

COMPREHENSIVE
Annual Financial Report

CITY OF **SUWANEE**, GEORGIA
YEAR ENDED **JUNE 30**, 2015

Table of Contents



CITY OF SUWANEE, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
year ended june 30, 2015

prepared by:
FINANCIAL SERVICES DEPARTMENT

COMPREHENSIVE
Annual Financial Report



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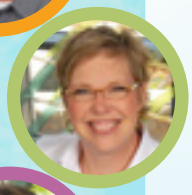


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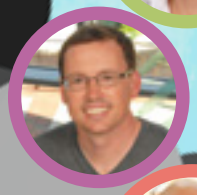
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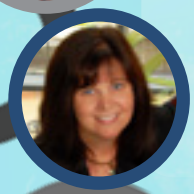
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COMPREHENSIVE Annual Financial Report

Clicking on text will take you to that page. To get back to the table of contents, click on any page number in the document

INTRODUCTORY SECTION (UNAUDITED)

Letter of Transmittal 1
- Demographics 1
- Government Structure 2
- Economic Condition And Outlook 2
- Major Initiatives 3
- For The Future 3
- Financial Information 4
- Awards 5
- Acknowledgements 6

Certificate Of Achievement For Excellence In Financial Reporting 7
City Of Suwanee Administration Organizational Chart 8
City Of Suwanee Police Department Organizational Chart 10

FINANCIAL SECTION

Independent Auditor's Report 11
Management Discussion And Analysis 14
- Financial highlights 14
- Overview of the financial statements 14
- Government-wide financial analysis 15
- Financial analysis of the government's funds 20
- General fund budgetary highlights 23
- Capital assets and debt administration 25
- Economic factors and next year's budget and rates 26
- Request for information 26

BASIC FINANCIAL STATEMENTS

Statement of net position 28
Statement of activities 30
Governmental funds balance sheet 31
Governmental funds statement of revenues, expenditures and changes in fund balances 32
Reconciliation of the statement of revenues, expenditures and changes in fund balances of governmental funds to the statement of activities 33
General fund statement of revenues, expenditures and changes in fund balance budget and actual 34
Proprietary funds statement of net position 36
Proprietary funds statement of revenues, expenses and changes in fund net position 37
Proprietary funds statement of cash flows 38
Fiduciary fund statement of fiduciary assets and liabilities 39
Notes to the financial statements 41

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of changes in net pension asset and related ratios 65
Schedule of City contributions-last ten fiscal years 66

FINANCIAL SECTION (CONTINUED)

SUPPLEMENTARY INFORMATION

Non-Major Governmental Funds
- Non-major governmental funds combining balance sheet 68
- Non-major governmental funds combining statement of revenues, expenditures and changes in fund balances 70

Budgetary Compliance
- Special revenue funds schedule of revenues, expenditures and changes in fund balances budget and actual 72
- Debt service fund schedule of revenues, expenditures and changes in fund balances budget and actual 75

Compliance
- Special Purpose Local Option Sales Tax Proceeds Schedule of Expenditures 76
- Certification of 911 expenditures 77

Agency Fund
- Agency fund statement of changes in fiduciary assets and liabilities 79

STATISTICAL SECTION (UNAUDITED)

Net Position By Component - Last Ten Fiscal Years (Accrual Basis of Accounting) .....S|2
Changes In Net Position - Last Ten Fiscal Years (Accrual Basis of Accounting) .....S|4
Governmental Activities Tax Revenues By Source - Last Ten Fiscal Years (Accrual Basis of Accounting).....S|8
Fund Balances of Governmental Funds - Last Ten Fiscal Years (Modified Accrual Basis of Accounting) .....S|9
Changes In Fund Balances Of Governmental Funds - Last Ten Fiscal Years (Modified Accrual Basis of Accounting) ..... S|10
General Government Tax Revenue By Source - Last Ten Fiscal Years (Modified Accrual Basis of Accounting) ..... S|12
Assessed Value and Estimated Actual Value Of Taxable Property - Last Ten Calendar Years ..... S|13
Property Tax Rates Direct and Overlapping Governments - Last Ten Fiscal Years..... S|14
Principal Property Taxpayers - Current and Ten Years Ago ..... S|15
Property Tax Levies and Collections - Last Ten Fiscal Years ..... S|16
Ratio of Outstanding Debt By Type - Last Ten Fiscal Years..... S|16
Ratio of General Bonded Debt Outstanding - Last Ten Fiscal Years .....S|17
Direct and Overlapping Governmental Activities Debt .....S|17
Legal Debt Margin Information - Last Ten Fiscal Years..... S|18
Demographic And Economic Statistics - Last Ten Fiscal Years ..... S|19
Principal Employers Current Year and Ten Years Ago.....S|20
Full-Time Equivalent City Government Employees By Function - Last Ten Fiscal Years ..... S|21
Operating Indicators By Function - Last Ten Years..... S|22
Capital Assets Statistics By Function - Last Ten Years ..... S|23
Schedule Of Insurance In Force, June 30, 2015..... S|24

COMPLIANCE SECTION

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 Accounting Standards* .....C|1

COMPREHENSIVE
Annual Financial Report



INTRODUCTORY SECTION

* Letter of Transmittal
* GFOA Certificate of Achievement
* Organizational Chart

Survey results from the 2014, Suwanee residents are highly satisfied with the community's overall quality of life:

96% rated Suwanee's quality of life as good or excellent

98% said Suwanee was a good or excellent place to live

97% found Suwanee a good or excellent place to raise kids

96% would recommend living in Suwanee

December 16, 2015
Citizens,
Mayor, and
Members of the City Council
Suwanee, Georgia:

Survey says! At the end of calendar year 2014, Suwanee participated in its fourth National Citizen Survey, a statistically valid survey managed by the National Research Center that gathers resident opinions across a range of community issues. As in previous years, resident's ratings put the City at or near the top in a variety of areas. Suwanee was ranked #1 compared to other benchmarked communities in the following areas: City-sponsored events, job Suwanee government does welcoming citizen involvement, overall built environment, availability of affordable quality childcare, overall confidence in local government, generally acting in the best interest of the community, being honest, and treating all residents fairly.

As a part of our effort to exceed citizen's expectations and ongoing commitment of improving our community, Suwanee is proud to present this CAFR for the year ended June 30, 2015. 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:

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

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

This report includes government-wide statements and fund financial statements for all funds of the City, including one blended component unit. 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.



DEMOGRAPHICS

Suwanee originated as a Native American village along the banks of Suwanee Creek and Chattahoochee River. The community was named for the Shawnee Indian tribe that settled here in the latter part of the 18th century. The City's name is thought to derive from the English mispronunciation of Shawnee. Suwanee was incorporated in 1949 and encompasses 11.0 square miles. The City is located in the north central portion of Georgia,

approximately 30 miles northeast of downtown Atlanta. Highways serving the City include Interstate 85, U.S. Highway 23 (Buford Highway), Georgia Route 317 (Lawrenceville Suwanee Road), and Georgia Route 141 (Peachtree Industrial Boulevard). Additional demographic information is provided in the statistical section of this report.

GOVERNMENT STRUCTURE

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

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

ECONOMIC CONDITION AND OUTLOOK

Suwanee makes it to the big leagues of bond ratings with a AAA from S&P. Standard & Poor's (S&P), one of the big three among financial rating agencies, upgraded the City of Suwanee's rating for its general obligation bond debt to AAA, the highest rating available. After completing a March 2014 review of the City's rating, which had been AA, S&P upgraded the City to AAA with a stable outlook based on the City's continued economic expansion. "We consider the City's economy to be very strong," S&P says in its report. "The stable outlook reflects our anticipation that the City will maintain its very strong liquidity and budgetary flexibility." Reflecting the City's sound financial base, in May 2015 Fitch Ratings affirmed Suwanee's AA+ bond rating, having determined that the City "has a solid history of conservative budgeting, and its consistently strong reserve levels are evidence of prudent financial management."

Population. The Planning Department estimates the population of Suwanee at 17,425 residents as of June 30, 2015. Suwanee's population has grown by 4,403 since 2006.



Development. Suwanee had 133 single-family housing starts in calendar year 2014, which is an increase from the previous year with 115 single-family housing starts. As of June 30, 2015, the Planning Department estimates there are 4,312 single family detached residences, 751 single family attached residences (townhomes) and 1,679 multi-family units in Suwanee. There is approximately 7,400,000 square feet of industrial space, 1,800,000 square feet of multi-tenant retail space, 1,150,000 square feet of stand-alone retail and 876,000 square feet of office space.

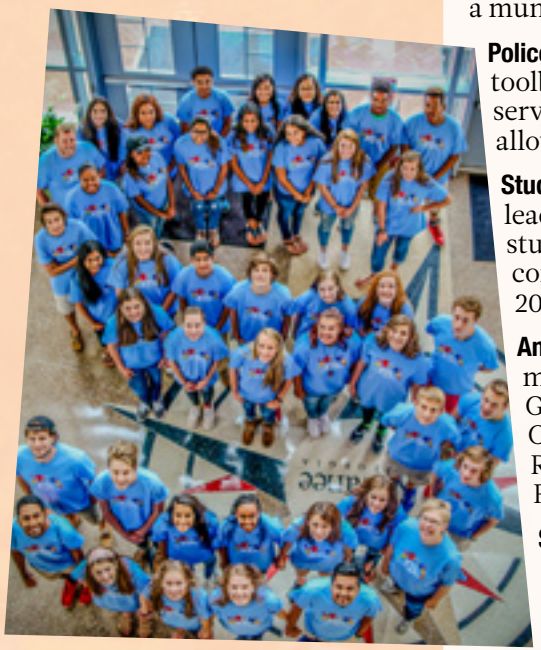
Unemployment. Gwinnet County is near the national average and is faring better than the state and metro Atlanta average with an unemployment rate of 5.6 percent. The Georgia Civilian Labor Force maintains unemployment rate estimates for each Census Tract within the state. A majority of the City is included in three tracts: Tracts 502.10, 502.12 and 502.13. Cumulatively, these tracts had an estimated unemployment rate of 3.9 percent in June 2015.

Property Values. According to Zillow, the average home sales price in Suwanee in June 2015 was $328,000. This increased by 5 percentage points from June 2014. Gwinnett County's average home sales price was $168,600 in June 2015 which increased by 1 percentage point over the past 12 months. Suwanee has the second highest average home value in Gwinnett County behind Berkeley Lake which had an average home value of $404,600 in June 2015.

Active Development. There are four active developments in Suwanee that include a single family residential component. These projects are authorized for a total of 458 single-family attached and detached housing units. Of these authorized 458 single family units, 81 percent (372 units) are occupied houses while the remaining 19 percent (86 units) are unoccupied. These unoccupied units are a mixture of authorized but undeveloped lots, platted but vacant lots, homes under construction and builder owned residences. Of the 86 unoccupied units, 49 percent are platted but vacant lots and 2 percent are builder-owned residences.

MAJOR INITIATIVES

Fast-charging station for electric vehicles. With assistance through the Charge Georgia Rebate Program, Suwanee was able to install an electric vehicle fast-charge station at Town Center Park. This was the first fast-charge station to be installed by a municipality in Gwinnett County. This effort continues the City's commitment to sustaining our environment.



Police employ rolling "Swiss army knife" for crime-scene processing. The City has a new tool in its crime-scene processing toolbox, a 2014 Dodge Ram ProMaster cargo van fully equipped to process any kind of crime scene and also designed to serve as a mobile incident command post. The van and equipment, which were purchased using drug forfeiture funds, allow the Suwanee Police Department to manage its own crime scenes.

Student leadership - beyond the classroom. After meeting with a variety of community leaders, developing their individual leadership philosophies and skills, and logging more than 700 community volunteer hours, more than 50 high school students completed the inaugural Suwanee Youth Leaders (SYL) program. The program was developed to provide a connection with schools and to find a meaningful way to encourage youth involvement, as prescribed in Suwanee 20/20 strategic plan.

Annual road resurfacing and repairs. The City resurfaced 4.9 miles of streets, making the ride smoother, neighborhoods more attractive, and keeping long term maintenance costs down. Roads resurfaced included Cherrystone Walk, Goldfield Trace, Whitlock Avenue, Yosemite Drive, Carlsbad Court, Treemont Trace, McGinnis Park Drive, Azalea Chase Drive, Azalea Chase Point, George Pierce Court, Heathfield Court, White Sands Court, and Leaf Lake Drive. Resurfacing was also done on portions of Station Center Boulevard, Annandale Lane, Morning Glen Drive, Ruby Forest Parkway, Stonecypher Road, Scales Road, Magnolia Leaf Lane, Landover Crossing and Landsfaire Terrace.

Stormwater flows better. Ditch improvements, pipe replacements and other improvements help stormwater flow. Stormwater infrastructure improvements on Russell Street, Eva Kennedy Road, Main Street, Sims Lake Park, Magnolia Leaf Lane, Landover Crossing, Martin Farm Road, and Idlewild Court, helped businesses, homeowners, and trail users to enjoy the City, and keeping everyone safe when it rains.

FOR THE FUTURE

Suwanee's top priorities for the future include continued implementation of Suwanee's 20/20 Vision strategic plan, preparation for reconstruction of Buford Highway as a context-sensitive* multimodal roadway, construction of a Greenway along Brushy Creek, continued focus on annual road resurfacing and storm drainage infrastructure with the continuation of the 2014 special purpose local option sales tax program (SPLOST), and completion of two master planning efforts.

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

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

Brushy Creek Greenway. The City received a federal Transportation Enhancement grant for $450,000. This grant will be used to construct a greenway along Brushy Creek, connecting to the Gwinnett County Public Library and PlayTown Suwanee.

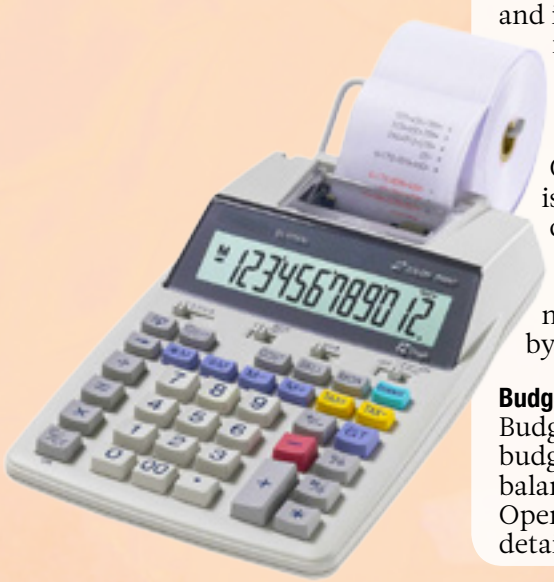
2014 SPLOST expected to bring neary $20 million in transportation improvements to Suwanee. Together Gwinnett County and the City of Suwanee have allocated approximately $20 million in 2014 SPLOST funding towards transportation and sidewalk improvements projects. Gwinnett County has allocated approximatey $12.6 million to four Suwanee-area projects. The City will work jointly with Gwinnett County to fund four additional projects, with the county contributing $1.86 million. These projects include installing sidewalks on Peachtree Industrial Boulevard near McGinnis Ferry Road, Suwanee Dam Road near North Gwinnett High School, Smithtown Road and sidewalk gaps on Lawrenceville Suwanee Road. Suwanee has allocated approximately $6 million for the transportation projects.

City kicks off calendar year 2015 with two major planning efforts. Two major planning efforts were started in calendar year 2015, an update of the Downtown Master Plan and a new Public Art Master Plan. Both of these plans were adopted in the summer of 2015.

The Downtown Master Plan focuses on considering specific development opportunities in the downtown area, transportation, open space, and connectivity. The area in the study covers Town Center and Old Town Suwanee and includes the entire Downtown Development Authority area, which roughly runs from Suwanee Creek to just southeast of Peachtree Industrial Boulevard and from McGinnis Ferry to Suwanee Dam, extending to Suwanee Estates and up to George Pierce Park.

The Public Art Master Plan is a 5 to 10 year plan that focuses on appropriate locations for future displays, funding alternatives, and maintenance of the City's current and future collections.

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



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 statutes require an annual audit by an independent Certified Public Accountant.

Mauldin & Jenkins, LLC, issued an unmodified ("clean") opinion on the City of Suwanee's financial statements for the year ended June 30, 2015. The independent auditor's report is located at the front of the financial section of this report.

AWARDS

The City of Suwanee is proud that many of its initiatives and projects have earned regional, state, and national awards and certification over the past several years.





- Voice of the People Awards for Excellence winner in Community Engagement and Recreation and Wellness from the International City/County Management Association and National Research Center. The City of Suwanee was the only jurisdiction to win more than one award (2015).
- Voice of the People Awards for Excellence finalist for Built Environment and Economy from the International City/County Management Association and National Research Center (2015).
- Best Festival with a budget over $75,000, Gold, for Suwanee Fest 2014, Southeast Festivals and Events Association (2015) Best Volunteer, Gold, Southeast Festivals and Events Association (2015).
- Best Creative Idea, Gold, for hosting a Blast a Storm Trooper activity at Suwanee Fest, Southeast Festivals and Events Association (2015).
- Best T-shirt, Silver, Southeast Festivals and Events Association (2015).
- PlanFirst designation, Georgia Department of Community Affairs, for excellence in community planning (2014).
- Certificate of Distinction for superior performance management from the International City/County Management Association; one of only 11 jurisdictions throughout the country to receive such recognition (2015).
- Award of Excellence (third place) from the City-County Communications and Marketing Association, Graphic Design – Publications for Connects newsletter (2014).
- Award of Excellence (third place) from the City-County Communications and Marketing Association, Printed Publications – External Publications for Connects newsletter (2014).
- Georgia Downtown Conference Awards of Excellence - Silver Award, Promotions, for Woofstock event (2014).
- Popular Annual Financial Reporting Award, Government Finance Officers Association, 2015 Annual Report (2014)
- Excellence in Financial Reporting, Government Finance Officers Association, for 2014 Comprehensive Annual Financial Report (2015).
- One of three "Best Small Cities to Raise a Family," RealEstate.com (2014).
- Distinguished Budget Presentation Award for fiscal year 2015 budget, Government Finance Officers Association (2015).
- Included in top 10 list of "Best Cities for Homeownership in Georgia," NerdWallet.com (2014).

COMPREHENSIVE
Annual Financial Report

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.

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, 2014. This was the twelveth 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.

ACKNOWLEDGEMENTS

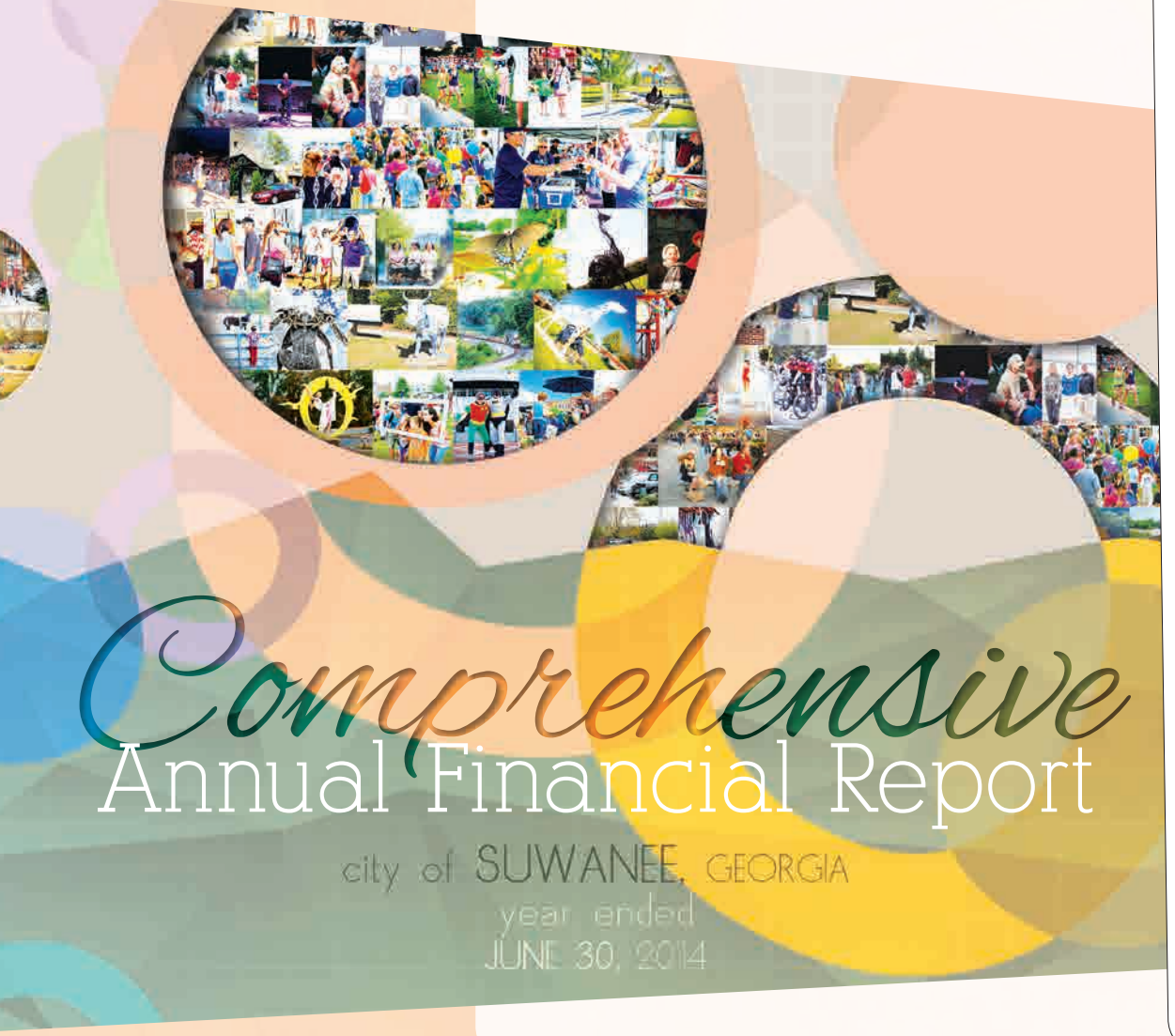
The preparation and production of this document would not be possible without the dedication and cooperation of all City departments. Their willingness to work together has enabled Suwanee to exceed expectations, to go beyond ordinary, striving to be unique, remarkable, and quirky in providing a quality 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 Mayor Jimmy Burnette and to each of our Councilmembers for setting the tone and providing the leadership to keep Suwanee moving in the right direction. Their dedication, leadership, vision, and support in planning and conducting the affairs of the City in a responsible and progressive manner ensure that Suwanee is a well-rounded, vibrant community that residents can be proud to call home today and well into the future.

