CITY OF SENOIA, GEORGIA

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMEBER 31, 2017

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, 2017

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units and each major fund of City of Senoia, Georgia (the City) as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 aggregate discretely presented component units and each major fund of the City of Senoia, Georgia, as of December 31, 2017 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 4 through 13 and the Schedules of "Changes in the Net Pension Liability and Related Ratios" and "Contributions" on pages 56 through 58 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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.

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the City of Senoia, Georgia's basic financial statements for the year ended December 31, 2016, which are not presented with the accompanying financial statements and we expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units and each major fund. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Senoia, Georgia's basic financial statements as a whole. The individual fund financial statements, related to the 2016 financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2016 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2016 individual fund financial statements are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued a report dated June 20, 2018 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
June 20, 2018

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, 2017. We encourage readers to consider the information presented here in conjunction with their review of the financial statements.

Financial Highlights

- The assets and deferred outflows of the City of Senoia exceeded its liabilities and deferred inflows at December 31, 2017 by $21,107,325. Of this amount, unrestricted net position of $4,303,245 may be used to meet the government's ongoing obligations to citizens and creditors.

- The total net position increased by $876,911. Of this amount a net decrease of $37,896 was associated with governmental activities and an increase of $914,807 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 $3,843,684, an increase of $553,367 in comparison with the prior year. Of this amount $2,143,520 is unassigned and available for spending and $1,700,164 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 $2,143,520 or 66.4 percent of total General Fund expenditures.

- The City of Senoia's total debt obligations (including accrued compensated absences and net pension liability) decreased by $368,108 to a total of $5,854,304. The City made principal payments on its capital leases, revenue bonds and GEFA notes of $275,120 and obtained no additional financing during 2017.

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 four major governmental funds. The City's major governmental funds are the General Fund, Confiscated Assets Fund, a SPLOST Capital Project Fund and the Development Impact Fee 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 2017 budget. A project length budget has been adopted for the SPLOST Capital Projects Fund and is presented in the individual fund financial statements. A budget was also adopted for the Development Impact Fee Fund for FY 2017 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, Stormwater 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, 2017, the City's assets and deferred outflows exceeded liabilities and deferred inflows by $21,107,325. The City's net position reflect its investment in capital assets (69.2 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, $2,202,699 (10.4 percent) is restricted for capital projects and other specified activities and $4,303,245 (20.4 percent) is unrestricted.

City of Senoia's Net Position

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Current and other assets	$ 4,180,475	$ 3,952,362	$ 3,091,879	$ 2,602,384	$ 7,272,354	$ 6,554,746
Capital assets	7,163,685	7,762,676	12,952,643	12,710,189	20,116,328	20,472,865
Deferred outflows	130,476	136,946	-	-	130,476	136,946
Total assets and deferred outflows	11,474,636	11,851,984	16,044,522	15,312,573	27,519,158	27,164,557
Current liabilities	246,144	522,979	357,621	351,482	603,765	874,461
Long-term liabilities	344,993	518,466	5,320,302	5,509,299	5,665,295	6,027,765
Deferred inflows	142,773	31,917	-	-	142,773	31,917
Total liabilities and deferred inflows	733,910	1,073,362	5,677,923	5,860,781	6,411,833	6,934,143
Net position:						
Net invetsment in capital assets	7,158,049	7,676,555	7,443,332	7,006,243	14,601,381	14,682,798
Restricted	1,676,660	1,019,664	526,039	524,517	2,202,699	1,544,181
Unrestricted	1,906,017	2,082,403	2,397,228	1,921,032	4,303,245	4,003,435
Total net position	$ 10,740,726	$ 10,778,622	$ 10,366,599	$ 9,451,792	$ 21,107,325	$ 20,230,414

A portion of the net position (10.4 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position ($4,303,245) may be used to meet the government's ongoing obligations to citizens and creditors.

Governmental activities. Governmental activities decreased the City of Senoia's net position by $37,896, thereby accounting for 100.0% of the total decrease in the net position of the City of Senoia. Key elements of this increase are as follows:

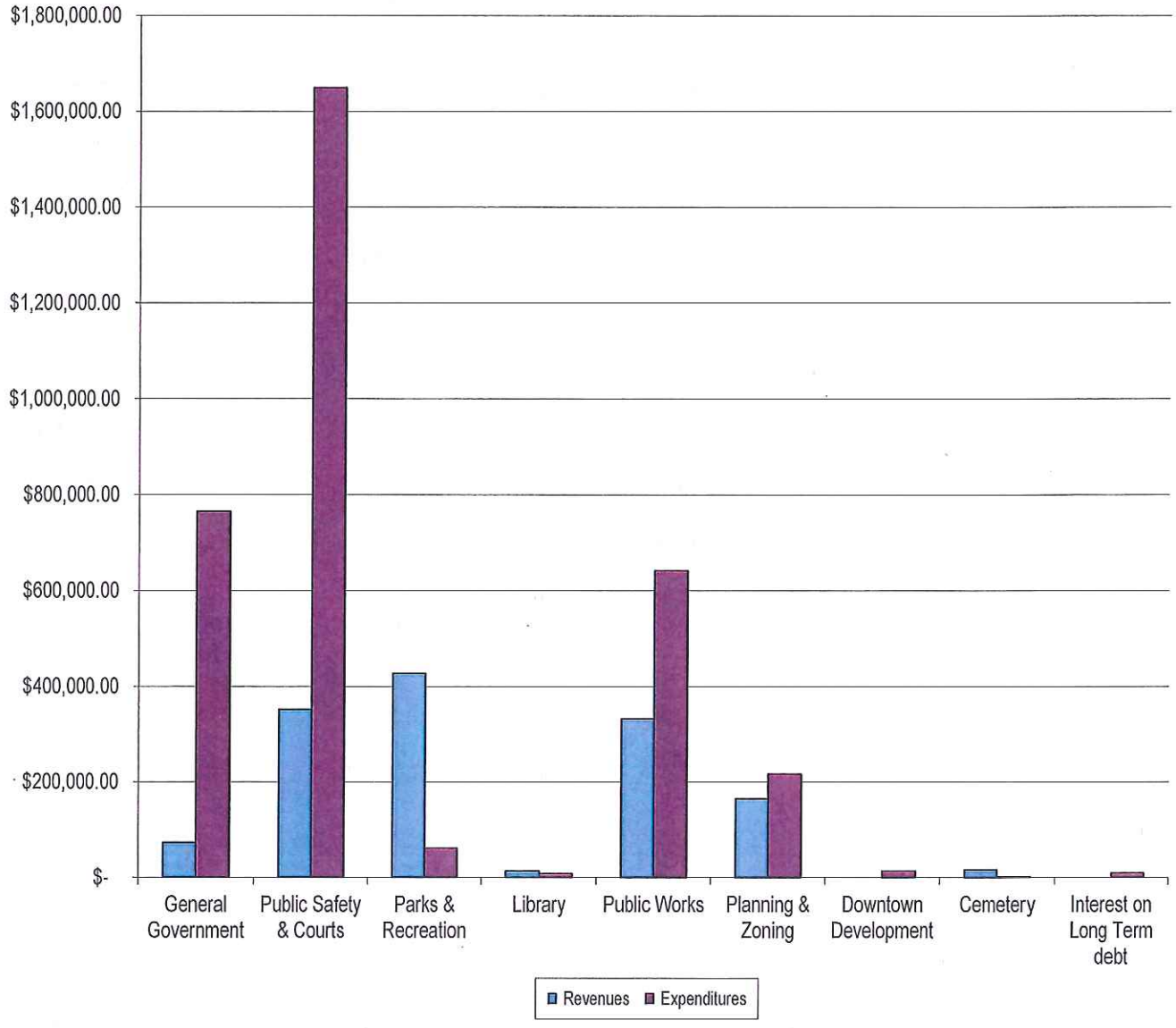
City of Senoia's Change in Net Position
For The Years Ended December 31, 2017 and 2016

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Revenues:						
Program Revenues						
Charges for services	$ 545,890	$ 715,363	$ 2,176,129	$ 2,157,892	$ 2,722,019	$ 2,873,255
Operating grants and contributions	3,000	2,032	-	-	3,000	2,032
Capital grants and contributions	826,720	891,454	386,156	383,210	1,212,876	1,274,664
General Revenues						
Property taxes	1,099,181	1,042,010	-	-	1,099,181	1,042,010
Sales taxes	677,723	654,554	-	-	677,723	654,554
Other taxes	720,659	706,438	-	-	720,659	706,438
Interest	4,322	3,318	2,139	2,067	6,461	5,385
Other	44,535	28,386	-	-	44,535	28,386
	3,922,030	4,043,555	2,564,424	2,543,169	6,486,454	6,586,724
Expenses:						
General government	764,547	691,818	-	-	764,547	691,818
Public safety and courts	1,648,793	1,546,880	-	-	1,648,793	1,546,880
Public Works	641,247	411,509	-	-	641,247	411,509
Cemetery	2,207	4,407	-	-	2,207	4,407
Parks and recreation	60,617	56,453	-	-	60,617	56,453
Library	7,855	8,058	-	-	7,855	8,058
Planning and zoning	216,193	235,577	-	-	216,193	235,577
Downtown development	12,547	8,874	-	-	12,547	8,874
Interest on long-term debt	8,839	10,635	-	-	8,839	10,635
Water	-	-	1,043,474	979,317	1,043,474	979,317
Sewer	-	-	910,411	841,065	910,411	841,065
Solid waste	-	-	251,747	230,418	251,747	230,418
Stormwater	-	-	41,066	125,036	41,066	125,036
	3,362,845	2,974,211	2,246,698	2,175,836	5,609,543	5,150,047
Increase (decrease) in net assets before transfers	559,185	1,069,344	317,726	367,333	876,911	1,436,677
Transfers	(597,081)	(167,755)	597,081	167,755	-	-
Increase (decrease) in net position	(37,896)	901,589	914,807	535,088	876,911	1,436,677
Net position - beginning of year, adjusted	10,778,622	9,877,033	9,451,792	8,916,704	20,230,414	18,793,737
Net position - end of year	$ 10,740,726	$ 10,778,622	$ 10,366,599	$ 9,451,792	$ 21,107,325	$ 20,230,414

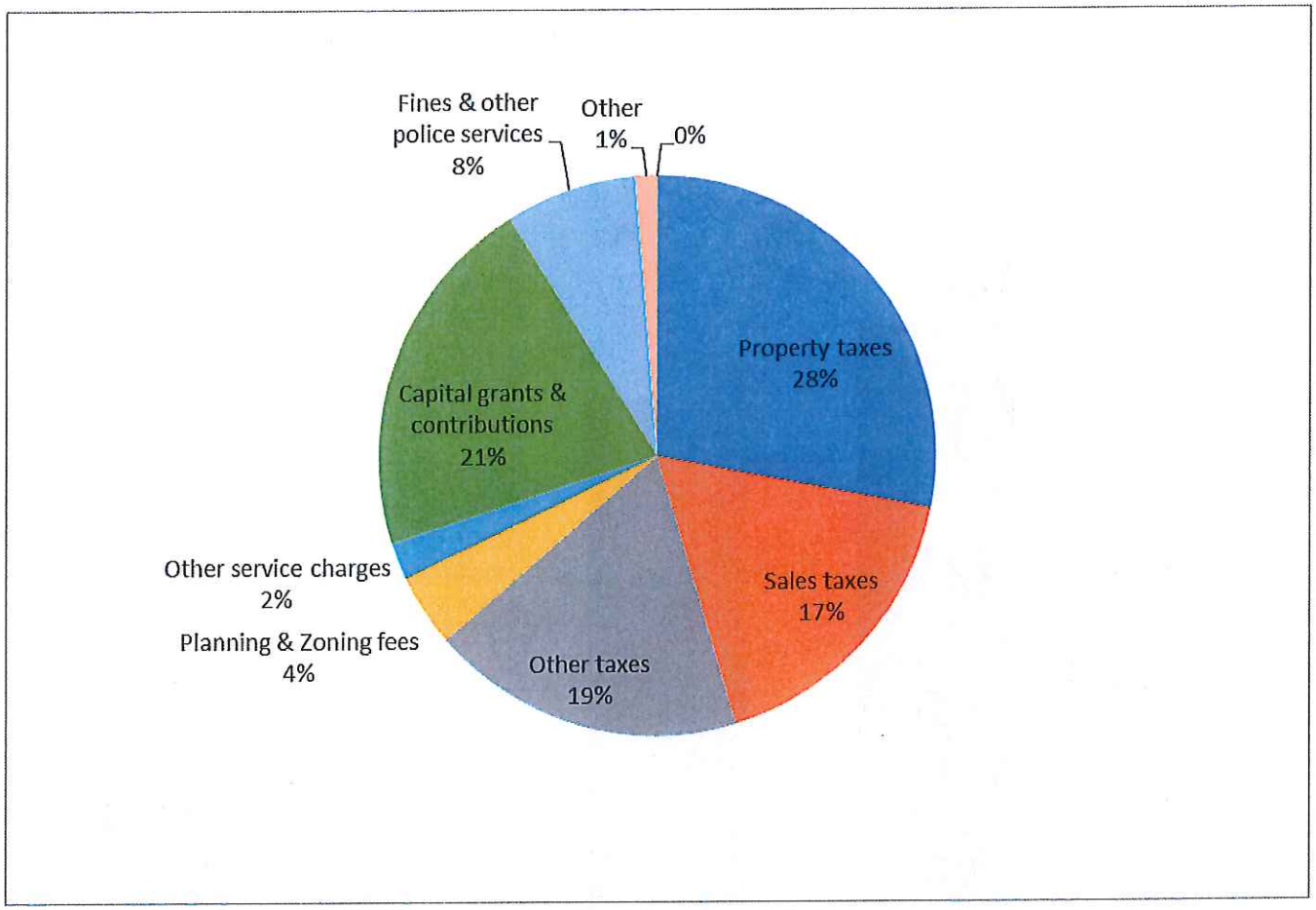
- Overall, governmental activities revenues decreased $121,525. However, charges for services had the most decrease with fines dropping approximately $122,000 and planning & zoning fees decreasing approximately $46,000. Taxes actually increased $94,500 which included an increase in property taxes of $57,000 while the millage rate decreased from 5.88 in 2016 to 5.78 in 2017. Sales tax revenues continued to increase for 2017 by $23,000 or 3.5% which is a result of the improvement in the economy and a renegotiated agreement between the County and the municipalities.

