

CITY OF SNELLVILLE, GEORGIA

ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2015

TOGETHER WITH
INDEPENDENT AUDITOR'S REPORT

JAMES L. WHITAKER, P.C.

CERTIFIED PUBLIC ACCOUNTANT

SNELLVILLE, GEORGIA 30078

**CITY OF SNELLVILLE, GEORGIA
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2015**

Table of Contents

	Page
FINANCIAL SECTION	
Independent Auditor's Report	1-2
Management's Discussion and Analysis	3-11
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	12
Statement of Activities	13
Fund Financial Statements:	
Balance Sheet-Governmental Funds	14
Reconciliation of Fund Balance in Governmental Funds To the Statement of Net Position	15
Statement of Revenues, Expenditures and Changes in Fund Balances-Governmental Funds	16
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	17
Statement of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual-General Fund	18
Statement of Net Position-Proprietary Funds	19
Statement of Revenues, Expenses and Changes in Fund Net Position-Proprietary Funds	20
Statement of Cash Flows-Proprietary Funds	21-22
Notes to the Financial Statements	23-48
Required Supplementary Information:	
Schedule of Changes in the Net Pension Liability and Related Ratios	49
Schedule of Contributions	50
Notes to Required Supplementary Pension Information	51
Individual Fund Statements:	
Non-major Governmental Funds-	
Combining Balance Sheet	52
Statement of Revenues, Expenditures and Changes in Fund Balances	53
General Fund-	
Balance Sheet	54
Schedule of Revenues-Budget and Actual	55-56
Schedule of Expenditures-Budget and Actual	57-58
Confiscated Assets Fund-	
Balance Sheet	59
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual	60

FINANCIAL SECTION-(Continued)

Tree Bank Fund-	
Balance Sheet	61
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual	62
Individual Fund Statements-Continued	
Hotel/Motel Tax Fund-	
Balance Sheet	63
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual	64
LCI Grant Fund-	
Balance Sheet	65
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual	66
New Facilities Fund-	
Balance Sheet	67
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual	68
SPLOST I Capital Projects Fund-	
Balance Sheet	69
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual-From Inception	70
SPLOST II Capital Projects Fund-	
Balance Sheet	71
Schedule of Revenues Expenditures and Changes in Fund Balance-Budget and Actual-From Inception	72
SPLOST III Capital Projects Fund-	
Balance Sheet	73
Schedule of Revenues Expenditures and Changes in Fund Balance-Budget and Actual-From Inception	74
Urban Redevelopment Agency Fund	
Balance Sheet	75
Schedule of Revenues, Expenditures and Changes in Fund Balances	76
Solid Waste Management Enterprise fund-	
Comparative Statement of Net Position	77
Comparative Statement of Revenues, Expenses and Changes in Net Position	78
Comparative Statement of Cash Flows	79-80

FINANCIAL SECTION-(Continued)

Stormwater Management Enterprise Fund-	
Comparative Statement of Net Position	81
Comparative Statement of Revenues, Expenses and	
Changes in Net Position	82
Comparative Statement of Cash Flows	83-84
Snellville Downtown Development Authority -	
Balance Sheet	85
Statement of Revenues, Expenditures and Changes	
in Fund Balance	86
Snellville Arts Commission -	
Balance Sheet	87
Statement of Revenues, Expenditures and Changes	
in Fund Balance	88

This page is intentionally left blank.

JAMES L. WHITAKER, P.C.

Certified Public Accountant
2295 Henry Clower Blvd., Suite 205
Snellville, Georgia 30078
Telephone: 678-205-4438
Fax: 678-205-4449

Member of
The American Institute of
Certified Public Accountants

Member of
Georgia Society of
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

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

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 3 through 11 and the Schedule of Changes in the Net Pension Liability and Related Ratios on pages 49 through 51 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 Snellville, Georgia's basic financial statements. The combining nonmajor and individual fund financial statements and budget schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining nonmajor fund financial statements and the individual fund financial statements and budgetary schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements and the individual fund financial statements and budgetary schedules are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the City of Snellville, Georgia's basic financial statements for the year ended June 30, 2014, which are not presented with the accompanying financial statements and we expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Snellville, Georgia's basic financial statements as a whole. The individual fund financial statements, related to the 2014 financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2014 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2014 individual fund financial statements are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued a report dated March 29, 2016 on our consideration of City of Snellville, Georgia's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering City of Snellville, Georgia's internal control over financial reporting and compliance.



Snellville, Georgia
March 29, 2016

CITY OF SNELLVILLE
MANAGEMENT'S DISCUSSION AND ANALYSIS
For Year Ended June 30, 2015

As management of the City of Snellville, we offer readers of the City of Snellville's financial statements this narrative overview and analysis of the financial activities of the City of Snellville for the fiscal year ended June 30, 2015. We encourage readers to consider the information presented in this analysis with their review of the financial statements.

Financial Highlights

- The assets and deferred outflows of the City of Snellville exceeded its liabilities at the close of the most recent fiscal year by \$49,485,121 (Net position). Of this amount unrestricted net position of \$7,463,500 may be used to meet the government's ongoing obligations to citizens and creditors in accordance with the City's fund designation and fiscal policies.
- The City's total net position increased by \$5,152,591. This increase is due to an increase in net position of \$4,757,845 in governmental activities and an increase in business-type activities net position of \$394,746. The beginning fund balance was adjusted by a positive \$813,597 to implement GASB Statement No. 68: Accounting and Financial Reporting for Pensions.
- As of the close of the current fiscal year, the City of Snellville's governmental funds reported combined ending fund balances of \$9,109,468. Of this amount \$5,076,171 is unassigned and available for spending, \$3,217,806 is restricted for SPLOST Capital Projects, \$443,925 is restricted for other Capital Projects, \$98,092 is restricted for Police Activities, \$110,935 is restricted for Tree Bank Projects, \$45,851 is restricted for Economic Development and \$99,285 is a non-spendable for Prepaid Items and \$17,403 has been assigned for redevelopment purposes.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$5,577,242 or 51.6% of total General Fund revenues.
- The City of Snellville's total debt obligations (including accrued compensated absences) decreased by the net of \$897,231. This decrease is due to repayment of \$332,000 in Revenue Bonds, \$54,271 in capital lease obligations, \$793,448 in Police Facilities Capital Lease, \$40,053 on the DDA Capital Lease, an increase of \$9292 in termination benefits due and a net increase of \$15,851 in accrued compensated absences. There was also a net increase of \$297,398 in Police Equipment Capital Leases for new mobile and car radios.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City of Snellville's basic financial statements. The City of Snellville's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City of Snellville's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of Snellville include general government, public safety and courts, highways and streets, parks and recreation, economic development, community development, and debt service. The business-type activities of the City are solid waste management and recycling and Stormwater Management.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Snellville can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between the two.

The City maintains six major governmental funds. The City's major governmental funds are the General Fund, the Urban Redevelopment Fund, the LCI Capital Project Fund, and the SPLOST I, II and III Capital Projects Funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for all five major funds.

The City of Snellville adopts an annual budget for its General Fund. On page 18 of this report a budgetary comparison statement has been provided for the General Fund to demonstrate compliance with the FY 15 budget. A project length budget is presented for the City Center Capital Project Fund, the Police Facilities Fund, SPLOST I, II and III Capital Projects Funds and the LCI Fund in the supplementary information following the Basic Financial Statements.

Proprietary funds. The City of Snellville maintains two proprietary funds. Enterprise funds (a component of proprietary funds) are used to report the same functions presented as business-type activities in the government-wide financial statements. Information is presented separately in Statement of Net Position of the Solid Waste Management Enterprise Fund and the Stormwater Management Enterprise Fund as well as the Statement of Revenues, Expenses and Changes in Fund Net Position for each fund.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. In addition to the basic financial statement and accompanying notes, this report also presents certain other supplementary information, which consists of budget comparisons for all Governmental Funds' revenues and expenditures.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At June 30, 2015, the City's assets exceeded liabilities by \$49,485,121.

The largest portion of the City's net position (77.0%) reflects its investment in capital assets (e.g., land, buildings, equipment, improvements, construction in progress and infrastructure), less any related debt used to acquire those assets that is still outstanding. The City uses capital assets to provide service to citizens; consequently these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Of the total net position, \$3,916,609 (7.9%) is restricted for Capital Projects,

Police Activities, Economic Development and Tree Bank Projects and \$7,463,500 or (15.1%) is unassigned and may be used to meet the government's ongoing obligations to citizens and creditors.

City of Snellville's Net Position						
	Governmental Activities		Business Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Current and other assets	\$13,429,880	\$12,692,293	\$951,385	\$916,753	\$14,381,265	\$13,609,046
Capital assets	\$38,837,898	\$33,613,355	\$2,961,317	\$2,632,710	\$41,799,215	\$36,246,065
Total assets	\$52,267,778	\$46,305,648	\$3,912,702	\$3,549,463	\$56,180,480	\$49,855,111
Deferred Outflows	\$56,645	\$54,360	-	-	\$56,645	\$54,360
Current liabilities	\$2,255,798	\$1,070,337	\$207,033	\$184,269	\$2,462,831	\$1,254,606
Long-term liabilities	\$4,183,246	\$5,026,206	\$55,455	\$109,726	\$4,238,701	\$5,135,932
Total Liabilities	\$6,439,044	\$6,096,543	\$262,488	\$293,995	\$6,701,532	\$6,390,538
Deferred Inflows	50,472				50,472	
Net Position:	\$45,834,907	\$40,263,465	\$3,650,214	\$3,255,468	\$49,485,121	\$43,518,933
Net investment in capital assets	\$35,199,150	\$29,112,491	\$2,905,862	\$2,522,984	\$38,105,012	\$31,635,475
Restricted	\$3,916,609	\$5,538,805	-	-	\$3,916,609	\$5,538,805
Unrestricted	\$6,719,148	\$5,612,169	\$744,352	\$732,484	\$7,463,500	\$6,344,653
Total net position	\$45,834,907	\$40,263,465	\$3,650,214	\$3,255,468	\$49,485,121	\$43,518,933

As of June 30, 2015, the City is able to report positive balances in all three categories of net position, both for the government as a whole and for each individual fund except the LCI Fund which negative fund balances of \$501,071 is expected to be zeroed out at the end of project business.

City of Snellville's Change in Net Position

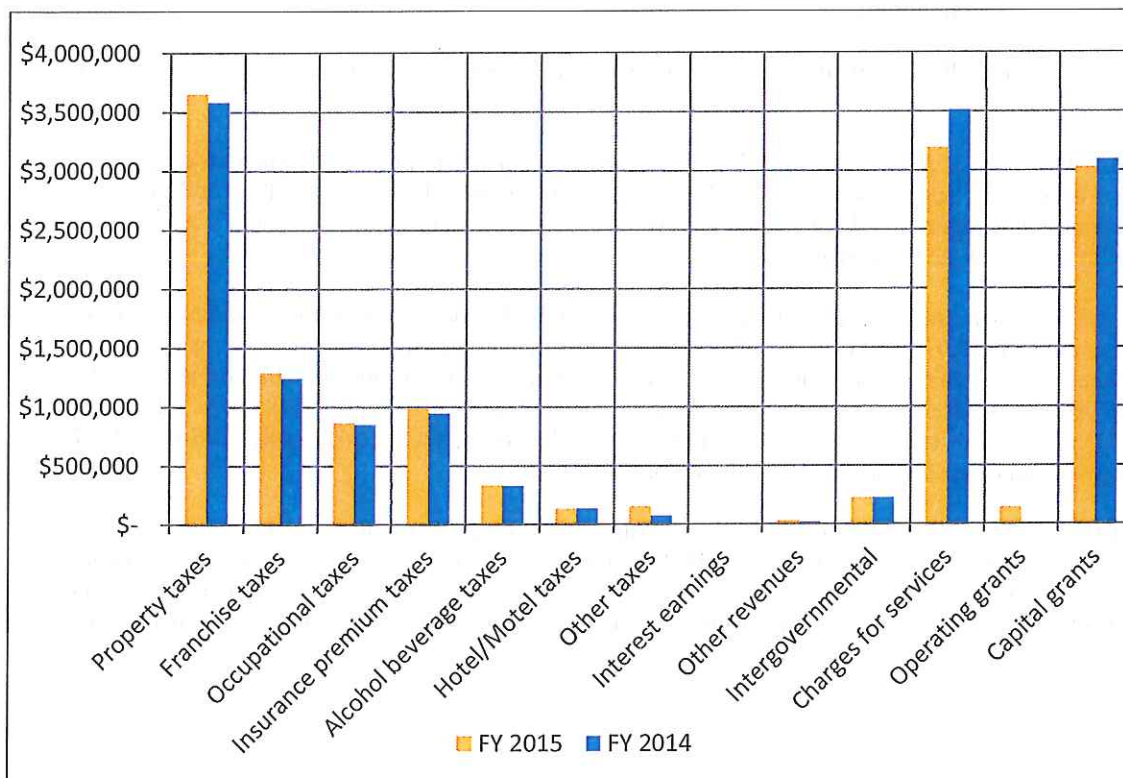
	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues:						
Program Revenues -						
Charges for Services	\$3,190,068	\$3,508,326	\$2,106,187	\$2,003,812	\$5,296,255	\$5,512,138
Operating Grants and						
Contributions	\$ -	\$1,000	\$ -	\$1,000	\$ -	\$1,000
Capital Grants and						
Contributions	\$5,079,468	\$3,089,782	\$ -	\$ -	\$5,079,468	\$3,089,782
General Revenues -						
Property Taxes	\$3,637,315	\$3,578,704	\$ -	\$ -	\$3,637,315	\$3,578,704
Other Taxes	\$3,749,665	\$3,554,814	\$ -	\$ -	\$3,749,665	\$3,554,814
Intergovernmental	\$220,229	\$220,229	\$ -	\$ -	\$220,229	\$220,229
Interest	\$3,920	\$5,208	\$475	\$439	\$4,395	\$5,647
Other	\$152,725	\$15,554	\$ -	\$ -	\$152,725	\$15,554
Total Revenues	\$16,033,390	\$13,973,617	\$2,106,662	\$2,004,251	\$18,140,052	\$15,977,868
Expenses:						
General Government	\$1,725,247	\$1,880,326			\$1,725,247	\$1,880,326
Public Safety and Courts	\$5,382,514	\$5,145,254			\$5,382,514	\$5,145,254
Parks and Recreation	\$1,030,465	\$910,532			\$1,030,465	\$910,532
Highways and Streets	\$1,742,659	\$1,841,592			\$1,742,659	\$1,841,592
Economic Development	\$189,169	\$133,949			\$189,169	\$133,949
Community Development	\$496,765	\$479,923			\$496,765	\$479,923
Interest on Long-term Debt	\$83,282	\$128,363			\$83,282	\$128,363
Solid Waste			\$2,086,308	\$2,033,611	\$2,086,308	\$2,033,611
Stormwater			\$251,052	\$265,285	\$251,052	\$265,285
Total Expenses	\$10,650,101	\$10,519,939	\$2,337,360	\$2,298,896	\$12,987,461	\$12,818,835
Increase (Decrease) in net position						
before transfers	\$5,383,289	\$3,453,678	(\$230,698)	(\$294,645)	\$5,152,591	\$3,159,033
Transfers	(\$625,444)	(\$527,107)	\$625,444	\$527,107	\$ -	\$ -
Increase (Decrease) in Net Position	\$4,757,845	\$2,926,571	\$394,746	\$232,462	\$5,152,591	\$3,159,033
Net Position-Beginning of Year, Adjusted (1)	\$41,077,062	\$37,336,894	\$3,255,468	\$3,023,006	\$44,332,530	\$40,359,900
Net Position-End of Year	\$45,834,907	\$40,263,465	\$3,650,214	\$3,255,468	\$49,485,121	\$43,518,933

(1) Governmental activities net position as of 7-1-14 was adjusted by a positive \$813,597 to implement GASB 68: Accounting and Financial Reporting for Pensions

Governmental activities. Governmental activities increased the City's net position by \$4,757,845 accounting for over 90% of the total growth in the NET POSITION. Key elements of this increase are as follows:

- Occupational taxes continue to increase which we believe is a positive sign of entrepreneurial growth in our community.
- Property tax revenue grew by 2% even though the Mayor and Council reduced our millage rate once again to 4.588 mils. Tax millage has now been reduced by 25% over the last 5 years without cuts in service delivery.
- Proceeds from a county Special Purpose Local Option Sales Tax totaled \$3,022,591 in FY15. These funds are restricted to Capital Projects.
- The City's LCI streetscape improvement project in the Towne Center began construction in FY 15. Construction of the project was substantially completed in FY 15 and will be funded 80% by GDOT with 20% budgeted by the City.
- Entrepreneurial efforts in our Parks and Recreation Department led to a 25% increase in facility rentals. New facilities coming online in FY16 should help continue this trend.
- The net transfer to our Solid Waste (Sanitation and Recycling) rose from \$527,107 to \$625,444. This transfer allows us to provide household garbage service at no charge to our citizens. A fall off on the resale market for recyclables also contributed to the increase in the General Fund subsidy.
- The cash in our Storm Water Fund was reduced by \$247,243 as our capital project needs continue to grow. A rate study will be conducted FY16/17 to evaluate the adequacy of our fee schedule.

Program Revenues by Source Governmental Activities



Business-type Activities: The Solid Waste Management Fund sustained an operating loss for the year of \$517,678 and our Storm Water Fund unrestricted balances continue to move lower.

Revenues & Expenses Solid Waste Management Fund



Financial Analysis of the Government’s Funds

As noted earlier, the City of Snellville used fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds. The focus of the City of Snellville’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City’s financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the City of Snellville’s governmental funds reported combined ending fund balances of \$9,109,468. Of this amount, \$5,076,171 (56%) is unassigned fund balance, which is available for spending at the government’s discretion. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed 1) to pay for police activities (\$98,092), 2) Tree Bank (\$110,935), 3) Economic Development (\$45,851), 4) Prepaid Items (\$99,285) and 5) Other capital projects (3,661,731) through SPLOST funds. The city also has assigned fund balance for redevelopment purposes of \$17,403.

