

COMPREHENSIVE ANNUAL FINANCIAL REPORT

CITY OF SUWANEE, GEORGIA

YEAR ENDED JUNE 30, 2016

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CITY OF SUWANEE, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
year ended june 30, 2016

prepared by:
FINANCIAL SERVICES DEPARTMENT





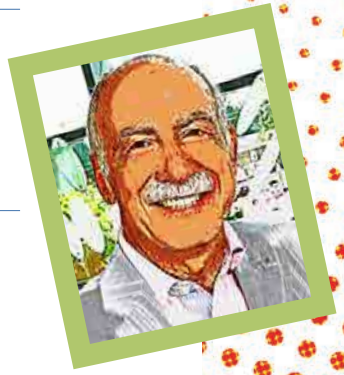
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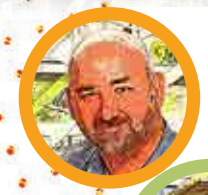


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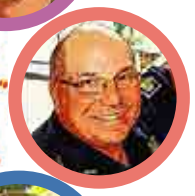
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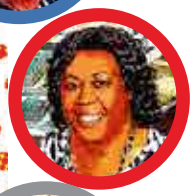
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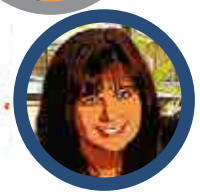
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COMPREHENSIVE
ANNUAL FINANCIAL REPORT









"I, I WILL BE KING
AND YOU, YOU WILL BE QUEEN
THOUGH NOTHING, WILL DRIVE THEM AWAY
WE CAN BEAT THEM, JUST FOR ONE DAY
WE CAN BE HEROES, JUST FOR ONE DAY"
HEROES - BY DAVID BOWIE





INTRODUCTORY SECTION

LETTER OF TRANSMITTAL
GFOA CERTIFICATE OF ACHIEVEMENT
ORGANIZATIONAL CHART



December 12, 2016
Citizens, Mayor, and Members of the City Council
Suwanee, Georgia:

POW! ZAP! BOOM!

Super City, Super People, Super Financials!

Suwanee is a wondrous place - we are the community. Parker is the captain! These are our adventures! Please join us as we tell Suwanee's financial story for fiscal year 2016 in our super hero themed Comprehensive Annual Financial Report (CAFR).

As part of Parker's super powers (faster than a ten key, more powerful than a laptop, able to leap City Hall in a single bound), Suwanee's super hero themed CAFR 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. So up, up, and away!



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.





OUR STORY BEGINS ...

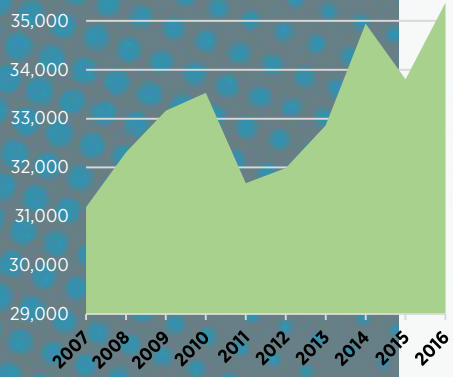
Suwanee originated as a Native American village along the banks of Suwanee Creek and Chattahoochee River. The community was named for the Shawnee Indian tribe that settled here in the latter part of the 18th century. The City's name is thought to derive from the English mispronunciation of Shawnee. Suwanee 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.

THE HALL OF JUSTICE ...

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.

PER CAPITA PERSONAL INCOME 2007-2016



ECONOMIX ...

Holy Savings, Parker! Last fall, November 2015, Suwanee's Urban Redevelopment Agency (URA) refinanced the 2006 URA revenue bonds that were used to help fund the construction of Suwanee City Hall. The City still owes $4.5 million on the original $6.5 million bonds and, through the refinancing at an interest rate of 1.94%, will have a present value savings of $180,855. In May of 2016, Suwanee's City Council adopted a bond resolution and bond purchase agreement to lock a refinancing rate of 1.96% for the City's outstanding general obligation bonds. In October 2016, the City entered into a private placement, bank qualified refunding bond agreement with JP Morgan Chase bank to advance refund $12.2 million of the City's 2006 general obligation refunding series, maturing January 2017 through 2032. Suwanee's strong bond ratings, AAA rating from Standard & Poor's (S&P) and AA+ from Fitch Ratings, along with the improving economy, helped Suwanee take advantage of the saving opportunities available by refinancing. Additional information on long term debt and subsequent events can be found in the notes to the financial statements, pages 55-56 and 63.

Parker Grow! The Planning Department estimates the population of Suwanee at 18,098 residents as of June 30, 2016. Suwanee's population has grown by 3,265 since 2007, a twenty five percent increase in population over the past ten years. Per capita income, a measure of standard of living, is a useful indicator of the City's economic well being. 2010 and 2011, with the economic recession, citizens incomes declined. In 2012, per capita personal income began to improve and has continued to improve exceeding the pre-recession levels.



BUILDING PERMITS
Last 12 Months

Jul-15	2
Aug-15	2
Sep-15	3
Oct-15	4
Nov-15	1
Dec-15	2
Jan-16	3
Feb-16	1
Mar-16	4
Apr-16	3
May-16	2
Jun-16	1
TOTAL	**28**
Avg/month	**2.3**

Unemployment. Gwinnet County is near the national average and is faring better than the state and metro Atlanta average with an unemployment rate of 5.1 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 3.1 percent in June 2016. Cowabunga Suwanee!

Suwanee's Development - Shazam! New home starts have been slow but relatively stable for the last twelve months. The number of developable single family lots is quickly reducing. Only 15 neighborhood single family home building lots remain in the City: 12 in The Reserve at Moore Road and three on Jackson Street. The Planning department is expecting one or more final plats to be submitted in fiscal year 2017 which will increase the number of buildable lots in the City. There are six active developments in Suwanee that include a single family residential component. These projects are authorized for a total of 298 single-family attached and detached housing units.

Home Values. The Case-Shiller Home Price Index for Atlanta improved by 6.3% during the past year. Every city in the 20 City index improved during the last year. Atlanta had the 9th highest Price index of the 20 cities studied.

Back in Suwanee! 70 Single family homes were sold in the 2nd quarter of 2016. The average sales price was $317,801. The 2nd quarter of 2015 and 2016 saw a similar number of homes sold but the average sales prices increased by $20,000. 20 Townhomes were sold in the 2nd quarter of 2016. The average sales price was $239,360. This is up by $8,360 from the 2nd quarter of 2015.



Town Center West Master Plan

MEANWHILE ...

Suwanee City Council Approves Town Center West Master Plan. Located on the approximately 25-acre site known as the Delay Property, Town Center West will be situated behind the Suwanee library and PlayTown Suwanee on Suwanee-Dam Road. The property was purchased in 2002 as an early acquisition of the community driven comprehensive park and open space initiative.

Suwanee Adopts Update To Downtown Master Plan. With its roots well-grounded in previous downtown plans and building upon the realized achievements of previous planning efforts, the Downtown Suwanee Master Plan update sets out four big ideas for the City of Suwanee to consider and perhaps pursue in the next few years. This renewed vision for downtown Suwanee suggests:

- Extending mixed-use development beyond Town Center along major corridors.
- Developing the former Delay property, near the library and PlayTown Suwanee, as a park.
- Extending and constructing new roads to improve access in and around downtown.
- Recognizing Old Town's distinct character and its capacity to support destination-type uses.

Hit The Trail. The Brushy Creek Greenway project was completed and open to all super heroes. This trail project connects sidewalks on Suwanee Dam Road to Stonecypher Road and Main Street. The 10-foot wide greenway was built with funds obtained from a federal Transportation Enhancement grant along with Special Purpose Local Option Sales Tax program (SPLOST) funds. The goal of this project was to improve mobility in and around historic Old Town and improve the connection between areas west of Peachtree Industrial Boulevard and downtown Suwanee.





A Presence Beyond Normal Business Hours. Visitors and locals alike will now be welcomed to the City not by a boring desk with pamphlets and maps, but with a high-energy, beautiful, art-filled space in Suwanee Town Center. In a joint venture, the City of Suwanee and North Gwinnett Arts Association (NGAA) have entered into a partnership that allows the NGAA to have much-needed studio and class space in Suwanee Town Center, while also creating and staffing a welcome center for the City.

Suwanee Cocktail Party Celebrates Public Art Initiative. Swanky, well-dressed art lovers descended upon City Hall to celebrate the arts in Suwanee. A black-and-white, black-tie optional event, 'Guess Who's Coming to Cocktails', served as a fund-and awareness-raiser for the City's lauded public arts initiative. Nearly 300 guest were welcomed to the event by a literal fiddler on the roof: violinist Daniel Butman played on the City Hall awning, to the delight of attendees as well as patrons of Town Center Park. Horse-drawn carriage rides around the park showed off several pieces of public art, both permanent and temporary as part of the 2015-2016 SculpTour program.

Don't Book 'Em, Dano. Suwanee Youth Court gives a second chance to minor offenders. The first of its kind in Gwinnett County, Hope Court provides a second chance for offenders under the age of 21 who have committed lesser crimes such as speeding, texting while driving, open container, shoplifting, and drugs. These first-time offenders can plead guilty and receive a modified sentence (usually a small fine, community service, and/or attending the Teen Victim Impact Panel class at the Gwinnett County court) and have the incident wiped from their records.

To the Batmobile Parker. What's white with blue, green, pink, orange, red, and purple bubbles, and cheerful all over? An old squad car headed for retirement was given new life and purpose, as well as a new look. Refurbished and wrapped using drug forfeiture money, the Suwanee Police Department's new Bubble Car has been making appearances at local schools and community events. Don't worry Suwanee citizens, this isn't the new "look" for the Suwanee PD. The Bubble Car is, and will remain the only one of its kind.

It's On Like Ping Pong. Visitors to Sims Lake Park may have noticed a new addition to the park in the form of a concrete ping pong table. Sixteen year-old Boy Scout and Suwanee resident Andrew Winton completed the project to earn his Eagle Scout badge. The actual construction of the table took approximately four days to complete, including the mixing of 78 bags of cement, at 80 pound apiece, that went into the creation of the table.

BACK TO 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 sidewalks along Smithtown Road, and continued focus on annual road resurfacing and storm drainage infrastructure with the continuation of the 2014 and 2017 SPLOST programs.

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

Smithtown Road Sidewalks. This project includes the installation of 1.8 miles of sidewalks along one side of Smithtown Road to complete the sidewalk network from Lawrenceville-Suwanee Road to Satellite Boulevard. 81% of the project funding is being provided from Gwinnett County SPLOST funds and the remaining 19% from City funds.

2017 SPLOST expected to bring nearly $19 million in transportation improvements to Suwanee. Together Gwinnett County and the City of Suwanee have allocated approximately $19 million in 2017 SPLOST funding towards transportation, sidewalk improvements and recreational projects. Funding is provided by a restricted one-cent sales tax. Collections of this five year sales tax will begin April 2017.

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 ASSEMBLE ...



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.

Debt refunding

The City recognizes that the foundation of any well-managed debt program is a comprehensive debt policy. A debt policy sets forth the parameters for issuing debt and managing outstanding debt and provides guidance to decision makers regarding timing and purposes for which debt may be issued, types and amounts of permissible debt, method of sale that may be used and the structural features that may be incorporated. The policy also includes the parameters for refunding opportunities. In general, advance refunding for economic savings will be undertaken when a net present value savings of at least three percent of the refunding principal can be achieved. 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 net present value of the refunding was determined to be $180,855, which is a 4.66% net value savings on the refunding principal. More information regarding this transaction can be found in note 7, page 55.



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.

Fund balance
The City of Suwanee maintains its financial operations in a manner consistent with sound financial management principles, which require that sufficient funds be retained by the City to provide a stable financial base at all times. An adequate fund balance level is an essential element in both short-term and long-term financial planning. Maintenance of sufficient levels of fund balance enables the City to stabilize funding for operations, stabilize taxes and fees, and realize cost savings in issuing debt. While adequate levels of fund balance are important, the City strives to maintain an appropriate amount that is neither too high nor too low. The City's policy is to maintain a minimum of four months of general fund budgeted expenditures and transfers. As part of the budget resolution, City Council annually commits this funding level. Additional information on fund balance can be found on note 1, pages 50-51.

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, 2016. The independent auditor's report is located at the front of the financial section of this report.

OMG ...

The City of Suwanee is proud that many of its initiatives and projects have earned regional, state, and national awards and certifications over the past several years. Listed below are a few action-packed awards received during fiscal year 2016.

City of Suwanee Full of Tree Huggers. Suwanee was among 25 Georgia communities designated as a "Tree City USA", recognizing the City for its commitment to caring for and managing their public trees during the 2016 State Arbor Day celebration at Trees Atlanta. Tree City USA provides the framework for community forestry management for cities and towns across the country. This was Suwanee's 25th consecutive year receiving the designation.

City of Suwanee Once Again Awarded for Superior Management. For the eighth consecutive year, the City of Suwanee has been recognized by the International City/County Management Association (ICMA) for superior performance management. Suwanee was one of nine jurisdictions throughout the country this year to receive a Certificate of Distinction from ICMA's Center for Performance Measurement.

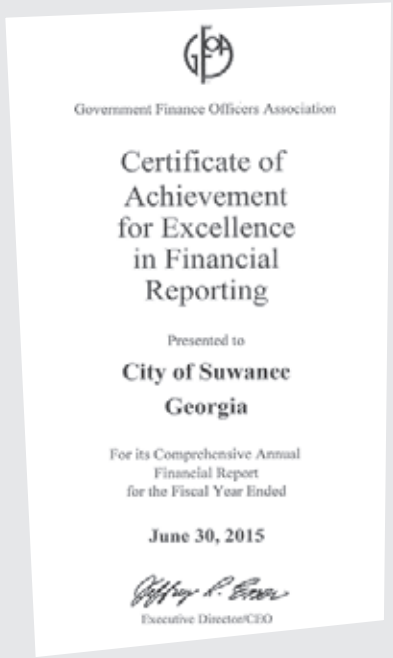
Suwanee Police Department Named Georgia Agency of the Year! The Georgia Chapter of the Federal Bureau of Investigation's National Academy Associates (FBINAA) presented Suwanee's Police Department with the Phyllis Goodwin Agency of the Year Award at the organization's annual summer conference. The annual award recognizes agencies that excel in support of the FBINAA Georgia Chapter. Criteria for the award is measured in the categories of how the agency's efforts present themselves in a manner that lend strength, dignity, and credit to the law enforcement profession, the impact the agency's efforts have had on the Georgia chapter of the FBINAA, and the positive impacts involving agency programs and services made in the community.



Suwanee Youth Leaders Program Wins Top Regional Award. The Atlanta Regional Commission (ARC) awarded Suwanee Youth Leaders (SYL), a community-based program, a 2015 CREATE Community Award in the category of Educational Excellence. Now in its third year, SYL is an eight-month leadership program for high school sophomores and juniors who attend public, private, or home-based schools and live within the three Gwinnett County School districts. The program centers on civic involvement, leadership skills, and volunteer opportunities.

Suwanee Festivals Take Top Honors. Suwanee's Big Chessy and Suwanee Fest took home prestigious Kaleidoscope Awards from the Southeast Festivals and Events Association's Annual Conference. Top festivals and events throughout the southeast were recognized for their outstanding contribution to the events industry. Suwanee's Big Chessy took home the top prize in the 'Best New Event Category' as well as a bronze for 'Best T-Shirt'. Suwanee Fest Volunteer Planning Committee won the silver award for 'Best Volunteer' and the festival won a bronze award for 'Bes t Children's Program'.

Suwanee Recognized as an American Heart Association Fit-Friendly Worksite. Suwanee was designated a Gold Fit-Friendly Worksite by the American Heart Association for helping employees eat better and move more. The Fit-Friendly Worksites program is a catalyst for positive change in the American workforce, helping to make employee health and well-being a priority.



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, 2015

Executive Director/CEO

Suwanee Awarded For Excellence In Financial Reporting. 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, 2015. This was the thirteenth 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.

OH MY STARS AND GARTERS ...

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 boldly go where no financial document has gone, 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 super hero 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 (and superheroes) can be proud to call home today and well into the future.

Respectfully submitted,

Amie Sakmar
Financial Services Director

Marty Allen
City Manager



Citizens

Mayor and Council

Planning & Zoning Commission

Chief Municipal Court Judge

Associate Municipal Court Judge

Lead Municipal Court Prosecuting Attorney

Municipal Court Prosecuting Attorney

City Attorney

Public Works Director

Administrative Assistant

Event Staff (pooled)

Public Works Superintendent

Equipment Operator II

Equipment Operator I

Assistant to Public Works Director

Facilities Technician

Custodian

Administrative Services Director

Human Resources Manager

Administrative Assistant (Floater)