- Governmental activities expenses increased $388,600 or 13.1%. The increase was due to an overall increase in salaries and benefits due to additional employees and a significant resurfacing project in the public works department costing approximately $192,000. Public safety and courts also incurred a significant decrease in payments of fine related monies to other agencies due to the decrease in fine revenues.

Expenses and Program Revenues-Governmental Activities

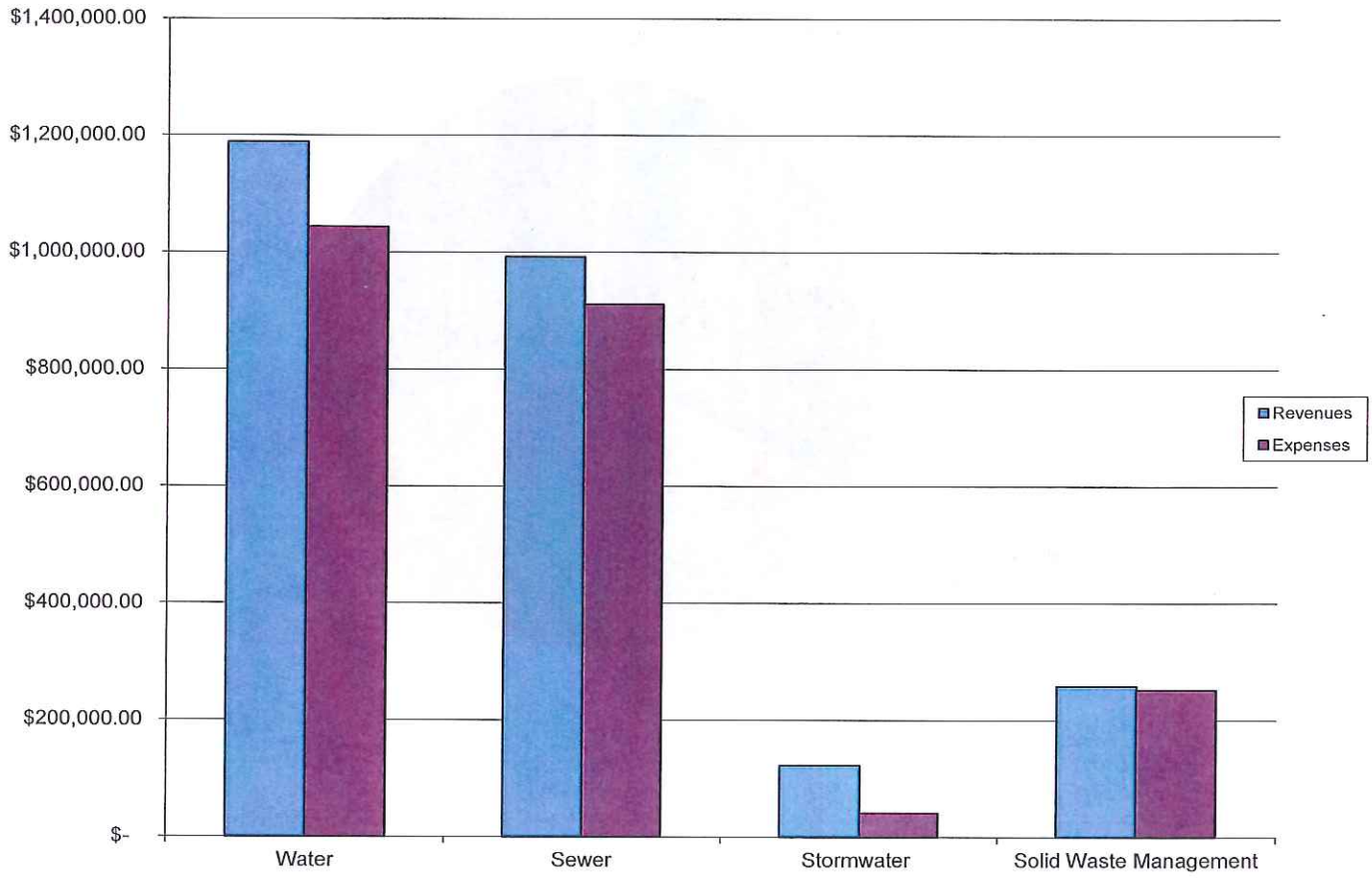


Revenue by Source-Governmental Activities



Business-type activities. Business-type activities increased the City's net position by $914,807 of which an increase of $146,783 was from Water activities, an increase of $82,538 was from Sewer activities and an increase of $967 was from Solid Waste Management Activities. The City created the Stormwater Management Fund during f/y/e 12/31/2014 to account for the cost of setting up a stormwater management program, including the means of financing such a program. The Stormwater Management Fund had a positive change in net position for the year of $684,519 but this was due to governmental-type funds transferring a completed drainage improvement capital project valued at $603,113 to the Stormwater Fund. The City began assessing a monthly stormwater fee to property owners in 2016. During FY 2017 the City began incurring engineering cost for studies to expand and improve the City's sewer system and a Main Street drainage system. The goal for these studies is to be able to improve the City's infrastructure so that current and future citizens of the City can be better served.

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, 2017, the City's governmental funds reported combined ending fund balances of $3,843,684 an increase of $553,367 in comparison to the prior year. Of this amount, $2,143,520 (55.8 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 and Development Impact Fees ($1,502,940); 2) for Police Activities ($2,508); 3) park improvements of $171,212; and 4) nonspendable amounts for prepaid items which are not available for current government's spending discretion ($23,504).

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 $2,143,520 while the total fund balance totaled $2,338,236. 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 66.4 percent of the total general fund expenditures, while total fund balance represents 72.4 percent of that same amount.

The City of Senoia received $563,133 in Special Purpose Local Option Sales Taxes in 2017. SPLOST funds were used during 2017 for street improvements in the amount of $65,100 and drainage improvements of $80,949.

The City also received Development Impact Fees during the year totaling $139,729 compared to $154,737 in 2016. 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 2017 for park improvements of $46,273.

The Confiscated Assets Fund had very minimal activity for 2017.

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 $2,397,228 of which the Water Fund had $494,371, the Sewer Fund had $1,841,639, the Stormwater Fund had $39,746 and the Solid Waste Management Fund had $21,472. 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 $3,021,400 was amended to $3,236,325 a difference of $214,925. Some of the more significant budget amendments follow:

- $192,000 to resurface Bridge Street.
- $9,300 for the clock on Main Street.
- $11,000 for new furniture in administrative offices.
- $46,000 for a 2017 Ford F-150 for the police department.

All additional costs were funded with additional General Fund revenues.

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business-type activities at December 31, 2017 amounts to $20,116,328 (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:

- $146,000 for Barnes Street and Seavy Street drainage improvements.
- $84,000 for a police vehicle and related equipment.
- $43,975 for multi-use trail improvements.

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 $5,854,304 in outstanding debt consisting of the following:

City of Senoia's Outstanding Debt

	Balance
Governmental Activities -	
Accrued compensated absences	$ 90,266
Capital leases	5,636
Net pension liability	249,091
Business-Type Activities -	
Revenue Bonds	4,725,004
GEFA Notes Payable	784,307
Total	$ 5,854,304

The City's total debt (including compensated absences and net pension liability) decreased by $368,108. 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 for new residential construction decreased during FY 2017 but is expected to increase during 2018 with various developments expecting to begin construction.
- The occupancy rate of the City's downtown and highway commercial areas have remained consistent.
- Sales tax receipts continued to increase during 2017. This is expected to continue into the future but should be watched very closely while preparing future budgets.
- The City has begun planning to expand and improve its infrastructure to continue to provide its current and future residents with sufficient service. Plans for the following improvements are currently in progress:

    1. Drainage improvements for the Main Street area.
    2. Expanded sewer treatment facilities.
    3. Improvements to HWY 16.
    4. Path connectivity projects throughout the City.

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

CITY OF SENOIA, GEORGIA
STATEMENT OF NET POSITION
DECEMBER 31, 2017

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Downtown Dev. Auth.	Development Authority
Assets and Deferred Outflows					
Assets					
Cash and Cash Equivalents	$ 3,912,112	$ 603,331	$ 4,515,443	$ 106,156	$ 2,609
Receivables, Net					
Taxes	441,019	-	441,019	-	-
Intergovernmental	158,702	-	158,702	-	-
Fines	41,557	-	41,557	-	-
Accounts	-	233,202	233,202	-	-
Other	-	-	-	-	-
Internal balances	(1,724,578)	1,724,578	-	-	-
Due from component unit	321	-	321	-	-
Inventory	-	4,729	4,729	-	-
Prepaid Items	23,504	-	23,504	-	-
Restricted Assets -					
Cash	1,327,838	418,840	1,746,678	-	-
Investments	-	107,199	107,199	-	-
Receivables	-	-	-	-	-
Non-Depreciable Capital Assets	2,228,108	939,121	3,167,229	1,000	-
Depreciable Capital Assets, Net	4,935,577	12,013,522	16,949,099	128,977	-
Total Assets	11,344,160	16,044,522	27,388,682	236,133	2,609
Deferred Outflows					
Deferred pension outflows	130,476	-	130,476	-	-
Total Assets and Deferred Outflows	11,474,636	16,044,522	27,519,158	236,133	2,609

See accompanying notes to the basic financial statements.

Continued

CITY OF SENOIA, GEORGIA
STATEMENT OF NET POSITION
DECEMBER 31, 2017

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Downtown Dev. Auth.	Development Authority
Liabilities and Deferred Inflows					
Liabilities					
Accounts Payable					
Trade	$ 137,950	$ 1,702	$ 139,652	$ 1,770	$ -
Construction	-	-	-	-	-
Accrued Liabilities -					
Salaries	51,746	21,392	73,138	-	-
Compensated absences	-	33,371	33,371	-	-
Customer deposits	3,400	105,363	108,763	1,850	-
Interest	714	-	714	325	-
Other	634	-	634	-	-
Due to primary government	-	-	-	-	321
Unearned Revenues	51,700	-	51,700	-	-
Payable From Restricted Assets-					
Revenue bonds	-	133,455	133,455	-	-
Notes payable	-	55,554	55,554	-	-
Accrued interest	-	6,784	6,784	-	-
Long-Term Liabilities -					
Due Within One Year	5,636	-	5,636	3,054	-
Due In More Than One Year	339,357	5,320,302	5,659,659	67,221	-
Total Liabilities	591,137	5,677,923	6,269,060	74,220	321
Deferred Inflows					
Deferred Pension Inflows	142,773	-	142,773	-	-
Total Liabilities and Deferred Inflows	733,910	5,677,923	6,411,833	74,220	321
Net Position					
Net investment in capital assets	7,158,049	7,443,332	14,601,381	59,702	-
Restricted for -					
Police activities	2,508	-	2,508	-	-
Capital projects	1,502,940	-	1,502,940	-	-
Park improvements	171,212		171,212		
Debt covenants	-	526,039	526,039	-	-
Unrestricted	1,906,017	2,397,228	4,303,245	102,211	2,288
Total Net Position	$ 10,740,726	$ 10,366,599	$21,107,325	$ 161,913	$ 2,288

See accompanying notes to the basic financial statements.