The general fund is the City’s chief operating fund. At the end of the current fiscal year, unrestricted fund balance of the general fund was \$5,577,242 while the total fund balance totaled \$5,704,956. As a measure of the general fund’s liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund revenues. Unassigned fund balance represents 51.6 % of the total general fund revenues, while total fund balance represents 52.8% of that same amount.

During the current fiscal year, the fund balance of the City's general fund decreased by \$159,294. Revenues increased by 3%, but there was an offsetting increase of 3% in expenditures resulting in an overall excess of revenue of \$1,466,357. The General Fund transferred \$381,126 to the Urban Redevelopment Authority for debt service requirements. The General Fund also transferred \$625,444 to the Solid Waste Management Fund to finance the City's recycling facilities and residential garbage service.

The LCI Grant Capital Project Fund received a transfer of \$1,029,687 from the General Fund, but future grant and contract revenue from GDOT will offset this current negative fund balance of \$501,071.

Since being passed by referendum in November 2004, the proceeds from the 2005 SPLOST have generated \$11,688,581 for the City of Snellville's share. The proceeds are to be used exclusively for the following purposes: 1) roads, including stormwater, 2) cultural/historic/recreation purposes and 3) public safety needs. The 2009 SPLOST has recognized \$13,708,477 in revenues since collection began in April 2009. These proceeds have been used for public safety improvements and improvement to roads, streets, bridges and our public works facility. The 2014 SPLOST has generated \$3,698,391 in revenue and will be used mainly for transportation purposes.

Proprietary Funds. The City's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail.

Net position of the Solid Waste fund at the end of the year was \$1,412,745. The net position increased \$107,883 during FY2015 which was due to an increased General Fund transfer.

Net position of the Stormwater Management Fund at the end of the year was \$2,237,469 of which \$1,696,178 was invested in capital assets. The fund has unrestricted assets of \$541,291, which is expected to be used for stormwater management capital expenditures.

General Fund Budgetary Highlights

The only significant variance between the final budget and the actual was a \$398,255 expenditure in Public Safety for a capital radio purchase which should have been budgeted for in a different manner.

Capital Asset and Debt Administration

Capital assets. The City of Snellville's investment in capital assets for its governmental and business-type activities as of June 30, 2015 amounts to \$41,799,215 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, automobiles/equipment, sidewalks, bridges and roads.

Major capital asset events during the current fiscal year included the following:

- * \$2,956,272 on streetscape improvements in the Towne Center
- * \$425,000 in Stormwater Infrastructure
- * \$548,727 on police communications and vehicles
- * \$2,716,000 in park improvements
- * \$592,000 on street resurfacing and maintenance needs

Additional information on the city's capital assets can be found in Note 8.

Long-term debt. At the end of the current fiscal year, the City had \$4,238,701 in outstanding debt consisting of Revenue Bonds, capital lease obligations, accrued compensated absences and termination benefits. Land and buildings secured the Revenue Bonds.

The City's total debt has decreased by \$897,231. This is attributed to payment of \$793,448 on the Police Facilities Capital Lease (which is now paid off and closed), a payment of \$40,053 on the DDA capital lease and the impact of a \$9292 increase in termination benefits and a \$15,851 increase in Accrued Compensated Absences. The city made principal payments on a Jet Vac truck lease of \$54,271 for Stormwater use. Additional information on the City's long-term debt can be found in Note 9.

Status of the City of Snellville Economy

Economic activity in Snellville during the year continued to reflect most national and regional trends. The City has a thriving retail sector consisting of approximately 3.0 million square feet of business retail with commercial growth which is finally showing signs of positive activity. New construction permitting in FY-15 allows us to forecast almost 300,000 square feet of new commercial space reasonably expected to be completed in FY-16/17.

The City's medical sector, with HCA Eastside Medical Center still being its largest employer by far, also continues to progress. HCA Eastside employs over 1,300 total employees with a medical staff of over 500 physicians. They serve 14,000 annual inpatients, tally 65,000 annual E.D. visits, have over 85,000 annual outpatient visits and perform more than 6,500 surgeries annually. They opened a new 80,000 square foot medical office building in 2011 and new patient care facilities fully opened this year. The new tower added 48 surgical beds and two new cutting edge surgical operating rooms.

A total of approximately 1,700 businesses contribute to the economic stability of the City. This core tax base helped sustain the city finances through the recession which began in earnest in 2008. The value of our total taxable property increased in FY 2015 and that means for the first time since 2006/2007 we enjoyed two consecutive years of digest growth. Even with the Mayor and Council rolling back the millage rate once again, this growth trend still provides optimism and some budgetary options. All figures are compiled by Gwinnett County's Appraisal Office.

The Evermore Community Improvement District, an association of property owners along U.S. Highway 78 that voluntarily taxes itself for corridor improvements, stretches from Snellville to Stone Mountain. About 16% of the CID is within Snellville. The CID continues significant transportation improvements along the Highway 78 corridor, much of it in Snellville, that will help to revitalize the west end of the community and provide transportation alternatives to the congested Highway 78. The much needed continuous flow intersection improvement at the intersection of US 78/GA 124 is now in the serious ROW acquisition phase. Construction is programmed and budgeted for in the state's FY-17 budget year.

The M&C and Downtown Development Authority (DDA) have completed a planning process which will be the foundation for the redevelopment of our Towne Center. Redevelopment of this area into a true downtown will greatly enhance our Central Business District and help create a sense of place that Snellville currently lacks. The City's previous 10.5 acre purchase of property on Wisteria Drive will be a focal point of this redevelopment effort and we added another adjacent two acre tract to our property inventory in FY-15.

These redevelopment efforts are aimed at developing a walkable, exciting City Center where people want to live, work and play. In the last year, our inclusive planning efforts have gained private sector interest and potential investors in our vision and give us great hope for future success. We feel our strong fund balance in tandem with an economy that continues to improve and offer more leeway for private sector financing will make Snellville Towne Center a reality.

With the Towne Center attracting an inflow of new private dollars into the community and onto our tax digest, that can only help our somewhat limited revenue stream and greatly improve our overall financial condition as we look to the future.

FY-2015 was a positive year for most, if not all, of our revenue items that we are grateful for, but we maintain a conservative stance toward expenditures and expansion of programs in order to both continue the strengthening of our financial status and to confirm indicators which guarantee such growth will be sustained.

Requests for Information

This financial report is designed to provide a general overview of the City of Snellville's finances, comply with finance-related laws and regulations, and demonstrate the City's commitment to public accountability. Questions concerning this report or requests for additional information can be obtained by contacting the City at (770) 985-3500 or at the following address:

City of Snellville
Finance Department
2342 Oak Road
Snellville, GA 30078

This page is intentionally left blank.

CITY OF SNELLVILLE, GEORGIA
STATEMENT OF NET POSITION
JUNE 30, 2015

	Governmental Activities	Business-Type Activities	Total	Downtown Development Authority	Snellville Art Commission
Assets					
Cash and Cash Equivalents	\$ 6,305,298	\$ 761,702	\$ 7,067,000	\$ 3,347	\$ 6,532
Investments	216,102	-	216,102	60,148	-
Receivables (net of allowance for uncollectibles)					
Taxes	236,995	-	236,995	-	-
Fines	92,786	-	92,786	-	-
Intergovernmental	1,488,029	-	1,488,029	-	-
Accounts	16,307	189,683	205,990	-	-
Prepaid Items	99,285	-	99,285	-	-
Due from other funds	-	-	-	-	-
Restricted Assets -					
Cash	3,984,395	-	3,984,395	-	-
Non-Depreciable Capital Assets	15,121,174	-	15,121,174	-	-
Depreciable Capital Assets, Net	23,716,724	2,961,317	26,678,041	-	-
Net pension asset	990,683	-	990,683	-	-
Due from primary government	-	-	-	595,391	-
Total Assets	52,267,778	3,912,702	56,180,480	658,886	6,532
Deferred Outflows					
Deferred Pension Outflows	8,272	-	8,272	-	-
Deferred Charge From Refunding	48,373	-	48,373	-	-
Total Deferred Outflows	56,645	-	56,645	-	-
Total Assets and Deferred Outflows	52,324,423	3,912,702	56,237,125	658,886	6,532
Liabilities					
Accounts Payable	1,481,538	493,826	1,975,364	-	-
Accrued Liabilities -					
Wages	153,396	13,129	166,525	-	-
Customers and Developers Deposits	23,328	6,218	29,546	-	-
Police bonds and court fees	58,678	-	58,678	-	-
Interest	2,432	201	2,633	10,216	-
Due to other Governments	216,434	-	216,434	-	-
Due to other funds	306,341	(306,341)	-	-	-
Unearned Revenues	13,651	-	13,651	-	-
Long-Term Liabilities -					
Due Within One Year	707,568	55,455	763,023	60,501	-
Due In More Than One Year	3,475,678	-	3,475,678	524,674	-
Total Liabilities	6,439,044	262,488	6,701,532	595,391	-
Deferred Inflows					
Deferred Pension Inflows	50,472	-	50,472	-	-
Total Deferred Inflows	50,472	-	50,472	-	-
Total Liabilities and Deferred Inflows	6,489,516	262,488	6,752,004	595,391	-
Net Position					
Net Investment in Capital Assets	35,199,150	2,905,862	38,105,012	-	-
Restricted for -					
Capital Projects	3,661,731	-	3,661,731	-	-
Police Activities	98,092	-	98,092	-	-
Tree Bank	110,935	-	110,935	-	-
Economic Development	45,851	-	45,851	-	-
Unrestricted	6,719,148	744,352	7,463,500	63,495	6,532
Total Net Position	\$ 45,834,907	\$ 3,650,214	\$ 49,485,121	\$ 63,495	\$ 6,532

See accompanying notes to the basic financial statements.

**CITY OF SNELLVILLE, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Governmental Activities:				
General Government	\$ 1,725,247	\$ 41,102	\$ -	\$ 148,249
Public Safety and Courts	5,382,514	2,667,819	-	172,898
Public Works	1,742,659	-	-	4,077,625
Parks and Recreation	1,030,465	203,356	-	680,696
Economic Development	189,169	-	-	-
Community Development	496,765	277,791	-	-
Interest on Long-Term Debt	83,282	-	-	-
Total Governmental Activities	<u>10,650,101</u>	<u>3,190,068</u>	<u>-</u>	<u>5,079,468</u>
Business-Type Activities				
Solid Waste Management	1,849,875	1,475,885	-	-
Recycling	236,433	92,745	-	-
Stormwater	<u>251,052</u>	<u>537,557</u>	<u>-</u>	<u>-</u>
Total Business-Type Activities	<u>2,337,360</u>	<u>2,106,187</u>	<u>-</u>	<u>-</u>
Total	<u>12,987,461</u>	<u>5,296,255</u>	<u>-</u>	<u>5,079,468</u>
Component Units:				
Downtown Development Authority	29,182	-	-	-
Art Commission	<u>2,117</u>	<u>-</u>	<u>6,112</u>	<u>-</u>
Total Component Units	<u>\$ 31,299</u>	<u>\$ -</u>	<u>\$ 6,112</u>	<u>\$ -</u>

General Revenues:

Taxes:
Property
Franchise
Occupational
Insurance premium
Alcohol beverage
Hotel / Motel
Other
Intergovernmental
Interest Earnings
Other
Total General Revenues
Transfers
Total General Revenues and Transfers
Change in Net Position
Net Position - Beginning of Year, Restated
Net Position - End of Year

See accompanying notes to the basic financial statements.

Changes in Net Position

<u>Governmental Activities</u>	<u>Business- Type Activities</u>	<u>Total</u>	<u>Downtown Development Authority</u>	<u>Snellville Art Commission</u>
\$ (1,535,896)	\$ -	\$ (1,535,896)	\$ -	\$ -
(2,541,797)	-	(2,541,797)	-	-
2,334,966	-	2,334,966	-	-
(146,413)	-	(146,413)	-	-
(189,169)	-	(189,169)	-	-
(218,974)	-	(218,974)	-	-
(83,282)	-	(83,282)	-	-
<u>(2,380,565)</u>	<u>-</u>	<u>(2,380,565)</u>	<u>-</u>	<u>-</u>
-	(373,990)	(373,990)	-	-
-	(143,688)	(143,688)	-	-
<u>-</u>	<u>286,505</u>	<u>286,505</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>(231,173)</u>	<u>(231,173)</u>	<u>-</u>	<u>-</u>
<u>(2,380,565)</u>	<u>(231,173)</u>	<u>(2,611,738)</u>	<u>-</u>	<u>-</u>
-	-	-	(29,182)	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,995</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>(29,182)</u>	<u>3,995</u>
3,637,315	-	3,637,315	-	-
1,284,366	-	1,284,366	-	-
860,454	-	860,454	-	-
985,119	-	985,119	-	-
329,914	-	329,914	-	-
130,399	-	130,399	-	-
159,413	-	159,413	-	-
220,229	-	220,229	-	-
3,920	475	4,395	241	-
<u>152,725</u>	<u>-</u>	<u>152,725</u>	<u>-</u>	<u>-</u>
7,763,854	475	7,764,329	241	-
(625,444)	625,444	-	-	-
<u>7,138,410</u>	<u>625,919</u>	<u>7,764,329</u>	<u>241</u>	<u>-</u>
4,757,845	394,746	5,152,591	(28,941)	3,995
41,077,062	3,255,468	44,332,530	92,436	2,537
<u>\$ 45,834,907</u>	<u>\$ 3,650,214</u>	<u>\$ 49,485,121</u>	<u>\$ 63,495</u>	<u>\$ 6,532</u>

CITY OF SNELLVILLE, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2015

	<u>GENERAL</u>	<u>LCI GRANT CAPITAL PROJECTS</u>	<u>SPLOST I CAPITAL PROJECTS</u>	<u>SPLOST II CAPITAL PROJECTS</u>
ASSETS				
Cash and Cash Equivalents	\$ 6,305,298	\$ 2,176	\$ 266,312	\$ 211,519
Investments	216,102	-	-	-
Receivables (net of allowance for uncollectibles)				
Taxes	225,088	-	-	-
Fines	92,786	-	-	-
Intergovernmental	-	1,012,356	-	-
Accounts	7,307	-	-	-
Due from other funds	2,974	-	-	-
Prepaid Items	99,285	-	-	-
Total Assets	<u>\$ 6,948,840</u>	<u>\$ 1,014,532</u>	<u>\$ 266,312</u>	<u>\$ 211,519</u>
LIABILITIES				
Accounts Payable	\$ 622,670	\$ 286,813	\$ 41,540	\$ 186,948
Accrued Liabilities:				
Salaries and wages	153,396	-	-	-
Deposits	23,328	-	-	-
Police bonds and court fees	58,678	-	-	-
Due to other governments	-	216,434	-	-
Due to other funds	321,805	-	-	-
Unearned Revenues	-	-	-	-
Total Liabilities	<u>1,179,877</u>	<u>503,247</u>	<u>41,540</u>	<u>186,948</u>
DEFERRED INFLOWS				
Unavailable revenues	64,007	1,012,356	-	-
FUND BALANCES				
Nonspendable -				
Prepaid items	99,285	-	-	-
Restricted -				
Capital Projects	-	-	224,772	24,571
Police Services	-	-	-	-
Tree Bank	-	-	-	-
Economic Development	28,429	-	-	-
Assigned -				
Redevelopment	-	-	-	-
Unassigned	5,577,242	(501,071)	-	-
Total Fund Balances	<u>5,704,956</u>	<u>(501,071)</u>	<u>224,772</u>	<u>24,571</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 6,948,840</u>	<u>\$ 1,014,532</u>	<u>\$ 266,312</u>	<u>\$ 211,519</u>

See accompanying notes to the basic financial statements.

<u>SPLOST III CAPITAL PROJECTS</u>	<u>URBAN REDEVELOP- MENT</u>	<u>NON-MAJOR GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
\$ 2,785,330	\$ 17,403	\$ 701,655	\$ 10,289,693
-	-	-	216,102
-	-	11,907	236,995
-	-	-	92,786
475,673	-	-	1,488,029
9,000	-	-	16,307
14,990	-	-	17,964
-	-	-	99,285
<u>\$ 3,284,993</u>	<u>\$ 17,403</u>	<u>\$ 713,562</u>	<u>\$ 12,457,161</u>
\$ 316,530	\$ -	\$ 27,037	\$ 1,481,538
-	-	-	153,396
-	-	-	23,328
-	-	-	58,678
-	-	-	216,434
-	-	2,500	324,305
-	-	13,651	13,651
<u>316,530</u>	<u>-</u>	<u>43,188</u>	<u>2,271,330</u>
-	-	-	1,076,363
-	-	-	99,285
2,968,463	-	443,925	3,661,731
-	-	98,092	98,092
-	-	110,935	110,935
-	-	17,422	45,851
-	17,403	-	17,403
-	-	-	5,076,171
<u>2,968,463</u>	<u>17,403</u>	<u>670,374</u>	<u>9,109,468</u>
<u>\$ 3,284,993</u>	<u>\$ 17,403</u>	<u>\$ 713,562</u>	<u>\$ 12,457,161</u>

This page is intentionally left blank.

