CITY OF SENOIA, GEORGIA

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2012

TOGETHER WITH

INDEPENDENT AUDITOR'S REPORT

JAMES L. WHITAKER, P.C.

CERTIFIED PUBLIC ACCOUNTANT

SNELLVILLE, GEORGIA 30078

CITY OF SENOIA, GEORGIA
ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2012

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of City Council
City of Senoia, Georgia

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit and each major fund of City of Senoia, Georgia (the City) as of and for the year ended December 31, 2012, 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 of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly , in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit and each major fund of the City of Senoia, Georgia, as of December 31, 2012 and the respective changes in financial position and, where applicable, cash flows, thereof, and the respective budgetary comparison for the General Fund and the Confiscated Assets Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3 through 11 and the Historical Pension Information on page 50 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

The individual fund financial statements and budgetary schedules 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 statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements and the individual fund financial statements and budgetary schedules are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued a report dated May 22, 2013 on our consideration of City of Senoia, Georgia's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 City of Senoia, Georgia's internal control over financial reporting and compliance.

James L. Whitaker, P.C.

Snellville, Georgia
May 22, 2013

CITY OF SENOIA
MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Senoia, we offer readers of the City of Senoia's financial statements this narrative overview and analysis of the financial activities of the City of Senoia for the fiscal year ended December 31, 2012. We encourage readers to consider the information presented here in conjunction with their review of the financial statements.

Financial Highlights

- The assets of the City of Senoia exceeded its liabilities at December 31, 2012 by $17,350,943 Of this amount unrestricted net position of $2,520,169 may be used to meet the government's ongoing obligations to citizens and creditors.

- The total net position increased by $593,941. Of this amount a net increase of $642,368 was associated with governmental activities and a decrease of $48,427 was associated with business-type activities.

- As of the close of the current fiscal year, the City of Senoia's governmental funds reported combined ending fund balances of $2,830,383, an increase of $181,586 in comparison with the prior year. Of this amount $1,165,125 is unassigned and available for spending and $1,665,258 is either in a nonspendable form or restricted for capital projects and other specific future uses.

- At the end of the current year, unassigned fund balance for the general fund was $1,165,125 or 43.4 percent of total General Fund expenditures.

- The City of Senoia's total debt obligations (including accrued compensated absences) decreased by $324,103 to a total of $7,400,147. The City made principal payments on its capital leases, revenue bonds and GEFA notes of $327,985.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City of Senoia's basic financial statements. The City of Senoia's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains 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 of Senoia'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 the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. 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 cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (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 of Senoia include general government, public safety and courts, highways and streets, cemetery, parks and recreation, planning and zoning, and downtown development. The business-type activities of the City are water, sewer and solid waste management.

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 of Senoia can be divided into two categories: governmental funds and 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 a government'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 government'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 the two.

The City maintains five major governmental funds. The City's major governmental funds are the General Fund, Confiscated Assets Fund, SPLOST Capital Project Funds, the Development Impact Fee Fund and the Police Building 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 all major funds.

The City of Senoia adopts an annual budget for all of its governmental funds. Budgetary comparison statements have been provided for the General Fund and Confiscated Assets Fund to demonstrate compliance with the FY 2012 budget. A project length budget has been adopted for the SPLOST Capital Projects Fund and the Police Building Fund and are presented in the individual fund financial statements. A budget was also adopted for the Development Impact Fee Fund for FY 2012 which is also presented in the individual fund financial statements.

Proprietary funds. Enterprise funds (a component of proprietary funds) are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its Water, Sewer and Solid Waste Management activities. All of the City's enterprise funds are considered by the City to be major funds.

Proprietary funds provide the same type of information as government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for each of the City's major funds.

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.

Other information. In addition to the basic financial statement and accompanying notes, this report also presents certain other supplementary information which consists of individual fund financial statements with prior year comparisons.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At December 31, 2012, the City's assets exceeded liabilities by $17,350,943. The City's net position reflect its investment in capital assets (73.6 percent), less any related debt used to acquire those assets that is still outstanding. Capital assets are used to provide services to citizens and they are not available for future spending. Although the investment in 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. Of the total net position, $2,065,565 (11.9 percent) is restricted for capital projects and other specified activities and $2,520,169 (14.5 percent) is unrestricted.

City of Senoia's Net Position

	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
Current and other assets	$ 3,138,489	$ 2,963,011	$ 1,851,448	$ 1,591,088	$ 4,989,937	$ 4,554,099
Capital assets	6,279,648	5,947,273	13,839,300	14,307,800	20,118,948	20,255,073
Total assets	9,418,137	8,910,284	15,690,748	15,898,888	25,108,885	24,809,172
Current liabilities	237,678	184,987	280,562	263,163	518,240	448,150
Long-term liabilities	1,004,453	1,173,543	6,235,249	6,395,695	7,239,702	7,569,238
Total liabilities	1,242,131	1,358,530	6,515,811	6,658,858	7,757,942	8,017,388
Net position:						
Invested in capital assets, net of related debt	5,321,603	4,816,256	7,443,606	7,757,093	12,765,209	12,573,349
Restricted	1,645,910	1,268,501	419,655	389,376	2,065,565	1,657,877
Unrestricted	1,208,493	1,466,997	1,311,676	1,093,561	2,520,169	2,560,558
Total net position	$ 8,176,006	$ 7,551,754	$ 9,174,937	$ 9,240,030	$ 17,350,943	$ 16,791,784

A portion of the net position (11.9 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position ($2,520,169) may be used to meet the government's ongoing obligations to citizens and creditors.

Governmental activities. Governmental activities increased the City of Senoia's net position by $642,368, thereby accounting for 100.0% of the total increase in the net position of the City of Senoia. Key elements of this increase are as follows:

City of Senoia's Change in Net Position
For The Years Ended December 31, 2012 and 2011

	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
Revenues:						
Program Revenues						
Charges for services	$ 575,244	$ 625,216	$ 1,629,884	$ 1,623,125	$ 2,205,128	$ 2,248,341
Operating grants and contributions	-	23,496	-	-	-	23,496
Capital grants and contributions	716,800	631,259	334,923	245,928	1,051,723	877,187
General Revenues						
Property taxes	723,901	728,629	-	-	723,901	728,629
Sales taxes	487,171	466,842	-	-	487,171	466,842
Other taxes	622,173	605,656	-	-	622,173	605,656
Interest	3,079	3,042	1,932	-	5,011	3,042
Other	21,575	77,137	-	3,018	21,575	80,155
	3,149,943	3,161,277	1,966,739	1,872,071	5,116,682	5,033,348
Expenses:						
General government	515,004	560,591	-	-	515,004	560,591
Public safety and courts	1,358,203	1,291,962	-	-	1,358,203	1,291,962
Public Works	402,543	574,941	-	-	402,543	574,941
Cemetery	7,799	1,168	-	-	7,799	1,168
Parks and recreation	54,190	72,672	-	-	54,190	72,672
Library	2,061	21,045	-	-	2,061	21,045
Planning and zoning	137,758	122,352	-	-	137,758	122,352
Downtown development	1,716	5,572	-	-	1,716	5,572
Interest on long-term debt	41,842	48,556	-	-	41,842	48,556
Water	-	-	967,695	877,987	967,695	877,987
Sewer	-	-	822,254	795,433	822,254	795,433
Solid waste	-	-	211,676	206,266	211,676	206,266
	2,521,116	2,698,859	2,001,625	1,879,686	4,522,741	4,578,545
Increase (decrease) in net assets before transfers	628,827	462,418	(34,886)	(7,615)	593,941	454,803
Transfers	13,541	4,861	(13,541)	(4,861)	-	-
Increase (decrease) in net position	642,368	467,279	(48,427)	(12,476)	593,941	454,803
Net position - beginning of year, adjusted	7,533,638	7,084,475	9,223,364	9,252,506	16,757,002	16,336,981
Net position - end of year	$ 8,176,006	$ 7,551,754	$ 9,174,937	$ 9,240,030	$ 17,350,943	$ 16,791,784

- Revenues from charges for services decreased by $49,972 or 8.0%. Police fines and other service charges decreased by $78,624 which is the major factor contributing to the overall decrease in service charges. The Police Department has seen an increase in call volume resulting from property crimes. As a result much of their time is spent investigating these reports.

- Sales tax collections increased by $20,329 or 4.4%. This increase reveals a slight growth in the commercial base of Coweta County and Senoia. .

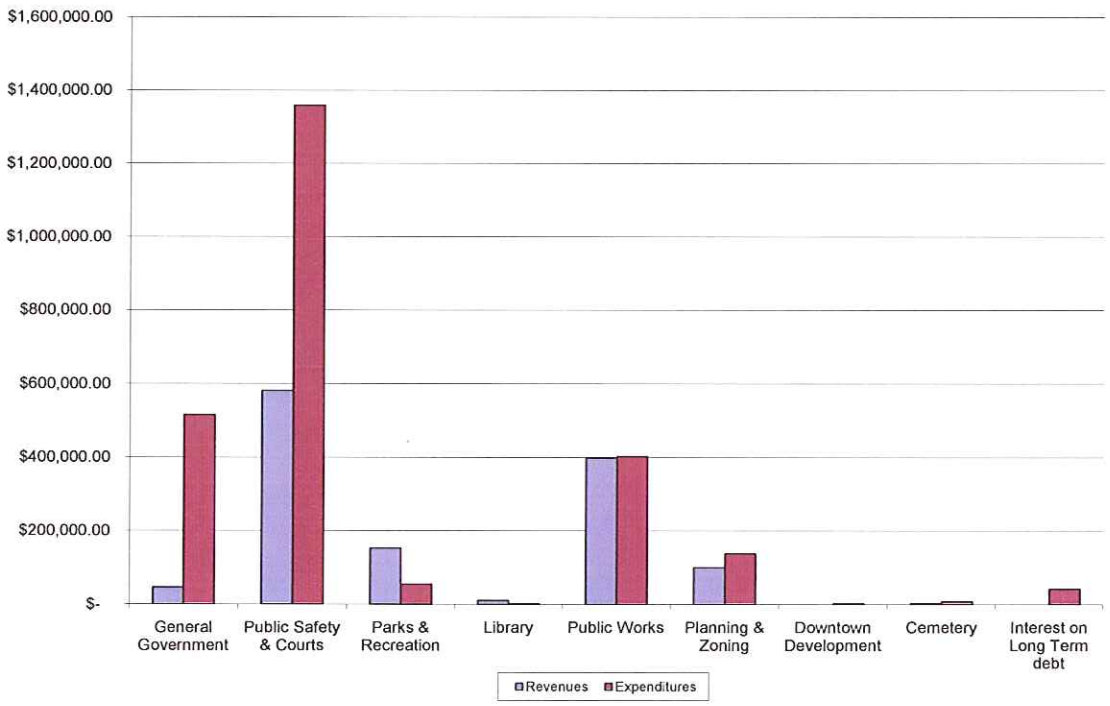
- Reassessments of Real Property in the City of Senoia caused a reduction of $2,251,335 in the digest. Development added $1,050,949 to the digest. Despite this reduction the Mayor and Council approved a millage rate reduction of 3.84%, thus reducing property tax collections by $4,728.

- Expenses in Public works decreased by $172,398 or 30%. This is a result of road projects that were delayed from Fall of 2012 until Spring of 2013.

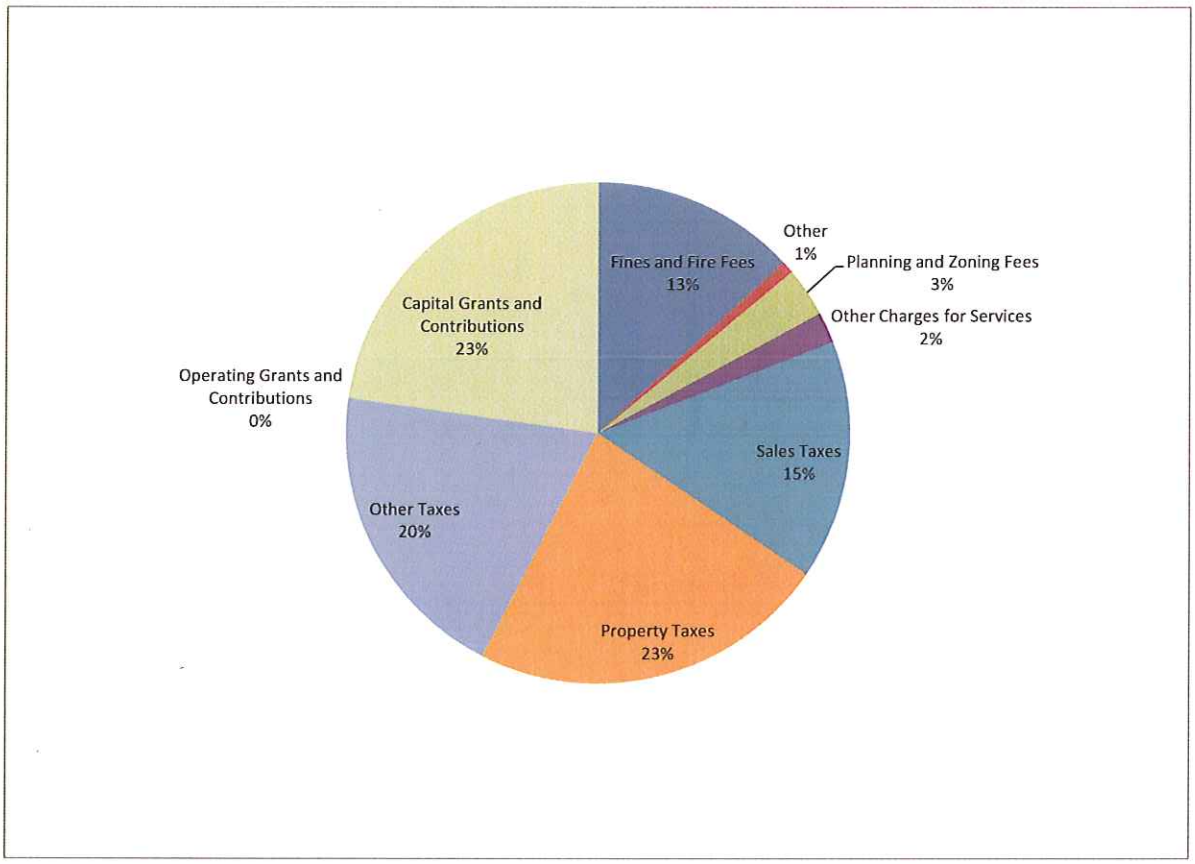
- In 2011, the City completed a city-wide park and recreation master plan. In 2012, the city approved contracts for the construction plans but only incurred minor costs. Expenditures in Parks and recreation decreased by 25%. The City anticipates the majority of the construction plans to be completed in 2013.

