

**CITY OF BUFORD, GEORGIA**  
**AUDITED BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**CITY OF BUFORD, GEORGIA  
AUDITED BASIC FINANCIAL STATEMENTS  
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## **INDEPENDENT AUDITOR'S REPORT**

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**INDEPENDENT AUDITOR'S REPORT**

The Honorable Members of the Board of Commissioners  
City of Buford, 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 the City of Buford, Georgia (the "City") as of and for the year ended June 30, 2020, 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 did not audit the financial statements of the City of Buford Board of Education, which represent 100% of the assets, net position, revenues, and expenses of the discretely presented component unit. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the City of Buford Board of Education, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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.

**Honorable Members of the Board of Commissioners  
City of Buford, Georgia**

**OPINIONS**

In our opinion, based on our audit and the report of other auditors, 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 Buford, Georgia, as of June 30, 2020, and the respective changes in financial position and where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**OTHER MATTERS**

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 12, the City of Buford Retirement Plan on pages 63-66 and the City of Buford Other Postemployment Benefit Plan on pages 67-68 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 compromise the City of Buford, Georgia's basic financial statements. The accompanying supplementary information which consists of the combining and individual nonmajor fund financial statements, budgetary comparison schedules, combining fiduciary fund financial statements, and Schedule of Projects Constructed and Expenditures Incurred with Special Sales Tax Proceeds are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

To the Board of Commissioners  
City of Buford, Georgia

**OTHER REPORTING REQUIRED BY GOVERNMENTAL AUDITING STANDARDS**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2020, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Buford, Georgia's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Buford, Georgia's internal control over financial reporting and compliance.

*Wilcox & Bivings, P.C.*

Suwanee, Georgia  
December 18, 2020



## **MANAGEMENT'S DISCUSSION AND ANALYSIS-UNAUDITED**

**CITY OF BUFORD, GEORGIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS-UNAUDITED  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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Management of the City of Buford, Georgia (the "City") provides this Management Discussion and Analysis, as prescribed by the provisions of Governmental Accounting Standards Board Statement 34 (GASB 34). This narrative overview and analysis of the City's financial activities is for the fiscal year ending June 30, 2020. Please consider this information in conjunction with the City's financial statements, which follow.

**FINANCIAL HIGHLIGHTS**

- The assets of the City exceeded its liabilities at the close of the fiscal year ended June 30, 2020 by \$184,974,638 ("net position"). Of this amount, \$22,652,294, was reported as "unrestricted net position". \$150,181,467 of net position consisted of net investment in capital assets. The remainder of net position consisted of amounts restricted by law, contracts, donors or debt agreements. \$11,148,012 was restricted for capital projects to be financed by SPLOST funds, \$383,675 was restricted for debt service of the 2010, 2015, and 2017 General Obligation Bonds, and \$609,190 was restricted for Education.
- The City's total net position increased by \$9,695,749 in the fiscal year ended June 30, 2020.
- As of the close of the current fiscal year ended June 30, 2020, the City's governmental funds reported combined ending fund balances of \$17,509,594. 21.92% of this total amount, \$3,838,585 is available for use within the City's policies ("unassigned fund balances").
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$3,838,585 or 6.82% of total general fund expenditures.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City'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. The report also contains other supplemental 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'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 fiscal year. All changes in net position are reported when 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, such as uncollected property taxes and earned and unused compensated absences.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues ("governmental activities") from functions that are intended to recover all or a significant portion of their costs through user fees and charges ("business-type activities").

The government-wide financial statements can be found on pages 13-14 of this reporting package.

**OVERVIEW OF THE FINANCIAL STATEMENTS - CONTINUED**

**Fund financial statements**

A fund is a grouping of related accounts 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 can be divided into three categories - governmental funds, proprietary funds and fiduciary 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, the governmental fund financial statements focus on current sources and uses 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 effect of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains fifteen governmental 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 the General Fund which is considered to be a major fund. Data from the other fourteen funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The basic governmental fund financial statements can be found on pages 15 to 19 of this reporting package.

**Proprietary Funds**

The City maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its gas, electric, solid waste and recycling, wastewater and water operations (Utilities Fund) and to account for the operations of the Buford Community Center Fund. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The Utilities Fund is considered a major fund of the City. The basic proprietary funds financial statements can be found on pages 20 to 23 of this reporting package.

**Fiduciary Funds**

The City maintains three fiduciary funds consisting of custodial funds related to the Buford Board of Education SPLOST funds from Gwinnett and Hall Counties. The basic fiduciary fund financial statements can be found on pages 24 to 25 of this reporting package.

**Notes to the Basic 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. The notes to the basic financial statements can be found on pages 26 to 62 of this reporting package.

**CITY OF BUFORD, GEORGIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS-UNAUDITED  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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**OVERVIEW OF THE FINANCIAL STATEMENTS - CONTINUED**

**Supplementary Information Required or Recommended by GASB 34**

Supplementary information required by GASB 34 consisting of pension and OPEB disclosures, combining nonmajor governmental funds, schedules of budget to actual for nonmajor governmental funds and a statement of changes in assets and liabilities for the agency funds can be found on pages 63 to 92 of this reporting package.

**Report Required by Governmental Auditing Standards**

The Report required by *Government Auditing Standards* can be found on pages 93 to 94 of this reporting package.

**Schedule Required by the State of Georgia**

The schedule required by the State of Georgia relating to SPLOST expenditures can be found on page 95 of this reporting package.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of government's financial position. In the case of the City of Buford, assets exceeded liabilities by \$184,974,638 as of June 30, 2020.

The largest portion of the City's net position, totaling \$150,181,467 (81.19%) reflects its investments in capital assets (such as land, buildings and improvements, furniture, machinery and equipment, computer equipment, vehicles, utility systems and infrastructure); less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its 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.

An additional portion of the City's net position, totaling \$12,140,877 (6.56%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position of \$22,652,294 (12.25%) may be used to meet the government's ongoing obligations to citizens and creditors.

The property tax rate decreased to 12.70 mills from 12.75 for the tax year billed in 2019 and payable in the fiscal year ending June 30, 2020.

At June 30, 2020, the governmental activities of the City had positive balances in net investment in capital assets of \$90,312,068 and in restricted assets totaling \$12,140,877, and a negative balance in unrestricted net position of \$(4,487,535). At June 30, 2019, the governmental activities of the City had positive balances in net investment in capital assets of \$76,342,652, in restricted assets totaling \$10,553,763 and in unrestricted net position of \$1,682,686.

The unrestricted net position of business-type activities had a positive balance of \$27,139,829 as of June 30, 2020, and a positive balance of \$28,899,580 as of June 30, 2019.

**CITY OF BUFORD, GEORGIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS-UNAUDITED  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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**GOVERNMENT-WIDE FINANCIAL ANALYSIS - CONTINUED**

**CITY OF BUFORD, GEORGIA'S CONDENSED NET POSITION**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total - Primary Government</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
Current and other assets	\$ 81,698,423	\$ 87,111,437	\$ 46,463,608	\$ 46,184,593	\$ 128,162,031	\$ 133,296,030
Capital assets	<u>94,815,304</u>	<u>81,345,888</u>	<u>59,869,399</u>	<u>57,800,208</u>	<u>154,684,703</u>	<u>139,146,096</u>
<b>Total assets</b>	<b><u>176,513,727</u></b>	<b><u>168,457,325</u></b>	<b><u>106,333,007</u></b>	<b><u>103,984,801</u></b>	<b><u>282,846,734</u></b>	<b><u>272,442,126</u></b>
Deferred outflows of resources	<u>2,756,423</u>	<u>1,764,331</u>	<u>2,348,063</u>	<u>1,533,485</u>	<u>5,104,486</u>	<u>3,297,816</u>
Noncurrent liabilities	73,489,474	70,823,079	16,296,894	13,027,107	89,786,368	83,850,186
Other liabilities	<u>6,765,173</u>	<u>9,206,416</u>	<u>4,609,816</u>	<u>4,536,937</u>	<u>11,374,989</u>	<u>13,743,353</u>
<b>Total liabilities</b>	<b><u>80,254,647</u></b>	<b><u>80,029,495</u></b>	<b><u>20,906,710</u></b>	<b><u>17,564,044</u></b>	<b><u>101,161,357</u></b>	<b><u>97,593,539</u></b>
Deferred inflows of resources	<u>1,050,093</u>	<u>1,613,060</u>	<u>765,132</u>	<u>1,254,454</u>	<u>1,815,225</u>	<u>2,867,514</u>
<b>Net position:</b>						
Net investment in capital assets	90,312,068	76,342,652	59,869,399	57,800,208	150,181,467	134,142,860
Restricted	12,140,877	10,553,763	-	-	12,140,877	10,553,763
Unrestricted	<u>( 4,487,535)</u>	<u>1,682,686</u>	<u>27,139,829</u>	<u>28,899,580</u>	<u>22,652,294</u>	<u>30,582,266</u>
<b>Total net position</b>	<b>\$ <u>97,965,410</u></b>	<b>\$ <u>88,579,101</u></b>	<b>\$ <u>87,009,228</u></b>	<b>\$ <u>86,699,788</u></b>	<b>\$ <u>184,974,638</u></b>	<b>\$ <u>175,278,889</u></b>

**CITY OF BUFORD, GEORGIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS-UNAUDITED  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS - CONTINUED**

**Analysis of the City's Operations**

The following table provides a summary of the City's operations for the year ended June 30, 2020 and June 30, 2019. Governmental activities increased the City's net position by \$9,386,309 for the year ended June 30, 2020 and decreased net position by \$(8,528,511) for the year ended June 30, 2019. Business-type activities increased the City's net position by \$309,440 for the year ended June 30, 2020 and increased net position by \$4,212,287 for the year ended June 30, 2019.

**CITY OF BUFORD, GEORGIA'S CHANGES IN NET POSITION**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total-Primary Government</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
<b>Revenues:</b>						
<b>Program revenues:</b>						
Charges for services	\$ 1,389,553	\$ 1,452,833	\$ 75,666,756	\$ 77,207,088	\$ 77,056,309	\$ 78,659,921
Capital grants and Contributions	2,462,182	15,999,835	567,700	761,429	3,029,882	16,761,264
Operating grants and Contributions	2,624,220	-	-	-	2,624,220	-
<b>General revenues:</b>						
Taxes	23,746,449	21,194,237	-	-	23,746,449	21,194,237
Franchise fees	1,030,883	1,002,189	-	-	1,030,883	1,002,189
Investment income	113,578	174,016	543,336	621,439	656,914	795,455
Gain (loss) on sale of assets	121	( 29,485)	-	-	121	( 29,485)
Miscellaneous	<u>229,155</u>	<u>156,998</u>	<u>2,073,227</u>	<u>1,453,573</u>	<u>2,302,382</u>	<u>1,610,571</u>
<b>Total revenues</b>	<b><u>31,596,141</u></b>	<b><u>39,950,623</u></b>	<b><u>78,851,019</u></b>	<b><u>80,043,529</u></b>	<b><u>110,447,160</u></b>	<b><u>119,994,152</u></b>
<b>Expenses:</b>						
General government	5,001,974	4,032,032	-	-	5,001,974	4,032,032
Public safety	670,866	544,470	-	-	670,866	544,470
Public services	10,752,477	8,326,901	-	-	10,752,477	8,326,901
Board of Education	32,277,283	54,979,747	-	-	32,277,283	54,979,747
Downtown development	558,106	1,427,051	-	-	558,106	1,427,051
Debt service	2,565,380	2,851,696	-	-	2,565,380	2,851,696
Gas system	-	-	20,818,379	22,476,307	20,818,379	22,476,307
Electric system	-	-	16,082,134	16,393,850	16,082,134	16,393,850
Solid waste and recycling	-	-	4,228,311	3,755,421	4,228,311	3,755,421
Wastewater system	-	-	4,339,806	5,534,096	4,339,806	5,534,096
Water system	-	-	2,663,921	2,173,260	2,663,921	2,173,260
Utilities Fund - Nondivisional	-	-	272,871	269,631	272,871	269,631
Community Center	-	-	<u>1,435,203</u>	<u>1,545,914</u>	<u>1,435,203</u>	<u>1,545,914</u>
<b>Total expenses</b>	<b><u>51,826,086</u></b>	<b><u>72,161,897</u></b>	<b><u>49,840,625</u></b>	<b><u>52,148,479</u></b>	<b><u>101,666,711</u></b>	<b><u>124,310,376</u></b>
<b>Excess (deficiency) in net position before contributions and transfers</b>	<b>( 20,229,945)</b>	<b>( 32,211,274)</b>	<b>29,010,394</b>	<b>27,895,050</b>	<b>8,780,449</b>	<b>( 4,316,224)</b>
<b>Contributions</b>	<b>915,300</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>915,300</b>	<b>-</b>
<b>Transfers - internal</b>	<b><u>28,700,954</u></b>	<b><u>23,682,763</u></b>	<b><u>( 28,700,954)</u></b>	<b><u>( 23,682,763)</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Change in net position</b>	<b>9,386,309</b>	<b>( 8,528,511)</b>	<b>309,440</b>	<b>4,212,287</b>	<b>9,695,749</b>	<b>( 4,316,224)</b>
<b>Net position – July 1</b>	<b><u>88,579,101</u></b>	<b><u>97,107,612</u></b>	<b><u>86,699,788</u></b>	<b><u>82,487,501</u></b>	<b><u>175,278,889</u></b>	<b><u>179,595,113</u></b>
<b>Net position – June 30</b>	<b>\$ <u>97,965,410</u></b>	<b>\$ <u>88,579,101</u></b>	<b>\$ <u>87,009,228</u></b>	<b>\$ <u>86,699,788</u></b>	<b>\$ <u>184,974,638</u></b>	<b>\$ <u>175,278,889</u></b>

**CITY OF BUFORD, GEORGIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS-UNAUDITED  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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**FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS**

**Governmental funds**

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing 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's governmental funds reported combined ending fund balances of \$17,509,594. Of this amount, \$12,141,581 (69.34%) of this total is restricted due to external limitations on its use. These uses include 1) capital projects funded by the 2017 General Obligation Bonds \$704 and SPLOST funds \$11,148,012, 2) debt service related to the 2010 GOB Bond \$65,372, 2015 GOB Bond \$288,075, and 2017 GOB Bond \$30,228, and 3) education purposes \$609,190. \$1,529,428 (8.73%) of fund balances is considered unspendable because it has been used for prepaid items. \$3,838,585 (21.93%) constitutes unassigned fund balance.

The General Fund is the main operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$3,838,585, and total fund balance was \$4,719,715. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to the fund's total operational expenditures. Unassigned fund balance represents 6.82% of total expenditures, while total fund balance represents 8.39% of that same amount.

The General Fund's fund balance decreased by \$(8,013,050) during the current fiscal year. Key factors are as follows:

- Total revenues increased by \$1,043,354. Components of this increase included an increase in property tax revenues of \$2,059,284 due to increases in real property valuations; and a decrease in intergovernmental revenues of \$1,085,296 due to a decrease in capital grant revenue.
- Total expenditures increased by \$13,924,351. Components of this increase included an increase in general governmental expenditures of \$8,431,377 due to an increase in capital expenditures for construction projects and property purchases; and an increase in intergovernmental expenditures to the Buford Board of Education of \$4,878,096.
- Other financing sources decreased by \$1,026,183 due primarily to an increase in transfers in of \$5,005,408 and an increase in transfers out of \$5,976,710.

**Proprietary funds**

The City's proprietary funds statements provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position of the proprietary funds was \$27,139,829, primarily represented by unrestricted net position of \$27,203,714 from the Utilities Fund. The funds had an overall net increase in fund net position of \$309,440, represented primarily by an increase in Utilities Fund net position of \$313,713.

**General Fund Budgetary Highlights**

The City made revisions to the original budgeted expenditures as necessary during the year, as approved by the City Commission, including amending the budget in order to equal actual expenditures at the end of the fiscal year. Overall, these changes resulted in an increase from original budgeted expenditures by \$4,389,362 a percentage increase of 8.46%. Budgeted expenditures for General Government were increased by \$5,135,758, Financial Administration budgeted expenditures were decreased by \$(582,541).

**CITY OF BUFORD, GEORGIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS-UNAUDITED  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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**CAPITAL ASSETS**

The City's investment in capital assets for its governmental and business-type activities as of June 30, 2020 and 2019, amounted to \$154,684,703 and \$139,146,096, net of accumulated depreciation. This investment in capital assets includes land, buildings and improvements, furniture, machinery and equipment, computer equipment, utility infrastructure, infrastructure assets, and vehicles.

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

- The City added \$3,217,258 to its Gas System, \$104,880 to its Electric System, and \$2,867,977 to its Water and Wastewater System for improvements and expansion of the systems.
- The City capitalized \$2,861,784 in street additions and improvements.
- The City purchased and received through contributions land parcels totaling \$2,935,063.
- The City transferred land parcels totaling \$558,106 to the Buford Downtown Development Authority.
- The City incurred \$11,935,605 in construction in progress in its governmental activities including \$7,496,353 in construction costs on the new Legion ballfields and \$3,865,734 in construction costs on the new City parking deck.
- The City incurred construction in progress costs for improvements and expansion of its Gas System of \$408,713, and its Water and Wastewater System of \$1,412,029.

Depreciation expense totaled \$3,398,990 in the governmental activities and \$5,400,884 in the business-type enterprises.

**CAPITAL ASSETS AT YEAR-END (NET OF ACCUMULATED DEPRECIATION)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total-Primary Government</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Land	\$ 23,507,453	\$ 21,130,496	\$ 202,663	\$ 202,663	\$ 23,710,116	\$ 21,333,159
Construction in progress	15,815,633	4,716,294	2,779,522	2,045,112	18,595,155	6,761,406
Utility system infrastructure	-	-	123,311,643	117,863,951	123,311,643	117,863,951
Buildings and improvements	39,327,808	39,089,580	146,773	146,773	39,474,581	39,236,353
City parks	4,726,902	4,661,579	-	-	4,726,902	4,661,579
Furniture and equipment	1,070,486	984,397	698,347	411,719	1,768,833	1,396,116
Sidewalks	1,523,755	1,488,738	-	-	1,523,755	1,488,738
Streets	26,080,962	23,219,178	-	-	26,080,962	23,219,178
Streetscapes & hardscapes	10,560,013	10,560,013	-	-	10,560,013	10,560,013
Vehicles	352,958	339,893	1,393,802	1,246,763	1,746,760	1,586,656
Accumulated depreciation	( 28,150,666)	( 24,844,280)	( 68,663,351)	( 64,116,773)	( 96,814,017)	( 88,961,053)
<b>Total</b>	<b>\$ 94,815,304</b>	<b>\$ 81,345,888</b>	<b>\$ 59,869,399</b>	<b>\$ 57,800,208</b>	<b>\$ 154,684,703</b>	<b>\$ 139,146,096</b>

Additional information on the City's capital assets can be found in note 5 in the notes to the basic financial statements on pages 40-42 of this reporting package.



