



**CITY OF SNELLVILLE, GEORGIA**  
**ANNUAL FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED**  
**JUNE 30, 2017**

**CITY OF SNELLVILLE, GEORGIA  
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# **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, 2017, 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, 2017 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**

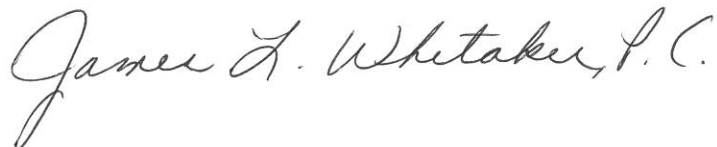
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Snellville, Georgia's basic financial statements. The introductory section, combining nonmajor and individual fund financial statements and budget schedules, and the statistical section 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, 2016, 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 units, 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 2016 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 2016 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 2016 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 December 22, 2017 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  
December 22, 2017

**CITY OF SNELLVILLE**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
For Year Ended June 30, 2017

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, 2017. 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 \$54,234,262 (Net position). Of this amount unrestricted net position of \$8,597,245 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 \$2,552,696. This increase is due to an increase in net position of \$2,063,410 in governmental activities and an increase in business-type activities net position of \$489,286.
- As of the close of the current fiscal year, the City of Snellville's governmental funds reported combined ending fund balances of \$13,453,603. Of this amount \$7,870,782 is unassigned and available for spending, \$4,277,221 is restricted for SPLOST Capital Projects, \$773,990 is restricted for other Capital Projects, \$68,637 is restricted for Police Activities, \$296,486 is restricted for Tree Bank Projects, \$46,121 is restricted for Economic Development and \$103,678 is a nonspendable for Prepaid Items and \$16,691 has been assigned for redevelopment purposes.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$7,870,782 or 64% of total General Fund revenues.
- The City of Snellville's total debt obligations (including accrued compensated absences) increased by the net of \$1,023,310. This increase is due to \$472,124 in new equipment capital lease obligations, \$535,000 in new land refinancing, a decrease of \$15,010 in termination benefits due and a net increase of \$31,196 in accrued compensated absences.

**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, III and IV 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 six 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 17 budget. A project length budget is presented for the Capital Projects Funds 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, 2017, the City's assets exceeded liabilities by \$54,234,262.

The largest portion of the City's net position (74.0%) 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, \$5,462,455 (10.1%) is restricted for Capital Projects, Police Activities, Economic Development and Tree Bank Projects and \$8,597,245 or (15.9%) 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	
	2017	2016	2017	2016	2017	2016
Current and other assets	\$15,746,101	\$12,289,724	\$322,963	\$754,204	\$16,069,064	\$13,043,928
Capital assets	\$39,603,615	\$39,925,465	\$4,249,185	\$3,541,017	\$43,852,800	\$43,466,482
Deferred Outflows	\$106,654	\$136,058	-	-	\$106,654	\$136,058
Total assets and deferred outflows	\$55,456,370	\$52,351,247	\$4,572,148	\$4,295,221	\$60,028,518	\$56,646,468
Current liabilities	\$1,177,749	\$1,195,540	\$311,083	\$523,442	\$1,488,832	\$1,718,982
Long-term liabilities	\$4,231,376	\$3,208,066	-	-	\$4,231,376	\$3,208,066
Deferred inflows	\$74,048	\$37,854	-	-	\$74,048	\$37,854
Total liabilities and deferred inflows	\$5,483,173	\$4,441,460	\$311,083	\$523,442	\$5,794,256	\$4,964,902
<b>Net Position:</b>						
Net invested in capital assets	\$35,925,377	\$37,260,337	\$4,249,185	\$3,541,017	\$40,174,562	\$40,801,354
Restricted	\$5,462,455	\$4,495,801	-	-	\$5,462,455	\$4,495,801
Unrestricted	\$8,585,365	\$6,153,649	\$11,880	\$230,762	\$8,597,245	\$6,384,411
Total net position	\$49,973,197	\$47,909,787	\$4,261,065	\$3,771,779	\$54,234,262	\$51,681,566

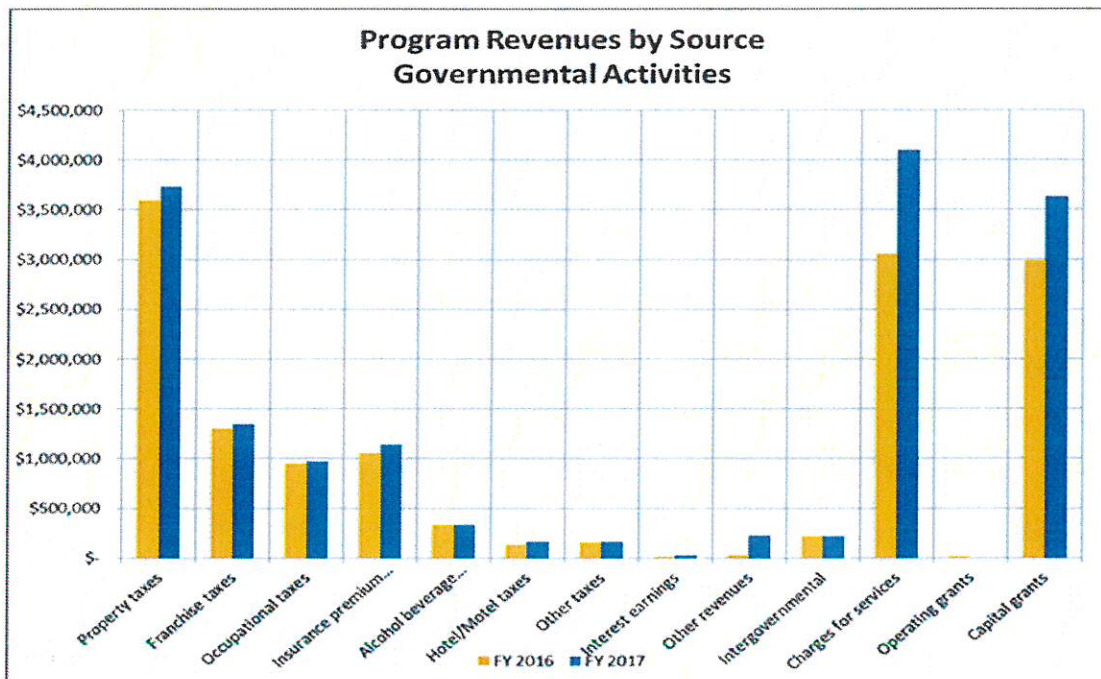
As of June 30, 2017, the City is able to report positive balances in all three categories of net position, both for the government as a whole and for each individual fund.

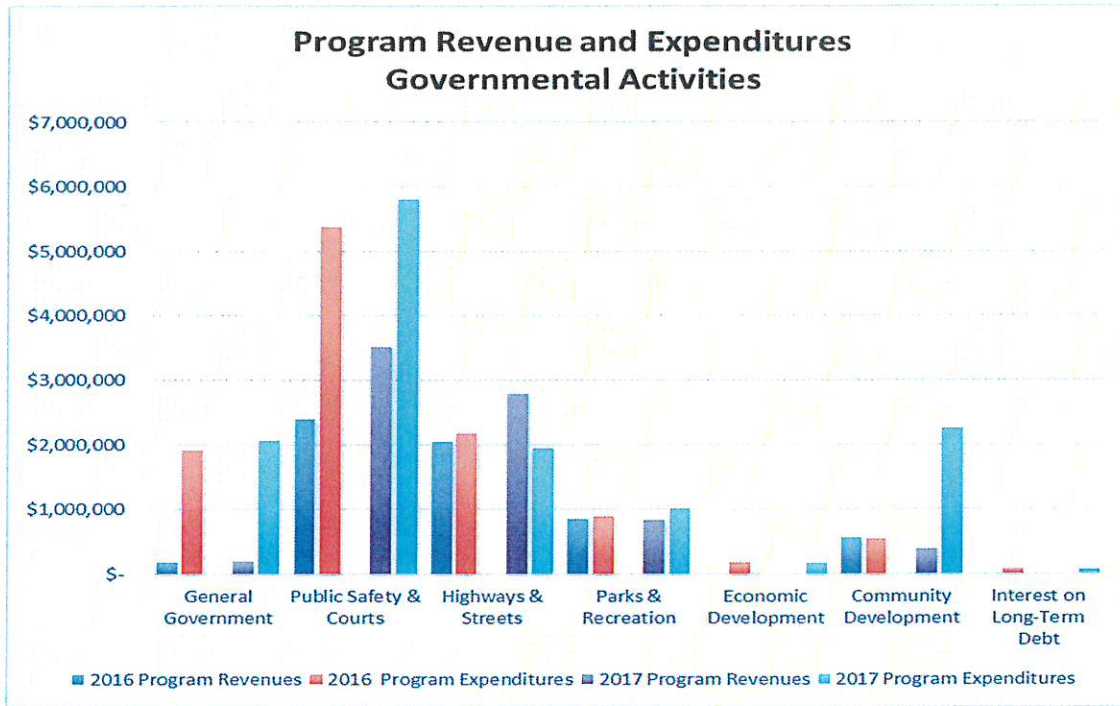
City of Snellville's Change in Net Position

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
<b>Revenues:</b>						
Program Revenues -						
Charges for Services	\$4,097,499	\$3,053,123	\$2,456,107	\$2,227,737	\$6,553,606	\$5,280,860
Operating Grants and Contributions	\$ -	\$350	\$ -	\$350	\$ -	\$350
Capital Grants and Contributions	\$3,628,282	\$2,985,007	\$ -	\$ -	\$3,628,282	\$2,985,007
General Revenues -						
Property Taxes	\$3,729,236	\$3,587,698	\$ -	\$ -	\$3,729,236	\$3,587,698
Other Taxes	\$4,102,715	\$3,914,745	\$ -	\$ -	\$4,102,715	\$3,914,745
Intergovernmental	\$220,229	\$220,229	\$ -	\$ -	\$220,229	\$220,229
Interest	\$28,191	\$12,316	\$1,882	\$999	\$30,073	\$13,315
Other	\$222,692	\$21,813	\$ -	\$ -	\$222,692	\$21,813
<b>Total Revenues</b>	<b>\$16,028,844</b>	<b>\$13,795,281</b>	<b>\$2,457,989</b>	<b>\$2,228,736</b>	<b>\$18,486,833</b>	<b>\$16,024,017</b>
<b>Expenses:</b>						
General Government	\$2,061,883	\$1,916,417			\$2,061,883	\$1,916,417
Public Safety and Courts	\$5,806,299	\$5,384,629			\$5,806,299	\$5,384,629
Parks and Recreation	\$1,017,630	\$896,394			\$1,017,630	\$896,394
Highways and Streets	\$1,945,178	\$2,173,881			\$1,945,178	\$2,173,881
Economic Development	\$161,145	\$184,168			\$161,145	\$184,168
Community Development	\$2,243,390	\$543,268			\$2,243,390	\$543,268
Interest on Long-term Debt	\$70,384	\$72,098			\$70,384	\$72,098
Solid Waste	-	-	\$2,374,144	\$2,164,895	\$2,374,144	\$2,164,895
Stormwater	-	-	\$254,084	\$255,778	\$254,084	\$255,778
<b>Total Expenses</b>	<b>\$13,305,909</b>	<b>\$11,170,855</b>	<b>\$2,628,228</b>	<b>\$2,420,673</b>	<b>\$15,934,137</b>	<b>\$13,591,528</b>
Increase (Decrease) in net position before transfers	\$2,722,935	\$2,624,426	(\$170,239)	(\$191,937)	\$2,552,696	\$2,432,489
Transfers	(\$659,525)	(\$313,502)	\$659,525	\$313,502	\$ -	\$ -
Increase (Decrease) in Net Position	\$2,063,410	\$2,310,924	\$489,286	\$121,565	\$2,552,696	\$2,432,489
Net Position-Beginning of Year, Adjusted (1)	\$47,909,787	\$45,598,863	\$3,771,779	\$3,650,214	\$51,681,566	\$49,249,077
Net Position-End of Year	\$49,973,197	\$47,909,787	\$4,261,065	\$3,771,779	\$54,234,262	\$51,681,566

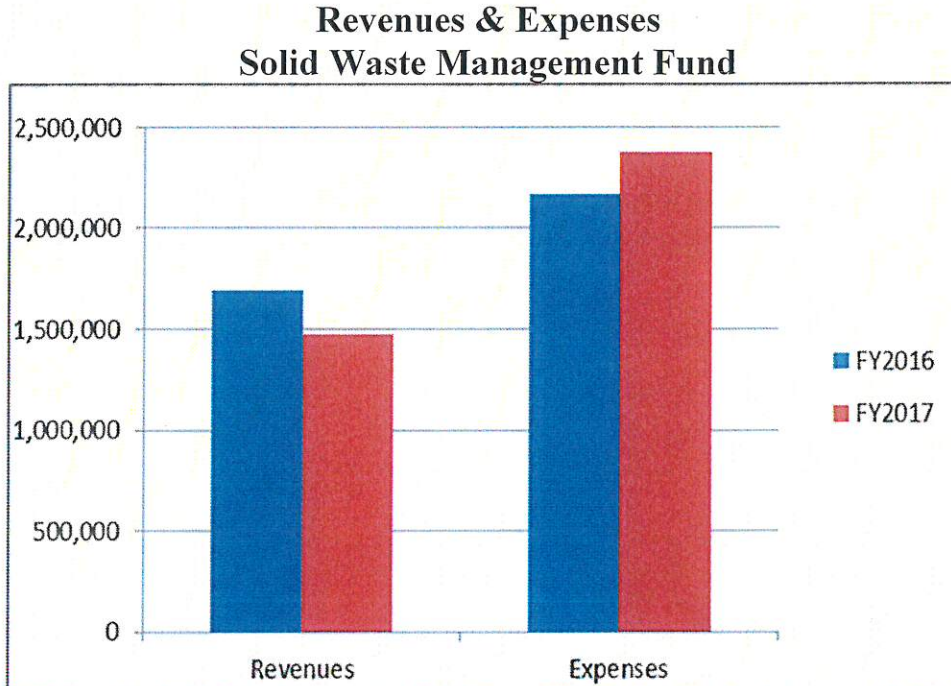
**Governmental activities.** Governmental activities increased the City's net position by \$2,063,410 accounting for over 80% of the total growth in the NET POSITION. Key elements of this increase are as follows:

- Occupational taxes continue to increase which we believe is a positive sign of continued business growth in our community.
- Property tax revenue grew at a faster rate as the Mayor and Council maintained our millage rate in FY-17. Property tax revenue was up 7%.
- Proceeds from a county Special Purpose Local Option Sales Tax totaled \$3,446,173 in FY-17. These funds are restricted to Capital Projects. Importantly, a new six-year SPLOST, approved by county voters in November, 2016, began April 1, 2017 so those critical funds will continue through March 31, 2023.
- Our Court fines and forfeitures were 30% higher in FY-17 from the previous year. This was due in large part to a fully staffed Police Patrol Division throughout the year. This restoration of budgeted revenue was predicted in last year's MD&A and it came to pass. This type of fluctuation is not unusual due to staff changes and other internal issues that pervade most public safety departments.
- Our Solid Waste Fund continues to survive on General Fund transfers as the City subsidizes the full cost of household recycling and solid waste pick-up. This cost rose considerably on FY-17 as the service was bid in May, 2016 (this is done on a five-year cycle so rates had not increased since 2011) with the expected large increase resulting. The increased number was accounted for in our FY-17 City Budget, but calls for observation in future audit reports. The total General Fund transfer to FY-17 was \$662,078.
- The cash in our Storm Water Fund was once again reduced \$75,659, as our capital project needs continue to grow. A rate study conducted in June, 2016 to evaluate the adequacy of our fee schedule, yielded results showing our rates were 50% lower, on average, than other nearby systems. The Mayor and Council took action to raise our fee and such new revenue has positively impacted our revenue which rose 52%.
- We continue to be more entrepreneurial in our Recreation Department as facility rental income rose over 20%. Our capital investment in Briscoe Park is paying off.
- Building permits and other development related fees were up 21% as we continue to see excellent investment in our community.





