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THE COVER CONCEPT WAS INSPIRED BY A POPULAR BOARD GAME AND ACTIVITIES THAT WE DID DURING THE 20/20 OPEN HOUSE.

CITIZENS WERE ASKED TO PRIORITIZE HOW THEY WOULD SPEND THEIR MONEY USING THE "PARKER DOLLARS." THE ACTIVITIES AND GAMES WERE DESIGNED TO BE A FUN AND CREATIVE WAY TO IDENTIFY PRIORITIES AND IDEAS FOR SUWANEE'S FUTURE. THE CITY OF SUWANEE IS NOT CREATING A MONOPOLY™.



Town Center Park, SculpTour

city of suwanee, georgia

comprehensive annual financial report
year ended june 30, 2011

prepared by:
financial services department



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Mayor



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Mayor Pro-Tem



Jimmy **Burnette** 770.945.3492

Councilmember



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Councilmember



Kevin **McOmber** 770.271.5427

Councilmember



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City Manager



Denise **Brinson** 770.904.3385

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city of Suwanee

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SUWANEE
innovative
WEIRD
GOOD FOOD
FRIENDLY
TREES
fabulous
AWARD-WINNING
PLAY
smile
lively
creative

20/20 Vision



introductory section

Letter of Transmittal
GFOA Certificate of Achievement
Organizational Chart

December 19, 2011

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

Survey says…Suwanee residents gave the City top marks in the National Citizen Survey. The International City/County Management Association presented Suwanee with two Voice of the People Awards for Excellence in overall city services and parks. To qualify for the Excellence awards, communities had to rate among the top three in service areas according to the 2010 national citizen survey and be in the top 10 percent among more than 500 jurisdictions in the citizen survey database. Receiving the National Voice of the People Award vote for parks ties into Suwanee's 10th anniversary of the 2001 bond referendum vote which dramatically changed Suwanee's community. In 2001, Suwanee citizens voted with their hearts and their pocketbooks in favor of a $17.7 million general obligation bond referendum to acquire open space and create parks. Since that time, the City has acquired about 350 acres of open space and created six new parks, including a three-mile extension of the Suwanee Creek Greenway.

In the spirit of Parks Perfect the Place and providing excellent City services, we are proud to present this Comprehensive Annual Financial Report for the year ended June 30, 2011. The cover concept for this year's report was from a combination of a board game and activities that we did during the 20/20 strategic plan open house. These games and activities were designed to tease out citizen concerns and ideas for Suwanee's future. This long-term, "big picture" plan will focus on what Suwanee's future should be and why. Suwanee hopes to complete this two year process in fiscal year 2012.

PARKER'S FACTS

NATIONAL CITIZEN SURVEY

96%	rated the overall quality of life in Suwanee as excellent or good.
96%	reported that they would recommend the community to others.
91%	plan to stay for the next five years.
95%	of respondents rated City parks as excellent or good.
96%	rated Suwanee as an excellent or good place to raise kids.
93%	rated Suwanee's overall image or reputation as good or excellent.

report

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

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

- The **Introductory Section** is intended to familiarize the reader with the organizational structure of the City, the nature and scope of the services it provides, and the specifics of its operating environment within the context of the local economy.
- The **Financial Section** includes the independent auditor's report on the basic financial statements, management's discussion and analysis, the audited basic financial statements, the notes to the basic financial statements, and combining and individual fund statements and schedules.

- The **Statistical Section** provides readers with additional historical perspective, content, and detail to assist in understanding the information in the financial statements, notes to the financial statements, required supplementary information, and for assessing the City's economic condition.

To satisfy other legal requirements, a **compliance section** is also included in this report. This section includes the independent auditor's report on internal controls and compliance with laws and regulations.

This report includes government-wide statements and fund financial statements for all funds of the City, as well as component units. Component units are legally separate entities with significant operational and/or financial relationships with the City. Blended component units are, in substance, part of the primary government. Suwanee's Urban Redevelopment Agency is a blended component unit and is reported as part of the primary government.

Discrete component units are reported in a separate column or row in the government-wide financial statements to emphasize that they are legally separate from the primary government and to differentiate their financial position from those of the primary government. The City has one discrete component unit, the Downtown Development Authority (DDA). The DDA was established on January 24, 2001. Its main focus is the revitalization of Suwanee's historic Old Town area.

PARKER'S FACTS

TOTAL POPULATION

Year	Population
2010	15,355
2000	8,725
1990	2,412
1980	1,026
1970	615

demographics

Suwanee began as a Native American village along the banks of Suwanee Creek and Chattahoochee River. The community was named for the Shawnee Indian tribe that settled here in the latter part of the 18th century. The City's name is thought to derive from the English mispronunciation of Shawnee. Suwanee was incorporated in 1949 and encompasses 10.5 square miles. The City is located in the north central portion of Georgia, approximately 30 miles northeast of downtown Atlanta. Highways serving the City include Interstate 85, U.S. Highway 23, Georgia Route 317, and Georgia Route 141 (Peachtree Industrial Boulevard). Additional demographic information is provided in the statistical section of this report.

PARKER'S FACTS

SUWANEE WATER SYSTEM

335	customers
45,000	gallons average daily consumption
235	foot well
150,000	gallon tank
6.5	miles of water mains

government structure

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

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

PARKER'S FACTS

RACE DATA

67%	White
18%	Asian
11%	African-American
4%	Other

**Data is from the U.S. Census Bureau*

PARKER'S FACTS

COMMUNITY ENGAGEMENT

1,588,259	total community engagement
135,000	people attended 34 public events held at City parks or facilities
5,400	volunteer hours during City-sponsored opportunities

economic condition and outlook

Suwanee remains a safe, economically vibrant diverse, well-rounded community. While slowing economic conditions and rising costs increase financial challenges for Suwanee and other similar communities, the City's past conservative financial policies coupled with strong past development patterns have helped to soften some of these financial difficulties.

Bond rating. Suwanee's general obligation bond rating has been raised three times over the past 17 months. Recently, Fitch upgraded the City's rating on its general obligation and revenue bonds to AA+ from AA. Last year, in a recalibration, Fitch raised Suwanee's rating from AA- to AA. In April, Standard and Poor's upgraded Suwanee's general obligation rating from AA- to AA. In its review of Suwanee Fitch noted:

- Suwanee's unemployment rate has remained relatively steady and well below the state and national average.
- The City's overall debt is approximately 2.1% of market value, which Fitch considers low, and the debt ratios benefit from the City's use of recurring revenue to fund capital needs.
- Suwanee's attractive social and economic characteristics, central location, proximity to Atlanta, and access to extensive transportation infrastructure encourage commercial growth.
- The City's pension plan is well-funded, and annual contributions to the plan are approximately 1% of total spending.

major initiatives

Cameras installed to enhance **park safety.** Suwanee installed video surveillance cameras in selected parks in order to enhance public safety and reduce the threat of theft. In cooperation with Gwinnett County, cameras were installed at George Pierce Park in the back parking lot and at the park entrance. Cameras were also installed at the entrance to Suwanee Creek Park.

The City of Suwanee received **national accreditation for law enforcement**, joining the less than 6 percent of law enforcement agencies nationwide. The Commission on Accreditation for Law Enforcement Agencies (CALEA) program is the primary method for an agency to voluntarily demonstrate its commitment to excellence in law enforcement. Nationwide, about 1,000 law enforcement agencies have been accredited. Currently in Georgia 38 agencies have successfully met the 459 professional standards.

Engaging Suwanee. As part of its interest in increasing civic engagement, Suwanee began last year to keep track of data related to citizen involvement. The results, the City found that residents in and around Suwanee engaged in 1,588,259 total hours last year. The majority of this time was due to attendance at community events. As estimated total of nearly 135,000 people attended the 34 public events held in City parks or facilities in 2010. In all, citizens offered up 5,400 volunteer hours during City-sponsored opportunities, such as planning events, serving on a City board, or working on projects, such as Harvest Farm.

Suwanee's Police Department joined several other state and local jurisdictions in implementing an **Automatic License Plate Recognition (ALPR)** camera system that scans license plates and checks them against a database of "hot" plates. Utilizing optical recognition technology and comprised of six cameras mounted on the trunk of a patrol car, the ALPR is used to read up to approximately 5,000 license plates a day.





Sculp Tour. Suwanee SculpTour is a walkable exhibit of original, outdoor sculptures on display through March 2012 in downtown Suwanee. The 2011 tour features 15 pieces on loan from various artists from around the country and close to home. Each artist was paid a small stipend, and each of the sculptures is available for purchase. The "People's Choice" sculpture will be purchased and added to Suwanee's permanent public art collection. Sculp Tour was funded entirely through grants and private donations and represents the City of Suwanee's commitment to enhancing citizens' quality of life and our community's long-term economic vitality.

for the future

Suwanee's top priorities for the future include construction of a new police substation, rehabilitation of the Suwanee Creek Greenway, and continued focus in the Suwanee Gateway area.

Construction of a police substation in the Suwanee Gateway. City Council to date has approved a designer and a builder for an approximately 7,000 square foot police substation and training center to be constructed in the Suwanee Gateway area. Construction should begin late 2011 and will be located on an approximately one acre parcel on Lawrenceville-Suwanee Road. Placing the new police substation in the Gateway area will serve two main purposes: 1) providing the much needed operational training opportunities for our police personnel, reducing the need for travel to other jurisdictions, and 2) will serve as an example of the kind of revitalization that the City would like to see take place in the Gateway area.

Rehabilitation of the oldest section of the Suwanee Creek Greenway. The portion of the Greenway from Martin Farm Road to George Pierce Park will undergo improvements. These improvements will include widening the path, replacing asphalt with more durable concrete, elevating the trail where possible, replacing some of the boards on the bridge to George Pierce Park, and grading to help direct water away from the trail.

Where excellence is an attitude. The Suwanee Gateway is poised for an attitude adjustment. A transformative revitalization of Suwanee's commercial district along I-85 will remake the Suwanee Gateway into what will be a vibrant mixed-use commercial center and distinctive entryway into the City. Suwanee's Gateway redevelopment plan calls for:

- Improvement of the transportation infrastructure.
- Strategic streetscape improvements that better accommodate pedestrians.
- New office and commercial sites to attract additional private investment.
- Infrastructure improvements for enhanced safety and appeal.
- Bold, new development as a catalyst for complementary development.
- Cooperative branding and marketing.
- Elimination of eyesores and obsolete structures.

SUWANEE GATEWAY

PARKER'S FACTS

2012-16 CIP BY THE NUMBERS

$24,903,300 dollars

24 projects

21 police cars

16 miles of street paved

3 cemeteries improved

1 police substation

1 new well

5 years

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

financial information

internal controls

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

budget controls

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

independent audit

The financial statements included in this report are prepared in compliance with governmental financial reporting standards issued by the Governmental Accounting Standards Board, guidelines issued by the Government Finance Officers Association of the United States and Canada, and generally accepted accounting principles applicable to governmental entities. State of Georgia statues require an annual audit by an independent Certified Public Accountant. Mauldin & Jenkins, LLC, have issued an unqualified ("clean") opinion on the City of Suwanee's financial statements for the year ended June 30, 2011. The independent auditor's report is located at the front of the financial section of this report.

awards

Suwanee is proud that many of its initiatives and projects have earned regional, state, and national awards and certification over the past several years. Summarized below is a listing of 2011 awards:

- CALEA certification for the Suwanee Police Department
- Best Image Building Campaign for Suwanee Sculp Tour, Georgia Downtown Association
- Voice of the People Awards for Excellence Overall Services and Parks from the International City/County Management Association (ICMA) and National Research Center
- Popular Annual Financial Reporting Award, Government Finance Officers Association (GFOA), 2010 Annual Report



- Special Recognition Award for Suwanee's Municipal Court for program innovation and creation of software improvement of efficiency and productivity, Council of Municipal Court Judges
- Certificate of Distinction for superior performance management efforts from ICMA
- Honor Award for Engineering Excellence from the Georgia Engineering Alliance for implementation of pedestrian HAWK beacon at Town Center Avenue
- Best Festival (with a budget under $75,000), Silver, for Suwanee Day, Southeast Festivals and Events Association
- Best Green Government, Gwinnett Clean and Beautiful
- Distinguished Budget Presentation Award GFOA, 2010-2011 budget presentation (fifth consecutive year).

GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2010. This was the eighth consecutive year that the City has received this prestigious award, given for publishing an easily readable, efficiently organized comprehensive annual financial report conforming to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to GFOA for consideration. The City is committed to this effort and will strive to maintain and surpass these standards on future reports.

PARKER'S FACTS

SUWANEE'S ANCHOR POINTS

Suwanee Quality
High standards. Others take notice. Not done to receive awards, but awards are likely to follow.

Unique
Bold, risky, quirky, artsy, cool, different, innovative, eye-catching. It hasn't been done before and if it has it will be different in Suwanee. The normal solution is not the solution in Suwanee.

Remarkable
Attracting attention by being special, unusual or extraordinary. Worthy of remarks from others, both supportive and critical.

Visionary
Lasting beyond those who make the decisions.

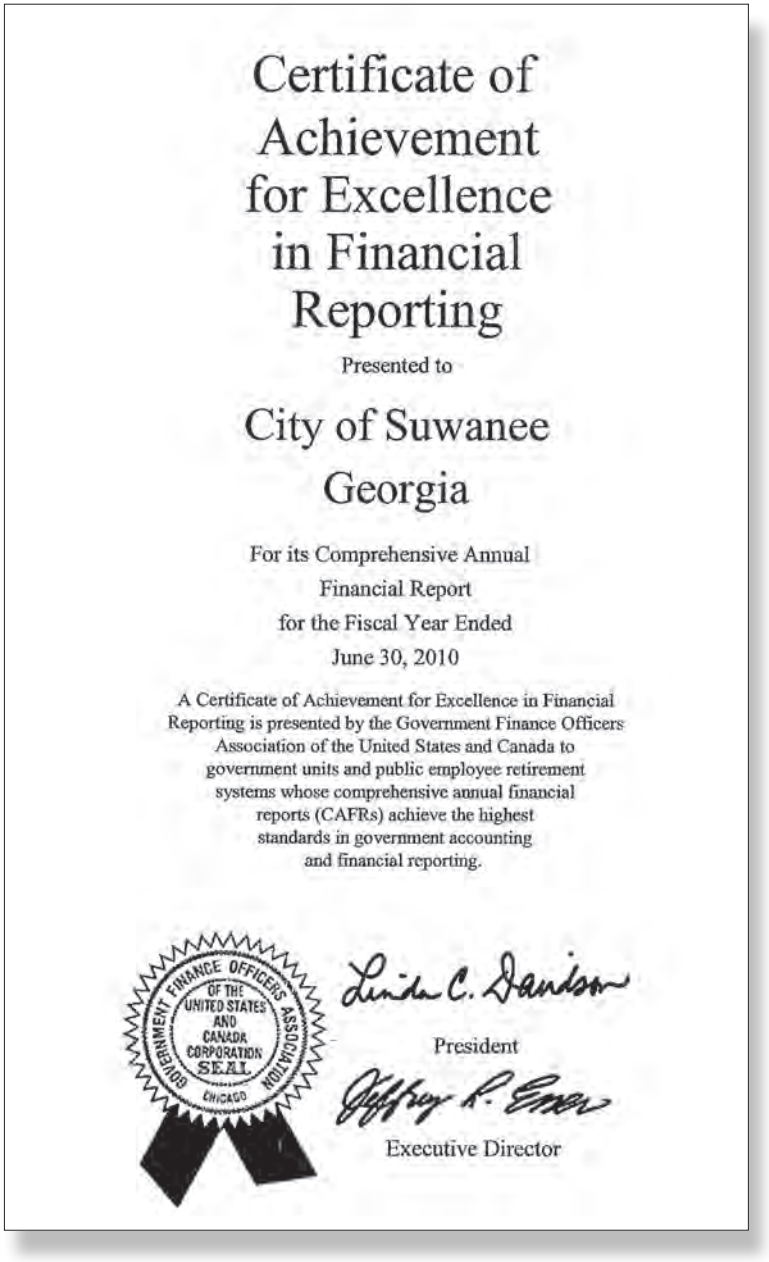
acknowledgements

The preparation and production of this document would not be possible without the dedication and cooperation of all City departments. Their willingness to work together has enabled Suwanee to go beyond ordinary, striving to be **unique, remarkable, and quirky** in providing a **quality** financial report that is readable, informative, and beneficial to Suwanee citizens. We also extend our appreciation and gratitude to our independent auditors, Mauldin & Jenkins, for the professional guidance, assistance, and encouragement in producing a CAFR. Most importantly, we express our appreciation to our Mayor Dave Williams and to each of our Councilmembers for setting the tone and providing the leadership to keep Suwanee moving in the right direction. Their dedication, leadership, vision, and support in planning and conducting the affairs of the City in a responsible and progressive manner ensure that Suwanee is a well-rounded, vibrant community that residents can be proud to call home.

Respectfully submitted,

Amie Sakmar
Financial Services Director

Marty Allen
City Manager



Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Suwanee
Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

GOVERNMENT FINANCE OFFICERS ASSOCIATION OF THE UNITED STATES AND CANADA CORPORATION SEAL CHICAGO

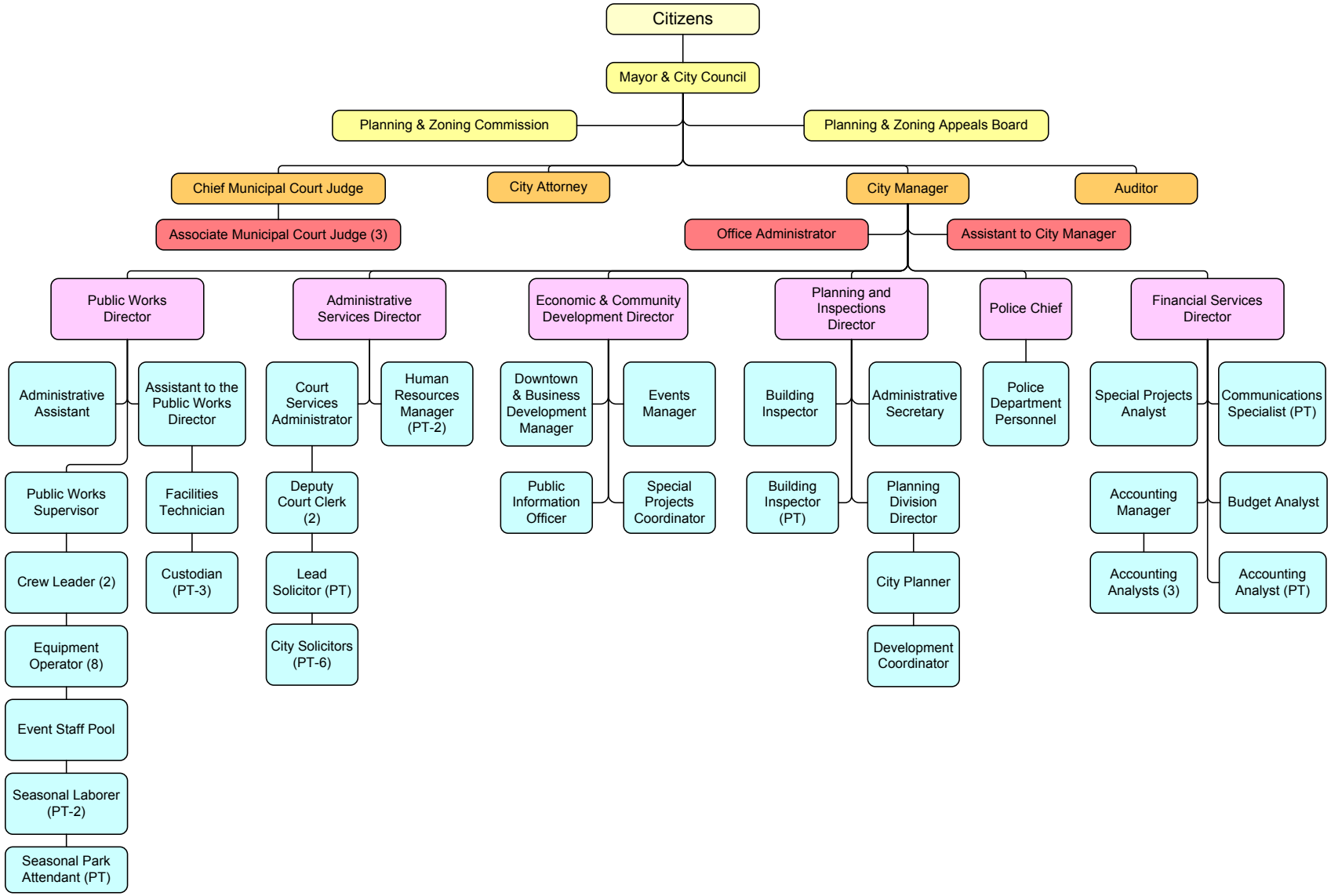
Linda C. Davidson

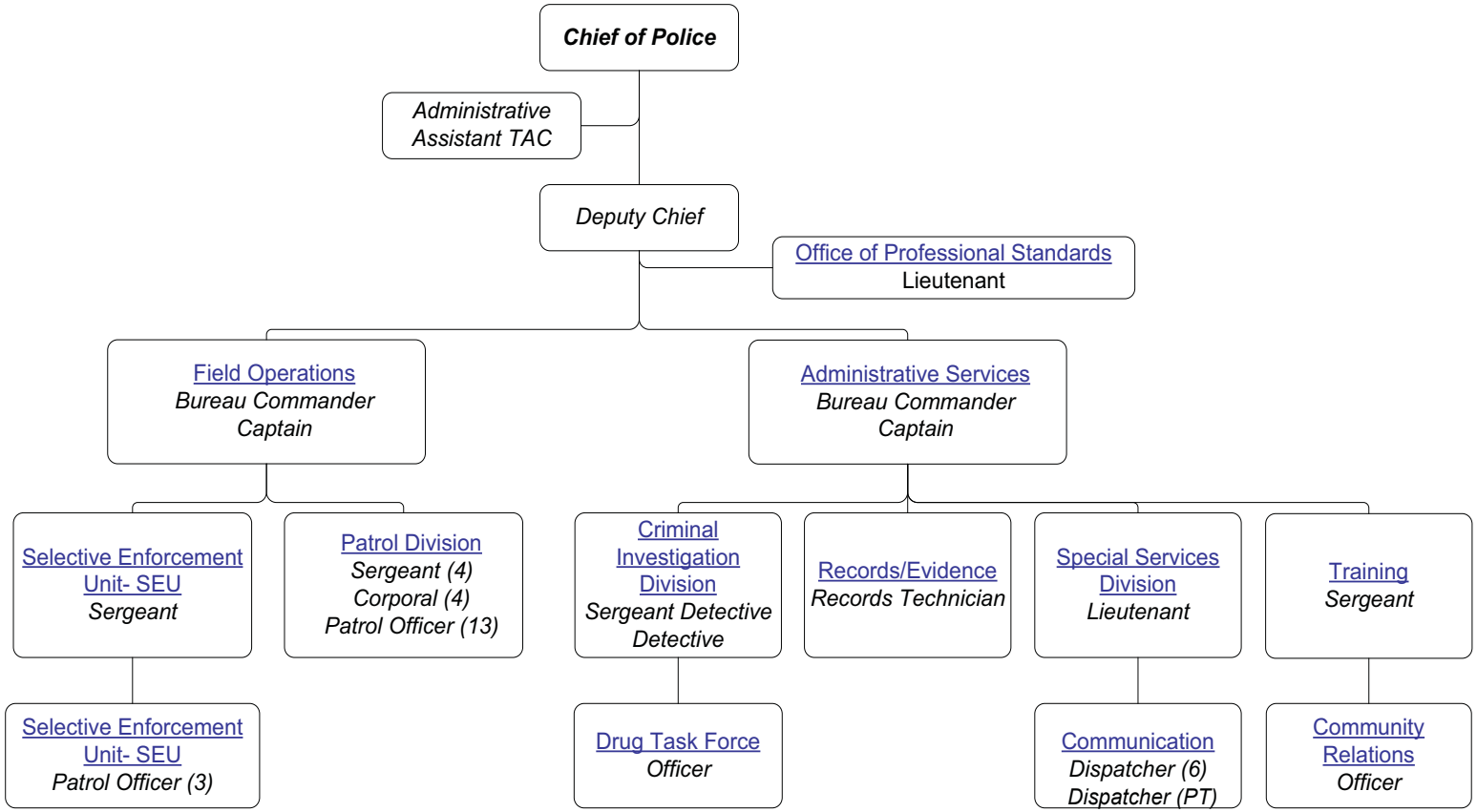
President

Jeffrey L. Esser

Executive Director

administration organizational chart




Chief of Police
Administrative Assistant TAC
Deputy Chief
Office of Professional Standards
Lieutenant
Field Operations
Bureau Commander
Captain
Administrative Services
Bureau Commander
Captain
Selective Enforcement Unit- SEU
Sergeant
Patrol Division
Sergeant (4)
Corporal (4)
Patrol Officer (13)
Criminal Investigation Division
Sergeant Detective
Detective
Records/Evidence
Records Technician
Special Services Division
Lieutenant
Training
Sergeant
Selective Enforcement Unit- SEU
Patrol Officer (3)
Drug Task Force
Officer
Communication
Dispatcher (6)
Dispatcher (PT)
Community Relations
Officer


SUWANOPOLY
30024
Suwanee



financial section

Independent Auditor's Report
Management's Discussion and Analysis

MAULDIN & JENKINS
CERTIFIED PUBLIC ACCOUNTANTS, LLC

INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of **the City of Suwanee, Georgia** (the City) as of and for the year ended June 30, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

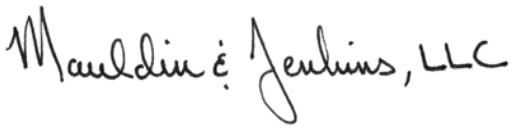
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Suwanee, Georgia, as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2011 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Schedule of Funding Progress (on pages 13 through 26 and 57, respectively) 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section and statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.