**CITY OF BUFORD, GEORGIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS-UNAUDITED  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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**DEBT ADMINISTRATION**

At the end of the current fiscal year, the City had \$63,698,321 in outstanding debt consisting of general obligation bonds.

**CITY OF BUFORD, GEORGIA'S OUTSTANDING DEBT**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total-Primary Government</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
General obligation bonds	\$ <u>63,698,321</u>	\$ <u>64,728,284</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>63,698,321</u>	\$ <u>64,728,284</u>
Total	\$ <u>63,698,321</u>	\$ <u>64,728,284</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>63,698,321</u>	\$ <u>64,728,284</u>

The City's total debt decreased by \$1,029,963 during the current fiscal year. This was attributable to the City making principal payments to retire \$500,000 of general obligation bonds along with \$529,963 of amortization of bond reoffering premiums.

The General Obligation Bonds issued in 2015 and 2017 were for the purpose of acquisition and construction of school facilities to be owned by the Board of Education of the City of Buford school system "BOE". The General Obligation Refunding Bonds issued in 2017 were issued to advance refund a portion of the General Obligation Bonds issued in 2015. The City has entered into intergovernmental contracts with the BOE in regards to issuance, use of proceeds and payment of the Bonds. The contracts stipulate that the BOE's payment obligations consist of the payments of all amounts coming due as principal and interest on the Bonds as set forth in the Bonds and the Bond Ordinance directly to and for the applicable account of the City as so designated by the City. The obligation of the BOE to pay promptly its obligations shall be absolute and unconditional and shall not be subject to any defense or right of setoff, counterclaim, or recoupment arising from any breach by the City of any obligation to the Board or the breach by the BOE of any obligation to the City. In addition, the Board has notified the State Board of Education of the issuance of the Bonds and has authorized and directed the State Board to withhold and transfer any state appropriation to which the BOE is entitled to. The Sinking Fund Custodian shall be required to transfer to the paying agent for the Bonds such amounts of monies as are necessary to provide for the payment of the principal and/or interest on the Bonds coming due each payment date. The BOE has assigned SPLOST revenues from an Intergovernmental Agreement with the Board of Education of Gwinnett County for use in payment of the Bonds.

Additional information on the City's long-term debt can be found in note 6 on pages 42-47 of this reporting package.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS**

The area's economy continues to show strength with a particularly high level of activity in the light industrial/office/warehouse sector. Several projects have been completed with others slated for completion in 2021. Single family housing construction is healthy with several developments offering a range of housing opportunities. The retail sector continues its steady improvement. Several commercial developments are either proposed or in concept development. The City plans to continue improvements to its infrastructure, further invest in its utility systems, support planning and development in the City and focus on delivery of services to its citizens and customers.

With regards to capital projects, the City's downtown parking deck has been completed and improvements to the new Legion ballfields are ongoing. Numerous gas and sewer extension and improvement projects were completed in 2020 supporting development, roadway projects, system safety and reliability, which will continue in 2021. In July 2020, the City issued Combined Utility System Revenue Bonds, Series 2020 which will be used to construct a new water plant and improvements to one or more existing sewer main service lines.

**CITY OF BUFORD, GEORGIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS-UNAUDITED  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS - CONTINUED**

The Georgia Department of Transportation let the Buford Highway widening project on the north side of the City with construction nearing completion. A number of other capital projects are in the planning stages for 2021 and beyond.

Buford Community Center and Theatre continues to host events, weddings, receptions and meetings with demand for the facility remaining strong. Buford Youth Sports Complex continues to host youth sporting events and draws teams and spectators from across Georgia and the Southeast.

**Fiscal Year 2021 Budget**

General Fund budgeted revenue and transfers in for the 2021 fiscal year total \$69,973,195, while General Fund budgeted expenditures and transfers out for the 2021 fiscal year total \$57,026,750.

Budgeted revenues for the Utilities Fund for the 2021 fiscal year include \$3,389,000 for the Waste Water System, \$13,310,000 for the Water System, \$7,250,000 for Solid Waste and Recycling, \$23,076,000 for the Electric System, \$43,458,000 for the Gas System and \$1,224,000 for Nondivisional revenues for a total of \$91,707,000. Budgeted expenditures and transfers out for the 2021 fiscal year include \$8,580,000 for the Waste Water System, \$14,229,500 for the Water System, \$3,906,000 for Solid Waste and Recycling, \$18,193,000 for the Electric System, \$21,005,719 for the Gas System, 85,000 for Nondivisional expenditures and \$33,000,000 transfers out for a total of \$98,999,219.

**REQUEST FOR INFORMATION**

This financial report is designed to provide a general overview of the City's finances for all with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the City of Buford, 2300 Buford Highway, Buford, Georgia 30518.

The financial statements of the City of Buford Board of Education are audited by the Georgia Department of Audits, as allowed by Code of Georgia Annotated 50-6-6. These component financial statements can be obtained from the City of Buford Board of Education at 70 Wiley Drive, Buford, Georgia 30518.

## **BASIC FINANCIAL STATEMENTS**

**CITY OF BUFORD, GEORGIA  
STATEMENT OF NET POSITION  
JUNE 30, 2020**

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	06/30/18 City of Buford Board of Education	Downtown Development Authority
<b>ASSETS</b>					
Cash and cash equivalents	\$ 12,259,227	\$ 8,703,135	\$ 20,962,362	\$ 10,323,764	\$ 6,479,690
Investments	7,092,418	24,948,723	32,041,141	-	2,310,243
Receivables - net	750,253	5,353,212	6,103,465	1,689,705	39,000
Due from other governments	554,316	-	554,316	4,453,673	-
Internal balances	( 66,683)	66,683	-	-	-
Prepaid expenses	1,529,428	314,476	1,843,904	240,167	-
Inventories	-	-	-	18,290	-
Property held for resale	-	-	-	-	475,606
Cash on hand with fiscal agent	-	-	-	46,936,376	-
Restricted cash and cash equivalents	384,379	-	384,379	-	-
Restricted investments	-	7,077,379	7,077,379	-	-
Intergovernmental contracts receivable	59,195,085	-	59,195,085	-	-
Capital assets being depreciated - net	55,492,218	56,887,214	112,379,432	69,555,986	-
Capital assets not being depreciated	39,323,086	2,982,185	42,305,271	53,835,594	-
Total assets	<u>176,513,727</u>	<u>106,333,007</u>	<u>282,846,734</u>	<u>187,053,555</u>	<u>9,304,539</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
OPEB related deferred outflows	705,492	600,974	1,306,466	1,658,899	-
Pension related deferred outflows	<u>2,050,931</u>	<u>1,747,089</u>	<u>3,798,020</u>	<u>9,195,051</u>	-
Total deferred outflows of resources	<u>2,756,423</u>	<u>2,348,063</u>	<u>5,104,486</u>	<u>10,853,950</u>	-
<b>LIABILITIES</b>					
Bank overdrafts	-	14,180	14,180	-	-
Accounts payable	4,378,083	2,712,334	7,090,417	2,757,608	-
Accrued interest	1,288,363	-	1,288,363	1,479,022	-
Other accrued liabilities	68,763	283,207	351,970	11,375,466	-
Unearned revenue	-	1,600,095	1,600,095	36,998	-
Due to primary government	-	-	-	2,336,215	-
General obligation bonds payable, due in less than one year	1,029,964	-	1,029,964	-	-
Intergovernmental payable, due in less than one year	-	-	-	15,470,261	-
Long-term liabilities, due in more than one year					
Intergovernmental agreement	-	-	-	74,438,104	-
Customer deposits	-	7,077,379	7,077,379	-	-
Accrued compensated absences	192,120	165,185	357,305	-	-
General obligation bonds payable	62,668,357	-	62,668,357	-	-
Net OPEB liability	6,489,258	5,527,886	12,017,144	34,778,709	-
Net pension liability	<u>4,139,739</u>	<u>3,526,444</u>	<u>7,666,183</u>	<u>41,898,161</u>	-
Total liabilities	<u>80,254,647</u>	<u>20,906,710</u>	<u>101,161,357</u>	<u>184,570,544</u>	-
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred gain on bond refunding	151,895	-	151,895	323,789	-
OPEB related deferred inflows	898,198	765,132	1,663,330	2,648,310	-
Pension related deferred inflows	-	-	-	446,448	-
Total deferred inflows of resources	<u>1,050,093</u>	<u>765,132</u>	<u>1,815,225</u>	<u>3,418,547</u>	-
<b>NET POSITION</b>					
Net Investment in capital assets	90,312,068	59,869,399	150,181,467	71,430,404	-
Restricted for:					
Capital projects - SPLOST	11,148,012	-	11,148,012	-	-
Debt service	383,675	-	383,675	342,097	-
Education	609,190	-	609,190	-	-
Federal programs	-	-	-	458,267	-
Unrestricted	( 4,487,535)	27,139,829	22,652,294	( 62,312,354)	9,304,539
Total net position	\$ <u>97,965,410</u>	\$ <u>87,009,228</u>	\$ <u>184,974,638</u>	\$ <u>9,918,414</u>	\$ <u>9,304,539</u>

SEE NOTES TO BASIC FINANCIAL STATEMENTS.

**CITY OF BUFORD, GEORGIA  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

<b>Functions/Programs:</b>	<b>Expenses</b>	<b>Program Revenues</b>		
		<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>
<b>Primary government</b>				
<b>Governmental activities:</b>				
General government	\$ 973,130	\$ 494,076	\$ 2,624,220	\$ 3,185,079
Financial administration	4,028,844	-	-	-
Public safety, Marshal and Code enforcement	670,866	7,770	-	-
Highway and street	6,958,878	-	-	192,403
Building inspection	377,726	798,120	-	-
Culture and recreation	2,159,515	89,587	-	-
Maintenance	1,256,358	-	-	-
Board of Education	32,277,283	-	-	-
Downtown Development Authority	558,106	-	-	-
Interest and fiscal charges	<u>2,565,380</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total governmental activities</b>	<b><u>51,826,086</u></b>	<b><u>1,389,553</u></b>	<b><u>2,624,220</u></b>	<b><u>3,377,482</u></b>
<b>Business-type activities:</b>				
Gas system	20,818,379	40,289,140	-	489,803
Electric system	16,082,134	22,070,852	-	77,897
Solid waste and recycling	4,228,311	7,029,913	-	-
Wastewater system	4,339,806	3,520,324	-	-
Water system	2,663,921	1,216,053	-	-
Non-divisional utility	272,871	1,094,797	-	-
Community Center	<u>1,435,203</u>	<u>445,677</u>	<u>-</u>	<u>-</u>
<b>Total business-type activities</b>	<b><u>49,840,625</u></b>	<b><u>75,666,756</u></b>	<b><u>-</u></b>	<b><u>567,700</u></b>
<b>Total primary government</b>	<b>\$ <u>101,666,711</u></b>	<b>\$ <u>77,056,309</u></b>	<b>\$ <u>2,624,220</u></b>	<b>\$ <u>3,945,182</u></b>
<b>Component Units</b>				
City of Buford Board of Education	\$ 60,496,608	\$ 3,385,210	\$ 26,188,828	\$ 200,407
Downtown Development Authority	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total component units</b>	<b>\$ <u>60,496,608</u></b>	<b>\$ <u>3,385,210</u></b>	<b>\$ <u>26,188,828</u></b>	<b>\$ <u>200,407</u></b>

**General revenues:**

**Taxes:**

    Property

    Sales, excise, and other

    Franchise fees

    Investment income

    Payments from City of Buford

    Gain on sale of assets

    Miscellaneous

**Transfers**

**Total general revenues and transfers**

**Change in net position**

**Net position at beginning of year, restated  
for City of Buford BOE**

**Net position at end of year**

Net (Expense) Revenue and Changes in Net Position			Component Units	
Primary Government			06/30/18 City of Buford Board of Education	Downtown Development Authority
Governmental Activities	Business-Type Activities	Total		
\$ 5,330,245	\$ -	\$ 5,330,245	\$ -	\$ -
( 4,028,844)	-	( 4,028,844)	-	-
( 663,096)	-	( 663,096)	-	-
( 6,766,475)	-	( 6,766,475)	-	-
420,394	-	420,394	-	-
( 2,069,928)	-	( 2,069,928)	-	-
( 1,256,358)	-	( 1,256,358)	-	-
( 32,277,283)	-	( 32,277,283)	-	-
( 558,106)	-	( 558,106)	-	-
( 2,565,380)	-	( 2,565,380)	-	-
<u>( 44,434,831)</u>	<u>-</u>	<u>( 44,434,831)</u>	<u>-</u>	<u>-</u>
-	19,960,564	19,960,564	-	-
-	6,066,615	6,066,615	-	-
-	2,801,602	2,801,602	-	-
-	( 819,482)	( 819,482)	-	-
-	( 1,447,868)	( 1,447,868)	-	-
-	821,926	821,926	-	-
-	( 989,526)	( 989,526)	-	-
<u>-</u>	<u>26,393,831</u>	<u>26,393,831</u>	<u>-</u>	<u>-</u>
<u>\$( 44,434,831)</u>	<u>\$ 26,393,831</u>	<u>\$( 18,041,000)</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$( 30,722,163)	\$ -
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$( 30,722,163)</u>	<u>\$ -</u>
\$ 20,103,080	\$ -	\$ 20,103,080	\$ 14,726,590	\$ -
3,643,369	-	3,643,369	7,410,367	-
1,030,883	-	1,030,883	-	-
113,578	543,336	656,914	554,039	39,242
-	-	-	7,596,841	558,106
121	-	121	-	417,500
229,155	2,073,227	2,302,382	3,594,306	-
<u>28,700,954</u>	<u>( 28,700,954)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>53,821,140</u>	<u>( 26,084,391)</u>	<u>27,736,749</u>	<u>33,882,143</u>	<u>1,014,848</u>
9,386,309	309,440	9,695,749	3,159,980	1,014,848
<u>88,579,101</u>	<u>86,699,788</u>	<u>175,278,889</u>	<u>6,758,494</u>	<u>8,289,691</u>
<u>\$ 97,965,410</u>	<u>\$ 87,009,228</u>	<u>\$ 184,974,638</u>	<u>\$ 9,918,414</u>	<u>\$ 9,304,539</u>

SEE NOTES TO BASIC FINANCIAL STATEMENTS.

**CITY OF BUFORD, GEORGIA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2020**

	General	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>			
Cash and cash equivalents	\$ 614,562	\$ 11,644,665	\$ 12,259,227
Investments – certificates of deposit	7,092,418	-	7,092,418
Property taxes receivable - net	594,333	-	594,333
Sales, excise, and other taxes receivable	-	36,187	36,187
Other receivables	119,733	-	119,733
Due from other governments	156,389	397,927	554,316
Interfund balances	110,302	-	110,302
Prepaid items	271,940	1,257,488	1,529,428
Restricted cash and cash equivalents	<u>-</u>	<u>384,379</u>	<u>384,379</u>
<b>Total assets</b>	<b>\$ <u>8,959,677</u></b>	<b>\$ <u>13,720,646</u></b>	<b>\$ <u>22,680,323</u></b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ 3,624,301	\$ 753,782	\$ 4,378,083
Accrued expenses	68,763	-	68,763
Interfund balances	<u>-</u>	<u>176,985</u>	<u>176,985</u>
<b>Total liabilities</b>	<b><u>3,693,064</u></b>	<b><u>930,767</u></b>	<b><u>4,623,831</u></b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property tax revenue	<u>546,898</u>	<u>-</u>	<u>546,898</u>
<b>Total deferred inflows of resources</b>	<b><u>546,898</u></b>	<b><u>-</u></b>	<b><u>546,898</u></b>
<b>FUND BALANCES</b>			
Non-spendable:			
Prepaid items	271,940	1,257,488	1,529,428
Restricted for:			
Capital project – SPLOST construction	-	11,148,012	11,148,012
Capital projects - City of Buford			
Board of Education	-	704	704
Debt service	-	383,675	383,675
Education	609,190	-	609,190
Unassigned	<u>3,838,585</u>	<u>-</u>	<u>3,838,585</u>
<b>Total fund balances</b>	<b><u>4,719,715</u></b>	<b><u>12,789,879</u></b>	<b><u>17,509,594</u></b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ <u>8,959,677</u></b>	<b>\$ <u>13,720,646</u></b>	<b>\$ <u>22,680,323</u></b>

SEE NOTES TO BASIC FINANCIAL STATEMENTS

**CITY OF BUFORD, GEORGIA  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO GOVERNMENT-WIDE STATEMENT OF NET POSITION  
JUNE 30, 2020**