**Business-type Activities:** As noted above, the Solid Waste Management Fund sustained an operating loss for the year of \$739,218 before transfers and our Storm Water Fund balances continue to move lower but the new rate structure should greatly help that negative trend.



## 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 \$13,453,603. Of this amount, \$7,870,782 (58.5%) 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 (\$68,637), 2) Tree Bank (\$296,486), 3) Economic Development (\$46,121), 4) Prepaid Items (\$103,675) and 5) Other capital projects (\$5,051,211) through the LCI and SPLOST funds. The city also has assigned fund balance for redevelopment purposes of \$16,691.

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 \$7,870,782 while the total fund balance totaled \$8,002,972. 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 64% of the total general fund revenues, while total fund balance represents 66% of that same amount.

During the current fiscal year, the unrestricted fund balance of the City's general fund increased by \$2,367,505. Revenues increased by 17.1%, expenditures increased by 12.6% resulting in an overall excess of revenue of \$1,479,971. The General Fund transferred \$662,078 to the Solid Waste Management Fund to finance the City's recycling facilities and residential garbage service.

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 \$9,032,888 in revenue and will be used mainly for transportation purposes. The new 2017 SPLOST has brought in \$724,131.

**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 \$1,173,710. The net position decreased \$77,140 during FY2017.

Net position of the Stormwater Management Fund at the end of the year was \$3,087,355 of which \$3,147,610 was invested in capital assets. The fund is expected to be used for stormwater management capital expenditures and supplemented with continuing rate hike which started in FY-17.

### General Fund Budgetary Highlights

When reviewing our General Fund budget results for FY-17, a couple of notes of explanation are in order. First, the larger than normal contribution to the DDA was for land acquisition in the future Towne Center where they were used as a conduit agent for the purchase. The Mayor and Council amended the original FY-17 General Fund budget specifically for such property acquisition by transferring \$2,500,000 from the City's fund balance. These acquisitions will continue thru FY-18.

We also expended Capital Outlay funds for several new improvements within our Police Department with the largest being a new communications console in our dispatch area. This expenditure is reimbursed fully from the City's service delivery agreement with Gwinnett County.

We were also very fortunate in FY-17 on the revenue side as a growing local economy helped us to far exceed development-related fee forecasts and combined tax collections.

### **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, 2017 amounts to \$43,852,800 (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:

- \$619,020 on transportation paving and maintenance projects
- \$840,677 in Stormwater Infrastructure
- \$594,248 on police communications and vehicles

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 \$4,231,376 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 increased by \$1,023,310. This is attributed to new capital lease debt issued of \$594,250 plus \$535,000 in new refinancing debt on our Wisteria Property still dedicated to our Towne Center project. We also paid a payment of \$122,126 on existing capital lease debt and had a \$15,010 decrease in termination benefits and a \$31,196 increase in Accrued Compensated Absences. 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 3.3 million square feet of business retail with commercial growth which is continuing to expand. New construction permitting in FY-17 allows us to forecast almost 500,000 square feet of new commercial space reasonably expected to be completed in FY-18/19. This includes a new 100 room Hampton Inn and Suites hotel which is badly needed and several new restaurants mixed with several hundred new residential units.

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 1,250 total employees with a medical staff of around 500 physicians. They serve 12,000 annual inpatients, tally 60,000 annual E.D. visits, have over 75,000 annual outpatient visits and perform more than 6500 surgeries annually. They recently completed renovation of their South Campus which includes a totally new Emergency Services area and mental health facilities. Their building space at the South Campus totals almost 70,000 SF.

A total of approximately 1,750 businesses contribute to the economic stability of the City. This core tax base helped sustain the city finances through the great recession which began in earnest in 2008. The value of our total taxable property increased by 7% in FY 2017 and that means for the first time since 2006/2007 we have now enjoyed three consecutive years of digest growth. Even more good news for our revenue side is the fact that the Mayor and Council maintained our millage rate at 4.588 mills. This allowed us to capture taxes from our full digest growth which has not happened in five years. This growth trend and new M&C perspective provides optimism and some budgetary options. All figures and tax collections are by Gwinnett County's Appraisal and Tax Commissioner's 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 traffic improvement at the intersection of US 78/GA 124 has been awarded to Pittman Construction and construction will commence early in FY-18.

The M&C continues to promote the redevelopment of our Towne Center as the City's top priority. 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 was refinanced this year and we added three new property parcels in FY-17 needed for development. The City is negotiating with several development companies to partner on this venture.

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 growth in FY-17 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 and surrounding property 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 toward the future.

FY-2017 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



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**CITY OF SNELLVILLE, GEORGIA**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2017**

	Governmental Activities	Business-Type Activities	Total	Downtown Development Authority	Snellville Development Authority	Snellville Art Commission
<b>Assets</b>						
Cash and Cash Equivalents	\$ 8,805,655	\$ 464,669	\$ 9,270,324	\$ 52,295	\$ 5,724	\$ 10,760
Investments	216,487	-	216,487	-	-	-
Receivables (net of allowance for uncollectibles)						
Taxes	211,400	-	211,400	-	-	-
Fines	97,078	-	97,078	-	-	-
Intergovernmental	724,131	-	724,131	-	-	-
Accounts	-	209,393	209,393	-	-	-
Prepaid Items	103,675	-	103,675	-	-	-
Due from other funds	351,099	(351,099)	-	-	-	-
Deposits	-	-	-	25,000	-	-
Restricted Assets -						
Cash	4,160,722	-	4,160,722	-	-	-
Non-Depreciable Capital Assets	9,622,077	-	9,622,077	867,347	500,000	-
Depreciable Capital Assets, Net	29,981,538	4,249,185	34,230,723	-	370,320	-
Net pension asset	1,075,854	-	1,075,854	-	-	-
Due from primary government	-	-	-	535,000	-	-
<b>Total Assets</b>	<b>55,349,716</b>	<b>4,572,148</b>	<b>59,921,864</b>	<b>1,479,642</b>	<b>876,044</b>	<b>10,760</b>
<b>Deferred Outflows</b>						
Deferred Pension Outflows	70,254	-	70,254	-	-	-
Deferred Charge From Refunding	36,400	-	36,400	-	-	-
<b>Total Deferred Outflows</b>	<b>106,654</b>	<b>-</b>	<b>106,654</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Assets and Deferred Outflows</b>	<b>55,456,370</b>	<b>4,572,148</b>	<b>60,028,518</b>	<b>1,479,642</b>	<b>876,044</b>	<b>10,760</b>
<b>Liabilities</b>						
Accounts Payable	746,753	297,422	1,044,175	-	-	-
Accrued Liabilities -						
Wages	221,795	13,661	235,456	-	-	-
Customers and Developers Deposits	42,786	-	42,786	-	-	-
Police bonds and court fees	114,739	-	114,739	-	-	-
Interest	32,224	-	32,224	-	-	-
Other	5,169	-	5,169	-	-	-
Due to other Governments	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Unearned Revenues	14,283	-	14,283	-	-	-
Long-Term Liabilities -						
Due Within One Year	750,712	-	750,712	53,500	-	-
Due In More Than One Year	3,480,664	-	3,480,664	481,500	-	-
<b>Total Liabilities</b>	<b>5,409,125</b>	<b>311,083</b>	<b>5,720,208</b>	<b>535,000</b>	<b>-</b>	<b>-</b>
<b>Deferred Inflows</b>						
Deferred Pension Inflows	74,048	-	74,048	-	-	-
<b>Total Deferred Inflows</b>	<b>74,048</b>	<b>-</b>	<b>74,048</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Liabilities and Deferred Inflows</b>	<b>5,483,173</b>	<b>311,083</b>	<b>5,794,256</b>	<b>535,000</b>	<b>-</b>	<b>-</b>
<b>Net Position</b>						
Net Investment in Capital Assets	35,925,377	4,249,185	40,174,562	867,347	870,320	-
Restricted for -						
Capital Projects	5,051,211	-	5,051,211	-	-	-
Police Activities	68,637	-	68,637	-	-	-
Tree Bank	296,486	-	296,486	-	-	-
Economic Development	46,121	-	46,121	-	-	-
Unrestricted	8,585,365	11,880	8,597,245	77,295	5,724	10,760
<b>Total Net Position</b>	<b>\$ 49,973,197</b>	<b>\$ 4,261,065</b>	<b>\$ 54,234,262</b>	<b>\$ 944,642</b>	<b>\$ 876,044</b>	<b>\$ 10,760</b>

See accompanying notes to the basic financial statements.

**CITY OF SNELLVILLE, GEORGIA**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2017**

<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>
<b>Governmental Activities:</b>				
General Government	\$ 2,061,883	\$ 83,024	\$ -	\$ 109,322
Public Safety and Courts	5,806,299	3,403,388	-	120,057
Public Works	1,945,178	-	-	2,795,901
Parks and Recreation	1,017,630	229,073	-	603,002
Economic Development	161,145	-	-	-
Community Development	2,243,390	382,014	-	-
Interest on Long-Term Debt	70,384	-	-	-
Total Governmental Activities	<u>13,305,909</u>	<u>4,097,499</u>	<u>-</u>	<u>3,628,282</u>
<b>Business-Type Activities</b>				
Solid Waste Management	2,129,175	1,476,750	-	-
Recycling	244,969	157,621	-	-
Stormwater	254,084	821,736	-	-
Total Business-Type Activities	<u>2,628,228</u>	<u>2,456,107</u>	<u>-</u>	<u>-</u>
Total	<u>15,934,137</u>	<u>6,553,606</u>	<u>-</u>	<u>3,628,282</u>
<b>Component Units:</b>				
Downtown Development Authority	1,561	-	94,665	682,180
Snellville Development Authority	276	6,000	-	870,320
Art Commission	772	507	-	-
Total Component Units	<u>\$ 2,609</u>	<u>\$ 6,507</u>	<u>\$ 94,665</u>	<u>\$ 1,552,500</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 Development Authority</u>	<u>Snellville Art Commission</u>
\$ (1,869,537)	\$ -	\$ (1,869,537)	\$ -	\$ -	\$ -
(2,282,854)	-	(2,282,854)	-	-	-
850,723	-	850,723	-	-	-
(185,555)	-	(185,555)	-	-	-
(161,145)	-	(161,145)	-	-	-
(1,861,376)	-	(1,861,376)	-	-	-
(70,384)	-	(70,384)	-	-	-
<u>(5,580,128)</u>	<u>-</u>	<u>(5,580,128)</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	(652,425)	(652,425)	-	-	-
-	(87,348)	(87,348)	-	-	-
<u>-</u>	<u>567,652</u>	<u>567,652</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>(172,121)</u>	<u>(172,121)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(5,580,128)</u>	<u>(172,121)</u>	<u>(5,752,249)</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	775,284	-	-
-	-	-	-	876,044	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(265)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>775,284</u>	<u>876,044</u>	<u>(265)</u>
3,729,236	-	3,729,236	-	-	-
1,341,011	-	1,341,011	-	-	-
964,798	-	964,798	-	-	-
1,139,994	-	1,139,994	-	-	-
331,287	-	331,287	-	-	-
161,145	-	161,145	-	-	-
164,480	-	164,480	-	-	-
220,229	-	220,229	-	-	-
28,191	1,882	30,073	-	-	-
222,692	-	222,692	-	-	-
8,303,063	1,882	8,304,945	-	-	-
(659,525)	659,525	-	-	-	-
<u>7,643,538</u>	<u>661,407</u>	<u>8,304,945</u>	<u>-</u>	<u>-</u>	<u>-</u>
2,063,410	489,286	2,552,696	775,284	876,044	(265)
47,909,787	3,771,779	51,681,566	169,358	-	11,025
<u>\$ 49,973,197</u>	<u>\$ 4,261,065</u>	<u>\$ 54,234,262</u>	<u>\$ 944,642</u>	<u>\$ 876,044</u>	<u>\$ 10,760</u>

**CITY OF SNELLVILLE, GEORGIA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2017**

	<u>GENERAL</u>	<u>LCI GRANT CAPITAL PROJECTS</u>	<u>SPLOST I CAPITAL PROJECTS</u>	<u>SPLOST III CAPITAL PROJECTS</u>
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 8,805,655	\$ 983,417	\$ -	\$ 2,714,554
Investments	216,487	-	-	-
Receivables (net of allowance for uncollectibles)				
Taxes	195,847	-	-	-
Fines	97,078	-	-	-
Intergovernmental	-	-	-	-
Accounts	-	-	-	-
Due from other funds	351,099	-	-	894,681
Prepaid Items	103,675	-	-	-
Total Assets	<u>\$ 9,769,841</u>	<u>\$ 983,417</u>	<u>\$ -</u>	<u>\$ 3,609,235</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ 416,580	\$ 216,434	\$ -	\$ 56,145
Accrued Liabilities:				
Salaries and wages	221,795	-	-	-
Deposits	42,786	-	-	-
Police bonds and court fees	114,739	-	-	-
Other	5,168	-	-	-
Due to other funds	894,681	-	-	-
Unearned Revenues	-	-	-	-
Total Liabilities	<u>1,695,749</u>	<u>216,434</u>	<u>-</u>	<u>56,145</u>
<b>DEFERRED INFLOWS</b>				
Unavailable revenues	<u>71,120</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>				
Nonspendable -				
Prepaid items	103,675	-	-	-
Restricted -				
Capital Projects	-	766,983	-	3,553,090
Police Services	-	-	-	-
Tree Bank	-	-	-	-
Economic Development	28,515	-	-	-
Assigned -				
Redevelopment	-	-	-	-
Unassigned	7,870,782	-	-	-
Total Fund Balances	<u>8,002,972</u>	<u>766,983</u>	<u>-</u>	<u>3,553,090</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 9,769,841</u>	<u>\$ 983,417</u>	<u>\$ -</u>	<u>\$ 3,609,235</u>

See accompanying notes to the basic financial statements.

