital assets	7,412,334
Unrestricted	1,693,080
Total net position	$ 9,105,414

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

CITY OF BROOKHAVEN, GEORGIA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	Stormwater Fund
OPERATING REVENUE	
Stormwater fees	$ 1,894,505
Other operating revenue	93,999
Total operating revenues	1,988,504
OPERATING EXPENSES	
Cost of services	1,671,220
Depreciation	182,730
Total operating expenses	1,853,950
Operating income before transfers	134,554
Transfers out	(40,000)
Change in net position	94,554
Total net position, beginning	9,010,860
Total net position, ending	$ 9,105,414

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

CITY OF BROOKHAVEN, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	Stormwater Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	$ 1,955,004
Payments to suppliers	(1,537,513)
Net cash provided by operating activities	417,491
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase of capital assets	(448,914)
Net cash used in capital and related financing activities	(448,914)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfer out to other funds	(40,000)
Net cash used in noncapital financing activities	(40,000)
Net change in cash	(71,423)
Cash, beginning of year	1,926,474
Cash, end of year	$ 1,855,051
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating income	$ 134,554
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	182,730
Change in assets and liabilities:	
Increase in accounts receivable	(33,500)
Increase in prepaid items	(13,656)
Increase in accounts payable	147,363
Net cash provided by operating activities	$ 417,491

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Brookhaven, Georgia (the "City") have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

A. Reporting Entity

The City, which was incorporated in 2012, operates under a charter adopted December 17, 2012, as a municipal corporation governed by an elected mayor and a four-member council. The government provides such services as police protection, cultural and recreational activities, community development and public works.

The accompanying financial statements present the City and its component unit, an entity for which the City is considered to be financially accountable.

Blended Component Unit

The Brookhaven Government Finance Corporation (the "BGFC") has been included as a blended component unit in the accompanying financial statements. The City appoints the four member board. Although it is legally separate from the City, its sole purpose is to finance construction and acquisitions of the City. The debt and assets of the BGFC have been reported as a form of the City's debt and assets and all debt service activity is reported as debt service activity of the City. Separate financial statements for the BGFC are not prepared. The City reports the BGFC as a debt service fund.

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 unit. The statement of net position includes non-current assets and non-current liabilities. In addition, the government-wide statement of activities reflects depreciation expense on the City's capital assets. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. However, any interfund services provided and used are not eliminated as this process would distort the direct costs and program revenues reported in the various functions.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-wide and Fund Financial Statements (Continued)

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

Separate financial statements are provided for governmental funds, and proprietary funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a 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. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Property taxes, sales taxes, franchise taxes, intergovernmental grants, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

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 revenue of the enterprise fund are charges to customers for services provided. Operating expenses for the enterprise fund include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

In accounting and reporting for its proprietary operations, the City applies all Governmental Accounting Standards Board (GASB) pronouncements. The City applies GASB Statement No. 62, *Codification of Accounting and Financial Reporting Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Statement No. 62 incorporated into the GASB's authoritative literature certain accounting and financial reporting guidance on or before November 30, 1989.

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

The City reports the following major governmental funds:

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

The **Homestead Option Sales Tax Fund** is used to account for locally funded acquisition and construction of major capital projects financed by homestead option sales tax funds.

The **Grant Fund** is used to account for federal and state funded initiatives and projects that are restricted for the specific purposes of those initiatives and projects

The **Capital Projects Fund** is used to account for the expenditures of money for major capital projects.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The City reports the following major proprietary fund:

The **Stormwater Fund** is used to account for the charges and expenses of maintaining the City's stormwater infrastructure.

Additionally, the City reports the following fund types:

The **Special Revenue Funds** are used to account for specific revenues which are legally restricted to expenditures for particular purposes.

The **Debt Service Fund** is used to account for the resources accumulated and payments made for principal and interest on long term debt of the City.

The **Capital Projects Funds** are used to account for the expenditures of money for major capital projects. These funds are general in nature and may be used to finance any capital project that the City Council designates.

D. Budgets

Formal budgetary accounting is employed as a management control device for the general fund, special revenue funds, debt service fund, and capital projects funds of the City. The governmental funds budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual operating budgets are adopted for the General Fund and each Special Revenue Fund each fiscal year through passage of an annual budget ordinance and amended as required. The City adopts project length budgets for the Capital Projects Funds. During the fiscal year ended December 31, 2017, the original budget was amended through supplemental appropriations. These changes are reflected in the budgetary comparison schedules.

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

E. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the City.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Receivables

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

G. Interfund Receivables and Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year as well as all other outstanding balances between funds are reported as “due to/from other funds.”

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2017, are recorded as prepaid items in both government-wide and fund financial statements. These items are accounted for using the consumption method.

I. Capital Assets

Capital assets, which include improvements, machinery and equipment, and infrastructure assets, are reported in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. The City has reported all infrastructure that it currently owns and has a responsibility for maintaining. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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

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

Improvements	15-40 years
Buildings	50 years
Machinery and equipment	3-20 years
Infrastructure	7-60 years

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Deferred Outflows/Inflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of 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 only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from taxes as these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available.

K. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation benefits. There is no liability for non-vesting accumulated rights to receive sick pay benefits since the City does not have a policy to pay any amounts when employees separate from service with the City. All vacation pay is accrued when incurred in the government-wide 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.

L. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position.

In the fund financial statements, governmental fund types recognize the face amount of the debt issued as other financing sources and the repayment of debt as debt service expenditures. Issuance costs are expenses when incurred.

M. Fund Equity

Fund equity at the governmental fund financial reporting level is classified as "fund balance." Fund equity for all other reporting is classified as "net position."

Fund Balance – Generally, fund balance represents the difference between the assets and liabilities and deferred inflows of resources under the current financial resources measurement focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in those funds can be spent.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Fund Equity (Continued)

Fund balances are classified as follows:

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

Restricted – Fund balances are reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, laws or regulations of other governments.

Committed – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed through a resolution of the City Council. Only the City Council may modify or rescind the commitment, also through a resolution.

Assigned – Fund balances are reported as assigned when amounts are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. The Fund Balance Policy, as adopted by the City Council, delegates the authority to the City manager or his or her designee to assign fund balance for particular purposes.

Unassigned – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The City reports positive unassigned fund balance only in the general fund.

The City's policy is to obtain and then maintain a minimum General Fund fund balance reserve equal to three months (25%) of annual budgeted expenditures.

Flow Assumptions – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the City's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the City's policy to use fund balance in the following order: (1) Committed, (2) Assigned, (3) Unassigned.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Fund Equity (Continued)

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

The City applies restricted resources first to fund outlays for which both restricted and unrestricted net position is available.

