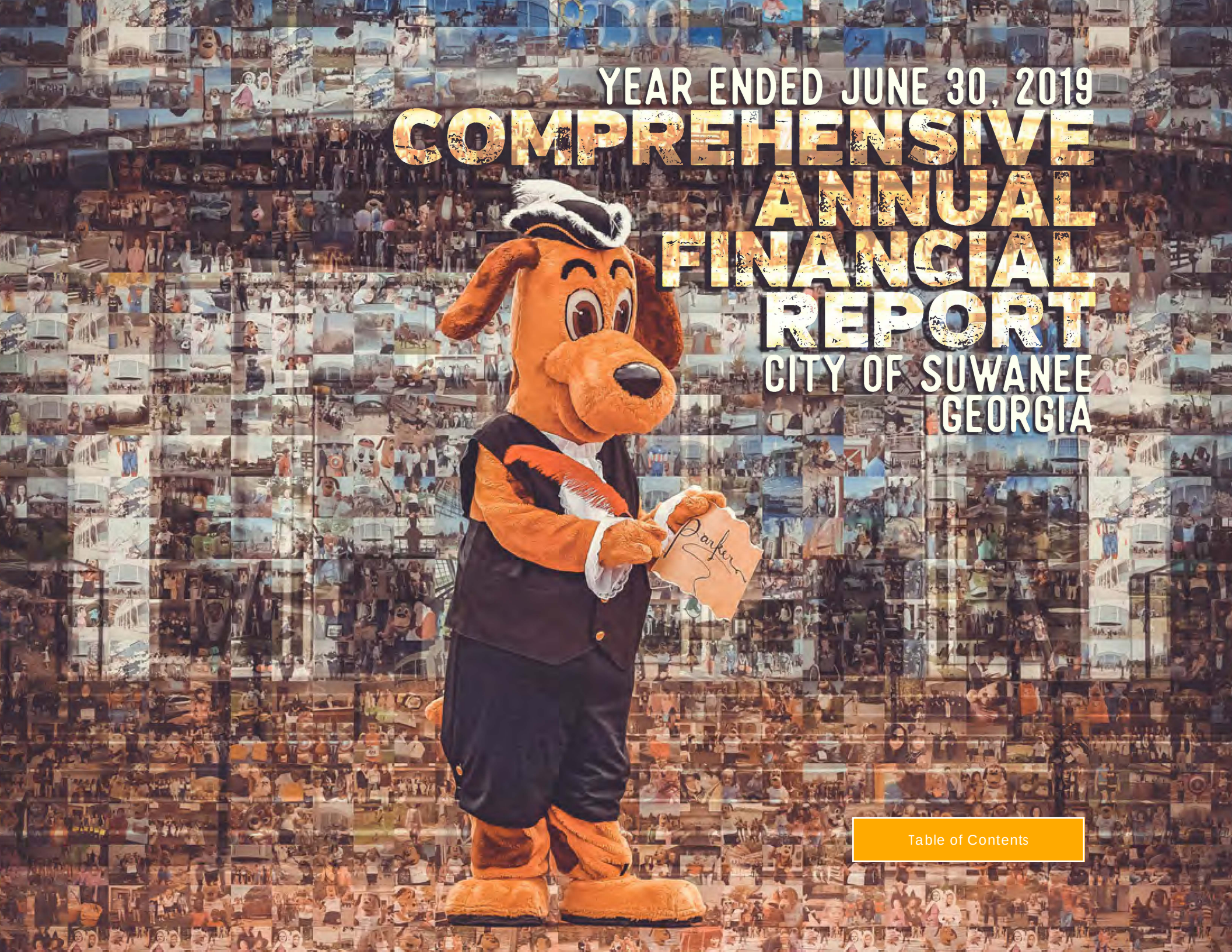

YEAR ENDED JUNE 30, 2019
COMPREHENSIVE ANNUAL FINANCIAL REPORT
CITY OF SUWANEE
GEORGIA
Parker
Table of Contents



city of Suwanee georgia

COMPREHENSIVE ANNUAL FINANCIAL REPORT

year ended june 30, 2019

prepared by:
Financial Services Department

CITY COUNCIL

COMPREHENSIVE ANNUAL FINANCIAL REPORT



Jimmy **Burnette**
Mayor



Dick **Goodman**
Mayor ProTem



Dan **Foster**
Councilmember



Beth **Hilscher**
Councilmember



Doug **Ireland**
Councilmember



Linnea **Miller**
Councilmember

CITY OF SUWANEE, GA
YEAR ENDED JUNE 30, 2019

MANAGEMENT TEAM



Marty **Allen**
City Manager



Denise **Brinson**
Assistant City Manager



Elvira **Rogers**
Administrative Services Director

Jessica **Roth**
Business Services Director



Amie **Sakmar**
Financial Services Director



James **Miller**
Parks & Public Works Director





Josh **Campbell**
Planning Director



Mike **Jones**
Chief of Police



INTRODUCTORY SECTION (unaudited)

Letter of Transmittal 1
Demographics 2
Government structure 2
Economic condition and outlook 2
Major initiatives 3
For the future 4
Financial information 5
Awards 6
Acknowledgements 7
Certificate of Achievement for Excellence in Financial Reporting 7
City of Suwanee Administration organizational chart 8
City of Suwanee Police Department organizational chart 10

FINANCIAL SECTION

Independent Auditor's Report 11
Management Discussion and Analysis 14
Financial highlights 14
Overview of the financial statements 14
Government-wide financial analysis 15
Financial analysis of the government's funds 21
General fund budgetary highlights 25
Capital assets and debt administration 26
Economic factors and next year's budget and rates 27
Request for information 28

BASIC FINANCIAL STATEMENTS

Statement of net position 30
Statement of activities 32
Governmental funds balance sheet 33
Governmental funds statement of revenues, expenditures and changes in fund balances 34
Reconciliation of the statement of revenues, expenditures and changes in fund balances of governmental funds to the statement of activities 36
General fund statement of revenues, expenditures and changes in fund balance budget and actual 37
Proprietary funds statement of net position 39
Proprietary funds statement of revenues, expenses and changes in fund net position 40
Proprietary funds statement of cash flows 41
Fiduciary fund statement of fiduciary assets and liabilities 42
Notes to the financial statements 43

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of changes in net pension asset and related ratios 67
Schedule of City contributions-last ten fiscal years 69



FINANCIAL SECTION (continued)

SUPPLEMENTARY INFORMATION

Non-Major Governmental Funds

Non-major governmental funds combining balance sheet 72
Non-major governmental funds combining statement of revenues, expenditures and changes in fund balances 74

Budgetary Compliance

Special revenue funds schedule of revenues, expenditures and changes in fund balances budget and actual 76
Debt service fund schedule of revenues, expenditures and changes in fund balances budget and actual 79

Compliance

Special Purpose Local Option Sales Tax (SPLOST) proceeds schedule of expenditures 80
Certification of 911 expenditures 81

Agency Fund

Agency fund statement of changes in fiduciary assets and liabilities 83

STATISTICAL SECTION (unaudited)

Net position by component - last ten fiscal years (accrual basis of accounting) ..... S|2
Changes in net position - last ten fiscal years (accrual basis of accounting) ..... S|4
Governmental activities tax revenues by source - last ten fiscal years (accrual basis of accounting) ..... S|8
Fund balances of governmental funds - last ten fiscal years (modified accrual basis of accounting) ..... S|9
Changes in fund balances of governmental funds - last ten fiscal years (modified accrual basis of accounting) ..... S|10
General government tax revenue by source - last ten fiscal years (modified accrual basis of accounting) ..... S|12
Assessed value and estimated actual value of taxable property - last ten calendar years ..... S|13
Property tax rates direct and overlapping governments - last ten fiscal years ..... S|14
Principal property taxpayers - current and ten years ago ..... S|15
Property tax levies and collections - last ten fiscal years ..... S|16
Ratio of outstanding debt by type - last ten fiscal years ..... S|16
Ratio of general bonded debt outstanding - last ten fiscal years ..... S|17
Direct and overlapping governmental activities debt ..... S|17
Legal debt margin information - last ten fiscal years ..... S|18
Demographic and economic statistics - last ten fiscal years ..... S|19
Principal employers current year and ten years ago ..... S|20
Full-time equivalent City government employees by function - last ten fiscal years ..... S|21
Operating indicators by function - last ten years ..... S|22
Capital assets statistics by function - last ten years ..... S|23

COMPLIANCE SECTION

Report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with Government Accounting Standards ..... C|1



INTRODUCTORY SECTION

LETTER OF TRANSMITTAL

GFOA CERTIFICATE OF ACHIEVEMENT

ORGANIZATIONAL CHART





December 8, 2019
Citizens, Mayor, and Members of the City Council
Suwanee, Georgia:

"To me, photography is an art of observation. It's about finding something interesting an ordinary place... I've found it has little to do with the things you see and everything to do with the way you see them."

— Elliott Erwitt

Photographs connects us to our past, they remind us of people, places, and feelings. They can help us know who we are. This year with Suwanee's financial report we want to take the opportunity to connect Suwanee as a place with the reader and not just a number or a financial statement. Creating a story of a city within the annual financial report. If you look carefully, you never know who or what you might find inside the pictures!

Suwanee's Comprehensive Annual Financial Report (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.

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 two blended component units. Blended component units are, in substance, part of the primary government. Suwanee's Urban Redevelopment Agency (URA) and Downtown Development Authority (DDA) are blended component units and are reported as part of the primary government.



OUR STORY

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.

CITY HALL

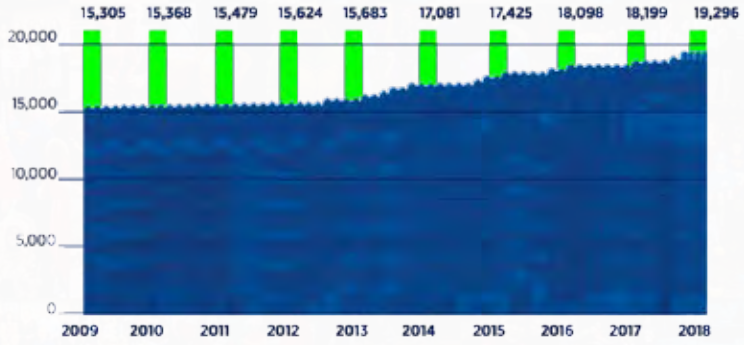
The City operates under a council-manager form of government. The City Council consists of five members elected at large to staggered four-year terms. The Mayor is the sixth voting member of council, who, along with the remaining council members is elected on a non-partisan basis. Council provides responsive,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

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

ECONOMIC CONDITION

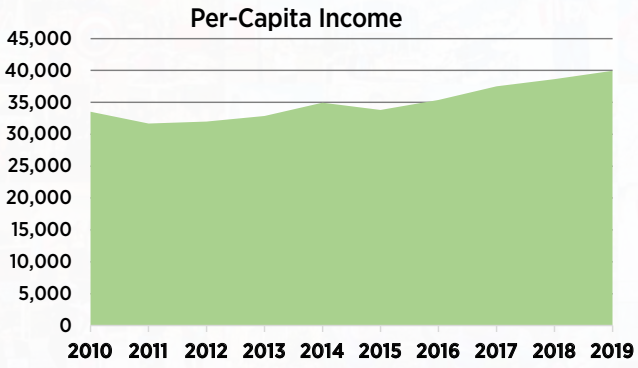
Bond Rating: Suwanee maintains a AAA bond rating from Standard & Poor's. Suwanee's strong bond rating has allowed the City to take advantage of near-historic low interest rates in 2016 and 2017, resulting in significant interest savings for Suwanee residents. Additional information on long term debt can be found in the notes to the financial statements, pages 43-66.

Suwanee Population



Population: The Planning Department estimates the population of Suwanee at 19,661 residents as of June 30, 2019. Suwanee's population has grown by 4,293 since 2010, a 28% 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 to exceed the pre-recession levels. Some fluctuation is noted with fiscal years 2014 to current, but overall improvements have been maintained. For 2019, Suwanee's per capita personal income is $39,947 compared to 2010 at $33,527, an increase of $6,420 or 19%.





Unemployment. The national unemployment rate in June 2019 was 3.6 percent. Georgia is lower than the national average with a June 2019 unemployment rate of 3.1 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 2.8% in June 2019.

Suwanee's Development. At the end of fiscal year 2019, there were 361 single family lots in Suwanee. Active neighborhoods have 633 units permitted per rezoning with 266 permits issued and 361 lots remaining.

Home Values. The median home value in 30024 zip code is $356,000. The 30024 zip code home values have gone up 2.7% over the past year and Zillow predicts they will rise 2.33% within the next year. The median list price per square foot in 30024 zip code is $140. The median price of homes currently listed in 30024 zip code is $399,000. The median rent price in 30024 zip code is $1,912.

Mortgage delinquency is the first step in the foreclosure process. This is when a homeowner fails to make a mortgage payment. The percent of delinquent mortgages in 30024 zip code is 0.5%, which is lower than the national value of 1.1%. The percent of 30024 zip code homeowners with negative equity is 4.3%, which is lower than the Atlanta metro average of 7.6%.



WHAT'S GOING ON NOW!

City Updates Comprehensive Plan. In 2017, the City embarked on a major update to the Comprehensive plan. An important tool that guides decisions about how to manage growth with the city. The 2040 Comprehensive Plan provides predictability for residents and property owners about the future use of land. After a 2 year process, this plan was adopted on February 28, 2019.

Berlin Wall Public Art Piece Returns to Town Center. An authenticated piece of the Berlin Wall that once separated West Berlin and East Germany has returned to Suwanee Town Center. The 12-foot tall, 7,000 pound section of the wall was donated to the City by Friends Suwanee Grill proprietors Ray Stanjevich and Suzanne Cartwright, who purchased the piece in 2013 at an auction on the Town Center Stage.

Suwanee Breaks Ground on Courthouse Renovations and Expansion. Renovations to the almost 60-year old building will significantly improve the court customer experience and create more space for court and police employees. The courthouse lobby will be expanded to accommodate court sessions crowds, court clerk work space will more than double, and new space will be constructed for the police Special Enforcement Unit. Renovations are expected to be completed in early 2020.

Suwanee Police Special Response Team. Suwanee's Police Department recently developed a brand-new force called the Special Response Team (SRT). This specialized team of eight officers deals specifically with high risk crimes, handling search and arrest warrants, and undercover operations. Most recently, the unit has seen success in preventing internet crimes against children, reducing drug activity and burglaries in the area, and handling barricaded suspects.

Art for All Campaign. The City's first-ever capital campaign for public art, Art for All, seeks to raise $1.25 million in private contributions to support the inclusion of three new public art pieces in the Town Center Park Expansion.





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



WHAT'S GOING TO HAPPEN NEXT!

Suwanee's top priorities for the future include reconstruction of Buford Highway as a context-sensitive* multi-model roadway, realignment of Main Street, construction of a new park on Main Street, and continued focus on annual road resurfacing and storm drainage infrastructure with the continuation of the 2017 SPLOST program.

Reconstruction of Buford Highway. Suwanee will use a nearly $3.3 million Livable Centers Initiative (LCI) grant funds, 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.

Town Center on Main. Located on approximately 25-acres known locally as the DeLay Property, the site is situated behind the Suwanee library and PlayTown Suwanee on Suwanee Dam Road. The park plan features a mixture of urban and rural environments, including:

A roughly 900 foot, elevated signature bridge for pedestrian and bicycle use, spanning the entire park and crossing an approximately one-acre water feature.

An open terrace plaza and lawn area at the peak of the park's elevation that will include a waterfall feature.

An extension of the existing PlayTown Suwanee geared towards older children, expanding the age range of PlayTown Suwanee without interfering with its existing success.

Sandpit volleyball courts and an iconic public art piece.

Realignment of Main Street will shift the road around the new park, Town Center on Main, and will exit onto Suwanee Dam Road at the existing traffic signal at the library entrance. This shift will allow the median break at the existing Main Street to close, greatly improving the safety and traffic flow on Suwanee Dam.

2017 SPLOST is 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 six year sales tax began April 2017 and will continue until March 2023.

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, provides project cost estimates and identifies 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 CONTROLS

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 3% of the refunding principal can be achieved. Additional information regarding outstanding debt can be found in Note 7, page 55.

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 44-51.

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, 2019. The independent auditor's report is located at the front of the financial section of this report.



WOOHOO!

The City of Suwanee is proud that many of its initiatives and projects have earned regional, state, and national awards and certification over the past several years. Listed below are a few awards received recently. Visit suwanee.com for a complete listing.

- **Best Cities to Live in Georgia - #10,** Chamber of Commerce
- **Top 10 Best Places to Live in Georgia,** HomeSnacks
- **Certificate of Distinciton for Superior Performance Management,** International City/County Management Association
- **Voice of the People Award; Community Engagement,** International City/County Management Association and National Research Center
- **100 Most Genius Places in America list,** Time magazine
- **Distinguished Budget Presentation Award for fiscal year 2019 budget**, Government Finance Officers Association
- **Georgia Outstanding Chief of the Year - Suwanee Police Chief Mike Jones**, Georgia Association of Chiefs of Police.
- **Designated a PlanFirst Community,** Georgia Department of Community Affairs

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.



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, 2018

Christopher P. Morrill

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, 2018. This was the 16th 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.

THANK YOU!

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 auditors, Mauldin & Jenkins (GASB Junkies!), for the professional guidance, assistance, and encouragement in producing a CAFR. Most importantly, we express our appreciation to Mayor Jimmy Burnette and to each of our Councilmembers for setting the tone and providing the leadership to keep Suwanee moving in the right direction. Their dedication, leadership, vision, and support in planning and conducting the affairs of the City in a responsible and progressive manner ensure that Suwanee is a well-rounded, vibrant community, that residents can be proud to call home today and well into the future.

Respectfully submitted,

Amie Sakmar

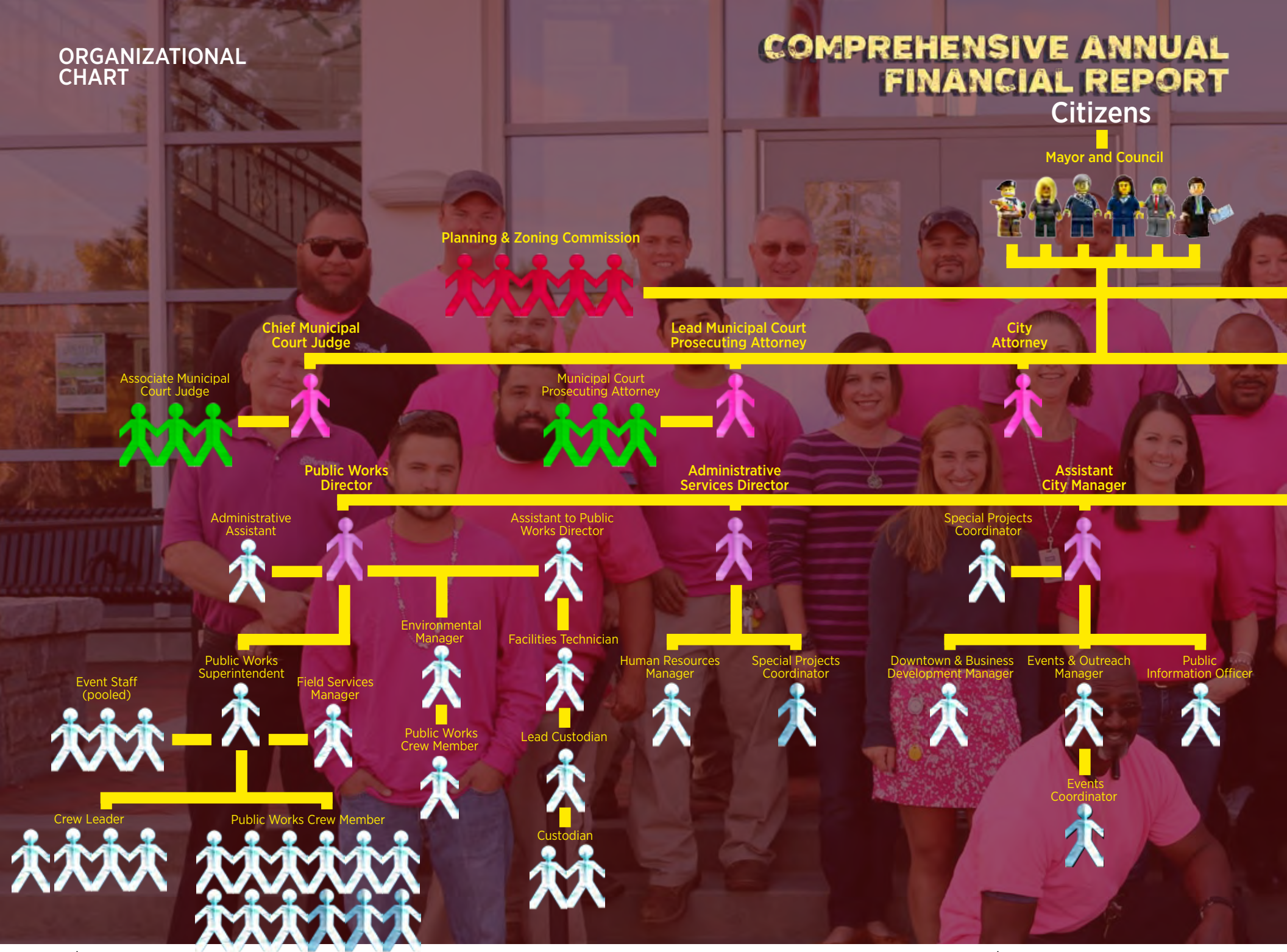
Amie Sakmar
Financial Services Director

Marty Allen

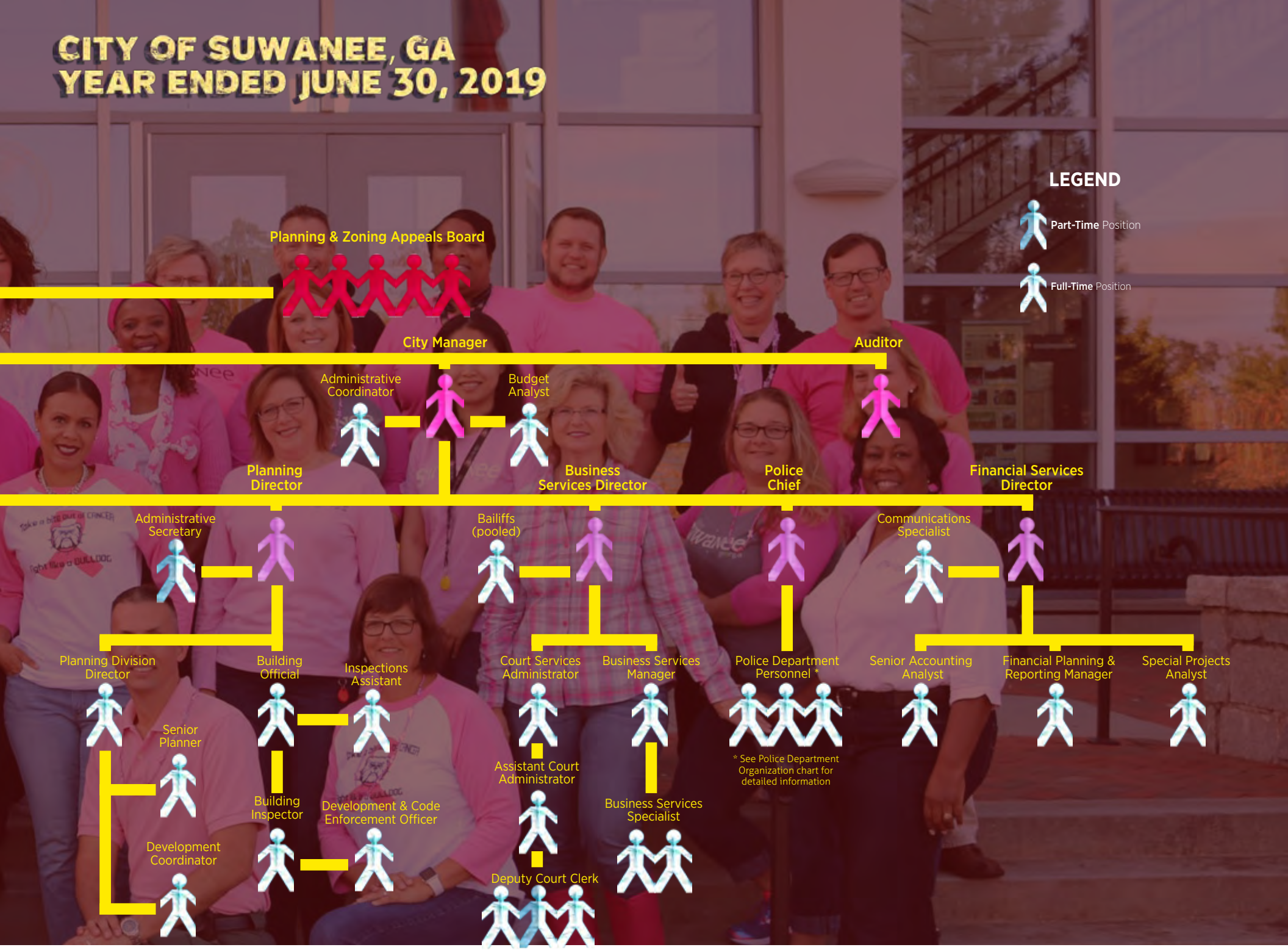
Marty Allen
City Manager

BECAUSE EVERY PICTURE TELLS A STORY...