CITY OF SNELLVILLE, GEORGIA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2015

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

Total fund balances -- total governmental funds	\$ 9,109,468
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	38,837,898
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds:	
Unavailable revenues	1,076,363
Debt discounts, premiums and related deferred items are considered other financing uses in governmental funds in the year incurred but are deferred items and are amortized over the life of the related debt in the statement of net position:	
Deferred charge from refunding	48,373
Net pension liabilities, assets and related deferred items are not considered current assets or liabilities and are therefore not reported in the funds:	
Net pension asset	990,683
Deferred pension outflows	8,272
Deferred pension inflows	(50,472)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Accrued interest	(2,432)
Revenue bonds	(2,845,000)
Capital lease obligation	(297,398)
Capital lease obligation - DDA	(544,723)
Long-term portion of termination benefits	(134,648)
Long-term portion of compensated absences	<u>(361,477)</u>
Net position of governmental activities.	<u>\$ 45,834,907</u>

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

CITY OF SNELLVILLE, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	<u>GENERAL</u>	<u>LCI GRANT CAPITAL PROJECTS</u>	<u>SPLOST I CAPITAL PROJECTS</u>	<u>SPLOST II CAPITAL PROJECTS</u>
REVENUES				
Taxes	\$ 7,258,832	\$ -	\$ -	\$ -
Licenses and permits	234,188	-	-	-
Intergovernmental	359,808	1,009,972	-	-
Charges for services	852,203	-	-	-
Fines and forfeitures	1,981,809	-	-	-
Tree Bank Bonds	-	-	-	-
Investment income	3,459	58	314	1,041
Rental income	99,934	-	-	-
Miscellaneous	23,170	-	-	-
Total Revenues	<u>10,813,403</u>	<u>1,010,030</u>	<u>314</u>	<u>1,041</u>
EXPENDITURES				
Current:				
General Government	1,419,106	-	-	-
Municipal Court	723,097	-	-	-
Public Safety	4,072,804	-	-	-
Public Works	944,458	-	-	-
Parks and Recreation	709,824	-	-	-
Tree Bank	-	-	-	-
Economic Development	-	-	-	-
Community Development	554,234	-	-	-
Capital:				
General Government	72,344	-	-	-
Public Safety	548,727	-	-	-
Public Works	208,077	2,487,549	495,951	115,527
Parks and Recreation	34,284	-	-	2,540,469
Community Development	-	-	-	-
Debt Service:				
Principal	40,053	-	-	793,448
Interest	20,038	-	-	11,276
Issue costs on debt	-	-	-	-
Total Expenditures	<u>9,347,046</u>	<u>2,487,549</u>	<u>495,951</u>	<u>3,460,720</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,466,357</u>	<u>(1,477,519)</u>	<u>(495,637)</u>	<u>(3,459,679)</u>
Other Financing Sources (Uses):				
Debt issue	399,059	-	-	-
Transfers	(2,035,303)	1,029,687	-	-
Sale of capital assets	10,593	-	-	-
Total	<u>(1,625,651)</u>	<u>1,029,687</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(159,294)	(447,832)	(495,637)	(3,459,679)
Fund Balance - Beginning of the year	5,864,250	(53,239)	720,409	3,484,250
Fund Balance - End of year	<u>\$ 5,704,956</u>	<u>\$ (501,071)</u>	<u>\$ 224,772</u>	<u>\$ 24,571</u>

See accompanying notes to the basic financial statements.

<u>SPLOST III CAPITAL PROJECTS</u>	<u>URBAN REDEVELOP- MENT</u>	<u>NON-MAJOR GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
\$ -	\$ -	\$ 130,399	\$ 7,389,231
-	-	-	234,188
3,022,591	-	-	4,392,371
-	-	-	852,203
-	-	97,648	2,079,457
-	-	-	-
761	8	394	6,035
-	-	-	99,934
-	-	-	23,170
<u>3,023,352</u>	<u>8</u>	<u>228,441</u>	<u>15,076,589</u>
269	-	-	1,419,375
-	-	-	723,097
-	-	12,916	4,085,720
-	-	-	944,458
-	-	-	709,824
-	-	-	-
-	-	130,399	130,399
-	-	-	554,234
-	-	-	72,344
9,950	-	72,156	630,833
289,822	-	-	3,596,926
328,975	-	-	2,903,728
-	-	-	-
101,661	332,000	-	1,267,162
-	49,189	-	80,503
-	-	-	-
<u>730,677</u>	<u>381,189</u>	<u>215,471</u>	<u>17,118,603</u>
<u>2,292,675</u>	<u>(381,181)</u>	<u>12,970</u>	<u>(2,042,014)</u>
-	-	-	399,059
-	381,126	(954)	(625,444)
-	-	-	10,593
-	381,126	(954)	(215,792)
2,292,675	(55)	12,016	(2,257,806)
675,788	17,458	658,358	11,367,274
<u>\$ 2,968,463</u>	<u>\$ 17,403</u>	<u>\$ 670,374</u>	<u>\$ 9,109,468</u>

CITY OF SNELLVILLE, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL ACTIVITIES
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015

Net change in fund balances -- total governmental funds \$ (2,257,806)

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital outlay	6,319,324
Depreciation	(1,093,521)

The net effect of other miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position. This is the amount of net book value of assets disposed of during the current period. (1,260)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This is the difference between the beginning and ending deferred revenue balances in the current period. 816,043

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position:

Repayments	1,267,162
Proceeds	(399,059)

Bond premiums, discounts and related deferred items are considered deferred costs in the statement of net position and are amortized over the life of the related debt while they are considered other financing uses in governmental funds in the year they are incurred:

Amortization	(5,987)
--------------	---------

Change in net pension asset and related deferred items 134,886

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:

Change in the long term portion of accrued compensated absences	(15,851)
Change in the long term portion of termination benefits	(9,292)
Change in accrued interest	<u>3,206</u>

Change in net position of governmental activities. \$ 4,757,845

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

CITY OF SNELLVILLE, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
REVENUES				
Taxes	\$ 7,049,900	\$ 7,049,900	\$ 7,258,832	\$ 208,932
Licenses and permits	211,050	211,050	234,188	23,138
Intergovernmental	360,000	360,000	359,808	(192)
Charges for services	820,050	820,550	852,203	31,653
Fines and forfeitures	1,800,500	1,800,500	1,981,809	181,309
Investment income	3,500	3,500	3,459	(41)
Rental income	81,700	81,700	99,934	18,234
Miscellaneous	30,600	30,100	23,170	(6,930)
Total Revenues	<u>10,357,300</u>	<u>10,357,300</u>	<u>10,813,403</u>	<u>456,103</u>
EXPENDITURES				
Current:				
General Government	1,487,009	1,487,009	1,419,106	67,903
Municipal Court	703,573	703,573	723,097	(19,524)
Public Safety	4,092,889	4,092,889	4,072,804	20,085
Public Works	981,005	981,005	944,458	36,547
Parks and Recreation	739,186	739,186	709,824	29,362
Community Development	598,858	598,858	554,234	44,624
Capital:				
General Government	105,000	105,000	72,344	32,656
Public Safety	150,472	150,472	548,727	(398,255)
Public Works	277,600	277,600	208,077	69,523
Parks and Recreation	25,000	25,000	34,284	(9,284)
Community Development	-	-	-	-
Debt Service:				
Principal	36,100	36,100	40,053	(3,953)
Interest	23,942	23,942	20,038	3,904
Total Expenditures	<u>9,220,634</u>	<u>9,220,634</u>	<u>9,347,046</u>	<u>(126,412)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,136,666</u>	<u>1,136,666</u>	<u>1,466,357</u>	<u>329,691</u>
Other Financing Sources (Uses):				
Transfers	(1,143,666)	(1,143,666)	(2,035,303)	(891,637)
Proceeds from sale of capital assets	7,000	7,000	10,593	3,593
Debt issue	-	-	399,059	399,059
Total Other Financing Sources (Uses)	<u>(1,136,666)</u>	<u>(1,136,666)</u>	<u>(1,625,651)</u>	<u>(488,985)</u>
Net Change in Fund Balances	-	-	(159,294)	(159,294)
Fund Balance -				
Beginning of year	5,864,250	5,864,250	5,864,250	-
End of year	<u>\$ 5,864,250</u>	<u>\$ 5,864,250</u>	<u>\$ 5,704,956</u>	<u>\$ (159,294)</u>

See accompanying notes to the basic financial statements.

CITY OF SNELLVILLE, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2015

	<u>SOLID WASTE</u>	<u>STORMWATER</u>	<u>TOTAL</u>
ASSETS			
Current assets:			
Cash	\$ 194,307	\$ 567,395	\$ 761,702
Receivables	-	-	-
Trade accounts	51,181	19,452	70,633
Unbilled sales	119,050	-	119,050
Due from other funds	-	306,815	306,815
Prepaid items	-	-	-
Total Current Assets	<u>364,538</u>	<u>893,662</u>	<u>1,258,200</u>
Property, plant and equipment:			
Buildings	577,673	-	577,673
Machinery and equipment	227,846	252,189	480,035
Vehicles	21,118	-	21,118
Infrastructure	-	1,634,054	1,634,054
Land improvements	1,188,251	-	1,188,251
	<u>2,014,888</u>	<u>1,886,243</u>	<u>3,901,131</u>
Less accumulated depreciation	<u>(805,204)</u>	<u>(134,610)</u>	<u>(939,814)</u>
	<u>1,209,684</u>	<u>1,751,633</u>	<u>2,961,317</u>
Total Assets	<u>1,574,222</u>	<u>2,645,295</u>	<u>4,219,517</u>
LIABILITIES			
Current liabilities:			
Accounts payable	151,155	342,671	493,826
Customer deposits	6,218	-	6,218
Accrued liabilities -			
Interest	-	201	201
Payroll	3,630	9,499	13,129
Due to other funds	474	-	474
Capital lease payable	-	55,455	55,455
Total current liabilities (payable from current assets)	<u>161,477</u>	<u>407,826</u>	<u>569,303</u>
Long-term obligations	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>161,477</u>	<u>407,826</u>	<u>569,303</u>
NET POSITION			
Net investment in capital assets	1,209,684	1,696,178	2,905,862
Unrestricted	<u>203,061</u>	<u>541,291</u>	<u>744,352</u>
Total Net Position	<u>\$ 1,412,745</u>	<u>\$ 2,237,469</u>	<u>\$ 3,650,214</u>

See accompanying notes to the basic financial statements.

**CITY OF SNELLVILLE, GEORGIA
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>SOLID WASTE</u>	<u>STORMWATER</u>	<u>TOTAL</u>
OPERATING REVENUES			
Charges for services:			
Solid waste	\$ 1,427,671	\$ -	\$ 1,427,671
Recycling	92,745	-	92,745
Stormwater utility	-	534,735	534,735
Penalties	15,860	2,822	18,682
Miscellaneous	32,354	-	32,354
Total Operating Revenues	<u>1,568,630</u>	<u>537,557</u>	<u>2,106,187</u>
OPERATING EXPENSES:			
Purchases of product/service	1,795,877	-	1,795,877
Salaries and benefits	135,268	109,503	244,771
Contracted / purchased services	89,720	86,916	176,636
Supplies	9,947	1,787	11,734
Bad debt expense	-	-	-
Depreciation	55,496	50,651	106,147
Total Operating Expenses	<u>2,086,308</u>	<u>248,857</u>	<u>2,335,165</u>
Operating Income (Loss)	(517,678)	288,700	(228,978)
NON-OPERATING INCOME (EXPENSES):			
Interest expense	-	(2,195)	(2,195)
Interest revenue	117	358	475
Net income (loss) before transfers and capital contributions	(517,561)	286,863	(230,698)
Transfers in	625,444	-	625,444
Capital contributions	<u>-</u>	<u>-</u>	<u>-</u>
NET INCOME	107,883	286,863	394,746
NET POSITION - BEGINNING	<u>1,304,862</u>	<u>1,950,606</u>	<u>3,255,468</u>
NET POSITION - ENDING	<u>\$ 1,412,745</u>	<u>\$ 2,237,469</u>	<u>\$ 3,650,214</u>

See accompanying notes to the basic financial statements.

**CITY OF SNELLVILLE, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>SOLID WASTE</u>	<u>STORMWATER</u>	<u>TOTAL</u>
Cash flows from operating activities:			
Cash received from customers and users	\$ 1,575,941	\$ 533,779	\$ 2,109,720
Cash paid to suppliers	(1,939,241)	(122,712)	(2,061,953)
Cash paid to employees	(91,462)	(71,156)	(162,618)
Net Cash Provided by Operating Activities	<u>(454,762)</u>	<u>339,911</u>	<u>(114,851)</u>
Cash flows from investing activities:			
Interest received	<u>117</u>	<u>358</u>	<u>475</u>
Net Cash Used in Investing Activities	<u>117</u>	<u>358</u>	<u>475</u>
Cash flows from non-capital financing activities:			
Increase (decrease) in due to other funds	474	(422,426)	(421,952)
Transfers	<u>625,444</u>	<u>-</u>	<u>625,444</u>
Net Cash Provided by Non-capital Financing Activities	<u>625,918</u>	<u>(422,426)</u>	<u>203,492</u>
Cash flows from capital financing activities:			
Proceeds from debt issue	-	-	-
Principal payments	-	(54,271)	(54,271)
Interest payments	-	(2,392)	(2,392)
Purchase and construction of capital assets	<u>-</u>	<u>(108,423)</u>	<u>(108,423)</u>
Net Cash Provided by (Used in) Capital Financing Activities	<u>-</u>	<u>(165,086)</u>	<u>(165,086)</u>
Net increase in cash and cash equivalents	171,273	(247,243)	(75,970)
Cash and cash equivalents - Beginning of Year	<u>23,034</u>	<u>814,638</u>	<u>837,672</u>
Cash and cash equivalents - End of Year	<u>\$ 194,307</u>	<u>\$ 567,395</u>	<u>\$ 761,702</u>

See accompanying notes to the basic financial statements.

**CITY OF SNELLVILLE, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS**

Reconciliation of Net Income to Net Cash Provided
By Operating Activities

	SOLID WASTE	STORMWATER	TOTAL
Operating income (loss)	\$ (517,678)	\$ 288,700	\$ (228,978)
Adjustments to reconcile net income to net cash provided			
by operating activities:			
Depreciation and amortization	55,496	50,651	106,147
(Increase) decrease in receivables	8,786	(3,778)	5,008
(Increase) decrease in prepaid items	-	-	-
Increase (decrease) in accounts payable	5,547	(3,230)	2,317
Increase (decrease) in customer deposits	(1,475)	-	(1,475)
Increase (decrease) in accrued liabilities	(5,438)	7,568	2,130
Total Adjustments	62,916	51,211	114,127
Net Cash Provided by Operating Activities	\$ (454,762)	\$ 339,911	\$ (114,851)

See accompanying notes to the basic financial statements.

CITY OF SNELLVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A. Basis of Presentation

The City's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the City are discussed below.

B. The Reporting Entity

The City of Snellville, Georgia (the "City") was incorporated in 1923 under the provisions of the State of Georgia. A Mayor and City Council, composed of five members, govern and direct the legislative affairs of the City. In a manner consistent with the principles and practices of a Council-Manager form of government, the legislative policies and daily operations of the City are executed and/or administered by an appointed City Manager. The City Manager is vested with the authority and responsibility to provide for effective and efficient delivery of municipal services and to attend to the management of municipal affairs within legislative and legal parameters established by federal, state and local laws and regulations. The City provides the following services: police, highways and streets, sanitation, recycling, stormwater, parks and recreation, planning and zoning, and general and administrative services. The City's annual financial report includes the accounts of all City operations and its component unit. Water, sewer, and fire protection services are provided by Gwinnett County.

Governmental Accounting Standards Board Statement (GASB) No. 14, as amended by GASB No. 61 defines the reporting entity for determining which potential component units should be included in a primary government's financial statements. Inclusion is based on organization's for which the primary government is financially accountable. In addition, the primary government may determine, through exercise of management's professional judgment, that the inclusion of an organization that does not meet the financial accountability criteria is necessary in order to prevent the reporting entity's financial statements from being misleading. In such instances, the organization should be included as a component unit. The criteria for determining financial accountability includes appointing a voting majority of an organization's governing body and (1) the ability of the City to impose its will on that organization or (2) the potential for the organization to provide specific financial benefits or to impose specific financial burdens on the City regardless of whether the organization has a separate elected or appointed governing board. Blended component units, although legally separate entities, are, in substance part of the government's operations and are reported with similar funds of the primary government. The City reports the City of Snellville's Downtown Development Authority and the City of Snellville Art Commission as component units. The Urban Redevelopment Agency of Snellville is considered a blended component unit of the City.

Discretely Presented Component Units –

The component unit column in the Government – Wide Financial Statements includes the financial data of City of Snellville, Georgia Downtown Development Authority. This component unit is reported in a separate column to emphasize that it is legally separate from the City. The City of Snellville, Georgia Downtown Development Authority was organized to develop and promote commerce, industry, and general welfare within the City. The City appoints the Authority's board members and reviews the annual budget. Funding of the Authority is provided by the City's General Fund and contributions from individuals and private companies. Separate financial statements for the Authority are not issued. The Authority's fiscal year is from January 1 to December 31.

The City of Snellville Art Commission is also a legal separate entity and was created during fiscal year ended June 30, 2014 to promote art throughout the City of Snellville. The City appoints the Commission's board members and reviews its annual budget. Funding of the Commission is provided through fundraisers and contributions from the City, individuals and private companies. The Commission does not issue separate financial reports.

(See Independent Auditor's Report)

CITY OF SNELLVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued):

B. The Reporting Entity – (Continued)

Blended Component Unit –

The Urban Redevelopment Agency of Snellville (URA) was created in 2010 by the City to serve as a financing vehicle for certain community development projects. The URA is a legally separate organization governed by a board that is appointed by the mayor and city council of the City of Snellville. Although it is legally separate from the City, the URA is reported as if it were a part of the primary government because its sole purpose is to oversee and participate, if necessary, in financing community development projects for the benefit of the City and its citizens. Furthermore, the URA is included as a component unit as the URA has no ability to issue debt or otherwise carry out its activities without the participation and agreement of the City or appropriation of funds by the city council. The operations of the URA are included in the governmental activities of the government-wide financial statements as a separate debt service fund. Separate financial statements are not published for the URA which follows the same accounting policies as the City of Snellville.

C. Basic Financial Statements—Government-Wide Statements

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type.

The government-wide Statement of Net Position presents the financial condition of the governmental and business-type activities of the City at year end. The statement is presented on a consolidated basis and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The City's net position are reported in three parts—net investment in capital assets; restricted net position; and unrestricted net position. The City first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for business-type activities of the City. Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. The City does not allocate indirect cost. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program or business activity is self-financing or draws from the general revenues of the City.

The net costs (by function) are normally covered by general revenue (property, sales or use taxes, interest income, etc.).

This government-wide focus is more on the sustainability of the City as an entity and the change in the City's net position resulting from the current year's activities.