<u>SPLOST IV CAPITAL PROJECTS</u>	<u>URBAN REDEVELOP- MENT</u>	<u>NON-MAJOR GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
\$ -	\$ 16,691	\$ 446,060	\$ 12,966,377
-	-	-	216,487
-	-	15,553	211,400
-	-	-	97,078
724,131	-	-	724,131
-	-	-	-
-	-	-	1,245,780
-	-	-	103,675
<u>\$ 724,131</u>	<u>\$ 16,691</u>	<u>\$ 461,613</u>	<u>\$ 15,564,928</u>
\$ -	\$ -	\$ 57,594	\$ 746,753
-	-	-	221,795
-	-	-	42,786
-	-	-	114,739
-	-	-	5,168
-	-	-	894,681
-	-	14,283	14,283
-	-	<u>71,877</u>	<u>2,040,205</u>
-	-	-	71,120
-	-	-	103,675
724,131	-	7,007	5,051,211
-	-	68,637	68,637
-	-	296,486	296,486
-	-	17,606	46,121
-	16,691	-	16,691
-	-	-	7,870,782
<u>724,131</u>	<u>16,691</u>	<u>389,736</u>	<u>13,453,603</u>
<u>\$ 724,131</u>	<u>\$ 16,691</u>	<u>\$ 461,613</u>	<u>\$ 15,564,928</u>

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**CITY OF SNELLVILLE, GEORGIA**  
**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2017**

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

Total fund balances -- total governmental funds	\$ 13,453,603
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	39,603,615
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds:	
Unavailable revenues	71,120
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	36,400
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	1,075,854
Deferred pension outflows	70,254
Deferred pension inflows	(74,048)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Accrued interest	(32,224)
Revenue bonds	(2,508,000)
Capital lease obligation	(671,640)
Refinancing of land	(535,000)
Long-term portion of termination benefits	(113,148)
Long-term portion of compensated absences	(403,589)
Net position of governmental activities.	<u>\$ 49,973,197</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, 2017**

	<u>GENERAL</u>	<u>LCI GRANT CAPITAL PROJECTS</u>	<u>SPLOST I CAPITAL PROJECTS</u>	<u>SPLOST III CAPITAL PROJECTS</u>
<b>REVENUES</b>				
Taxes	\$ 7,648,240	\$ -	\$ -	\$ -
Licenses and permits	323,027	-	-	-
Intergovernmental	220,229	-	-	2,902,836
Charges for services	1,413,534	-	-	-
Fines and forfeitures	2,165,977	-	-	-
Tree Bank Bonds	-	-	-	-
Investment income	23,756	2,998	183	1,131
Rental income	86,653	-	-	-
Miscellaneous	290,443	-	-	-
Total Revenues	<u>12,171,859</u>	<u>2,998</u>	<u>183</u>	<u>2,903,967</u>
<b>EXPENDITURES</b>				
Current:				
General Government	1,718,655	-	-	-
Municipal Court	758,427	-	-	-
Public Safety	4,438,940	-	-	-
Public Works	1,002,926	-	-	-
Parks and Recreation	771,225	-	-	-
Tree Bank	-	-	-	-
Economic Development	-	-	-	-
Community Development	1,372,634	-	-	-
Capital:				
General Government	-	-	-	94,473
Public Safety	572,217	-	-	21,672
Public Works	22,033	-	88,300	1,264,714
Parks and Recreation	-	-	-	632,532
Community Development	-	-	-	-
Debt Service:				
Principal	22,998	-	-	99,127
Interest	11,833	-	-	2,534
Issue costs on debt	-	-	-	-
Total Expenditures	<u>10,691,888</u>	<u>-</u>	<u>88,300</u>	<u>2,115,052</u>
Excess (Deficiency) of Revenues				
Over Expenditures	<u>1,479,971</u>	<u>2,998</u>	<u>(88,117)</u>	<u>788,915</u>
Other Financing Sources (Uses):				
Debt issue	1,129,250	-	-	-
Transfers	(241,716)	-	(11)	-
Sale of capital assets	-	-	-	-
Total	<u>887,534</u>	<u>-</u>	<u>(11)</u>	<u>-</u>
Net Change in Fund Balances	2,367,505	2,998	(88,128)	788,915
Fund Balance - Beginning of the year	<u>5,635,467</u>	<u>763,985</u>	<u>88,128</u>	<u>2,764,175</u>
Fund Balance - End of year	<u>\$ 8,002,972</u>	<u>\$ 766,983</u>	<u>\$ -</u>	<u>\$ 3,553,090</u>

See accompanying notes to the basic financial statements.

<b>SPLOST IV CAPITAL PROJECTS</b>	<b>URBAN REDEVELOP- MENT</b>	<b>NON-MAJOR GOVERNMENTAL FUNDS</b>	<b>TOTAL GOVERNMENTAL FUNDS</b>
\$ -	\$ -	\$ 161,145	\$ 7,809,385
-	-	-	323,027
724,131	-	-	3,847,196
-	-	-	1,413,534
-	-	59,140	2,225,117
-	-	-	-
-	7	1,431	29,506
-	-	-	86,653
-	-	-	290,443
<u>724,131</u>	<u>7</u>	<u>221,716</u>	<u>16,024,861</u>
-	-	-	1,718,655
-	-	-	758,427
-	-	3,218	4,442,158
-	-	-	1,002,926
-	-	-	771,225
-	-	4,600	4,600
-	-	161,145	161,145
-	726	-	1,373,360
-	-	-	94,473
-	-	52,008	645,897
-	-	-	1,375,047
-	-	-	632,532
-	-	-	-
-	-	-	122,125
-	19,437	-	33,804
-	-	-	-
<u>-</u>	<u>20,163</u>	<u>220,971</u>	<u>13,136,374</u>
<u>724,131</u>	<u>(20,156)</u>	<u>745</u>	<u>2,888,487</u>
-	-	-	1,129,250
-	19,437	(437,235)	(659,525)
-	-	-	-
<u>-</u>	<u>19,437</u>	<u>(437,235)</u>	<u>469,725</u>
724,131	(719)	(436,490)	3,358,212
-	17,410	826,226	10,095,391
<u>\$ 724,131</u>	<u>\$ 16,691</u>	<u>\$ 389,736</u>	<u>\$ 13,453,603</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, 2017**

Net change in fund balances -- total governmental funds	\$ 3,358,212
<p>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:</p>	
Capital outlay	1,943,948
Depreciation	(1,382,659)
<p>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.</p>	
	(883,140)
<p>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.</p>	
	6,121
<p>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:</p>	
Repayments	122,125
Proceeds	(1,129,250)
<p>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:</p>	
Amortization	(5,987)
Change in net pension asset and related deferred items	80,816
<p>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:</p>	
Change in the long term portion of accrued compensated absences	(31,195)
Change in the long term portion of termination benefits	15,012
Change in accrued interest	(30,593)
Change in net position of governmental activities.	<u>\$ 2,063,410</u>

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, 2017**

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
<b>REVENUES</b>				
Taxes	\$ 7,277,949	\$ 7,683,715	\$ 7,648,240	\$ (35,475)
Licenses and permits	239,950	335,102	323,027	(12,075)
Intergovernmental	479,506	358,000	220,229	(137,771)
Charges for services	859,104	1,376,313	1,413,534	37,221
Fines and forfeitures	1,800,000	2,166,477	2,165,977	(500)
Investment income	5,000	23,756	23,756	-
Rental income	85,000	85,000	86,653	1,653
Miscellaneous	34,200	312,284	290,443	(21,841)
Total Revenues	<u>10,780,709</u>	<u>12,340,647</u>	<u>12,171,859</u>	<u>(168,788)</u>
<b>EXPENDITURES</b>				
Current:				
General Government	1,628,011	1,751,518	1,718,655	32,863
Municipal Court	687,825	776,880	758,427	18,453
Public Safety	4,492,616	4,469,286	4,438,940	30,346
Public Works	1,030,422	1,030,422	1,002,926	27,496
Parks and Recreation	783,150	782,295	771,225	11,070
Community Development	649,413	1,378,294	1,372,634	5,660
Capital:				
General Government	-	-	-	-
Public Safety	-	572,217	572,217	-
Public Works	140,000	22,033	22,033	-
Parks and Recreation	-	-	-	-
Community Development	-	-	-	-
Debt Service:				
Principal	246,500	22,998	22,998	-
Interest	33,897	11,833	11,833	-
Total Expenditures	<u>9,691,834</u>	<u>10,817,776</u>	<u>10,691,888</u>	<u>125,888</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,088,875</u>	<u>1,522,871</u>	<u>1,479,971</u>	<u>(42,900)</u>
Other Financing Sources (Uses):				
Transfers	(1,090,875)	(241,727)	(241,716)	11
Proceeds from sale of capital assets	2,000	2,000	-	(2,000)
Debt issue	-	1,129,250	1,129,250	-
Total Other Financing Sources (Uses)	<u>(1,088,875)</u>	<u>889,523</u>	<u>887,534</u>	<u>(1,989)</u>
Net Change in Fund Balances	-	2,412,394	2,367,505	(44,889)
Fund Balance -				
Beginning of year	5,635,467	5,635,467	5,635,467	-
End of year	<u>\$ 5,635,467</u>	<u>\$ 8,047,861</u>	<u>\$ 8,002,972</u>	<u>\$ (44,889)</u>

See accompanying notes to the basic financial statements.

**CITY OF SNELLVILLE, GEORGIA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**JUNE 30, 2017**

	<u>SOLID WASTE</u>	<u>STORMWATER</u>	<u>TOTAL</u>
<b>ASSETS</b>			
Current assets:			
Cash	\$ 66,857	\$ 397,812	\$ 464,669
Receivables	-	-	
Trade accounts	63,545	16,974	80,519
Unbilled sales	128,874	-	128,874
Due from other funds	-	-	-
Prepaid items	-	-	-
<b>Total Current Assets</b>	<u>259,276</u>	<u>414,786</u>	<u>674,062</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	-	3,171,543	3,171,543
Land improvements	<u>1,188,251</u>	<u>-</u>	<u>1,188,251</u>
	2,014,888	3,423,732	5,438,620
Less accumulated depreciation	<u>(913,313)</u>	<u>(276,122)</u>	<u>(1,189,435)</u>
	<u>1,101,575</u>	<u>3,147,610</u>	<u>4,249,185</u>
<b>Total Assets</b>	<u>1,360,851</u>	<u>3,562,396</u>	<u>4,923,247</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable -			
Trade	178,527	9,615	188,142
Construction	-	109,280	109,280
Accrued liabilities -			
Payroll	8,614	5,047	13,661
Due to other funds	-	351,099	351,099
Capital lease payable	-	-	-
<b>Total current liabilities (payable from current assets)</b>	<u>187,141</u>	<u>475,041</u>	<u>662,182</u>
Long-term obligations	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Liabilities</b>	<u>187,141</u>	<u>475,041</u>	<u>662,182</u>
<b>NET POSITION</b>			
Net investment in capital assets	1,101,575	3,147,610	4,249,185
Unrestricted	<u>72,135</u>	<u>(60,255)</u>	<u>11,880</u>
<b>Total Net Position</b>	<u>\$ 1,173,710</u>	<u>\$ 3,087,355</u>	<u>\$ 4,261,065</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, 2017**

	<b>SOLID WASTE</b>	<b>STORMWATER</b>	<b>TOTAL</b>
<b>OPERATING REVENUES</b>			
Charges for services:			
Solid waste	\$ 1,463,184	\$ -	\$ 1,463,184
Recycling	125,097	-	125,097
Stormwater utility	-	819,613	819,613
Penalties	13,566	2,123	15,689
Miscellaneous	32,524	-	32,524
<b>Total Operating Revenues</b>	<b>1,634,371</b>	<b>821,736</b>	<b>2,456,107</b>
<b>OPERATING EXPENSES:</b>			
Purchases of product/service	2,068,007	-	2,068,007
Salaries and benefits	157,131	80,459	237,590
Contracted / purchased services	81,816	91,870	173,686
Supplies	10,136	3,301	13,437
Bad debt expense	3,000	-	3,000
Depreciation	54,054	78,454	132,508
<b>Total Operating Expenses</b>	<b>2,374,144</b>	<b>254,084</b>	<b>2,628,228</b>
Operating Income (Loss)	(739,773)	567,652	(172,121)
<b>NON-OPERATING INCOME (EXPENSES):</b>			
Interest expense	-	-	-
Interest revenue	555	1,327	1,882
Net income (loss) before transfers and capital contributions	(739,218)	568,979	(170,239)
Transfers in	662,078	(2,553)	659,525
Capital contributions	-	-	-
NET INCOME	(77,140)	566,426	489,286
NET POSITION - BEGINNING	1,250,850	2,520,929	3,771,779
NET POSITION - ENDING	\$ 1,173,710	\$ 3,087,355	\$ 4,261,065

See accompanying notes to the basic financial statements.