Assistant City Manager

Special Projects Coordinator

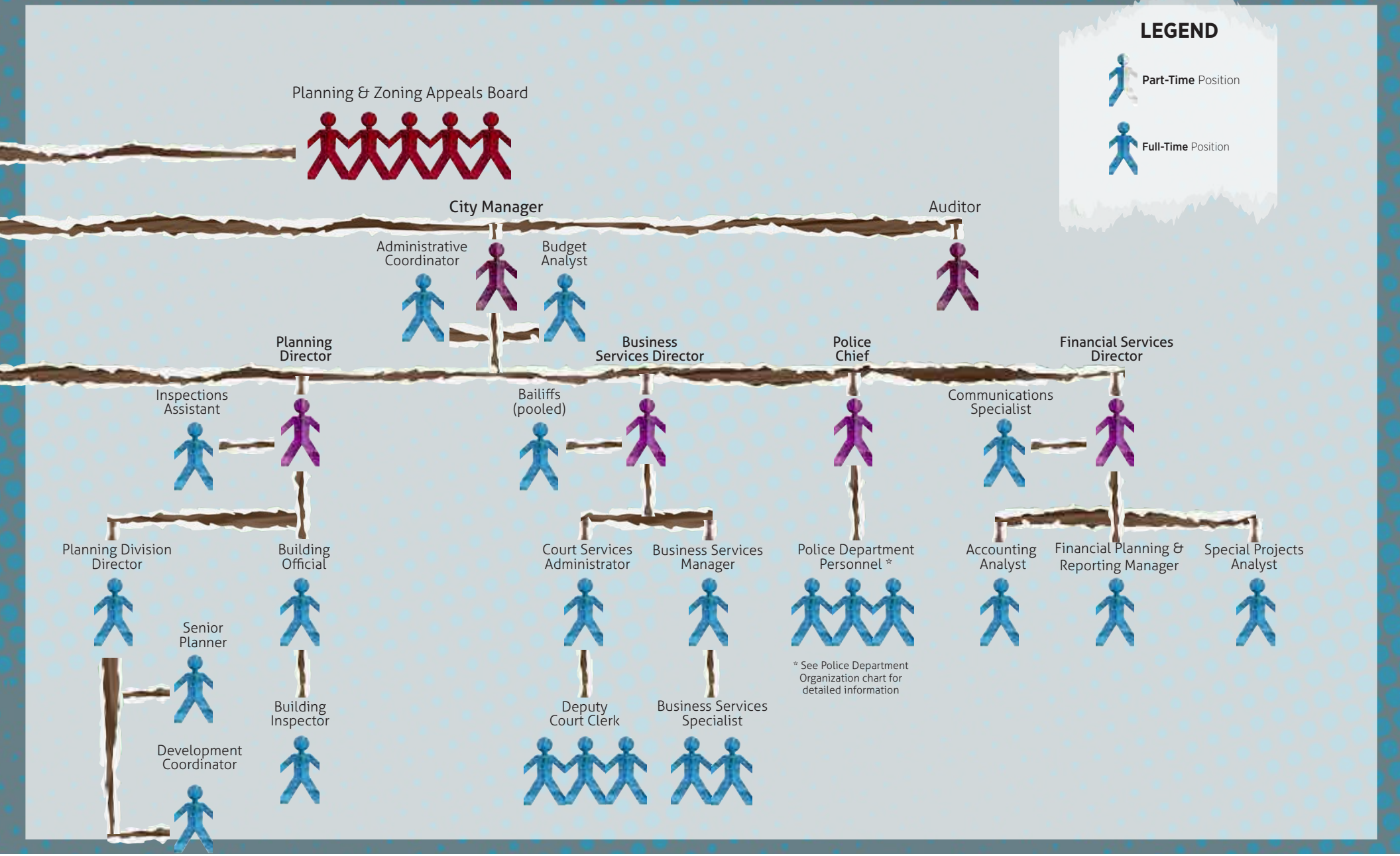
Downtown & Business Development Manager

Events & Outreach Manager

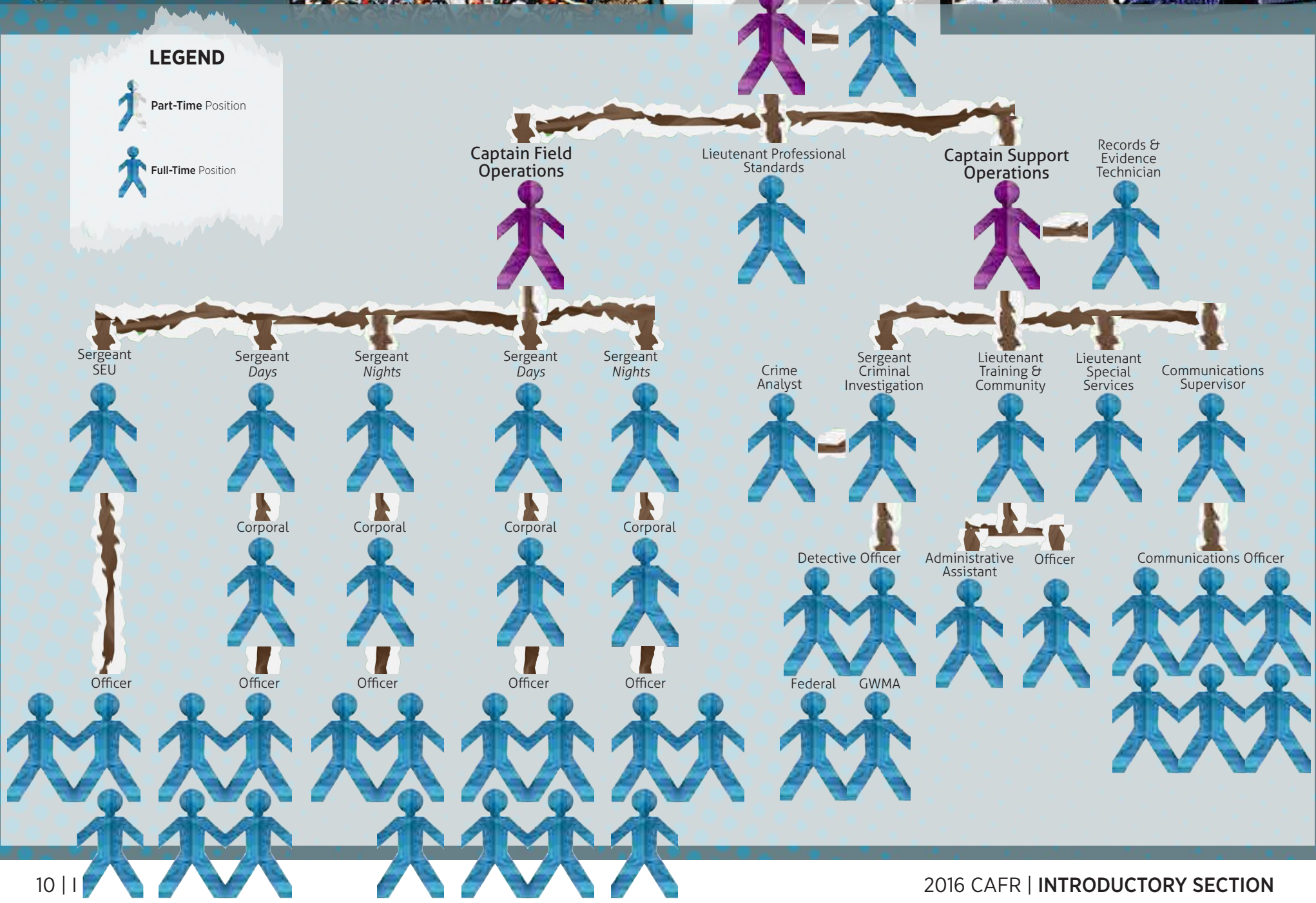
Events Coordinator

Public Information Officer

ADMINISTRATIONL
organizational chart



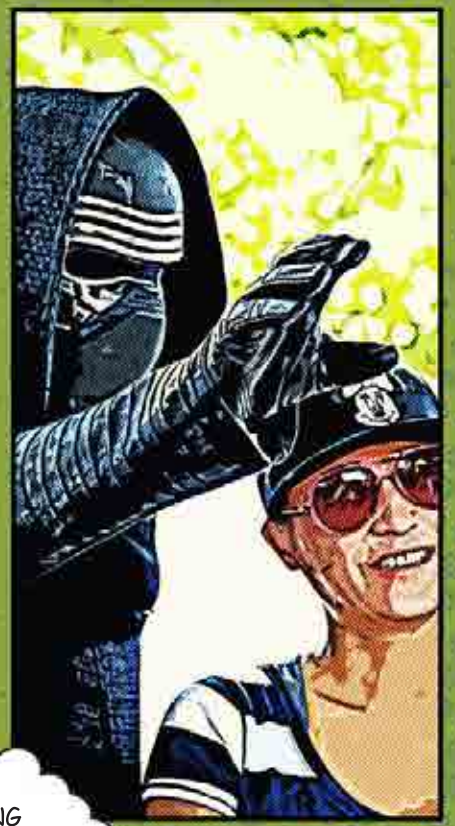
POLICE DEPARTMENT organizational chart

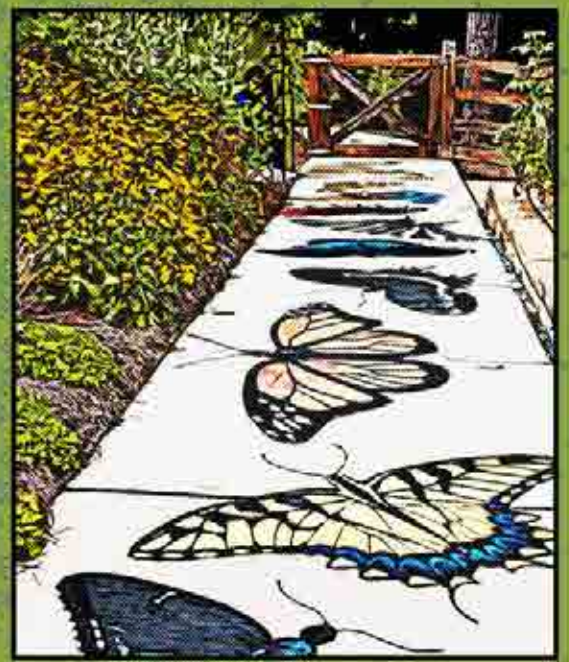














FINANCIAL SECTION

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, 2016, 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
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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, 2016, 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.

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 14-27, the Schedule of Changes in the Net Pension Asset and Related Ratios on page 65, and the Schedule of City Contributions on page 67 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 12, 2016 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.

Atlanta, Georgia
December 12, 2016

Mauldin & Jenkins, LLC



MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL HIGHLIGHTS

The following management discussion and analysis is provided as an introduction to the basic financial statements for the fiscal year ended June 30, 2016. 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.

Government-wide

Assets and deferred outflows of resources of the City's governmental activities exceeded liabilities and deferred inflows of resources by $76,322,650. This is an increase of $2,140,554 or 2.9%, as compared to the prior year amount of $74,182,096. The majority of the governmental activities increase is due to 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 $3,242,576 an increase of $226,934, or 7.5%, as compared to the prior year amount of $3,015,642. The majority of this increase is due to the $200,000 general fund transfer during the period for future water system improvements.

In total, net position increased by $2,367,488 to $79,565,226. Of this amount, unrestricted net position on June 30, 2016 was $19,167,046 or 24% of the City's total net position.

Fund level

As of June 30, 2016, the City's governmental funds reported a combined ending fund balance $27,057,322, an increase of $1,370,987 or 5.3% increase from fiscal year 2015. This majority of this increase is due to intergovernmental revenues received from the 2014 SPLOST that were received but not expended $1,796,857 and general fund expenditures and transfers exceeding revenues by ($474,383). Enterprise fund assets exceeded liabilities by $3,242,576 of which $2,365,189 was invested in capital assets leaving an unrestricted balance of $877,387.

Long-term debt

In total the City's bonds payable outstanding decreased by ($613,000) or 3.4% during fiscal year 2016. This decrease was due to scheduled debt service payments along with an advance refunding of the 2006 URA (Urban Redevelopment Authority) bonds. The City advanced refunded $3,890,000 of the 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 an irrevocable trust. The 2015 URA refunding series has a non-callable rate of 1.94% and has been determined to have a present value savings of $180,855.

Additional information regarding long-term debt can be found in the notes to the financial statements, Note 7, on pages 55-56.

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 30-32.

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 70. 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 36 and 37. Budgetary comparisons for other governmental funds with legally adopted annual budgets start on page 74.

The basic governmental fund financial statements can be found on pages 33-34.

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 38-40.

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 41.

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 43-63.

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 65-67.

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 70-73.



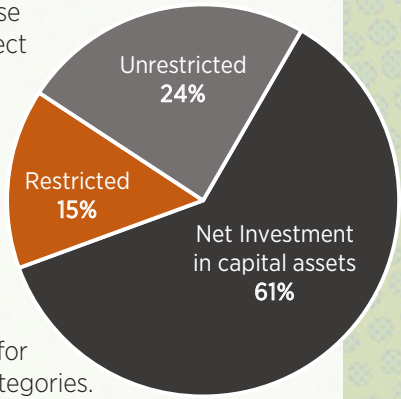
GOVERNMENT WIDE FINANCIAL ANALYSIS

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 $79,565,226 and $77,197,738 at June 30, 2016 and 2015 respectively. This represents an increase of $2,367,488, or 3.1 percent from fiscal year 2015. 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	
	2016	2015	2016	2015	2016	2015
Assets						
Current and other assets	$ 30,199,321	$ 29,330,318	$ 882,376	$ 604,433	$ 31,081,697	$ 29,934,751
Capital assets	63,141,611	63,327,924	2,365,189	2,419,524	65,506,800	65,747,448
Total assets	**93,340,932**	**92,658,242**	**3,247,565**	**3,023,957**	**96,588,497**	**95,682,199**
Deferred outflows of resources	1,349,268	569,683	-	-	1,349,268	569,683
Liabilities						
Long-term liabilities outstanding	17,626,321	18,235,063	-	-	17,626,321	18,235,063
Other liabilities	684,364	592,290	4,989	8,315	689,353	600,605
Total liabilities	**18,310,685**	**18,827,353**	**4,989**	**8,315**	**18,315,674**	**18,835,668**
Deferred inflows of resources	56,865	218,476	-	-	56,865	218,476
Net Position						
Net investment in capital assets	46,227,029	45,677,292	2,365,189	2,419,524	48,592,218	48,096,816
Restricted	11,805,962	10,619,460	-	-	11,805,962	10,619,460
Unrestricted	18,289,659	17,885,344	877,387	596,118	19,167,046	18,481,462
Total net position	**$ 76,322,650**	**$ 74,182,096**	**$ 3,242,576**	**$ 3,015,642**	**$ 79,565,226**	**$ 77,197,738**

PRIMARY GOVERNMENT NET POSITION JUNE 30, 2016

The largest portion of the City's net position, 61%, 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 increased by $495,402 or 1%. This increase is due to capital project construction of infrastructure during the fiscal period. 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 $11,805,962 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 2015.



GOVERNMENTAL ACTIVITIES

Governmental activities increased the City's net position by $2,140,554 thereby accounting for 90% of the total growth in net position. This increase in governmental activities is related to capital grant contributions from SPLOST revenues and intergovernmental (state and federal) grants $3,369,145. The reader should remember that the basis of accounting used in the government-wide statement of activities excluded capital expenditures, 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 2016.

	Change in Net Position					
	Governmental Activities		Business-type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
Revenues						
Program revenues:						
Charge for services	$ 2,343,962	$ 2,729,984	$ 131,682	$ 135,721	$ 2,475,644	$ 2,865,705
Operating grants and contributions	1,321,293	1,003,759	-	-	1,321,293	1,003,759
Capital grants and contributions	3,407,960	3,576,852	-	-	3,407,960	3,576,852
General revenues:						
Property taxes	5,082,644	4,995,599	-	-	5,082,644	4,995,599
Franchise fees	1,880,182	1,845,517	-	-	1,880,182	1,845,517
Alcoholic beverage taxes	835,419	833,056	-	-	835,419	833,056
Business and occupation taxes	1,211,318	1,017,117	-	-	1,211,318	1,017,117
Other	2,072,457	1,914,444	-	-	2,072,457	1,914,444
Unrestricted investment earnings	50,311	48,796	1,680	1,448	51,991	50,244
Total revenues	**18,205,546**	**17,965,124**	**133,362**	**137,169**	**18,338,908**	**18,102,293**
Expenses						
General government	2,989,849	2,592,707	-	-	2,989,849	2,592,707
Judicial	375,779	377,590	-	-	375,779	377,590
Public safety	4,518,605	4,150,355	-	-	4,518,605	4,150,355
Public works	4,196,203	4,867,064	-	-	4,196,203	4,867,064
Culture and recreation	982,783	1,024,032	-	-	982,783	1,024,032
Housing and development	1,654,873	1,141,337	-	-	1,654,873	1,141,337
Tourism and trade	386,987	321,677	-	-	386,987	321,677
Bond issuance costs	122,364	-	-	-	122,364	-
Interest on long term debt	637,549	745,439	-	-	637,549	745,439
Water and sewer	-	-	106,428	114,535	106,428	114,535
Total expenses	**15,864,992**	**15,220,201**	**106,428**	**114,535**	**15,971,420**	**15,334,736**
Increase (decrease) in net position before transfers	2,340,554	2,744,923	26,934	22,634	2,367,488	2,767,557
Transfers	(200,000)	-	200,000	-	-	-
Change in net position	2,140,554	2,744,923	226,934	22,634	2,367,488	2,767,557
Net position - July 1	74,182,096	70,511,806	3,015,642	2,993,008	77,197,738	73,504,814
Net position - June 30	**$ 76,322,650**	**$ 74,182,096**	**$ 3,242,576**	**$ 3,015,642**	**$ 79,565,226**	**$ 77,197,738**

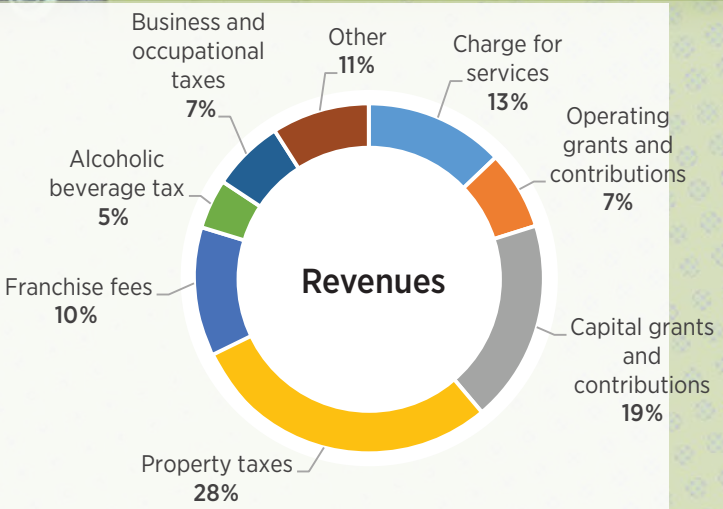


REVENUES BY SOURCE GOVERNMENTAL ACTIVITIES

Governmental activities revenues totaled $18,205,546 for fiscal year 2016 and $17,965,124 for fiscal year 2015, reporting a increase of $240,422. The major difference between the two fiscal years is due to 2016 increases in multiple revenue sources including 1) property tax revenues $108,894 2) franchise fees $34,665 and 3) business and occupation taxes $194,201.

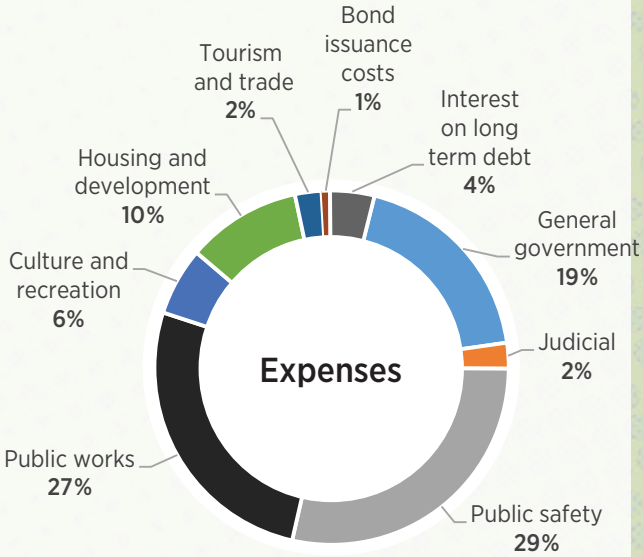
Property tax revenue in fiscal year 2016 increased when compared to fiscal year 2015, by $87,045. This growth is due to rising property values. Suwanee's taxable property values peeked in calendar 2009 with an estimated total taxable assess value of $1,174,713,298. These values declined over the next 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 2015 increased by $19,833,760, to an estimated total of $1,113,941,980. 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 28% 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 19%. Charges for services, which include municipal court fines and building permits, are the third largest revenue sources, accounting for 13% of governmental revenues for the year.

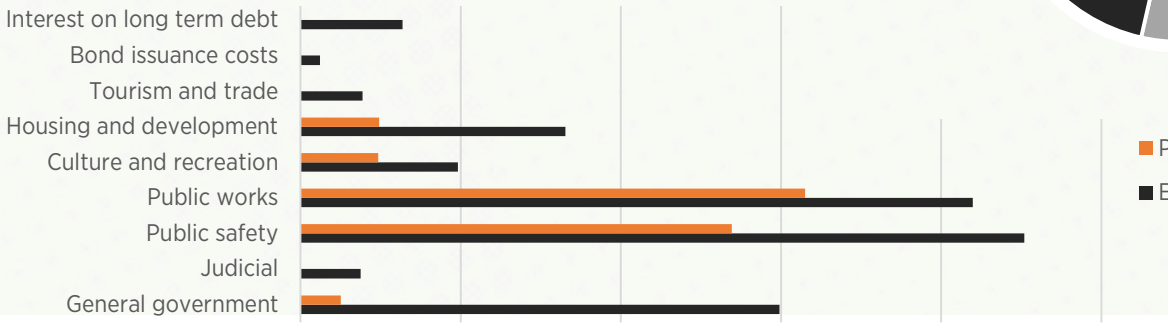


EXPENSES BY SOURCE GOVERNMENTAL ACTIVITIES

Governmental expenses totaled $15,864,992 for the fiscal year. Of the expenses, 29%, or $4,518,605, are related to public safety, while public works accounted for $4,196,203, or 27%. Interest on long term debt and bond issuance costs accounted for 4% of overall governmental expenses. The chart below compares governmental activities with their respective program revenues, if any.



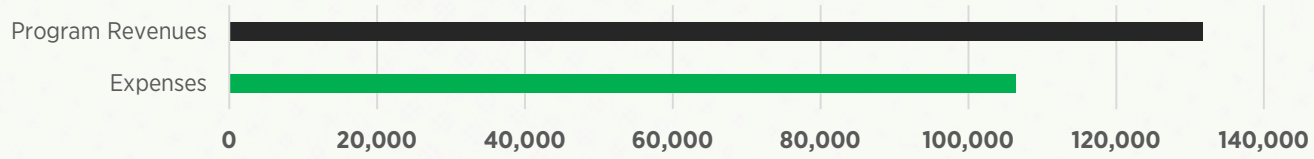
GOVERNMENTAL ACTIVITIES EXPENSES AND PROGRAM REVENUES





BUSINESS-TYPE ACTIVITIES

Business-type activities increased the City's net position by $226,934 accounting for 10% of the City's net position increase in fiscal year 2016. This increase is due to general fund transfer of $200,000 for future water system improvements.



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.

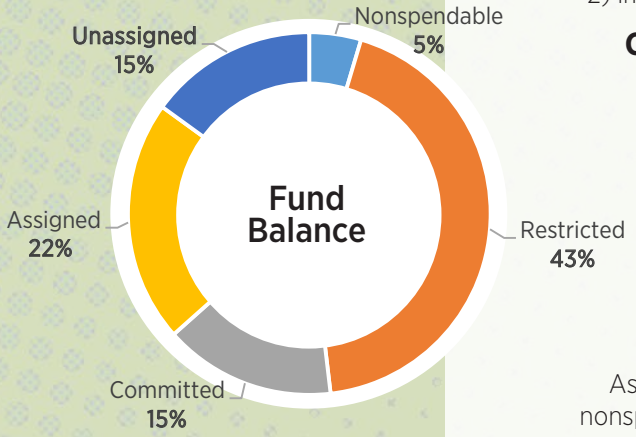
As of June 30, 2016, the City's governmental funds reported a combined ending fund balance of $27,057,322, an increase of $1,370,987 in comparison with the prior year. The majority of this increase is due to 2014 SPLOST revenues received but not expended in the current period $1,796,857. In the governmental 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, 2016, Suwanee's total fund balance for governmental funds was $27,057,322 of which $1,249,533 was nonspendable, $11,773,891 was restricted, $4,135,107 was committed, $5,834,900 was assigned, and $4,063,891 was unassigned. Additional information on fund balance can be found on Note 1 on pages 50-51.



GOVERNMENTAL FUND BALANCES

The general fund is the chief operating fund of the City. On June 30, 2016, unassigned fund balance of the general fund was $4,063,891. 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 31% of total general fund expenditures and transfers, compared to 39% in the prior year. The decrease in unassigned fund balance of ($462,758) is approximately 10% lower than the previous fiscal year. This decrease in unassigned is related to fourth quarter capital transfers of $1,285,000 from the general fund to capital project funds. 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 facilities maintenance $328,460, public facilities enhancements $375,600, and master plan implementation $300,940.