(See Independent Auditor's Report)

CITY OF SNELLVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

D. Basic Financial Statements-Fund Financial Statements

The financial transactions of the City are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The City considers the General Fund, the LCI Grant Fund, all SPLOST Capital Projects Funds and the Urban Redevelopment Agency Fund to be major funds. The Hotel/Motel Fund, Confiscated Assets Fund, Tree Bank Fund, City Center Fund, and the Police Facilities Fund are considered non-major funds. The various funds are grouped, in the financial statements in this report, into the following fund types:

Governmental Fund Types – Governmental funds are those through which most governmental functions of the City are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the City’s major governmental funds:

General Fund – The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

LCI Grant Capital Projects Fund – The LCI Grant Capital Projects Fund accounts for the proceeds from a grant from the U. S. Department of Transportation. The proceeds from the grant are to be used to finance improvements to the City’s Town Center streetscapes.

The SPLOST Capital Projects Funds – The SPLOST Capital Projects Funds are used by the City to account for acquisition and construction of major capital facilities that were approved by the voters of Gwinnett County, Georgia through the special purpose local option sales tax referendums.

Urban Redevelopment Agency Fund – This fund was originally used as a special revenue fund to account for the proceeds for the issuance of bonds to finance or refinance urban improvement projects. It is currently being used to account for the accumulation of resources that are restricted, committed, or assigned for the payment of principal and interest on the City’s Refunding Revenue Bond Obligation.

Proprietary Fund Type – Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position, and cash flows. The City’s proprietary funds are classified as enterprise funds. Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The following are the City’s major proprietary funds:

Solid Waste Management Enterprise Fund - The Solid Waste Management Enterprise Fund is used to account for the revenues generated from the charges for sanitation and recycling services provided to the residential and commercial users of the City.

Stormwater Management Enterprise Fund - The Stormwater Management Enterprise Fund is used to account for the charges generated from stormwater services provided to citizens of the City of Snellville, Georgia.

(See Independent Auditor’s Report)

CITY OF SNELLVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS -- (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

E. Measurement Focus

Government-wide Financial Statements – The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the City are included on the Statement of Net Position.

Fund Financial Statements – All governmental funds, the Snellville Downtown Development Authority and the City of Snellville Arts Commission are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of government-wide financial statements are prepared. Therefore, governmental fund financial statements include a reconciliation with brief explanations to better identify the relationship between the government-wide and the statements for governmental funds.

Like the government-wide statements, all proprietary funds are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the Statement of Fund Net Position. The Statement of Changes in Revenues, Expenses, and Changes in Fund Net Position presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The Statement of Cash Flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

On the proprietary funds financial statements, operating revenues are those that flow directly from the operations of the activity, i.e. charges to customers or users who purchase or use the goods or services of that activity. Operating expenses are those that are incurred to provide the goods or services. Non-operating revenues and expenses are items such as investment income and interest expense that are not a result of the direct operations of the activity.

F. Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

1. Accrual

Government-wide financial statements are presented on the accrual basis of accounting; proprietary funds also use the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

(See Independent Auditor's Report)

CITY OF SNELLVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued):

F. Basis of Accounting – (Continued)

2. Modified Accrual

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. “Available” means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

Those revenues susceptible to accrual are taxes, state and federal grants, fines, interest revenue and charges for services. Major revenues that are determined not to be susceptible to accrual because they are either not available soon enough to pay liabilities of the current period or are not objectively measurable include licenses, penalties and miscellaneous revenues which are recorded as revenues when received in cash. Those revenues that are measurable but are not collected within 60 days after year end are recorded as deferred revenues.

G. Cash and Cash Equivalents

The City has defined cash and cash equivalents to include cash on hand, demand deposits, and cash with fiscal agents. Investments with an original maturity of three months or less at the time of purchase are presented on the financial statements as cash equivalents.

H. Investments

Investments are stated at cost or amortized cost with accrued interest shown under a separate caption on the balance sheet. All investments of the City as of June 30, 2015 consisted of non-participating interest-earning investment contracts, certificates of deposit, and money market mutual funds.

I. Inventory

Inventory is valued at the lower of cost (first-in, first-out) or market. Inventory, if any, in the General Fund consists of expendable supplies held for consumption. The cost is recorded as expenditure at the time individual inventory items are used, rather than in the period purchased. Reported inventories are equally offset by a fund balance reserve, which indicates that they do not constitute “available spendable resources” even though they are a component of net current assets.

J. Prepaid Expenses

Payments made to vendors for service that will benefit periods beyond June 30, 2015 are recorded as prepaid items and are expensed during the period benefited.

K. Capital Assets

General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in governmental funds. General capital assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective funds.

(See Independent Auditor’s Report)

CITY OF SNELLVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued):

K. Capital Assets – (Continued)

Capital assets purchased or acquired with an original cost of \$3,500 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. No interest was capitalized during fiscal year ended June 30, 2015. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings and improvements	30-40 years
Land improvements	30-40 years
Furniture and equipment	7-10 years
Vehicles	5-10 years
Infrastructure	40-50 years
Improvements other than buildings	40-50 years

The City only reports infrastructure assets purchased subsequent to June 30, 2003.

L. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements. All payables, accrued liabilities, and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, claims and judgments and compensated absences that will be paid from governmental funds are reported as liability in the fund financial statements only to the extent that they are due for payment during the current year. Long-term loans are recognized as a liability on the governmental fund financial statements when due.

M. Revenues

Substantially all governmental fund revenues are accrued. Property taxes are billed and collected within the same period in which the taxes are levied. In applying GASB No. 33 to grant revenues, the provider recognizes liabilities and expenses and the recipient recognizes receivables and revenue when the applicable eligibility requirements, including time requirements, are met. Resources transmitted before the eligibility requirements are met are reported as advances by the provider and deferred revenue by the recipient.

N. Expenditures

Expenditures are recognized when the related fund liability is incurred. Inventory costs are reported in the period when inventory items are used, rather than in the period purchased.

O. Compensated Absences

The City accrues accumulated unpaid vacation leave and associated employee-related costs when earned (or estimated to be earned) by the employee. The noncurrent portion (the amount estimated to be used in subsequent fiscal years) for governmental funds is maintained separately and represents a reconciling item between the fund and government-wide presentations. In accordance with the provisions of Statement No. 16 of the Governmental Accounting Standards Board, Accounting for Compensated Absences, no liability is recorded for nonvesting accumulating rights to receive sick pay benefits.

(See Independent Auditor's Report)

CITY OF SNELLVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS -- (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES -- (Continued):

P. Interfund Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

Q. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is employed by the City. At June 30, 2015 there were no encumbrances outstanding.

R. Deferred Outflows / Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense / expenditures) until then. The City has two items that qualify for reporting in this category as of June 30, 2015. The items, deferred charge from refunding and deferred pension outflows, are reported in the government-wide statement of net position.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from three sources: property taxes, probation fines, and intergovernmental revenues. In addition, the City has one item that qualifies for reporting in this category in the government-wide statement of net position. The item, deferred pension inflows, is reported only in the government-wide statement of net position.

S. Net Position

Net Position represents the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. Net position invested in capital asset consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

The City's government-wide statement of net position reports \$3,916,609 of restricted net position, of which \$3,472,684 is restricted by enabling legislation.

The City first applies restricted resources when an expense is incurred for which both restricted and unrestricted net position are available.

(See Independent Auditor's Report).

CITY OF SNELLVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued):

T. Fund Equity – Governmental Funds

As of June 30, 2015, fund balances of the governmental funds are classified as follows:

Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted – amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed – amounts that can be used only for specific purposes determined by a formal action of City of Snellville’s Council. Snellville’s Council is the highest level of decision making authority for the City. Commitments may be established, modified, or rescinded only through ordinances approved by City Council prior to end of the fiscal year. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken to remove or revise the limitation.

Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Only the City Council may assign amounts for specific purposes through passage of a resolution. Unlike commitments, assignments generally only exist temporarily and do not normally have to have an additional action taken for their removal.

Unassigned – all other spendable amounts.

As of June 30, 2015, fund balances are composed of the following:

	General	LCI Grant	SPLOST Funds	URA	Nonmajor Funds	Total
Nonspendable:						
Prepays	\$ 99,285	\$ -	\$ -	\$ -	\$ -	\$ 99,285
Restricted:						
Capital Projects	-	-	3,217,806	-	443,925	3,661,731
Police Services	-	-	-	-	98,092	98,092
Tree Bank	-	-	-	-	110,935	110,935
Economic Development	28,429	-	-	-	17,422	45,851
Committed	-	-	-	-	-	-
Assigned	-	-	-	17,403	-	17,403
Unassigned	5,577,242	(501,071)	-	-	-	5,076,171
 Total Fund Balances	 <u>\$ 5,704,956</u>	 <u>\$ (501,071)</u>	 <u>\$ 3,217,806</u>	 <u>\$ 17,403</u>	 <u>\$ 670,374</u>	 <u>\$ 9,109,468</u>

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditures is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the City Council has provided otherwise in its commitment or assignment actions.

(See Independent Auditor’s Report)

CITY OF SNELLVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued):

U. Contributions of Capital

Contributions of capital in the proprietary fund financial statements arise from outside contributions of capital assets, or from grants or outside contributions of resources restricted to capital acquisition and construction.

V. Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

W. Budgets and Budgetary Accounting

Prior to May 1, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them. Public hearings are conducted to obtain taxpayer comments. During June, the mayor and council legally enact the budget through passage of an ordinance. Budgets for all funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP) except that proprietary funds expense capital outlay instead of depreciation. The legal level of control (the level at which the City Council must approve expenditures in excess of appropriations) for each legally adopted annual operating budget is at the department level. Budget amounts are as originally adopted or as last amended. Unexpended budget appropriations lapse at year-end.

X. Pensions

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

2. CASH AND INVESTMENTS

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The City follows the State investment policies which require all deposits in excess of Federal Deposit Insurance be collateralized by securities equal to at least 110% of the excess deposits. As of June 30, 2015, \$10,686,118 of the City's bank balances of \$11,417,249 were exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ -
Uninsured and collateral held by pledging bank's agent	<u>10,686,118</u>
Total	<u>\$ 10,686,118</u>

In accordance with state law, the City of Snellville can invest in: 1) Obligations issued by the U.S. Government, any state, any political subdivision of the State of Georgia, or Local Government Investment Pool established by state law; 2) Prime bankers' acceptances; and 3) Repurchase agreements.

The City's investment as of June 30, 2015 consisted of a certificate of deposit in the amount of \$216,102.

Interest Rate Risk. In accordance with its investment policy, the City manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to less than 1 year.

Credit Risk. State law limits investments in debt issues to the top two ratings issued by nationally recognized statistical ratings organizations.

(See Independent Auditor's Report)

CITY OF SNELLVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

3. PROPERTY TAX

The City's property taxes are billed and collected by Gwinnett County through an intergovernmental agreement. The taxes were levied July 14, 2014 and are due and payable October 15th and November 15th. All taxes unpaid after the October 15th and November 15th due dates are considered delinquent. Property taxes attach as an enforceable lien on the property the following January 1st. Delinquent taxes are considered fully collectable.

4. RECEIVABLES

Receivables as of yearend, including the applicable allowances for uncollectible accounts, are as follows:

	<u>Gross</u>	Allowance for <u>Bad Debts</u>	<u>Net</u>
Governmental Funds			
Taxes	\$ 236,995	\$ -	\$ 236,995
Fines	299,309	206,523	92,786
Intergovernmental	1,488,029	-	1,488,029
Accounts	16,307	-	16,307
Solid Waste Management Fund			
Accounts	283,531	113,300	170,231
Stormwater Management Fund			
Accounts	19,452	-	19,452
Total	<u>\$ 2,343,623</u>	<u>\$ 319,823</u>	<u>\$ 2,023,800</u>

5. INTERGOVERNMENTAL REVENUES AND RECEIVABLES

Intergovernmental revenues for the year ended June 30, 2015 consist of the following:

Governmental Funds -	
Gwinnett County - SPLOST Projects, See Note 9	\$ 3,022,591
U. S. Dept. of Justice - COPS Grant	3,032
Gwinnett County - Annual Appropriation	220,229
State of Georgia - DOT, LMIG Program	136,547
State of Georgia - Department of Transportation LCI Grant	<u>1,009,972</u>
Total Intergovernmental Revenues	<u>\$ 4,392,371</u>

Intergovernmental receivables as of June 30, 2015 consist of the following:

Gwinnett County - SPLOST	\$ 475,673
State of Georgia - Department of Transportation LCI Grant	<u>1,012,356</u>
Total Intergovernmental Receivables	<u>\$ 1,488,029</u>

(See Independent Auditor's Report)

CITY OF SNELLVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

6. INTER-FUND TRANSACTIONS

Inter-fund payables and receivables as of June 30, 2015 were as follows.

Due From	Due To			
	General	SPLOST III	Stormwater	Total
General fund	\$ -	\$ 14,990	\$ 306,815	\$ 321,805
Sanitation	474	-	-	474
Confiscated Assets	2,500	-	-	2,500
Total	<u>\$ 2,974</u>	<u>\$ 14,990</u>	<u>\$ 306,815</u>	<u>\$ 324,779</u>

The Sanitation Fund and the Confiscated Assets Fund owed the General Fund \$474 and \$2,500, respectively, for items expended from the General Fund's operating bank account that were related to Sanitation and Confiscated Assets and had not been reimbursed as of June 30, 2015.

Individual inter-fund transfers for the year ended June 30, 2015 were as follows:

Transfer From	Transfer to				
	General	URA	LCI	Sanitation	Total
General	\$ -	\$ 381,126	\$ 1,029,687	\$ 625,444	\$ 2,036,257
Nonmajor	954	-	-	-	954
	<u>\$ 954</u>	<u>\$ 381,126</u>	<u>\$ 1,029,687</u>	<u>\$ 625,444</u>	<u>\$ 2,037,211</u>

During the fiscal year ended June 30, 2015 the General Fund transferred \$2,036,256 to various governmental and proprietary funds, including \$625,444 to the Solid Waste Management Fund to help fund utility operations, \$381,125 to the Urban Redevelopment Agency Fund to help finance debt service requirements of the refunding revenue bonds payable and \$1,029,687 to the LCI Grant Fund to help finance the streetscapes and sidewalk project in the town center area. The Hotel/Motel Fund (a nonmajor fund) transferred \$954 to the General Fund to reimburse the General Fund for promotional expenses.

7. LITIGATION AND CONTINGENCIES:

The City is a defendant in several lawsuits as of June 30, 2015 including a lawsuit brought by the Mayor of Snellville against the City Council, City Manager and City Clerk. This lawsuit pertains to the issue of the authority to appoint a city manager and a city clerk. The City has incurred approximately \$160,000 in legal fees for the representation of the City Council and the City's manager and clerk. The Mayor is seeking restitution for her legal fees of approximately \$91,000. Although a settlement was reached regarding the authority issue as of June 30, 2015, the Mayor's legal fees issue has yet to be resolved. The outcome of other lawsuits and other possible claims are not yet determinable but are not expected to materially affect the financial situation of the City.

(See Independent Auditor's Report

CITY OF SNELLVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

8. PROPERTY, PLANT AND EQUIPMENT – (Continued)

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 9,188,246	\$ -	\$ -	\$ 9,188,246
Construction in progress	<u>259,732</u>	<u>5,673,196</u>	<u>-</u>	<u>5,932,928</u>
Total	<u>9,447,978</u>	<u>5,673,196</u>	<u>-</u>	<u>15,121,174</u>
Capital assets being depreciated:				
Buildings	19,040,400	-	-	19,040,400
Improvements other than buildings	2,734,177	-	-	2,734,177
Infrastructure	4,792,934	-	-	4,792,934
Vehicles, including related equipment	2,064,539	591,600	(60,927)	2,595,212
Furniture and other equipment	<u>2,842,949</u>	<u>54,528</u>	<u>-</u>	<u>2,897,477</u>
Total capital assets being depreciated	<u>31,474,999</u>	<u>646,128</u>	<u>(60,927)</u>	<u>32,060,200</u>
Less accumulated depreciation for:				
Buildings	3,431,028	476,739	-	3,907,767
Improvements other than buildings	463,347	67,573	-	530,920
Infrastructure	648,387	114,832	-	763,219
Vehicles, including related equipment	1,245,084	202,899	(59,667)	1,388,316
Furniture and other equipment	<u>1,521,776</u>	<u>231,478</u>	<u>-</u>	<u>1,753,254</u>
Total accumulated depreciation	<u>7,309,622</u>	<u>1,093,521</u>	<u>(59,667)</u>	<u>8,343,476</u>
Total capital assets being depreciated, net	<u>24,165,377</u>	<u>(447,393)</u>	<u>(1,260)</u>	<u>23,716,724</u>
Governmental capital assets, net	<u>\$ 33,613,355</u>	<u>\$ 5,225,803</u>	<u>\$ (1,260)</u>	<u>\$ 38,837,898</u>

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

Administrative	\$ 305,849
Police and Court	477,707
Public Works	161,296
Parks	147,901
Community Development	<u>768</u>
Total depreciation expense	<u>\$ 1,093,521</u>

(See Independent Auditor's Report)

CITY OF SNELLVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS -- (Continued)

8. PROPERTY, PLANT AND EQUIPMENT, (Continued)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-Type Activities				
Capital assets, not being depreciated:				
Land	\$ -	\$ -	\$ -	\$ -
Construction in progress	-	-	-	-
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital assets being depreciated:				
Buildings	577,673	-	-	577,673
Improvements other than buildings	1,188,251	-	-	1,188,251
Infrastructure	1,208,400	425,654	-	1,634,054
Vehicles, including related equipment	21,118	-	-	21,118
Furniture and other equipment	470,935	9,100	-	480,035
Total capital assets being depreciated	<u>3,466,377</u>	<u>434,754</u>	<u>-</u>	<u>3,901,131</u>
Less accumulated depreciation for:				
Buildings	135,809	14,446	-	150,255
Improvements other than buildings	366,377	39,608	-	405,985
Infrastructure	47,112	24,649	-	71,761
Vehicles, including related equipment	21,118	-	-	21,118
Furniture and other equipment	263,251	27,444	-	290,695
Total accumulated depreciation	<u>833,667</u>	<u>106,147</u>	<u>-</u>	<u>939,814</u>
Total capital assets being depreciated, net	<u>2,632,710</u>	<u>328,607</u>	<u>-</u>	<u>2,961,317</u>
Business-Type Activities capital assets, net	<u>\$ 2,632,710</u>	<u>\$ 328,607</u>	<u>\$ -</u>	<u>\$ 2,961,317</u>

Depreciation expense of \$55,496 was recorded in the Solid Waste Management Fund and \$50,651 was recorded in the Stormwater Management Fund.