**CITY OF SNELLVILLE, GEORGIA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2017**

	<u>SOLID WASTE</u>	<u>STORMWATER</u>	<u>TOTAL</u>
Cash flows from operating activities:			
Cash received from customers and users	\$ 1,607,055	\$ 821,028	\$ 2,428,083
Cash paid to suppliers	(2,193,770)	(124,445)	(2,318,215)
Cash paid to employees	<u>(100,593)</u>	<u>(58,553)</u>	<u>(159,146)</u>
Net Cash Provided by Operating Activities	<u>(687,308)</u>	<u>638,030</u>	<u>(49,278)</u>
Cash flows from investing activities:			
Interest received	<u>555</u>	<u>1,327</u>	<u>1,882</u>
Net Cash Used in Investing Activities	<u>555</u>	<u>1,327</u>	<u>1,882</u>
Cash flows from non-capital financing activities:			
Increase (decrease) in due to other funds	(618)	18,933	18,315
Transfers	<u>662,078</u>	<u>(2,553)</u>	<u>659,525</u>
Net Cash Provided by Non-capital Financing Activities	<u>661,460</u>	<u>16,380</u>	<u>677,840</u>
Cash flows from capital financing activities:			
Proceeds from debt issue	-	-	-
Principal payments	-	-	-
Interest payments	-	-	-
Purchase and construction of capital assets	<u>-</u>	<u>(731,396)</u>	<u>(731,396)</u>
Net Cash Provided by (Used in) Capital Financing Activities	<u>-</u>	<u>(731,396)</u>	<u>(731,396)</u>
Net increase in cash and cash equivalents	(25,293)	(75,659)	(100,952)
Cash and cash equivalents - Beginning of Year	<u>92,150</u>	<u>473,471</u>	<u>565,621</u>
Cash and cash equivalents - End of Year	<u>\$ 66,857</u>	<u>\$ 397,812</u>	<u>\$ 464,669</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**

	<b>SOLID WASTE</b>	<b>STORMWATER</b>	<b>TOTAL</b>
Operating income (loss)	\$ (739,773)	\$ 567,652	\$ (172,121)
Adjustments to reconcile net income to net cash provided			
by operating activities:			
Depreciation and amortization	54,054	78,454	132,508
(Increase) decrease in receivables	(20,102)	(708)	(20,810)
(Increase) decrease in prepaid items	-	-	-
Increase (decrease) in accounts payable	23,972	(7,610)	16,362
Increase (decrease) in customer deposits	(7,214)	-	(7,214)
Increase (decrease) in accrued liabilities	1,755	242	1,997
Total Adjustments	52,465	70,378	122,843
Net Cash Provided by Operating Activities	\$ (687,308)	\$ 638,030	\$ (49,278)

See accompanying notes to the basic financial statements.



**CITY OF SNELLVILLE, GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017**

**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, Snellville 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 has changed its fiscal year to correspond with the City's fiscal year. Beginning July 1, 2015, the Authority began using a fiscal year beginning July 1 and ending June 30.

(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)**

Discretely Presented Component Units, continued -

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.

In March, 2016 the City approved a resolution to reinstate the Snellville Development Authority (SDA). The SDA operates to develop and promote for the public good and general welfare, trade, commerce, industry and employment opportunities within the City of Snellville. This component unit is reported in a separate column to emphasize that it is a legally separate entity. Funding of the Authority is provided by the City's General Fund and contributors from individuals and private corporations. The City appoints the Authority's Board members and reviews the annual budget. Separate financial statements for the Authority are not issued.

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.

(See Independent Auditor's Report)

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**C. Basic Financial Statements—Government-Wide Statements, continued**

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.

**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, 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:

(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, continued**

**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.

**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, Snellville 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, 2017 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, 2017 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, 2017. 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, 2017, 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, 2017. 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 \$5,462,455 of restricted net position, of which \$4,688,465 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, 2017, 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, 2017, fund balances are composed of the following:

	General	LCI Grant	SPLOST Funds	URA	Nonmajor Funds	Total
Nonspendable:						
Prepays	\$ 103,675	\$ -	\$ -	\$ -	\$ -	\$ 103,675
Restricted:						
Capital Projects	-	766,983	4,277,221	-	7,007	5,051,211
Police Services	-	-	-	-	68,637	68,637
Tree Bank	-	-	-	-	296,486	296,486
Economic Development	28,515	-	-	-	17,606	46,121
Committed	-	-	-	-	-	-
Assigned	-	-	-	16,691	-	16,691
Unassigned	7,870,782	-	-	-	-	7,870,782
<b>Total Fund Balances</b>	<b>\$ 8,002,972</b>	<b>\$ 766,983</b>	<b>\$ 4,277,221</b>	<b>\$ 16,691</b>	<b>\$ 389,736</b>	<b>\$ 13,453,603</b>

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 expenditure 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 City's deposits may not be returned to the City. 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, 2017, \$12,855,915 of the City's bank balances of \$13,322,402 were exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ -
Uninsured and collateral held by pledging bank's agent	12,855,915
Total	<u>\$ 12,855,915</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, 2017 consisted of a certificate of deposit in the amount of \$216,487.

**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.

**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 13, 2016 and are due and payable October 15<sup>th</sup> and November 15<sup>th</sup>. All taxes unpaid after the October 15<sup>th</sup> and November 15<sup>th</sup> due dates are considered delinquent. Property taxes attach as an enforceable lien on the property the following January 1<sup>st</sup>. Delinquent taxes are considered fully collectable.

**4. RECEIVABLES**

Receivables as of year-end, 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	\$ 211,400	\$ -	\$ 211,400
Fines	313,155	216,077	97,078
Intergovernmental	724,131	-	724,131
Accounts	-	-	-
Solid Waste Management Fund			
Accounts	312,419	120,000	192,419
Stormwater Management Fund			
Accounts	16,974	-	16,974
Total	<u>\$ 1,578,079</u>	<u>\$ 336,077</u>	<u>\$ 1,242,002</u>

**5. INTERGOVERNMENTAL REVENUES AND RECEIVABLES**

Intergovernmental revenues for the year ended June 30, 2017 consist of the following:

Governmental Funds -	
Gwinnett County - SPLOST Projects	\$ 3,446,173
U. S. Dept. of Justice	-
Gwinnett County - Annual Appropriation	220,229
State of Georgia - DOT, LMIG Program	180,794
State of Georgia - Department of Transportation LCI Grant	<u>-</u>
Total Intergovernmental Revenues	<u>\$ 3,847,196</u>

Intergovernmental receivables as of June 30, 2017 consist of the following:

Gwinnett County - SPLOST	\$ 724,131
State of Georgia - Department of Transportation LCI Grant	<u>-</u>
Total Intergovernmental Receivables	<u>\$ 724,131</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, 2017 were as follows.

Due From	Due To			
	General	SPLOST III	Stormwater	Total
General fund	\$ -	\$ 894,681	\$ -	\$ 894,681
Sanitation	-	-	-	-
Stormwater	<u>351,099</u>	<u>-</u>	<u>-</u>	<u>351,099</u>
Total	<u>\$ 351,099</u>	<u>\$ 894,681</u>	<u>\$ -</u>	<u>\$ 1,245,780</u>

The Stormwater Fund owed the General Fund \$351,099 for items expended from the General Fund's operating bank account that were related to Stormwater activities and had not been reimbursed as of June 30, 2017. The General Fund owed the SPLOST III Fund \$894,681 for a grant's portion of a SPLOST related project.

Individual inter-fund transfers for the year ended June 30, 2017 were as follows:

Transfer From	Transfer to				
	General	URA	LCI	Sanitation	Total
General	\$ -	\$ 19,437	\$ -	\$ 662,078	\$ 681,515
SPLOST I	11	-	-	-	11
Stormwater	2,553	-	-	-	2,553
Nonmajor	<u>437,235</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>437,235</u>
	<u>\$ 439,799</u>	<u>\$ 19,437</u>	<u>\$ -</u>	<u>\$ 662,078</u>	<u>\$ 1,121,314</u>

During the fiscal year ended June 30, 2017 the General Fund transferred \$681,515 to the URA and Sanitation funds, including \$662,078 to the Solid Waste Management Fund to help fund utility operations and \$19,437 to the Urban Redevelopment Agency Fund to help finance debt service requirements of the refunding revenue bonds payable. The SPLOST I and Police Facilities Funds transferred \$11 and \$437,235, respectively, to close out these two funds. The Stormwater Fund transferred \$2,553 to the General Fund for operating purposes.

**7. LITIGATION AND CONTINGENCIES:**

The City was a defendant in several lawsuits as of June 30, 2016 including a lawsuit brought by the former Mayor of Snellville against the City Council, City Manager and City Clerk. The former Mayor won restitution for her legal fees of approximately \$98,000. 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, 2017 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Governmental Activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 9,419,665	\$ 193,240	\$ (500,000)	\$ 9,112,905
Construction in progress	100,079	1,081,651	(672,558)	509,172
Total	<u>9,519,744</u>	<u>1,274,891</u>	<u>(1,172,558)</u>	<u>9,622,077</u>
Capital assets being depreciated:				
Buildings	19,044,363	-	(647,553)	18,396,810
Improvements other than buildings	6,414,072	119,306	-	6,533,378
Infrastructure	8,561,085	524,471	-	9,085,556
Vehicles, including related equipment	2,669,986	212,517	-	2,882,503
Furniture and other equipment	3,193,305	485,322	(15,562)	3,663,065
Total capital assets being depreciated	<u>39,882,811</u>	<u>1,341,616</u>	<u>(663,115)</u>	<u>40,561,312</u>
Less accumulated depreciation for:				
Buildings	4,384,573	462,673	(277,234)	4,570,012
Improvements other than buildings	599,714	166,304	-	766,018
Infrastructure	946,752	209,773	-	1,156,525
Vehicles, including related equipment	1,558,420	252,346	-	1,810,766
Furniture and other equipment	1,987,633	291,562	(2,742)	2,276,453
Total accumulated depreciation	<u>9,477,092</u>	<u>1,382,658</u>	<u>(279,976)</u>	<u>10,579,774</u>
Total capital assets being depreciated, net	<u>30,405,719</u>	<u>(41,042)</u>	<u>(383,139)</u>	<u>29,981,538</u>
Governmental capital assets, net	<u>\$ 39,925,463</u>	<u>\$ 1,233,849</u>	<u>\$ (1,555,697)</u>	<u>\$ 39,603,615</u>

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

Administrative	\$ 326,386
Police and Court	543,786
Public Works	264,796
Parks	246,823
Community Development	<u>867</u>
Total depreciation expense	<u>\$ 1,382,658</u>

(See Independent Auditor's Report)

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

**8. PROPERTY, PLANT AND EQUIPMENT, (Continued)**

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-Type Activities</b>				
Capital assets, not being depreciated:				
Land	\$ -	\$ -	\$ -	\$ -
Construction in progress	-	-	-	-
Total	-	-	-	-
Capital assets being depreciated:				
Buildings	577,673	-	-	577,673
Improvements other than buildings	1,188,251	-	-	1,188,251
Infrastructure	2,330,866	840,677	-	3,171,543
Vehicles, including related equipment	21,118	-	-	21,118
Furniture and other equipment	480,035	-	-	480,035
Total capital assets being depreciated	4,597,943	840,677	-	5,438,620
Less accumulated depreciation for:				
Buildings	164,701	14,446	-	179,147
Improvements other than buildings	445,593	39,608	-	485,201
Infrastructure	108,741	52,377	-	161,118
Vehicles, including related equipment	21,118	-	-	21,118
Furniture and other equipment	316,773	26,078	-	342,851
Total accumulated depreciation	1,056,926	132,509	-	1,189,435
Total capital assets being depreciated, net	3,541,017	708,168	-	4,249,185
Business-Type Activities capital assets, net	\$ 3,541,017	\$ 708,168	\$ -	\$ 4,249,185

Depreciation expense of \$54,054 was recorded in the Solid Waste Management Fund and \$78,454 was recorded in the Stormwater Management Fund.

(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, 2017:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Current Portion</u>
<b>Governmental Activities</b>					
Revenue Bonds	\$ 2,508,000	\$ -	\$ -	\$ 2,508,000	\$ 342,000
Capital Leases	199,514	594,250	(122,126)	671,638	289,048
Land Refinancing	-	535,000	-	535,000	53,500
Termination Benefits	128,158	-	(15,010)	113,148	16,164
Accrued Compensated Absences	<u>372,394</u>	<u>390,627</u>	<u>(359,431)</u>	<u>403,590</u>	<u>50,000</u>
 Total	 <u>\$ 3,208,066</u>	 <u>\$ 1,519,877</u>	 <u>\$ (496,567)</u>	 <u>\$ 4,231,376</u>	 <u>\$ 750,712</u>

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 and Sanitation Funds pay their own individual debt service on their long-term liabilities.

**GOVERNMENTAL ACTIVITIES DEBT ISSUES -**

**CAPITAL LEASE OBLIGATIONS**

**Police Equipment –**

The City has entered into several lease purchase and security agreements with a financial institution for the purchase of various pieces of equipment including vehicles, mobile radios and other equipment in the amount of \$993,309. Depreciation on the leased equipment for fiscal year ended June 30, 2017 amounted to \$90,977 and accumulated depreciation at June 30, 2017 amounted to \$140,856. The interest rates under the terms of the lease agreements range between 1.27% and 2.08%. Since the City intends to continue to abide by the terms of these lease agreements and eventually own the equipment, the assets and the related liabilities were recorded at the present value of the future payments due under the lease.

(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)**

**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. The repayment of this obligation was completed during fiscal year ended June 30, 2016.

During fiscal year 2017 the DDA and the City refinanced the land with a financial institution in the amount of \$535,000. The interest rate under the terms of the agreement is 2.85% and is secured by the land. The DDA and the City have accounted for this transaction in the same manner as stated above.

**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, the refinancing agreement and capital lease agreements are as follows:

F/Y/E JUNE 30,	REVENUE BONDS		REFINANCING AGREEMENT		CAPITAL LEASES		TOTAL
	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	
2018	\$ 342,000	\$ 36,223	\$ 53,500	\$ 14,654	\$ 289,048	\$ 18,198	\$ 753,623
2019	347,000	30,883	53,500	12,960	198,406	7,180	649,929
2020	353,000	25,458	428,000	6,099	184,184	3,148	999,889
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
<b>TOTALS</b>	<b>\$ 2,508,000</b>	<b>\$ 138,443</b>	<b>\$ 535,000</b>	<b>\$ 33,713</b>	<b>\$ 671,638</b>	<b>\$ 28,526</b>	<b>\$ 3,915,320</b>

(See Independent Auditor’s Report)

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

**9. LONG-TERM DEBT (Continued)**

**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, 2017, 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	\$ 40,253
Fines and forfeitures	<u>30,867</u>
Total	<u>\$ 71,120</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 an 8% hotel/motel tax in accordance with the provisions of OCGA 48-13-51. 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, 2017, the City's collections and related remittances were as follows:

	<u>Amount</u>	<u>Percent</u>
Total Collections	\$ 161,145	100%
Total Remittances	\$ 161,145	100%

The City was in compliance with state laws regulating hotel/motel taxes and the related expenditures as of June 30, 2017.