Atlanta, Georgia
December 16, 2011

management discussion and analysis

The City of Suwanee management offers readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2011. This narrative is intended to assist the reader in understanding significant financial issues, provide an overview of financial activities and identify changes in financial position, material deviations from the original budget, and individual fund issues or concerns. We encourage readers to consider the information presented here in conjunction with the information furnished in the City's basic financial statements and notes to the financial statements.

financial highlights

government-wide

Assets of the City's governmental activities exceeded liabilities by $63,083,789. This is an increase of $1,835,087, or 3.0%, as compared to the prior year amount of $61,248,702. The majority of the governmental activities increase is due to intergovernmental revenues received from the 2009 Special Purpose Local Option Sales Tax (SPLOST) program during the current fiscal period that will be expended in future periods.

Assets of the City's business-type activities exceeded liabilities by $2,475,363, an increase of $307,885, or 14.2%, as compared to the prior year amount of $2,167,478. This increase is from a general fund transfer of $150,000 along with the 40% Georgia Environmental Facilities Authority (GEFA) loan forgiveness of $192,018 that was recognized as a capital grant contribution in fiscal year 2011. Additional information regarding the GEFA construction loan can be found in the notes to the financial statements, note 7, on pages 48-50.

In total, net assets increased by $2,142,972 to $65,559,152. Of this amount, unrestricted net assets on June 30, 2011 were $11,384,137, or 26.2% of the City's total net assets.

fund level

As of June 30, 2011, the City's governmental funds reported a combined ending fund balance $17,542,968, an increase of $2,140,735, or 13.9% increase from fiscal year 2010. This increase is due to 2009 SPLOST receipts received but not expended along with general fund revenues exceeding expenditures and transfers. Enterprise fund assets exceeded liabilities by $2,475,363 of which $2,493,896 was invested in capital assets, net of related debt, leaving a negative unrestricted balance of $18,533. This negative unrestricted balance is due to the early retirement of notes payable to GEFA along with capital water system improvements of $587,324.

long-term debt

In total the City's bonds and notes payable outstanding decreased by $1,404,449, or 6.2% during fiscal year 2011. This decrease is due to the early retirement of GEFA notes payable and to normal scheduled debt service payments. Additional information regarding long-term debt can be found in the notes to the financial statements, note 7, on pages 48-50.

overview of the financial statements

Suwanee's financial reporting focuses on the City as a whole and on the major individual funds. Both reporting perspectives provide a comprehensive view of the City's financial activities and a broad basis for comparison from year to year and from government to government. The financial section of this report presents the City's financial activities in three parts: 1) Management's Discussion and Analysis (MD&A), 2) The Basic Financial Statements, and 3) Other Supplementary Information presenting combining statements. This report also includes statistical and economic data.

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

government-wide financial statements

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

- The statement of net assets combines and consolidates the City's current financial resources with capital assets and long-term obligations. This statement presents information regarding all of the City's assets and liabilities, for all fund types except for fiduciary funds, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as an indicator of whether the financial position of the City is improving or deteriorating.

- The statement of activities presents information showing how the City's net assets changed during the fiscal year. The focus is on both the gross and net cost of governmental, business-type, and component unit activities. This statement summarizes the cost or subsidy of providing specific government services and includes all current year revenues and expenses. The format is intended to portray the extent to which governmental activities are funded by taxes and the extent to which business-type activities are supported by the revenue they generate.

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

The government-wide financial statements include not only the City itself, but also component units. Component units are legally separate organizations for which the City is either financially accountable or the nature and significance of their relationship with the City is such that exclusion would cause the statements to be misleading or incomplete. The City has one component unit, Suwanee Downtown Development Authority, which is reported in a separate column, or row, in the government-wide statements.

The government-wide financial statements can be found on pages 27 and 28.

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

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

Because the focus of governmental funds is short-term and the focus of the government-wide statements is both short-term and long-term, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. This comparison is useful in understanding the long-term impact of the City's near term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains thirteen governmental funds. Four of these funds are considered major funds for financial reporting purposes: general, debt service, 2009 SPLOST, and other capital projects. Each major fund is presented in a separate column in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances. Data for non-major governmental funds are combined into a single, aggregated column. Specific fund data for each of the non-major funds is provided in the form of combining statements beginning on page 60. Suwanee adopts an annual appropriated budget for general, special revenue, and debt service funds. A budgetary comparison statement has been provided for the general fund on page 32. Budgetary comparisons for other governmental funds with legally adopted annual budgets start on page 64.

The basic governmental fund financial statements can be found on pages 29 - 30.

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

The basic proprietary fund financial statements can be found on pages 34 – 36.

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

The municipal court agency fund information is presented in the statement of fiduciary assets and liabilities on page 37.

notes to the financial statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 39 – 54.

other information

Other information includes a required pension plan funding schedule and supplemental combining financial statements for non-major governmental funds. Schedules of revenues, expenditures, and changes in fund balance budget to actual are also presented for all governmental funds with annually adopted budgets.

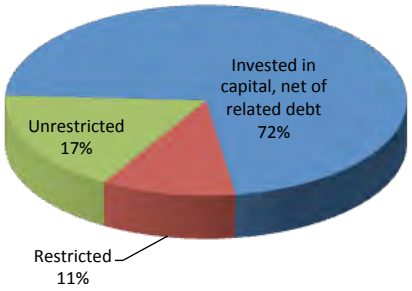
government-wide financial analysis

As noted earlier, changes in net assets may serve as a useful indicator of a government's financial position and an important determinant of its ability to finance services in the future. On a government-wide basis, the City's assets exceeded its liabilities by $65,559,152 and $63,416,180 at June 30, 2011 and 2010 respectively. This represents an increase of $2,142,972, or 3.4 percent from fiscal year 2010. The following is a condensed version of the government-wide statement of net assets.

Net Assets on June 30th

	Governmental Activities		Business-type Activities		Total Primary Government	
	2011	2010	2011	2010	2011	2010
Assets						
Current and other assets	$ 19,355,801	$ 17,311,078	$ 16,985	$ 609,695	$ 19,372,786	$ 17,920,773
Capital assets	64,853,014	65,903,643	2,493,896	2,279,452	67,346,910	68,183,095
Total assets	84,208,815	83,214,721	2,510,881	2,889,147	86,719,696	86,103,868
Liabilities						
Long-term liabilities outstanding	20,988,960	21,712,228	-	679,449	20,988,960	22,391,677
Other liabilities	136,066	253,791	35,518	42,220	171,584	296,011
Total liabilities	21,125,026	21,966,019	35,518	721,669	21,160,544	22,687,688
Net Assets						
Invested in capital assets, net of related debt	44,574,711	44,567,430	2,493,896	1,600,003	47,068,607	46,167,433
Restricted	7,106,408	5,324,060	-	-	7,106,408	5,324,060
Unrestricted	11,402,670	11,357,212	(18,533)	567,475	11,384,137	11,924,687
Total net assets	$ 63,083,789	$ 61,248,702	$ 2,475,363	$ 2,167,478	$ 65,559,152	$ 63,416,180

primary government net assets – june 30, 2011



The largest portion of the City's net assets, 72%, reflects its investment in capital assets such as land, buildings, equipment and infrastructure (roads, bridges, and other immovable assets), net of any related debt used to acquire those assets. Investment in capital assets net of related debt increased by $901,174 or 2%. The City uses these capital assets to provide services to citizens. Although the City's investment in its capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities. The City has restrictions of $7,106,408 of net assets to be used on debt service and capital projects. The remaining portion of unrestricted net assets, 17%, may be used to meet the City's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City was able to report positive balances in all three categories for the governmental activities. Business type activities reported negative unrestricted net assets due to early retirement of the GEFA loan and improvements made to the water system. The City plans to continue the annual contributions of $150,000 to the water system to prevent future ongoing operational concerns. Overall growth in net assets is a positive economic indicator of the City's improved financial position from 2010.

governmental activities

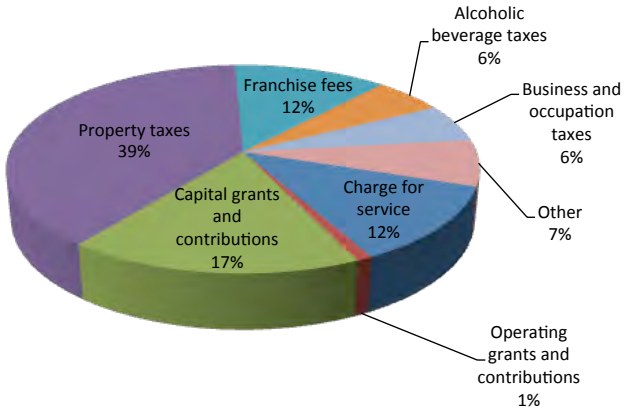
Governmental activities increased the City's net assets by $1,835,087 thereby accounting for 85.6% of the total growth in net assets. This increase in governmental activities is related to capital grant contributions for 2009 SPLOST sales tax revenues ($2,018,537) and donated infrastructure ($523,160). The reader should remember that the basis of accounting used in the government-wide statement of activities excluded capital expenditures, this would include capital expenditures that used 2009 SPLOST revenue, while its revenues include capital grants and donations. The following condensed financial information was derived from the government-wide Statement of Activities and reflects how net assets changed during fiscal year 2011.

Change in Net Assets

	Governmental Activities		Business-type Activities		Total Primary Government	
	2011	2010	2011	2010	2011	2010
Revenues						
Program revenues						
Charge for services	$ 1,784,458	$ 1,753,216	$ 97,113	$ 62,501	$ 1,881,571	$ 1,815,717
Operating grants and contributions	136,876	105,380	-	-	136,876	105,380
Capital grants and contributions	2,572,310	2,138,237	192,018	-	2,764,328	2,138,237
General revenues						
Property taxes	5,801,792	6,254,003	-	-	5,801,792	6,254,003
Franchise fees	1,825,464	1,694,211	-	-	1,825,464	1,694,211
Alcoholic beverage taxes	836,438	784,189	-	-	836,438	784,189
Business and occupation taxes	878,190	876,513	-	-	878,190	876,513
Other	962,431	971,628	-	-	962,431	971,628
Unrestricted investment earnings	105,368	231,739	667	1,485	106,035	233,224
Total revenues	14,903,327	14,809,116	289,798	63,986	15,193,125	14,873,102
Expenses						
General government	2,322,019	2,099,857	-	-	2,322,019	2,099,857
Judicial	292,492	313,015	-	-	292,492	313,015
Police	3,820,293	3,664,152	-	-	3,820,293	3,664,152
Public works	3,571,459	3,288,472	-	-	3,571,459	3,288,472
Culture and recreation	986,196	404,798	-	-	986,196	404,798
Housing and development	836,946	854,357	-	-	836,946	854,357
Tourism and trade	206,151	313,034	-	-	206,151	313,034
Interest on long term debt	882,684	924,622	-	-	882,684	924,622
Water and sewer	-	-	131,913	127,954	131,913	127,954
Total expenses	12,918,240	11,862,307	131,913	127,954	13,050,153	11,990,261
Increase (decrease) in net assets before transfers	1,985,087	2,946,809	157,885	(63,968)	2,142,972	2,882,841
Transfers	(150,000)	(287,450)	150,000	287,450	-	-
Change in net assets	1,835,087	2,659,359	307,885	223,482	2,142,972	2,882,841
Net assets - July 1	61,248,702	58,589,343	2,167,478	1,943,996	63,416,180	60,533,339
Net assets - June 30	$ 63,083,789	$ 61,248,702	$ 2,475,363	$ 2,167,478	$ 65,559,152	$ 63,416,180

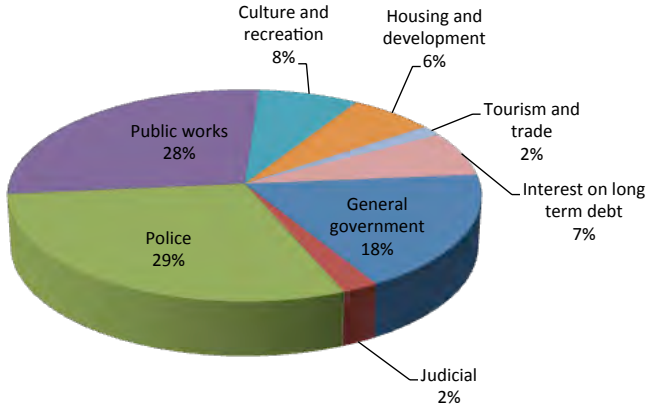
revenues by source governmental activities

Governmental activities revenues totaled $14,903,327 for fiscal year 2011 and $14,809,116 for fiscal year 2010, reporting a slight increase of $94,211. The difference between the two fiscal years shows a stabilization of Suwanee's local economy. Property taxes in fiscal year 2011 did decrease due in part to a lower millage rate and reductions in property values. However, this reduction was covered by the increases in franchise fees and alcoholic beverage taxes. Property taxes are the largest revenue source for governmental activities accounting for 39% of total revenues. Capital grants and contribution which include SPLOST funds received from Gwinnett County account for the second largest at 17%. Franchise fees and charges for service are the third and fourth largest revenue sources, accounting for 24% of governmental revenues for the year.

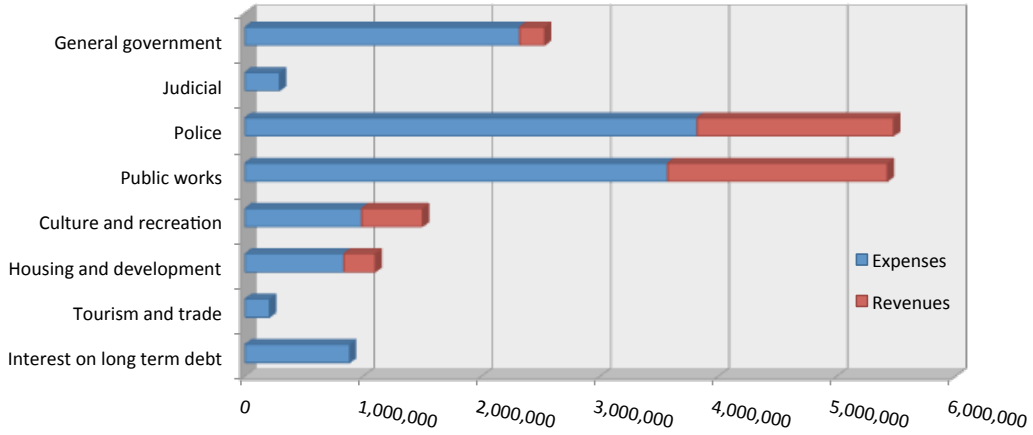


expenses by source governmental activities

Governmental expenses totaled $12,918,240 for the fiscal year. Of the expenses 29% or $3,820,293 is related to police. Public works accounted for $3,571,459, or 28%. Interest on long term debt accounted for 7% of overall governmental expenses. The chart below compares governmental activities with their respective program revenues, if any.

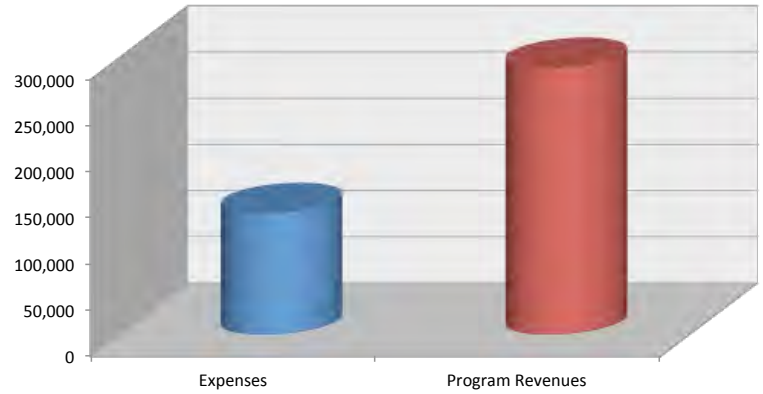


governmental activities expenses and program revenues



business-type activities

Business-type activities increased the City's net assets by $307,885 accounting for 14% of the City's net assets increase in fiscal year 2011. This increase is related to the capital grant contribution of $192,018 and $150,000 transfer from governmental activities to business type activities.



financial analysis of the government's funds

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

As of June 30, 2011, the City's governmental funds reported a combined ending fund balance of $17,542,968, an increase of $2,140,735 in comparison with the prior year. The majority of this increase is due to 2009 SPLOST revenues received but not expended in the current period. The general fund also contributed to the increase with revenues exceeding expenditures and transfer out for the period due to revenues performing higher than budgeted projections.

Suwanee has implemented Governmental Accounting Standards Board (GASB) statement number 54 which shifts the focus of fund balance reporting from the position of fund resource available to the extent government funds are constrained for specific purposes. In the governmental fund financial statements, the City's fund balance is reported in four classifications.

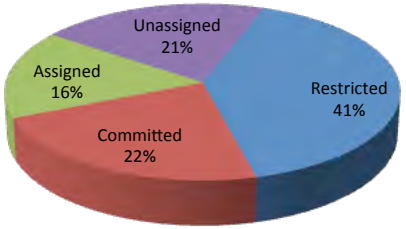
restricted. Restricted fund balance encompasses the net fund resources subject to externally enforceable legal restrictions. Such restrictions would include 1) externally imposed by creditors, grantors, contributors, or laws and regulations of other governments, or 2) imposed by law through constitutional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

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

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

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

governmental fund balances



As of June 30, 2011, Suwanee's total fund balance for governmental funds was $17,542,968 of which $7,106,408 was restricted, $3,948,073 was committed, $3,079,606 was assigned, and $3,408,881 was unassigned. Additional information on fund balance can be found on Note 1 on pages 40 – 44.

The general fund is the chief operating fund of the City. On June 30, 2011, unassigned fund balance of the general fund was $3,408,881. As a measure of the general fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 29% of total general fund expenditures and transfers. Overall, fund balance of the general fund increased by $423,276 during the current fiscal year. This increase was due to general revenues exceeding budget projections and expenditures lower than projections.

revenues classified by source - general fund

	FY 2011		FY 2010		Increase/ (Decrease)	
	Amount	% of Total	Amount	% of Total	Amount	% of Change
Revenues by Source:						
Taxes	$ 10,058,365	84.42%	$ 9,758,288	83.34%	$ 300,077	3.08%
Licenses and permits	441,763	3.71%	349,965	2.99%	91,798	26.23%
Intergovernmental	31,311	0.26%	68,088	0.58%	(36,777)	-54.01%
Charge for services	72,456	0.61%	64,237	0.55%	8,219	12.79%
Fines and forfeitures	1,174,621	9.86%	1,245,968	10.64%	(71,347)	-5.73%
Other	135,625	1.14%	222,854	1.90%	(87,229)	-39.14%
Total	$ 11,914,141	100.00%	$ 11,709,400	100.00%	$ 204,741	1.75%

The following provides an explanation of revenues by source changes from 2010 to 2011:

- **Taxes.** Real and personal property tax collections increased by $110,817 from fiscal year 2010. In fiscal year 2010, we ended the year with a large current year property tax receivable of $505,288; this receivable has been reduced to $176,444 at the end of fiscal year 2011. Franchise fees increased by $131,253, mainly in electric fees from the prior year along with an increase in alcoholic beverage taxes.
- **License and permits.** Building permits increased by $87,667. The majority of this increase was due to a larger renovation permit from Hewitt Packard for $51,341. The prior year building permit activity of $142,552 was low due to the building and development market decline experienced in 2009 and 2010. Based on our ten year analysis, building activity should stabilize between $250,000 and $350,000 going forward as the economy stabilizes and improves.
- **Intergovernmental.** Intergovernmental grants decreased by $36,777 from the prior period. In fiscal year 2011, Suwanee received the $18,161 in federal justice grant funds for police equipment, $10,000 in state small agency incentive for police equipment, and $3,150 in federal justice assistance for police vest. All of these grants are one time awards.
- **Charge for services.** Special event service fees increased by $8,200. These services are provided to private business for events and vary from year to year.

- **Fines and forfeitures.** Municipal court fees decreased by $71,347. This decrease is due to Suwanee losing the ability to run radar for traffic control. Suwanee, Gwinnett County and the other cities in Gwinnett County lost their radar permits from the state due to court sanctions from the ongoing legal battle regarding service delivery strategies.
- **Other.** Other revenues decreased by $87,229. The majority of this decrease is related to a lower rate of return on idle cash. Current low interest rates are due to the current economic conditions and FDIC rules placed on banks regarding collaterization and interest rate returns for FDIC program requirements.

expenditures by function general fund

	FY 2011		FY 2010		Increase/ (Decrease)	
	Amount	% of Total	Amount	% of Total	Amount	% of Change
Expenditures by Function						
General government	$ 2,107,176	23.89%	$ 1,907,235	22.69%	$ 199,941	10.48%
Judicial	298,827	3.39%	334,362	3.98%	(35,535)	-10.63%
Police	3,749,187	42.50%	3,642,011	43.32%	107,176	2.94%
Public works	1,464,606	16.60%	1,392,588	16.57%	72,018	5.17%
Culture and recreation	277,315	3.14%	184,383	2.19%	92,932	50.40%
Housing and development	871,702	9.88%	857,222	10.20%	14,480	1.69%
Debt service						
Principal	50,959	0.58%	84,861	1.01%	(33,902)	-39.95%
Interest	1,463	0.02%	4,085	0.05%	(2,622)	-64.19%
Total	$ 8,821,235	100.00%	$ 8,406,747	100.00%	$ 414,488	4.93%

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

- **General government.** Expenditures increased by $199,941 or 10.48%. Factors related to this increase are noted below:
  - The City started the first year of a two year strategic planning process. In total, we anticipate the cost of conducting this plan to be $150,000. During the fiscal year 2011, the first year, we expended $58,272 on this planning process.
  - The City settled a lawsuit during the period and incurred $50,000 in a one-time settlement payout.
  - During the fiscal year, the City upgraded and consolidated servers resulting in additional technology costs of $59,000. The City also changed Information Technology providers and incurred an additional $11,000 in consultant fees. The new consultant has a three year contract with an annual renewal clause.
- **Judicial.** Expenditures decreased by $35,535 or 10.63%. This decrease is due to the benefits and salary of one court clerk position that was vacant for several months.
- **Police.** Expenditures increased by $107,176 or 2.94%. The majority of this increase is due to 2.5% pay for performance COLA pay raise. Other operating costs remained stable from the prior period.

- **Public works.** Expenditures increased by $72,018 or 5.17%. The majority of the increase was due to adding two part time janitorial staff employees and the 2.5% pay for performance COLA pay raise.

- **Culture and recreation.** Expenditures increased by $92,932 or 50.40%. Factors related to this increase are noted below:
  - Additional barricades and a trailer were purchased to help with special events, $17,000.
  - $30,000 was spent on top-dressing of Town Center Park. This should be an annual expenditure but due to timing two top-dressings were applied in fiscal year 2011.
  - Additional repairs and landscaping around Big Splash, the fountain at Town Center Park, were needed, cost approximated $39,000.

- **Housing and development.** Expenditures increased by $14,480 or 1.69%. The majority of this increase is due to an additional $10,000 contribution to Partnership Gwinnett. Partnership Gwinnett is a five year community and economic development initiative that encompasses the Gwinnett Chamber, government, education, health care and business together in one regional economic initiative.

- **Debt service**. Expenditures in debt service continue to decrease as old equipment leases are paid off. In order to control future operating cost, the City has moved from leasing three to four vehicles a year to purchasing three to four vehicles.

capital projects

Capital projects funds account for the financial resources used for the purchase and construction of major facilities and related equipment. During fiscal year 2011, the City had two capital project funds that were considered major funds: the 2009 SPLOST and Other Capital Projects.

The **2009 SPLOST** fund consists of eleven separate projects. These projects include: greenway rehab/extension, installation of a well at Town Center Park, street resurfacing and improvements, storm drainage and system improvements, Buford Highway reconstruction and streetscape, implementation of the Pedestrian Bicycle Bike Plan, police substation, parking facilities, park enhancements, recreation projects, and a sign reflectivity program. The City has entered into an intergovernmental agreement with Gwinnett County allocating an expected $10,356,865 to be paid out as collected from the County, to the City, over a five-year period. As of June 30, 2011, the fund had a restricted fund balance of $4,257,638, 2009 SPLOST funds received and unspent, and an assigned balance of $1,361,170, general fund and non-major governmental funds transfer of resources. During fiscal year 2011, fund balance increased by $2,151,438. This increase is due to net of SPLOST funds received ($2,004,583), general fund transfer ($554,110), non-major governmental funds transfer ($524,141), and investment earnings ($13,954) less funds from capital expenditures ($945,350). Two major projects started in fiscal year 2011 included Suwanee Creek Greenway Rehab ($76,338) and police substation land purchase and concept design ($793,158).