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 and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

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

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

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that "long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds." The details of this $6,094,993 difference are as follows:

Capital leases	$	(254,512)
Notes payable		(5,061,067)
Accrued interest payable		(7,717)
Compensated absences (i.e., vacation)		(771,697)
Net adjustment to reduce *fund balance - total governmental funds* to arrive at *net position - governmental activities*	$	(6,094,993)

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

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net change in fund balances – total governmental funds and change in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this $9,496,113 difference are as follows:

Capital outlay	$	12,919,365
Depreciation expense		(3,423,252)
Net adjustment to increase *net change in fund balances - total governmental funds* to arrive at *change in net position - governmental activities*	$	9,496,113

Another element of the reconciliation states that "The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, and donations) is to increase net position." The details of this $2,681,903 difference are as follows:

Capital assets received in land transaction	$	3,043,403
Net book value of capital assets sold		(361,500)
Net adjustment to increase *net changes in fund balances - total governmental funds* to arrive at *changes in net position - governmental activities*	$	2,681,903

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

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

Another element of the reconciliation states "the issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt. The details of this $4,535,920 difference are as follows:

Principal payments	$	664,080
Issuance of note payable		(5,200,000)
Net adjustment to decrease *net change in fund balances - total governmental funds* to arrive at *change in net position - governmental activities*	$	(4,535,920)

Another element of the reconciliation states that "some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds." The details of this $80,374 difference are as follows:

Compensated absences	$	(82,080)
Accrued interest		1,706
Net adjustment to decrease *net change in fund balances - total governmental funds* to arrive at *change in net position - governmental activities*	$	(80,374)

NOTE 3. LEGAL COMPLIANCE – BUDGETS

A. Budgets and Budgetary Accounting

The budget is officially adopted by the governing body prior to the beginning of its fiscal year, or a resolution authorizing the continuation of necessary and essential expenditures to operate the City will be adopted. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level, within the fund.

Transfers of appropriations within a department budget or within a non-departmental expenditure category require only the approval of the Finance Director. Increases in appropriations in a departmental budget or in a non-departmental expenditure category, require approval of the governing body in the form of amendments to the budget ordinance.

B. Excess Expenditures Over Appropriations

For the year ended December 31, 2017, the following funds and departments had actual expenditures in excess of their appropriations:

Grant Fund - Public works	$	620

These expenditures in excess of appropriations were funded by lower than budgeted expenditures in other areas and available fund balance.

NOTE 4. DEPOSITS

Custodial Credit Risk – Deposits: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. Government, or bonds of public authorities, counties, or municipalities. As of December 31, 2017, all of the City's bank balances were insured and collateralized as defined by GASB and State statutes.

NOTE 5. RECEIVABLES

Property taxes are levied on property values assessed as of January 1. The City contracts with DeKalb County to bill and collect City of Brookhaven property taxes. The taxes are levied by August 1 based on the assessed value of property as listed on the previous January 1 and are due on November 15 of each year, with a lien date of January 1 of the following year. Property taxes are recorded as receivables and unavailable revenues when assessed. Revenues are recognized when available.

Receivables at December 31, 2017, for the City's individual major funds and aggregate nonmajor funds, including any applicable allowances for uncollectible accounts, are as follows:

	General	Homestead Option Sales Tax	Grant	Capital Projects	Nonmajor Governmental Funds	Stormwater
Receivables:						
Accounts	$ 3,128,856	$ -	$ -	$ -	$ 91,157	$ 95,500
Taxes	215,739	-	-	-	335,312	-
Intergovernmental	43,431	1,631,212	358,402	353,400	-	-
Total receivables	3,388,026	1,631,212	358,402	353,400	426,469	95,500
Less allowance for uncollectibles	(66,000)	-	-	-	(12,527)	(35,000)
Net total receivable	$ 3,322,026	$ 1,631,212	$ 358,402	$ 353,400	$ 413,942	$ 60,500

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NOTE 6. CAPITAL ASSETS

Capital asset activity for the City for the year ended December 31, 2017 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated				
Land	$ 1,924,238	$ 9,742,253	$ (361,500)	$ 11,304,991
Construction in progress	208,911	4,516,303	-	4,725,214
Total	2,133,149	14,258,556	(361,500)	16,030,205
Capital assets, being depreciated:				
Improvements	3,831,140	158,669	-	3,989,809
Buildings	3,953,205	-	-	3,953,205
Machinery and equipment	7,519,496	919,685	-	8,439,181
Infrastructure	62,916,394	625,858	-	63,542,252
Total	78,220,235	1,704,212	-	79,924,447
Less accumulated depreciation for:				
Improvements	(1,728,308)	(157,608)	-	(1,885,916)
Buildings	(2,509,981)	(93,978)	-	(2,603,959)
Machinery and equipment	(4,734,263)	(1,575,579)	-	(6,309,842)
Infrastructure	(6,230,266)	(1,596,087)	-	(7,826,353)
Total	(15,202,818)	(3,423,252)	-	(18,626,070)
Capital assets, net depreciation	63,017,417	(1,719,040)	-	61,298,377
Governmental activities capital assets, net	$ 65,150,566	$ 12,539,516	$ (361,500)	$ 77,328,582

	Beginning Balance	Increases	Ending Balance
Business-type activities:			
Capital assets, not being depreciated			
Land	$ 251,800	$ -	$ 251,800
Capital assets, being depreciated:			
Infrastructure	7,469,962	448,914	7,918,876
Less accumulated depreciation for:			
Infrastructure	(575,612)	(182,730)	(758,342)
Capital assets, net depreciation	6,894,350	266,184	7,160,534
Business-type activities capital assets, net	$ 7,146,150	$ 266,184	$ 7,412,334

NOTE 6. CAPITAL ASSETS (CONTINUED)

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

Governmental activities:		
General government	$	106,383
Public safety		988,202
Public works		2,062,528
Recreation		255,527
Judicial		2,196
Housing and development		8,416
Total depreciation expense - governmental activities	$	3,423,252
Business-type activities:		
Stormwater	$	182,730

NOTE 7. LONG-TERM DEBT

Capital Leases

On January 28, 2013, the City entered into a capital lease to purchase computers and software through the Georgia Municipal Association ("GMA") for $1,000,000. Annual payments of $211,482, including interest at a rate of 1.89% began January 28, 2014 and will continue through January 28, 2018. The outstanding balance at December 31, 2017 is $207,559.

On May 19, 2015, the City entered into a capital lease to purchase vehicles through the Georgia Municipal Association ("GMA") for $116,256. Annual payments of $24,081, including interest at a rate of 1.71% began July 29, 2015 and will continue through July 29, 2019. The outstanding balance at December 31, 2017 is $46,953.

As of December 31, 2017, the cost and accumulated depreciation on the assets acquired under capital leases are $1,119,573 and $1,032,106, respectively. The annual depreciation is included in the capital asset depreciation total in Note 6.

NOTE 7. LONG-TERM DEBT (CONTINUED)

Capital Leases (Continued)

The total debt service requirements to maturity for the City's capital leases are as follows:

Year Ending December 31,	
2018	$ 235,656
2019	24,175
Total minimum lease payments	259,831
Less amounts representing interest	(5,319)
Present value of minimum lease payments	$ 254,512

Note payable

On May 1, 2017, the City issued a note payable to borrow a total of $5,700,000 from the Georgia Environmental Finance Authority (GEFA) for the purpose of acquiring a greenspace at the Peachtree DeKalb Airport. Additionally, the agreement with GEFA included a principal forgiveness component equal to approximately 8.77% of the face value of the note, or $500,000. Principal and interest payments totaling $23,660 are paid each month beginning June 1, 2017 through May 1, 2037 at an interest rate of .89%.