CONSTRUCTION COMMITMENT-

The City has entered into contracts for street improvements such as sidewalks, streetscapes and utility relocation in the downtown area of the city. Estimated cost for these improvements is estimated to be \$2,900,000. Financing for the project is to be provided through a grant from the Georgia Department of Transportation in the amount of \$2,022,328 with the remaining \$877,672 to be paid out of the City's SPLOST Funds. Cost of the project incurred through June 30, 2015 amounted to approximately \$2,808,600.

(See Independent Auditor's Report)

CITY OF SNELLVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

9. LONG-TERM DEBT

Changes in General Long-Term Debt

The following is a summary of changes in long-term liabilities reported in the government-wide financial statements for the year ended June 30, 2015:

	Beginning Balance	Increases	Decreases	Ending Balance	Current Portion
Governmental Activities					
Revenue Bonds	\$ 3,177,000	\$ -	\$ (332,000)	\$ 2,845,000	\$ -
Police Facilities Capital Lease	793,448	-	(793,448)	-	-
Police Equipment Capital Lease	-	399,059	(101,661)	297,398	97,884
Intergovernmental Agreement - DDA Capital Lease	584,776	-	(40,053)	544,723	544,723
Termination Benefits	125,356	24,253	(14,961)	134,648	14,961
Accrued Compensated Absences	345,626	309,272	(293,421)	361,477	50,000
Total	\$ 5,026,206	\$ 732,584	\$ (1,575,544)	\$ 4,183,246	\$ 707,568
Business-Type Activities					
Capital Lease Obligation	\$ 109,726	\$ -	\$ (54,271)	\$ 55,455	\$ 55,455

The General Fund typically has been used to liquidate long-term liabilities. However, SPLOST III will be used to liquidate the police equipment capital lease. The Stormwater Management Fund will be used to liquidate the business-type activity long-term liabilities.

GOVERNMENTAL ACTIVITIES DEBT ISSUES -

CAPITAL LEASE OBLIGATION

Police and Public Works Facilities –

In December 2010 the City entered into an installment sale agreement in the amount of \$7,505,000 with the Georgia Municipal Association to construct new police and public works facilities. The fixed interest rate is 2.842% for five years. Since the City intends to continue to abide by the terms of these lease agreements and eventually own the new facilities, the assets and the related liabilities were recorded at the present value of the future payments due under the lease. Under the terms of the installment sale agreement, the City pledged future SPLOST revenues to pay the principal and interest outstanding. SPLOST revenues were projected to produce \$16.027 million of which \$6.4 million has been budgeted for public safety facilities related expenditures. The installment sale agreement was paid off as of June 30, 2015. For the year ended June 30, 2015, principal and interest payments were \$793,448 and \$11,276, respectively. Depreciation on the two buildings for the fiscal year ended June 30, 2015 amounted to \$189,866 and accumulated depreciation as of June 30, 2015 amounted to \$759,465.

(See Independent Auditor's Report)

CITY OF SNELLVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

9. LONG-TERM DEBT (Continued)

GOVERNMENTAL ACTIVITIES DEBT ISSUES – (Continued)

CAPITAL LEASE OBLIGATIONS – (Continued)

Police Equipment –

In November 2014 the City entered into a lease purchase and security agreement with a financial institution for the purchase of mobile radios in the amount of \$399,059. Depreciation on the mobile radios for fiscal year ended June 30, 2015 amounted to \$9,976 and accumulated depreciation at June 30, 2015 amounted to \$9,976. The interest rate under the terms of the lease agreement is 1.27%. Since the City intends to continue to abide by the terms of these lease agreements and eventually own the equipment, the asset and the related liability were recorded at the present value of the future payments due under the lease.

Land Purchase –

In June 2012 the Snellville Downtown Development Authority (DDA) obtained financing from a bank for the purchase of approximately 10 acres of land in the City’s Town Center Area. The City and the DDA did enter into an intergovernmental agreement whereby the City has guaranteed funding of the debt service of the note through a capital lease obligation. At the end of the capital lease the City will own the land. As a result the DDA recorded a liability for the note payable and an amount due from the City in the amount of \$697,450 and reduces the balance as the City pays the debt service on the lease. The City has also recorded a liability in the governmental-wide financial statements for the amount due under the intergovernmental agreement.

REVENUE BONDS

In May 2013 the Urban Redevelopment Agency of Snellville issued revenue bonds in the amount of \$3,496,000 to refinance the Certificates of Participation (originally used to finance the acquisition of the new city hall) and to pay cost associated with the issuance of the bonds. Interest is being charged at 1.55% and the debt is secured by the city administrative facilities. The bonds mature in July 2023.

Annual repayment requirements under the revenue bonds and capital lease agreements are as follows:

F/Y/E JUNE 30,	REVENUE BONDS		CAPITAL LEASES				TOTAL
	PRINCIPAL	INTEREST	POLICE EQUIPMENT		LAND AND BUILDINGS		
			PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	
2016	\$ -	\$ -	\$ 97,884	\$ 3,777	\$ 544,723	\$ 18,241	\$ 664,625
2017	337,000	41,486	99,128	2,534	-	-	480,148
2018	342,000	36,223	100,386	1,275	-	-	479,884
2019	347,000	30,883	-	-	-	-	377,883
2020	353,000	25,458	-	-	-	-	378,458
2021	358,000	19,948	-	-	-	-	377,948
2022	364,000	14,353	-	-	-	-	378,353
2023	369,000	8,672	-	-	-	-	377,672
2024	375,000	2,906	-	-	-	-	377,906
TOTALS	\$ 2,845,000	\$ 179,929	\$ 297,398	\$ 7,586	\$ 544,723	\$ 18,241	\$ 3,892,877

(See Independent Auditor’s Report)

CITY OF SNELLVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS -- (Continued)

9. LONG-TERM DEBT (Continued)

BUSINESS-TYPE ACTIVITIES DEBT ISSUE

In April 2013 the City entered into a lease purchase and security agreement with a financial institution for the purchase of a 2013 Vactor Sewer Jetter Combo Truck in the amount of \$219,504. Depreciation on the machine for fiscal year ended June 30, 2015 amounted to \$21,950 and accumulated depreciation at June 30, 2015 amounted to \$56,705. The interest rate under the terms of the lease agreement is 2.18%. Since the City intends to continue to abide by the terms of these lease agreements and eventually own the equipment, the asset and the related liability were recorded at the present value of the future payments due under the lease.

Annual repayment requirements under the capital lease agreement are as follows:

F/Y/E JUNE 30,	CAPITAL LEASE		TOTAL
	<u>PRINCIPAL</u>	<u>INTEREST</u>	
2016	<u>\$ 55,455</u>	<u>\$ 1,209</u>	<u>\$ 56,664</u>

Advanced Refunding –

As indicated earlier in this note, the Urban Redevelopment Agency issued \$3,496,000 of revenue bonds in May 2013. The proceeds of the issue provided resources to purchase U.S. Government and State and Local Government Securities that were placed in an irrevocable trust for a short period of time for the purpose of generating resources to pay off the principal balance and interest due on the certificates of participation as of July 1, 2013. As a result, the refunded debt is considered defeased and the liability has been removed from the Governmental Type Activities in the statement of net position.

The refunding was undertaken to reduce future debt service payments. The reacquisition price exceeded the net carrying amount of the old debt by \$60,346. This amount is reported as a “deferred charge from refunding” and will be amortized over the old debt’s life, which is to July 1, 2023. The transaction also resulted in a net present value savings of \$464,413 and a reduction of \$1,145,501 in future debt service payments.

10. UNAVAILABLE REVENUES

Unavailable revenues as of June 30, 2015, reported in the Governmental Fund’s balance sheet, consisted of the following revenue items which had been earned and were measurable but were not received within 60 days after year end and therefore were not considered available:

General Fund	
Property taxes	\$ 49,260
Fines and forfeitures	14,747
LCI Fund	
Intergovernmental	<u>1,012,356</u>
Total	<u>\$ 1,076,363</u>

(See Independent Auditor’s Report)

CITY OF SNELLVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

11. RISK MANAGEMENT

The City of Snellville is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has joined together with other municipalities in the state as part of the Georgia Interlocal Risk Management Agency (GIRMA) for property and liability insurance and the Workers' Compensation Self-Insurance Fund (WCSIF), public entity risk pools currently operating as common risk management and insurance programs for member local governments. The Georgia Municipal Association (GMA) administers both risk pools.

As part of these risks pools, the City is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pools' agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the funds being required to pay any claim of loss. The City is also to allow the pools' agent and attorneys to represent the City in investigation, settlement discussions and all levels of litigation arising out of any claim made against the City within the scope of loss protection furnished by the funds. The City pays an annual premium to GIRMA for its general insurance and has coverage of \$1,000,000 for the risks discussed above, except for buildings, which are covered at 100% of the value of the City's holdings. The City's coverage for worker's compensation claims is statutory.

The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member governments' contracts and in accordance with the workers' compensation laws of Georgia. The funds are to pay all cost taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

The City continues to carry commercial insurance for all other risks of loss, employee health and accident insurance. Settled claims in the past three years have not exceeded the commercial insurance coverage.

12. HOTEL / MOTEL TAX

The City levies a 8% hotel/motel tax in accordance with the provisions of OCGA 48-13-51. In order to comply with the expenditures provisions of this code section, the City expends 100% of monies collected under this provision for tourism and promotional purposes by contracting with the Snellville Tourism and Trade Association. During the year ended June 30, 2015, the City's collections and related remittances were as follows:

	<u>Amount</u>	<u>Percent</u>
Total Collections	\$ 130,399	100%
Total Remittances	\$ 130,399	100%

The City was in compliance with the state laws regulating hotel/motel taxes and the related expenditures as of June 30, 2015.

(See Independent Auditor's Report)

CITY OF SNELLVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

13. JOINT VENTURE

Under Georgia law, the city, in conjunction with other cities and counties in the Metro Atlanta area, is a member of the Atlanta Regional Commission (ARC). Membership in this organization is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organizational structure of the Commission in Georgia. The ARC Board membership includes the chief elected official of each county, one representative for all the cities in a member county and 15 citizen representatives. 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
3715 Northside Parkway
Building 200, Suite 300
Atlanta, Georgia 30327

14. EMPLOYEE BENEFIT PLANS

Money Purchase Pension Plan -

On March 1, 2002 the City converted its defined benefit pension plan and adopted the City of Snellville, Georgia Employee Pension Plan (a defined contribution plan). The City now uses the money purchase pension plan to provide pension benefits to most of its full-time employees. The plan is being administered by Pension Financial Services, a private corporation. The pension plan is authorized by city council through the passage of an ordinance. The city council is responsible for establishing and amending the plan's provision and for establishing and amending contribution requirements.

Under the terms of the plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate after completing one year of service. The City's contribution to the plan depends upon each participant's base salary. The City will contribute 6% of each eligible employee's base monthly salary to the plan. Employees are not required to make any contributions to the plan. The amount of payroll covered under the plan for the year ended June 30, 2015, amounted to approximately \$3,566,000. Gross payroll for the year was \$4,427,196.

The City's contribution for each employee vests in accordance with the following schedule:

<u>Completed years of Services</u>	<u>Vested Percentage</u>
3	50%
5	100%

Contributions made by the City to the money purchase pension plan for the year ended June 30, 2015, amounted to \$213,975 which is 6% of covered payroll.

(See Independent Auditor's Report)

CITY OF SNELLVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

14. EMPLOYEE BENEFIT PLANS, (Continued)

Deferred Compensation Plan --

Under the terms of the deferred compensation plan, any employee can voluntarily defer receipt of up to 25% of gross compensation, not to exceed \$15,000 per year. Each participant selects one of various options to administer the investment of the deferred funds. All administration costs of the plan are deducted from the participants' accounts. The deferred amounts may be distributed to the employee upon retirement or other termination of employment, disability, death, or financial hardship (as defined).

Defined Benefit Plan –

In prior years the City contributed to the Georgia Municipal Employees Benefit System (GMEBS), an agent multiple-employer public employee retirement system administered by the Georgia Municipal Association. The City of Snellville Retirement Plan was a defined benefit plan that provided retirement and disability benefits and death benefits to plan members and beneficiaries (superseded plan). The Public Retirement Systems Standard Law (Georgia Code Section 47-20-10) assigns the authority to establish and amend the plan to the City of Snellville. The Georgia Municipal Employees Benefit System issues a publicly available financial report that includes financial statements and required supplementary information for the System. The report may be obtained by writing to the Georgia Municipal Employees Benefit System, 201 Pryor Street, S.W., Atlanta, Georgia 30303.

As mentioned under the caption "Money Purchase Pension Plan" the defined benefit plan was converted to a defined contribution plan (successor defined contribution plan) on March 1, 2002. GMEBS was authorized to continue making monthly retirement and death benefit payments after March 1, 2002 to retirees and beneficiaries who were in pay status under the superseded plan on or before such date and to provide future benefits for any vested terminated participant as of February 28, 2002. In order to ensure adequate funding for benefits to be provided to retirees, beneficiaries and vested terminated participants, the City Council approved an ordinance that provides for the following:

1. Retention of assets in the City's GMEBS administered trust fund in an amount equal to 110% of the combined present value of accrued benefits payable to retirees and beneficiaries.
2. The assets in the trust fund shall share in any investment gains or losses of the GMEBS Retirement Trust Fund.
3. Subsequent valuations of the trust fund's liabilities shall be made annually and any gains or losses will be amortized over five years.
4. The City shall make an annual contribution to the trust fund equal to 110% of the recommended contribution amount reflected in each annual valuation plus administration fees.

(See Independent Auditor's Report)

CITY OF SNELLVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

14. EMPLOYEE BENEFIT PLANS, (Continued)

Defined Benefit Plan, Continued

For 2015, the City’s annual pension cost was \$ -0- for SRP as calculated under the above mentioned City ordinance. However, the City did pay administrative fees of \$8,272. The required contribution was determined as part of the January 1, 2015 actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included 7.75% investment rate of return and a cost of living adjustment of 3.25%. There were no active employees and therefore no projected salary increases were used. The value of SRP assets was determined using market values. The actuarial accrued liability as of January 1, 2015 was \$848,071. The annual pension contribution for 2015 was calculated as follows:

Total actuarial accrued liability (as of 1/1/15)	\$ 848,071
10% of actuarial accrued liability (margin)	<u>84,807</u>
Target asset value	932,878
Actual market value of assets	<u>1,838,754</u>
Difference or contribution to fund plan	<u>\$ (905,876)</u>

The City was not required to make any contributions to the plan during the year except for administrative fees as mentioned above.

During the fiscal year ended June 30, 2015 the City implemented GASB Statement NO. 68 “Accounting and Financial Reporting for Pensions”. The newly adopted statement requires the following disclosures:

At January 1, 2015, the date of the most recent actuarial valuation, there were 41 participants consisting of the following:

Retirees and beneficiaries currently receiving benefits	18
Terminated vested participants not yet receiving benefits	23
Active employees - vested	0
Active employees - nonvested	<u>0</u>
Total	<u>41</u>

(See Independent Auditor’s Report)

CITY OF SNELLVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

14. EMPLOYEE BENEFIT PLANS, (Continued)

Defined Benefit Plan, Continued

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

At June 30, 2015, the City reported a liability of \$374,312 for its net pension liability. The net pension liability was measured as of September 30, 2014 and was determined by an actuarial valuation as of January 1, 2015. The changes in the Net Pension Liability for the year ended September 30, 2014 (the measurement date) were as follow:

	Total Pension Liability	Fiduciary Net Position	Net Pension Liability (Asset)
Balances at September 30, 2013	\$ 898,648	\$ 1,704,087	\$ (805,439)
Changes for the year-			
Interest	67,317	-	67,317
Differences between expected and actual experience	(45,378)	-	(45,378)
Contributions - Employer	-	8,158	(8,158)
Net investment income	-	192,902	(192,902)
Benefit payments, including refunds of employee contributions	(60,071)	(60,071)	-
Administrative expense	-	(6,322)	6,322
Other	(12,445)	-	(12,445)
Net Changes	<u>(50,577)</u>	<u>134,667</u>	<u>(185,244)</u>
Balance at September 30, 2014	<u>\$ 848,071</u>	<u>\$ 1,838,754</u>	<u>\$ (990,683)</u>

For the year ended June 30, 2015, the City recognized pension expense and deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Service cost	\$ -
Interest on The Pension Liability (TPL)	67,317
Administrative expenses	6,322
Expected return on assets	(129,810)
Deferred Inflows -	
Expensed portion of current year period differences between expected and actual experience in TPL	(45,378)
Expensed portion of current year period assumption changes	(12,445)
Expensed portion of current year period differences between projected and actual investment earnings	<u>(12,620)</u>
Total expense	<u>\$ (126,614)</u>

(See Independent Auditor's Report)

CITY OF SNELLVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

14. EMPLOYEE BENEFIT PLANS, (Continued)

Defined Benefit Plan, Continued

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

\$8,272 reported as deferred outflows of resources related to pensions resulting from the City’s contributions made subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

F/Y/E June 30,	Deferred Outflows	Deferred Inflows
2016	\$ -	\$ (12,618)
2017	-	(12,618)
2018	-	(12,618)
2019	-	(12,618)
	<u> </u>	<u> </u>
	\$ -	\$ (50,472)

Outstanding balances of deferred outflows/inflows of resources related to pensions as of June 30, 2015 are as follow:

	<u>Outflows</u>	<u>Inflows</u>
Contributions subsequent to the measurement date	\$ 8,272	\$ -
Differences between expected and actual experience	-	-
Investment	-	50,472
Assumption change	-	-
	<u> </u>	<u> </u>
Total	<u>\$ 8,272</u>	<u>\$ 50,472</u>

Actuarial Assumptions

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

Actuarial Assumptions:

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

(See Independent Auditor’s Report)

CITY OF SNELLVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

14. EMPLOYEE BENEFIT PLANS, (Continued)

Defined Benefit Plan, Continued

Actuarial Assumptions, Continued

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Long-Term Nominal Real Rate of Return</u>
Domestic equity	50.00%	5.95%	9.20%
International equity	15.00%	6.45%	9.70%
Fixed income	25.00%	1.55%	4.80%
Real estate	10.00%	3.75%	7.00%
Cash	0.00%		
Total	100.00%		

Discount Rate

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

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

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

	<u>1% Decrease (6.75%)</u>	<u>Current Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
Net Pension Liability (Asset)	\$ (899,145)	\$ (990,683)	\$(1,068,205)

(See Independent Auditor's Report)

CITY OF SNELLVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

14. EMPLOYEE BENEFIT PLANS, (Continued)

Defined Benefit Plan, Continued

Pension Plan Net Fiduciary Net Position

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

15. EARLY RETIREMENT PLAN

2010 Early Retirement Incentive –

In 2010 the City put together offers for employees as an early retirement incentive. To be eligible for the early retirement incentives, employees must (1) have attained the age of 55; (2) have worked for the City at least ten years; (3) have worked a minimum of 100 days during the year; and (4) have not received an official notice of layoff or termination. Employees could choose between 5 different plans, some of which offered pension contributions as a percentage of salary per year until age 65, health insurance premiums covered by the City until age 65, 6 months payout of salary, and payouts of vacation and sick leave benefits. The total liability to the City at the start of the program was \$399,327. Of this total liability for termination benefits, \$84,327 was paid with expendable available financial resources and was therefore recognized in the fund financial statements in fiscal year ended June 30, 2010. The remainder was reported in the government-wide financial statements as a long term obligation. Termination benefits are expected to be paid through 2025. Benefits have been calculated using a 6% discount rate of future benefit payments and a 6% inflation rate, if applicable.