Other capital projects fund accounts for the local financial resources used for the purchase and construction of capital equipment and facilities. Assigned fund balance at year-end was $1,495,916, an increase of $185,501 from the prior year. This increase is due to general fund transfers ($383,570), rental income ($20,148), and investment earnings ($3,762) netted against current year expenditures of $231,743 for enhancements to City facilities.

debt services

The debt service restricted fund balance was $1,329,495 as of June 30, 2011, all of which is restricted for future debt service payments.

proprietary funds

The proprietary fund statements share the same focus as the government-wide statements, reporting both short-term and long-term financial activity. At the fiscal year end, the water and sewage fund had an operating loss of $20,272 compared to an operating loss of $34,796 in the prior year. Operating revenues increased by $34,612 due to an increase in the rate structure along with outside water restrictions being lifted in fiscal year 2011 that were in place during fiscal year 2010. Operating expenses increased by $20,088 due to repairs made to correct brown water issues. Changes in net assets increased by $307,885, the majority of this increase was from an intergovernmental grant of $192,018 along with a general fund transfer of $150,000, instead of income from operations.

general fund budgetary highlights

Differences between the original budget ($11,223,380) and the final amended budget ($12,265,830) amounted to an overall increase of $1,042,450. Operational functions were increased by $13,970, or less than 1%. Capital transfers were increased by $1,028,480. Listed below is a summary of the additional capital transfers:

- $554,110 was added to 2009 SPLOST capital projects to offset the decrease in anticipated sales tax revenue. These transfers were made to keep the current capital budgets whole after the reduction in 2009 SPLOST was applied.
- $383,570 was added to other capital projects to provide local funding for public safety projects and median improvements.

A detail budgetary comparison schedule for the fiscal year ended June 30, 2011 can be found on pages 32 –33. The following chart is a summary of that schedule.

general fund budget comparison

	Budget			Variance with Final Budget
	Original	Final	Actual	
Revenues, transfers, and other financing sources:				
Taxes	$ 9,272,430	$ 9,862,130	$ 10,058,365	$ 196,235
Licenses and permits	301,380	414,880	441,763	26,883
Intergovernmental revenues	-	28,600	31,311	2,711
Charges for services	80,200	83,200	72,456	(10,744)
Fines and forfeitures	1,084,500	1,079,470	1,174,621	95,151
Investment income	175,000	50,000	97,006	47,006
Miscellaneous revenues	21,500	23,500	38,619	15,119
Other financing sources	172,300	160,300	161,594	1,294
Total	11,107,310	11,702,080	12,075,735	373,655
Expenditures and transfers out:				
Expenditures	9,420,620	9,434,590	8,821,235	613,355
Transfer out	1,802,760	2,831,240	2,831,224	16
Total	11,223,380	12,265,830	11,652,459	613,371
Change in fund balance	$ (116,070)	$ (563,750)	$ 423,276	$ 987,026

During the year, general fund revenues exceeded budgetary projections and expenditures were less than budgetary estimates. Actual revenues and other financing sources were $373,655 higher than estimates, whereas expenditures were $613,371 lower than the final budgetary appropriations. Listed below are the major areas that expenditures were lower than appropriations.

- Salaries and benefits expenditures were $258,390 less than appropriations. This was due to vacancies and group health utilization of the health reimbursement accounts were lower than projected.
- Purchased professional services expenditures were $63,243 less than appropriations. The major consultant areas were development reviews, legal services and landscape maintenance.
- Other purchase services expenditures were $145,710 less than appropriations. This classifications includes training, education, travel, printing, and dues and fees.
- Supplies expenditures were $74,485 less than appropriations. This was due to utilities and gasoline projections being higher than actual costs. We changed our phone and natural gas provider which provided some savings from prior periods.
- Capital outlay expenditures were $70,720 less than appropriations. Server and software upgrades were delayed and re-appropriated in the fiscal year 2012 budget.

capital assets and debt administration

Capital assets. On June 30, 2011, the City's investments in capital assets in both governmental and business-type activities amounted to $67,346,910, net of accumulated depreciation. This includes land, land improvements, buildings, machinery and equipment, park facilities, and infrastructure. The majority of the decrease in capital assets is due to annual depreciation of $3,013,036 and not to disposal of assets. The additions to the water system included the prior period's $333,883 construction in progress for total system improvements of $587,324.

Additional information on capital assets can be found in Note 6 on pages 46 –47 of this report.

capital assets (net of accumulated depreciation)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2011	2010	2011	2010	2011	2010
Land	$ 12,522,858	$ 11,772,858	$ 7,500	$ 7,500	$ 12,530,358	$ 11,780,358
Land improvements	2,419,802	2,690,904	1,855	2,102	2,421,657	2,693,006
Buildings	22,875,964	21,926,148	-	-	22,875,964	21,926,148
Water system	-	-	2,461,586	1,911,254	2,461,586	1,911,254
Machinery and equipment	1,575,313	1,618,576	22,955	24,713	1,598,268	1,643,289
Vehicles	470,776	517,929	-	-	470,776	517,929
Infrastructure	24,734,270	26,006,676	-	-	24,734,270	26,006,676
Construction in progress	254,031	1,370,552	-	333,883	254,031	1,704,435
Total	$ 64,853,014	$ 65,903,643	$ 2,493,896	$ 2,279,452	$ 67,346,910	$ 68,183,095

long-term debt

Long-term Debt. At the end of the current fiscal year, the City had total bonded debt outstanding of $21,095,000 comprised of general obligation debt ($15,455,000) backed by the full faith and credit of the City, and revenue bonds ($5,640,000) obligated through an intergovernmental agreement with the Urban Redevelopment Agency.

The City's total long-term bonds decreased by $725,000, or 3.3% during the current fiscal year. The City's bond rating was raised by one notch from S&P (AA- to AA) and Fitch Rating (AA to AA+) during this calendar year. State statutes limit the amount of general obligation debt a government entity may issue up to 10% of its total assessed valuation. The current debt limit for the City is $108,426,746; current general obligation debt is below this limit with 13.03% of the legal debt limit used. Additional information regarding long-term debt can be found in Note 7 on pages 48 –50 of this report.

economic factors and next year's budget and rates

According to economists, the global recession began in 2009, as the Gross Domestic Product (GDP) of many nations increased. Recently there have been signs of a stalling recovery as home price gains have reversed or flatted and unemployment remains high. 4th quarter 2010 economic reports indicate more aggressive growth in the U.S. economy as domestic spending continued to increase dramatically following record lows. While slowing economic conditions and rising costs increase financial challenges for Suwanee and other similar communities, the City's past conservative financial policies coupled with strong past development patterns have helped to soften some of the financial difficulties.

Unemployment. Employment has been greatly impacted during the current economic recession. According to the U.S. Bureau of Labor Statistics, the national unemployment rate in June 2011 was 9.2 percent. Georgia is among several states that exceed the national average with a June 2011 unemployment rate of 9.9 percent. Gwinnett County is near the national average and is fairing better than the state and metro Atlanta average with an unemployment rate of 9.4 percent. The Georgia Civilian Labor Force maintains unemployment rate estimates for each Census Tract within the state. Suwanee's census tract, Tract 502.02 had an unemployment rate of 3.9 percent in June 2011.

Building permits. Since 2000, Suwanee experienced moderate to accelerated growth in the construction of new housing units with an average of 207 housing starts per year (or 17 per month) from 2000 to 2008. Suwanee is now experiencing a slowdown in the housing sector for the third consecutive year. New residential construction increased slightly in 2010, with the average number of housing starts increasing from less than 3 homes per month in 2009 to 3.6 homes per month. So far, calendar year 2011 is on schedule to surpass the number of building permits issued in 2009 and 2010 and is approaching the slower growth years in the early 2000's.

Active developments. There are seven active developments in Suwanee that include a single family residential component. These projects are authorized for a total of 1,564 single family attached and detached housing units. Of these authorized 1,564 single family units 72 percent (1,124) are occupied houses while the remaining 28 percent (440 units) are unoccupied.

Housing values. According to the Atlanta Journal Constitution, the average home sales price in Suwanee (30024 Zip Code in Gwinnett County) was $205,000 in 2010. This number is down from 2009 when the average home sales price was reported at $210,050. This drop in price represents a 2.4% annually decrease. The overall average sales price in Gwinnett County dropped by 8.2% between the same period. Home prices in Suwanee decreased by 14% between 2008 and 2009 from $245,000 to $210,050.

General fund budget. The City's finances utilize a conservative approach that places emphasis on ensuring financial stability and long term sustainability. Suwanee recognizes the balancing of results (current services, new services, and capital projects) to resources (long term sustainability, debt and long term obligations, and the community's tax burden). The balancing of results to resources creates the public value in city services. The fiscal year 2012 annual budget for the general fund is $11,844,220; this is a decrease of $421,610 or 3.6% from the final amended 2011 budget. However, it is $191,761 higher than 2011 actual or 1.6%. This shows the stabilization of Suwanee's operations during the current economic conditions.

request for information

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



basic financial statements

Government-wide Financial Statements
Fund Financial Statements

statement of net assets
june 30, 2011

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Cash and cash equivalents	$ 5,312,173	$ 11,228	$ 5,323,401	$ 45,601
Investments	11,894,857	-	11,894,857	-
Receivables:				
Property taxes	592,526	-	592,526	-
Other	174,464	41,217	215,681	-
Due from other governments	348,315	-	348,315	-
Due from other funds	39,445	(39,445)	-	-
Deferred charges	182,763	-	182,763	-
Net pension asset	811,258	-	811,258	-
Restricted cash	-	3,985	3,985	-
Capital assets, nondepreciable	12,776,889	7,500	12,784,389	-
Capital assets, depreciable, net of accumulated depreciation	52,076,125	2,486,396	54,562,521	354,375
Total assets	84,208,815	2,510,881	86,719,696	399,976
LIABILITIES				
Accounts payable	136,066	31,533	167,599	2,525
Liabilities payable from restricted assets	-	3,985	3,985	-
Noncurrent liabilities:				
General obligation bonds due within one year	485,000	-	485,000	-
General obligation bonds due in more than one year	14,584,227	-	14,584,227	-
Revenue bonds due within one year	270,000	-	270,000	-
Revenue bonds due in more than one year	5,367,002	-	5,367,002	-
Capital leases due within one year	10,795	-	10,795	-
Compensated absences due within one year	87,020	-	87,020	-
Compensated absences due more than one year	184,916	-	184,916	-
Total liabilities	21,125,026	35,518	21,160,544	2,525
NET ASSETS				
Invested in capital assets, net of related debt	44,574,711	2,493,896	47,068,607	354,375
Restricted	7,106,408	-	7,106,408	-
Unrestricted	11,402,670	(18,533)	11,384,137	43,076
Total net assets	$ 63,083,789	$ 2,475,363	$ 65,559,152	$ 397,451

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

statement of activities
year ended june 30, 2011

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets: Primary Government: Governmental Activities	Primary Government: Business Type	Primary Government: Total	Component Unit
Primary Government:								
Governmental activities:								
General government	$ 2,322,019	$ 187,156	$ 218	$ 20,112	$ (2,114,533)	$ -	$ (2,114,533)	
Judicial	292,492	-	-	-	(292,492)	-	(292,492)	
Police	3,820,293	1,315,848	11,793	329,845	(2,162,807)	-	(2,162,807)	
Public works	3,571,459	-	14,182	1,840,220	(1,717,057)	-	(1,717,057)	
Culture and recreation	986,196	19,363	110,683	382,133	(474,017)	-	(474,017)	
Housing and development	836,946	262,091	-	-	(574,855)	-	(574,855)	
Tourism and trade	206,151	-	-	-	(206,151)	-	(206,151)	
Interest on long term debt	882,684	-	-	-	(882,684)	-	(882,684)	
Total governmental activities	12,918,240	1,784,458	136,876	2,572,310	(8,424,596)	-	(8,424,596)	
Business-type activities								
Water and Sewer	131,913	97,113	-	192,018	-	157,218	157,218	
Total Primary Government	$ 13,050,153	$ 1,881,571	$ 136,876	$ 2,764,328	$ (8,424,596)	$ 157,218	$ (8,267,378)	
Component Unit	$ 18,447	$ -	$ 11,270	$ -				$ (7,177)
General revenues:								
Taxes:								
Property taxes					$ 5,801,792	$ -	$ 5,801,792	$ -
Franchise fees					1,825,464	-	1,825,464	-
Hotel/motel taxes					373,400	-	373,400	-
Alcoholic beverage tax					836,438	-	836,438	-
Business and occupation taxes					878,190	-	878,190	-
Insurance premium taxes					469,682	-	469,682	-
Other taxes penalties					91,173	-	91,173	-
Unrestricted investment earnings					105,368	667	106,035	45
Miscellaneous					28,176	-	28,176	-
Transfers					(150,000)	150,000	-	-
Total general revenues and transfers					10,259,683	150,667	10,410,350	45
Change in net assets					1,835,087	307,885	2,142,972	(7,132)
Net assets - beginning					61,248,702	2,167,478	63,416,180	404,583
Net assets - ending					$ 63,083,789	$ 2,475,363	$ 65,559,152	$ 397,451

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

governmental funds balance sheet
june 30, 2011

	General	Debt Service	2009 SPLOST	Other Capital Projects	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	$ 810,838	$ 1,329,495	$ 2,088,355	$ 643,333	$ 440,152	$ 5,312,173
Investments	6,616,679	-	3,211,118	991,578	1,075,482	11,894,857
Receivables:						
Property taxes	592,526	-	-	-	-	592,526
Due from other governments	10,000	-	338,315	-	-	348,315
Due from other funds	39,445	-	-	-	-	39,445
Other	139,756	-	-	-	34,708	174,464
Total assets	$ 8,209,244	$ 1,329,495	$ 5,637,788	$ 1,634,911	$ 1,550,342	$ 18,361,780
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	$ 82,649	$ -	$ 18,980	$ 3,370	$ 31,067	$ 136,066
Deferred revenue	547,121	-	-	135,625	-	682,746
Total Liabilities	629,770	-	18,980	138,995	31,067	818,812
Fund Balances:						
Restricted	-	1,329,495	4,257,638	-	1,519,275	7,106,408
Committed	3,948,073	-	-	-	-	3,948,073
Assigned						
General fund	222,520	-	-	-	-	222,520
Capital project funds	-	-	1,361,170	1,495,916	-	2,857,086
Unassigned	3,408,881	-	-	-	-	3,408,881
Total fund balances	7,579,474	1,329,495	5,618,808	1,495,916	1,519,275	17,542,968
Total liabilities and fund balances	$ 8,209,244	$ 1,329,495	$ 5,637,788	$ 1,634,911	$ 1,550,342	
Amounts reported for governmental activities in the statement of net assets are different because:						
Deferred charges are available in the current period and, therefore, are not reported in the funds.						182,763
Net pension asset is not recorded in the governmental fund statements.						811,258
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.						64,853,014
Revenue deferred in the governmental funds susceptible to full accrual on the government wide statements.						682,746
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.						(20,988,960)
Net assets of governmental activities						$ 63,083,789

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

governmental funds

statement of revenues, expenditures and changes in fund balances

year ended june 30, 2011

	General	Debt Service	2009 SPLOST	Other Capital Projects	Other Governmental Funds	Total Governmental Funds
REVENUES						
Property taxes	$ 5,957,419	$ -	$ -	$ -	$ -	$ 5,957,419
Franchise taxes	1,825,464	-	-	-	-	1,825,464
Alcoholic beverage taxes	836,438	-	-	-	-	836,438
Business taxes	1,347,871	-	-	-	-	1,347,872
Hotel/motel taxes	-	-	-	-	373,400	373,400
Other taxes penalties	91,173	-	-	-	-	91,173
Licenses and permits	441,763	-	-	-	-	441,763
Intergovernmental revenues	31,311	-	2,004,583	-	6,642	2,042,536
Charges for services	72,456	-	-	-	-	72,455
Fines and forfeitures	1,174,621	-	-	-	83,264	1,257,885
Investment income	97,006	2,764	13,954	3,762	9,700	127,186
Rental income	7,720	-	-	20,148	4,634	32,502
Contributions and donations	5,370	-	-	9,764	106,538	121,672
Miscellaneous revenue	25,529	-	-	-	-	25,529
Total revenues	11,914,141	2,764	2,018,537	33,674	584,178	14,553,294
EXPENDITURES						
Current:						
General government	2,107,176	-	455	83,762	-	2,191,393
Judicial	298,827	-	-	-	-	298,827
Public safety	3,749,187	-	-	-	81,116	3,830,303
Public works	1,464,606	-	-	-	-	1,464,606
Culture and recreation	277,315	-	-	-	95,559	372,874
Housing and development	871,702	-	-	-	-	871,702
Tourism and trade	-	-	-	-	206,151	206,151
Capital outlay	-	-	944,895	147,981	277,343	1,370,219
Debt service:						
Principal	50,959	725,000	-	-	-	775,959
Interest and fiscal charges	1,463	880,877	-	-	-	882,340
Total expenditures	8,821,235	1,605,877	945,350	231,743	660,169	12,264,374
Excess (deficiency) of revenues over (under) expenditures	3,092,906	(1,603,113)	1,073,187	(198,069)	(75,991)	2,288,920
OTHER FINANCING SOURCES (USES)						
Sale of capital assets	1,815	-	-	-	-	1,815
Transfers in	159,779	1,715,540	1,078,251	383,570	28,004	3,365,144
Transfers out	(2,831,224)	-	-	-	(683,920)	(3,515,144)
Total other financing sources (uses)	(2,669,630)	1,715,540	1,078,251	383,570	(655,916)	(148,185)
Net change in fund balances	423,276	112,427	2,151,438	185,501	(731,907)	2,140,735
FUND BALANCES - beginning of year	7,156,198	1,217,068	3,467,370	1,310,415	2,251,182	15,402,233
FUND BALANCES - end of year	$ 7,579,474	$ 1,329,495	$ 5,618,808	$ 1,495,916	$ 1,519,275	$ 17,542,968

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

reconciliation of the statement of revenues, expenditures and changes in fund balances of governmental funds to the statement of activities

year ended june 30, 2011

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances-total governmental funds		$ 2,140,735
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the fund statements.		(173,128)
Governmental Funds report capital outlay as expenditures. However, in the Government-Wide Statement of Activities and Changes in Net Assets, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the net amount of capital assets activity recorded in the current period.		
Additions	$ 1,921,795	
Net effect of disposals	1,616	
Depreciation expense	(2,974,039)	(1,050,628)
Capital assets acquired by capital leases are shown as an expenditure and other financing source in the governmental funds. The other financing source must be removed from the statement of activities; principal payments are applied to the lease liability; interest expense is recognized as it accrues.		
Principal payments of capital leases		50,959
The governmental funds report bond proceeds as an other financing source, while repayment of bond principal is reported as an expenditure.		
Principal payment		725,000
The current year's increase in the net pension asset creates a balance sheet item while reducing net expenses of the functions on the government wide statements		211,518
Governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences.		
Amortization of:		
Premium/Discount	$ 1,514	
Bond Issuance Cost	(16,678)	
Loss on Refunding	(33,362)	(48,526)
Long-term compensated absences are reported in the Government-Wide Statement of Activities and Changes in Net Assets, but they do not require the use of current financial resources. Therefore, long-term compensated absences are not reported as expenditures in Governmental Funds. This is the change in compensated absence payable.		(20,843)
Change in net assets of governmental activities		$ 1,835,087

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

general fund

statement of revenues, expenditures and changes in fund balance budget and actual

year ended june 30, 2011

	Budgeted Amounts		Actual	Variance with Final Budget -
	Original	Final	Amounts	Positive(Negative)
REVENUES				
Taxes:				
Property taxes	$ 5,480,790	$ 5,902,110	$ 5,957,419	$ 55,309
Franchise taxes	1,674,640	1,804,840	1,825,464	20,624
Alcoholic beverage taxes	772,000	772,000	836,438	64,438
Business taxes	1,290,000	1,328,180	1,347,871	19,691
Other taxes penalties	55,000	55,000	91,173	36,173
Total taxes	9,272,430	9,862,130	10,058,365	196,235
Licenses and permits:				
Alcoholic beverage fees	157,500	163,500	163,540	40
Business licenses	20,500	20,500	23,616	3,116
Building permits	123,380	230,880	254,607	23,727
Total licenses and permits	301,380	414,880	441,763	26,883
Intergovernmental revenues:				
Federal grants	-	28,600	31,311	2,711
Total intergovernmental revenues	-	28,600	31,311	2,711
Charges for services:				
Planning and development fees	3,500	3,500	7,484	3,984
Public safety services	68,000	68,000	57,963	(10,037)
Special events	8,700	11,700	7,009	(4,691)
Total charges for services	80,200	83,200	72,456	(10,744)
Fines and forfeitures	1,084,500	1,079,470	1,174,621	95,151
Investment income	175,000	50,000	97,006	47,006
Rental income	1,500	3,500	7,720	4,220
Contributions and donations	5,000	5,000	5,370	370
Miscellaneous revenue	15,000	15,000	25,529	10,529
Total revenues	10,935,010	11,541,780	11,914,141	372,361
EXPENDITURES				
Current:				
General Government:				
Governing body	179,130	174,980	158,413	16,567
Legislative committees	8,750	5,250	3,637	1,613
Chief executive	463,130	467,230	430,433	36,797
General administration	205,590	215,690	201,167	14,523
Financial administration	603,600	599,100	565,147	33,953
Accounting	30,000	34,500	34,500	-
Law	65,000	92,000	86,134	5,866
Data processing	296,350	271,600	230,542	41,058
General government building and plant	261,530	290,130	282,680	7,450
Public information	132,010	135,060	114,523	20,537
Total general government	$ 2,245,090	$ 2,285,540	$ 2,107,176	$ 178,364

(continued)

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

	Budgeted Amounts		Actual	Variance with Final Budget -
	Original	Final	Amounts	Positive(Negative)
EXPENDITURES (continued)				
Judicial	$ 350,440	$ 324,790	$ 298,827	$ 25,963
Public safety:				
Police administration	353,090	371,740	350,867	20,873
Criminal investigation	254,050	261,400	244,954	16,446
Patrol	2,297,478	2,305,278	2,225,400	79,878
Records and identification	119,460	137,660	133,481	4,179
Police training	106,220	109,670	101,984	7,686
Special detail services	50,000	41,000	35,438	5,562
Gateway patrol	17,200	18,700	17,633	1,067
Police stations and buildings	165,450	154,650	146,438	8,212
Dispatcher	432,970	432,970	410,832	22,138
Public relations	85,510	91,810	82,160	9,650
Total public safety	3,881,428	3,924,878	3,749,187	175,691
Public Works:				
Public works administration	1,513,880	1,523,640	1,422,776	100,864
Paved streets	117,800	16,420	14,507	1,913
Storm drainage	50,000	35,000	27,323	7,677
Total public works	1,681,680	1,575,060	1,464,606	110,454
Culture and recreation:				
Special facilities and activities	117,500	120,150	113,538	6,612
Park areas	144,100	183,720	163,777	19,943
Total culture and recreation	261,600	303,870	277,315	26,555
Housing and development:				
Protective inspection administration	137,110	157,710	117,146	40,564
Planning and zoning	410,520	401,530	379,682	21,848
Code enforcement	39,290	23,930	19,127	4,803
Economic development and assistance	290,640	290,890	270,778	20,112
Downtown Suwanee	70,400	93,970	84,969	9,001
Total housing and development	947,960	968,030	871,702	96,328
Debt service:				
Principal retirement	50,959	50,959	50,959	-
Interest and fiscal charges	1,463	1,463	1,463	-
Total debt service	52,422	52,422	52,422	-
Total expenditures	9,420,620	9,434,590	8,821,235	613,355
Excess of revenues over expenditures	1,514,390	2,107,190	3,092,906	985,716
OTHER FINANCING SOURCES (USES):				
Transfer in	167,300	155,300	159,779	4,479
Transfer out	(1,802,760)	(2,831,240)	(2,831,224)	16
Sale of capital assets	5,000	5,000	1,815	(3,185)
Total other financing sources (uses)	(1,630,460)	(2,670,940)	(2,669,630)	1,310
Net change in fund balances	(116,070)	(563,750)	423,276	987,026
FUND BALANCES - beginning of year	7,156,198	7,156,198	7,156,198	-
FUND BALANCES - end of year	$ 7,040,128	$ 6,592,448	$ 7,579,474	$ 987,026

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

proprietary funds statement of net assets
june 30, 2011

	Major Enterprise Fund Water & Sewer Fund
ASSETS	
Current assets:	
Cash and cash equivalents	$ 11,228
Receivables:	
Accounts	41,217
Total current assets	52,445
Noncurrent assets:	
Restricted assets:	
Cash and cash equivalents	3,985
Capital assets, nondepreciable	7,500
Capital assets, depreciable, net of accumulated depreciation	2,486,396
Total noncurrent assets	2,497,881
Total assets	2,550,326
LIABILITIES	
Current liabilities:	
Accounts payable	31,533
Due to other funds	39,445
Total current liabilities	70,978
Noncurrent Liabilities:	
Payable from restricted assets:	
Customer deposits payable	3,985
Total liabilities	74,963
NET ASSETS	
Invested in capital assets, net of related debt	2,493,896
Unrestricted	(18,533)
Total net assets	$ 2,475,363