- In 2012, the City changed the management structure of the Water and Sewer Departments. This caused the city to employ additional staff to replace the employee promoted to supervisor. As a result employee costs increased in both departments. Further, costs associated with chemicals and power increased significantly. In all, expenditures in the Water Department increased by $89,708 or 10.2% and in Sewer by $26,821 or 3%.

Expenses and Program Revenues-Governmental Activities

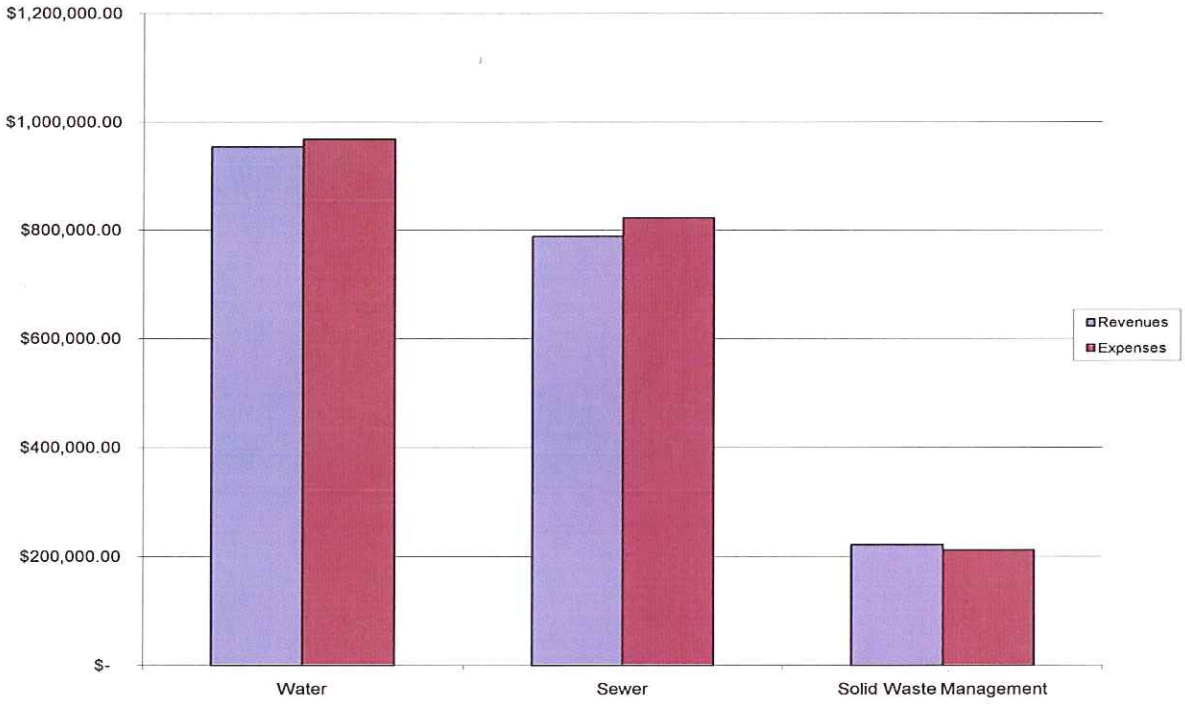


Revenue by Source-Governmental Activities



Business-type activities. Business-type activities decreased the City's net position by $48,427 of which a decrease of $12,036 was from Water activities, a decrease of $32,875 was from Sewer activities and a decrease of $3,516 was from Solid Waste Management Activities. Over the past several years, while new home construction has slowed from the 2007 levels, the development of new lots has stopped. The stock of undeveloped lots in the city is nearly diminished. As a result the City expects to collect less development fees to assist with the payment of debt. To counter this, the City re-evaluated its water and sewer rates in FY 2012. Water rates will be increased by 9% and sewer rates by 21% effective with the January 2013 billing cycle. It is the city's desire to make the system independent of developer contributions.

Expenses and Program Revenues-Business-Type Activities



Financial Analysis of the Government's Funds

As noted earlier, the City of Senoia used fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds. The purpose of the City's governmental fund financial statements 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, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At December 31, 2012 the City's governmental funds reported combined ending fund balances of $2,830,383 an increase of $181,586 in comparison to the prior year. Of this amount, $1,165,125 (41.2 percent) is unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is restricted to indicate that it is not available for new spending because it has already been committed 1) to pay for capital items most of which is funded by the proceeds of the Special Purpose Local Option Sales Tax, for construction of the new Public Safety facilities, and Development Impact Fees ($1,645,736); 2) for Police Activities ($174); and 3) nonspendable amounts for prepaid items which are not available for current government's spending discretion ($19,348).

The General Fund is the City's chief operating fund. At the end of the current fiscal year, unassigned fund balance of the general fund was $1,165,125 while the total fund balance totaled $1,184,473. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 43.4 percent of the total general fund expenditures, while total fund balance represents 44.1 percent of that same amount.

The City of Senoia received $549,530 in Special Purpose Local Option Sales Taxes in 2012. SPLOST funds were used during 2012 to repay the debt used to finance the construction of the new police and court facilities of $147,272 and for street improvements in the amount of $63,788.

The City also received Development Impact Fees during the year totaling $108,545 compared to $74,038 in 2011. These funds can only be expended for the category of system improvements (library, public safety and parks) within the service area for which the fee was assessed and collected. Impact fees were used during 2012 for police facility improvements of $10,619 library improvements of $70,912 and park improvements of $50,555.

The Confiscated Assets Fund and the Police Building Fund had very minimal activity for 2012.

Proprietary funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the proprietary funds at the end of the year were $1,311,676 of which the Water Fund had $314,255, the Sewer Fund had $977,154 and the Solid Waste Management Fund had $20,267. Other factors concerning the finances of proprietary funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

The original General Fund budget of $2,326,800 was amended to $2,577,900 a difference of $251,100. Several budget amendments were made to account for expenditures made in Financial Administration, Police Department, Municipal Court and Building Department. Capital outlays budgeted from the fund balance accounted for expenditures of $435,357. Among those were the renovation of City Hall, the expansion of the Cemetery and purchase of several vehicles. Further, during 2013, the Mayor and Council were petitioned by various departments, commissions and authorities for expenditures beyond the scope of the original budget. Despite over $435,000 in capital outlay and an additional $97,000 in requests from departments, authorities and commission, through budget reconciliation and cost saving measures practiced by the departments only $195,823 had to come from the Fund Balance.

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business-type activities at December 31, 2012 amounts to $20,118,948 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, automobiles and equipment, sidewalks, bridges and roads.

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

- $53,000 for grading and other improvements to the new library.
- $160,730 of city hall facility improvements.
- $88,000 for street improvements to the City's cemetery.
- $119,000 for the purchase of four vehicles.
- $51,000 for the City's portion of the county-wide emergency radio system.
- $51,000 for improvements to the Luther Bailey Bridge.

Additional information on the City's capital assets can be found in note 7.

Long-term debt. At the end of the current fiscal year, the City had $7,400,147 in outstanding debt consisting of the following:

City of Senoia's Outstanding Debt

	Balance
Governmental Activities -	
Accrued compensated absences	$ 46,408
Capital leases	958,045
Business-Type Activities -	
Revenue Bonds	5,310,625
GEFA Notes Payable	1,085,069
Total	$ 7,400,147

The City's total debt decreased by $324,103. Additional information on the City's long-term debt can be found in note 8.

Status of the City of Senoia's Economy

- The unemployment rate in the City of Senoia is in line with the State and Nation.
- Inflationary trends in the region compare favorably to national indices.
- Building permits, both commercial and residential, have declined compared to 2011 however the amount did compare favorably to budgeted predictions.
- The occupancy rate of the City's downtown and highway commercial areas have remained consistent.
- Sales tax receipts significantly increased during 2012. This may be seen as an increase to expect into the future but should be watched very closely while preparing future budgets.
- Gas and utility costs are rising; this will be an item that will affect all of the City's departments. Likewise, it will affect many of the purchases and projects in the City. The departments will be required to prepare for this.
- The inventory of undeveloped lots continues to decrease. Additionally, there is no development under way that will add to the stock in the near future. The City will have to watch its utility rates to ensure that the rates cover debt service and operation.

Requests for Information

This financial report is designed to provide a general overview of the City of Senoia's finances, comply with finance-related laws and regulations, and demonstrate the City's commitment to public accountability. Questions concerning this report or requests for additional information can be obtained by contacting the City at (770) 599-3679 or at the following address:

City of Senoia
Finance Department
P.O. Box 310
Senoia, GA 30276-0310

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CITY OF SENOIA, GEORGIA
STATEMENT OF NET POSITION
DECEMBER 31, 2012

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Downtown Dev. Auth.
Assets				
Cash and Cash Equivalents	$ 1,419,398	$ 692,920	$ 2,112,318	$ 50,487
Receivables, Net				
Taxes	421,273	-	421,273	-
Intergovernmental	97,495	-	97,495	-
Fines	55,254	-	55,254	-
Accounts	-	201,460	201,460	878
Other	-	-	-	13,000
Internal balances	(532,684)	532,684	-	-
Inventory	-	4,729	4,729	-
Prepaid Items	19,348	-	19,348	-
Restricted Assets -				
Cash	1,658,405	313,946	1,972,351	-
Investments	-	105,709	105,709	-
Receivables	-	-	-	-
Non-Depreciable Capital Assets	1,534,270	939,121	2,473,391	15,356
Depreciable Capital Assets, Net	4,745,378	12,900,179	17,645,557	131,308
Total Assets	9,418,137	15,690,748	25,108,885	211,029

See accompanying notes to the basic financial statements.

Continued

CITY OF SENOIA, GEORGIA
STATEMENT OF NET POSITION
DECEMBER 31, 2012

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Downtown Dev. Auth.
Liabilities				
Accounts Payable				
Trade	$ 85,780	$ -	$ 85,780	$ -
Construction	76,406	-	76,406	-
Accrued Liabilities -				
Salaries	21,007	10,862	31,869	-
Compensated absences	-	19,237	19,237	-
Customer deposits	-	80,819	80,819	1,850
Interest	18,451	-	18,451	-
Other	2,450	-	2,450	-
Unearned Revenues	33,584	-	33,584	-
Liabilities Payable from Restricted Assets -				
Revenue bonds	-	105,123	105,123	-
Notes payable	-	55,322	55,322	-
Accrued interest	-	9,199	9,199	-
Long-Term Liabilities -				
Due Within One Year	180,989	-	180,989	2,847
Due In More Than One Year	823,464	6,235,249	7,058,713	80,752
Total Liabilities	1,242,131	6,515,811	7,757,942	85,449
Net Position				
Invested in Capital Assets, Net of Related Debt	5,321,603	7,443,606	12,765,209	63,065
Restricted for -				
Police activities	174	-	174	-
Capital projects	1,645,736	-	1,645,736	-
Debt covenants	-	419,655	419,655	-
Unrestricted	1,208,493	1,311,676	2,520,169	62,515
Total Net Position	$ 8,176,006	$ 9,174,937	$ 17,350,943	$ 125,580

See accompanying notes to the basic financial statements.

Concluded

CITY OF SENOIA, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2012

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Governmental Activities:				
General Government	$ 515,004	$ 45,907	$ -	$ -
Public Safety and Courts	1,358,203	412,147	-	169,116
Public Works	402,543	-	-	399,093
Cemetery	7,799	3,120	-	-
Parks and Recreation	54,190	14,100	-	138,392
Library	2,061	-	-	10,199
Planning and Zoning	137,758	99,970	-	-
Downtown Development	1,716	-	-	-
Interest on Long-Term Debt	41,842	-	-	-
Total Governmental Activities	2,521,116	575,244	-	716,800
Business-Type Activities:				
Water	967,695	837,886	-	116,553
Sewer	822,254	570,297	-	218,370
Solid Waste Management	211,676	221,701	-	-
Total Business-Type Activities	2,001,625	1,629,884	-	334,923
Total Primary Government	$ 4,522,741	$ 2,205,128	$ -	$ 1,051,723
Component Unit:				
Downtown Development Authority	$ 34,734	$ 44,042	$ -	$ -

General Revenues:	
Taxes:	
Property	
Franchise	
Local option sales	
Insurance premium	
Alcohol beverage	
Occupational	
Real estate transfer	
Other	
Investment earnings	
Gain on disposal of capital assets	
Other	
Total General Revenues	
Transfers	
Total General Revenues and Transfers	
Change in Net Position	
Net Position - Beginning of Year, Adjusted	
Net Position - End of Year	

See accompanying notes to the basic financial statements.