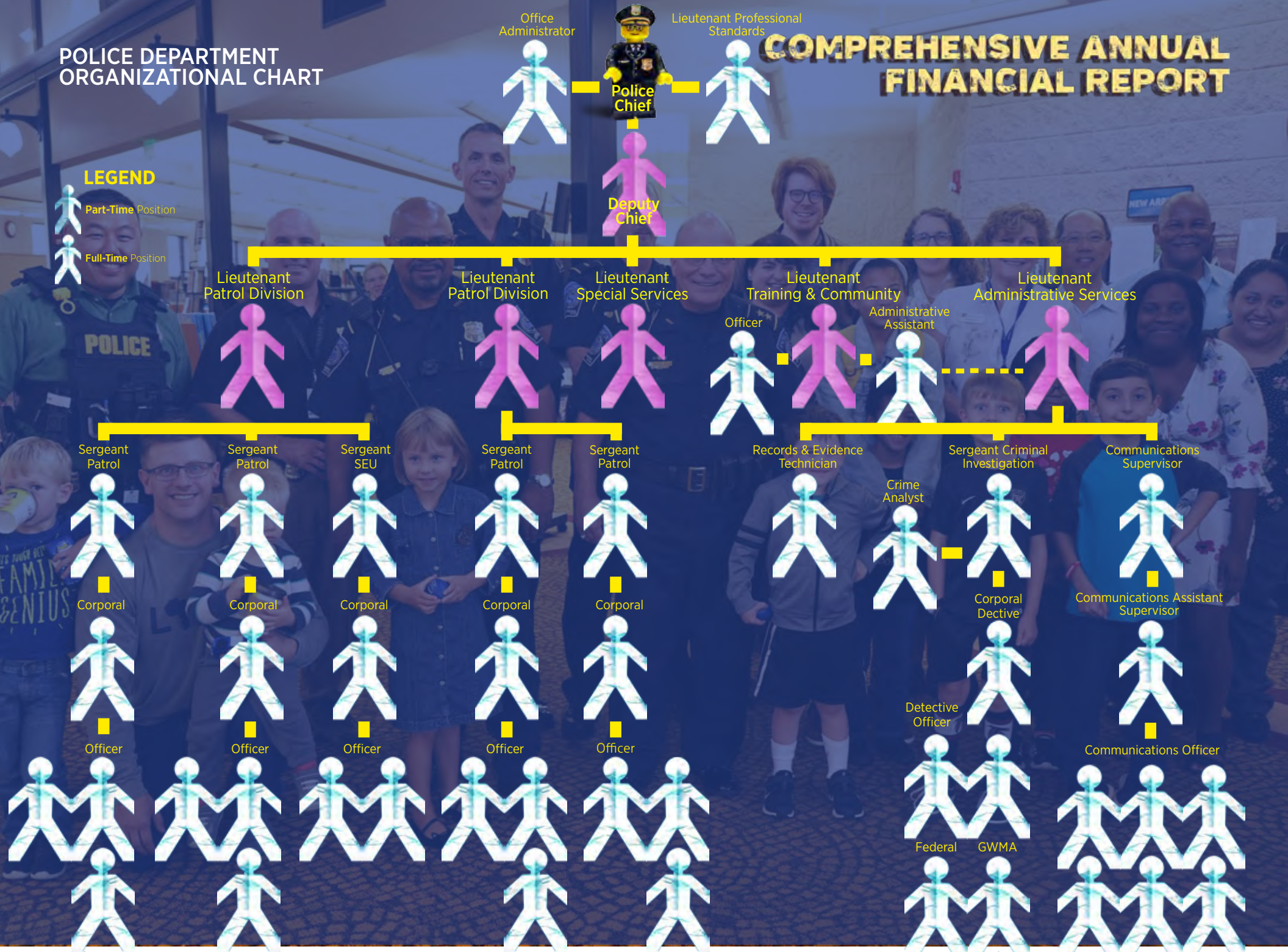
ORGANIZATIONAL CHART



CITY OF SUWANEE, GA
YEAR ENDED JUNE 30, 2019



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, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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, 2019, 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 14-28, the Schedule of Changes in the Net Pension Asset and Related Ratios on page 67, and the Schedule of City Contributions on page 69 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 8, 2019 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Suwanee's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Suwanee, Georgia's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Atlanta, Georgia
December 8, 2019

MANAGEMENT DISCUSSION AND ANALYSIS

The following management discussion and analysis is provided as an introduction to the basic financial statements for the fiscal year ended June 30, 2019. This narrative is intended to assist the reader in understanding significant financial issues, provide an overview of financial activities and identify changes in financial position, material deviations from the original budget, and individual fund issues or concerns. We encourage readers to consider the information presented here in conjunction with the information furnished in the City's basic financial statements and notes to the financial statements.

FINANCIAL HIGHLIGHTS

Government-wide

Assets and deferred outflows of resources of the City's governmental activities exceeded liabilities and deferred inflows of resources by $85,677,161. This is an increase of $3,753,569 or 4.6%, as compared to the prior year amount of $81,923,592. The majority of the governmental activities increase is due to capital outlay for building improvements and infrastructure from SPLOST funds. SPLOST revenues are recognized as revenue as funds are received but expenses for capitalized assets are amortized over the life of the asset instead of expensed at the time of construction or purchase as in the fund level statements.

Assets of the City's business-type activities exceeded liabilities by $3,612,945 an increase of $151,648, or 4.4%, as compared to the prior year amount of $3,461,297. The majority of this increase is due to the $120,000 general fund transfer during the period for future water system improvements.

In total, net position increased by $3,905,217 to $89,290,106. Of this amount, unrestricted net position on June 30, 2019 was $19,327,132 or 21.6% of the City's total net position.

Fund level

As of June 30, 2019, the City's governmental funds reported a combined ending fund balance $42,523,492, an increase of $551,906 or 1.3% increase from fiscal year 2018. This majority of this increase is due to the intergovernmental revenues received from the 2017 SPLOST that were received but not expended during the reporting period. Enterprise fund assets exceeded liabilities by $3,612,945 of which $2,422,828 was invested in capital assets leaving an unrestricted balance of $1,190,117.

Long-term debt

In total the City's bonds payable outstanding decreased by ($1,512,000) or 4.2% during fiscal year 2019. This decrease is due to scheduled debt service payments. Additional information regarding long-term debt can be found in the notes to the financial statements, Note 7, on pages 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.

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.

FUND FINANCIAL STATEMENTS

Governmental funds

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

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

The City maintains twenty governmental funds. Six of these funds are considered major funds for financial reporting purposes: general, debt service, 2017 SPLOST, other capital projects, Urban Redevelopment Authority, and Downtown Development Authority. 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 72. 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 37 and 38. Budgetary comparisons for other governmental funds with legally adopted annual budgets start on page 76.

The basic governmental fund financial statements can be found on pages 33-35.

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 39-41.

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 42.

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 43-66.

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 67-69.

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 72-75.

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 $89,290,106 and $85,384,889 at June 30, 2019 and 2018 respectively. This represents an increase of $3,905,217, or 4.6 percent from fiscal year 2018. The following is a condensed version of the government-wide statement of net position.

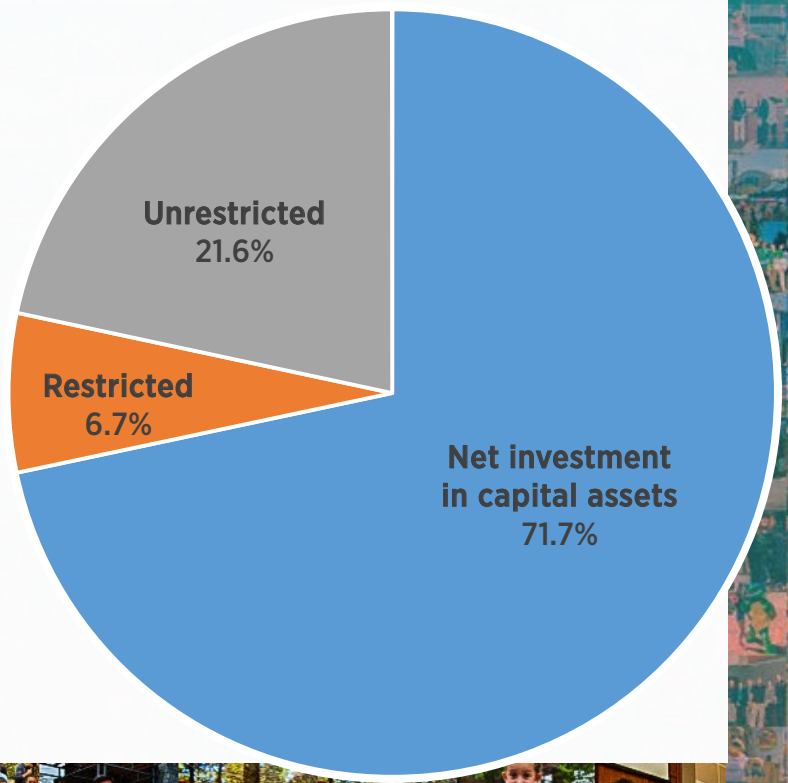
	Net Position on June 30th					
	Governmental Activities		Business-type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
Assets						
Current and other assets	$ 50,336,880	$ 47,935,231	$ 1,194,876	$ 1,001,551	$ 51,531,756	$ 48,936,782
Capital assets	75,136,683	74,079,293	2,422,828	2,467,886	77,559,511	76,547,179
Total assets	**125,473,563**	**122,014,524**	**3,617,704**	**3,469,437**	**129,091,267**	**125,483,961**
Deferred outflows of resources	1,064,832	1,149,878	-	-	1,064,832	1,149,878
Liabilities						
Long-term liabilities outstanding	37,152,705	38,738,644	-	-	37,152,705	38,738,644
Other liabilities	859,234	1,830,362	4,759	8,140	863,993	1,838,502
Total liabilities	**38,011,939**	**40,569,006**	**4,759**	**8,140**	**38,016,698**	**40,577,146**
Deferred inflows of resources	2,849,295	671,804	-	-	2,849,295	671,804
Net Position						
Net investment in capital assets	61,580,997	59,582,331	2,422,828	2,467,886	64,003,825	62,050,217
Restricted	5,959,149	5,167,127	-	-	5,959,149	5,167,127
Unrestricted	18,137,015	17,174,134	1,190,117	993,411	19,327,132	18,167,545
Total net position	**$ 85,677,161**	**$ 81,923,592**	**$ 3,612,945**	**$ 3,461,297**	**$ 89,290,106**	**$ 85,384,889**

PRIMARY GOVERNMENT NET POSITION JUNE 30, 2019

The largest portion of the City's net position, 71.7%, 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 $1,953,608 or 3.1%. This increase is due to additions to capital assets, building improvements and infrastructure categories.

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 $5,959,149 of net position to be used on debt service, capital projects and special programs. The increase in restricted net position is due to 2017 SPLOST revenues that were received but not expended during the fiscal period. The remaining portion of unrestricted net position, 21.6%, 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 2018.





CITY OF SUWANEE, GA
YEAR ENDED JUNE 30, 2019

GOVERNMENTAL ACTIVITIES

Governmental activities increased the City's net position by $3,753,569 thereby accounting for 96.1% of the total growth in net position. This increase in governmental activities is related to capital grant contributions from SPLOST revenues, intergovernmental (local, state, and federal) grants, and capital donations from developers $5,533,649. 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 2019.

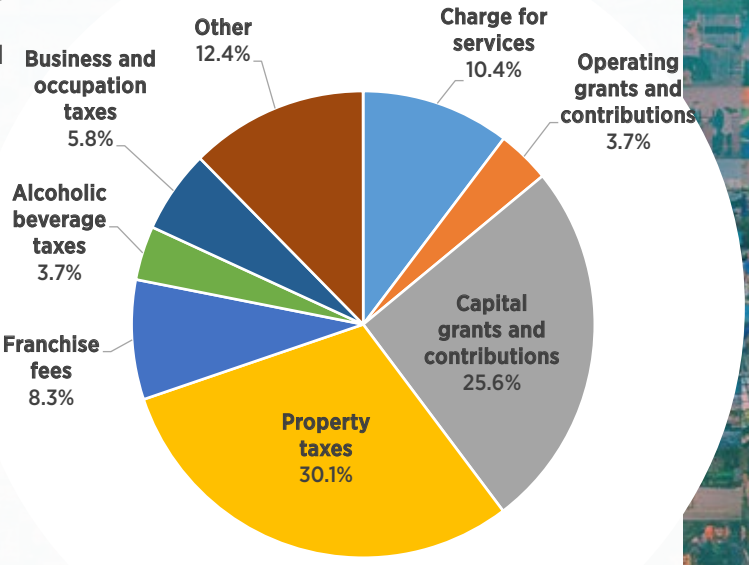
	Change in Net Position					
	Governmental Activities		Business-type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
Revenues						
Program revenues:						
Charge for services	$ 2,238,138	$ 2,379,378	$ 135,767	$ 132,295	$ 2,373,905	$ 2,511,673
Operating grants and contributions	798,330	1,011,423	-	-	798,330	1,011,423
Capital grants and contributions	5,533,649	3,301,807	-	-	5,533,649	3,301,807
General revenues:						
Property taxes	6,496,848	6,001,465	-	-	6,496,848	6,001,465
Franchise fees	1,790,469	1,715,558	-	-	1,790,469	1,715,558
Alcoholic beverage taxes	808,436	812,385	-	-	808,436	812,385
Business and occupation taxes	1,243,644	1,191,440	-	-	1,243,644	1,191,440
Other	2,541,795	2,261,873	-	-	2,541,795	2,261,873
Unrestricted investment earnings	137,768	102,254	12,065	6,633	149,833	108,887
Total revenues	**21,589,077**	**18,777,583**	**147,832**	**138,928**	**21,736,909**	**18,916,511**
Expenses						
General government	3,041,315	3,202,083	-	-	3,041,315	3,202,083
Judicial	434,217	399,218	-	-	434,217	399,218
Public safety	4,986,349	4,634,147	-	-	4,986,349	4,634,147
Public works	5,404,858	4,004,108	-	-	5,404,858	4,004,108
Culture and recreation	992,751	1,023,763	-	-	992,751	1,023,763
Housing and development	1,301,352	1,368,680	-	-	1,301,352	1,368,680
Tourism and trade	453,755	460,706	-	-	453,755	460,706
Interest on long term debt	1,100,911	1,106,628	-	-	1,100,911	1,106,628
Water and sewer	-	-	116,184	140,699	116,184	140,699
Total expenses	**17,715,508**	**16,199,333**	**116,184**	**140,699**	**17,831,692**	**16,340,032**
Increase (decrease) in net position before transfers	3,873,569	2,578,250	31,648	(1,771)	3,905,217	2,576,479
Transfers	(120,000)	(120,000)	120,000	120,000	-	-
Change in net position	3,753,569	2,458,250	151,648	118,229	3,905,217	2,576,479
Net position - July	81,923,592	79,465,342	3,461,297	3,343,068	85,384,889	82,808,410
Net position - June 30	**$ 85,677,161**	**$ 81,923,592**	**$ 3,612,945**	**$ 3,461,297**	**$ 89,290,106**	**$ 85,384,889**

REVENUES BY SOURCE GOVERNMENTAL ACTIVITIES

Governmental activities revenues totaled $21,589,077 for fiscal year 2019 and $18,777,583 for fiscal year 2018, reporting an increase of $2,811,494. The major difference between the two fiscal years is the donated capital assets, $1,867,331, received in fiscal year 2019.

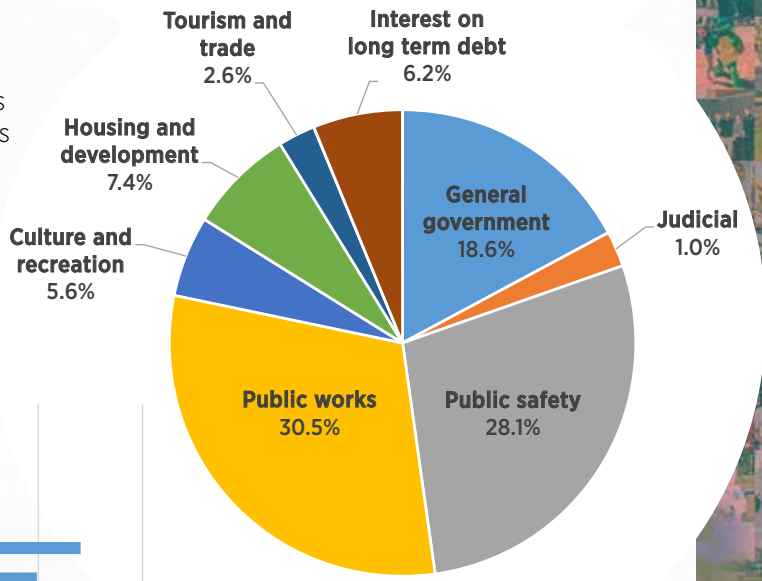
Property tax revenue in fiscal year 2019 increased when compared to fiscal year 2018, by $495,383. This growth is due to rising property values. Total taxable assessed values for calendar year 2018 increased by $66,624,384, to an estimated total of $1,354,617,204. Additional information on Suwanee's taxable assessed property values can be found in the statistical section, page S13.

Property taxes are the largest revenue source for governmental activities accounting for 30.1% of total revenues. Capital grants and contributions, which include SPLOST funds received from Gwinnett County, intergovermental grants (local, state, and federal), and developer asset donations, account for the second largest at 25.6%. Charges for services, which include municipal court fines and building permits, are the third largest (single) revenue sources, accounting for 10.4% of governmental revenues for the year.

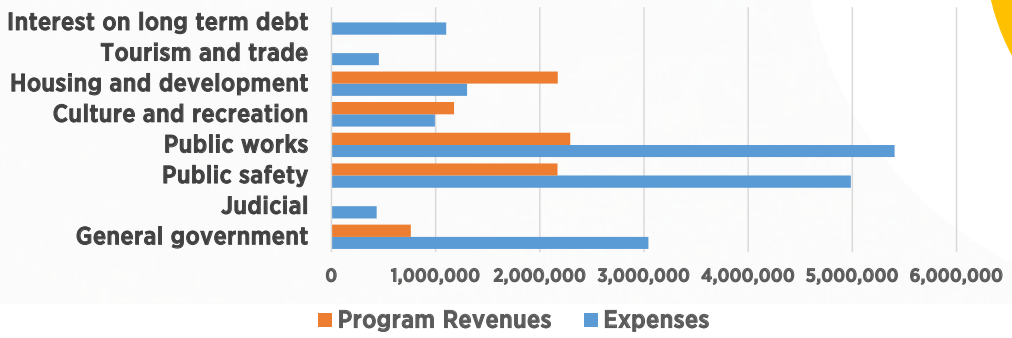


EXPENSES BY SOURCE GOVERNMENTAL ACTIVITIES

Governmental expenses totaled $17,715,508 for the fiscal year. Of the expenses, 30.5%, or $5,404,858, are related to public works, while public safety accounted for $4,986,349, or 28.1%. General government activities accounted for the third highest with 18.6%, General government activities include administration, legal, IT, and facilities. The chart below compares governmental activities with their respective program revenues, if any.

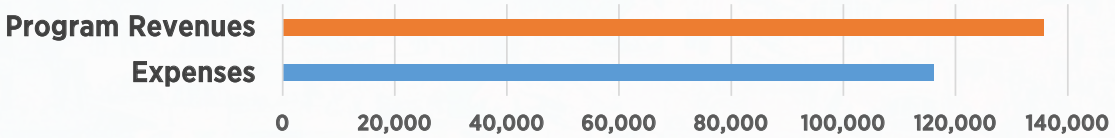


GOVERNMENTAL ACTIVITIES EXPENSES AND PROGRAM REVENUES



BUSINESS-TYPE ACTIVITIES

Business-type activities increased the City's net position by $151,648 accounting for 3.9% of the City's net position increase in fiscal year 2019. This increase is due to general fund transfer of $120,000 for future water system improvements.



FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

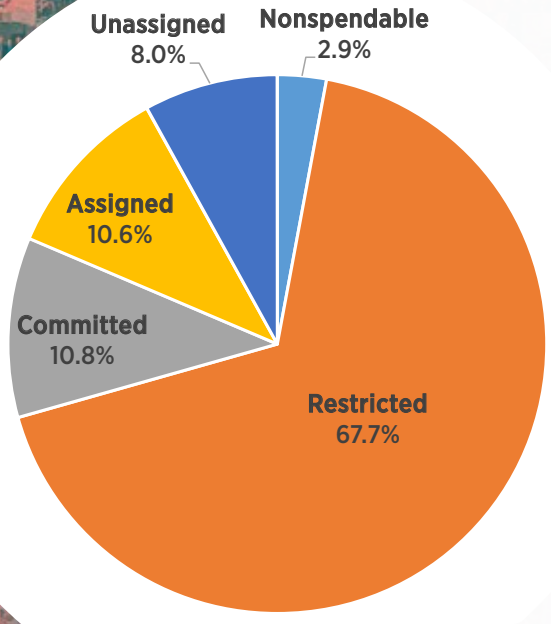
Governmental funds

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, 2019, the City's governmental funds reported a combined ending fund balance of $42,523,492, an increase of $551,906 in comparison with the prior year. The majority of this increase is due to 2017 SPLOST revenues received but not expended in the current period. 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, 2019, Suwanee's total fund balance for governmental funds was $42,523,492 of which $1,245,335 was nonspendable, $28,777,201 was restricted, $4,588,927 was committed, $4,492,346 was assigned, and $3,419,683 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, 2019, unassigned fund balance of the general fund was $3,419,683. 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 25.8% of total general fund expenditures and transfers, compared to 27.8% in the prior year. The decrease in unassigned fund balance of ($210,992) is approximately 5.8% lower than the previous fiscal year. This decrease in unassigned is related to a fourth quarter 2019 capital improvements prefunding of $658,000. Prefunding Suwanee's capital improvement program is part of Suwanee's pay-as-you go financing for capital projects.