(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, 2017, amounted to approximately \$3,775,450. Gross payroll for the year was \$4,823,782.

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, 2017, amounted to \$222,704 which is 6% of covered payroll. The City did use \$77,706 of forfeited pension accounts to finance part of the \$226,527 contributions.

(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 \$18,000 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 2017, 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 \$10,416. The required contribution was determined as part of the January 1, 2017 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, 2017 was \$848,071. The annual pension contribution for 2017 was calculated as follows:

Total actuarial accrued liability (as of 1/1/17)	\$ 860,508
10% of actuarial accrued liability (margin)	<u>86,051</u>
Target asset value	946,559
Actual market value of assets	<u>1,936,362</u>
Difference or contribution to fund plan	<u>\$ (989,803)</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, 2017, the date of the most recent actuarial valuation, there were 41 participants consisting of the following:

Retirees and beneficiaries currently receiving benefits	20
Terminated vested participants not yet receiving benefits	21
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, 2017, the City reported an asset of \$1,075,854 for its net pension asset. The net pension asset was measured as of September 30, 2016 and was determined by an actuarial valuation as of January 1, 2017. The changes in the Net Pension Liability (Asset) for the year ended September 30, 2016 (the measurement date) were as follow:

	Total Pension Liability	Fiduciary Net Position	Net Pension Liability (Asset)
Balances at September 30, 2014	\$ 864,749	\$ 1,800,175	\$ (935,426)
Changes for the year-			
Interest	64,541	-	64,541
Differences between expected and actual experience	(4,869)	-	(4,869)
Contributions - Employer	-	8,272	(8,272)
Net investment income	-	198,127	(198,127)
Benefit payments, including refunds of employee contributions	(63,913)	(63,913)	-
Administrative expense	-	(6,299)	6,299
Other	-	-	-
Net Changes	<u>(4,241)</u>	<u>136,187</u>	<u>(140,428)</u>
Balance at September 30, 2015	<u>\$ 860,508</u>	<u>\$ 1,936,362</u>	<u>\$ (1,075,854)</u>

For the year ended June 30, 2017, 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)	64,541
Administrative expenses	6,299
Expected return on assets	(137,113)
Deferred Inflows -	
Expensed portion of current year period differences between expected and actual experience in TPL	(4,869)
Expensed portion of current year period assumption changes	-
Expensed portion of current year period differences between projected and actual investment earnings	(12,202)
Current year recognition of deferred inflows and outflows established in prior years.	<u>10,800</u>
Total expense	<u>\$ (72,544)</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**

There were no deferred outflows of resources related to pensions resulting from the City’s contributions made subsequent to the measurement date to be recognized as a reduction of the net pension liability in the year ended June 30, 2017. 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
2018	\$ 23,418	\$ (24,821)
2019	23,418	(24,821)
2020	23,418	(12,203)
2020	-	(12,203)
	<u>\$ 70,254</u>	<u>\$ (74,048)</u>

Outstanding balances of deferred outflows/inflows of resources related to pensions as of June 30, 2017 are as follow:

	<u>Outflows</u>	<u>Inflows</u>
Contributions subsequent to the measurement date	\$ -	\$ -
Differences between expected and actual experience	-	-
Investment	70,254	(74,048)
Assumption change	-	-
Total	<u>\$ 70,254</u>	<u>\$ (74,048)</u>

**Actuarial Assumptions**

The total pension liability in the January 1, 2017 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, 2017 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, 2016 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)	\$ (991,120)	\$ (1,075,854)	\$ (1,148,562)

(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>6/30/17</u>	<u>6/30/2016</u>
Salary, vacation and sick leave payouts	\$ -	\$ -
Pension contributions	-	-
Medical insurance benefits	<u>113,148</u>	<u>128,158</u>
	113,148	128,158
Amounts already accrued for selected employees in compensated absences, etc	<u>-</u>	<u>-</u>
Net termination benefits to accrue	<u>113,148</u>	<u>128,158</u>
Amounts payable with expendable available resources - fund level	<u>-</u>	<u>-</u>
Long-term obligation	<u>\$ 113,148</u>	<u>\$ 128,158</u>

(See Independent Auditor’s Report)



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

**16. 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.

**17. RELATED PARTY ACTIVITIES**

During the fiscal year ended June 30, 2017 the following related party transactions occurred:

- The City made contributions of \$94,665 to the Downtown Development Authority to help finance the Authority's operations. The funding originates with the City through a vehicle rental excise tax.
- The City made an additional contribution to the Downtown Development Authority in the amount of \$682,180 to help finance the purchase of real estate for development of the planned Town Center Project.
- The City made a contribution of real estate with a book value of \$870,320 to the Snellville Development Authority in order for the Authority to assist in the sale of the property.

(See Independent Auditor's Report)

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

**18. 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 had no funds with a deficit fund balance / net position as of June 30, 2017.
- B. Excess of expenditures over appropriations in individual funds are as follows:

None of the City's funds had departmental expenditures which materially (if both over 5% and greater than \$10,000) exceeded their corresponding appropriations.

(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									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
<b>Total Pension Liability</b>										
Service cost	\$ -	\$ -	\$ -							
Interest	64,541	63,319	67,317							
Differences between expected and actual experience	(4,869)	15,469	(45,378)							
Changes of assumptions	-	-	(12,445)							
Benefit payments	(63,913)	(62,110)	(60,071)							
Net changes in total pension liability	(4,241)	16,678	(50,577)							
Total pension liability - beginning	864,749	848,071	898,648							
Total pension liability - ending	\$ 860,508	\$ 864,749	\$ 848,071							
<b>Plan Fiduciary Net Position</b>										
Contributions - employer	\$ 8,272	\$ 8,254	\$ 8,158							
Net investment income	198,127	23,028	192,902							
Benefit payments	(63,913)	(62,110)	(60,071)							
Administrative expense	(6,299)	(7,751)	(6,322)							
Other	-	-	-							
Net change in fiduciary net position	136,187	(38,579)	134,667							
Plan fiduciary net position - beginning	1,800,175	1,838,754	1,704,087							
Plan fiduciary net position - ending	\$ 1,936,362	\$ 1,800,175	\$ 1,838,754							
<b>Net Pension Liability</b>										
Net pension liability	\$ (1,075,854)	\$ (935,426)	\$ (990,683)							
Plan's fiduciary net position as a percentage of the total pension liability	225.03%	208.17%	216.82%							
Covered-employee payroll	\$ -	\$ -	\$ -							
Net pension liability as a percentage of covered payroll	0.00%	0.00%	0.00%							

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

	Fiscal Year End									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	
Actuarially determined contributions	10,416	8,272	8,254							
Contributions in relation to the actuarially determined contribution	(10,416)	(8,272)	(8,254)							
Contribution deficiency (excess)	-	-	-							(Historical information prior to implementation of GASB 67/68 is not required)
Covered-employee payroll	-	-	-							
Contributions as a percentage of covered-employee payroll	0.00%	0.00%	0.00%							

**CITY OF SNELLVILLE, GEORGIA**  
**NOTES TO REQUIRED SUPPLEMENTARY PENSION INFORMATION**  
**FOR THE YEAR ENDED JUNE 30, 2017**

**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>
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**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>
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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.

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## **NONMAJOR FUNDS**

**CITY OF SNELLVILLE, GEORGIA**  
**JUNE 30, 2017**  
**NONMAJOR GOVERNMENTAL FUNDS**

**SPECIAL REVENUE FUNDS**

Special Revenue Funds are used to account for proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

**Confiscated Assets Fund** – to account for the assets confiscated from investigations into illegal drug activities. These assets are legally restricted to expenditures for law enforcement purposes.

**Tree Bank Fund** – to account for proceeds of fees charged under the City’s tree bank ordinance.

**Hotel / Motel Tax Fund** – this fund is used by the City to account for proceeds from the City’s Hotel / Motel Tax and the required payments to a non-profit organization for promotion of Snellville’s tourism and trade.

**CAPITAL PROJECT FUND**

**Police Facilities Fund** – this fund accounts for the proceeds from the issuance of a long-term capital lease. The proceeds from the debt issue are to be used for the construction of a new Public Safety Facility.



CITY OF SNELLVILLE, GEORGIA  
NON-MAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2017

	SPECIAL REVENUE FUNDS		
	CONFISCATED ASSETS FUND	TREE BANK FUND	HOTEL/MOTEL FUND
<b>ASSETS</b>			
Cash	\$ 83,134	\$ 296,486	\$ 59,433
Investments	-	-	-
Receivables-			
Taxes	-	-	15,553
Accounts	-	-	-
Grants	-	-	-
Due from other funds	-	-	-
	-	-	-
<b>Total Assets</b>	<b>\$ 83,134</b>	<b>\$ 296,486</b>	<b>\$ 74,986</b>
 <b>LIABILITIES AND FUND BALANCE</b>			
<b>Liabilities</b>			
Accounts payable	\$ 214	\$ -	\$ 57,380
Due from other funds	-	-	-
Unearned revenues	14,283	-	-
	14,497	-	57,380
<b>Total Liabilities</b>	<b>14,497</b>	<b>-</b>	<b>57,380</b>
 <b>Fund Balance</b>			
<b>Restricted -</b>			
Police Activities	68,637	-	-
Tree Bank Activities	-	296,486	-
Economic Development	-	-	17,606
Capital Projects	-	-	-
Unassigned	-	-	-
	-	-	-
<b>Total Fund Balance</b>	<b>68,637</b>	<b>296,486</b>	<b>17,606</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 83,134</b>	<b>\$ 296,486</b>	<b>\$ 74,986</b>

<u>CAPITAL PROJECTS FUNDS POLICE FACILITIES FUND</u>	<u>TOTAL NON-MAJOR GOVERNMENTAL FUNDS</u>
--------------------------------------------------------------------------	-------------------------------------------------------

\$	7,007	\$	446,060
	-		-
	-		15,553
	-		-
	-		-
	-		-
<hr/>		<hr/>	
\$	7,007	\$	461,613

\$	-	\$	57,594
	-		-
	-		14,283
<hr/>		<hr/>	
	-		71,877

	-		68,637
	-		296,486
	-		17,606
	7,007		7,007
	-		-
<hr/>		<hr/>	
	7,007		389,736
<hr/>		<hr/>	
\$	7,007	\$	461,613

**CITY OF SNELLVILLE, GEORGIA  
NON-MAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2017**

	<b>SPECIAL REVENUE FUNDS</b>		
	<b>CONFISCATED ASSETS FUND</b>	<b>TREE BANK FUND</b>	<b>HOTEL / MOTEL TAX FUND</b>
<b>REVENUES</b>			
Confiscations	\$ 59,140	\$ -	\$ -
Tree Bank Bonds	-	-	-
Taxes	-	-	161,145
Intergovernmental	-	-	-
Interest	263	915	134
Miscellaneous	-	-	-
<b>Total Operating Revenues</b>	<u>59,403</u>	<u>915</u>	<u>161,279</u>
<b>EXPENDITURES</b>			
Current -			
Police Activities	3,218	-	-
Tree Bank	-	4,600	-
Economic Development	-	-	161,145
Tourism and Promotion	-	-	-
Highways and Streets	-	-	-
Capital -			
Police	52,008	-	-
Highways and Streets	-	-	-
Debt service -			
Principal	-	-	-
Interest	-	-	-
<b>Total Expenditures</b>	<u>55,226</u>	<u>4,600</u>	<u>161,145</u>
Excess (Deficiency) of Revenues over Expenditures	4,177	(3,685)	134
Other Financing Sources (Uses): Transfers	-	-	-
Net Changes in Fund Balances	4,177	(3,685)	134
Fund Balance - Beginning of year	<u>64,460</u>	<u>300,171</u>	<u>17,472</u>
<b>Fund Balance - End of year</b>	<u>\$ 68,637</u>	<u>\$ 296,486</u>	<u>\$ 17,606</u>

<u>CAPITAL PROJECTS FUNDS</u>	<u>TOTAL NON-MAJOR GOVERNMENTAL FUNDS</u>
<u>POLICE FACILITIES FUND</u>	
\$ -	\$ 59,140
-	-
-	161,145
-	-
119	1,431
-	-
<hr/>	<hr/>
119	221,716
<hr/>	<hr/>
-	3,218
-	4,600
-	161,145
-	-
-	-
-	52,008
-	-
-	-
-	-
<hr/>	<hr/>
-	220,971
<hr/>	<hr/>
119	745
<hr/>	<hr/>
(437,235)	(437,235)
<hr/>	<hr/>
(437,116)	(436,490)
<hr/>	<hr/>
444,123	826,226
<hr/>	<hr/>
<u>\$ 7,007</u>	<u>\$ 389,736</u>

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**CITY OF SNELLVILLE, GEORGIA  
GENERAL FUND  
BALANCE SHEET  
JUNE 30, 2017 AND 2016**

	2017	2016
<b><u>ASSETS</u></b>		
Cash	\$ 8,805,655	\$ 5,493,645
Investments	216,487	216,271
Receivables (net of allowance for uncollectibles)		
Taxes	195,847	194,602
Fines	97,078	81,225
Accounts	-	4,612
Intergovernmental	-	-
Due from other funds	351,099	332,784
Prepaid items	103,675	97,784
<b>TOTAL ASSETS</b>	<b>\$ 9,769,841</b>	<b>\$ 6,420,923</b>
<b><u>LIABILITIES AND FUND EQUITY</u></b>		
<b>Liabilities:</b>		
Accounts payable	\$ 416,580	\$ 230,265
Accrued expenses -		
Salaries	221,795	196,759
Deposits	42,786	42,206
Police bonds and court fees	114,739	113,275
Other	5,168	4,845
Due to other funds	894,681	133,107
<b>TOTAL LIABILITIES</b>	<b>1,695,749</b>	<b>720,457</b>
<b>Deferred Inflows:</b>		
Unavailable revenues	71,120	64,999
<b>Fund Equity:</b>		
Fund Balance		
Nonspendable -		
Prepays	103,675	97,784
Restricted -		
Economic development	28,515	53,287
Assigned -		
Appropriations for next year's budget	-	-
Unassigned	7,870,782	5,484,396
<b>Total Fund Equity</b>	<b>8,002,972</b>	<b>5,635,467</b>
<b>TOTAL LIABILITIES, DEFEERED INFLOWS, AND FUND EQUITY</b>	<b>\$ 9,769,841</b>	<b>\$ 6,420,923</b>

**CITY OF SNELLVILLE, GEORGIA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES - BUDGET BASIS AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2017**  
**WITH COMPARABLE AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016**