Concluded

CITY OF SENOIA, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Governmental Activities:				
General Government	$ 764,547	$ 48,002	$ 3,000	$ 21,674
Public Safety and Courts	1,648,793	299,526	-	51,665
Public Works	641,247	-	-	332,030
Cemetery	2,207	16,360	-	-
Parks and Recreation	60,617	18,266	-	408,296
Library	7,855	-	-	13,055
Planning and Zoning	216,193	163,736	-	-
Downtown Development	12,547	-	-	-
Interest on Long-Term Debt	8,839	-	-	-
Total Governmental Activities	3,362,845	545,890	3,000	826,720
Business-Type Activities:				
Water	1,043,474	1,049,793	-	139,200
Sewer	910,411	745,118	-	246,956
Solid Waste Management	251,747	258,746	-	-
Stormwater Management	41,066	122,472	-	-
Total Business-Type Activities	2,246,698	2,176,129	-	386,156
Total Primary Government	$ 5,609,543	$ 2,722,019	$ 3,000	$ 1,212,876
Component Unit:				
Downtown Development Authority	$ 72,594	$ 59,320	$ -	$ -
Development Authority	-	-	-	-
Total Component Units	$ 72,594	$ 59,320	$ -	$ -
General Revenues:				
Taxes:				
Property				
Franchise				
Local option sales				
Insurance premium				
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, Restated				
Net Position - End of Year				

See accompanying notes to the basic financial statements.

Net (Expense) Revenue and Changes in Net Position				
Primary Government			Component Units	
Governmental Activities	Business-Type Activities	Total	Downtown Dev. Auth.	Development Authority
$ (691,871)	$ -	$ (691,871)	$ -	$ -
(1,297,602)	-	(1,297,602)	-	-
(309,217)	-	(309,217)	-	-
14,153	-	14,153	-	-
365,945	-	365,945	-	-
5,200	-	5,200	-	-
(52,457)	-	(52,457)	-	-
(12,547)	-	(12,547)		
(8,839)	-	(8,839)	-	-
(1,987,235)	-	(1,987,235)	-	-
-	145,519	145,519	-	-
-	81,663	81,663	-	-
-	6,999	6,999	-	-
-	81,406	81,406	-	-
-	315,587	315,587	-	-
(1,987,235)	315,587	(1,671,648)	-	-
-	-	-	(13,274)	-
-	-	-	-	-
-	-	-	(13,274)	-
1,099,181	-	1,099,181	-	-
339,315	-	339,315	-	-
677,723	-	677,723	-	-
221,049	-	221,049	-	-
160,295	-	160,295	-	-
4,322	2,139	6,461	-	1
1,478	-	1,478	-	-
43,057	-	43,057	-	-
2,546,420	2,139	2,548,559	-	1
(597,081)	597,081	-	-	-
1,949,339	599,220	2,548,559	-	1
(37,896)	914,807	876,911	(13,274)	1
10,778,622	9,451,792	20,230,414	175,187	2,287
$ 10,740,726	$ 10,366,599	$ 21,107,325	$ 161,913	$ 2,288

CITY OF SENOIA, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2017

	General	Special Revenue Fund Confiscated Assets	Capital Project Funds SPLOST 5	Capital Project Funds Development Impact Fee	Total Governmental Funds
Assets					
Cash	$ 3,912,112	$ 2,508	$ 825,412	$ 499,918	$ 5,239,950
Receivables-					
Accounts	-	-	-	-	-
Taxes	441,019	-	-	-	441,019
Fines	41,557	-	-	-	41,557
Intergovernmental	-	-	135,114	23,588	158,702
Due from other funds	9,892	-	72,855	-	82,747
Due from component unit	321	-	-	-	321
Prepaid items	23,504	-	-	-	23,504
Cash - restricted	-	-	-	-	-
Total assets	$ 4,428,405	$ 2,508	$ 1,033,381	$ 523,506	$ 5,987,800
Liabilities					
Accounts payable -	$ 130,135	$ -	$ 2,500	$ 5,315	137,950
Accrued salaries and wages	51,746	-	-	-	51,746
Other accrued items	634	-	-	-	634
Due to other funds	1,797,433	-	-	9,892	1,807,325
Deposits	3,400	-	-	-	3,400
Unearned revenues	51,700	-	-	-	51,700
Total liabilities	2,035,048	-	2,500	15,207	2,052,755
Deferred Inflows of Resources					
Unavailable revenues	55,121	-	12,652	23,588	91,361
Fund balance					
Nonspendable	23,504	-	-	-	23,504
Restricted for -					
Capital projects	-	-	1,018,229	484,711	1,502,940
Police services	-	2,508	-	-	2,508
Park improvements	171,212	-	-	-	171,212
Assigned for -					
Appropriation for next year's budget	-	-	-	-	-
Unassigned	2,143,520	-	-	-	2,143,520
Total fund balance	2,338,236	2,508	1,018,229	484,711	3,843,684
Total liabilities, deferred inflows of resources, and fund balance	$ 4,428,405	$ 2,508	$ 1,033,381	$ 523,506	$ 5,987,800

See accompanying notes to the basic financial statements.

CITY OF SENOIA, GEORGIA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2017

Amounts reported for governmental activities in the statement of net position are different because:	
Total fund balances -- total governmental funds	$ 3,843,684
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	7,163,685
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds:	
Unavailable revenues	91,361
Deferred inflows and outflows related to the net pension liability is not a current asset or liability:	
Deferred outflows	130,476
Deferred inflows	(142,773)
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	(90,266)
Net pension liability	(249,091)
Capital lease obligation	(5,636)
Accrued interest payable	(714)
Net position of governmental activities.	$ 10,740,726

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, 2017

	General	Special Revenue Fund Confiscated Assets	Capital Projects Fund SPLOST 5	Capital Projects Fund Development Impact Fee	Total Governmental Funds
REVENUES					
Taxes	$ 2,457,141	$ -	$ -	$ -	$ 2,457,141
Licenses and Permits	223,514	-	-	-	223,514
Fines, Fees and Forfeitures	307,646	-	-	-	307,646
Charges for Services	53,223	-	-	139,729	192,952
Intergovernmental	5,919	-	649,692	63,676	719,287
Interest	4,256	-	378	65	4,699
Rental income	18,266	-	-	-	18,266
Other	48,256	-	-	-	48,256
Total revenues	3,118,221	-	650,070	203,470	3,971,761
EXPENDITURES					
Current					
Governing Body	36,653	-	-	-	36,653
General Government	670,122	-	-	-	670,122
Government Buildings	53,654	-	-	-	53,654
Municipal Court	227,712	-	-	-	227,712
Public Safety	1,223,699	-	-	-	1,223,699
Highways and Streets	565,270	-	-	-	565,270
Cemetery	-	-	-	-	-
Parks	1,707	-	-	-	1,707
Planning and Zoning	212,850	-	-	-	212,850
Downtown Development	12,546	-	-	-	12,546
Debt Service -	-	-	-	-	
Principal	80,485	-	-	-	80,485
Interest	2,650	-	-	-	2,650
Capital Outlay	140,534	-	150,271	46,273	337,078
Total expenditures	3,227,882	-	150,271	46,273	3,424,426
Excess of revenues over (under) expenditures	(109,661)	-	499,799	157,197	547,335
Other financing sources (uses):					
Proceeds from capital lease obligation	-	-	-	-	-
Proceeds from disposition of capital assets	-	-	-	-	-
Transfers	6,032	-	-	-	6,032
Total other financing sources (uses):	6,032	-	-	-	6,032
Net change in fund balance	(103,629)	-	499,799	157,197	553,367
Fund balance - beginning	2,441,865	2,508	518,430	327,514	3,290,317
Fund balance - ending	$ 2,338,236	$ 2,508	$ 1,018,229	$ 484,711	$ 3,843,684

See accompanying notes to the basic financial statements.

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, 2017

Net change in fund balances -- total governmental funds	$	553,367
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		323,417
Depreciation		(319,294)
The net effect of other miscellaneous transactions involving capital assets (i.e. sales, trade-ins and donations) is to decrease net position. This is the amount of net book value of assets disposed of during the current period:		
Sales or abandonment of assets		-
Contributions of capital asset to Stormwater Fund		(603,113)
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		(49,732)
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		80,485
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 net pension liability and related deferred items		645
Change in accrued interest payable		1,312
Change in long-term portion of accrued compensated absences		(24,983)
Change in net position of governmental activities.	$	(37,896)

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, 2017

	BUDGET AMOUNTS			
	ORIGINAL	FINAL	ACTUAL	VARIANCE
REVENUES				
Taxes	$ 2,213,900	$ 2,372,956	$ 2,457,141	$ 84,185
Licenses and Permits	238,300	238,300	223,514	(14,786)
Intergovernmental Grants	50,000	50,000	5,919	(44,081)
Charges for Services	34,500	50,150	53,223	3,073
Fines, Fees and Forfeitures	432,700	432,700	307,646	(125,054)
Investment Income	2,000	2,000	4,256	2,256
Rents	12,000	18,000	18,266	266
Miscellaneous	18,000	47,000	48,256	1,256
Total revenues	3,001,400	3,211,106	3,118,221	(92,885)
EXPENDITURES				
Current				
Governing Body	36,000	36,653	36,653	-
Financial Administration	625,700	670,122	670,122	-
Government Buildings	43,900	53,654	53,654	-
Municipal Court	247,200	229,594	227,712	1,882
Public Safety	1,257,400	1,223,616	1,223,699	(83)
Public Works	423,100	565,270	565,270	-
Cemetery	800	-	-	-
Library	-	-	-	-
Parks	8,000	1,707	1,707	-
Planning and Zoning	197,300	212,850	212,850	-
Community Development	19,200	19,200	12,546	6,654
Debt Service				
Principal	80,485	80,485	80,485	-
Interest	2,615	2,650	2,650	-
Capital Outlay	79,700	140,534	140,534	-
Total expenditures	3,021,400	3,236,335	3,227,882	8,453
Excess of revenues over (under) expenditures	(20,000)	(25,229)	(109,661)	(84,432)
Other financing sources (uses):				
Proceeds from capital lease	-	-	-	-
Proceeds from disposition of capital assets	-	-	-	-
Transfers	20,000	20,000	6,032	(13,968)
Total other financing sources (uses):	20,000	20,000	6,032	(13,968)
Net change in fund balance	-	(5,229)	(103,629)	(98,400)
Fund balance - beginning	2,441,865	2,441,865	2,441,865	-
Fund balance - ending	$ 2,441,865	$ 2,436,636	$ 2,338,236	$ (98,400)

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, 2017

	Budget Amounts			
Revenues:	Original Budget	Final Budget	Actual	Variance
Forfeitures	$ 2,400	$ 2,400	$ -	$ (2,400)
Interest	100	100	-	(100)
Total Revenue	2,500	2,500	-	(2,500)
Expenditures:				
Current				
Police activity	2,500	2,500	-	2,500
Capital Outlay	-	-	-	-
Total Expenditures	2,500	2,500	-	2,500
Excess of Revenues Over (Under) Expenditures Before Other Sources and (Uses)	-	-	-	-
Other Sources and (Uses)				
Transfers	-	-	-	-
Total Other Sources and (Uses)	-	-	-	-
Net change in fund balance	-	-	-	-
Fund Balance - Beginning of Year	2,508	2,508	2,508	-
Fund Balance - End of Year	$ 2,508	$ 2,508	$ 2,508	$ -

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

CITY OF SENOIA, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2017

ASSETS	Water	Sewer	Sanitation	Stormwater	Total
Current assets					
Cash	$ 269,947	$ 333,384	$ -	$ -	$ 603,331
Receivables-					
Accounts (net)	114,852	86,931	21,472	9,947	233,202
Other	-	-	-	-	-
Due from other funds	253,092	1,439,985	-	31,501	1,724,578
Inventory	4,729	-	-	-	4,729
Restricted assets					
Cash	90,961	327,879	-	-	418,840
Investments	107,199	-	-	-	107,199
Total current assets	840,780	2,188,179	21,472	41,448	3,091,879
Noncurrent assets					
Capital assets					
Land	105,647	833,474	-	-	939,121
Construction in progress	-	-	-	-	-
Buildings	241,597	-	-	-	241,597
Improvements other than buildings	5,444,657	10,215,111	-	791,277	16,451,045
Vehicles	35,150	117,661	-	-	152,811
Machinery and equipment	426,017	282,554	-	-	708,571
Accumulated depreciation	(2,502,058)	(3,019,129)	-	(19,315)	(5,540,502)
Capital assets (net of depreciation)	3,751,010	8,429,671	-	771,962	12,952,643
Total noncurrent assets	3,751,010	8,429,671	-	771,962	12,952,643
Total assets	4,591,790	10,617,850	21,472	813,410	16,044,522

See accompanying notes to the basic financial statements.

CITY OF SENOIA, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2017

	Water	Sewer	Sanitation	Stormwater	Total
LIABILITIES					
Current liabilities					
Accounts payable -	$ -	$ -	$ -	$ 1,702	$ 1,702
Customer deposits	105,363	-	-	-	105,363
Due to other funds	-	-	-	-	-
Accrued compensated absences	24,174	9,197	-	-	33,371
Accrued salaries	15,200	6,192	-	-	21,392
Current liabilities payable from restricted assets -					-
Revenue bonds	40,000	93,455	-	-	133,455
Notes	55,554	-	-	-	55,554
Accrued interest	3,512	3,272	-	-	6,784
Total current liabilities	243,803	112,116	-	1,702	357,621
Long-term liabilities					
Revenue bonds	135,000	4,456,549	-	-	4,591,549
Notes payable	728,753	-	-	-	728,753
Total long-term liabilities	863,753	4,456,549	-	-	5,320,302
Total liabilities	1,107,556	4,568,665	-	1,702	5,677,923
Net Position					
Net investment in capital assets	2,791,703	3,879,667	-	771,962	7,443,332
Restricted for capital projects			-	-	-
Restricted under debt covenants	198,160	327,879	-	-	526,039
Unrestricted	494,371	1,841,639	21,472	39,746	2,397,228
Total Net Position	$ 3,484,234	$ 6,049,185	$ 21,472	$ 811,708	$ 10,366,599

See accompanying notes to the basic financial statements.