Net (Expense) Revenue and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-Type Activities	Total	Downtown Dev. Auth.
$ (469,097)	$ -	$ (469,097)	$ -
(776,940)	-	(776,940)	-
(3,450)	-	(3,450)	-
(4,679)	-	(4,679)	-
98,302	-	98,302	-
8,138	-	8,138	-
(37,788)	-	(37,788)	-
(1,716)	-	(1,716)	
(41,842)	-	(41,842)	-
(1,229,072)	-	(1,229,072)	-
-	(13,256)	(13,256)	-
-	(33,587)	(33,587)	-
-	10,025	10,025	-
-	(36,818)	(36,818)	-
(1,229,072)	(36,818)	(1,265,890)	-
-	-	-	9,308
723,901	-	723,901	-
320,154	-	320,154	-
487,171	-	487,171	-
164,755	-	164,755	-
89,400	-	89,400	-
44,347	-	44,347	-
1,259	-	1,259	-
2,258	-	2,258	-
3,079	1,932	5,011	-
-	-	-	-
21,575	-	21,575	-
1,857,899	1,932	1,859,831	-
13,541	(13,541)	-	-
1,871,440	(11,609)	1,859,831	-
642,368	(48,427)	593,941	9,308
7,533,638	9,223,364	16,757,002	116,272
$ 8,176,006	$ 9,174,937	$ 17,350,943	$ 125,580

CITY OF SENOIA, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2012

	General	Special Revenue Fund Confiscated Assets	Capital Project Fund SPLOST 4
Assets			
Cash	$ 1,419,398	$ -	$ -
Receivables-			
Accounts	-	-	-
Taxes	421,273	-	-
Fines	55,254	-	-
Intergovernmental	-	-	97,495
Due from other funds	-	-	-
Prepaid items	19,348	-	-
Cash - restricted	-	174	1,229,872
Total assets	$ 1,915,273	$ 174	$ 1,327,367
Liabilities			
Accounts payable -	$ 85,780	$ -	$ 50,712
Accrued salaries and wages	21,007	-	-
Other accrued items	2,450	-	-
Due to other funds	532,684	-	-
Unearned revenues	-	-	33,584
Total liabilities	641,921	-	84,296
Deferred Inflows of Resources			
Unavailable revenues	88,879	-	-
Fund balance			
Nonspendable	19,348	-	-
Restricted for -			
Capital projects	-	-	1,243,071
Police services	-	174	-
Assigned for -			
Appropriation for next year's budget	-	-	-
Unassigned	1,165,125	-	-
Total fund balance	1,184,473	174	1,243,071
Total liabilities, deferred inflows of resources, and fund balance	$ 1,915,273	$ 174	$ 1,327,367

See accompanying notes to the basic financial statements.

Capital Project Funds		
Development Impact Fee	Police Building	Total Governmental Funds
$ -	$ -	$ 1,419,398
-	-	-
-	-	421,273
-	-	55,254
-	-	97,495
-	-	-
-	-	19,348
427,834	525	1,658,405
$ 427,834	$ 525	$ 3,671,173
$ 25,694	$ -	$ 162,186
-	-	21,007
-	-	2,450
-	-	532,684
-	-	33,584
25,694	-	751,911
-	-	88,879
-	-	19,348
402,140	525	1,645,736
-	-	174
-	-	-
-	-	1,165,125
402,140	525	2,830,383
$ 427,834	$ 525	$ 3,671,173

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CITY OF SENOIA, GEORGIA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2012

Amounts reported for governmental activities in the statement of net assets are different because:	
Total fund balances -- total governmental funds	$ 2,830,383
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	6,279,648
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds:	
Unavailable revenues	88,879
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Long-term portion of compensated absences	(46,408)
Capital lease obligation	(958,045)
Accrued interest payable	(18,451)
Net position of governmental activities.	$ 8,176,006

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

CITY OF SENOIA, GEORGIA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2012

	General	Special Revenue Fund Confiscated Assets	Capital Project Fund SPLOST 4
REVENUES			
Taxes	$ 1,843,880	$ -	$ -
Licenses and Permits	171,060	-	-
Fines, Fees and Forfeitures	277,394	60	-
Charges for Services	135,603	-	-
Intergovernmental	332	-	610,173
Interest	3,069	-	1,435
Donations	-	-	-
Rental income	16,330	-	-
Other	27,404	-	-
Total revenues	2,475,072	60	611,608
EXPENDITURES			
Current			
Governing Body	38,997	-	-
General Government	441,033	-	-
Government Buildings	25,224	-	-
Municipal Court	196,597	-	-
Public Safety	1,015,364	18	-
Highways and Streets	311,214	-	-
Cemetery	4,164	-	-
Library	-	-	-
Parks	5,404	-	-
Planning and Zoning	136,804	-	-
Downtown Development	1,716	-	-
Debt Service -			
Principal	65,194	-	107,778
Interest	7,368	-	39,494
Debt Issuance Costs	-	-	-
Capital Outlay	435,357	-	63,788
Total expenditures	2,684,436	18	211,060
Excess of revenues over (under) expenditures	(209,364)	42	400,548
Other financing sources (uses):			
Proceeds from capital lease obligation	-	-	-
Proceeds from disposition of capital assets	-	-	-
Transfers	13,541	-	70,882
Total other financing sources (uses):	13,541	-	70,882
Net change in fund balance	(195,823)	42	471,430
Fund balance - beginning	1,380,296	132	771,641
Fund balance - ending	$ 1,184,473	$ 174	$ 1,243,071

See accompanying notes to the basic financial statements.

Capital Project Funds		
Development Impact Fee	Police Building	Total Governmental Funds
$ -	$ -	$ 1,843,880
-	-	171,060
-	-	277,454
108,545	-	244,148
-	-	610,505
350	10	4,864
-	-	-
-	-	16,330
-	-	27,404
108,895	10	3,195,645
-	-	38,997
-	-	441,033
-	-	25,224
-	-	196,597
-	-	1,015,382
-	-	311,214
-	-	4,164
-	-	-
-	-	5,404
-	-	136,804
-	-	1,716
-	-	172,972
-	-	46,862
-	-	-
132,086	-	631,231
132,086	-	3,027,600
(23,191)	10	168,045
-	-	-
-	-	-
15,559	(86,441)	13,541
15,559	(86,441)	13,541
(7,632)	(86,431)	181,586
409,772	86,956	2,648,797
$ 402,140	$ 525	$ 2,830,383

CITY OF SENOIA, 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, 2012

Net change in fund balances -- total governmental funds	$ 181,586
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.	
Capital outlay	574,014
Depreciation	(241,640)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This is the difference between the beginning and ending deferred revenue balances related to timing differences.	
Unavailable revenues	(45,702)
Proceeds from long-term debt obligations provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.	
Proceeds from debt issues	-
Repayments of principal	172,972
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:	
Change in accrued interest payable	5,020
Change in long-term portion of accrued compensated absences	(3,882)
Change in net position of governmental activities.	$ 642,368

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

CITY OF SENOIA, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE -- BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2012

	BUDGET AMOUNTS			
	ORIGINAL	FINAL	ACTUAL	VARIANCE
REVENUES				
Taxes	$ 1,689,300	$ 1,883,100	$ 1,843,880	$ (39,220)
Licenses and Permits	139,600	163,300	171,060	7,760
Intergovernmental Grants	300	300	332	32
Charges for Services	171,000	171,000	135,603	(35,397)
Fines, Fees and Forfeitures	305,200	322,100	277,394	(44,706)
Investment Income	2,000	2,000	3,069	1,069
Rents	11,500	11,500	16,330	4,830
Miscellaneous	7,900	24,600	27,404	2,804
Total revenues	2,326,800	2,577,900	2,475,072	(102,828)
EXPENDITURES				
Current				
Governing Body	33,000	40,000	38,997	1,003
Financial Administration	401,800	438,300	441,033	(2,733)
Government Buildings	24,900	25,800	25,224	576
Municipal Court	232,100	197,200	196,597	603
Public Safety	1,093,700	1,050,100	1,015,364	34,736
Public Works	286,200	307,100	311,214	(4,114)
Cemetery	300	23,200	4,164	19,036
Library	-	-	-	-
Parks	2,000	5,500	5,404	96
Planning and Zoning	124,300	138,500	136,804	1,696
Community Development	2,000	2,000	1,716	284
Debt Service				
Principal	76,000	71,700	65,194	6,506
Interest	-	-	7,368	(7,368)
Capital Outlay	50,500	442,900	435,357	7,543
Total expenditures	2,326,800	2,742,300	2,684,436	57,864
Excess of revenues over (under) expenditures	-	(164,400)	(209,364)	(44,964)
Other financing sources (uses):				
Proceeds from capital lease	-	-	-	-
Proceeds from disposition of capital assets	-	-	-	-
Transfers	-	-	13,541	13,541
Total other financing sources (uses):	-	-	13,541	13,541
Net change in fund balance	-	(164,400)	(195,823)	(31,423)
Fund balance - beginning	1,380,296	1,380,296	1,380,296	-
Fund balance - ending	$ 1,380,296	$ 1,215,896	$ 1,184,473	$ (31,423)

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

CITY OF SENOIA, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
CONFISCATED ASSETS SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2012
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2011

	2012			
Revenues:	Original & Final Budget	Actual	Variance	Actual 2011
Forfeitures	$ 2,860	$ 60	$ (2,800)	$ -
Interest	-	-	-	4
Total Revenue	2,860	60	(2,800)	4
Expenditures:				
Current				
Police activity	2,860	18	2,842	2,785
Capital Outlay	-	-	-	-
Total Expenditures	2,860	18	2,842	2,785
Excess of Revenues Over (Under) Expenditures Before Other Sources and (Uses)	-	42	42	(2,781)
Other Sources and (Uses)				
Transfers	-	-	-	-
Total Other Sources and (Uses)	-	-	-	-
Net change in fund balance	-	42	42	(2,781)
Fund Balance - Beginning of Year	132	132	-	2,913
Fund Balance - End of Year	$ 132	$ 174	$ 42	$ 132

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

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CITY OF SENOIA, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2012

	Water	Sewer	Sanitation	Total
ASSETS				
Current assets				
Cash	$ 265,121	$ 427,799	$ -	$ 692,920
Receivables-				
Accounts (net)	108,131	73,062	20,267	201,460
Other	-	-	-	-
Due from other funds	36,428	496,256	-	532,684
Inventory	4,729	-	-	4,729
Restricted assets				
Cash	89,830	224,116	-	313,946
Investments	105,709	-	-	105,709
Total current assets	609,948	1,221,233	20,267	1,851,448
Noncurrent assets				
Capital assets				
Land	105,647	833,474	-	939,121
Construction in progress	-	-	-	-
Buildings	228,428	-	-	228,428
Improvements other than buildings	5,410,358	10,201,942	-	15,612,300
Vehicles	35,150	79,493	-	114,643
Machinery and equipment	373,920	246,994	-	620,914
Accumulated depreciation	(1,827,135)	(1,848,971)	-	(3,676,106)
Capital assets (net of depreciation)	4,326,368	9,512,932	-	13,839,300
Total noncurrent assets	4,326,368	9,512,932	-	13,839,300
Total assets	4,936,316	10,734,165	20,267	15,690,748

See accompanying notes to the basic financial statements.

CITY OF SENOIA, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2012

	Water	Sewer	Sanitation	Total
LIABILITIES				
Current liabilities				
Accounts payable -	$ -	$ -	$ -	$ -
Customer deposits	80,819	-	-	80,819
Due to other funds	-	-	-	-
Accrued compensated absences	5,506	13,731	-	19,237
Accrued salaries	8,198	2,664	-	10,862
Current liabilities payable from restricted assets -				
Revenue bonds	30,000	75,123	-	105,123
Notes	55,322	-	-	55,322
Accrued interest	5,631	3,568	-	9,199
Total current liabilities	185,476	95,086	-	280,562
Long-term liabilities				
Revenue bonds	320,000	4,885,502	-	5,205,502
Notes payable	1,029,747	-	-	1,029,747
Total long-term liabilities	1,349,747	4,885,502	-	6,235,249
Total liabilities	1,535,223	4,980,588	-	6,515,811
Net Position				
Investments in capital assets, net of related debt	2,891,299	4,552,307	-	7,443,606
Restricted for capital projects	-	-	-	-
Restricted under debt covenants	195,539	224,116	-	419,655
Unrestricted	314,255	977,154	20,267	1,311,676
Total Net Position	$ 3,401,093	$ 5,753,577	$ 20,267	$ 9,174,937

See accompanying notes to the basic financial statements.

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CITY OF SENOIA, GEORGIA
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2012

	Water	Sewer	Sanitation	Total
OPERATING REVENUES				
Charges for services -				
Sales and services	$ 806,604	$ 551,031	$ 221,701	$ 1,579,336
Penalties and reconnect fees	30,958	-	-	30,958
Miscellaneous	324	19,266	-	19,590
Total operating revenues	837,886	570,297	221,701	1,629,884
OPERATING EXPENSES				
Purchase of product / service	23,928	-	211,326	235,254
Salaries and related cost	411,545	158,656	-	570,201
Supplies and materials	111,308	29,087	-	140,395
Repairs and maintenance	64,789	28,218	-	93,007
Utilities	37,573	120,012	-	157,585
Depreciation and amortization	139,552	233,797	-	373,349
Other	70,357	33,809	350	104,516
Total operating expenses	859,052	603,579	211,676	1,674,307
Operating income (loss)	(21,166)	(33,282)	10,025	(44,423)
Non-operating revenues and (expenses)				
Interest earned	1,220	712	-	1,932
Loss on sale of capital assets	(43,311)	-	-	(43,311)
Interest expense	(65,332)	(218,675)	-	(284,007)
Total non-operating revenues (expenses)	(107,423)	(217,963)	-	(325,386)
Income before transfers and capital contributions	(128,589)	(251,245)	10,025	(369,809)
Capital contributions -				
Developers	116,553	218,370	-	334,923
Transfers	-	-	(13,541)	(13,541)
Change in net assets	(12,036)	(32,875)	(3,516)	(48,427)
NET POSITION - BEGINNING, Adjusted	3,413,129	5,786,452	23,783	9,223,364
NET POSITION - ENDING	$ 3,401,093	$ 5,753,577	$ 20,267	$ 9,174,937

See accompanying notes to the basic financial statements.