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

proprietary funds statement of revenues, expenses and changes in fund net assets
year ended june 30, 2011

		Major Enterprise Fund Water & Sewer Fund
OPERATING REVENUES		
Water and sewer charges	$	97,113
Total operating revenues		97,113
OPERATING EXPENSES		
Salaries and benefits		17,043
Contracted services		28,396
Supplies		32,949
Depreciation		38,997
Total operating expenses		117,385
Operating income (loss)		(20,272)
NONOPERATING REVENUES (EXPENSES)		
Intergovernmental grant		192,018
Investment income		667
Interest expense		(14,528)
Total nonoperating revenues (expenses)		178,157
Income (loss) before transfers		157,885
Transfer in		150,000
Change in net assets		307,885
Total net assets - beginning of year		2,167,478
Total net assets - end of year	$	2,475,363

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

proprietary funds statement of cash flows
year ended june 30, 2011

	Major Enterprise Fund Water & Sewer Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	$ 90,533
Payments to employees	(17,043)
Payments to suppliers for goods and services	(62,977)
Net cash provided (used) by operating activities	10,513
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Payments from other fund	39,498
Transfer from other fund	150,000
Net cash provided by noncapital financing activities	189,498
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of capital asset	(289,696)
Principal paid on capital debt	(825,610)
Interest paid on capital debt	(14,528)
Issuance of notes payable	480,044
Capital grant	192,018
Net cash used by capital and related financing activities	(457,772)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest received	667
Net cash provided by investing activities	667
Net increase in cash and cash equivalents	(257,094)
Cash and cash equivalents - beginning	272,307
Cash and cash equivalents - ending	$ 15,213
Reconciliation of operating income to net cash provided by operating activities:	
Cash flows from operating activities	
Operating income (loss)	$ (20,272)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation	38,997
Change in assets and liabilities	
(Increase) decrease in accounts receivable	(6,231)
Increase (decrease) in accounts payable not related to a capital assets	(1,631)
Increase (decrease) in customer deposits	(350)
Net cash provided (used) by operating activities	$ 10,513

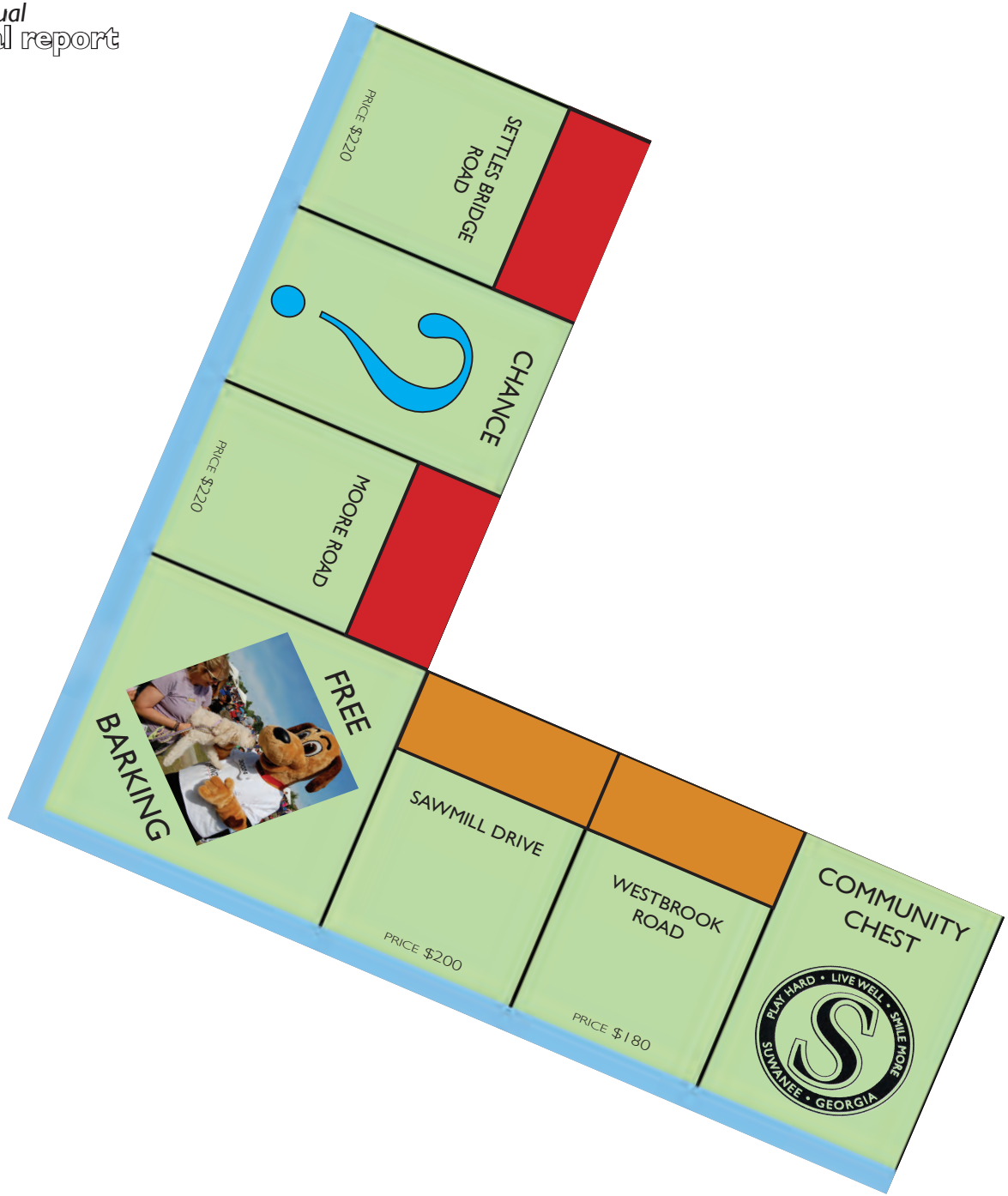
The notes to the financial statements are an integral part of these statements.

fiduciary fund statement of fiduciary assets and liabilities
june 30, 2011

		Agency Fund
ASSETS		
Cash and cash equivalents	$	68,843
Accounts receivable		392
Total assets		69,235
LIABILITIES		
Due to others		69,235
Total liabilities	$	69,235

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




PRICE $220
SETTLES BRIDGE ROAD
CHANCE
PRICE $220
MOORE ROAD
FREE
BARKING
SAWMILL DRIVE
PRICE $200
WESTBROOK ROAD
PRICE $180
COMMUNITY CHEST
PLAY HARD • LIVE WELL • SMILE MORE
SUWANEE • GEORGIA



notes to the financial statements

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NOTE 1
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

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

As required by accounting principles generally accepted in the United States of America, the financial statements of the reporting entity include those of the City (the primary government) and its component units. The component unit discussed below is included in the City's reporting entity because of the significance of its operational and financial relationships with the City. In conformity with GASB Statement No. 14, "The Financial Reporting Entity", the component unit's financial statements have been included as a discretely presented component unit which is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City.

> The Downtown Development Authority (the "DDA") has been included as a discretely presented component unit in the accompanying financial statements. The seven (7) members of the Downtown Development Authority are appointed by the City Council and the Authority's budget must be approved by the City Council.

Blended component units, although also legally separate entities, are in substance part of the City's operations, data from this unit is combined with the data of the City of Suwanee.

> The Urban Redevelopment Agency of the City of Suwanee was established as a legally separate entity on August 22, 2002. The five (5) members of the Urban Redevelopment Agency are appointed by the Mayor and City Council and they may also be removed by the Mayor and City Council. The Urban Redevelopment Agency provides a means to issue revenue bonds for development within the City. Although it is legally separate from the City, the Urban Redevelopment Agency is reported as if it were a part of the primary government because its sole purpose is to finance the City's acquisition of property within the City's redevelopment district.

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

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. (For the most part, the effect of interfund activity has been removed from these statements). Government-wide financial statements do not provide information by fund, but distinguish between the City's governmental activities and business-type activities. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from discretely presented component units. The statement of net assets will include noncurrent assets and noncurrent liabilities. In addition, the government-wide statement of activities reflects depreciation expense on the City's capital assets.

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

The ***General Fund*** is the City's primary operating fund. It is used to account for and report all financial resources traditionally associated with government, which are not accounted for and reported in another fund.

The ***Debt Service Fund*** accounts for and reports financial resources that are restricted to principal and interest expenditures.

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

The ***Other Capital Projects Fund*** accounts for and reports financial resources that are assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Funding is provided from local assigned funds.

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

The City reports the following major enterprise fund:

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

Additionally, the City reports the following fund types:

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

C. Measurement Focus and Basis of Accounting

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

Governmental fund financial statements are reported using the *current financial resources measurement* focus and the *modified accrual basis of* accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay for current obligations. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

NOTE 1
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

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

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise fund are charges for goods and services provided. Operating expenses of the enterprise funds include the cost of these goods and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. Cash and Investments

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

State statutes authorize the City to invest in: obligations of the United States, the State of Georgia and other political subdivisions of the State of Georgia, and other states; prime banker's acceptances; repurchase agreements; and the Georgia local government investment pool (Georgia Fund 1). The City's investments are reported at fair value, based on quoted market prices.

E. Interfund Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year as well as all other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

F. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities column in the government wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than $1,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

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

Assets	Years
Land improvements	50
Buildings	50
Public domain infrastructure	50 – 100
System infrastructure	10 – 40
Machinery,equipment and vehicles	3 - 30

G. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the City does not have a policy to pay any amounts when the employees separate from service with the City. All vacation pay is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

H. Long-Term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

I. Net Assets

Net assets in the statement of net assets are distinguished between amounts invested in capital assets (net of any related debt), amounts that are restricted for use by third parties or outside requirements, and amounts that are unrestricted.

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

J. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

K. Fund Balance

The City has implemented GASB Statement Number 54 which shifts the focus of fund balance reporting from the concept of availability of fund resources to the extent a government is bound to constraints on the specific purposes for which the funds can be spent. In the governmental fund financial statements, fund balance is reported in four classifications.

1. **Restricted**. Restricted fund balance encompasses the net fund resources subject to externally enforceable legal restrictions. Such restrictions would include 1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or 2) imposed by law through constitutional provisions or enabling legislation. The City has the following restricted fund balances:
   - Debt Service Fund - $1,329,495 externally imposed by bond covenant, for debt.
   - 2009 SPLOST Fund - $4,257,638 externally imposed by laws or regulations of other governments, for capital projects.
   - Other Governmental Funds - $1,519,275 externally imposed by grantors and laws or regulations of other governments. Of this amount, $1,329,069 is for capital projects, $99,475 for public safety, $42,265 for economic development, and $48,466 for cultural and recreation.

NOTE 1
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

2. **Committed**. Committed fund balance represents resources the use of which is constrained by limitations that the government imposes upon itself at the highest level of decision making, City Council, and can only be removed by formal action equivalent to the action taken to impose it. The City has committed $3,948,073 in the general fund for stabilization. The stabilization account consists of a minimum of four months of general fund expenditures and transfers. These funds were committed by the City Council by adopted resolution.

   The stabilization account reserves shall only be used to provide a short term solution to maintaining services until projected revenue growth or necessary expenditure reductions are achieved to balance the preceding budget. When it becomes necessary for the City to draw funds from the stabilization account, by formal action, the City will develop a plan to replenish the account to the minimum level from net revenue surpluses in subsequent fiscal year(s) until the balance is restored to the minimum level.

3. **Assigned**. Assigned fund balance includes the portion of fund balance that reflects the City's intended use of resources. Such intent was established by formal action of the City Council. Modifications require action by the City Council. These funds are expended last after all other revenue sources have been depleted. The City has the following assigned fund balances:

   - 2009 SPLOST Fund - $1,361,170 assigned by City Council for capital projects appropriation.
   - Other Capital Projects - $1,495,916 assigned by City Council for capital projects appropriation.
   - General Fund - $222,520 assigned by City Council to balance FY2012 budget.

4. **Unassigned**. Unassigned includes fund balance that has not been reported in any other classification. The City has $3,408,881 in unassigned general fund balance.

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

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

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net assets – governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains that "long-term liabilities are not due and payable in the current period and therefore are not reported in the funds." The details of this $20,988,960 difference are as follows:

Capital leases payable	$	10,795
Compensated absences payable		271,936
Bonds payable		20,706,229
Net adjustment to reduce fund balance – total governmental funds to arrive at net assets – governmental activities	$	20,988,960

NOTE 3
LEGAL COMPLIANCE
- BUDGETS

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

1. The City's annual budget is prepared based on anticipated revenues and appropriated expenditures. Revenue anticipation is designed to help ensure fiscal responsibility and maintain a balanced budget. Budgeting is the responsibility of the Mayor and the City Council members, with assistance provided by the City Manager and his designated staff persons.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to June 30, the budget is legally enacted by passage of an ordinance.
4. The budget was originally adopted on June 22, 2010. The level of legal budgetary control is at the department level. Council approval is required to increase or decrease the total budget of any department.
5. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are adopted for the General Fund, Special Revenue Funds, and Debt Service Funds. Project length budgets are adopted for all Capital Projects Funds.

Material supplementary budgetary changes were made to increase transfer out by ($1,028,480). These funds were used to offset the decreases made to projected 2009 SPLOST future sales tax receipts. Transfer of these local funds provided the necessary resources to maintain the current capital projects budgets for fiscal year 2012.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year end do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year. At June 30, 2011, there were no outstanding encumbrances.

NOTE 4
DEPOSITS AND INVESTMENTS

Custodial credit risk – deposits. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of June 30, 2011 the City has no uncollateralized deposits.

Georgia Fund 1. The City has deposits of $2,733,695 in the Georgia Fund 1, a local government investment pool managed by the State of Georgia Office of Treasury and Fiscal Services (OTFS). These deposits are considered cash equivalents for financial reporting purposes. Deposits in the Georgia Fund 1 represents ownership of a portion of a large pool, these amounts are not categorizable for custodial risk disclosure. The pooled deposits are not registered with the Securities and Exchange Commission (SEC) but are managed in a manner consistent with SEC's Rule 2a7 of the Investment Company Act of 1940. Accordingly, the City's deposits in the Georgia Fund 1 have been determined based on the pool's share price as adjusted to market.

At June 30, 2011, the City's deposits in the Georgia Fund 1 was rated AAAm by Standard & Poor's. Maturities had a 59 day weighted average and a fair value of $2,733,695.

Investments. At June 30, 2011, the City's investments consisted solely of certificates of deposit which do not qualify as cash equivalents under the City's policy. All certificates of deposit are covered under the custodial credit risk – deposit footnote above.

NOTE 5
RECEIVABLES

The City receives property tax assessments from Gwinnett County. Tax bills were levied on all real and personal property as of January 1, 2010 and were mailed to taxpayers on October 1, 2010. The due date for these taxes was December 20, 2010, and after that date, both penalty and interest are accrued until the taxes are collected. The lien date was January 1, 2011. Receivables are recorded when taxes are levied and billed (October 1).

Receivables at June 30, 2011 for the City's individual major funds and nonmajor funds in the aggregate are as follows. There is no allowance for uncollectible accounts related to these receivables.

	General	2009 SPLOST	Other Governmental Funds	Water and Sewer	Total
Receivables					
Property taxes	$ 592,526	$ -	$ -	$ -	$ 592,526
Due from other governments	10,000	338,315	-	-	348,315
Due from other funds	39,445	-	-	-	39,445
Other	139,756	-	34,708	41,217	215,681
Net total receivables	$ 781,727	$ 338,315	$ 34,708	$ 41,217	$ 1,195,967

NOTE 6
CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2011 is as follows:

	Beginning Balances	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	$ 11,772,858	$ 750,000	$ -	$ -	$ 12,522,858
Construction in progress	1,370,552	373,515	-	(1,490,036)	254,031
Total	13,143,410	1,123,515	-	(1,490,036)	12,776,889
Capital assets, being depreciated:					
Land improvements	2,866,279	-	-	-	2,866,279
Buildings and improvements	23,299,427	-	-	1,490,036	24,789,463
Machinery and equipment	2,408,807	180,526	(77,240)	-	2,512,093
Vehicles	1,314,383	94,593	(23,214)	-	1,385,762
Infrastructure	39,918,089	523,160	-	-	40,441,249
Total	69,806,985	798,279	(100,454)	1,490,036	71,994,846
Less accumulated depreciation for:					
Land improvements	175,375	271,102	-	-	446,477
Buildings and improvements	1,373,279	543,295	(3,076)	-	1,913,498
Machinery and equipment	790,231	222,331	(75,781)	-	936,781
Vehicles	796,454	141,745	(23,213)	-	914,986
Infrastructure	13,911,413	1,795,566	-	-	15,706,979
Total	17,046,752	2,974,039	(102,070)	-	19,918,721
Total capital assets, being depreciated, net	52,760,233	(2,175,760)	1,616	1,490,036	52,076,125
Governmental activities capital assets, net	$ 65,903,643	$ (1,052,245)	$ 1,616	$ -	$ 64,853,014

Business capital assets activity for the year ended June 30, 2011 is as follows:

	Beginning Balances	Increases	Decreases	Transfers	Ending Balance
Business-type activities/Water and Sewer fund:					
Capital assets, not being depreciated:					
Land	$ 7,500	$ -	$ -	$ -	$ 7,500
Construction in progress	333,883	253,441	-	(587,324)	-
Total	341,383	253,441	-	(587,324)	7,500
Capital assets, being depreciated:					
Land improvements	4,944	-	-	-	4,944
Machinery and equipment	34,566	-	-	-	34,566
Water system	2,404,447	-	-	587,324	2,991,771
Total	2,443,957	-	-	587,324	3,031,281
Less accumulated depreciation for:					
Land improvements	2,842	247	-	-	3,089
Machinery and equipment	9,853	1,758	-	-	11,611
Water system	493,193	36,992	-	-	530,185
Total	505,888	38,997	-	-	544,885
Total capital assets, being depreciated, net	1,938,069	(38,997)	-	587,324	2,486,396
Business-type activities capital assets, net	$ 2,279,452	$ 214,444	$ -	$ -	$ 2,493,896

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

Governmental activities	
General government	$ 178,598
Judicial	2,921
Public safety	246,452
Public works	1,917,470
Culture and recreation	614,005
Housing and development	14,593
Total depreciation expenses-governmental activities	$ 2,974,039

NOTE 7
LONG TERM DEBT

The following is a summary of long-term debt activity for the year ended June 30, 2011.

	Beginning Balances	Additions	Reductions	Ending Balances	Due Within One Year
Governmental activities					
Bonds payable					
General obligation bonds	$ 15,920,000	$ -	$ (465,000)	$ 15,455,000	$ 485,000
Add: Issuance Premium	24,607	-	(1,858)	22,749	-
Less: Deferred loss on refunding	(441,884)	-	33,362	(408,522)	-
Total general obligation bonds payable	15,502,723	-	(433,496)	15,069,227	485,000
Revenue bonds	5,900,000	-	(260,000)	5,640,000	270,000
Less: Issuance discount	(3,342)	-	344	(2,998)	-
Total revenue bonds payable	5,896,658	-	(259,656)	5,637,002	270,000
Capital leases	61,754	-	(50,959)	10,795	10,795
Compensated absences	251,093	203,195	(182,352)	271,936	87,020
Governmental activities long term liabilities	$ 21,712,228	203,195	(926,463)	20,988,960	852,815

For governmental activities, compensated absences and capital leases are generally liquidated by the General Fund.

	Beginning Balances	Additions	Reductions	Ending Balances	Due Within One Year
Business-type activities					
Notes payable	$ 679,449	$ 146,161	$ (825,610)	$ -	$ -

Capital Leases. The City has entered into lease agreements as lessee for financing the acquisition of vehicles and equipment. The lease agreements qualify as capital leases for accounting purposes (titles transfer at the end of the lease term) and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inceptions.

The cost of assets under capital leases as of June 30, 2011.

	Governmental Activities
Machinery, Equipment, and Vehicles	$ 94,316

The City's total capital lease debt service requirements to maturity are as follows:

Fiscal year ending June 30, 2012	$	11,113
Less amount representing interest		(318)
Present value of future minimum lease payments	$	10,795

2002 General Obligation Bonds. General obligation bonds are direct obligations and pledge the full faith and credit of the City. During the 2002 fiscal year, the City issued $17,695,000 in general obligation bonds to finance the costs of acquiring and improving land to be used for greenspace and passive park and recreational areas. In 2006, the City advance refunded a portion of the outstanding 2002 general obligation bonds series 2013 through 2032. The debt remaining after 2012 is considered defeased by the 2006 general obligation refunding series. The remaining bonds, maturing in January 2012, have interest rates that range from 6.0% to 7.0%. The amount of general obligation bonds outstanding at June 30, 2011 is $420,000.

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

Year ending June 30,		Principal		Interest
2012	$	420,000	$	12,600

2006 General Obligation Refunding Series. The 2006 general obligation refunding bonds in the amount of $15,250,000, were issued to advance refund a portion of the City's 2002 general obligation bond series, maturing January 2013 through 2032, the aggregate principal amount of $14,110,000. After the effect of refunding and defeasance of the refunding, the City had an outstanding balance of $17,195,000 in aggregate principal amount of the 2002 general obligation bonds and 2006 general obligation refunding bonds. The weighted average interest rate of the 2002 general obligation bonds is approximately 4.20% and the weighted average interest rate of the 2006 general obligation refunding bonds is approximately 5.15%. The City has determined that refunding the 2002 general obligation bonds will reduce the City's total debt service payments by approximately $1,019,146 on aggregate basis and by approximately $775,588 on a net present value basis, economic gain.

The bonds, maturing in January 2032, have interest rates that range from 4.0% to 4.3%. The amount of general obligation bonds outstanding at June 30, 2011 is $15,035,000.

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

Year ending June 30,		Principal		Interest
2012	$	65,000	$	629,074
2013		505,000		616,330
2014		525,000		593,811
2015		545,000		571,074
2016		570,000		547,380
2017 - 2021		3,185,000		2,361,202
2022 - 2026		3,870,000		1,645,244
2027 - 2031		4,710,000		748,710
2032		1,060,000		22,790
Total	$	15,035,000	$	7,735,615

NOTE 7
LONG TERM DEBT
(continued)

The net proceeds of the general obligation refunding bond issuance was irrevocably deposited in escrow with the Bank of New York Trust Company, as escrow agent. The escrow obligations will bear interest and will be scheduled to mature at times sufficient to pay the principal and premium interest on the refunding bonds until January 2012, the earliest date of redemption. At June 30, 2011 the amount of the defeased bonds outstanding was $14,110,000.

Revenue Bonds

2006 Urban Redevelopment Revenue Bonds. During fiscal year 2007, the City issued $6,620,000 in revenue bonds to finance the cost of a new City Hall. The bonds, maturing in January 2027, have interest rate that range from 3.50% to 3.85%. The amount of revenue bonds outstanding at June 30, 2011 is $5,640,000.

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

Year ending June 30,	Principal	Interest
2012	$ 270,000	$ 205,223
2013	275,000	195,773
2014	285,000	186,148
2015	295,000	176,173
2016	305,000	165,848
2017-2021	1,710,000	659,495
2022-2026	2,045,000	324,641
2027	455,000	17,518
Total	$ 5,640,000	$ 1,930,819

Notes Payable. During the year ended June 30, 2007, the Water and Sewer Fund closed out a construction loan, with Georgia Environmental Facilities Authority (GEFA), and converted the loan to an amortizing loan on October 31, 2006. At June 30, 2010, the amount outstanding was $339,965. During fiscal year 2011, the City paid the full remaining principal balance.

GEFA Construction loan. In fiscal year 2010, the City was awarded a GEFA construction loan for $480,044. In accordance with Title VII of Division A of the American Recovery and Reinvestment Act of 2009 (ARRA), GEFA agreed to forgive 40% of each principal and interest payment due on the loan. Construction was completed in fiscal year 2011. The principal amount of $288,026 of the construction loan and $5,601 of closing costs was paid to GEFA and $192,018, 40% of principal forgiveness, was recognized as a grant capital contribution during fiscal year 2011.

NOTE 8
INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

1. The composition of interfund transfers for the year ended June 30, 2011 is as follows:

Transfer In	Transfer Out	Amount
General fund	Non-major governmental funds	$ 159,779
Debt Service fund	General fund	1,715,540
2009 SPLOST fund	General fund	554,110
2009 SPLOST fund	Non-major governmental funds	524,141
Other Capital Projects fund	General fund	383,570
Non-major governmental funds	General fund	28,004
Water and Sewer fund	General fund	150,000
		$ 3,515,144

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that the statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

2. Interfund receivable and payable balances as of June 30, 2011, are as follows:

Due to	Due From		Amount
General fund	Water and Sewer fund	$	39,445

Interfund receivables and payables result from timing differences related to year end transactions which normally clear within one month.