CITY OF SENOIA, GEORGIA
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2017

	Water	Sewer	Sanitation	Stormwater	Total
OPERATING REVENUES					
Charges for services -					
Sales and services	$ 990,284	$ 729,101	$ 258,746	$ 122,472	$ 2,100,603
Penalties and reconnect fees	35,616	-	-	-	35,616
Miscellaneous	23,893	16,017	-	-	39,910
Total operating revenues	1,049,793	745,118	258,746	122,472	2,176,129
OPERATING EXPENSES					
Purchase of product / service	16,215	-	251,747	-	267,962
Salaries and related cost	510,669	206,088	-	-	716,757
Supplies and materials	125,632	36,328	-	-	161,960
Repairs and maintenance	78,850	66,733	-	-	145,583
Utilities	40,573	125,991	-	-	166,564
Depreciation and amortization	134,488	224,091	-	13,724	372,303
Other	92,314	50,055	-	27,342	169,711
Total operating expenses	998,741	709,286	251,747	41,066	2,000,840
Operating income (loss)	51,052	35,832	6,999	81,406	175,289
Non-operating revenues and (expenses)					
Interest earned	1,264	875	-	-	2,139
Gain (Loss) on sale of capital assets	-	-	-	-	-
Interest expense	(44,733)	(201,125)	-	-	(245,858)
Total non-operating revenues (expenses)	(43,469)	(200,250)	-	-	(243,719)
Income before transfers and capital contributions	7,583	(164,418)	6,999	81,406	(68,430)
Capital contributions -					
SPLOST Fund	-	-	-	-	-
General Fund	-	-	-	603,113	603,113
Developers	139,200	246,956	-	-	386,156
Transfers	-	-	(6,032)	-	(6,032)
Change in net position	146,783	82,538	967	684,519	914,807
NET POSITION - BEGINNING	3,337,451	5,966,647	20,505	127,189	9,451,792
NET POSITION - ENDING	$ 3,484,234	$ 6,049,185	$ 21,472	$ 811,708	$ 10,366,599

See accompanying notes to the basic financial statements.

CITY OF SENOIA, GEORGIA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2017

	Water	Sewer	Sanitation	Stormwater	Total
Cash flows from operating activities:					
Cash received from customers and users	$ 1,054,859	$ 745,433	$ 257,779	$ 123,018	$ 2,181,089
Cash paid to suppliers for goods	(491,260)	(330,421)	(251,747)	(25,640)	(1,099,068)
Cash paid to employees	(368,028)	(154,831)	-	-	(522,859)
Net cash provided from operating activities	195,571	260,181	6,032	97,378	559,162
Cash flows from investing activities:					
Interest received	1,264	875	-	-	2,139
(Purchase) / redemption of investments	(481)	-	-	1	(480)
Net cash from investing activities	783	875	-	1	1,659
Cash flows from non-capital financing activities:					
Transfers	-	-	(6,032)	-	(6,032)
Change in due to/from other funds	(176,740)	(212,497)	-	(97,379)	(486,616)
Net cash flows from non-capital financing activities	(176,740)	(212,497)	(6,032)	(97,379)	(492,648)
Cash flows from capital financing activities:					
Proceeds from long-term debt	-	-	-	-	-
Principal payments on long-term debt	(105,185)	(89,451)	-	-	(194,636)
Interest paid	(45,201)	(201,189)	-	-	(246,390)
Capital contributions	139,200	246,956	-	-	386,156
Purchase / construction of capital assets	(7,645)	(4,000)	-	-	(11,645)
Proceeds from grants	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-
Net cash flows from capital financing activities	(18,831)	(47,684)	-	-	(66,515)
Net cash flows	783	875	-	-	1,658
Cash and cash equivalents - beginning	360,125	660,388	-	-	1,020,513
Cash and cash equivalents - ending	$ 360,908	$ 661,263	$ -	$ -	$ 1,022,171

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	Stormwater	Total
Operating income (loss)	$ 51,052	$ 35,832	$ 6,999	$ 81,406	$ 175,289
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation and amortization	134,488	224,091	-	13,724	372,303
(Increase) decrease in receivables	(634)	315	(967)	546	(740)
(Increase) decrease in inventory	-	-	-	-	-
Increase (decrease) in accounts payable	-	-	-	1,702	1,702
Increase (decrease) in customer deposits	5,700	-	-	-	5,700
Increase (decrease) in accrued liabilities	4,965	(57)	-	-	4,908
Total adjustments	144,519	224,349	(967)	15,972	383,873
Net cash from operating activities	$ 195,571	$ 260,181	$ 6,032	$ 97,378	$ 559,162
Non-cash transactions -					
Transfers of a completed capital project from Governmental-Type Funds to the Stormwater Fund	$ -	$ -	$ -	$ 603,113	$ 603,113

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 (GASB) No. 14, as amended by GASB No. 61 defines the reporting entity for determining which potential component units should be included in a primary government's financial statements. Inclusion is based on organization's for which the primary government is financially accountable. In addition, the primary government may determine, through exercise of management's professional judgment, that the inclusion of an organization that does not meet the financial accountability criteria is necessary in order to prevent the reporting entity's financial statements from being misleading. In such instances, the organization should be included as a component unit. 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 regardless of whether the organization has a separate elected or appointed governing board. Blended component units, although legally separate entities, are, in substance part of the government's operations and are reported with similar funds of the primary government. As a result the City has included the Downtown Development Authority and the Development Authority of the City of Senoia as discretely presented component units in the City's financial report. 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.

Aggregate discretely presented component units –

One of the component unit columns 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 downtown area of 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.

In 2013 the City created the Development Authority of the City of Senoia. This Authority is also included in the Government-Wide Financial Statements of the City of Senoia, Georgia as a discretely presented component unit. The Development Authority was created to develop and promote for the public good and general welfare trade, commerce, industry and employment opportunities in the City and to exercise the powers contained in the development authorities law of the State of Georgia. The City also appoints this Authority's board members and reviews the annual budget. Funding of the Authority is provided by the City's General Fund and other resources approved under the development authorities law. 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—net investment in capital assets, 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 5 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.

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.

Stormwater Utility Fund – This fund accounts for activities associated with the City's stormwater runoff. Stormwater activities are financed with stormwater charges that began to be assessed by the City during 2017.

(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, 2017:

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, 2017 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, 2017. 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 City has one item that qualifies for reporting in this category as of December 31, 2017 which is deferred pension outflows recognized in the Statement of Net Position.

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 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 intergovernmental revenues. In addition, the City recognizes deferred pension inflows in its Statement of Net Position under governmental activities.

T. Fund Balance – Governmental Funds

As of December 31, 2017, 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, 2017, fund balances are composed of the following:

	Non-Spendable - Prepaids	Restricted: Capital Outlay	Restricted: Police Activities	Restricted: Park Improvements	Unassigned
General Fund	$ 23,504	$ -	$ -	$ 171,212	$ 2,143,520
Confiscated Assets Fund	-	-	2,508	-	-
SPLOST Fund	-	1,018,229	-	-	-
Development Impact Fee Fund	-	484,711	-	-	-
Total	$ 23,504	$ 1,502,940	$ 2,508	$ 171,212	$ 2,143,520

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 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 $2,202,699 in restricted net position, of which $1,505,448 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. Final budgets amounts, as reported in the financial statements, are amended in June 2018. All annual appropriations lapse at year end.

Y. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City of Senoia Retirement Plan (SRP) and additions to/deductions from SRP's fiduciary net position have been determined on the same basis as they are reported in the SRP. For this purpose, benefit payments (including refunds of employee contributions, if applicable) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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, 2017, $5,899,848 of the government's bank balance of $6,399,848 was exposed to custodial credit risk as follows:

The City's deposits are classified as follows at December 31, 2017:

Uninsured and uncollateralized	$ 825,412
Collateralized with securities held by pledging financial institution or its agent	5,074,436
Total	$ 5,899,848

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, 2017, 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.

(See Independent Auditor's Report).

3. PROPERTY TAX

Property taxes were levied on August 7, 2017 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, 2017 amounted to $65,376.

4. INTERGOVERNMENTAL REVENUES AND RECEIVABLES

Intergovernmental revenues and receivables reported in the fund financial statements for the year ended December 31, 2017 consist of the following:

	Revenue	Receivable
General Fund		
Housing Authority	$ 5,919	$ -
Development Impact Fee Fund		
Multi-Use Trail	63,676	23,588
SPLOST 5 Fund		
Georgia Department of Transportation - Resurfacing and Streetscape grants	86,559	29,724
Coweta County, Georgia - SPLOST Agreement	563,133	105,390
Total Capital Contributions from grants	$ 719,287	$ 158,702

(See Independent Auditor's Report)

5. RECEIVABLES

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

	General	SPLOST 5	Development Impact Fee	Total
Taxes	$ 441,019	$ -	$ -	$ 441,019
Fines	89,557	-	-	89,557
Accounts	-	-	-	-
Intergovernmental	-	135,114	23,588	158,702
Gross Receivables	530,576	135,114	23,588	689,278
Less: Allowance for Uncollectibles	(48,000)	-	-	(48,000)
Net Total Receivables	$ 482,576	$ 135,114	$ 23,588	$ 641,278

Proprietary Funds

	Water	Sewer	Solid Waste Management	Stromwater Management	Total
Accounts	$ 134,852	$ 109,931	$ 32,972	$ 10,447	$ 288,202
Less: Allowance for Uncollectibles	(20,000)	(23,000)	(11,500)	(500)	(55,000)
Net Total Receivable	$ 114,852	$ 86,931	$ 21,472	$ 9,947	$ 233,202

6. INTER-FUND TRANSACTIONS

Individual fund interfund receivable and payable balances at December 31, 2017 were as follows:

	Payable From				
Payable To	General	Dev. Impact Fee	SPLOST 5	Stormwater	Totals
General	$ -	$ 9,892	$ -	$ -	$ 9,892
SPLOST 5	72,855	-	-	-	72,855
Stormwater	31,501	-	-	-	31,501
Sewer	1,439,985	-	-	-	1,439,985
Water	253,092	-	-	-	253,092
Totals	$ 1,797,433	$ 9,892	$ -	$ -	$ 1,807,325

(See Independent Auditor's Report)

6. INTER-FUND TRANSACTIONS, Continued

The City's General Fund's operating bank account receives all deposits from the General Fund, and from the Water, Sewer, and Stormwater Fund's operations. All monies collected for the Water, Sewer and Stormwater Funds and all expenditures paid for the Water, Sewer and Stormwater 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, Sewer and Stormwater Funds. The amounts due from SPLOST 5 and the Development Impact Fee Funds to the General Fund are for qualifying expenditures paid from the General Fund and not reimbursed as of December 31, 2017.

Individual fund interfund transfers for the year ended December 31, 2017 were as follows:

Transfer To	Transfer From: Solid Waste	Transfer From: General	Totals
General	$ 6,032	$ -	$ 6,032
Stormwater	-	-	-
Total	$ 6,032	$ -	$ 6,032

During the fiscal year ended December 31, 2017, the Solid Waste Fund transferred $6,032 to the General Fund as a result of net cash flows.

In the Statement of Activities, additional transfers were recognized in the amount of $603,113 to the Stormwater Fund for capital assets transferred to the individual proprietary fund. This increased the total transfers in the Statement of Activities to $597,081. These transfers were for drainage improvements financed with SPLOST proceeds and General Fund revenues. These transactions were recognized as capital outlay expenditures in the SPLOST and General Funds and as capital contributions in the Stormwater Fund.