CITY OF SENOIA, GEORGIA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2012

	Water	Sewer	Sanitation	Total
Cash flows from operating activities:				
Cash received from customers and users	$ 820,067	$ 573,915	$ 225,217	$ 1,619,199
Cash paid to suppliers for goods	(398,566)	(246,724)	(211,676)	(856,966)
Cash paid to employees	(319,035)	(117,410)	-	(436,445)
Net cash provided from operating activities	102,466	209,781	13,541	325,788
Cash flows from investing activities:				
Interest received	1,220	712	-	1,932
(Purchase) / redemption of investments	(461)	-	-	(461)
Net cash from investing activities	759	712	-	1,471
Cash flows from non-capital financing activities:				
Transfers	-	-	(13,541)	(13,541)
Change in due to/from other funds	(68,383)	(89,265)	-	(157,648)
Net cash flows from non-capital financing activities	(68,383)	(89,265)	(13,541)	(171,189)
Cash flows from capital financing activities:				
Proceeds from long-term debt	-	-	-	-
Principal payments on long-term debt	(83,100)	(71,913)	-	(155,013)
Interest paid	(65,536)	(218,728)	-	(284,264)
Capital contributions	116,553	218,370	-	334,923
Purchase / construction of capital assets	(2,000)	(19,168)	-	(21,168)
Proceeds from grants	-	-	-	-
Proceeds from sale of capital assets	73,009	-	-	73,009
Net cash flows from capital financing activities	38,926	(91,439)	-	(52,513)
Net cash flows	73,768	29,789	-	103,557
Cash and cash equivalents - beginning	281,183	622,126	-	903,309
Cash and cash equivalents - ending	$ 354,951	$ 651,915	$ -	$ 1,006,866

See accompanying notes to the basic financial statements.

CITY OF SENOIA, GEORGIA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES

	Water	Sewer	Sanitation	Total
Operating income (loss)	$ (21,166)	$ (33,282)	$ 10,025	$ (44,423)
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation and amortization	139,552	233,797	-	373,349
(Increase) decrease in receivables	(22,494)	3,618	3,516	(15,360)
(Increase) decrease in inventory	-	-	-	-
Increase (decrease) in accounts payable	-	-	-	-
Increase (decrease) in customer deposits	4,675	-	-	4,675
Increase (decrease) in accrued liabilities	1,899	5,648	-	7,547
Total adjustments	123,632	243,063	3,516	370,211
Net cash from operating activities	$ 102,466	$ 209,781	$ 13,541	$ 325,788
Non-cash transactions -				
Increase (decrease) in fair value of investments	$ -	$ -	$ -	$ -

See accompanying notes to the basic financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A. Basis of Presentation

The City's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the City are discussed below.

B. The Reporting Entity

The City of Senoia, Georgia (the City) was established in 1866 and is located in Coweta County about 40 miles south of Atlanta. The City provides a full range of services to approximately 3,400 residents. These services are provided in whole by the City. These services include public safety, highways and streets, water and sewer, sanitation, public improvements, planning and zoning, parks and recreation, library, cemetery and general administrative services.

Governmental Accounting Standards Board Statement No. 14 defines the reporting entity for determining which potential component units should be included in a primary government's financial statements. Inclusion is based on financial accountability or the fact that exclusion would make the financial statements misleading or incomplete. The criteria for determining financial accountability includes appointing a voting majority of an organization's governing body and (1) the ability of the City to impose its will on that organization or (2) the potential for the organization to provide specific financial benefits or to impose specific financial burdens on the City. Using the above criteria, the component unit discussed below is included in the City's reporting entity because of the significance of its operational and financial relationship with the City. The City has excluded from the City's financial report the Senoia Housing Authority, a related party, since the City is not responsible for the Authority's financial burdens.

Discretely Presented Component Unit –

The component unit column in the Government – Wide Financial Statements includes the financial data of City of Senoia, Georgia Downtown Development Authority. This component unit is reported in a separate column to emphasize that it is legally separate from the City. The City of Senoia, Georgia Downtown Development Authority was organized to develop and promote commerce, industry and general welfare within the City. The City appoints the Authority's board members and reviews the annual budget. Funding of the Authority is provided by the City's General Fund and contributions from individuals and private companies. Separate financial statements for the Authority are not issued.

(See Independent Auditor's Report)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued):

C. Basic Financial Statements—Government-Wide Statements

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type.

The government-wide Statement of Net Position presents the financial condition of the governmental and business-type activities of the City at year end. The statement is presented on a consolidated basis and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The City's net position is reported in three parts—invested in capital assets, net of related debt; restricted net position; and unrestricted net position. The City first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for business-type activities of the City. Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. The City does not allocate indirect cost. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program or business activity self-financing or draws from the general revenues of the City.

The net costs (by function) are normally covered by general revenue (property, sales or use taxes, intergovernmental revenues, interest income, etc.).

This government-wide focus is more on the sustainability of the City as an entity and the change in the City's net position resulting from the current year's activities.

(See Independent Auditor's Report)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued):

D. Basic Financial Statements-Fund Financial Statements

The financial transactions of the City are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises it assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds, if any, are aggregated and presented in a single column.

Governmental Fund Types – Governmental funds are those through which most governmental functions of the City are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the City's major governmental funds:

General Fund – The General Fund is the primary operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

Confiscated Assets Special Revenue Fund – This fund is used to account for assets seized by the City during investigations into illegal drug activities.

The SPLOST 4 Capital Projects Fund – This fund is used by the City to account for acquisition and construction of major capital facilities that were approved by the voters of Coweta County, Georgia through the special purpose local option sales tax referendum.

The Development Impact Fee Capital Projects Fund – This fund is used to account for monies collected under the City's Development Impact Fee Ordinance as adopted in fiscal year 2003. Monies collected under this ordinance can only be expended for the category of system improvements within the service area (City limits of Senoia) for which the development impact fee was assessed and collected.

Police Building Capital Projects Fund – This fund is used to account for proceeds from a capital lease obtained to finance the construction of the City's new police facilities.

Proprietary Fund Type – Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position, and cash flows. The City's proprietary funds are classified as enterprise funds. Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The following are the City's major enterprise funds:

The Water Enterprise Fund – This fund is used to account for activities connected with the development, operation and maintenance of water in the City of Senoia and parts of Coweta County.

The Sewer Enterprise Fund – This fund is used to account for activities connected with the development, operation and maintenance of sewer in the City of Senoia and parts of Coweta County.

Solid Waste Management Enterprise Fund - The Solid Waste Management Enterprise Fund is used to account for the revenues generated from the charges for sanitation and recycling services provided to the residential and commercial users of the City.

(See Independent Auditor's Report)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued):

E. Measurement Focus

Government-wide Financial Statements – The government-wide financial statements are prepared using the economic resources measurement focus. All assets, liabilities, and deferred inflows and outflows of resources associated with the operation of the City are included on the statement of net position.

Fund Financial Statements – All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets, current liabilities and deferred inflows and outflows of resources generally are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of government-wide financial statements are prepared. Therefore, governmental fund financial statements include reconciliation with brief explanations to better identify the relationship between the government-wide and the statements for governmental funds.

Like the government-wide statements, all proprietary funds are accounted for on a flow of economic resources measurement focus. All assets, liabilities and deferred inflows and outflows of resources associated with the operation of these funds are included on the statement of net position. The statement of revenues, expenses, and changes in net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

On the proprietary funds financial statements, operating revenues are those that flow directly from the operations of the activity, i.e. charges to customers or users who purchase or use the goods or services of that activity. Operating expenses are those that are incurred to provide the goods or services. Non-operating revenues and expenses are items such as investment income and interest expense that are not a result of the direct operations of the activity.

F. Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

1. Accrual

Government-wide financial statements are presented on the accrual basis of accounting; proprietary funds also use the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual:

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

(See Independent Auditor's Report)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued):

F. Basis of Accounting, continued

Those revenues susceptible to accrual are taxes, state and federal grants, fines, interest revenue and charges for services. Major revenues that are determined not to be susceptible to accrual because they are either not available soon enough to pay liabilities of the current period or are not objectively measurable include licenses, penalties and miscellaneous revenues which are recorded as revenues when received in cash. Those revenues that are measurable but are not collected within 60 days after year end are recorded as unavailable revenues.

G. Cash and Investments

Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the City. For purposes of the statement of cash flows, the Enterprise Funds consider all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

The City's investments consist of certificates of deposit with a maturity date greater than three months from the date of purchase. For reporting purposes, all investments are recorded at fair value.

In applying GASB Statement No. 31, the City utilized the following methods and assumptions as of December 31, 2012:

1. Fair value is based on quoted market prices as of the valuation date;
2. The investment portfolio did not hold investments in any of the following: a) items required to be reported at amortized costs; b) items subject to involuntary participation in an external pool; and, c) items associated with a fund other than the fund to which the income is assigned.

The City's policy is to hold investments until maturity.

H. Inventory

Inventory is valued at the lower of cost (first-in, first-out) or market. Inventory, if any, in the General Fund consists of expendable supplies held for consumption. The cost is recorded as expenditure at the time individual inventory items are used, rather than in the period purchased. Reported inventories are equally offset by a fund balance reserve, which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets. Inventories of the Water and Sewer Funds, if any, consist of various repair parts and supplies.

I. Prepaid Expenses

Payments made to vendors for service that will benefit periods beyond December 31, 2012 are recorded as prepaid items and are expensed during the period benefited.

(See Independent Auditor's Report)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued):

J. Restricted Assets

Certain proceeds from the Water and Sewer Enterprise Fund's revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because they are maintained in separate bank accounts and their use is limited by applicable bond covenants. The "revenue bond current debt service" account is used to segregate resources accumulated for debt service payments over the next twelve months. The "debt service reserve fund" account is used to report resources set aside to make up potential future deficiencies in the revenue bond current debt service account.

K. Capital Assets

General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in governmental funds. General capital assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective funds.

Capital assets purchased or acquired with an original cost of $3,500 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. No interest was capitalized during fiscal year ended December 31, 2012. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings and improvements	30-50 years
Improvement other than buildings	25-50 years
Infrastructure	30-50 years
Office equipment	10-20 years
Furniture and fixtures	10-20 years
Vehicles	5-10 years
Machinery and equipment	5-10 years

The City only reports infrastructure assets purchased subsequent to December 31, 2003.

L. Bond Premiums, Discounts and Issuance Cost

For governmental fund types, bond premiums and discounts, as well as issuance costs, are recognized during the current period. Bond proceeds are reported as other financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures. For proprietary fund types and government-wide financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the straight line method while issuance costs are expensed in the year incurred. Bonds payable are reported at their unpaid balance.

(See Independent Auditor's Report)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued):

M. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements. All payables, accrued liabilities, and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments and compensated absences that will be paid from governmental funds are reported as liability in the fund financial statements only to the extent that they are due for payment during the current year. Long-term loans are recognized as a liability on the governmental fund financial statements when due.

N. Revenues

Substantially all governmental fund revenues are accrued. When applicable, property taxes are billed and collected within the same period in which the taxes are levied. In applying GASBS No. 33 to grant revenues, the provider recognizes liabilities and expenses and the recipient recognizes receivables and revenue when the applicable eligibility requirements, including time requirements, are met. Resources transmitted before the eligibility requirements are met are reported as advances by the provider and deferred revenue by the recipient.

O. Expenditures

Expenditures are recognized when the related fund liability is incurred. Inventory costs are reported in the period when inventory items are used, rather than in the period purchased.

P. Compensated Absences

The City accrues accumulated unpaid vacation and sick leave benefits, which will be paid to employees upon separation from service, when earned (or estimated to be earned) by the employee. The noncurrent portion (the amount estimated to be used in subsequent fiscal years) for governmental funds is maintained separately and represents a reconciling item between the fund and government-wide presentations. In accordance with the provisions of Statement No. 16 of the Governmental Accounting Standards Board, Accounting for Compensated Absences, no liability is recorded for nonvesting accumulating rights to receive sick pay benefits.

Q. Interfund Activity

Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

R. Encumbrances

Encumbrances accounting, under which purchase orders, contracts, and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the City.

(See Independent Auditor's Report).

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued):

S. Deferred Outflows / Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense / expenditures) until then. The government has no items that qualify for reporting in this category as of December 31, 2012.

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 government 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 three sources: property taxes, probation fines, and franchise taxes.

T. Fund Balance – Governmental Funds

As of December 31, 2012, fund balances of the governmental funds are classified as follows:

Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted – amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed – amounts that can be used only for specific purposes determined by a formal action of City of Senoia's Council. Senoia's Council is the highest level of decision making authority for the City. Commitments may be established, modified, or rescinded only through ordinances approved by City Council prior to end of the fiscal year. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken to remove or revise the limitation.

Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Only the City Council may assign amounts for specific purposes through passage of a resolution. Unlike commitments, assignments generally only exist temporarily and do not normally have to have an additional action taken for their removal.

Unassigned – all other spendable amounts.

(See Independent Auditor's Report).

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued):

T. Fund Balance – Governmental Funds, Continued

As of December 31, 2012, fund balances are composed of the following:

	Non-Spendable - Prepaids	Restricted - Capital Outlay	Restricted - Police Activities	Assigned - 2013 Budget	Unassigned
General Fund	$ 19,348	$ -	$ -	$ -	$ 1,165,125
Confiscated Assets Fund	-	-	174	-	-
SPLOST 4 Fund	-	1,243,071	-	-	-
Development Impact Fee Fund	-	402,140	-	-	-
Police Building Fund	-	525	-	-	-
Total	$ 19,348	$ 1,645,736	$ 174	$ -	$ 1,165,125

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the City Council has provided otherwise in its commitment or assignment actions.