Respectfully submitted,

Amie Sakmar
Financial Services Director

Marty Allen
City Manager





Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

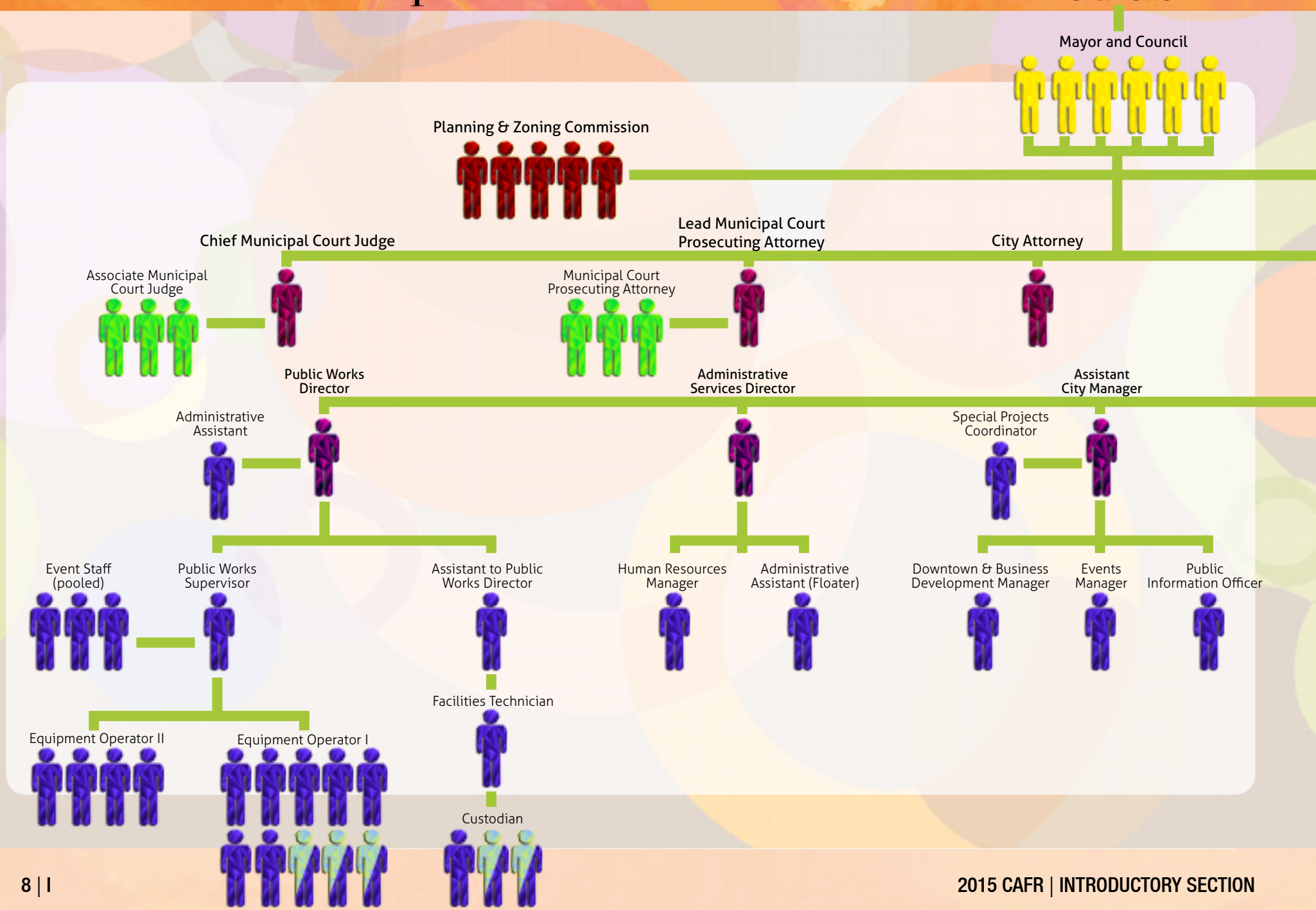
City of Suwanee

Georgia

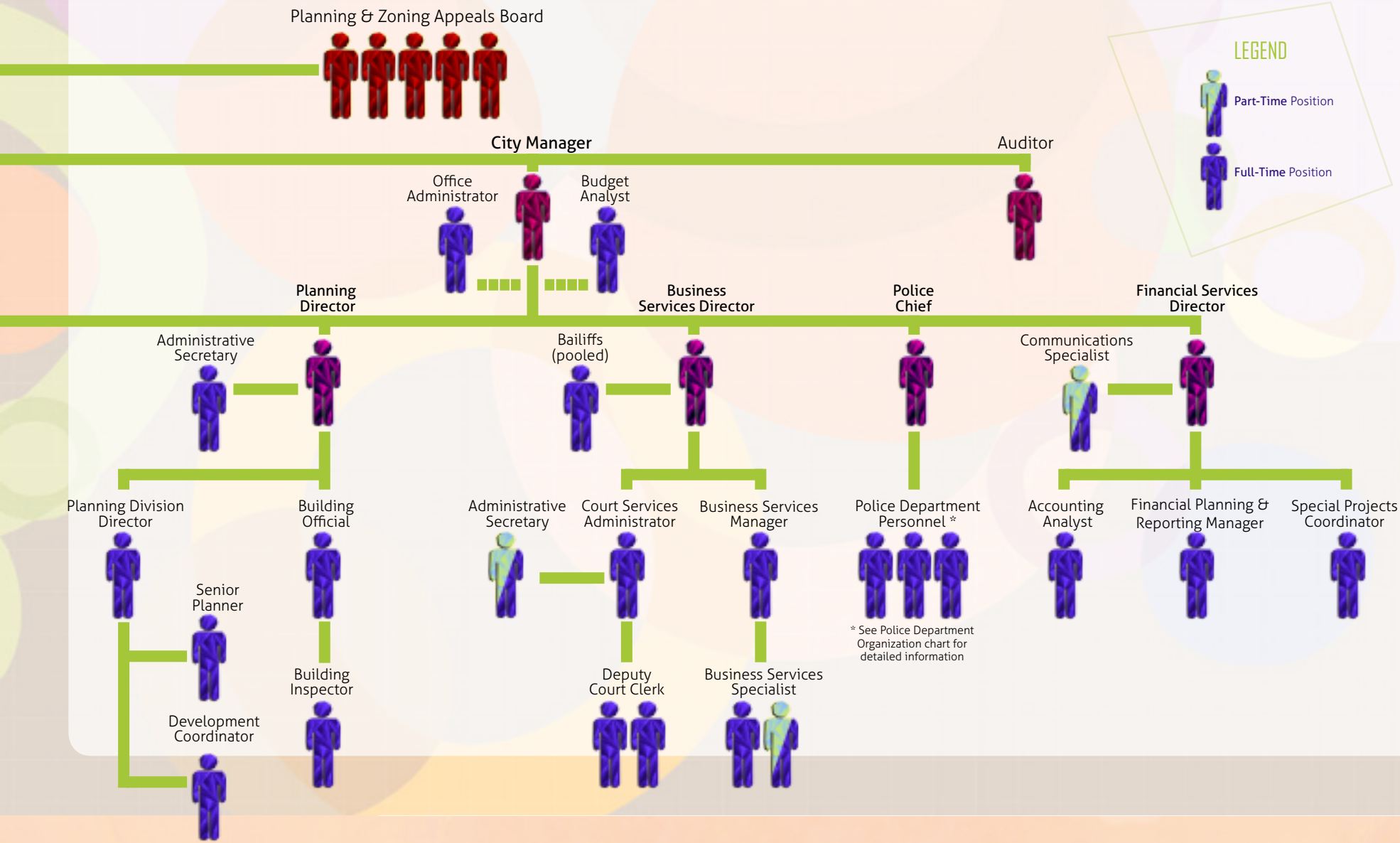
For its Comprehensive Annual Financial Report for the Fiscal Year Ended

June 30, 2014

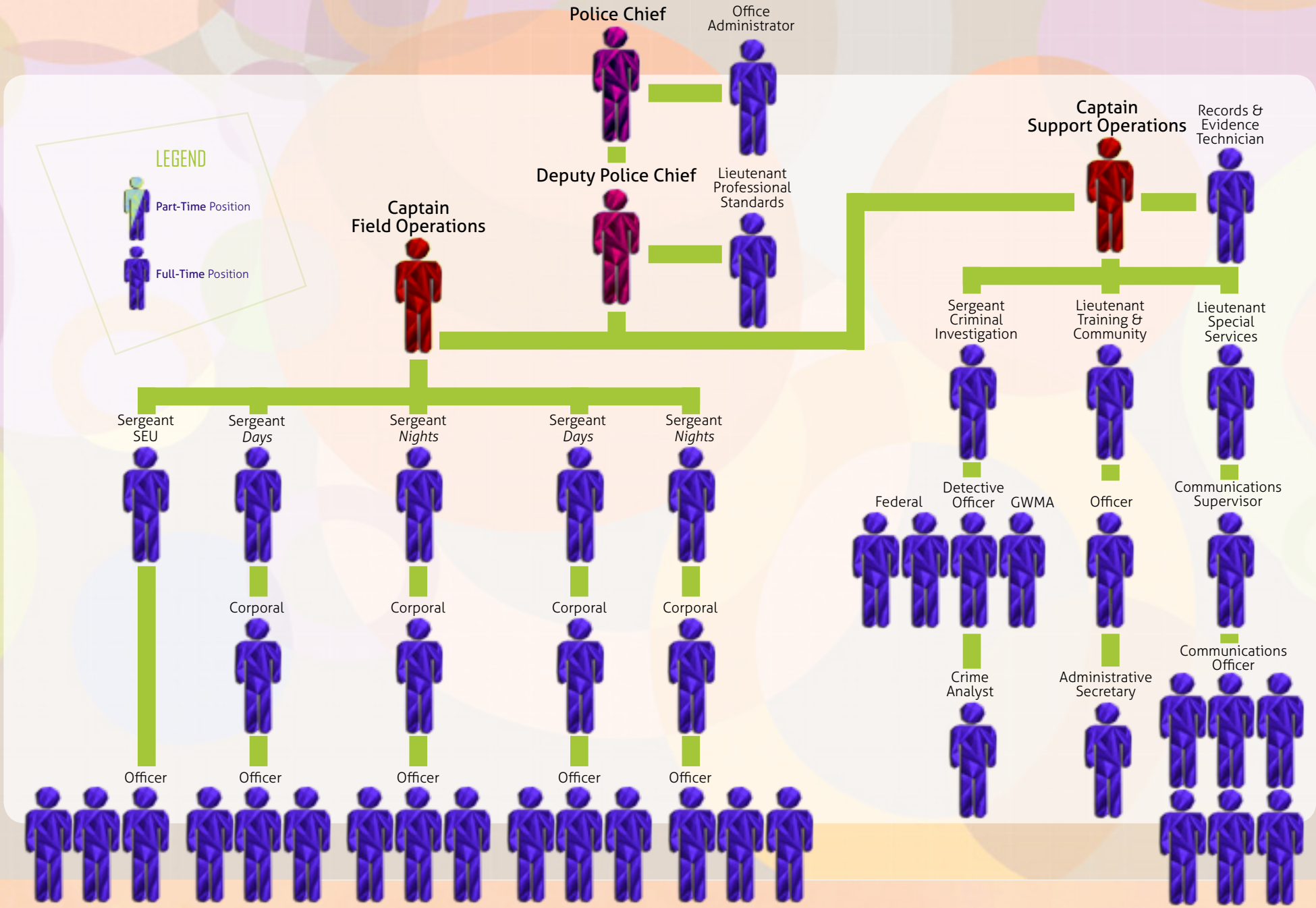
Executive Director/CEO


Citizens
Mayor and Council
Planning & Zoning Commission
Chief Municipal Court Judge
Lead Municipal Court Prosecuting Attorney
City Attorney
Associate Municipal Court Judge
Municipal Court Prosecuting Attorney
Public Works Director
Administrative Services Director
Assistant City Manager
Administrative Assistant
Special Projects Coordinator
Event Staff (pooled)
Public Works Supervisor
Assistant to Public Works Director
Human Resources Manager
Administrative Assistant (Floater)
Downtown & Business Development Manager
Events Manager
Public Information Officer
Facilities Technician
Equipment Operator II
Equipment Operator I
Custodian

ADMINISTRATION
organizational chart



POLICE DEPARTMENT
organizational chart



FINANCIAL SECTION

* Independent Auditor's Report
* Management's Discussion and Analysis

MAULDIN & JENKINS

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the **City of Suwanee, Georgia (the "City")**, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

200 GALLERIA PARKWAY S.E., SUITE 1700 • ATLANTA, GA 30339-5946 • 770-955-8600 • 800-277-0080 • FAX 770-980-4489 • www.mjcpa.com
Members of The American Institute of Certified Public Accountants • RSM International

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Suwanee, Georgia as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof, and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Notes 1 and 10, the City of Suwanee, Georgia implemented Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, as well as Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, as of July 1, 2014. These standards significantly changed the accounting for the City's net pension asset and the related disclosures. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 14-26, the Schedule of Changes in the Net Pension Asset and Related Ratios on page 65, and the Schedule of City Contributions on page 66 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

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

Other Reporting Required by *Governmental Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2015 on our consideration of the City of Suwanee, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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* in considering the City of Suwanee, Georgia's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Atlanta, Georgia
December 16, 2015

COMPREHENSIVE Annual Financial Report

MANAGEMENT DISCUSSION AND ANALYSIS

The following management discussion and analysis is provided as an introduction to the basic financial statements for the fiscal year ended June 30, 2015. 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 and deferred outflows of resources of the City's governmental activities exceeded liabilities and deferred inflows of resources by $74,182,096. This is an increase of $2,744,923 or 3.8%, as compared to the prior year amount of $71,437,173, as restated. Beginning net position has been restated from $70,511,806 to $71,437,173, an increase of $925,367. This beginning net position adjustment is due to the implementation of GASB (Governmental Accounting Standards Board) statement 68 (Accounting and Financial Reporting for Pensions).

The majority of the governmental activities increase ($2,744,923) is due to implementing GASB statement 68 (Accounting and Financial Reporting for Pensions), and GASB statement 71 (Pensions Transition for Contributions Made Subsequent to the Measurement Date), and 2014 SPLOST (Special Purpose Local Option Sales Tax) revenues received from the one cent sales tax that will be expended in future periods.

Assets of the City's business-type activities exceeded liabilities by $3,015,642 an increase of $22,634, or less than 1%, as compared to the prior year amount of $2,993,008. This small increase is from charges for services exceeding operating expenses during the period.

In total, net position increased by $2,767,557 to $77,197,738. Of this amount, unrestricted net position on June 30, 2015 was $18,481,462 or 24% of the City's total net position.

Fund level

As of June 30, 2015, the City's governmental funds reported a combined ending fund balance $25,686,335, an increase of $2,790,601, or 12.2% increase from fiscal year 2014. This increase is due to intergovernmental revenues received from the 2014 SPLOST that were received but not expended $2,416,370, general fund revenues exceeding expenditures $336,534, and net revenues exceeding expenditures in the remaining governmental funds $37,697. Enterprise fund assets exceeded liabilities by $3,015,642 of which $2,419,524 was invested in capital assets leaving an unrestricted balance of $596,118.

Long-term debt

In total the City's bonds payable outstanding decreased by ($840,000) or 4.5% during fiscal year 2015. This decrease was due to scheduled debt service payments. Additional information regarding long-term debt can be found in the notes to the financial statements, Note 7, on pages 54-55.

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 four parts:

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

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

GOVERNMENT WIDE FINANCIAL STATEMENTS

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

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

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

The government-wide financial statements can be found on pages 28-30.

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.

FUND FINANCIAL STATEMENTS

(continued)

The City maintains thirteen governmental funds. Five of these funds are considered major funds for financial reporting purposes: general, debt service, 2009 SPLOST, 2014 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 68. Suwanee adopts an annual appropriated budget for general, special revenue, and debt service funds. A budgetary comparison statement has been provided for the general fund on pages 34 and 35. Budgetary comparisons for other governmental funds with legally adopted annual budgets start on page 72.

The basic governmental fund financial statements can be found on pages 31-32.

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 36-38.

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 39.

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 41-64.

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes the required pension schedules and notes to the schedules. The schedule of changes in net pension assets and related ratios and the schedule of city contributions can be found on pages 65-66.

OTHER INFORMATION

Other supplemental information includes combining financial statements for non-major governmental funds. Schedules of revenues, expenditures, and changes in fund balance budget to actual are also presented for all governmental funds with annually adopted budgets. These supplemental statements can be found on pages 68-71.

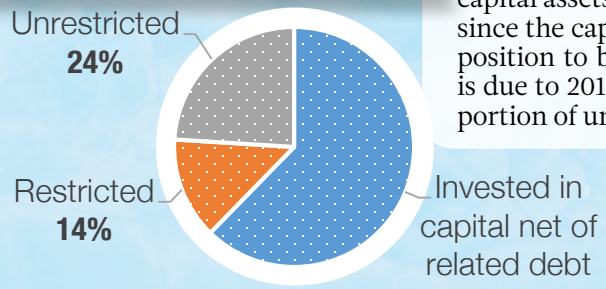
GOVERNMENT WIDE FINANCIAL ANALYSIS

As noted earlier, changes in net position may serve as a useful indicator of a government's financial position and an important determinant of its ability to finance services in the future. On a government-wide basis, the City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows by $77,197,738 and $74,430,181 at June 30, 2015 and 2014 (as restated) respectively. This represents an increase of $2,767,557, or 3.7 percent from fiscal year 2014. The following is a condensed version of the government-wide statement of net position.

	Net Position on June 30th					
	Governmental Activities		Business-type Activities		Total Primary Government	
	2015	2014*	2015	2014	2015	2014*
Assets:						
Current and other assets	$ 29,330,318	$ 26,119,460	$ 604,433	$ 600,099	$ 29,934,751	$ 26,719,559
Capital assets	63,327,924	64,563,349	2,419,524	2,437,911	65,747,448	67,001,260
Total assets	92,658,242	90,682,809	3,023,957	3,038,010	95,682,199	93,720,819
Deferred outflows of resources	569,683	311,391	-	-	569,683	311,391
Liabilities:						
Long-term liabilities outstanding	18,235,063	19,057,804	-	-	18,235,063	19,057,804
Other liabilities	592,290	499,223	8,315	45,002	600,605	544,225
Total liabilities	18,827,353	19,557,027	8,315	45,002	18,835,668	19,602,029
Deferred inflows of resources	218,476	-	-	-	218,476	-
Net Position:						
Net investment in capital assets	45,677,292	46,099,920	2,419,524	2,435,908	48,096,816	48,535,828
Restricted	10,619,460	9,014,457	-	-	10,619,460	9,014,457
Unrestricted	17,885,344	16,322,796	596,118	557,100	18,481,462	16,879,896
Total net position	$ 74,182,096	$ 71,437,173	$ 3,015,642	$ 2,993,008	$ 77,197,738	$ 74,430,181

**Beginning net position has been restated from $70,511,806 to $71,437,173, an increase of $925,367. This beginning net position adjustment is due to the implementation of GASB (Governmen tal Accounting Standards Board) statement 68 (Accounting and Financial Reporting for Pensions). The 2014 column for governmental activities, reflects this beginning balance restatement in current and other assets (reflected an adjustment to net pension asset) and unrestricted net position.*

PRIMARY GOVERNMENT NET POSITION JUNE 30, 2015



The largest portion of the City's net position, 62%, reflects its investment in capital assets such as land, buildings, equipment and infrastructure (roads, bridges, and other immovable assets), net of any related debt used to acquire those assets. Net investment in capital assets decreased by $439,012 or less than 1%. This reduction is due to annual depreciation of capital assets. 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. City has restrictions of $10,619,460 of net position to be used on debt service, capital projects and special programs. The large increase in restricted net position is due to 2014 SPLOST restricted revenues that were received but not expended during the fiscal period. The remaining portion of unrestricted net position, 24%, may be used to meet the City's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City was able to report positive balances in all three categories for the governmental activities. Business type activities were also able to report positive balances in two categories. Overall growth in net position is a positive economic indicator of the City's improved financial position from 2014.

GOVERNMENTAL ACTIVITIES

Governmental activities increased the City's net position by $2,744,923 thereby accounting for 99.2% of the total growth in net position. This increase in governmental activities is related to capital grant contributions for 2014 SPLOST sales tax revenues $2,518,334. The reader should remember that the basis of accounting used in the government-wide statement of activities excluded capital expenditures; this would exclude capital expenditures that used 2014 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 position changed during fiscal year 2015.

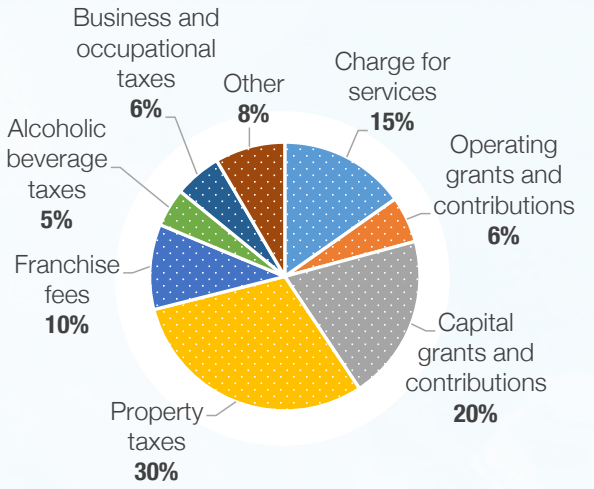
Change in Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2015	2014	2015	2014	2015	2014
Revenues:						
Program revenues:						
Charge for services	$ 2,729,984	$ 2,247,551	$ 135,721	$ 133,790	$ 2,865,705	$ 2,381,341
Operating grants and contributions	1,003,759	982,857	-	-	1,003,759	982,857
Capital grants and contributions	3,576,852	2,482,730	-	-	3,576,852	2,482,730
General revenues:						
Property taxes	5,450,245	5,134,943	-	-	5,450,245	5,134,943
Franchise fees	1,845,517	1,724,565	-	-	1,845,517	1,724,565
Alcoholic beverage taxes	833,056	835,071	-	-	833,056	835,071
Business and occupation taxes	1,017,117	965,165	-	-	1,017,117	965,165
Other	1,459,798	1,366,972	-	-	1,459,798	1,366,972
Unrestricted investment earnings	48,796	41,835	1,448	929	50,244	42,764
Total revenues	17,965,124	15,781,689	137,169	134,719	18,102,293	15,916,408
Expenses:						
General government	2,592,707	2,292,068	-	-	2,592,707	2,292,068
Judicial	377,590	330,822	-	-	377,590	330,822
Public safety	4,150,355	4,196,704	-	-	4,150,355	4,196,704
Public works	4,867,064	4,102,997	-	-	4,867,064	4,102,997
Culture and recreation	1,024,032	860,294	-	-	1,024,032	860,294
Housing and development	1,141,337	1,100,089	-	-	1,141,337	1,100,089
Tourism and trade	321,677	257,322	-	-	321,677	257,322
Interest on long term debt	745,439	777,418	-	-	745,439	777,418
Water and sewer	-	-	114,535	119,767	114,535	119,767
Total expenses	15,220,201	13,917,714	114,535	119,767	15,334,736	14,037,481
Increase (decrease) in net position before transfers	2,744,923	1,863,975	22,634	14,952	2,767,557	1,878,927
Transfers	-	(100,000)	-	100,000	-	-
Change in net position	2,744,923	1,763,975	22,634	114,952	2,767,557	1,878,927
Net position - July 1	70,511,806	68,747,831	2,993,008	2,878,056	73,504,814	71,625,887
Beginning net position adjustment	925,367	-	-	-	925,367	-
Net position - June 30	$ 74,182,096	$ 70,511,806	$ 3,015,642	$ 2,993,008	$ 77,197,738	$ 73,504,814

REVENUES BY SOURCE GOVERNMENTAL ACTIVITIES

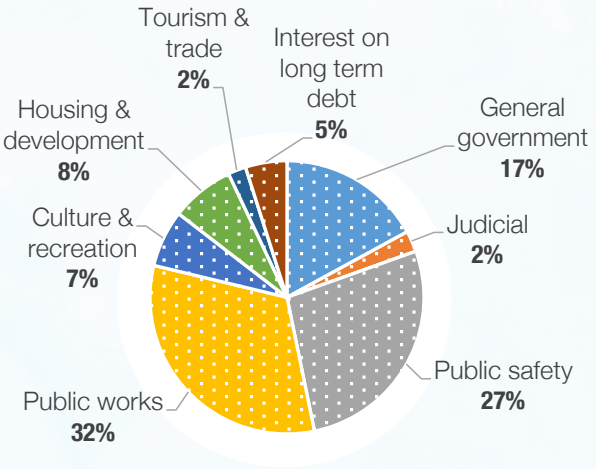
Governmental activities revenues totaled $17,965,124 for fiscal year 2015 and $15,781,689 for fiscal year 2014, reporting a increase of $2,183,435. The major difference between the two fiscal years is due to 2015 increases in mulitiple revenue sources including 1) property tax revenues $315,302 2) municipal fine revenues $404,575 3) intergovernmental revenues, which include the 2014 SPLOST along with federal and state capital grants, $ 220,930, and 4) increases in franchise fees, business and occupation taxes, hotel/motel taxes, and insurance premiums $277,841.

Property tax revenue in fiscal year 2015 increased compared to fiscal year 2014, $315,302. This growth is due to rising property values. Suwanee's taxable property values peeked in calendar 2009 with an estimated total taxable assess value of $1,174,713,298. These values declined over the next four years with the lowest value noted in calendar year 2013 with total assess values estimated at $1,072,129,730. Total taxable assessed values for calendar year 2014 increased by $21,528,490, to an estimated total of $1,093,658,220. Additional information on Suwanee's taxable assessed property values can be found in the statistical section, page S13. Property taxes are the largest revenue source for governmental activities accounting for 30% of total revenues. Capital grants and contributions, which include SPLOST funds received from Gwinnett County and developer asset donations, account for the second largest at 20%. Charges for services, which include municipal court fines and building permits, are the third largest revenue sources, accounting for 15% of governmental revenues for the year.

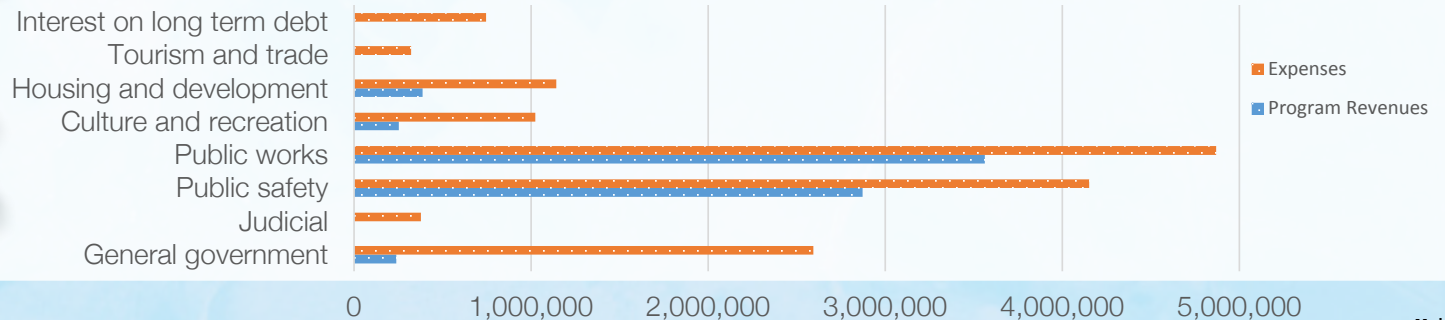


EXPENSES BY SOURCE GOVERNMENTAL ACTIVITIES

Governmental expenses totaled $15,220,201 for the fiscal year. Of the expenses, 32%, or $4,867,064, are related to public works, while public safety accounted for $4,150,355, or 27%. Interest on long term debt accounted for 5% of overall governmental expenses. The chart below compares governmental activities with their respective program revenues, if any.