REVENUES CLASSIFIED BY SOURCE GENERAL FUND

	FY 2016		FY 2015		Increase/ (Decrease)	
	Amount	% of Total	Amount	% of Total	Amount	% of Change
Revenues by Source						
Taxes	$ 8,760,310	71.53%	$ 8,194,269	70.26%	$ 566,041	6.91%
Licenses and permits	728,018	5.94%	601,618	5.16%	126,400	21.01%
Intergovernmental	1,116,942	9.12%	793,776	6.80%	323,166	40.71%
Charge for services	141,591	1.16%	103,476	.89%	38,115	36.83%
Fines and forfeitures	1,396,755	11.40%	1,898,791	16.28%	(502,036)	-26.44%
Other	103,903	.85%	71,464	.61%	32,439	45.39%
Total	**$ 12,247,519**	**100.00%**	**$ 11,663,394**	**100.00%**	**$ 584,125**	**5.01%**

The following provides an explanation of revenues by source changes from 2015 to 2016:

- **Taxes.** Real and personal property tax collections increased by $240,747 from fiscal year 2015. Suwanee's property tax digest has started to show value growth as the economy continues to improve. Calendar year 2015 total taxable assessed value increased by $19,833,760 from 2014 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 $34,665, mainly in electric fees from the prior year. Business taxes increased by $250,795, due to improvements in Suwanee's economy from the previous year. Other taxes increased by $37,471. 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 $10,750. The other revenue sources in this category, business licenses and building permits, continues to show economic conditions improvements, increasing by $115,650.
- **Intergovernmental.** Intergovernmental revenues increased by $323,166 from the prior period. In fiscal year 2015, Suwanee received $793,776 from Gwinnett County for 911 dispatch and police services provided by the City. In fiscal year 2016, Suwanee received $1,107,032. 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 decreased by ($502,036). During fiscal year 2016, several police positions were unfilled due to injuries 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 2016.



EXPENDITURES BY FUNCTION GENERAL FUND

	FY 2016		FY 2015		Increase/ (Decrease)	
	Amount	% of Total	Amount	% of Total	Amount	% of Change
Expenditures by Function:						
General government	$ 2,284,513	20.49%	$ 2,091,655	21.18%	$ 192,858	9.22%
Judicial	390,015	3.49%	379,879	3.85%	10,136	2.67%
Public safety	4,915,528	44.08%	4,108,178	41.61%	807,350	19.65%
Public works	2,037,242	18.27%	1,838,700	18.62%	198,542	10.80%
Culture and recreation	313,070	2.81%	285,995	2.90%	27,075	9.47%
Housing and development	1,210,857	10.86%	1,169,591	11.84%	41,266	3.53%
Total	**$ 11,151,225**	**100.00%**	**$ 9,873,998**	**100.00%**	**$ 1,277,227**	**12.93%**

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

- **General government.** Expenditures increased by $192,858 or 9.22%. The majority of this increase is due to one new floating full time position, annual performance raises, increases in group health insurance, and professional services space needs analysis study.
- **Judicial.** Expenditures increased by $10,136 or 2.67%. The majority of this increase is due to annual performance raises and increases in group health insurance.
- **Public safety.** Expenditures increased by $807,350 or 19.65%. The majority of this increase is the due to equipment purchases: $386,800 dispatch console upgrades, $90,440 police equipment (laptops, car radios, and video systems), and $123,350 five replacement vehicles. The remaining increase is due to two new positions, annual performance raises, and increases in group health insurance.
- **Public works.** Expenditures increased by $198,542 or 10.80%. This increase is due to two new vehicle purchases $65,500, new equipment (chipper) $33,100, increase in salaries and benefits due to annual performance raises, and increases in group health insurance.
- **Culture and recreation.** Expenditures increased by $27,075 or 9.47%. The majority of this increase was for event decking that was purchased to help maintain Town Center Park grass during heavy traffic events, $20,000.
- **Housing and development.** Expenditures increased by $41,266 or 3.53%. The majority of this increase is due to annual performance raises and increases in group health insurance.



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 2016, 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, 2016, all funds from this intergovernmental agreement have been allocated to the City. The fund had a restricted fund balance of $4,903,761, comprised entirely of 2009 SPLOST funds received and unspent, and an assigned balance of $530,138, comprised of general fund and non-major governmental funds transfer of resources. During fiscal year 2016, fund balance decreased by ($3,143,349) due to current capital expenditures exceeding current revenue resources ($924,222) and transfer of local non-restricted resources to other capital projects for future master plan implementations ($2,269,127). The majority of the capital expenditures were for sidewalks and trails, $1,171,414, and Buford Highway reconstruction, $331,763.

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, 2016, $5,309,773 of these funds have been allocated to the City. The fund had a restricted fund balance of $4,807,028, comprised entirely of 2014 SPLOST funds received and unspent. Capital expenditures for the fiscal year includes 2016 street resurfacing $624,906, storm water system improvements $69,888, and transportation enhancements $24,873.

Other capital projects fund accounts for the local financial resources used for the purchase and construction of capital equipment, facilities, master plan implementation, and community stabilization. As of June 30, 2016, the fund had nonspendable fund balance of $1,245,335 (redevelopment land held for development) and assigned fund balance of $5,273,785. During fiscal year 2016, fund balance increased by $3,064,523. This increase is due to fourth quarter capital prefunding transfers, from the general fund and 2009 SPLOST fund, 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 $1,322,287 as of June 30, 2016, 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. For the fiscal year end, the water and sewer fund had an operating income of $25,254 compared to an operating income of $21,186 in the prior year. Operating revenues decreased by ($4,039). Operating expenses decreased by ($8,107). Changes in net position was $226,934. This increase is from charges for services exceeding operating expenses during the period and general fund transfer for future water system improvements $200,000.



GENERAL FUND BUDGETARY HIGHLIGHTS

Differences between the original budget, $12,452,790, and the final amended budget, $14,042,790, amounted to an overall increase of $1,590,000. Operational functions were decreased by $52,100, or less than 1%. Capital transfers were increased by $1,629,000 and the transfer to the Tax Allocation District was increased by $13,100. Listed below is a summary of the additional capital transfers:

- $328,460, prefunding for fiscal year 2017 facilities maintenance.
- $80,000, prefunding for fiscal year 2017 storm water projects.
- $100,000, prefunding for fiscal year 2017 street maintenance and resurfacing.
- $300,940, prefunding for master plan implementation. These funds were allocated to provide local funding support to implement capital projects that were identified in the Downtown Suwanee Master Plan and the Public Arts Master Plan.
- $719,600, prefunding for public facilities and park enhancements.
- $100,000, for future water system improvements.

GENERAL FUND BUDGET COMPARISON

A detail budgetary comparison schedule for the fiscal year ended June 30, 2016 can be found on pages 36-37. The following chart is a summary of that schedule:

	Budget			Variance with Final Budget
	Original	Final	Actual	
Revenues, transfers, and other financing sources:				
Taxes	$ 8,564,130	$ 8,564,130	$ 8,760,310	$ 196,180
Licenses and permits	732,620	732,620	728,018	(4,602)
Intergovernmental revenues	1,152,190	1,162,190	1,116,942	(45,248)
Charges for services	105,580	105,580	141,591	36,011
Fines and forfeitures	1,617,770	1,617,770	1,396,755	(221,015)
Investment income	33,500	33,500	39,717	6,217
Miscellaneous revenues	20,000	50,000	64,186	14,186
Other financing sources	227,000	227,000	216,388	(10,612)
Total	**12,452,790**	**12,492,790**	**12,463,907**	**(28,883)**
Expenditures and transfers out:				
Expenditures	12,307,790	12,255,690	11,151,225	1,104,465
Transfer out	145,000	1,787,100	1,787,065	35
Total	**12,452,790**	**14,042,790**	**12,938,290**	**1,104,500**
Change in fund balance	$ -	$ (1,550,000)	$ (474,383)	$ 1,075,617

During the year, general fund revenues were less than budgetary appropriations by ($28,883), or less than 1%. The majority of this decrease was due to lower than projected fines and forfeitures collections (municipal court revenues). This reduction in resources was due to police vacancies. General fund expenditures were less ($1,104,500), than budgetary estimates. Listed below are the major areas that expenditures were lower than appropriations.



- Salaries and benefits expenditures were ($580,762) less than appropriations. This was due to staff vacancies. Salaries and wages were 94% of budgetary projections and employee benefits were 89%.
- Purchased professional services expenditures were ($128,878) less than appropriations, 71% 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 in fiscal year 2015 and completed in fiscal year 2016, the Downtown Suwanee Master Plan and the Public Arts Master Plan.
- Other purchase services expenditures were ($167,129) less than appropriations, 84% expended. This classification includes training, education, travel, printing, and dues and fees.
- Supplies expenditures were ($132,757) less than appropriations, 86% expended. This was due to utilities and gasoline projections being higher than actual costs.
- Purchase property services were ($35,641) less than appropriations, 86% expended. This was due to repairs and rental projections being higher than actual costs.
- Capital outlay expenditures were ($49,142) less than appropriations, 96% expended.



Capital assets

On June 30, 2016, the City's investments in capital assets in both governmental and business-type activities amounted to $65,506,800 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 $2,711,834 and not the result of disposal of assets. The decrease noted in land is due to land donations made by the City to the Suwanee Downtown Development Authority for future economic development opportunities along Buford Highway. Additional information on capital assets can be found in Note 6 on pages 53-54 of this report.



	Governmental Activities		Business-type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
Land	$ 12,832,337	$ 13,329,020	$ 7,500	$ 7,500	$ 12,839,837	$ 13,336,520
Land improvements	525,713	488,017	619	867	526,332	488,884
Buildings	26,118,815	25,743,602	-	-	26,118,815	25,743,602
Water system	-	-	2,330,331	2,402,907	2,330,331	2,402,907
Machinery and equipment	1,487,685	1,507,482	-	-	1,487,685	1,507,482
Vehicles	657,614	470,402	-	-	657,614	470,402
Infrastructure	19,554,031	20,890,298	-	-	19,554,031	20,890,298
Construction in progress	1,965,416	899,103	26,739	8,250	1,992,155	907,353
Total	**$ 63,141,611**	**$ 63,327,924**	**$ 2,365,189**	**$ 2,419,524**	**$ 65,506,800**	**$ 65,747,448**



LONG-TERM DEBT

Long-term debt

At the end of the current fiscal year, the City had total bonded debt outstanding of $17,297,000 comprised of general obligation debt $12,825,000 backed by the full faith and credit of the City, and revenue bonds $4,472,000 obligated through an intergovernmental agreement with the Urban Redevelopment Agency.

The City's total long-term bonds decreased by ($613,000) or 3.4% 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 $111,394,198; current general obligation debt is below this limit with 10.33% of the legal debt limit used. Additional information regarding long-term debt can be found in Note 7 on pages 55-56 of this report.

The United States economy grew at an annual rate of 1.2 percentage points during the second quarter of 2016 (calendar). This follows a 0.8 percentage point increase during the previous quarter. Overall, the economy grew at a rate of 2.4 percent during calendar year 2015, which was the same percent growth rate for 2014. Economists believe that the economy will be on track for growth in third quarter of 2016. Overall revenue performance for fiscal year 2016 continues to follow positive trends, as noted by the national economy, for the City.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET & RATES

Unemployment

According to the U.S. Bureau of Labor Statistics, the national unemployment rate in June 2016 was 4.9 percent. Georgia is among several states that exceed the national average with a June 2016 unemployment rate of 6.3 percent. Gwinnett County is near the national average and is faring better than the state and metro Atlanta average with an unemployment rate of 5.1 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 3.1 percent in June 2016.

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. Calendar year 2015 showed improved development with 260 permits issued.

Active developments

There are 98 new single family detached lots in active development. 200 townhome units are either in the active stage of development or are under review. There are currently 751 townhomes in Suwanee. There are six active developments in Suwanee: Reserve at Moore Road, Suwanee Green, Providence Townhomes at Suwanee Station, Village Grove 12 lot Subdivision, KM Homes Townhomes at Suwanee Station, and Suwanee Walk.

The Reserve at Moore Road is one of two unfinished neighborhoods in the City. There are 31 occupied homes, 10 homes under construction, and 12 platted but vacant logs. Suwanee Green is a new neighborhood under development. If completed as zoned, Suwanee Green will total 121 homes with 48 townhomes and 73 single family homes. Portions of Suwanee Station have started development activities. The Providence Group is developing a site for 17 townhome lots. A portion of Village Grove is being developed with 12 single family detatched lots. The property was formerly zoned for 60 condominium units. KM Homes is in the review process for 38 unit townhome development that will be part of Suwanee Station. Lennar Homes has applied for a development review for Suwanee Walk, a 97 townhome development.



Housing values

According to Zillow, the median home value in Suwanee is $343,800. Suwanee home values have gone up 7.1% over the past year. The median list price per square foot in Suwanee is $135, which is higher than the Atlanta Metro average of $105.

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 2017 annual budget for the general fund is $12,405,320; this is a decrease of ($1,637,470) or -11.7% from the final amended 2016 budget. The largest difference in the fiscal year 2016 final budget and the fiscal year 2017 budget is due to the fourth quarter fiscal year 2016 capital improvements prefunding of $1,285,000. Prefunding Suwanee's capital improvement program is part of Suwanee's pay-as-you go financing for capital projects.



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.




COMPREHENSIVE
ANNUAL FINANCIAL REPORT







BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS
FUND FINANCIAL STATEMENTS




PARKER
30024
SUWANEE



STATEMENT OF NET POSITION
june 30, 2016

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	$ 18,035,375	$ 268,325	$ 18,303,700
Investments	7,613,659	503,081	8,116,740
Receivables:			
Property taxes	180,914	-	180,914
Other	335,678	7,645	343,323
Due from other governments	593,366	-	593,366
Internal balances	(100,000)	100,000	-
Inventory land held for development	1,245,335	-	1,245,335
Prepaid	4,198	-	4,198
Net pension asset	2,290,796	-	2,290,796
Restricted cash	-	3,325	3,325
Capital assets, nondepreciable	14,797,753	34,239	14,831,992
Capital assets, depreciable, net of accumulated depreciation	48,343,858	2,330,950	50,674,808
Total assets	**93,340,932**	**3,247,565**	**96,588,497**
DEFERRED OUTFLOW OF RESOURCES			
Pension contribution subsequent to measurement date	305,723	-	305,723
Pension assumption changes	2,010	-	2,010
Pension demographic changes	362,384	-	362,384
Pension investment differences	247,915	-	247,915
Deferred loss on refunding of bonds	431,236	-	431,236
Total deferred outflow of resources	**1,349,268**	**-**	**1,349,268**
LIABILITIES			
Current liabilities:			
Accounts payable	600,583	1,664	602,247
Retainage payable	35,656	-	35,656
Liabilities payable from restricted assets	-	3,325	3,325
Unearned revenue	48,125	-	48,125
Noncurrent liabilities:			
General obligation bonds due within one year	590,000	-	590,000
General obligation bonds due in more than one year	12,249,051	-	12,249,051
Revenue bonds due within one year	366,000	-	366,000
Revenue bonds due in more than one year	4,105,111	-	4,105,111
Compensated absences due within one year	101,171	-	101,171
Compensated absences due more than one year	214,988	-	214,988
Total liabilities	**18,310,685**	**4,989**	**18,315,674**

(continued)



STATEMENT OF NET POSITION
june 30, 2016 (continued)



	Governmental Activities	Business-type Activities	Total
DEFERRED INFLOW OF RESOURCES			
Pension demographic changes	56,865	-	56,865
Total deferred inflow of resources	**56,865**	**-**	**56,865**
NET POSITION			
Net investment in capital assets	46,227,029	2,365,189	48,592,218
Restricted for:			
Capital projects	9,944,422	-	9,944,422
Debt service	1,354,358	-	1,354,358
Special programs	507,182	-	507,182
Unrestricted	18,289,659	877,387	19,167,046
Total net position	**$ 76,322,650**	**$ 3,242,576**	**$ 79,565,226**

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



STATEMENT OF ACTIVITIES
year ended june 30, 2016

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business Type	Net (Expense) Revenue and Changes in Net Position: Total
Governmental activities:							
General government	$ 2,989,849	$ 251,147	$ -	$ -	$ (2,738,702)	$ -	$ (2,738,702)
Judicial	375,779	-	-	-	(375,779)	-	(375,779)
Public safety	4,518,605	1,568,339	1,112,157	12,839	(1,825,270)	-	(1,825,270)
Public works	4,196,203	-	-	3,150,708	(1,045,495)	-	(1,045,495)
Culture and recreation	982,783	32,279	209,136	244,413	(496,955)	-	(496,955)
Housing and development	1,654,873	492,197	-	-	(1,162,676)	-	(1,162,676)
Tourism and trade	386,987	-	-	-	(386,987)	-	(386,987)
Bond issuance costs	122,364	-			(122,364)		(122,364)
Interest on long term debt	637,549	-	-	-	(637,549)	-	(637,549)
Total governmental activities	**15,864,992**	**2,343,962**	**1,321,293**	**3,407,960**	**(8,791,777)**	**-**	**(8,791,777)**
Business-type activities:							
Water and Sewer	106,428	131,682	-	-	-	25,254	25,254
Total	**$ 15,971,420**	**$ 2,475,644**	**$ 1,321,293**	**$ 3,407,960**	**$ (8,791,777)**	**$ 25,254**	**$ (8,766,523)**
General revenues:							
Taxes:							
Property taxes					$ 5,082,644	$ -	$ 5,082,644
Franchise fees					1,880,182	-	1,880,182
Alcoholic beverage tax					835,419	-	835,419
Business and occupation taxes					1,211,318	-	1,211,318
Hotel/motel taxes					608,004	-	608,004
Insurance premium taxes					884,762	-	884,762
Other taxes					476,495	-	476,495
Unrestricted investment earnings					50,311	1,680	51,991
Miscellaneous					103,196	-	103,196
Transfers					(200,000)	200,000	-
Total general revenues and transfers					**10,932,331**	**201,680**	**11,134,011**
Change in net position					2,140,554	226,934	2,367,488
Net position - beginning					74,182,096	3,015,642	77,197,738
Net position - ending					**$ 76,322,650**	**$ 3,242,576**	**$ 79,565,226**

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



GOVERNMENTAL FUNDS BALANCE SHEET
june 30, 2016

	General	Debt Service	2009 SPLOST	2014 SPLOST	Other Capital Projects	Other Governmental Funds	Total Governmental Funds
ASSETS							
Cash and cash equivalents	$ 4,605,410	$ 296,411	$ 3,382,552	$ 4,431,391	$ 4,729,172	$ 590,439	$ 18,035,375
Investments	3,674,861	1,021,096	2,032,602	-	716,309	168,791	7,613,659
Receivables:							
Property taxes	144,063	36,851	-	-	-	-	180,914
Due from other governments	-	-	173,628	419,738	-	-	593,366
Other	280,901	-	-	-	-	54,777	335,678
Inventory land held for development	-	-	-	-	1,245,335	-	1,245.335
Prepaid items	4,198	-	-	-	-	-	4,198
Total assets	**$ 8,709,433**	**$ 1,354,358**	**$ 5,588,782**	**$ 4,851,129**	**$ 6,690,816**	**$ 814,007**	**$ 28,008,525**
LIABILITIES							
Accounts payable	$ 271,469	$ -	$ 119,227	$ 44,101	$ 123,571	$ 42,215	$ 600,583
Retainage payable	-	-	35,656	-	-	-	35,656
Due to other funds	100,000	-	-	-	-	-	100,000
Unearned revenue	-	-	-	-	48,125	-	48,125
Total liabilities	**371,469**	**-**	**154,883**	**44,101**	**171,696**	**42,215**	**784,364**
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue	134,768	32,071	-	-	-	-	166,839
Total deferred inflows of resources	**134,768**	**32,071**	**-**	**-**	**-**	**-**	**166,839**
FUND BALANCES							
Nonspendable	4,198	-	-	-	1,245,335	-	1,249,533
Restricted	-	1,322,287	4,903,761	4,807,028	-	740,815	11,773,891
Committed	4,135,107	-	-	-	-	-	4,135,107
Assigned:							
Capital project funds	-	-	530,138	-	5,273,785	30,977	5,834,900
Unassigned	4,063,891	-	-	-	-	-	4,063,891
Total fund balances	**8,203,196**	**1,322,287**	**5,433,899**	**4,807,028**	**6,519,120**	**771,792**	**27,057,322**
Total liabilities, deferred inflows of resources & fund balances	**$ 8,709,433**	**$ 1,354,358**	**$ 5,588,782**	**$ 4,851,129**	**$ 6,690,816**	**$ 814,007**	

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.	2,290,796
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds.	63,141,611
Deferred outflows related to pension contributions, demographic, investment differences, and pension assumption changes, are not current financial resources and, therefore, are not reported in the governmental funds.	918,032
Deferred outflows related to losses on bond refunding, are not current financial resources and, therefore, are not reported in the governmental funds.	431,236
Deferred inflows in the governmental funds for unavailable revenue, are susceptible to full accrual on the government wide statements.	166,839
Deferred inflows related to pension demographic changes are not related to current financial resources and, therefore, not reported in the governmental funds.	(56,865)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	(17,626,321)
Net position of governmental activities	**$ 76,322,650**