<b>Total fund balance - total governmental funds</b>	<b>\$ 17,509,594</b>
<b>Amounts reported for governmental activities in the statement of net position are different because:</b>	
Capital assets used in governmental activities are not current financial resources, and therefore, are not reported in the governmental funds balance sheet.	94,815,304
Long-term receivables applicable to governmental activities are not due and receivable in the current period and accordingly are not reported in the governmental funds balance sheet:	
Intergovernmental contracts receivable	59,195,085
Other long-term assets are not available to pay for current period expenditures, and therefore, are reported as deferred inflows of resources in governmental funds:	
Property tax revenue	546,898
Deferred outflows of resources are not due and payable in the current period, and therefore, are not reported in the funds:	
OPEB related experience differences, assumption changes, differences between projected and actual earnings on OPEB plan investments, and contributions	705,492
Pension related experience differences, assumption changes, differences between projected and actual earnings on pension plan investments, and contributions	2,050,931
Deferred inflows of resources are not available to pay for current-period expenditures, and therefore, are not reported in the funds:	
OPEB related differences between expected and actual experience	( 898,198)
Pension related differences between expected and actual experience	-
Long-term liabilities applicable to governmental activities are not due and payable in the current period and accordingly are not reported in fund liabilities. Interest on long-term debt is not accrued in governmental funds, but is recognized as an expenditure when due. All liabilities, both current and long-term, are reported in the statement of net position:	
General obligation bonds - 2010 issue	( 4,503,236)
General obligation bonds - 2015 issue	( 10,700,000)
General obligation bonds - 2017 issue	( 43,500,000)
Refunding premium - 2015 issue	( 962,145)
Refunding premium - 2017 issue	( 4,032,940)
Deferred gain on bond refunding	( 151,895)
Accrued interest payable	( 1,288,363)
Compensated absences	( 192,120)
OPEB liability	( 6,489,258)
Net pension liability	( 4,139,739)
<b>Net position of governmental activities</b>	<b>\$ <u>97,965,410</u></b>

SEE NOTES TO BASIC FINANCIAL STATEMENTS



**CITY OF BUFORD, GEORGIA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	General	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>			
Taxes - property	\$ 19,768,459	\$ -	\$ 19,768,459
Taxes - sales, excise, and other	3,286,770	356,599	3,643,369
Intergovernmental	398,599	4,676,731	5,075,330
Charges for services	1,389,553	-	1,389,553
Franchise fees	1,030,883	-	1,030,883
Investment income	100,715	23,935	124,650
Miscellaneous	<u>229,155</u>	<u>-</u>	<u>229,155</u>
<b>Total revenues</b>	<b><u>26,204,134</u></b>	<b><u>5,057,265</u></b>	<b><u>31,261,399</u></b>
<b>EXPENDITURES</b>			
Current operating:			
General government:			
General	15,145,758	-	15,145,758
Financial administration	3,493,959	-	3,493,959
Public safety:			
Public safety, Marshal and code enforcement	597,906	-	597,906
Public services:			
Highway and street	5,097,774	-	5,097,774
Building inspection	375,026	-	375,026
Culture and recreation	882,119	66,511	948,630
Maintenance	988,224	-	988,224
Intergovernmental:			
Buford Board of Education	29,678,096	2,599,187	32,277,283
Capital outlay	-	731,094	731,094
Debt Service			
Principal retirement	-	500,000	500,000
Interest and fiscal charges	<u>-</u>	<u>2,591,496</u>	<u>2,591,496</u>
<b>Total expenditures</b>	<b><u>56,258,862</u></b>	<b><u>6,488,288</u></b>	<b><u>62,747,150</u></b>
Excess (deficiency) of revenues over (under) expenditures	<b>( 30,054,728)</b>	<b>( 1,431,023)</b>	<b>( 31,485,751)</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Sales of surplus property	121	-	121
Transfers in	29,906,005	6,949,620	36,855,625
Transfers out	<u>( 7,864,448)</u>	<u>( 290,223)</u>	<u>( 8,154,671)</u>
<b>Total other financing sources (uses)</b>	<b><u>22,041,678</u></b>	<b><u>6,659,397</u></b>	<b><u>28,701,075</u></b>
<b>Net change in fund balance</b>	<b>( 8,013,050)</b>	<b>5,228,374</b>	<b>( 2,784,676)</b>
<b>Fund balance - beginning</b>	<b><u>12,732,765</u></b>	<b><u>7,561,505</u></b>	<b><u>20,294,270</u></b>
<b>Fund balance - ending</b>	<b>\$ <u>4,719,715</u></b>	<b>\$ <u>12,789,879</u></b>	<b>\$ <u>17,509,594</u></b>

SEE NOTES TO BASIC FINANCIAL STATEMENTS.

**CITY OF BUFORD, GEORGIA  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS  
TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

<b>Net change in fund balances - total governmental funds</b>	<b>\$( 2,784,676)</b>
<b>Amounts reported for governmental activities in the statement of activities are different because:</b>	
<b>Governmental funds report capital outlays as expenditures. However, in the Government-wide statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. When assets are sold or retired, the difference between the sales proceeds, if any, and the net book value of the assets is reported in the statement of activities as a gain or loss:</b>	
Capital asset additions	16,511,212
Depreciation expense	( 3,398,990)
Loss on disposal of assets	( 558,106)
<b>Revenues in the government-wide statement of activities that do not provide current financial resources are not reported as revenues in governmental funds.</b>	
Contributions of capital assets	915,300
<b>Revenues in the government-wide statement of activities that do not provide current financial resources are not reported as revenues in the funds. This is the increase (decrease) during the current year in deferred inflows or resources that are earned but not collected:</b>	
Property tax revenue	334,621
<b>In the governmental funds, payments received on long-term intergovernmental contracts receivable are reported as intergovernmental revenues. However, in the statement of activities, the intergovernmental contracts receivable, is recorded in the year it is created and repayments serve to reduce the long-term receivable. This is the net effect of these differences in the current year:</b>	<b>( 529,963)</b>
<b>The issuance of long-term debt (e.g. bonds) provides current financial resources to governmental funds while the repayment of the principal of long-term debt consumes current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance cost, premiums, discounts, and similar items when debt is first issued, whereas the amounts are deferred and amortized in the government-wide statement of activities:</b>	
Principal payments on general obligation bonds	500,000
<b>Some expenses reported in the government-wide statement of activities do not require the use of current financial resources, and therefore, are not reported as expenditures in governmental funds:</b>	
Amortization of bond reoffering premiums	529,963
Amortization of gain on advance bond refunding	17,870
Accrued interest	8,246
Compensated absences	4,349
OPEB cost	( 271,228)
Pension cost	( 1,892,289)
<b>Change in net position of governmental activities</b>	<b>\$ <u>9,386,309</u></b>

SEE NOTES TO BASIC FINANCIAL STATEMENTS.

**CITY OF BUFORD, GEORGIA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL - GENERAL FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<b>General Fund</b>			<b>Variance with Final budget Over (Under)</b>
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	
<b>REVENUES</b>				
Taxes - property	\$ 18,320,500	\$ 18,320,500	\$ 19,768,459	\$ 1,447,959
Taxes - sales, excise, and other	3,201,000	3,201,000	3,286,770	85,770
Intergovernmental	1,041,195	1,041,195	398,599	( 642,596)
Charges for services	1,360,000	1,360,000	1,389,553	29,553
Franchise fees	1,040,000	1,040,000	1,030,883	( 9,117)
Payments from Downtown Development Authority	2,300,000	2,300,000	-	( 2,300,000)
Investment income	10,000	10,000	100,715	90,715
Miscellaneous	<u>70,000</u>	<u>70,000</u>	<u>229,155</u>	<u>159,155</u>
<b>Total revenues</b>	<b><u>27,342,695</u></b>	<b><u>27,342,695</u></b>	<b><u>26,204,134</u></b>	<b><u>( 1,138,561)</u></b>
<b>EXPENDITURES</b>				
Current operating:				
General government:				
General	10,010,000	15,145,758	15,145,758	-
Financial administration	4,076,500	3,493,959	3,493,959	-
Public safety:				
Public safety, Marshal and Code enforcement	664,000	597,906	597,906	-
Public services:				
Highway and street	5,042,000	5,097,774	5,097,774	-
Building inspection	371,000	375,026	375,026	-
Culture and recreation	936,500	882,119	882,119	-
Maintenance	844,500	988,224	988,224	-
Intergovernmental:				
Board of Education	<u>29,925,000</u>	<u>29,678,096</u>	<u>29,678,096</u>	<u>-</u>
<b>Total expenditures</b>	<b><u>51,869,500</u></b>	<b><u>56,258,862</u></b>	<b><u>56,258,862</u></b>	<b><u>-</u></b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b><u>( 24,526,805)</u></b>	<b><u>( 28,916,167)</u></b>	<b><u>( 30,054,728)</u></b>	<b><u>( 1,138,561)</u></b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sales of surplus equipment	10,000	10,000	121	( 9,879)
Transfers in	36,371,000	36,371,000	29,906,005	( 6,464,995)
Transfers out	<u>( 1,750,000)</u>	<u>( 7,864,448)</u>	<u>( 7,864,448)</u>	<u>-</u>
<b>Net other financing sources (uses)</b>	<b><u>34,631,000</u></b>	<b><u>28,516,552</u></b>	<b><u>22,041,678</u></b>	<b><u>( 6,474,874)</u></b>
<b>Net change in fund balance</b>	<b>10,104,195</b>	<b>( 399,615)</b>	<b>( 8,013,050)</b>	<b>( 7,613,435)</b>
<b>Fund balance - beginning</b>	<b><u>12,732,765</u></b>	<b><u>12,732,765</u></b>	<b><u>12,732,765</u></b>	<b><u>-</u></b>
<b>Fund balance - ending</b>	<b>\$ <u>22,836,960</u></b>	<b>\$ <u>12,333,150</u></b>	<b>\$ <u>4,719,715</u></b>	<b>\$ <u>( 7,613,435)</u></b>

SEE NOTES TO BASIC FINANCIAL STATEMENTS.

**CITY OF BUFORD, GEORGIA  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2020**

	Utilities Fund	Nonmajor Enterprise Fund	Total Enterprise Funds
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 8,703,135	\$ -	\$ 8,703,135
Investments	24,948,723	-	24,948,723
Accounts receivable, net	5,353,212	-	5,353,212
Due from other funds	-	66,683	66,683
Prepaid expenses	<u>304,532</u>	<u>9,944</u>	<u>314,476</u>
Total current assets	<u>39,309,602</u>	<u>76,627</u>	<u>39,386,229</u>
Noncurrent assets:			
Restricted assets:			
Restricted investments	7,077,379	-	7,077,379
Capital assets - net	<u>59,656,726</u>	<u>212,673</u>	<u>59,869,399</u>
Total noncurrent assets	<u>66,734,105</u>	<u>212,673</u>	<u>66,946,778</u>
Total assets	<u>106,043,707</u>	<u>289,300</u>	<u>106,333,007</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows of resources related to OPEB	600,974	-	600,974
Deferred outflows of resources related to pensions	<u>1,674,547</u>	<u>72,542</u>	<u>1,747,089</u>
Total deferred outflows of resources	<u>2,275,521</u>	<u>72,542</u>	<u>2,348,063</u>
<b>LIABILITIES</b>			
Current liabilities:			
Bank overdrafts	-	14,180	14,180
Accounts payable	2,703,873	8,461	2,712,334
Other accrued liabilities	276,628	6,579	283,207
Unearned revenue	<u>1,562,685</u>	<u>37,410</u>	<u>1,600,095</u>
Total current liabilities	<u>4,543,186</u>	<u>66,630</u>	<u>4,609,816</u>
Noncurrent liabilities:			
Customer deposits payable	7,077,379	-	7,077,379
Accrued compensated absences	165,185	-	165,185
Net OPEB liability	5,527,886	-	5,527,886
Net pension liability	<u>3,380,020</u>	<u>146,424</u>	<u>3,526,444</u>
Total noncurrent liabilities	<u>16,150,470</u>	<u>146,424</u>	<u>16,296,894</u>
Total liabilities	<u>20,693,656</u>	<u>213,054</u>	<u>20,906,710</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows of resources related to OPEB	765,132	-	765,132
Deferred inflows of resources related to pensions	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>765,132</u>	<u>-</u>	<u>765,132</u>
<b>NET POSITION</b>			
Investment in capital assets	59,656,726	212,673	59,869,399
Unrestricted	<u>27,203,714</u>	<u>( 63,885)</u>	<u>27,139,829</u>
Total net position	<u>\$ 86,860,440</u>	<u>\$ 148,788</u>	<u>\$ 87,009,228</u>

SEE NOTES TO BASIC FINANCIAL STATEMENTS.

**CITY OF BUFORD, GEORGIA**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Utilities Fund	Nonmajor Enterprise Fund	Total Enterprise Funds
<b>OPERATING REVENUES</b>			
Charges for services:			
Gas	\$ 40,289,140	\$ -	\$ 40,289,140
Electric	22,070,852	-	22,070,852
Solid waste and recycling	7,029,913	-	7,029,913
Wastewater	3,520,324	-	3,520,324
Water	1,216,053	-	1,216,053
Penalties	904,476	-	904,476
Service charges	190,321	-	190,321
Buford Community Center	<u>-</u>	<u>445,677</u>	<u>445,677</u>
Total charges for services	<u>75,221,079</u>	<u>445,677</u>	<u>75,666,756</u>
Miscellaneous:			
Other	<u>94,276</u>	<u>3,734</u>	<u>98,010</u>
Total miscellaneous	<u>94,276</u>	<u>3,734</u>	<u>98,010</u>
Total operating revenues	<u>75,315,355</u>	<u>449,411</u>	<u>75,764,766</u>
<b>OPERATING EXPENSES</b>			
Utilities purchased for resale	26,046,385	-	26,046,385
Personal services	8,720,747	438,879	9,159,626
Depreciation	5,377,597	23,287	5,400,884
Contractual services	4,322,791	205,076	4,527,867
Materials and supplies	2,563,517	41,440	2,604,957
Utilities	787,972	121,661	909,633
Repairs and maintenance	500,072	63,760	563,832
Event expenses	-	526,507	526,507
Other operating	<u>86,341</u>	<u>14,593</u>	<u>100,934</u>
Total operating expenses	<u>48,405,422</u>	<u>1,435,203</u>	<u>49,840,625</u>
Income (loss) from operations	26,909,933	( 985,792)	25,924,141
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Refunds and rebates	2,542,917	-	2,542,917
Investment income	<u>543,328</u>	<u>8</u>	<u>543,336</u>
Total nonoperating revenues (expenses)	<u>3,086,245</u>	<u>8</u>	<u>3,086,253</u>
Income (loss) before transfers	29,996,178	( 985,784)	29,010,394
<b>TRANSFERS</b>	( <u>29,682,465</u> )	<u>981,511</u>	( <u>28,700,954</u> )
Total transfers	( <u>29,682,465</u> )	<u>981,511</u>	( <u>28,700,954</u> )
Change in net position	313,713	( 4,273)	309,440
Total net position at beginning of year	<u>86,546,727</u>	<u>153,061</u>	<u>86,699,788</u>
Total net position at end of year	\$ <u>86,860,440</u>	\$ <u>148,788</u>	\$ <u>87,009,228</u>

SEE NOTES TO BASIC FINANCIAL STATEMENTS.

**CITY OF BUFORD, GEORGIA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Utilities Fund	Nonmajor Enterprise Fund	Total Enterprise Funds
<b><i>CASH FLOWS FROM OPERATING ACTIVITIES:</i></b>			
Receipts from customers	\$ 74,745,427	\$ 380,402	\$ 75,125,829
Receipts from other operating sources	94,276	3,734	98,010
Receipts from interfund services provided	515,313	-	515,313
Payments to suppliers for goods and services	( 34,698,310)	( 908,896)	( 35,607,206)
Payments for personal services	( 7,001,417)	( 365,450)	( 7,366,867)
Net cash provided (used) by operating activities	<u>33,655,289</u>	<u>( 890,210)</u>	<u>32,765,079</u>
<b><i>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</i></b>			
Transfers from other funds	-	981,511	981,511
Proceeds from refunds and rebates	1,975,218	-	1,975,218
Transfers to other funds	( 29,682,465)	-	( 29,682,465)
Net cash provided (used) by noncapital financing activities	<u>( 27,707,247)</u>	<u>981,511</u>	<u>( 26,725,736)</u>
<b><i>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</i></b>			
Proceeds from refunds and rebates	567,699	-	567,699
Purchases of capital assets	( 7,384,112)	( 85,963)	( 7,470,075)
Net cash provided (used) by capital and related financing activities	<u>( 6,816,413)</u>	<u>( 85,963)</u>	<u>( 6,902,376)</u>
<b><i>CASH FLOWS FROM INVESTING ACTIVITIES:</i></b>			
Purchases of investments	( 2,148,827)	-	( 2,148,827)
Income from investments	<u>543,328</u>	<u>8</u>	<u>543,336</u>
Net cash provided (used) by investing activities	<u>( 1,605,499)</u>	<u>8</u>	<u>( 1,605,491)</u>
Increase (decrease) in cash and cash equivalents	( 2,473,870)	5,346	( 2,468,524)
Cash and cash equivalents at beginning of year	<u>11,177,005</u>	<u>( 19,526)</u>	<u>11,157,479</u>
Cash and cash equivalents at end of year	\$ <u>8,703,135</u>	\$( <u>14,180)</u>	\$ <u>8,688,955</u>

SEE NOTES TO BASIC FINANCIAL STATEMENTS.

**CITY OF BUFORD, GEORGIA  
STATEMENT OF CASH FLOWS - CONTINUED  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Utilities Fund	Nonmajor Enterprise Fund	Total Enterprise Funds
<b><i>RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</i></b>			
Income (loss) from operations	\$ 26,909,933	\$( 985,792)	\$ 25,924,141
Adjustments to reconcile income (loss) from operations to net cash provided (used) by operating activities:			
Cash flows reported in other categories:			
Depreciation	5,377,597	23,287	5,400,884
Changes in assets and liabilities:			
Accounts receivable	( 652,160)	-	( 652,160)
Due from other funds	-	23,934	23,934
Prepaid expenses	( 19,234)	43,401	24,167
Deferred outflows OPEB	( 519,887)	-	( 519,887)
Deferred outflows pension	( 269,001)	( 25,690)	( 294,691)
Accounts payable	( 357,112)	( 2,332)	( 359,444)
Other accrued liabilities	5,309	4,194	9,503
Unearned revenue	493,441	( 65,275)	428,166
Customer deposits payable	198,380	-	198,380
Compensated absences	38,863	-	38,863
Net OPEB liability	795,312	-	795,312
Net pension liability	2,132,396	104,837	2,237,233
Deferred inflows OPEB	( 155,329)	-	( 155,329)
Deferred inflows of pension	( 323,219)	( 10,774)	( 333,993)
Net cash provided (used) by operating activities	\$ <u>33,655,289</u>	\$( <u>890,210</u> )	\$ <u>32,765,079</u>
<b><i>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO STATEMENT OF NET ASSETS:</i></b>			
Cash and cash equivalents	\$ 8,703,135	\$ -	\$ 8,703,135
Restricted cash and cash equivalents	-	-	-
Bank overdrafts	<u>-</u>	( <u>14,180</u> )	( <u>14,180</u> )
Total cash and cash equivalents at end of year	\$ <u>8,703,135</u>	\$( <u>14,180</u> )	\$ <u>8,688,955</u>

SEE NOTES TO BASIC FINANCIAL STATEMENTS.