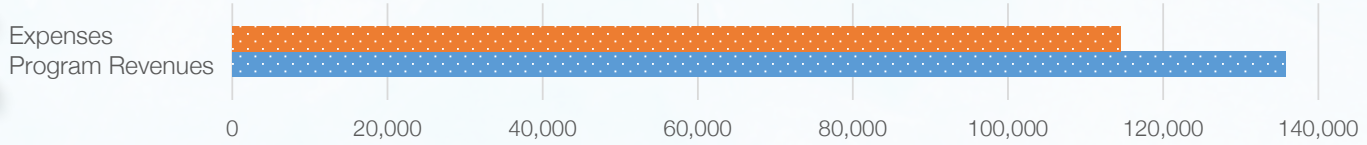


GOVERNMENTAL ACTIVITIES EXPENSES AND PROGRAM REVENUES



BUSINESS-TYPE ACTIVITIES

Business-type activities increased the City's net position by $22,634 accounting for less than 1% of the City's net position increase in fiscal year 2015. This increase is due to operating revenues exceeding expenses.



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, 2015, the City's governmental funds reported a combined ending fund balance of $25,686,335, an increase of $2,790,601 in comparison with the prior year. The majority of this increase is due to 2014 SPLOST revenues received but not expended in the current period $2,416,370. In the governmental fund financial statements, the City's fund balance is reported in five classifications.

Nonspendable

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

Restricted

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

Committed

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

Assigned

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

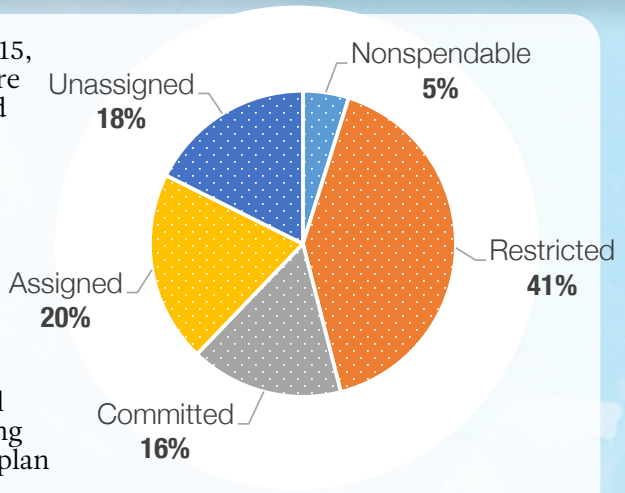
Unassigned

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

As of June 30, 2015, Suwanee's total fund balance for governmental funds was $25,686,335 of which $1,245,335 was nonspendable, $10,573,448 was restricted, $4,150,930 was committed, $5,189,973 was assigned, and $4,526,649 was unassigned. Additional information on fund balance can be found on Note 1 on pages 48-49.

GOVERNMENTAL FUND BALANCES

The general fund is the chief operating fund of the City. On June 30, 2015, unassigned fund balance of the general fund was $4,526,649. 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 39% of total general fund expenditures and transfers, compared to 40% in the prior year. The decrease in unassigned fund balance of ($77,262) is approximately 1.7% lower than the previous fiscal year. This slight decrease in unassigned is related to the increase in committed fund balance. Overall, fund balance of the general fund increased by $336,534 during the current fiscal year. This increase was due to revenues performing higher than appropriations $569,154, expenditures lower than appropriations $1,220,832, and fourth quarter prefunding capital transfers $1,505,960. Prefunding Suwanee's capital improvement program is part of Suwanee's pay-as-you-go financing for capital projects. The majority of this prefunding was for master plan implementation $865,961 and facility maintenance $390,000.



REVENUES CLASSIFIED BY SOURCE GENERAL FUND

	FY 2015		FY 2014		Increase/ (Decrease)	
	Amount	% of Total	Amount	% of Total	Amount	% of Change
Revenues by Source:						
Taxes	$ 8,194,269	70.26%	$ 7,865,938	71.93%	$ 328,331	4.17%
Licenses and permits	601,618	5.16%	588,696	5.38%	12,922	2.19%
Intergovernmental	793,776	6.80%	802,196	7.34%	(8,420)	-1.05%
Charge for services	103,476	.89%	110,438	1.01%	(6,962)	-6.30%
Fines and forfeitures	1,898,791	16.28%	1,494,216	13.66%	404,575	27.08%
Other	71,464	.61%	74,776	.68%	(3,312)	-4.43%
Total	$ 11,663,394	100.00%	$ 10,936,260	100.00%	$ 727,134	6.65%

The following provides an explanation of revenues by source changes from 2014 to 2015:

- **Taxes.** Real and personal property tax collections increased by $109,781 from fiscal year 2014. Suwanee's property tax digest has started to show value growth as the economy continues to improve. Calendar year 2014 total taxable assessed value increased by $21,528,490 from 2013 values. Please note that property tax values are assessed at January 1 and are based on a calendar year. Taxes billed and collected are based on a fiscal year. Franchise fees increased by $120,952, mainly in electric fees from the prior year. Business taxes increased by $88,048, due to improvements in Suwanee's economy from the previous year. Other taxes increased by $9,550. The majority of this increase is due to the growth in the title ad valorem tax. The title ad valorem tax will continue to increase over the next few years as older vehicles are replaced with new vehicles, the title tax only applies to new or used vehicle purchases. The increase in the title tax revenues will be offset in future periods with the decrease in the motor vehicle ad valorem tax.
- **License and permits.** Alcohol beverage fees increased by $13,190. The other revenue sources in this category, business licenses and building permits, remained stable with a slight ($268) decrease.

- **Intergovernmental.** Intergovernmental revenues decreased by ($8,420) from the prior period. In fiscal year 2013, Suwanee received $981,452 from Gwinnett County for 911 dispatch and police services provided by the City. In fiscal year 2014, Suwanee received $802,196. This annual payment for 911 and police services provided by the Suwanee was part of the Service Delivery Strategy (SDS) settlement agreed upon in March 2012. Payments are based on actual expenditures incurred. These annual payments will continue until the next SDS negotiations in 2019.
- **Fines and forfeitures.** Municipal court fees increased by $404,575. During fiscal year 2014, several police positions were unfilled due to injuries, deployment, and vacancies. With reduced man power, special enforcements units were re-allocated to patrol resulting in a decrease in higher fine tickets in fiscal year 2014.

EXPENDITURES BY FUNCTION GENERAL FUND

	FY 2015		FY 2014		Increase/ (Decrease)	
	Amount	% of Total	Amount	% of Total	Amount	% of Change
Expenditures by Function:						
General government	$ 2,091,655	21.18%	$ 2,022,499	21.22%	$ 69,156	3.42%
Judicial	379,879	3.85%	336,529	3.53%	43,350	12.88%
Public safety	4,108,178	41.61%	4,161,509	43.66%	(53,331)	-1.28%
Public works	1,838,700	18.62%	1,754,412	18.41%	84,288	4.80%
Culture and recreation	285,995	2.90%	267,476	2.81%	18,519	6.92%
Housing and development	1,169,591	11.84%	988,930	10.37%	180,661	18.27%
Total	$ 9,873,998	100.00%	$ 9,531,355	100.00%	$ 342,643	3.59%

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

- **General government.** Expenditures increased by $69,156 or 3.42%. The majority of this increase is due to annual performance raises, increases in group health insurance, and professional services for the biennial National Citizen Survey $11,700.
- **Judicial.** Expenditures increased by $43,350 or 12.88%. The majority of this increase is due to additional court dates being added to the court calendar and the transition from night court to day court. As Suwanee's population continues to grow, the municipal court population during court sessions has expanded. To help with this increase in volume and to improve customers experience in court, additional court dates were added to the court calendar and the transition from night court sessions to day court sessions was accomplished in fiscal year 2015.
- **Public safety.** Expenditures decreased by ($53,331) or -1.28%. The majority of this decrease is the due to a decrease in vehicle purchases from fiscal year 2015, $78,985, as compared to fiscal year 2014, $125,822. A decrease of ($46,836).
- **Public works.** Expenditures increased by $84,288 or 4.80%. This increase is due to an increase in salaries and benefits due to annual performance raises, increases in group health insurance, and the addition of one new equipment operator position.
- **Culture and recreation.** Expenditures increased by $18,519 or 6.92%. This increase is due to the event costs for the annual large concert in the park and other supplies costs associated with park events.
- **Housing and development.** Expenditures increased by $180,661 or 18.27%. During fiscal year 2015, the city began two major planning projects, the Downtown Suwanee Master Plan $100,000 and the Public Arts Master Plan $25,000. Additional temporary staffing was also added to help with economic development due to staffing illness.

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 2015, the City had three capital project funds considered major funds: the 2009 SPLOST, 2014 SPLOST and Other Capital Projects.

The **2009 SPLOST** fund consists of eleven separate projects. These projects include: greenway rehabilitation/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 Plan, police sub-station, parking facilities, park enhancements, recreation projects, and a sign reflectivity program. The City has entered into an intergovernmental agreement with Gwinnett County to allocated $10,356,865 collected from the County and to be distributed to the City over a five-year period. As of June 30, 2015, all funds from this intergovernmental agreement have been allocated to the City. The fund had a restricted fund balance of $5,628,044, comprised entirely of 2009 SPLOST funds received and unspent, and an assigned balance of $2,949,204, comprised of general fund and non-major governmental funds transfer of resources. During fiscal year 2015, fund balance decreased by ($770,328) due to current capital expenditures exceeding current revenue resources. The majority of the capital expenditures were for street resurfacing, $639,533, and Buford Highway reconstruction, $290,300.

The **2014 SPLOST** fund consists of six separate projects. These projects include: park enhancements, master plan implementation projects, street resurfacing and improvements, storm drainage and system improvements, transportation enhancements, and additional funding for the Buford Highway reconstruction and streetscape. The City has entered into an intergovernmental agreement with Gwinnett County to allocated $6,585,211 collected from the County and to be distributed to the City over a three-year period. As of June 30, 2015, $2,914,358 of these funds have been allocated to the City. The fund had a restricted fund balance of $3,010,171, comprised entirely of 2014 SPLOST funds received and unspent.

Other capital projects fund accounts for the local financial resources used for the purchase and construction of capital equipment, facilities, and community stabilization. As of June 30, 2015, the fund had nonspendable fund balance of $1,245,335 (redevelopment land held for resale) and assigned fund balance of $2,209,262. During fiscal year 2015, fund balance increased by $817,435. This increase is due to fourth quarter capital prefunding transfers for future planned capital outlay expenditures, the majority of the funding is for facility maintenance, local funding for master plan implementation, street maintenance, and storm drainage system improvements.

DEBT SERVICES

The debt service restricted fund balance was $1,276,100 as of June 30, 2015, 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 sewer fund had an operating income of $21,186 compared to an operating income of $14,023 in the prior year. Operating revenues increased by $1,931. Operating expenses decreased by ($5,232). Changes in net position was $22,634. This increase is from charges for services exceeding operating expenses during the period.

GENERAL FUND BUDGETARY HIGHLIGHTS

Differences between the original budget, $11,179,880, and the final amended budget, $12,789,330, amounted to an overall increase of $1,609,450. Operational functions were increased by $49,660, or less than 1%. Capital transfers were increased by $1,534,390 and the transfer to the Tax Allocation District was increased by $25,400. Listed below is a summary of the additional capital transfers, all made to the other capital projects fund:

GENERAL FUND BUDGETARY HIGHLIGHTS

(continued)

- $28,430, to provide local funding towards the electric charging station project. Suwanee received a 50% matching grant for this project from GEFA (Georgia Environmental Financing Authority). Total project cost were $58,860.
- $390,000, prefunding for fiscal year 2016 facilities maintenance.
- $80,000, prefunding for fiscal year 2016 storm water projects.
- $100,000, prefunding for fiscal year 2016 street maintenance and resurfacing.
- $865,960, prefunding for master plan implementation. These funds were allocated to provide local funding support to implement capital projects that will be identified in the Downtown Suwanee Master Plan and the Public Arts Master Plan. Both of these planning process will be completed in the summer of 2016.
- $70,000, prefunding for public safety equipment.

A detail budgetary comparison schedule for the fiscal year ended June 30, 2015 can be found on pages 34-35. 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	$ 8,180,910	$ 8,196,570	$ 8,194,269	$ (2,301)
Licenses and permits	627,150	627,150	601,618	(25,532)
Intergovernmental revenues	802,190	802,190	793,776	(8,414)
Charges for services	110,500	110,500	103,476	(7,024)
Fines and forfeitures	1,200,000	1,287,830	1,898,791	610,961
Investment income	45,000	45,000	39,487	(5,513)
Miscellaneous revenues	25,000	25,000	31,977	6,977
Other financing sources	189,130	189,130	241,632	52,502
Total	11,179,880	11,283,370	11,905,026	621,656
Expenditures and transfers out:				
Expenditures	11,045,170	11,094,830	9,873,998	1,220,832
Transfer out	134,710	1,694,500	1,694,494	6
Total	11,179,880	12,789,330	11,568,492	1,220,838
Change in fund balance	$ -	$ (1,505,960)	$ 336,534	$ 1,842,494

During the year, general fund revenues exceeded budgetary appropriations by $621,656. The majority of this additional revenues was due to higher than projected fines and forfeitures (municipal court revenues). These additional resources are due to prior period police vacancies being filled and personnel resources being allocated to specialized patrols. If fines and forfeitures resources are removed from the analysis, original revenue projections are within $26,355, less than 1% variance, of actual revenues received. General fund expenditures were less ($1,220,832), than budgetary estimates. Listed below are the major areas that expenditures were lower than appropriations.

- Salaries and benefits expenditures were ($615,150) less than appropriations. This was due to vacancies, lower workers compensation rates, and the lower than expected workers compensation claim payments. Salaries and wages were 95% of budgetary projections and employee benefits were 86%.

- Purchased professional services expenditures were ($158,180) less than appropriations, 78% expended. The major consultant areas were development reviews, legal services and landscape maintenance. This category also includes the expenditures for two major planning efforts that were started but not completed in fiscal year 2015, the Downtown Suwanee Master Plan and the Public Arts Master Plan. The full costs of both of these planning efforts were included in the budgeted projections.
- Other purchase services expenditures were ($194,358) less than appropriations, 82% expended. This classification includes training, education, travel, printing, and dues and fees.
- Supplies expenditures were ($173,717) less than appropriations, 82% expended. This was due to utilities and gasoline projections being higher than actual costs.
- Purchase property services were ($18,373) less than appropriations, 93% expended. This was due to repairs and rental projections being higher than actual costs.
- Capital outlay expenditures were ($57,296) less than appropriations, 83% expended.



Capital assets

On June 30, 2015, the City's investments in capital assets in both governmental and business-type activities amounted to $65,747,448 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 $2,949,158 and not the result of disposal of assets. In fiscal year 2015, the City implemented new software for accounting for capital assets. During the software conversion, several account types were reclassified within the different categories listed below. These are reclassifications not disposals or deletions and are shown as transfers in the detail schedule in Note 6 on pages 52-53 of this report.



	Governmental Activities		Business-type Activities		Total Primary Government	
	2015	2014	2015	2014	2015	2014
Land	$ 13,329,020	$ 13,280,858	$ 7,500	$ 7,500	$ 13,336,520	$ 13,288,358
Land improvements	488,017	2,230,105	867	1,114	488,884	2,231,219
Buildings	25,743,602	25,853,927	-	-	25,743,602	25,853,927
Water system	-	-	2,402,907	2,349,115	2,402,907	2,349,115
Machinery and equipment	1,507,482	1,914,276	-	78,179	1,507,482	1,992,455
Vehicles	470,402	466,878	-	-	470,402	466,878
Infrastructure	20,890,298	20,351,693	-	-	20,890,298	20,351,693
Construction in progress	899,103	465,612	8,250	2,003	907,353	467,615
Total	$ 63,327,924	$ 64,563,349	$ 2,419,524	$ 2,437,911	$ 65,747,448	$ 67,001,260



Long-term debt

At the end of the current fiscal year, the City had total bonded debt outstanding of $17,910,000 comprised of general obligation debt $13,395,000 backed by the full faith and credit of the City, and revenue bonds ($4,515,000) obligated through an intergovernmental agreement with the Urban Redevelopment Agency.

The City's total long-term bonds decreased by ($840,000) or 4.5% during the current fiscal year. The City's bond rating is AAA from Standard & Poor's (S&P) and AA+ from Fitch Rating. 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 $109,365,822; current general obligation debt is below this limit with 11.08% of the legal debt limit used. Additional information regarding long-term debt can be found in Note 7 on pages 54-55 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The United States economy grew at an annual rate of 2.3 percentage points during the second quarter of 2015 (calendar). This follows a 0.6 percentage point decrease during the previous quarter. Overall, the economy grew at a rate of 2.4 percent during calendar year 2014, which is an improvement from the 1.9 percent growth rate of 2013. Economists still expect that the economy will continue to grow at a rate of at least 3 percentage points during 2015. This level of sustained economic growth has not been realized since late 2005 through early 2006. Overall revenue performance for fiscal year 2015 continues to follow positive trends, as noted by the national economy, for the City.

Unemployment

Unemployment has been steadily improving since its peak in 2010. According to the U.S. Bureau of Labor Statistics, the national unemployment rate in June 2015 was 5.3 percent. Georgia is among several states that exceed the national average with a June 2015 unemployment rate of 6.1 percent. Gwinnett County is near the national average and is faring better than the state and metro Atlanta average with an unemployment rate of 5.6 percent. The Georgia Civilian Labor Force maintains unemployment rate estimates for each Census Tract within the state. Suwanee's census includes three tracts; Tracts 502.10, 502.12, and 502.13 had an unemployment rate of 3.9 percent in June 2015.

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 experienced a slowdown in the housing sector for two consecutive years (2010–2011) with only 43 and 59 new housing starts consecutively. Following this decline, the City began to see gradual increases in permits issued with 115 new permits in 2012, 113 in 2013, and 133 in 2014.

Active developments

There are four active developments in Suwanee that include a single family residential component. These projects are authorized for a total of 458 single-family attached and detached housing units. Of these authorized 458 single family units 81 percent (372 units) are occupied while the remaining 19 percent (86 units) are unoccupied. Of the 86 unoccupied units, 49 percent are platted but vacant lots and 2 percent are builder-owned residences.

Housing values

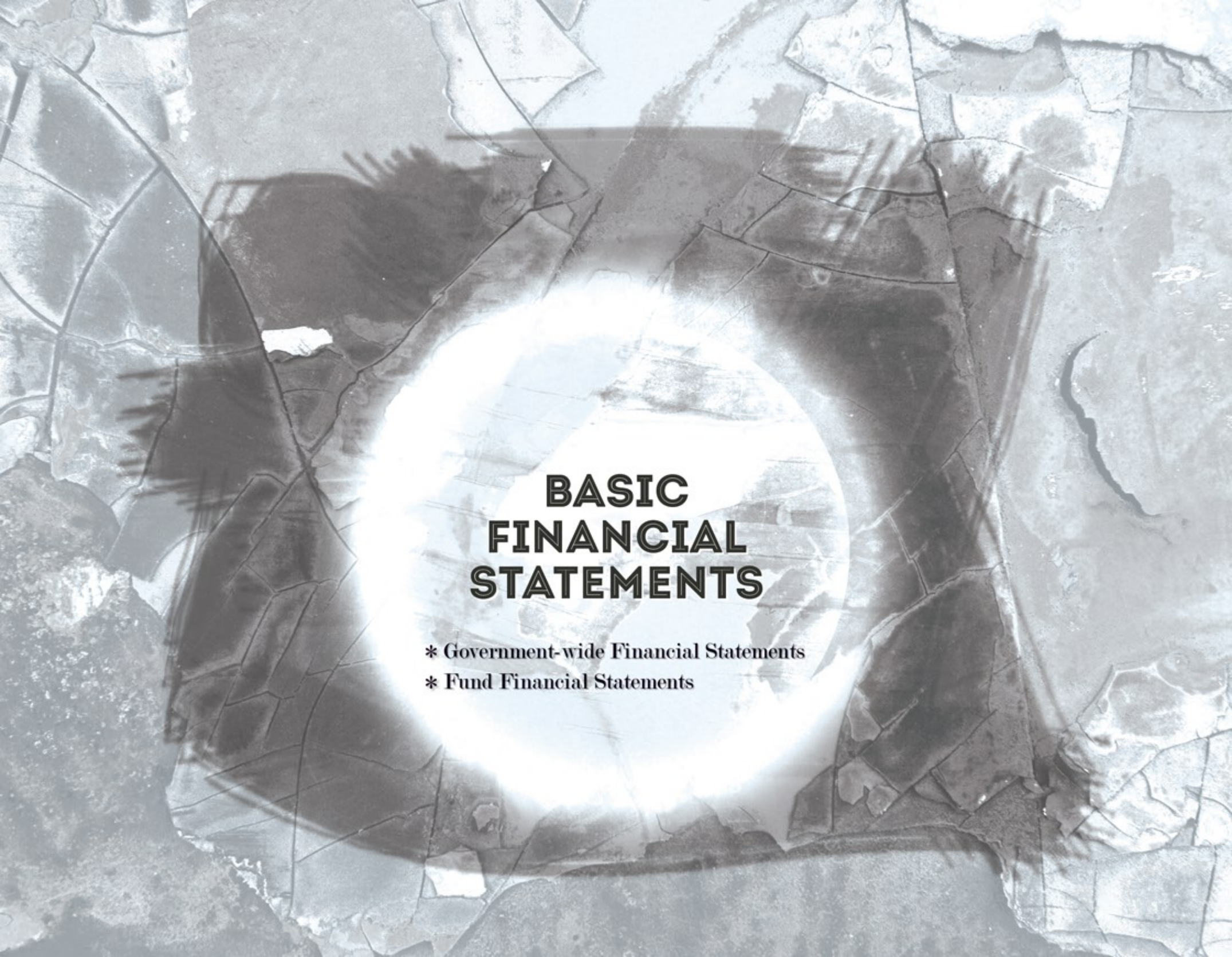
According to Zillow, the average home sales price in Suwanee in June 2015 was $328,000. This increased by 2 percentage points from the previous quarter and by 5 percentage points from June 2014. Gwinnett County's average home sales price was $168,600 which increased by 1 percentage point over the past 12 months. Suwanee has the second highest average home value in Gwinnett County behind Berkeley Lake which had an average home value of $404,600 in June 2015.

General fund budget

The City takes a conservative approach on budgeting, placing emphasis on ensuring financial stability and long term sustainability. Suwanee recognizes the balancing of results (current services, new services, and capital projects) and resources (long term sustainability, debt and long term obligations, and the community's tax burden). The balancing of results to resources creates public value in city services. The fiscal year 2016 annual budget for the general fund is $12,452,790; this is a decrease of ($336,540) or -2.6% from the final amended 2015 budget. The largest difference in the fiscal year 2015 final budget and the fiscal year 2016 budget is due to the fourth quarter fiscal year 2015 capital improvements prefunding of $1,505,960. Prefunding Suwanee's capital improvement program is part of Suwanee's pay-as-you go financing for capital projects.