	<u>6/30/15</u>	<u>6/30/14</u>
Salary, vacation and sick leave payouts	\$ -	\$ -
Pension contributions	-	-
Medical insurance benefits	<u>134,648</u>	<u>125,356</u>
	134,648	125,356
Amounts already accrued for selected employees in compensated absences, etc	<u>-</u>	<u>-</u>
Net termination benefits to accrue	134,648	125,356
Amounts payable with expendable available resources - fund level	<u>-</u>	<u>-</u>
Long-term obligation	<u>\$ 134,648</u>	<u>\$ 125,356</u>

(See Independent Auditor’s Report)

CITY OF SNELLVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS -- (Continued)

16. DOWNTOWN DEVELOPMENT AUTHORITY NOTE PAYABLE

In June 2011 the Snellville Downtown Development Authority (DDA) obtained financing from a bank for the purchase of approximately 10 acres of land in the City's Town Center Area. The City and the DDA did enter into an intergovernmental agreement whereby the City has guaranteed funding of the debt service of the note through a capital lease obligation. At the end of the capital lease the City will own the land. As a result the DDA has recorded a liability for the note payable and an amount due from the City in the amount of \$697,450. The City has also recorded a liability in the governmental-wide financial statements for the amount due under the intergovernmental agreement. The remaining annual debt service requirements to maturity for the note payable as of December 31, 2014 (the DDA's fiscal year end) are as follows:

F/Y/E DECEMBER 31,	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2015	60,501	29,160	89,661
2016	<u>524,674</u>	<u>8,943</u>	<u>533,617</u>
TOTALS	<u>\$ 585,175</u>	<u>\$ 38,103</u>	<u>\$ 623,278</u>

17. SETTLEMENT OF SERVICE DELIVERY STRATEGY LAWSUIT

On February 7, 2012 the City, along with 14 other Gwinnett municipalities, signed a Final Consent Order settling legal action against Gwinnett County in the Service Delivery Strategy (SDS) matter. With the signing of the Order, the County recognized the value of the City provision of certain services (Police, Planning, 911 Dispatch) within the City's boundaries and agreed to a monetary settlement for such provision. The financial impact for F/Y - 12 amounted to a one-time payment in the amount of \$1,331,000 which can be used for General Fund purposes. Annual payment for Police / 911 services in the amount of approximately \$500,000 will be received for the next six years according to the final agreement. The City will also receive an annual payment of approximately \$220,000 from the County that the City may use to finance operations.

18. RESTATEMENT OF NET POSITION

The City implemented the requirements of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*, for the City of Snellville Retirement Plan (SRP). This Statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expenses/expenditures. For defined benefit pensions, this Statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. This Statement also requires enhanced note disclosures and schedules of required supplementary information that will be presented by pension plans that are within its scope.

The implementation of GASB Statement No. 68 had the following effect:

	<u>Governmental Activities</u>
Net position, June 30, 2014	\$ 40,263,465
Recognition of deferred pension outflows	8,158
Recognition of net pension asset	<u>805,439</u>
Restated net position, June 30, 2014	<u>\$ 41,077,062</u>

(See Independent Auditor's Report)

CITY OF SNELLVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS – (Continued)

19. OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES

Generally accepted accounting principles require disclosures, as a part of the combined statements - overview, of certain information concerning individual funds including-

- A. Deficit fund balances or retained earnings balances of individual funds –The City’s LCI Fund at June 30, 2015 had a deficit fund balance of \$501,071. Management expects to finance the deficit through future intergovernmental revenues under the LCI grant.
- B. Excess of expenditures over appropriations in individual funds are as follows:

The City’s General Fund had two departmental expenditures which materially (if both over 5% and greater than \$10,000) exceeded their corresponding appropriations as follow:

	Budget		Variance
	Final	Actual	
General Fund -			
Police	\$ 4,243,361	\$ 4,621,531	\$ (378,170)
Hotel / Motel Tax Fund -			
Economic Development	95,020	130,399	(35,379)
Urban Redevelopment Agency			
Debt Service	-	381,181	(381,181)

(See Independent Auditor’s Report)

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

	Fiscal Year End									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Total Pension Liability										
Service cost	\$ -									
Interest	67,317									
Differences between expected and actual experience	(45,378)									
Changes of assumptions	(12,445)									
Benefit payments	(60,071)									
Net changes in total pension liability	(50,577)									
Total pension liability - beginning	898,648									
Total pension liability - ending	<u>\$ 848,071</u>									
Plan Fiduciary Net Position										
Contributions - employer	\$ 8,158									
Net investment income	192,902									
Benefit payments	(60,071)									
Administrative expense	(6,322)									
Other	-									
Net change in fiduciary net position	134,667									
Plan fiduciary net position - beginning	1,704,087									
Plan fiduciary net position - ending	<u>\$ 1,838,754</u>									
Net Pension Liability										
Net pension liability	\$ (990,683)									
Plan's fiduciary net position as a percentage of the total pension liability	216.82%									
Covered-employee payroll	\$ -									
Net pension liability as a percentage of covered payroll	0.00%									

(Historical information prior to implementation of GASB 67/68 is not required)

(Historical information prior to implementation of GASB 67/68 is not required)

(Historical information prior to implementation of GASB 67/68 is not required)

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

	Fiscal Year End									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Actuarially determined contributions	8,272									
Contributions in relation to the actuarially determined contribution	(8,272)									
Contribution deficiency (excess)	-									
Covered-employee payroll	-									
Contributions as a percentage of covered-employee payroll	0.00%									

(Historical information prior to implementation of GASB 67/68 is not required)

CITY OF SNELLVILLE, GEORGIA
NOTES TO REQUIRED SUPPLEMENTARY PENSION INFORMATION
FOR THE YEAR ENDED JUNE 30, 2015

Note 1

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

Methods and assumptions used to determine contribution rates:

<p>Actuarial Cost Method Amortization Method Remaining Amortization Period Asset Valuation Method</p>	<p>Projected Unit Credit Closed level dollar for remaining unfunded liability N/A Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value.</p>
--	---

Actuarial Assumptions:

<p>Net Investment Rate of Return Projected Salary Increases Cost of Living Adjustments Mortality Rates - Healthy Disabled Plan Termination Basis</p>	<p>7.75% N/A 3.25% RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forward 2 years for males and 1 year for females RP-2000 Disabled Retiree Mortality Table - unisex rates 1994 Group Annuity Reserving Unisex Table</p>
--	--

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

This page is intentionally left blank.

**CITY OF SNELLVILLE, GEORGIA
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2015**

	SPECIAL REVENUE FUNDS		
	CONFISCATED ASSETS FUND	TREE BANK FUND	HOTEL/MOTEL FUND
ASSETS			
Cash	\$ 116,557	\$ 110,935	\$ 30,238
Investments	-	-	-
Receivables-			
Taxes	-	-	11,907
Accounts	-	-	-
Grants	-	-	-
Due from other funds	-	-	-
Total Assets	\$ 116,557	\$ 110,935	\$ 42,145
 LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts payable	\$ 2,314	\$ -	\$ 24,723
Due from other funds	2,500	-	-
Unearned revenues	13,651	-	-
Total Liabilities	18,465	-	24,723
Fund Balance			
Restricted -			
Police Activities	98,092	-	-
Tree Bank Activities	-	110,935	-
Economic Development	-	-	17,422
Capital Projects	-	-	-
Unassigned	-	-	-
Total Fund Balance	98,092	110,935	17,422
Total Liabilities and Fund Balance	\$ 116,557	\$ 110,935	\$ 42,145

CAPITAL PROJECTS FUNDS		TOTAL NON-MAJOR GOVERNMENTAL FUNDS
CITY CENTER FUND	POLICE FACILITIES FUND	
\$ -	\$ 443,925	\$ 701,655
-	-	-
-	-	11,907
-	-	-
-	-	-
-	-	-
<u>\$ -</u>	<u>\$ 443,925</u>	<u>\$ 713,562</u>
\$ -	\$ -	\$ 27,037
-	-	2,500
-	-	13,651
<u>-</u>	<u>-</u>	<u>43,188</u>
-	-	98,092
-	-	110,935
-	-	17,422
-	443,925	443,925
-	-	-
<u>-</u>	<u>443,925</u>	<u>670,374</u>
<u>\$ -</u>	<u>\$ 443,925</u>	<u>\$ 713,562</u>

**CITY OF SNELLVILLE, GEORGIA
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2015**

	SPECIAL REVENUE FUNDS		
	CONFISCATED ASSETS FUND	TREE BANK FUND	HOTEL / MOTEL TAX FUND
REVENUES			
Confiscations	\$ 97,648	\$ -	\$ -
Tree Bank Bonds	-	-	-
Taxes	-	-	130,399
Intergovernmental	-	-	-
Interest	66	54	20
Miscellaneous	-	-	-
Total Operating Revenues	<u>97,714</u>	<u>54</u>	<u>130,419</u>
EXPENDITURES			
Current -			
Police Activities	12,916	-	-
Tree Bank	-	-	-
Economic Development	-	-	130,399
Tourism and Promotion	-	-	-
Highways and Streets	-	-	-
Capital -			
Police	72,156	-	-
Highways and Streets	-	-	-
Debt service -			
Principal	-	-	-
Interest	-	-	-
Total Expenditures	<u>85,072</u>	<u>-</u>	<u>130,399</u>
Excess (Deficiency) of Revenues over Expenditures	12,642	54	20
Other Financing Sources (Uses): Transfers	<u>-</u>	<u>-</u>	<u>(954)</u>
Net Changes in Fund Balances	12,642	54	(934)
Fund Balance - Beginning of year	<u>85,450</u>	<u>110,881</u>	<u>18,356</u>
Fund Balance - End of year	<u>\$ 98,092</u>	<u>\$ 110,935</u>	<u>\$ 17,422</u>

<u>CAPITAL PROJECTS FUNDS</u>		<u>TOTAL</u>
<u>CITY</u>	<u>POLICE</u>	<u>NON-MAJOR</u>
<u>CENTER</u>	<u>FACILITIES</u>	<u>GOVERNMENTAL</u>
<u>FUND</u>	<u>FUND</u>	<u>FUNDS</u>
\$ -	\$ -	\$ 97,648
-	-	-
-	-	130,399
-	-	-
-	254	394
-	-	-
-	254	228,441
-	-	12,916
-	-	-
-	-	130,399
-	-	-
-	-	-
-	-	72,156
-	-	-
-	-	-
-	-	-
-	-	215,471
-	254	12,970
-	-	(954)
-	254	12,016
-	443,671	658,358
<u>\$ -</u>	<u>\$ 443,925</u>	<u>\$ 670,374</u>

**CITY OF SNELLVILLE, GEORGIA
GENERAL FUND
BALANCE SHEET
JUNE 30, 2015 AND 2014**

	2015	2014
<u>ASSETS</u>		
Cash	\$ 6,305,298	\$ 5,728,833
Investments	216,102	215,838
Receivables (net of allowance for uncollectibles)		
Taxes	225,088	241,941
Fines	92,786	184,139
Accounts	7,307	12,893
Intergovernmental	-	-
Due from other funds	2,974	118,110
Prepaid items	99,285	99,730
TOTAL ASSETS	\$ 6,948,840	\$ 6,601,484
<u>LIABILITIES AND FUND EQUITY</u>		
Liabilities:		
Accounts payable	\$ 622,670	\$ 330,492
Accrued expenses -		
Salaries	153,396	139,942
Deposits	23,328	19,529
Police bonds and court fees	58,678	94,096
Other	-	-
Due to other funds	321,805	-
TOTAL LIABILITIES	1,179,877	584,059
Deferred Inflows:		
Unavailable revenues	64,007	153,175
Fund Equity:		
Fund Balance		
Nonspendable -		
Prepays	99,285	99,730
Restricted -		
Economic development	28,429	-
Assigned -		
Appropriations for next year's budget	-	-
Unassigned	5,577,242	5,764,520
Total Fund Equity	5,704,956	5,864,250
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND EQUITY	\$ 6,948,840	\$ 6,601,484

This page is intentionally left blank.

CITY OF SNELLVILLE, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES - BUDGET BASIS AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015
WITH COMPARABLE AMOUNTS FOR THE YEAR ENDED JUNE 30, 2014

	<u>JUNE 30, 2015</u>			<u>ACTUAL JUNE 30, 2014</u>
	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	
REVENUES:				
Taxes -				
Property	\$ 3,039,400	\$ 3,090,178	\$ 50,778	\$ 2,906,834
Motor vehicle	120,000	92,310	(27,690)	128,660
Title advalorem	420,000	466,579	46,579	546,550
Franchise	1,270,000	1,284,366	14,366	1,237,933
Alcohol beverage	325,000	329,914	4,914	325,193
Insurance premium	941,000	985,119	44,119	940,995
Business occupational	725,000	789,148	64,148	770,014
Excise	72,000	89,096	17,096	2,298
Intangible	40,000	44,118	4,118	44,188
Transfer	12,500	16,699	4,199	16,530
Financial institution	85,000	71,305	(13,695)	75,727
Total Taxes	<u>7,049,900</u>	<u>7,258,832</u>	<u>208,932</u>	<u>6,994,922</u>
Business Licenses and Permits -				
Alcohol licenses	90,000	96,745	6,745	86,422
Other business licenses	35,000	32,400	(2,600)	32,850
Building permits	62,000	76,369	14,369	101,734
Inspection permits	12,000	14,030	2,030	15,360
Sign permits	5,000	4,011	(989)	6,290
Site development	2,000	3,857	1,857	1,230
Other permits	5,050	6,776	1,726	6,982
Total Business Licenses and Permits	<u>211,050</u>	<u>234,188</u>	<u>23,138</u>	<u>250,868</u>
Intergovernmental -				
County E-911 assistance	-	-	-	-
County SDS Settlement	220,000	220,229	229	220,229
COPS Grant	-	3,032	3,032	43,037
LMIG program	140,000	136,547	(3,453)	138,564
Other	-	-	-	-
Total Intergovernmental	<u>360,000</u>	<u>359,808</u>	<u>(192)</u>	<u>401,830</u>

CITY OF SNELLVILLE, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES - BUDGET BASIS AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015
WITH COMPARABLE AMOUNTS FOR THE YEAR ENDED JUNE 30, 2014

	<u>JUNE 30, 2015</u>			<u>ACTUAL JUNE 30, 2014</u>
	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	
REVENUES - Continued:				
Charges for Services -				
Recreational activities	\$ 160,550	\$ 140,207	\$ (20,343)	\$ 148,010
E911 fees	551,000	584,188	33,188	655,276
Public safety fees	77,000	81,591	4,591	74,569
Planning and zoning fees	32,000	46,217	14,217	41,076
Other	-	-	-	720
Total Charges for Services	<u>820,550</u>	<u>852,203</u>	<u>31,653</u>	<u>919,651</u>
Fines and Forfeitures	1,800,500	1,981,809	181,309	1,747,708
Investment Income	3,500	3,459	(41)	3,434
Rental Income	81,700	99,934	18,234	96,583
Other -				
Reimbursements	3,500	2,900	(600)	4,390
Donations	-	-	-	1,000
Penalties and interest	25,000	18,009	(6,991)	16,648
Miscellaneous	1,600	2,261	661	1,510
Total Other	<u>30,100</u>	<u>23,170</u>	<u>(6,930)</u>	<u>23,548</u>
TOTAL REVENUES	<u>\$ 10,357,300</u>	<u>\$ 10,813,403</u>	<u>\$ 456,103</u>	<u>\$ 10,438,544</u>

**CITY OF SNELLVILLE, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET BASIS AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015
WITH COMPARABLE AMOUNTS FOR THE YEAR ENDED JUNE 30, 2014**

	<u>JUNE 30, 2015</u>			<u>ACTUAL JUNE 30, 2014</u>
	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	
CURRENT EXPENDITURES:				
GENERAL GOVERNMENT				
Governing Body	\$ 37,140	\$ 32,958	\$ 4,182	\$ 30,368
City Clerk	85,691	104,383	(18,692)	93,102
Mayor	8,794	10,350	(1,556)	9,701
City Manager	173,493	172,527	966	161,039
Elections	-	240	(240)	4,414
General Administration	926,673	909,360	17,313	978,110
Accounting	82,031	15,745	66,286	79,981
IT Administration	67,753	67,567	186	66,321
Public Information Officer	50,442	48,481	1,961	27,110
Human Resources	54,992	57,495	(2,503)	73,492
Total General Government	<u>1,487,009</u>	<u>1,419,106</u>	<u>67,903</u>	<u>1,523,638</u>
MUNICIPAL COURT				
Judicial	<u>703,573</u>	<u>723,097</u>	<u>(19,524)</u>	<u>645,907</u>
POLICE				
Administration	602,768	596,679	6,089	690,363
Criminal Investigation	578,752	550,381	28,371	474,160
Patrol	2,255,272	2,286,894	(31,622)	2,225,062
Records	105,086	109,996	(4,910)	104,468
Dispatch	551,011	528,854	22,157	516,706
Public Relations	-	-	-	-
Total Police	<u>4,092,889</u>	<u>4,072,804</u>	<u>20,085</u>	<u>4,010,759</u>
PUBLIC WORKS				
Highways and Streets	728,169	701,667	26,502	684,614
Paved Streets	199,176	188,671	10,505	196,764
Maintenance	53,660	54,120	(460)	52,460
Total Public Works	<u>981,005</u>	<u>944,458</u>	<u>36,547</u>	<u>933,838</u>