U. Net Position

Net position represents the difference between assets plus deferred outflows and liabilities plus deferred inflows. Net position invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The City's government-wide statement of net position reports $2,065,565 in restricted net position, of which $1,645,385 is restricted by enabling legislation.

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

V. Contributions of Capital

Contributions of capital in the proprietary fund financial statements arise from outside contributions of capital assets, tap-on fees to the extent they exceed the cost of connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction.

W. Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

(See Independent Auditor's Report).

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued):

X. Budgets and Budgetary Accounting

The City Council adopts an annual budget for all of the City's funds. Public hearings are conducted to obtain taxpayer comments. The operating budget includes proposed expenditures and the means of financing them. The budget is legally enacted by the passage of a resolution. Any revisions that alter the total expenditures of any department must be approved by City Council. Formal budgetary integration is employed as a management control device during the year.

Governmental fund type budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) at the legal level of budgetary control which is the department level. Expenditures may not exceed the appropriations within a fund. Budgets, as reported in the financial statements, are as amended in March 2013. All annual appropriations lapse at year end.

2. CASH AND INVESTMENTS

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The City follows the State's requirement for all deposits in excess of Federal Deposit Insurance be collateralized by securities equal to at least 110% of the excess deposits. As of December 31, 2012, $3,733,845 of the government's bank balance of $4,233,845 was exposed to custodial credit risk as follows:

The City's deposits are classified as follows at December 31, 2012:

Uninsured and uncollateralized	$ -
Collateralized with securities held by pledging financial institution or its agent	3,733,845
Total	$ 3,733,845

Investments

Investments - Statutes authorize the City to invest in obligations of the United States and of its agencies and instrumentalities, bonds of the State of Georgia and its agencies, instrumentalities and political subdivisions, and certificates of deposit of national or state banks that are fully insured or collateralized by United States obligations.

Investments as of December 31, 2012, consisted of certificates of deposits and are included in the above mentioned bank balances. Investments are stated at cost plus accrued interest, which approximates fair value.

3. PROPERTY TAX

Property taxes were levied on August 20, 2012 and are due 60 days after the receipt of the tax notice. Property taxes attach as an enforceable lien on the property as of January 1. A local option sales tax is in force. Proceeds from this tax are remitted to the City on a monthly basis and are utilized to give property tax owners tax relief. The City has obtained the service of Coweta County to bill and collect the City's property taxes. The County remits monies collected to the City on a semi-monthly basis. Property taxes receivable at December 31, 2012 amounted to $71,444.

(See Independent Auditor's Report).

4. INTERGOVERNMENTAL REVENUES AND RECEIVABLES

Intergovernmental revenues and receivables reported in the fund financial statements for the year ended December 31, 2012 consist of the following:

	Revenue	Receivable
General Fund		
Miscellaneous	$ 332	$ -
SPLOST 4 Fund		
Georgia Department of Transportation - Resurfacing and Streetscape grants	60,643	-
Coweta County, Georgia - SPLOST Agreement	549,530	97,495
Total Capital Contributions from grants	$ 610,505	$ 97,495

5. RECEIVABLES

Receivables as of year end, including the applicable allowances for uncollectible accounts, are as follows:

Governmental Funds

	General	SPLOST 4	Total
Taxes	$ 421,273	$ -	$ 421,273
Fines	120,254	-	120,254
Intergovernmental	-	97,495	97,495
Gross Receivables	541,527	97,495	639,022
Less: Allowance for Uncollectibles	(65,000)	-	(65,000)
Net Total Receivables	$ 476,527	$ 97,495	$ 574,022

Proprietary Funds

	Water	Sewer	Solid Waste Management	Total
Accounts	$ 130,631	$ 89,262	$ 26,567	$ 246,460
Less: Allowance for Uncollectibles	(22,500)	(16,200)	(6,300)	(45,000)
Net Total Receivable	$ 108,131	$ 73,062	$ 20,267	$ 201,460

(See Independent Auditor's Report)

6. INTER-FUND TRANSACTIONS

Individual fund interfund receivable and payable balances at December 31, 2012 were as follows:

Payable To	Payable From General	Water	Totals
General	$ -	$ -	$ -
Sewer	496,256	-	496,256
Water	36,428	-	36,428
Totals	$ 532,684	$ -	$ 532,684

The City's General Fund's operating bank account receives all deposits from the General Fund, Water Fund and Sewer Fund operations. All monies collected for the Water and Sewer Funds and all expenditures paid for the Water and Sewer Funds are made through the General Fund's operating bank account. The cumulative net amount over the years (receipts over expenditures) is either due to or due from the Water and Sewer Funds.

Individual fund interfund transfers for the year ended December 31, 2012 were as follows:

Transfer To	Transfer From Solid Waste	Police Building	Totals
General	$ 13,541		$ 13,541
SPLOST 4		70,882	70,882
Development Impact Fee	-	15,559	15,559
Total	$ 13,541	$ 86,441	$ 99,982

During the fiscal year ended December 31, 2012, the Solid Waste Fund transferred $13,541 to the General Fund as a result of net cash flows. The Police Building Fund transferred a total of $86,441 to the SPLOST 4 and Development Impact Fee Funds for reimbursements of expenditures the funds made toward the construction of the new police department facilities.

(See Independent Auditor's Report)

7. PROPERTY, PLANT AND EQUIPMENT

Capital asset activity for the year ended December 31, 2012 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets, not being depreciated:				
Land	$ 1,461,023	$ -	$ -	$ 1,461,023
Construction in progress	96,526	129,747	(153,026)	73,247
Total	1,557,549	129,747	(153,026)	1,534,270
Capital assets being depreciated:				
Buildings and improvements	2,084,511	160,730	-	2,245,241
Improvements other than buildings	222,498	153,026	-	375,524
Infrastructure	1,946,980	108,720	-	2,055,700
Machinery and equipment	517,611	63,914	-	581,525
Office equipment	146,259	14,411	-	160,670
Vehicles, including related equipment	521,960	83,366	-	605,326
Furniture and fixtures	78,184	13,126	-	91,310
Total capital assets being depreciated	5,518,003	597,293	-	6,115,296
Less accumulated depreciation for:				
Buildings and improvements	254,401	54,217	-	308,618
Improvements other than buildings	59,636	11,359	-	70,995
Infrastructure	144,859	51,364	-	196,223
Machinery and equipment	273,304	47,402	-	320,706
Office equipment	102,038	7,367	-	109,405
Vehicles, including related equipment	265,748	63,337	-	329,085
Furniture and other equipment	28,293	6,593	-	34,886
Total accumulated depreciation	1,128,279	241,639	-	1,369,918
Total capital assets being depreciated, net	4,389,724	355,654	-	4,745,378
Governmental capital assets, net	$ 5,947,273	$ 485,401	$ (153,026)	$ 6,279,648

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

General Government	$ 15,301
Police	113,386
Highways and Streets	67,965
Planning and Zoning	1,005
Cemetery	736
Parks and Recreation	41,186
Library	2,060
Total depreciation expense	$ 241,639

See Independent Auditor's Report)

7. PROPERTY, PLANT AND EQUIPMENT – (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities				
Capital assets, not being depreciated:				
Land	$ 1,055,442	$ -	$ (116,321)	$ 939,121
Construction in progress	-	-	-	-
Total	1,055,442	-	(116,321)	939,121
Capital assets being depreciated:				
Buildings and improvements	228,428	-	-	228,428
Improvements other than buildings	15,612,300	-	-	15,612,300
Vehicles	97,473	17,170	-	114,643
Machinery and equipment	616,914	4,000	-	620,914
Total capital assets being depreciated	16,555,115	21,170	-	16,576,285
Less accumulated depreciation for:				
Buildings and improvements	33,269	5,711	-	38,980
Improvements other than buildings	2,857,820	313,850	-	3,171,670
Vehicles	88,990	8,106	-	97,096
Machinery and equipment	322,678	45,682	-	368,360
Total capital assets being depreciated	3,302,757	373,349	-	3,676,106
Total capital assets being depreciated, net	13,252,358	(352,179)	-	12,900,179
Business-Type Activities capital assets, net	$ 14,307,800	$ (352,179)	$ (116,321)	$ 13,839,300

Depreciation expense was charged to functions/programs as follows:

Water	$ 139,552
Sewer	233,797
Total depreciation expense	$ 373,349

(See Independent Auditor's Report)

8. LONG-TERM DEBT

Changes in Long-Term Debt

The following is a summary of changes in long-term liabilities reported in the government-wide financial statements for the year ended December 31, 2012:

	Beginning Balance	Increases	Decreases	Ending Balance	Current Portion
Governmental Activities					
Capital Leases - Facilities	$ 997,044	$ -	$ (107,778)	$ 889,266	$ 112,210
Capital Leases - Equipment	133,973	-	(65,194)	68,779	68,779
Accrued Compensated Absences	42,526	35,294	(31,412)	46,408	-
Total Governmental Activity Long-Term Debt	$ 1,173,543	$ 35,294	$ (204,384)	$ 1,004,453	$ 180,989
Business-Type Activities					
Revenue Bonds - GMAC	$ 380,000	$ -	$ (30,000)	$ 350,000	$ 30,000
Revenue Bonds - Rural Dev	5,032,538	-	(71,913)	4,960,625	75,123
GEFA Notes Payable	1,138,169	-	(53,100)	1,085,069	55,322
Total Business-Type Activity Long-Term Debt	$ 6,550,707	$ -	$ (155,013)	$ 6,395,694	$ 160,445

The City's General Fund is typically used to liquidate all governmental activity long-term liabilities. However, the SPLOST 4 Fund is expected to liquidate a significant portion of the capital lease obligation for facilities.

The Water Enterprise Fund is used to liquidate the revenue bonds – GMAC and the GEFA Notes. The Sewer Fund is used to liquidate the revenue bonds – Rural Development.

Governmental Activities Long-Term Debt –

Capital Lease Obligations –

Facilities –

In August, 2010 the City Council entered into a capital lease agreement with the Georgia Municipal Association in the amount of $1,200,000. Proceeds from the capital lease are to finance all or a portion of the cost of the construction of the City's new police facilities. The interest rate associated with the lease obligation is 4.07% Principal and interest are payable in February and August of each year until the final payment in August 2019.

The City is expected to use a portion of future special purpose local option sales tax (SPLOST) revenues to help repay the $1,200,000 in capital lease obligation. SPLOST revenues were projected to produce $3.5 million of which $1,000,000 has been allocated by the City Council for police facilities. Total principal and interest payments remaining on the lease obligation is $1,030,906, payable through August 2019. For the current year $107,778 of principal and $39,494 of interest payments were made toward the capital lease obligation. In March 2013 the City used SPLOST 4 funding to retire the remaining balance of the capital lease obligation.

(See Independent Auditor's Report)

8. LONG-TERM DEBT - (Continued)

Governmental Activities Long-Term Debt – (Continued)

Capital Lease Obligations –

Equipment –

During 2011 the City entered into a lease-purchase and security agreement for the purchase of six police vehicles. The City intends to continue to abide by the terms of the lease agreement and eventually own the assets. The assets and the related liabilities are recorded at the present value of future payments due under the lease.

Annual debt service requirements to maturity for the above debt are as follows:

F/Y/E	Capital Leases				TOTALS	
	*Police Facilities		Vehicles			
DECEMBER 31,	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST		
2013	112,210	35,062	68,779	3,783	180,989	38,845
2014	116,823	30,450	-	-	116,823	30,450
2015	121,626	25,646	-	-	121,626	25,646
2016	126,626	20,646	-	-	126,626	20,646
2017	131,833	15,439	-	-	131,833	15,439
2018	137,253	10,020	-	-	137,253	10,020
2019	142,895	4,377	-	-	142,895	4,377
TOTALS	$ 889,266	$ 141,640	$ 68,779	$ 3,783	$ 958,045	145,423

*The City retired the remaining balance of this obligation in March 2013.

Business-Type Activities Long-Term Debt –

The City issues revenue bonds and enters into construction note agreements with the Georgia Environmental Facilities Authority where in both types of debt the government pledges income derived from the acquired or constructed assets to pay debt service. Amounts outstanding at the end of the current fiscal year related to bonds and notes issued in prior years and the current year to finance construction projects to improve the City's water distribution and wastewater treatment facilities.

(See Independent Auditor's Report)

8. LONG-TERM DEBT - (Continued)

Water and Sewer Long-Term Debt – Continued
Water and Sewer Enterprise Fund long-term liabilities outstanding at year end are as follows:

Water Revenue Bonds in the amount of $812,000, with interest at 5.0%, annual principal and interest payments ranging from $49,250 to $51,500 until December 2021	$ 350,000
Water note payable to the Georgia Environmental Facilities Authority, in the total amount of $264,800, interest from 3.96%, matures in 2018	121,040
Water note payable to the Georgia Environmental Facilities Authority, in the amount of $1,014,166, interest at 4%, matures in 2031	964,029
Sewer Revenue Bonds in the amount of $5,430,300, interest at 4.375%, payable in monthly installments of $24,200, matures June 2044	4,960,625
Total Business-Type Activities Long-Term Debt	$6,395,694

Annual repayment requirements to amortize all long-term obligations (except agreements not closed) as they mature are as follows:

F/Y/E	Sewer Fund		Water Fund			
	Revenue Bonds		Revenue Bonds		Note Payable	
DECEMBER 31,	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
2013	$ 75,123	$ 215,517	$ 30,000	$ 17,500	$ 55,322	$ 44,314
2014	78,476	212,164	35,000	16,000	57,638	41,998
2015	81,980	208,660	35,000	14,250	60,051	39,585
2016	85,639	205,001	35,000	12,500	62,566	37,070
2017	89,462	201,178	40,000		65,185	34,451
2018-2022	510,897	942,303	175,000	33,000	248,703	138,782
2023-2027	635,567	817,633	-	-	291,762	83,423
2028-2032	790,661	662,539	-	-	243,842	18,788
2033-2037	983,603	469,597	-	-	-	-
2038-2042	1,223,627	229,573	-	-	-	-
2043-2044	405,590	13,657	-	-	-	-
TOTALS	$ 4,960,625	$ 4,177,822	$ 350,000	$ 93,250	$ 1,085,069	$ 438,411

(See Independent Auditor's Report)

9. UNAVAILABLE REVENUES

Unavailable revenues as of December 31, 2012, reported in the Governmental Fund's balance sheet, consisted of the following revenue items which had been earned and were measurable but were not received within 60 days after year end and therefore were not considered available:

Property taxes	$ 43,217
Franchise taxes	3,335
Fines and forfeitures	42,327
Total unavailable revenues - Governmental Funds	$ 88,879

10. RELATED ORGANIZATION

Related organizations are excluded from the financial reporting entity because the City's accountability does not extend beyond making appointments. Audited financial statements are available from the respective organizations.