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, 2016

	General	Debt Service	2009 SPLOST	2014 SPLOST	Other Capital Projects	Other Governmental Funds	Total Governmental Funds
REVENUES							
Property taxes	$ 3,584,501	$ 1,590,497	$ -	$ -	$ -	$ -	$ 5,174,998
Franchise taxes	1,880,182	-	-	-	-	-	1,880,182
Alcoholic beverage taxes	835,419	-	-	-	-	-	835,419
Business taxes	2,096,080	-	-	-	-	-	2,096,080
Hotel/motel taxes	-	-	-	-	-	608,004	608,004
Other taxes	364,128	-	-	112,367	-	-	476,495
Licenses and permits	728,018	-	-	-	-	-	728,018
Intergovernmental revenues	1,116,942	-	827,117	2,395,415	146,613	-	4,486,087
Charges for services	141,591	-	-	-	-	-	141,591
Fines and forfeitures	1,396,755	-	-	-	-	59,309	1,456,064
Investment income	39,717	6,624	19,528	9,108	3,290	699	78,966
Rental income	-	-	-	-	45,235	17,189	62,424
Contributions and donations	5,125	-	250	-	-	209,136	214,511
Miscellaneous revenue	59,061	-	-	-	-	-	59,061
Total revenues	**12,247,519**	**1,597,121**	**846,895**	**2,516,890**	**195,138**	**894,337**	**18,297,900**
EXPENDITURES							
Current:							
General government	2,284,513	-	-	366	620,089	-	2,904,968
Judicial	390,015	-	-	-	-	-	390,015
Public safety	4,915,528	-	-	-	-	54,697	4,970,225
Public works	2,037,242	-	-	-	-	530	2,037,772
Culture and recreation	313,070	-	-	-	-	183,437	496,507
Housing and development	1,210,857	-	-	-	-	-	1,210,857
Tourism and trade	-	-	-	-	-	386,987	386,987
Capital outlay	-	-	1,771,117	719,667	258,653	48,585	2,798,022
Debt service:							
Principal	-	933,000	-	-	-	-	933,000
Interest and fiscal charges	-	617,934	-	-	-	-	617,934
Issuance costs	-	122,364	-	-	-	-	122,364
Total expenditures	**11,151,225**	**1,673,298**	**1,771,117**	**720,033**	**878,742**	**674,236**	**16,868,651**
Excess (deficiency) of revenues over (under) expenditures	1,096,294	(76,177)	(924,222)	1,796,857	(683,604)	220,101	1,429,249
OTHER FINANCING SOURCES (USES)							
Sale of capital assets	13,343	-	-	-	-	6,031	19,374
Transfers in	203,045	-	50,000	-	3,748,127	58,065	4,059,237
Transfers out	(1,787,065)	-	(2,269,127)	-	-	(203,045)	(4,259,237)
Refunding bonds issued principal	-	4,210,000	-	-	-	-	4,210,000
Payment to refunded bond escrow agent	-	(4,087,636)	-	-	-	-	(4,087,636)
Total other financing sources (uses)	(1,570,677)	122,364	(2,219,127)	-	3,748,127	(138,949)	(58,262)
Net change in fund balances	(474,383)	46,187	(3,143,349)	1,796,857	3,064,523	81,152	1,370,987
FUND BALANCES - beginning of year	8,677,579	1,276,100	8,577,248	3,010,171	3,454,597	690,640	25,686,335
FUND BALANCES - end of year	**$ 8,203,196**	**$ 1,322,287**	**$ 5,433,899**	**$ 4,807,028**	**$ 6,519,120**	**$ 771,792**	**$ 27,057,322**

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, 2016

Amounts reported for governmental activities in the statement of activities are different because:			
Net change in fund balances-total governmental funds.		$	1,370,987
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.			(92,354)
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	$ 3,023,679		
Net effect of deletions	(572,247)		
Depreciation expense	(2,637,745)		(186,313)
The Governmental Funds report bond proceeds as an other financing source, while repayment of bond principal is reported as an expenditure.			
Principal payment			933,000
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	$ (134)		
Deferred outflow demographic changes	(22,648)		
Deferred outflow pension investment return	(52,115)		
Deferred inflow demographic changes	3,791		
Service costs	(317,834)		
Interest on TPL	(284,715)		
Employee contributions	80,779		
Plan administrative expenses	(16,447)		
Expected rate of return	517,645		
Deferred outflow for pension payments	381,166	$	289,488
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.			
Refunding bonds issued principal	$ (4,210,000)		
Payment to refunded bond escrow agent	4,087,636		(122,364)
Amortization of:			
Premium/Discount	$ 720		
Loss on Refunding	(47,632)		(46,912)
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.			(4,978)
Change in net position of governmental activities.		$	**2,140,554**

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, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes:				
Property taxes	$ 3,646,110	$ 3,646,110	$ 3,584,501	$ (61,609)
Franchise taxes	1,844,640	1,844,640	1,880,182	35,542
Alcoholic beverage taxes	830,900	830,900	835,419	4,519
Business taxes	1,923,160	1,923,160	2,096,080	172,920
Other taxes	319,320	319,320	364,128	44,808
Total taxes	**8,564,130**	**8,564,130**	**8,760,310**	**196,180**
Licenses and permits:				
Alcoholic beverage fees	215,000	215,000	217,000	2,000
Business licenses	39,120	39,120	34,147	(4,973)
Building permits	478,500	478,500	476,871	(1,629)
Total licenses and permits	**732,620**	**732,620**	**728,018**	**(4,602)**
Intergovernmental revenues:				
State grants	-	10,000	9,910	(90)
Local grants	1,152,190	1,152,190	1,107,032	(45,158)
Total intergovernmental revenues	**1,152,190**	**1,162,190**	**1,116,942**	**(45,248)**
Charges for services:				
Planning and development fees	20,900	20,900	15,326	(5,574)
Public safety services	72,180	72,180	112,275	40,095
Special events	12,500	12,500	13,990	1,490
Total charges for services	**105,580**	**105,580**	**141,591**	**36,011**
Fines and forfeitures	1,617,770	1,617,770	1,396,755	(221,015)
Investment income	33,500	33,500	39,717	6,217
Contributions and donations	10,000	10,000	5,125	(4,875)
Miscellaneous revenue	10,000	40,000	59,061	19,061
Total revenues	**12,225,790**	**12,265,790**	**12,247,519**	**(18,271)**
EXPENDITURES				
Current:				
General Government:				
Governing body	141,550	146,650	138,048	8,602
Legislative committees	8,750	7,850	3,413	4,437
Chief executive	446,940	441,840	368,384	73,456
General administration	379,490	379,490	293,599	85,891
Financial administration	506,640	506,640	479,150	27,490
Law	40,000	30,000	25,290	4,710
Data processing	209,800	212,050	192,031	20,019
General government building and plant	298,850	293,500	271,434	22,066
Public information	161,790	156,040	149,947	6,093
Business services	365,790	386,290	363,217	23,073
Total general government	**$ 2,559,600**	**$ 2,560,350**	**$ 2,284,513**	**$ 275,837**

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, 2016 (continued)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES (continued)				
Judicial	$ 468,400	$ 447,900	$ 390,015	$ 57,885
Public safety:				
Police administration	412,830	420,330	382,445	37,885
Criminal investigation	507,960	483,460	436,700	46,760
Patrol	2,940,710	2,885,010	2,639,263	245,747
Records and identification	82,360	85,860	82,816	3,044
Police training	219,890	209,890	176,362	33,528
Special detail services	55,500	70,500	64,744	5,756
Police stations and buildings	173,800	179,800	161,225	18,575
Police substation and training center	47,400	49,400	33,319	16,081
Dispatcher	907,070	937,770	859,222	78,548
Public relations	87,920	88,420	79,432	8,988
Total public safety	**5,435,440**	**5,410,440**	**4,915,528**	**494,912**
Public works:				
Public works administration	1,958,690	1,978,690	1,907,814	70,876
Paved streets	123,960	113,960	93,691	20,269
Storm drainage	43,680	43,680	35,737	7,943
Total public works	**2,126,330**	**2,136,330**	**2,037,242**	**99,088**
Culture and recreation:				
Special facilities and activities	148,500	170,750	147,955	22,795
Park areas	193,580	183,580	165,115	18,465
Total culture and recreation	**342,080**	**354,330**	**313,070**	**41,260**
Housing and development:				
Protective inspection administration	197,060	220,710	179,104	41,606
Planning and zoning	530,870	497,120	456,056	41,064
Code enforcement	65,600	76,600	73,393	3,207
Economic development and assistance	434,110	445,210	405,057	40,153
Downtown Suwanee	148,300	106,700	97,247	9,453
Total housing and development	**1,375,940**	**1,346,340**	**1,210,857**	**135,483**
Total expenditures	**12,307,790**	**12,255,690**	**11,151,225**	**1,104,465**
Excess of revenues over expenditures	(82,000)	10,100	1,096,294	1,086,194
OTHER FINANCING SOURCES (USES):				
Transfer in	222,000	222,000	203,045	(18,955)
Transfer out	(145,000)	(1,787,100)	(1,787,065)	35
Sale of capital assets	5,000	5,000	13,343	8,343
Total other financing sources (uses)	**82,000**	**(1,560,100)**	**(1,570,677)**	**(10,577)**
Net change in fund balances	-	(1,550,000)	(474,383)	1,075,617
FUND BALANCES - beginning of year	8,677,579	8,677,579	8,677,579	-
FUND BALANCES - end of year	$ **8,677,579**	$ **7,127,579**	$ **8,203,196**	$ **1,075,617**

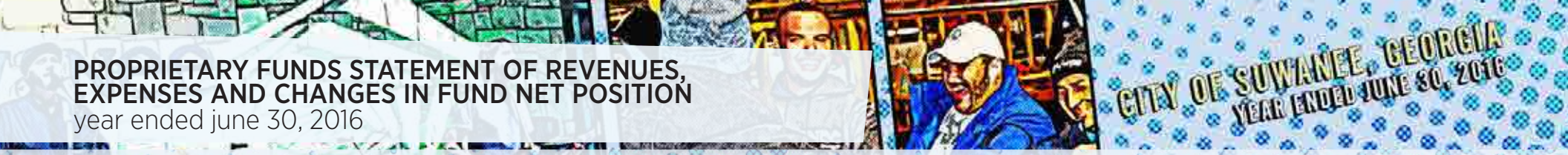
The notes to the financial statements are an integral part of these statements.



PROPRIETARY FUNDS
STATEMENT OF NET POSITION
june 30, 2016

		Major Enterprise Fund Water & Sewer Fund
ASSETS		
Current assets:		
Cash and cash equivalents	$	268,325
Investments		503,081
Due from other funds		100,000
Accounts receivable		7,645
Total current assets		**879,051**
Noncurrent assets:		
Restricted assets:		
Cash and cash equivalents		3,325
Capital assets, nondepreciable		34,239
Capital assets, depreciable, net of accumulated depreciation		2,330,950
Total noncurrent assets		**2,368,514**
Total assets		**3,247,565**
LIABILITIES		
Current liabilities:		
Accounts payable		1,664
Noncurrent liabilities:		
Payable from restricted assets:		
Customer deposits payable		3,325
Total liabilities		**4,989**
NET POSITION		
Investment in capital assets		2,365,189
Unrestricted		877,387
Total net position	**$**	**3,242,576**

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, 2016

		Major Enterprise Fund Water & Sewer Fund
OPERATING REVENUES		
Water and sewer charges	$	131,682
Total operating revenues		**131,682**
OPERATING EXPENSES		
Contracted services		12,603
Supplies		19,736
Depreciation		74,089
Total operating expenses		**106,428**
Operating income (loss)		25,254
NONOPERATING REVENUES (EXPENSES)		
Investment income		1,680
Total nonoperating revenues (expenses)		**1,680**
Income (loss) before transfers		26,934
Transfer in		200,000
Change in net position		226,934
Total net position - beginning of year		3,015,642
Total net position - ending	**$**	**3,242,576**

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



PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
year ended june 30, 2016

	Major Enterprise Fund Water & Sewer Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	$ 132,375
Payments to suppliers for goods and services	(35,645)
Net cash provided (used) by operating activities	**96,730**
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfers from other funds	200,000
Due from other funds	(100,000)
Net cash provided by noncapital activities	**100,000**
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of capital asset	(19,754)
Net cash used by capital and related financing activities	**(19,754)**
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of investment	(150,000)
Interest received	283
Net cash used by investing activities	**(149,717)**
Net increase in cash and cash equivalents	27,259
Cash and cash equivalents - beginning	244,391
Cash and cash equivalents - ending	**$ 271,650**
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	$ 25,254
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation	74,089
Change in assets and liabilities	
(Increase) decrease in accounts receivable	712
Increase (decrease) in accounts payable not related to a capital asset	(3,305)
Increase (decrease) in customer deposits	(20)
Net cash provided (used) by operating activities	**$ 96,730**

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

FIDUCIARY FUND STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES

june 30, 2016

	Agency Fund
ASSETS	
Cash and cash equivalents	$ 54,532
Total assets	**54,532**
LIABILITIES	
Due to others	54,532
Total liabilities	**$ 54,532**

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



NOTES TO THE FINANCIAL STATEMENTS













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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. 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	$	305,723
Pension assumption changes		2,010
Pension demographic changes		362,384
Pension investment differences		247,915
Deferred loss on refunding bonds		431,236
Total deferred outflow of resources, statement of net position	**$**	**1,349,268**

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	$	56,865
Total deferred inflow of resources, statement of net position	**$**	**56,865**

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 ($166,839), 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 57-62.



NOTE 1
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

E. 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 all certificates of deposit, which are non-participating interest earning investment contracts, that are reported at cost.

F. 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."

G. 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).

H. Inventory Land Held for Development

Land held for development is valued at cost. Additional costs for demolition were expended, since these costs are not anticipated to be recovered and do not add to the service capacity of the asset.

I. 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 acquisition value at the date of donation.

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

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

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



J. Compensated Absences

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

K. 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.

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.

L. 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.

M. 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.



NOTE 1
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

N. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, 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.

O. 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:*
   - *General Fund - $4,198 prepaid group health insurance.*
   - *Other Capital Projects Fund - $1,245,335 in inventory land held for development.*
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 - $1,322,287 externally imposed by bond covenant for debt.*
   - *2009 SPLOST Fund - $4,903,761 externally imposed by laws or regulations of other governments for capital projects.*
   - *2014 SPLOST Fund - $4,807,028 externally imposed by laws or regulations of other governments for capital projects.*
   - *Other Governmental Funds - $740,815 externally imposed by grantors and laws or regulations of other governments. Of this amount, $233,633 is for capital projects, $189,797 for public safety, $127,938 for economic development, and $189,447 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 $4,135,107 in the general fund by resolution adopted on June 21, 2016 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 - $530,138 assigned by City Council for capital projects appropriation.*
   - *Other Capital Funds - $5,273,785 assigned by City Council for capital projects appropriation.*
   - *Other Governmental Funds - $30,977 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 $4,063,891 in unassigned general fund balance.*

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

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

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net 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 $17,626,321 difference are as follows:

Compensated absences payable	$	316,159
Bonds payable		17,310,162
Net adjustment to reduce fund balance - total governmental funds to arrive at net position - governmental activities	$	17,626,321

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 23, 2015. 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.



NOTE 3 LEGAL COMPLIANCE-BUDGETS

(continued)

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 ($1,642,100). These funds were transferred to provide funding for fiscal year 2017 capital improvement program. Transfer of these local funds provided the necessary resources to maintain the current capital projects budgets for fiscal year 2017.

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, 2016, 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, 2016, the City has no uncollateralized deposits.

Investments.
At June 30, 2016, 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, 2015 and were mailed to taxpayers on October 1, 2015. The due date for these taxes was December 20, 2015, and after that date, both penalty and interest are accrued until the taxes are collected. The lien date was January 1, 2016. Receivables are recorded when taxes are levied and billed (October 1).

Receivables at June 30, 2016 for the City's individual major funds and nonmajor funds in the aggregate are as follows:

	General	Debt Service	2009 SPLOST	2014 SPLOST	Other Governmental Funds	Water and Sewer	Total
Receivables							
Property taxes	$ 144,063	$ 36,851	$ -	$ -	$ -	$ -	$ 180,914
Due from other governments	-	-	173,628	419,738	-	-	593,366
Other	280,901	-	-	-	54,777	7,645	343,323
Net total receivables	**$ 424,964**	**$ 36,851**	**$ 173,628**	**$ 419,738**	**$ 54,777**	**$ 7,645**	**$ 1,117,603**

There is no allowance for uncollectible accounts related to these receivables.



NOTE 6 CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2016 is as follows:

	Beginning Balances	Increases	Decreases	Transfer	Ending Balance
Governmental activities					
Capital assets, not being depreciated:					
Land	$ 13,329,020	$ -	$ (496,683)	$ -	$ 12,832,337
Construction in progress	899,103	1,889,085	-	(822,772)	1,965,416
Total	**14,228,123**	**1,889,085**	**(496,683)**	**(822,772)**	**14,797,753**
Capital assets, being depreciated					
Land improvements	645,537	-	(2,146)	90,206	733,597
Buildings and improvements	30,494,094	386,772	-	695,637	31,576,503
Machinery and equipment	2,919,128	326,455	(457,760)	36,929	2,824,752
Vehicles	1,688,186	368,050	(170,748)	-	1,885,488
Infrastructure	43,847,607	53,317	-	-	43,900,924
Total	**79,594,552**	**1,134,594**	**(630,654)**	**822,772**	**80,921,264**
Less accumulated depreciation for					
Land improvements	157,520	50,946	(582)	-	207,884
Buildings and improvements	4,750,492	707,196	-	-	5,457,688
Machinery and equipment	1,411,646	331,775	(406,354)	-	1,337,067
Vehicles	1,217,784	158,244	(148,154)	-	1,227,874
Infrastructure	22,957,309	1,389,584	-	-	24,346,893
Total	**30,494,751**	**2,637,745**	**(555,090)**	**-**	**32,577,406**
Total capital assets, being depreciated, net	49,099,801	(1,503,151)	(75,564)	822,772	48,343,858
Governmental activities capital assets, net	**$ 63,327,924**	**$ 385,934**	**$ (572,247)**	**$ -**	**$ 63,141,611**



NOTE 6 CAPITAL ASSETS

(continued)

Business capital assets activity for the year ended June 30, 2016 is as follows:

	Beginning Balances	Increases	Decreases	Ending Balance
Business-type activities/Water and Sewer fund				
Capital assets, not being depreciated:				
Land	$ 7,500	$ -	$ -	$ 7,500
Construction in progress	8,250	18,489	-	26,739
Total	**15,750**	**18,489**	**-**	**34,239**
Capital assets, being depreciated				
Land improvements	4,944	-	-	4,944
Water system	3,153,639	1,265	-	3,154,904
Total	**3,158,583**	**1,265**	**-**	**3,159,848**
Less accumulated depreciation for				
Land improvements	4,077	248	-	4,325
Water system	750,732	73,841	-	824,573
Total	**754,809**	**74,089**	**-**	**828,898**
Total capital assets, being depreciated, net	2,403,774	(72,824)	-	2,330,950
Business-type activities capital assets, net	**$ 2,419,524**	**$ (54,335)**	**$ -**	**$ 2,365,189**

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

Governmental activities	
General government	$ 254,156
Judicial	1,133
Public safety	418,369
Public works	1,472,579
Culture and recreation	480,242
Housing and development	11,266
Total depreciation expenses-governmental activities	**$ 2,637,745**



NOTE 7 LONG TERM DEBT

The following is a summary of long-term debt activity for the year ended June 30, 2016:

	Beginning Balances	Additions	Reductions	Ending Balances	Due Within One Year
GOVERNMENTAL ACTIVITIES					
Bonds payable					
General obligation bonds	$ 13,395,000	$ -	$ (570,000)	$ 12,825,000	$ 590,000
Add: Issuance Premium	15,661	-	(1,610)	14,051	-
Total general obligation bonds payable	**13,410,661**	**-**	**(571,610)**	**12,839,051**	**590,000**
Revenue bonds	4,515,000	4,210,000	(4,253,000)	4,472,000	366,000
Less: Issuance discount	(1,779)	-	890	(889)	-
Total revenue bonds payable	**4,513,221**	**4,210,000**	**(4,252,110)**	**4,471,111**	**366,000**
Compensated absences	311,181	250,775	(245,797)	316,159	101,171
Governmental activities long term liabilities	**$ 18,235,063**	**$ 4,460,775**	**$ (5,069,517)**	**$ 17,626,321**	**$ 1,057,171**

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, 2016 is $12,825,000.



NOTE 7
LONG TERM DEBT

(continued)

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

Year ending June 30,		Principal		Interest
2017	$	590,000	$	522,730
2018		610,000		497,993
2019		635,000		473,093
2020		660,000		447,193
2021		690,000		420,193
2022 - 2026		3,870,000		1,645,244
2027 - 2031		4,710,000		748,710
2032		1,060,000		22,790
Total	**$**	**12,825,000**	**$**	**4,777,946**

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 2006 Urban Redevelopment Revenue (URA) bonds. The 2006 URA bonds, maturing in January 2027, have an interest rate range from 3.50% to 3.85%. 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 $3,890,000 of the 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 an irrevocable trust. The 2015 URA refunding series has a non-callable rate of 1.94% and has been determined to create debt service savings of $200,012, which has a present value savings of $180,855.

The amount of revenue bonds outstanding at June 30, 2016 is $4,472,000. 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
2017	$	366,000	$	85,703
2018		376,000		76,009
2019		382,000		68,657
2020		392,000		61,149
2021		397,000		53,495
2022- 2026		2,113,000		147,295
2027		446,000		4,326
Total	**$**	**4,472,000**	**$**	**496,634**



NOTE 8 INTERFUND TRANSFERS AND BALANCES

The composition of interfund transfers for the year ended June 30, 2016 is as follows:

Transfer In	Transfer Out	Amount
General fund	Non-major governmental funds	$ 203,045
2009 SPLOST fund	General fund	50,000
Other capital projects fund	General fund	1,479,000
Other capital projects fund	2009 SPLOST fund	2,269,127
Non-major governmental funds	General fund	58,065
Water and Sewer fund	General fund	200,000
		$ 4,259,237

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. Transfer out noted above from the 2009 SPLOST fund to other capital projects fund is transferring local funds that were previously moved to the 2009 SPLOST fund and not restricted SPLOST proceeds.