(See Independent Auditor's Report)

7. PROPERTY, PLANT AND EQUIPMENT

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets, not being depreciated:				
Land	$ 1,623,930	$ -	$ -	$ 1,623,930
Construction in progress	855,144	190,024	(440,990)	604,178
Total	2,479,074	190,024	(440,990)	2,228,108
Capital assets being depreciated:				
Buildings and improvements	2,255,531	-	-	2,255,531
Improvements other than buildings	467,369	-	(65,825)	401,544
Infrastructure	3,064,961	10,725	(101,889)	2,973,797
Machinery and equipment	771,822	26,956	-	798,778
Office equipment	187,476	11,002	-	198,478
Vehicles, including related equipment	830,983	84,711	-	915,694
Furniture and fixtures	91,310	-	-	91,310
Total capital assets being depreciated	7,669,452	133,394	(167,714)	7,635,132
Less accumulated depreciation for:				
Buildings and improvements	534,396	56,482	-	590,878
Improvements other than buildings	125,977	12,705	-	138,682
Infrastructure	434,554	78,034	(5,590)	506,998
Machinery and equipment	536,811	56,233	-	593,044
Office equipment	143,557	9,654	-	153,211
Vehicles, including related equipment	546,328	99,018	-	645,346
Furniture and other equipment	64,227	7,169	-	71,396
Total accumulated depreciation	2,385,850	319,295	(5,590)	2,699,555
Total capital assets being depreciated, net	5,283,602	(185,901)	(162,124)	4,935,577
Governmental capital assets, net	$ 7,762,676	$ 4,123	$ (603,114)	$ 7,163,685

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

General Government	$ 20,218
Police	162,040
Highways and Streets	67,580
Planning and Zoning	3,014
Cemetery	2,207
Parks and Recreation	56,612
Library	7,624
Total depreciation expense	$ 319,295

7. PROPERTY, PLANT AND EQUIPMENT – (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities				
Capital assets, not being depreciated:				
Land	$ 939,121	$ -	$ -	$ 939,121
Construction in progress	-	-	-	-
Total	939,121	-	-	939,121
Capital assets being depreciated:				
Buildings and improvements	241,598	-	(1)	241,597
Improvements other than buildings	15,842,342	608,703	-	16,451,045
Vehicles	184,227	-	(31,416)	152,811
Machinery and equipment	665,510	43,061	-	708,571
Total capital assets being depreciated	16,933,677	651,764	(31,417)	17,554,024
Less accumulated depreciation for:				
Buildings and improvements	62,960	6,040	(1)	68,999
Improvements other than buildings	4,429,111	334,352	-	4,763,463
Vehicles	130,980	10,087	-	141,067
Machinery and equipment	539,558	27,415	-	566,973
Total capital assets being depreciated	5,162,609	377,894	(1)	5,540,502
Total capital assets being depreciated, net	11,771,068	273,870	(31,416)	12,013,522
Business-Type Activities capital assets, net	$ 12,710,189	$ 273,870	$ (31,416)	$ 12,952,643

Depreciation expense was charged to functions/programs as follows:

Water	$ 134,488
Sewer	224,091
Stormwater	13,724
Total depreciation expense	372,303
Added through transfer from governmental funds	5,591
Total	$ 377,894

(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, 2017:

	Beginning Balance	Increases	Decreases	Ending Balance	Current Portion
Governmental Activities					
Capital Leases - Equipment	$ 86,121	$ -	$ (80,485)	$ 5,636	$ 5,636
Net Pension Liability	367,062	-	(117,971)	249,091	-
Accrued Compensated Absences	65,283	85,470	(60,487)	90,266	-
Total Governmental Activity Long-Term Debt	$ 518,466	$ 85,470	$ (258,943)	$ 344,993	$ 5,636
Business-Type Activities					
Revenue Bonds - GMAC	$ 215,000	$ -	$ (40,000)	$ 175,000	$ 40,000
Revenue Bonds - Rural Dev	4,639,454	-	(89,450)	4,550,004	93,455
GEFA Notes Payable	849,492	-	(65,185)	784,307	55,554
Total Business-Type Activity Long-Term Debt	$ 5,703,946	$ -	$ (194,635)	$ 5,509,311	$ 189,009

The City's General Fund is typically used to liquidate all governmental activity long-term liabilities.

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 –

Equipment –

The City has entered into three lease-purchase and security agreements for the purchase of seven police vehicles and other police equipment. The City intends to continue to abide by the terms of the lease agreements and eventually own the assets. The assets and related liabilities are recorded at the present value of future payments due under the lease. The original cost of the assets amounted to $307,321 and had $40,974 of depreciation expense recorded for the year. Accumulated depreciation on the equipment amounted to $145,443 as of December 31, 2017.

(See Independent Auditor's Report)

8. LONG-TERM DEBT - (Continued)

Governmental Activities Long-Term Debt – (Continued)

Capital Lease Obligation –

Annual repayment requirements under the capital lease obligation agreements are as follows:

	Capital Leases					
F/Y/E	Vehicles		Equipment		TOTALS	
DECEMBER 31,	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
2018	$ -	$ -	$ 5,636	$ 376	$ 5,636	$ 376
TOTALS	$ -	$ -	$ 5,636	$ 376	$ 5,636	376

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.

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	$ 175,000
Water note payable to the Georgia Environmental Facilities Authority, in the total amount of $264,800, interest from 3.96%, matures in 2018	12,120
Water note payable to the Georgia Environmental Facilities Authority, in the amount of $1,014,166, interest at 4%, matures in 2031	772,187
Sewer Revenue Bonds in the amount of $5,430,300, interest at 4.375%, payable in monthly installments of $24,200, matures June 2044	4,550,004
Total Business-Type Activities Long-Term Debt	$5,509,311

(See Independent Auditor's Report)

8. LONG-TERM DEBT - (Continued)

Annual repayment requirements to amortize all long-term obligations as they mature are as follows:

F/Y/E December 31,	Sewer Fund Revenue Bonds Principal	Sewer Fund Revenue Bonds Interest	Water Fund Notes Payable Principal	Water Fund Notes Payable Interest	Water Fund Revenue Bonds Principal	Water Fund Revenue Bonds Interest
2018	$ 93,455	$ 197,185	$ 55,554	$ 31,783	$ 40,000	$ 8,750
2019	97,627	193,013	45,294	29,743	45,000	6,750
2020	101,985	188,655	47,234	27,803	45,000	4,500
2021	106,537	184,103	49,256	25,781	45,000	2,250
2022	111,293	179,347	51,365	23,672	-	-
2023	116,260	174,380	53,565	21,472	-	-
2024	121,450	169,190	55,858	19,179	-	-
2025	126,871	163,769	58,250	16,787	-	-
2026	132,535	158,105	60,744	14,293	-	-
2027	138,451	152,189	63,345	11,692	-	-
2028	144,631	146,009	66,057	8,980	-	-
2029	151,087	139,553	68,886	6,151	-	-
2030	157,831	132,809	71,835	3,202	-	-
2031	164,876	125,764	37,064	455	-	-
2032	172,236	118,404	-	-	-	-
2033	179,925	110,715	-	-	-	-
2034	187,956	102,684	-	-	-	-
2035	196,346	94,294	-	-	-	-
2036	205,110	85,530	-	-	-	-
2037	214,266	76,374	-	-	-	-
2038	223,831	66,809	-	-	-	-
2039	233,822	56,818	-	-	-	-
2040	244,259	46,381	-	-	-	-
2041	255,163	35,477	-	-	-	-
2042	266,552	24,088	-	-	-	-
2043	278,451	12,189	-	-	-	-
2044	127,198	10,004	-	-	-	-
	$ 4,550,004	$ 3,143,838	$ 784,307	$ 240,993	$ 175,000	$ 22,250

(See Independent Auditor's Report)

9. UNAVAILABLE REVENUES

Unavailable revenues as of December 31, 2017, 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	$ 34,026
Fines and forfeitures	21,095
Intergovernmental	36,240
Total unavailable revenues - Governmental Funds	$ 91,361

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)	$9,991,675
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, 2017, 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, 2017. No provisions have been made in the financial statements for the year ended December 31, 2017 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, 2017 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, as authorized by the City Council, has established a defined benefit pension plan (The City of Senoia Retirement Plan) covering all full-time employees. The City's pension plan is affiliated with the Georgia Municipal Employee Benefit System (GMEBS), an agent multiple-employer pension plan administered by the Georgia Municipal Association. Contributions made by the City are commingled with contributions made by other members of GMEBS for investment purposes. The City does not own any securities on its own. Investment income from the securities is allocated on a pro rata basis. The Georgia Municipal Association issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS. That report may be obtained by writing to Georgia Municipal Association, Risk Management and Employee Benefit Services, 201 Pryor Street, NW, Atlanta, Georgia 30303 or by calling (404) 688-0472.

(See Independent Auditor's Report)

14. EMPLOYEE BENEFIT PENSION PLANS – (Continued)

Defined Benefit Plan -

Plan Description, continued

As provided by State law, benefit provisions for Participants in GMEBS are established and amended by the respective employers. As authorized by the City Council, the Plan provides pension benefits and death and disability benefits for Plan members and beneficiaries. All employees, excluding elected officials, who work thirty hours or more per week, are eligible to participate immediately upon hiring. Benefits vest after five years of service. A City employee who retires at age 65 with five years of service is entitled to benefits of 1.50% of final average earnings in excess of covered compensation. An employee may elect early retirement at age 55 provided he or she has a minimum of 25 years total credited service to receive full benefits, otherwise early retirement may be elected after only 10 years of service for reduced benefits. Ten years of service is required for nonservice related disability benefits. Disability benefits are paid out at 20% of an employee's current salary. Death benefits are calculated using an actuarial reserve.

At July 1, 2017, the date of the most recent actuarial valuation, there were 59 participants consisting of the following:

Retirees and beneficiaries currently receiving benefits	7
Terminated vested participants not yet receiving benefits	14
Active employees - vested	21
Active employees - nonvested	17
Total	59

Contributions

The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standard law. The Board of Trustees of GMEBS has adopted a recommended actuarial funding policy for the Plan which meets State minimum requirements and will accumulate sufficient funds to provide the benefits under the Plan. The funding policy for the Plan is to contribute an amount equal to or greater than the recommended contribution described below. For fiscal year 2017, the actuarially determined contribution rate was 5.63% of covered payroll.

For fiscal year ended December 31, 2017, the City's recommended and actual contribution was $86,311 which was actuarially determined and is expected to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The amount of employer contributions recognized in the actuarial report date July 1, 2017 and recognized as an expense in the Government-Wide Statement of Activity was $85,666.

(See Independent Auditor's Report)

14. EMPLOYEE BENEFIT PENSION PLANS – (Continued)

Defined Benefit Plan –

Pension Liabilities, Pension Expense, and Deferred Outflows and Deferred Outflows of Resources Related to Pensions

At December 31, 2017, the City reported a liability of $249,091 for its net pension liability. The net pension liability was measured as of March 31, 2017 and was determined by an actuarial valuation as of July 1, 2017. The changes in the Net Pension Liability for the year ended March 31, 2017 (the measurement date) were as follow:

	Total Pension Liability	Fiduciary Net Position	Net Pension Liability
Balances at March 31, 2016	$ 1,279,524	$ 912,462	$ 367,062
Changes for the year-			
Service cost	67,336	-	67,336
Interest	97,991	-	97,991
Differences between expected and actual experience	(98,300)	-	(98,300)
Contributions - Employer	-	74,837	(74,837)
Net investment income	-	117,810	(117,810)
Benefit payments, including refunds of employee contributions	(30,260)	(30,260)	-
Administrative expense	-	(7,649)	7,649
Other	-	-	-
Net Changes	36,767	154,738	(117,971)
Balance at March 31, 2017	$ 1,316,291	$ 1,067,200	$ 249,091

Effective July 1, 2017, the Plan was amended to provide for immediate participation for Employees. This change has no impact on service credited under the Plan and has no impact on benefits. As a result of this change, all Employees are now included in the valuation. This change has minimal impact on the Plan's liability.

(See Independent Auditor's Report)

14. EMPLOYEE BENEFIT PENSION PLANS – (Continued)

Defined Benefit Plan –

For the year ended December 31, 2017, the City recognized pension expense and deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Service cost	$ 67,336
Interest on The Pension Liability (TPL)	97,991
Administrative expenses	7,649
Expected return on assets	(72,147)
Expensed portion of current year period differences between expected and actual experience in TPL	(16,385)
Expensed portion of current year period assumption changes	-
Expensed portion of current year period differences between projected and actual investment earnings	(9,131)
Current year recognition of deferred inflows and outflows established in prior years	10,353
Total expense	$ 85,666

Pension Liabilities, Pension Expense, and Deferred Outflows and Deferred Outflows of Resources Related to Pensions, Continued

$71,926 reported as deferred outflows of resources related to pensions resulting from the City's contributions made subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

F/Y/E December 31,	Deferred Outflows	Deferred Inflows
2018	$ 17,944	$ (33,107)
2019	17,944	(33,107)
2020	17,944	(30,088)
2021	4,718	(30,088)
2022	-	(16,383)
2022 and Thereafter	-	-
	$ 58,550	$ (142,773)

(See Independent Auditor's Report)

14. EMPLOYEE BENEFIT PENSION PLANS – (Continued)

Defined Benefit Plan –

Outstanding balances of deferred outflows/inflows of resources related to pensions as of December 31, 2017 are as follow:

	Outflows	Inflows
Contributions subsequent to the measurement date	$ 71,926	$ -
Demographic	18,872	(99,875)
Investment	39,678	(42,570)
Assumption change	-	(328)
Total	$ 130,476	$ (142,773)

Actuarial Assumptions

The total pension liability in the July 1, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Assumptions:

Net Investment Rate of Return	7.75%
Projected Salary Increases	3.25% plus service based merit increases
Cost of Living Adjustments	0.00%
Mortality Rates -	
Healthy	RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forward 2 years for males and 1 year for females
Disabled	RP-2000 Disabled Retiree Mortality Table - sex distinct rates
Plan Termination Basis	1994 Group Annuity Reserving Unisex Table

The actuarial assumptions used in the July 1, 2017 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through June 30, 2014.