**CITY OF SNELLVILLE, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEARS ENDED JUNE 30, 2015
WITH COMPARABLE AMOUNTS FOR THE YEAR ENDED JUNE 30, 2014**

	<u>JUNE 30, 2015</u>			
	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>ACTUAL JUNE 30, 2014</u>
CURRENT EXPENDITURES - Continued				
PARKS AND RECREATION				
Administration	\$ 292,334	\$ 281,849	\$ 10,485	\$ 303,863
Participant Recreation	53,664	50,376	3,288	44,656
Park Areas	249,970	235,320	14,650	206,290
Senior Participants	143,218	142,279	939	150,817
Total Parks and Recreation	<u>739,186</u>	<u>709,824</u>	<u>29,362</u>	<u>705,626</u>
COMMUNITY DEVELOPMENT				
Planning and Zoning	414,331	380,462	33,869	380,647
Economic Development	184,527	173,772	10,755	101,675
Total Community Development	<u>598,858</u>	<u>554,234</u>	<u>44,624</u>	<u>482,322</u>
TOTAL CURRENT EXPENDITURES	<u>8,602,520</u>	<u>8,423,523</u>	<u>178,997</u>	<u>8,302,090</u>
CAPITAL OUTLAY				
General Government	105,000	72,344	32,656	91,265
Police	150,472	548,727	(398,255)	122,970
Public Works	277,600	208,077	69,523	446,464
Parks and Recreation	25,000	34,284	(9,284)	71,556
Court	-	-	-	-
Community Development	-	-	-	-
TOTAL CAPITAL OUTLAY	<u>558,072</u>	<u>863,432</u>	<u>(305,360)</u>	<u>732,255</u>
DEBT SERVICE				
Principal	36,100	40,053	(3,953)	38,748
Interest	23,942	20,038	3,904	21,293
TOTAL DEBT SERVICE	<u>60,042</u>	<u>60,091</u>	<u>(49)</u>	<u>60,041</u>
TOTAL EXPENDITURES	<u>\$ 9,220,634</u>	<u>\$ 9,347,046</u>	<u>\$ (126,412)</u>	<u>\$ 9,094,386</u>

**CITY OF SNELLVILLE, GEORGIA
CONFISCATED ASSETS FUND
BALANCE SHEET
JUNE 30, 2015 AND 2014**

ASSETS	2015	2014
Cash	\$ 116,557	\$ 99,477
Grant receivable	-	7,998
Due from other funds	-	-
Total Assets	\$ 116,557	\$ 107,475
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 2,314	\$ 10,068
Due to other funds	2,500	2,500
Unearned revenues	13,651	9,457
Total Liabilities	18,465	22,025
Fund Balance		
Restricted for police activities	98,092	85,450
Total Fund Balance	98,092	85,450
Total Liabilities and Fund Balance	\$ 116,557	\$ 107,475

CITY OF SNELLVILLE, GEORGIA
CONFISCATED ASSETS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE--BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015
WITH COMPARABLE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2014

	JUNE 30, 2015				
	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL JUNE 30, 2014
	ORIGINAL	FINAL			
REVENUES					
Confiscations	\$ 40,000	\$ 40,000	\$ 97,648	\$ 57,648	\$ 60,445
Interest	50	50	66	16	56
Grants	-	-	-	-	7,998
Total Revenues	<u>40,050</u>	<u>40,050</u>	<u>97,714</u>	<u>57,664</u>	<u>68,499</u>
EXPENDITURES					
Police Activities -					
Current	35,000	35,000	12,916	22,084	9,410
Capital	82,000	82,000	72,156	9,844	96,327
Total Expenditures	<u>117,000</u>	<u>117,000</u>	<u>85,072</u>	<u>31,928</u>	<u>105,737</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(76,950)</u>	<u>(76,950)</u>	<u>12,642</u>	<u>89,592</u>	<u>(37,238)</u>
Other Financing Sources (Uses):					
Transfers	-	-	-	-	-
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(76,950)	(76,950)	12,642	89,592	(37,238)
Fund Balance - Beginning of year	<u>85,450</u>	<u>85,450</u>	<u>85,450</u>	<u>-</u>	<u>122,688</u>
Fund Balance - End of year	<u>\$ 8,500</u>	<u>\$ 8,500</u>	<u>\$ 98,092</u>	<u>\$ 89,592</u>	<u>\$ 85,450</u>

**CITY OF SNELLVILLE, GEORGIA
TREE BANK FUND
BALANCE SHEET
JUNE 30, 2015 AND 2014**

	2015	2014
ASSETS		
Cash	\$ 110,935	\$ 110,881
Accounts receivable	-	-
Due from other funds	-	-
Total Assets	\$ 110,935	\$ 110,881
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ -	\$ -
Total Liabilities	-	-
Fund Balance		
Restricted for Tree Bank activities	110,935	110,881
Total Fund Balance	110,935	110,881
Total Liabilities and Fund Balance	\$ 110,935	\$ 110,881

CITY OF SNELLVILLE, GEORGIA
TREE BANK FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE--BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015
WITH COMPARABLE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2014

	JUNE 30, 2015				
	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL JUNE 30, 2014
	ORIGINAL	FINAL			
REVENUES					
Tree Bank bonds	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	50	50	54	4	59
Miscellaneous	<u>25,000</u>	<u>25,000</u>	<u>-</u>	<u>(25,000)</u>	<u>-</u>
Total Revenues	<u>25,050</u>	<u>25,050</u>	<u>54</u>	<u>(24,996)</u>	<u>59</u>
EXPENDITURES					
Current -					
Community Development -					
Tree Bank	25,050	25,050	-	25,050	159
Capital -					
City Center	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>25,050</u>	<u>25,050</u>	<u>-</u>	<u>25,050</u>	<u>159</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>54</u>	<u>54</u>	<u>(100)</u>
Other Financing Sources (Uses):					
Transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	54	54	(100)
Fund Balance - Beginning of Year	<u>110,881</u>	<u>110,881</u>	<u>110,881</u>	<u>-</u>	<u>110,981</u>
Fund Balance - End of Year	<u>\$ 110,881</u>	<u>\$ 110,881</u>	<u>\$ 110,935</u>	<u>\$ 54</u>	<u>\$ 110,881</u>

**CITY OF SNELLVILLE, GEORGIA
HOTEL/MOTEL TAX FUND
BALANCE SHEET
JUNE 30, 2015 AND 2014**

	2015	2014
ASSETS		
Cash	\$ 30,238	\$ 32,870
Receivables - Taxes	11,907	12,692
Total Assets	\$ 42,145	\$ 45,562
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 24,723	\$ 27,206
Total Liabilities	24,723	27,206
Fund balance		
Restricted for economic development	17,422	18,356
Total Fund Balance	17,422	18,356
Total Liabilities and Fund Balance	\$ 42,145	\$ 45,562

CITY OF SNELLVILLE, GEORGIA
HOTEL / MOTEL TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE--BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015
WITH COMPARABLE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2014

	JUNE 30, 2015				
	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL JUNE 30, 2014
	ORIGINAL	FINAL			
REVENUES					
Taxes	\$ 95,000	\$ 95,000	\$ 130,399	\$ 35,399	\$ 133,949
Interest	20	20	20	-	16
Donations	-	-	-	-	-
Total Revenues	<u>95,020</u>	<u>95,020</u>	<u>130,419</u>	<u>35,399</u>	<u>133,965</u>
EXPENDITURES					
Current -					
Economic Development-					
Contracted services	6,000	6,000	-	6,000	12,000
Payments to others	89,020	89,020	130,399	(41,379)	121,949
Tourism and Promotion-					
Contracted services	-	-	-	-	-
Cemetery Fence	-	-	-	-	-
Total Expenditures	<u>95,020</u>	<u>95,020</u>	<u>130,399</u>	<u>(35,379)</u>	<u>133,949</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>20</u>	<u>20</u>	<u>16</u>
Other Financing Sources (Uses):					
Transfers	<u>-</u>	<u>-</u>	<u>(954)</u>	<u>(954)</u>	<u>-</u>
Total	<u>-</u>	<u>-</u>	<u>(954)</u>	<u>(954)</u>	<u>-</u>
Net Change in Fund Balance	-	-	(934)	(934)	16
Fund Balance - Beginning of Year	<u>18,356</u>	<u>18,356</u>	<u>18,356</u>	<u>-</u>	<u>18,340</u>
Fund Balance - End of Year	<u>\$ 18,356</u>	<u>\$ 18,356</u>	<u>\$ 17,422</u>	<u>\$ (934)</u>	<u>\$ 18,356</u>

**CITY OF SNELLVILLE, GEORGIA
LCI GRANT FUND
BALANCE SHEET
JUNE 30, 2015 AND 2014**

	2015	2014
ASSETS		
Cash	\$ 2,176	\$ 270,220
Accounts receivable	-	-
Grant receivable	1,012,356	107,145
Total Assets	\$ 1,014,532	\$ 377,365
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 286,813	\$ 107,025
Due to other governments	216,434	216,434
Due to other funds	-	-
Total Liabilities	503,247	323,459
Deferred Inflows		
Unavailable grant revenues	1,012,356	107,145
Fund Balance		
Restricted for capital projects	-	-
Unassigned	(501,071)	(53,239)
Total Fund Balance	(501,071)	(53,239)
Total Liabilities, Deferred Inflows and Fund Balance	\$ 1,014,532	\$ 377,365

CITY OF SNELLVILLE, GEORGIA
LCI GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE--BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015

	<u>BUDGET AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES				
LCI grant	\$ 2,022,328	\$ 2,022,328	\$ 1,009,972	\$ (1,012,356)
Interest	500	500	58	(442)
Reimbursements	-	-	-	-
Total Revenues	<u>2,022,828</u>	<u>2,022,828</u>	<u>1,010,030</u>	<u>(1,012,798)</u>
EXPENDITURES				
Current -				
Contract services	100,000	100,000	-	100,000
Capital -				
Construction	2,397,113	2,397,113	2,487,549	(90,436)
Reimbursements	-	-	-	-
Total Expenditures	<u>2,497,113</u>	<u>2,497,113</u>	<u>2,487,549</u>	<u>9,564</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(474,285)</u>	<u>(474,285)</u>	<u>(1,477,519)</u>	<u>(1,003,234)</u>
Other Financing Sources (Uses):				
Transfers	<u>320,000</u>	<u>320,000</u>	<u>1,029,687</u>	<u>709,687</u>
Total	<u>320,000</u>	<u>320,000</u>	<u>1,029,687</u>	<u>709,687</u>
Net Change in Fund Balance	(154,285)	(154,285)	(447,832)	(293,547)
Fund Balance - Beginning of Year	<u>(53,239)</u>	<u>(53,239)</u>	<u>(53,239)</u>	<u>-</u>
Fund Balance - End of Year	<u>\$ (207,524)</u>	<u>\$ (207,524)</u>	<u>\$ (501,071)</u>	<u>\$ (293,547)</u>

**CITY OF SNELLVILLE, GEORGIA
POLICE FACILITIES FUND
BALANCE SHEET
JUNE 30, 2015 AND 2014**

	2015	2014
ASSETS		
Cash	\$ 443,925	\$ 443,671
Accrued interest receivable	-	-
Total Assets	\$ 443,925	\$ 443,671
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ -	\$ -
Total Liabilities	-	-
Fund balance		
Restricted for capital projects	443,925	443,671
Total Fund Balance	443,925	443,671
Total Liabilities and Fund Balance	\$ 443,925	\$ 443,671

CITY OF SNELLVILLE, GEORGIA
POLICE FACILITIES FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - FROM INCEPTION
FOR THE YEAR ENDED JUNE 30, 2015

	<u>PRIOR YEARS</u>	<u>CURRENT YEAR</u>	<u>TOTAL</u>	<u>PROJECT AUTHORIZATION</u>
REVENUES				
Investment income	\$ 16,691	\$ 254	\$ 16,945	\$ -
Miscellaneous income	-	-	-	-
Total Revenues	<u>16,691</u>	<u>254</u>	<u>16,945</u>	<u>-</u>
EXPENDITURES				
Capital				
Police facilities	5,827,044	-	5,827,044	6,245,458
Public works facilities	1,201,434	-	1,201,434	1,200,000
Debt Service	-	-	-	-
Issue cost on debt	59,542	-	59,542	59,542
Total Expenditures	<u>7,088,020</u>	<u>-</u>	<u>7,088,020</u>	<u>7,505,000</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(7,071,329)</u>	<u>254</u>	<u>(7,071,075)</u>	<u>(7,505,000)</u>
Other Financing Sources (Uses):				
Proceeds from long-term debt	7,505,000	-	7,505,000	7,505,000
Transfers	10,000	-	10,000	-
Total Other Financing Sources (Uses)	<u>7,515,000</u>	<u>-</u>	<u>7,515,000</u>	<u>7,505,000</u>
Net Change in Fund Balance	<u>\$ 443,671</u>	<u>254</u>	<u>\$ 443,925</u>	<u>\$ -</u>
FUND BALANCE				
Beginning of year		<u>443,671</u>		
End of year		<u>\$ 443,925</u>		

CITY OF SNELLVILLE, GEORGIA
SPLOST I CAPITAL PROJECTS FUND
BALANCE SHEET
JUNE 30, 2015 AND 2014

ASSETS	<u>2015</u>	<u>2014</u>
Cash	\$ 266,312	\$ 720,409
Taxes receivable	-	-
Due from other funds	-	-
Total Assets	<u>\$ 266,312</u>	<u>\$ 720,409</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 41,540	\$ -
Total Liabilities	<u>41,540</u>	<u>-</u>
Fund Balance		
Restricted for capital outlay	<u>224,772</u>	<u>720,409</u>
Total Fund Balance	<u>224,772</u>	<u>720,409</u>
Total Liabilities and Fund Balance	<u>\$ 266,312</u>	<u>\$ 720,409</u>

**CITY OF SNELLVILLE, GEORGIA
SPLOST I CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL - FROM INCEPTION
FOR THE YEARS ENDED JUNE 30, 2015**

	<u>PRIOR YEARS</u>	<u>CURRENT YEAR</u>	<u>TOTAL TO DATE</u>	<u>PROJECT AUTHORIZATION</u>
REVENUES				
Intergovernmental	\$ 11,688,581	\$ -	\$ 11,688,581	\$ 11,056,158
Interest	299,218	314	299,532	
Reimbursements	<u>153,615</u>	<u>-</u>	<u>153,615</u>	<u>-</u>
Total Revenues	<u>12,141,414</u>	<u>314</u>	<u>12,141,728</u>	<u>11,056,158</u>
EXPENDITURES				
Capital Outlay				
Transportation	3,593,532	495,951	4,089,483	4,056,158
Public Safety	4,162,723	-	4,162,723	5,000,000
Cultural, Historic, & Recreation	3,357,304	-	3,357,304	2,000,000
Debt Service				
Principal	1,236,926	-	1,236,926	-
Interest	<u>53,328</u>	<u>-</u>	<u>53,328</u>	<u>-</u>
Total Expenditures	<u>12,403,813</u>	<u>495,951</u>	<u>12,899,764</u>	<u>11,056,158</u>
Excess of revenues over (under) expenditures	(262,399)	(495,637)	(758,036)	-
Other financing sources (uses)				
Transfers	<u>982,808</u>	<u>-</u>	<u>982,808</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) other financing uses	<u>\$ 720,409</u>	(495,637)	<u>\$ 224,772</u>	<u>\$ -</u>
FUND BALANCE				
Beginning		<u>720,409</u>		
Ending		<u>\$ 224,772</u>		

CITY OF SNELLVILLE, GEORGIA
SPLOST II CAPITAL PROJECTS FUND
BALANCE SHEET
JUNE 30, 2015 AND 2014

	2015	2014
ASSETS		
Cash	\$ 211,519	\$ 3,594,700
Intergovernmental receivable	-	-
Due from other funds	-	-
Total Assets	\$ 211,519	\$ 3,594,700
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 186,948	\$ 110,450
Due to other funds	-	-
Total Liabilities	186,948	110,450
 Fund Balance		
Restricted for capital outlay	24,571	3,484,250
Total Fund Balance	24,571	3,484,250
Total Liabilities and Fund Balance	\$ 211,519	\$ 3,594,700

**CITY OF SNELLVILLE, GEORGIA
 SPLOST II CAPITAL PROJECTS FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL - FROM INCEPTION
 FOR THE YEAR ENDED JUNE 30, 2015**

	<u>PRIOR YEARS</u>	<u>CURRENT YEAR</u>	<u>TOTAL TO DATE</u>	<u>PROJECT AUTHORIZATION</u>
REVENUES				
Intergovernmental	\$ 13,708,477	\$ -	\$ 13,708,477	\$ 16,027,928
Interest	<u>10,467</u>	<u>1,041</u>	<u>11,508</u>	<u>-</u>
Total Revenues	<u>13,718,944</u>	<u>1,041</u>	<u>13,719,985</u>	<u>16,027,928</u>
EXPENDITURES				
Capital Outlay -				
Road, Streets and Bridges	1,155,684	115,527	1,271,211	2,083,631
Public Safety Facilities and Equipment	331,053	-	331,053	6,411,172
Recreational Facilities	1,805,391	2,540,469	4,345,860	5,930,332
Administrative Facilities	-	-	-	1,602,793
Debt Service - Public Safety				
Principal	5,474,625	793,448	6,268,073	-
Interest	<u>477,633</u>	<u>11,276</u>	<u>488,909</u>	<u>-</u>
Total Expenditures	<u>9,244,386</u>	<u>3,460,720</u>	<u>12,705,106</u>	<u>16,027,928</u>
Excess of revenues over (under) expenditures	4,474,558	(3,459,679)	1,014,879	-
Other financing sources (uses)				
Transfers	<u>(990,308)</u>	<u>-</u>	<u>(990,308)</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) other financing uses	<u>\$ 3,484,250</u>	<u>(3,459,679)</u>	<u>\$ 24,571</u>	<u>\$ -</u>
FUND BALANCE				
Beginning		<u>3,484,250</u>		
Ending		<u>\$ 24,571</u>		