NOTE 9
JOINT VENTURE

Under Georgia law, the City, in conjunction with other cities and counties in the ten (10) county Atlanta area, is a member of the Atlanta Regional Commission (Regional Development Center - RDC) and is required to pay annual dues thereto. During its fiscal year ended June 30, 2011, the City's membership dues were paid by Gwinnett County, Georgia. The City did not pay any annual dues. Membership in an RDC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the RDC in Georgia.

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

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

NOTE 10
PENSION PLAN

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

Defined Contribution Plan

The City of Suwanee Money Purchase Pension Plan, a defined contribution plan is administered by an insurance company, the Principal Financial Group. A participant is covered after ninety (90) days of service. The City is required to contribute 5% of annual covered payroll, with 100% of these funds going into a fixed-rate savings account. The City's total payroll for the fiscal year was $4,507,040, including $463,455 of payroll covered by this plan. Contributions by the City totaled $23,173 for the fiscal year ended June 30, 2011. Plan provisions and contribution requirements are established by City ordinance and may be amended by the Suwanee City Council.

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

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

Defined Benefit Plan

Employees electing to participate in the **Georgia Municipal Association Employee Pension Plan for the City of Suwanee**, (the GMA plan), ceased contributions to the 401(a) plan on November 1, 2005 and all related, subsequent contributions were made to the GMA plan. Prior full time service with the City was counted for eligibility for retirement and death benefits for vesting. The City contributed 20% of full time service with the City before November 1, 2005 towards the amount of benefits payable under the plan. Employees may use their funds in the 401(a) plan to purchase some or all of the remaining past service to increase the amount of benefits payable under the plan. The GMA plan currently requires an annual employee contribution of 2% and a City contribution of 4.67%. However, the City has elected to contribute at a higher rate of 11% for employer contributions. This rate was determined by a separate actuarial study that was performed in 2005 to provide for an even level of funding year to year and to prevent large fluctuation of pension contributions from year to year. Due to this difference in required contribution and contributions actual paid by the City, the statement of net assets reports a net pension asset of $811,258.

The GMA plan board elected to change the valuation schedule from November 1 to January 1 to assist the plan members with their financial forecasting and budgeting process. Commencing with the 2010 valuation, the annual contribution rate will not change until the commencement of a new fiscal year.

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

Membership

At June 30, 2011, the Plan consisted of the following:	
Retired participants and beneficiaries currently receiving benefits	2
Terminated participants and beneficiaries entitled to benefits, but not yet receiving benefits	14
Active participants	81
Total	97

Funding Policy. The City is required to contribute an actuarially determined amount annually to the Plan's trust. The plans contribution amount is determined using actuarial methods and assumptions approved by the GMA Plan of trustees and meets or exceeds the minimum contribution requirement contained in the State of Georgia statutes. However, as noted above, the City has chosen to contribute at a higher rate of 11% instead of the plan's contribution amount of 4.67%. This excess funding does not represent any additional postemployment benefit obligation to the City.

Annual Pension Cost. The City's annual pension cost and net pension obligation for the current year were determined as follows:

Derivation of annual pension cost		June 30, 2011
Annual required contribution	$	161,429
Interest on net pension asset		(17,402)
Adjustment of net pension asset		17,402
Annual pension cost	$	161,429

Fiscal Year Beginning	Annual Pension Costs (APC)	Actual City Contribution	Percentage of APC Contributed	Net Pension Asset
7/1/2008	$ 149,951	$ 375,925	251%	$ 399,365
7/1/2009	167,828	368,203	219%	599,740
7/1/2010	161,429	372,947	231%	811,258

Basis of Valuation	
Valuation date	January 1, 2011
Actuarial cost method	Aggregate: Because the aggregate method does not identify or separately amortize unfunded actuarial liabilities, information about funded status and funding progress has been prepared using the entry age actuarial cost method for that purpose and the information presented is intended to serve as a surrogate for the funded status and funding progress of the plan.
Amortization method	n/a – Aggregate method does not identify or separately amortize unfunded actuarial accrued liabilities.
Remaining amortization period	n/a
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 year end. The actuarial value is adjusted, if necessary, to be within 20% of market value.
Actuarial assumptions:	
Investment rate of return	7.75%
Projected salary increases	4.25%
Cost of living adjustments	0.00%
Expected annual inflation	3.50%

NOTE 10
PENSION PLAN
(continued)

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability* (AAL) (b)	Unfunded/(Surplus) AAL (UAAL) (b) – (a)	Funded Ratio (a)/(b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ** ((b)-(a))/(c)
01/01/2011	$ 3,266,897	$ 1,949,792	$ (1,317,155)	167.55%	$ 3,398,142	0.00%

* Calculated under the Entry Age actuarial cost method.
** Not less than zero

The required schedule of funding progress immediately following the notes to the financial statements presents multi-year trend information about whether the actuarial value of the plan new assets is increasing or decreasing over time relative to the actuarial accrued liability.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of January 1, 2011.

NOTE 11
RISK MANAGEMENT

The City is exposed to various risks of losses related to: torts, thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has joined together with other municipalities in the state as part of the Georgia Interlocal Risk Management Agency Property and Liability Insurance Fund and the Georgia Municipal Association Group Self-Insurance Workers Compensation Fund, public entity risk pools currently operating as common risk management and insurance programs for member local governments.

A 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, and in accordance with any coverage descriptions issued, all incidents which could result 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.

Settled claims in the past three (3) years have not exceeded insurance coverage.

NOTE 12
COMMITMENTS AND
CONTINGENCIES

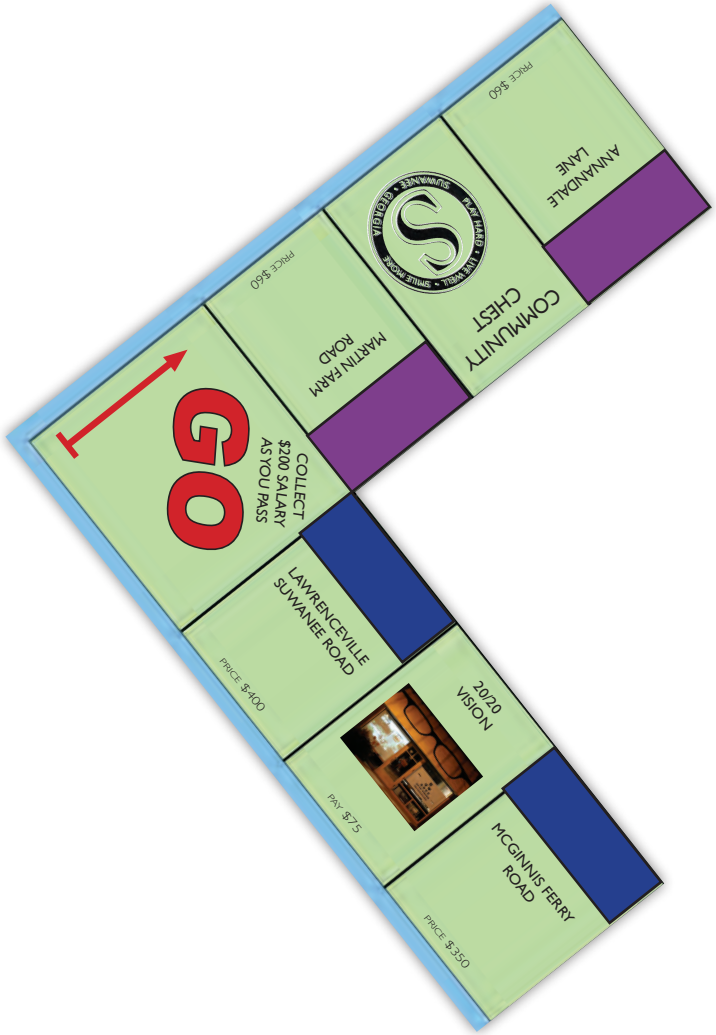
Contractual Commitments:
In addition to the liabilities enumerated in the balance sheet at June 30, 2011, the City has contractual commitments on uncompleted contracts of approximately $140,820 for trail renovation and police substation design.

Litigation:
The City is involved in several pending lawsuits in the normal course of the City's business. Liability, if any, which might result from these proceedings, would not, in the opinion of management and legal counsel, have a material adverse effect on the financial position of the City.

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

NOTE 13
HOTEL MOTEL TAX

The City believes it is in compliance with OCGA Section 36-81-7 related to the disbursement of hotel/motel taxes collected. Obligated collections were $373,400 as reported in the City's Hotel/Motel Tax Fund. Expenditures and transfers totaled $365,930 leaving a fund balance of $24,788 to be used for tourism and trade.





Parker at Woofstock



required supplementary information

required supplementary information defined benefit pension plan

Required Supplementary Information Schedule of Funding Progress (unaudited)

Actuarial Valuation Date		Actuarial Value of Assets (a)		Actuarial Accrued Liability[1] (AAL) (b)	Funding Ratio (a)/(b)		Unfunded/(Surplus) AAL(UAAL) (b) – (a)		Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b) – (a))/(c)
11/1/06	$	1,233,052	$	1,193,207	103.34%	$	(39,845)	$	2,540,356	-1.57%
11/1/07		1,671,429		1,399,596	119.42%		(271,833)		2,663,043	-10.21%
11/1/08		2,110,054		1,662,754	126.90%		(447,300)		3,167,880	-14.12%
1/1/2010[2]		2,697,575		1,608,679	167.69%		(1,088,896)		3,340,099	-32.60%
1/1/11		3,266,897		1,949,742	167.55%		(1,317,155)		3,398,142	-38.76%

NOTES:

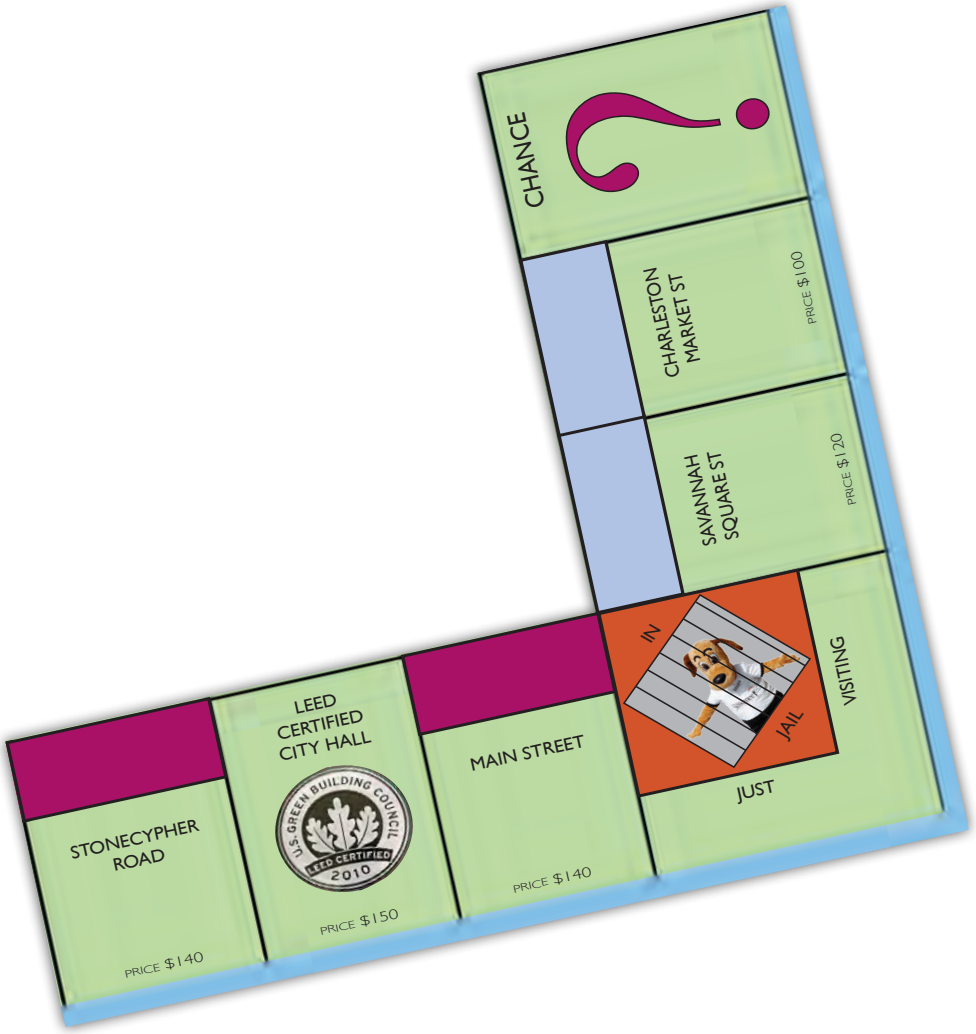
(1) Calculated under the Entry Age actuarial cost method.

(2) The GMA plan board elected to change the valuation schedule from November 1 to January 1 to assist the plan members with their financial forecasting and budget process. Commencing with the 2010 valuation, the annual contribution rate will not change until the commencement of a new fiscal year.

The assumptions used in the preparations of the above schedules are disclosed in Note 10 to the financial statements.

Complete financial statements for Suwanee's Defined Benefit Plan can be obtained at the following address:

City of Suwanee
Human Resource Department
330 Town Center Avenue
Suwanee, Georgia 30024


CHANCE
CHARLESTON MARKET ST
PRICE $100
SAVANNAH SQUARE ST
PRICE $120
IN
JAIL
VISITING
JUST
MAIN STREET
PRICE $140
LEED CERTIFIED CITY HALL
U.S. GREEN BUILDING COUNCIL
LEED CERTIFIED
2010
PRICE $150
STONECYPHER ROAD
PRICE $140



governmental funds

special revenue

Suwanee Day	The purpose of the Suwanee Day Festival is to provide a high-quality family festival for the citizens of Suwanee. The festival is self-funded whereby it generates sponsorship dollars to offset the cost of the festival. These funds are restricted by contribution requirements from sponsors.
Public Art	The City Council-appointed Public Arts Commission was established to work with and encourage developers to include public art or support public art as a component of new projects and to create programs that bring and promote public art in Suwanee. The Suwanee Public Arts Partnership, a volunteer-based organization, was launched to raise funds for and build community awareness of public art initiatives. These funds are restricted by contribution requirements from sponsors.
Cemetery	This fund was created to receive donations and contributions for the Jackson Street, Shadowbrook, and the Sims Lake cemetery projects. These funds are restricted by contribution requirements from sponsors.
Confiscated Assets	Georgia law allows police agencies to file for seizure of property related to illegal substances or activities. These funds must be used, under federal and state law, to purchase police equipment. Suwanee also participates in the State Drug Task force.
Community Garden	Suwanee's Community Garden, Harvest Farm, was established in 2010 to offer residents and members of the community the opportunity to enjoy nature, build community, learn about gardening and grow fresh produce. Contributions to this fund include plot rental fees and donations received from corporations, individuals, and citizen groups. These funds are restricted by plot rental agreements and contribution requirements from sponsors.
Hotel/Motel Tax	This fund accounts for the accommodation taxes collected from the 7% Hotel/Motel tax. These revenues are collected on a monthly basis from each hotel or motel in Suwanee. By state law, the City is required to spend 57% of the collections on programs and initiatives that promote tourism.

capital projects

2005 SPLOST	The special purpose local option sales tax (splost) fund accounts for the financial resources provided from a one-cent special local option sales tax approved by Gwinnett County voters in 2004.
Open/Green Space	This fund accounts for the financial resources provided from the 2002 General Obligation Bond Issue. In March 2002, $17.7 million in general obligation bonds were issued to fund the purchase of land and green space. The remaining balance was transferred to the 2009 SPLOST fund.
Tax Allocation District	Suwanee's Tax Allocation District (TAD) was created to revitalize Suwanee's commercial district along I-85, Suwanee's Gateway through capital investment. Funds obtained through the creation of a tax allocation district will ignite additional private investment and growth.

SPECIAL REVENUE

	Suwanee Day	Public Art	Cemetery Fund	Confiscated Assets	Community Garden	Hotel/Motel Tax	Total
ASSETS							
Cash and cash equivalents	$ 17,477	$ 23,778	$ 14,590	$ 59,392	$ 10,098	$ 18,772	$ 144,107
Investments	-	-	-	40,083	-	-	40,083
Accounts receivable							
Other	-	-	-	-	-	34,708	34,708
Total assets	$ 17,477	$ 23,778	$ 14,590	$ 99,475	$ 10,098	$ 53,480	$ 218,898
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ 28,692	$ 28,692
Total liabilities	-	-	-	-	-	28,692	28,692
Fund Balances:							
Restricted	17,477	23,778	14,590	99,475	10,098	24,788	190,206
Total fund balances	17,477	23,778	14,590	99,475	10,098	24,788	190,206
Total liabilities and fund balances	$ 17,477	$ 23,778	$ 14,590	$ 99,475	$ 10,098	$ 53,480	$ 218,898

CAPITAL PROJECTS

	2005 SPLOST	Open/Green Space	Tax Allocation District	Total	Total Non-major Governmental Funds
ASSETS					
Cash and cash equivalents	$ 292,066	$ -	$ 3,979	$ 296,045	$ 440,152
Investments	909,349	-	126,050	1,035,399	1,075,482
Accounts receivable					
Other	-	-	-	-	34,708
Total assets	$ 1,201,415	$ -	$ 130,029	$ 1,331,444	$ 1,550,342
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	$ 2,375	$ -	$ -	$ 2,375	$ 31,067
Total liabilities	2,375	-	-	2,375	31,067
Fund Balances:					
Restricted	1,199,040	-	130,029	1,329,069	1,519,275
Total fund balances	1,199,040	-	130,029	1,329,069	1,519,275
Total liabilities and fund balances	$ 1,201,415	$ -	$ 130,029	$ 1,331,444	$ 1,550,342

SPECIAL REVENUE

	Suwanee Day	Public Art	Cemetery Fund	Confiscated Assets	Community Garden	Hotel/Motel Tax	Total
REVENUES							
Hotel/motel taxes	$ -	$ -	$ -	$ -	$ -	$ 373,400	$ 373,400
Intergovernmental	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	83,264	-	-	83,264
Investment income	44	20	22	226	17	41	370
Rental income	-	-	-	-	4,634	-	4,634
Contributions and donations	73,572	31,310	-	-	1,656	-	106,538
Total revenues	73,616	31,330	22	83,490	6,307	373,441	568,206
EXPENDITURES							
Current:							
Police	-	-	-	81,116	-	-	81,116
Culture and recreation	74,529	16,984	-	-	4,046	-	95,559
Tourism and trade	-	-	-	-	-	206,151	206,151
Capital outlay	-	-	-	-	-	-	-
Total expenditures	74,529	16,984	-	81,116	4,046	206,151	382,826
Excess of revenues over (under) expenditures	(913)	14,346	22	2,374	2,261	167,290	185,380
OTHER FINANCING SOURCES (USES)							
Transfer in	-	-	-	-	-	-	-
Transfer out	-	-	-	-	-	(159,779)	(159,779)
Total other financing sources (uses)	-	-	-	-	-	(159,779)	(159,779)
Net change in fund balances	(913)	14,346	22	2,374	2,261	7,511	25,601
FUND BALANCES - beginning of year	18,390	9,432	14,568	97,101	7,837	17,277	164,605
FUND BALANCES - end of year	$ 17,477	$ 23,778	$ 14,590	$ 99,475	$ 10,098	$ 24,788	$ 190,206

CAPITAL PROJECTS

	2005 SPLOST	Open/Green Space	Tax Allocation District	Total	Total Non-major Governmental Funds
REVENUES					
Hotel/motel taxes	$ -	$ -	$ -	$ -	$ 373,400
Intergovernmental	6,642	-	-	6,642	6,642
Fines and forfeitures	-	-	-	-	83,264
Investment income	7,864	824	642	9,330	9,700
Rental income	-	-	-	-	4,634
Contributions and donations	-	-	-	-	106,538
Total revenues	14,506	824	642	15,972	584,178
EXPENDITURES					
Current:					
Police	-	-	-	-	81,116
Culture and recreation	-	-	-	-	95,559
Tourism and trade	-	-	-	-	206,151
Capital outlay	191,633	85,710	-	277,343	277,343
Total expenditures	191,633	85,710	-	277,343	660,169
Excess of revenues over (under) expenditures	(177,127)	(84,886)	642	(261,371)	(75,991)
OTHER FINANCING SOURCES (USES)					
Transfer in	-	-	28,004	28,004	28,004
Transfer out	(79,349)	(444,792)	-	(524,141)	(683,920)
Total other financing sources (uses)	(79,349)	(444,792)	28,004	(496,137)	(655,916)
Net change in fund balances	(256,476)	(529,678)	28,646	(757,508)	(731,907)
FUND BALANCES - beginning of year	1,455,516	529,678	101,383	2,086,577	2,251,182
FUND BALANCES - end of year	$ 1,199,040	$ -	$ 130,029	$ 1,329,069	$ 1,519,275

schedule of revenues, expenditures and changes in fund balances

budget and actual year ended june 30, 2011

SUWANEEDAY

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Investment income	$ 250	$ 250	$ 44	$ (206)
Contributions and donations	77,500	77,500	73,572	(3,928)
Total revenues	77,750	77,750	73,616	(4,134)
EXPENDITURES				
Current:				
Culture and recreation	77,750	77,750	74,529	3,221
Total expenditures	77,750	77,750	74,529	3,221
Excess of revenues over (under) expenditures	-	-	(913)	(913)
Net change in fund balances	-	-	(913)	(913)
FUND BALANCES - beginning of year	18,390	18,390	18,390	-
FUND BALANCES - end of year	$ 18,390	$ 18,390	$ 17,477	$ (913)

PUBLICART

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Investment income	$ 500	$ 500	$ 20	$ (480)
Contributions and donations	80,000	80,000	31,310	(48,690)
Total revenues	80,500	80,500	31,330	(49,170)
EXPENDITURES				
Current:				
Culture and recreation	80,500	80,500	16,984	63,516
Total expenditures	80,500	80,500	16,984	63,516
Excess of revenues over expenditures	-	-	14,346	14,346
Net change in fund balances	-	-	14,346	14,346
FUND BALANCES - beginning of year	9,432	9,432	9,432	-
FUND BALANCES - end of year	$ 9,432	$ 9,432	$ 23,778	$ 14,346

CEMETERY

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Investment income	$ 100	$ 100	$ 22	$ (78)
Total revenues	100	100	22	(78)
EXPENDITURES				
Current:				
Public works	14,600	14,600	-	14,600
Total expenditures	14,600	14,600	-	14,600
Excess of revenues over (under) expenditures	(14,500)	(14,500)	22	14,522
Net change in fund balances	(14,500)	(14,500)	22	14,522
FUND BALANCES - beginning of year	14,568	14,568	14,568	-
FUND BALANCES - end of year	$ 68	$ 68	$ 14,590	$ 14,522

CONFISCATED ASSETS

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Fines and forfeitures	$ 99,000	$ 99,000	$ 83,264	$ (15,736)
Investment income	250	250	226	(24)
Total revenues	99,250	99,250	83,490	(15,760)
EXPENDITURES				
Current:				
Public safety	99,250	99,250	81,116	18,134
Total expenditures	99,250	99,250	81,116	18,134
Excess of revenues over expenditures	-	-	2,374	2,374
Net change in fund balances	-	-	2,374	2,374
FUND BALANCES - beginning of year	97,101	97,101	97,101	-
FUND BALANCES - end of year	$ 97,101	$ 97,101	$ 99,475	$ 2,374

COMMUNITY GARDEN

	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES				
Investment income	$ 100	$ 100	$ 17	$ (83)
Rental Income	4,300	4,300	4,634	334
Contributions and donations	4,500	4,500	1,656	(2,844)
Total revenues	8,900	8,900	6,307	(2,593)
EXPENDITURES				
Current:				
Culture and recreation	8,900	8,900	4,046	4,854
Total expenditures	8,900	8,900	4,046	4,854
Excess of revenues over expenditures	-	-	2,261	2,261
Net change in fund balances	-	-	2,261	2,261
FUND BALANCES - beginning of year	7,837	7,837	7,837	-
FUND BALANCES - end of year	$ 7,837	$ 7,837	$ 10,098	$ 2,261

HOTEL/MOTEL TAX

	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES				
Hotel/motel taxes	$ 389,070	$ 389,070	$ 373,400	$ (15,670)
Investment income	610	610	41	(569)
Total revenues	389,680	389,680	373,441	(16,239)
EXPENDITURES				
Current:				
Tourism and trade	222,380	222,380	206,151	16,229
Total expenditures	222,380	222,380	206,151	16,229
Excess of revenues over (under) expenditures	167,300	167,300	167,290	(10)
OTHER FINANCING SOURCES (USES)				
Transfer out	(167,300)	(167,300)	(159,779)	7,521
Net change in fund balances	-	-	7,511	7,511
FUND BALANCES - beginning of year	17,277	17,277	17,277	-
FUND BALANCES - end of year	$ 17,277	$ 17,277	$ 24,788	$ 7,511

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Investment income	$ 7,000	$ 7,000	$ 2,764	$ (4,236)
Total revenues	7,000	7,000	2,764	(4,236)
EXPENDITURES				
Debt Service:				
Principal retirement	725,000	725,000	725,000	-
Interest	885,440	885,440	880,877	4,563
Fiscal agent fees	2,250	2,250	-	2,250
Total expenditures	1,612,690	1,612,690	1,605,877	6,813
Excess of revenues over (under) expenditures	(1,605,690)	(1,605,690)	(1,603,113)	2,577
OTHER FINANCING SOURCES				
Transfer in	1,605,690	1,605,690	1,715,540	109,850
Total other financing sources	1,605,690	1,605,690	1,715,540	109,850
Net change in fund balances	-	-	112,427	112,427
FUND BALANCES - beginning of year	1,201,842	1,201,842	1,217,068	15,226
FUND BALANCES - end of year	$ 1,201,842	$ 1,201,842	$ 1,329,495	$ 127,653

SPLOST 2005

Description	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year	Total
Roads, Streets & Bridges	$ 4,642,660	$ 4,972,857	$ 3,845,713	$ 97,790	$ 3,943,503
Recreational Facilities	900,000	1,031,364	909,507	6,168	915,675
Public Safety Facilities and Equipment	1,054,400	1,158,067	1,070,392	87,675	1,158,067
	$ 6,597,060	$ 7,162,288	$ 5,825,612	$ 191,633	$ 6,017,245

NOTE:
(1) The financial statements include a transfer out of $79,349. This transfer was necessary to move funds recorded as 2005 SPLOST, in a prior period, to 2009 SPLOST and are not actual program expenditures

SPLOST 2009

Description	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year	Total
Administrative Buildings	$ 118,780	$ 80,802	$ 70,117	$ 10,685	$ 80,802
Recreational Facilities	2,256,827	1,930,958	314,099	22,269	336,368
Parking Facilities	2,256,780	2,035,585	18,950	1,665	20,615
Public Safety Facilities and Equipment	1,781,710	1,532,302	1,900	76,345	78,245
Roads, Streets & Bridges	5,463,953	4,777,218	36,140	-	36,140
	$ 11,878,050	$ 10,356,865	$ 441,206	$ 110,964	$ 552,170

Amounts reported for 2009 SPLOST current year expenditures are different because:	
Current year expenditures	$ 110,964
Capital Outlay using local funds	834,386
Total 2009 SPLOST expenditures (1)	$ 945,350

NOTE:
(1) Reconciliation to the statement of governmental funds statement of revenues, expenditures, and changes in fund balances, page 30.