REQUEST FOR INFORMATION

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



BASIC FINANCIAL STATEMENTS

* Government-wide Financial Statements
* Fund Financial Statements


PARKER
30024
cityof
suwanee

STATEMENT OF NET POSITION
june 30, 2015

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	$ 15,544,224	$ 241,046	$ 15,785,270
Investments	8,913,691	351,684	9,265,375
Receivables:			
Property taxes	294,441	-	294,441
Other	303,971	8,358	312,329
Due from other governments	236,156	-	236,156
Inventory land held for resale	1,245,335	-	1,245,335
Net pension asset	2,792,500	-	2,792,500
Restricted cash	-	3,345	3,345
Capital assets, nondepreciable	14,228,123	15,750	14,243,873
Capital assets, depreciable, net of accumulated depreciation	49,099,801	2,403,774	51,503,575
Total assets	92,658,242	3,023,957	95,682,199
DEFERRED OUTFLOW OF RESOURCES			
Pension contribution subsequent to measurement date	286,307	-	286,307
Pension assumption changes	2,144	-	2,144
Deferred loss on refunding of bonds	281,232	-	281,232
Total deferred outflow of resources	569,683	-	569,683
LIABILITIES			
Current liabilities:			
Accounts payable	518,683	4,970	523,653
Retainage payable	7,982	-	7,982
Liabilities payable from restricted assets	-	3,345	3,345
Unearned revenue	65,625	-	65,625
Noncurrent liabilities:			
General obligation bonds due within one year	570,000	-	570,000
General obligation bonds due in more than one year	12,840,661	-	12,840,661
Revenue bonds due within one year	305,000	-	305,000
Revenue bonds due in more than one year	4,208,221	-	4,208,221
Compensated absences due within one year	99,578	-	99,578
Compensated absences due more than one year	211,603	-	211,603
Total liabilities	18,827,353	8,315	18,835,668
DEFERRED INFLOW OF RESOURCES			
Pension demographic changes	60,656	-	60,656
Pension investment return	157,820	-	157,820
Total deferred inflow of resources	218,476	-	218,476

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

(continued)

STATEMENT OF NET POSITION
june 30, 2015 (continued)

	Governmental Activities	Business-type Activities	Total
NET POSITION			
Net investment in capital assets	45,677,292	2,419,524	48,096,816
Restricted for:			
Capital projects	8,862,055	-	8,862,055
Debt service	1,322,112	-	1,322,112
Special programs	435,293	-	435,293
Unrestricted	17,885,344	596,118	18,481,462
Total net position	$ 74,182,096	$ 3,015,642	$ 77,197,738

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

STATEMENT OF ACTIVITIES
year ended june 30, 2015

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business Type	Total
Governmental activities:							
General government	$ 2,592,707	$ 238,239	$ -	$ -	$ (2,354,468)	$ -	$ (2,354,468)
Judicial	377,590	-	-	-	(377,590)	-	(377,590)
Public safety	4,150,355	2,069,818	799,051	2,372	(1,279,114)	-	(1,279,114)
Public works	4,867,064	-	-	3,561,331	(1,305,733)	-	(1,305,733)
Culture and recreation	1,024,032	35,346	204,708	13,149	(770,829)	-	(770,829)
Housing and development	1,141,337	386,581	-	-	(754,756)	-	(754,756)
Tourism and trade	321,677	-	-	-	(321,677)	-	(321,677)
Interest on long term debt	745,439	-	-	-	(745,439)	-	(745,439)
Total governmental activities	15,220,201	2,729,984	1,003,759	3,576,852	(7,909,606)	-	(7,909,606)
Business-type activities:							
Water and Sewer	114,535	135,721	-	-	-	21,186	21,186
Total	$ 15,334,736	$ 2,865,705	$ 1,003,759	$ 3,576,852	$ (7,909,606)	$ 21,186	$ (7,888,420)
General revenues:							
Taxes:							
Property taxes					$ 4,995,599	$ -	$ 4,995,599
Franchise fees					1,845,517	-	1,845,517
Alcoholic beverage tax					833,056	-	833,056
Business and occupation taxes					1,017,117	-	1,017,117
Hotel/motel taxes					558,049	-	558,049
Insurance premium taxes					828,168	-	828,168
Other taxes					465,433	-	465,433
Unrestricted investment earnings					48,796	1,448	50,244
Miscellaneous					62,794	-	62,794
Total general revenues and transfers					10,654,529	1,448	10,655,977
Change in net position					2,744,923	22,634	2,767,557
Net position - beginning, as restated					71,437,173	2,993,008	74,430,181
Net position - ending					$ 74,182,096	$ 3,015,642	$ 77,197,738

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

GOVERNMENTAL FUNDS BALANCE SHEET
june 30, 2015

	General	Debt Service	2009 SPLOST	2014 SPLOST	Other Capital Projects	Other Governmental Funds	Total Governmental Funds
ASSETS							
Cash and cash equivalents	$ 3,616,258	$ 251,319	$ 5,931,599	$ 2,795,541	$ 2,388,241	$ 561,266	$ 15,544,224
Investments	4,990,910	1,016,261	2,738,116	-	-	168,404	8,913,691
Receivables:							
Property taxes	239,909	54,532	-	-	-	-	294,441
Due from other governments	-	-	20,250	215,906	-	-	236,156
Other	252,727	-	838	-	-	50,406	303,971
Inventory land held for resale	-	-	-	-	1,245,335	-	1,245,335
Total assets	$ 9,099,804	$ 1,322,112	$ 8,690,803	$ 3,011,447	$ 3,633,576	$ 780,076	$ 26,537,818
LIABILITIES							
Accounts payable	$ 209,044	$ -	$ 113,555	$ 1,276	$ 105,372	$ 89,436	$ 518,683
Retainage payable	-	-	-	-	7,982	-	7,982
Unearned revenue	-	-	-	-	65,625	-	65,625
Total liabilities	209,044	-	113,555	1,276	178,979	89,436	592,290
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue	213,181	46,012	-	-	-	-	259,193
Total deferred inflows of resources	213,181	46,012	-	-	-	-	259,193
FUND BALANCES							
Nonspendable	-	-	-	-	1,245,335	-	1,245,335
Restricted	-	1,276,100	5,628,044	3,010,171	-	659,133	10,573,448
Committed	4,150,930	-	-	-	-	-	4,150,930
Assigned:							
Capital project funds	-	-	2,949,204	-	2,209,262	31,507	5,189,973
Unassigned	4,526,649	-	-	-	-	-	4,526,649
Total fund balances	8,677,579	1,276,100	8,577,248	3,010,171	3,454,597	690,640	25,686,335
Total liabilities, deferred inflows of resources and fund balances	$ 9,099,804	$ 1,322,112	$ 8,690,803	$ 3,011,447	$ 3,633,576	$ 780,076	
Amounts reported for governmental activities in the statement of net position are different because:							
Net pension asset is not a current financial resource and is not recorded in the governmental fund statements.							2,792,500
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds.							63,327,924
Deferred outflows related to pension contributions and pension assumption changes, are not current financial resources and, therefore, are not reported in the governmental funds.							288,451
Deferred outflows related to losses on bond refunding, are not current financial resources and, therefore, are not reported in the governmental funds.							281,232
Deferred inflows in the governmental funds for unavailable revenue, are susceptible to full accrual on the government wide statements.							259,193
Deferred inflows related to pension demographic and investment changes are not related to current financial resources and, therefore, not reported in the governmental funds.							(218,476)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.							(18,235,063)
Net position of governmental activities							$ 74,182,096

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, 2015

	General	Debt Service	2009 SPLOST	2014 SPLOST	Other Capital Projects	Other Governmental Funds	Total Governmental Funds
REVENUES							
Property taxes	$ 3,343,754	$ 1,590,650	$ -	$ -	$ -	$ -	$ 4,934,404
Franchise taxes	1,845,517	-	-	-	-	-	1,845,517
Alcoholic beverage taxes	833,056	-	-	-	-	-	833,056
Business taxes	1,845,285	-	-	-	-	-	1,845,285
Hotel/motel taxes	-	-	-	-	-	558,049	558,049
Other taxes	326,657	-	60,205	78,571	-	-	465,433
Licenses and permits	601,618	-	-	-	-	-	601,618
Intergovernmental revenues	793,776	-	172,817	2,345,517	121,223	-	3,433,333
Charges for services	103,476	-	-	-	-	-	103,476
Fines and forfeitures	1,898,791	-	-	-	-	112,507	2,011,298
Investment income	39,487	5,444	19,053	1,437	3,185	743	69,349
Rental income	8,205	-	-	-	44,297	5,387	57,889
Contributions and donations	5,275	-	-	-	-	204,708	209,983
Miscellaneous revenue	18,497	-	-	-	-	-	18,497
Total revenues	11,663,394	1,596,094	252,075	2,425,525	168,705	881,394	16,987,187
EXPENDITURES							
Current:							
General government	2,091,655	-	-	-	333,825	-	2,425,480
Judicial	379,879	-	-	-	-	-	379,879
Public safety	4,108,178	-	-	-	-	108,945	4,217,123
Public works	1,838,700	-	-	-	-	75,110	1,913,810
Culture and recreation	285,995	-	-	-	46,789	166,780	499,564
Housing and development	1,169,591	-	-	-	-	-	1,169,591
Tourism and trade	-	-	-	-	-	321,677	321,677
Capital outlay	-	-	1,100,733	9,155	551,426	26,661	1,687,975
Debt service:							
Principal	-	840,000	-	-	-	-	840,000
Interest and fiscal charges	-	745,159	-	-	-	-	745,159
Total expenditures	9,873,998	1,585,159	1,100,733	9,155	932,040	699,173	14,200,258
Excess (deficiency) of revenues over (under) expenditures	1,789,396	10,935	(848,658)	2,416,370	(763,335)	182,221	2,786,929
OTHER FINANCING SOURCES (USES)							
Sale of capital assets	2,185	-	-	-	-	1,487	3,672
Transfers in	239,447	-	78,330	-	1,580,770	35,394	1,933,941
Transfers out	(1,694,494)	-	-	-	-	(239,447)	(1,933,941)
Total other financing sources (uses)	(1,452,862)	-	78,330	-	1,580,770	(202,566)	3,672
Net change in fund balances	336,534	10,935	(770,328)	2,416,370	817,435	(20,345)	2,790,601
FUND BALANCES - beginning of year	8,341,045	1,265,165	9,347,576	593,801	2,637,162	710,985	22,895,734
FUND BALANCES - end of year	$ 8,677,579	$ 1,276,100	$ 8,577,248	$ 3,010,171	$ 3,454,597	$ 690,640	$ 25,686,335

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, 2015

Amounts reported for governmental activities in the statement of activities are different because:				
Net change in fund balances-total governmental funds.			$	2,790,601
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the fund statements. Revenues earned that are deferred in governmental funds due to availability criteria.				61,195
Governmental Funds report capital outlay as expenditures. However, in the Government-Wide Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of capital assets recorded in the current period.				
Additions	$	1,810,700		
Net effect of deletions		(152,176)		
Depreciation expense		(2,893,949)		(1,235,425)
The Governmental Funds report bond proceeds as an other financing source, while repayment of bond principal is reported as an expenditure.				
Principal payment				840,000
Government-Wide Statement of Activities, report pension expense using long term financial resouces. The following adjustments were made at the governmental wide level:				
Deferred outflow assumption changes	$	(140)		
Deferred inflow demographic changes		3,795		
Deferred inflow pension investment return		39,453		
Service costs		(313,930)		
Interest on TPL		(250,350)		
Employee contributions		73,029		
Plan administrative expenses		(14,301)		
Expected rate of return		440,743		
Deferred outflow for pension payments		357,671	$	335,970
Governmental Funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are accrued and amortized in the statement of activities. This amount is the net effect of these differences.				
Amortization of:				
Premium/Discount	$	1,399		
Loss on Refunding		(30,159)		(28,760)
Long-term compensated absences are reported in the Government-Wide Statement of Activities, but they do not require the use of current financial resources. Therefore, long-term compensated absences are not reported as expenditures in Governmental Funds. This is the change in compensated absence payable.				(18,658)
Change in net position of governmental activities.			$	2,744,923

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, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes:				
Property taxes	$ 3,402,810	$ 3,402,810	$ 3,343,754	$ (59,056)
Franchise taxes	1,764,000	1,764,000	1,845,517	81,517
Alcoholic beverage taxes	865,900	865,900	833,056	(32,844)
Business taxes	1,832,500	1,848,160	1,845,285	(2,875)
Other taxes	315,700	315,700	326,657	10,957
Total taxes	8,180,910	8,196,570	8,194,269	(2,301)
Licenses and permits:				
Alcoholic beverage fees	190,050	190,050	206,250	16,200
Business licenses	37,600	37,600	31,989	(5,611)
Building permits	399,500	399,500	363,379	(36,121)
Total licenses and permits	627,150	627,150	601,618	(25,532)
Intergovernmental revenues:				
Local grants	802,190	802,190	793,776	(8,414)
Total intergovernmental revenues	802,190	802,190	793,776	(8,414)
Charges for services:				
Planning and development fees	10,000	10,000	23,202	13,202
Public safety services	81,500	81,500	58,519	(22,981)
Special events	19,000	19,000	21,755	2,755
Total charges for services	110,500	110,500	103,476	(7,024)
Fines and forfeitures	1,200,000	1,287,830	1,898,791	610,961
Investment income	45,000	45,000	39,487	(5,513)
Rental income	5,000	5,000	8,205	3,205
Contributions and donations	10,000	10,000	5,275	(4,725)
Miscellaneous revenue	10,000	10,000	18,497	8,497
Total revenues	10,990,750	11,094,240	11,663,394	569,154
EXPENDITURES				
Current:				
General Government:				
Governing body	140,700	140,700	129,466	11,234
Legislative committees	8,750	8,750	3,823	4,927
Chief executive	419,320	419,320	345,331	73,989
General administration	272,680	272,680	189,735	82,945
Financial administration	466,290	466,290	415,755	50,535
Accounting	40,700	40,700	36,000	4,700
Law	52,180	31,300	23,294	8,006
Data processing	204,850	204,850	172,633	32,217
General government building and plant	286,000	286,000	281,900	4,100
Public information	155,770	155,770	140,416	15,354
Business services	352,650	375,150	353,302	21,848
Total general government	$ 2,399,890	$ 2,401,510	$ 2,091,655	$ 309,855

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

(continued)

GENERAL FUND - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL
year ended june 30, 2015 (continued)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES (continued)				
Judicial	$ 416,170	$ 411,170	$ 379,879	$ 31,291
Public safety:				
Police administration	423,290	430,790	391,798	38,992
Criminal investigation	420,770	395,270	318,040	77,230
Patrol	2,637,340	2,653,340	2,450,813	202,527
Records and identification	81,980	82,980	75,484	7,496
Police training	153,950	153,950	121,991	31,959
Special detail services	55,500	55,500	35,227	20,273
Police stations and buildings	187,700	188,700	144,428	44,272
Police substation and training center	61,200	61,200	39,018	22,182
Dispatcher	541,450	541,450	456,989	84,461
Public relations	93,920	93,920	74,390	19,530
Total public safety	4,657,100	4,657,100	4,108,178	548,922
Public works:				
Public works administration	1,783,600	1,808,600	1,699,961	108,639
Paved streets	123,900	123,900	98,638	25,262
Storm drainage	50,300	50,300	40,101	10,199
Total public works	1,957,800	1,982,800	1,838,700	144,100
Culture and recreation:				
Special facilities and activities	141,500	141,500	126,110	15,390
Park areas	179,330	179,330	159,885	19,445
Total culture and recreation	320,830	320,830	285,995	34,835
Housing and development:				
Protective inspection administration	151,060	158,060	135,434	22,626
Planning and zoning	572,280	569,280	491,668	77,612
Code enforcement	47,460	50,470	42,866	7,604
Economic development and assistance	408,100	429,130	393,129	36,001
Downtown Suwanee	114,480	114,480	106,494	7,986
Total housing and development	1,293,380	1,321,420	1,169,591	151,829
Total expenditures	11,045,170	11,094,830	9,873,998	1,220,832
Excess of revenues over expenditures	(54,420)	(590)	1,789,396	1,789,986
OTHER FINANCING SOURCES (USES):				
Transfer in	186,630	186,630	239,447	52,817
Transfer out	(134,710)	(1,694,500)	(1,694,494)	6
Sale of capital assets	2,500	2,500	2,185	(315)
Total other financing sources (uses)	54,420	(1,505,370)	(1,452,862)	52,508
Net change in fund balances	-	(1,505,960)	336,534	1,842,494
FUND BALANCES - beginning of year	8,341,045	8,341,045	8,341,045	-
FUND BALANCES - end of year	$ 8,341,045	$ 6,835,085	$ 8,677,579	$ 1,842,494

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

PROPRIETARY FUNDS
STATEMENT OF NET POSITION
june 30, 2015

	Major Enterprise Fund Water & Sewer Fund
ASSETS	
Current assets:	
Cash and cash equivalents	$ 241,046
Investments	351,684
Receivables:	
Accounts	8,358
Total current assets	601,088
Noncurrent assets:	
Restricted assets:	
Cash and cash equivalents	3,345
Capital assets, nondepreciable	15,750
Capital assets, depreciable, net of accumulated depreciation	2,403,774
Total noncurrent assets	2,422,869
Total assets	3,023,957
LIABILITIES	
Current liabilities:	
Accounts payable	4,970
Noncurrent liabilities:	
Payable from restricted assets:	
Customer deposits payable	3,345
Total liabilities	8,315
NET POSITION	
Investment in capital assets	2,419,524
Unrestricted	596,118
Total net position	$ 3,015,642

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

PROPRIETARY FUNDS STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

year ended june 30, 2015

	Major Enterprise Fund Water & Sewer Fund
OPERATING REVENUES	
Water and sewer charges	$ 135,721
Total operating revenues	135,721
OPERATING EXPENSES	
Salaries and benefits	27,269
Contracted services	13,877
Supplies	18,180
Depreciation	55,209
Total operating expenses	114,535
Operating income (loss)	21,186
NONOPERATING REVENUES (EXPENSES)	
Investment income	1,448
Total nonoperating revenues (expenses)	1,448
Income (loss)	22,634
Total net position - beginning of year	2,993,008
Total net position - ending	$ 3,015,642

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

PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
year ended june 30, 2015

	Major Enterprise Fund Water & Sewer Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	$ 135,548
Payments to employees	(27,269)
Payments to suppliers for goods and services	(28,594)
Net cash provided (used) by operating activities	79,685
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of capital asset	(76,892)
Net cash used by capital and related financing activities	(76,892)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest received	225
Net cash used by investing activities	225
Net increase in cash and cash equivalents	3,018
Cash and cash equivalents - beginning	241,373
Cash and cash equivalents - ending	$ 244,391
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	$ 21,186
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation	55,209
Change in assets and liabilities	
(Increase) decrease in accounts receivable	(92)
Increase (decrease) in accounts payable not related to a capital asset	3,462
Increase (decrease) in customer deposits	(80)
Net cash provided (used) by operating activities	$ 79,685

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

FIDUCIARY FUND STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES

june 30, 2015

	Agency Fund
ASSETS	
Cash and cash equivalents	$ 130,427
Total assets	130,427
LIABILITIES	
Due to others	130,427
Total liabilities	$ 130,427

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

COMPREHENSIVE
Annual Financial Report



NOTES TO THE FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies.....42
2. Reconciliation of Government-Wide Financial Statements And Fund Financial Statements.....50
3. Legal Compliance - Budgets.....50
4. Deposits And Investments.....51
5. Receivables.....51
6. Capital Assets.....52
7. Long Term Debt 54
8. Interfund Transfers.....56
9. Joint Venture.....56
10. Pension Plan.....56
11. Risk Management 62
12. Commitments And Contingencies.....62
13. Hotel/Motel Tax.....63
14. Subsequent Event.....63

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

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

As required by accounting principles generally accepted in the United States of America, the financial statements of the reporting entity include those of the City (the primary government) and its component units. The component 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", as amended by GASB Statement No. 39, "Determining Whether Certain Organizations Are Component Units", and GASB Statement No. 61, "The Financial Reporting Entity", the component unit's financial statements have been included as a blended component unit.

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 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 position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component unit. (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 if there are any reported. The statement of net position will include noncurrent assets and noncurrent liabilities. In addition, the government-wide statement of activities reflects depreciation expense on the City's capital assets.

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

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

The City reports the following major governmental funds:

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

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

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

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

NOTE 1
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

C. Measurement Focus and Basis of Accounting

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

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

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

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

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

D. Change in Accounting Principle

Net position as of July 1, 2014, has been restated as follows for the implementation of GASB Statement No. 68, as amended by GASB Statement No. 71.

Net position as previously reported at June 30, 2014	$	70,511,806
Prior period adjustments:		
Net pension asset (measurement date as of 9/30/2013) in excess of amount previously recorded as a net pension asset under previous standards.		655,639
Deferred outflows:		
Pension payments subsequent to the prior measurement date, paid in prior fiscal year (10/01/2013 - 6/30/2014)		269,728
Total prior period adjustment		925,367
Net position as restated, July 1, 2014	$	71,437,173

E. Deferred Outflow/Inflow of Resources

The City implemented GASB Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position", and Statement No. 65, "Items Previously Reported as Assets and Liabilities," as of July 1, 2012. These standards establish accounting and financial reporting for deferred outflows/inflows of resources and the concept of net position as the residual of all other elements presented in a statement of net position.

Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City reports the following deferred charges that are reported on the full accrual in the government-wide statement of net position:

Pension contribution made subsequent to the measurement date	$	286,307
Changes in pension assumptions		2,144
Deferred loss on refunding bonds		281,232
Total deferred outflow of resources, statement of net position	$	569,683

NOTE 1
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

The deferred charge on refunding resulted from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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

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

Pension demographic changes	$	60,656
Pension investment return		157,820
Total deferred inflow of resources, statement of net position	$	218,476

Unavailable revenue, which arise only under a modified accrual basis of accounting, qualifies for reporting in this category on the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes ($259,193), as these amounts are deferred and will be recognized as an inflow of resources in the period that the amounts become available.

Additional information regarding pension related deferred inflows and outflows is located in note 10, on pages 56-61.

F. Cash and Investments

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

State statutes authorize the City to invest in: obligations of the United States, the State of Georgia and other political subdivisions of the State of Georgia, and other states; prime banker's acceptances; repurchase agreements; and the State of Georgia Office of State Treasurer Georgia Fund-1 Liquidity Pool. The City's investments are reported at fair value, based on quoted market prices.

G. 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."

H. Prepaid Items

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

I. Inventory Land Held for Resale

Land held for resale is valued at the lower of cost or market. The current value for inventory land held for resale is the purchase price of the property. Additional costs for demolition were expended, since these costs are not anticipated to be recovered.

J. 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:

K. Compensated Absences

Assets	Years
Land improvements	25-50
Buildings	50
Public domain infrastructure	25 - 100
System infrastructure	10 - 60
Machinery, equipment and vehicles	3 - 30

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.

L. Long-Term Obligations

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

NOTE 1
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

In the fund financial statements, governmental funds recognize bond premiums and discounts during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Bond issuance costs are reported as debt service expenditures in the year of issuance.

M. Pensions

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

N. Net Position

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

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

O. Use of Estimates

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

P. Fund Balance

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

1. **Nonspendable**. Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally contractually required to be maintained intact. The City has the following nonspendable fund balances:
   - Other Capital Projects Fund – $1,245,335 in inventory land held for resale.
2. **Restricted.** Restricted fund balance encompasses the net fund resources subject to externally enforceable legal restrictions. Such restrictions would include 1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or 2) imposed by law through constitutional provisions or enabling legislation. The City has the following restricted fund balances:
   - Debt Service Fund – $1,276,100 externally imposed by bond covenant for debt.
   - 2009 SPLOST Fund – $5,628,044 externally imposed by laws or regulations of other governments for capital projects.
   - 2014 SPLOST Fund – $3,010,171 externally imposed by laws or regulations of other governments for capital projects.
   - Other Governmental Funds – $659,133 externally imposed by grantors and laws or regulations of other governments. Of this amount, $223,840 is for capital projects, $178,904 for public safety, $108,990 for economic development, and $147,399 for cultural and recreation.
3. **Committed.** Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the City Council through the adoption of a resolution. Only the City Council, through a resolution, may modify or rescind the commitment. The City has committed $4,150,930 in the general fund by resolution adopted on June 23, 2015 for stabilization. The stabilization account consists of a minimum of four months of general fund expenditures and transfers.

   If it becomes necessary for the City to draw funds from the stabilization account, a new resolution will need to be adopted to authorize any use. The City will develop a plan to replenish the account to the minimum level from net revenue surpluses in subsequent fiscal year(s) until the balance is restored to the minimum level. This plan, which would be a component of the ten year projections, would be submitted and approved along with the resolution authorizing the use of the stabilization account.
4. **Assigned.** Assigned fund balance includes the portion of fund balance that reflects the City's intended use of resources. Such intent is established by formal action of the City Council, including an allocation of resources by approved budget adjustment, and City Council has not delegated the ability to assign fund balance to any member of management. Modifications require action by the City Council. These funds are expended last after all other revenue sources have been depleted. The City has the following assigned fund balances:
   - 2009 SPLOST Fund – $2,949,204 assigned by City Council for capital projects appropriation.
   - Other Capital Funds – $2,209,262 assigned by City Council for capital projects appropriation.
   - Other Governmental Funds – $31,507 assigned by City Council for capital projects appropriation.
5. **Unassigned.** Unassigned includes fund balance that has not been reported in any other classification. The City has $4,526,649 in unassigned general fund balance.