	<u>JUNE 30, 2017</u>			
	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>ACTUAL JUNE 30, 2016</u>
<b>REVENUES:</b>				
<b>Taxes -</b>				
Property	\$ 3,326,556	\$ 3,326,556	\$ -	\$ 3,104,659
Motor vehicle	60,000	47,779	(12,221)	65,796
Title advalorem	360,000	340,288	(19,712)	430,502
Franchise	1,341,011	1,341,011	-	1,295,210
Alcohol beverage	331,287	331,287	-	330,376
Insurance premium	1,139,994	1,139,994	-	1,052,437
Business occupational	846,387	846,387	-	798,562
Excise	78,075	78,075	-	82,056
Intangible	60,154	60,154	-	48,118
Transfer	26,251	26,251	-	16,206
Financial institution	114,000	110,458	(3,542)	139,844
<b>Total Taxes</b>	<u>7,683,715</u>	<u>7,648,240</u>	<u>(35,475)</u>	<u>7,363,766</u>
<b>Business Licenses and Permits -</b>				
Alcohol licenses	90,000	84,900	(5,100)	92,275
Other business licenses	37,838	37,837	(1)	29,145
Building permits	173,645	173,645	-	141,095
Inspection permits	15,000	13,758	(1,242)	13,087
Sign permits	6,705	6,705	-	7,190
Site development	7,500	1,767	(5,733)	6,215
Other permits	4,414	4,415	1	4,885
<b>Total Business Licenses and Permits</b>	<u>335,102</u>	<u>323,027</u>	<u>(12,075)</u>	<u>293,892</u>
<b>Intergovernmental -</b>				
County E-911 assistance	-	-	-	-
County SDS Settlement	220,000	220,229	229	220,229
COPS Grant	-	-	-	-
LMIG program	138,000	-	(138,000)	138,227
Other	-	-	-	350
<b>Total Intergovernmental</b>	<u>358,000</u>	<u>220,229</u>	<u>(137,771)</u>	<u>358,806</u>

**CITY OF SNELLVILLE, GEORGIA  
GENERAL FUND  
SCHEDULE OF REVENUES - BUDGET BASIS AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2017  
WITH COMPARABLE AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016**

	<u>JUNE 30, 2017</u>			<u>ACTUAL JUNE 30, 2016</u>
	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	
<b>REVENUES - Continued:</b>				
<b>Charges for Services -</b>				
Recreational activities	\$ 187,048	\$ 176,641	\$ (10,407)	\$ 142,715
E911 fees	1,086,295	1,086,295	-	613,618
Public safety fees	54,500	91,611	37,111	83,457
Planning and zoning fees	48,470	58,987	10,517	51,530
Other	-	-	-	1,621
<b>Total Charges for Services</b>	<u>1,376,313</u>	<u>1,413,534</u>	<u>37,221</u>	<u>892,941</u>
<b>Fines and Forfeitures</b>	2,166,477	2,165,977	(500)	1,502,872
<b>Investment Income</b>	23,756	23,756	-	11,049
<b>Rental Income</b>	85,000	86,653	1,653	97,774
<b>Other -</b>				
Reimbursements	-	-	-	-
Donations	-	-	-	-
Penalties and interest	18,314	18,314	-	17,613
Miscellaneous	293,970	272,129	(21,841)	12,538
<b>Total Other</b>	<u>312,284</u>	<u>290,443</u>	<u>(21,841)</u>	<u>30,151</u>
<b>TOTAL REVENUES</b>	<u>\$ 12,340,647</u>	<u>\$ 12,171,859</u>	<u>\$ (168,788)</u>	<u>\$ 10,551,251</u>



**CITY OF SNELLVILLE, GEORGIA  
GENERAL FUND  
SCHEDULE OF EXPENDITURES - BUDGET BASIS AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2017  
WITH COMPARABLE AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016**

	<u>JUNE 30, 2017</u>			<u>ACTUAL JUNE 30, 2016</u>
	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	
<b>CURRENT EXPENDITURES:</b>				
<b>GENERAL GOVERNMENT</b>				
Governing Body	\$ 39,269	\$ 34,532	\$ 4,737	\$ 32,706
City Clerk	89,010	88,484	526	71,049
Mayor	10,350	6,639	3,711	8,087
City Manager	189,730	185,534	4,196	183,285
Elections	100	-	100	14,583
General Administration	1,164,153	1,154,986	9,167	1,018,944
Accounting	58,235	50,959	7,276	40,254
IT Administration	71,637	70,409	1,228	69,788
Public Information Officer	61,844	60,154	1,690	50,980
Human Resources	67,190	66,958	232	63,597
<b>Total General Government</b>	<u>1,751,518</u>	<u>1,718,655</u>	<u>32,863</u>	<u>1,553,273</u>
<b>MUNICIPAL COURT</b>				
Judicial	<u>776,880</u>	<u>758,427</u>	<u>18,453</u>	<u>617,097</u>
<b>POLICE</b>				
Administration	1,025,044	1,041,764	(16,720)	580,594
Criminal Investigation	542,251	530,374	11,877	577,498
Patrol	2,164,121	2,148,841	15,280	2,358,875
Records	124,952	123,698	1,254	116,810
Dispatch	609,418	591,763	17,655	559,500
Public Relations	3,500	2,500	1,000	2,500
<b>Total Police</b>	<u>4,469,286</u>	<u>4,438,940</u>	<u>30,346</u>	<u>4,195,777</u>
<b>PUBLIC WORKS</b>				
Highways and Streets	759,187	742,084	17,103	726,018
Paved Streets	213,610	203,944	9,666	199,631
Maintenance	57,625	56,898	727	56,417
<b>Total Public Works</b>	<u>1,030,422</u>	<u>1,002,926</u>	<u>27,496</u>	<u>982,066</u>

**CITY OF SNELLVILLE, GEORGIA  
GENERAL FUND  
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2017  
WITH COMPARABLE AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016**

	<u>JUNE 30, 2017</u>			
	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>ACTUAL JUNE 30, 2016</u>
<b>CURRENT EXPENDITURES - Continued</b>				
<b>PARKS AND RECREATION</b>				
Administration	\$ 319,676	\$ 312,740	\$ 6,936	\$ 290,672
Participant Recreation	65,091	65,090	1	59,340
Park Supervisor	48,009	46,882	1,127	55,116
Park Areas	182,620	180,977	1,643	173,776
Senior Participants	166,899	165,536	1,363	145,250
<b>Total Parks and Recreation</b>	<u>782,295</u>	<u>771,225</u>	<u>11,070</u>	<u>724,154</u>
<b>COMMUNITY DEVELOPMENT</b>				
Planning and Zoning	464,650	459,486	5,164	409,212
Contribution to DDA	682,180	682,180	-	-
Economic Development	231,464	230,968	496	183,515
<b>Total Community Development</b>	<u>1,378,294</u>	<u>1,372,634</u>	<u>5,660</u>	<u>592,727</u>
<b>TOTAL CURRENT EXPENDITURES</b>	<u>10,188,695</u>	<u>10,062,807</u>	<u>125,888</u>	<u>8,665,094</u>
<b>CAPITAL OUTLAY</b>				
General Government	-	-	-	47,867
Police	572,217	572,217	-	145,092
Public Works	22,033	22,033	-	236,847
Parks and Recreation	-	-	-	-
Court	-	-	-	-
Community Development	-	-	-	-
<b>TOTAL CAPITAL OUTLAY</b>	<u>594,250</u>	<u>594,250</u>	<u>-</u>	<u>429,806</u>
<b>DEBT SERVICE</b>				
Principal	22,998	22,998	-	544,722
Interest	11,833	11,833	-	19,038
<b>TOTAL DEBT SERVICE</b>	<u>34,831</u>	<u>34,831</u>	<u>-</u>	<u>563,760</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 10,817,776</u>	<u>\$ 10,691,888</u>	<u>\$ 125,888</u>	<u>\$ 9,658,660</u>

**CITY OF SNELLVILLE, GEORGIA  
CONFISCATED ASSETS FUND  
BALANCE SHEET  
JUNE 30, 2017 AND 2016**

<b>ASSETS</b>	<b>2017</b>	<b>2016</b>
Cash	\$ 83,134	\$ 87,804
Grant receivable	-	-
Due from other funds	-	-
<b>Total Assets</b>	<b>\$ 83,134</b>	<b>\$ 87,804</b>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>Liabilities</b>		
Accounts payable	\$ 214	\$ 7,690
Due to other funds	-	-
Unearned revenues	14,283	15,654
<b>Total Liabilities</b>	14,497	23,344
<b>Fund Balance</b>		
Restricted for police activities	68,637	64,460
<b>Total Fund Balance</b>	68,637	64,460
<b>Total Liabilities and Fund Balance</b>	<b>\$ 83,134</b>	<b>\$ 87,804</b>

**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, 2017  
WITH COMPARABLE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016**

	<u>JUNE 30, 2017</u>				
	<u>BUDGET AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>	<u>ACTUAL JUNE 30, 2016</u>
	<u>ORIGINAL</u>	<u>FINAL</u>			
<b>REVENUES</b>					
Confiscations	\$ 16,000	\$ 59,140	\$ 59,140	\$ -	\$ 32,436
Interest	-	-	263	263	155
Grants	-	-	-	-	-
<b>Total Revenues</b>	<u>16,000</u>	<u>59,140</u>	<u>59,403</u>	<u>263</u>	<u>32,591</u>
<b>EXPENDITURES</b>					
Police Activities -					
Current	2,000	24,567	3,218	21,349	25,415
Capital	14,000	31,798	52,008	(20,210)	40,808
<b>Total Expenditures</b>	<u>16,000</u>	<u>56,365</u>	<u>55,226</u>	<u>1,139</u>	<u>66,223</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>2,775</u>	<u>4,177</u>	<u>1,402</u>	<u>(33,632)</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	-	2,775	4,177	1,402	(33,632)
Fund Balance - Beginning of year	<u>64,460</u>	<u>64,460</u>	<u>64,460</u>	<u>-</u>	<u>98,092</u>
<b>Fund Balance - End of year</b>	<u>\$ 64,460</u>	<u>\$ 67,235</u>	<u>\$ 68,637</u>	<u>\$ 1,402</u>	<u>\$ 64,460</u>

**CITY OF SNELLVILLE, GEORGIA  
 TREE BANK FUND  
 BALANCE SHEET  
 JUNE 30, 2017 AND 2016**

	<b>2017</b>	<b>2016</b>
<b>ASSETS</b>		
Cash	\$ 296,486	\$ 300,171
Accounts receivable	-	-
Due from other funds	-	-
<b>Total Assets</b>	<b>\$ 296,486</b>	<b>\$ 300,171</b>
 <b>LIABILITIES AND FUND BALANCE</b>		
<b>Liabilities</b>		
Accounts payable	\$ -	\$ -
Total Liabilities	-	-
<b>Fund Balance</b>		
Restricted for Tree Bank activities	296,486	300,171
Total Fund Balance	296,486	300,171
<b>Total Liabilities and Fund Balance</b>	<b>\$ 296,486</b>	<b>\$ 300,171</b>

**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, 2017  
WITH COMPARABLE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016**

	<u>JUNE 30, 2017</u>				<u>ACTUAL JUNE 30, 2016</u>
	<u>BUDGET AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>			
<b>REVENUES</b>					
Tree Bank bonds	\$ 200,000	\$ 200,000	\$ -	\$ (200,000)	\$ 215,500
Interest	100	915	915	-	171
Miscellaneous	-	-	-	-	-
<b>Total Revenues</b>	<u>200,100</u>	<u>200,915</u>	<u>915</u>	<u>(200,000)</u>	<u>215,671</u>
<b>EXPENDITURES</b>					
Current -					
Community Development -					
Tree Bank	100,000	100,000	4,600	95,400	-
Capital -					
City Center	-	-	-	-	26,435
<b>Total Expenditures</b>	<u>100,000</u>	<u>100,000</u>	<u>4,600</u>	<u>95,400</u>	<u>26,435</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>100,100</u>	<u>100,915</u>	<u>(3,685)</u>	<u>(104,600)</u>	<u>189,236</u>
Other Financing Sources (Uses):					
Transfers	-	-	-	-	-
Total	-	-	-	-	-
Net Change in Fund Balance	100,100	100,915	(3,685)	(104,600)	189,236
Fund Balance - Beginning of Year	<u>300,171</u>	<u>300,171</u>	<u>300,171</u>	<u>-</u>	<u>110,935</u>
<b>Fund Balance - End of Year</b>	<u>\$ 400,271</u>	<u>\$ 401,086</u>	<u>\$ 296,486</u>	<u>\$ (104,600)</u>	<u>\$ 300,171</u>

**CITY OF SNELLVILLE, GEORGIA**  
**HOTEL/MOTEL TAX FUND**  
**BALANCE SHEET**  
**JUNE 30, 2017 AND 2016**

	<b>2017</b>	<b>2016</b>
<b>ASSETS</b>		
Cash	\$ 59,433	\$ 18,566
Receivables - Taxes	15,553	12,880
<b>Total Assets</b>	<b>\$ 74,986</b>	<b>\$ 31,446</b>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>Liabilities</b>		
Accounts payable	\$ 57,380	\$ 13,974
<b>Total Liabilities</b>	<b>57,380</b>	<b>13,974</b>
<b>Fund balance</b>		
Restricted for economic development	17,606	17,472
<b>Total Fund Balance</b>	<b>17,606</b>	<b>17,472</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 74,986</b>	<b>\$ 31,446</b>

**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, 2017**  
**WITH COMPARABLE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016**

	<u>JUNE 30, 2017</u>				<u>ACTUAL JUNE 30, 2016</u>
	<u>BUDGET AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>			
<b>REVENUES</b>					
Taxes	\$ 130,000	\$ 161,278	\$ 161,145	\$ (133)	\$ 134,322
Interest	50	133	134	1	50
Donations	-	-	-	-	-
<b>Total Revenues</b>	<u>130,050</u>	<u>161,411</u>	<u>161,279</u>	<u>(132)</u>	<u>134,372</u>
<b>EXPENDITURES</b>					
Current -					
Economic Development-					
Contracted services	-	-	-	-	-
Payments to others	130,050	161,145	161,145	-	134,322
Tourism and Promotion-					
Contracted services	-	-	-	-	-
Cemetery Fence	-	-	-	-	-
<b>Total Expenditures</b>	<u>130,050</u>	<u>161,145</u>	<u>161,145</u>	<u>-</u>	<u>134,322</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>266</u>	<u>134</u>	<u>(132)</u>	<u>50</u>
Other Financing Sources (Uses):					
Transfers	-	-	-	-	-
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	266	134	(132)	50
Fund Balance - Beginning of Year	<u>17,472</u>	<u>17,472</u>	<u>17,472</u>	<u>-</u>	<u>17,422</u>
<b>Fund Balance - End of Year</b>	<u>\$ 17,472</u>	<u>\$ 17,738</u>	<u>\$ 17,606</u>	<u>\$ (132)</u>	<u>\$ 17,472</u>