CITY OF SNELLVILLE, GEORGIA
SPLOST III CAPITAL PROJECTS FUND
BALANCE SHEET
JUNE 30, 2015

	2015	2014
ASSETS		
Cash	\$ 2,785,330	\$ 216,570
Intergovernmental receivable	475,673	459,218
Other receivable	9,000	-
Due from other funds	14,990	-
Total Assets	\$ 3,284,993	\$ 675,788
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 316,530	\$ -
Due to other funds	-	-
Total Liabilities	316,530	-
 Fund Balance		
Restricted for capital outlay	2,968,463	675,788
Total Fund Balance	2,968,463	675,788
Total Liabilities and Fund Balance	\$ 3,284,993	\$ 675,788

CITY OF SNELLVILLE, GEORGIA
SPLOST III CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL - FROM INCEPTION
FOR THE YEAR ENDED JUNE 30, 2015

	<u>PRIOR YEARS</u>	<u>CURRENT YEAR</u>	<u>TOTAL TO DATE</u>	<u>PROJECT AUTHORIZATION</u>
REVENUES				
Intergovernmental	\$ 675,800	\$ 3,022,591	\$ 3,698,391	\$ 9,556,219
Interest	<u>8</u>	<u>761</u>	<u>769</u>	<u>-</u>
Total Revenues	<u>675,808</u>	<u>3,023,352</u>	<u>3,699,160</u>	<u>9,556,219</u>
EXPENDITURES				
Current -				
Administrative	20	269	289	-
Capital Outlay -				
Administrative facilities	-	-	-	449,143
Voting equipment	-	-	-	19,112
Public safety facilities & equipment	-	9,950	9,950	535,148
Recreational facilities & equipment	-	328,975	328,975	2,150,149
Roads, streets, bridges, drainage, sidewalks and related facilities	-	289,822	289,822	6,402,667
Debt Service - Public Safety:				
Principal	-	101,661	101,661	-
Interest	-	-	-	-
Total Expenditures	<u>20</u>	<u>730,677</u>	<u>730,697</u>	<u>9,556,219</u>
Excess of revenues over (under) expenditures	675,788	2,292,675	2,968,463	-
Other financing sources (uses)				
Transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) other financing uses	<u>\$ 675,788</u>	<u>2,292,675</u>	<u>\$ 2,968,463</u>	<u>\$ -</u>
FUND BALANCE				
Beginning		<u>675,788</u>		
Ending		<u>\$ 2,968,463</u>		

CITY OF SNELLVILLE, GEORGIA
URBAN REDEVELOPMENT AGENCY OF SNELLVILLE
BALANCE SHEET
JUNE 30, 2015 AND 2014

	2015	2014
ASSETS		
Cash	\$ 17,403	\$ 17,458
Investment	-	-
Total Assets	\$ 17,403	\$ 17,458
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ -	\$ -
Total Liabilities	-	-
Fund balance		
Assigned - Redevelopment	17,403	17,458
Total Fund Balance	17,403	17,458
Total Liabilities and Fund Balance	\$ 17,403	\$ 17,458

CITY OF SNELLVILLE, GEORGIA
URBAN REDEVELOPMENT AGENCY OF SNELLVILLE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE--BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015
WITH COMPARABLE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2014

	JUNE 30, 2015				
	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL JUNE 30, 2014
	ORIGINAL	FINAL			
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	-	-	8	8	8
Miscellaneous	-	-	-	-	64
Total Revenues	<u>-</u>	<u>-</u>	<u>8</u>	<u>8</u>	<u>72</u>
EXPENDITURES					
Current -					
Economic Development-					
Contracted services	-	-	-	-	2,614
Debt Service-					
Principal	-	-	332,000	(332,000)	319,000
Interest	-	-	49,189	(49,189)	62,015
Bond issue cost	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>381,189</u>	<u>(381,189)</u>	<u>383,629</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>(381,181)</u>	<u>(381,181)</u>	<u>(383,557)</u>
Other Financing Sources (Uses):					
Debt issue	-	-	-	-	-
Payment to refunded debt agent	-	-	-	-	-
Transfers	-	-	381,126	381,126	381,015
Total	<u>-</u>	<u>-</u>	<u>381,126</u>	<u>381,126</u>	<u>381,015</u>
Net Change in Fund Balance	-	-	(55)	(55)	(2,542)
Fund Balance - Beginning of Year	<u>17,458</u>	<u>17,458</u>	<u>17,458</u>	<u>-</u>	<u>20,000</u>
Fund Balance - End of Year	<u>\$ 17,458</u>	<u>\$ 17,458</u>	<u>\$ 17,403</u>	<u>\$ (55)</u>	<u>\$ 17,458</u>

**CITY OF SNELLVILLE, GEORGIA
STATEMENT OF NET POSITION
SOLID WASTE MANAGEMENT ENTERPRISE FUND
JUNE 30, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
ASSETS		
Current assets:		
Cash	\$ 194,307	\$ 23,034
Receivables (net of reserve for doubtful accounts of \$113,300 in 2015 and \$113,000 in 2014)		
Trade accounts	51,181	68,215
Unbilled sales	119,050	110,802
Total Current Assets	<u>364,538</u>	<u>202,051</u>
Property, plant and equipment:		
Buildings	577,673	577,673
Machinery and equipment	227,846	227,846
Vehicles	21,118	21,118
Land improvements	1,188,252	1,188,251
	<u>2,014,889</u>	<u>2,014,888</u>
Less accumulated depreciation	<u>(805,205)</u>	<u>(749,708)</u>
	<u>1,209,684</u>	<u>1,265,180</u>
Total Assets	<u>1,574,222</u>	<u>1,467,231</u>
LIABILITIES		
Current liabilities:		
Accounts payable	151,155	145,608
Customer deposits	6,218	7,693
Accrued liabilities -		
Payroll	3,630	9,068
Due to other funds	474	-
	<u>161,477</u>	<u>162,369</u>
Total current liabilities (payable from current assets)	<u>161,477</u>	<u>162,369</u>
Long-term obligations	<u>-</u>	<u>-</u>
Total Liabilities	<u>161,477</u>	<u>162,369</u>
NET POSITION		
Net invested in capital assets	1,209,684	1,265,180
Unrestricted	<u>203,061</u>	<u>39,682</u>
Total Net Position	<u>\$ 1,412,745</u>	<u>\$ 1,304,862</u>

CITY OF SNELLVILLE, GEORGIA
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
SOLID WASTE MANAGEMENT ENTERPRISE FUND
FOR THE FISCAL YEARS ENDED JUNE 30, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
OPERATING REVENUES		
Charges for services:		
Solid waste	\$ 1,427,671	\$ 1,346,967
Recycling	92,745	92,966
Penalties	15,860	16,770
Miscellaneous	<u>32,354</u>	<u>5,506</u>
Total Operating Revenues	<u>1,568,630</u>	<u>1,462,209</u>
OPERATING EXPENSES:		
Solid waste operations -		
Purchases of product/service	1,795,877	1,735,563
Salaries and benefits	44,430	34,365
Contracted / purchased services	9,568	7,326
Bad debt expense	-	5,500
Recycling operations -		
Salaries and benefits	90,838	105,277
Contracted / purchased services	80,152	78,895
Supplies	9,947	8,306
Depreciation	<u>55,496</u>	<u>58,379</u>
Total Operating Expenses	<u>2,086,308</u>	<u>2,033,611</u>
Operating Income (Loss)	(517,678)	(571,402)
NON-OPERATING INCOME (EXPENSES):		
Interest revenue	<u>117</u>	<u>81</u>
Net income (loss) before transfers and capital contributions	(517,561)	(571,321)
Transfers in	625,444	527,107
Capital contributions	<u>-</u>	<u>-</u>
NET INCOME	107,883	(44,214)
NET POSITION - BEGINNING	<u>1,304,862</u>	<u>1,349,076</u>
NET POSITION - ENDING	<u>\$ 1,412,745</u>	<u>\$ 1,304,862</u>

CITY OF SNELLVILLE, GEORGIA
STATEMENT OF CASH FLOWS
SOLID WASTE MANAGEMENT ENTERPRISE FUND
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
Cash flows from operating activities:		
Cash received from customers and users	\$ 1,575,941	\$ 1,495,504
Cash paid to suppliers	(1,939,241)	(2,019,921)
Cash paid to employees	<u>(91,462)</u>	<u>(101,534)</u>
Net Cash Provided by Operating Activities	<u>(454,762)</u>	<u>(625,951)</u>
Cash flows from investing activities:		
Interest received	<u>117</u>	<u>81</u>
Net Cash Used in Investing Activities	<u>117</u>	<u>81</u>
Cash flows from non-capital financing activities:		
Transfers	625,444	527,107
Change in due to/from other funds	<u>474</u>	<u>-</u>
Net Cash Provided by (Used in) Non-capital Financing Activities	<u>625,918</u>	<u>527,107</u>
Cash flows from capital financing activities:		
Purchase and construction of capital assets	<u>-</u>	<u>-</u>
Net Cash Provided by (Used in) Capital Financing Activities	<u>-</u>	<u>-</u>
Net increase in cash and cash equivalents	171,273	(98,763)
Cash and cash equivalents - Beginning of Year	<u>23,034</u>	<u>121,797</u>
Cash and cash equivalents - End of Year	<u>\$ 194,307</u>	<u>\$ 23,034</u>

**CITY OF SNELLVILLE, GEORGIA
STATEMENT OF CASH FLOWS
SOLID WASTE MANAGEMENT ENTERPRISE FUND - CONTINUED**

**Reconciliation of Net Income to Net Cash Provided
By Operating Activities**

	2015	2014
Operating income (loss)	\$ (517,678)	\$ (571,402)
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	55,496	58,379
(Increase) decrease in receivables	8,786	32,824
Increase (decrease) in accounts payable	5,547	(148,839)
Increase (decrease) in customer deposits	(1,475)	471
Increase (decrease) in accrued liabilities	(5,438)	2,616
Total Adjustments	62,916	(54,549)
Net Cash Provided (Used) by Operating Activities	\$ (454,762)	\$ (625,951)

CITY OF SNELLVILLE, GEORGIA
STATEMENT OF NET POSITION
STORMWATER MANAGEMENT ENTERPRISE FUND
JUNE 30, 2015 AND 2014

	2015	2014
ASSETS		
Current Assets		
Cash	\$ 567,395	\$ 814,638
Receivables		
Trade accounts	19,452	15,674
Due from other funds	306,815	-
Prepaid tax billing fees	-	-
Total Current Assets	893,662	830,312
Property, Plant and Equipment		
Infrastructure	1,634,054	1,208,400
Equipment	252,189	243,089
Less: Accumulated depreciation	(134,610)	(83,959)
Net Property, Plant and Equipment	1,751,633	1,367,530
 Total Assets	 2,645,295	 2,197,842
 LIABILITIES		
Current Liabilities		
Accounts payable	342,671	19,570
Accrued expenses -		
Salaries	9,499	1,931
Interest	201	399
Due to other funds	-	115,610
Capital lease payable	55,455	54,272
Total Current Liabilities	407,826	191,782
 Long-term Obligations	 -	 55,454
 Total Liabilities	 407,826	 247,236
 NET POSITION		
Net invested in capital assets	1,696,178	1,257,804
Unrestricted	541,291	692,802
 Total Net Position	 \$ 2,237,469	 \$ 1,950,606

CITY OF SNELLVILLE, GEORGIA
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
STORMWATER MANAGEMENT ENTERPRISE FUND
FOR THE FISCAL YEARS ENDED JUNE 30, 2015 AND 2014

	2015	2014
OPERATING REVENUES		
Charges for services:		
Stormwater utility fees	\$ 534,735	\$ 538,136
Penalties	2,822	3,467
Miscellaneous	-	-
Total Operating Revenues	537,557	541,603
OPERATING EXPENSES:		
Salaries and benefits	109,503	100,744
Contracted / purchased services	86,916	110,558
Supplies	1,787	4,898
Depreciation	50,651	45,740
Total Operating Expenses	248,857	261,940
Operating Income (Loss)	288,700	279,663
NON-OPERATING INCOME (EXPENSES):		
Interest revenue	358	358
Interest expense	(2,195)	(3,345)
Net income (loss) before transfers and capital contributions	286,863	276,676
Transfers	-	-
NET INCOME	286,863	276,676
NET POSITION - BEGINNING	1,950,606	1,673,930
NET POSITION - ENDING	\$ 2,237,469	\$ 1,950,606

CITY OF SNELLVILLE, GEORGIA
STATEMENT OF CASH FLOWS
STORMWATER MANAGEMENT ENTERPRISE FUND
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

	2015	2014
Cash flows from operating activities:		
Cash received from customers and users	\$ 533,779	\$ 539,241
Cash paid to suppliers	(122,712)	(148,598)
Cash paid to employees	(71,156)	(70,110)
	<u>339,911</u>	<u>320,533</u>
Net Cash Provided by Operating Activities		
Cash flows from investing activities:		
Interest received	358	358
	<u>358</u>	<u>358</u>
Net Cash Used in Investing Activities		
Cash flows from non-capital financing activities:		
Increase (decrease) in due to other funds	(422,426)	26,805
Transfers	-	-
	<u>(422,426)</u>	<u>26,805</u>
Net Cash Provided by (Used in) Non-capital Financing Activities		
Cash flows from capital financing activities:		
Proceeds from debt issue	-	-
Principal payments	(54,271)	(53,114)
Interest payments	(2,392)	(3,549)
Purchase and construction of capital assets	(108,423)	(393,737)
	<u>(165,086)</u>	<u>(450,400)</u>
Net Cash Provided by (Used in) Capital Financing Activities		
Net increase in cash and cash equivalents	(247,243)	(102,704)
Cash and cash equivalents - Beginning of Year	814,638	917,342
Cash and cash equivalents - End of Year	<u>\$ 567,395</u>	<u>\$ 814,638</u>

CITY OF SNELLVILLE, GEORGIA
STATEMENT OF CASH FLOWS
STORMWATER MANAGEMENT ENTERPRISE FUND - CONTINUED

Reconciliation of Net Income to Net Cash Provided
By Operating Activities

	<u>2015</u>	<u>2014</u>
Operating income (loss)	\$ 288,700	\$ 279,663
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	50,651	45,740
(Increase) decrease in receivables	(3,778)	(2,362)
(Increase) decrease in prepaid expenses	-	-
Increase (decrease) in accounts payable	(3,230)	(3,094)
Increase (decrease) in customer deposits	-	-
Increase (decrease) in accrued liabilities	7,568	586
Total Adjustments	<u>51,211</u>	<u>40,870</u>
Net Cash Provided by Operating Activities	<u>\$ 339,911</u>	<u>\$ 320,533</u>

SNELLVILLE DOWNTOWN DEVELOPMENT AUTHORITY
BALANCE SHEET
DECEMBER 31, 2014 AND 2013

	2014	2013
ASSETS		
Cash	\$ 3,347	\$ 32,507
Investment	60,148	59,929
Due from primary government - long term	595,391	604,810
Total Assets	\$ 658,886	\$ 697,246
LIABILITIES AND FUND BALANCE		
Liabilities		
Accrued interest	\$ 10,216	\$ -
Total Liabilities	10,216	-
Fund balance		
Nonspendable -		
Long-term portion of amount due from primary government	565,370	604,810
Unrestricted	83,300	92,436
Total Fund Balance	648,670	697,246
Total Liabilities and Fund Balance	\$ 658,886	\$ 697,246

**SNELLVILLE DOWNTOWN DEVELOPMENT AUTHORITY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013**

	<u>2014</u>	<u>2013</u>
REVENUES		
Contributions	\$ -	\$ -
Interest	<u>20,856</u>	<u>22,512</u>
Total Revenues	<u>20,856</u>	<u>22,512</u>
 EXPENDITURES		
Current-		
Consultant	28,250	3,258
Promotion	-	-
Training	932	-
Capital-		
Land purchase	-	-
Debt service -		
Principal	19,635	38,079
Interest	<u>20,615</u>	<u>21,962</u>
Total Expenditures	<u>69,432</u>	<u>63,299</u>
Excess (deficiency) of revenues over expenditures	(48,576)	(40,787)
 OTHER FINANCING SOURCES (USES)		
Proceeds from debt issuance	-	-
Sale of capital assets	<u>-</u>	<u>-</u>
Net change in fund balance	(48,576)	(40,787)
Fund Balance - Beginning of Year	<u>697,246</u>	<u>738,033</u>
Fund Balance - End of Year	<u><u>\$ 648,670</u></u>	<u><u>\$ 697,246</u></u>

**SNELLVILLE ARTS COMMISSION
BALANCE SHEET
JUNE 30, 2015**

	<u>2015</u>
ASSETS	
Cash	\$ 6,532
Investment	<u>-</u>
Total Assets	<u><u>\$ 6,532</u></u>
LIABILITIES AND FUND BALANCE	
Liabilities	
Accounts payable	<u>\$ -</u>
Total Liabilities	<u>-</u>
Fund balance	
Unrestricted	<u>6,532</u>
Total Fund Balance	<u>6,532</u>
Total Liabilities and Fund Balance	<u><u>\$ 6,532</u></u>

**SNELLVILLE ARTS COMMISSION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2015**

	2015
REVENUES	
Contributions	\$ 3,125
Fund raisers	2,987
Total Revenues	6,112
 EXPENDITURES	
Current- Supplies	2,117
Total Expenditures	2,117
Excess (deficiency) of revenues over expenditures	3,995
 OTHER FINANCING SOURCES (USES)	
Other	-
Net change in fund balance	3,995
Fund Balance - Beginning of Year	2,537
Fund Balance - End of Year	\$ 6,532