S30024330
Amie Sakraar
Director of Finance
ONE DOLLAR
FIVE DOLLARS
TEN DOLLARS
TWENTY DOLLARS
50
DOLLARS
PARKER

agency fund

agency fund

Municipal Court Fund - Accounts for the collection of various fines and forfeitures (mostly traffic violations) which are disbursed to other parties.



statement of changes in fiduciary assets and liabilities

year ended june 30, 2011

MUNICIPAL COURT

	Balance June 30, 2010	Increases	Decreases	Balance June 30, 2011
Cash and cash equivalents	$ 47,693	$ 1,870,783	$ 1,849,633	$ 68,843
Accounts receivable	-	1,474	1,082	392
Total assets	47,693	1,872,257	1,850,715	69,235
Due to others	47,693	1,872,257	1,850,715	69,235
Total liabilities	$ 47,693	$ 1,872,257	$ 1,850,715	$ 69,235

component unit



component unit

Downtown Development Authority - The mission of the Downtown Development Authority of the City of Suwanee is to revitalize, create, and historically preserve and maintain Old Town Suwanee so that it is a symbol of community pride, making it the heart of the City, and a visible example of why Suwanee is a great place to live, work, play, invest, and do business.



Parker in Old Town Suwanee

		Downtown Development Authority
ASSETS		
Cash and cash equivalents	$	45,601
Total assets		45,601
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable		2,525
Total Liabilities		2,525
Fund Balances:		
Unassigned		43,076
Total fund balances		43,076
Total liabilities and fund balances	$	45,601
Reconciliation of the balance sheet to the statement of net assets:		
Fund balance	$	43,076
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		354,375
Net assets of governmental activities	$	397,451

statement of revenues, expenditures and changes in fund balance

year ended june 30, 2011

		Downtown Development Authority
REVENUES		
Investment income	$	45
Contributions and donations		11,270
Total revenues		11,315
EXPENDITURES		
Current:		
Housing and development		10,347
Total expenditures		10,347
Excess of revenues		
over expenditures		968
FUND BALANCES - beginning of year		42,108
FUND BALANCES - end of year	$	43,076
Reconciliation of the statement of revenues, expenditures, and changes in fund balance to the statement of activities:		
Net change in fund balance	$	968
Governmental funds report capital outlay as expenditures. However, in the Government-wide Statement of Activities and Changes in Net Assets, the costs of those assets are allocated over their estimated useful lives as depreciation expense.		
Depreciation expense		(8,100)
Changes in net assets of governmental activities	$	(7,132)

component unit

schedule of revenues, expenditures and changes in fund balances

budget and actual year ended june 30, 2011

	Budgeted Amounts		Actual	Variance with Final
	Original	Final	Amounts	Budget -Positive (Negative)
REVENUES				
Investment income	$ 500	$ 500	$ 45	$ (455)
Contributions and donations	19,500	19,500	11,270	(8,230)
Total revenues	20,000	20,000	11,315	(8,685)
EXPENDITURES				
Current:				
Housing and development	20,000	20,000	10,347	9,653
Total expenditures	20,000	20,000	10,347	9,653
Excess of revenues over expenditures	-	-	968	968
FUND BALANCES - beginning of year	42,108	42,108	42,108	-
FUND BALANCES - end of year	$ 42,108	$ 42,108	$ 43,076	$ 968



statistical section

statistical section

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

contents.....page

financial trends.....S-2
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

revenue capacity..... S-10
These schedules contain information to help the reader assess the City's most significant local revenue source, property taxes.

debt capacity..... S-14
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

demographic and economic information..... S-17
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

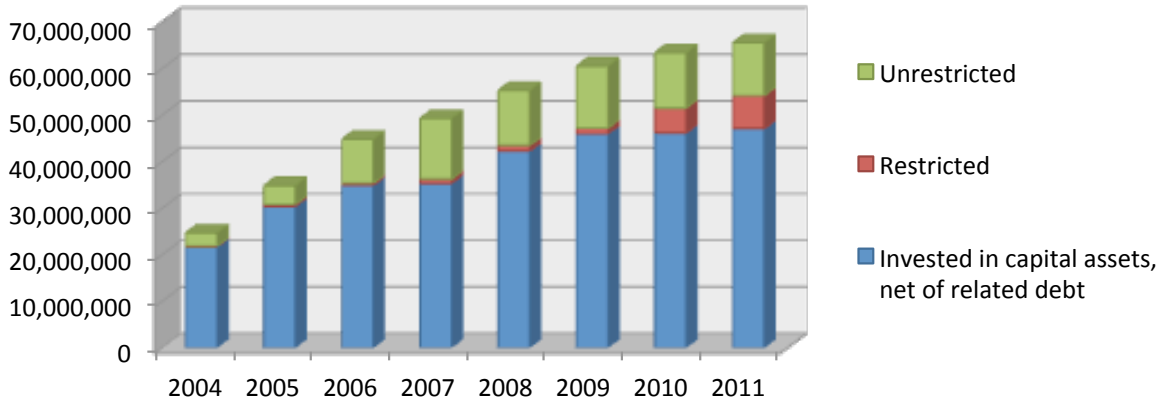
operating information..... S-19
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the government provides and the activities it performs.

Sources:
Unless otherwise noted, the information in these schedules is derived from the comprehensive financial reports for the relevant year. The City implemented GASB statement 34 for fiscal year June 30, 2004; schedules presenting government-wide information start with fiscal year 2004.

net assets by component
last eight fiscal years (accrual basis of accounting)

	Fiscal Year							
	2004	2005	2006	2007	2008	2009	2010	2011
Governmental activities [1]								
Invested in capital assets, net of related debt	$ 19,798,930	$ 28,249,009	$ 33,073,810	$ 33,646,308	$ 40,607,100	$ 44,325,054	$ 44,567,430	$ 44,574,711
Restricted	119,246	412,328	431,859	896,330	1,187,335	1,201,842	5,324,060	7,106,408
Unrestricted	2,834,037	4,286,986	9,364,267	12,900,880	11,627,299	13,062,447	11,357,212	11,402,670
Total governmental activities net assets	22,752,213	32,948,323	42,869,936	47,443,518	53,421,734	58,589,343	61,248,702	63,083,789
Business-type activities [2]								
Invested in capital assets, net of related debt	1,870,458	2,095,895	1,843,832	1,679,987	1,654,001	1,636,320	1,600,503	2,493,896
Unrestricted	40,893	(212,792)	91,143	168,686	238,701	307,676	566,975	(18,533)
Total business-type activities net assets	1,911,351	1,883,103	1,934,975	1,848,673	1,892,702	1,943,996	2,167,478	2,475,363
Primary government								
Invested in capital assets, net of related debt	21,669,388	30,344,904	34,917,642	35,326,295	42,261,101	45,961,374	46,167,933	47,068,607
Restricted	119,246	412,328	431,859	896,330	1,187,335	1,201,842	5,324,060	7,106,408
Unrestricted	2,874,930	4,074,194	9,455,410	13,069,566	11,866,000	13,370,123	11,924,187	11,384,137
Total primary government net assets	$ 24,663,564	$ 34,831,426	$ 44,804,911	$ 49,292,191	$ 55,314,436	$ 60,533,339	$ 63,416,180	$ 65,559,152

Primary Government Net Assets



NOTES:

(1) 2005 Unrestricted net assets growth is due to the 2004 special purpose local option sales tax (SPLOST) revenue received from Gwinnett County for future construction projects. Growth in 2008 and 2009 is related to the construction of the New City Hall. Growth in 2010 is related to the 2009 SPLOST revenue received from Gwinnett County for future construction projects.

(2) Business-type activities growth in 2010 net assets is due to the GEFA construction loan for $480,044. In accordance with Title VII of Division A of the American Recovery and Reinvestment Act of 2009 (ARRA), GEFA agrees to forgive 40% of each principal and interest payment due on the loan. In fiscal year 2011, the City closed the 2010 GEFA construction loan and paid the remaining 60% balance due on the loan. The City also paid the balance of a 2007 GEFA loan, thereby eliminating all notes payable from the business type activities.



Parker at Harvest Farm Park

changes in net assets
last eight fiscal years (accrual basis of accounting)

	Fiscal Year							
	2004	2005	2006	2007	2008	2009	2010	2011
Expenses								
Governmental activities:								
General government	$ 1,202,975	$ 1,385,716	$ 1,464,204	$ 1,772,717	$ 2,139,085	$ 2,126,146	$ 2,099,857	$ 2,322,019
Judicial	213,200	236,030	273,744	338,893	375,035	381,887	313,015	292,492
Police	2,384,653	2,643,854	2,800,988	3,117,470	3,364,444	3,524,548	3,664,152	3,820,293
Public works [1]	1,334,086	1,742,494	1,697,500	3,139,104	3,005,155	3,663,485	3,288,472	3,571,459
Culture and recreation	146,780	185,431	359,366	445,790	523,503	464,973	404,798	986,196
Housing and development [2]	641,826	1,166,798	811,030	1,030,864	1,172,061	959,983	854,357	836,946
Tourism and trade	134,362	184,247	95,361	106,490	150,132	379,703	313,034	206,151
Interest on long-term debt	980,909	943,654	890,884	984,469	1,001,643	964,856	924,622	882,684
Total governmental activities expenses	7,038,791	8,488,224	8,393,077	10,935,797	11,731,058	12,465,581	11,862,307	12,918,240
Business-type activities:								
Water and sewer	71,267	102,649	89,076	221,391	121,573	163,963	127,954	131,913
Total business-type activities expenses	71,267	102,649	89,076	221,391	121,573	163,963	127,954	131,913
Total primary government expenses	$ 7,110,058	$ 8,590,873	$ 8,482,153	$ 11,157,188	$ 11,852,631	$ 12,629,544	$ 11,990,261	$ 13,050,153
Program revenues								
Governmental activities:								
Charge for services:								
General government	$ 164,643	$ 157,176	$ 153,187	$ 191,775	$ 181,725	$ 192,180	$ 186,490	$ 187,156
Police	977,670	1,049,768	1,099,754	1,598,134	1,398,958	1,119,116	1,388,226	1,315,848
Public works	376	118	3,428	-	-	-	-	-
Culture and recreation	-	-	-	44,603	40,017	13,260	11,086	19,363
Housing and development [3]	298,109	842,076	1,222,129	958,265	940,952	183,967	167,414	262,091
Operating grants and contributions	1,685,783	70,721	112,663	15,878	56,104	101,024	105,380	136,876
Capital grants and contributions [4]	2,258,052	10,352,655	7,591,307	3,746,820	3,855,487	5,000,464	2,138,237	2,572,310
Total governmental activities program revenues	5,384,633	12,472,514	10,182,468	6,555,475	6,473,243	6,610,011	3,996,833	4,493,644
Business-type activities:								
Charge for services:								
Water and sewer	56,849	73,964	103,714	97,296	93,405	64,658	62,501	97,113
Capital grants and contributions [5]	-	-	-	-	-	-	-	192,018
Total business-type activities program revenues	56,849	73,964	103,714	97,296	93,405	64,658	62,501	289,131
Total primary government program revenues	$ 5,441,482	$ 12,546,478	$ 10,286,182	$ 6,652,771	$ 6,566,648	$ 6,674,669	$ 4,059,334	$ 4,782,775
Net (expense)/revenue								
Governmental activities	$ (1,654,158)	$ 3,984,290	$ 1,789,391	$ (4,380,322)	$ (5,257,815)	$ (5,855,570)	$ (7,865,474)	$ (8,424,596)
Business-type activities	(14,418)	(28,685)	14,638	(124,095)	(28,168)	(99,305)	(65,453)	157,218
Total primary government net expenses	$ (1,668,576)	$ 3,955,605	$ 1,804,029	$ (4,504,417)	$ (5,285,983)	$ (5,954,875)	$ (7,930,927)	$ (8,267,378)

(continued)

	Fiscal Year							
	2004	2005	2006	2007	2008	2009	2010	2011
General revenues and other changes in net assets								
Governmental activities:								
Taxes								
Property taxes	$ 3,410,401	$ 3,525,468	$ 3,892,897	$ 4,553,033	$ 5,371,353	$ 5,984,107	$ 6,254,003	$ 5,801,792
Franchise fees	618,509	714,216	851,466	982,694	1,521,682	1,777,986	1,694,211	1,825,464
Alcoholic beverage taxes	601,034	646,093	759,968	799,075	794,986	795,413	784,189	836,438
Other taxes	1,363,554	1,592,896	1,720,586	1,894,874	1,976,529	2,019,643	1,826,442	1,812,445
Rental Income	-	-	-	-	-	175,000	-	-
Unrestricted investment earnings	249,547	236,064	368,047	741,932	911,384	373,582	231,739	105,368
Miscellaneous	-	30,272	18,397	18,696	42,697	47,448	21,699	28,176
Transfers	-	-	(36,400)	(36,400)	(70,600)	(150,000)	(287,450)	(150,000)
Special item gain on sale of capital asset [6]	-	1,445,096	557,261	-	688,000	-	-	-
Total governmental activities	6,243,045	8,190,105	8,132,222	8,953,904	11,236,031	11,023,179	10,524,833	10,259,683
Business-type activities:								
Unrestricted investment earnings	71	437	834	1,393	1,597	599	1,485	667
Transfers	-	-	36,400	36,400	70,600	150,000	287,450	150,000
Total business-type activities	71	437	37,234	37,793	72,197	150,599	288,935	150,667
Total primary government	$ 6,243,116	$ 8,190,542	$ 8,169,456	$ 8,991,697	$ 11,308,228	$ 11,173,778	$ 10,813,768	$ 10,410,350
Change in net assets								
Governmental activities	$ 4,588,887	$ 12,174,395	$ 9,921,613	$ 4,573,582	$ 5,978,216	$ 5,167,609	$ 2,659,359	$ 1,835,087
Business-type activities	(14,347)	(28,248)	51,872	(86,302)	44,029	51,294	223,482	307,885
Total primary government	$ 4,574,540	$ 12,146,147	$ 9,973,485	$ 4,487,280	$ 6,022,245	$ 5,218,903	$ 2,882,841	$ 2,142,972

NOTES:

(1) Public works increase from fiscal year 2006 forward is due to depreciation expense of donated infrastructure.

(2) Fiscal year 2005 large increase in housing and development was due to start up funding for the DDA of $420,000. Fiscal year 2007 and 2008 increases were due to several comprehensive plans that were started during fiscal year 2007 and completed in fiscal year 2008.

(3) License and permit fees large increase in fiscal year 2005, 2006, and 2007 is due to the significant increase in the number of permits issued. We are anticipating that this growth will continue over the next four years, however, at a slower pace than fiscal year 2006.

(4) Capital grants and contributions large increases reported in fiscal year 2005 and 2006 is due to donations of infrastructure by developers and annexed properties. Due to the slow growth in construction, no donated infrastructure was reported in fiscal year 2010. In fiscal year 2005, the City entered into an intergovernmental agreement with Gwinnett County for the 2004 special purpose local option sales tax. In total the City will be allocated $6,597,000 over the next four years (fiscal years 2005 - 2009). In fiscal year 2010, a new 2009 sales tax program was started. The City should receive $10,356,865 over the next five years (fiscal years 2010 - 2015).

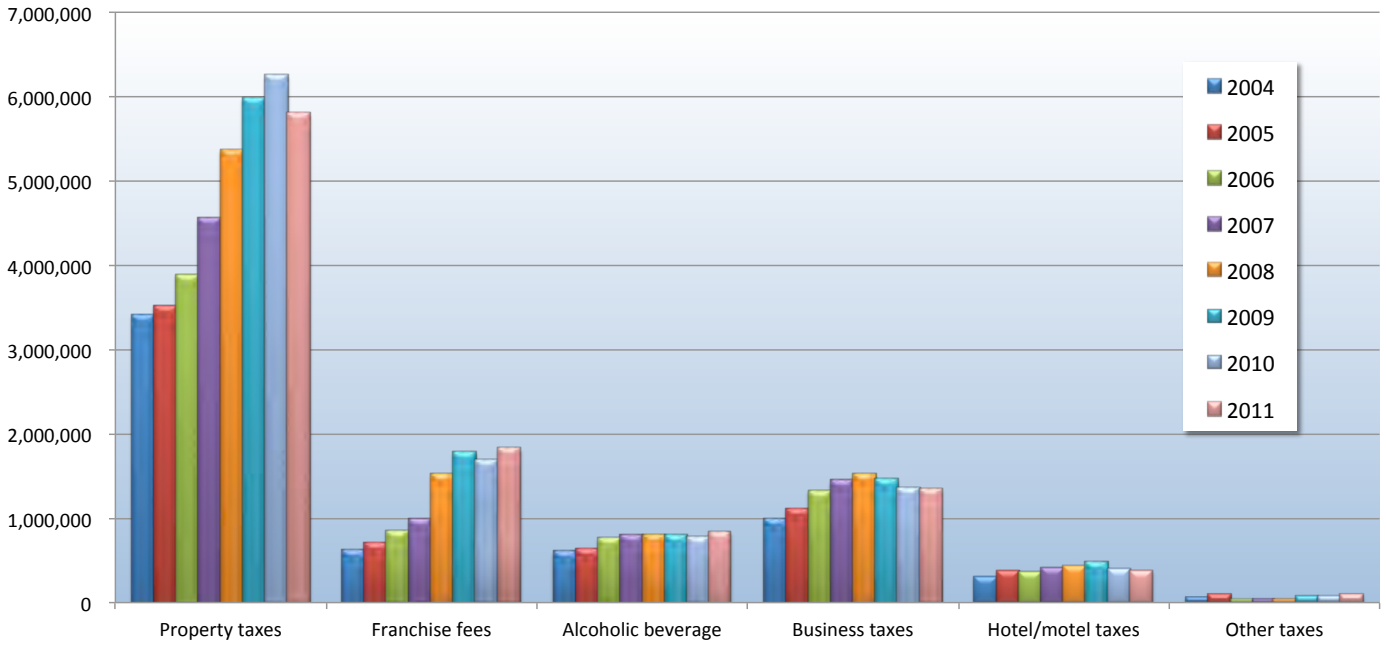
(5) Business-type capital grants and contributions for fiscal year 2011 is due to the American Recovery and Reinvestment Act of 2009 (ARRA), whereby 40% of the loan and principal payments were forgiven.

(6) During fiscal year 2005, 2006, and 2008 the City sold 4 tracks of land resulting in a gain of $1,445,096 in 2005, $557,261 in 2006, and $688,000 in 2008.

governmental activities tax revenues by source
last eight fiscal years (accrual basis of accounting)

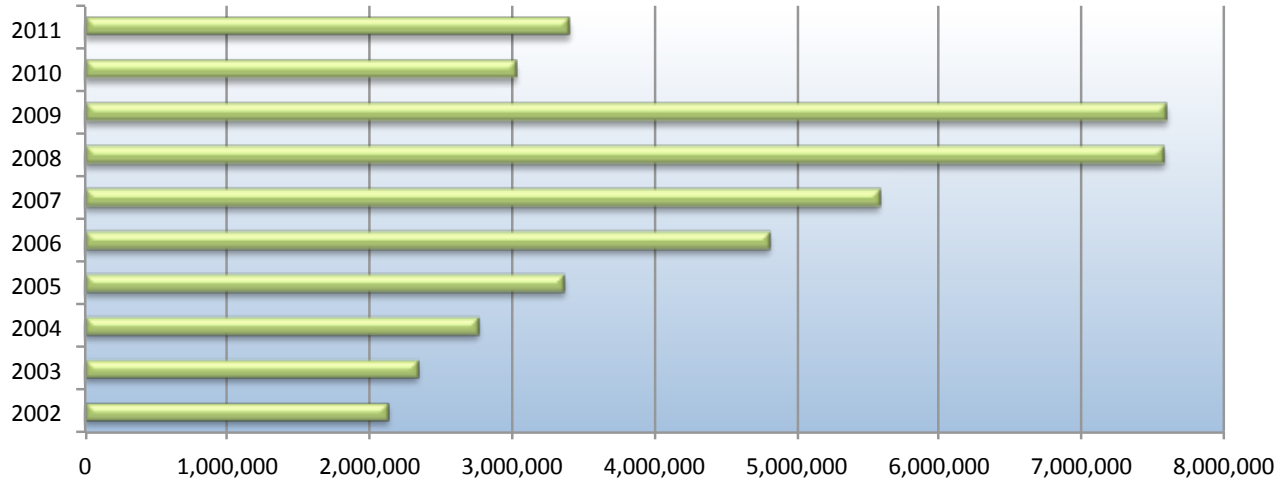
Fiscal Year	Property Taxes	Franchise Fees	Alcoholic Beverage Taxes	Business Taxes	Hotel/Motel Taxes	Other Taxes	Total
2004	$ 3,410,401	$ 618,509	$ 601,034	$ 997,542	$ 305,757	$ 60,255	$ **5,993,498**
2005	3,525,468	714,216	646,093	1,111,413	383,905	97,578	**6,478,673**
2006	3,892,897	851,466	759,968	1,325,263	361,321	34,002	**7,224,917**
2007	4,553,033	982,694	799,075	1,438,956	412,667	43,251	**8,229,676**
2008	5,371,353	1,521,682	794,986	1,517,270	421,497	37,762	**9,664,550**
2009	5,984,107	1,777,986	795,413	1,465,980	475,888	77,775	**10,577,149**
2010	6,254,003	1,694,211	784,189	1,360,254	393,156	73,032	**10,558,845**
2011	5,801,792	1,825,464	836,438	1,347,872	373,400	91,173	**10,276,139**

Tax Revenues by Year



fund balances of governmental funds
last ten fiscal years (modified accrual basis of accounting)

	Fiscal Year									
	2002 (1)	2003	2004	2005	2006	2007 (2)	2008 (3)	2009	2010 (4)	2011 (5)
General fund										
Committed	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 4,122,132	$ 3,948,073
Unassigned	2,135,102	2,340,953	2,766,402	3,372,190	4,811,236	5,580,537	7,585,561	7,602,716	3,034,066	3,408,881
Total general fund	2,135,102	2,340,953	2,766,402	3,372,190	4,811,236	5,580,537	7,585,561	7,602,716	7,156,198	7,356,954
All other governmental funds										
Restricted	16,188,302	8,458,663	4,683,849	4,936,628	6,022,560	14,696,502	11,044,085	5,056,712	5,324,060	7,106,408
Assigned reported in:										
General Fund	-	-	-	-	-	-	-	-	-	222,520
Capital projects funds	724,261	649,800	-	1,361,902	2,366,254	3,421,677	3,554,015	2,766,928	2,921,975	2,857,086
Total all other governmental funds	16,912,563	9,108,463	4,683,849	6,298,530	8,388,814	18,118,179	14,598,100	7,823,640	8,246,035	10,186,014
Total all governmental funds	$ 19,047,665	$ 11,449,416	$ 7,450,251	$ 9,670,720	$ 13,200,050	$ 23,698,716	$ 22,183,661	$ 15,426,356	$ 15,402,233	$ 17,542,968



NOTES:

(1) During fiscal year 2002, the City issued $17.69 million in general obligation bonds to finance the costs of acquiring and improving land to be used for greenspace, passive parks, and recreational areas.