REVENUES CLASSIFIED BY SOURCE GENERAL FUND

	FY 2019		FY 2018		Increase/ (Decrease)	
	Amount	% of Total	Amount	% of Total	Amount	% of Change
Revenues by Source:						
Taxes	$ 9,913,075	76.46%	$ 9,376,814	74.20%	$ 536,261	5.72%
Licenses and permits	591,968	4.57%	1,084,965	8.59%	(492,997)	-45.44%
Intergovernmental	626,950	4.84%	808,945	6.40%	(181,995)	-22.50%
Charge for services	205,383	1.58%	148,967	1.18%	56,416	37.87%
Fines and forfeitures	1,387,121	10.70%	1,064,522	8.42%	322,599	30.30%
Other	240,274	1.85%	153,417	1.21%	86,857	56.61%
Total	**$ 12,964,771**	**100.00%**	**$ 12,637,630**	**100.00%**	**$ 327,141**	**2.59%**

The following provides an explanation of revenues by source changes from 2018 to 2019:

- **Taxes.** Real and personal property tax collections increased by $283,293 from fiscal year 2018. Suwanee's property tax digest has shown value growth over the past five years. Calendar year 2018 total taxable assessed value increased by $66,624,384 from 2017 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 years. Franchise fees increased by $74,911, mainly in electric fees which increased by $91,318 from the prior year. Title ad valorem taxes increased by $47,438 due to changes in the tax structure, changed by the state legislatures. Business taxes also had an increase of $132,265 as compared to fiscal year 2018.
- **License and permits**. Alcohol beverage fees remained stable with small difference of ($4,050) between the two years. Building permits decreased by ($497,655), this decrease is due to a lower number of building permits being issued in fiscal year 2018. Due to Suwanee's size, building permit revenues tend to fluctuate. One or two permits in one period can cause a variance in the next period.
- **Intergovernmental.** Intergovernmental revenues decreased by ($181,995) from the prior period. In fiscal year 2018, Suwanee received $808,945 from Gwinnett County for 911 dispatch and police services provided by the City. In fiscal year 2019, Suwanee received $601,625. This annual payment for 911 and police services provided by Gwinnett was part of the Service Delivery Strategy (SDS) settlement agreed upon in March 2012. Payments are based on actual expenditures incurred. These annual payments will continue until the next SDS negotiations in 2019.
- **Fines and forfeitures**. Municipal court fees increased by $322,599. During fiscal year 2019, several police positions were unfilled due to vacancies and injuries. With reduced man power, special enforcements units were re-allocated to patrol resulting in a decrease in higher fine tickets in fiscal year 2019.

EXPENDITURES BY FUNCTION GENERAL FUND

	FY 2019		FY 2018		Increase/ (Decrease)	
	Amount	% of Total	Amount	% of Total	Amount	% of Change
Expenditures by Function:						
General government	$ 2,571,428	20.63%	$ 2,474,238	21.47%	$ 97,190	3.93%
Judicial	462,399	3.71%	425,474	3.69%	36,925	8.68%
Public safety	5,084,136	40.79%	4,763,566	41.34%	320,570	6.73%
Public works	2,635,428	21.14%	2,157,769	18.73%	477,659	22.14%
Culture and recreation	267,137	2.14%	340,598	2.96%	(73,461)	-21.57%
Housing and development	1,444,405	11.59%	1,361,269	11.81%	83,136	6.11%
Total	**$ 12,464,933**	**100.00%**	**$ 11,522,914**	**100.00%**	**$ 942,019**	**8.17%**

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

- **General government.** Expenditures increased by $97,190 or 3.93%. The majority of this increase is due to annual performance raises (up to 4%) and increases in the general building insurance expenditures.
- **Judicial.** Expenditures increased by $36,925 or 8.68%. The majority of this increase is due to annual performance raises and and prior period vacancies.
- **Public safety.** Expenditures increased by $320,570 or 6.73%. The majority of this increase is the due to annual performance raises, prior period vacancies, and building improvements.
- **Public works.** Expenditures increased by $477,659 or 22.14%. This increase is due to increase in salaries and benefits due to annual performance raises and a new environmental division created, $340,200. Some expenditures were also transferred to the new environmental division out of the culture and recreation functions. Mainly grounds keeping related to park areas.
- **Culture and recreation.** Expenditures decreased by ($73,461) or -21.57%. The majority of this decrease is due to expenditures transferred to the new environmental division in the public works function.
- **Housing and development.** Expenditures increased by $83,136 or 6.11%. The majority of this increase is due to annual performance raises and the purchase of a new vehicle.

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 2019, the City had four capital project funds considered major funds: the 2017 SPLOST, Other Capital Projects, the Urban Redevelopment Authority, and the Downtown Development Authority.

CAPITAL PROJECTS
(continued)

The 2017 SPLOST fund consists of eight separate projects focusing on transportation projects 68%, recreation improvements 16%, and administrative facilities 16%. The 2017 SPLOST program was approved by voters on November 8, 2016. This SPLOST program is a six year program with 72 months of revenue collections. Collections began on April 1, 2017 and will continue through March 31, 2023. The fund has a restricted fund balance of $1,490,551, comprised entirely of 2017 SPLOST funds received and unspent. On average, this fund receives $250,000 in SPLOST funds per month. The majority of capital expenditures include Buford Highway reconstruction $74,270, street resurfacing $457,624, and storm water improvements $44,107.

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, 2019, the fund had nonspendable fund balance of $1,245,335 (redevelopment land held for development), restricted balance of $190,018 (intergovernmental funds for paving) and assigned fund balance of $4,463,301. During fiscal year 2019, fund balance decreased by ($527,859). The majority of the capital expenditures were for facility maintenance $305,788, facility enhancements $236,906, paved streets $346,886, storm drainage $125,267, and master plan implementation $274,837.

The Urban Redevelopment Authority fund accounts for the financial resources provided from the 2017 URA bond issue. These funds will finance the costs associated with the cash flow bond repayment (2017 SPLOST) program, construction of a new park (Town Center on Main), administrative facilities renovations, and transportation projects within the URA district. The fund had a restricted fund balance of $23,288,812, comprised entirely of unspent bond proceeds and investment income. The fund had capital expenditures of $253,446 during the period for administrative facilities (Court House) renovations.

The Downtown Development Authority is a seven-member board of directors appointed by City Council to serve as advocates and advisors to the City of issues related to downtown Suwanee. The authority is a hybrid agency - neither wholly a public agency nor wholly a private corporation, enacted by municipal government and authorized by state law. It provides centralized leadership, a forum for all stakeholders, and opportunities for public/private partnerships committed to downtown revitalization. The fund had a restricted fund balance of $1,267,812. During the fiscal year 2019, fund balance decreased by ($51,922). The majority of the expenditures were for commission payments for property leases at the Solis project. See note 14 on pages 63-66 for additional information.



DEBT SERVICES

The debt service restricted fund balance was $175,017 as of June 30, 2019, 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 $19,583 compared to an operating loss of ($3,836) in the prior year. Operating revenues increased by $3,472. Operating expenses decreased by ($19,947). Net position increased by $151,648. The majority of this increase is from the general fund transfer of $120,000 for future water system improvements.

GENERAL FUND BUDGETARY HIGHLIGHTS

Differences between the original budget, $13,366,910, and the final amended budget, $14,096,910, amounted to an overall increase of $730,000. Operational functions increased by $72,000, or less than 1%. Capital transfers were increased by $658,000. Listed below is a summary of the additional capital transfers:

- $200,000, prefunding for fiscal year 2019 facilities maintenance.
- $29,000, tax allocation funding.
- $205,000, prefunding for fiscal year 2019 street maintenance, resurfacing, and storm drainage.
- $100,000, prefunding for public facilities and park enhancements.
- $120,000, for future water system improvements.
- $4,000, Harvest Farm funding.

GENERAL FUND BUDGET COMPARISON

A detail budgetary comparison schedule for the fiscal year ended June 30, 2019 can be found on pages 37-38. The following chart is a summary of that schedule:

	Budget			Variance with Final Budget
	Original	Final	Actual	
Revenues, transfers, and other financing sources:				
Taxes	$ 9,734,170	$ 9,779,170	$ 9,913,075	$ 133,905
Licenses and permits	801,870	801,870	591,968	(209,902)
Intergovernmental revenues	910,000	910,000	626,950	(283,050)
Charges for services	161,720	161,720	205,383	43,663
Fines and forfeitures	1,448,350	1,448,350	1,387,121	(61,229)
Investment income	50,000	50,000	93,926	43,926
Miscellaneous revenues	69,500	129,500	146,348	16,848
Other financing sources	191,300	191,300	191,456	156
Total	**13,366,910**	**13,471,910**	**13,156,227**	**(315,683)**
Expenditures and transfers out:				
Expenditures	13,255,910	13,327,910	12,464,933	862,977
Transfer out	111,000	769,000	768,996	4
Total	**13,366,910**	**14,096,910**	**13,233,929**	**862,981**
Change in fund balance	$ -	$ (625,000)	$ (77,702)	$ 547,298

During the year, general fund revenues were less than budgetary appropriations by ($315,683), or 2.3%. The majority of this decrease was due to the end of the annual police payments from Gwinnett County, $311,000 received in fiscal year 2018 compared to $0 received in fiscal year 2019. These payments were a part of the service delivery negotiations agreed upon in 2012. The current service delivery agreement is under negotiations and should be settled during fiscal year 2020.

GENERAL FUND BUDGET COMPARISON (continued)

General fund expenditures were less ($862,977), than budgetary estimates. Listed below are the major areas that expenditures were lower than appropriations.

- Salaries and benefits expenditures were ($261,000) less than appropriations. This was due to staff vacancies and changes in health care enrollment. Salaries and wages were 98% of budgetary projections and employee benefits were 93%.
- Purchased professional services expenditures were ($183,000) less than appropriations, 75% expended. The major consultant areas were development reviews, legal services and landscape maintenance.
- Other purchase services expenditures were ($155,000) less than appropriations, 87% expended. This classification includes training, education, travel, printing, and dues and fees.
- Supplies expenditures were ($131,000) less than appropriations, 88% expended. This classification includes supplies and utilities.
- Purchase property services were ($59,000) less than appropriations, 83% expended. This category includes repairs and rental of equipment.
- Capital outlay expenditures were ($65,000) less than appropriations, 91% expended.

CAPITAL ASSETS & DEBT ADMINISTRATION

Capital assets

On June 30, 2019, the City's investments in capital assets in both governmental and business-type activities amounted to $77,559,511 net of accumulated depreciation. This includes land, land improvements, buildings, machinery and equipment, park facilities and infrastructure. The majority of the increase in capital assets is due to donated capital assets, $1,827,614. The decrease in construction in progress is due to projects being completed and then transferred from construction in progress to the related capital assets accounts. Additional information on capital assets can be found in Note 6 on pages 53-54 of this report.

CAPITAL ASSETS-NET OF ACCUMULATED DEPRECIATION

	Governmental Activities		Business-type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
Land	$ 14,042,281	$ 13,727,281	$ 7,500	$ 7,500	$ 14,049,781	$ 13,734,781
Land improvements	1,083,958	690,435	-	-	1,083,958	690,435
Buildings	29,604,152	26,841,642	-	-	29,604,152	26,841,642
Water system	-	-	2,187,587	2,267,867	2,187,587	2,267,867
Machinery and equipment	887,051	799,771	-	-	887,051	799,771
Vehicles	931,513	748,110	-	-	931,513	748,110
Infrastructure	19,601,140	18,848,358	-	-	19,601,140	18,848,358
Construction in progress	8,986,588	12,423,696	227,741	192,519	9,214,329	12,616,215
Total	**$ 75,136,683**	**$ 74,079,293**	**$ 2,422,828**	**$ 2,467,886**	**$ 77,559,511**	**$ 76,547,179**

LONG-TERM DEBT

Long-term debt

At the end of the current fiscal year, the City had total bonded debt outstanding of $36,758,054 comprised of general obligation debt $9,835,000 backed by the full faith and credit of the City, and revenue bonds $26,923,054 obligated through an intergovernmental agreement with the Urban Redevelopment Agency.

The City's total long-term bonds decreased by ($1,670,079) or 4.3% during the current fiscal year. This decrease is due to regular scheduled bond payments. The City's bond rating is AAA from Standard & Poor's, which was re-affirmed in June 2017. 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 $135,461,720; current general obligation debt is below this limit with 7.13% 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.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET & RATES

Unemployment

According to the U.S. Bureau of Labor Statistics, the national unemployment rate in June 2019 was 3.6 percent. Georgia is among several states that was lower than the national average with a June 2019 unemployment rate of 3.1 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 2.8 percent in June 2019.

New home starts

In calendar year 2018, there were 7 neighborhoods actively under development. The neighborhoods were in various stages of development, with Suwanee Square permitted for 43 lots, but no homes under construction, to Suwanee Green (121 homes) nearing the completion of the final few homes.

Active neighborhood developments

Active neighborhoods have 721 units permitted per rezoning with 338 permits issued and 346 lots remaining.

Single family resales

309 single family homes were resold in calendar year 2018. Prices for 2018 single family homes ranged from $279,000 to $620,000, with an average price of $345,075. Townhome resale prices ranged from $218,000 to $328,000 with an average resale price of $273,000.

Commercial

The vacancy rate has raised from 15% to 17% during calendar year 2018. No new commercial space was completed in 2018.

Housing values

According to Zillow, Suwanee home values have gone up 2.7% over the past year and Zillow predicts they will rise 2.3% within the next year. The median list price per square foot in Suwanee is $140, which is higher than the Atlanta Metro average of $32. The median price of homes currently listed in Suwanee is $399,000 while the median price of homes that sold is $335,500. The median rent price in Suwanee is $1,912, which is higher than the Atlanta Metro median of $1,525.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET & RATES (continued)

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 2020 annual budget for the general fund is $13,766,780; this is a decrease of ($330,130) or -2.3% from the final amended 2019 budget. The majority of the difference in the fiscal year 2019 final budget and the fiscal year 2020 budget is due to the fourth quarter fiscal year 2019 capital improvements prefunding of $658,000. Prefunding Suwanee's capital improvement program is part of Suwanee's pay-as-you go financing for capital projects.

REQUEST FOR INFORMATION

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





BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

FUND FINANCIAL STATEMENTS

CITY OF SUWANEE, GA
YEAR ENDED JUNE 30, 2019



STATEMENT OF NET POSITION
june 30, 2019

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	$ 17,951,321	$ 873,511	$ 18,824,832
Investments	23,591,466	310,538	23,902,004
Receivables:			
Lease receivable, current	149,746	-	149,746
Lease receivable, long term	1,969,525	-	1,969,525
Property taxes	219,637	-	219,637
Other	312,742	7,652	320,394
Due from other governments	272,593	-	272,593
Inventory land held for development	1,245,335	-	1,245,335
Net pension asset	4,624,515	-	4,624,515
Restricted cash	-	3,175	3,175
Capital assets, nondepreciable	23,028,869	235,241	23,264,110
Capital assets, depreciable, net of accumulated depreciation	52,107,814	2,187,587	54,295,401
Total assets	**125,473,563**	**3,617,704**	**129,091,267**
DEFERRED OUTFLOW OF RESOURCES			
Pension contribution subsequent to measurement date	329,514	-	329,514
Pension assumption changes	48,774	-	48,774
Pension demographic changes	315,051	-	315,051
Deferred loss on refunding of bonds	371,493	-	371,493
Total deferred outflow of resources	**1,064,832**	**-**	**1,064,832**
LIABILITIES			
Current liabilities:			
Accounts payable	813,159	1,584	814,743
Retainage payable	46,075	-	46,075
Liabilities payable from restricted assets	-	3,175	3,175
Noncurrent liabilities:			
General obligation bonds due within one year	1,150,000	-	1,150,000
General obligation bonds due in more than one year	8,685,000	-	8,685,000
Revenue bonds due within one year	392,000	-	392,000
Revenue bonds due in more than one year	26,531,054	-	26,531,054
Compensated absences due within one year	126,288	-	126,288
Compensated absences due more than one year	268,363	-	268,363
Total liabilities	**38,011,939**	**4,759**	**38,016,698**

(continued)

STATEMENT OF NET POSITION
june 30, 2019(continued)

	Governmental Activities	Business-type Activities	Total
DEFERRED INFLOW OF RESOURCES			
Unearned revenue, leases	2,122,313	-	2,122,313
Pension demographic changes	169,482	-	169,482
Pension investment differences	557,500	-	557,500
Total deferred inflow of resources	**2,849,295**	**-**	**2,849,295**
NET POSITION			
Net investment in capital assets	61,580,997	2,422,828	64,003,825
Restricted for:			
Capital projects	5,142,070	-	5,142,070
Debt service	233,915	-	233,915
Special programs	583,164	-	583,164
Unrestricted	18,137,015	1,190,117	19,327,132
Total net position	**$ 85,677,161**	**$ 3,612,945**	**$ 89,290,106**

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



STATEMENT OF ACTIVITIES
year ended june 30, 2019

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 Activities	Net (Expense) Revenue and Changes in Net Position: Total
Governmental activities:							
General government	$ 3,041,315	$ 278,850	$ -	$ 483,261	$ (2,279,204)	$ -	$ (2,279,204)
Judicial	434,217	-	-	-	(434,217)	-	(434,217)
Public safety	4,986,349	1,558,907	609,125	419	(2,817,898)	-	(2,817,898)
Public works	5,404,858	-	-	2,291,607	(3,113,251)	-	(3,113,251)
Culture and recreation	992,751	56,373	189,205	930,748	183,575	-	183,575
Housing and development	1,301,352	344,008	-	1,827,614	870,270	-	870,270
Tourism and trade	453,755	-	-	-	(453,755)	-	(453,755)
Interest on long term debt	1,100,911	-	-	-	(1,100,911)	-	(1,100,911)
Total governmental activities	**17,715,508**	**2,238,138**	**798,330**	**5,533,649**	**(9,145,391)**	**-**	**(9,145,391)**
Business-type activities:							
Water and Sewer	116,184	135,767	-	-	-	19,583	19,583
Total	**$ 17,831,692**	**$ 2,373,905**	**$ 798,330**	**$ 5,533,649**	**$ (9,145,391)**	**$ 19,583**	**$ (9,125,808)**
General revenues:							
Taxes:							
Property taxes					$ 6,496,848	$ -	$ 6,496,848
Franchise fees					1,790,469	-	1,790,469
Alcoholic beverage tax					808,436	-	808,436
Business and occupation taxes					1,243,644	-	1,243,644
Hotel/motel taxes					646,103	-	646,103
Insurance premium taxes					1,100,569	-	1,100,569
Other taxes					617,750	-	617,750
Unrestricted investment earnings					137,768	12,065	149,833
Miscellaneous					177,373	-	177,373
Transfers					(120,000)	120,000	-
Total general revenues and transfers					**12,898,960**	**132,065**	**13,031,025**
Change in net position					3,753,569	151,648	3,905,217
Net position - beginning					81,923,592	3,461,297	85,384,889
Net position - ending					**$ 85,677,161**	**$ 3,612,945**	**$ 89,290,106**

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

GOVERNMENTAL FUNDS BALANCE SHEET
june 30, 2019

	General	Debt Service	2017 SPLOST	Other Capital Projects	Urban Redevelopment Authority	Downtown Development Authority	Other Governmental Funds	Total Governmental Funds
ASSETS								
Cash and cash equivalents	$ 4,262,742	$ 171,312	$ 1,257,958	$ 4,004,973	$ 4,548,128	$ 1,329,101	$ 2,377,107	$ 17,951,321
Investments	3,828,385	-	-	743,499	18,969,095	-	50,487	23,591,466
Receivables:								
Property taxes	157,034	62,603	-	-	-	-	-	219,637
Leases	-	-	-	77,403	-	2,041,868	-	2,119,271
Due from other governments	-	-	272,593	-	-	-	-	272,593
Due from other funds	9,850	-	-	-	-	-	-	9,850
Other	252,180	-	-	-	-	-	60,562	312,742
Inventory land held for development	-	-	-	1,245,335	-	-	-	1,245,335
Total assets	**$ 8,510,191**	**$ 233,915**	**$ 1,530,551**	**$ 6,071,210**	**$ 23,517,223**	**$ 3,370,969**	**$ 2,488,156**	**$ 45,722,215**
LIABILITIES								
Accounts payable	$ 353,153	$ -	$ 1,350	$ 91,854	$ 224,285	$ 58,247	$ 84,270	$ 813,159
Retainage payable	-	-	38,650	3,299	4,126	-	-	46,075
Due to other funds	-	-	-	-	-	-	9,850	9,850
Total liabilities	**353,153**	**-**	**40,000**	**95,153**	**228,411**	**58,247**	**94,120**	**869,084**
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue	148,428	58,898	-	-	-	-	-	207,326
Unearned revenue, leases	-	-	-	77,403	-	2,044,910	-	2,122,313
Total deferred inflows of resources	**148,428**	**58,898**	**-**	**77,403**	**-**	**2,044,910**	**-**	**2,329,639**
FUND BALANCES								
Nonspendable	-	-	-	1,245,335	-	-	-	1,245,335
Restricted	-	175,017	1,490,551	190,018	23,288,812	1,267,812	2,364,991	28,777,201
Committed	4,588,927	-	-	-	-	-	-	4,588,927
Assigned	-	-	-	4,463,301	-	-	29,045	4,492,346
Unassigned	3,419,683	-	-	-	-	-	-	3,419,683
Total fund balances	**8,008,610**	**175,017**	**1,490,551**	**5,898,654**	**23,288,812**	**1,267,812**	**2,394,036**	**42,523,492**
Total liabilities, deferred inflows of resources and fund balances	**$ 8,510,191**	**$ 233,915**	**$ 1,530,551**	**$ 6,071,210**	**$ 23,517,223**	**$ 3,370,969**	**$ 2,488,156**	

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.	4,624,515
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.	75,136,683
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.	693,339
Deferred outflows related to losses on bond refunding, are not current financial resources and, therefore, are not reported in the governmental funds.	371,493
Deferred inflows in the governmental funds for unavailable revenue, are susceptible to full accrual on the government wide statements.	207,326
Deferred inflows related to pensions are not related to current financial resources and, therefore, not reported in the governmental funds.	(726,982)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.	(37,152,705)
Net position of governmental activities	**$ 85,677,161**