**CITY OF SNELLVILLE, GEORGIA  
 LCI GRANT FUND  
 BALANCE SHEET  
 JUNE 30, 2017 AND 2016**

	2017	2016
<b>ASSETS</b>		
Cash	\$ 983,417	\$ 980,419
Accounts receivable	-	-
Grant receivable	-	-
<b>Total Assets</b>	<b>\$ 983,417</b>	<b>\$ 980,419</b>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>Liabilities</b>		
Accounts payable	\$ -	\$ -
Due to other governments	216,434	216,434
Due to other funds	-	-
<b>Total Liabilities</b>	<b>216,434</b>	<b>216,434</b>
<b>Deferred Inflows</b>		
Unavailable grant revenues	-	-
<b>Fund Balance</b>		
Restricted for capital projects	766,983	763,985
Unassigned	-	-
<b>Total Fund Balance</b>	<b>766,983</b>	<b>763,985</b>
<b>Total Liabilities, Deferred Inflows and Fund Balance</b>	<b>\$ 983,417</b>	<b>\$ 980,419</b>

**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, 2017**

	<u>BUDGET AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES</b>				
LCI grant	\$ -	\$ -	\$ -	\$ -
Interest	-	2,998	2,998	-
Reimbursements	-	-	-	-
<b>Total Revenues</b>	<u>-</u>	<u>2,998</u>	<u>2,998</u>	<u>-</u>
<b>EXPENDITURES</b>				
Current -				
Contract services	-	-	-	-
Capital -				
Construction	-	-	-	-
Reimbursements	-	-	-	-
<b>Total Expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>2,998</u>	<u>2,998</u>	<u>-</u>
Other Financing Sources (Uses):				
Transfers	-	-	-	-
<b>Total</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	2,998	2,998	-
Fund Balance - Beginning of Year	<u>763,985</u>	<u>763,985</u>	<u>763,985</u>	<u>-</u>
<b>Fund Balance - End of Year</b>	<u>\$ 763,985</u>	<u>\$ 766,983</u>	<u>\$ 766,983</u>	<u>\$ -</u>

**CITY OF SNELLVILLE, GEORGIA  
POLICE FACILITIES FUND  
BALANCE SHEET  
JUNE 30, 2017 AND 2016**

	2017	2016
<b>ASSETS</b>		
Cash	\$ 7,007	\$ 444,123
Accrued interest receivable	-	-
<b>Total Assets</b>	<b>\$ 7,007</b>	<b>\$ 444,123</b>
 <b>LIABILITIES AND FUND BALANCE</b>		
<b>Liabilities</b>		
Accounts payable	\$ -	\$ -
<b>Total Liabilities</b>	-	-
<b>Fund balance</b>		
Restricted for capital projects	7,007	444,123
<b>Total Fund Balance</b>	<b>7,007</b>	<b>444,123</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 7,007</b>	<b>\$ 444,123</b>

**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, 2017**

	<u>PRIOR YEARS</u>	<u>CURRENT YEAR</u>	<u>TOTAL</u>	<u>PROJECT AUTHORIZATION</u>
<b>REVENUES</b>				
Investment income	\$ 17,143	\$ 119	\$ 17,262	\$ -
Miscellaneous income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>17,143</u>	<u>119</u>	<u>17,262</u>	<u>-</u>
<b>EXPENDITURES</b>				
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	<u>59,542</u>	<u>-</u>	<u>59,542</u>	<u>59,542</u>
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>(7,070,877)</u>	<u>119</u>	<u>(7,070,758)</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	<u>10,000</u>	<u>(437,235)</u>	<u>(427,235)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>7,515,000</u>	<u>(437,235)</u>	<u>7,077,765</u>	<u>7,505,000</u>
Net Change in Fund Balance	<u>\$ 444,123</u>	<u>(437,116)</u>	<u>\$ 7,007</u>	<u>\$ -</u>
<b>FUND BALANCE</b>				
Beginning of year		<u>444,123</u>		
End of year		<u>\$ 7,007</u>		

**CITY OF SNELLVILLE, GEORGIA**  
**SPLOST I CAPITAL PROJECTS FUND**  
**BALANCE SHEET**  
**JUNE 30, 2017 AND 2016**

	2017	2016
<b>ASSETS</b>		
Cash	\$ -	\$ 88,128
Taxes receivable	-	-
Due from other funds	-	-
<b>Total Assets</b>	\$ -	\$ 88,128
 <b>LIABILITIES AND FUND BALANCE</b>		
<b>Liabilities</b>		
Accounts payable	\$ -	\$ -
Total Liabilities	-	-
<b>Fund Balance</b>		
Restricted for capital outlay	-	88,128
Total Fund Balance	-	88,128
<b>Total Liabilities and Fund Balance</b>	\$ -	\$ 88,128

**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, 2017**

	<u>PRIOR YEARS</u>	<u>CURRENT YEAR</u>	<u>TOTAL TO DATE</u>	<u>PROJECT AUTHORIZATION</u>
<b>REVENUES</b>				
Intergovernmental	\$ 11,688,581	\$ -	\$ 11,688,581	\$ 11,056,158
Interest	299,691	183	299,874	
Reimbursements	<u>153,615</u>	<u>-</u>	<u>153,615</u>	<u>-</u>
<b>Total Revenues</b>	<u>12,141,887</u>	<u>183</u>	<u>12,142,070</u>	<u>11,056,158</u>
<b>EXPENDITURES</b>				
Capital Outlay				
Transportation	4,226,286	88,300	4,314,586	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>
<b>Total Expenditures</b>	<u>13,036,567</u>	<u>88,300</u>	<u>13,124,867</u>	<u>11,056,158</u>
Excess of revenues over (under) expenditures	(894,680)	(88,117)	(982,797)	-
Other financing sources (uses)				
Transfers	<u>982,808</u>	<u>(11)</u>	<u>982,797</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) other financing uses	<u>\$ 88,128</u>	<u>(88,128)</u>	<u>\$ -</u>	<u>\$ -</u>
<b>FUND BALANCE</b>				
Beginning		<u>88,128</u>		
Ending		<u>\$ -</u>		

**CITY OF SNELLVILLE, GEORGIA**  
**SPLOST III CAPITAL PROJECTS FUND**  
**BALANCE SHEET**  
**JUNE 30, 2017 AND 2016**

<b>ASSETS</b>	<b>2017</b>	<b>2016</b>
Cash	\$ 2,714,554	\$ 2,822,714
Intergovernmental receivable	-	484,224
Other receivable	-	9,720
Due from other funds	894,681	133,107
<b>Total Assets</b>	<b>\$ 3,609,235</b>	<b>\$ 3,449,765</b>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>Liabilities</b>		
Accounts payable	\$ 56,145	\$ 685,590
Due to other funds	-	-
Total Liabilities	56,145	685,590
<b>Fund Balance</b>		
Restricted for capital outlay	3,553,090	2,764,175
Total Fund Balance	3,553,090	2,764,175
<b>Total Liabilities and Fund Balance</b>	<b>\$ 3,609,235</b>	<b>\$ 3,449,765</b>

**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, 2017**

	<u>PRIOR YEARS</u>	<u>CURRENT YEAR</u>	<u>TOTAL TO DATE</u>	<u>PROJECT AUTHORIZATION</u>
<b>REVENUES</b>				
Intergovernmental - SPLOST	\$ 6,307,741	\$ 2,722,042	\$ 9,029,783	\$ 9,556,219
Intergovernmental - LMIG	-	180,794	180,794	-
Interest	1,974	1,131	3,105	-
<b>Total Revenues</b>	<u>6,309,715</u>	<u>2,903,967</u>	<u>9,213,682</u>	<u>9,556,219</u>
<b>EXPENDITURES</b>				
Current -				
Administrative	359	-	359	-
Capital Outlay -				
Administrative facilities	99,546	94,473	194,019	449,143
Voting equipment	-	-	-	19,112
Public safety facilities & equipment	98,870	21,672	120,542	535,148
Recreational facilities & equipment	1,172,433	632,532	1,804,965	2,150,149
Roads, streets, bridges, drainage, sidewalks and related facilities	1,971,010	1,264,714	3,235,724	6,402,667
Debt Service - Public Safety				
Principal	199,545	99,127	298,672	-
Interest	3,777	2,534	6,311	-
<b>Total Expenditures</b>	<u>3,545,540</u>	<u>2,115,052</u>	<u>5,660,592</u>	<u>9,556,219</u>
Excess of revenues over (under) expenditures	2,764,175	788,915	3,553,090	-
Other financing sources (uses)				
Transfers	-	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) other financing uses	<u>\$ 2,764,175</u>	788,915	<u>\$ 3,553,090</u>	<u>\$ -</u>
<b>FUND BALANCE</b>				
Beginning		<u>2,764,175</u>		
Ending		<u>\$ 3,553,090</u>		



**CITY OF SNELLVILLE, GEORGIA**  
**SPLOST IV CAPITAL PROJECTS FUND**  
**BALANCE SHEET**  
**JUNE 30, 2017**

	<b>2017</b>
<b>ASSETS</b>	
Cash	\$ -
Intergovernmental receivable	724,131
Other receivable	-
Due from other funds	-
	-
<b>Total Assets</b>	<b>\$ 724,131</b>
<b>LIABILITIES AND FUND BALANCE</b>	
<b>Liabilities</b>	
Accounts payable	\$ -
Due to other funds	-
	-
Total Liabilities	-
<b>Fund Balance</b>	
Restricted for capital outlay	724,131
Total Fund Balance	724,131
<b>Total Liabilities and Fund Balance</b>	<b>\$ 724,131</b>

**CITY OF SNELLVILLE, GEORGIA  
 SPLOST IV 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, 2017**

	<u>PRIOR YEARS</u>	<u>CURRENT YEAR</u>	<u>TOTAL TO DATE</u>	<u>PROJECT AUTHORIZATION</u>
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ 724,131	\$ 724,131	\$ 18,086,006
Interest	-	-	-	-
<b>Total Revenues</b>	<u>-</u>	<u>724,131</u>	<u>724,131</u>	<u>18,086,006</u>
<b>EXPENDITURES</b>				
Current -				
Administrative	-	-	-	-
Capital Outlay -				
Administrative facilities	-	-	-	108,878
Parking facilities	-	-	-	6,387,616
Recreational facilities & equipment	-	-	-	3,011,320
Roads, streets, bridges, drainage, sidewalks and related facilities	-	-	-	8,578,192
<b>Total Expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,086,006</u>
Excess of revenues over (under) expenditures	-	724,131	724,131	-
Other financing sources (uses)				
Transfers	-	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) other financing uses	<u>\$ -</u>	<u>724,131</u>	<u>\$ 724,131</u>	<u>\$ -</u>
<b>FUND BALANCE</b>				
Beginning		<u>-</u>		
Ending		<u>\$ 724,131</u>		

**CITY OF SNELLVILLE, GEORGIA**  
**URBAN REDEVELOPMENT AGENCY OF SNELLVILLE**  
**BALANCE SHEET**  
**JUNE 30, 2017 AND 2016**

<b>ASSETS</b>	<u>2017</u>	<u>2016</u>
Cash	\$ 16,691	\$ 17,410
Investment	<u>-</u>	<u>-</u>
<b>Total Assets</b>	<u>\$ 16,691</u>	<u>\$ 17,410</u>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>Liabilities</b>		
Accounts payable	<u>\$ -</u>	<u>\$ -</u>
Total Liabilities	<u>-</u>	<u>-</u>
<b>Fund balance</b>		
Assigned - Redevelopment	<u>16,691</u>	<u>17,410</u>
Total Fund Balance	<u>16,691</u>	<u>17,410</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 16,691</u>	<u>\$ 17,410</u>

**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, 2017**  
**WITH COMPARABLE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016**

	JUNE 30, 2017				
	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL JUNE 30, 2016
	ORIGINAL	FINAL			
<b>REVENUES</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	-	-	7	7	7
Miscellaneous	-	-	-	-	-
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>7</u>	<u>7</u>	<u>7</u>
<b>EXPENDITURES</b>					
Current -					
Economic Development-					
Contracted services	-	726	726	-	-
Debt Service-					
Principal	342,000	342,000	-	342,000	337,000
Interest	38,874	38,874	19,437	19,437	44,097
Bond issue cost	-	-	-	-	-
<b>Total Expenditures</b>	<u>380,874</u>	<u>381,600</u>	<u>20,163</u>	<u>361,437</u>	<u>381,097</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(380,874)</u>	<u>(381,600)</u>	<u>(20,156)</u>	<u>361,444</u>	<u>(381,090)</u>
Other Financing Sources (Uses):					
Debt issue	-	-	-	-	-
Payment to refunded debt agent	-	-	-	-	-
Transfers	380,874	380,874	19,437	(361,437)	381,097
<b>Total</b>	<u>380,874</u>	<u>380,874</u>	<u>19,437</u>	<u>(361,437)</u>	<u>381,097</u>
Net Change in Fund Balance	-	(726)	(719)	7	7
Fund Balance - Beginning of Year	<u>17,410</u>	<u>17,410</u>	<u>17,410</u>	<u>-</u>	<u>17,403</u>
<b>Fund Balance - End of Year</b>	<u>\$ 17,410</u>	<u>\$ 16,684</u>	<u>\$ 16,691</u>	<u>\$ 7</u>	<u>\$ 17,410</u>

**CITY OF SNELLVILLE, GEORGIA**  
**STATEMENT OF NET POSITION**  
**SOLID WASTE MANAGEMENT ENTERPRISE FUND**  
**JUNE 30, 2017 AND 2016**