**CITY OF BUFORD, GEORGIA  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2020**

	<b>Custodial Funds</b>
<hr/>	
<b>ASSETS</b>	
Cash and cash equivalents	\$ 1,105,399
Investments	<u>8,254,715</u>
<b>Total assets</b>	<b>\$ <u>9,360,114</u></b>
 <b>NET POSITION</b>	
Restricted for:	
City of Buford Board of Education	\$ <u>9,360,114</u>
<b>Total net position</b>	<b>\$ <u>9,360,114</u></b>

SEE NOTES TO BASIC FINANCIAL STATEMENTS.



**CITY OF BUFORD, GEORGIA  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2020**

	<b>Custodial Funds</b>
<b>ADDITIONS</b>	
Investment income	\$ <u>415,245</u>
<b>Total additions</b>	<u>415,245</u>
<b>DEDUCTIONS</b>	
Intergovernmental	<u>2,418,023</u>
<b>Total deductions</b>	<u>2,418,023</u>
<b>Net increase (decrease) in fiduciary net position</b>	<b>( 2,002,778)</b>
<b>Total net position at beginning of year, as restated</b>	<u>11,362,892</u>
<b>Total net position at end of year</b>	<b>\$ <u>9,360,114</u></b>

SEE NOTES TO BASIC FINANCIAL STATEMENTS.

## **NOTES TO BASIC FINANCIAL STATEMENTS**

**CITY OF BUFORD, GEORGIA  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the City of Buford, Georgia (the "City") have been prepared in accordance with generally accepted accounting principles in the United States of America ("GAAP") applicable to state and local governments. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards, which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The more significant of these accounting policies are described below.

These financial statements are prepared in accordance with GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. This Statement established financial reporting requirements for state and local governments throughout the United States. As part of the implementation of GASB Statement No. 34, the City has prepared required supplementary information titled *Management's Discussion and Analysis*, which precedes the financial statements.

**REPORTING ENTITY**

The City was incorporated December 23, 1937, under Code of Georgia Annotated Title 69-1 and reincorporated under a revised City Charter in 2003. The City operates under a Commission-Manager form of government and is vested with all rights, powers, and privileges incident to a Municipal corporation. The City's charter authorizes the following services: public safety (public safety, marshal and code enforcement), highways and streets, culture and recreation, maintenance, sanitation and utility services, education and general administrative services.

The City for financial reporting purposes includes all of the funds relevant to the operations of the City of Buford. The Government Accounting Standards Board has set forth criteria to determine if legally separate organizations are considered to be component units in which the City is considered to be financially accountable or other organizations whose nature and significant relationship with the City is such that exclusion would cause the City's financial statements to be incomplete or misleading. These criteria include 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 to, or impose specific financial burdens on, the City. Additionally, the primary government is required to consider other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Blended component units, although legally separate entities, are, in substance, part of the City's operations, and accordingly, data from these units are combined with data of the City. Discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the government. The component units discussed below should be included in the City's reporting entity because of their operational or financial relationship with the City.

**Discretely Presented Component Units**

**City of Buford Board of Education** - The City of Buford Board of Education ("BOE") is the governing authority of the City School System. There are five members on the Board. Four of them are elected by the public, and one is the Chairman of the City of Buford Board of Commissioners. The BOE is a legally separate entity with the power to sue or be sued. The BOE has decision-making authority, the power to designate management, the power to incur indebtedness, and the ability to significantly influence operations. The BOE controls the employment of all personnel and has the final decision on how its funds are disbursed. However, the City Commission holds the authority to levy taxes and determines the amount of tax revenue flowing to the BOE. The City approves the property tax millage, levies the tax and remits the school portion of the tax to the board. In addition, the City provides additional funds as necessary to ensure that the quality of educational facilities and services provided are maintained at the highest level possible. Finally, the City may, and has, approved the issuance of bonded debt for the use of the BOE and is legally responsible for that debt. Thus, the BOE is a component unit of the City because it is fiscally dependent on the City. The amounts on the government-wide financial statements are from the BOE's audited financial statements for the year ending June 30, 2018, which were released on August 20, 2020 and are the latest available as of the date of our report.

**CITY OF BUFORD, GEORGIA  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**REPORTING ENTITY - CONTINUED**

**Discretely Presented Component Units - Continued**

The financial statements of the City of Buford Board of Education noted above were audited by other independent auditors. These component financial statements can be obtained from the City of Buford Board of Education at 2625 Sawnee Avenue, Buford, Georgia 30518.

Note information in these Notes to Basic Financial Statements does not include any data related to the City of Buford Board of Education. GASBS No. 14, paragraph 63 states that "determining which discretely presented component unit disclosures are essential to fair presentation is a matter of professional judgment and should be done on a component unit-by-component unit basis." Because of the fact that these financial statements are primarily concerned with the Primary Government of the City of Buford, and due to the fact that the BOE has separately issued financial statements that are readily available to users, this information is not included in these notes.

**City of Buford Downtown Development Authority** – The City of Buford Downtown Development Authority ("DDA") is governed by a board appointed by the City of Buford Board of Commissioners. The DDA is responsible for the revitalization and redevelopment of the geographical area within the corporate limits of the City.

The DDA did not issue separate financial statements for the year ended June 30, 2020.

**MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION**

**Government-Wide Financial Statements**

The City of Buford's Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities and Changes in Net Position and report information on all of the activities of the City. The statements present summaries of governmental and business-type activities of the City accompanied by a total column. Fiduciary activities of the City are not included in these statements.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all the City's assets and liabilities, including capital assets as well as infrastructure assets acquired after July 1, 1980 and long-term liabilities, are included in the Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. The types of transactions reported as program revenues of the City are reported in three categories: (1) charges for services, (2) operating grants and contributions, and (3) capital grants and contributions. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total column. In the Statement of Activities, transactions of a service type nature between the governmental activities and the business-type activities have not been eliminated.

The City applies all applicable GASB pronouncements, including all NCGA Statements and Interpretations currently in effect.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION - CONTINUED**

**Governmental Fund Financial Statements**

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all governmental funds. An accompanying schedule is presented to reconcile and explain differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the government-wide financial statements. The City has presented all funds that meet those qualifications.

All governmental funds are accounted for on a spending or "*current financial resources*" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. The Statement of Revenues, Expenditures and Changes in Fund Balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures in the current period. Accordingly, revenues are recorded when received in cash, except those revenues that are subject to accrual (generally sixty days after year-end) which are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the City are property tax, sales tax, intergovernmental revenues and other taxes. Sales taxes collected and held by the state at year-end on behalf of the government are also recognized as revenue. All other governmental fund revenues are recognized when received. Expenditures are recorded in the accounting period in which the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when payment is due.

Governmental funds are those funds through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses and balance of current financial resources.

The City has presented the following major governmental funds:

**General Fund** - The General Fund is the main operating fund of the City. This fund is used to account for all financial resources not accounted for in other funds. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund.

Other governmental funds that are not considered major include the following:

**Special Revenue Funds**

Special revenue funds are used by the City to account for the accumulation and disbursement of restricted resources. The following is a description of the City's special revenue funds:

**Hotel/Motel Tax Fund** - used to account for receipt and allocation of the City's hotel/motel tax. Use of this tax is limited by law to promotion of tourism. The City hotel/motel tax rate for its three hotels was 7% during the fiscal year ending June 30, 2020.

**Auto Rental Excise Tax Fund** – used to account for receipt and allocation of the City's rental motor vehicle excise tax. Use of this tax is limited by law to promote industry, trade, commerce, and tourism; for the provision of convention, trade, sports, and recreational facilities. The City's rental motor vehicle excise tax rate was 3% during the fiscal year ending June 30, 2020.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION - CONTINUED**

**Governmental Fund Financial Statements - Continued**

**Debt Service Funds**

The debt service funds account for the accumulation of resources for, and the payment of governmental long-term debt principal, interest, and fiscal charges. The following is a description of the City's debt service funds:

**2010 General Obligation Bond Debt Service Fund** – used to service the governmental long-term debt related to the 2010 General Obligation Bonds used to finance the construction of the Buford Community Center, Town Park and Theatre.

**2015 General Obligation Bond Debt Service Fund** – used to service the governmental long-term debt related to the 2015 General Obligation Bonds used to finance the construction of educational facilities related to the City of Buford Board of Education.

**2017 General Obligation Bond Debt Service Fund** – This fund is used to service the governmental long-term debt related to the 2017 General Obligation Bonds used to finance the construction of educational facilities related to the City of Buford Board of Education.

**Capital Project Funds**

Capital project funds account for all resources used for the acquisition and/or construction of major capital facilities by the City, except those financed by the General and Enterprise Funds. The following is a description of the City's capital projects funds:

**Gwinnett County 2009 SPLOST Fund** - used to account for the construction and financing of projects funded by the Gwinnett County 2009 SPLOST.

**Gwinnett County 2014 SPLOST Fund** - used to account for the construction and financing of projects funded by the City of Buford 2014 SPLOST.

**Gwinnett County 2017 SPLOST Fund** - used to account for the construction and financing of projects funded by the Gwinnett County 2017 SPLOST.

**Hall County 2009 SPLOST Fund** - used to account for the construction and financing of projects funded by the Hall County 2009 SPLOST.

**Hall County 2015 SPLOST Fund** - used to account for the construction and financing of projects funded by the Hall County 2015 SPLOST.

**Rest Haven 2001 SPLOST Fund** - used to account for the construction and financing of projects funded by the City of Rest Haven 2001 SPLOST.

**Rest Haven 2005 SPLOST Fund** - used to account for the construction and financing of projects funded by the City of Rest Haven 2005 SPLOST.

**2015 General Obligation Bond Capital Project Fund** – This fund is used to account for the construction and financing of projects funded by the City of Buford 2015 General Obligation Bonds.

**2017 General Obligation Bond Capital Project Fund** – This fund is used to account for the construction and financing of projects funded by the City of Buford 2017 General Obligation Bonds.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION - CONTINUED**

**Proprietary Funds Financial Statements**

Proprietary funds financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position, and a Statement of Cash Flows for each major proprietary fund and aggregated non-major funds.

Proprietary funds are accounted for using the "*economic resources*" measurement focus and the accrual basis of accounting. The accounting objectives are determinations of net income, financial position and cash flow. Accordingly, all assets and liabilities (whether current or noncurrent) are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Operating revenues in the proprietary fund are those revenues that are generated from the primary operations of the funds. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the funds. All other expenses are reported as non-operating expenses.

The City has presented the following major proprietary fund:

**Utilities Fund** - used to account for the provision of electric, gas, water, waste water, sanitation and recycling services to the residents of the City of Buford and its surrounding areas. Activities of the fund include administration, operations and maintenance of the utility systems, and billing and collection activities. The fund also accounts for the accumulation of resources for, and the payment of, long-term debt principal and interest for enterprise fund debt. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted, if necessary, to ensure the integrity of the fund.

Other proprietary funds that are not considered major include the following:

**Buford Community Center Fund** - used to account for the activity of the Buford Community Center, Town Park and Theatre.

**Fiduciary Fund Financial Statements**

Fiduciary Fund Financial Statements include a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. The City's Fiduciary Funds represent custodial funds. The custodial funds use the "*economic resources*" measurement focus and the accrual basis of accounting like the proprietary funds explained above. Custodial funds of the City are related to Buford Board of Education SPLOST funds from Gwinnett and Hall Counties.

**USE OF RESTRICTED/UNRESTRICTED NET POSITION**

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

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**BUDGETS AND BUDGETARY ACCOUNTING**

Annual budgets are adopted for the General, Special Revenue, and Proprietary (Enterprise) Funds. Capital Projects are budgeted over the life of the projects. Debt Service is budgeted through either the General or Proprietary (Enterprise) Fund depending on the type of debt. The budget for the General Fund is adopted on a basis consistent with generally accepted accounting principles (GAAP). The budget for the Proprietary (Enterprise) Fund is adopted on a GAAP basis, except that depreciation expense is not budgeted. Budget amounts are as originally adopted, or as amended by the Board of Commissioners.

**Budgeting Policy**

- The prior year's actual revenues and expenditures/expenses for the General and Proprietary (Enterprise) Funds are compared to budget amounts for that year.
- Adjustments are made to the prior year's budgeted revenues and expenditures/expenses to make budgeted amounts agree with actual amounts. These are the proposed budgets for the coming year.
- The proposed budgets are submitted to the Board of Commissioners, who make adjustments to the proposed budgets as it deems necessary.
- The proposed budgets are revised in accordance with the Board of Commissioners recommendations and resubmitted to the Board of Commissioners for their approval.
- After reviewing the budget revisions, the Board of Commissioners approves and adopts the budgets.
- All budget amendments must be approved by the Board of Commissioners.
- All appropriations lapse at the end of the fiscal year.

**CASH, CASH EQUIVALENTS AND INVESTMENTS**

For purposes of the Statement of Cash Flows, the City considers cash, demand deposits, certificates of deposit, cash with agents and all highly liquid investments with original maturities of three months or less when purchased to be cash and cash equivalents. All investments are recorded at fair value based on quoted market prices. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties. The City generally holds all investments until maturity.

**INTERFUND RECEIVABLES AND PAYABLES**

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds". Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances".

**TRANSACTIONS BETWEEN FUNDS**

Legally authorized transfers are treated as interfund transfers and are included in the results of operations of both the Governmental and Proprietary Funds.

**PAYMENTS BETWEEN CITY AND BUFORD BOARD OF EDUCATION CUSTODIAL FUNDS**

Resource flows between the City and the custodial funds related to the Buford Board of Education SPLOST funds are reported as external transactions - that is, as revenues and expenses/expenditures in the financial statements.



**CITY OF BUFORD, GEORGIA  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**ACCOUNTS RECEIVABLE AND UNEARNED REVENUES**

Accounts receivable are recorded in the General, Special Revenue, Capital Project and Proprietary Funds. Receivables are stated at their net realizable value (face value less the allowance for uncollectible accounts). Delinquent taxes receivable are fully reserved by the deferral of the related revenues until payment is received. Utility revenue is recorded when earned. The accrual of earned, but unbilled receivables is made at year-end and included in the accompanying financial statements. The Utilities Fund grants credit to utility customers, all of whom are located in North Georgia Counties. Allowances for doubtful accounts totaled \$425,623 for the General Fund and \$3,828,692 for the Utilities Fund. No allowance was considered necessary for any receivables in the special revenue or capital project funds.

**PREPAID ITEMS**

Prepaid balances are for payments made by the City in the current year for services occurring in the subsequent fiscal year, and the reserve for prepaid items has been recorded to signify that a portion of the fund balance is not available for subsequent expenditures ("nonspendable fund balance").

**RESTRICTED CASH AND INVESTMENTS**

Certain funds are held in the Capital Project Funds, Debt Service Funds, and Utilities Fund in accounts restricted for capital outlay and debt service. These funds are held in cash or investments as allowed by State law and the requirements of the related debt agreements. The investments are stated at fair value and the City records all investment revenue earned on these investments in the appropriate fund.

**INVENTORIES**

There are no inventories of supplies or materials recorded at June 30, 2020, as amounts stored for supplies and materials were not of a material nature at that date.

**DEFERRED OUTFLOWS/INFLOWS OF RESOURCES**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. The separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The amounts that qualify for reporting in this category are related to pensions and other post-employment benefits (OPEB).

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. The separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until then. The amounts that qualify for reporting in this category are related to deferred gain on bond refunding, pensions, and other post-employment benefits (OPEB).

In addition to liabilities, governmental activities fund balance will sometimes report a separate section for deferred inflows of resources. The separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until then. The amounts that qualify for reporting in this category are related to property taxes.

**MANAGEMENT ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenditures or expenses during the reporting period. Accordingly, actual results could differ from those estimates.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**PROPERTY TAX**

*Property Taxes* - City property tax revenues are recognized when levied to the extent that they result in current receivables. Receivables outstanding more than 60 days after the fiscal year-end are recorded as deferred revenue in governmental funds. Taxes were levied on August 5, 2019, which is the date that the millage rate was established. Taxes are payable by December 20 and become delinquent and attach as an enforceable lien on that date. The City bills and collects property taxes through the General Fund and the funds are entirely related to and for the use of the Buford Board of Education and transferred along with additional funding appropriations as set by the City Commission in the budget process. The millage rate for the 2019 tax digest was set at 12.70 mills.

**CAPITAL ASSETS**

Capital assets, which include property, plant and equipment and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements for proprietary funds. All capital assets are recorded at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their fair market value on the date donated. Capital assets utilized in the governmental funds are recorded as expenditures in the governmental fund financial statements. Depreciation expense is recorded in the government-wide financial statements and in the fund financial statements for proprietary funds. Repairs and maintenance are recorded as expenses and expenditures; renewal and betterments are capitalized.

Assets capitalized, not including infrastructure assets, have an original cost of \$5,000 or more and over one year of useful life. Infrastructure assets capitalized have an original cost of \$10,000 or more. Depreciation has been calculated on depreciable assets using the straight-line method. Estimated useful lives are as follows:

Buildings and improvements	15-50 years
Park improvements	5-25 years
Equipment	5-10 years
Furniture and fixtures	10 years
Sidewalks	16 years
Streets, streetscapes and hardscapes	20 years
Utility Plant - Electric	10-25 years
Utility Plant - Gas	10-25 years
Utility Plant - Waste Water	10-25 years
Utility Plant - Water	10-25 years
Vehicles	5-10 years

The City has elected not to capitalize collections and works of art. Collections such as works of art and historical artifacts meet the definition of a capital asset. The requirement for capitalization is waived, however, for collections that meet the following conditions:

- The collection is held for reasons other than financial gain.
- The collection is protected, kept unencumbered, cared for, and preserved.
- The collection is subject to an organizational policy requiring that the proceeds from sales of collection items be used to acquire other items for collections.