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, 2019

	General	Debt Service	2017 SPLOST	Other Capital Projects	Urban Redevelopment Authority	Downtown Development Authority	Other Governmental Funds	Total Governmental Funds
REVENUES								
Property taxes	$ 4,528,625	$ 1,904,032	$ -	$ -	$ -	$ -	$ -	$ 6,432,657
Franchise taxes	1,790,469	-	-	-	-	-	-	1,790,469
Alcoholic beverage taxes	808,436	-	-	-	-	-	-	808,436
Business taxes	2,344,213	-	-	-	-	-	-	2,344,213
Hotel/motel taxes	-	-	-	-	-	-	646,103	646,103
Other taxes	441,332	-	138,267	-	-	-	38,151	617,750
Licenses and permits	591,968	-	-	-	-	-	-	591,968
Intergovernmental revenues	626,950	-	3,019,459	190,018	-	-	-	3,836,427
Charges for services	205,383	-	-	-	-	-	-	205,383
Fines and forfeitures	1,387,121	-	-	-	-	-	19,446	1,406,567
Investment income	93,926	1,991	930	26,623	411,862	14,305	4,647	554,284
Rental income	-	-	-	40,184	-	13,341	34,220	87,745
Contributions and donations	23,360	-	-	-	-	-	189,205	212,565
Miscellaneous revenue	122,988	-	-	-	-	-	-	122,988
Total revenues	**$ 12,964,771**	**$ 1,906,023**	**$ 3,158,656**	**$ 256,825**	**$ 411,862**	**$ 27,646**	**$ 931,772**	**$ 19,657,555**
EXPENDITURES								
Current:								
General government	$ 2,571,428	$ -	$ -	$ 305,788	$ -	$ -	$ -	$ 2,877,216
Judicial	462,399	-	-	-	-	-	-	462,399
Public safety	5,084,136	-	-	-	-	-	4,638	5,088,774
Public works	2,635,428	-	-	-	-	-	770	2,636,198
Culture and recreation	267,137	-	-	-	-	-	323,472	590,609
Housing and development	1,444,405	-	-	-	-	66,481	-	1,510,886
Tourism and trade	-	-	-	-	-	-	453,755	453,755
Capital outlay	-	-	576,001	983,896	253,446	13,087	873,546	2,699,976
Debt service:								
Principal	-	1,512,000	-	-	-	-	-	1,512,000
Interest and fiscal charges	-	1,163,104	-	-	-	-	-	1,163,104
Total expenditures	**$ 12,464,933**	**$ 2,675,104**	**$ 576,001**	**$ 1,289,684**	**$ 253,446**	**$ 79,568**	**$ 1,656,181**	**$ 18,994,917**
Excess (deficiency) of revenues over (under) expenditures	499,838	(769,081)	2,582,655	(1,032,859)	158,416	(51,922)	(724,409)	662,638

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

(continued)

GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
year ended june 30, 2019 *(continued)*

(continued)	General	Debt Service	2017 SPLOST	Other Capital Projects	Urban Redevelopment Authority	Downtown Development Authority	Other Governmental Funds	Total Governmental Funds
OTHER FINANCING SOURCES (USES)								
Sale of capital assets	$ 7,185	$ -	$ -	$ -	$ -	$ -	$ 2,083	$ 9,268
Transfers in	184,271	600,000	-	505,000	-	-	143,996	1,433,267
Transfers out	(768,996)	-	-	-	(600,000)	-	(184,271)	(1,553,267)
Total other financing sources (uses)	(577,540)	600,000	-	505,000	(600,000)	-	(38,192)	(110,732)
Net change in fund balances	(77,702)	(169,081)	2,582,655	(527,859)	(441,584)	(51,922)	(762,601)	551,906
FUND BALANCES, beginning of year	8,086,312	344,098	(1,092,104)	6,426,513	23,730,396	1,319,734	3,156,637	41,971,586
FUND BALANCES - end of year	$ 8,008,610	$ 175,017	$ 1,490,551	$ 5,898,654	$ 23,288,812	$ 1,267,812	$ 2,394,036	$ 42,523,492

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, 2019

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances-total governmental funds.			$ 551,906
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.			64,191
Governmental Funds report capital outlay as expenditures. However, in the Government-Wide Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of capital assets recorded in the current period.			
Additions	$	1,957,939	
Donations		1,827,614	
Net effect of deletions		(10,021)	
Depreciation expense		(2,718,142)	1,057,390
The Governmental Funds report bond proceeds as another financing source, while repayment of bond principal is reported as an expenditure.			
Principal payment			1,512,000
Government-Wide Statement of Activities, report pension expense using long term financial resources. The following adjustments were made at the governmental wide level:			
Deferred outflow assumption changes	$	(3,503)	
Deferred outflow demographic changes		(24,043)	
Deferred outflow pension investment return		(91,570)	
Deferred inflow demographic changes		12,057	
Deferred inflow pension investment return		256,164	
Service costs		(324,030)	
Interest on TPL		(452,099)	
Employee contributions		91,603	
Plan administrative expenses		(26,248)	
Expected rate of return		743,919	
Deferred outflow for pension payments		407,779	590,029
Governmental Funds report the effect of issuance, premiums, discounts, and similar items when debt is first issued, whereas these amounts are accrued and amortized in the statement of activities. This amount is the net effect of these differences.			
Amortization of:			
Premium/Discount	$	158,079	
Loss on Refunding		(95,886)	62,193
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.			(84,140)
Change in net position of governmental activities.			**$ 3,753,569**

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, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes:				
Property taxes	$ 4,368,000	$ 4,368,000	$ 4,528,625	$ 160,625
Franchise taxes	1,791,760	1,811,760	1,790,469	(21,291)
Alcoholic beverage taxes	829,000	829,000	808,436	(20,564)
Business taxes	2,385,600	2,410,600	2,344,213	(66,387)
Other taxes	359,810	359,810	441,332	81,522
Total taxes	**9,734,170**	**9,779,170**	**9,913,075**	**133,905**
Licenses and permits:				
Alcoholic beverage fees	234,750	234,750	244,250	9,500
Business licenses	36,120	36,120	34,600	(1,520)
Building permits	531,000	531,000	313,118	(217,882)
Total licenses and permits	**801,870**	**801,870**	**591,968**	**(209,902)**
Intergovernmental revenues:				
Local grants	910,000	910,000	626,950	(283,050)
Total intergovernmental revenues	**910,000**	**910,000**	**626,950**	**(283,050)**
Charges for services:				
Planning and development fees	30,000	30,000	30,890	890
Public safety services	111,720	111,720	152,340	40,620
Special events	20,000	20,000	22,153	2,153
Total charges for services	**161,720**	**161,720**	**205,383**	**43,663**
Fines and forfeitures	1,448,350	1,448,350	1,387,121	(61,229)
Investment income	50,000	50,000	93,926	43,926
Contributions and donations	29,500	29,500	23,360	(6,140)
Miscellaneous revenue	40,000	100,000	122,988	22,988
Total revenues	**13,175,610**	**13,280,610**	**12,964,771**	**(315,839)**
EXPENDITURES				
Current:				
General Government:				
Governing body	144,550	163,150	139,944	23,206
Legislative committees	7,250	7,250	4,849	2,401
Chief executive	499,470	497,870	444,169	53,701
General administration	368,000	329,400	285,905	43,495
Financial administration	606,160	632,160	608,850	23,310
Law	51,280	41,280	27,889	13,391
Data processing	232,500	249,500	199,213	50,287
General government building and plant	275,800	320,800	272,257	48,543
Public information	166,020	179,020	168,497	10,523
Business services	420,860	441,860	419,855	22,005
Total general government	**$ 2,771,890**	**$ 2,862,290**	**$ 2,571,428**	**$ 290,862**

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, 2019 (continued)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES (continued)				
Judicial	$ 449,230	$ 477,530	$ 462,399	$ 15,131
Public safety:				
Police administration	457,290	439,940	400,603	39,337
Criminal investigation	642,490	651,990	611,222	40,768
Patrol	2,880,490	2,868,990	2,801,869	67,121
Records and identification	79,650	79,650	71,602	8,048
Police training	211,800	221,500	201,015	20,485
Special detail services	66,590	93,290	93,003	287
Police stations and buildings	185,300	210,800	199,397	11,403
Police substation and training center	40,200	43,200	27,732	15,468
Dispatcher	653,570	607,020	580,210	26,810
Public relations	97,200	100,200	97,483	2,717
Total public safety	**5,314,580**	**5,316,580**	**5,084,136**	**232,444**
Public works:				
Public works administration	2,313,790	2,323,790	2,256,413	67,377
Environmental	522,310	447,110	340,200	106,910
Storm drainage	44,500	45,500	38,815	6,685
Total public works	**2,880,600**	**2,816,400**	**2,635,428**	**180,972**
Culture and recreation:				
Special facilities and activities	163,750	175,750	175,750	-
Park areas	110,500	111,000	91,387	19,613
Total culture and recreation	**274,250**	**286,750**	**267,137**	**19,613**
Housing and development:				
Protective inspection administration	341,020	369,270	337,558	31,712
Planning and zoning	527,560	497,610	457,051	40,559
Code enforcement	77,740	82,440	79,040	3,400
Economic development and assistance	504,310	501,910	461,084	40,826
Downtown Suwanee	114,730	117,130	109,672	7,458
Total housing and development	**1,565,360**	**1,568,360**	**1,444,405**	**123,955**
Total expenditures	**13,255,910**	**13,327,910**	**12,464,933**	**862,977**
Excess of revenues over expenditures	(80,300)	(47,300)	499,838	547,138
OTHER FINANCING SOURCES (USES):				
Transfer in	181,300	181,300	184,271	2,971
Transfer out	(111,000)	(769,000)	(768,996)	4
Sale of capital assets	10,000	10,000	7,185	(2,815)
Total other financing sources (uses)	**80,300**	**(577,700)**	**(577,540)**	**160**
Net change in fund balances	-	(625,000)	(77,702)	547,298
FUND BALANCES - beginning of year	8,086,312	8,086,312	8,086,312	-
FUND BALANCES - end of year	$ 8,086,312	$ 7,461,312	$ 8,008,610	$ 547,298

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

PROPRIETARY FUNDS
STATEMENT OF NET POSITION
june 30, 2019

	Major Enterprise Fund Water & Sewer Fund
ASSETS	
Current assets:	
Cash and cash equivalents	$ 873,511
Investments	310,538
Accounts receivable	7,652
Total current assets	**1,191,701**
Noncurrent assets:	
Restricted assets:	
Cash and cash equivalents	3,175
Capital assets, nondepreciable	235,241
Capital assets, depreciable, net of accumulated depreciation	2,187,587
Total noncurrent assets	**2,426,003**
Total assets	**$ 3,617,704**
LIABILITIES	
Current liabilities:	
Accounts payable	$ 1,584
Noncurrent liabilities:	
Payable from restricted assets:	
Customer deposits payable	3,175
Total liabilities	**4,759**
NET POSITION	
Investment in capital assets	2,422,828
Unrestricted	1,190,117
Total net position	**$ 3,612,945**

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, 2019

	Major Enterprise Fund Water & Sewer Fund
OPERATING REVENUES	
Water and sewer charges	$ 135,767
Total operating revenues	**135,767**
OPERATING EXPENSES	
Contracted services	13,020
Supplies	22,884
Depreciation	80,280
Total operating expenses	**116,184**
Operating income (loss)	19,583
NONOPERATING REVENUES (EXPENSES)	
Investment income	12,065
Total nonoperating revenues (expenses)	**12,065**
Income (loss) before transfers	31,648
Transfer in	120,000
Change in net position	151,648
Total net position - beginning of year	3,461,297
Total net position - ending	**$ 3,612,945**

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

PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
year ended june 30, 2019

	Major Enterprise Fund Water & Sewer Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	$ 135,774
Payments to suppliers for goods and services	(39,256)
Net cash provided (used) by operating activities	**96,518**
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfers from other funds	120,000
Net cash provided by noncapital activities	**120,000**
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of capital asset	(35,222)
Net cash used by capital and related financing activities	**(35,222)**
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest received	6,792
Net cash provided by investing activities	**6,792**
Net increase in cash and cash equivalents	188,088
Cash and cash equivalents - beginning	688,598
Cash and cash equivalents - ending	**$ 876,686**
Reconciliation of operating income (loss) to net cash provided by operating activities:	
Operating income	$ 19,583
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation	80,280
Change in assets and liabilities	
(Increase) decrease in accounts receivable	37
Increase (decrease) in accounts payable not related to a capital asset	(3,352)
Increase (decrease) in customer deposits	(30)
Net cash provided (used) by operating activities	**$ 96,518**

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

FIDUCIARY FUND STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
june 30, 2019

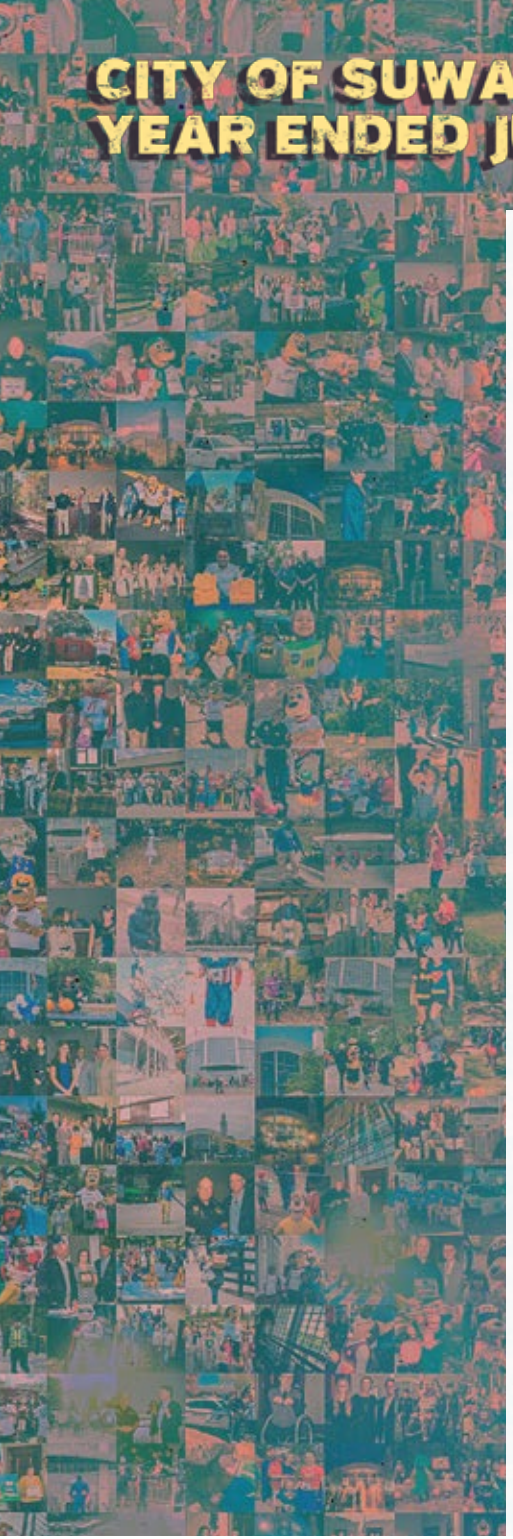
	Agency Fund
ASSETS	
Cash and cash equivalents	$ 70,375
Total assets	**70,375**
LIABILITIES	
Due to others	70,375
Total liabilities	**$ 70,375**

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





NOTES TO THE FINANCIAL STATEMENTS



1. Summary of Significant Accounting Policies.....44
2. Reconciliation of Government-Wide Financial Statements and Fund Financial Statements.....51
3. Legal Compliance - Budgets.....52
4. Deposits and Investments.....52
5. Receivables.....52
6. Capital Assets.....53
7. Long Term Debt 55
8. Interfund Transfers and Balances.....57
9. Joint Venture.....57
10. Pension Plan.....57
11. Risk Management 62
12. Commitments and Contingencies.....62
13. Compliance.....62
14. Implementation of GASB 87 Lease Receivables.....63

NOTE 1
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

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

As required by accounting principles generally accepted in the United States of America, the financial statements of the reporting entity include those of the City (the primary government) and its component units. The component units discussed below are included in the City's reporting entity because of the significance of their 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", both of the component unit's financial statements have been included as blended component units.

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

> *The Downtown Development Authority (DDA) was established as a legally separate entity in 2001. The seven (7) members of the DDA are appointed by the Mayor and City Council and they may also be removed by the Mayor and City Council. Day to day operations are managed by the Downtown Development Manager, a City of Suwanee staff member, and the financial information is maintained by the Financial Services Director, a City of Suwanee staff member. The DDA is charged with financing the revitalization of Suwanee's downtown district, particularly the historic Old Town area, and in performing this financing, only serves the City. 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 Downtown Development Authority and the Urban Redevelopment Agency of the City of Suwanee financial information is maintained by the City's Finance Department. However, separate financial statements will not be prepared.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. (For the most part, the effect of interfund activity has been removed from these statements). Government-wide financial statements do not provide information by fund, but distinguish between the City's governmental activities and business-type activities. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from discretely presented component units. The statement of net 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 **2017 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 2017 SPLOST program focuses on various transportation projects (68%), recreation improvements (16%), and administrative facilities (16%). Funding is provided by a restricted one-cent special purpose local option sales tax approved by voters in 2016.*
- *The **Other Capital Projects Fund** accounts for and reports financial resources that are assigned to expenditures primarily for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Funding is provided from local assigned funds.*
- *The **Urban Redevelopment Authority (URA) Fund** accounts for the financial resources provided from the 2017 URA bond issue. The URA bonds will finance the costs associated with construction of a new park and quality-of-life amenities (34%), administrative facilities renovations (19%), transportation projects (11%), and cash flow for the 2017 SPLOST program (36%).*
- *The mission of Suwanee's **Downtown Development Authority (DDA)** is to revitalize, create, historically preserve, and maintain downtown Suwanee so that it is a symbol of community pride, making it the heart of the City, and a visible example of why Suwanee is a great place to live, work, play, invest, and do business.*

NOTE 1
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

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 type:

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

C. Measurement Focus and Basis of Accounting

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

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

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

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

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	$	329,514
Pension assumption changes		48,774
Pension demographic changes		315,051
Deferred loss on refunding bonds		371,493
Total deferred outflow of resources, statement of net position	**$**	**1,064,832**

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:

Unearned revenue, leases	$	2,122,313
Pension demographic changes		169,482
Pension investment differences		557,500
Total deferred inflow of resources, statement of net position	**$**	**2,849,295**

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 ($207,326), 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 57-61. Additional information regarding unearned revenue (leases) is located in note 14, on pages 63-66.

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 $10,000 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. Additional information can be found in note 6 Capital Assets on pages 53-54.

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	0*
Land Improvements	8-50
Buildings/Construction	50
Infrastructure	10-75
Machinery and equipment	5-20
Licensed Vehicles	8
Water System Infrastructure	30-65

**Useful Live = 0 years. Land has an inexhaustible life and does not depreciate*

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.

NOTE 1
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

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.

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 balance:*
   - *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 - $175,017 externally imposed by bond covenant for debt.*
   - *2017 SPLOST Fund - $1,490,551 externally imposed by laws or regulations of other governments for capital projects.*
   - *Other Capital Projects Fund - $190,018 externally imposed by laws or regulations of other governments for capital paving.*
   - *Urban Redevelopment Authority - $23,288,812 externally imposed by bond covenant for capital projects.*
   - *Downtown Development Authority - $1,267,812 externally imposed by grantors and laws or regulations of other governments.*
   - *Other Governmental Funds - $2,364,991 externally imposed by grantors and laws or regulations of other governments. Of this amount, $1,781,827 is for capital projects, $182,135 for public safety, $231,324 for economic development, and $169,705 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 $4,588,927 in the general fund by resolution adopted on June 25, 2019 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:*
   - *Other Capital Funds - $4,463,301 assigned by City Council for capital projects appropriation.*
   - *Other Governmental Funds - $29,045 assigned by City Council for capital projects appropriation ($24,045) and cultural and recreation appropriation ($5,000).*

5. ***Unassigned.*** *Unassigned includes fund balance that has not been reported in any other classification. The City has $3,419,683 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 governmental funds." The details of this $37,152,705 difference are as follows:

Compensated absences payable	$	394,651
Bonds payable		36,758,054
Net adjustment to reduce fund balance - total governmental funds to arrive at net position - governmental activities	$	37,152,705

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 26, 2018. The level of legal budgetary control is at the department level. Council approval is required to increase or decrease the total budget of any department.
5. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are adopted for the General Fund, Special Revenue Funds, and Debt Service Funds. Project length budgets are adopted for all Capital Projects Funds.

Material supplementary budgetary changes were made to increase transfer out by ($658,000). These funds were transferred to provide funding for fiscal year 2020 capital improvement program. Transfer of these local funds provided the necessary resources to maintain the current capital projects budgets for fiscal year 2020.

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, 2019, 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 or pledged securities. Amounts that exceed standard depository insurance limits are required to be collateralized either (1) individually by the financial institutions through pledged obligatiions of the U.S. Government, obligations backed by the full faith and credit of the U.S. Government, obligations of the State of Georgia or other states, or obligations of counties, municipalities, or public authorities of the State of Georgia, or (2) participation in the State of Georgia Secure Deposit Program, which is administered by the Office of the State Treasurer, requires participating banks holding deposits of public funds to pledge collateral at varying rates depending on tier assigned by the State. As of June 30, 2019, all of the City's bank balances were insured and/or collateralized as defined by GASB and required by State Statutes.

Investments.
At June 30, 2019, 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, 2018 and were mailed to taxpayers on October 1, 2018. The due date for these taxes was December 20, 2018, and after that date, both penalty and interest are accrued until the taxes are collected. The lien date was January 1, 2019. Receivables are recorded when taxes are levied and billed (October 1).

Receivables at June 30, 2019 for the City's individual major funds and nonmajor funds in the aggregate are as follows:

	General	Debt Service	2017 SPLOST	Other Capital Projects	Downtown Development Authority	Other Governmental Funds	Water and Sewer	Total
Receivables								
Property taxes	$ 157,034	$ 62,603	$ -	$ -	$ -	$ -	$ -	$ 219,637
Due from other governments	-	-	272,593	-	-	-	-	272,593
Leases	-	-	-	77,403	2,041,868	-	-	2,119,271
Other	252,180	-	-	-	-	60,562	7,652	320,394
Net total receivables	**$ 409,214**	**$ 62,603**	**$ 272,593**	**$ 77,403**	**$ 2,041,868**	**$ 60,562**	**$ 7,652**	**$ 2,931,895**

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

NOTE 6 CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2019 is as follows:

	Beginning Balances	Increases	Decreases	Transfer	Ending Balance
Governmental activities					
Capital assets, not being depreciated:					
Land	$ 13,727,281	$ -	$ -	$ 315,000	$ 14,042,281
Construction in progress	12,423,696	1,339,132	-	(4,776,240)	8,986,588
Total	**26,150,977**	**1,339,132**	**-**	**(4,461,240)**	**23,028,869**
Capital assets, being depreciated					
Land improvements	986,560	-	(6,575)	472,348	1,452,333
Buildings and improvements	33,722,261	1,827,614	(17,789)	1,730,000	37,262,086
Machinery and equipment	1,575,895	242,370	(16,212)	-	1,802,053
Vehicles	1,889,787	376,437	(116,275)	-	2,149,949
Infrastructure	45,978,733	-	(4,891,739)	2,258,892	43,345,886
Total	**84,153,236**	**2,446,421**	**(5,048,590)**	**4,461,240**	**86,012,307**
Less accumulated depreciation for					
Land improvements	296,125	78,825	(6,575)	-	368,375
Buildings and improvements	6,880,619	785,083	(7,768)	-	7,657,934
Machinery and equipment	776,124	155,090	(16,212)	-	915,002
Vehicles	1,141,677	193,034	(116,275)	-	1,218,436
Infrastructure	27,130,375	1,506,110	(4,891,739)	-	23,744,746
Total	**36,224,920**	**2,718,142**	**(5,038,569)**	**-**	**33,904,493**
Total capital assets, being depreciated, net	47,928,316	(271,721)	(10,021)	4,461,240	52,107,814
Governmental activities capital assets, net	**$ 74,079,293**	**$ 1,067,411**	**$ (10,021)**	**$ -**	**$ 75,136,683**

NOTE 6 CAPITAL ASSETS (continued)

Business capital assets activity for the year ended June 30, 2019 is as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Business-type activities/Water and Sewer fund				
Capital assets, not being depreciated:				
Land	$ 7,500	$ -	$ -	$ 7,500
Construction in progress	192,519	35,222	-	227,741
Total	**200,019**	**35,222**	**-**	**235,241**
Capital assets, being depreciated				
Water system	3,235,221	-	(19,876)	3,215,345
Total	**3,235,221**	**-**	**(19,876)**	**3,215,345**
Less accumulated depreciation for				
Water system	967,354	80,280	(19,876)	1,027,758
Total	**967,354**	**80,280**	**(19,876)**	**1,027,758**
Total capital assets, being depreciated, net	2,267,867	(80,280)	-	2,187,587
Business-type activities capital assets, net	**$ 2,467,886**	**$ (45,058)**	**$ -**	**$ 2,422,828**

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

Governmental activities	
General government	$ 254,852
Judicial	176
Public safety	245,856
Public works	1,684,298
Culture and recreation	478,146
Housing and development	54,814
Total depreciation expenses-governmental activities	**$ 2,718,142**

NOTE 7 LONG TERM DEBT

The following is a summary of long-term debt activity for the year ended June 30, 2019:

	Beginning Balances	Additions	Reductions	Ending Balances	Due Within One Year
GOVERNMENTAL ACTIVITIES					
Bonds payable					
General obligation bonds, direct placement	$ 10,965,000	$ -	$ (1,130,000)	$ 9,835,000	$ 1,150,000
Total general obligation bonds payable	**10,965,000**	**-**	**(1,130,000)**	**9,835,000**	**1,150,000**
Revenue bonds		-			
Revenue bonds, direct placement	3,730,000	-	(382,000)	3,348,000	392,000
Revenue bonds, open market	21,470,000	-	-	21,470,000	-
Add: Issuance premium	2,263,133	-	(158,079)	2,105,054	-
Total revenue bonds payable	**27,463,133**	**-**	**(540,079)**	**26,923,054**	**392,000**
Compensated absences	310,511	357,420	(273,280)	394,651	126,288
Governmental activities long term liabilities	**$ 38,738,644**	**$ 357,420**	**$ (1,943,359)**	**$ 37,152,705**	**$ 1,668,288**

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

2016 General Obligation Refunding Series, direct placement.

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the City. General obligation bonds have been issued for general government activities, parks and open space, and are reported in the governmental column of the governmentwide statement of net position.