The total debt service requirements to maturity for the City's note payable is as follows:

Year ending December 31,	Principal	Interest	Total
2018	$ 239,856	$ 44,067	$ 283,923
2019	241,999	41,923	283,922
2020	244,162	39,761	283,923
2021	246,344	37,579	283,923
2022	248,545	35,377	283,922
2023-2027	1,276,441	143,170	1,419,611
2028-2032	1,334,504	85,108	1,419,612
2033-2037	1,229,216	24,773	1,253,989
Total	$ 5,061,067	$ 451,758	$ 5,512,825

NOTE 7. LONG-TERM DEBT (CONTINUED)

The following is a summary of long-term debt activity of the City for the year ended December 31, 2017:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Capital leases	$ 779,659	$ -	$ (525,147)	$ 254,512	$ 230,830
Note payable	-	5,200,000	(138,933)	5,061,067	239,856
Compensated absences	689,617	1,034,425	(952,345)	771,697	617,357
Governmental activity long-term liabilities	$ 1,469,276	$ 6,234,425	$ (1,616,425)	$ 6,087,276	$ 1,088,043

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

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NOTE 8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of December 31, 2017, is as follows:

Due to/from other funds:

Receivable fund	Payable fund	Amount
Capital Projects Fund	Grant Fund	$ 507,092

This balance resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. The balance between the Grant Fund and the Capital Projects Fund relates to supplemental funding of a capital project.

Interfund transfers:

Transfers In	Transfers Out	Amount
General Fund	Nonmajor governmental funds	$ 1,571,011
Capital Projects Fund	General Fund	1,283,953
Capital Projects Fund	HOST Fund	13,812,639
Capital Projects Fund	Grants Fund	718,748
Capital Projects Fund	Nonmajor governmental funds	167,539
Capital Projects Fund	Stormwater Fund	40,000
Nonmajor governmental funds	General Fund	1,091,998
Nonmajor governmental funds	Capital Projects Fund	1,419,612
		$ 20,105,500

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

NOTE 9. OPERATING LEASES

The government leases the office facilities (city hall, police station and municipal court) under non-cancelable operating leases. The City accrues rent expense in an amount such that the total rent expense under the lease is recognized ratably over the lease term. The lease expense on the city hall facility and the police station/municipal court were $347,959 and $216,497 respectively for the year ended December 31, 2017.

The future minimum lease payments for these leases are as follows:

Year Ending December 31,	City Hall	Police Station / Municipal Court	Total
2018	$ 301,526	$ 227,268	$ 528,794
2019	309,065	232,956	542,021
2020	318,912	238,812	557,724
2021	326,885	244,836	571,721
2022	335,057	251,016	586,073
2023-2024	695,453	257,364	952,817
Total lease payments	$ 2,286,898	$ 1,452,252	$ 3,739,150

NOTE 10. COMMITMENTS AND CONTINGENT LIABILITIES

The government is a defendant in various lawsuits. The total range of reasonably possible amounts for these cases is from $1,000 to $500,000. In the opinion of City's management and legal counsel, any potential liability related to these suits pending or unasserted claims are not estimable.

The City has entered several public/private contractual partnerships for outsourced services and operations. Through these contracts with private companies, an array of operational services are provided via outsourcing. These contracts are an operating contract for which the City is continually monitoring its outsourcing needs as compared to providing services in-house. Currently, these contracts are approximately $3.4 million annually. The contracts were bid for four annual service periods and run through the year ending December 31, 2021.

As of December 31, 2017, construction commitments on uncompleted contracts were $5,747,741.

NOTE 11. DEFINED CONTRIBUTION PENSION PLAN

The City of Brookhaven offers two Retirement Plans for City employees. The 401(a) and 457 plan are defined contribution plans established by Brookhaven for all full-time employees. City Council has the authority to establish and amend the plan provisions as well as the contribution for the plan. For the 457 plan, The City matches employee contributions at a two to one (2:1) rate up to a maximum of 10%. Employees are eligible on the first day of the month, following thirty days of employment and are fully vested after twelve months. At December 31, 2017 there were 101 employees participating in the plan who contributed $570,955 while the City's contributions totaled $710,363.

The City also contributes the Social Security withholding amount (6.2% for 2017) to a social security replacement 401(a) plan for each eligible employee. All participants are fully vested in their social security replacement plan at all times. At December 31, 2017 there were 127 employees participating in the plan with total contributions from the City of $516,687.

NOTE 12. JOINT VENTURE

Under Georgia law, the City, in conjunction with other cities around the Metropolitan Atlanta Georgia area, is a member of the Atlanta Regional Commission (ARC) and is required to pay annual dues thereto, which DeKalb County has paid on behalf of the City of Brookhaven. Membership in ARC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organization structure of ARC. 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 ARC, 40 Courtland Street NE, Atlanta, Georgia 30303.

NOTE 13. HOTEL/MOTEL LODGING TAX

The City's lodging tax rate changed from 5% to 8% on October 1, 2017. The Official Code of Georgia Annotated 48-13-51 requires that all lodging taxes levied of 3% or more be expended or obligated contractually for the promotion of tourism, conventions, or trade shows. During the year ended December 31, 2017, the City received $2,948,420 in hotel/motel taxes. Of this amount, $1,385,326, or 47%, was used for the promotion of tourism, conventions, or trade shows.

NOTE 14. RISK MANAGEMENT

The City is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City carries commercial insurance for these risks of losses. There have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage in the previous three years.

NOTE 15. TAX ABATEMENTS

For the year ended December 31, 2017, City property tax revenues were reduced by $352,258 under agreements entered into by the DeKalb County Development Authority and Brookhaven Development Authority. Under the agreements, taxes on both real property and personal property are reduced based on investments made by the corporation to whom the incentives were offered as long as the corporation meets certain investment targets.

NOTE 16. SUBSEQUENT EVENT

On May 22, 2018, the City issued $12,000,000 of Sales Tax Bonds for the purpose of financing capital projects improvements. The issuance of these bonds was approved by a Special Purpose Local Option Sales Tax (SPLOST) referendum in November 2017. Pursuant to Georgia Law, these bonds will be repaid with the proceeds of a one percent sales tax. Collections of the sales tax begin on April 1, 2018. The bonds carry interest rate of 2.75% and mature on July 1, 2024.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF BROOKHAVEN, GEORGIA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2017

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Property taxes	$ 8,583,863	$ 8,583,863	$ 8,363,462	$ (220,401)
Sales and use taxes	-	-	55,590	55,590
Franchise taxes	3,200,000	3,200,000	4,630,027	1,430,027
Alcohol excise taxes	825,000	825,000	1,138,944	313,944
Business taxes	4,958,000	4,958,000	5,367,889	409,889
Excise taxes	182,127	182,127	329,125	146,998
Licenses and permits	2,240,000	2,240,000	3,207,348	967,348
Intergovernmental	-	-	6,281	6,281
Charges for services	773,317	773,317	795,095	21,778
Fines and forfeitures	1,350,000	1,350,000	902,971	(447,029)
Contributions	75,000	75,000	37,239	(37,761)
Interest earned	5,000	5,000	23,719	18,719
Miscellaneous	276,561	276,561	135,598	(140,963)
Total revenues	22,468,868	22,468,868	24,993,288	2,524,420
Expenditures:				
Current:				
General government:				
Mayor and council	218,262	231,614	227,812	3,802
City manager	1,153,301	1,196,874	1,188,490	8,384
City clerk	319,710	290,490	288,419	2,071
Finance and administration	1,580,661	1,505,522	1,502,749	2,773
Legal	470,000	565,000	556,924	8,076
Data processing	1,426,028	1,697,022	1,618,948	78,074
Public information	164,756	393,118	392,280	838
Contingency	1,604,279	-	-	-
Total general government	6,936,997	5,879,640	5,775,622	104,018
Judicial	629,345	578,757	576,361	2,396
Public safety	8,433,344	8,369,587	8,294,726	74,861
Public works	1,521,230	1,606,230	1,593,750	12,480
Recreation	2,201,205	3,429,286	2,477,765	951,521
Housing and development	3,038,508	3,336,740	3,246,127	90,613