The sale or disposal of capital assets is recorded by removing the cost and accumulated depreciation from the accounts and charging the resulting gain or loss to income.

GASB Statement No. 34 requires the City to report and depreciate new infrastructure assets. Infrastructure assets include roads, bridges, drainage, sidewalks, etc. The City finalized implementation of the general provisions of GASB Statement No. 34 related to retroactive infrastructure provisions in the fiscal year ending June 30, 2007. All infrastructure acquired after years ending June 30, 1980 is included in these financial statements.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**COMPENSATED ABSENCES**

Compensated absences are recorded on the statement of activities in the government-wide financial statements and the statement of revenues, expenses, and changes in net position in the proprietary fund financial statements. The City's policy for compensated absences is as follows. Vacation is accrued at the rate of five days per year for employees with zero through three years of service, at a rate of ten days per year for employees with four years to nine years of service and at a rate of fifteen days per year for employees with ten or more years of service. Unused vacation leave, not to exceed thirty days, may be carried into the next calendar year. Any annual vacation leave above thirty days will be paid at the end of the calendar year. Sick leave accrues at the rate of five days per year. Unused sick leave may be carried into the next calendar year, not to exceed ten days.

**LONG-TERM OBLIGATIONS**

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Long-term liabilities expected to be financed from governmental fund types are not recorded in the governmental fund financial statements. Any related interest expense is recorded on the statement of activities in the government-wide financial statements and the statement of revenues, expenses, and changes in net position in the proprietary fund financial statements. Payments of principal and interest are recorded as expenditures on the statement of revenues, expenditures and changes in fund balance in the governmental fund financial statements.

Bond discounts and premiums are deferred and amortized over the term of the bonds using the effective interest method. Bonds payable are reported net of the applicable discount or premium. In the fund financial statements, governmental fund types report the face amount of debt issued and related premiums or discounts as other financing sources. Bond issuance costs are reported as debt service expenditures.

**GOVERNMENTAL FUND BALANCES**

In accordance with GASB Statement No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions*, the City classifies governmental fund balances as follows:

**Nonspendable fund balance** - amounts that cannot be spent because they are not in a spendable form, such as prepaid expenses or inventory, or because they are legally or contractually required to be maintained intact.

**Restricted fund balance** - constraints are placed on the use of specific purposes by their providers, such as grantors, creditors and bondholders, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

**Committed fund balance** - amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the City of Buford Board of Commissioners. The Board of Commissioners is the City's highest level of decision-making authority, and the formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is a resolution approved by the Board. Committed fund balance should also incorporate contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

**Assigned fund balance** - amounts that are constrained by the City's intent to use for a specific purpose, but are neither restricted nor committed. The intent should be expressed by the Board of Commission.

**Unassigned fund balance** – the residual classification representing fund balance that has not been assigned to other funds and that has not been restricted, committed or assigned to specific purposes within the fund. These are amounts that are available for any purpose; positive amounts are reported only in the General Fund.

CITY OF BUFORD, GEORGIA  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**GOVERNMENTAL FUND BALANCES - CONTINUED**

The City Commission establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance or resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund. Assigned fund balance is established by the City Commission through adoption or amendment of the budget as intended for specific purpose (such as purchase of fixed assets, construction, debt service, or for other purposes).

**Flow assumptions** - When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the City's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the City's policy to use fund balance in the following order: Committed, then Assigned, and lastly, Unassigned.

**ADOPTION OF ACCOUNTING STANDARD**

The City has adopted GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period* (GASB 89). GASB 89 establishes accounting requirements for interest cost incurred before the end of a construction period for the City's proprietary funds. GASB 89 requires that interest costs incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred. As a result of the implementation of GASB 89, all interest incurred is reported as an expense in the Statement of Revenues, Expenses, and Changes in Net Position. There was no interest cost incurred by the City's proprietary funds for the year ended June 30, 2020.

**NOTE 2 - DEPOSITS AND INVESTMENTS**

**Deposits**

**Custodial credit risk** - the risk that, in the event of the failure of a depository institution, the City will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits to be 110% collateralized by depository insurance, obligations of the United States or certain obligations guaranteed by the U.S. Government, obligations of the State of Georgia, or industrial revenue bonds or bonds of public or development authorities, counties, or municipalities of the State of Georgia. The collateral pledged by the banks' trust department in the City's name is composed of bonds of U.S. Government Agencies. The City's policy on custodial credit risk is to comply with the requirements of the State of Georgia.

Deposits of the City's reporting entity are insured or collateralized with securities held by the City, its agent, or by the pledging financial institution's trust department or agent in the name of the City or applicable public trust. The City has not adopted a formal deposit policy.

**Investments**

State statutes authorize the City to invest only in certificates of deposit of banks and savings and loan associations which have deposits insured by the FDIC with any uninsured amounts collateralized by direct obligations of the United States or the State of Georgia; obligations of the United States and of its agencies and instrumentalities; or bonds or certificates of indebtedness of the State of Georgia and of its agencies and its instrumentalities. The City has not adopted a formal investment policy.

At June 30, 2020, the City's primary government investments were classified as follows:

Investments	\$ 32,041,141
Restricted investments	<u>7,077,379</u>
Total primary government investments	\$ <u>39,118,520</u>

**CITY OF BUFORD, GEORGIA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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**NOTE 2 - DEPOSITS AND INVESTMENTS - CONTINUED**

**Investments - Continued**

As of June 30, 2020, the City had the following investments:

<u>Investment</u>	<u>Rating</u>	<u>Maturity</u>	<u>Fair Value</u>
<b><u>Primary Government</u></b>			
<b><u>Governmental activities</u></b>			
Certificates of Deposit	N/A	365 day	\$ 7,092,418
<b><u>Business-type activities</u></b>			
Certificates of Deposit	N/A	365 day	17,147,037
Municipal Competitive Trust:			
Flexible Operating Account	N/A	07/01/20-10/02/20	11,149,960
Intermediate Extended Maturity	N/A	07/01/20-10/01/40	<u>3,729,105</u>
Total primary government			\$ <u>39,118,520</u>
<b><u>Component Unit</u></b>			
<b><u>Downtown Development Authority</u></b>			
Certificates of Deposit	N/A	365 day	\$ <u>2,310,243</u>
Total Downtown Development Authority			\$ <u>2,310,243</u>

The City is involved in an external investment pool, the Municipal Competitive Trust, which is administered by the Municipal Electric Authority of Georgia ("MEAG"), a governmental entity. The City entered into a Municipal Competitive Trust agreement with MEAG. The City purchases for resale, electric power from MEAG. The City is a beneficiary of this trust, and the City and MEAG deposit monies in the trust from time to time. All monies are held by the trustee, Municipal Competitive Trust, for the City's benefit and are invested in investment securities. The City has recorded the assets in the Enterprise Fund. The Municipal Competitive Trust permits the investment of funds in direct obligations of the United States Government, direct and general obligations of states, certain Federal agency discount notes and repurchase agreements collateralized by securities, which would otherwise be permissible under the laws of the State of Georgia. The fair value of the City's position in the pool changes with market conditions, and is calculated based on the fair market value of net position held in the pool at the close of each business day.

**Credit Risk** - the City's policy regarding credit risk is to follow state statute. The Municipal Competitive Trust permits the investment of funds in direct obligations of the United States Government, direct and general obligations of states, certain Federal agency discount notes and repurchase agreements collateralized by securities, which would otherwise be permissible under the laws of the State of Georgia.

**Custodial Credit Risk** - for an investment, the custodial risk is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. An investment in money market funds is neither insured nor guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although money market funds seek to preserve the value of the investment at \$1.00 per share, it is possible to lose money by investing in the funds. Fund shares are not guaranteed by the US Government. The fund is a managed portfolio and its holdings are subject to change. The fund shares are held in an investment account in the City's name. Custodial Credit Risk is not required for external investment pools; therefore, the Municipal Competitive Trust is exempt from this requirement. The City has no policy on custodial credit risk.

**CITY OF BUFORD, GEORGIA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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**NOTE 2 - DEPOSITS AND INVESTMENTS - CONTINUED**

**Investments - Continued**

**Interest Rate Risk** - interest rate risk is the risk that changes in interest rates may adversely affect an investment's fair value. Since the price of a bond fluctuates with market interest rates, the risk that an investor faces is that the price of a bond held in a portfolio will decline if market interest rates rise. The portfolio's weighted average maturity (WAM) is a key determinant of the tolerance of a fund's investments to rising interest rates. In general, the longer the WAM, the more susceptible the fund is to rising interest rates. The US Treasury Money Market interest rate risk is based on WAM. The Municipal Competitive Trust interest rate risk is based on the maximum duration of maturity of its investments.

**Concentration of Credit Risk** - the City places no limit on the amount that the City may invest in any one issuer. External investment pools are excluded from the concentration of credit risk requirement; therefore, the Municipal Competitive Trust is exempt from this requirement.

**Foreign Currency Risk** - The City has no foreign currency risk as all investments are in U.S. dollar-denominated assets.

**Fair Value Measurements** – The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted market prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The City's fair value measurements follow:

<u>Investment</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Fair Value</u>
<b><u>Primary Government</u></b>				
Municipal Competitive Trust:				
Short-term Portfolio	\$ -	\$ 11,149,960	\$ -	\$ 11,149,960
Intermediate Extended Maturity	-	<u>3,729,105</u>	-	<u>3,729,105</u>
Total investments measured at fair value	\$ -	\$ <u>14,879,065</u>	\$ -	\$ 14,879,065
Investments recorded at cost:				
Certificates of deposit				<u>24,239,455</u>
Total primary government investments				\$ <u>39,118,520</u>

**Component Unit**

Downtown Development Authority – All investments of the Downtown Development Authority were invested in certificates of deposit, and were recorded at cost, which was \$2,310,243 at June 30, 2020.

**NOTE 3 - RECEIVABLES**

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Current receivables:			
Property taxes	\$ 594,333	\$ -	\$ 594,333
Sales and excise tax receivable	36,187	-	36,187
Accounts	-	5,353,212	5,353,212
Other	<u>119,733</u>	-	<u>119,733</u>
Total current receivables	\$ <u>750,253</u>	\$ <u>5,353,212</u>	\$ <u>6,103,465</u>

**Component Unit**

Downtown Development Authority - The Downtown Development Authority had current receivables of \$39,000 classified as other receivables at June 30, 2020.

**CITY OF BUFORD, GEORGIA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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**NOTE 3 - RECEIVABLES - CONTINUED**

**Intergovernmental contracts receivable**

The City has entered into intergovernmental contracts with the City of Buford Board of Education (BOE) regarding the issuance, use of proceeds, and payment of General Obligation Bonds Series 2015, 2017A, 2017B, and GO Refunding Bonds Series 2017C. The Bonds were issued to provide funds, together with other available funds of the BOE to finance the costs of acquiring, constructing, and equipping certain capital outlay projects of the BOE and the costs of issuance of the bonds including capitalized interest. The intergovernmental contracts state that the BOE's payment obligations consist of the payments of all amounts coming due as principal and interest on the Bonds. The BOE will fund the bonds with ESPLOST revenues, and thus the City has an intergovernmental contracts receivable from the BOE for the outstanding Bonds. The outstanding principal balance on the Bonds was \$54,200,000 with a premium outstanding of \$4,995,085 for total intergovernmental contracts receivable of \$59,195,085 at June 30, 2020. The City's two capital project funds 2015 GOB Capital Project and 2017 GOB Capital Project account for the sources and uses of the Bond proceeds. At June 30, 2020, the City had restricted assets available to use for the BOE capital projects of \$704 in the 2017 GOB Capital Project Fund.

**NOTE 4 - INTERFUND RECEIVABLES/PAYABLES AND TRANSACTIONS**

Interfund balances result from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded, and payment between funds are made. All interfund receivable/payable amounts are classified as short-term.

Interfund receivables/payables are as follows at June 30, 2020:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
<b>General Fund</b>		
Due from Other Governmental Funds	\$ <u>110,302</u>	\$ <u>-</u>
<b>Total General Fund</b>	<u>110,302</u>	<u>-</u>
<b>Other Governmental Funds</b>		
Due to General Fund	-	110,302
Due to Buford Community Center Enterprise Fund	-	<u>66,683</u>
<b>Total Non-Major Governmental Funds</b>	<u>-</u>	<u>176,985</u>
<b>Non-Major Proprietary Fund – Buford Community Center Fund</b>		
Due from Other Governmental Funds	<u>66,683</u>	<u>-</u>
<b>Total Non-Major Proprietary Fund</b>	<u>66,683</u>	<u>-</u>
<b>Total</b>	\$ <u>176,985</u>	\$ <u>176,985</u>

**CITY OF BUFORD, GEORGIA  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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**NOTE 4 - INTERFUND RECEIVABLES/PAYABLES AND TRANSACTIONS - CONTINUED**

Interfund transactions consisted of the following for the year ending June 30, 2020:

	<u>Transfers In</u>	<u>Transfers Out</u>
<b><u>General Fund:</u></b>		
Utilities Fund	\$ 29,682,465	\$ -
Other Governmental Funds	223,540	6,949,620
Buford Community Center Fund	<u>-</u>	<u>914,828</u>
<b>Total General Fund</b>	<b><u>29,906,005</u></b>	<b><u>7,864,448</u></b>
<b><u>Other Governmental Funds:</u></b>		
General Fund	6,949,620	223,540
Buford Community Center Fund	<u>-</u>	<u>66,683</u>
<b>Total Other Governmental Funds</b>	<b><u>6,949,620</u></b>	<b><u>290,223</u></b>
<b><u>Proprietary Funds:</u></b>		
<b><u>Utilities Fund:</u></b>		
General Fund	<u>-</u>	<u>29,682,465</u>
<b>Total Utilities Fund</b>	<u>-</u>	<b><u>29,682,465</u></b>
<b><u>Buford Community Center Fund:</u></b>		
General Fund	914,828	-
Other Governmental Funds	<u>66,683</u>	<u>-</u>
<b>Total Buford Community Center Fund</b>	<b><u>981,511</u></b>	<u>-</u>
<b>Totals</b>	<b>\$ <u>37,837,136</u></b>	<b>\$ <u>37,837,136</u></b>

Transfers are used to (a) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to (b) use unrestricted revenues collected in the General Fund and Utilities Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. (c) Transfer funds to finance the debt service funds in fulfillment of the 2010, 2015, and 2017 General Obligation Bond obligations.



**CITY OF BUFORD, GEORGIA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 5 - CAPITAL ASSETS**

Following is a summary of changes in the capital assets of governmental activities:

	Balance July 1, 2019	Increases	Decreases	Balance June 30, 2020
<b>GOVERNMENTAL ACTIVITIES:</b>				
Not being depreciated:				
Land	\$ 13,045,334	\$ 2,935,063	\$ ( 558,106)	\$ 15,422,291
Land - schools	8,085,162	-	-	8,085,162
Construction in progress	<u>4,716,294</u>	<u>11,935,605</u>	<u>( 836,266)</u>	<u>15,815,633</u>
Subtotal	<u>25,846,790</u>	<u>14,870,668</u>	<u>( 1,394,372)</u>	<u>39,323,086</u>
Other capital assets:				
Buildings and improvements	39,089,580	238,228	-	39,327,808
City parks	4,661,579	65,323	-	4,726,902
Equipment	345,048	104,079	( 17,990)	431,137
Furniture and fixtures	639,349	-	-	639,349
Sidewalks	1,488,738	35,017	-	1,523,755
Streets	23,219,178	2,861,784	-	26,080,962
Streetscapes and hardscapes	10,560,013	-	-	10,560,013
Vehicles	<u>339,893</u>	<u>87,679</u>	<u>( 74,614)</u>	<u>352,958</u>
Subtotal	<u>80,343,378</u>	<u>3,392,110</u>	<u>( 92,604)</u>	<u>83,642,884</u>
Accumulated depreciation:				
Buildings and improvements	( 9,820,671)	( 1,293,910)	-	( 11,114,581)
City parks	( 1,281,119)	( 188,994)	-	( 1,470,113)
Equipment	( 184,446)	( 46,238)	17,990	( 212,694)
Furniture and fixtures	( 639,349)	-	-	( 639,349)
Sidewalks	( 423,286)	( 94,870)	-	( 518,156)
Streets	( 8,948,993)	( 1,186,712)	-	( 10,135,705)
Streetscapes and hardscapes	( 3,418,401)	( 524,876)	-	( 3,943,277)
Vehicles	<u>( 128,015)</u>	<u>( 63,390)</u>	<u>74,614</u>	<u>( 116,791)</u>
Subtotal	<u>( 24,844,280)</u>	<u>( 3,398,990)</u>	<u>92,604</u>	<u>( 28,150,666)</u>
Net other capital assets	<u>55,499,098</u>	<u>( 6,880)</u>	<u>-</u>	<u>55,492,218</u>
Total capital assets	\$ <u>81,345,888</u>	\$ <u>14,863,788</u>	\$ <u>( 1,394,372)</u>	\$ <u>94,815,304</u>

Depreciation was charged to functions as follows:

<b>Governmental activities:</b>	
General government	\$ 250,670
Financial and administration	10,359
Public safety, Marshal and Code enforcement	2,265
Highway and street	1,926,702
Building inspection	-
Culture and recreation	1,161,170
Maintenance	<u>47,824</u>
Total governmental activities depreciation expense	\$ <u>3,398,990</u>

**CITY OF BUFORD, GEORGIA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 5 - CAPITAL ASSETS - CONTINUED**

Following is a summary of changes in the capital assets of business-type activities:

	<u>Balance July 1, 2019</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2020</u>
<b>BUSINESS-TYPE ACTIVITIES:</b>				
<b><u>Not being depreciated:</u></b>				
Land - Gas	\$ 11,183	\$ -	\$ -	\$ 11,183
Land - Sanitation	85,000	-	-	85,000
Land - Water & waste water	106,480	-	-	106,480
Construction in progress - Gas	70,322	408,713	-	479,035
Construction in progress - Water & wastewater	<u>1,974,790</u>	<u>1,412,029</u>	<u>( 1,086,332)</u>	<u>2,300,487</u>
Subtotal	<u>2,247,775</u>	<u>1,820,742</u>	<u>( 1,086,332)</u>	<u>2,982,185</u>
<b><u>Other capital assets:</u></b>				
Buildings and improvements - BCC	146,773	-	-	146,773
Equipment - Electric	19,866	-	-	19,866
Equipment - Gas	134,289	28,665	-	162,954
Equipment - Water & wastewater	186,203	172,000	-	358,203
Equipment - BCC	71,361	85,963	-	157,324
Utility plant - Electric	18,668,096	104,880	-	18,772,976
Utility plant - Gas	68,491,834	3,217,258	( 539,744)	71,169,348
Utility plant - Water & wastewater	30,704,021	2,867,977	( 202,679)	33,369,319
Vehicles - Electric	163,681	182,633	( 46,162)	300,152
Vehicles - Gas	514,923	-	( 64,473)	450,450
Vehicles - Solid waste & recycling	476,656	76,289	-	552,945
Vehicles - Water & wastewater	<u>91,503</u>	<u>-</u>	<u>( 1,248)</u>	<u>90,255</u>
Subtotal	<u>119,669,206</u>	<u>6,735,665</u>	<u>( 854,306)</u>	<u>125,550,565</u>
<b><u>Accumulated depreciation:</u></b>				
Buildings and improvements - BCC	( 39,140)	( 9,784)	-	( 48,924)
Equipment - Electric	( 6,280)	( 1,987)	-	( 8,267)
Equipment - Gas	( 45,181)	( 17,448)	-	( 62,629)
Equipment - Water & wastewater	( 16,139)	( 27,220)	-	( 43,359)
Equipment - BCC	( 28,997)	( 13,503)	-	( 42,500)
Utility plant - Electric	( 12,908,241)	( 909,166)	-	( 13,817,407)
Utility plant - Gas	( 34,828,574)	( 2,725,762)	539,744	( 37,014,592)
Utility plant - Water & wastewater	( 15,630,228)	( 1,533,564)	202,679	( 16,961,113)
Vehicles - Electric	( 104,602)	( 17,126)	46,162	( 75,566)
Vehicles - Gas	( 348,792)	( 79,607)	64,473	( 363,926)
Vehicles - Solid waste & recycling	( 150,537)	( 47,666)	-	( 198,203)
Vehicles - Water & waste water	<u>( 10,062)</u>	<u>( 18,051)</u>	<u>1,248</u>	<u>( 26,865)</u>
Subtotal	<u>( 64,116,773)</u>	<u>( 5,400,884)</u>	<u>854,306</u>	<u>( 68,663,351)</u>
Net other capital assets	<u>55,552,433</u>	<u>1,334,781</u>	<u>-</u>	<u>56,887,214</u>
Net capital assets	\$ <u>57,800,208</u>	\$ <u>3,155,523</u>	\$ <u>( 1,086,332)</u>	\$ <u>59,869,399</u>

**CITY OF BUFORD, GEORGIA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 5 - CAPITAL ASSETS - CONTINUED**

Depreciation was charged to functions as follows:

**Business-type activities:**

Electric	\$	928,278
Gas		2,822,817
Solid Waste and Recycling System		47,666
Waste Water		789,418
Water		789,418
Buford Community Center		<u>23,287</u>

**Total business-type activities depreciation expense** **\$ 5,400,884**

**NOTE 6 - LONG-TERM DEBT**

The following is a summary of changes in long-term debt for the year ended June 30, 2020:

<b>Type of Debt</b>	<b>Balance July 1, 2019</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance June 30, 2020</b>	<b>Amounts Due within One Year</b>
<b>Governmental activities:</b>					
General Obligation Bonds direct placement	\$ 5,003,236	\$ -	\$ ( 500,000)	\$ 4,503,236	\$ 500,000
General Obligation Bonds	54,200,000	-	-	54,200,000	-
Reoffering premium	<u>5,525,048</u>	<u>-</u>	<u>( 529,963)</u>	<u>4,995,085</u>	<u>529,964</u>
 General Obligation Bonds - net	 64,728,284	 -	 ( 1,029,963)	 63,698,321	 1,029,964
 Compensated absences	 196,469	 -	 ( 4,349)	 192,120	 -
Net OPEB liability	5,445,005	1,044,253	-	6,489,258	-
Net pension liability	<u>1,483,286</u>	<u>2,656,453</u>	<u>-</u>	<u>4,139,739</u>	<u>-</u>
 Total governmental activities Long-term liabilities	 \$ <u>71,853,044</u>	 \$ <u>3,700,706</u>	 \$ ( <u>1,034,312</u> )	 \$ <u>74,519,438</u>	 \$ <u>1,029,964</u>
 <b>Business-type activities:</b>					
Compensated absences	\$ 126,322	\$ 38,863	\$ -	\$ 165,185	\$ -
Net OPEB liability	4,732,574	795,312	-	5,527,886	-
Net pension liability	<u>1,289,211</u>	<u>2,237,233</u>	<u>-</u>	<u>3,526,444</u>	<u>-</u>
 Total business-type activities Long-term liabilities	 \$ <u>6,148,107</u>	 \$ <u>3,071,408</u>	 \$ <u>-</u>	 \$ <u>9,219,515</u>	 \$ <u>-</u>

The reporting entity's long-term debt is segregated between the amounts to be repaid from governmental activities and amounts to be repaid from business-type activities.

For governmental activities, compensated absences, net OPEB liability, and net pension liability are liquidated by the General Fund.

For business-type activities, compensated absences and net pension liability are liquidated by the Utilities Fund and the Buford Community Center Fund. Net OPEB liability is liquidated by the Utilities Fund.

**CITY OF BUFORD, GEORGIA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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**NOTE 6 - LONG-TERM DEBT - CONTINUED**

**GOVERNMENTAL ACTIVITIES**

As of June 30, 2020, the governmental long-term debt of the financial reporting entity consisted of the following:

**GENERAL OBLIGATION BONDS PAYABLE**

**City of Buford General Obligation Bonds Series 2010**

On October 21, 2010 the City issued City of Buford General Obligation Bonds Series 2010 payable in the original amount of \$10,000,000 in a direct placement. The bonds were issued for the purpose of providing funds to be used to pay the cost of acquiring, constructing, and equipping certain additional facilities, including a multi-purpose facility to house and in furtherance of the following: (i) recreation and athletics, including, but not limited to a passive park, (ii) fine arts, including, but not limited to a theater, (iii) education, (iv) public meeting space and community-wide events and programs, and (v) administrative offices, and other buildings and facilities useful in connection therewith and acquiring property, real and personal, necessary therefor, and paying expenses incident thereto, including the costs of issuing the bonds. The City has pledged its full faith and credit and taxing power to the bonds. The bonds bear an interest rate of 3.50%, with a final maturity date of July 1, 2030.

The following is a summary of the maturity of the bonds and interest thereon:

Amount of original issue	\$ 10,000,000
Less: amount redeemed	( 5,496,764)
Net amount outstanding June 30, 2020 - total general obligation bonds payable	4,503,236
Less: current maturities	<u>500,000</u>
Long-term maturities	\$ <u>4,003,236</u>

**Annual debt service requirements**

The annual debt service requirements to maturity, including principal and interest, for the General Obligation Bonds, Series 2010 long-term debt as of June 30, 2020, are as follows:

	<u>Governmental Activities</u>		
<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 500,000	\$ 153,238	\$ 653,238
2022	500,000	135,738	635,738
2023	500,000	118,238	618,238
2024	500,000	100,738	600,738
2025	500,000	83,238	583,238
2026-2028	<u>2,003,236</u>	<u>157,954</u>	<u>2,161,190</u>
Total	\$ <u>4,503,236</u>	\$ <u>749,144</u>	\$ <u>5,252,380</u>

**CITY OF BUFORD, GEORGIA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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**NOTE 6 - LONG-TERM DEBT - CONTINUED**

**City of Buford General Obligation Bonds Series 2015**

On June 17, 2015, the City issued City of Buford General Obligation Bonds Series 2015 payable in the original amount of \$33,050,000. The bonds were issued for the purpose of providing funds, together with other available funds of the Board of Education of the City of Buford ("BOE") to finance the costs of acquiring, constructing, and equipping certain capital outlay projects of the School System and the costs of issuance of the Bonds including capitalized interest, more specifically for the purpose of acquisition, construction and equipping certain additional Buford City School facilities, the addition of classrooms to existing schools, renovation of existing facilities and technology and preventive maintenance thereto in furtherance of K-12 education in the Buford City School district and other buildings and facilities useful in connection therewith, and acquiring property, real and personal, necessary thereof, and paying expenses incident thereto; to provide for the date and the maximum interest rate or rates of interest which such bonds shall bear, and the schedule of maturities of said bond issue; to provide for the levy of and collection of taxes to service said bond issue, and for other related purposes. On December 6, 2017, \$22,350,000 of the bonds were advance refunded by the issuance of the City of Buford General Obligation Refunding Bonds Series 2017C. The proceeds of this advance refunding were deposited into an escrow fund to refund and defease the refunded bonds. Accordingly, the escrow account assets and the liability for the defeased bonds are not included in the City's financial statements. The remaining bonds from the 2015 issue bear an interest rate of 5.250%, with a final maturity date of January 1, 2029. The City has pledged its full faith and credit and taxing power to the bonds.

The City previously entered into an intergovernmental contract with the BOE in regards to issuance, use of proceeds and payment of the City of Buford General Obligation Bonds Series 2015. This contract was replaced in its entirety by an amended and restated contract entered into on December 1, 2017 as part of the issuance of the City of Buford General Obligation Refunding Bonds Series 2017C.

The BOE has assigned SPLOST revenues from the Intergovernmental Agreement with the Board of Education of Gwinnett County dated July 17, 2015 for use in payment of the Bonds.

The following is a summary of the maturity of the bonds and interest thereon:

Amount of original issue at par	\$ 33,050,000
Less: amount redeemed	<u>( 22,350,000 )</u>
Net amount outstanding June 30, 2020 - total general obligation bonds payable	10,700,000
Less: current maturities	<u>-</u>
Long-term maturities	\$ <u>10,700,000</u>

**Annual debt service requirements**

The annual debt service requirements to maturity, including principal and interest, for the General Obligation Bonds, Series 2015 long-term debt as of June 30, 2020, are as follows:

	<u>Governmental Activities</u>		
<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ -	\$ 561,750	\$ 561,750
2022	-	561,750	561,750
2023	-	561,750	561,750
2024	-	561,750	561,750
2025	-	561,750	561,750
2026-2029	<u>10,700,000</u>	<u>2,247,000</u>	<u>12,947,000</u>
Total	\$ <u>10,700,000</u>	\$ <u>5,055,750</u>	\$ <u>15,755,750</u>

**CITY OF BUFORD, GEORGIA  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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**NOTE 6 - LONG-TERM DEBT - CONTINUED**

**City of Buford General Obligation Bonds Series 2017A and Series 2017B**

On November 22, 2017, the City issued The City of Buford General Obligation Bonds – Series 2017A and Series 2017B in the total amount of \$30,000,000. The City has pledged its full faith and credit and taxing power to the bonds. The Series 2017A and 2017B bonds were issued for the purpose of providing funds, together with other available funds of the Board of Education of the City of Buford ("BOE") to finance the costs of acquiring, constructing, and equipping certain capital outlay projects of the School System and the costs of issuance of the Bonds including capitalized interest, more specifically for the purpose of acquisition, construction and equipping certain additional Buford City School facilities, the addition of classrooms to existing schools, renovation of existing facilities and technology and preventive maintenance thereto in furtherance of K-12 education in the Buford City School district and other buildings and facilities useful in connection therewith, and acquiring property, real and personal, necessary thereof, and paying expenses incident thereto; to provide for the date and the maximum interest rate or rates of interest which such bonds shall bear, and the schedule of maturities of said bond issue; to provide for the levy of and collection of taxes to service said bond issue, and for other related purposes. The bonds bear an interest rate of 5.00%, with a final maturity date of January 1, 2029.

The City entered into an intergovernmental contract with the BOE in regards to issuance, use of proceeds and payment of the City of Buford General Obligation Bonds Series 2017A and Series 2017B. The contract stipulates that the BOE's payment obligations consist of the payments of all amounts coming due as principal and interest on the Bonds as set forth in the Bonds and the Bond Ordinance directly to and for the applicable account of the City as so designated by the City. The obligation of the BOE to pay promptly its obligations shall be absolute and unconditional and shall not be subject to any defense or right of setoff, counterclaim, or recoupment arising from any breach by the City of any obligation to the BOE or the breach by the BOE of any obligation to the City. In addition, the BOE has notified the State Board of Education of the issuance of the Bonds and has authorized and directed the State Board to withhold and transfer any state appropriation to which the BOE is entitled to. The Sinking Fund Custodian shall be required to transfer to the paying agent for the Bonds such amounts of monies as are necessary to provide for the payment of the principal and/or interest on the Bonds coming due each payment date.

The BOE has assigned SPLOST revenues from the Intergovernmental Agreement with the Board of Education of Gwinnett County dated July 17, 2015 for use in payment of the Bonds.

The following is a summary of the maturity of the bonds and interest thereon:

Amount of original issue at par	\$ 30,000,000
Less: amount redeemed	( 10,770,000)
Net amount outstanding June 30, 2020 - total general obligation bonds payable	19,230,000
Less: current maturities	_____ -
Long-term maturities	\$ <u>19,230,000</u>

**CITY OF BUFORD, GEORGIA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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**NOTE 6 - LONG-TERM DEBT - CONTINUED**

**City of Buford General Obligation Bonds Series 2017A and Series 2017B - Continued**

**Annual debt service requirements**

The annual debt service requirements to maturity, including principal and interest, for the General Obligation Bonds Series 2017A and Series 2017B long-term debt as of June 30, 2020, are as follows:

	<u>Governmental Activities</u>		
<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ -	\$ 961,500	\$ 961,500
2022	-	961,500	961,500
2023	-	961,500	961,500
2024	9,420,000	961,500	10,381,500
2025	-	490,500	490,500
2025-2029	<u>9,810,000</u>	<u>1,962,000</u>	<u>11,772,000</u>
Total	\$ <u>19,230,000</u>	\$ <u>6,298,500</u>	\$ <u>25,528,500</u>

**City of Buford General Obligation Refunding Bonds Series 2017C**

On December 6, 2017, the City issued The City of Buford General Obligation Refunding Bonds Series 2017C in the amount of \$24,270,000. The City has pledged its full faith and credit and taxing power to the bonds. The Series 2017C bonds were issued to advance refund \$22,350,000 of the City's previously issued City of Buford General Obligation Bonds Series 2015. The bonds bear interest rates averaging from 3.00% to 4.00%, with a final maturity date of January 1, 2048. The City advance refunded a portion of the Series 2015 bonds in order to issue additional bonds for the construction of BOE facilities and to extend the maturity of the bonds by 19 years, which will result in an increase in total scheduled debt service payments of \$17,921,571 and an economic loss (difference between the present value of the debt service payments on the old and new debt) of \$982,127. The proceeds of the Series 2017C issue resulted in a gain on advance refunding as follows:

Net carrying amount of City of Buford G.O. Bonds Series 2015 refunded:	
Principal balance	\$ 22,350,000
Unamortized bond issue premium	<u>2,600,808</u>
City of Buford G.O. Bonds Series 2015 Bonds refunded	\$ 24,950,808
Reacquisition price of City of Buford G.O. Bonds Series 2015	<u>24,754,238</u>
Gain on advance refunding	\$ <u>196,570</u>

The City entered into an amended and restated intergovernmental contract with the BOE in regards to issuance, use of proceeds and payment of the City of Buford General Obligation Bonds Series 2015 and City of Buford General Obligation Refunding Bonds Series 2017C as of December 1, 2017. The amended and restated contract replaced the 2015 intergovernmental contract in its entirety. The contract stipulates that the BOE's payment obligations consist of the payments of all amounts coming due as principal and interest on the Bonds as set forth in the Bonds and the Bond Ordinance directly to and for the applicable account of the City as so designated by the City. The obligation of the BOE to pay promptly its obligations shall be absolute and unconditional and shall not be subject to any defense or right of setoff, counterclaim, or recoupment arising from any breach by the City of any obligation to the BOE or the breach by the BOE of any obligation to the City. In addition, the BOE has notified the State Board of Education of the issuance of the Bonds and has authorized and directed the State Board to withhold and transfer any state appropriation to which the BOE is entitled to. The Sinking Fund Custodian shall be required to transfer to the paying agent for the Bonds such amounts of monies as are necessary to provide for the payment of the principal and/or interest on the Bonds coming due each payment date.