Interfund receivable and payble balance as of June 30, 2016 is as follows:

Due To	Due From	Amount
Water and Sewer fund	General fund	$ 100,000

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

NOTE 9 JOINT VENTURE

Under Georgia law, the City, in conjunction with other cities and counties in the ten (10) county Atlanta area, is a member of the Atlanta Regional Commission (the ARC) and is required to pay annual dues thereto. During its fiscal year ended June 30, 2016, 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.



NOTE 10
PENSION PLAN

(continued)

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 $5,354,867 including $526,331 of payroll covered by this plan. Contributions by the City totaled $26,317 for the fiscal year ended June 30, 2016. 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 $2,290,796.

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 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, 2016, 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	18
Active employees	89

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 $381,166 for the year ended June 30, 2016.

Net Pension Liability

The City's net pension asset was measured as of September 30, 2015, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2015 with update procedures performed by the actuary to roll forward to the total pension liability as of September 30, 2015.

Actuarial Assumptions

The total pension liability in the January 1, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

The demographic and economic actuarial 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.

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



NOTE TO PENSION PLAN

(continued)

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, 2015 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.

Change in the Net Pension Asset	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Asset (a) - (b)
Balances at 6/30/2015	$ 3,696,368	$ 6,488,868	$ (2,792,500)
Changes for the year:			
Service Cost	317,834	-	317,834
Interest	284,715	-	284,715
Difference between expected and actual experience	385,032	-	385,032
Contributions employer	-	361,750	(361,750)
Contributions employee	-	80,779	(80,779)
Net investment income	-	59,795	(59,795)
Benefit payments, including refunds of employee contributions	(45,240)	(45,240)	-
Administrative expense	-	(16,447)	16,447
Net change	**942,341**	**440,637**	**501,704**
Balances at 6/30/2016	**$ 4,638,709**	**$ 6,929,505**	**$ (2,290,796)**



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)	$ (1,610,618)	$ (2,290,796)	$ (2,849,932)

Changes of Assumptions

As a result of the new administrative fee structure approved by the Board, the administrative expense assumption was updated for fiscal years beginning in 2016.

	Current	Prior
Base fee	$ 9,000	$ 7,000
Per active and terminated vested participant	$ 66	$ 65
Per retiree and beneficiary	$ 78	$ 65
Percentage of the market value of assets	0.06%	0.05%
Per active participant for the administration of employee contributions	$ 18	$ 10
Per inactive participant for the administration of employee contributions	$ 9	$ 0

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 Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2016, the City recognized pension expense of $91,678. The statement of net position includes a deferred outflows for employer pension contributions of $305,723 subsequent to the measurement date. This amount includes employer payments made to the plan after 9/30/2015, the measurement date and prior to 6/30/2016, the City's fiscal year end.

As of June 30, 2016, 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	$ 2,010	$ -
Demographic changes	362,384	56,865
Net difference between projected and actual earnings on pension investments	247,915	-
Total	**$ 612,309**	**$ 56,865**



NOTE 10 PENSION PLAN (continued)

City contributions subsequent to the measurement date of $305,723 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, 2017. 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		
2017	$	71,107
2018		71,107
2019		71,107
2020		110,562
2021		18,992
Thereafter	$	212,569

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, 2016, the City has contractual commitments on uncompleted contracts of approximately $345,229 for the following projects: $104,328 Smithtown Road Sidewalks, $161,331 Buford Highway Reconstruction and Streetscape, $41,960 dock at Sims Lake Park, $12,800 Facilities Space Needs Analysis, and $24,810 Wayfinding Signage.

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.



NOTE 13
HOTEL / MOTEL TAX

NOTE 14
SUBSEQUENT EVENT

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.

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 $608,004 as reported in the City's Hotel/Motel Tax Fund. Expenditures and transfers totaled $590,032 leaving a fund balance of $127,938 to be used for tourism and trade.

On October 4, 2016, the City entered into a private placement, bank qualified refunding bond agreement with JP Morgan Chase bank, (2016 General Obligation Refunding series). The City advanced refunded $12,235,000 of the City's 2006 General Obligation Refunding series, maturing January 2017 through 2032. This advanced refunding is considered a legal defeasement of the 2006 General Obligation Refunding series January 2017 through 2032 with the new bond proceeds placed in a irrevocable trust. The 2016 General Obligation Refunding series have a principal amount of $12,635,000 and a non-callable rate of 1.96%, which has been determine to have a present value savings of $1,939,041.


COMPREHENSIVE
ANNUAL FINANCIAL REPORT


Cigna

REQUIRED SUPPLEMENTARY INFORMATION



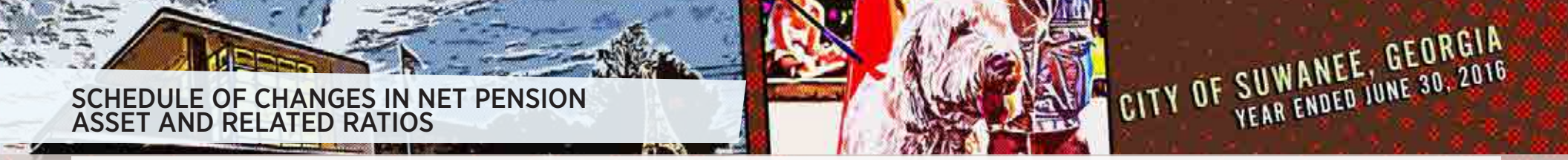








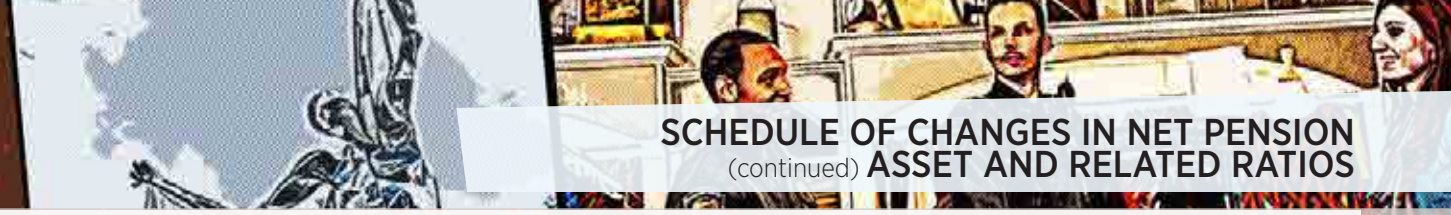




SCHEDULE OF CHANGES IN NET PENSION ASSET AND RELATED RATIOS

		Fiscal Year 2016		Fiscal Year 2015
TOTAL PENSION LIABILITY				
Service cost	$	317,834	$	313,930
Interest		284,715		250,350
Difference between expected and actual experience		385,032		(64,451)
Changes of assumptions		-		2,284
Benefit payments, including refunds of employee contributions		(45,240)		(72,134)
Net change in pension liability		942,341		429,979
Total pension liability, beginning		3,696,368		3,266,389
Total pension liability, ending (a)	**$**	**4,638,709**	**$**	**3,696,368**
PLAN FIDUCIARY NET POSITION				
Contributions employer	$	361,750	$	341,092
Contributions employee		80,779		73,029
Net investment income		59,795		638,016
Benefit payments, including refunds of employee contributions		(45,240)		(72,134)
Administrative expense		(16,447)		(14,301)
Net change in fiduciary net position		440,637		965,702
Plan fiduciary net position, beginning		6,488,868		5,523,166
Plan fiduciary net position, ending (b)	**$**	**6,929,505**	**$**	**6,488,868**
Net pension asset, ending (a) - (b)	$	(2,290,796)	$	(2,792,500)
Plan's fiduciary net position as a percent of the total pension liability		149.38%		175.55%
Covered employee payroll	$	3,979,442	$	3,427,605
Net pension asset as a percentage of covered employee payroll		-57.57%		-81.47%

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



Notes to schedule:

1. Changes of assumptions:

a. As a result of the plan change to provide immediate participation for employees and officials, for the fiscal year ending 2015, 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.

b. As a result of the new administrative fee approved by the Board, the administrative expense assumption was updated for fiscal years beginning in 2016.

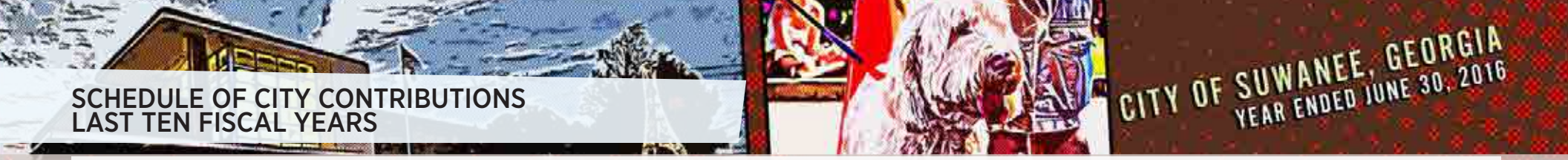
		FY 2016		Prior to FY 2016
Base fee	$	9,000	$	7,000
Per active and terminated vested participant	$	66	$	65
Per retiree and beneficiary	$	78	$	65
Percentage of the market value of assets		.06%		.05%
Per active participant for the administration of employee contributions	$	18	$	10
Per inactive participant for the administration of employee contributions	$	9	$	0

c. 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

	2016	2015	2014	2013	2012
Actuarially determined contribution	$ 64,798	$ 53,343	$ 68,496	$ 117,418	$ 151,635
Contributions in relation to the actuarially determined contribution	381,166	357,671	338,792	398,849	389,788
Contributions deficiency (excess)	$ (316,368)	$ (304,328)	$ (270,296)	$ (281,431)	$ (238,153)
Covered employee payroll	$ 4,235,178	$ 3,974,126	$ 3,717,773	$ 3,625,901	$ 3,543,524
Contributions as a percent of covered employee payroll	9.0%	9.0%	9.1%	11.0%	11.0%

	2011	2010	2009	2008	2007
Actuarially determined contribution	$ 161,429	$ 167,828	$ 149,951	$ 138,721	$ 329,348
Contributions in relation to the actuarially determined contribution	372,947	368,203	375,925	312,112	329,348
Contributions deficiency (excess)	$ (211,518)	$ (200,375)	$ (225,974)	$ (173,391)	$ -
Covered employee payroll	$ 3,390,429	$ 3,347,053	$ 3,417,500	$ 2,837,382	$ 2,994,073
Contributions as a percent of covered employee payroll	11.0%	11.0%	11.0%	11.0%	11.0%

Notes to schedule:

1. Valuation date:

a. Fiscal years 2016 - 2010: January 1 annually **b. Fiscal years 2009 - 2007**: November 1 annually

The GMA planning 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, 2016 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through June 30, 2014.

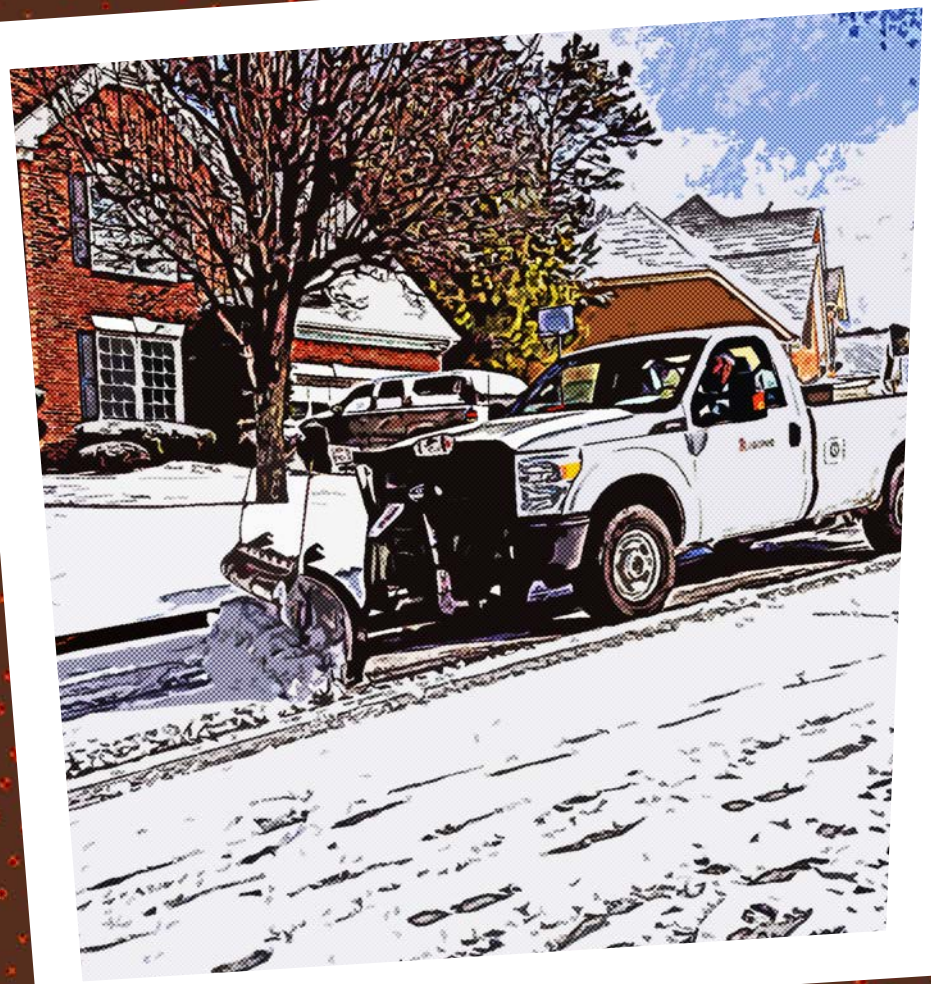
a. Actuarial cost method: aggregate cost method
b. Amortization method: n/a- aggregate method does not identify or separately amortize unfunded actuarial accrued liabilities.
c. Remaining amortization method: n/a
d. Asset valuation method: Sum of actuarial value at beginning of year and cash flow during 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





NON-MAJOR 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.



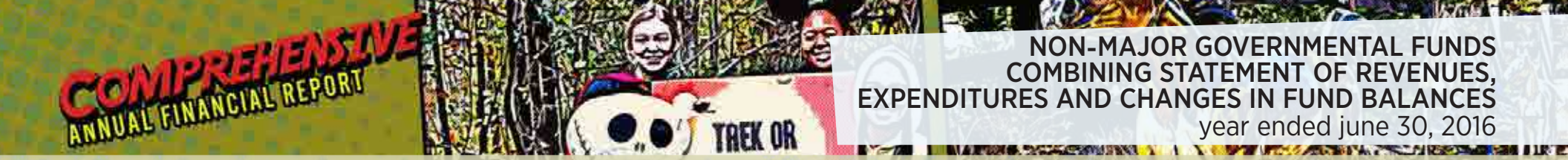
NON-MAJOR GOVERNMENTAL FUNDS COMBINING BALANCE SHEET
june 30, 2016

	SPECIAL REVENUE					
	Suwanee Fest	Community Arts	Confiscated Assets	Community Garden	Hotel/Motel Tax	Total
ASSETS						
Cash and cash equivalents	$ 60,605	$ 83,864	$ 149,117	$ 45,689	$ 114,665	$ 453,940
Investments	-	-	40,680	-	-	40,680
Receivables:						
Other	-	-	-	-	54,777	54,777
Total assets	**$ 60,605**	**$ 83,864**	**$ 189,797**	**$ 45,689**	**$ 169,442**	**$ 549,397**
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	$ 711	$ -	$ -	$ -	$ 41,504	$ 42,215
Total liabilities	**711**	**-**	**-**	**-**	**41,504**	**42,215**
Fund Balances:						
Restricted	59,894	83,864	189,797	45,689	127,938	507,182
Assigned	-	-	-	-	-	-
Total fund balances	59,894	83,864	189,797	45,689	127,938	507,182
Total liabilities and fund balances	**$ 60,605**	**$ 83,864**	**$ 189,797**	**$ 45,689**	**$ 169,442**	**$ 549,397**



CAPITAL PROJECTS

	2005 SPLOST	Cemetery	Tax Allocation District	Total	Total Non-major Governmental Funds
ASSETS					
Cash and cash equivalents	$ -	$ 30,977	$ 105,522	$ 136,499	$ 590,439
Investments	-	-	128,111	128,111	168,791
Receivables:					
Other	-	-	-	-	54,777
Total assets	**$ -**	**$ 30,977**	**$ 233,633**	**$ 264,610**	**$ 814,007**
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	$ -	$ -	$ -	$ -	$ 42,215
Total liabilities	**-**	**-**	**-**	**-**	**42,215**
Fund Balances:					
Restricted	-	-	233,633	233,633	740,815
Assigned	-	30,977	-	30,977	30,977
Total fund balances	-	30,977	233,633	264,610	771,792
Total liabilities and fund balances	**$ -**	**$ 30,977**	**$ 233,633**	**$ 264,610**	**$ 814,007**



NON-MAJOR GOVERNMENTAL FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

year ended june 30, 2016

	SPECIAL REVENUE					
	Suwanee Fest	Community Arts	Confiscated Assets	Community Garden	Hotel/Motel Tax	Total
REVENUES						
Hotel/motel taxes	$ -	$ -	$ -	$ -	$ 608,004	$ 608,004
Fines and forfeitures	-	-	59,309	-	-	59,309
Investment income	-	-	250	8	128	386
Rental income	-	11,630	-	5,559	-	17,189
Contributions and donations	136,762	71,025	-	501	848	209,136
Total revenues	**136,762**	**82,655**	**59,559**	**6,068**	**608,980**	**894,024**
EXPENDITURES						
Current:						
Public safety	-	-	54,697	-	-	54,697
Public works	-	-	-	-	-	-
Culture and recreation	163,589	18,424	-	1,424	-	183,437
Tourism and trade	-	-	-	-	386,987	386,987
Capital outlay	-	-	-	-	-	-
Total expenditures	**163,589**	**18,424**	**54,697**	**1,424**	**386,987**	**625,121**
Excess of revenues over (under) expenditures	(26,827)	64,231	4,862	4,644	221,993	268,903
OTHER FINANCING SOURCES (USES)						
Sale of capital assets	-	-	6,031	-	-	6,031
Transfer in	-	-	-	-	-	-
Transfer out	-	-	-	-	(203,045)	(203,045)
Total other financing sources (uses)	**-**	**-**	**6,031**	**-**	**(203,045)**	**(197,014)**
Net change in fund balances	(26,827)	64,231	10,893	4,644	18,948	71,889
FUND BALANCES - beginning of year	86,721	19,633	178,904	41,045	108,990	435,293
FUND BALANCES - end of year	**$ 59,894**	**$ 83,864**	**$ 189,797**	**$ 45,689**	**$ 127,938**	**$ 507,182**



CAPITAL PROJECTS

	2005 SPLOST	Cemetery	Tax Allocation District	Total	Total Non-major Governmental Funds
REVENUES					
Hotel/motel taxes	$ -	$ -	$ -	$ -	$ 608,004
Fines and forfeitures	-	-	-	-	59,309
Investment income	19	-	294	313	699
Rental income	-	-	-	-	17,189
Contributions and donations	-	-	-	-	209,136
Total revenues	**19**	**-**	**294**	**313**	**894,337**
EXPENDITURES					
Current:					
Public safety	-	-	-	-	54,697
Public works	-	530	-	530	530
Culture and recreation	-	-	-	-	183,437
Tourism and trade	-	-	-	-	386,987
Capital outlay	48,585	-	-	48,585	48,585
Total expenditures	**48,585**	**530**	**-**	**49,115**	**674,236**
Excess of revenues over (under) expenditures	(48,566)	(530)	294	(48,802)	220,101
OTHER FINANCING SOURCES (USES)					
Sale of capital assets	-	-	-	-	6,031
Transfer in	-	-	58,065	58,065	58,065
Transfer out	-	-	-	-	(203,045)
Total other financing sources (uses)	**-**	**-**	**58,065**	**58,065**	**(138,949)**
Net change in fund balances	(48,566)	(530)	58,359	9,263	81,152
FUND BALANCES - beginning of year	48,566	31,507	175,274	255,347	690,640
FUND BALANCES - end of year	**$ -**	**$ 30,977**	**$ 233,633**	**$ 264,610**	**$ 771,792**



SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
budget and actual-year ended june 30, 2016



	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Investment income	$ 250	$ 250	$ -	$ (250)
Contributions and donations	148,500	161,500	136,762	(24,738)
Total revenues	**148,750**	**161,750**	**136,762**	**(24,988)**
EXPENDITURES				
Current:				
Culture and recreation	148,750	161,750	163,589	(1,839)
Total expenditures	**148,750**	**161,750**	**163,589**	**(1,839)**
Net change in fund balances	-	-	(26,827)	(26,827)
FUND BALANCES - beginning of year	86,721	86,721	86,721	-
FUND BALANCES - end of year	**$ 86,721**	**$ 86,721**	**$ 59,894**	**$ (26,827)**



	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Rental income	$ -	$ -	$ 11,630	$ 11,630
Contributions and donations	53,000	83,000	71,025	(11,975)
Total revenues	**53,000**	**83,000**	**82,655**	**(345)**
EXPENDITURES				
Current:				
Culture and recreation	53,000	83,000	18,424	64,576
Total expenditures	**53,000**	**83,000**	**18,424**	**64,576**
Net change in fund balances	-	-	64,231	64,231
FUND BALANCES - beginning of year	19,633	19,633	19,633	-
FUND BALANCES - end of year	**$ 19,633**	**$ 19,633**	**$ 83,864**	**$ 64,231**



SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
budget and actual-year ended june 30, 2016



	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Fines and forfeitures	$ 115,000	$ 115,000	$ 59,309	$ (55,691)
Investment income	250	250	250	-
Total revenues	**115,250**	**115,250**	**59,559**	**(55,691)**
EXPENDITURES				
Current:				
Public safety	115,250	115,250	54,697	60,553
Total expenditures	**115,250**	**115,250**	**54,697**	**60,553**
Excess of revenues over expenditures	-	-	4,862	4,862
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	-	6,031	6,031
Net change in fund balances	-	-	10,893	10,893
FUND BALANCES - beginning of year	178,904	178,904	178,904	-
FUND BALANCES - end of year	**$ 178,904**	**$ 178,904**	**$ 189,797**	**$ 10,893**



	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	5,559	(441)
Contributions and donations	1,000	1,000	501	(499)
Total revenues	**7,020**	**7,020**	**6,068**	**(952)**
EXPENDITURES				
Current:				
Culture and recreation	7,020	7,020	1,424	5,596
Total expenditures	**7,020**	**7,020**	**1,424**	**5,596**
Net change in fund balances	-	-	4,644	4,644
FUND BALANCES - beginning of year	41,045	41,045	41,045	-
FUND BALANCES - end of year	**$ 41,045**	**$ 41,045**	**$ 45,689**	**$ 4,644**



SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
budget and actual-year ended june 30, 2016



	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Hotel/motel taxes	$ 516,000	$ 596,000	$ 608,004	$ 12,004
Investment income	100	100	128	28
Contributions and donations	-	-	848	848
Total revenues	**516,100**	**596,100**	**608,980**	**12,880**
EXPENDITURES				
Current:				
Tourism and trade	294,100	404,100	386,987	17,113
Total expenditures	**294,100**	**404,100**	**386,987**	**17,113**
Excess of revenues over expenditures	222,000	192,000	221,993	29,993
OTHER FINANCING SOURCES (USES)				
Transfer out	(222,000)	(192,000)	(203,045)	11,045
Net change in fund balances	-	-	18,948	18,948
FUND BALANCES - beginning of year	108,990	108,990	108,990	-
FUND BALANCES - end of year	**$ 108,990**	**$ 108,990**	**$ 127,938**	**$ 18,948**

DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
budget and actual-year ended june 30, 2016



	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Property taxes	$ 1,589,220	$ 1,589,220	$ 1,590,497	$ 1,277
Investment income	2,110	2,110	6,624	4,514
Total revenues	**1,591,330**	**1,591,330**	**1,597,121**	**5,791**
EXPENDITURES				
Debt Service:				
Principal retirement	875,000	933,000	933,000	-
Interest	713,230	793,230	615,309	177,921
Issuance costs	-	122,420	122,364	56
Fiscal agent fees	3,100	3,100	2,625	475
Total expenditures	**1,591,330**	**1,851,750**	**1,673,298**	**178,452**
Excess of revenues over expenditures	-	(260,420)	(76,177)	184,243
OTHER FINANCING SOURCES (USES)				
Refunding bonds issued:				
Principal	-	4,348,010	4,210,000	138,010
Payment to refunded bond escrow agent	-	(4,087,590)	(4,087,636)	46
Total other financing sources (uses)	**-**	**260,420**	**122,364**	**138,056**
Net change in fund balances	-	-	46,187	46,187
FUND BALANCES - beginning of year	1,276,100	1,276,100	1,276,100	-
FUND BALANCES - end of year	**$ 1,276,100**	**$ 1,276,100**	**$ 1,322,287**	**$ 46,187**



SPLOST PROCEEDS SCHEDULE OF EXPENDITURES
year ended june 30, 2016

SPLOST 2005

Description	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year	Total
Roads, streets and bridges	$ 4,642,660	$ 5,031,428	$ 4,982,843	$ 48,585	$ 5,031,428
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
Total	**$ 6,597,060**	**$ 7,220,859**	**$ 7,172,274**	**$ 48,585**	**$ 7,220,859**

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	1,954,301	1,187,812	42,609	1,230,421
Parking facilities	2,256,780	2,035,585	63,237	-	63,237
Public safety facilities and equipment	1,781,710	1,532,302	1,520,956	6,400	1,527,356
Roads, streets and bridges	5,463,953	4,777,210	2,043,890	770,812	2,814,702
Total	**$ 11,878,050**	**$ 10,380,200**	**$ 4,896,697**	**$ 819,821**	**$ 5,716,518**

Amounts reported for 2009 SPLOST current year expenditures are different because:	
Current year expenditures	$ 819,821
Capital outlay using local funds and grant funds	951,296
Total 2009 SPLOST expenditures (1)	**$ 1,771,117**

NOTE:
(1) Reconciliation to the statement of governmental funds statement of revenues, expenditures, and changes in fund balances, page 34.

SPLOST 2014

Description	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year	Total
Roads, streets and bridges	$ 7,239,371	$ 6,196,066	$ 9,155	$ 720,033	$ 729,188
Recreational facilities	804,375	685,385	4	-	4
Total	**$ 8,043,746**	**$ 6,881,451**	**$ 9,159**	**$ 720,033**	**$ 729,192**



CITY OF SUWANEE
CERTIFICATION OF 911 EXPENDITURES
for the year ended june 30, 2016

		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)	$	260,015
5b	Employee benefit	46-5-134(f)(1)(C)	$	91,745
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)	$	2,994
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)	$	1,134
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)	$	104,664
9b	Purchase costs	46-5-134(f)(1)(G)	$	372,607
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)	$	14,165
11c	Maintenance costs	46-5-134(f)(1)(I)	$	2,557

(continued)



CITY OF SUWANEE
CERTIFICATION OF 911 EXPENDITURES
for the year ended june 30, 2016(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)		$	861,681

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 James M Burnette **Date** 12/01/2016

Print Name of Chief Elected Official Jimmy Burnette

Title of Chief Elected Official Mayor

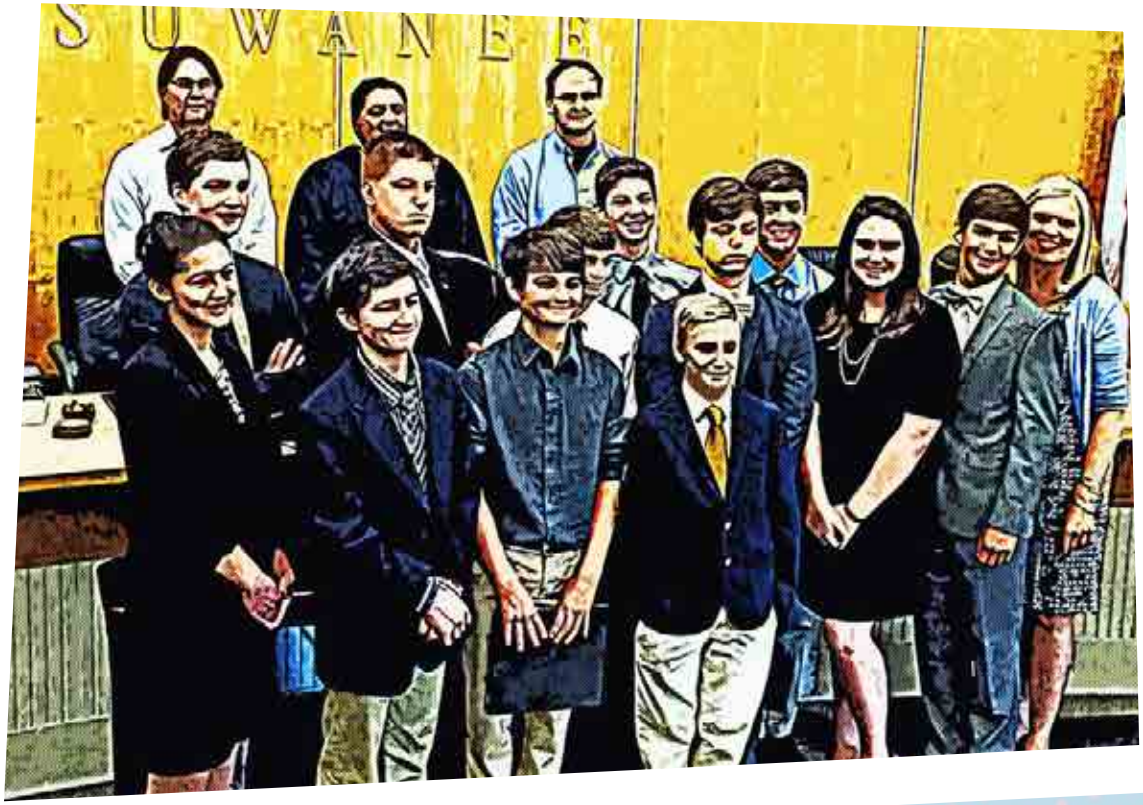
Signature of Chief Financial Officer Amie Sakmar **Date** 12/01/2016

Print Name of Chief Financial Officer Amie Sakmar


AGENCY FUND
OHHHH!!! NO ONE KNOWS MY SONGS!!!!
LOOK INTO MY EYES...

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, 2016



	Balance June 30, 2015	Increases	Decreases	Balance June 30, 2016
ASSETS				
Cash and cash equivalents	$ 130,427	$ 2,015,205	$ 2,091,100	$ 54,532
Total assets	**130,427**	**2,015,205**	**2,091,100**	**54,532**
LIABILITIES				
Due to others	130,427	2,015,205	2,091,100	54,532
Total liabilities	**$ 130,427**	**$ 2,015,205**	**$ 2,091,100**	**$ 54,532**















STATISTICAL SECTION



STATISTICAL SECTION

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

Financial Trends..... S2 - S11
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..... S12 - S16
These schedules contain information to help the reader assess the City's most significant local revenue source.

Debt Capacity..... S16 - S18
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..... S19 - S20
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

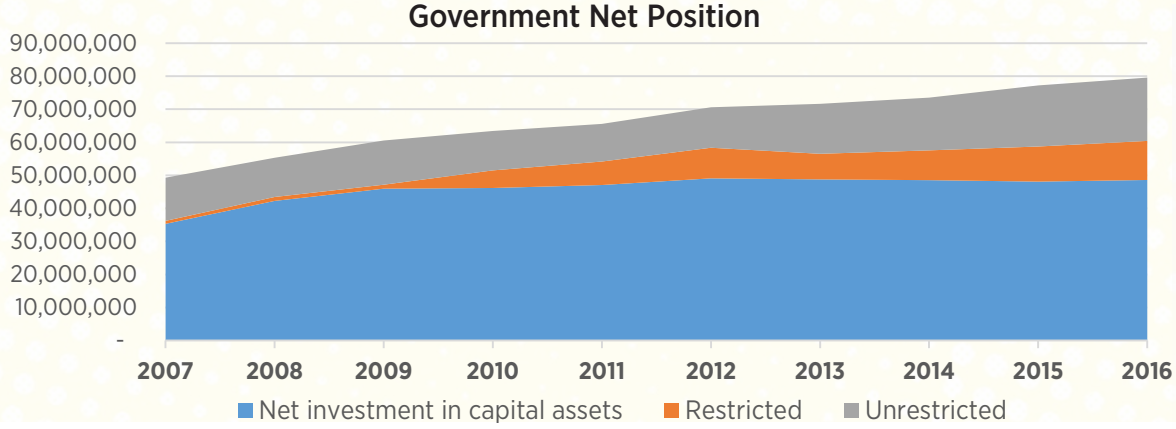
Operating Information..... S21 - S23
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the government provides and the activities it performs.

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									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
GOVERNMENTAL ACTIVITIES										
Net investment in capital assets	$ 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	$ 46,227,029
Restricted	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	11,805,962
Unrestricted	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	18,289,659
Total governmental activities net position	**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**	**76,322,650**
BUSINESS-TYPE ACTIVITIES [1]										
Net investment in capital assets	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	2,365,189
Unrestricted	168,686	238,701	307,676	566,975	(18,533)	171,054	460,124	557,100	596,118	877,387
Total business-type activities net position	**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**	**3,242,576**
PRIMARY GOVERNMENT										
Net investment in capital assets	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	48,592,218
Restricted	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	11,805,962
Unrestricted	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	19,167,046
Total government net position	**$ 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**	**$ 79,565,226**



NOTE:

(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.*


CITY OF SUWANEE, GEORGIA
YEAR ENDED JUNE 30, 2016


www.bodyplex.com
814
600



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

	Fiscal Year				
	2007	2008	2009	2010	2011
EXPENSES					
Governmental activities					
General government	$ 1,772,717	$ 2,139,085	$ 2,126,146	$ 2,099,857	$ 2,322,019
Judicial	338,893	375,035	381,887	313,015	292,492
Public safety	3,117,470	3,364,444	3,524,548	3,664,152	3,820,293
Public works	3,139,104	3,005,155	3,663,485	3,288,472	3,571,459
Culture and recreation	445,790	523,503	464,973	404,798	986,196
Housing and development	1,030,864	1,172,061	959,983	854,357	836,946
Tourism and trade	106,490	150,132	379,703	313,034	206,151
Bond issuance costs	-	-	-	-	-
Interest on long-term debt	984,469	1,001,643	964,856	924,622	882,684
Total governmental activities expenses	**10,935,797**	**11,731,058**	**12,465,581**	**11,862,307**	**12,918,240**
Business-type activities					
Water and sewer	221,391	121,573	163,963	127,954	131,913
Total business-type activities expenses	**221,391**	**121,573**	**163,963**	**127,954**	**131,913**
TOTAL GOVERNMENT EXPENSES	**$ 11,157,188**	**$ 11,852,631**	**$ 12,629,544**	**$ 11,990,261**	**$ 13,050,153**
PROGRAM REVENUES					
Governmental activities					
Charge for services:					
General government	$ 191,775	$ 181,725	$ 192,180	$ 186,490	$ 187,156
Public safety	1,598,134	1,398,958	1,119,116	1,388,226	1,315,848
Public works	-	-	-	-	-
Culture and recreation	44,603	40,017	13,260	11,086	19,363
Housing and development [1]	958,265	940,952	183,967	167,414	262,091
Operating grants and contributions	15,878	56,104	101,024	105,380	136,876
Capital grants and contributions	3,746,820	3,855,487	5,000,464	2,138,237	2,572,310
Total governmental activities program revenues	**6,555,475**	**6,473,243**	**6,610,011**	**3,996,833**	**4,493,644**
Business-type activities					
Charge for services:					
Water and sewer	97,296	93,405	64,658	62,501	97,113
Capital grants and contributions [2]	-	-	-	-	192,018
Total business-type activities program revenues	**97,296**	**93,405**	**64,658**	**62,501**	**289,131**
TOTAL GOVERNMENT PROGRAM REVENUES	**$ 6,652,771**	**$ 6,566,648**	**$ 6,674,669**	**$ 4,059,334**	**$ 4,782,775**
NET (EXPENSE)/REVENUE					
Governmental activities	$ (4,380,322)	$ (5,257,815)	$ (5,855,570)	$ (7,865,474)	$ (8,424,596)
Business-type activities	(124,095)	(28,168)	(99,305)	(65,453)	157,218
TOTAL GOVERNMENT NET EXPENSES	**$ (4,504,417)**	**$ (5,285,983)**	**$ (5,954,875)**	**$ (7,930,927)**	**$ (8,267,378)**

(continued)



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

	Fiscal Year				
	2012	2013	2014	2015	2016
EXPENSES					
Governmental activities					
General government	$ 2,700,781	$ 2,305,973	$ 2,292,068	$ 2,592,707	$ 2,989,849
Judicial	301,056	292,101	330,822	377,590	375,779
Public safety	3,534,734	3,967,481	4,196,704	4,150,355	4,518,605
Public works	3,420,275	4,373,999	4,102,997	4,867,064	4,196,203
Culture and recreation	865,504	903,031	860,294	1,024,032	982,783
Housing and development	856,126	1,043,376	1,100,089	1,141,337	1,654,873
Tourism and trade	201,986	223,291	257,322	321,677	386,987
Bond issuance costs	-	-	-	-	122,364
Interest on long-term debt	842,818	807,603	777,418	745,439	637,549
Total governmental activities expenses	**12,723,280**	**13,916,855**	**13,917,714**	**15,220,201**	**15,864,992**
Business-type activities					
Water and sewer	110,069	109,558	119,767	114,535	106,428
Total business-type activities expenses	**110,069**	**109,558**	**119,767**	**114,535**	**106,428**
TOTAL GOVERNMENT EXPENSES	**$ 12,833,349**	**$ 14,026,413**	**$ 14,037,481**	**$ 15,334,736**	**$ 15,971,420**
PROGRAM REVENUES					
Governmental activities					
Charge for services:					
General government	$ 214,742	$ 214,416	$ 225,269	$ 238,239	$ 251,147
Public safety	1,209,555	1,046,161	1,616,598	2,069,818	1,568,339
Public works	-	-	-	-	-
Culture and recreation	32,111	33,695	30,941	35,346	32,279
Housing and development	420,085	443,094	374,743	386,581	492,197
Operating grants and contributions [3]	2,160,502	1,115,960	982,857	1,003,759	1,321,293
Capital grants and contributions	3,156,081	2,553,174	2,482,730	3,576,852	3,407,960
Total governmental activities program revenues	**7,193,076**	**5,406,500**	**5,713,138**	**7,310,595**	**7,073,215**
Business-type activities					
Charge for services:					
Water and sewer	118,172	153,714	133,790	135,721	131,682
Capital grants and contributions	-	-	-	-	-
Total business-type activities program revenues	**118,172**	**153,714**	**133,790**	**135,721**	**131,682**
TOTAL GOVERNMENT PROGRAM REVENUES	**$ 7,311,248**	**$ 5,560,214**	**$ 5,846,928**	**$ 7,446,316**	**$ 7,204,897**
NET (EXPENSE)/REVENUE					
Governmental activities	$ (5,530,204)	$ (8,510,355)	$ (8,204,576)	$ (7,909,606)	$ (8,791,777)
Business-type activities	8,103	44,156	14,023	21,186	25,254
TOTAL GOVERNMENT NET EXPENSES	**$ (5,522,101)**	**$ (8,466,199)**	**$ (8,190,553)**	**$ (7,888,420)**	**$ (8,766,523)**

(continued)



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

(continued)	Fiscal Year 2007	2008	2009	2010	2011
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION					
Governmental activities					
Taxes					
Property taxes	$ 4,553,033	$ 5,371,353	$ 5,984,107	$ 6,254,003	$ 5,801,792
Franchise fees	982,694	1,521,682	1,777,986	1,694,211	1,825,464
Alcoholic beverage taxes	799,075	794,986	795,413	784,189	836,438
Other taxes	1,894,874	1,976,529	2,019,643	1,826,442	1,812,445
Rental Income	-	-	175,000	-	-
Unrestricted investment earnings	741,932	911,384	373,582	231,739	105,368
Miscellaneous	18,696	42,697	47,448	21,699	28,176
Transfers	(36,400)	(70,600)	(150,000)	(287,450)	(150,000)
Special item gain on sale of capital asset [4]	-	688,000	-	-	-
Total governmental activities	**8,953,904**	**11,236,031**	**11,023,179**	**10,524,833**	**10,259,683**
Business-type activities					
Unrestricted investment earnings	1,393	1,597	599	1,485	667
Transfers	36,400	70,600	150,000	287,450	150,000
Total business-type activities	**37,793**	**72,197**	**150,599**	**288,935**	**150,667**
TOTAL GOVERNMENT	**$ 8,991,697**	**$ 11,308,228**	**$ 11,173,778**	**$ 10,813,768**	**$ 10,410,350**
CHANGE IN NET POSITION					
Governmental activities	$ 4,573,582	$ 5,978,216	$ 5,167,609	$ 2,659,359	$ 1,835,087
Business-type activities	(86,302)	44,029	51,294	223,482	307,885
TOTAL GOVERNMENT	**$ 4,487,280**	**$ 6,022,245**	**$ 5,218,903**	**$ 2,882,841**	**$ 2,142,972**

NOTES:

1. *License and permit fees significantly increased during 2007 through 2008 due to rapid development. This activity significantly slowed down during fiscal years 2009 and 2010.*

2. *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.*

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. *During fiscal year 2008, the City sold 2 tracks of land resulting in a gain of $688,000.*



(continued)	Fiscal Year 2012	2013	2014	2015	2016
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION					
Governmental activities					
Taxes:					
Property taxes	$ 5,568,706	$ 4,790,195	$ 5,134,943	$ 4,995,599	$ 5,082,644
Franchise fees	1,897,907	1,755,375	1,724,565	1,845,517	1,880,182
Alcoholic beverage taxes	881,679	865,862	835,071	833,056	835,419
Other taxes	2,083,173	2,190,080	2,252,424	2,868,767	3,180,579
Rental Income	-	-	-	-	-
Unrestricted investment earnings	56,663	31,708	41,835	48,796	50,311
Miscellaneous	62,073	37,579	79,713	62,794	103,196
Transfers	(150,000)	(200,000)	(100,000)	-	(200,000)
Special item gain on sale of capital assets	-	-	-	-	-
Total governmental activities	**10,400,201**	**9,470,799**	**9,968,551**	**10,654,529**	**10,932,331**
Business-type activities					
Unrestricted investment earnings	77	357	929	1,448	1,680
Transfers	150,000	200,000	100,000	-	200,000
Total business-type activities	**150,077**	**200,357**	**100,929**	**1,448**	**201,680**
TOTAL GOVERNMENT	**$ 10,550,278**	**$ 9,671,156**	**$ 10,069,480**	**$ 10,655,977**	**$ 11,134,011**
CHANGE IN NET POSITION					
Governmental activities	$ 4,869,997	$ 960,444	$ 1,763,975	$ 2,744,923	$ 2,140,554
Business-type activities	158,180	244,513	114,952	22,634	226,934
TOTAL GOVERNMENT	**$ 5,028,177**	**$ 1,204,957**	**$ 1,878,927**	**$ 2,767,557**	**$ 2,367,488**