14. EMPLOYEE BENEFIT PENSION PLANS – (Continued)

Defined Benefit Plan –

The long-term rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of March 31, 2017 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	45.00%	6.71%
International equity	20.00%	7.71%
Real estate	10.00%	5.21%
Global fixed income	5.00%	3.36%
Domestic fixed income	20.00%	2.11%
Cash	0.00%	
Total	100.00%	

Discount Rate

The discount rate used to measure the total pension liability was 7.75 percent. The projection of cash flows used to determine the discount rate assumed that contributions from the City will be made at the actuarially determined contribution rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability
To Changes in the Discount Rate

The following presents the City's net pension liability calculated using the discount rate of 7.75 percent, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease 6.75%	Current Rate 7.75%	1% Increase 8.75%
Net Pension Liability	$ 452,898	$ 249,091	$ 81,974

Pension Plan Net Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued City of Senoia Retirement Plan financial report.

(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, 2017 are as follows:

Revenue Bond Restricted Assets -	
Debt service account	$ 91,561
Debt service reserve fund	403,850
Renewal and extension fund	30,628
Capital projects-	
Special purpose local option sales funds	825,412
Development impact fee funds	499,918
Confiscated asset funds	2,508
	$ 1,853,877

16. CONDUIT DEBT OBLIGATION

In June 2014 the Development Authority of the City of Senoia, Georgia issued $11,905,000 aggregate principal amount of Charter School Revenue Bonds Series 2014A and $580,000 aggregate principal amount of Charter School Taxable Revenue Bonds Series 2014B. Proceeds from the sale of the Series 2014 Bonds was loaned to Georgia Charter Educational Foundation, Inc., a Georgia Nonprofit Corporation in accordance with the terms of the loan agreement dated June 1, 2014. The proceeds will be used for the purpose of acquiring the charter school building and all other ancillary structures, improvements etc... on approximately 11.2 acres of land. The Series 2014 Bonds do not constitute a debt, moral obligation, liability, or a loan, or credit or pledge of full faith and credit of the taxpayers of the City of Senoia, Georgia. Accordingly, the bonds have not been reported as liabilities in the accompanying financial statements. As of December 31, 2017, $12,622,864, including accrued interest, was outstanding under the bond issues.

18. 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, 2017, none of the City's funds had a deficit net fund balance or net position balance.

B) Excess expenditures over budget – None of the City's governmental funds had 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).

19. DOWNTOWN DEVELOPMENT AUTHORITY DISCLOSURES

Capital Assets –

Capital asset activity for the year ended December 31, 2017 for the Authority was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	$ 1,000	$ -	$ -	$ 1,000
Construction in progress	-	-	-	-
Total	1,000	-	-	1,000
Capital assets being depreciated:				
Buildings and improvements	127,537	-	-	127,537
Furniture and fixtures	10,379	-	-	10,379
Machinery and equipment	23,648	15,125	-	38,773
Total capital assets being depreciated	161,564	15,125	-	176,689
Less accumulated depreciation for:				
Buildings and improvements	21,534	4,180	-	25,714
Furniture and fixtures	8,977	841	-	9,818
Machinery and equipment	10,282	1,898	-	12,180
Total capital assets being depreciated	40,793	6,919	-	47,712
Total capital assets being depreciated, net	120,771	8,206	-	128,977
Business-Type Activities capital assets, net	$ 121,771	$ 8,206	$ -	$ 129,977

Long-Term Debt –

In June 2012 the Authority borrowed $85,000 to help finance improvements to the Welcome Center. The note bears interest at the rate of 5.95% and is due in equal monthly installments of $594.11 until December 2022. A summary of changes in long-term debt for the Authority for the year ended December 31, 2017 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Current Portion
Note payable	$ 71,651	$ 70,275	$ (71,651)	$ 70,275	$ 3,054

Annual repayment requirements under the note payable agreement are as follow:

F/Y/E DECEMBER 31,	PRINCIPAL	INTEREST	TOTAL
2018	$ 3,054	$ 4,075	$ 7,129
2019	3,216	3,913	7,129
2020	3,414	3,715	7,129
2021	3,622	3,507	7,129
2022	56,969	3,286	60,255
	$ 70,275	$ 18,496	$ 88,771

(See Independent Auditor's Report)

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CITY OF SENOIA, GEORGIA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
LAST 10 FISCAL YEARS

	Fiscal Year End									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Pension Liability										
Service cost	$ 67,336	$ 69,310	$ 56,627							
Interest	97,991	90,242	79,906							
Differerences between expected and actual experience	(98,300)	(26,937)	33,025	(Historical information prior to implementation of GASB 67/68 is not required)						
Other	-	-	(571)							
Benefit payments	(30,260)	(35,013)	(36,222)							
Net changes in total pension liability	36,767	97,602	132,765							
Total pension liability - beginning	1,279,524	1,181,922	1,049,157							
Total pension liability - ending	$ 1,316,291	$ 1,279,524	$ 1,181,922							
Plan Fiduciary Net Position										
Contributions - employer	$ 74,837	$ 75,746	$ 73,462							
Net investment income	117,810	2,967	75,669							
Benefit payments	(30,260)	(35,013)	(36,222)	(Historical information prior to implementation of GASB 67/68 is not required)						
Administrative expense	(7,649)	(4,937)	(4,414)							
Other	-	-	-							
Net cvhange in fiduciary net position	154,738	38,763	108,495							
Plan fiduciary net position - beginning	912,462	873,699	765,204							
Plan dicuciary net position - ending	$ 1,067,200	$ 912,462	$ 873,699							
Net Pension Liability										
Net pension liability	$ 249,091	$ 367,062	$ 308,223							
Plan's fiduciary net position as a percentage of the total pension liability	81.08%	71.31%	73.92%	(Historical information prior to implementation of GASB 67/68 is not required)						
Covered-employee payroll	$ 1,525,090	$ 1,509,140	$ 1,412,558							
Net pension liability as a percentage of covered payroll	16.33%	24.32%	21.82%							

CITY OF SENOIA, GEORGIA
SCHEDULE OF CONTRIBUTIONS
LAST 10 FISCAL YEARS

	Fiscal Year End									
	2017	**2016**	**2015**	**2014**	**2013**	**2012**	**2011**	**2010**	**2009**	**2008**
Actuarially determined contributions	86,311	80,603	74,127							
Contributions in relation to the actuarially determined contribution	(86,311)	(80,603)	(74,127)	(Historical information prior to implementation of GASB 67/68 is not required)						
Contribution deficiency (excess)	-	-	-							
Covered-employee payroll	1,509,140	1,412,528	1,285,779							
Contributions as a percentage of covered-employee payroll	5.72%	5.71%	5.77%							

CITY OF SENOIA, GEORGIA

NOTES TO REQUIRED SUPPLEMENTARY PENSION INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2017

Note 1

Significant methods and assumptions used in calculating the actuarially determined calculations are as follow:

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Projected Unit Credit
Amortization Method	Closed level dollar for remaining unfunded liability
Remaining Amortization Period	Remaining amortization period varies for the bases, with a net effective amortization period of 10 years
Asset Valuation Method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value.

Actuarial Assumptions:

Net Investment Rate of Return	7.75%
Projected Salary Increases	3.25% plus service based merit increases
Cost of Living Adjustments	0.00%
Mortality Rates -	
Healthy	RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forward 2 years for males and 1 year for females
Disabled	RP-2000 Disabled Retiree Mortality Table - sex distinct rates
Plan Termination Basis	1994 Group Annuity Reserving Unisex Table

No significant factors changed that significantly affected trends in the amounts reported such as changes in benefit terms, the size or composition of the population covered by the benefit terms, or assumptions used.

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CITY OF SENOIA, GEORGIA
GENERAL FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2017 AND 2016

	2017	2016
ASSETS		
Cash	$ 3,912,112	$ 3,503,465
Receivables:		
Taxes	441,019	450,453
Fines	41,557	31,270
Other	-	3,450
Due from other funds	9,892	273,555
Due from component unit	321	13,321
Prepaid expenses	23,504	22,103
Total Assets	$ 4,428,405	$ 4,297,617
LIABILITIES		
Accounts payable	$ 130,135	$ 388,909
Accrued expenses		
Salaries and wages	51,746	39,784
Other	634	6,519
Due to other funds	1,797,433	1,303,840
Deposits	3,400	3,266
Unearned revenues	51,700	51,700
Total Liabilities	2,035,048	1,794,018
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenues	55,121	61,734
FUND BALANCE:		
Nonspendable	23,504	22,103
Restricted - park improvements	171,212	171,212
Unassigned	2,143,520	2,248,550
Total Fund Balance	2,338,236	2,441,865
Total Liabilities, Deferred Inflows of Resources and Fund Balance	$ 4,428,405	$ 4,297,617

CITY OF SENOIA, GEORGIA
GENERAL FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	2017	2016
REVENUES		
Taxes	$ 2,457,141	$ 2,368,268
Licenses and permits	223,514	266,085
Intergovernmental grants	5,919	6,282
Charges for services	53,223	47,280
Fines, fees and forfeitures	307,646	429,710
Investment income	4,256	3,260
Donations	3,000	42,532
Rental income	18,266	14,470
Miscellaneous	45,256	27,688
Total revenues	3,118,221	3,205,575
EXPENDITURES		
Current		
Governing Body	36,653	33,809
Financial Administration	670,122	522,113
Government Buildings	53,654	36,129
Municipal Court	227,712	256,199
Public Safety	1,223,699	1,114,458
Highways and Streets	565,270	411,100
Cemetery	-	2,200
Parks	1,707	15,588
Planning and Zoning	212,850	231,430
Downtown Development	12,546	8,874
Debt Service	-	-
Principal	80,485	78,288
Interest	2,650	4,847
Capital Outlay	140,534	108,628
Total expenditures	3,227,882	2,823,663
Excess of revenues over (under) expenditures	(109,661)	381,912
Other financing sources (uses):		
Proceeds from capital lease	-	-
Proceeds from disposal of capital assets	-	25,814
Transfers	6,032	14,819
Total other financing sources (uses):	6,032	40,633
Net change in fund balance	(103,629)	422,545
Fund balance - beginning	2,441,865	2,019,320
Fund balance - ending	$ 2,338,236	$ 2,441,865

CITY OF SENOIA, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES - COMPARED TO BUDGET (GAAP BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2017
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2016

	2017			
	FINAL BUDGET	ACTUAL	VARIANCE	2016
REVENUES				
Taxes				
Property taxes	$ 984,087	$ 986,635	$ 2,548	$ 945,346
Motor vehicle	129,869	129,869	-	116,570
Franchise	346,000	339,315	(6,685)	342,916
Local option sales	640,000	677,723	37,723	654,554
Alcohol beverage	88,000	94,627	6,627	93,204
Premium	180,000	221,049	41,049	207,589
Intangible	3,000	3,928	928	5,448
Transfer	2,000	3,995	1,995	2,641
Other	-	-	-	-
Total taxes	2,372,956	2,457,141	84,185	2,368,268
Licenses and permits				
Business licenses and permits	238,300	223,514	(14,786)	266,085
Intergovernmental	50,000	5,919	(44,081)	6,282
Charges for services				
Planning and Zoning fees	33,650	33,650	-	29,957
Convenience fees	4,000	-	(4,000)	-
Police services	2,500	3,213	713	2,963
Cemetery fees	10,000	16,360	6,360	14,360
Other	-	-	-	-
Total charges for services	50,150	53,223	3,073	47,280
Fines and forfeitures	432,700	307,646	(125,054)	429,710
Interest	2,000	4,256	2,256	3,260
Rents	18,000	18,266	266	14,470
Miscellaneous				
Contributions	-	3,000	3,000	42,532
Other	47,000	45,256	(1,744)	27,688
Total miscellaneous	47,000	48,256	1,256	70,220
Total Revenues	$ 3,211,106	$ 3,118,221	$ (92,885)	$ 3,205,575

CITY OF SENOIA, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES - COMPARED TO BUDGET (GAAP BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2017
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2016

	2017			
	FINAL BUDGET	ACTUAL	VARIANCE	2016
EXPENDITURES				
Current				
GOVERNING BODY				
Personal services and benefits	$ 26,653	$ 25,836	$ 817	$ 25,836
Purchased/contracted services	10,000	10,817	(817)	7,973
Total Governing Body	36,653	36,653	-	33,809
FINANCIAL ADMINISTRATION				
Personal services and benefits	413,900	378,632	35,268	302,453
Purchased/contracted services	235,522	265,942	(30,420)	197,897
Supplies	20,700	25,548	(4,848)	21,763
Total Financial Administration	670,122	670,122	-	522,113
GOVERNMENT BUILDINGS				
Personal services and benefits	-	-	-	-
Purchased/contracted services	38,896	40,092	(1,196)	25,192
Supplies	14,758	13,562	1,196	10,937
Total Government Buildings	53,654	53,654	-	36,129
MUNICIPAL COURT				
Personal services and benefits	98,900	93,031	5,869	87,445
Purchased/contracted services	43,100	38,974	4,126	39,322
Supplies	2,500	1,924	576	964
Other costs	85,094	93,783	(8,689)	128,468
Total Municipal Court	229,594	227,712	1,882	256,199