(2) During fiscal year 2007, the Urban Redevelopment Authority (URA) issued $6,620,000 in revenue bonds for the construction of the new City Hall at the Town Center URA property site.

(3) In fiscal year 2008, general fund revenues exceeded budgetary projections and planned property acquisitions were not made. Capital projects decrease in fund balance is due to expenditures for construction of the new City Hall, Sims Lake Park, and the Pedestrian Bridge projects.

(4) In fiscal year 2010, the City early implemented GASB 54 and adopted a new fund balance policy. The City also transferred $1,565,000 to capital projects for land purchases.

(5) Restricted fund balance increase in fiscal year 2011 is due to 2009 SPLOST revenues received for capital projects but not expended.

changes in fund balances of governmental funds
last ten fiscal years (modified accrual basis of accounting)

	Fiscal Year					
	2002	2003	2004	2005	2006	2007
Revenues						
Taxes [1]	$ 3,303,845	$ 5,398,952	$ 5,729,646	$ 6,568,233	$ 6,964,788	$ 8,294,787
Licenses and permits	477,914	406,198	427,549	944,046	1,295,038	1,112,874
Intergovernmental revenues [2]	488,316	578,561	2,236,158	1,246,165	1,791,220	2,404,446
Charges for services	48,905	125,183	68,244	124,957	121,907	252,617
Fines and forfeitures [3]	821,387	772,931	929,865	980,134	1,061,554	1,427,286
Investment income	191,296	462,793	249,547	236,064	368,047	741,932
Rental Income	-	-	-	-	-	-
Contributions and donations	29,803	48,298	232,061	107,259	107,765	89,459
Miscellaneous	20,887	116,248	15,140	25,982	18,397	18,696
Total revenues	5,382,353	7,909,164	9,888,210	10,232,840	11,728,716	14,342,097
Expenditures						
General government	948,744	1,040,264	1,195,145	1,269,468	1,425,760	1,790,183
Judicial	161,403	182,857	218,740	236,046	293,230	336,751
Police	2,001,586	2,251,708	2,376,153	2,614,816	2,857,796	3,263,380
Public works	501,163	494,649	617,473	855,276	727,045	945,779
Culture and recreation	90,878	51,478	109,103	213,019	252,213	397,830
Housing and development	581,551	617,171	623,757	1,158,423	820,148	1,043,695
Tourism and trade	125,976	160,021	134,362	184,247	95,361	106,490
Capital outlay [4]	2,170,610	10,384,662	7,218,559	1,121,063	1,279,304	1,593,194
Debt service: [5]						
Principal	115,371	521,610	551,608	1,697,556	429,648	460,637
Interest and fiscal charges	8,966	1,294,263	980,909	943,655	890,884	973,937
Bond issuance costs	(213,393)	(65,509)	-	-	-	260,392
Total expenditures	6,492,855	16,933,174	14,025,809	10,293,569	9,071,389	11,172,268
Excess of revenues over (under) expenditures	(1,110,502)	(9,024,010)	(4,137,599)	(60,729)	2,657,327	3,169,829
Other financing sources (uses)						
Proceeds from capital lease	152,035	92,459	94,266	68,725	133,403	139,247
Transfer in	311,069	1,655,063	1,865,619	4,196,919	2,897,396	2,688,110
Transfer out	(311,069)	(1,655,063)	(1,865,619)	(4,196,919)	(2,933,796)	(2,724,510)
Sale of capital assets	-	-	-	4,422	-	-
Bond proceeds [6]	17,845,110	1,464,320	-	-	-	6,620,000
Refunded bonds issued [7]	-	-	-	-	-	15,250,000
Bond premium	-	-	-	-	-	31,216
Bond discount	-	-	-	-	-	(4,660)
Payment to refunded bond escrow agent	-	-	-	-	-	(14,670,566)
Total other financing sources (uses)	17,997,145	1,556,779	94,266	73,147	97,003	7,328,837
Special item - Sale of land	-	-	-	2,208,051	775,000	-
Net change in fund balances	$ 16,886,643	$ (7,467,231)	$ (4,043,333)	$ 2,220,469	$ 3,529,330	$ 10,498,666
Total non capital expenditures [8]	$ 4,397,234	$ 4,891,320	$ 5,198,535	$ 6,540,086	$ 6,552,674	$ 8,559,028
Debt service as a percentage of non capital expenditures	2.8%	37.1%	29.5%	40.4%	20.2%	19.8%

changes in fund balances of governmental funds
last ten fiscal years (modified accrual basis of accounting) continued

	Fiscal Year			
	2008	2009	2010	2011
Revenues				
Taxes [1]	$ 9,691,558	$ 10,519,134	$ 10,151,444	$ 10,431,766
Licenses and permits	1,057,705	368,872	349,965	441,763
Intergovernmental revenues [2]	1,839,454	2,409,230	2,120,383	2,042,536
Charges for services	227,015	111,630	64,237	72,455
Fines and forfeitures [3]	1,276,932	1,028,021	1,334,381	1,257,885
Investment income	911,384	373,583	258,468	127,186
Rental Income	-	4,375	22,134	32,502
Contributions and donations	120,792	101,024	96,504	121,672
Miscellaneous	35,147	47,448	21,699	25,529
Total revenues	15,159,987	14,963,317	14,419,215	14,553,294
Expenditures				
General government	1,819,852	1,968,513	1,907,235	2,191,393
Judicial	380,788	387,298	334,362	298,827
Police	3,352,436	3,616,191	3,664,123	3,830,303
Public works	1,244,904	1,508,438	1,392,588	1,464,606
Culture and recreation	408,287	350,835	264,219	372,874
Housing and development	1,186,880	1,031,681	857,222	871,702
Tourism and trade	150,132	379,703	313,034	206,151
Capital outlay [4]	7,090,436	10,678,581	3,735,144	1,370,219
Debt service: [5]				
Principal	737,594	779,215	784,861	775,959
Interest and fiscal charges	1,001,255	964,483	924,263	882,340
Bond issuance costs	-	-	-	-
Total expenditures	17,372,564	21,664,938	14,177,051	12,264,374
Excess of revenues over (under) expenditures	(2,212,577)	(6,701,621)	242,164	2,288,920
Other financing sources (uses)				
Proceeds from capital lease	72,573	94,316	-	-
Transfer in	2,952,926	4,192,169	4,461,099	3,365,144
Transfer out	(3,023,526)	(4,342,169)	(4,748,549)	(3,515,144)
Sale of capital assets	7,550	-	21,165	1,815
Bond proceeds [6]	-	-	-	-
Refunded bonds issued [7]	-	-	-	-
Bond premium	-	-	-	-
Bond discount	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Total other financing sources (uses)	9,523	(55,684)	(266,285)	(148,185)
Special item - Sale of land	688,000	-	-	-
Net change in fund balances	$ (1,515,054)	$ (6,757,305)	$ (24,121)	$ 2,140,735
Total non capital expenditures [8]	$ 8,641,844	$ 8,680,600	$ 10,542,012	$ 10,342,579
Debt service as a percentage of non capital expenditures	20.1%	20.1%	16.2%	16.0%

NOTES:

(1) In fiscal year 2003, the City's millage rate increased from 2.5 to 5.999. This increase was used to pay the debt service on the 2002 General Obligation Bonds.

(2) In fiscal year 2004, the large increase in Intergovernmental funds is due to receiving $1,404,392 in Federal Transportation funds for phase III of the Suwanee Greenway Trail System. In fiscal year 2005, the City entered into an intergovernmental agreement with Gwinnett County for the 2004 special purpose local option sales tax. In total the City will be allocated $6,597,000 over four years. In fiscal year 2010, a new 2009 sales tax program was started. The City should receive $10,356,865 over the next five years.

(3) Fines and forfeitures increased in 2007 due to the new red light camera program started in the fourth quarter of fiscal year 2006.

(4) During fiscal year 2002 and 2003, the City purchased over 200 acres of open/green space for park lands. In fiscal year 2004, the City completed phase III of the Suwanee Greenway and completed construction of three new parks. The large increase in capital outlay for 2008 is due to three major construction projects; the new City Hall, Sims Lake Park, and Pedestrian Bridge projects.

(5) In March of 2002, the City issued $17.6 million in General Obligation Bonds. The first bond principal and interest payment was deferred nine months, causing a large interest payment in fiscal year 2003. In fiscal year 2005, the City paid off the Urban Redevelopment loan.

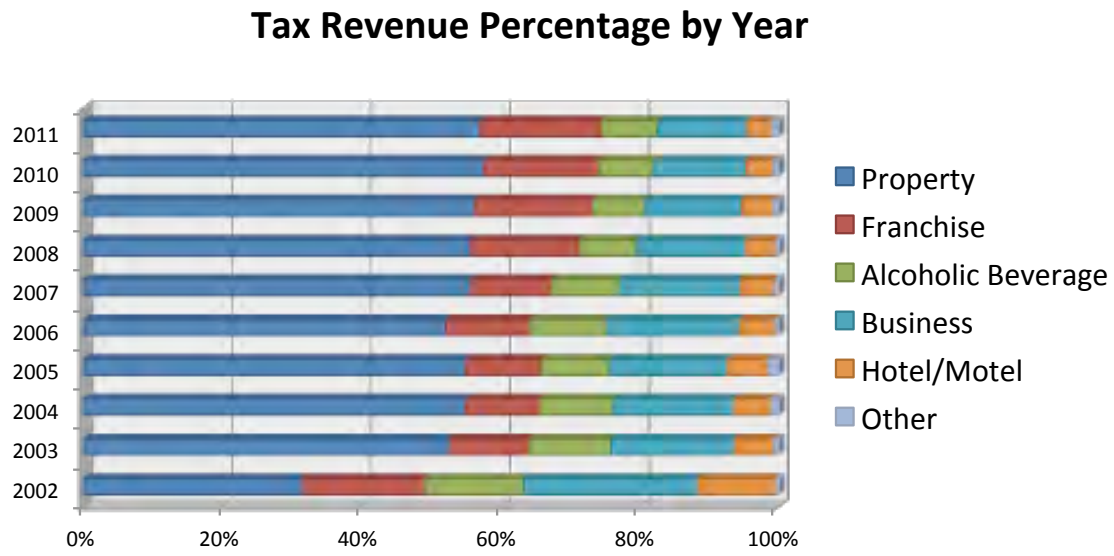
(6) In fiscal year 2007, the URA issued $6,620,000 in revenue bonds for the construction of the new City Hall at the URA property site.

(7) During fiscal year 2007, the City refunded a portion of the 2002 general obligation bond series.

(8) The total amount of non capital expenditures excludes amounts that are reported in governmental funds as capital outlay as a separate capital outlay line item and the amounts that are included within the functional expenditure categories.

general government tax revenue by source
last ten fiscal years (modified accrual basis of accounting)

Fiscal Year	Property Taxes	Franchise Fees	Alcoholic Beverage Taxes	Business Taxes	Hotel/Motel Taxes	Other Taxes	Total
2002	$ 1,042,962	$ 579,100	$ 469,714	$ 828,868	$ 370,329	$ 12,872	$ **3,303,845**
2003	2,845,756	616,263	636,986	957,768	308,685	33,494	**5,398,952**
2004	3,146,549	618,509	601,034	997,542	305,757	60,255	**5,729,646**
2005	3,615,028	714,216	646,093	1,111,413	383,905	97,578	**6,568,233**
2006	3,632,768	851,466	759,968	1,325,263	361,321	34,002	**6,964,788**
2007	4,618,144	982,694	799,075	1,438,956	412,667	43,251	**8,294,787**
2008	5,398,361	1,521,682	794,986	1,517,270	421,497	37,762	**9,691,558**
2009	5,926,092	1,777,986	795,413	1,465,980	475,888	77,775	**10,519,134**
2010	5,846,602	1,694,211	784,189	1,360,254	393,156	73,032	**10,151,444**
2011	5,957,419	1,825,464	836,438	1,347,872	373,400	91,173	**10,431,766**



assessed value and estimated actual value of taxable property
last ten calendar years

Calendar Year	Real Property		Personal Property		Less Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate (2)	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value (3)
	Residential Property	Commercial Property	Motor Vehicle	Other (1)					
2001	$ 214,848,040	$ 238,941,057	$ 28,292,690	$ 46,949	$ 11,517,760	$ 470,610,976	2.50	$ 1,176,527,440	40%
2002	252,571,320	225,944,082	34,262,410	55,460	12,903,800	499,929,472	5.999	1,249,823,680	40%
2003	271,224,790	261,460,110	37,014,660	23,780	15,026,160	554,697,180	5.89	1,386,742,950	40%
2004	297,238,210	309,531,654	37,110,630	33,880	17,319,720	626,594,654	5.81	1,566,486,635	40%
2005	313,871,478	347,844,146	36,509,110	25,290	16,549,490	681,700,534	5.77	1,704,251,335	40%
2006	381,837,510	419,657,837	36,827,660	62,720	20,575,480	817,810,247	5.77	2,044,525,618	40%
2007	489,632,600	479,933,633	43,015,330	62,720	28,238,160	984,406,123	5.77	2,461,015,308	40%
2008	522,795,234	531,603,102	47,323,460	46,560	30,126,440	1,071,641,916	5.77	2,679,104,790	40%
2009	520,627,280	633,975,788	50,619,070	41,480	30,550,320	1,174,713,298	5.77	2,936,783,245	40%
2010	486,407,830	582,302,567	44,682,260	47,560	29,172,760	1,084,267,457	5.70	2,710,668,643	40%

NOTES:

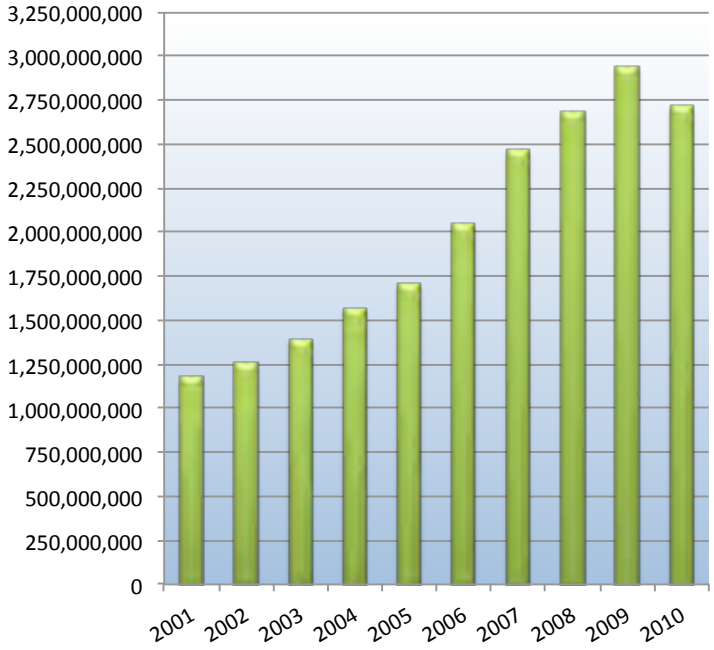
(1) Includes mobile homes, timber, and heavy equipment.

(2) In fiscal year 2003, the City's millage rate increased from 2.5 to 5.999. This increase was used to pay the debt service on the 2002 General Obligation Bonds.

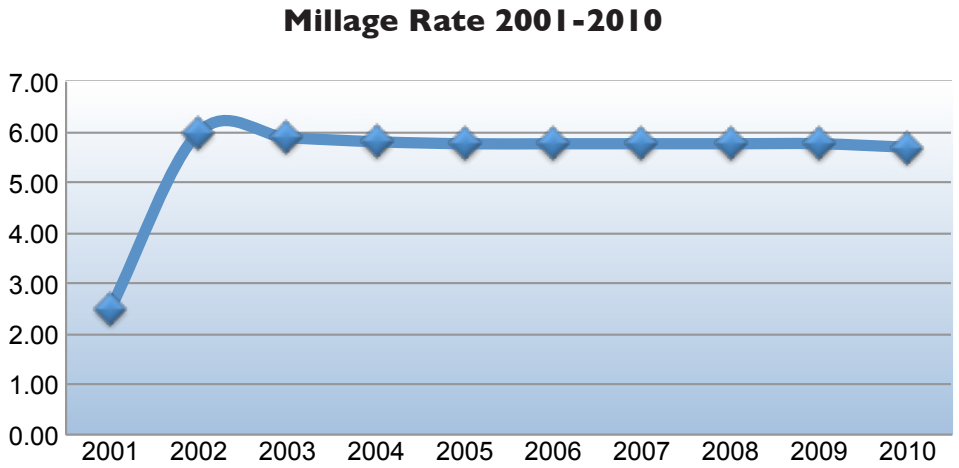
(3) Gwinnett County assesses property at 40% of actual value for all types of real and personal property.

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

Estimated Taxable Value 2001-2010



Millage Rate 2001-2010

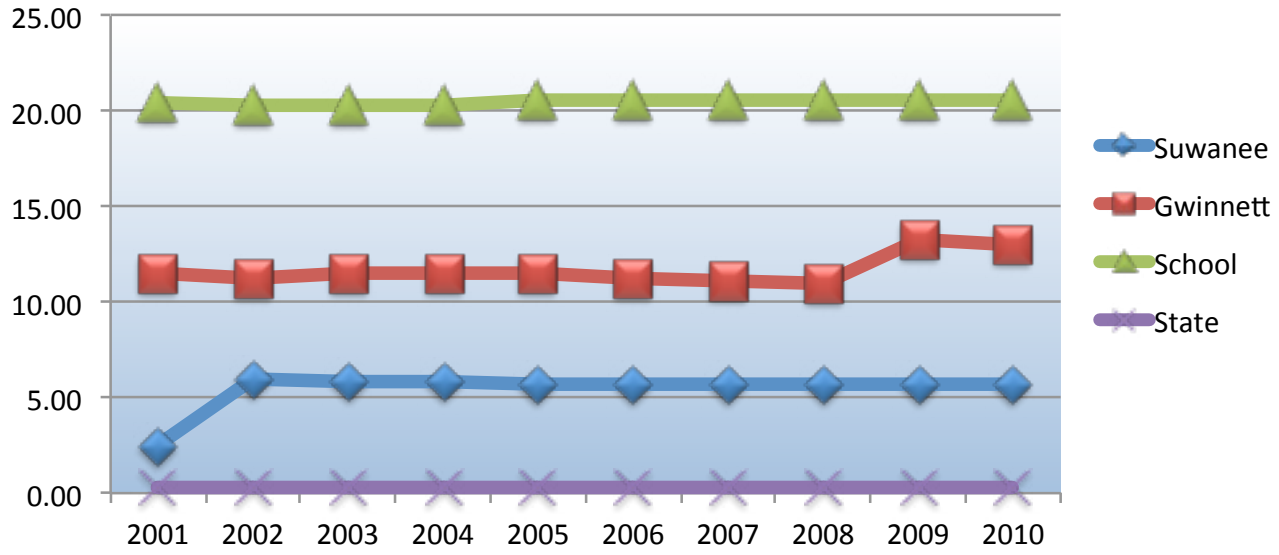


property tax rates direct and overlapping governments
last ten fiscal years

Calendar Year	City of Suwanee Millage				Overlapping Rates									Total Direct & Overlapping Rates
					Gwinnett County Millage					Gwinnett County School Board Millage				
	Operating	Debt Service	Capital	Total	Operating	Debt Service	Fire Protection	Recreation	Total	Operations	Debt Service	Total	State	
2001	2.50	-	-	2.50	8.43	0.30	1.90	0.86	11.49	18.62	1.80	20.42	0.25	34.66
2002	2.50	3.24	0.26	6.00	8.30	0.30	1.87	0.85	11.32	18.62	1.68	20.30	0.25	37.87
2003	2.50	2.94	0.45	5.89	8.29	0.49	1.87	0.85	11.50	18.87	1.43	20.30	0.25	37.94
2004	2.50	2.79	0.52	5.81	8.27	0.49	1.87	0.84	11.47	18.87	1.43	20.30	0.25	37.83
2005	3.18	2.25	0.34	5.77	10.14	0.49	-	0.84	11.47	19.25	1.30	20.55	0.25	38.04
2006	3.18	1.87	0.72	5.77	10.00	0.48	-	0.82	11.30	19.25	1.30	20.55	0.25	37.87
2007	3.73	2.04	-	5.77	9.81	0.47	-	0.80	11.08	19.25	1.30	20.55	0.25	37.65
2008	4.09	1.68	-	5.77	9.72	0.46	-	0.79	10.97	19.25	1.30	20.55	0.25	37.54
2009	3.84	1.93	-	5.77	11.78	0.47	-	1.00	13.25	19.25	1.30	20.55	0.25	39.82
2010	3.89	1.81	-	5.70	11.78	0.24	-	1.00	13.02	19.25	1.30	20.55	0.25	39.52

Source: Gwinnett County Tax Commissioner website

Direct and Overlapping Property Tax Rates



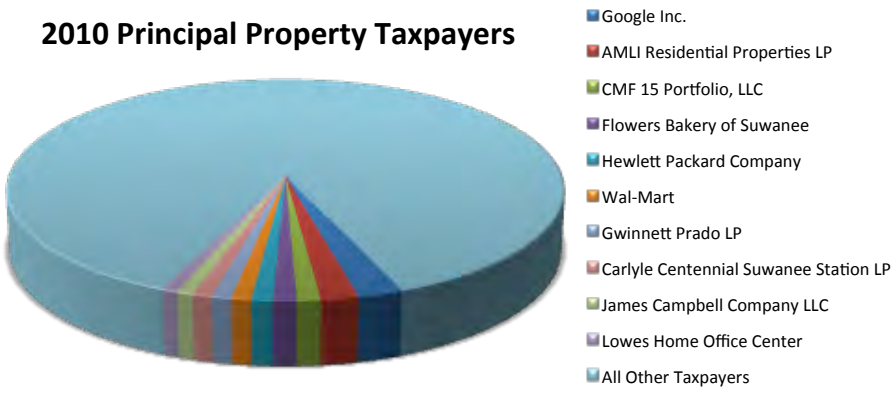
principal property taxpayers
current and eight years ago [1]

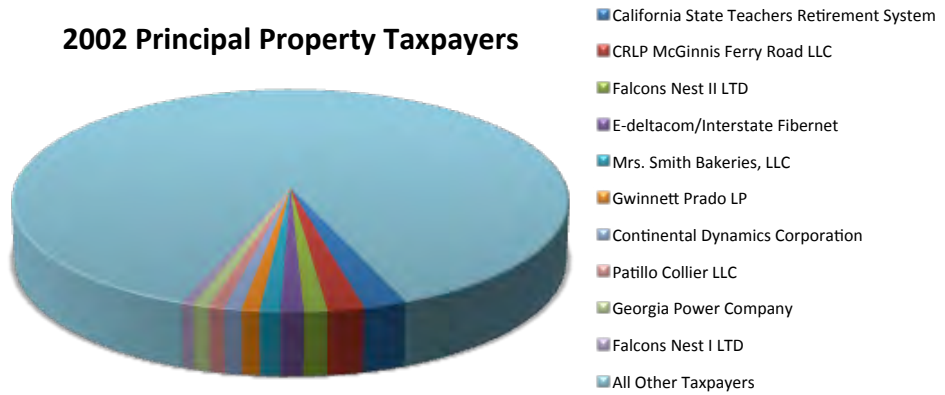
Taxpayer	2010 Taxable Assessed Value	2010 Rank	2010 Percentage of Total City Taxable Assessed Value	2002 Taxable Assessed Value	2002 Rank	2002 Percentage of Total City Taxable Assessed Value
Google Inc.	$ 25,680,870	1	2.4%			
AMLI Residential Properties LP	21,165,600	2	2.0%			
CMF 15 Portfolio, LLC	13,200,000	3	1.2%			
Flowers Bakery of Suwanee	13,154,630	4	1.2%			
Hewlett Packard Company	11,905,614	5	1.1%			
Wal-Mart	11,018,840	6	1.0%			
Gwinnett Prado LP	11,018,840	7	1.0%	$ 4,714,680	6	0.9%
Carlyle Centennial Suwanee Station LP	10,800,000	8	1.0%			
James Campbell Company LLC	9,261,200	9	0.9%			
Lowes Home Office Center	9,156,200	10	0.8%			
California State Teachers Retirement System				11,343,880	1	2.3%
CRLP McGinnis Ferry Road LLC				9,643,880	2	1.9%
Falcons Nest II LTD				6,132,480	3	1.2%
E-deltacom/Interstate Fibernet				6,060,200	4	1.2%
Mrs. Smith Bakeries, LLC				5,338,120	5	1.1%
Continental Dynamics Corporation				4,518,800	7	0.9%
Patillo Collier LLC				4,091,120	8	0.8%
Georgia Power Company				4,272,884	9	0.9%
Falcons Nest I LTD				3,200,000	10	0.6%
Totals	$ 136,361,794		12.6%	$ 59,316,044		11.9%

NOTES:

(1) Detail property records by owner names are not available prior to 2002.