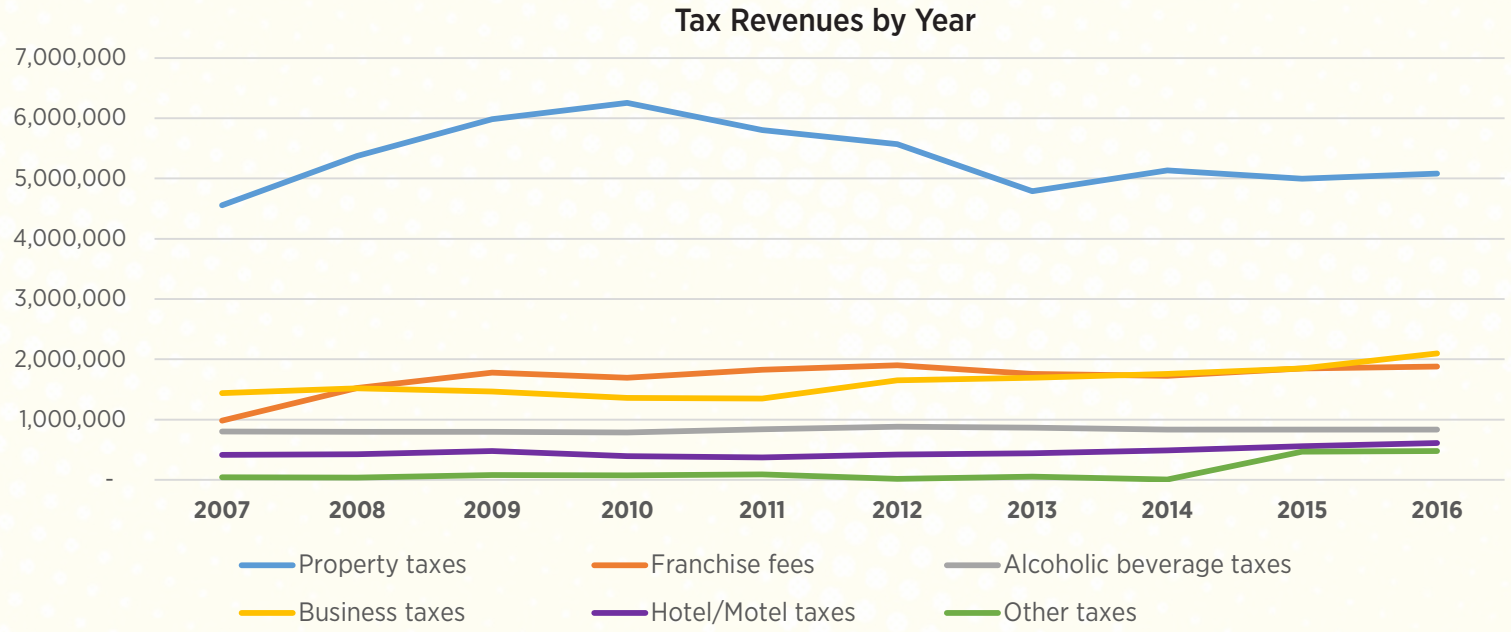
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE LAST TEN FISCAL YEARS
accrual basis of accounting

Fiscal Year	Property Taxes	Franchise Fees	Alcoholic Beverage Taxes	Business Taxes	Hotel/Motel Taxes	Other Taxes	Total
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 (2)	4,995,599	1,845,517	833,056	1,845,285	558,049	465,433	10,542,939
2016	5,082,644	1,880,182	835,419	2,096,080	608,004	476,495	10,978,824

NOTES:

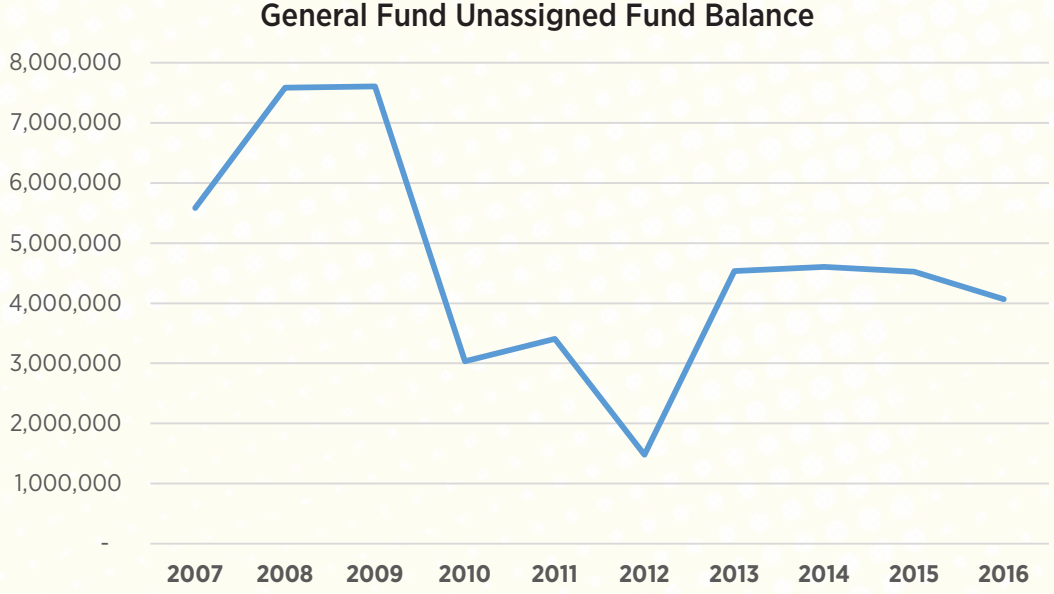
(1) *Property tax revenue decrease in fiscal year 2013 is due to a reduction in the millage rate and not a decline of property values.*

(2) *Other taxes increase starting in fiscal year 2015 are due to the new title motor vehicle tax.*



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

	Fiscal Year									
	2007 [1]	2008 [2]	2009	2010 [3]	2011 [4]	2012 [5]	2013 [6]	2014	2015 [7]	2016
General fund										
Nonspendable	$ -	$ -	$ -	$ -	$ -	$ 71,057	$ -	$ 10,507	$ -	$ 4,198
Restricted	-	-	-	-	-	2,276,207	-	-	-	-
Committed	-	-	-	4,122,132	3,948,073	4,000,813	4,054,997	3,726,627	4,150,930	4,135,107
Assigned	-	-	-	-	222,520	-	-	-	-	-
Unassigned	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	4,063,891
Total general fund	**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**	**8,203,196**
All other governmental funds										
Nonspendable	-	-	-	-	-	-	1,245,335	1,245,335	1,245,335	1,245,335
Restricted	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	11,773,891
Assigned reported in:										
Capital projects funds	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	5,834,900
Unassigned reported in:	-	-	-	-	-	-	(1,710)	-	-	-
Total all other governmental funds	**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**	**18,854,126**
TOTAL ALL GOVERNMENTAL FUNDS	**$ 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**	**$ 27,057,322**



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 years 2015 and 2016 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					
	2007	2008	2009	2010	2011	2012
REVENUES						
Taxes	$ 8,294,787	$ 9,691,558	$ 10,519,134	$ 10,151,444	$ 10,431,766	$ 10,446,731
Licenses and permits	1,112,874	1,057,705	368,872	349,965	441,763	613,838
Intergovernmental revenues [1]	2,404,446	1,839,454	2,409,230	2,120,383	2,042,536	4,186,284
Charges for services	252,617	227,015	111,630	64,237	72,455	106,325
Fines and forfeitures [2]	1,427,286	1,276,932	1,028,021	1,334,381	1,257,885	1,147,017
Investment income	741,932	911,384	373,583	258,468	127,186	73,733
Rental Income	-	-	4,375	22,134	32,502	50,982
Contributions and donations	89,459	120,792	101,024	96,504	121,672	123,460
Miscellaneous	18,696	35,147	47,448	21,699	25,529	37,904
TOTAL REVENUES	**14,342,097**	**15,159,987**	**14,963,317**	**14,419,215**	**14,553,294**	**16,786,274**
EXPENDITURES						
General government	1,790,183	1,819,852	1,968,513	1,907,235	2,191,393	2,275,762
Judicial	336,751	380,788	387,298	334,362	298,827	310,091
Public safety	3,263,380	3,352,436	3,616,191	3,664,123	3,830,303	3,896,084
Public works	945,779	1,244,904	1,508,438	1,392,588	1,464,606	1,621,691
Culture and recreation	397,830	408,287	350,835	264,219	372,874	375,405
Housing and development	1,043,695	1,186,880	1,031,681	857,222	871,702	953,767
Tourism and trade	106,490	150,132	379,703	313,034	206,151	201,986
Capital outlay [3]	1,593,194	7,090,436	10,678,581	3,735,144	1,370,219	3,217,098
Debt service:						
Principal	460,637	737,594	779,215	784,861	775,959	765,795
Interest and fiscal charges	973,937	1,001,255	964,483	924,263	882,340	842,489
Bond issuance costs	260,392	-	-	-	-	-
TOTAL EXPENDITURES	**11,172,268**	**17,372,564**	**21,664,938**	**14,177,051**	**12,264,374**	**14,460,168**
Excess of revenues over (under) expenditures	3,169,829	(2,212,577)	(6,701,621)	242,164	2,288,920	2,326,106
OTHER FINANCING SOURCES (USES)						
Proceeds from capital lease	139,247	72,573	94,316	-	-	-
Transfer in	2,688,110	2,952,926	4,192,169	4,461,099	3,365,144	2,783,515
Transfer out	(2,724,510)	(3,023,526)	(4,342,169)	(4,748,549)	(3,515,144)	(2,933,515)
Sale of capital assets	-	7,550	-	21,165	1,815	2,455
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)	**7,328,837**	**9,523**	**(55,684)**	**(266,285)**	**(148,185)**	**(147,545)**
Special item - Sale of land	-	688,000	-	-	-	-
Net change in fund balances	**$ 10,498,666**	**$ (1,515,054)**	**$ (6,757,305)**	**$ (24,121)**	**$ 2,140,735**	**$ 2,178,561**
Total non capital expenditures	$ 8,559,028	$ 8,641,844	$ 8,680,600	$ 10,542,012	$ 10,342,579	$ 9,985,369
Debt service as a percentage of non capital expenditures	19.8%	20.1%	20.1%	16.2%	16.0%	16.1%

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

	Fiscal Year			
	2013	2014	2015	2016
REVENUES				
Taxes	$ 9,999,238	$ 10,025,351	$ 10,481,744	$ 11,071,178
Licenses and permits	648,686	588,696	601,618	728,018
Intergovernmental revenues [1]	3,423,706	3,212,403	3,433,333	4,486,087
Charges for services	106,532	110,438	103,476	141,591
Fines and forfeitures [2]	970,895	1,537,086	2,011,298	1,456,064
Investment income	49,953	61,057	69,349	78,966
Rental Income	53,768	54,722	57,889	62,424
Contributions and donations	132,108	178,261	209,983	214,511
Miscellaneous	38,047	36,322	18,497	59,061
TOTAL REVENUES	**15,422,933**	**15,804,336**	**16,987,187**	**18,297,900**
EXPENDITURES				
General government	2,220,049	2,154,204	2,425,480	2,904,968
Judicial	297,447	336,529	379,879	390,015
Public safety	4,007,183	4,178,440	4,217,123	4,970,225
Public works	1,680,946	1,763,944	1,913,810	2,037,772
Culture and recreation	422,315	378,364	499,564	496,507
Housing and development	1,072,554	1,123,406	1,169,591	1,210,857
Tourism and trade	223,291	257,322	321,677	386,987
Capital outlay [3]	2,374,332	2,102,221	1,687,975	2,798,022
Debt service: [4]				
Principal	780,000	810,000	840,000	933,000
Interest and fiscal charges	807,290	777,121	745,159	617,934
Bond issuance costs	-	-	-	122,364
TOTAL EXPENDITURES	**13,885,407**	**13,881,551**	**14,200,258**	**16,868,651**
Excess of revenues over (under) expenditures	1,537,526	1,922,785	2,786,929	1,429,249
OTHER FINANCING SOURCES (USES)				
Proceeds from capital lease	-	-	-	-
Transfer in	2,898,204	2,025,294	1,933,941	4,059,237
Transfer out	(3,098,204)	(2,125,294)	(1,933,941)	(4,259,237)
Sale of capital assets	5,612	8,282	3,672	19,374
Bond proceeds [5]	-	-	-	-
Refunded bonds issued [6]	-	-	-	4,210,000
Bond premium	-	-	-	-
Bond discount	-	-	-	-
Payment to refunded bond escrow agent [6]	-	-	-	(4,087,636)
TOTAL OTHER FINANCING SOURCES (USES)	**(194,388)**	**(91,718)**	**3,672**	**(58,262)**
Special item - Sale of land	-	-	-	-
Net change in fund balances	**$ 1,343,138**	**$ 1,831,067**	**$ 2,790,601**	**$ 1,370,987**
Total non capital expenditures	$ 12,173,503	$ 12,147,575	$ 12,389,558	$ 13,844,972
Debt service as a percentage of non capital expenditures	13.0%	13.1%	12.8%	12.1%



NOTES:

(1) *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 three year period.*

(2) *Fines and forfeitures decrease in fiscal year 2013, is due to sanctions related to service delivery negotiations. During fiscal years 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.*

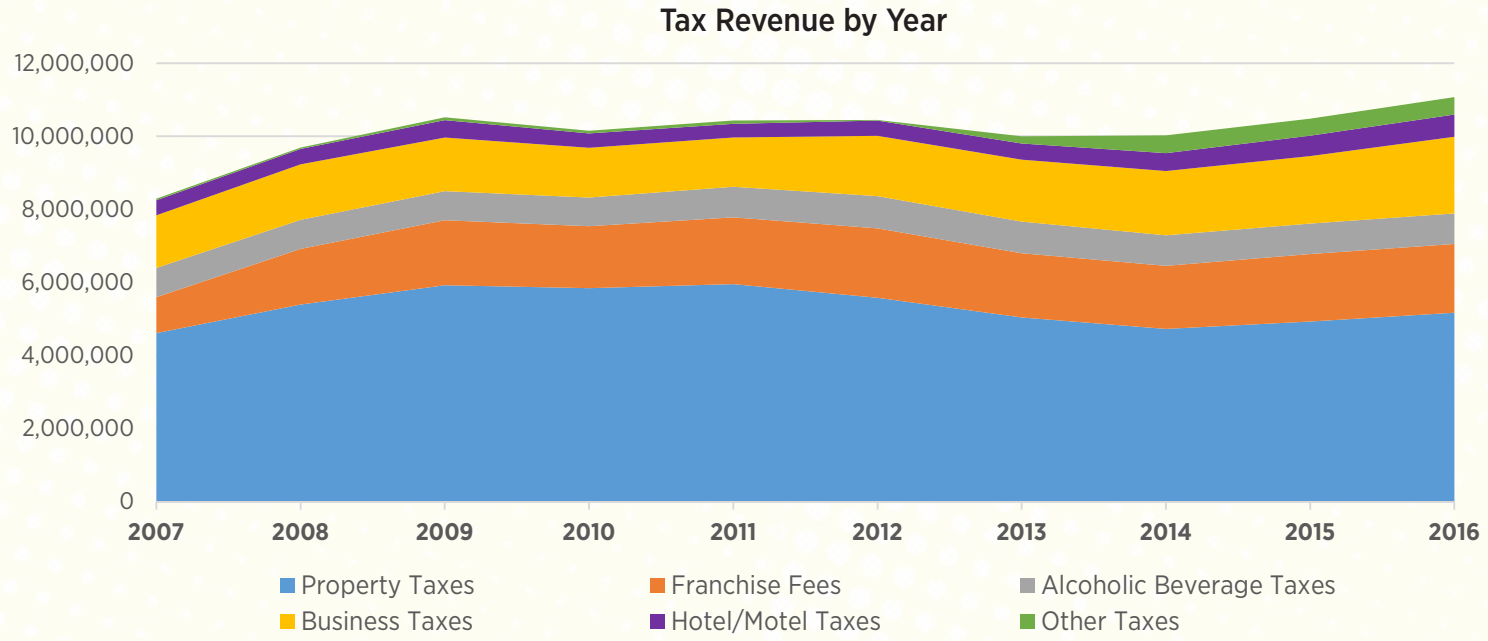
(5) *During fiscal year 2007, the City refunded a portion of the 2002 general obligation bond series and issued 2006 URA bonds to build the new City Hall. In fiscal year 2016, the city refunded a portion of the 2006 URA bonds.*

(6) *Refer to Note 7; page 55*



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
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
2016	5,174,998	1,880,182	835,419	2,096,080	608,004	476,495	11,071,178



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]					
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%
2015	564,291,800	554,733,360	31,967,540	2,840	37,053,560	1,113,941,980	4.93	2,784,854,950	40%

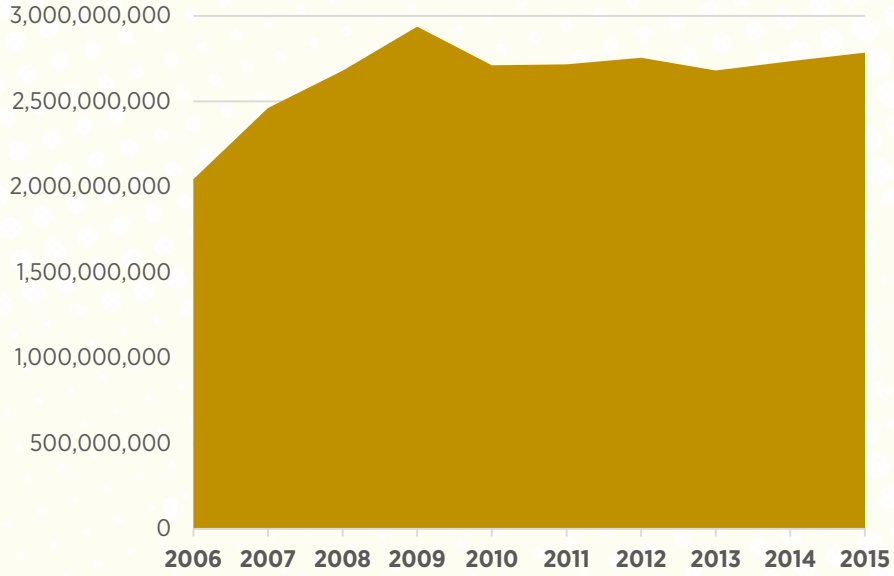
NOTES:

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

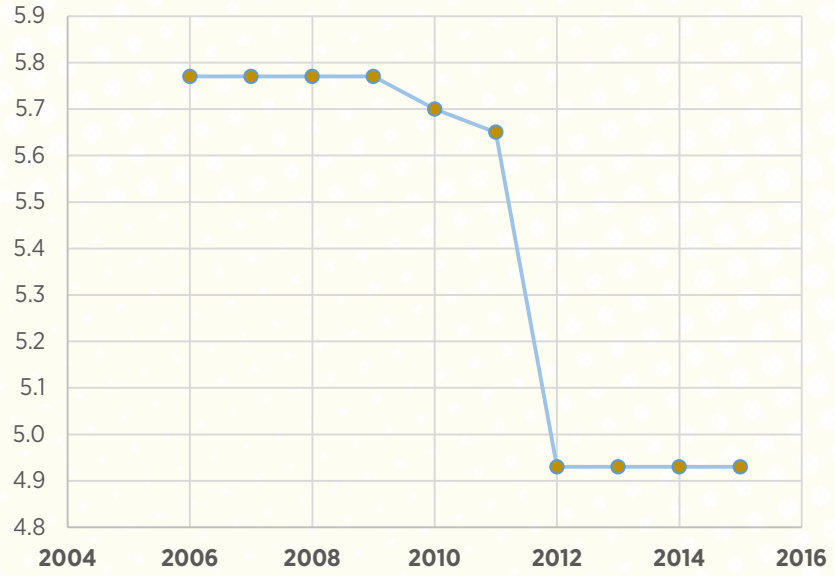
(2) *Gwinnett County assesses property at 40% of actual value for all types of real and personal property.*