Continued

CITY OF BROOKHAVEN, GEORGIA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2017

	Budget			Variance With
	Original	Final	Actual	Final Budget
Total expenditures	22,760,629	23,200,240	21,964,351	1,235,889
Excess (deficiency) of revenues over expenditures	(291,761)	(731,372)	3,028,937	3,760,309
Other financing sources (uses):				
Transfers in	1,320,000	1,320,000	1,571,011	251,011
Transfers out	(1,028,239)	(2,402,192)	(2,375,951)	26,241
Total other financing sources (uses)	291,761	(1,082,192)	(804,940)	277,252
Net change in fund balance	-	(1,813,564)	2,223,997	4,037,561
Fund balance, beginning of year	8,221,688	8,221,688	8,221,688	-
Fund balance, end of year	$ 8,221,688	$ 6,408,124	$ 10,445,685	$ 4,037,561

CITY OF BROOKHAVEN, GEORGIA

GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2017

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Intergovernmental	$ 1,076,486	$ 1,076,486	$ 1,566,292	$ 489,806
Interest	-	-	43	43
Total revenues	1,076,486	1,076,486	1,566,335	489,849
Expenditures:				
Public safety	566,603	566,603	284,521	282,082
Public works	-	-	620	(620)
Total expenditures	566,603	566,603	285,141	281,462
Excess of revenues over expenditures	509,883	509,883	1,281,194	771,311
Other financing uses:				
Transfers out	(509,883)	(509,883)	(718,748)	(208,865)
Total other financing uses	(509,883)	(509,883)	(718,748)	(208,865)
Net change in fund balances	-	-	562,446	562,446
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	$ -	$ -	$ 562,446	$ 562,446

NONMAJOR GOVERNMENTAL FUNDS

Confiscated Assets Fund – To account for the use of the City's share of monies that have been forfeited through the court system and are restricted for law enforcement purposes.

Special Tax District No. 1 Fund – To account for the cost of providing public safety services in the Special Tax District created by the City, which is restricted by City ordinance.

Hotel/Motel Tax Fund – To account for the 5% (first nine months of year) and 8% (last three months of year) lodging tax levied in the City, which is restricted by State law.

Streetlight Fund – To account for special assessments to defray the costs of operating, maintaining and repairing the street lighting system in the City and are restricted for these purposes.

Emergency 911 Fund – To account for the monthly 911 charges that are required to be spent on the cost of providing emergency 911 services as restricted by State law.

Vehicle Capital Project Fund – To account for the resources needed to purchase vehicles for the City's fleet. These amounts are assigned by City Council.

Debt Service Fund – To account for the debt service expenditures of the City.

CITY OF BROOKHAVEN, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2017

	Special Revenue Funds							
ASSETS	Confiscated Assets Fund	Special Tax District No. 1 Fund	Hotel/Motel Tax Fund	Streetlight Fund	E-911 Fund	Vehicle Capital Project Fund	Debt Service Fund	Total Nonmajor Governmental Funds
Cash and cash equivalents	$ 415,997	$ 233,275	$ 1,660,565	$ 358,065	$ 288,197	$ 846,609	$ 1,194,763	$ 4,997,471
Accounts receivable	-	-	-	-	88,352	2,805	-	91,157
Taxes receivable, net of allowance	-	4,361	297,675	20,749	-	-	-	322,785
Total assets	$ 415,997	$ 237,636	$ 1,958,240	$ 378,814	$ 376,549	$ 849,414	$ 1,194,763	$ 5,411,413
LIABILITIES								
Accounts payable	$ 658	$ -	$ 473,220	$ 32,306	$ 89,583	$ 46,608	$ -	$ 642,375
Accrued liabilities	-	10,701	-	1,449	-	-	-	12,150
Unearned revenue	199,760	141,423	-	-	-	-	-	341,183
Total liabilities	200,418	152,124	473,220	33,755	89,583	46,608	-	995,708
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue- property taxes	-	738	-	9,477	-	-	-	10,215
Total deferred inflows of resources	-	738	-	9,477	-	-	-	10,215
FUND BALANCES								
Restricted:								
Law enforcement	215,579	84,774	-	-	-	-	-	300,353
Streetlight service	-	-	-	335,582	-	-	-	335,582
Tourism	-	-	1,485,020	-	-	-	-	1,485,020
Committed- debt service	-	-	-	-	-	-	1,194,763	1,194,763
Assigned:								
Public safety	-	-	-	-	286,966	-	-	286,966
Capital projects	-	-	-	-	-	802,806	-	802,806
Total fund balances	215,579	84,774	1,485,020	335,582	286,966	802,806	1,194,763	4,405,490
Total liabilities, deferred inflows of resources and fund balances	$ 415,997	$ 237,636	$ 1,958,240	$ 378,814	$ 376,549	$ 849,414	$ 1,194,763	$ 5,411,413

CITY OF BROOKHAVEN, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

	Special Revenue Funds							
	Confiscated Assets Fund	Special Tax District No. 1 Fund	Hotel/Motel Tax Fund	Streetlight Fund	E-911 Fund	Vehicle Capital Project Fund	Debt Service Fund	Total Nonmajor Governmental Funds
Revenues								
Property taxes	$ -	$ 623,758	$ -	$ 438,389	$ -	$ -	$ -	$ 1,062,147
Hotel/Motel taxes	-	-	2,948,420	-	-	-	-	2,948,420
Charges for services	-	-	-	-	939,532	-	-	939,532
Miscellaneous	-	70,511	-	-	-	141,092	39,889	251,492
Fines and forfeitures	76,249	-	-	-	-	-	-	76,249
Interest	3	-	-	-	-	-	-	3
Total revenues	76,252	694,269	2,948,420	438,389	939,532	141,092	39,889	5,277,843
Expenditures								
Current:								
Public safety	54,838	532,974	-	-	1,075,000	-	-	1,662,812
Public works	-	-	-	440,802	-	-	-	440,802
Housing and development	-	-	1,385,326	-	-	-	-	1,385,326
Capital outlay	-	-	-	-	-	677,269	-	677,269
Debt service:								
Principal	-	-	-	-	-	-	664,080	664,080
Interest	-	-	-	-	-	-	40,656	40,656
Issuance cost	-	-	-	-	-	-	57,000	57,000
Total expenditures	54,838	532,974	1,385,326	440,802	1,075,000	677,269	761,736	4,927,945
Excess (deficiency) of revenues over (under) expenditures	21,414	161,295	1,563,094	(2,413)	(135,468)	(536,177)	(721,847)	349,898
Other Financing Sources (Uses)								
Transfers in	-	-	-	-	255,000	340,000	1,916,610	2,511,610
Transfers out	-	-	(1,738,550)	-	-	-	-	(1,738,550)
Total other financing sources (uses)	-	-	(1,738,550)	-	255,000	340,000	1,916,610	773,060
Net change in fund balances	21,414	161,295	(175,456)	(2,413)	119,532	(196,177)	1,194,763	1,122,958
Fund balances (deficit), beginning of year	194,165	(76,521)	1,660,476	337,995	167,434	998,983	-	3,282,532
Fund balances, end of year	$ 215,579	$ 84,774	$ 1,485,020	$ 335,582	$ 286,966	$ 802,806	$ 1,194,763	$ 4,405,490