The City of Senoia Housing Authority is considered a related organization. The Authority operates a multi-family housing facility which is located within the city limits. The citizens who serve as the governing board are appointed by the Mayor and Council. The City has no significant influence over the management budget or policies of the Authority.

11. JOINT VENTURES

Three Rivers Regional Commission

Under Georgia law, the City, in conjunction with other cities and counties in the Metro Atlanta area, is a member of the Three Rivers Regions Commission. Membership in this organization is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organizational structure of the Commission in Georgia. The Board's membership includes the chief elected official of each county and four representatives from each member county. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of the Center. Separate financial statements may be obtained from:

Three Rivers Regional Commission
13273 Hwy 34 East,
P.O. Box 1600
Franklin, Georgia 30217

(See Independent Auditor's Report)

12. RISK MANAGEMENT

The City of Senoia is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The City is a member of Georgia Interlocal Risk Management Agency. This membership allows the City to share liability, crime, motor vehicle and property damage risks.

Coverages are as follows:

Coverage Description – Property:	
Buildings and contents – (Blanket)	$8,078,759
Automobile physical damage	Per Application on file with GIRMA
Coverage Description – Casualty:	
Comprehensive general liability	$1,000,000
Automobile liability	$1,000,000
Errors and omissions (Public Officials)	$1,000,000
Employee benefits liability	$1,000,000
Pollution liability	$1,000,000
Coverage Description – Crime:	
Blanket bond – employees required to be bonded	$500,000
Blanket bond – all other employees	$500,000
Depositors forgery	$500,000
Money and securities – loss inside and outside premises	$500,000
Deductible:	
All coverages are subject to a per occurrence deductible of	$1,000

Coverage Exceptions:

Coverage Subject to a Retroactive Date:

Public officials and employee benefits liability coverages are subject to a retroactive date of 1/1/1989.

Chapter 85 Title 36 of the Official Code of Georgia Annotated authorizes Georgia municipalities to form interlocal risk management agencies. The Georgia Interlocal Risk Management Agency (GIRMA) is a municipal interlocal risk management agency to function as an unincorporated non-profit instrumentality of its member municipalities – GIRMA establishes and administers one or more group self insurance funds and a risk management service to prevent or lessen the incidence and severity of casualty and property losses occurring in the operation of municipal government.

The basis for estimating the liabilities for unpaid claims is "IBNR" established by an actuary.

During the year ended December 31, 2012, the City paid no claims. The City has not compiled a record of the claims paid up to the $1,000 deductible for the prior years. The City is not aware of any claims which the City is liable for (up to the $1,000) which were outstanding and unpaid at December 31, 2012. No provisions have been made in the financial statements for the year ended December 31, 2012 for any estimate of potential unpaid claims.

(See Independent Auditor's Report)

12. Risk Management (continued)

Pursuant to Title 34, Chapter 9, Article 5 of the Official Code of Georgia Annotated, the City of Senoia became a member of the Georgia Municipal Associated Workers' Compensation Self Insurance Fund. The liability of the fund to the employees of any employer (City of Senoia) is specifically limited to such obligations as are imposed by applicable state laws against the employer for workers' compensation and / or employer's liability.

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

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

13. CONTINGENCIES

Amounts received or receivable from grant agencies are subject to audit and adjustments by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the government expects such amounts, if any, to be immaterial.

There were no lawsuits or complaints as of December 31, 2012 that management believes will have a material effect on the financial condition of the City.

14. EMPLOYEE BENEFIT PENSION PLANS

Defined Benefit Plan -

Plan Description
The City's defined benefit pension plan, City of Senoia Retirement Plan (SRP), provides retirement, disability and death benefits to plan members and beneficiaries. These retirement provisions were established by an adoption agreement executed by the City Council. SRP is affiliated with the Georgia Municipal Employees Benefit System (GMEBS), an agent multiple-employer pension plan administered by the Georgia Municipal Association. The Georgia Municipal Association issues a publicly available financial report on GMEBS that includes financial statements and required supplementary information. That report may be obtained by writing to Georgia Municipal Association, 201 Pryor Street, Atlanta, Georgia, 30303.

(See Independent Auditor's Report)

14. EMPLOYEE BENEFIT PENSION PLANS – (Continued)

Defined Benefit Plan -

Funding Policy
SRP members are not required to contribute to the plan. The City is required to contribute at an actuarially determined rate; the current rate is 5.72% of annual covered payroll. The contribution requirements of the City are established and may be amended by the GMEBS Board of Trustees.

Annual Pension Cost
For 2012, the City's annual pension cost of $61,044 for SRP was equal to the City's required and actual contributions. The required contribution was determined as part of the July 1, 2011 actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included (a) 7.75% investment rate of return (net of administrative expenses), and (b) projected salary increases at 3.5% per year plus age and service based merit increases. Both (a) and (b) included an inflation component of 3.5%. The actuarial value of SRP assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a ten-year period.

SRP's unfunded actuarial accrued liability is being amortized over a 30 year period from 1991 and current changes in the unfunded actuarial liability over 15 years for actuarial gains and losses, 20 years for plan provisions and 30 years for actuarial assumptions and cost methods as a level dollar amount. The remaining period at December 31, 2012 was 11 years. These amortization periods, if applicable, are closed for this plan year.

Three-Year Trend Information for SRP

Actuarial Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
7/1/2011	$ 61,044	0%	$ -
7/1/2010	$ 61,172	100%	$ -
10/1/2009	$ 53,699	100%	$ -

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
7/1/2012	$ 622,892	$ 690,155	$ 67,263	90.3%	$ 1,127,904	6.0%
7/1/2011	$ 556,216	$ 616,257	$ 60,041	90.3%	$ 1,048,673	5.7%
7/1/2010	$ 493,903	$ 587,108	$ 93,205	84.1%	$ 981,996	9.5%

Trend Information
Annual trend information required by generally accepted accounting principles is presented on page 49 and reveals the progress made in accumulating sufficient assets to pay benefits when due.

(See Independent Auditor's Report)

15. RESTRICTED ASSETS

Pursuant to the Water and Sewer Revenue Bonds, the City was required to create various funds and accounts. Balances in these bond restricted funds and other various restricted funds and accounts as of December 31, 2012 are as follows:

Revenue Bond Restricted Assets -	
Debt service account	$ 90,432
Debt service reserve fund	298,919
Renewal and extension fund	30,304
Capital projects-	
Special purpose local option sales funds	1,229,872
Development impact fee funds	427,834
Police building fund	525
Confiscated asset funds	174
	$ 2,078,060

16. PRIOR PERIOD ADJUSTMENT

During the year ended December 31, 2012 the City adopted Governmental Accounting Standard Board's Statements No. 63 *Financial Reporting of Deferred Outflow of Resources, Deferred Inflows of Resources, and Net Position* and No. 65 *Items Previously Reported as Assets and Liabilities*. These Statements provide guidance for reporting deferred outflows of resources and deferred inflows of resources balances which are distinguished from assets and liabilities. The Statements changes the terminology of the residual of all other elements presented in a statement of financial position to *net position* from net assets. The Statements provide guidance for reporting net position within a framework that includes deferred outflows of resources and deferred inflows of resources, in addition to assets and liabilities along with defining items previously reported as assets and liabilities.

As a result of the adoption of the Statements, the City was required to make a prior period adjustment to its previously reported Net Position (Net Assets) since debt issuance cost is no longer considered an asset. The Statements changed the reporting requirement for debt issuance costs so that these cost are now recognized as an expense in the period incurred. The City made the following prior period adjustments as a result of the adoption of these Statements:

	Governmental Activities	Business-Type Activities	Sewer Fund
Net Position (Net Assets)-			
Beginning of the year	$ 7,551,754	$ 9,240,030	$ 5,803,118
Adjustment to write-off debt issuance cost, net of accumulated amortization	(18,116)	(16,666)	(16,666)
Beginning of the year, adjusted	$ 7,533,638	$ 9,223,364	$ 5,786,452

(See Independent Auditor's Report)

17. OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES

Generally accepted accounting principles require disclosures, as a part of the combined statements - overview, of certain information concerning individual funds including-

A) Deficit fund balances or net position balances of individual funds – As of December 31, 2012, none of the City's funds had a deficit net fund balance or net position balance.

B) Excess expenditures over budget – There were no actual expenditures that materially (if over 5 percent and greater than $5,000) exceeded their corresponding appropriations at the department level (the legal level of control):

(See Independent Auditor's Report)

CITY OF SENOIA, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
ANALYSIS OF PENSION PLAN FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
2012	$ 622,892	$ 690,155	$ 67,263	90.3%	$ 1,127,904	6.0%
2011	$ 556,216	$ 616,257	$ 60,041	90.3%	$ 1,048,673	5.7%
2010	$ 493,903	$ 587,108	$ 93,205	84.1%	$ 981,996	9.5%
2009	$ 434,485	$ 535,124	$ 100,639	81.2%	$ 965,745	10.4%
2008	$ 425,292	$ 473,226	$ 47,934	89.9%	$ 818,985	5.9%
2007	$ 388,268	$ 415,486	$ 27,218	93.4%	$ 738,970	3.7%
2006	$ 346,337	$ 336,018	$ (10,319)	103.1%	$ 671,270	-1.5%
2005	$ 311,713	$ 322,911	$ 11,198	96.5%	$ 458,698	2.4%
2004	$ 274,732	$ 287,238	$ 12,506	95.6%	$ 451,381	2.8%
2003	$ 241,843	$ 251,786	$ 9,943	96.1%	$ 424,866	2.3%

(See Independent Auditor's Report)

CITY OF SENOIA, GEORGIA
GENERAL FUND
BALANCE SHEET
DECEMBER 31, 2012 AND 2011

	2012	2011
ASSETS		
Cash	$ 1,419,398	$ 1,407,136
Receivables:		
Taxes	421,273	507,292
Fines	55,254	46,994
Due from other funds	-	31,955
Prepaid expenses	19,348	45,713
Total Assets	$ 1,915,273	$ 2,039,090
LIABILITIES		
Accounts payable	$ 85,780	$ 101,430
Accrued expenses		
Salaries and wages	21,007	15,767
Other	2,450	26
Due to other funds	532,684	406,991
Unearned revenues	-	-
Total Liabilities	641,921	524,214
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenues	88,879	134,580
FUND BALANCE:		
Nonspendable	19,348	45,713
Unassigned	1,165,125	1,334,583
Total Fund Balance	1,184,473	1,380,296
Total Liabilities, Deferred Inflows of Resources and Fund Balance	$ 1,915,273	$ 2,039,090

CITY OF SENOIA, GEORGIA
GENERAL FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

	2012	2011
REVENUES		
Taxes	$ 1,843,880	$ 1,757,455
Licenses and permits	171,060	147,227
Intergovernmental grants	332	23,496
Charges for services	135,603	126,603
Fines, fees and forfeitures	277,394	362,515
Investment income	3,069	2,998
Donations	-	-
Rental income	16,330	74,470
Miscellaneous	27,404	13,837
Total revenues	2,475,072	2,508,601
EXPENDITURES		
Current		
Governing Body	38,997	51,488
Financial Administration	441,033	424,907
Government Buildings	25,224	25,693
Municipal Court	196,597	210,836
Public Safety	1,015,364	950,237
Highways and Streets	311,214	324,790
Cemetery	4,164	1,000
Library	-	20,000
Parks	5,404	6,642
Planning and Zoning	136,804	119,730
Downtown Development	1,716	5,572
Debt Service		
Principal	65,194	72,562
Interest	7,368	-
Capital Outlay	435,357	330,024
Total expenditures	2,684,436	2,543,481
Excess of revenues over (under) expenditures	(209,364)	(34,880)
Other financing sources (uses):		
Proceeds from capital lease	-	206,536
Proceeds from disposal of capital assets	-	25,630
Transfers	13,541	4,861
Total other financing sources (uses):	13,541	237,027
Net change in fund balance	(195,823)	202,147
Fund balance - beginning	1,380,296	1,178,149
Fund balance - ending	$ 1,184,473	$ 1,380,296

CITY OF SENOIA, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES - COMPARED TO BUDGET (GAAP BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2012
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2011