**CITY OF BUFORD, GEORGIA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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**NOTE 6 - LONG-TERM DEBT - CONTINUED**

**City of Buford General Obligation Refunding Bonds Series 2017C - Continued**

**Annual debt service requirements**

The annual debt service requirements to maturity, including principal and interest, for the General Obligation Refunding Bonds Series 2017C long-term debt as of June 30, 2020, are as follows:

	<b><u>Governmental Activities</u></b>		
<b><u>Year Ending June 30,</u></b>	<b><u>Principal</u></b>	<b><u>Interest</u></b>	<b><u>Total</u></b>
2021	\$ -	\$ 896,294	\$ 896,294
2022	-	896,294	896,294
2023	-	896,294	896,294
2024	-	896,294	896,294
2025	-	896,294	896,294
2026-2030	890,000	4,481,469	5,371,469
2031-2035	5,020,000	3,917,869	8,937,869
2036-2040	6,055,000	2,890,519	8,945,519
2041-2045	7,280,000	1,656,988	8,936,988
2046-2048	<u>5,025,000</u>	<u>342,898</u>	<u>5,367,898</u>
<b>Total</b>	<b>\$ <u>24,270,000</u></b>	<b>\$ <u>17,771,213</u></b>	<b>\$ <u>42,041,213</u></b>

The annual debt service requirements to maturity, including principal and interest, for total General Obligation Bonds as of June 30, 2020, are as follows:

**DEBT SERVICE REQUIREMENTS - TOTAL GENERAL OBLIGATION BONDS PAYABLE, SERIES 2010, SERIES 2015, AND SERIES 2017**

	<b><u>Governmental Activities</u></b>				
	<b><u>Direct Placement General Oblig. Bonds</u></b>				
<b><u>Year Ending June 30,</u></b>	<b><u>Principal</u></b>	<b><u>Interest</u></b>	<b><u>Principal</u></b>	<b><u>Interest</u></b>	<b><u>Total</u></b>
2021	\$ 500,000	\$ 153,238	\$ -	\$ 2,419,544	\$ 3,072,782
2022	500,000	135,738	-	2,419,544	3,055,282
2023	500,000	118,238	-	2,419,544	3,037,782
2024	500,000	100,738	9,420,000	2,419,544	12,440,282
2025	500,000	83,238	-	1,948,544	2,531,782
2026-2030	2,003,236	157,954	21,400,000	8,690,469	32,251,659
2031-2035	-	-	5,020,000	3,917,869	8,937,869
2036-2040	-	-	6,055,000	2,890,519	8,945,519
2041-2045	-	-	7,280,000	1,656,988	8,936,988
2046-2048	<u>-</u>	<u>-</u>	<u>5,025,000</u>	<u>342,898</u>	<u>5,367,898</u>
<b>Total</b>	<b>\$ <u>4,503,236</u></b>	<b>\$ <u>749,144</u></b>	<b>\$ <u>54,200,000</u></b>	<b>\$ <u>29,125,463</u></b>	<b>\$ <u>88,577,843</u></b>



**CITY OF BUFORD, GEORGIA  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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**NOTE 7 - FUND BALANCES**

The City's governmental fund balance classifications are nonspendable, restricted for specific purposes, as required by bond ordinances, higher levels of government, or unassigned. As of June 30, 2020, the City's classifications of governmental fund balances are as follows:

**Governmental Funds**

**Nonspendable:**

Prepaid items	\$ 1,529,428
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**Restricted for:**

Capital Projects – City of Buford Board of Education	704
Capital Projects – SPLOST Construction	11,148,012
Debt Service	383,675
Education	609,190

<b><u>Unassigned</u></b>	<b><u>3,838,585</u></b>
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Total governmental fund balances	\$ <b><u>17,509,594</u></b>
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**NOTE 8 - RESTRICTED NET POSITION**

**Governmental Activities**

Restricted net position is comprised of the following at June 30, 2020:

**Restricted for:**

Capital Projects - SPLOST	\$ 11,148,012
Debt service	383,675
Education	<u>609,190</u>

Total net position restricted for governmental-type activities	\$ <b><u>12,140,877</u></b>
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CITY OF BUFORD, GEORGIA  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

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**NOTE 9 - PENSION PLAN**

***Plan Description***

The City's defined benefit pension plan, City of Buford Retirement Plan ("The BRP"), provides retirement and death benefits to plan members and beneficiaries. These retirement provisions were established by an adoption agreement executed by the City Commission. The BRP is affiliated with the Georgia Municipal Employees Benefit System ("GMEBS"), an agent multiple-employer pension plan administered by the Georgia Municipal Association. The Georgia Municipal Association assigns the authority to establish and amend the benefit provisions of the plans that participate in GMEBS to the respective employer entities; for the BRP, that authority rests with the City of Buford. The Georgia Municipal Association issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS. That report may be obtained by written request to Georgia Municipal Association, 201 Pryor Street, SW, Atlanta, Georgia 30303.

***Membership of the plan***

Retirees and beneficiaries receiving benefits	66
Terminated vested participants	11
Active plan members	<u>113</u>
Total	<u>190</u>

***Funding Policy***

BRP members are not required and do not contribute to BRP. BRP is a noncontributory plan. The City is required to contribute 100% of the amount necessary to fund BRP at an actuarially determined rate; the current rate is 20.54% of expected payroll. The contribution requirements of the City are established and may be amended by the GMEBS Board of Trustees.

BRP is subject to minimum funding standards of the Georgia Public Retirement Systems Standards Law. The GMEBS Board of Trustees has adopted an actuarial funding policy that requires a different funding level than the estimated minimum annual contribution to minimize fluctuations in annual contribution amounts and to accumulate sufficient funds to secure benefits under the plan. The funding policy for the plan is to contribute an amount equal to the recommended contribution each year. The recommended contribution is developed under the actuarial funding policy each year, and meets applicable state funding standards. These contributions are determined under the entry age normal actuarial cost method and the asset valuation method for developing the actuarial value of assets. The amortization of the unfunded actuarial accrued liability is level dollar over 30 years for the initial unfunded accrued liability, 15 years for actuarial gains and losses, 10 years for temporary retirement incentive programs, 20 years for other changes to plan provisions, and 30 years for actuarial assumptions and cost methods. The total amortization must be within a corridor of the 10-year and the 30-year amortization of the unfunded/(surplus) actuarial accrued liability. In a year when the 10-year or 30-year corridor applies, the following year, the prior year bases are combined into one 10-year or 30-year base. These amortization periods, if applicable, are closed for this plan year.

**CITY OF BUFORD, GEORGIA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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**NOTE 9 - PENSION PLAN - CONTINUED**

***Investment Data***

The market value of assets is based on current values as of three months preceding the valuation date (September 30, 2019) as is assumed to be current through that date. All asset data that was used in the actuarial valuation has been supplied by GMEBS. Net investment return is assumed to be 7.375% on an ongoing basis, based on the long-term expected rate of return on pension plan investments. The long-term expected rate of return on pension plan investments was determined using a building-block method in which the 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. The difference between the resulting rate and the rate on the ongoing basis is a margin for adverse deviation. 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, 2019 are summarized in the following table.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	45%	6.41%
International equity	20%	6.96%
Domestic fixed income	20%	1.96%
Real estate	10%	4.76%
Global fixed income	5%	3.06%
Cash	<u>0%</u>	
<b>Total</b>	<b><u>100%</u></b>	

**NET PENSION LIABILITY**

The City's net pension liability was measured as of September 30, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2020 with update procedures performed by the actuary to roll forward to the total pension liability measured as of September 30, 2019.

Net pension liability is calculated as follows:

Total pension liability	\$ 24,013,100
Fiduciary net position	(16,346,917)
<b>Net pension liability</b>	<b>\$ <u>7,666,183</u></b>
<b>Fiduciary net position as a percentage of total pension liability</b>	<b>68.07%</b>

Total pension liability uses Entry Age Normal liabilities calculated using ages and service amounts as of January 1, 2020 are used to measure total pension liability as of September 30, 2019. The balances as of September 30, 2019 constitute measurements of the net pension liability for the fiscal year ending June 30, 2020.

The mortality and economic actuarial assumptions used in the January 1, 2020 valuation were based on the results of an actuarial experience study for the period January 1, 2015 through June 30, 2019. Mortality rates were based on the sex-distinct Pri-2012 head count rated Healthy Mortality Table with rates multiplied by 1.25.

**NOTE 9 - PENSION PLAN - CONTINUED**

Assumptions on which the cost of BRP is calculated include investment return, mortality rates, retirement rates, disability rates, withdrawal rates, and salary increase rates.

Total pension liability, fiduciary net position, and net pension liability are based on a September 30, 2019 measurement date which would make them applicable to the fiscal year beginning July 1, 2019 and ending June 30, 2020.

***Benefit Terms***

The eligibility requirement is immediate for employees and officials. Employees and officials are vested after 10 years. The type of benefit payment is a life annuity. Death benefits are term vested Auto A death benefit effective January 1, 2003. Previously eligibility was "early or normal". The benefit formula is 2.00%. All participants are eligible to receive an annual variable cost-of-living adjustment not to exceed 3.0%. The Georgia Municipal Association has assigned the authority to the City to establish and amend the benefit provisions of the plan.

***Actuarial Assumptions***

The total pension liability in the January 1, 2020 actuarial valuation was based on the projected unit credit actuarial cost method and the asset valuation method for developing the actuarial value of assets. The actuarial assumptions included the following:

- Rate of return on investment 7.375% per year
- Projected salary increases 2.25% per year plus age and service based on merit increases
- Inflation rate assumption 2.25%
- Cost of living adjustments 2.10%

***Changes in Assumptions***

Amounts reported for the fiscal year ending in 2020 and later reflect the following assumption changes based on an actuarial study conducted in November and December 2019:

- The mortality table for healthy retirees and beneficiaries was changed from the sex-distinct RP-2000 Combined Healthy Mortality Table, set forward two years in age for males and one year for females to the sex-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25.
- The mortality table for disabled participants was changed from the sex-distinct RP-2000 Disabled Retiree Mortality Table to the sex-distinct Pri-2012 head-count weighted Disabled Retiree Mortality Table with rates multiplied by 1.25.
- The mortality table for active participants, terminated vested participants, and deferred beneficiaries was changed from the sex-distinct RP-2000 Combined Healthy Mortality Table, set forward two years in age for males and one year for females to the sex-distinct Pri-2012 head-count weighted Employee Mortality Table.
- Future mortality improvement is based on projecting generationally from 2012 using 60% of the sex-distinct Scale SSA2019. Previously future mortality improvements were not explicitly projected.
- The prior retirement assumption was based on the Plan's normal retirement eligibility. If normal retirement eligibility was only available on or after age 65, the prior assumption was 60% at ages 65 to 69 and 100% at age 70 and older. If normal retirement was available prior to age 65, the rates were 10% at ages 55 to 59, 20% at age 60, 25% at age 61, 35% at age 62, 40% at age 63, 45% at age 64, 50% at ages 65 to 69, and 100% at age 70 and older as long as a participant was at least eligible for early retirement.

**CITY OF BUFORD, GEORGIA  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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**NOTE 9 - PENSION PLAN - CONTINUED**

***Changes in Assumptions - Continued***

- The new assumption relates to when a given participant is eligible for normal retirement (either regular normal retirement or alternative normal retirement). Retirement rates do not apply if a participant is not eligible for either early or normal retirement. The retirement rates where normal retirement is available on or after age 65 are 5% at ages 55 to 59, 7% at ages 60 and 61, 20% at age 62, 10% at ages 63 and 64, 35% at age 65, 25% at ages 66 to 71 and 100% at ages 72 and older.
- Where normal retirement is available to a given participant at age 62, 63, or 64, the new retirement rates are 3% when first eligible for early retirement through age 60, 10% at ages 61 to 64, 35% at age 65, 25% at ages 66 to 71 and 100% at ages 72 and older. In addition, in the first year a participant is eligible for normal retirement, the rate is increased to 30%.
- Where normal retirement is available at age 60 to 61, the new retirement rates are 3% when first eligible for early retirement through age 59, 10% at ages 60 to 64, 35% at age 65, 25% at ages 66 to 71 and 100% at ages 72 and older. In addition, in the first year a participant is eligible for normal retirement, the rate is increased by 20%.
- Where normal retirement is available prior to age 60, the new retirement rates are 3% when first eligible for early retirement through the year prior to normal retirement eligibility, 10% from normal retirement eligibility through age 59, 20% at age 60, 25% at age 61, 35% at age 62, 40% at age 63, 45% at age 64, 50% at age 65, 25% at ages 66 to 71 and 100% at ages 72 and older. In addition, in the first year a participant is eligible for normal retirement, the rate is increased to 10%.
- The turnover rates were changed from the greater of age-based rates and select rates for the first five years of service followed by age-based rates thereafter to service-based rates only.
- The disability rates were changed to 50% of the rates in the prior age-based table.
- The inflation assumption was decreased from 2.75% to 2.25%.
- The salary increase assumption was changed from a service-based salary scale starting at 8.25% for the first two years of service with an ultimate rate of 3.25% at ten years of service to a service-based scale starting at 8.50% for the first two years of service with an ultimate rate of 3.00% at 15 years of service.
- The investment return assumption was decreased from 7.50% to 7.375%.
- The cost-of-living assumption of 2.10% was introduced in conjunction with the plan change to offer an annual variable COLA not to exceed 3.00%.

***Benefit Changes***

Amounts reported for fiscal years ending in 2020 and later reflect that effective July 15, 2019, all participants are eligible to receive an annual variable cost-of-living adjustment not to exceed 3.00%.

***Discount Rate***

The discount rate used to measure the total pension liability was 7.375%. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the difference between actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all of the projected benefit payments to determine the total pension liability. The discount rate was changed from 7.50% to 7.375% since the plan's prior fiscal year.

**CITY OF BUFORD, GEORGIA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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**NOTE 9 - PENSION PLAN - CONTINUED**

*Changes in the Net Pension Liability of the City.* The changes in the components of the net pension liability of the City for the year ended June 30, 2020, were as follows:

	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability (Asset) (a) – (b)</b>
Beginning balance	\$ 17,978,334	\$ 15,205,836	\$ 2,772,498
Changes for the year:			
Service cost	260,982	-	260,982
Interest	1,325,206	-	1,325,206
Differences between expected and actual experience	75,920	-	75,920
Contributions – employer	-	1,851,747	( 1,851,747)
Contributions – employee	-	-	-
Net investment income	-	455,009	( 455,009)
Benefit payments, including refunds of employee contributions	( 1,139,797)	( 1,139,797)	-
Administrative expense	-	( 25,878)	25,878
Other changes	<u>5,512,455</u>	<u>-</u>	<u>5,512,455</u>
Ending balance	\$ <u>24,013,100</u>	\$ <u>16,346,917</u>	\$ <u>7,666,183</u>

The required schedule of changes in the City's net pension liability and related ratios immediately following the notes of the financial statements presents multiyear trend information about whether the value of plan assets is increasing or decreasing over time relative to the total pension liability.

*Sensitivity of the net pension liability to changes in the discount rate.* The following presents the net pension liability of the City, calculated using the discount rate of 7.375 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 (6.375%) or 1 percentage point higher (8.375%) than the current rate:

<b>1% Decrease (6.375%)</b>	<b>Current Discount Rate (7.375%)</b>	<b>1% Increase (8.375%)</b>
\$ <u>11,048,541</u>	\$ <u>7,666,183</u>	\$ <u>4,890,225</u>

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of September 30, 2019 and the current sharing pattern of costs between employer and employee.

**CITY OF BUFORD, GEORGIA  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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**NOTE 9 - PENSION PLAN - CONTINUED**

**PENSION EXPENSE AND DEFERRED OUTFLOWS/INFLOWS OF RESOURCES RELATED TO PENSIONS**

Pension expense for the year ended June 30, 2020 is \$5,237,478.

Deferred outflows/inflows of resource related to pensions:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 820,387	\$ -
Changes in assumptions	1,407,550	-
Changes in benefit terms	-	-
Net difference between projected and actual earnings on pension plan		
Investments	18,465	-
City contributions subsequent to the measurement date	<u>1,551,618</u>	<u>-</u>
Total	\$ <u>3,798,020</u>	\$ <u>-</u>

Employer contributions made subsequent to the measurement date of the net pension liability of \$1,551,618 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ending June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Projected recognition of deferred outflows/(inflows):

<u>Year Ended</u>	<u>Recognition</u>
June 30, 2021	\$ 613,011
June 30, 2022	592,033
June 30, 2023	559,803
June 30, 2024	481,555
June 30, 2025	-
Thereafter	<u>-</u>
Total	\$ <u>2,246,402</u>

**NOTE 10 - POSTEMPLOYMENT BENEFITS OTHER THEN PENSIONS - OPEB**

**Summary of Significant Accounting Policies**

The City uses accounting policies consistent with recognition of liabilities and expenses in the Government-Wide financial statements as described in Note 1 and with GASB Statement No. 75. The City has chosen the pay-as-you-go method of funding the Plan, and as of June 30, 2020, the Plan reported no assets.

**General Information about the OPEB Plan**

**Plan administration.** The City of Buford Other Postemployment Benefit Plan (OPEB) is a defined benefit postretirement healthcare, prescription drug, and life insurance plan. The Plan is administered through the Georgia Municipal Employees Benefit System (GMEBS), an agent multiple-employer OPEB plan administered by the Georgia Municipal Association (GMA). The authority to establish and amend benefit provisions of the Plan rests with the City and is established by ordinance. The Plan does not issue separate financial statements. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

**CITY OF BUFORD, GEORGIA  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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**NOTE 10 - POSTEMPLOYMENT BENEFITS OTHER THEN PENSIONS - OPEB - CONTINUED**

***Benefits Provided.*** The Plan allows employees to continue medical, prescription drug, dental and life insurance coverage beyond retirement, depending on whether the retiree had those coverages at the time they retire. Spouse benefits are the same as benefits for retirees except for life insurance. Benefits are payable to a spouse regardless of when the retiree dies. Retiree and spouse contribution rates are periodically reset by City ordinance.

***City Contributions.*** The City has not elected to advance fund the OPEB Plan, but rather maintains the OPEB Plan on a "pay-as-you-go" basis, in that claims are paid as they arise, rather than establishing an irrevocable trust to accumulated restricted funds. The plan is noncontributory in that the City contributes 100% of the benefit payments to the plan. The GMA issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS.

Employees eligible for the plan include the following:

**Elected officials:** officials and their dependents are eligible for a period equal to their years of service.

**Appointed positions and department heads:** employees and their dependents are eligible for a period equal to their years of service in which they held an appointed position.

**Regular employees:** After thirty years of service, the employee and their dependents are eligible for life.

***Employees covered by the benefit terms.*** At January 1, 2018, City plan membership consisted of the following:

Retired members or beneficiaries currently receiving benefits	9
Vested terminated members entitled to but not yet receiving benefits	0
Active members	<u>112</u>
Total	<u>121</u>

**Total OPEB Liability**

The City's Net OPEB liability was measured as of June 30, 2019 and 2018. The Plan Fiduciary Net Positions (plan assets, if any) were valued as of the measurement dates and the Total OPEB liability was determined from actuarial valuations using data as of January 1, 2018.

***Actuarial assumptions and other inputs.*** The total OPEB liability was measured as of June 30, 2019 using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise noted:

Inflation	2.25%
Salary increases	2.25%, plus service-based merit increases
Discount rate	3.50%
Healthcare cost trends	Medical and Prescription Drug: 6.50% Trended down to 4.50% over 4 years Dental and Administrative Expenses: 5.00%
Mortality rates	Sex-distinct Pri-2002 head-count weighted Healthy Mortality Table with rate multiplied by 1.25.