CITY OF BROOKHAVEN, GEORGIA

CONFISCATED ASSETS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2017

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Fines and forfeitures	$ 50,000	$ 50,000	$ 76,249	$ 26,249
Interest	-	-	3	3
Total revenues	50,000	50,000	76,252	26,252
Expenditures:				
Public safety	64,900	64,900	54,838	10,062
Total expenditures	64,900	64,900	54,838	10,062
Net change in fund balances	(14,900)	(14,900)	21,414	36,314
Fund balances, beginning of year	194,165	194,165	194,165	-
Fund balances, end of year	$ 179,265	$ 179,265	$ 215,579	$ 36,314

CITY OF BROOKHAVEN, GEORGIA

SPECIAL TAX DISTRICT NO. 1 FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2017

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Property taxes	$ 488,713	$ 488,713	$ 623,758	$ 135,045
Charges for services	46,099	46,099	-	(46,099)
Miscellaneous	-	-	70,511	70,511
Total revenues	534,812	534,812	694,269	159,457
Expenditures:				
Public safety	534,812	534,812	532,974	1,838
Total expenditures	534,812	534,812	532,974	1,838
Net change in fund balances	-	-	161,295	161,295
Fund balances (deficit), beginning of year	(76,521)	(76,521)	(76,521)	-
Fund balances (deficit), end of year	$ (76,521)	$ (76,521)	$ 84,774	$ 161,295

CITY OF BROOKHAVEN, GEORGIA

HOTEL/MOTEL TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2017

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Taxes	$ 2,200,000	$ 2,735,000	$ 2,948,420	$ 213,420
Total revenues	2,200,000	2,735,000	2,948,420	213,420
Expenditures:				
Housing and development	880,000	1,396,448	1,385,326	11,122
Total expenditures	880,000	1,396,448	1,385,326	11,122
Excess of revenues over expenditures	1,320,000	1,338,552	1,563,094	224,542
Other financing uses:				
Transfers out	(1,320,000)	(1,738,552)	(1,738,550)	2
Total other financing uses	(1,320,000)	(1,738,552)	(1,738,550)	2
Net change in fund balances	-	(400,000)	(175,456)	224,544
Fund balances, beginning of year	1,660,476	1,660,476	1,660,476	-
Fund balances, end of year	$ 1,660,476	$ 1,260,476	$ 1,485,020	$ 224,544

CITY OF BROOKHAVEN, GEORGIA

STREETLIGHT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2017

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Property taxes	$ 427,511	$ 427,511	$ 438,389	$ 10,878
Total revenues	427,511	427,511	438,389	10,878
Expenditures:				
Public works	450,000	450,000	440,802	9,198
Total expenditures	450,000	450,000	440,802	9,198
Net change in fund balances	(22,489)	(22,489)	(2,413)	20,076
Fund balances, beginning of year	337,995	337,995	337,995	-
Fund balances, end of year	$ 315,506	$ 315,506	$ 335,582	$ 20,076

CITY OF BROOKHAVEN, GEORGIA

E-911 FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2017

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Charges for services	$ 820,000	$ 820,000	$ 939,532	$ 119,532
Total revenues	820,000	820,000	939,532	119,532
Expenditures:				
Public safety	1,075,000	1,075,000	1,075,000	-
Total expenditures	1,075,000	1,075,000	1,075,000	-
Deficiency of revenues over expenditures	(255,000)	(255,000)	(135,468)	119,532
Other financing sources:				
Transfers in	255,000	255,000	255,000	-
Total other financing sources	255,000	255,000	255,000	-
Net change in fund balances	-	-	119,532	119,532
Fund balances, beginning of year	167,434	167,434	167,434	-
Fund balances, end of year	$ 167,434	$ 167,434	$ 286,966	$ 119,532

CITY OF BROOKHAVEN, GEORGIA

DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2017

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Miscellaneous	$ -	$ -	$ 39,889	$ 39,889
Total revenues	-	-	39,889	39,889
Expenditures:				
Debt service:				
Principal	$ 508,215	$ 1,853,819	$ 664,080	$ 1,189,739
Interest	15,024	41,712	40,656	1,056
Issuance cost	-	47,320	57,000	(9,680)
Total expenditures	523,239	1,942,851	761,736	1,181,115
Deficiency of revenues over expenditures	(523,239)	(1,942,851)	(721,847)	1,221,004
Other financing sources:				
Transfers in	523,239	1,942,851	1,916,610	(26,241)
Total other financing sources	523,239	1,942,851	1,916,610	(26,241)
Net change in fund balances	-	-	1,194,763	(1,194,763)
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	$ -	$ -	$ 1,194,763	$ (1,194,763)

STATISTICAL SECTION

This part of the City of Brookhaven's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Page

Financial Trends **64**

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 **69**

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

Debt Capacity **73**

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 **75**

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 **77**

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

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year. Note that 2013 was the first year of operations.

CITY OF BROOKHAVEN, GEORGIA

NET POSITION BY COMPONENT
LAST FIVE YEARS
(accrual basis of accounting)

	2017	2016	2015	2014	2013
Governmental activities					
Net investment in capital assets	$ 72,013,003	$ 64,370,907	$ 65,484,793	$ 66,691,916	$ 60,658,099
Restricted	2,724,544	2,405,177	2,202,746	1,573,334	1,428,776
Unrestricted	23,830,990	19,974,759	13,305,139	9,000,585	3,551,798
Total governmental activities net position	$ 98,568,537	$ 86,750,843	$ 80,992,678	$ 77,265,835	$ 65,638,673
Business-type activities					
Investment in capital assets	$ 7,412,334	$ 7,146,150	$ 6,860,091	$ 6,825,621	$ 6,487,443
Unrestricted	1,693,080	1,864,710	1,805,995	1,349,322	1,079,849
Total business-type activities net position	$ 9,105,414	$ 9,010,860	$ 8,666,086	$ 8,174,943	$ 7,567,292
Primary government					
Net investment in capital assets	$ 79,425,337	$ 71,517,057	$ 72,344,884	$ 73,517,537	$ 67,145,542
Restricted	2,724,544	2,405,177	2,202,746	1,573,334	1,428,776
Unrestricted	25,524,070	21,839,469	15,111,134	10,349,907	4,631,647
Total primary government net position	$ 107,673,951	$ 95,761,703	$ 89,658,764	$ 85,440,778	$ 73,205,965

CITY OF BROOKHAVEN, GEORGIA

CHANGES IN NET POSITION
LAST FIVE YEARS
(accrual basis of accounting)