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

Estimated Taxable Value 2006-2015



Millage Rate 2006-2015

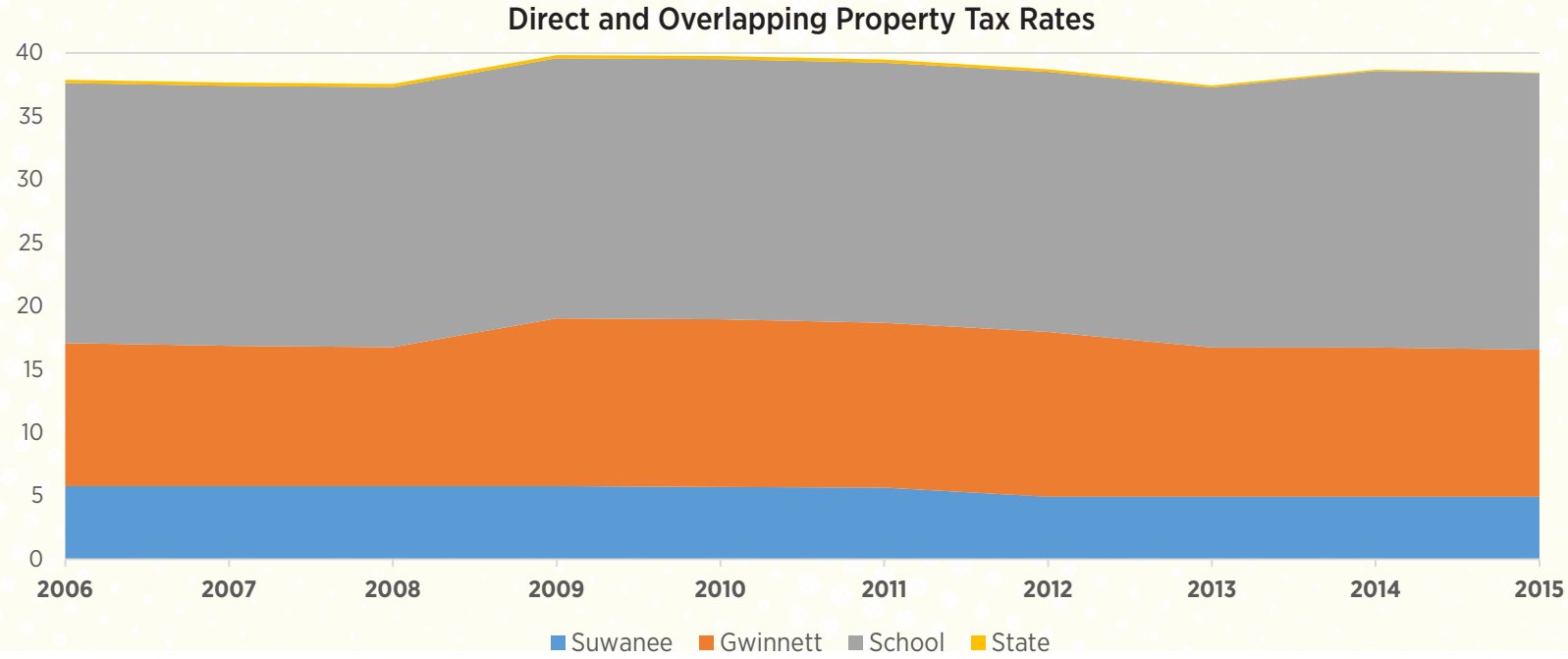




PROPERTY TAX RATES DIRECT AND OVERLAPPING GOVERNMENTS
last ten fiscal years

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		
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
2015	3.35	1.58	-	4.93	7.229	0.24	3.20	.95	11.619	19.80	2.05	21.85	0.05	38.449

Source: Gwinnett County Tax Commissioner website

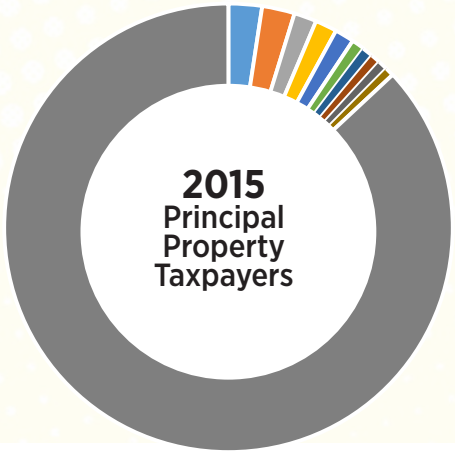


PRINCIPAL PROPERTY TAXPAYERS

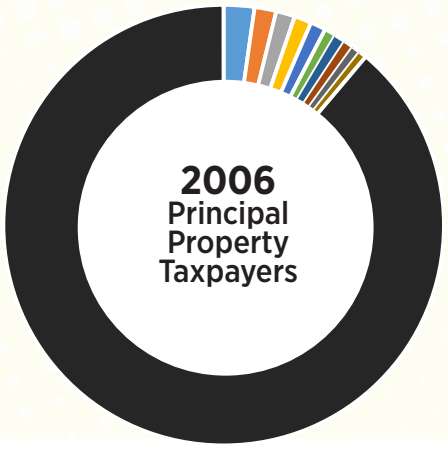
current and ten years ago (calendar year)

Taxpayer	2015 Taxable Assessed Value	2015 Rank	2015 Percentage of Total City Taxable Assessed Value	2006 Taxable Assessed Value	2006 Rank	2006 Percentage of Total City Taxable Assessed Value
Star McGinnis Ferry, LLC	$ 26,336,480	1	2.4%			
HP Enterprise Services, LLC	25,664,660	2	2.3%			
WRPV XII Century Suwanee, LLC	17,721,280	3	1.6%			
Terraces at Suwanee Mtg, LLC	17,113,280	4	1.5%			
Landmark at Grand Oasis, LP	15,206,540	5	1.3%			
Wal-Mart	10,193,720	6	0.9%	$ 9,234,344	5	1.4%
Flowers Bakery of Suwanee	8,539,720	7	0.8%			
Quality Inv. Properties Suwanee, LLC	7,544,320	8	0.7%			
James Campbell Company, LLC	7,518,800	9	0.7%			
Lowes Home Centers, Inc.	6,821,250	10	0.6%			
Caswyck-McGinnis, LLC				18,444,680	1	2.8%
Schwans Bakery Operations, LLC				12,979,611	2	2.0%
CRLP McGinnis Ferry Road, LLC				11,343,880	3	1.7%
TCG Atlanta I-85, LLC				10,286,600	4	1.5%
AMB Properties, LP				6,918,960	6	1.0%
Motorola, Inc.				6,670,800	7	1.0%
Gwinnett Prado, LP				5,829,600	8	0.9%
Inland Southeast Suwanee, LLC				5,052,800	9	0.8%
Systemax Suwanee, LLC				4,518,800	10	0.7%
Totals	**$ 142,660,050**		**12.8%**	**$ 91,280,075**		**13.8%**

Source:
2015 and 2006 Tax Digest.



- Star McGinnis Ferry, LLC
- HP Enterprise Services, LLC
- WRPV XII Century Suwanee, LLC
- Terraces at Suwanee Mtg, LLC
- Landmark at Grand Oasis, LP
- Wal-Mart
- Flowers Bakery of Suwanee
- Quality Inv. Properties Suwanee, LLC
- James Campbell Company, LLC
- Lowes Home Centers, Inc.
- All Other Taxpayers



- Caswyck-McGinnis, LLC
- Schwans Bakery Operations, LLC
- CRLP McGinnis Ferry Road, LLC
- TCG Atlanta I-85 LLC
- Wal-Mart
- AMB Properties, LP
- Motorola, Inc.
- Gwinnett Prado, LP
- Inland Southeast Suwanee, LLC
- Systemax Suwanee, LLC
- 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	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2007	$ 4,296,745	$ 4,201,861	97.8%	$ 94,884	$ 4,296,745	100.0%
2008	5,113,824	4,948,534	96.8%	153,077	5,101,611	99.7%
2009	5,655,551	5,441,113	96.2%	195,283	5,636,396	99.7%
2010	5,972,640	5,467,352	91.5%	479,483	5,946,835	99.6%
2011	5,568,361	5,323,252	95.6%	215,390	5,538,642	99.5%
2012	5,192,082	5,056,083	97.4%	124,026	5,180,109	99.8%
2013	4,498,518	4,422,212	98.3%	56,589	4,478,801	99.6%
2014	4,384,928	4,322,848	98.6%	19,820	4,342,668	99.0%
2015	4,666,809	4,557,650	97.6%	22,599	4,580,249	98.1%
2016	4,947,364	4,905,044	99.1%	-	4,905,044	99.1%

NOTE:

(1) *Relates to preceding calendar year digest.*

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	Total Government	Percentage of Personal Income [2]	Per Capita [2]
	General Obligation Bonds	Revenue Bonds	Capital Leases	Note Payable [1]			
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
2016	12,839,051	4,471,111	-	-	17,310,162	2.70%	956

NOTES:

(1) *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.*

(2) *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 Note Payable
	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	
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	-	-
2016	12,839,051	1,354,358	11,484,693	0.41%	635	4,471,111	-	-

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, 2016

Jurisdiction	Gross Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Direct Debt:			
City of Suwanee Bonds (General & Revenue)	$ 17,310,162	100.00%	$ 17,310,162
Overlapping Debt: [1]			
Gwinnett County General Obligation Bonds	16,444,000	4.28%	703,803
Gwinnett County Board of Education General Obligation Bonds	929,085,000	4.28%	39,764,838
Total Overlapping Debt	**945,529,000**		**40,468,641**
Total Direct General Obligation and Overlapping Debt	**$ 962,839,162**		**$ 57,778,803**

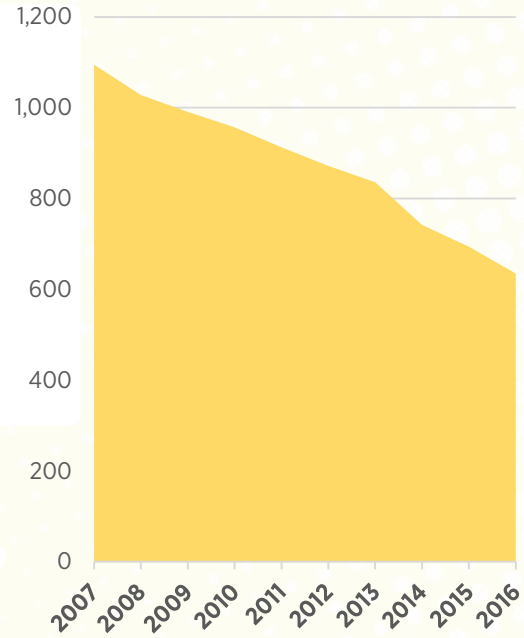
NOTE:

(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, 2015.

Debt Per Capita 2007-2016





LEGAL DEBT MARGIN INFORMATION
last ten fiscal years

	Fiscal Year				
	2007	2008	2009	2010	2011
Assessed value of all taxable property	$ 817,810,247	$ 984,406,123	$ 1,071,641,916	$ 1,174,713,298	$ 1,084,267,457
Debt limit: 10% of assessed value	81,781,025	98,440,612	107,164,192	117,471,330	108,426,746
Total net debt applicable to limit	16,298,670	15,607,665	15,168,158	14,702,932	14,125,505
Legal debt margin	$ 65,482,355	$ 82,832,947	$ 91,996,034	$ 102,768,398	$ 94,301,241
Total net debt applicable to the limit as a percentage of debt limit	19.93%	15.85%	14.15%	12.52%	13.03%

	Fiscal Year				
	2012	2013	2014	2015	2016
Assessed value of all taxable property	$ 1,086,484,780	$ 1,101,919,900	$ 1,072,129,730	$ 1,093,658,220	$ 1,113,941,980
Debt limit: 10% of assessed value	108,648,478	110,191,990	107,212,973	109,365,822	111,394,198
Total net debt applicable to limit	13,631,622	13,117,134	12,674,835	12,118,900	11,502,713
Legal debt margin	$ 95,016,856	$ 97,074,856	$ 94,538,138	$ 97,246,922	$ 99,891,485
Total net debt applicable to the limit as a percentage of debt limit	12.55%	11.90%	11.82%	11.08%	10.33%

Legal Debt Margin Calculation for Fiscal Year 2016	
Assessed value	$ 1,113,941,980
Debt limit: 10% of total assessed value	111,394,198
Debt applicable to limit:	
General obligation bond	12,825,000
Less: Amount set aside for repayment of general obligation debt	1,322,287
Total net debt applicable to limit	11,502,713
Legal debt margin	$ 99,891,485

NOTE:

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]
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
2016	18,098	640,198,652	35,374	3.1%	43,762,400	13,773,808

Sources:

(1) *City of Suwanee Planning Department Fiscal Year 2007- 2016.*

(2) *Bureau of Economic Analysis.*

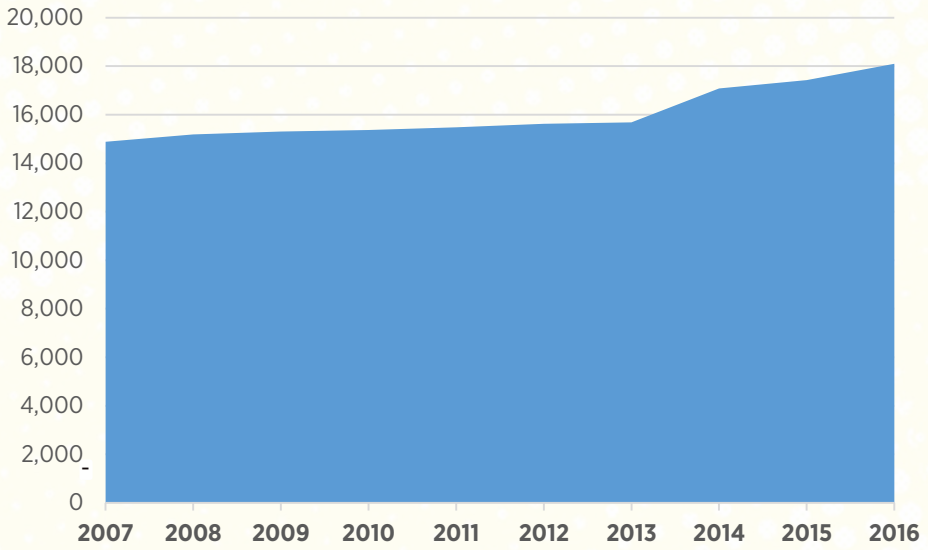
(3) *Georgia Department of Labor, not seasonally adjusted.*

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

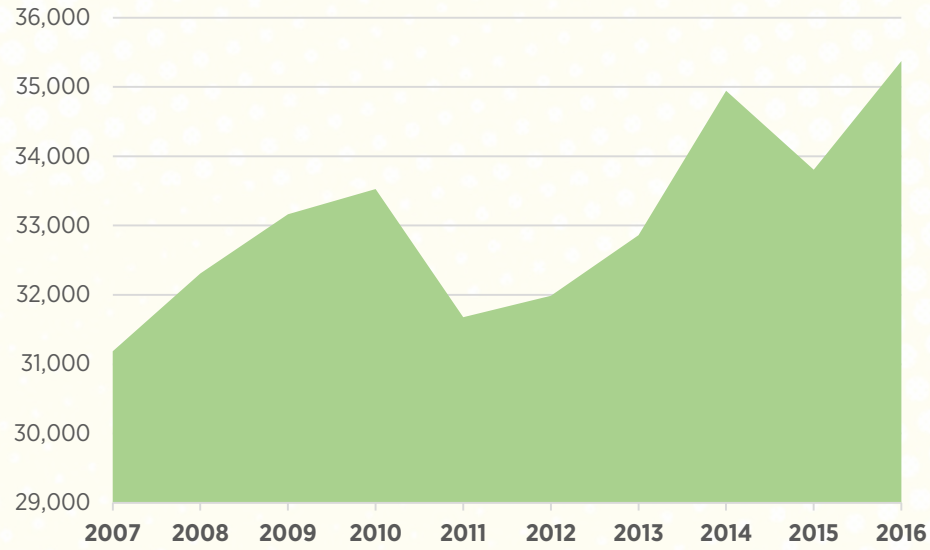
NOTE:

Population estimates fiscal years 2007-2009 have been restated to reflect the 2010 United States census.

Population Changes 2007-2016



Per Capita Personal Income 2007-2016





PRINCIPAL EMPLOYERS
current year and ten years ago

Employer	2016			2007		
	Employees	Rank	% of Total City Employment	Employees	Rank	% of Total City Employment
Southeastern Freight Lines, Inc.	450	1	3.5%	370	2	4.1%
Meggitt Training Systems, Inc.	315	2	2.5%			
Wal-Mart	289	3	2.3%	360	3	4.0%
Liberty Mutual	230	4	1.8%			
Quality Technology Services	228	5	1.8%			
Bank of America	203	6	1.6%			
Kroger	196	7	1.5%	124	8	1.4%
Annadale	164	8	1.3%			
Flowers Bakery	164	9	1.3%	114	9	1.3%
Publix Supermarkets	160	10	1.3%	133	5	1.5%
Dish Network/Echosphere Corporation				493	1	5.8%
HD Supply				148	4	1.6%
TruGreen Chemlawn				131	6	1.5%
Cracker Barrel Old Country Store, Inc.				127	7	1.4%
Stonewood Builders, LLC				100	10	1.1%

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, 2016									
	2007	2008	2009 (1)	2010 (2)	2011 (3)	2012	2013	2014	2015 (4)	2016
General Government										
Chief Executive	4	4	3	3	3	3	3	3	3	3
General Administration	2	2	2	2	2	2	2	2	2	3
Business Services	-	-	-	-	-	-	-	-	3	3
Financial Administration	5	7	7	7	8	8	8	8	4	4
Public Information	1	1	1	1	1	1	1	1	1	1
Judicial	4	4	3	3	3	3	3	3	3	3
Public Safety										
Police Administration	3	3	3	3	3	3	3	3	3	3
Criminal Investigation	3	4	4	4	3	3	4	4	5	6
Patrol	23	24	26	25	28	28	28	28	27	28
Records and Identification	1	1	1	1	1	1	1	1	1	1
Police Training	-	-	-	1	1	1	1	1	1	2
Dispatcher	7	7	7	7	7	7	7	8	8	7
Public Relations	1	1	1	1	1	1	1	1	1	1
Targeted Police	2	2	2	2	-	-	-	-	-	-
Public Works	10	13	15	15	15	15	15	15	16	17
Housing and Development										
Protective Inspection	4	4	1	1	1	1	1	1	2	2
Planning & Zoning	4	4	5	5	5	5	5	5	5	5
Economic Development	1	2	3	3	4	4	4	4	4	4
TOTAL	**75**	**83**	**84**	**84**	**86**	**86**	**87**	**88**	**89**	**93**

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									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General government										
Business licenses issued	1,501	1,563	1,687	1,721	1,720	1,775	1,754	1,719	1,752	1,764
Number of parcels and improvements	9,018	10,950	11,693	11,859	11,897	12,004	12,297	12,336	12,737	12,737
Judicial										
Cases processed	11,102	12,447	9,680	12,411	14,883	13,089	7,874	12,300	13,500	14,024
Non-jury trials	300	240	288	335	319	462	154	200	261	180
Jury trials	80	98	84	171	220	370	355	198	256	309
Warrants issued	347	242	205	180	236	297	212	240	312	222
Police										
Calls for service	25,076	28,153	37,511	39,453	41,964	43,926	33,511	47,626	61,770	69,913
Traffic accidents	1,223	1,219	1,141	1,113	1,158	1,086	1,157	1,178	1,306	1,410
Part I offenses	408	511	633	528	505	452	443	484	569	651
Traffic citations	10,650	10,271	10,627	11,715	12,865	11,797	7,678	12,403	16,929	13,373
Public works										
Work orders	3,780	4,176	4,690	6,151	3,685 (1)	5,294	5,175	5,371	6,135	5,054
Street overlay (lane miles)	1.16	4.91	3.85	1.51	-	3.88	6.63	6.8	11.59	4.11
Hours of litter pick-up service provided	538	645	791	585	605	985	876	941	920	921
Culture and recreation										
Number of annual city-sponsored events	16	25	21	17	21	17	33	22	21	21
Number of annual non-city sponsored events	8	7	11	15	16	16	16	14	25	18
Suwanee Fest attendance	28,000	40,000	42,000	8,000 (2)	40,000	45,000	50,000	8,500 (2)	55,000 (3)	58,000
Protective Inspection										
Number of residential permits	460	184	101	65	108	173	200	220	113	208
Number of total construction permits	686	538	359	174	224	242	284	301	276	366
Number of sign permits	292	380	373	255	268	295	324	227	257	288
Planning and Zoning										
Zoning certification letters	25	29	12	7	6	12	10	16	19	14
Rezoning cases processed	18	11	2	1	5	5	5	4	10	5
Special use permits processed	4	6	10	2	5	5	2	4	5	5
Variances processed	16	24	17	7	6	7	6	9	15	6
Development review	40	52	26	6	9	19	28	11	26	16
Development permits	34	25	14	6	9	8	14	8	18	30
Water										
Average daily consumption in gallons	48,508	46,817	48,739	43,306	44,625	46,257	45,863	47,612	47,441	46,034

NOTES:

(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.*
** Detailed information not available.*

Source: Various City departments



CAPITAL ASSETS STATISTICS BY FUNCTION
last ten years

Function	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Administration										
Vehicles [1]	2	2	1	1	1	1	1	1	1	-
Police										
Patrol Units	30	32	39	41	40	41	30	41	41	39
Other Police Vehicles	4	4	4	4	4	4	15	10	13	11
Public Works										
Vehicles	8	10	11	15	15	16	17	18	16	19
Street (Miles) [2]	59	60	60	62	63	62	62	63	63	63
Streetlights	710	791	835	855	911	928	968	981	997	1,028
Culture and Recreation										
Acreage	246	293	342	366	372	372	372	372	372	372
Park Sites	15	15	15	15	15	15	15	15	15	15
Public Art	4	4	5	5	7	11	14	14	14	15
Water										
Water Mains (Miles)	5.5	6.5	6.5	6.5	6.8	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	4	4	4	3	3	3

NOTES:

(1) *In fiscal year 2016, the vehicle under the general administration function was moved to the Public Works function.*

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

Source:
Various City departments

COMPREHENSIVE
ANNUAL FINANCIAL REPORT











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, 2016, 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 12, 2016.

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 12, 2016



city of suwanee georgia

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SUWANEE.COM