NOTE 1
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

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 position

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds and net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that "long-term liabilities are not due and payable in the current period and therefore are not reported in the funds." The details of this $18,235,063 difference are as follows:

Compensated absences payable	$	311,181
Bonds payable		17,923,882
Net adjustment to reduce fund balance - total governmental funds to arrive at net position - governmental activities	$	18,235,063

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 24, 2014. 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 ($1,559,790). These funds were transferred to provide funding for fiscal year 2016 capital improvement program. Transfer of these local funds provided the necessary resources to maintain the current capital projects budgets for fiscal year 2016.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year end do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year. At June 30, 2015, 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, 2015, the City has no uncollateralized deposits.

Investments. At June 30, 2015, 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, 2014 and were mailed to taxpayers on October 1, 2014. The due date for these taxes was December 20, 2014, and after that date, both penalty and interest are accrued until the taxes are collected. The lien date was January 1, 2015. Receivables are recorded when taxes are levied and billed (October 1).

Receivables at June 30, 2015 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	Debt Service	2009 SPLOST	2014 SPLOST	Other Governmental Funds	Water and Sewer	Total
Receivables:							
Property taxes	$ 239,909	$ 54,532	$ -	$ -	$ -	$ -	$ 294,441
Due from other governments	-	-	20,250	215,906	-	-	236,156
Other	252,727	-	838	-	50,406	8,358	312,329
Net total receivables	$ 492,636	$ 54,532	$ 21,088	$ 215,906	$ 50,406	$ 8,358	$ 842,926

NOTE 6 CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2015 is as follows:

	Beginning Balances	Increases	Decreases	Transfer	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	$ 13,280,858	$ 48,162	$ -	$ -	$ 13,329,020
Construction in progress	465,612	433,491	-	-	899,103
Total	13,746,470	481,653	-	-	14,228,123
Capital assets, being depreciated:					
Land improvements	3,108,965	40,368	(29,887)	(2,473,909)	645,537
Buildings and improvements	29,289,146	-	-	1,204,948	30,494,094
Machinery and equipment	3,341,568	237,242	(319,788)	(339,894)	2,919,128
Vehicles	1,569,840	128,361	(22,822)	12,807	1,688,186
Infrastructure	41,328,483	923,076	-	1,596,048	43,847,607
Total	78,638,002	1,329,047	(372,497)	-	79,594,552
Less accumulated depreciation for:					
Land improvements	878,860	25,224	(27,646)	(718,918)	157,520
Buildings and improvements	3,435,219	696,240	-	619,033	4,750,492
Machinery and equipment	1,427,292	277,953	(169,853)	(123,746)	1,411,646
Vehicles	1,102,962	129,465	(22,822)	8,179	1,217,784
Infrastructure	20,976,790	1,765,067	-	215,452	22,957,309
Total	27,821,123	2,893,949	(220,321)	-	30,494,751
Total capital assets, being depreciated, net	50,816,879	(1,564,902)	(152,176)	-	49,099,801
Governmental activities capital assets, net	$ 64,563,349	$ (1,083,249)	$ (152,176)	$ -	$ 63,327,924

Business capital assets activity for the year ended June 30, 2015 is as follows:

	Beginning Balances	Increases	Decreases	Transfer	Ending Balance
Business-type activities/Water and Sewer fund:					
Capital assets, not being depreciated:					
Land	$ 7,500	$ -	$ -	$ -	$ 7,500
Construction in progress	2,003	8,250	-	(2,003)	8,250
Total	9,503	8,250	-	(2,003)	15,750
Capital assets, being depreciated:					
Land improvements	4,944	-	-	-	4,944
Machinery and equipment	96,757	-	-	(96,757)	-
Water system	3,026,307	28,572	-	98,760	3,153,639
Total	3,128,008	28,572	-	2,003	3,158,583
Less accumulated depreciation for:					
Land improvements	3,830	247	-	-	4,077
Machinery and equipment	18,578	-	-	(18,578)	-
Water system	677,192	54,962	-	18,578	750,732
Total	699,600	55,209	-	-	754,809
Total capital assets, being depreciated, net	2,428,408	(26,637)	-	2,003	2,403,774
Business-type activities capital assets, net	$ 2,437,911	$ (18,387)	$ -	$ -	$ 2,419,524

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

Governmental activities	
General government	$ 226,684
Judicial	5,388
Public safety	266,117
Public works	1,828,054
Culture and recreation	550,919
Housing and development	16,787
Total depreciation expenses-governmental activities	$ 2,893,949

NOTE 7 LONG TERM DEBT

The following is a summary of long-term debt activity for the year ended June 30, 2015:

	Beginning Balances	Additions	Reductions	Ending Balances	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	$ 13,940,000	$ -	$ (545,000)	$ 13,395,000	$ 570,000
Add: Issuance Premium	17,340	-	(1,679)	15,661	-
Total general obligation bonds payable	13,957,340	-	(546,679)	13,410,661	570,000
Revenue bonds	4,810,000	-	(295,000)	4,515,000	305,000
Less: Issuance discount	(2,059)	-	280	(1,779)	-
Total revenue bonds payable	4,807,941	-	(294,720)	4,513,221	305,000
Compensated absences	292,523	234,579	(215,921)	311,181	99,578
Governmental activities long term liabilities	$ 19,057,804	$ 234,579	$ (1,057,320)	$ 18,235,063	$ 974,578

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

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, 2015 is $13,395,000.

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

Year ending June 30,	Principal	Interest
2016	$ 570,000	$ 547,380
2017	590,000	522,730
2018	610,000	497,993
2019	635,000	473,093
2020	660,000	447,193
2021 - 2025	3,725,000	1,801,460
2026 - 2030	4,525,000	945,177
2031 - 2032	2,080,000	90,300
Total	$ 13,395,000	$ 5,325,326

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, 2015 is $4,515,000. There is no required revenue coverage for these bonds. The revenue source of these bonds is pledged by the City of Suwanee through an intergovernmental agreement with the URA.

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

Year ending June 30,	Principal	Interest
2016	$ 305,000	$ 165,848
2017	320,000	155,173
2018	330,000	143,973
2019	340,000	132,423
2020	355,000	120,353
2021- 2025	1,970,000	397,976
2026 - 2027	895,000	51,755
Total	$ 4,515,000	$ 1,167,501

NOTE 8 INTERFUND TRANSFERS

The composition of interfund transfers for the year ended June 30, 2015 is as follows:

Transfer In	Transfer Out	Amount
General fund	Non-major governmental funds	$ 239,447
2009 SPLOST fund	General fund	78,330
Other capital projects fund	General fund	1,580,770
Non-major governmental funds	General fund	35,394
		$ 1,933,941

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

NOTE 9 JOINT VENTURE

Under Georgia law, the City, in conjunction with other cities and counties in the ten (10) county Atlanta area, is a member of the Atlanta Regional Commission (the ARC) and is required to pay annual dues thereto. During its fiscal year ended June 30, 2015, the City's membership dues were paid by Gwinnett County, Georgia. The City did not pay any annual dues. Membership in the ARC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the ARC in Georgia.

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

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

NOTE 10 PENSION PLAN

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

Defined Contribution Plan

The City of Suwanee Money Purchase Pension Plan, a defined contribution plan is administered by ICMA-RC, International City/County Management Association Retirement Center. A participant is covered after ninety (90) days of service. The City is required to contribute 5% of annual covered payroll, with 100% of these funds going into a fixed-rate savings account. The City's total payroll for the fiscal year was $5,114,866, including $509,152 of payroll covered by this plan. Contributions by the City totaled $25,458 for the fiscal year ended June 30, 2015. Plan provisions and contribution requirements are established by City ordinance and may be amended by the Suwanee City Council.

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

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

Defined Benefit Plan

General Information

Employees electing to participate in the **Georgia Municipal Association Employee Pension Plan for the City of Suwanee,** (the GMA plan), ceased contributions to the 401(a) plan on November 1, 2005 and all related subsequent contributions were made to the GMA plan. Prior full time service with the City was counted for eligibility for retirement and death benefits for vesting. The City contributed 20% of full time service with the City before November 1, 2005 towards the amount of benefits payable under the plan. Employees have the option to use their funds in the 401(a) plan to purchase some or all of the remaining past service to increase the amount of benefits payable under the plan. The GMA plan currently requires an annual employee contribution of 2% and a City contribution of 1.53%. However, the City has elected to contribute a higher rate of 9% for employer contributions. This rate was determined by a separate actuarial study that was performed in 2013 to provide for an even level of funding year to year and to prevent large fluctuation of pension contributions from year to year. Due to this difference in required contribution and contributions paid by the City, the statement of net position reports a net pension asset of $2,792,500.

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.

Benefit Terms

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

NOTE 10 PENSION PLAN

(continued)

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.

Employees Covered

At June 30, 2015, the Plan consisted of the following:

Inactive employees and beneficiaries currently receiving benefits	4
Inactive employees and beneficiaries entitled to benefits, but not yet receiving benefits	14
Active employees	83

Contribution Requirements

The City is required to contribute an actuarially determined amount annually to the Plan's trust. The plan's contribution amount is determined using actuarial methods and assumptions approved by the GMA Plan of trustees and meets or exceeds the minimum contribution requirement contained in the State of Georgia statutes. However, as noted above, the City, as authorized by the City Council, has chosen to contribute at a higher rate of 9% instead of the plan's contribution amount of 1.53%. This excess funding does not represent any additional postemployment benefit obligation to the City. City contributions to the GMA Plan were $357,671 for the year ended June 30, 2015.

Net Pension Liability

The City's net pension asset was measured as of September 30, 2014, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2014 with update procedures performed by the actuary to roll foward to the total pension liability as of September 30, 2014.

Actuarial Assumptions

The total pension liability in the January 1, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

The demographic and economic actuarial used in the January 1, 2014 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through June 30, 2013.

Inflation	3.25%
Salary increases (including inflation)	4.25%
Cost of living adjustments	0.00%
Investment rate of return	7.75%

Mortality rates:

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

The long-term expected rate of return on pension plan investments, 7.75% on-going basis, was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2014 are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return*	Long-term Nominal Real Rate of Return
Domestic equity	50%	5.95%	9.20%
International equity	15%	6.45%	9.70%
Fixed income	25%	1.55%	4.80%
Real estate	10%	3.75%	7.00%
Cash	0%		
Total	**100%**		

*Rates shown here are net of the 3.25% assumed rate of inflation.

Discount Rate

The discount rate used to measure the total pension liability was 7.75%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current rate of 2% and the City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current and active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension asset.

NOTE 10
PENSION
PLAN

(continued)

Change in the Net Pension Asset

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Asset (a) - (b)
Balances at 6/30/2014	$ 3,266,389	$ 5,523,166	$ (2,256,777)
Changes for the year:			
Service Cost	313,930	-	313,930
Interest	250,350	-	250,350
Difference between expected and actual experience	(64,451)	-	(64,451)
Assumption changes	2,284	-	2,284
Contributions employer	-	341,092	(341,092)
Contributions employee	-	73,029	(73,029)
Net investment income	-	638,016	(638,016)
Benefit payments, including refunds of employee contributions	(72,134)	(72,134)	-
Administrative expense	-	(14,301)	14,301
Net change	429,979	965,702	(535,723)
Balances at 6/30/2015	$ 3,696,368	$ 6,488,868	$ (2,792,500)

Sensitivity of the Net Pension Asset

The following represents the net pension asset of the City, calculated using the discount rate of 7.75%, as well as what the City's net pension asset would be if it were calculated using a discount rate that is 1% point lower (6.75%) or 1% point higher (8.75%) than the current rate:

	1% decrease (6.75%)	Current discount rate (7.75%)	1% increase (8.75%)
City's net pension (asset)	$ (2,271,640)	$ (2,792,500)	$ (3,225,939)

Changes of Assumptions

As a result of the plan change to provide immediate participation for employees and officials, for the fiscal year ending 2016, the eligibility assumption has been changed from three months to immediate. The decrease in the plan's net pension asset is minimal and has been included in the differences between the expected and actuarial experience.

Amounts reported for the fiscal year ending in 2016 and later, reflect the following assumption changes based on the results of an actuarial experience study covering the period January 1, 2010 to June 30, 2014:

1. The mortality table for disabled participants was changed to remove the two-year set-forward for females.
2. The inflation assumption was decreased from 3.50% to 3.25%.

Benefit Changes

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

Pension Plan Contributions Subsequent to the Measurement Date

The statement of net position includes a deferred outflows for employer pension contributions of $286,307 subsequent to the measurement date. This amount includes employer payments made to the plan after 9/30/2014, the measurement date and prior to 6/30/2015, the City's fiscal year end.

As of June 30, 2015, the City reported deferred outflows and inflows of resources related to pensions, except for employer pension contributions subsequent to the measurement dated noted above, to the following sources:

	Deferred Outflows	Deferred Inflows
Assumption changes	$ 2,144	$ -
Demographic changes	-	60,656
Net difference between projected and actual earnings on pension investments	-	157,820
Total	$ 2,144	$ 218,476

City contributions subsequent to the measurement date of $286,307 are reported as deferred outflows of resources and will be recognized as an increase of the net pension asset in the year ending June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year ended June 30	
2016	$ ($43,112)
2017	($43,112)
2018	($43,112)
2019	($43,112)
2020	($3,657)
Thereafter	$ ($40,227)

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.

As part of these risk pools, the City is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, 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, 2015, the City has contractual commitments on uncompleted contracts of approximately $219,926 for the following projects: $15,600 Downtown Master Plan, $195,876 Buford Highway reconstruction and streetscape, $2,450 Lawrenceville Suwanee Road sidewalks and $6,000 Peachtree Industrial Boulevard medains landscape 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 $558,049 as reported in the City's Hotel/Motel Tax Fund. Expenditures and transfers totaled $561,124 leaving a fund balance of $108,990 to be used for tourism and trade.

NOTE 14 SUBSEQUENT EVENT

On November 12, 2015, the City entered into a private placement, bank qualified refunding bond agreement with JP Morgan Chase bank, (2015 URA refunding series). The City advanced refunded $4,210,000 of the City's 2006 URA bond series, maturing January 2017 through 2027. This advanced refunding is considered a legal defeasement of the 2006 URA bonds series January 2017 through 2027 with the new bond proceeds placed in a irrevocable trust. The 2015 URA refunding series has a non-callable rate of 1.94% and has been determine to have a present value savings of $180,855.





REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN NET PENSION ASSET AND RELATED RATIOS

		Fiscal Year 2015
Total pension liability		
Service cost	$	313,930
Interest		250,350
Difference between expected and actual experience		(64,451)
Changes of assumptions		2,284
Benefit payments, including refunds of employee contributions		(72,134)
Net change in pension liability		429,979
Total pension liability, beginning		3,266,389
Total pension liability, ending (a)	$	3,696,368
Plan fiduciary net position		
Contributions employer	$	341,092
Contributions employee		73,029
Net investment income		638,016
Benefit payments, including refunds of employee contributions		(72,134)
Administrative expense		(14,301)
Net change in fiduciary net position		965,702
Plan fiduciary net position, beginning		5,523,166
Plan fiduciary net position, ending (b)	$	6,488,868
Net pension asset, ending (a) - (b)	$	(2,792,500)
Plan's fiduciary net position as a percent of the total pension liability		175.55%
Covered employee payroll	$	3,427,605
Net pension asset as a percentage of covered employee payroll		-81.47%

The schedule presented, only reflects the first year of implementation. Additional years will be added as the information comes available

Notes to Schedule:

1. Changes of assumptions:

As a result of the plan change to provide immediate participation for employees and officials, for the fiscal year ending 2016, the eligibility assumption has been changed from three months to immediate. The decrease in the plan's net pension asset is minimal and has been included in the differences between the expected and actuarial experience.

Amounts reported for the fiscal year ending in 2016 and later, reflect the following assumption changes based on the results of an actuarial experience study covering the period January 1, 2010 to June 30, 2014:

1. The mortality table for disabled participants was changed to remove the two-year set-forward for females.
2. The inflation assumption was decreased from 3.50% to 3.25%.

2. Benefit changes:

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

SCHEDULE OF CITY CONTRIBUTIONS
LAST TEN FISCAL YEARS

	2015	2014	2013	2012	2011
Actuarially determined contribution	$ 53,343	$ 68,496	$ 117,418	$ 151,635	$ 161,429
Contributions in relation to the actuarially determined contribution	357,671	338,792	398,849	389,788	372,947
Contributions deficiency (excess)	$ (304,328)	$ (270,296)	$ (281,431)	$ (238,153)	$ (211,518)
Covered employee payroll	$ 3,974,126	$ 3,717,773	$ 3,625,901	$ 3,543,524	$ 3,390,429
Contributions as a percent of covered employee payroll	9.0%	9.1%	11.0%	11.0%	11.0%

	2010	2009	2008	2007	2006
Actuarially determined contribution	$ 167,828	$ 149,951	$ 138,721	$ 329,348	$ 173,236
Contributions in relation to the actuarially determined contribution	368,203	375,925	312,112	329,348	173,236
Contributions deficiency (excess)	$ (200,375)	$ (225,974)	$ (173,391)	$ -	$ -
Covered employee payroll	$ 3,347,053	$ 3,417,500	$ 2,837,382	$ 2,994,073	$ 1,574,873
Contributions as a percent of covered employee payroll	11.0%	11.0%	11.0%	11.0%	11.0%

Notes to Schedule:

1. Valuation date:

Fiscal years 2015 - 2010: January 1 annually

Fiscal years 2009 - 2006: November 1 annually

The GMA plan board elected to change the valuation date from November 1 to January 1 to assist the plan members with their financial forecasting and budgeting process.

2. Methods and assumptions used to determine contribution rates:

The demographic and economic actuarial assumptions used in the January 1, 2015 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through June 30, 2014.

Actuarial cost method: aggregate cost method

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

Remaining amortization method: n/a

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

Investment rate of return: 7.75%
Projected salary increases: 4.25%
Cost of living adjustments: 0.00%
Expected annual inflation: 3.25%

Retirement age: 65 with 5 years of service
Mortality Rates:
Healthy: 1994 Group Annuity Reserving Unisex Table
Disabled: RP-2000 Disabled Retiree Mortality Table with sex-distinct rates
Plan termination basis (all lives): 1994 Group Annuity Reserving Unisex Table

Other Information:

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


GOVERNMENTAL
FUNDS

SPECIAL REVENUE

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

CAPITAL PROJECTS

2005 SPLOST	The 2005 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.
Cemetery	The cemetery fund was created to implement landscaping and other infrastructure improvements to Suwanee's small cemeteries as outlined in the 2009 Cemetery Preservation Assessment. Phases of this study will be implemented over the next three to five years as funding allows. Cemeteries included in the study were Jackson Street, Shadowbrook and Sims Lake.
Tax Allocation District	Suwanee's Tax Allocation District (TAD) was created to revitalize Suwanee's commercial district along I-85, Suwanee's Gateway, through capital investment. Funds obtained through the creation of a tax allocation district will ignite additional private investment and growth.

NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
june 30, 2015

	SPECIAL REVENUE					
	Suwanee Fest	Community Arts	Confiscated Assets	Community Garden	Hotel/Motel Tax	Total
ASSETS						
Cash and cash equivalents	$ 88,242	$ 22,133	$ 143,924	$ 41,045	$ 135,675	$ 431,019
Investments	-	-	40,587	-	-	40,587
Receivables:						
Other	-	500	-	-	49,906	50,406
Total assets	$ 88,242	$ 22,633	$ 184,511	$ 41,045	$ 185,581	$ 522,012
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	$ 1,521	$ 3,000	$ 5,607	$ -	$ 76,591	$ 86,719
Total liabilities	1,521	3,000	5,607	-	76,591	86,719
Fund Balances:						
Restricted	86,721	19,633	178,904	41,045	108,990	435,293
Assigned	-	-	-	-	-	-
Total fund balances	86,721	19,633	178,904	41,045	108,990	435,293
Total liabilities and fund balances	$ 88,242	$ 22,633	$ 184,511	$ 41,045	$ 185,581	$ 522,012

CAPITAL PROJECTS

	2005 SPLOST	Cemetery	Tax Allocation District	Total	Total Non-major Governmental Funds
ASSETS					
Cash and cash equivalents	$ 48,566	$ 34,224	$ 47,457	$ 130,247	$ 561,266
Investments	-	-	127,817	127,817	168,404
Receivables:					
Other	-	-	-	-	50,406
Total assets	$ 48,566	$ 34,224	$ 175,274	$ 258,064	$ 780,076
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	$ -	$ 2,717	$ -	$ 2,717	$ 89,436
Total liabilities	-	2,717	-	2,717	89,436
Fund Balances:					
Restricted	48,566	-	175,274	223,840	659,133
Assigned	-	31,507	-	31,507	31,507
Total fund balances	48,566	31,507	175,274	255,347	690,640
Total liabilities and fund balances	$ 48,566	$ 34,224	$ 175,274	$ 258,064	$ 780,076

NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
year ended june 30, 2015

	SPECIAL REVENUE					
	Suwanee Fest	Community Arts	Confiscated Assets	Community Garden	Hotel/Motel Tax	Total
REVENUES						
Hotel/motel taxes	$ -	$ -	$ -	$ -	$ 558,049	$ 558,049
Fines and forfeitures	-	-	112,507	-	-	112,507
Investment income	-	-	231	8	122	361
Rental income	-	-	-	5,387	-	5,387
Contributions and donations	173,823	25,832	-	5,053	-	204,708
Total revenues	173,823	25,832	112,738	10,448	558,171	881,012
EXPENDITURES						
Current:						
Public safety	-	-	108,945	-	-	108,945
Public works	-	-	-	-	-	-
Culture and recreation	114,791	50,500	-	1,489	-	166,780
Tourism and trade	-	-	-	-	321,677	321,677
Capital outlay	-	-	-	-	-	-
Total expenditures	114,791	50,500	108,945	1,489	321,677	597,402
Excess of revenues over (under) expenditures	59,032	(24,668)	3,793	8,959	236,494	283,610
OTHER FINANCING SOURCES (USES)						
Sale of capital assets	-	-	1,487	-	-	1,487
Transfer in	-	-	-	-	-	-
Transfer out	-	-	-	-	(239,447)	(239,447)
Total other financing sources (uses)	-	-	1,487	-	(239,447)	(237,960)
Net change in fund balances	59,032	(24,668)	5,280	8,959	(2,953)	45,650
FUND BALANCES - beginning of year (deficit)	27,689	44,301	173,624	32,086	111,943	389,643
FUND BALANCES - end of year	$ 86,721	$ 19,633	$ 178,904	$ 41,045	$ 108,990	$ 435,293

CAPITAL PROJECTS

	2005 SPLOST	Cemetery	Tax Allocation District	Total	Total Non-major Governmental Funds
REVENUES					
Hotel/motel taxes	$ -	$ -	$ -	$ -	$ 558,049
Fines and forfeitures	-	-	-	-	112,507
Investment income	63	-	319	382	743
Rental income	-	-	-	-	5,387
Contributions and donations	-	-	-	-	204,708
Total revenues	63	-	319	382	881,394
EXPENDITURES					
Current:					
Public safety	-	-	-	-	108,945
Public works	-	75,110	-	75,110	75,110
Culture and recreation	-	-	-	-	166,780
Tourism and trade	-	-	-	-	321,677
Capital outlay	26,661	-	-	26,661	26,661
Total expenditures	26,661	75,110	-	101,771	699,173
Excess of revenues over (under) expenditures	(26,598)	(75,110)	319	(101,389)	182,221
OTHER FINANCING SOURCES (USES)					
Sale of capital assets	-	-	-	-	1,487
Transfer in	-	-	35,394	35,394	35,394
Transfer out	-	-	-	-	(239,447)
Total other financing sources (uses)	-	-	35,394	35,394	(202,566)
Net change in fund balances	(26,598)	(75,110)	35,713	(65,995)	(20,345)
FUND BALANCES - beginning of year	75,164	106,617	139,561	321,342	710,985
FUND BALANCES - end of year	$ 48,566	$ 31,507	$ 175,274	$ 255,347	$ 690,640

SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
budget and actual-year ended june 30, 2015



	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Investment income	$ 250	$ 250	$ -	$ (250)
Contributions and donations	130,500	148,500	173,823	25,323
Total revenues	130,750	148,750	173,823	25,073
EXPENDITURES				
Current:				
Culture and recreation	130,750	148,750	114,791	33,959
Total expenditures	130,750	148,750	114,791	33,959
Net change in fund balances	-	-	59,032	59,032
FUND BALANCES - beginning of year (deficit)	27,689	27,689	27,689	-
FUND BALANCES - end of year	$ 27,689	$ 27,689	$ 86,721	$ 59,032



	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Contributions and donations	$ 53,000	$ 53,000	$ 25,832	$ (27,168)
Total revenues	53,000	53,000	25,832	(27,168)
EXPENDITURES				
Current:				
Culture and recreation	53,000	53,000	50,500	2,500
Total expenditures	53,000	53,000	50,500	2,500
Net change in fund balances	-	-	(24,668)	(24,668)
FUND BALANCES - beginning of year	44,301	44,301	44,301	-
FUND BALANCES - end of year	$ 44,301	$ 44,301	$ 19,633	$ (24,668)