	2017	2016	2015	2014	2013
Expenses					
Governmental activities:					
General government	$ 5,896,748	$ 5,101,706	$ 4,525,493	$ 5,211,523	$ 3,942,196
Judicial	580,297	584,753	601,508	508,592	468,589
Public safety	11,552,258	10,595,386	11,301,632	7,876,343	6,324,863
Public works	6,628,883	4,295,145	4,225,043	5,614,702	3,070,672
Housing and development	4,644,383	3,736,194	2,898,485	2,442,100	1,272,777
Culture and recreation	5,695,736	4,423,411	3,506,276	1,766,940	595,935
Community development	-	146,983	146,642	76,515	11,794
Interest and fiscal charges	95,950	28,226	61,895	101,252	81,633
Total governmental activities expenses	35,094,255	28,911,804	27,266,974	23,597,967	15,768,459
Business-type activities:					
Stormwater	1,853,950	1,488,786	1,122,485	1,206,891	441,792
Total business-type activities expenses	1,853,950	1,488,786	1,122,485	1,206,891	441,792
Total primary government expenses	$ 36,948,205	$ 30,400,590	$ 28,389,459	$ 24,804,858	$ 16,210,251
Program Revenues					
Governmental activities:					
Charges for services:					
General government	$ 142,787	$ 530,353	$ 836,595	$ 499,051	$ 438,665
Judicial	979,400	1,332,434	1,395,173	1,354,603	359,364
Public safety	1,320,894	1,538,695	771,697	356,111	1,700
Public works	-	-	412,402	429,769	362,219
Housing and development	3,150,238	2,995,110	1,523,186	2,237,592	1,652,368
Culture and recreation	327,876	470,656	240,247	127,830	26,856
Capital grants and contributions	2,492,933	326,032	400,655	2,147,621	-
Total governmental activities program revenues	8,414,128	7,193,280	5,579,955	7,152,577	2,841,172
Business-type activities:					
Charges for services:					
Stormwater	1,988,504	1,581,760	1,613,628	1,538,632	1,466,735
Capital grants and contributions	-	251,800	-	275,910	-
Total business-type activities program revenues	1,988,504	1,833,560	1,613,628	1,814,542	1,466,735
Total primary government program revenues	$ 10,402,632	$ 9,026,840	$ 7,193,583	$ 8,967,119	$ 4,307,907

(continued)

CITY OF BROOKHAVEN, GEORGIA

CHANGES IN NET POSITION
LAST FOUR YEARS
(accrual basis of accounting)

	2017	2016	2015	2014	2013
Net (expense)/revenue					
Governmental activities	$ (26,680,127)	$ (21,718,524)	$ (21,687,019)	$ (16,445,390)	$ (12,927,287)
Business-type activities	134,554	344,774	491,143	607,651	1,024,943
Total primary government net expense	$ (26,545,573)	$ (21,373,750)	$ (21,195,876)	$ (15,837,739)	$ (11,902,344)
General Revenues and Other Changes in Net Position					
Governmental activities:					
Property taxes	$ 9,454,749	$ 7,684,986	$ 6,516,128	$ 6,594,450	$ 5,747,333
Sales taxes	6,691,614	6,911,336	5,738,333	6,360,077	5,201,601
Hotel/Motel taxes	2,948,420	1,950,677	1,918,124	1,646,793	1,296,841
Franchise taxes	4,630,027	4,111,311	4,398,368	3,056,603	1,472,669
Business taxes	5,367,889	5,008,501	5,352,681	4,584,705	1,761,762
Alcohol & excise taxes	1,468,069	1,396,966	1,109,297	881,643	741,592
Insurance premium	-	-	-	-	57,663
Unrestricted investment earnings	43,259	9,677	3,166	4,782	2,607
Miscellaneous	424,329	403,235	377,765	73,955	30,986
Gain on sale of capital asset	7,429,465	-	-	-	-
Special item - donation of infrastructure at incorporation	-	-	-	-	62,252,906
Transfers	40,000	-	-	-	-
Total governmental activities	38,497,821	27,476,689	25,413,862	23,203,008	78,565,960
Business-type activities:					
Special item - donation of infrastructure at incorporation	-	-	-	-	6,542,349
Transfers	(40,000)	-	-	-	-
Total business-type activities	(40,000)	-	-	-	6,542,349
Total primary government	$ 38,457,821	$ 27,476,689	$ 25,413,862	$ 23,203,008	$ 85,108,309
Change in Net Position					
Governmental activities	$ 11,817,694	$ 5,758,165	$ 3,726,843	$ 6,757,618	$ 65,638,673
Business-type activities	94,554	344,774	491,143	607,651	7,567,292
Total primary government	$ 11,912,248	$ 6,102,939	$ 4,217,986	$ 7,365,269	$ 73,205,965

CITY OF BROOKHAVEN, GEORGIA

FUND BALANCES OF GOVERNMENTAL FUNDS
LAST FIVE FISCAL YEARS
(modified accrual basis of accounting)

	2017	2016	2015	2014	2013
General fund					
Nonspendable:					
Prepaid expenditures	$ 697,283	$ 431,443	$ 425,023	$ 227,320	$ 165,450
Restricted:					
Streetlight service	-	-	368,189	415,981	377,994
Police donations	30,928	31,569	-	-	-
Assigned:					
Tree fund activities	43,969	21,369	27,086	-	-
Future capital improvements	933,953	933,953	-	-	-
Assigned for subsequent year budget	173,719	550,043	-	-	-
Unassigned	8,565,833	6,253,311	4,553,079	1,104,971	(108,876)
Total general fund	$ 10,445,685	$ 8,221,688	$ 5,373,377	$ 1,748,272	$ 434,568
All other governmental funds					
Restricted:					
Law enforcement	$ 300,353	$ 194,165	$ 21,665	$ 13,748	$ -
E-911 operations	-	167,434	54,460	54,460	-
Tourism	1,485,020	1,660,476	1,758,432	1,089,145	543,839
Streetlight service	335,582	337,995	-	-	506,943
Public works	562,446	-	-	-	-
Committed:					
Debt service	1,194,763	-	-	-	-
Assigned:					
HOST activities	1,661,404	9,486,486	8,699,500	7,115,659	3,740,069
Capital projects	10,975,319	3,028,983	-	-	-
Public safety	286,966				
Unassigned	-	(76,521)	(288,119)	-	-
Total all other governmental funds	$ 16,801,853	$ 14,799,018	$ 10,245,938	$ 8,273,012	$ 4,790,851

CITY OF BROOKHAVEN, GEORGIA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST FIVE YEARS
(modified accrual basis of accounting)