On October 4, 2016, the City entered into a direct placement, bank qualified refunding bond agreement with JP Morgan Chase bank, (2016 General Obligation Refunding series). The City refunded $12,235,000 of the City's 2006 General Obligation Refunding series, maturing January 2017 through 2032. This refunding is considered a legal defeasement of the 2006 General Obligation Refunding series January 2017 through 2032. The 2016 General Obligation Refunding series were issued with a principal amount of $12,635,000 and a non-callable rate of 1.96%, which has been determined to have a savings in total debt service of $2,968,250, which has a present value savings of $1,939,041.

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
2020	$ 1,150,000	$ 181,496
2021	1,175,000	158,711
2022	1,195,000	135,485
2023	1,220,000	111,818
2024	1,240,000	87,710
2025 - 2027	3,855,000	114,121
Total	**$ 9,835,000**	**$ 789,341**

Revenue Bonds.

Direct Placement

On November 12, 2015, the City entered into a direct 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. 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.

Open Market

On July 18, 2017, the URA closed on $21,470,000 of revenue bonds. The bond sale resulted in proceeds totaling $23,494,404 available for Town Center on Main projects, transportation improvements, and administrative facilities in the Urban Redevelopment district. The all-in true interest cost is 3.313% and the average coupon is 4.158%. The 20 year bonds mature on January 1, 2038, and have interest only payments for the first five years.

The amount of revenue bonds outstanding at June 30, 2019 is $24,818,000 in total. 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. Revenue bonds have been issued for general government activities, financing a new City Hall, and are reported in the governmental column of the governmentwide statement of net position.

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

	Direct Placement		Open Market		Total	
Year ending June 30,	Principal	Interest	Principal	Interest	Principal	Interest
2020	$ 392,000	$ 61,149	$ -	$ 892,750	$ 392,000	$ 953,899
2021	397,000	53,495	-	892,750	397,000	946,245
2022	407,000	45,697	-	892,750	407,000	938,447
2023	416,000	37,714	245,000	887,850	661,000	925,564
2024	419,000	29,614	255,000	879,125	674,000	908,739
2025-2029	1,317,000	38,596	3,495,000	4,132,400	4,812,000	4,170,996
2030-2034	-	-	8,605,000	2,586,850	8,605,000	2,586,850
2035-2038	-	-	8,870,000	723,800	8,870,000	723,800
Total	**$ 3,348,000**	**$ 266,265**	**$ 21,470,000**	**$ 11,888,275**	**$ 24,818,000**	**$ 12,154,540**

NOTE 8 INTERFUND TRANSFERS AND BALANCES

The composition of interfund transfers for the year ended June 30, 2019 is as follows:

Transfer In	Transfer Out	Amount
General fund	Non-major governmental funds	$ 184,271
Debt Service fund	Urban Redevelopment Authority	600,000
Other capital projects fund	General fund	505,000
Non-major governmental funds	General fund	143,996
Water and Sewer fund	General fund	120,000
	Total	**$ 1,553,267**

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.

Interfund receivable and payable balance as of June 30, 2019 is as follows:

Due to	Due From	Amount
General fund	Non-major governmental funds	$ 9,850

The interfund receivables and payables noted above is due to cash flow related to year end transactions.

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, 2019, 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 $6,503,065 including $610,905 of payroll covered by this plan. Contributions by the City totaled $30,545 for the fiscal year ended June 30, 2019. 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 .55%. However, the City has elected to contribute a higher rate of 8% for employer contributions. This rate was determined by a separate actuarial study that was performed in 2017 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 $4,624,515.

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. 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, 2019, the Plan consisted of the following:

Inactive employees and beneficiaries currently receiving benefits	9
Inactive employees and beneficiaries entitled to benefits, but not yet receiving benefits	26
Active employees	98

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 8% instead of the plan's contribution amount of .55%. This excess funding does not represent any additional postemployment benefit obligation to the City. City contributions to the GMA Plan were $407,779 for the year ended June 30, 2019.

Net Pension Liability

The City's net pension asset was measured as of September 30, 2018, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2018, with update procedures performed by the actuary to roll forward to the total pension liability as of September 30, 2018.

Actuarial Assumptions

The total pension liability in the January 1, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increases (including inflation)	3.75%
Cost of living adjustments	0.00%
Investment rate of return	7.50%

The demographic and economic actuarial used in the January 1, 2018 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 10 PENSION PLAN (continued)

The long-term expected rate of return on pension plan investments, 7.50% 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, 2018 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	45%	6.40%	9.15%
International equity	20%	7.40%	10.15%
Domestic fixed income	20%	1.75%	4.50%
Real estate	10%	5.10%	7.85%
Global fixed income	5%	3.03%	5.78%
Total	**100%**		

**Rates shown here are net of the 2.75% assumed rate of inflation.*

Discount Rate

The discount rate used to measure the total pension liability was 7.50%. 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 6/30/2018	$ 5,758,824	$ 9,748,972	$ (3,990,148)
Changes for the year:			
Service Cost	324,030	-	324,030
Interest	452,099	-	452,099
Difference between expected and actual experience	18,243	-	18,243
Contributions employer	-	384,269	(384,269)
Contributions employee	-	91,603	(91,603)
Net investment income	-	979,115	(979,115)
Benefit payments, including refunds of employee contributions	(109,725)	(109,725)	-
Administrative expense	-	(26,248)	26,248
Net change	**684,647**	**1,319,014**	**(634,367)**
Balances at 6/30/2019	**$ 6,443,471**	**$ 11,067,986**	**$ (4,624,515)**

Sensitivity of the Net Pension Asset

The following represents the net pension asset of the City, calculated using the discount rate of 7.50%, 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 (6.50%) or 1% point higher (8.50%) than the current rate:

	1% decrease (6.50%)	Current discount rate (7.50%)	1% increase (8.50%)
City's net pension (asset)	$ (3,741,421)	$ (4,624,515)	$ (5,352,596)

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

For the year ended June 30, 2019, the City recognized a negative pension expense of ($182,250). The statement of net position includes a deferred outflows for employer pension contributions of $329,514 subsequent to the measurement date. This amount includes employer payments made to the plan after 9/30/2018, the measurement date, and prior to 6/30/2019, the City's fiscal year end.

As of June 30, 2019, 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	$ 48,774	$ -
Demographic changes	315,051	169,482
Net difference between projected and actual earnings on pension investments	-	557,500
Total	**$ 363,825**	**$ 726,982**

City contributions subsequent to the measurement date of $329,514 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, 2020. 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	
2020	$ (109,652)
2021	(201,222)
2022	(153,129)
2023	(31,553)
2024	15,486
Thereafter	116,913

NOTE 11 RISK MANAGEMENT

The City is exposed to various risks of losses related to: torts, damage to, theft of, and destruction of assets, errors and omissions, injuries to employees and natural disasters. The goal is to provide resources to reduce loss-related expenses and enhance delivery of public services. Therefore in 2018, City Council approved changing insurance providers to Travelers Property Casualty Insurance Company. Apex Insurance Agency, LLC acts as the broker and provides Loss Control and Risk Management Services to the City. The policy covers workers' compensation, general liability, property liability and automobile liability (including comprehensive and collision coverage). The current coverage agreement period is from March 31, 2019 to March 31, 2020 and covers all buildings, vehicles, mobile equipment and other City owned property which are included on our exposure schedules. Upon knowledge of an occurrence, wrongful act or any other happening or incident which may result in a loss, Apex and Travelers are notified as promptly as possible. Travelers is responsible for payment for covered losses, covered damages and defense costs on behalf of the City of Suwanee in excess of the $1,000 deductible per occurrence and shall not exceed $1,000,000 per each occurrence. A Certificate of Coverage is provided and is used to verify the existence of insurance coverage. It lists the effective dates of the policy, the types of insurance coverage purchased, and the applicable limits of liability. Annually, a renewal package is reviewed for accuracy and updated with any applicable changes for the new year. The renewal package provides the most current information and is prepared in an effort to gather updated exposure information including three exposure schedules for property, mobile equipment and vehicles.

Settled claims in the past three 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, 2019, the City has contractual commitments on uncompleted contracts of approximately $6,727,252 for the following projects: $104,861 Town Center on Main, $346,760 Jackson Street Reconstruction, $214,275 Sidewalk Projects, $3,770,222 Municipal Court Renovation and Expansion, $ 1,646,418 Street Resurfacing, and $644,716 Buford Highway Reconstruction and Streetscape.

Litigation:

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

Grant Contingencies:

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

NOTE 13 COMPLIANCE

Hotel/Motel Tax

The City believes it is in compliance with OCGA Section 36-81-7 related to the disbursement of hotel/motel taxes collected. Obligated collections were $648,019 as reported in the City's Hotel/Motel Tax Fund. Expenditures and transfers totaled $638,026 leaving a fund balance of $193,146 to be used for tourism and trade.

NOTE 13 COMPLIANCE (continued)

Rental Motor Vehicle Excise Tax

During the fiscal year 2019, Suwanee started levying an excise tax on the rental of motor vehicles. The City believes it is in compliance with OCGA 48-13-93 which requires that all motor vehicle excise taxes be expended or obligated contractually for the promotion of tourism or the acquisition, construction, renovating, improving maintenance and equipping of pedestrian walkways, installation of traffic lights, and street lights associated with public safety facilities or public improvements for sports and recreational facilities. During the fiscal year, the City received $38,178 in motor vehicle excise taxes. None of these revenues were expended during the period, leaving a fund balance of $38,178 to be used in future periods.

NOTE 14 IMPLEMENTATION OF GASB 87 LEASE RECEIVABLES

The City of Suwanee has selected to early implement GASB Statement No. 87, Accounting for Leases. GASB Statement No. 87 objective is to improve the usefulness of governmental accounting statements by requiring the recognition of lease assets and liabilities for leases and inflows of resources or outflows based on contract terms. Under the new standard, a lessor is required to recognize a lease receivable and a deferred inflow of resources.

1. DOWNTOWN DEVELOPMENT AUTHORITY

SOLIS Project:

During fiscal year 2019, Suwanee's Downtown Development Authority acquired 12,000 square feet of retail and restaurant space, in white box condition, on the ground floor of the Solis development. At June 30, 2019 three of the units have been leased.

	Lease Execution Date	Commencement Date	Term	Base Rent	Renewal Option	Lease Receivable Present Value	Interest Receivable at 6.30.2019
Unit 1 4,400 sf	Mar. 20, 2019	Sep. 20, 2019	**120 Months** Sep. 2019 to Sep. 2029	**$125,160 annually** Base rent escalates by 10% after five years	Two five-year renewal options with base rent for renewal terms 110% of previous year base rental rate	$1,095,617	-
Unit 2 980 sf	Mar. 20, 2019	Jun. 20, 2019	**36 Months** Mar. 2019 to Mar. 2022	**$13,720 annually** Base rent escalates by 3% annually	N/A	$40,437	$409
Unit 3 2,235 sf	Apr. 15, 2019	Jun. 1, 2019	**66 months** Jun. 2019 to Nov. 2024	**$51,830 annually** Base rent escalates by 3% annually	One five-year renewal option with the continuation of the 3% annual escalation	$249,773	$676
					TOTAL SOLIS	**$1,385,827**	**$1,085**

NOTE 14
IMPLEMENTATION OF GASB 87 LEASE RECEIVABLES
(continued)

FIRE STATION:

During fiscal year 2019, Suwanee's Downtown Development Authority entered into an agreement to lease the old Fire Station for a privately-owned brewery.

Lease Execution Date	Commencement Date	Term	Base Rent	Purchase Option	Lease Receivable Present Value
May 1, 2019	Nov. 1, 2019	**132 Months** Nov. 2019 to Oct. 2030	8% of the gross revenue paid monthly in arrears. Minimum base rent $7,000. Rent is due 18 months from lease commencement.	After 36 months of the term lease (Dec. 1, 2022) Floor $1,250,000 Ceiling $1,600,000	$654,956

At June 30, 2019 the Downtown Development Authority reported:

- Lease Receivable $2,040,783
- Interest Receivable $1,085 (included in lease receivable balance on financial statements)
- Deferred Inflows $2,044,910
- Interest Revenue from Leasing $1,085
- Rental Income from Leasing $13,341

Activity on the Downtown Development Authority lease receivable balances for the fiscal year 2019 is shown below.

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Solis Project	$ -	$ 1,385,827	$ -	$ 1,385,827	$ 119,403
Fire Station	-	654,956	-	654,956	-
Total	**$ -**	**$ 2,040,783**	**$ -**	**$ 2,040,783**	**$ 119,403**

NOTE 14
IMPLEMENTATION OF GASB 87 LEASE RECEIVABLES
(continued)

Schedule of future lease receipts Downtown Development Authority:

Year Ending June 30	Principal	Interest
2020	$ 119,403	$ 52,452
2021	196,968	61,591
2022	253,524	55,402
2023	238,254	48,414
2024	232,094	41,236
2025-2029	895,391	105,585
2030	105,149	2,334
Total	**$ 2,040,783**	**$ 367,014**

2. CITY OF SUWANEE

BILLBOARD:

The City of Suwanee obtained a billboard with the purchase of the Police Sub-station property. The property was purchased with the billboard lease in place. The billboard lease term ends December of 2021. The City has no plans to renew this lease and is planning on removing the billboard from the property.

At June 30, 2019 the Billboard Lease balances are as follows:

Lease Receivable $77,403
Deferred Inflows $77,403
Interest Revenue from Leasing $3,691
Rental Income from Leasing $27,059

Activity on the Billboard lease receivable balances for the fiscal year 2019 is shown below.

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Billboard Lease	$ 104,462	$ -	$ 27,059	$ 77,403	$ 29,258

NOTE 14
IMPLEMENTATION OF GASB 87 LEASE RECEIVABLES
(continued)

Schedule of future lease receipts City of Suwanee

Year Ending June 30		Principal		Interest
2020	$	29,258	$	2,569
2021		31,585		1,357
2022		16,560		194
Total	**$**	**77,403**	**$**	**4,120**





REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN NET PENSION ASSET AND RELATED RATIOS

	Fiscal Year 2019	Fiscal Year 2018	Fiscal Year 2017	Fiscal Year 2016	Fiscal Year 2015
TOTAL PENSION LIABILITY					
Service cost	$ 324,030	$ 326,373	$ 291,552	$ 317,834	$ 313,930
Interest	452,099	390,116	357,340	284,715	250,350
Difference between expected and actual experience	18,243	4,010	(148,787)	385,032	(64,451)
Changes of assumptions	-	53,902	-	-	2,284
Benefit payments, including refunds of employee contributions	(109,725)	(98,660)	(55,731)	(45,240)	(72,134)
Net change in pension liability	684,647	675,741	444,374	942,341	429,979
Total pension liability, beginning	5,758,824	5,083,083	4,638,709	3,696,368	3,266,389
Total pension liability, ending (a)	**$ 6,443,471**	**$ 5,758,824**	**$ 5,083,083**	**$ 4,638,709**	**$ 3,696,368**
PLAN FIDUCIARY NET POSITION					
Contributions employer	$ 384,269	$ 404,249	$ 384,200	$ 361,750	$ 341,092
Contributions employee	91,603	91,837	90,104	80,779	73,029
Net investment income	979,115	1,252,027	793,135	59,795	638,016
Benefit payments, including refunds of employee contributions	(109,725)	(98,660)	(55,731)	(45,240)	(72,134)
Administrative expense	(26,248)	(26,623)	(15,071)	(16,447)	(14,301)
Net change in fiduciary net position	1,319,014	1,622,830	1,196,637	440,637	965,702
Plan fiduciary net position, beginning	9,748,972	8,126,142	6,929,505	6,488,868	5,523,166
Plan fiduciary net position, ending (b)	**$ 11,067,986**	**$ 9,748,972**	**$ 8,126,142**	**$ 6,929,505**	**$ 6,488,868**
Net pension asset, ending (a) - (b)	$ (4,624,515)	$ (3,990,148)	$ (3,043,059)	$ (2,290,796)	$ (2,792,500)
Plan's fiduciary net position as a percent of the total pension liability	171.77%	169.29%	159.87%	149.38%	175.55%
Covered payroll	$ 4,989,565	$ 4,657,826	$ 4,421,301	$ 3,979,442	$ 3,427,605
Net pension asset as a percentage of covered payroll	-92.68%	-85.67%	-68.83%	-57.57%	-81.47%

The pension schedules in the required supplementary information are intended to show information for ten years. Additional years' information will be displayed as it 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%.

d. Amounts reported for the fiscal year ending in 2018 and later, reflect the following assumption changes based on the results of an actuarial experience study conducted in September 2017.

1. The investment return assumption was decreased from 7.75% to 7.50%.
2. The inflation assumption was decreased from 3.25% to 2.75%.
3. The salary increase rate was reduced from 4.25% to 3.75%.

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

	2019	2018	2017	2016	2015
Actuarially determined contribution	$ 28,035	$ 26,139	$ 33,225	$ 64,798	$ 53,343
Contributions in relation to the actuarially determined contribution	407,779	373,417	415,313	381,166	357,671
Contributions deficiency (excess)	$ (379,744)	$ (347,278)	$ (382,088)	$ (316,368)	$ (304,328)
Covered payroll	$ 5,097,235	$ 4,667,712	$ 4,614,591	$ 4,235,178	$ 3,974,126
Contributions as a percent of covered payroll	8.0%	8.0%	9.0%	9.0%	9.0%

	2014	2013	2012	2011	2010
Actuarially determined contribution	$ 68,496	$ 117,418	$ 151,635	$ 161,429	$ 167,828
Contributions in relation to the actuarially determined contribution	338,792	398,849	389,788	372,947	368,203
Contributions deficiency (excess)	$ (270,296)	$ (281,431)	$ (238,153)	$ (211,518)	$ (200,375)
Covered payroll	$ 3,717,773	$ 3,625,901	$ 3,543,524	$ 3,390,429	$ 3,347,053
Contributions as a percent of covered payroll	9.1%	11.0%	11.0%	11.0%	11.0%

Notes to schedule:

1. Valuation date:

a. Fiscal years 2019 - 2010: January 1 annually

2. Methods and assumptions used to determine contribution rates:

The investment return and inflation assumptions used in the January 1, 2019 valuation were based on the results of an actuarial study conducted in September 2017. The mortality and other actuarial assumptions used in the January 2019 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: 7.50% **Cost of living adjustments:** 0.00%
Projected salary increases: 3.75% **Expected annual inflation:** 2.75%

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.

COMPREHENSIVE ANNUAL FINANCIAL REPORT





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.
Rental Vehicle Excise Tax	State Law permits Georgia municipalities to levy a 3% excise tax on vehicle rentals. In December of 2018, Suwanee adopted the rental vehicle excise tax ordinance that allows for the collection of rental motor vehicle excise tax. By state law, the City is required to spend these funds on the promotion of tourism, public safety, and transportation.

CAPITAL PROJECTS

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. 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.
2009 SPLOST	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, and local resources.
2014 SPLOST	The 2014 SPLOST accounts for and reports financial resources that are restricted or assigned to expenditures for capital outlays. The 2014 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, and local resources.