	<u>2017</u>	<u>2016</u>
<b>ASSETS</b>		
Current assets:		
Cash	\$ 66,857	\$ 92,150
Receivables (net of reserve for doubtful accounts of \$120,000 in 2017 and \$117,000 in 2016)		
Trade accounts	63,545	45,612
Unbilled sales	128,874	126,705
Total Current Assets	<u>259,276</u>	<u>264,467</u>
Property, plant and equipment:		
Buildings	577,673	577,673
Machinery and equipment	227,846	227,846
Vehicles	21,118	21,118
Land improvements	1,188,251	1,188,251
	2,014,888	2,014,888
Less accumulated depreciation	<u>(913,313)</u>	<u>(859,259)</u>
	<u>1,101,575</u>	<u>1,155,629</u>
<b>Total Assets</b>	<u>1,360,851</u>	<u>1,420,096</u>
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	178,527	154,555
Customer deposits	-	7,214
Accrued liabilities - Payroll	8,614	6,859
Due to other funds	<u>-</u>	<u>618</u>
Total current liabilities (payable from current assets)	<u>187,141</u>	<u>169,246</u>
Long-term obligations	<u>-</u>	<u>-</u>
<b>Total Liabilities</b>	<u>187,141</u>	<u>169,246</u>
<b>NET POSITION</b>		
Net invested in capital assets	1,101,575	1,155,629
Unrestricted	<u>72,135</u>	<u>95,221</u>
<b>Total Net Position</b>	<u>\$ 1,173,710</u>	<u>\$ 1,250,850</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, 2017 AND 2016**

	2017	2016
<b>OPERATING REVENUES</b>		
Charges for services:		
Solid waste	\$ 1,463,184	\$ 1,539,993
Recycling	125,097	98,120
Penalties	13,566	16,950
Miscellaneous	32,524	34,135
<b>Total Operating Revenues</b>	<b>1,634,371</b>	<b>1,689,198</b>
<b>OPERATING EXPENSES:</b>		
Solid waste operations -		
Purchases of product/service	2,068,007	1,871,481
Salaries and benefits	47,668	46,649
Contracted / purchased services	10,500	13,237
Bad debt expense	3,000	3,700
Recycling operations -		
Salaries and benefits	109,463	98,323
Contracted / purchased services	71,316	68,636
Supplies	10,136	8,815
Depreciation	54,054	54,054
<b>Total Operating Expenses</b>	<b>2,374,144</b>	<b>2,164,895</b>
Operating Income (Loss)	(739,773)	(475,697)
<b>NON-OPERATING INCOME (EXPENSES):</b>		
Interest revenue	555	300
Net income (loss) before transfers and capital contributions	(739,218)	(475,397)
Transfers in	662,078	313,502
Capital contributions	-	-
NET INCOME	(77,140)	(161,895)
NET POSITION - BEGINNING	1,250,850	1,412,745
NET POSITION - ENDING	\$ 1,173,710	\$ 1,250,850

**CITY OF SNELLVILLE, GEORGIA  
STATEMENT OF CASH FLOWS  
SOLID WASTE MANAGEMENT ENTERPRISE FUND  
FOR THE YEARS ENDED JUNE 30, 2017 AND 2016**

	<u>2017</u>	<u>2016</u>
Cash flows from operating activities:		
Cash received from customers and users	\$ 1,607,055	\$ 1,688,109
Cash paid to suppliers	(2,193,770)	(2,008,639)
Cash paid to employees	<u>(100,593)</u>	<u>(95,573)</u>
Net Cash Provided by Operating Activities	<u>(687,308)</u>	<u>(416,103)</u>
Cash flows from investing activities:		
Interest received	<u>555</u>	<u>300</u>
Net Cash Used in Investing Activities	<u>555</u>	<u>300</u>
Cash flows from non-capital financing activities:		
Transfers	662,078	313,502
Change in due to/from other funds	<u>(618)</u>	<u>144</u>
Net Cash Provided by (Used in) Non-capital Financing Activities	<u>661,460</u>	<u>313,646</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	(25,293)	(102,157)
Cash and cash equivalents - Beginning of Year	<u>92,150</u>	<u>194,307</u>
Cash and cash equivalents - End of Year	<u>\$ 66,857</u>	<u>\$ 92,150</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**

	<u>2017</u>	<u>2016</u>
Operating income (loss)	\$ (739,773)	\$ (475,697)
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	54,054	54,054
(Increase) decrease in receivables	(20,102)	(2,086)
Increase (decrease) in accounts payable	23,972	3,400
Increase (decrease) in customer deposits	(7,214)	997
Increase (decrease) in accrued liabilities	<u>1,755</u>	<u>3,229</u>
Total Adjustments	<u>52,465</u>	<u>59,594</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (687,308)</u>	<u>\$ (416,103)</u>



**CITY OF SNELLVILLE, GEORGIA**  
**STATEMENT OF NET POSITION**  
**STORMWATER MANAGEMENT ENTERPRISE FUND**  
**JUNE 30, 2017 AND 2016**

	<u>2017</u>	<u>2016</u>
<b>ASSETS</b>		
Current Assets		
Cash	\$ 397,812	\$ 473,471
Receivables		
Trade accounts	16,974	16,266
Due from other funds	-	-
Prepaid tax billing fees	-	-
Total Current Assets	<u>414,786</u>	<u>489,737</u>
Property, Plant and Equipment		
Infrastructure	3,171,543	2,330,866
Equipment	252,189	252,189
Less: Accumulated depreciation	<u>(276,122)</u>	<u>(197,667)</u>
Net Property, Plant and Equipment	<u>3,147,610</u>	<u>2,385,388</u>
<b>Total Assets</b>	<u>3,562,396</u>	<u>2,875,125</u>
<b>LIABILITIES</b>		
Current Liabilities		
Accounts payable -		
Trade	9,615	17,225
Construction	109,280	-
Accrued expenses -		
Salaries	5,047	4,805
Due to other funds	<u>351,099</u>	<u>332,166</u>
Total Current Liabilities	<u>475,041</u>	<u>354,196</u>
Long-term Obligations	<u>-</u>	<u>-</u>
<b>Total Liabilities</b>	<u>475,041</u>	<u>354,196</u>
<b>NET POSITION</b>		
Net invested in capital assets	3,147,610	2,385,388
Unrestricted	<u>(60,255)</u>	<u>135,541</u>
<b>Total Net Position</b>	<u>\$ 3,087,355</u>	<u>\$ 2,520,929</u>

**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, 2017 AND 2016**

	<u>2017</u>	<u>2016</u>
<b>OPERATING REVENUES</b>		
Charges for services:		
Stormwater utility fees	\$ 819,613	\$ 534,114
Penalties	2,123	4,425
Miscellaneous	-	-
<b>Total Operating Revenues</b>	<u>821,736</u>	<u>538,539</u>
<b>OPERATING EXPENSES:</b>		
Salaries and benefits	80,459	102,019
Contracted / purchased services	91,870	87,684
Supplies	3,301	2,010
Depreciation	78,454	63,058
<b>Total Operating Expenses</b>	<u>254,084</u>	<u>254,771</u>
Operating Income (Loss)	567,652	283,768
<b>NON-OPERATING INCOME (EXPENSES):</b>		
Interest revenue	1,327	699
Interest expense	-	(1,007)
Net income (loss) before transfers and capital contributions	568,979	283,460
Transfers	<u>(2,553)</u>	<u>-</u>
<b>NET INCOME</b>	566,426	283,460
<b>NET POSITION - BEGINNING</b>	<u>2,520,929</u>	<u>2,237,469</u>
<b>NET POSITION - ENDING</b>	<u>\$ 3,087,355</u>	<u>\$ 2,520,929</u>

**CITY OF SNELLVILLE, GEORGIA**  
**STATEMENT OF CASH FLOWS**  
**STORMWATER MANAGEMENT ENTERPRISE FUND**  
**FOR THE YEARS ENDED JUNE 30, 2017 AND 2016**

	<u>2017</u>	<u>2016</u>
Cash flows from operating activities:		
Cash received from customers and users	\$ 821,028	\$ 541,725
Cash paid to suppliers	(124,445)	(121,405)
Cash paid to employees	<u>(58,553)</u>	<u>(74,117)</u>
Net Cash Provided by Operating Activities	<u>638,030</u>	<u>346,203</u>
Cash flows from investing activities:		
Interest received	<u>1,327</u>	<u>699</u>
Net Cash Used in Investing Activities	<u>1,327</u>	<u>699</u>
Cash flows from non-capital financing activities:		
Increase (decrease) in due to other funds	18,933	638,981
Transfers	<u>(2,553)</u>	<u>-</u>
Net Cash Provided by (Used in) Non-capital Financing Activities	<u>16,380</u>	<u>638,981</u>
Cash flows from capital financing activities:		
Proceeds from debt issue	-	-
Principal payments	-	(55,455)
Interest payments	-	(1,208)
Purchase and construction of capital assets	<u>(731,396)</u>	<u>(1,023,144)</u>
Net Cash Provided by (Used in) Capital Financing Activities	<u>(731,396)</u>	<u>(1,079,807)</u>
Net increase in cash and cash equivalents	(75,659)	(93,924)
Cash and cash equivalents - Beginning of Year	<u>473,471</u>	<u>567,395</u>
Cash and cash equivalents - End of Year	<u>\$ 397,812</u>	<u>\$ 473,471</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>2017</u>	<u>2016</u>
Operating income (loss)	\$ 567,652	\$ 283,768
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	78,454	63,058
(Increase) decrease in receivables	(708)	3,186
(Increase) decrease in prepaid expenses	-	-
Increase (decrease) in accounts payable	(7,610)	885
Increase (decrease) in customer deposits	-	-
Increase (decrease) in accrued liabilities	242	(4,694)
Total Adjustments	<u>70,378</u>	<u>62,435</u>
Net Cash Provided by Operating Activities	<u>\$ 638,030</u>	<u>\$ 346,203</u>

**SNELLVILLE DOWNTOWN DEVELOPMENT AUTHORITY**  
**BALANCE SHEET**  
**DECEMBER 31, 2017 AND 2016**

	<b>2017</b>	<b>2016</b>
<b>ASSETS</b>		
Cash	\$ 52,295	\$ 41,819
Deposit on real estate purchase	25,000	-
Due from primary government - long term	-	-
<b>Total Assets</b>	<b>\$ 77,295</b>	<b>\$ 41,819</b>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>Liabilities</b>		
Accrued interest	\$ -	\$ -
<b>Total Liabilities</b>	-	-
<b>Fund balance</b>		
Nonspendable -		
Long-term portion of amount due from primary government	-	-
Unrestricted	77,295	41,819
<b>Total Fund Balance</b>	77,295	41,819
<b>Total Liabilities and Fund Balance</b>	<b>\$ 77,295</b>	<b>\$ 41,819</b>

**SNELLVILLE DOWNTOWN DEVELOPMENT AUTHORITY  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE  
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

	<u>2017</u>	<u>2016</u>
<b>REVENUES</b>		
Contributions	\$ -	\$ 750
Intergovernmental	776,845	50,091
Interest	<u>-</u>	<u>47,148</u>
<b>Total Revenues</b>	<u>776,845</u>	<u>97,989</u>
<b>EXPENDITURES</b>		
Current-		
Consultant	1,118	782
Other	443	15
Capital-		
Signage	57,628	121,040
Real estate	682,180	-
Debt service -		
Principal	-	565,370
Interest	<u>-</u>	<u>47,100</u>
<b>Total Expenditures</b>	<u>741,369</u>	<u>734,307</u>
Excess (deficiency) of revenues over expenditures	35,476	(636,318)
<b>OTHER FINANCING SOURCES (USES)</b>		
Proceeds from debt issuance	-	-
Sale of capital assets	<u>-</u>	<u>-</u>
Net change in fund balance	35,476	(636,318)
Fund Balance - Beginning of Year	<u>41,819</u>	<u>678,137</u>
<b>Fund Balance - End of Year</b>	<u><u>\$ 77,295</u></u>	<u><u>\$ 41,819</u></u>

**SNELLVILLE DEVELOPMENT AUTHORITY  
BALANCE SHEET  
DECEMBER 31, 2017**

	<b>2017</b>
<b>ASSETS</b>	
Cash	\$ 5,724
Deposit on real estate purchase	-
Due from primary government - long term	-
<b>Total Assets</b>	<b>\$ 5,724</b>
<b>LIABILITIES AND FUND BALANCE</b>	
<b>Liabilities</b>	
Accrued interest	\$ -
Total Liabilities	-
<b>Fund balance</b>	
Nonspendable -	
Long-term portion of amount due from primary government	-
Unrestricted	5,724
Total Fund Balance	5,724
<b>Total Liabilities and Fund Balance</b>	<b>\$ 5,724</b>

**SNELLVILLE DEVELOPMENT AUTHORITY  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	2017
<b>REVENUES</b>	
Contributions	\$ -
Intergovernmental	-
Rentals	6,000
<b>Total Revenues</b>	<b>6,000</b>
 <b>EXPENDITURES</b>	
Current-	
Consultant	-
Other	276
<b>Total Expenditures</b>	<b>276</b>
Excess (deficiency) of revenues over expenditures	5,724
 <b>OTHER FINANCING SOURCES (USES)</b>	
Proceeds from debt issuance	-
Sale of capital assets	-
Net change in fund balance	5,724
Fund Balance - Beginning of Year	-
<b>Fund Balance - End of Year</b>	<b>\$ 5,724</b>



**SNELLVILLE ARTS COMMISSION  
BALANCE SHEET  
JUNE 30, 2017**

	2017	2016
<b>ASSETS</b>		
Cash	\$ 10,760	\$ 11,250
Investment	-	-
<b>Total Assets</b>	<b>\$ 10,760</b>	<b>\$ 11,250</b>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>Liabilities</b>		
Accounts payable	\$ -	\$ 225
Total Liabilities	-	225
<b>Fund balance</b>		
Unrestricted	10,760	11,025
Total Fund Balance	10,760	11,025
<b>Total Liabilities and Fund Balance</b>	<b>\$ 10,760</b>	<b>\$ 11,250</b>

**SNELLVILLE ARTS COMMISSION  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2017**

	<u>2017</u>	<u>2016</u>
<b>REVENUES</b>		
Contributions	\$ -	\$ 8,124
Fund raisers	507	3,504
Interest	<u>-</u>	<u>-</u>
<b>Total Revenues</b>	<u>507</u>	<u>11,628</u>
 <b>EXPENDITURES</b>		
Current-		
Supplies	772	6,305
Communications	<u>-</u>	<u>830</u>
<b>Total Expenditures</b>	<u>772</u>	<u>7,135</u>
Excess (deficiency) of revenues over expenditures	(265)	4,493
 <b>OTHER FINANCING SOURCES (USES)</b>		
Other	<u>-</u>	<u>-</u>
Net change in fund balance	(265)	4,493
Fund Balance - Beginning of Year	<u>11,025</u>	<u>6,532</u>
<b>Fund Balance - End of Year</b>	<u>\$ 10,760</u>	<u>\$ 11,025</u>

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