	2017	2016	2015	2014	2013
Revenues					
Property taxes	$ 9,425,609	$ 8,100,863	$ 7,515,590	$ 6,627,845	$ 5,682,476
Sales taxes	6,691,614	6,911,336	5,738,333	6,360,077	5,201,601
Hotel/Motel taxes	2,948,420	1,950,677	1,918,124	1,646,793	1,296,841
Franchise taxes	4,630,027	4,111,311	3,961,934	2,050,890	1,472,669
Alcohol excise taxes	1,138,944	1,089,937	818,244	810,836	741,592
Business taxes	5,367,889	5,008,501	5,352,681	4,584,705	1,761,762
Excise taxes	329,125	307,029	291,053	70,807	57,663
Licenses and permits	3,207,348	3,445,759	2,043,013	2,667,375	2,033,031
Intergovernmental	2,492,933 (1)	316,032	300,655	300,041	-
Charges for services	1,734,627	2,206,972	1,847,239	1,030,145	442,827
Fines and forfeitures	979,220	1,214,517	1,289,048	1,307,436	359,364
Contributions	37,239	74,283	137,658	30,250	-
Interest earned	43,259	9,677	3,166	4,782	2,607
Miscellaneous	387,090	328,952	240,107	43,705	36,936
Total revenues	39,413,344	35,075,846	31,456,845	27,535,687	19,089,369
Expenditures					
General government	5,775,672	4,740,681	4,420,143	5,107,867	4,129,445
Judicial	576,361	565,815	582,977	489,077	478,426
Public safety	10,505,639	9,342,980	8,978,542	7,256,316	8,167,651
Public works	4,562,868	2,093,179	2,176,941	2,757,346	1,139,744
Culture and recreation	5,426,618	2,633,492	2,266,481	1,734,171	595,935
Housing and development	4,631,453	3,713,479	2,883,570	2,443,380	1,259,431
Community development	-	-	100,560	76,515	11,794
Capital outlay	12,933,727	3,778,129	3,735,866	2,097,406	917,693
Debt service					
Principal	664,080	773,391	764,022	672,157	35,840
Interest	40,656	33,309	65,968	105,587	22,879
Issuance cost	57,000	-	-	-	-
Total expenditures	45,174,074	27,674,455	25,975,070	22,739,822	16,758,838
Excess (deficiency) of revenues over (under) expenditures	(5,760,730)	7,401,391	5,481,775	4,795,865	2,330,531
Other financing sources (uses)					
Proceeds from sale of capital assets	4,747,562	-	-	-	21,915
Issuance of capital lease	-	-	116,256	-	2,872,973
Issuance of note payable	5,200,000	-	-	-	-
Transfers in	20,105,500	5,475,295	2,292,461	1,734,906	2,459,475
Transfers out	(20,065,500)	(5,475,295)	(2,292,461)	(1,734,906)	(2,459,475)
Total other financing sources (uses)	9,987,562	-	116,256	-	2,894,888
Net change in fund balances	$ 4,226,832	$ 7,401,391	$ 5,598,031	$ 4,795,865	$ 5,225,419
Debt service as a percentage of noncapital expenditures	2.18%	3.09%	3.35%	3.65%	0.45%

(1) Intergovernmental revenues increased during 2017 as a result of additional State funding for road improvements.

CITY OF BROOKHAVEN, GEORGIA

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE - ALL TAXABLE PROPERTY
LAST FIVE FISCAL YEARS

Fiscal	Real Property			Personal Property	
Year	Residential	Commercial	Industrial	Motor Vehicle	Other (1)
2013	$ 1,523,386,393	$ 649,523,762	$ 12,668,560	$ -	$ 72,178,713
2014	1,733,667,148	750,897,616	13,633,280	82,633,320	200,673,125
2015	2,060,648,765	864,293,618	20,659,330	67,891,300	218,557,894
2016	2,180,835,535	1,092,206,786	19,896,863	47,578,450	150,094,412
2017	2,318,323,246	1,215,555,686	21,372,467	40,040,890	158,162,722

Source: Georgia Department of Revenue

(1) Includes aircraft, boats, equipment and other miscellaneous personal property.

Public Utility	Less: Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
$ -	$ 254,330,508	$ 2,003,426,920	2.850	$ 5,008,567,300	40%
14,644,304	432,899,327	2,363,249,466	2.795	5,908,123,665	40%
17,710,345	646,602,506	2,603,158,746	2.740	6,507,896,865	40%
20,281,585	728,901,965	2,781,991,666	2.740	6,954,979,165	40%
24,103,976	760,277,266	3,017,281,721	2.740	7,543,204,303	40%

CITY OF BROOKHAVEN, GEORGIA

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(Per $1000 of Assessed Value)
LAST FIVE YEARS

Calendar Year	City of Brookhaven	DeKalb County	DeKalb County Schools	State	Total Direct & Overlapping Rates
2013	2.850	16.250	23.980	0.150	43.230
2014	2.795	13.570	23.900	0.100	40.365
2015	2.740	14.670	23.730	0.050	41.190
2016	2.740	12.560	23.730	0.000	39.030
2017	2.740	13.307	23.280	0.000	39.327

Source: DeKalb County Tax Commissioner

Overlapping rates are those of local and county governments that apply to property owners within the City of Brookhaven. There are no components of the City's tax rate to disclose.

The City's legal millage rate is capped at 3.35.

CITY OF BROOKHAVEN, GEORGIA

PRINCIPAL TAXPAYERS
CURRENT AND FOUR YEARS AGO

	2017			2013		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Taxable Assessed Value
CFATT LLC	$ 50,401,165	1	1.67 %	$ 31,234,985	2	1.56 %
20 Perimeter Summit, LLC	40,587,200	2	1.35	27,118,720	3	1.35
AT&T Mobility, LLC	39,021,510	3	1.29	35,585,501	1	1.78
Development Auth of DeKalb County	38,755,719	4	1.28	20,196,001	4	1.01
Goodwynn Multifamily, LLC	34,243,960	5	1.13	19,620,000	5	0.98
3450 Blair Circle LLC	33,200,000	6	1.10			
Development Auth of DeKalb County	30,038,920	7	1.00			
CWS SGARR Brookhaven LLC	23,161,400	8	0.77			
Columbia Brookhaven, LLC	22,730,400	9	0.75			
Lion Gables Realty LP	22,000,000	10	0.73			
50 Lincoln Court, LLC				16,400,000	6	0.82
Post Glen, LLC				15,760,000	7	0.79
Mid America Apartments LP				14,344,520	8	0.72
BIR Lenox, LLC				13,800,000	9	0.69
Manuacturers Life Insurance				12,320,200	10	0.61
	$ 334,140,274		11.07 %	$ 206,379,927		10.30 %

Source: Dekalb County Tax Commissioner

CITY OF BROOKHAVEN, GEORGIA

PROPERTY TAX LEVIES AND COLLECTIONS
LAST FIVE FISCAL YEARS

Fiscal Year	Total Tax Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2013	$ 5,595,364	$ 5,501,908	98.3%	$ 89,519	$ 5,591,427	99.93%
2014	6,373,661	6,299,520	98.8%	68,261	6,367,781	99.91%
2015	7,054,126	6,975,703	98.9%	64,663	7,040,366	99.80%
2016	8,004,716	7,848,448	98.0%	149,634	7,998,082	99.92%
2017	8,802,942	8,641,016	98.2%	-	8,641,016	98.16%

Source: DeKalb County Tax Commissioner and City of Brookhaven Tax Department.