NON-MAJOR GOVERNMENTAL FUNDS COMBINING BALANCE SHEET
june 30, 2019

	SPECIAL REVENUE						
	Suwanee Fest	Community Arts	Confiscated Assets	Community Garden	Hotel/Motel Tax	Rental Vehicle Tax	Total
ASSETS							
Cash and cash equivalents	$ 62,126	$ 79,161	$ 142,136	$ 40,694	$ 182,012	$ 31,917	$ 538,046
Investments	-	-	50,487	-	-	-	50,487
Receivables:							
Other	-	475	-	-	53,826	6,261	60,562
Total assets	**$ 62,126**	**$ 79,636**	**$ 192,623**	**$ 40,694**	**$ 235,838**	**$ 38,178**	**$ 649,095**
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	$ 6,345	$ -	$ 10,488	$ 1,406	$ 42,692	$ -	$ 60,931
Due to other funds	-	-	-	-	-	-	-
Total liabilities	**6,345**	**-**	**10,488**	**1,406**	**42,692**	**-**	**60,931**
Fund Balances:							
Restricted	55,781	79,636	182,135	34,288	193,146	38,178	583,164
Assigned	-	-	-	5,000	-	-	5,000
Total fund balances	55,781	79,636	182,135	39,288	193,146	38,178	588,164
TOTAL LIABILITIES AND FUND BALANCES	**$ 62,126**	**$ 79,636**	**$ 192,623**	**$ 40,694**	**$ 235,838**	**$ 38,178**	**$ 649,095**

NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
june 30, 2019

	CAPITAL PROJECTS					
	Cemetery	Tax Allocation District	2009 SPLOST	2014 SPLOST	Total	Total Non-major Governmental Funds
ASSETS						
Cash and cash equivalents	$ 24,045	$ 469,263	$ 683,634	$ 662,119	$ 1,839,061	$ 2,377,107
Investments	-	-	-	-	-	50,487
Receivables:						
Other	-	-	-	-	-	60,562
Total assets	**$ 24,045**	**$ 469,263**	**$ 683,634**	**$ 662,119**	**$ 1,839,061**	**$ 2,488,156**
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	$ -	$ -	$ 23,339	$ -	$ 23,339	$ 84,270
Due to other funds	-	-	9,850	-	9,850	9,850
Total liabilities	**-**	**-**	**33,189**	**-**	**33,189**	**94,120**
Fund Balances:						
Restricted	-	469,263	650,445	662,119	1,781,827	2,364,991
Assigned	24,045	-	-	-	24,045	29,045
Total fund balances	24,045	469,263	650,445	662,119	1,805,872	2,394,036
TOTAL LIABILITIES AND FUND BALANCES	**$ 24,045**	**$ 469,263**	**$ 683,634**	**$ 662,119**	**$ 1,839,061**	**$ 2,488,156**

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

year ended june 30, 2019

	SPECIAL REVENUE						
	Suwanee Fest	Community Arts	Confiscated Assets	Community Garden	Hotel/Motel Tax	Rental Vehicle Tax	Total
REVENUES							
Hotel/motel taxes	$ -	$ -	$ -	$ -	$ 646,103	$ -	$ 646,103
Other taxes	-	-	-	-	-	38,151	38,151
Fines and forfeitures	-	-	19,446	-	-	-	19,446
Investment income	-	-	682	8	206	27	923
Rental income	-	26,812	-	7,408	-	-	34,220
Contributions and donations	137,148	48,184	-	2,163	1,710	-	189,205
Total revenues	**137,148**	**74,996**	**20,128**	**9,579**	**648,019**	**38,178**	**928,048**
EXPENDITURES							
Current:							
Public safety	-	-	4,638	-	-	-	4,638
Public works	-	-	-	-	-	-	-
Culture and recreation	172,996	143,825	-	6,651	-	-	323,472
Tourism and trade	-	-	-	-	453,755	-	453,755
Capital Outlay	-	-	-	-	-	-	-
Total expenditures	**172,996**	**143,825**	**4,638**	**6,651**	**453,755**	**-**	**781,865**
Excess of revenues over (under) expenditures	(35,848)	(68,829)	15,490	2,928	194,264	38,178	146,183
OTHER FINANCING SOURCES (USES)							
Sale of capital assets	-	-	2,083	-	-	-	2,083
Transfer in	-	-	-	5,000	-	-	5,000
Transfer out	-	-	-	-	(184,271)	-	(184,271)
Total other financing sources (uses)	**-**	**-**	**2,083**	**5,000**	**(184,271)**	**-**	**(177,188)**
Net change in fund balances	(35,848)	(68,829)	17,573	7,928	9,993	38,178	(31,005)
FUND BALANCE - beginning	91,629	148,465	164,562	31,360	183,153	-	619,169
FUND BALANCES - end of year	**$ 55,781**	**$ 79,636**	**$ 182,135**	**$ 39,288**	**$ 193,146**	**$ 38,178**	**$ 588,164**

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

year ended june 30, 2019

	CAPITAL PROJECTS					
	Cemetery	Tax Allocation District	2009 SPLOST	2014 SPLOST	Total	Total Non-major Governmental Funds
REVENUES						
Hotel/motel taxes	$ -	$ -	$ -	$ -	$ -	$ 646,103
Other taxes	-	-	-	-	-	38,151
Fines and forfeitures	-	-	-	-	-	19,446
Investment income	-	-	2,796	928	3,724	4,647
Rental income	-	-	-	-	-	34,220
Contributions and donations	-	-	-	-	-	189,205
Total revenues	**-**	**-**	**2,796**	**928**	**3,724**	**931,772**
EXPENDITURES						
Current:						
Public safety	-	-	-	-	-	4,638
Public works	770	-	-	-	770	770
Culture and recreation	-	-	-	-	-	323,472
Tourism and trade	-	-	-	-	-	453,755
Capital outlay	-	-	383,299	490,247	873,546	873,546
Total expenditures	**770**	**-**	**383,299**	**490,247**	**874,316**	**1,656,181**
Excess of revenues over (under) expenditures	(770)	-	(380,503)	(489,319)	(870,592)	(724,409)
OTHER FINANCING SOURCES (USES)						
Sale of capital assets	-	-	-	-	-	2,083
Transfer in	-	138,996	-	-	138,996	143,996
Transfer out	-	-	-	-	-	(184,271)
Total other financing sources (uses)	**-**	**138,996**	**-**	**-**	**138,996**	**(38,192)**
Net change in fund balances	(770)	138,996	(380,503)	(489,319)	(731,596)	(762,601)
FUND BALANCE - beginning	24,815	330,267	1,030,948	1,151,438	2,537,468	3,156,637
FUND BALANCES - end of year	**$ 24,045**	**$ 469,263**	**$ 650,445**	**$ 662,119**	**$ 1,805,872**	**$ 2,394,036**

SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
budget and actual-year ended june 30, 2019

SUWANEE FEST

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Contributions and donations	$ 176,000	$ 195,000	$ 137,148	$ (57,852)
Total revenues	**176,000**	**195,000**	**137,148**	**(57,852)**
EXPENDITURES				
Current:				
Culture and recreation	176,000	195,000	172,996	22,004
Total expenditures	**176,000**	**195,000**	**172,996**	**22,004**
Net change in fund balances	-	-	(35,848)	(35,848)
FUND BALANCES - beginning of year	91,629	91,629	91,629	-
FUND BALANCES - end of year	**$ 91,629**	**$ 91,629**	**$ 55,781**	**$ (35,848)**

COMMUNITY ARTS

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Rental income	$ 19,000	$ 19,000	$ 26,812	$ 7,812
Contributions and donations	210,000	210,000	48,184	(161,816)
Total revenues	**229,000**	**229,000**	**74,996**	**(154,004)**
EXPENDITURES				
Current:				
Culture and recreation	229,000	229,000	143,825	85,175
Total expenditures	**229,000**	**229,000**	**143,825**	**85,175**
Net change in fund balances	-	-	(68,829)	(68,829)
FUND BALANCES - beginning of year	148,465	148,465	148,465	-
FUND BALANCES - end of year	**$ 148,465**	**$ 148,465**	**$ 79,636**	**$ (68,829)**

CITY OF SUWANEE, GA
YEAR ENDED JUNE 30, 2019

SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
budget and actual-year ended june 30, 2019

CONFISCATED ASSETS

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Fines and forfeitures	$ 149,500	$ 149,500	$ 19,446	$ (130,054)
Investment income	500	500	682	182
Total revenues	**150,000**	**150,000**	**20,128**	**(129,872)**
EXPENDITURES				
Current:				
Public safety	150,000	150,000	4,638	145,362
Total expenditures	**150,000**	**150,000**	**4,638**	**145,362**
Excess of revenues over expenditures	-	-	15,490	15,490
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	-	2,083	2,083
Net change in fund balances	-	-	17,573	17,573
FUND BALANCES - beginning of year	164,562	164,562	164,562	-
FUND BALANCES - end of year	**$ 164,562**	**$ 164,562**	**$ 182,135**	**$ 17,573**

COMMUNITY GARDEN

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Investment income	$ 100	$ 100	$ 8	$ (92)
Rental Income	8,000	8,000	7,408	(592)
Contributions and donations	4,000	4,000	2,163	(1,837)
Total revenues	**12,100**	**12,100**	**9,579**	**(2,521)**
EXPENDITURES				
Current:				
Culture and recreation	13,100	13,100	6,651	6,449
Total expenditures	**13,100**	**13,100**	**6,651**	**6,449**
Excess of revenues over expenditures	(1,000)	(1,000)	2,928	3,928
OTHER FINANCING SOURCES (USES)				
Transfer in	1,000	1,000	5,000	4,000
Net change in fund balances	-	-	7,928	7,928
FUND BALANCES - beginning of year	31,360	31,360	31,360	-
FUND BALANCES - end of year	**$ 31,360**	**$ 31,360**	**$ 39,288**	**$ 7,928**

SPECIAL REVENUE FUNDS SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

budget and actual-year ended june 30, 2019

HOTEL/MOTEL TAX

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Hotel/motel taxes	$ 632,140	$ 649,140	$ 646,103	$ (3,037)
Investment income	500	500	206	(294)
Contributions and donations	2,500	2,500	1,710	(790)
Total revenues	**635,140**	**652,140**	**648,019**	**(4,121)**
EXPENDITURES				
Current:				
Tourism and trade	453,140	468,640	453,755	14,885
Total expenditures	**453,140**	**468,640**	**453,755**	**14,885**
Excess of revenues over expenditures	182,000	183,500	194,264	10,764
OTHER FINANCING SOURCES (USES)				
Transfer out	(182,000)	(183,500)	(184,271)	(771)
Net change in fund balances	-	-	9,993	9,993
FUND BALANCES - beginning of year	183,153	183,153	183,153	-
FUND BALANCES - end of year	**$ 183,153**	**$ 183,153**	**$ 193,146**	**$ 9,993**

RENTAL VEHICLE TAX

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Other taxes	$ 35,000	$ 35,000	$ 38,151	$ 3,151
Investment income	-	-	27	27
Total revenues	**35,000**	**35,000**	**38,178**	**3,178**
EXPENDITURES				
Current:				
Public safety	17,500	17,500	-	17,500
Tourism and trade	17,500	17,500	-	17,500
Total expenditures	**35,000**	**35,000**	**-**	**35,000**
Excess of revenues over expenditures	-	-	38,178	38,178
OTHER FINANCING SOURCES (USES)				
Transfer out	-	-	-	-
Net change in fund balances	-	-	38,178	38,178
FUND BALANCES - beginning of year	-	-	-	-
FUND BALANCES - end of year	**$ -**	**$ -**	**$ 38,178**	**$ 38,178**

DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
budget and actual-year ended june 30, 2019

DEBT SERVICE

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Property taxes	$ 1,822,500	$ 1,822,500	$ 1,904,032	$ 81,532
Investment income	5,000	5,000	1,991	(3,009)
Total revenues	**1,827,500**	**1,827,500**	**1,906,023**	**78,523**
EXPENDITURES				
Debt Service:				
Principal retirement	1,512,000	1,512,000	1,512,000	-
Interest	1,165,250	1,165,250	1,162,354	2,896
Fiscal agent fees	5,000	5,000	750	4,250
Total expenditures	**2,682,250**	**2,682,250**	**2,675,104**	**7,146**
Excess of revenues over expenditures	(854,750)	(854,750)	(769,081)	85,669
OTHER FINANCING SOURCES (USES)				
Transfer in	854,750	854,750	600,000	(254,750)
Net change in fund balances	-	-	(169,081)	(169,081)
FUND BALANCES - beginning of year	344,098	344,098	344,098	-
FUND BALANCES - end of year	**$ 344,098**	**$ 344,098**	**$ 175,017**	**$ (169,081)**

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	2,052,511	1,464,511	349,189	1,813,700
Parking facilities	2,256,780	2,035,585	2,035,585	-	2,035,585
Public safety facilities and equipment	1,781,710	1,532,302	1,532,302	-	1,532,302
Roads, streets and bridges	5,463,953	4,954,576	4,509,141	34,110	4,543,251
Total	**$ 11,878,050**	**$ 10,655,776**	**$ 9,622,341**	**$ 383,299**	**$ 10,005,640**

SPLOST 2014

Description	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year	Total
Roads, streets and bridges	$ 7,239,371	$ 6,719,473	$ 5,881,657	$ 334,692	$ 6,216,349
Recreational facilities	804,375	685,389	371,663	155,555	527,218
Total	**$ 8,043,746**	**$ 7,404,862**	**$ 6,253,320**	**$ 490,247**	**$ 6,743,567**

SPLOST 2017

Description	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year	Total
Administrative facilities	$ 2,313,100	$ 2,313,100	$ 2,313,100	$ -	$ 2,313,100
Recreational facilities	2,313,053	2,313,053	-	-	-
Roads, streets and bridges	9,680,709	9,995,709	2,433,489	576,001	3,009,490
Total	**$ 14,306,862**	**$ 14,621,862**	**$ 4,746,589**	**$ 576,001**	**$ 5,322,590**

CITY OF SUWANEE
CERTIFICATION OF 911 EXPENDITURES
for the year ended june 30, 2019

		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)	$	310,563
5b	Employee benefit	46-5-134(f)(1)(C)	$	106,079
6	Cost of training of employees who work as dispatchers or directors	46-5-134(f)(1)(D)	$	3,320
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)	$	3,946
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)	$	1,146
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)	$	136,120
9b	Purchase costs	46-5-134(f)(1)(G)	$	
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)	$	4,377
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)	$	2,859
11b	Purchase costs	46-5-134(f)(1)(I)	$	
11c	Maintenance costs	46-5-134(f)(1)(I)	$	

(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)	$	11,800
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)	$	
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)		$	580,210

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

Signature of Chief Elected Official _____ **Date** 12/01/2019

Print Name of Chief Elected Official Jimmy Burnette

Title of Chief Elected Official Mayor

Signature of Chief Financial Officer Amie Sakmar **Date** 12/01/2019

Print Name of Chief Financial Officer Amie Sakmar



AGENCY FUND

AGENCY FUND-STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
year ended june 30, 2019

Municipal Court Fund - Accounts for the collection of various fines and forfeitures (mostly traffic violations) which are disbursed to other parties. The City of Suwanee Municipal Court was established to adjudicate violations of the City Charter, ordinances and the laws of the State of Georgia thereby maintaining the public respect, confidence and satisfaction. The Suwanee Court adjudicates citations written by the Suwanee Police Department and the Suwanee Code Enforcement Officers. The court also receives citations from the Gwinnett County and the Georgia State Patrol that are written in the City limits of Suwanee.

	Balance June 30, 2018	Increases	Decreases	Balance June 30, 2019
ASSETS				
Cash and cash equivalents	$ 149,103	$ 1,922,515	$ 2,001,243	$ 70,375
Total assets	**149,103**	**1,922,515**	**2,001,243**	**70,375**
LIABILITIES				
Due to others	149,103	1,922,515	2,001,243	70,375
Total liabilities	**$ 149,103**	**$ 1,922,515**	**$ 2,001,243**	**$ 70,375**

COMPREHENSIVE ANNUAL FINANCIAL REPORT



STATISTICAL SECTION



CITY OF SUWANEE, GA
YEAR ENDED JUNE 30, 2019

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

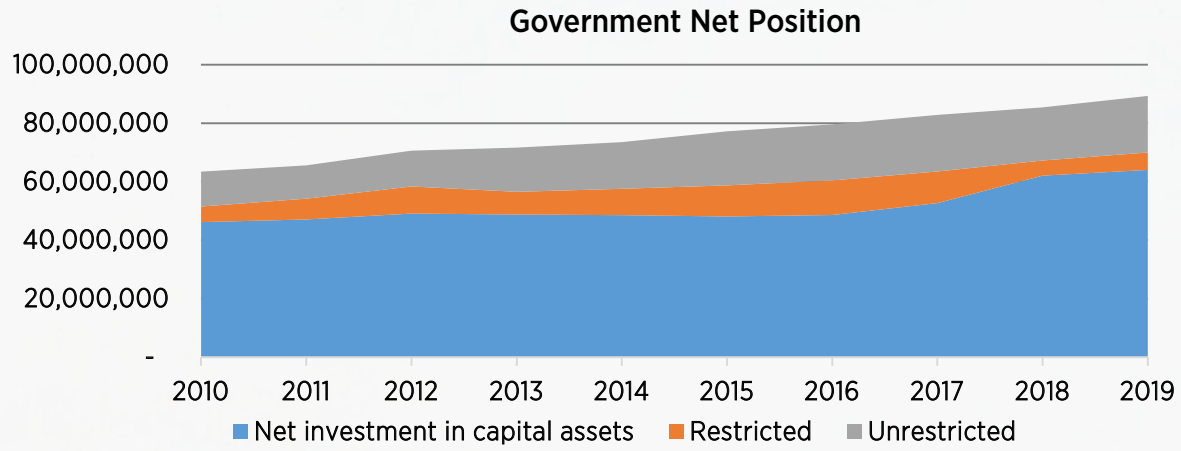
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the government provides and the activities it performs.

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									
	2010	2011	2012	2013	2014	2015	2016	2017[1]	2018[2]	2019
GOVERNMENTAL ACTIVITIES										
Net investment in capital assets	$ 44,567,430	$ 44,574,711	$ 46,621,467	$ 46,345,264	$ 46,099,920	$ 45,677,292	$ 46,227,029	$ 50,688,142	$ 59,582,331	$ 61,580,997
Restricted	5,324,060	7,106,408	9,258,180	7,751,943	9,014,457	10,619,460	11,805,962	10,395,298	5,167,127	5,959,149
Unrestricted	11,357,212	11,402,670	12,074,139	14,650,624	15,397,429	17,885,344	18,289,659	18,381,902	17,174,134	18,137,015
Total governmental activities net position	**61,248,702**	**63,083,789**	**67,953,786**	**68,747,831**	**70,511,806**	**74,182,096**	**76,322,650**	**79,465,342**	**81,923,592**	**85,677,161**
BUSINESS-TYPE ACTIVITIES										
Net investment in capital assets	1,600,503	2,493,896	2,462,489	2,417,932	2,435,908	2,419,524	2,365,189	2,388,864	2,467,886	2,422,828
Unrestricted	566,975	(18,533)	171,054	460,124	557,100	596,118	877,387	954,204	993,411	1,190,117
Total business-type activities net position	**2,167,478**	**2,475,363**	**2,633,543**	**2,878,056**	**2,993,008**	**3,015,642**	**3,242,576**	**3,343,068**	**3,461,297**	**3,612,945**
PRIMARY GOVERNMENT										
Net investment in capital assets	46,167,933	47,068,607	49,083,956	48,763,196	48,535,828	48,096,816	48,592,218	53,077,006	62,050,217	64,003,825
Restricted	5,324,060	7,106,408	9,258,180	7,751,943	9,014,457	10,619,460	11,805,962	10,395,298	5,167,127	5,959,149
Unrestricted	11,924,187	11,384,137	12,245,193	15,110,748	15,954,529	18,481,462	19,167,046	19,336,106	18,167,545	19,327,132
Total government net position	**$ 63,416,180**	**$ 65,559,152**	**$ 70,587,329**	**$ 71,625,887**	**$ 73,504,814**	**$ 77,197,738**	**$ 79,565,226**	**$ 82,808,410**	**$ 85,384,889**	**$ 89,290,106**



NOTES:

1. Fiscal year 2017 balances have been restated to reflect the change in reporting entity and change in accounting principal. See note 14 on page 63 for additional information.

2. The increase in net investment in capital assets and the decrease in restricted net position, in 2018, is due to issuance of $21,470,000 in revenue bonds. See note 7 on page 56 for additional information.

CITY OF SUWANEE, GA
YEAR ENDED JUNE 30, 2019



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

	Fiscal Year				
	2010	2011	2012	2013	2014
EXPENSES					
Governmental activities					
General government	$ 2,099,857	$ 2,322,019	$ 2,700,781	$ 2,305,973	$ 2,292,068
Judicial	313,015	292,492	301,056	292,101	330,822
Public safety	3,664,152	3,820,293	3,534,734	3,967,481	4,196,704
Public works	3,288,472	3,571,459	3,420,275	4,373,999	4,102,997
Culture and recreation	404,798	986,196	865,504	903,031	860,294
Housing and development	854,357	836,946	856,126	1,043,376	1,100,089
Tourism and trade	313,034	206,151	201,986	223,291	257,322
Interest on long-term debt	924,622	882,684	842,818	807,603	777,418
Total governmental activities expenses	**11,862,307**	**12,918,240**	**12,723,280**	**13,916,855**	**13,917,714**
Business-type activities					
Water and sewer	127,954	131,913	110,069	109,558	119,767
Total business-type activities expenses	**127,954**	**131,913**	**110,069**	**109,558**	**119,767**
TOTAL GOVERNMENT EXPENSES	**$ 11,990,261**	**$ 13,050,153**	**$ 12,833,349**	**$ 14,026,413**	**$ 14,037,481**
PROGRAM REVENUES					
Governmental activities					
Charge for services:					
General government	$ 186,490	$ 187,156	$ 214,742	$ 214,416	$ 225,269
Public safety	1,388,226	1,315,848	1,209,555	1,046,161	1,616,598
Culture and recreation	11,086	19,363	32,111	33,695	30,941
Housing and development	167,414	262,091	420,085	443,094	374,743
Operating grants and contributions (1)	105,380	136,876	2,160,502	1,115,960	982,857
Capital grants and contributions	2,138,237	2,572,310	3,156,081	2,553,174	2,482,730
Total governmental activities program revenues	**3,996,833**	**4,493,644**	**7,193,076**	**5,406,500**	**5,713,138**
Business-type activities					
Charge for services:					
Water and sewer	62,501	97,113	118,172	153,714	133,790
Capital grants and contributions (2)	-	192,018	-	-	-
Total business-type activities program revenues	**62,501**	**289,131**	**118,172**	**153,714**	**133,790**
TOTAL GOVERNMENT PROGRAM REVENUES	**$ 4,059,334**	**$ 4,782,775**	**$ 7,311,248**	**$ 5,560,214**	**$ 5,846,928**
NET (EXPENSE)/REVENUE					
Governmental activities	$ (7,865,474)	$ (8,424,596)	$ (5,530,204)	$ (8,510,355)	$ (8,204,576)
Business-type activities	(65,453)	157,218	8,103	44,156	14,023
TOTAL GOVERNMENT NET EXPENSES	**$ (7,930,927)**	**$ (8,267,378)**	**$ (5,522,101)**	**$ (8,466,199)**	**$ (8,190,553)**

(continued)

CITY OF SUWANEE, GA
YEAR ENDED JUNE 30, 2019

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

	Fiscal Year				
	2015	2016	2017	2018	2019
EXPENSES					
Governmental activities					
General government	$ 2,592,707	$ 3,112,213	$ 2,893,685	$ 3,202,083	$ 3,041,315
Judicial	377,590	375,779	396,909	399,218	434,217
Public safety	4,150,355	4,518,605	4,592,531	4,634,147	4,986,349
Public works	4,867,064	4,196,203	6,080,986	4,004,108	5,404,858
Culture and recreation	1,024,032	982,783	815,305	1,023,763	992,751
Housing and development	1,141,337	1,654,873	1,294,426	1,368,680	1,301,352
Tourism and trade	321,677	386,987	409,850	460,706	453,755
Interest on long-term debt	745,439	637,549	303,200	1,106,628	1,100,911
Total governmental activities expenses	**15,220,201**	**15,864,992**	**16,786,892**	**16,199,333**	**17,715,508**
Business-type activities					
Water and sewer	114,535	106,428	136,401	140,699	116,184
Total business-type activities expenses	**114,535**	**106,428**	**136,401**	**140,699**	**116,184**
TOTAL GOVERNMENT EXPENSES	**$ 15,334,736**	**$ 15,971,420**	**$ 16,923,293**	**$ 16,340,032**	**$ 17,831,692**
PROGRAM REVENUES					
Governmental activities					
Charge for services:					
General government	$ 238,239	$ 251,147	$ 252,363	$ 273,788	$ 278,850
Public safety	2,069,818	1,568,339	1,210,463	1,213,058	1,558,907
Culture and recreation	35,346	32,279	56,574	52,859	56,373
Housing and development	386,581	492,197	462,684	839,673	344,008
Operating grants and contributions (1)	1,003,759	1,321,293	1,103,171	1,011,423	798,330
Capital grants and contributions	3,576,852	3,407,960	5,087,607	3,301,807	5,533,649
Total governmental activities program revenues	**7,310,595**	**7,073,215**	**8,172,862**	**6,692,608**	**8,570,117**
Business-type activities					
Charge for services:					
Water and sewer	135,721	131,682	140,759	132,295	135,767
Capital grants and contributions (2)	-	-	-	-	-
Total business-type activities program revenues	**135,721**	**131,682**	**140,759**	**132,295**	**135,767**
TOTAL GOVERNMENT PROGRAM REVENUES	**$ 7,446,316**	**$ 7,204,897**	**$ 8,313,621**	**$ 6,824,903**	**$ 8,705,884**
NET (EXPENSE)/REVENUE					
Governmental activities	$ (7,909,606)	$ (8,791,777)	$ (8,614,030)	$ (9,506,725)	$ (9,145,391)
Business-type activities	21,186	25,254	4,358	(8,404)	19,583
TOTAL GOVERNMENT NET EXPENSES	**$ (7,888,420)**	**$ (8,766,523)**	**$ (8,609,672)**	**$ (9,515,129)**	**$ (9,125,808)**