CITY OF SENOIA, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES - COMPARED TO BUDGET (GAAP BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2017
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2016

	2017			
	FINAL BUDGET	ACTUAL	VARIANCE	2016
PUBLIC SAFETY				
POLICE SERVICES				
Personal services and benefits	$ 952,916	$ 947,315	$ 5,601	$ 852,760
Purchased/contracted services	172,700	184,296	(11,596)	176,043
Supplies	98,000	92,088	5,912	85,655
Total Police Services	1,223,616	1,223,699	(83)	1,114,458
FIRE SERVICES				
Purchased/contracted services	-	-	-	-
Total Fire Services	-	-	-	-
Total Public Safety	1,223,616	1,223,699	(83)	1,114,458
HIGHWAYS AND STREETS				
Personal services and benefits	215,900	165,077	50,823	161,974
Purchased/contracted services	251,170	296,930	(45,760)	145,860
Supplies	98,200	103,263	(5,063)	103,266
Total Highways and Streets	565,270	565,270	-	411,100
CEMETERY				
Purchased/contracted services	-	-	-	2,200
Total Cemetery	-	-	-	2,200
LIBRARY				
Purchased/contracted services	-	-	-	-
Total Library	-	-	-	-
PARKS				
Purchased/contracted services	1,707	1,707	-	15,588
Total Parks	1,707	1,707	-	15,588

CITY OF SENOIA, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES - COMPARED TO BUDGET (GAAP BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2017
WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2016

	2017			
	FINAL BUDGET	ACTUAL	VARIANCE	2016
PLANNING AND ZONING				
Personal services and benefits	$ 78,750	$ 91,558	$ (12,808)	$ 66,280
Purchased/contracted services	129,900	118,553	11,347	163,042
Supplies	4,200	2,739	1,461	2,108
Total Planning and Zoning	212,850	212,850	-	231,430
DOWNTOWN DEVELOPMENT				
Personal services and benefits	10,800	10,557	243	6,220
Purchased/contracted services	8,300	1,989	6,311	1,677
Supplies	100	-	100	977
Total Community Development	19,200	12,546	6,654	8,874
DEBT SERVICE:				
Principal	80,485	80,485	-	78,288
Interest	2,650	2,650	-	4,847
Total Debt Service	83,135	83,135	-	83,135
CAPITAL OUTLAY				
Financial Administration	18,152	18,152	-	28,909
Court	1,000	1,272	(272)	1,432
Police Services	109,382	109,631	(249)	55,647
Highways and Streets	12,000	11,479	521	22,640
Parks	-	-	-	-
Library	-	-	-	-
Planning and Zoning	-	-	-	-
Total Capital Outlay	140,534	140,534	-	108,628
Total Expenditures	$ 3,236,335	$ 3,227,882	$ 8,453	$ 2,823,663

CITY OF SENOIA, GEORGIA
CONFISCATED ASSETS SPECIAL REVENUE FUND
BALANCE SHEET
DECEMBER 31, 2017 AND 2016

	2017	2016
ASSETS		
Cash	$ 2,508	$ 2,508
Total Assets	$ 2,508	$ 2,508
LIABILITIES AND FUND EQUITY		
Liabilities:		
Accounts payable	$ -	$ -
Unearned revenues	-	-
Total Liabilities	-	-
Fund Equity:		
Restricted for police activities	2,508	2,508
Total Fund Equity	2,508	2,508
Total Liabilities and Fund Equity	$ 2,508	$ 2,508

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

	Budget Amounts			
Revenues:	Original Budget	Final Budget	Actual	Variance
Forfeitures	$ 2,400	$ 2,400	$ -	$ (2,400)
Interest	100	100	-	(100)
Total Revenue	2,500	2,500	-	(2,500)
Expenditures:				
Current				
Police activity	2,500	2,500	-	2,500
Capital Outlay	-	-	-	-
Total Expenditures	2,500	2,500	-	2,500
Excess of Revenues Over (Under) Expenditures Before Other Sources and (Uses)	-	-	-	-
Other Sources and (Uses)				
Transfers	-	-	-	-
Total Other Sources and (Uses)	-	-	-	-
Net change in fund balance	-	-	-	-
Fund Balance - Beginning of Year	2,508	2,508	2,508	-
Fund Balance - End of Year	$ 2,508	$ 2,508	$ 2,508	$ -

CITY OF SENOIA, GEORGIA
SPLOST 5 CAPITAL PROJECTS FUND
BALANCE SHEET
DECEMBER 31, 2017 AND 2016

	2017	2016
ASSETS		
Cash	$ 825,412	$ 610,939
Due from other governments	135,114	172,071
Due from other funds	72,855	-
Total assets	$ 1,033,381	$ 783,010
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	$ 2,500	$ 30,774
Due to other funds	12,652	186,675
	15,152	217,449
Deferred inflows of resources		
Unavailable revenues	-	47,131
Fund balance		
Reserved for specified purposes	1,018,229	518,430
Total fund balance	1,018,229	518,430
Total liabilities and fund balance	$ 1,033,381	$ 783,010

CITY OF SENOIA, GEORGIA
SPLOST 5 CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	2017	2016
REVENUES		
Intergovernmental - Coweta County	$ 563,133	$ 543,983
Intergovernmental - DOT	86,559	41,744
Interest	378	709
Total revenues	650,070	586,436
EXPENDITURES		
Administrative	-	19
Capital Outlay -		
Public Safety	-	-
Road and street projects	150,271	530,690
Park and recreation projects	-	626,138
Total expenditures	150,271	1,156,847
Excess of revenues over (under) expenditures	499,799	(570,411)
Other financing sources (uses)		
Transfers	-	-
Net change in fund balance	499,799	(570,411)
Fund Balance -		
Beginning	518,430	1,088,841
Ending	$ 1,018,229	$ 518,430

CITY OF SENOIA, GEORGIA
SCHEDULE OF PROJECTS FINANCED
WITH SPECIAL SALES TAX #5 PROCEEDS
FOR THE YEAR ENDED DECEMBER 31, 2017

PROJECTS	ORIGINAL ESTIMATED COST	EXPENDITURES BEGINNING OF YEAR	EXPENDITURES CURRENT YEAR	EXPENDITURES TO DATE	ESTIMATED PERCENT COMPLETE
City Hall	$ 120,000	$ 419	$ -	$ 419	0.3%
Public Safety	200,000	63,344	-	63,344	31.7%
Road, streets, bridges and sidewalks	1,250,000	1,105,053	150,271	1,255,324	100.4%
Parks and Recreationsl	1,250,000	681,760	-	681,760	54.5%
Public Works	300,000	-	-	-	0.0%
	$ 3,120,000	$ 1,850,576	$ 150,271	$ 2,000,847	

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CITY OF SENOIA, GEORGIA
DEVELOPMENT IMPACT FEE FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2017 AND 2016

	2017	2016
Assets		
Cash	$ 499,918	$ 348,516
Due from other governments	23,588	32,228
Due from other funds	-	-
Total Assets	$ 523,506	$ 380,744
Liabilities Deferred Inflows of Resources and Fund Equity		
Liabilities:		
Accounts payable	$ 5,315	$ -
Unearned revenues	-	-
Due to other funds	9,892	21,002
	15,207	21,002
Deferred inflows of resources		
Unavailable revenues	23,588	32,228
Fund equity:		
Restricted for capital outlay	484,711	327,514
Total Fund Equity	484,711	327,514
Total Liabilities and Fund Equity	$ 523,506	$ 380,744

CITY OF SENOIA, GEORGIA
DEVELOPMENT IMPACT FEE FUND
SCHEDULE OF REVENUES AND EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017
WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2016

	2017			
	FINAL BUDGET	ACTUAL	VARIANCE	2016
Revenues				
Impact fees	$ 263,200	$ 139,729	$ (123,471)	$ 154,739
Intergovernmental	-	63,676	63,676	36,308
Interest	-	65	65	57
Total Revenues	263,200	203,470	(59,730)	191,104
Expenditures				
Current				
Bank charges	-	-	-	-
Capital outlay				
Administration	8,200	-	8,200	-
Police	24,000	-	24,000	-
Library	-	-	-	-
Parks	231,000	46,273	184,727	137,637
Total Expenditures	263,200	46,273	216,927	137,637
Excess of Revenues Over (Under) Expenditures Before Other Sources and (Uses)	-	157,197	157,197	53,467
Other Sources and (Uses)				
Transfers	-	-	-	-
Net change in fund balance	-	157,197	157,197	53,467
Fund Balance - Beginning	327,514	327,514	-	274,047
Fund Balance - End of Year	$ 327,514	$ 484,711	$ 157,197	$ 327,514

CITY OF SENOIA, GEORGIA
WATER ENTERPRISE FUND
COMPARATIVE STATEMENT OF NET POSITION
DECEMBER 31, 2017 AND 2016

	2017	2016
ASSETS		
Current assets		
Cash	$ 269,947	$ 269,390
Receivables-		
Accounts (net)	114,852	114,218
Inventory	4,729	4,729
Due to other funds	253,092	76,352
Restricted assets		
Cash	90,961	90,735
Investments	107,199	106,718
Total current assets	840,780	662,142
Noncurrent assets		
Capital assets		
Land	105,647	105,647
Improvements other than buildings	5,444,657	5,444,657
Buildings	241,597	241,597
Machinery and equipment	426,017	418,372
Vehicles	35,150	35,150
Accumulated depreciation	(2,502,058)	(2,367,570)
Capital assets (net of depreciation)	3,751,010	3,877,853
Total noncurrent assets	3,751,010	3,877,853
Total assets	4,591,790	4,539,995

CITY OF SENOIA, GEORGIA
WATER ENTERPRISE FUND
COMPARATIVE STATEMENT OF NET POSITION
DECEMBER 31, 2017 AND 2016

	2017	2016
LIABILITIES		
Current liabilities		
Accounts payable	$ -	$ -
Accrued expenses		
Customer deposits	105,363	99,663
Salaries	15,200	14,428
Compensated absences	24,174	19,981
Due to other funds	-	-
Current liabilities payable from restricted assets		
Revenue bonds	40,000	40,000
Notes	55,554	65,185
Accrued interest	3,512	3,980
Total current liabilities	243,803	243,237
Long-term liabilities		
Revenue bonds	135,000	175,000
Notes payable	728,753	784,307
Total long-term liabilities	863,753	959,307
Total liabilities	1,107,556	1,202,544
Net Position		
Net investment in capital assets	2,791,703	2,813,361
Restricted under debt ordinance	198,160	197,453
Unrestricted	494,371	326,637
Total Net Position	$ 3,484,234	$ 3,337,451

CITY OF SENOIA, GEORGIA
WATER ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	2017	2016
OPERATING REVENUES		
Sales and service	$ 990,284	$ 1,042,375
Penalties	35,616	34,930
Miscellaneous	23,893	14,742
Total operating revenues	1,049,793	1,092,047
OPERATING EXPENSES		
Purchase of product	16,215	9,383
Salaries and related cost	510,669	490,292
Supplies and materials	125,632	116,584
Repairs and maintenance	78,850	57,041
Utilities	40,573	37,676
Depreciation and amortization	134,488	136,454
Other	92,314	82,752
Total operating expenses	998,741	930,182
Operating income (loss)	51,052	161,865
Non-operating revenues and (expenses)		
Interest earned	1,264	1,191
Gain (Loss) on sale of capital asset	-	-
Interest expense	(44,733)	(49,135)
Total non-operating revenues (expenses)	(43,469)	(47,944)
Income before transfers and capital contributions	7,583	113,921
Capital contributions -		
Developers	139,200	136,981
Intergovernmental	-	-
Transfers	-	-
Change in net position	146,783	250,902
NET POSITION - BEGINNING	3,337,451	3,086,549
NET POSITION - ENDING	$ 3,484,234	$ 3,337,451

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CITY OF SENOIA, GEORGIA
WATER ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	2017	2016
Cash flows from operating activities:		
Cash received from customers and users	$ 1,054,859	$ 1,083,878
Cash paid to suppliers for goods and services	(491,260)	(424,085)
Cash paid to employees	(368,028)	(367,190)
Net cash provided from operating activities	195,571	292,603
Cash flows from investing activities:		
Interest received	1,264	1,191
(Purchase) / redemption of investments	(481)	(400)
Net cash from investing activities	783	791
Cash flows from non-capital financing activities:		
Transfers	-	-
Change in due to/from other funds	(176,740)	(251,419)
Net cash flows from non-capital financing activities	(176,740)	(251,419)
Cash flows from capital financing activities:		
Proceeds from long-term debt	-	-
Principal payments on long-term debt	(105,185)	(97,566)
Interest paid	(45,201)	(49,570)
Capital contributions	139,200	136,981
Proceeds from sale of capital assets	-	-
Purchase / construction of capital assets	(7,645)	(31,027)
Net cash flows from capital financing activities	(18,831)	(41,182)
Net cash flows	783	793
Cash and cash equivalents - beginning	360,125	359,332
Cash and cash equivalents - ending	$ 360,908	$ 360,125