CONFISCATED ASSETS

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Fines and forfeitures	$ 115,000	$ 115,000	$ 112,507	$ (2,493)
Investment income	250	250	231	(19)
Total revenues	115,250	115,250	112,738	(2,512)
EXPENDITURES				
Current:				
Public safety	115,250	115,250	108,945	6,305
Total expenditures	115,250	115,250	108,945	6,305
Excess of revenues over expenditures	-	-	3,793	3,793
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	-	1,487	1,487
Net change in fund balances	-	-	5,280	5,280
FUND BALANCES - beginning of year	173,624	173,624	173,624	-
FUND BALANCES - end of year	$ 173,624	$ 173,624	$ 178,904	$ 5,280

COMMUNITY GARDEN

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Investment income	$ 20	$ 20	$ 8	$ (12)
Rental Income	6,000	6,000	5,387	(613)
Contributions and donations	1,000	1,000	5,053	4,053
Total revenues	7,020	7,020	10,448	3,428
EXPENDITURES				
Current:				
Culture and recreation	7,020	7,020	1,489	5,531
Total expenditures	7,020	7,020	1,489	5,531
Net change in fund balances	-	-	8,959	8,959
FUND BALANCES - beginning of year	32,086	32,086	32,086	-
FUND BALANCES - end of year	$ 32,086	$ 32,086	$ 41,045	$ 8,959

SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
budget and actual-year ended june 30, 2015



	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Hotel/motel taxes	$ 436,700	$ 556,700	$ 558,049	$ 1,349
Investment income	-	-	122	122
Total revenues	436,700	556,700	558,171	1,471
EXPENDITURES				
Current:				
Tourism and trade	249,700	321,200	321,677	(477)
Total expenditures	249,700	321,200	321,677	(477)
Excess of revenues over expenditures	187,000	235,500	236,494	994
OTHER FINANCING SOURCES (USES)				
Transfer out	(187,000)	(235,500)	(239,447)	3,947
Net change in fund balances	-	-	(2,953)	(2,953)
FUND BALANCES - beginning of year	111,943	111,943	111,943	-
FUND BALANCES - end of year	$ 111,943	$ 111,943	$ 108,990	$ (2,953)

DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
budget and actual-year ended june 30, 2015



	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Property taxes	$ 1,589,180	$ 1,589,180	$ 1,590,650	$ 1,470
Investment income	2,080	2,080	5,444	3,364
Total revenues	1,591,260	1,591,260	1,596,094	4,834
EXPENDITURES				
Debt Service:				
Principal retirement	840,000	840,000	840,000	-
Interest	747,260	747,260	742,084	5,176
Fiscal agent fees	4,000	4,000	3,075	925
Total expenditures	1,591,260	1,591,260	1,585,159	6,101
Net change in fund balances	-	-	10,935	10,935
FUND BALANCES - beginning of year	1,265,165	1,265,165	1,265,165	-
FUND BALANCES - end of year	$ 1,265,165	$ 1,265,165	$ 1,276,100	$ 10,935

SPLOST PROCEEDS
SCHEDULE OF EXPENDITURES
year ended june 30, 2015

SPLOST 2005

Description	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year	Total
Roads, streets and bridges	$ 4,642,660	$ 5,031,422	$ 4,956,182	$ 26,661	$ 4,982,843
Recreational facilities	900,000	1,031,364	1,031,364	-	1,031,364
Public safety facilities and equipment	1,054,400	1,158,067	1,158,067	-	1,158,067
	$ 6,597,060	$ 7,220,853	$ 7,145,613	$ 26,661	$ 7,172,274

SPLOST 2009

Description	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year	Total
Administrative buildings	$ 118,780	$ 80,802	$ 80,802	$ -	$ 80,802
Recreational facilities	2,256,827	1,930,958	1,164,084	23,728	1,187,812
Parking facilities	2,256,780	2,035,585	63,237	-	63,237
Public safety facilities and equipment	1,781,710	1,532,302	1,506,373	14,583	1,520,956
Roads, streets and bridges	5,463,953	4,777,218	1,189,002	854,888	2,043,890
	$ 11,878,050	$ 10,356,865	$ 4,003,498	$ 893,199	$ 4,896,697

Amounts reported for 2009 SPLOST current year expenditures are different because:	
Current year expenditures	$ 893,199
Capital outlay using local funds and grant funds	207,534
Total 2009 SPLOST expenditures (1)	$ 1,100,733

NOTE:
(1) Reconciliation to the statement of governmental funds statement of revenues, expenditures, and changes in fund balances, page 32.

SPLOST 2014

Description	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year	Total
Roads, streets and bridges	$ 7,239,371	$ 5,926,691	$ 4	$ -	$ 4
Recreational facilities	804,375	658,520	-	9,155	9,155
	$ 8,043,746	$ 6,585,211	$ 4	$ 9,155	$ 9,159

		O.C.G.A. Reference:		
1	Indicate UCOA Fund Type Used to Account for 9-1-1 Activity (choose one): _____ Special Revenue Fund _____ Enterprise Fund __X__ General Fund Expenditures (UCOA Activity 3800)			
2	Wireless service supplier cost recovery charges (identify each supplier individually on lines below - attach list, if necessary) _____ _____	46-5-134(e)	$ $	_____ _____
3	Emergency telephone equipment, including necessary computer hardware, software, and data base provisioning, addressing, and nonrecurring costs of establishing a 9-1-1 system:			
3a	Lease costs	46-5-134(f)(1)(A)	$	
3b	Purchase costs	46-5-134(f)(1)(A)	$	
3c	Maintenance costs	46-5-134(f)(1)(A)	$	
4	Rates associated with the service suppliers 9-1-1 service and other service suppliers recurring charges	46-5-134(f)(1)(B)	$	
5	Employees hired by the local government solely for the operation and maintenance of the emergency 9-1-1 system and employees who work as directors as defined in O.C.G.A. §46-5-138.2			
5a	Salaries and wages	46-5-134(f)(1)(C)	$	251,101
5b	Employee benefits	46-5-134(f)(1)(C)	$	82,743
6	Cost of training of employees who work as dispatchers or directors	46-5-134(f)(1)(D)	$	
7	Office supplies of the public safety answering points used directly in providing emergency 9-1-1 system services	46-5-134(f)(1)(E)	$	4,009
8	Building used as a public safety answering point:			
8a	Lease costs	46-5-134(f)(1)(F)	$	
8b	Purchase costs	46-5-134(f)(1)(F)	$	1,081
9	Computer hardware and software used at a public safety answering point, including computer assisted dispatch systems and automatic vehicle location systems:			
9a	Lease costs	46-5-134(f)(1)(G)	$	96,179
9b	Purchase costs	46-5-134(f)(1)(G)	$	4,770
9c	Maintenance costs	46-5-134(f)(1)(G)	$	
10	Supplies directly related to providing emergency 9-1-1 system services, including the cost of printing emergency 9-1-1 public education materials	46-5-134(f)(1)(H)	$	
11	Logging recorders used at a public safety answering point to record telephone and radio traffic:			
11a	Lease costs	46-5-134(f)(1)(I)	$	
11b	Purchase costs	46-5-134(f)(1)(I)	$	
11c	Maintenance costs	46-5-134(f)(1)(I)	$	2,425

(continued)

CITY OF SUWANEE
CERTIFICATION OF 911 EXPENDITURES
for the year ended june 30, 2015
(continued)

(Continued)

		O.C.G.A. Reference:		
12	Insurance purchased to insure against risks and liability in the operation and maintenance of the 9-1-1 system on behalf of the local government or on behalf of employees hired by the local government solely for the operation and maintenance of the 9-1-1 system and employees who work as directors	46-5-134(f)(2)(B)(i)	$	
13	Mobile communications vehicle and equipment, if the primary purpose and designation of such vehicle is to function as a backup 9-1-1 system center			
13a	Lease costs	46-5-134(f)(2(B)(ii)	$	
13b	Purchase costs	46-5-134(f)(2(B)(ii)	$	
13c	Maintenance costs	46-5-134(f)(2(B)(ii)	$	
14	Allocation of indirect costs associated with supporting the 9-1-1 system center and operations as identified and outlined in an indirect cost allocation plan approved by the local governing authority that is consistent with the costs allocated within the local government to both governmental and business-type activities	46-5-134(f)(2)(B)(iii)	$	
15	Mobile public safety voice and data equipment, geo-targeted test messaging alert systems, or towers necessary to carry out the function of 9-1-1 system operations			
15a	Lease costs	46-5-134(f)(2(B)(iv)	$	
15b	Purchase costs	46-5-134(f)(2(B)(iv)	$	
15c	Maintenance costs	46-5-134(f)(2(B)(iv)	$	
16	Public safety voice and data communications systems located in the 9-1-1 system facility that further the legislative intent of providing the highest level of emergency response service on a local, regional, and state-wide basis, including equipment and associated hardware and software that supports the use of public safety wireless voice and data communication systems			
16a	Lease costs	46-5-134(f)(2(B)(v)	$	11,800
16b	Purchase costs	46-5-134(f)(2(B)(v)	$	
16c	Maintenance costs	46-5-134(f)(2(B)(v)	$	
17	Other expenditures not included in Lines 2 through 16 above. Identify by object and purpose.			
18	Total Expenditures (total of all amounts reported on Lines 2 through 17 above)		$	454,108

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

Signature of Chief Elected Official _____ **Date** 12/03/2015

Print Name of Chief Elected Official Jimmy Burnette

Title of Chief Elected Official Mayor

Signature of Chief Financial Officer Amie Sakmar **Date** 12/03/2015

Print Name of Chief Financial Officer Amie Sakmar


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.





AGENCY FUND-STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES

year ended june 30, 2015



	Balance June 30, 2014	Increases	Decreases	Balance June 30, 2015
ASSETS				
Cash and cash equivalents	$ 171,048	$ 2,830,714	$ 2,871,335	$ 130,427
Total assets	171,048	2,830,714	2,871,335	130,427
LIABILITIES				
Due to others	171,048	2,830,714	2,871,335	130,427
Total liabilities	$ 171,048	$ 2,830,714	$ 2,871,335	$ 130,427

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.

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-12
These schedules contain information to help the reader assess the City's most significant local revenue source and property taxes.

Debt Capacity.....S-16
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.

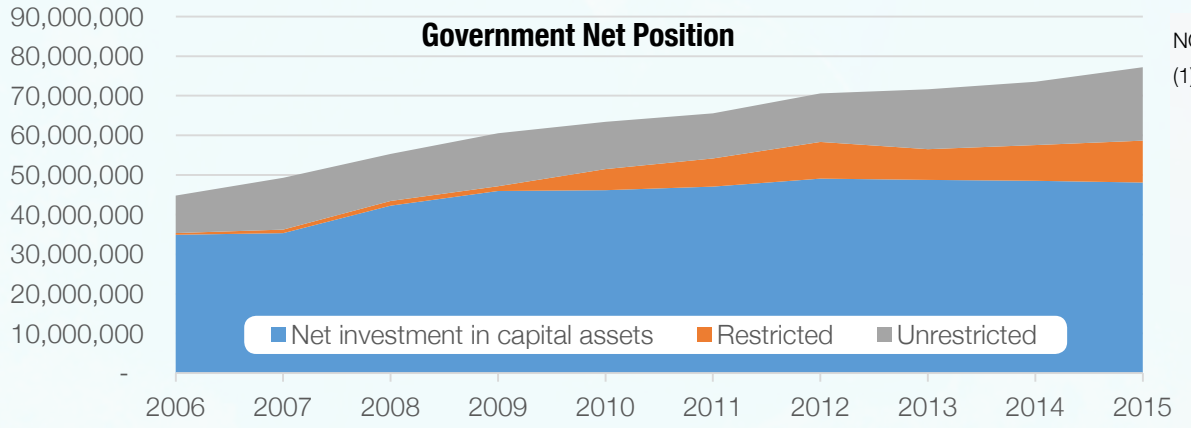
Demographic and Economic Information.....S-19
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information.....S-21
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the government provides and the activities it performs.

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

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

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental activities										
Net investment in capital assets	$ 33,073,810	$ 33,646,308	$ 40,607,100	$ 44,325,054	$ 44,567,430	$ 44,574,711	$ 46,621,467	$ 46,345,264	$ 46,099,920	$ 45,677,292
Restricted	431,859	896,330	1,187,335	1,201,842	5,324,060	7,106,408	9,258,180	7,751,943	9,014,457	10,619,460
Unrestricted	9,364,267	12,900,880	11,627,299	13,062,447	11,357,212	11,402,670	12,074,139	14,650,624	15,397,429	17,885,344
Total governmental activities net position	42,869,936	47,443,518	53,421,734	58,589,343	61,248,702	63,083,789	67,953,786	68,747,831	70,511,806	74,182,096
Business-type activities [1]										
Net investment in capital assets	1,843,832	1,679,987	1,654,001	1,636,320	1,600,503	2,493,896	2,462,489	2,417,932	2,435,908	2,419,524
Unrestricted	91,143	168,686	238,701	307,676	566,975	(18,533)	171,054	460,124	557,100	596,118
Total business-type activities net position	1,934,975	1,848,673	1,892,702	1,943,996	2,167,478	2,475,363	2,633,543	2,878,056	2,993,008	3,015,642
Primary government										
Net investment in capital assets	34,917,642	35,326,295	42,261,101	45,961,374	46,167,933	47,068,607	49,083,956	48,763,196	48,535,828	48,096,816
Restricted	431,859	896,330	1,187,335	1,201,842	5,324,060	7,106,408	9,258,180	7,751,943	9,014,457	10,619,460
Unrestricted	9,455,410	13,069,566	11,866,000	13,370,123	11,924,187	11,384,137	12,245,193	15,110,748	15,954,529	18,481,462
Total government net position	$ 44,804,911	$ 49,292,191	$ 55,314,436	$ 60,533,339	$ 63,416,180	$ 65,559,152	$ 70,587,329	$ 71,625,887	$ 73,504,814	$ 77,197,738



NOTES:

(1) Business-type activities growth in 2010 net position 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.



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

	Fiscal Year				
	2006	2007	2008	2009	2010
Expenses					
Governmental activities:					
General government	$ 1,464,204	$ 1,772,717	$ 2,139,085	$ 2,126,146	$ 2,099,857
Judicial	273,744	338,893	375,035	381,887	313,015
Public safety	2,800,988	3,117,470	3,364,444	3,524,548	3,664,152
Public works	1,697,500	3,139,104	3,005,155	3,663,485	3,288,472
Culture and recreation	359,366	445,790	523,503	464,973	404,798
Housing and development [1]	811,030	1,030,864	1,172,061	959,983	854,357
Tourism and trade	95,361	106,490	150,132	379,703	313,034
Interest on long-term debt	890,884	984,469	1,001,643	964,856	924,622
Total governmental activities expenses	8,393,077	10,935,797	11,731,058	12,465,581	11,862,307
Business-type activities:					
Water and sewer	89,076	221,391	121,573	163,963	127,954
Total business-type activities expenses	89,076	221,391	121,573	163,963	127,954
Total government expenses	$ 8,482,153	$ 11,157,188	$ 11,852,631	$ 12,629,544	$ 11,990,261
Program revenues					
Governmental activities:					
Charge for services:					
General government	$ 153,187	$ 191,775	$ 181,725	$ 192,180	$ 186,490
Public safety	1,099,754	1,598,134	1,398,958	1,119,116	1,388,226
Public works	3,428	-	-	-	-
Culture and recreation	-	44,603	40,017	13,260	11,086
Housing and development [2]	1,222,129	958,265	940,952	183,967	167,414
Operating grants and contributions [3]	112,663	15,878	56,104	101,024	105,380
Capital grants and contributions [4]	7,591,307	3,746,820	3,855,487	5,000,464	2,138,237
Total governmental activities program revenues	10,182,468	6,555,475	6,473,243	6,610,011	3,996,833
Business-type activities:					
Charge for services:					
Water and sewer	103,714	97,296	93,405	64,658	62,501
Capital grants and contributions [5]	-	-	-	-	-
Total business-type activities program revenues	103,714	97,296	93,405	64,658	62,501
Total government program revenues	$ 10,286,182	$ 6,652,771	$ 6,566,648	$ 6,674,669	$ 4,059,334
Net (expense)/revenue:					
Governmental activities	$ 1,789,391	$ (4,380,322)	$ (5,257,815)	$ (5,855,570)	$ (7,865,474)
Business-type activities	14,638	(124,095)	(28,168)	(99,305)	(65,453)
Total government net expenses	$ 1,804,029	$ (4,504,417)	$ (5,285,983)	$ (5,954,875)	$ (7,930,927)

(continued)

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

	Fiscal Year				
	2011	2012	2013	2014	2015
Expenses					
Governmental activities:					
General government	$ 2,322,019	$ 2,700,781	$ 2,305,973	$ 2,292,068	$ 2,592,707
Judicial	292,492	301,056	292,101	330,822	377,590
Public safety	3,820,293	3,534,734	3,967,481	4,196,704	4,150,355
Public works	3,571,459	3,420,275	4,373,999	4,102,997	4,867,064
Culture and recreation	986,196	865,504	903,031	860,294	1,024,032
Housing and development [1]	836,946	856,126	1,043,376	1,100,089	1,141,337
Tourism and trade	206,151	201,986	223,291	257,322	321,677
Interest on long-term debt	882,684	842,818	807,603	777,418	745,439
Total governmental activities expenses	12,918,240	12,723,280	13,916,855	13,917,714	15,220,201
Business-type activities:					
Water and sewer	131,913	110,069	109,558	119,767	114,535
Total business-type activities expenses	131,913	110,069	109,558	119,767	114,535
Total government expenses	$ 13,050,153	$ 12,833,349	$ 14,026,413	$ 14,037,481	$ 15,334,736
Program revenues					
Governmental activities:					
Charge for services:					
General government	$ 187,156	$ 214,742	$ 214,416	$ 225,269	$ 238,239
Public safety	1,315,848	1,209,555	1,046,161	1,616,598	2,069,818
Public works	-	-	-	-	-
Culture and recreation	19,363	32,111	33,695	30,941	35,346
Housing and development [2]	262,091	420,085	443,094	374,743	386,581
Operating grants and contributions [3]	136,876	2,160,502	1,115,960	982,857	1,003,759
Capital grants and contributions [4]	2,572,310	3,156,081	2,553,174	2,482,730	3,576,852
Total governmental activities program revenues	4,493,644	7,193,076	5,406,500	5,713,138	7,310,595
Business-type activities:					
Charge for services:					
Water and sewer	97,113	118,172	153,714	133,790	135,721
Capital grants and contributions [5]	192,018	-	-	-	-
Total business-type activities program revenues	289,131	118,172	153,714	133,790	135,721
Total government program revenues	$ 4,782,775	$ 7,311,248	$ 5,560,214	$ 5,846,928	$ 7,446,316
Net (expense)/revenue					
Governmental activities	$ (8,424,596)	$ (5,530,204)	$ (8,510,355)	$ (8,204,576)	$ (7,909,606)
Business-type activities	157,218	8,103	44,156	14,023	21,186
Total government net expenses	$ (8,267,378)	$ (5,522,101)	$ (8,466,199)	$ (8,190,553)	$ (7,888,420)

(continued)

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

(continued)

	Fiscal Year				
	2006	2007	2008	2009	2010
General revenues and other changes in net position					
Governmental activities:					
Taxes					
Property taxes	$ 3,892,897	$ 4,553,033	$ 5,371,353	$ 5,984,107	$ 6,254,003
Franchise fees	851,466	982,694	1,521,682	1,777,986	1,694,211
Alcoholic beverage taxes	759,968	799,075	794,986	795,413	784,189
Other taxes	1,720,586	1,894,874	1,976,529	2,019,643	1,826,442
Rental Income	-	-	-	175,000	-
Unrestricted investment earnings	368,047	741,932	911,384	373,582	231,739
Miscellaneous	18,397	18,696	42,697	47,448	21,699
Transfers	(36,400)	(36,400)	(70,600)	(150,000)	(287,450)
Special item gain on sale of capital asset [6]	557,261	-	688,000	-	-
Total governmental activities	8,132,222	8,953,904	11,236,031	11,023,179	10,524,833
Business-type activities:					
Unrestricted investment earnings	834	1,393	1,597	599	1,485
Transfers	36,400	36,400	70,600	150,000	287,450
Total business-type activities	37,234	37,793	72,197	150,599	288,935
Total government	$ 8,169,456	$ 8,991,697	$ 11,308,228	$ 11,173,778	$ 10,813,768
Change in net position					
Governmental activities	$ 9,921,613	$ 4,573,582	$ 5,978,216	$ 5,167,609	$ 2,659,359
Business-type activities	51,872	(86,302)	44,029	51,294	223,482
Total government	$ 9,973,485	$ 4,487,280	$ 6,022,245	$ 5,218,903	$ 2,882,841

NOTES:

(1) 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.

(2) License and permit fees significantly increased during 2005 through 2008 due to rapid development. This activity significantly slowed down during fiscal years 2009 and 2010. Building activities are expected to maintain at the fiscal year 2011 level over the next four years.

(3) Operating grants and contributions increase in fiscal year 2012 is due to a negotiated intergovernmental payment for the settlement of service delivery strategy lawsuit with Gwinnett County.

(4) Capital grants and contributions large increases reported in fiscal year 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.

(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 years 2006 and 2008, the City sold 4 tracks of land resulting in a gain of $557,261 in 2006 and $688,000 in 2008.