(continued)

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

	Fiscal Year				
	2010	2011	2012	2013	2014
(continued)					
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION					
Governmental activities					
Taxes					
Property taxes	$ 6,254,003	$ 5,801,792	$ 5,568,706	$ 4,790,195	$ 5,134,943
Franchise fees	1,694,211	1,825,464	1,897,907	1,755,375	1,724,565
Alcoholic beverage taxes	784,189	836,438	881,679	865,862	835,071
Other taxes	1,826,442	1,812,445	2,083,173	2,190,080	2,252,424
Unrestricted investment earnings	231,739	105,368	56,663	31,708	41,835
Miscellaneous	21,699	28,176	62,073	37,579	79,713
Transfers	(287,450)	(150,000)	(150,000)	(200,000)	(100,000)
Total governmental activities	**10,524,833**	**10,259,683**	**10,400,201**	**9,470,799**	**9,968,551**
Business-type activities					
Unrestricted investment earnings	1,485	667	77	357	929
Transfers	287,450	150,000	150,000	200,000	100,000
Total business-type activities	**288,935**	**150,667**	**150,077**	**200,357**	**100,929**
TOTAL GOVERNMENT	**$ 10,813,768**	**$ 10,410,350**	**$ 10,550,278**	**$ 9,671,156**	**$ 10,069,480**
CHANGE IN NET POSITION					
Governmental activities	$ 2,659,359	$ 1,835,087	$ 4,869,997	$ 960,444	$ 1,763,975
Business-type activities	223,482	307,885	158,180	244,513	114,952
TOTAL GOVERNMENT	**$ 2,882,841**	**$ 2,142,972**	**$ 5,028,177**	**$ 1,204,957**	**$ 1,878,927**

(continued)

NOTES:

1. *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.*
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 principal payments were forgiven.*

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

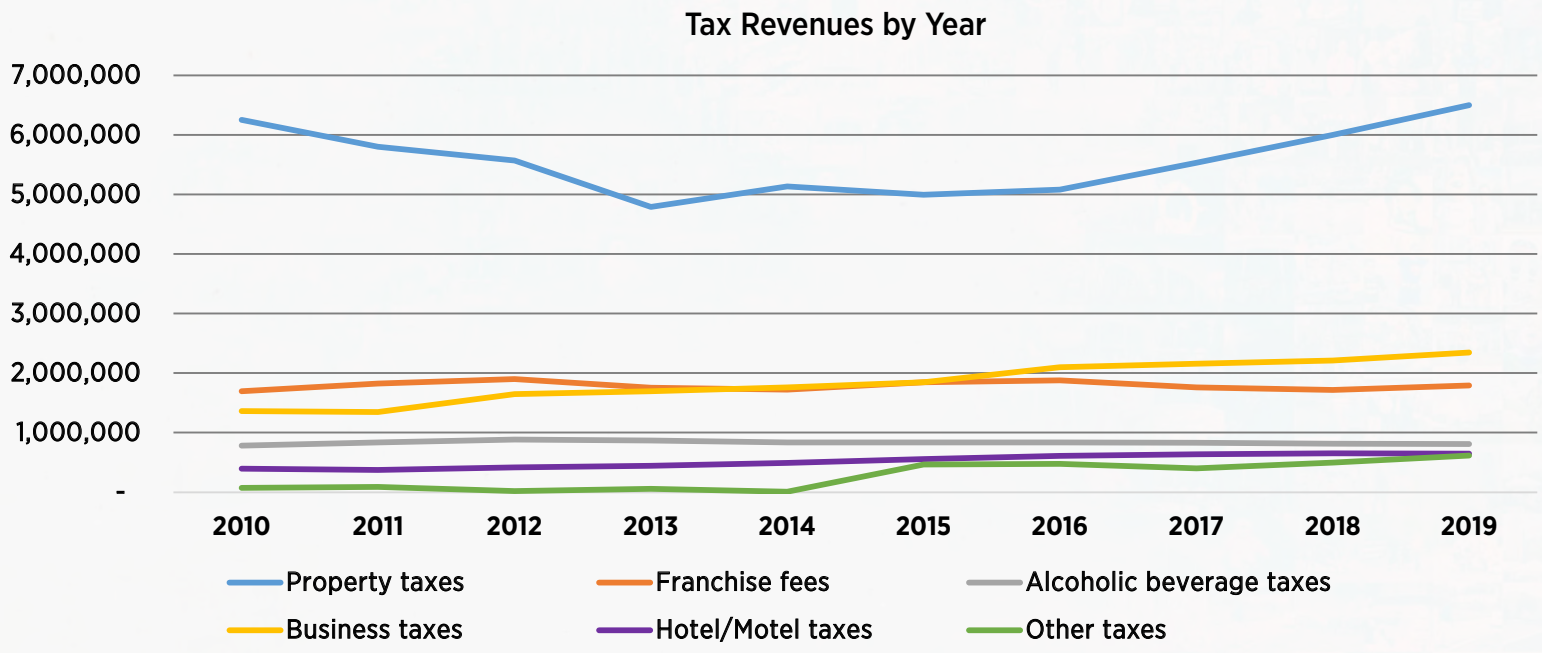
(continued)

	Fiscal Year				
	2015	2016	2017	2018	2019
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION					
Governmental activities					
Taxes:					
Property taxes	$ 4,995,599	$ 5,082,644	$ 5,531,567	$ 6,001,465	$ 6,496,848
Franchise fees	1,845,517	1,880,182	1,757,052	1,715,558	1,790,469
Alcoholic beverage taxes	833,056	835,419	831,638	812,385	808,436
Other taxes	2,868,767	3,180,579	3,196,444	3,357,512	3,608,066
Unrestricted investment earnings	48,796	50,311	68,941	102,254	137,768
Miscellaneous	62,794	103,196	63,661	95,801	177,373
Transfers	-	(200,000)	(100,000)	(120,000)	(120,000)
Total governmental activities	**10,654,529**	**10,932,331**	**11,349,303**	**11,964,975**	**12,898,960**
Business-type activities					
Unrestricted investment earnings	1,448	1,680	3,308	6,633	12,065
Transfers	-	200,000	100,000	120,000	120,000
Total business-type activities	**1,448**	**201,680**	**103,308**	**126,633**	**132,065**
TOTAL GOVERNMENT	**$ 10,655,977**	**$ 11,134,011**	**$ 11,452,611**	**$ 12,091,608**	**$ 13,031,025**
CHANGE IN NET POSITION					
Governmental activities	$ 2,744,923	$ 2,140,554	$ 2,735,273	$ 2,458,250	$ 3,753,569
Business-type activities	22,634	226,934	107,666	118,229	151,648
TOTAL GOVERNMENT	**$ 2,767,557**	**$ 2,367,488**	**$ 2,842,939**	**$ 2,576,479**	**$ 3,905,217**

GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE LAST TEN FISCAL YEARS

accrual basis of accounting

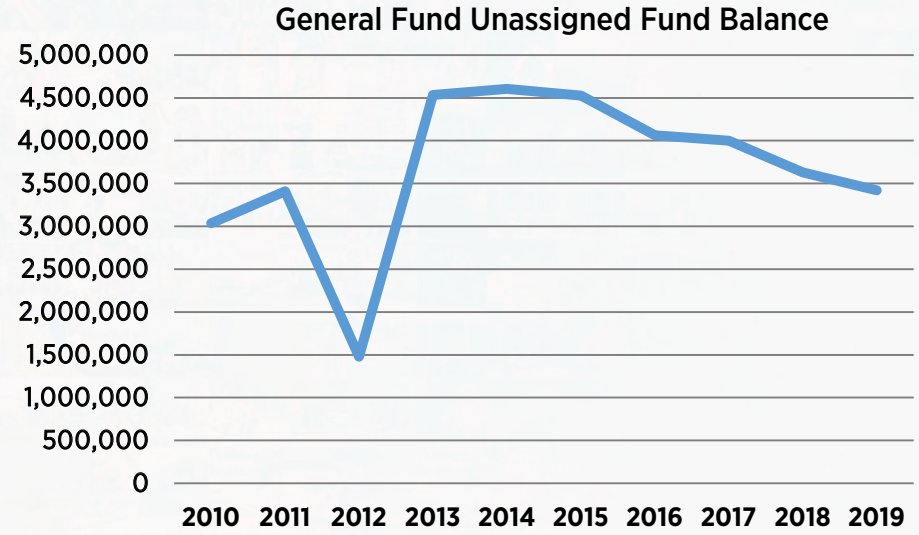
Fiscal Year	Property Taxes	Franchise Fees	Alcoholic Beverage Taxes	Business Taxes	Hotel/Motel Taxes	Other Taxes	Total
2010	$ 6,254,003	$ 1,694,211	$ 784,189	$ 1,360,254	$ 393,156	$ 73,032	$ 10,558,845
2011	5,801,792	1,825,464	836,438	1,347,872	373,400	91,173	10,276,139
2012	5,568,706	1,897,907	881,679	1,648,831	417,319	17,023	10,431,465
2013	4,790,195	1,755,375	865,862	1,693,350	442,293	54,437	9,601,512
2014	5,134,943	1,724,565	835,071	1,757,237	489,208	5,979	9,947,003
2015	4,995,599	1,845,517	833,056	1,845,285	558,049	465,433	10,542,939
2016	5,082,644	1,880,182	835,419	2,096,080	608,004	476,495	10,978,824
2017	5,531,567	1,757,052	831,638	2,159,357	636,226	400,861	11,316,701
2018	6,001,465	1,715,558	812,385	2,211,948	651,105	494,459	11,886,920
2019	6,496,848	1,790,469	808,436	2,344,213	646,103	617,750	12,703,819



CITY OF SUWANEE, GA
YEAR ENDED JUNE 30, 2019

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

	Fiscal Year									
	2010 [1]	2011	2012 [2]	2013 [3]	2014	2015 [4]	2016 [4]	2017 [5]	2018 [6]	2019
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	4,308,697	4,455,637	4,588,927
Assigned	-	222,520	-	-	-	-	-	-	-	-
Unassigned	3,034,066	3,408,881	1,478,613	4,534,625	4,603,911	4,526,649	4,063,891	3,998,170	3,630,675	3,419,683
Total general fund	**7,156,198**	**7,579,474**	**7,826,690**	**8,589,622**	**8,341,045**	**8,677,579**	**8,203,196**	**8,306,867**	**8,086,312**	**8,008,610**
All other governmental funds										
Nonspendable	-	-	-	1,245,335	1,245,335	1,245,335	1,245,335	1,245,335	1,245,335	1,245,335
Restricted	5,324,060	7,106,408	6,981,973	7,753,653	8,995,204	10,573,448	11,773,891	10,359,321	28,624,320	28,777,201
Assigned reported in:										
Special Revenue funds	-	-	-	-	-	-	-	-	-	5,000
Capital projects funds	2,921,975	2,857,086	4,912,866	3,477,767	4,314,150	5,189,973	5,834,900	5,370,020	5,107,723	4,487,346
Unassigned	-	-	-	(1,710)	-	-	-	-	(1,092,104)	-
Total all other governmental funds	**8,246,035**	**9,963,494**	**11,894,839**	**12,475,045**	**14,554,689**	**17,008,756**	**18,854,126**	**16,974,676**	**33,885,274**	**34,514,882**
TOTAL ALL GOVERNMENTAL FUNDS	**$ 15,402,233**	**$ 17,542,968**	**$ 19,721,529**	**$ 21,064,667**	**$ 22,895,734**	**$ 25,686,335**	**$ 27,057,322**	**$ 25,281,543**	**$ 41,971,586**	**$ 42,523,492**



NOTES:

1. *In fiscal year 2010, the City implemented GASB 54 and adopted a new fund balance policy. The City also transferred $1,565,000 to capital projects for land purchases.*
2. *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.*
3. *In fiscal year 2013, the court ordered supersedeas sum restriction was removed by the court.*
4. *Restricted fund balance increased in fiscal years 2015 and 2016 due to 2014 SPLOST revenues received for capital projects but not expended.*
5. *Fiscal year 2017, balances have been restated to reflect the cumulative effect of implementing the change in reporting entity. See note 14 on page 63 for additional information.*
6. *In fiscal year 2018, the negative unassigned balance in all other governmental funds is due to cash flow of SPLOST revenues to SPLOST expenditures. SPLOST revenues are received on a monthly basis. This negative balance will clear itself as additional SPLOST funds are received. The large increase in restricted fund balance is due to the issuance of $21,470,000 in revenue bonds.*

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

modified accrual basis of accounting

	Fiscal Year					
	2010	2011	2012	2013	2014	2015
REVENUES						
Taxes	$ 10,151,444	$ 10,431,766	$ 10,446,731	$ 9,999,238	$ 10,025,351	$ 10,481,744
Licenses and permits	349,965	441,763	613,838	648,686	588,696	601,618
Intergovernmental revenues	2,120,383	2,042,536	4,186,284	3,423,706	3,212,403	3,433,333
Charges for services	64,237	72,455	106,325	106,532	110,438	103,476
Fines and forfeitures	1,334,381	1,257,885	1,147,017	970,895	1,537,086	2,011,298
Investment income	258,468	127,186	73,733	49,953	61,057	69,349
Rental Income	22,134	32,502	50,982	53,768	54,722	57,889
Contributions and donations	96,504	121,672	123,460	132,108	178,261	209,983
Miscellaneous	21,699	25,529	37,904	38,047	36,322	18,497
TOTAL REVENUES	**14,419,215**	**14,553,294**	**16,786,274**	**15,422,933**	**15,804,336**	**16,987,187**
EXPENDITURES						
General government	1,907,235	2,191,393	2,275,762	2,220,049	2,154,204	2,425,480
Judicial	334,362	298,827	310,091	297,447	336,529	379,879
Public safety	3,664,123	3,830,303	3,896,084	4,007,183	4,178,440	4,217,123
Public works	1,392,588	1,464,606	1,621,691	1,680,946	1,763,944	1,913,810
Culture and recreation	264,219	372,874	375,405	422,315	378,364	499,564
Housing and development	857,222	871,702	953,767	1,072,554	1,123,406	1,169,591
Tourism and trade	313,034	206,151	201,986	223,291	257,322	321,677
Capital outlay	3,735,144	1,370,219	3,217,098	2,374,332	2,102,221	1,687,975
Debt service:						
Principal	784,861	775,959	765,795	780,000	810,000	840,000
Interest and fiscal charges	924,263	882,340	842,489	807,290	777,121	745,159
Bond issuance costs	-	-	-	-	-	-
TOTAL EXPENDITURES	**14,177,051**	**12,264,374**	**14,460,168**	**13,885,407**	**13,881,551**	**14,200,258**
Excess of revenues over (under) expenditures	242,164	2,288,920	2,326,106	1,537,526	1,922,785	2,786,929
OTHER FINANCING SOURCES (USES)						
Transfer in	4,461,099	3,365,144	2,783,515	2,898,204	2,025,294	1,933,941
Transfer out	(4,748,549)	(3,515,144)	(2,933,515)	(3,098,204)	(2,125,294)	(1,933,941)
Sale of capital assets	21,165	1,815	2,455	5,612	8,282	3,672
Bonds issued:						
Principal	-	-	-	-	-	-
Premium	-	-	-	-	-	-
Refunded bonds issued	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	**(266,285)**	**(148,185)**	**(147,545)**	**(194,388)**	**(91,718)**	**3,672**
Net change in fund balances	**$ (24,121)**	**$ 2,140,735**	**$ 2,178,561**	**$ 1,343,138**	**$ 1,831,067**	**$ 2,790,601**
Total non capital expenditures	$ 10,542,012	$ 10,342,579	$ 9,985,369	$ 12,173,503	$ 12,147,575	$ 12,389,558
Debt service as a percentage of non capital expenditures	16.2%	16.0%	16.1%	13.0%	13.1%	12.8%

CITY OF SUWANEE, GA
YEAR ENDED JUNE 30, 2019

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

	Fiscal Year			
	2016[1]	2017[2]	2018[3]	2019
REVENUES				
Taxes	$ 11,071,178	$ 11,326,266	$ 11,901,059	$ 12,639,628
Licenses and permits	728,018	674,097	1,084,965	591,968
Intergovernmental revenues	4,486,087	4,571,741	3,830,227	3,836,427
Charges for services	141,591	153,808	148,967	205,383
Fines and forfeitures	1,456,064	1,120,560	1,113,284	1,406,567
Investment income	78,966	98,119	351,579	554,284
Rental Income	62,424	79,825	79,372	87,745
Contributions and donations	214,511	302,827	234,257	212,565
Miscellaneous	59,061	17,455	48,012	122,988
TOTAL REVENUES	**18,297,900**	**18,344,698**	**18,791,722**	**19,657,555**
EXPENDITURES				
General government	2,904,968	2,687,004	2,689,760	2,877,216
Judicial	390,015	417,033	425,474	462,399
Public safety	4,970,225	4,681,765	4,803,068	5,088,774
Public works	2,037,772	2,151,287	2,161,855	2,636,198
Culture and recreation	496,507	564,815	537,149	590,609
Housing and development	1,210,857	1,341,437	1,419,821	1,510,886
Tourism and trade	386,987	409,850	460,706	453,755
Capital outlay	2,798,022	6,748,921	10,349,481	2,699,976
Debt service:				
Principal	933,000	1,516,000	1,486,000	1,512,000
Interest and fiscal charges	617,934	273,125	1,151,045	1,163,104
Bond issuance costs	122,364	118,000	392,463	-
TOTAL EXPENDITURES	**16,868,651**	**20,909,237**	**25,876,822**	**18,994,917**
Excess of revenues over (under) expenditures	1,429,249	(2,564,539)	(7,085,100)	662,638
OTHER FINANCING SOURCES (USES)				
Transfer in	4,059,237	760,249	2,221,807	1,433,267
Transfer out	(4,259,237)	(860,249)	(2,341,807)	(1,553,267)
Sale of capital assets	19,374	13,358	11,396	9,268
Bonds issued:				
Principal	-	-	21,470,000	-
Premium	-	-	2,413,747	-
Refunded bonds issued	4,210,000	12,635,000	-	-
Payment to refunded bond escrow agent	(4,087,636)	(12,482,487)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	**(58,262)**	**65,871**	**23,775,143**	**(110,732)**
Net change in fund balances	**$ 1,370,987**	**$ (2,498,668)**	**$ 16,690,043**	**$ 551,906**
Total non capital expenditures	$ 13,844,972	$ 13,803,825	$ 15,762,601	$ 15,209,364
Debt service as a percentage of non capital expenditures	11.2%	13.0%	16.7%	17.6%



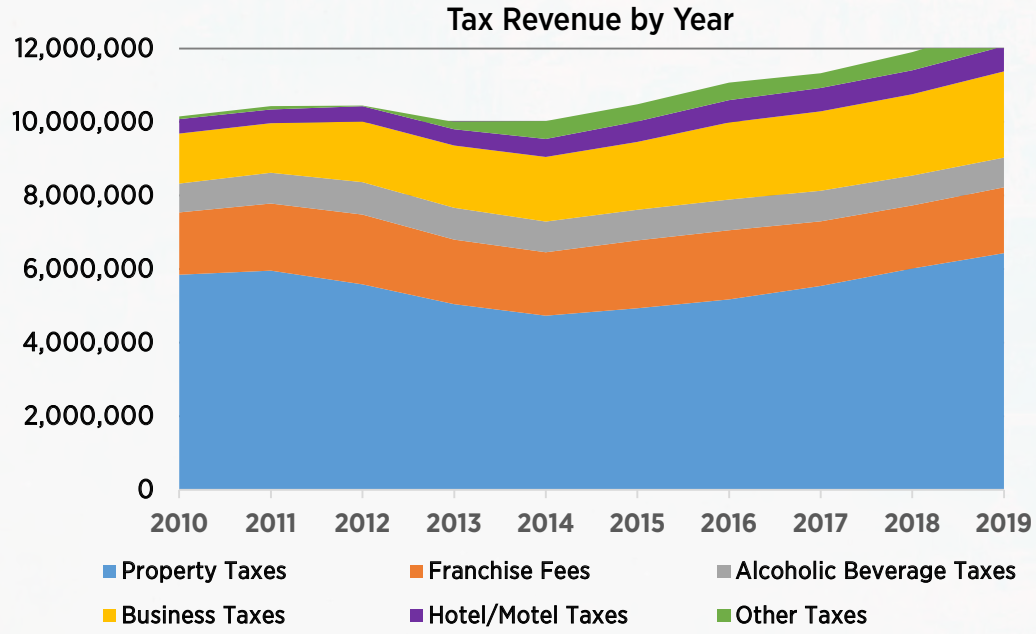
NOTES:

1. *In fiscal year 2016, the City refunded a portion of the 2006 URA bonds.*
2. *In fiscal year 2017, the City refunded a portion of the 2006 General Obligation refunding series. For additional information see Note 7; page 55.*
3. *In fiscal year 2018, the City issued $21,470,000 in revenue bonds . For additional information see Note 7; page 56..*

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
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
2017	5,541,132	1,757,052	831,638	2,159,357	636,226	400,861	11,326,266
2018	6,015,604	1,715,558	812,385	2,211,948	651,105	494,459	11,901,059
2019	6,432,657	1,790,469	808,436	2,344,213	646,103	617,750	12,639,628



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

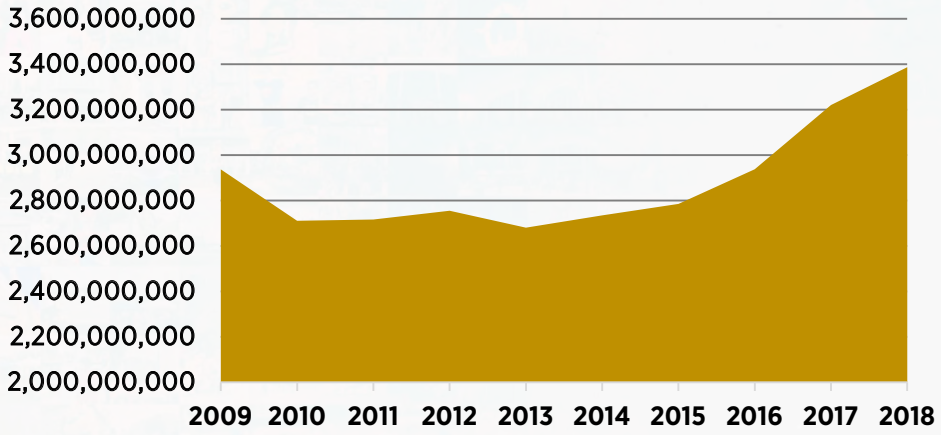
Calendar Year	Real Property		Personal Property		Less Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value [2]
	Residential Property	Commercial Property	Motor Vehicle	Other [1]					
2009	$ 520,627,280	$ 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%
2016	610,293,160	576,163,730	22,947,000	5,120	34,464,650	1,174,944,360	4.93	2,937,360,900	40%
2017	667,712,260	638,764,340	16,178,630	5,120	34,667,530	1,287,992,820	4.93	3,219,982,050	40%
2018 [3]	674,053,390	706,899,010	11,381,600	129,654	37,846,450	1,354,617,204	4.93	3,386,543,010	40%

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

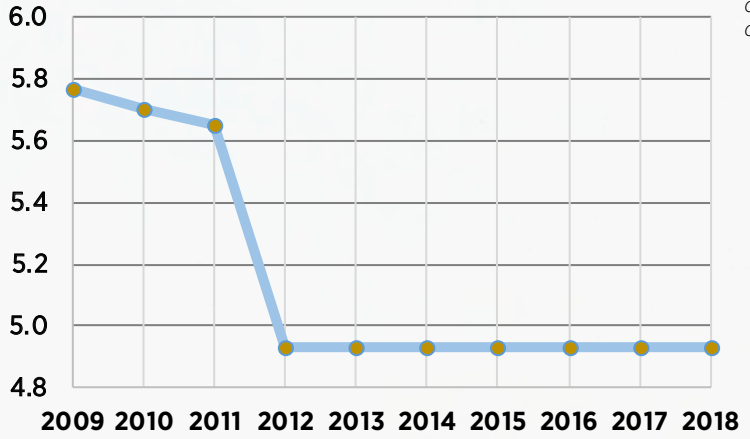
NOTES:

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.*
3. *The large increase in 2018 other personal property is due to an increase in heavy equipment due to ongoing construction.*

Estimated Taxable Value 2009-2018



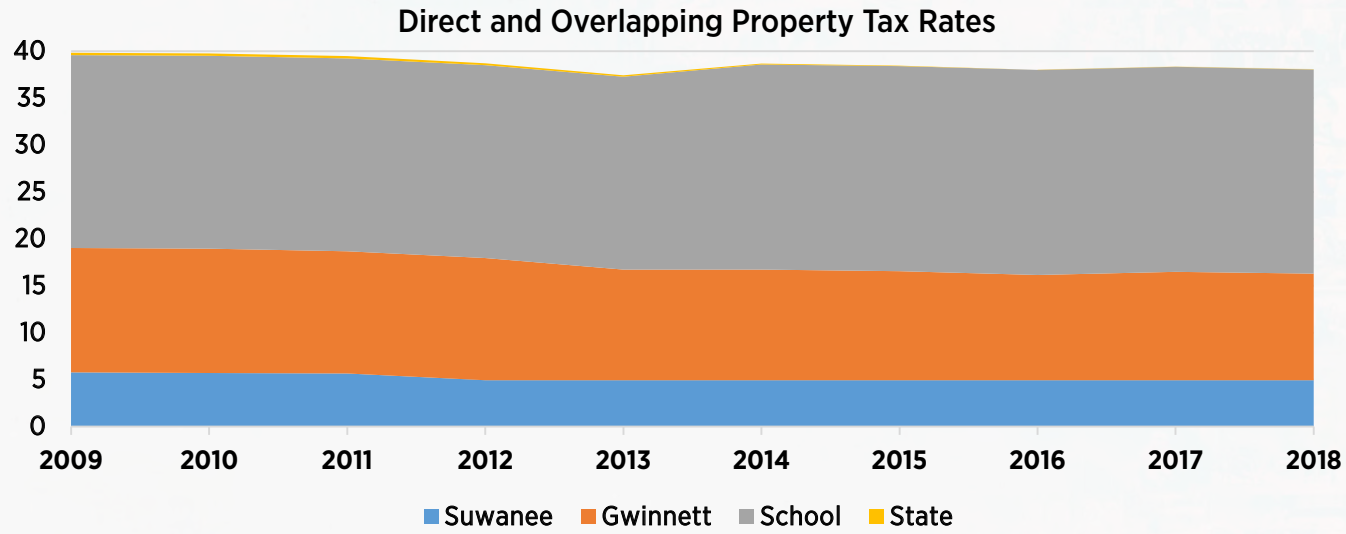
Millage Rate 2009-2018



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	Total	Operating	Debt Service	Fire Protection	Recreation	Total	Operationing	Debt Service	Total		
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
2016	3.43	1.50	4.93	6.826	0.24	3.20	.95	11.216	19.80	2.05	21.85	-	37.996
2017	3.43	1.50	4.93	7.40	-	3.20	.95	11.55	19.80	2.05	21.85	-	38.33
2018	3.43	1.50	4.93	7.209	-	3.20	.95	11.359	19.80	1.95	21.75	-	38.039

Source: Gwinnett County Tax Commissioner website

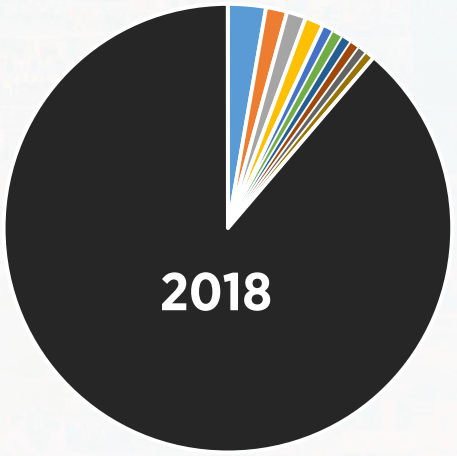


CITY OF SUWANEE, GA
YEAR ENDED JUNE 30, 2019

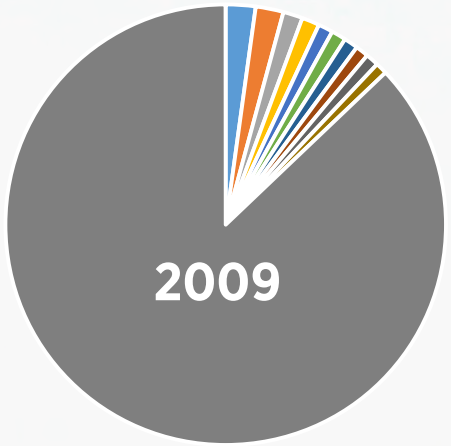
PRINCIPAL PROPERTY TAXPAYERS
current and ten years ago (calendar year)

Taxpayer	2018 Taxable Assessed Value	2018 Rank	2018 Percentage of Total City Taxable Assessed Value	2009 Taxable Assessed Value	2009 Rank	2009 Percentage of Total City Taxable Assessed Value
Star McGinnis Ferry, LLC	$ 36,944,800	1	2.7%			
Terraces at Suwanee Mtg, LLC	20,698,160	2	1.5%			
Landmark at Grand Oasis, LP	18,780,000	3	1.4%			
WRPV XII Century Suwanee, LLC	17,991,520	4	1.3%			
Enterprise Services, LLC	11,818,310	5	0.9%			
SHLP Artisan Station, LLC	10,468,560	6	0.8%			
James Campbell Company, LLC	9,612,880	7	0.7%	$ 9,893,640	10	0.8%
Quality Inv Properties Suwanee, LLC	9,400,000	8	0.7%			
Quality Technology Services	8,635,190	9	0.6%			
DXC Technology Services, LLC	8,206,800	10	0.6%			
Google, Inc				25,680,870	1	2.2%
AMLI Residential Properties				24,000,000	2	2.0%
Hewlett Packard Company				16,757,490	3	1.4%
CRLP McGinnis Ferry Road, LLC				15,230,120	4	1.3%
Gwinnett Prado, LP				12,721,200	5	1.1%
Caryle Centennial Suwanee Station, LP				12,480,000	6	1.1%
Flowers Bakery of Suwanee				12,118,080	7	1.0%
CLPF-Horizon Creek, LP				11,252,280	8	1.0%
Walmart				11,232,350	9	1.0%
Totals	**$ 152,556,220**		**11.2%**	**$ 151,366,030**		**12.9%**

Source:
2018 and 2009 Tax Digest.



- Star McGinnis Ferry, LLC
- Terraces at Suwanee Mtg, LLC
- Landmark at Grand Oasis, LP
- WRPV XII Century Suwanee, LLC
- Enterprise Services, LLC
- SHLP Artisan Station, LLC
- James Campbell Company, LLC
- Quality Inv Properties Suwanee, LLC
- Quality Technology Services
- DXC Technology Services
- All Other Taxpayers



- Google Inc
- AMLI Residential Properties LP
- Hewlett Packard Company
- CRLP McGinnis Ferry Road, LLC
- Gwinnett Prado, LP
- Caryle Centennial Suwanee Station LP
- Flowers Bakery of Suwanee, LLC
- CLPF-Horizon Creek LP
- Wal-Mart
- James Campbell Company, 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
2010	$ 5,972,640	$ 5,467,352	91.5%	$ 480,056	$ 5,947,408	99.6%
2011	5,568,361	5,323,252	95.6%	217,057	5,540,309	99.5%
2012	5,192,082	5,056,083	97.4%	125,798	5,181,881	99.8%
2013	4,498,518	4,422,212	98.3%	65,481	4,487,693	99.8%
2014	4,384,928	4,322,848	98.6%	33,889	4,356,737	99.4%
2015	4,666,809	4,557,650	97.7%	44,514	4,602,164	98.6%
2016	4,947,364	4,905,044	99.1%	20,555	4,925,599	99.6%
2017	5,358,951	5,324,391	99.4%	15,647	5,340,038	99.6%
2018	5,839,907	5,769,527	98.8%	15,201	5,784,728	99.1%
2019	6,309,304	6,225,520	98.7%	-	6,225,520	98.7%

NOTE:

1. *Relates to preceding calendar year digest.*

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

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	URA Revenue Bonds	Capital Leases	Note Payable [1]			
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
2017	12,075,000	4,106,000	-	-	16,181,000	2.37%	889
2018	10,965,000	27,463,133	-	-	38,428,133	5.15%	1,992
2019	9,835,000	26,923,054	-	-	36,758,054	4.68%	1,869

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. 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.*

CITY OF SUWANEE, GA
YEAR ENDED JUNE 30, 2019

RATIO OF GENERAL BONDED DEBT OUTSTANDING
last ten fiscal years

Fiscal Year	General Obligation Bonds [1]	URA Revenue Bonds [1]	Total	Percentage of Estimated Actual Taxable Value of Property [2]	Per Capita [3]
2010	$ 15,920,000	$ 5,900,000	$ 21,820,000	0.74%	$ 1,420
2011	15,455,000	5,640,000	21,095,000	0.78%	1,363
2012	14,970,000	5,370,000	20,340,000	0.75%	1,302
2013	14,465,000	5,095,000	19,560,000	0.71%	1,247
2014	13,940,000	4,810,000	18,750,000	0.70%	1,098
2015	13,410,661	4,513,221	17,923,882	0.66%	1,029
2016	12,839,051	4,471,111	17,310,162	0.62%	956
2017	12,075,000	4,106,000	16,181,000	0.55%	889
2018	10,965,000	27,463,133	38,428,133	1.19%	1,992
2019	9,835,000	26,923,054	36,758,054	1.08%	1,869

NOTES:

1 *Debt information from CAFR financial statements and Note 7 to the financial statements.*
2. *Details of estimated actual taxable value of property can be found on page S-13.*
3. *Details of population data can be found on page S-19.*

Direct and overlapping governmental activities debt as of June 30, 2019

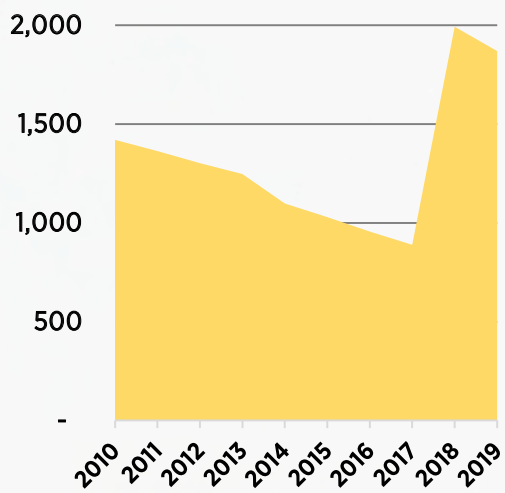
Jurisdiction	Gross Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Direct Debt:			
City of Suwanee Bonds (General & Revenue)	$ 36,758,054	100.0%	$ 36,758,054
Overlapping Debt: [1]			
Gwinnett County	103,549,000	4.4%	4,556,156
Gwinnett County Board of Education	1,259,294,000	4.6%	57,927,524
Total Overlapping Debt	**1,362,843,000**		**62,483,680**
Total Direct General Obligation and Overlapping Debt	**$ 1,399,601,054**		**$ 99,241,734**

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.*

Source:
Gwinnett County Comprehensive Annual Financial Report for December 31, 2018.

Debt Per Capita 2010-2019



LEGAL DEBT MARGIN INFORMATION
last ten fiscal years

	Fiscal Year				
	2010	2011	2012	2013	2014
Assessed value of all taxable property	$ 1,174,713,298	$ 1,084,267,457	$ 1,086,484,780	$ 1,101,919,900	$ 1,072,129,730
Debt limit: 10% of assessed value	117,471,330	108,426,746	108,648,478	110,191,990	107,212,973
Total net debt applicable to limit	14,702,932	14,125,505	13,631,622	13,117,134	12,674,835
Legal debt margin	$ 102,768,398	$ 94,301,241	$ 95,016,856	$ 97,074,856	$ 94,538,138
Total net debt applicable to the limit as a percentage of debt limit	12.52%	13.03%	12.55%	11.90%	11.82%

	Fiscal Year				
	2015	2016	2017	2018	2019
Assessed value of all taxable property	$ 1,093,658,220	$ 1,113,941,980	$ 1,174,944,360	$ 1,287,992,820	$ 1,354,617,204
Debt limit: 10% of assessed value	109,365,822	111,394,198	117,494,436	128,799,282	135,461,720
Total net debt applicable to limit	12,118,900	11,502,713	10,873,717	10,620,902	9,659,983
Legal debt margin	$ 97,246,922	$ 99,891,485	$ 106,620,719	$ 118,178,380	$ 125,801,737
Total net debt applicable to the limit as a percentage of debt limit	11.08%	10.33%	9.25%	8.25%	7.13%

Legal Debt Margin Calculation for Fiscal Year 2019	
Assessed value	$ 1,354,617,204
Debt limit: 10% of total assessed value	135,461,720
Debt applicable to limit:	
General obligation bond	9,835,000
Less: Amount set aside for repayment of general obligation debt	175,017
Total net debt applicable to limit	9,659,983
Legal debt margin	$ 125,801,737

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.

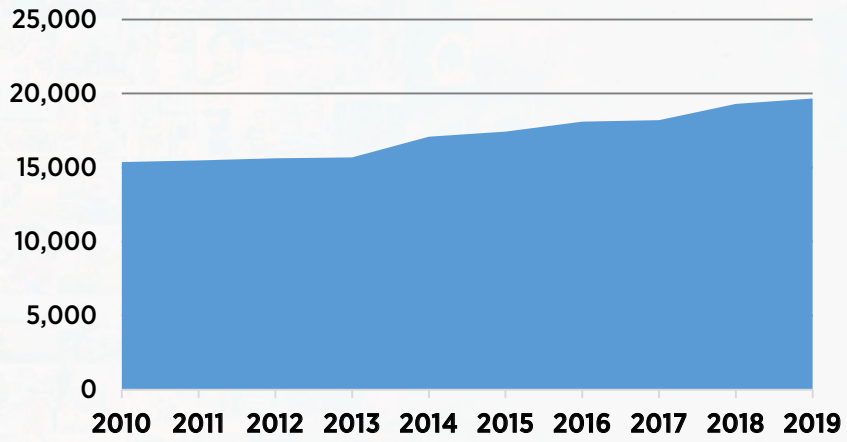
DEMOGRAPHIC AND ECONOMIC STATISTICS
last ten fiscal years

Fiscal Year	Population [1]	Personal Income [2]	Per Capita Personal Income	Unemployment Rate [3]	Residential Construction Value [1]	Commercial Construction Value [1]
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
2017	18,199	682,662,689	37,511	3.1%	12,361,039	25,431,417
2018	19,296	745,558,848	38,638	3.7%	85,726,557	130,509,328
2019	19,661	785,397,967	39,947	2.8%	29,940,259	47,851,806

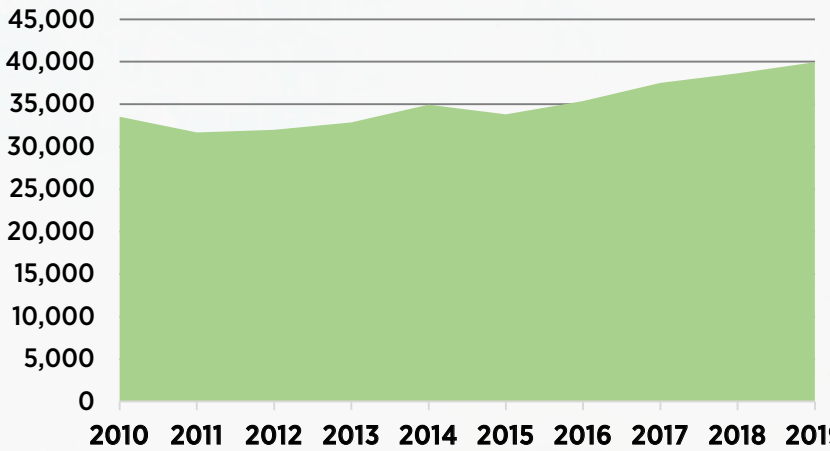
Sources:

1. *City of Suwanee Planning Department*
2. *Bureau of Economic Analysis.*
3. *Georgia Department of Labor, not seasonally adjusted.*

Population Changes 2010-2019



Per Capita Personal Income 2010-2019



PRINCIPAL EMPLOYERS
current year and ten years ago

Employer	2019 Employees	2019 Rank	2019 % of Total City Employment	2010 Employees	2010 Rank	2010 % of Total City Employment
Southeastern Freight Lines, Inc.	425	1	3.3%	375	1	4.2%
Walmart	289	2	2.3%	287	4	3.2%
Meggitt Training Systems, Inc.	281	3	2.2%	292	3	3.3%
Liberty Mutual Insurance	230	4	1.8%			
Quality Technology Services	228	5	1.8%			
Bank of America	203	6	1.6%			
Kroger	201	7	1.6%	153	5	1.7%
Flowers Bakery	170	8	1.3%	118	10	1.3%
Annadale Village	165	9	1.3%			
Publix Supermarkets	160	10	1.3%	133	7	1.5%
Dish Network/Echosphere Corporation				305	2	3.4%
Zebra Construction Company				144	6	1.6%
Mitsubishi Electric & Electronics				132	8	1.5%
Quality Construction Services, Inc.				129	9	1.5%

Source:
City of Suwanee Business Services Department



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

Function	Full-time Equivalent Employees as of June 30, 2019									
	2010 [1]	2011 [2]	2012	2013	2014	2015 [3]	2016	2017 [4]	2018 [5]	2019
General Government										
Chief Executive	3	3	3	3	3	3	3	3	3	3
General Administration	2	2	2	2	2	2	3	2	2	2
Business Services	-	-	-	-	-	3	3	4	4	4
Financial Administration	7	8	8	8	8	4	4	5	5	5
Public Information	1	1	1	1	1	1	1	1	1	1
Judicial	3	3	3	3	3	3	3	4	4	4
Public Safety										
Police Administration	3	3	3	3	3	3	3	3	3	3
Criminal Investigation	4	3	3	4	4	5	6	6	7	7
Patrol	25	28	28	28	28	27	28	29	28	29
Records and Identification	1	1	1	1	1	1	1	1	1	1
Police Training	1	1	1	1	1	1	2	2	2	2
Dispatcher	7	7	7	7	8	8	7	7	7	8
Public Relations	1	1	1	1	1	1	1	1	1	1
Targeted Police	2	-	-	-	-	-	-	-	-	-
Public Works	15	15	15	15	15	16	17	20	21	23
Housing and Development										
Protective Inspection	1	1	1	1	1	2	2	2	2	3
Planning & Zoning	5	5	5	5	5	5	5	5	5	5
Economic Development	3	4	4	4	4	4	4	4	4	4
TOTAL	**84**	**86**	**86**	**87**	**88**	**89**	**93**	**99**	**100**	**104**

NOTES:

1. *In fiscal year 2010, one Police Sergeant position was moved from Patrol to Police Training.*
2. *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.*
3. *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.*
4. *In fiscal year 2017, five part time positions were re-classified from part time to full time.*
5. *In fiscal year 2018, one Police Officer position was moved was upgradded to corporal and moved to Criminal Investigation.*

Source: Various City departments and corresponding budget documents. City of Suwanee Business Services Department

OPERATING INDICATORS BY FUNCTION
last ten years

Function	Calendar Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General government										
Business licenses issued	1,721	1,720	1,775	1,754	1,719	1,752	1,764	1,638	1,438	1,629
Number of parcels and improvements	11,859	11,897	12,004	12,297	12,336	12,737	12,737	12,887	13,352	13,551
Judicial										
Cases processed	12,411	14,883	13,089	7,874	12,300	13,500	14,024	10,656	10,775	11,506
Non-jury trials	335	319	462	154	200	261	180	165	116	145
Jury trials	171	220	370	355	198	256	309	169	135	135
Warrants issued	180	236	297	212	240	312	222	204	145	205
Police										
Calls for service	39,453	41,964	43,926	33,511	47,626	61,770	69,913	82,557	62,171	65,310
Traffic accidents	1,113	1,158	1,086	1,157	1,178	1,306	1,410	1,511	1,446	1,479
Part I offenses	528	505	452	443	484	569	651	830	752	651
Traffic citations	11,715	12,865	11,797	7,678	12,403	16,929	13,373	10,741	8,363	12,358
Public works										
Work orders	6,151	3,685 [1]	5,294	5,175	5,371	6,135	5,054	5,187	4,948	3,408
Street overlay (lane miles)	1.51	-	3.88	6.63	6.8	11.59	4.11	3.54	8.35	5.62
Hours of litter pick-up service provided	585	605	985	876	941	920	921	1,128	1,259	911
Culture and recreation										
Number of annual city-sponsored events	17	21	17	33	22	21	21	19	21	20
Number of annual non-city sponsored events	15	16	16	16	14	25	18	22	23	19
Suwanee Fest attendance	8,000 [2]	40,000	45,000	50,000	8,500 [2]	55,000 [3]	58,000	56,000	62,000	60,000
Protective Inspection										
Number of residential permits	65	108	173	200	220	113	208	312	260	288
Number of total construction permits	174	224	242	284	301	276	366	405	348	270
Number of sign permits	255	268	295	324	227	257	288	245	210	243
Planning and Zoning										
Zoning certification letters	7	6	12	10	16	19	14	29	27	25
Rezoning cases processed	1	5	5	5	4	10	5	6	10	9
Special use permits processed	2	5	5	2	4	5	5	1	0	0
Variances processed	7	6	7	6	9	15	6	4	5	17
Development review	6	9	19	28	11	26	16	17	19	19
Development permits	6	9	8	14	8	18	30	15	20	16
Water										
Average daily consumption in gallons	43,306	44,625	46,257	45,863	47,612	47,441	46,034	47,649	45,647	46,419

NOTES:

1. *Overhauled work order system-some work orders combined.*
2. *Low attendance due to inclement weather.*
3. *In 2014, Suwanee Fest went from a one day to a two day event.*

Source:
Various City departments and corresponding budget documents.

CAPITAL ASSETS STATISTICS BY FUNCTION
last ten years

Function	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Administration										
Vehicles [1]	1	1	1	1	1	1	-	-	-	-
Police										
Patrol Units	41	40	41	30	41	41	39	42	36	38
Other Police Vehicles	4	4	4	15	10	13	11	11	14	14
Public Works										
Vehicles	15	15	16	17	18	16	19	19	20	24
Street (Miles) [2]	62	63	62	62	63	63	63	63	64	64
Streetlights	855	911	928	968	981	997	1,028	1,114	1,138	1,145
Culture and Recreation										
Acreage	366	372	372	372	372	372	372	372	372	372
Park Sites	15	15	15	15	15	15	15	15	15	15
Public Art	5	7	11	14	14	14	15	18	19	20
Water										
Water Mains (Miles)	6.5	6.8	6.8	6.8	6.8	6.8	6.8	6.8	6.8	6.8
Storage Capacity	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	4	4	4	3	3	3	3	3	4

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 mileage 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 the 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, 2019, 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 8, 2019.

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.

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

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 8, 2019


330 TOWN CENTER AVE.
SUWANEE, GA 30024
SUWANEE.COM