	2012			
	FINAL BUDGET	ACTUAL	VARIANCE	2011
REVENUES				
Taxes				
Property taxes	$ 760,000	$ 734,552	$ (25,448)	$ 676,822
Motor vehicle	49,200	48,910	(290)	46,377
Mobile home	500	-	(500)	-
Franchise	330,600	316,820	(13,780)	329,772
Local option sales	482,800	487,171	4,371	466,842
Alcohol beverage	93,500	89,400	(4,100)	81,480
Premium	164,700	164,755	55	155,112
Intangible	1,200	1,013	(187)	475
Transfer	600	1,259	659	243
Other	-	-	-	332
Total taxes	1,883,100	1,843,880	(39,220)	1,757,455
Licenses and permits				
Business licenses and permits	163,300	171,060	7,760	147,227
Intergovernmental	300	332	32	23,496
Charges for services				
Sub-division fees	2,500	3,828	1,328	2,032
Fire services	160,000	122,180	(37,820)	117,619
Police services	2,000	2,900	900	3,112
Cemetery fees	5,000	3,120	(1,880)	3,840
Other	1,500	3,575	2,075	-
Total charges for services	171,000	135,603	(35,397)	126,603
Fines and forfeitures	322,100	277,394	(44,706)	362,515
Interest	2,000	3,069	1,069	2,998
Rents	11,500	16,330	4,830	74,470
Miscellaneous				
Penalties	-	-	-	-
Other	24,600	27,404	2,804	13,837
Total miscellaneous	24,600	27,404	2,804	13,837
Total Revenues	$ 2,577,900	$ 2,475,072	$ (102,828)	$ 2,508,601

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CITY OF SENOIA, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES - COMPARED TO BUDGET (GAAP BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2012
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2011

	2012			
	FINAL BUDGET	ACTUAL	VARIANCE	2011
EXPENDITURES				
Current				
GOVERNING BODY				
Personal services and benefits	$ 26,000	$ 25,836	$ 164	$ 25,836
Purchased/contracted services	14,000	13,161	839	25,652
Total Governing Body	40,000	38,997	1,003	51,488
FINANCIAL ADMINISTRATION				
Personal services and benefits	240,200	245,621	(5,421)	234,746
Purchased/contracted services	163,100	161,299	1,801	171,447
Supplies	35,000	34,113	887	18,714
Total Financial Administration	438,300	441,033	(2,733)	424,907
GOVERNMENT BUILDINGS				
Personal services and benefits	-	-	-	-
Purchased/contracted services	16,700	16,282	418	17,166
Supplies	9,100	8,942	158	8,527
Total Government Buildings	25,800	25,224	576	25,693
MUNICIPAL COURT				
Personal services and benefits	63,600	65,980	(2,380)	68,955
Purchased/contracted services	40,800	39,852	948	36,297
Supplies	1,000	300	700	659
Other costs	91,800	90,465	1,335	104,925
Total Municipal Court	197,200	196,597	603	210,836

CITY OF SENOIA, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES - COMPARED TO BUDGET (GAAP BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2012
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2011

	2012			
	FINAL BUDGET	ACTUAL	VARIANCE	2011
PUBLIC SAFETY				
POLICE SERVICES				
Personal services and benefits	$ 662,700	$ 670,272	$ (7,572)	$ 619,382
Purchased/contracted services	128,000	125,029	2,971	122,232
Supplies	99,400	97,883	1,517	91,004
Total Police Services	890,100	893,184	(3,084)	832,618
FIRE SERVICES				
Purchased/contracted services	160,000	122,180	37,820	117,619
Total Fire Services	160,000	122,180	37,820	117,619
Total Public Safety	1,050,100	1,015,364	34,736	950,237
HIGHWAYS AND STREETS				
Personal services and benefits	164,300	170,603	(6,303)	156,079
Purchased/contracted services	43,200	41,724	1,476	69,689
Supplies	99,600	98,887	713	99,022
Total Highways and Streets	307,100	311,214	(4,114)	324,790
CEMETERY				
Purchased/contracted services	23,200	4,164	19,036	1,000
Total Cemetery	23,200	4,164	19,036	1,000
LIBRARY				
Personal services and benefits	-	-	-	-
Purchased/contracted services	-	-	-	20,000
Supplies	-	-	-	-
Total Library	-	-	-	20,000
PARKS				
Purchased/contracted services	5,500	5,404	96	6,642
Total Parks	5,500	5,404	96	6,642

CITY OF SENOIA, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES - COMPARED TO BUDGET (GAAP BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2012
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2011

	2012			
	FINAL BUDGET	ACTUAL	VARIANCE	2011
PLANNING AND ZONING				
Personal services and benefits	$ 55,600	$ 56,703	$ (1,103)	$ 54,631
Purchased/contracted services	79,400	77,366	2,034	62,111
Supplies	3,500	2,735	765	2,988
Total Planning and Zoning	138,500	136,804	1,696	119,730
DOWNTOWN DEVELOPMENT				
Purchased/contracted services	2,000	1,716	284	5,087
Supplies	-	-	-	485
Total Community Development	2,000	1,716	284	5,572
DEBT SERVICE:				
Principal	71,700	65,194	6,506	72,562
Interest	-	7,368	(7,368)	-
Total Debt Service	71,700	72,562	(862)	72,562
CAPITAL OUTLAY				
Financial Administration	210,100	209,109	991	1,992
Court	-	-	-	-
Police Services	73,000	68,627	4,373	240,144
Highways and Streets	46,500	46,329	171	10,091
Parks	2,000	-	2,000	-
Cemetery	91,200	91,199	1	77,797
Planning and Zoning	20,100	20,093	7	-
Total Capital Outlay	442,900	435,357	7,543	330,024
Total Expenditures	$ 2,742,300	$ 2,684,436	$ 57,864	$ 2,543,481

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CITY OF SENOIA, GEORGIA
CONFISCATED ASSETS SPECIAL REVENUE FUND
BALANCE SHEET
DECEMBER 31, 2012 AND 2011

	2012	2011
ASSETS		
Cash	$ 174	$ 132
Total Assets	$ 174	$ 132
LIABILITIES AND FUND EQUITY		
Liabilities:		
Accounts payable	$ -	$ -
Unearned revenues	-	-
Total Liabilities	-	-
Fund Equity:		
Restricted for police activities	174	132
Total Fund Equity	174	132
Total Liabilities and Fund Equity	$ 174	$ 132

CITY OF SENOIA, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
CONFISCATED ASSETS SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2012
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2011

	2012			
Revenues:	Original & Final Budget	Actual	Variance	Actual 2011
Forfeitures	$ 2,860	$ 60	$ (2,800)	$ -
Interest	-	-	-	4
Total Revenue	2,860	60	(2,800)	4
Expenditures:				
Current				
Police activity	2,860	18	2,842	2,785
Capital Outlay	-	-	-	-
Total Expenditures	2,860	18	2,842	2,785
Excess of Revenues Over (Under) Expenditures Before Other Sources and (Uses)	-	42	42	(2,781)
Other Sources and (Uses)				
Transfers	-	-	-	-
Total Other Sources and (Uses)	-	-	-	-
Net change in fund balance	-	42	42	(2,781)
Fund Balance - Beginning of Year	132	132	-	2,913
Fund Balance - End of Year	$ 132	$ 174	$ 42	$ 132

CITY OF SENOIA, GEORGIA
SPLOST 4 CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2012 AND 2011

	2012	2011
ASSETS		
Cash	$ 1,229,872	$ 672,694
Intergovernmental receivable	97,495	98,947
Grant receivable	-	-
Total assets	$ 1,327,367	$ 771,641
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	$ 50,712	$ -
Unearned revenue	33,584	-
Total liabilities	84,296	-
Fund balance		
Restricted for capital outlay	1,243,071	771,641
Total fund balance	1,243,071	771,641
Total liabilities and fund balance	$ 1,327,367	$ 771,641

CITY OF SENOIA, GEORGIA
SPLOST 4 CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

	2012	2011
REVENUES		
Intergovernmental - Coweta Co.	$ 549,530	$ 531,050
Intergovernmental - DOT	60,643	28,726
Interest	1,435	1,078
Total revenues	611,608	560,854
EXPENDITURES		
Administrative	-	-
Capital Outlay -		
Police site	-	-
Parks and recreation	-	3,200
Road and street projects	63,788	197,106
Debt Service -		
Principal	107,778	103,522
Interest	39,494	43,750
Total expenditures	211,060	347,578
Excess of revenues over (under) expenditures	400,548	213,276
Other financing sources (uses)		
Transfers	70,882	-
Net change in fund balance	471,430	213,276
Fund Balance -		
Beginning	771,641	558,365
Ending	$ 1,243,071	$ 771,641

CITY OF SENOIA, GEORGIA
SCHEDULE OF PROJECTS FINANCED
WITH SPECIAL SALES TAX #4 PROCEEDS
FOR THE YEAR ENDED DECEMBER 31, 2012

PROJECT	ORIGINAL ESTIMATED COST	EXPENDITURES BEGINNING OF YEAR	EXPENDITURES CURRENT YEAR	EXPENDITURES TO DATE	ESTIMATED PERCENT COMPLETE
Storm Water Projects	$ 750,000	$ -	$ -	$ -	0.0%
Pedestrian Facilities and Multi-Use Paths	800,000	750,761	-	750,761	93.8%
Police Facilities and Equipment	1,000,000	663,335	147,272	810,607	81.1%
Other Transportation Projects	400,000	631,948	63,788	695,736	173.9%
Parks and Recreational Facilities	350,000	189,781	-	189,781	54.2%
Public Works and Water System Equipment	200,000	-	-	-	0.0%
	$ 3,500,000	$ 2,235,825	$ 211,060	$ 2,446,885	

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CITY OF SENOIA, GEORGIA
DEVELOPMENT IMPACT FEE FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2012 AND 2011

	2012	2011
Assets		
Cash	$ 427,834	$ 454,065
Total Assets	$ 427,834	$ 454,065
Liabilities and Fund Equity		
Liabilities:		
Accounts payable	$ 25,694	$ 44,293
Due to other funds	-	-
Total Liabilities	25,694	44,293
Fund equity:		
Restricted for capital outlay	402,140	409,772
Total Fund Equity	402,140	409,772
Total Liabilities and Fund Equity	$ 427,834	$ 454,065

CITY OF SENOIA, GEORGIA
DEVELOPMENT IMPACT FEE FUND
SCHEDULE OF REVENUES AND EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 2012
WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2011

	2012			
	FINAL BUDGET	ACTUAL	VARIANCE	2011
Revenues				
Impact fees	$ 135,600	$ 108,545	$ (27,055)	$ 74,038
Interest	400	350	(50)	409
Miscellaneous	-	-	-	-
Total Revenues	136,000	108,895	(27,105)	74,447
Expenditures				
Current				
Bank charges	-	-	-	-
Capital outlay				
Administration	4,500	-	4,500	-
Police	15,300	10,619	4,681	4,313
Library	14,300	70,912	(56,612)	96,526
Parks	101,900	50,555	51,345	21,950
Total Expenditures	136,000	132,086	3,914	122,789
Excess of Revenues Over (Under) Expenditures Before Other Sources and (Uses)	-	(23,191)	(23,191)	(48,342)
Other Sources and (Uses)				
Transfers	-	15,559	15,559	-
Net change in fund balance	-	(7,632)	(7,632)	(48,342)
Fund Balance - Beginning	409,772	409,772	-	458,114
Fund Balance - End of Year	$ 409,772	$ 402,140	$ (7,632)	$ 409,772

CITY OF SENOIA, GEORGIA
POLICE BUILDING CAPITAL PROJECTS FUND
BALANCE SHEET
DECEMBER 31, 2012 AND 2011

	2012	2011
ASSETS		
Cash	$ 525	$ 86,956
Taxes receivable	-	-
Due from other funds	-	-
Total assets	$ 525	$ 86,956
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	$ -	$ -
Total liabilities	-	-
Fund balance		
Restricted for capital outlay	525	86,956
Total fund balance	525	86,956
Total liabilities and fund balance	$ 525	$ 86,956

CITY OF SENOIA, GEORGIA
POLICE BUILDING CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2012 AND 2011

	2012	2011
REVENUES		
Interest	$ 10	$ 39
Other	-	72
Total revenues	10	111
EXPENDITURES		
Capital Outlay -		
Police facilities	-	-
Debt Service		
Debt issuance costs	-	-
Total expenditures	-	-
Excess of revenues over (under) expenditures	10	111
Other financing sources (uses)		
Proceeds from capital lease obligation	(86,441)	-
Net change in fund balance	(86,431)	111
Fund Balance -		
Beginning	86,956	86,845
Ending	$ 525	$ 86,956

CITY OF SENOIA, GEORGIA
POLICE BUILDING CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2012

	PRIOR YEARS	CURRENT YEAR	TOTAL TO DATE	PROJECT AUTHORIZTION
REVENUES				
Interest	$ 944	$ 10	$ 954	$ 1,000
Other	200	-	200	-
Total revenues	1,144	10	1,154	1,000
EXPENDITURES				
Capital Outlay -				
Police facilities	1,090,297	-	1,090,297	1,400,000
Debt Service -				
Debt issuance costs	23,891	-	23,891	23,891
Total expenditures	1,114,188	-	1,114,188	1,423,891
Excess of revenues over (under) expenditures	(1,113,044)	10	(1,113,034)	(1,422,891)
Other financing sources (uses)				
Proceeds from capital lease obligation	1,200,000	-	1,200,000	1,200,000
Transfers	-	(86,441)	(86,441)	222,891
Total other financing sources (uses)	1,200,000	(86,441)	1,113,559	1,422,891
Net change in fund balance	86,956	(86,431)	525	-
Fund Balance -				
Beginning	-	86,956	-	-
Ending	$ 86,956	$ 525	$ 525	$ -

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CITY OF SENOIA, GEORGIA
WATER ENTERPRISE FUND
COMPARATIVE STATEMENT OF NET POSITION
DECEMBER 31, 2012 AND 2011