(continued)

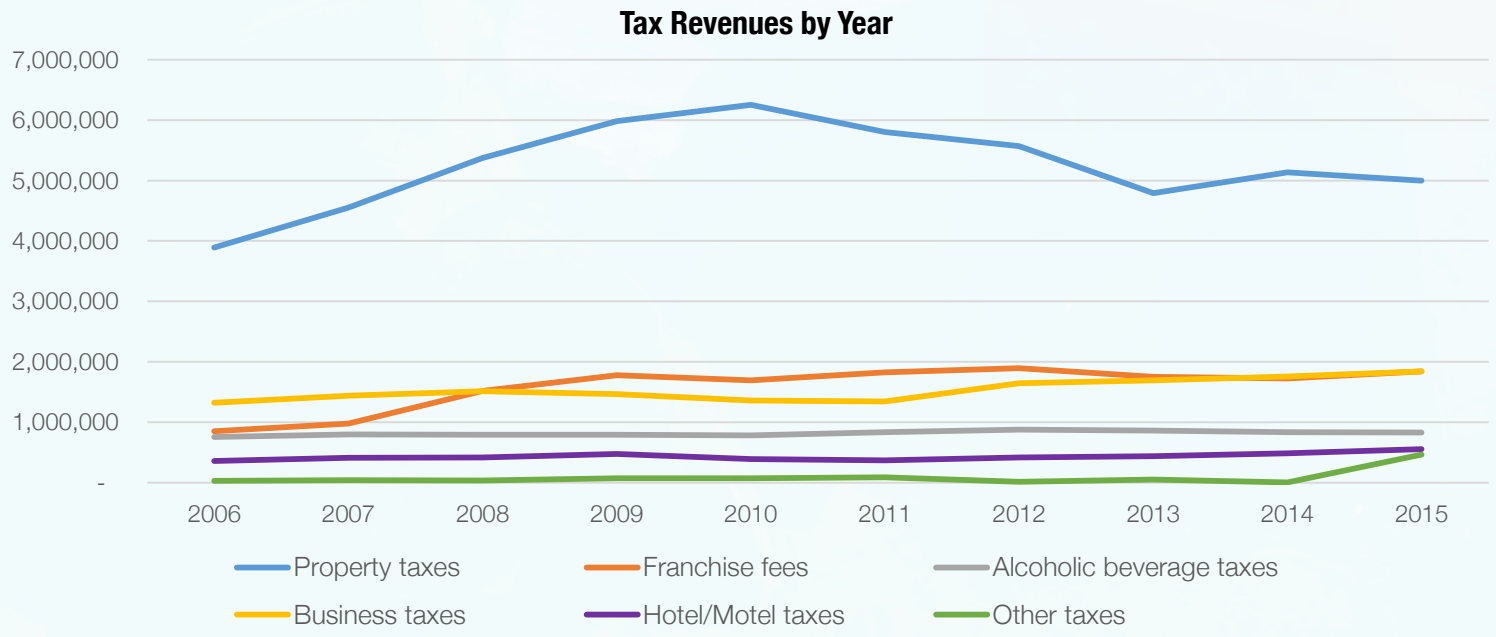
	Fiscal Year				
	2011	2012	2013	2014	2015
General revenues and other changes in net position					
Governmental activities:					
Taxes:					
Property taxes	$ 5,801,792	$ 5,568,706	$ 4,790,195	$ 5,134,943	$ 4,995,599
Franchise fees	1,825,464	1,897,907	1,755,375	1,724,565	1,845,517
Alcoholic beverage taxes	836,438	881,679	865,862	835,071	833,056
Other taxes	1,812,445	2,083,173	2,190,080	2,252,424	2,868,767
Rental Income	-	-	-	-	-
Unrestricted investment earnings	105,368	56,663	31,708	41,835	48,796
Miscellaneous	28,176	62,073	37,579	79,713	62,794
Transfers	(150,000)	(150,000)	(200,000)	(100,000)	-
Special item gain on sale of capital assets [7]	-	-	-	-	-
Total governmental activities	10,259,683	10,400,201	9,470,799	9,968,551	10,654,529
Business-type activities:					
Unrestricted investment earnings	667	77	357	929	1,448
Transfers	150,000	150,000	200,000	100,000	-
Total business-type activities	150,667	150,077	200,357	100,929	1,448
Total government	$ 10,410,350	$ 10,550,278	$ 9,671,156	$ 10,069,480	$ 10,655,977
Change in net position					
Governmental activities	$ 1,835,087	$ 4,869,997	$ 960,444	$ 1,763,975	$ 2,744,923
Business-type activities	307,885	158,180	244,513	114,952	22,634
Total government	$ 2,142,972	$ 5,028,177	$ 1,204,957	$ 1,878,927	$ 2,767,557

GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
accrual basis of accounting

Fiscal Year	Property Taxes	Franchise Fees	Alcoholic Beverage Taxes	Business Taxes	Hotel/Motel Taxes	Other Taxes	Total
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
2012	5,568,706	1,897,907	881,679	1,648,831	417,319	17,023	10,431,465
2013 (1)	4,790,195	1,755,375	865,862	1,693,350	442,293	54,437	9,601,512
2014	5,134,943	1,724,565	835,071	1,757,237	489,208	5,979	9,947,003
2015	4,995,599	1,845,517	833,056	1,845,285	558,049	465,433	10,542,939

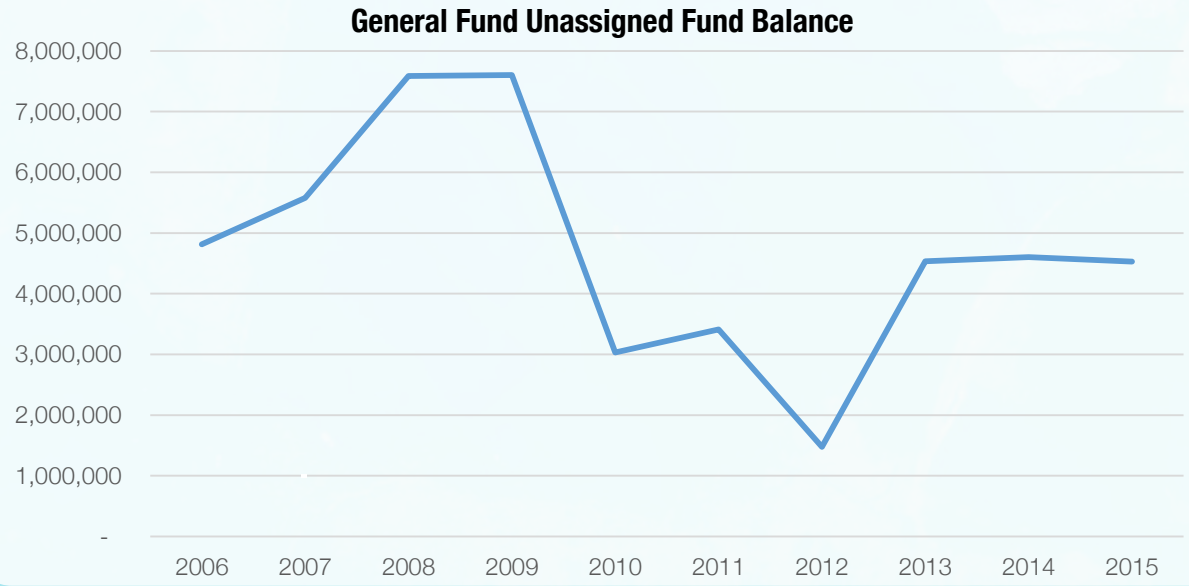
NOTES:

(1) Property tax revenue decrease in fiscal year 2013 is due to a reduction in the millage rate and not a decline of property values.



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

	Fiscal Year									
	2006	2007 [1]	2008 [2]	2009	2010 [3]	2011 [4]	2012 [5]	2013 [6]	2014	2015 [7]
General fund										
Nonspendable	$ -	$ -	$ -	$ -	$ -	$ -	$ 71,057	$ -	$ 10,507	$ -
Restricted	-	-	-	-	-	-	2,276,207	-	-	-
Committed	-	-	-	-	4,122,132	3,948,073	4,000,813	4,054,997	3,726,627	4,150,930
Assigned	-	-	-	-	-	222,520	-	-	-	-
Unassigned	4,811,236	5,580,537	7,585,561	7,602,716	3,034,066	3,408,881	1,478,613	4,534,625	4,603,911	4,526,649
Total general fund	4,811,236	5,580,537	7,585,561	7,602,716	7,156,198	7,579,474	7,826,690	8,589,622	8,341,045	8,677,579
All other governmental funds										
Nonspendable	-	-	-	-	-	-	-	1,245,335	1,245,335	1,245,335
Restricted	6,022,560	14,696,502	11,044,085	5,056,712	5,324,060	7,106,408	6,981,973	7,753,653	8,995,204	10,573,448
Assigned reported in:										
Capital projects funds	2,366,254	3,421,677	3,554,015	2,766,928	2,921,975	2,857,086	4,912,866	3,477,767	4,314,150	5,189,973
Unassigned reported in:	-	-	-	-	-	-	-	(1,710)	-	-
Total all other governmental funds	8,388,814	18,118,179	14,598,100	7,823,640	8,246,035	9,963,494	11,894,839	12,475,045	14,554,689	17,008,756
Total all governmental funds	$ 13,200,050	$ 23,698,716	$ 22,183,661	$ 15,426,356	$ 15,402,233	$ 17,542,968	$ 19,721,529	$ 21,064,667	$ 22,895,734	$ 25,686,335



NOTES:

(1) 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.

(2) 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.

(3) 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.

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

(5) In fiscal year 2012, the growth in restricted fund balance is due to a court order supersedeas sum restriction of $2,276,207 for the Settles Bridge Farm appeal. The increase in restricted fund balance reduces the unassigned balance. Assigned capital projects fund balance increased due to an intergovernmental payment from Gwinnett County that has been assigned for future capital projects.

(6) In fiscal year 2013, the court ordered supersedeas sum restriction was removed by the court.

(7) Restricted fund balance increased in fiscal year 2015 is due to 2014 SPLOST revenues recieved for capital projects but not expended.

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

	Fiscal Year					
	2006	2007	2008	2009	2010	2011
Revenues						
Taxes	$ 6,964,788	$ 8,294,787	$ 9,691,558	$ 10,519,134	$ 10,151,444	$ 10,431,766
Licenses and permits	1,295,038	1,112,874	1,057,705	368,872	349,965	441,763
Intergovernmental revenues [1]	1,791,220	2,404,446	1,839,454	2,409,230	2,120,383	2,042,536
Charges for services	121,907	252,617	227,015	111,630	64,237	72,455
Fines and forfeitures [2]	1,061,554	1,427,286	1,276,932	1,028,021	1,334,381	1,257,885
Investment income	368,047	741,932	911,384	373,583	258,468	127,186
Rental Income	-	-	-	4,375	22,134	32,502
Contributions and donations	107,765	89,459	120,792	101,024	96,504	121,672
Miscellaneous	18,397	18,696	35,147	47,448	21,699	25,529
Total revenues	11,728,716	14,342,097	15,159,987	14,963,317	14,419,215	14,553,294
Expenditures						
General government	1,425,760	1,790,183	1,819,852	1,968,513	1,907,235	2,191,393
Judicial	293,230	336,751	380,788	387,298	334,362	298,827
Public safety	2,857,796	3,263,380	3,352,436	3,616,191	3,664,123	3,830,303
Public works	727,045	945,779	1,244,904	1,508,438	1,392,588	1,464,606
Culture and recreation	252,213	397,830	408,287	350,835	264,219	372,874
Housing and development	820,148	1,043,695	1,186,880	1,031,681	857,222	871,702
Tourism and trade	95,361	106,490	150,132	379,703	313,034	206,151
Capital outlay [3]	1,279,304	1,593,194	7,090,436	10,678,581	3,735,144	1,370,219
Debt service:						
Principal	429,648	460,637	737,594	779,215	784,861	775,959
Interest and fiscal charges	890,884	973,937	1,001,255	964,483	924,263	882,340
Bond issuance costs	-	260,392	-	-	-	-
Total expenditures	9,071,389	11,172,268	17,372,564	21,664,938	14,177,051	12,264,374
Excess of revenues over (under) expenditures	2,657,327	3,169,829	(2,212,577)	(6,701,621)	242,164	2,288,920
Other financing sources (uses)						
Proceeds from capital lease	133,403	139,247	72,573	94,316	-	-
Transfer in	2,897,396	2,688,110	2,952,926	4,192,169	4,461,099	3,365,144
Transfer out	(2,933,796)	(2,724,510)	(3,023,526)	(4,342,169)	(4,748,549)	(3,515,144)
Sale of capital assets	-	-	7,550	-	21,165	1,815
Bond proceeds [4]	-	6,620,000	-	-	-	-
Refunded bonds issued [5]	-	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)	97,003	7,328,837	9,523	(55,684)	(266,285)	(148,185)
Special item - Sale of land	775,000	-	688,000	-	-	-
Net change in fund balances	$ 3,529,330	$ 10,498,666	$ (1,515,054)	$ (6,757,305)	$ (24,121)	$ 2,140,735
Total non capital expenditures [6]	$ 6,552,674	$ 8,559,028	$ 8,641,844	$ 8,680,600	$ 10,542,012	$ 10,342,579
Debt service as a percentage of non capital expenditures	20.2%	19.8%	20.1%	20.1%	16.2%	16.0%

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

	Fiscal Year			
	2012	2013	2014	2015
Revenues				
Taxes	$ 10,446,731	$ 9,999,238	$ 10,025,351	$ 10,481,744
Licenses and permits	613,838	648,686	588,696	601,618
Intergovernmental revenues [1]	4,186,284	3,423,706	3,212,403	3,433,333
Charges for services	106,325	106,532	110,438	103,476
Fines and forfeitures [2]	1,147,017	970,895	1,537,086	2,011,298
Investment income	73,733	49,953	61,057	69,349
Rental Income	50,982	53,768	54,722	57,889
Contributions and donations	123,460	132,108	178,261	209,983
Miscellaneous	37,904	38,047	36,322	18,497
Total revenues	16,786,274	15,422,933	15,804,336	16,987,187
Expenditures				
General government	2,275,762	2,220,049	2,154,204	2,425,480
Judicial	310,091	297,447	336,529	379,879
Public safety	3,896,084	4,007,183	4,178,440	4,217,123
Public works	1,621,691	1,680,946	1,763,944	1,913,810
Culture and recreation	375,405	422,315	378,364	499,564
Housing and development	953,767	1,072,554	1,123,406	1,169,591
Tourism and trade	201,986	223,291	257,322	321,677
Capital outlay [3]	3,217,098	2,374,332	2,102,221	1,687,975
Debt service: [4]				
Principal	765,795	780,000	810,000	840,000
Interest and fiscal charges	842,489	807,290	777,121	745,159
Bond issuance costs	-	-	-	-
Total expenditures	14,460,168	13,885,407	13,881,551	14,200,258
Excess of revenues over (under) expenditures	2,326,106	1,537,526	1,922,785	2,786,929
Other financing sources (uses)				
Proceeds from capital lease	-	-	-	-
Transfer in	2,783,515	2,898,204	2,025,294	1,933,941
Transfer out	(2,933,515)	(3,098,204)	(2,125,294)	(1,933,941)
Sale of capital assets	2,455	5,612	8,282	3,672
Bond proceeds [5]	-	-	-	-
Refunded bonds issued	-	-	-	-
Bond premium	-	-	-	-
Bond discount	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Total other financing sources (uses)	(147,545)	(194,388)	(91,718)	3,672
Special item - Sale of land	-	-	-	-
Net change in fund balances	$ 2,178,561	$ 1,343,138	$ 1,831,067	$ 2,790,601
Total non capital expenditures [6]	$ 9,985,369	$ 12,173,503	$ 12,147,575	$ 12,389,558
Debt service as a percentage of non capital expenditures	16.1%	13.0%	13.1%	12.8%

NOTES:

(1) In fiscal year 2005, the City entered into an intergovernmental agreement with Gwinnett County for the 2005 special purpose local option sales tax (SPLOST). In total the City was allocated $6,597,000 over four years. In fiscal year 2009, the 2009 SPLOST program started. The City redceived $10,160,150 over five years. Intergovernmental payments increased in fiscal year 2012 due to a negotiated intergovernmental payment for the settlement of the service delivery strategy lawsuit with Gwinnett County. In fiscal year 2014, the 2014 SPLOST program started. The City should receive $6,585,211 over the next three years.

(2) Fines and forfeitures decrease in fiscal year 2013, is due to sanctions related to service delivery negotiations. During fiscal year 2012 and 2013, the City was not able to use radar for traffic enforcement.

(3) 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.

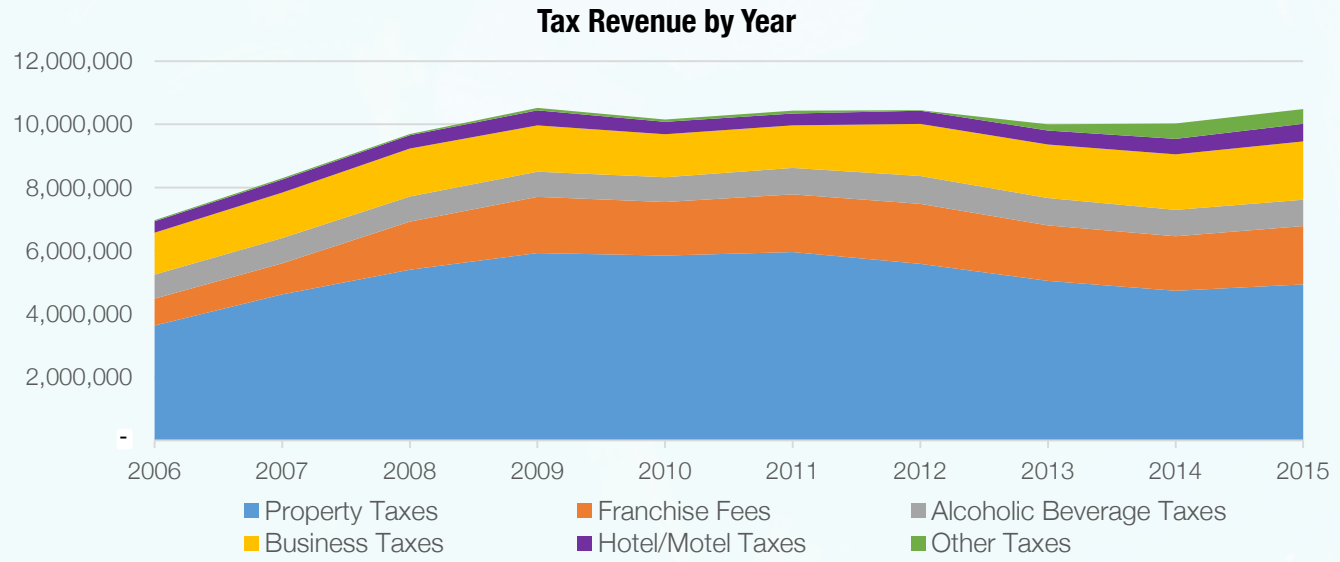
(4) In fiscal year 2007, the URA issued $6,620,000 in revenue bonds for the construction of the new City Hall at the URA property site.

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

(6) 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
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
2012	5,583,972	1,897,907	881,679	1,648,831	417,319	17,023	10,446,731
2013	5,045,704	1,755,375	865,862	1,693,350	442,293	196,654	9,999,238
2014	4,732,419	1,724,565	835,071	1,757,237	489,208	486,851	10,025,351
2015	4,934,404	1,845,517	833,056	1,845,285	558,049	465,433	10,481,744



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

Calendar Year	Real Property		Personal Property		Less Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value [2]
	Residential Property	Commercial Property	Motor Vehicle	Other [1]					
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%
2011	481,932,370	589,573,770	46,381,880	15,360	31,418,600	1,086,484,780	5.65	2,716,211,950	40%
2012	466,024,650	621,163,070	46,637,900	3,040	31,908,760	1,101,919,900	4.93	2,754,799,750	40%
2013	466,529,900	584,533,920	51,763,830	3,040	30,700,960	1,072,129,730	4.93	2,680,324,325	40%
2014	514,894,190	562,402,060	44,973,930	2,840	28,614,800	1,093,658,220	4.93	2,734,415,550	40%

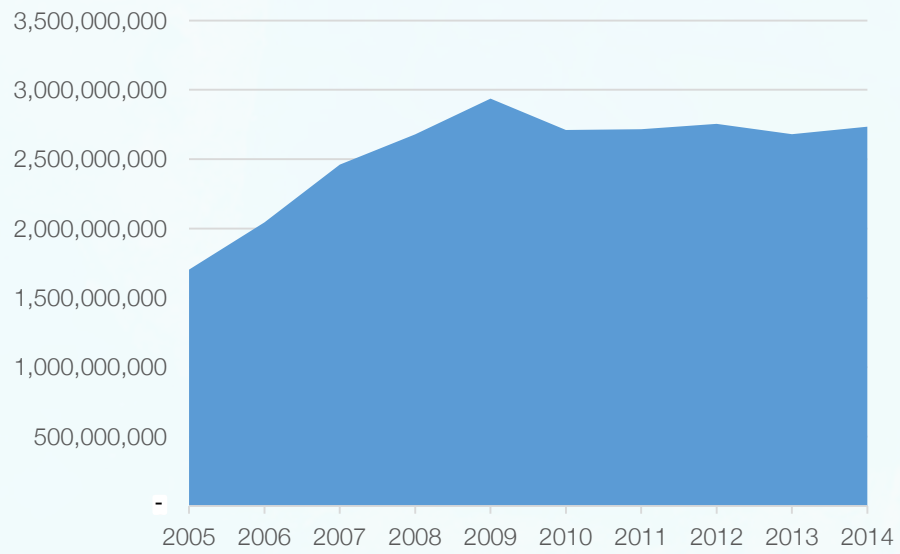
NOTES:

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

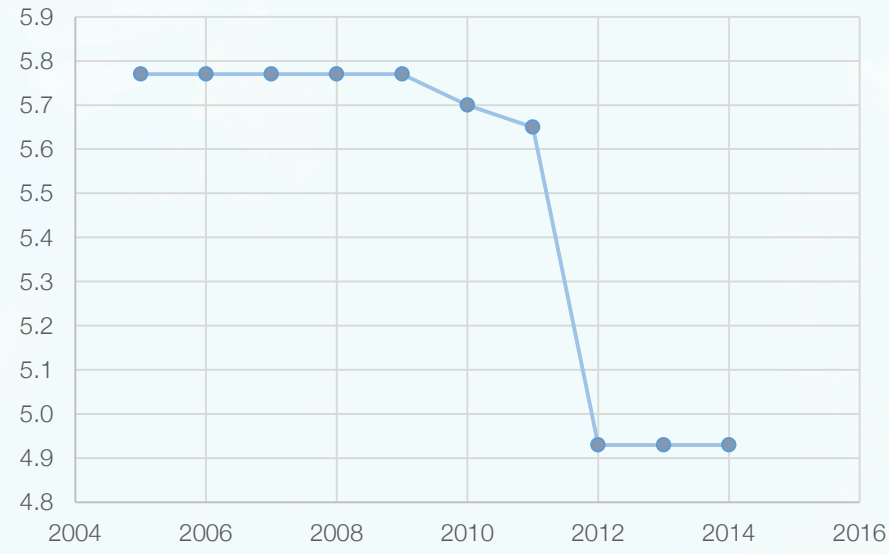
(2) Gwinnett County assesses property at 40% of actual value for all types of real and personal property.

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

Estimated Taxable Value 2005-2014



Millage Rate 2005-2014

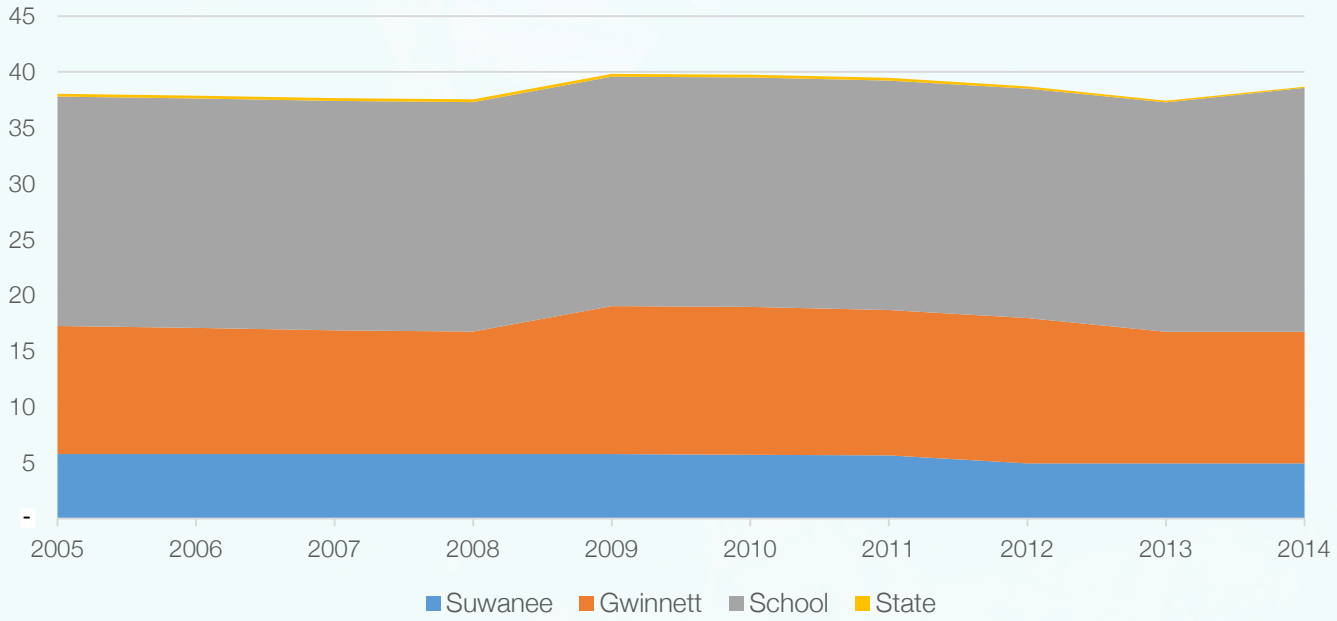


PROPERTY TAX RATES DIRECT AND OVERLAPPING GOVERNMENTS
last ten fiscal years

Calendar Year	City of Suwanee Millage				Overlapping Rates									Total Direct & Overlapping Rates
					Gwinnett County Millage					Gwinnett County School Board Millage			State	
	Operating	Debt Service	Capital	Total	Operating	Debt Service	Fire Protection	Recreation	Total	Operations	Debt Service	Total		
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	0.47	-	1.00	13.25	19.25	1.30	20.55	0.25	39.75
2011	3.89	1.76	-	5.65	11.78	0.24	-	1.00	13.02	19.25	1.30	20.55	0.25	39.47
2012	3.15	1.78	-	4.93	11.78	0.24	-	1.00	13.02	19.25	1.30	20.55	0.20	38.70
2013	3.21	1.72	-	4.93	7.40	0.24	3.20	.95	11.79	19.80	2.05	21.85	0.15	38.72
2014	3.24	1.69	-	4.93	7.40	0.24	3.20	.95	11.79	19.80	2.05	21.85	0.10	38.67

Source: Gwinnett County Tax Commissioner website

Direct and Overlapping Property Tax Rates



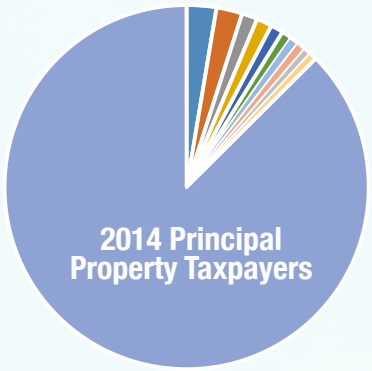
PRINCIPAL PROPERTY TAXPAYERS

current and ten years ago (calendar year)

Taxpayer	2014 Taxable Assessed Value	2014 Rank	2014 Percentage of Total City Taxable Assessed Value	2005 Taxable Assessed Value	2005 Rank	2005 Percentage of Total City Taxable Assessed Value
HP Enterprise Services, LLC	$ 30,225,170	1	2.8%			
PPF AMLI 3021 McGinnis Ferry Road, LLC	26,336,480	2	2.4%			
Wanstead Partners, LLC	15,886,800	3	1.5%			
Landmark at Grand Oasis, LP	15,745,090	4	1.4%			
Carlyle Centennial Suwanee Station, LP	12,720,000	5	1.2%	$ 9,136,920	4	1.3%
Wal-Mart	10,438,390	6	0.9%			
Flowers Bakery of Suwanee	9,183,670	7	0.8%			
James Campbell Company, LLC	8,838,440	8	0.8%			
Lois Suwanee, LLC	7,109,600	9	0.6%			
Lowes Home Centers, Inc.	7,102,730	10	0.6%			
Caswyck-McGinnis, LLC				18,444,680	1	2.7%
Schwans Bakery Operations, LLC				11,427,010	2	1.7%
Harrington Farms, LLC				11,343,880	3	1.7%
AMB Property, LP				8,877,130	5	1.3%
Motorola, Inc.				6,670,800	6	1.0%
AMB-SCP Georgia				6,600,000	7	1.0%
Gwinnett Prado, LP				5,289,600	8	0.8%
Systemax Suwanee, LLC				4,518,800	9	0.7%
Horizon Creek I, LP				4,105,980	10	0.6%
Totals	$ 143,586,370		13.1%	$ 86,414,800		12.7%

NOTES:

Source: 2014 and 2005 Tax Digest.