CITY OF BROOKHAVEN, GEORGIA

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST FIVE FISCAL YEARS

Fiscal Year	Governmental Activities		Total	Percentage of Personal Income (1)	Per Capita (1)
	Capital Leases	Notes Payable			
2013	$ 2,872,973	$ -	$ 2,872,973	0.15%	$ 61
2014	2,200,816	-	2,200,816	0.10%	44
2015	1,553,050	-	1,553,050	0.07%	30
2016	779,659	-	779,659	0.03%	15
2017	254,512	5,061,067	5,315,579	N/A	98

(1) See the Demographic and Economic Statistics for personal income and population data.
N/A - Not Available

CITY OF BROOKHAVEN, GEORGIA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
DECEMBER 31, 2017

Governmental Unit	Net Governmental Activities Debt Outstanding	Percentage Applicable to City of Brookhaven (1)	Amount Applicable to City of Brookhaven
Debt repaid with property taxes:			
DeKalb County	$ 305,265,000	11.04%	$ 33,701,256
Fulton-DeKalb Hospital Authority	21,870,000	11.04%	2,414,448
DeKalb County Board of Education	194,485,000	11.04%	21,471,144
Total overlapping debt	521,620,000		57,586,848
City direct debt	5,315,579	100.00%	5,315,579
Total direct and overlapping debt	$ 526,935,579		$ 62,902,427

Source: Assessed value data used to estimate applicable percentages and debt outstanding obtained from DeKalb County's Finance Department.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and business of the City of Brookhaven, Georgia. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

(1) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the City's boundaries and dividing it by the county's total taxable assessed value.

CITY OF BROOKHAVEN, GEORGIA

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST FIVE FISCAL YEARS

Fiscal Year	Population (1)	Personal Income (in thousands)	Per Capita Personal Income (1)	Median Age (1)	School Enrollment (2)	Unemployment Rate (1)
2013	47,253	$ 1,954,195	$ 41,356	32.8	7,591	6.2%
2014	50,181	2,200,738	43,856	33.3	7,903	4.5%
2015	51,910	2,384,434	45,934	N/A	8,117	N/A
2016	52,444	2,582,710	47,348	33.8	7,804	3.4%
2017	54,169	N/A	N/A	34.2	7,910	4.1%

(1) Source: U.S. Census Bureau

(2) Source: DeKalb County Schools

N/A - Not Available

CITY OF BROOKHAVEN, GEORGIA

PRINCIPAL EMPLOYERS
CURRENT YEAR AND TWO YEARS AGO

	2017			2015		
Employer	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Autotrader.Com	1,525	1	4.63 %			%
AT&T Services, Inc	1,476	2	4.48	1,430	2	9.90
AT&T Mobility	1,271	3	3.86	1,606	1	11.12
Verizon Telematics, Inc	577	4	1.75	629	4	4.35
Crawford and Company	462	5	1.40	554	5	3.83
Source One Direct Inc	386	6	1.17			
Fidelity Bank	370	7	1.12			
Kroger Company	349	8	1.06	387	7	2.68
SSC Atlanta Operating Company	284	9	0.86			
Lavoi Corporation	280	10	0.85			
Cox Communications				1,142	3	7.90
SAP America, Inc				454	6	3.14
United Healthcare Services				372	8	2.57
Insight Global, LLC				270	9	1.87
NDC Health Corporation				251	10	1.74
	6,980		21.19 %	7,095		49.11 %

Source: 2017 and 2015 individual employer's business filings.

Note: Data prior to 2015 is not available.

CITY OF BROOKHAVEN, GEORGIA

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST FIVE YEARS

	2017	2016	2015	2014	2013
Function					
General government	26	21	12	9	7
Judicial	3	5	7	4	1
Public safety					
Police officers	76	75	75	59	57
Civilians	8	11	6	6	6
Public works	-	-	2	-	-
Culture and recreation	7	11	10	7	-
Housing and development	11	12	11	7	3
Total	131	135	123	92	74

Source: City of Brookhaven Human Resources Department

CITY OF BROOKHAVEN, GEORGIA

OPERATING INDICATORS BY FUNCTION
LAST FIVE FISCAL YEARS

Function	2017	2016	2015	2014	2013
General Government					
Ordinances approved	47	26	38	63	68
Resolutions	45	35	36	31	38
Open records requests	408	346	349	261	140
Information system service calls	2,165	2,168	2,921	2,312	N/A
Facebook "likes"	4,136	4,153	1,837	N/A	N/A
Constant contact (eBlast)	3,277	3,161	2,516	2,338	1,716
Judicial					
Municipal court					
Case filings:	5,146	5,848	9,148	10,512	5,338
City Code	789	867	922	730	819
Misdemeanors	11	27	39	211	349
Parking	113	254	261	156	3
Traffic	4,233	4,700	7,926	9,415	4,167
Number of Court Dockets	105	119	175	257	103
Number of Defendants on Docket	6,559	4,751	6,582	10,403	3,282
Public Safety					
Police					
Calls for service	46,512	54,000	59,494	N/A	N/A
Custodial arrests	1,868	2,271	2,177	1,116	427
Traffic citations issued	8,757	5,559	8,070	8,324	3,753
Average response time (all calls)	6m33s	6m15s	7m20s	7m18s	N/A
Average response time (high priority calls)	4m34s	4m12s	3m58s	3m40s	N/A
Public Works					
Lane-miles paved	26.1	9.4	20.2	20.2	N/A
Linear feet new sidewalks	4,810	4,330	2,610	5,230	N/A
Street maintenance work orders completed	478	267	133	229	132
Stormwater work orders completed	130	160	134	84	50
Signal/sign work orders completed	199	235	235	182	23
Right-of-way work orders completed	139	110	61	129	62

Continued

CITY OF BROOKHAVEN, GEORGIA

OPERATING INDICATORS BY FUNCTION
LAST FIVE FISCAL YEARS

Function	2017	2016	2015	2014	2013
Culture and Recreation					
Park acres maintained	276	271	224	224	224
Program participants	7,283	2,866	2,949	2,666	40
Aquatics program participants	11,589	8,851	10,499	N/A	N/A
Athletic program participants	6,715	6,775	6,775	4,013	N/A
Community Development					
Special land use permits (SLUPS)	6	3	12	6	2
Variances	72	68	74	79	54
Code enforcement inspections	6,271	6,620	7,751	8,905	N/A
Building inspections	10,490	9,254	8,905	15,697	998
Development inspections	4,150	4,084	2,511	2,653	N/A
Tree removal permits	419	378	265	115	N/A
Land disturbance permits issued	36	28	20	9	N/A
Plat reviews	56	66	58	31	N/A
Plats approved	26	21	19	15	N/A

Source: Various City departments

N/A: Not Available

CITY OF BROOKHAVEN, GEORGIA

CAPITAL ASSET STATISTICS BY FUNCTION
LAST FIVE FISCAL YEARS

Function	2017	2016	2015	2014	2013
General Government					
Buildings (1)	1	1	1	1	1
Vehicles	-	-	1	1	1
Judicial					
Building (1)	1	1	1	1	1
Public Safety					
Police stations (1)	1	1	1	1	1
Patrol units	65	65	60	54	49
Patrol zones	6	6	10	10	10
Public Works					
Miles of streets (lane miles)	120.0	120.0	119.2	117.4	117.4
Miles of sidewalks	67.4	66.5	64.6	63.0	63.0
Number of traffic signals	51	50	50	47	47
Miles of storm sewer	113	113	113	113	113
Culture and Recreation					
Parks acreage	332	271	224	224	224
Parks	14	14	11	11	11
Tennis courts	28	28	30	30	30
Soccer fields	2	2	2	2	2
Baseball/Softball fields	14	14	14	14	14
Multipurpose fields	5	5	5	5	5
Community centers	2	2	3/2	3/2	3/2
Swimming pools	3	3	3	3	3
Vehicles	2	2	2	2	2
Housing and Development					
Vehicles	5	5	3	1	-

Source: Various City departments

(1) Reflects building operating lease