	2012	2011
ASSETS		
Current assets		
Cash	$ 265,121	$ 191,575
Receivables-		
Accounts (net)	108,131	85,637
Accrued interest	-	-
Due from other funds	36,428	-
Inventory	4,729	4,729
Restricted assets		
Cash	89,830	89,608
Investments	105,709	105,248
Total current assets	609,948	476,797
Noncurrent assets		
Capital assets		
Land	105,647	221,968
Construction in progress	-	-
Improvements other than buildings	5,410,358	5,410,358
Buildings	228,428	228,428
Machinery and equipment	373,920	371,920
Vehicles	35,150	35,150
Accumulated depreciation	(1,827,135)	(1,687,583)
Capital assets (net of depreciation)	4,326,368	4,580,241
Total noncurrent assets	4,326,368	4,580,241
Total assets	4,936,316	5,057,038

CITY OF SENOIA, GEORGIA
WATER ENTERPRISE FUND
COMPARATIVE STATEMENT OF NET POSITION
DECEMBER 31, 2012 AND 2011

	2012	2011
LIABILITIES		
Current liabilities		
Accounts payable	$ -	$ -
Accrued expenses		
Customer deposits	80,819	76,144
Salaries	8,198	6,422
Compensated absences	5,506	5,383
Due to other funds	-	31,955
Current liabilities payable from restricted assets		
Revenue bonds	30,000	30,000
Notes	55,322	53,099
Accrued interest	5,631	5,836
Total current liabilities	185,476	208,839
Long-term liabilities		
Revenue bonds	320,000	350,000
Notes payable	1,029,747	1,085,070
Total long-term liabilities	1,349,747	1,435,070
Total liabilities	1,535,223	1,643,909
Net Position		
Investments in capital assets, net of related debt	2,891,299	3,062,072
Restricted under debt ordinance	195,539	194,856
Restricted for capital projects	-	-
Unrestricted	314,255	156,201
Total Net Position	$ 3,401,093	$ 3,413,129

CITY OF SENOIA, GEORGIA
WATER ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

	2012	2011
OPERATING REVENUES		
Sales and service	$ 806,604	$ 793,332
Penalties	30,958	31,321
Miscellaneous	324	594
Total operating revenues	837,886	825,247
OPERATING EXPENSES		
Purchase of product	23,928	25,043
Salaries and related cost	411,545	376,252
Supplies and materials	111,308	105,736
Repairs and maintenance	64,789	49,003
Utilities	37,573	39,810
Depreciation and amortization	139,552	141,218
Other	70,357	74,298
Total operating expenses	859,052	811,360
Operating income (loss)	(21,166)	13,887
Non-operating revenues and (expenses)		
Interest earned	1,220	2,366
Loss on sale of capital asset	(43,311)	-
Interest expense	(65,332)	(66,627)
Total non-operating revenues (expenses)	(107,423)	(64,261)
Income before transfers and capital contributions	(128,589)	(50,374)
Capital contributions -		
Developers	116,553	95,495
Intergovernmental	-	-
Transfers	-	-
Change in net position	(12,036)	45,121
NET POSITION - BEGINNING	3,413,129	3,368,008
NET POSITION - ENDING	$ 3,401,093	$ 3,413,129

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CITY OF SENOIA, GEORGIA
WATER ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

	2012	2011
Cash flows from operating activities:		
Cash received from customers and users	$ 820,067	$ 827,817
Cash paid to suppliers for goods and services	(398,566)	(392,177)
Cash paid to employees	(319,035)	(292,014)
Net cash provided from operating activities	102,466	143,626
Cash flows from investing activities:		
Interest received	1,220	2,366
(Purchase) / redemption of investments	(461)	(1,475)
Net cash from investing activities	759	891
Cash flows from non-capital financing activities:		
Transfers	-	-
Change in due to/from other funds	(68,383)	12,907
Net cash flows from non-capital financing activities	(68,383)	12,907
Cash flows from capital financing activities:		
Proceeds from long-term debt	-	155,394
Principal payments on long-term debt	(83,100)	(64,942)
Interest paid	(65,536)	(203,069)
Capital contributions	116,553	95,495
Procees from sale of capital assets	73,009	-
Purchase / construction of capital assets	(2,000)	(320,671)
Net cash flows from capital financing activities	38,926	(337,793)
Net cash flows	73,768	(180,369)
Cash and cash equivalents - beginning	281,183	461,552
Cash and cash equivalents - ending	$ 354,951	$ 281,183

CITY OF SENOIA, GEORGIA
WATER ENTERPRISE FUND
STATEMENTS OF CASH FLOWS

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES

	2012	2011
Operating income (loss)	$ (21,166)	$ 13,887
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	139,552	141,218
(Increase) decrease in receivables	(22,494)	(1,445)
(Increase) decrease in inventory	-	-
Increase (decrease) in accounts payable	-	(17,940)
Increase (decrease) in customer deposits	4,675	4,015
Increase (decrease) in accrued liabilities	1,899	3,891
Total adjustments	123,632	129,739
Net cash from operating activities	$ 102,466	$ 143,626

CITY OF SENOIA, GEORGIA
SEWER ENTERPRISE FUND
COMPARATIVE STATEMENT OF NET POSITION
DECEMBER 31, 2012 AND 2011

	2012	2011
ASSETS		
Current assets		
Cash	$ 427,799	$ 427,606
Receivables-		
Accounts (net)	73,062	76,680
Due from other funds	496,256	406,991
Restricted assets		
Cash	224,116	194,520
Total current assets	1,221,233	1,105,797
Noncurrent		
Deferred loan cost, net of amortization	-	-
Capital assets		
Land	833,474	833,474
Improvements other than buildings	10,201,942	10,201,942
Vehicles	79,493	62,323
Machinery and equipment	246,994	244,994
Accumulated depreciation	(1,848,971)	(1,615,174)
Capital assets (net of depreciation)	9,512,932	9,727,559
Total noncurrent assets	9,512,932	9,727,559
Total assets	10,734,165	10,833,356

CITY OF SENOIA, GEORGIA
SEWER ENTERPRISE FUND
COMPARATIVE STATEMENT OF NET POSITION
DECEMBER 31, 2012 AND 2011

	2012	2011
LIABILITIES		
Current liabilities		
Accounts payable		
Trade	$ -	$ -
Due to other funds	-	-
Accrued compensated absences	13,731	9,100
Accrued salaries	2,664	1,647
Deferred revenue	-	-
Current liabilities payable from restricted assets		
Revenue bonds	75,123	71,913
Accrued interest	3,568	3,619
Total current liabilities	95,086	86,279
Long-term liabilities		
Revenue bonds	4,885,502	4,960,625
Total long-term liabilities	4,885,502	4,960,625
Total liabilities	4,980,588	5,046,904
Net Position		
Investments in capital assets, net of related debt	4,552,307	4,695,021
Restricted for capital projects	-	-
Restricted as to debt covenants	224,116	194,520
Unrestricted	977,154	896,911
Total Net Position	$ 5,753,577	$ 5,786,452

CITY OF SENOIA, GEORGIA
SEWER ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

	2012	2011
OPERATING REVENUES		
Sales and service	$ 551,031	$ 560,017
Penalties and reconnect fees	-	-
Miscellaneous	19,266	21,204
Total operating revenues	570,297	581,221
OPERATING EXPENSES		
Salaries and related cost	158,656	143,740
Supplies and materials	29,087	28,137
Repairs and maintenance	28,218	19,044
Utilities	120,012	124,774
Depreciation and amortization	233,797	232,177
Other	33,809	25,289
Total operating expenses	603,579	573,161
Operating income (loss)	(33,282)	8,060
Non-operating revenues and (expenses)		
Interest earned	712	652
Interest expense	(218,675)	(221,759)
Total non-operating revenues (expenses)	(217,963)	(221,107)
Income before transfers and capital contributions	(251,245)	(213,047)
Capital contributions -		
Community Development Block Grant	-	-
Rural Development Grant	-	-
Developers	218,370	150,433
Change in net position	(32,875)	(62,614)
NET POSITION - BEGINNING, ADJUSTED	5,786,452	5,849,066
NET POSITION - ENDING	$ 5,753,577	$ 5,786,452

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CITY OF SENOIA, GEORGIA
SEWER ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

	2012	2011
Cash flows from operating activities:		
Cash received from customers and users	$ 573,915	$ 566,693
Cash paid to suppliers for goods	(246,724)	(231,679)
Cash paid to employees	(117,410)	(108,226)
Net cash provided from operating activities	209,781	226,788
Cash flows from investing activities:		
Interest received	712	652
Net cash from investing activities	712	652
Cash flows from non-capital financing activities:		
Change in due to/from other funds	(89,265)	(55,005)
Net cash flows from non-capital financing activities	(89,265)	(55,005)
Cash flows from capital financing activities:		
Proceeds from long-term debt	-	-
Payments on long-term debt	(71,913)	(68,832)
Interest paid	(218,728)	(221,809)
Purchase / construction of capital assets	(19,168)	(2,500)
Capital contributions from developers	218,370	150,433
Net cash flows from capital financing activities	(91,439)	(142,708)
Net cash flows	29,789	29,727
Cash and cash equivalents - beginning	622,126	592,399
Cash and cash equivalents - ending	$ 651,915	$ 622,126

CITY OF SENOIA, GEORGIA
SEWER ENTERPRISE FUND
STATEMENTS OF CASH FLOWS

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES

	2012	2011
Operating income (loss)	$ (33,282)	$ 8,060
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	233,797	232,177
(Increase) decrease in receivables	3,618	(14,528)
Increase (decrease) in accounts payable	-	-
Increase (decrease) in accrued liabilities	5,648	1,079
Total adjustments	243,063	218,728
Net cash from operating activities	$ 209,781	$ 226,788

CITY OF SENOIA, GEORGIA
SOLID WASTE MANAGEMENT FUND
COMPARATIVE STATEMENT OF NET POSITION
DECEMBER 31, 2012 AND 2011

	2012	2011
ASSETS		
Current assets		
Receivables, net -		
Accounts	$ 20,267	$ 23,783
Total current assets	20,267	23,783
Total assets	20,267	23,783
LIABILITIES		
Current liabilities		
Accounts payable	-	-
Total current liabilities	-	-
Long-term liabilities	-	-
Total liabilities	-	-
NET POSITION		
Investment in capital assets - net of related debt	-	-
Unrestricted	20,267	23,783
Total Net Position	$ 20,267	$ 23,783

CITY OF SENOIA, GEORGIA
SOLID WASTE MANAGEMENT FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
FOR THE YEARS DECEMBER 31, 2012 AND 2011

	2012	2011
OPERATING REVENUES		
Charges for services	$ 221,701	$ 216,657
Total operating revenues	221,701	216,657
OPERATING EXPENSES		
Purchase of product	211,326	200,900
Other	350	5,366
Total operating expenses	211,676	206,266
Operating income (loss)	10,025	10,391
Transfers	(13,541)	(4,861)
Change in net position	(3,516)	5,530
NET POSITION - BEGINNING	23,783	18,253
NET POSITION - ENDING	$ 20,267	$ 23,783

CITY OF SENOIA, GEORGIA
SOLID WASTE MANAGEMENT FUND
COMPARATIVE STATEMENT OF CASH FLOWS
FOR THE YEARS DECEMBER 31, 2012 AND 2011

	2012	2011
Cash flows from operating activities:		
Cash received from customers and users	$ 225,217	$ 211,127
Cash paid to suppliers for goods	(211,676)	(206,266)
Cash paid to employees	-	-
Net cash provided from operating activities	13,541	4,861
Cash flows from investing activities:		
Other	-	-
Net cash from investing activities	-	-
Cash flows from non-capital financing activities:		
Transfers	(13,541)	(4,861)
Net cash flows from non-capital financing activities	(13,541)	(4,861)
Cash flows from capital financing activities:		
Purchase of capital assets	-	-
Net cash flows from capital financing activities	-	-
Net cash flows	-	-
Cash and cash equivalents - beginning	-	-
Cash and cash equivalents - ending	$ -	$ -

CITY OF SENOIA, GEORGIA
SOLID WASTE MANAGEMENT FUND
STATEMENTS OF CASH FLOWS

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES

	2012	2011
Operating income (loss)	$ 10,025	$ 10,391
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	-	-
(Increase) decrease in receivables	3,516	(5,530)
Increase (decrease) in accounts payable	-	-
Total adjustments	3,516	(5,530)
Net cash from operating activities	$ 13,541	$ 4,861

CITY OF SENOIA, GEORGIA
DOWNTOWN DEVELOPMENT AUTHORITY
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2012 AND 2011

	2012	2011
Assets		
Assets:		
Cash	$ 50,487	$ 37,597
Accounts receivable	878	-
Note receivable	13,000	19,000
Total Assets	$ 64,365	$ 56,597
Liabilities and Fund Equity		
Liabilities:		
Customer deposits	$ 1,850	$ -
Total Liabilities	1,850	-
Fund equity:		
Fund Balance - Unassigned	62,515	56,597
Total Fund Equity	62,515	56,597
Total Liabilities and Fund Equity	$ 64,365	$ 56,597

CITY OF SENOIA, GEORGIA
DOWNTOWN DEVELOPMENT AUTHORITY
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

	2012	2011
Revenues:		
Intergovernmental	$ -	$ 4,613
Events and promotions	23,947	22,183
Rents	19,350	2,100
Miscellaneous	745	745
Total Revenues	44,042	29,641
Expenditures:		
Purchased / contracted services	19,095	19,769
Supplies	3,514	12,980
Payments to others - Façade Grants	-	1,639
Capital outlay	9,236	120,066
Debt service -		
Principal	1,401	-
Interest	4,878	1,015
Total Expenditures	38,124	155,469
Excess of revenues over (under) expenditures	5,918	(125,828)
Other financing sources (uses):		
Proceeds from note issue	-	85,000
Proceeds from sale of asset	-	35,000
Total Other Financing Sources (Uses)	-	120,000
Net change in fund balance	5,918	(5,828)
Fund Balance - Beginning of year	56,597	62,425
Fund Balance - End of year	$ 62,515	$ 56,597