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

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES

	2017	2016
Operating income (loss)	$ 51,052	$ 161,865
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	134,488	136,454
(Increase) decrease in receivables	(634)	(11,683)
(Increase) decrease in inventory	-	-
Increase (decrease) in accounts payable	-	-
Increase (decrease) in customer deposits	5,700	3,514
Increase (decrease) in accrued liabilities	4,965	2,453
Total adjustments	144,519	130,738
Net cash from operating activities	$ 195,571	$ 292,603

CITY OF SENOIA, GEORGIA
SEWER ENTERPRISE FUND
COMPARATIVE STATEMENT OF NET POSITION
DECEMBER 31, 2017 AND 2016

	2017	2016
ASSETS		
Current assets		
Cash	$ 333,384	$ 333,324
Receivables-		
Accounts (net)	86,931	87,246
Due from other funds	1,439,985	1,227,488
Restricted assets		
Cash	327,879	327,064
Total current assets	2,188,179	1,975,122
Noncurrent		
Capital assets		
Land	833,474	833,474
Improvements other than buildings	10,215,111	10,215,111
Vehicles	117,661	117,661
Machinery and equipment	282,554	278,554
Accumulated depreciation	(3,019,129)	(2,795,038)
Capital assets (net of depreciation)	8,429,671	8,649,762
Total assets	10,617,850	10,624,884

CITY OF SENOIA, GEORGIA
SEWER ENTERPRISE FUND
COMPARATIVE STATEMENT OF NET POSITION
DECEMBER 31, 2017 AND 2016

	2017	2016
LIABILITIES		
Current liabilities		
Accounts payable		
Trade	$ -	$ -
Accrued compensated absences	9,197	9,749
Accrued salaries	6,192	5,697
Current liabilities payable from restricted assets		
Revenue bonds	93,455	89,462
Accrued interest	3,272	3,337
Total current liabilities	112,116	108,245
Long-term liabilities		
Revenue bonds	4,456,549	4,549,992
Total long-term liabilities	4,456,549	4,549,992
Total liabilities	4,568,665	4,658,237
Net Position		
Net investments in capital assets	3,879,667	4,010,308
Restricted as to debt covenants	327,879	327,064
Unrestricted	1,841,639	1,629,275
Total Net Position	$ 6,049,185	$ 5,966,647

CITY OF SENOIA, GEORGIA
SEWER ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	2017	2016
OPERATING REVENUES		
Sales and service	$ 729,101	$ 733,290
Miscellaneous	16,017	16,540
Total operating revenues	745,118	749,830
OPERATING EXPENSES		
Salaries and related cost	206,088	191,399
Supplies and materials	36,328	23,110
Repairs and maintenance	66,733	29,967
Utilities	125,991	124,531
Depreciation and amortization	224,091	235,335
Other	50,055	31,773
Total operating expenses	709,286	636,115
Operating income (loss)	35,832	113,715
Non-operating revenues and (expenses)		
Interest earned	875	876
Interest expense	(201,125)	(204,950)
Total non-operating revenues (expenses)	(200,250)	(204,074)
Income before transfers and capital contributions	(164,418)	(90,359)
Capital contributions -		
Community Development Block Grant	-	-
Developers	246,956	246,229
Change in net position	82,538	155,870
NET POSITION - BEGINNING	5,966,647	5,810,777
NET POSITION - ENDING	$ 6,049,185	$ 5,966,647

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CITY OF SENOIA, GEORGIA
SEWER ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	2017	2016
Cash flows from operating activities:		
Cash received from customers and users	$ 745,433	$ 747,689
Cash paid to suppliers for goods	(330,421)	(251,328)
Cash paid to employees	(154,831)	(149,329)
Net cash provided from operating activities	260,181	347,032
Cash flows from investing activities:		
Interest received	875	876
Net cash from investing activities	875	876
Cash flows from non-capital financing activities:		
Change in due to/from other funds	(212,497)	(289,955)
Net cash flows from non-capital financing activities	(212,497)	(289,955)
Cash flows from capital financing activities:		
Proceeds from long-term debt	-	-
Payments on long-term debt	(89,451)	(85,629)
Interest paid	(201,189)	(205,011)
Purchase / construction of capital assets	(4,000)	(12,667)
Capital contributions from Community Development Block Grant	-	-
Capital contributions from developers	246,956	246,229
Net cash flows from capital financing activities	(47,684)	(57,078)
Net cash flows	875	875
Cash and cash equivalents - beginning	660,388	659,513
Cash and cash equivalents - ending	$ 661,263	$ 660,388

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

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES

	2017	2016
Operating income (loss)	$ 35,832	$ 113,715
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	224,091	235,335
(Increase) decrease in receivables	315	(2,141)
Increase (decrease) in accounts payable	-	-
Increase (decrease) in accrued liabilities	(57)	123
Total adjustments	224,349	233,317
Net cash from operating activities	$ 260,181	$ 347,032

CITY OF SENOIA, GEORGIA
SOLID WASTE MANAGEMENT FUND
COMPARATIVE STATEMENT OF NET POSITION
DECEMBER 31, 2017 AND 2016

	2017	2016
ASSETS		
Current assets		
Receivables, net -		
Accounts	$ 21,472	$ 20,505
Total current assets	21,472	20,505
Total assets	21,472	20,505
LIABILITIES		
Current liabilities		
Accounts payable	-	-
Total current liabilities	-	-
Long-term liabilities	-	-
Total liabilities	-	-
NET POSITION		
Investment in capital assets	-	-
Unrestricted	21,472	20,505
Total Net Position	$ 21,472	$ 20,505

CITY OF SENOIA, GEORGIA
SOLID WASTE MANAGEMENT FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEARS DECEMBER 31, 2017 AND 2016

	2017	2016
OPERATING REVENUES		
Charges for services	$ 258,746	$ 246,364
Total operating revenues	258,746	246,364
OPERATING EXPENSES		
Purchase of product	251,747	227,918
Other	-	2,500
Total operating expenses	251,747	230,418
Operating income (loss)	6,999	15,946
Transfers	(6,032)	(14,819)
Change in net position	967	1,127
NET POSITION - BEGINNING	20,505	19,378
NET POSITION - ENDING	$ 21,472	$ 20,505

CITY OF SENOIA, GEORGIA
SOLID WASTE MANAGEMENT FUND
COMPARATIVE STATEMENT OF CASH FLOWS
FOR THE YEARS DECEMBER 31, 2017 AND 2016

	2017	2016
Cash flows from operating activities:		
Cash received from customers and users	$ 257,779	$ 245,237
Cash paid to suppliers for goods	(251,747)	(230,418)
Cash paid to employees	-	-
Net cash provided from operating activities	6,032	14,819
Cash flows from investing activities:		
Other	-	-
Net cash from investing activities	-	-
Cash flows from non-capital financing activities:		
Transfers	(6,032)	(14,819)
Net cash flows from non-capital financing activities	(6,032)	(14,819)
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

	2017	2016
Operating income (loss)	$ 6,999	$ 15,946
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	-	-
(Increase) decrease in receivables	(967)	(1,127)
Increase (decrease) in accounts payable	-	-
Total adjustments	(967)	(1,127)
Net cash from operating activities	$ 6,032	$ 14,819

CITY OF SENOIA, GEORGIA
STORMWATER MANAGEMENT FUND
COMPARATIVE STATEMENT OF NET POSITION
DECEMBER 31, 2017 AND 2016

	2017	2016
ASSETS		
Current assets		
Receivables, net -		
Accounts	$ 9,947	$ 10,493
Due from other funds	31,501	-
Total current assets	41,448	10,493
Noncurrent assets		
Capital assets -		
Improvements other than buildings	791,277	182,574
Accumulated depreciation	(19,315)	-
Capital assets (net of depreciation)	771,962	182,574
Total assets	813,410	193,067
LIABILITIES		
Current liabilities		
Accounts payable	1,702	-
Due to other funds	-	65,878
Total current liabilities	1,702	65,878
Long-term liabilities	-	-
Total liabilities	1,702	65,878
NET POSITION		
Investment in capital assets	771,962	182,574
Unrestricted	39,746	(55,385)
Total Net Position	$ 811,708	$ 127,189

CITY OF SENOIA, GEORGIA
STORMWATER MANAGEMENT FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEARS DECEMBER 31, 2017 AND 2016

	2017	2016
OPERATING REVENUES		
Charges for services	$ 122,472	$ 69,651
Total operating revenues	122,472	69,651
OPERATING EXPENSES		
Professional fees	26,842	125,036
Other	500	
Depreciation	13,724	-
Total operating expenses	41,066	125,036
Operating income (loss)	81,406	(55,385)
Capital contributions -		
General and SPLOST Funds	603,113	182,574
Transfers	-	-
Change in net position	684,519	127,189
NET POSITION - BEGINNING	127,189	-
NET POSITION - ENDING	$ 811,708	$ 127,189

CITY OF SENOIA, GEORGIA
STORMWATER MANAGEMENT FUND
COMPARATIVE STATEMENT OF CASH FLOWS
FOR THE YEARS DECEMBER 31, 2017 AND 2016

	2017	2016
Cash flows from operating activities:		
Cash received from customers and users	$ 123,018	$ 59,158
Cash paid to suppliers for goods	(25,640)	(125,036)
Cash paid to employees	-	-
Net cash provided from operating activities	97,378	(65,878)
Cash flows from investing activities:		
Other	1	-
Net cash from investing activities	1	-
Cash flows from non-capital financing activities:		
Transfers	-	-
Increase in due to other funds	(97,379)	65,878
Net cash flows from non-capital financing activities	(97,379)	65,878
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
STORMWATER MANAGEMENT FUND
STATEMENTS OF CASH FLOWS

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES

	2017	2016
Operating income (loss)	$ 81,406	$ (55,385)
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	13,724	-
(Increase) decrease in receivables	546	(10,493)
Increase (decrease) in accounts payable	1,702	-
Total adjustments	15,972	(10,493)
Net cash from operating activities	$ 97,378	$ (65,878)
Non-cash transactions -		
Transfers of a completed capital project from Governmental-Type Funds to the Stormwater Fund.	$ 603,113	$ 182,574

CITY OF SENOIA, GEORGIA
DOWNTOWN DEVELOPMENT AUTHORITY
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2017 AND 2016

	2017	2016
Assets		
Assets:		
Cash	$ 106,156	$ 115,817
Accounts receivable	-	11,100
Note receivable	-	-
Total Assets	$ 106,156	$ 126,917
Liabilities and Fund Equity		
Liabilities:		
Accounts payable	$ 1,770	$ -
Customer deposits	1,850	1,850
Total Liabilities	3,620	1,850
Fund equity:		
Fund Balance - Unassigned	102,536	125,067
Total Fund Equity	102,536	125,067
Total Liabilities and Fund Equity	$ 106,156	$ 126,917

CITY OF SENOIA, GEORGIA
DOWNTOWN DEVELOPMENT AUTHORITY
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	2017	2016
Revenues:		
Intergovernmental	$ -	$ -
Events and promotions	38,835	45,334
Rents	20,350	22,200
Miscellaneous	135	1,457
Total Revenues	59,320	68,991
Expenditures:		
Purchased / contracted services	37,412	20,152
Supplies	8,283	8,611
Payments to others - Façade Grants	-	2,946
Capital outlay	15,125	-
Event expenditures	16,581	14,327
Debt service -		
Principal	71,651	3,176
Interest	3,074	3,170
Total Expenditures	152,126	52,382
Excess of revenues over (under) expenditures	(92,806)	16,609
Other financing sources (uses):		
Proceeds from note issue	70,275	-
Proceeds from sale of asset	-	-
Total Other Financing Sources (Uses)	70,275	-
Net change in fund balance	(22,531)	16,609
Fund Balance - Beginning of year	125,067	108,458
Fund Balance - End of year	$ 102,536	$ 125,067

CITY OF SENOIA, GEORGIA
DEVELOPMENT AUTHORITY
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2017 AND 2016

	2017	2016
Assets		
Assets:		
Cash	$ 2,609	$ 15,608
Accounts receivable	-	-
Note receivable	-	-
Total Assets	$ 2,609	$ 15,608
Liabilities and Fund Equity		
Liabilities:		
Due to primary government	$ 321	$ 13,321
Total Liabilities	321	13,321
Fund equity:		
Fund Balance - Unassigned	2,288	2,287
Total Fund Equity	2,288	2,287
Total Liabilities and Fund Equity	$ 2,609	$ 15,608

CITY OF SENOIA, GEORGIA
DEVELOPMENT AUTHORITY
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	2017	2016
Revenues:		
Commissions	$ -	$ -
Interest	1	7
Total Revenues	1	7
Expenditures:		
Purchased / contracted services	-	13,000
Supplies	-	-
Payments to others - Façade Grants	-	-
Capital outlay	-	-
Debt service -		
Principal	-	-
Interest	-	-
Total Expenditures	-	13,000
Excess of revenues over (under) expenditures	1	(12,993)
Other financing sources (uses):		
Proceeds from note issue	-	-
Proceeds from sale of asset	-	-
Total Other Financing Sources (Uses)	-	-
Net change in fund balance	1	(12,993)
Fund Balance - Beginning of year	2,287	15,280
Fund Balance - End of year	$ 2,288	$ 2,287

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