- HP Enterprise Services, LLC
- PPF AMLI 3021 McGinnis Ferry Road, LLC
- Wanstead Partners, LLC
- Landmark at Grand Oasis LP
- Carlyle Centennial Suwanee Station
- Wal-Mart
- Flowers Bakery of Suwanee
- James Campbell Company, LLC
- Lois Suwanee, LLC
- Lowes Home Centers, Inc.
- All Other Taxpayers



- Caswyck-McGinnis LLC
- Schwans Bakery Operations LLC
- Harrington Farms LLC
- Wal-Mart
- AMB Property LP
- Motorola, Inc.
- AMB-SCP Georgia
- Gwinnett Prado LP
- Systemax Suwanee LLC
- Horizon Creek I LP
- All Other Taxpayers

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		
2006	$ 3,518,199	$ 3,266,243	92.8%	$ 251,956	$ 3,518,199	100.0%	$ 354,740	10.1%
2007	4,296,745	4,201,861	97.8%	94,884	4,296,745	100.0%	272,965	6.4%
2008	5,113,824	4,948,534	96.8%	152,469	5,101,003	99.7%	247,824	4.8%
2009	5,655,551	5,441,113	96.2%	195,283	5,636,396	99.7%	311,371	5.5%
2010	5,972,640	5,467,352	91.5%	479,483	5,946,835	99.6%	739,476	12.4%
2011	5,568,361	5,323,252	95.6%	212,332	5,535,584	99.4%	592,526	10.6%
2012	5,192,082	5,056,083	97.4%	120,500	5,176,583	99.7%	547,264	10.5%
2013	4,498,518	4,422,212	98.3%	48,045	4,470,257	99.4%	302,137	6.7%
2014	4,384,928	4,322,848	98.6%	5,288	4,328,136	98.7%	206,999	4.7%
2015	4,666,809	4,557,650	97.6%	-	4,557,650	97.6%	294,441	6.5%

NOTES:

(1) Relates to preceding calendar year digest.

(2) These columns are presented to satisfy continuing disclosure requirements for 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.

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 Note Payable [3]	Total Government	Percentage of Personal Income [4]	Per Capita [4]
	General Obligation Bonds [1]	Revenue Bonds [2]	Capital Leases				
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	4.58%	1,364
2012	14,970,000	5,370,000	-	-	20,340,000	4.07%	1,302
2013	14,465,000	5,095,000	-	-	19,560,000	3.79%	1,247
2014	13,940,000	4,810,000	-	-	18,750,000	3.14%	1,098
2015	13,410,661	4,513,221	-	-	17,923,882	3.04%	1,029

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) 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-19 provides information on personal income and population.

RATIO OF GENERAL BONDED DEBT OUTSTANDING
last ten fiscal years

Fiscal Year	Governmental Activities							Business-type Activities
	General Obligation Bond	Less: Amount Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property [1]	Per Capita [2]	Revenue Bonds	Lease Payable	Note Payable
2006	$ 16,405,000	$ 431,859	$ 15,973,141	0.94%	$ 1,227	$ -	$ 172,925	$ 367,384
2007	17,195,000	896,330	16,298,670	0.80%	1,095	6,620,000	201,535	381,562
2008	16,795,000	1,187,335	15,607,665	0.63%	1,028	6,390,000	166,514	368,250
2009	16,370,000	1,201,842	15,168,158	0.57%	991	6,150,000	146,615	354,392
2010	15,920,000	1,217,068	14,702,932	0.50%	957	5,900,000	61,754	679,449
2011	15,455,000	1,329,495	14,125,505	0.52%	913	5,640,000	10,795	-
2012	14,970,000	1,338,378	13,631,622	0.50%	872	5,370,000	-	-
2013	14,465,000	1,347,866	13,117,134	0.48%	836	5,095,000	-	-
2014	13,940,000	1,265,165	12,674,835	0.46%	742	4,810,000	-	-
2015	13,410,661	1,322,112	12,088,549	0.44%	694	4,513,221	-	-

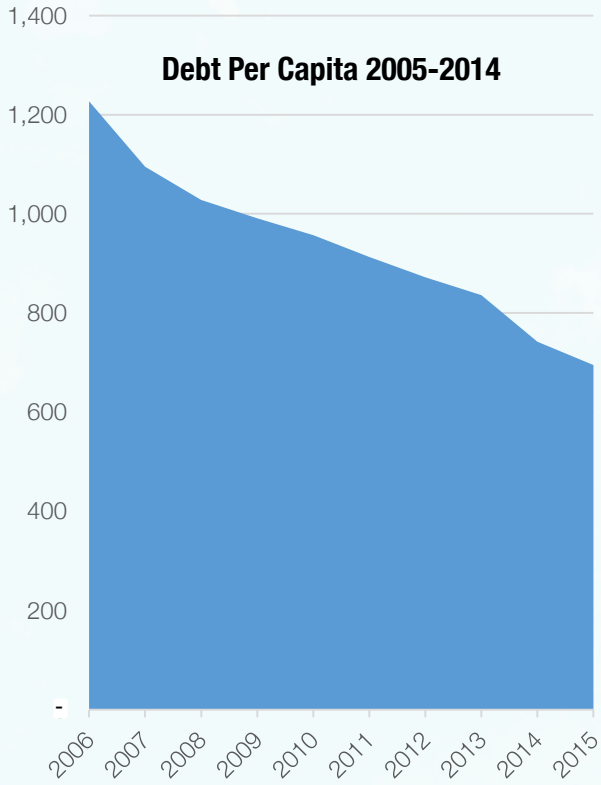
NOTES:
(1) Details of estimated actual taxable value of property can be found on page S-13.
(2) Details of population data can be found on page S-19.

Direct and overlapping governmental activities debt as of June 30, 2015

Jurisdiction	Gross Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Direct Debt:			
City of Suwanee Bonds (General & Revenue)	$ 17,923,882	100.00%	$ 17,923,882
Overlapping Debt: [1]			
Gwinnett County General Obligation Bonds	20,370,000	4.28%	871,836
Gwinnett County Board of Education	1,001,340,000	4.28%	42,857,352
Total Overlapping Debt	1,021,710,000		43,729,188
Total Direct General Obligation and Overlapping Debt	$ 1,039,633,882		$ 61,653,070

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, 2014.



LEGAL DEBT MARGIN INFORMATION
last ten fiscal years

	Fiscal Year				
	2006	2007	2008	2009	2010
Assessed value of all taxable property	$ 681,700,534	$ 817,810,247	$ 984,406,123	$ 1,071,641,916	$ 1,174,713,298
Debt limit: 10% of assessed value	68,170,053	81,781,025	98,440,612	107,164,192	117,471,330
Total net debt applicable to limit	15,973,141	16,298,670	15,607,665	15,168,158	14,702,932
Legal debt margin	$ 52,196,912	$ 65,482,355	$ 82,832,947	$ 91,996,034	$ 102,768,398
Total net debt applicable to the limit as a percentage of debt limit	23.43%	19.93%	15.85%	14.15%	12.52%

	Fiscal Year				
	2011	2012	2013	2014	2015
Assessed value of all taxable property	$ 1,084,267,457	$ 1,086,484,780	$ 1,101,919,900	$ 1,072,129,730	$ 1,093,658,220
Debt limit: 10% of assessed value	108,426,746	108,648,478	110,191,990	107,212,973	109,365,822
Total net debt applicable to limit	14,125,505	13,631,622	13,117,134	12,674,835	12,118,900
Legal debt margin	$ 94,301,241	$ 95,016,856	$ 97,074,856	$ 94,538,138	$ 97,246,922
Total net debt applicable to the limit as a percentage of debt limit	13.03%	12.55%	11.90%	11.82%	11.08%

Legal Debt Margin Calculation for Fiscal Year 2015	
Assessed value	$ 1,093,658,220
Debt limit: 10% of total assessed value	109,365,822
Debt applicable to limit:	
General obligation bond	13,395,000
Less: Amount set aside for repayment of general obligation debt	1,276,100
Total net debt applicable to limit	12,118,900
Legal debt margin	$ 97,246,922

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.

DEMOGRAPHIC AND ECONOMIC STATISTICS
last ten fiscal years

Fiscal Year	Population [1]	Personal Income [2]	Per Capita Personal Income	Unemployment Rate [3]	Residential Construction Value [4]	Commercial Construction Value [4]
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%	7,997,527	3,137,027
2011	15,479	490,343,762	31,678	4.0%	12,322,129	17,788,046
2012	15,624	499,764,888	31,987	5.6%	15,110,337	12,864,539
2013	15,683	515,359,063	32,861	5.6%	26,684,558	7,725,320
2014	17,081	596,895,545	34,945	4.8%	25,488,011	30,470,078
2015	17,425	589,069,550	33,806	3.9%	36,057,376	29,642,115

Sources:

(1) City of Suwanee Planning Department Fiscal Year 2006- 2015.

(2) Bureau of Economic Analysis.

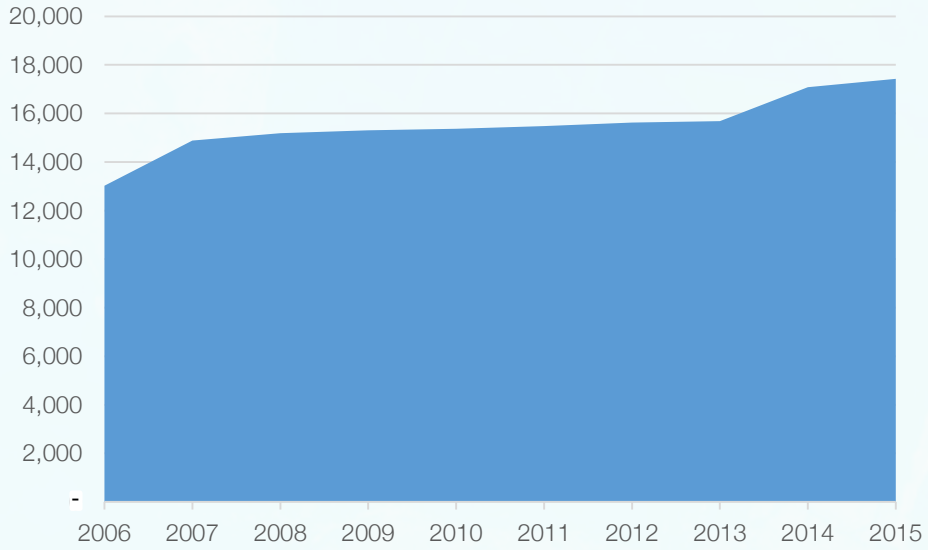
(3) Georgia Department of Labor, not seasonally adjusted.

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

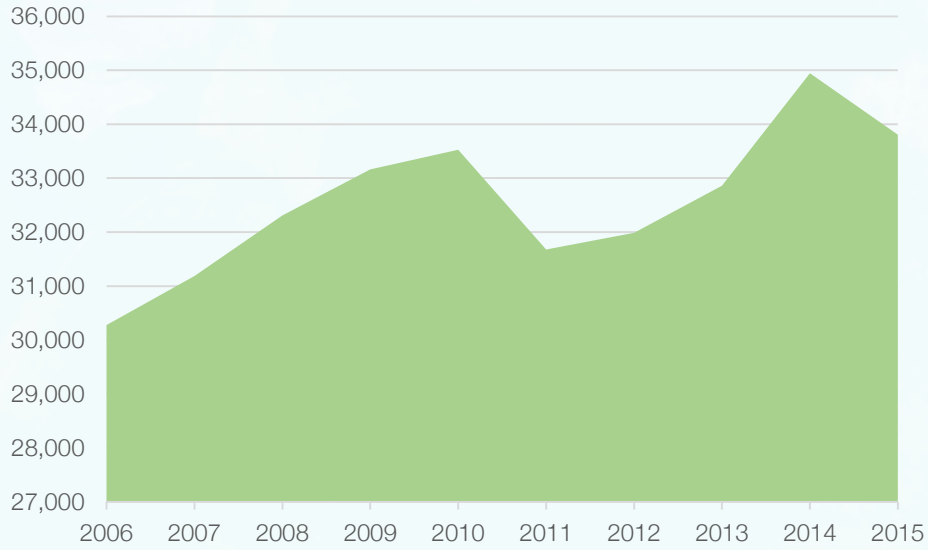
NOTE:

Population estimates fiscal years 2006-2009 have been restated to reflect the 2010 United States census.

Population Changes 2006-2015



Per Capita Personal Income 2006-2015



PRINCIPAL EMPLOYERS
current year and ten years ago

Employer	2015			2006		
	Employees	Rank	% of Total City Employment	Employees	Rank	% of Total City Employment
Southeastern Freight Lines, Inc.	402	1	3.5%	355	4	5.5%
Meggitt Training Systems, Inc.	298	2	2.6%			
Wal-Mart	288	3	2.5%	400	2	6.2%
Kroger Company	182	4	1.6%	123	9	1.9%
Quality Technology Services	175	5	1.5%			
Publix Supermarkets (1)	170	6	1.5%	211	6	3.3%
Flowery Bakery	162	7	1.4%			
Lowes	136	8	1.2%			
Blockbuster Textiles, Inc.	120	9	1.0%			
Hisense USA	118	10	1.0%			
Dish Network/Echosphere Corporation				507	1	7.8%
Schwans Bakery Operations, LLC				377	3	5.8%
Systemax-Global Computer Supplies, Inc. (2)				300	5	4.6%
Cracker Barrel Old Country Store, Inc.				132	7	2.1%
TruGreen Chemlawn				131	8	2.0%
Precision Industries				113	10	1.8%

NOTES:

(1) Publix Supermarket closed one store in fiscal year 2007. Previously, they had two stores open in Suwanee.

(2) Systemax-Global Computer Supplies, Inc. moved outside of the Suwanee city limits in 2005.

Source:
City of Suwanee Business License Division.

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

Function	Full-time Equivalent Employees as of June 30, 2015									
	2006	2007	2008	2009 (1)	2010 (2)	2011 (3)	2012	2013	2014	2015 (4)
General Government:										
Chief Executive	4	4	4	3	3	3	3	3	3	3
General Administration	2	2	2	2	2	2	2	2	2	2
Business Services	-	-	-	-	-	-	-	-	-	3
Financial Administration	5	5	7	7	7	8	8	8	8	4
Public Information	-	1	1	1	1	1	1	1	1	1
Judicial	3	4	4	3	3	3	3	3	3	3
Public Safety:										
Police Administration	3	3	3	3	3	3	3	3	3	3
Criminal Investigation	3	3	4	4	4	3	3	4	4	5
Patrol	22	23	24	26	25	28	28	28	28	27
Records and Identification	1	1	1	1	1	1	1	1	1	1
Police Training	-	-	-	-	1	1	1	1	1	1
Dispatcher	7	7	7	7	7	7	7	7	8	8
Public Relations	1	1	1	1	1	1	1	1	1	1
Targeted Police	2	2	2	2	2	-	-	-	-	-
Public Works	9	10	13	15	15	15	15	15	15	16
Housing and Development										
Protective Inspection	4	4	4	1	1	1	1	1	1	2
Planning & Zoning	4	4	4	5	5	5	5	5	5	5
Economic Development	1	1	2	3	3	4	4	4	4	4
Total	**71**	**75**	**83**	**84**	**84**	**86**	**86**	**87**	**88**	**89**

NOTES:

(1) In fiscal year 2009, the Administrative Secretary position was moved from Chief Executive to Planning and Zoning and the Public Works and 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.

(4) In fiscal year 2015, Business Services Department was created. Members from Chief Executive, General Administration and Financial Administration were transferred to create this new department.

Source:
City of Suwanee Payroll Department.

OPERATING INDICATORS BY FUNCTION
last ten years

Function	Calendar Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General government										
Business licenses issued	1,376	1,501	1,563	1,687	1,721	1,720	1,775	1,754	1,719	1,752
Number of parcels and improvements	7,854	9,018	10,950	11,693	11,859	11,897	12,004	12,297	12,336	12,737
Judicial										
Cases processed	11,860	11,102	12,447	9,680	12,411	14,883	13,089	7,874	12,300	13,500
Non-jury trials	325	300	240	288	335	319	462	154	200	261
Jury trials	130	80	98	84	171	220	370	355	198	256
Warrants issued	510	347	242	205	180	236	297	212	240	312
Police										
Calls for service	27,125	25,076	28,153	37,511	39,453	41,964	43,926	33,511	47,626	61,770
Traffic accidents	1,140	1,223	1,219	1,141	1,113	1,158	1,086	1,157	1,178	1,306
Part I offenses	416	408	511	633	528	505	452	443	484	569
Traffic citations	11,407	10,650	10,271	10,627	11,715	12,865	11,797	7,678	12,403	16,929
Public works										
Work orders	3,699	3,780	4,176	4,690	6,151	3,685 (1)	5,294	5,175	5,371	6,135
Street overlay (lane miles)	1.73	1.16	4.91	3.85	1.51	-	3.88	6.63	6.8	11.59
Hours of litter pick-up service provided	516	538	645	791	585	605	985	876	941	920
Culture and recreation										
Number of annual city-sponsored events	14	16	25	21	17	21	17	33	22	21
Number of annual non-city sponsored events	10	8	7	11	15	16	16	16	14	25
Suwanee Fest attendance	30,000	28,000	40,000	42,000	8,000 (2)	40,000	45,000	50,000	8,500 (2)	55,000 (3)
Protective Inspection										
Number of residential permits	557	460	184	101	65	108	173	200	220	113
Number of total construction permits	793	686	538	359	174	224	242	284	301	276
Number of sign permits	250	292	380	373	255	268	295	324	227	257
Planning and Zoning										
Zoning certification letters	29	25	29	12	7	6	12	10	16	19
Rezoning cases processed	14	18	11	2	1	5	5	5	4	10
Special use permits processed	2	4	6	10	2	5	5	2	4	5
Variances processed	13	16	24	17	7	6	7	6	9	15
Development review	35	40	52	26	6	9	19	28	11	26
Development permits	26	34	25	14	6	9	8	14	8	18
Water										
Average daily consumption in gallons	46,848	48,508	46,817	48,739	43,306	44,625	46,257	45,863	47,612	47,441

* Detailed information not available.

(1) Overhauled work order system-some work orders combined.

(2) Low attendance due to inclement weather.

(3) In 2015, Suwanee Fest went from a one day to a two day event.

Source: Various City departments

Function	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Administration										
Vehicles	2	2	2	1	1	1	1	1	1	1
Police										
Patrol Units	26	30	32	39	41	40	41	30	41	41
Other Police Vehicles	5	4	4	4	4	4	4	15	10	13
Public Works										
Vehicles	6	8	10	11	15	15	16	17	18	16
Street (Miles) [1]	54	59	60	60	62	63	62	62	63	63
Streetlights	710	710	791	835	855	911	928	968	981	997
Culture and Recreation										
Acreage	233	246	293	342	366	372	372	372	372	372
Park Sites	13	15	15	15	15	15	15	15	15	15
Public Art	5	4	4	5	5	7	11	14	14	17
Water										
Water Mains (Miles)	5.5	5.5	6.5	6.5	6.5	6.8	6.8	6.8	6.8	6.8
Storage Capacity [2]	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Housing and Development										
Vehicles	5	5	5	5	5	4	4	4	3	3

NOTES:

(1) In fiscal year 2012, the newly adopted SDS (Service Delivery Strategy) between the County and City(ies) resulted in a slight adjustment in street mileage maintained.

(2) In fiscal year 2006, the City completed major renovations and improvements to the water system.

Source:
Various City departments

SCHEDULE OF INSURANCE IN FORCE
June 30, 2015

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 unlimited general aggregate, $5,000,000 products & completed operations aggregate, $5,000,000 failure to supply aggregate, $1,000 deductible	GIRMA	SU-3	05/01/14	04/30/15	$ 30,928
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	05/01/14	04/30/15	61,628
Automobile Liability	Damages of bodily injury or property caused by an occurrence	$1,000,000 combined single limit, $1,000 deductible	GIRMA	SU-3	05/01/14	04/30/15	45,862
Law Enforcement Liability	False arrest / wrongful imprisonment Assault & Battery	$1,000,000 limit each claim no aggregate limit, $1,000 deductible	GIRMA	SU-3	05/01/14	04/30/15	21,075
PROPERTY							
Property Including Equipment	Blanket building and content Business interruption Property in transit	$19,972,622 total insured value building & content replacement cost	GIRMA	SU-3	05/01/14	04/30/15	$ 17,258
Boiler & Machinery	Blanket building and content	$19,972,622 total insured value building & content replacement cost	GIRMA	SU-3	05/01/14	04/30/15	2,958
Environment Impairment Liability	Pollution coverage	Combined single limit $1,000,000 with a $2,000,000 aggregate / per occurrence $1,000 deductible	GIRMA	SU-3	05/01/14	04/30/15	25,434
OTHER CASUALTY							
Workers Compensation Self Insurance Fund	While Working		GMA	Cust # 312	01/01/14	12/31/15	$ 154,243
Automobile Physical Damage	All risks for scheduled city vehicles only	Automatic coverage for vehicles up to $100,000 $1,000 deductible	GIRMA	SU-3	05/01/14	04/30/15	11,258
Crime Coverage	Public employee dishonesty per loss	$500,000 limit with $1,000 deductible	GIRMA	SU-3	05/01/14	04/30/15	1,801
OTHER INSURANCE							
Employee Life Insurance	Basic Life	2 times annual salary up to $200,000	Cigna	mycigna.com	07/01/14	06/30/15	$ 17,585
Dependent Life Insurance	Basic Life	$5,000 coverage for the spouse (if covered by medical plan) $2,500 coverage for each child 6 months - 19 years old (if covered by medical plan)	Cigna	mycigna.com	07/01/14	06/30/15	(3)
Long Term Disability	90 day elimination period	60% benefit up to $5,000 until age 65	Cigna	mycigna.com	07/01/14	06/30/15	12,948
Short Term Disability	1st day accident / 8th day illness 13 weeks	60% weekly compensation up to $1,000	Cigna	mycigna.com	07/01/14	06/30/15	14,808
Medical	Open Access In Network HMO In Network benefits only 1st of month following 30 days	Lifetime maximum - unlimited in network. $1,000 individual / $3,000 family deductible in network. $2,000 individual / $6,000 family maximum out of pocket. 90% covered after deductible met; some copays still apply	Cigna OAPIN	00607884	07/01/14	06/30/15	1,030,605
	High Deductible Health Plan (HDHP) with Health Savings Account (HSA) 1st of month following 30 days	Lifetime maximum - unlimited in and out of network $2,500 individual / $5,000 family deductible in network $5,000 individual / $10,000 family deductible out of network. Out of pocket annual maximum $3,000 individual / $6,000 in network; $12,000 individual / $24,000 out of network	Cigna HDHP with HSA	00607884	07/01/14	06/30/15	(4)
Dental	Employee and/or Family	$1,500 maximum annual benefit $50 individual deductible / $150 family deductible	Cigna	0067884	07/01/14	06/30/15	73,782
Vision	Employee and/or Family	Eye Exams $10 co-pay in network $45 allowance for out of network Other co-pays for additional services	VSP	30008467	07/01/14	06/30/15	(3)

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 OAP out of network and HSA are included together under the OAPIN premiums total.

Sources: City of Suwanee HR and Finance Departments

COMPLIANCE SECTION

MAULDIN & JENKINS

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 *GOVERMENT AUDITING STANDARDS*

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

We have audited, 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the **City of Suwanee, Georgia** (the "City") as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 16, 2015. Our report includes a reference to the change in accounting principle resulting from the implementation of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions- an amendment of GASB Statement No. 27,* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68.*

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting ("internal control") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mauldin & Jenkins, LLC

Atlanta, Georgia
December 16, 2015



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