Source: 2010 and 2002 Tax Digest.





property tax levies and collections - last ten fiscal years

Fiscal Year Ended (1)	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collection to Date		Outstanding Delinquent Taxes (2)	Outstanding Delinquent Taxes as Percentage of Current Levy (2)
		Amount	Percentage of Levy		Amount	Percentage of Levy		
2002	$ 1,087,771	$ 944,110	86.8%	$ 143,661	$ 1,087,771	100.0%	$ 95,688	$ 8.8%
2003	2,787,421	2,779,439	99.7%	7,982	2,787,421	100.0%	94,681	3.4%
2004	2,909,099	2,875,854	98.9%	33,245	2,909,099	100.0%	162,072	5.6%
2005	3,291,780	3,255,174	98.9%	28,812	3,283,986	99.8%	132,844	4.0%
2006	3,518,199	3,266,243	92.8%	237,746	3,503,989	99.6%	354,740	10.1%
2007	4,296,745	4,201,861	97.8%	77,214	4,279,075	99.6%	272,965	6.4%
2008	5,113,824	4,948,534	96.8%	147,862	5,096,396	99.7%	247,824	4.8%
2009	5,655,551	5,441,113	96.2%	100,568	5,541,681	98.0%	311,371	5.5%
2010	5,972,640	5,467,352	91.5%	328,844	5,796,196	97.0%	739,476	12.4%
2011	5,568,361	5,323,252	95.6%	-	5,323,252	95.6%	592,526	10.6%

NOTES:

(1) Relates to preceding calendar year digest.

(2) These columns are presented to satisfy continuing disclosure requirements for the 2002 general obligation bond issue and the 2006 general obligation refunding issue. Liens are filed on outstanding property accounts in June of each year. Outstanding amount ties to all property taxes outstanding at fiscal year end.

Sources:

Consolidated Digest Reports provided by Gwinnett County Tax Commissioner's.
City of Suwanee Finance Department, property tax billed and collection reports.

ratio of outstanding debt by type - last ten fiscal years

Fiscal Year	Governmental Activities			Business-type Activities	Total Primary Government	Percentage of Personal Income (4)	Per Capita (4)
	General Obligation Bonds (1)	Revenue Bonds (2)	Capital Leases	Note Payable (3)			
2002	$ 17,695,000	$ -	$ 230,174	$ -	$ 17,925,174	6.19%	1,864
2003	17,385,000	1,381,502	193,841	-	18,960,343	6.51%	1,940
2004	17,065,000	1,259,830	178,171	57,833	18,560,834	6.03%	1,845
2005	16,740,000	-	134,170	106,685	16,980,855	4.85%	1,462
2006	16,405,000	-	172,925	367,384	16,945,309	4.30%	1,301
2007	17,195,000	6,620,000	201,535	381,562	24,398,097	4.86%	1,639
2008	16,795,000	6,390,000	166,514	368,250	23,719,764	4.83%	1,562
2009	16,370,000	6,150,000	146,615	354,392	23,021,007	4.54%	1,504
2010	15,920,000	5,900,000	61,754	679,449	22,561,203	4.38%	1,468
2011	15,455,000	5,640,000	10,795	-	21,105,795	4.04%	1,364

NOTES:

(1) During fiscal year 2002, the City issued $17.69 million in general obligation bonds to finance the costs of acquiring and improving land to be used for greenspace, passive parks, and recreational areas. In fiscal year 2007, the City refinanced a portion of the 2002 series.

(2) During fiscal year 2003, the Urban Redevelopment Authority (URA) issued $1.46 million in revenue bonds to finance the costs of acquiring and improving land to be used for the future City Hall location. In fiscal year 2005, these bonds were paid in full. In fiscal year 2007, the URA issued $6,620,000 in revenue bonds to finance the cost of the new City Hall.

(3) The City entered into a construction line of credit with the Georgia Environmental Facilities Authority (GEFA) for improvements to the City's water system. During fiscal year 2007, the construction loan was closed and converted to an amortizing loan. In fiscal year 2010, the City was awarded a GEFA construction loan for $480,044. In accordance with Title VII of Division A of the American Recovery and Reinvestment Act of 2009 (ARRA), GEFA agrees to forgive 40% of each principal and interest payment due on the loan.

(4) The schedule of Demographic and Economic Statistics on page S-17 provides information on personal income and population.

ratio of general bonded debt outstanding - last ten fiscal years

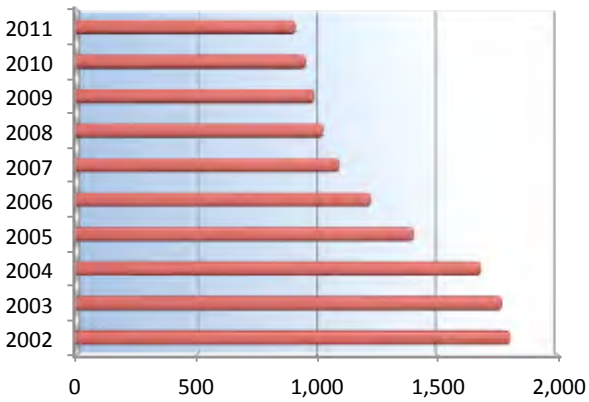
Fiscal Year	General Obligation Bond	Less: Amount Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)
2002	$ 17,695,000	$ 310,109	$ 17,384,891	1.48%	$ 1,808
2003	17,385,000	63,702	17,321,298	1.39%	1,773
2004	17,065,000	119,246	16,945,754	1.22%	1,684
2005	16,740,000	412,328	16,327,672	1.04%	1,405
2006	16,405,000	431,859	15,973,141	0.94%	1,227
2007	17,195,000	896,330	16,298,670	0.80%	1,095
2008	16,795,000	1,187,335	15,607,665	0.63%	1,028
2009	16,370,000	1,201,842	15,168,158	0.57%	991
2010	15,920,000	1,217,068	14,702,932	0.50%	957
2011	15,455,000	1,329,495	14,125,505	0.52%	913

NOTES:

(1) Details of estimated actual taxable value of property can be found on page S-11.

(2) Details of population data can be found on page S-17

Debt Per Capita 2002 - 2011



direct and overlapping governmental activities debt as of june 30, 2011

Jurisdiction	Gross Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Direct Debt:			
City of Suwanee General Obligation Bonds	$ 15,455,000	100.00%	$ 15,455,000
Overlapping Debt: (1)			
Gwinnett County General Obligation Bonds	63,465,000	3.13%	1,986,454
Gwinnett County Board of Education	812,265,000	3.13%	25,423,895
Total Overlapping Debt	875,730,000		27,410,349
Total Direct General Obligation and Overlapping Debt	$ 891,185,000		$ 42,865,349

NOTES:

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

Sources:

Gwinnett County Comprehensive Annual Financial Report for December 31, 2010.
Gwinnett County Board of Education, June 30, 2011.

legal debt margin information - last ten fiscal years

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Assessed value of all taxable property	$ 470,610,976	$ 499,929,472	$ 554,697,180	$ 626,594,654	$ 681,700,534	$ 817,810,247	$ 984,406,123	$ 1,071,641,916	$ 1,174,713,298	$ 1,084,267,457
Debt limit: 10% of assessed value	47,061,098	49,992,947	55,469,718	62,659,465	68,170,053	81,781,025	98,440,612	107,164,192	117,471,330	108,426,746
Total net debt applicable to limit	17,384,891	17,321,298	16,945,754	16,327,672	15,973,141	16,298,670	15,607,665	15,168,158	14,702,932	14,125,505
Legal debt margin	$ 29,676,207	$ 32,671,649	$ 38,523,964	$ 46,331,793	$ 52,196,912	$ 65,482,355	$ 82,832,947	$ 91,996,034	$ 102,768,398	$ 94,301,241
Total net debt applicable to the limit as a percentage of debt limit	36.94%	34.65%	30.55%	26.06%	23.43%	19.93%	15.85%	14.15%	12.52%	13.03%

Legal Debt Margin Calculation for Fiscal Year 2011	
Assessed value	$ 1,084,267,457
Debt limit: 10% of total assessed value	108,426,746
Debt applicable to limit	
General obligation bond	15,455,000
Less: Amount set aside for repayment of general obligation debt	1,329,495
Total net debt applicable to limit	14,125,505
Legal debt margin	$ 94,301,241

NOTES:

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

Fiscal Year	Population[(a)]	Personal Income[(b)]	Per Capita Personal Income	Unemployment Rate[(c)]	Residential Construction Value[(d)]	Commercial Construction Value[(d)]
2002	9,618	$ 289,511,418	$ 30,101	4.6%	$ 15,971,300	$ 43,135,700
2003	9,771	291,439,617	29,827	4.4%	15,179,070	21,854,673
2004	10,061	307,564,770	30,570	4.3%	16,150,315	17,122,370
2005	11,617	350,113,146	30,138	4.8%	31,482,503	20,788,787
2006	13,022	394,267,094	30,277	4.5%	72,932,181	25,619,202
2007	14,883	502,156,972	31,186	3.9%	56,535,984	172,569,393
2008	15,186	490,644,474	32,309	4.1%	35,471,399	91,217,370
2009	15,305	507,559,715	33,163	3.7%	17,641,225	72,360,272
2010	15,368	515,242,936	33,527	3.9%	8,443,880	3,137,027
2011	15,479	522,184,065	33,735	4.0%	13,325,177	17,788,046

Sources:

(a) City of Suwanee Planning Department Fiscal Year 2002 -2010. Fiscal Year 2011, 2010 US Census population.

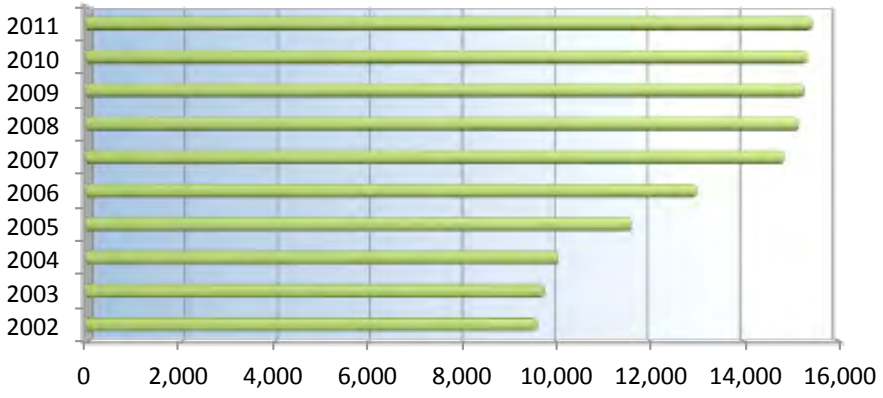
(b) Bureau of Economic Analysis.

(c) Georgia Department of Labor, not seasonally adjusted.

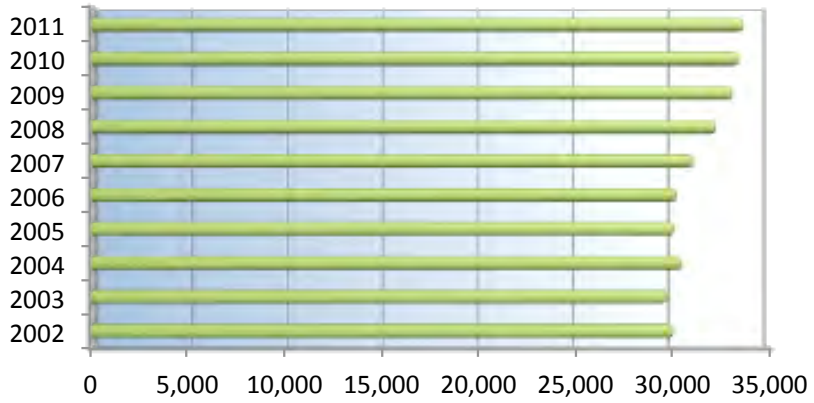
(d) City of Suwanee Planning and Development Permit Summary Calendar Year.

Note: Population estimates fiscal years 2002-2009 have been restated to reflect the 2010 United States census.

Population Changes 2002 - 2011



Per Capita Personal Income 2002 - 2011



principal employers current year and ten years ago[1]

Employer	2011[a] Employees	Rank	% of Total City Employment	2001[b] Employees	Rank	% of Total City Employment
Southeastern Freight Lines, Inc.	325	1	3.60%	360	1	5.83%
Wal-Mart	313	2	3.47%			
Dish Network/Echosphere Corporation	252	3	2.79%	350	2	5.67%
Meggit Training Systems, Inc.	250	4	2.77%			
Flowers Bakers	190	5	2.10%			
Kroger Company	160	6	1.77%	125	7	2.03%
Publix Supermarkets (1)	138	7	1.53%	270	5	4.37%
Quality Construction Service Inc.	135	8	1.49%			
Lowes	122	9	1.35%			
Cracker Barrel Old County Store, Inc.	110	10	1.22%	140	6	2.27%
Mrs. Smith's/Schwans Bakery Operations LLC				330	3	5.35%
Systemax-Global Computer Supplies, Inc. (2)				300	4	4.86%
E-deltacom/Interstate Fibernet, Inc.				117	8	1.90%
Atlanta Cable Sales, Inc.				100	9	1.62%
TruGreen Chemlawn				99	10	1.60%

NOTES:

(1) Publix Supermarket closed one store in fiscal year 2007. Previously, they had two stores open in Suwanee.
(2) Systemax-Global Computer Supplies moved outside of the Suwanee city limits in 2005.

Sources:
(a) City of Suwanee Business License Division.
(b) Gwinnett Chamber of Commerce, 2001 Issued Occupation Licenses Report.

Function	Full-time Equivalent Employees as of June 30, 2011									
	2002	2003	2004	2005	2006	2007	2008	2009 (1)	2010 (2)	2011 (3)
General Government										
Chief Executive	2	3	3	3	4	4	4	3	3	3
General Administration	1	2	2	3	2	2	2	2	2	2
Financial Administration	5	5	5	5	5	5	7	7	7	7
Public Information	-	-	-	-	-	1	1	1	1	1
Judicial	2	2	2	2	3	4	4	3	3	3
Police										
Police Administration	3	3	3	3	3	3	3	3	3	3
Criminal Investigation	2	2	2	3	3	3	4	4	4	3
Patrol	22	23	23	23	22	23	24	26	25	28
Records and Identification	1	1	1	1	1	1	1	1	1	1
Police Training	-	-	-	-	-	-	-	-	1	1
Dispatcher	4	6	6	6	7	7	7	7	7	7
Public Relations	1	1	1	1	1	1	1	1	1	1
Targeted Police	-	-	1	2	2	2	2	2	2	-
Public Works	4	5	7	8	9	10	13	15	15	15
Housing and Development										
Protective Inspection	4	4	4	4	4	4	4	1	1	1
Planning & Zoning	3	3	3	3	4	4	4	5	5	5
Economic Development	1	1	1	1	1	1	2	3	3	4
Total	**55**	**61**	**64**	**68**	**71**	**75**	**83**	**84**	**84**	**85**

NOTES:

(1) In fiscal year 2009, the Administrative Secretary position was moved from Chief Executive to Planning & Zoning and the Public Works & Inspection Director was moved to Public Works from Protective Inspection. One position in Judicial and two positions in Protective Inspections were eliminated in fiscal year 2009.

(2) In fiscal year 2010, one police sergeant position was moved from patrol to police training.

(3) In fiscal year 2011, one police Lieutenant position was moved from Criminal Investigation to Patrol and employees in Targeted Police were also moved to the Patrol division.

Sources:

City of Suwanee Payroll Department.

Function	Calendar Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General government										
Business licenses issued	761	1,048	1,319	1,219	1,376	1,501	1,563	1,687	1,721	1,720
Number of parcels and improvements	6,375	6,747	6,902	7,260	7,854	9,018	10,950	11,693	11,859	11,897
Judicial										
Cases processed	7,656	8,400	8,979	8,945	11,860	11,102	12,447	9,680	12,411	14,883
Non-jury trials	*	*	*	*	325	300	240	288	335	319
Jury trials	*	*	*	*	130	80	98	84	171	220
Warrants issued	390	235	250	321	510	347	242	205	180	236
Police										
Calls for service	28,741	26,340	26,845	26,668	27,125	25,076	28,153	37,511	39,453	41,964
Traffic accidents	814	893	1,085	1,099	1,140	1,223	1,219	1,141	1,113	1,158
Part I offenses	278	342	368	445	416	408	511	633	528	505
Traffic citations	7,990	8,103	8,377	9,981	11,407	10,650	10,271	10,627	11,715	12,865
Public works										
Work orders	*	*	*	*	3,699	3,780	4,176	4,690	6,151	3,685(1)
Street overlay (sq. ft.)	66,211	182,092	71,976	79,960	106,695	73,810	324,265	329,220	95,823	-
Hours of litter pick-up service provided	295	385	499	434	516	538	645	791	585	605
Culture and recreation										
Number of annual city- sponsored events	8	8	13	16	14	16	25	21	17	21
Number of annual non-city sponsored events	*	*	*	2	10	8	7	11	15	16
Suwanee Day attendance	10,000	4,000	10,000	30,000	30,000	28,000	40,000	42,000	8,000	40,000
Protective Inspection										
Number of residential permits	87	82	117	295	557	460	184	101	65	108
Number of total construction permits	392	319	384	538	793	686	538	359	174	224
Number of sign permits	136	223	214	210	250	292	380	373	255	268
Planning and Zoning										
Zoning certification letters	14	11	17	24	29	25	29	12	7	6
Rezoning cases processed	11	21	22	13	14	18	11	2	1	5
Special use permits processed	6	3	6	4	2	4	6	10	2	5
Variances processed	22	23	11	16	13	16	24	17	7	6
Development review	42	32	29	24	35	40	52	26	6	9
Development permits	38	27	26	21	26	34	25	14	6	9
Water										
Average daily consumption in gallons	50,112	43,049	40,970	45,128	46,848	48,508	46,817	48,739	43,306	44,625

* Detailed information not available.
(1) Overhauled work order system-some work orders combined.

Sources:
Various City departments

Function	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Administration										
Vehicles	2	2	2	2	2	2	2	1	1	1
Police										
Patrol Units	21	22	24	27	26	30	32	39	41	40
Other Police Vehicles	2	3	4	4	5	4	4	4	4	4
Public Works										
Vehicles	5	6	6	5	6	8	10	11	15	15
Street (miles) (1)	40	40	44	44	54	59	60	60	62	63
Streetlights (1)	430	510	609	620	710	710	791	835	855	911
Culture and Recreation										
Acreage	141	217	226	233	233	246	293	342	366	372
Park sites	5	10	12	13	13	15	15	15	15	15
Water										
Water mains (miles)	5.5	5.5	5.5	5.5	5.5	5.5	6.5	6.5	6.5	6.8
Storage capacity	60,000	60,000	60,000	60,000	150,000	150,000	150,000	150,000	150,000	150,000
Housing and development										
Vehicles	4	5	5	5	5	5	5	4	4	4

NOTES:

(1) In 2006 the City completed major renovations and improvements to the water system.

Sources:

Various City departments

schedule of insurance in force, june 30, 2011[1]

Type of Insurance	Coverage	Liability Limit	Company[2]	Policy Number	Policy Period From	Policy Period To	Annual Premium
LIABILITY							
General Liability	Damages of bodily injury or property caused by an occurrence	$1,000,000 limit each claim with a $5,000,000 aggregate $1,000 deductible	GIRMA	SU-3	05/01/11	04/30/12	$ 17,094
Public Officials Liability	Employment practices Zoning Claims	$1,000,000 limit each claim with a $5,000,000 aggregate $1,000 deductible	GIRMA	SU-3	05/01/11	04/30/12	47,560
Automobile Liability	Damages of bodily injury or property caused by an occurrence	$1,000,000 combined single limit $1,000 deductible	GIRMA	SU-3	05/01/11	04/30/12	33,862
Law Enforcement Liability	False arrest/wrongful imprisonment Assault & Battery	$1,000,000 limit each claim no aggregate limit $1,000 deductible	GIRMA	SU-3	05/01/11	04/30/12	12,683
PROPERTY							
Property Including Equipment	Blanket building & content Business interruption Property in Transit	$20,298,396 total insured value building & content replacement cost	GIRMA	SU-3	05/01/11	04/30/12	$ 8,140
Boiler & Machinery	Blanket building & content	$20,298,396 total insured value building & content replacement cost	GIRMA	SU-3	05/01/11	04/30/12	3,155
Environment Impairment Liability	Pollution coverage	combined single limit $1,000,000 with a $12,000,000 aggregate per occurrence deductible $1,000	GIRMA	SU-3	05/01/11	04/30/12	25,128
OTHER CASUALTY							
Workers Compensation Self Insurance Fund	While Working		GMA	Cust # 312	01/01/11	12/31/11	$ 133,547
Automobile Physical Damage	All risks for scheduled City vehicles only	Automatic coverage for vehicles up to $100,000 deductible $1,000	GIRMA	SU-3	05/01/11	04/30/12	8,485
Crime Coverage	Public employee dishonesty per loss	$500,000 limit with $1,000 deductible	GIRMA	SU-3	05/01/11	04/30/12	1,041
OTHER INSURANCE							
Employee Life Insurance	Basic Life	Varies by employee salary / max. 75,000	Mutual of Omaha	GLUG-AGDS	07/01/10	06/30/11	9,015
Dependent Life Insurance	Basic Life	$5,000 coverage for the spouse (if covered by medical plan) $2,500 coverage for each child (if covered by medical plan)	Mutual of Omaha	GLUG-AGDS	07/01/10	06/30/11	[3]
Long Term Disability	90 day elimination period 60% benefit up to $5,000, until age 65	N/A	Mutual of Omaha	GLUG-AGDS	07/01/10	06/30/11	12,148
Short Term Disability	1st day accident/8th day illness 13 week/ 60% weekly compensation up to $1000	N/A	Mutual of Omaha	GLUG-AGDS	07/01/10	06/30/11	13,900
Medical	1st of the month following 30 days HMO	Lifetime Maximum - Unlimited In Network $1,000 individual / $3,000 family deductible 100% coinsurance after deductible	Blue Cross/ Blue Shield HMO	1018871	07/01/10	06/30/11	681,061
	1st of the month following 30 days POS	Lifetime Maximum - Unlimited in Network / $5,000,000 maximum out of Network $500 individual / $1,500 family deductible in-network $1,000 ind. / $3,000 family deductible out of network coinsurance after deductible: 100% in-network / 60% out of network	Blue Cross/ Blue Shield POS	1018871	07/01/10	06/30/11	[4]
Dental	Employee and Family	$1,500 Max benefit per person per year $1,500 Ortho Benefit	Met Life	TM05761673 -G	07/01/10	06/30/11	$ 74,815

NOTES:

(1) This schedule has been included to satisfy continuing bond disclosure requirements for the 2002 General Obligation bond issue.

(2) Georgia Interlocal Risk Management Agency (GIRMA) Georgia Municipal Association (GMA)

(3) Total cost paid for by the employee.

(4) Premiums for HMO and POS are included together under the HMO premiums total.

Sources:

City of Suwanee Human Resource Department



compliance section

MAULDIN & JENKINS
CERTIFIED PUBLIC ACCOUNTANTS, LLC

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Honorable Mayor and Members
Of the City Council
City of Suwanee
Suwanee, Georgia

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the **City of Suwanee, Georgia** (the City) as of and for the year ended June 30, 2011, which collectively comprise the City's basic financial statements and have issued our report thereon dated December 16, 2011. 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.

Internal Control Over Financial Reporting

Management of the City is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

We noted certain matters that we reported to management of the City in a separate letter dated December 16, 2011.

This report is intended solely for the information and use of the management, members of the City Council, and others within the entity, and is not intended to be and should not be used by anyone other than these specified parties.

Mauldin & Jenkins, LLC

Atlanta, Georgia
December 16, 2011


SUWANEE DAM ROAD
PRICE $240
SETTLES BRIDGE ROAD
PRICE $220
CHANCE
?
MOORE ROAD
PRICE $220
FREE
BARKING
THE CITY OF SUWANEE
$30024330
THE COVER CONCEPT WAS INSPIRED BY A POPULAR BOARD GAME AND ACTIVITIES THAT WE DID DURING THE 20/20 OPEN HOUSE.
CITIZENS WERE ASKED TO PRIORITIZE HOW THEY WOULD SPEND THEIR MONEY USING THE "PARKER DOLLARS." THE ACTIVITIES AND GAMES WERE DESIGNED TO BE A FUN AND CREATIVE WAY TO IDENTIFY PRIORITIES AND IDEAS FOR SUWANEE'S FUTURE. THE CITY OF SUWANEE IS NOT CREATING A MONOPOLY™
PARKER
I ♥ Suwanee


SAWMILL DRIVE
PRICE $200
WESTBROOK ROAD
PRICE $180
COMMUNITY CHEST
SMITHTOWN ROAD
PRICE $180
AMTRAK
PRICE $200
EVA KENNEDY ROAD
PRICE $160
STONECYPHER ROAD
PRICE $140
LEED CERTIFIED CITY HALL
PRICE $150
TOWN CENTER AVE
RENT $6 $30.
With 1 House 90.
With 2 Houses 270.
With 3 Houses 400.
With 4 Houses
With HOTEL $550.
Mortgage Value $50.
Houses cost $50. each
Hotels, $50. plus 4 houses
RENT $26 $130.
With 1 House 390.
With 2 Houses 900.
With 3 Houses 1100.
With 4 Houses
With HOTEL $1975.
Mortgage Value $150.
Houses cost $800. each
Hotels, $800. plus 4 houses
CITY OF SUWANEE
330 TOWN CENTER AVE
SUWANEE, GA
30024
WWW.SUWANEE.COM