The discount rate was based on the index of the General Obligation, 20-year, Municipal Bond Rate as of each measurement date.

The actuarial assumptions used for the June 30, 2019 measurement date were based on the results of an actuarial experience study for the period January 1, 2015 to June 30, 2019.



**CITY OF BUFORD, GEORGIA  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 10 - POSTEMPLOYMENT BENEFITS OTHER THEN PENSIONS - OPEB - CONTINUED**

*Changes in the Total OPEB Liability of the City.* The changes in the components of the total OPEB liability of the City for the year ended June 30, 2020, were as follows:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (Asset) (a) – (b)
Beginning balance	\$ 10,177,579	\$ -	\$ 10,177,579
Changes for the year:			
Service cost	303,320	-	303,320
Interest	402,317	-	402,317
Differences between expected and actual experience	18,451	-	18,451
Changes of assumptions	1,285,673	-	1,285,673
Contributions – employer	-	170,196	( 170,196)
Net investment income	-	-	-
Benefit payments, including refunds of employee contributions	( 170,196)	( 170,196)	-
Administrative expense	-	-	-
Ending balance	\$ <u>12,017,144</u>	\$ <u>-</u>	\$ <u>12,017,144</u>

***Benefit Changes***

There were no changes in benefit provisions since GASB 75 implementation.

***Changes of Assumptions:*** A comprehensive Actuarial Experience Review, was conducted November-December 2019. As a result of that study, the following assumption changes were proposed and subsequently approved. These changes are reflected for the first time in this valuation.

- The mortality table for healthy retirees and beneficiaries was changed from the sex-distinct RP-2000 Combined Healthy Mortality Table, set forward two years in age for males and one year for females to the sex-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25.
- The mortality table for disabled participants was changed from the sex-distinct RP-2000 Disabled Retiree Mortality Table to the sex-distinct Pri-2012 head-count weighted Disabled Retiree Mortality Table with rates multiplied by 1.25.
- The mortality table for active participants, terminated vested participants, and deferred beneficiaries was changed from the sex-distinct RP-2000 Combined Healthy Mortality Table, set forward two years in age for males and one year for females to the sex-distinct Pri-2012 head-count weighted Employee Mortality Table.
- Future mortality improvement is based on projecting generationally from 2012 using 60% of the sex-distinct Scale SSA2019. Previously future mortality improvements were not explicitly projected.
- The retirement assumption was revised with the new rates based on expected Normal Retirement age.
- The turnover rates were changed from the greater of age-based rates and select rates for the first five years of service followed by age-based rates thereafter to service-based rates only.
- The disability rates were changed to 50% of the rates in the prior age-based table.
- The inflation rate was changed from 2.75% to 2.25%.
- The salary increase assumption was changed from a service-based salary scale starting at 8.25% for the first two years of service with an ultimate rate of 3.25% at ten years of service to a service-based scale starting at 8.50% for the first two years of service with an ultimate rate of 3.00% at 15 years of service.
- The discount rate from the 20-year Bond GO Index for June 30, 2019 was 3.50%. For June 30, 2018 it was 3.87%.

**CITY OF BUFORD, GEORGIA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 10 - POSTEMPLOYMENT BENEFITS OTHER THEN PENSIONS - OPEB - CONTINUED**

*Sensitivity of the total OPEB liability to changes in the discount rate.* The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.50%) or 1-percentage-point higher (4.50%) than the current rate.

	<u>1% Decrease (2.50%)</u>	<u>Current Discount Rate (3.50%)</u>	<u>1% Increase (4.50%)</u>
Total OPEB liability	\$ <u>15,133,955</u>	\$ <u>12,017,144</u>	\$ <u>9,692,952</u>

*Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates.* The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare trend rates.

	<u>1% Decrease In Healthcare Cost Trend Rates</u>	<u>Current Healthcare Cost Trend Rates</u>	<u>1% Increase in Healthcare Cost Trend Rates</u>
Total OPEB liability	\$ <u>9,400,105</u>	\$ <u>12,017,144</u>	\$ <u>15,665,549</u>

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended June 30, 2020, the City recognized OPEB expense of \$553,115. At June 30, 2020, the City reported deferred outflows/inflows of resource related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 19,712	\$ -
Changes in assumptions or other inputs	1,124,963	1,663,330
City contributions subsequent to the measurement date	<u>161,791</u>	<u>-</u>
Total	\$ <u>1,306,466</u>	\$ <u>1,663,330</u>

Employer contributions made subsequent to the measurement date of the total OPEB liability of \$161,791 are reported as deferred outflows of resources and will be recognized as a reduction of the total OPEB liability in the year ending June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Projected recognition of deferred outflows/(inflows):

<u>Year Ended</u>	<u>Recognition</u>
June 30, 2021	\$ ( 152,526)
June 30, 2022	( 152,526)
June 30, 2023	( 152,526)
June 30, 2024	( 152,526)
June 30, 2025	( 152,526)
Thereafter	<u>243,975</u>
Total	\$ <u>( 518,655)</u>

**CITY OF BUFORD, GEORGIA  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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**NOTE 11 - HOTEL/MOTEL LODGING TAX**

The City has levied a hotel/motel lodging tax under OCGA 48-13-51(b). The City levies excise taxes at the rate of 7%. 3/7 (42.86%) goes into the general fund; 2/7 (28.57%) is remitted to the Cities destination marketing organizations (e.g. Gwinnett Convention and Visitors Bureau and Lake Lanier Convention and Visitors Bureau); the remaining 2/7 (28.57%) is spent on "tourism product development" such as the Buford Community Center or as defined in 48-13-50.2 under the definition tourism product development. A summary of the transactions for the year ending June 30, 2020 follows:

Total hotel/motel tax receipts collected @ 7%	\$ 232,996
Less: 71.43% of hotel/motel tax collected @ 7% to be remitted to City of Buford General Fund and Buford Community Center Fund	( <u>166,485</u> )
Tax collected to be expended for the promotion of tourism, conventions and trade shows	66,511
Expenditures for promotion of tourism, conventions and trade shows remitted to the Gwinnett and Lake Lanier Convention & Visitors Bureaus	( <u>66,511</u> )
Collections over (under) expenditures for year ended June 30, 2020	\$ <u>          -</u>

**NOTE 12 – AUTO RENTAL EXCISE TAX**

The City has levied a rental motor vehicle excise tax. OCGA 48-13-93 requires that all motor rental vehicle excise taxes be expended for the purpose of promoting industry, trade, commerce, and tourism; for the provision of convention, trade, sports, and recreational facilities. During the year ended June 30, 2020, the City recognized \$123,603 in revenue from rental motor vehicle excise tax. Of this amount \$123,603, was expended for these purposes.

**NOTE 13 - EXCESS EXPENDITURES OR EXPENSES OVER APPROPRIATIONS**

The City had no excess expenditures or expenses over appropriations for the year ending June 30, 2020.

**NOTE 14 - DEFICIT FUND BALANCES/NET POSITION**

The City had no deficits in fund balances or net position as of June 30, 2020.

**NOTE 15 - DEFERRED COMPENSATION PLAN**

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Service Code 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation plan is not available to employees until termination, retirement, death or unforeseeable emergencies.

In accordance with Section 457 of the Internal Revenue Code, plan assets are held in trust for the exclusive benefit of participants and their beneficiaries. Accordingly, the assets and liabilities of the deferred compensation plans are not included in the accompanying financial statements.

**NOTE 16 - LITIGATION**

The City is a party to one claim with no legal proceedings, which normally occurs in the course of governmental operations. This claim is not likely to have a material adverse impact on the affected funds of the City, and accordingly, no provision for losses has been recorded.

**NOTE 17 – COMMITMENTS AND CONTINGENCIES**

The City has *Potential Liability under MEAG Contracts* as follows:

**Electrical System.** The City has entered into Power Sales Contracts with the Municipal Electric Authority of Georgia ("MEAG") pursuant to which the City purchases electric power and energy for resale to its customers. MEAG was created by the State of Georgia for the purpose of owning and operating electric generation and transmission facilities to supply bulk electric power to political subdivisions of Georgia which owned and operated electric distribution systems as of March 18, 1975.

Under the terms of its Power Sales Contracts with MEAG, the City is obligated to take from MEAG, and MEAG is obligated to provide, all electric power and energy required by the City in excess of the amount received by the City as an allotment from federally owned projects through the Southeastern Power Administration ("SEPA"). Such allotment of SEPA power has been assigned by the City to MEAG and is transmitted to the City by MEAG through Georgia's Integrated Transmission System for a separate charge. Under its Power Sales Contracts with MEAG, the City has the right to receive additional power as needed from the Integrated Transmission System. The price paid by the City to MEAG under its Power Sales Contracts is intended to cover the City's share of all the costs of MEAG, including debt service on MEAG's long-term debt. The amounts required to be paid to MEAG under the Power Sales Contracts are payable first from revenues of the City's electrical system. To the extent the required payments are not made from revenues of the City's electric system or other funds, the City is required to include in its general revenue or appropriation measure or annual tax levy amounts sufficient to make such payments. Payments by the City are required to be made by the City whether or not MEAG's facilities or any part thereof are operating or operable or the output there from is interrupted, interfered with, curtailed or terminated in whole or in part. In addition, the City may be obligated to purchase additional power, subject to contractual limitations, in the event other MEAG participants default.

MEAG has issued bonds for the purpose of providing power generation and transmission and telecommunication facilities. The City is contingently liable for their pro rata share of the bonds as a power purchase cost until they are retired. The City's contingent contractual obligation varies by individual MEAG project and totals approximately \$105,774,139 as of June 30, 2020. The contingent obligations of the City are general obligations of the City to which the City's full faith credit and taxing powers are pledged.

The City has *Potential Liability under MGAG Contracts* as follows:

**Gas System.** The City has entered into the Gas Supply Contract and certain Supplemental Gas Supply Contracts with the Municipal Gas Authority of Georgia ("MGAG") under which the City buys natural gas for resale to its customers. Under such contracts with MGAG, the City is obligated to take from MGAG, and MGAG is obligated to provide, all of the City's natural gas requirements. The price paid by the City to MGAG under its contracts is intended to cover the City's share of all the costs of MGAG, including scheduled debt service of MGAG. Such payments are required to be made by the City whether or not MGAG's facilities or natural gas properties or any part thereof are operating or operable or the output there from is interrupted, interfered with, curtailed or terminated in whole or in part, or whether or not any of its natural gas suppliers or transporters defaults in its obligations under its gas supply or transportation contracts with MGAG. To the extent the required payments are not made from the revenues of the System or other funds, the City is required to include in its general revenue or appropriation measure or annual tax levy amounts sufficient to make such payments. The City is contingently liable for its pro-rata share of MGAG's debt in the amount of \$12,709,751 of as June 30, 2020. The contingent obligations of the City are general obligations of the City to which the City's full faith credit and taxing powers are pledged.

**NOTE 17 – COMMITMENTS AND CONTINGENCIES - CONTINUED**

**Gwinnett County and City of Buford Wholesale Sewage Agreement**

The City entered into an agreement with Gwinnett County on May 2, 2018 to purchase water reclamation services from Gwinnett. The agreement is for a period of 50 years, or until it is dissolved or revised by mutual consent by both Gwinnett and the City. The payment terms of the agreement are for the City to make an annual payment to Gwinnett in the amount of \$1,375,000 per year over 12 years totaling \$16,500,000. The agreement provides for an annual increase in the amount of instantaneous daily flow that the City can send to Gwinnett with an initial daily flow maximum of 83,333 gallons per day increasing annually by 83,333 gallons per day until the daily maximum flow reaches 1,000,000 gallons per day in year 12. Payments are to be made annually unless the daily max flow sent from the City to Gwinnett exceeds the current allotted daily max flow. If the City exceeds its daily maximum flow then the City will be required to make a payment to Gwinnett that corresponds with the daily max flow tier level that occurred in the previous month. The City has made payments totaling \$5,500,000 as of June 30, 2020.

**Current Economic Environment**

The current economic environment presents municipalities with circumstances and challenges, which in some cases could result in declines in the volume of tax collections, other general revenues, municipal utility billings; constraints on liquidity and difficulty obtaining financing. These financial statements have been prepared using fair values and information currently available to the City, which are susceptible to change in the future based on economic conditions.

**Worldwide Coronavirus Pandemic**

The City has been negatively impacted by the effects of the worldwide coronavirus pandemic. The City is closely monitoring its operations, liquidity, and capital resources and is actively working to minimize the current and future impact of this unprecedented situation. The City has obtained CARES Act funding subsequent to the date of these financial statements in order to help offset some expenses during the outbreak. As of the date of the issuance of these financial statements, the full impact to the City's financial position is not known.

**NOTE 18 - RISK MANAGEMENT**

The City 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. Significant losses in these areas are all covered by commercial insurance. There have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

**CITY OF BUFORD, GEORGIA  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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**NOTE 19 - TRANSACTIONS WITH COMPONENT UNITS AND OTHER RELATED ENTITIES**

For the year ended June 30, 2020, The City incurred the following intergovernmental revenues, expenditures and transfers relating to the City of Buford Board of Education, a component unit of the City. For additional information, see Note 1.

**General Fund**

Operating transfers to City of Buford Board of Education	\$ 28,900,000
Other transfers for expenditures to City of Buford Board of Education	778,096

**GOB 2017 Capital Project Fund**

Capital project expenditures by the GOB 2017 Construction fund	2,596,441
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**GOB 2015 Capital Project Fund**

Intergovernmental expenditures by the GOB 2015 Construction fund	<u>2,746</u>
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Total intergovernmental expenditures relating to City of Buford Board of Education	\$ <u>32,277,283</u>
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**Fiduciary Custodial Funds**

Amounts from Education SPLOST funds held in trust for the City of Buford Board of Education totaled \$9,360,114 as of June 30, 2020.

**Component Unit - Downtown Development Authority**

For the year ended June 30, 2020, The City transferred property with a book value of \$558,106 to the City of Buford Downtown Development Authority, a component unit of the City.

In addition, The City of Buford Housing Authority is a related organization of the City. The Authority provides safe and sanitary dwelling accommodations for persons of low income. The City appoints a voting majority of the Authority's board, but is not financially accountable for the Authority. The City has no significant influence over the management, budget, or policies of the Authority. The Authority reports independently. The City received payment in lieu of taxes from the Authority for the year ended June 30, 2020 totaling \$6,195.

**NOTE 20 - JOINT VENTURE**

Under Georgia law, the City, in conjunction with other cities and counties in the 10 county metro Atlanta area, is a member of the Atlanta Regional Commission ("ARC"). The City pays no annual dues to ARC. Membership in a Regional Commission ("RC") is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organizational structure of an RC in Georgia. The ARC Board membership includes each county commission chairman in the region, one mayor from each county (except Fulton County) chosen by a caucus of mayors, one mayor from the northern half and one mayor from the southern half of Fulton County elected by a caucus of mayors within northern and southern Fulton County, the mayor of the City of Atlanta, one member of the Atlanta City Council, fifteen private citizens, one from each of the 15 multi-jurisdictional districts of roughly equal population, elected by the 23 public officials, and one member appointed by the Board of the Georgia Department of Community Affairs. OCGA Section 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, 40 Courtland St, NE, Atlanta, GA 30303 or the Northeast Georgia Regional Commission, 305 Research Drive, Athens, GA 30605-2725.

**CITY OF BUFORD, GEORGIA  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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**NOTE 21 - GRANTS**

In the normal course of operations, the City receives grant funds from various Federal and State agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as the result of these audits is not believed by management to have a direct and material effect on the financial statements taken as a whole.

**NOTE 22 - MUNICIPAL SOLID WASTE LANDFILL CLOSURE AND POSTCLOSURE CARE**

The City's municipal solid waste landfill located at Peachtree Industrial Boulevard and McEver Road (The "landfill") ceased accepting waste in 1986. In 1998 the landfill was capped with a minimum of two-foot thick soil cover to close the site under existing EPD rules and regulations, then grassed, and has since been routinely maintained by the City to preserve its integrity. According to state and federal laws and regulations, the City must perform certain maintenance and monitoring functions at the site for a minimum of 30 years from the time of closure, and since 1997, the landfill has been the subject of routine ground water and methane monitoring and reporting in conformance with EPD rules and regulations. The City previously recognized a liability for closure and postclosure care costs, which was fully amortized as of June 30, 2018. There is no remaining estimated total current cost of closure and postclosure care remaining to be recognized. The percentage of landfill capacity used to date is 100%, and it has an estimated remaining landfill life of zero years. The City is and will maintain the landfill as a grassed area to discourage erosion. There are no assets restricted for payment of closure and postclosure care costs. The City continued to perform routine ground water and methane monitoring and testing at the site during the current year, and expended \$115,076 on the monitoring and testing. Even though there is no remaining liability for closure and postclosure care costs, the City could potentially be subject to additional costs due to changes in requirements of and decisions made by the EPD in relation to the landfill, inflation, or changes in technology.

The City is listed on the State of Georgia's Hazardous Site Inventory and, as such, is eligible for reimbursement of certain costs. Any reimbursable amounts have not been included in cost estimates due to the uncertainty of amounts to be reimbursed. The City is not under any closure and post closure financial assurance requirements per EPD rule 391-3-4-.13 due to its closing prior to October 8, 1993.

**NOTE 23 - SUBSEQUENT EVENTS**

The City issued Combined Utility System Revenue Bonds Series 2020 in the total amount of \$17,435,000 to be applied to the financing of the costs of the acquisition, construction and installation of certain additions, extensions and improvements to the water and sewerage portions of its Combined Utility System, including, without limitation, the construction and development of a new water plant and improvements to one or more existing sewer main service lines. The closing date of the bonds was July 21, 2020 and the bonds mature July 1, 2040.

**NOTE 24 - CHANGE IN ACCOUNTING PRINCIPLE**

The City has implemented Government Accounting Standards Board Statement No. 84, *Fiduciary Activities*. This Standard has required the City to reevaluate the accounting treatment of fiduciary activities. The new standard requires the City to determine if funds are still considered fiduciary, and if so, if they are considered custodial funds under the new definitions of GASB Statement No. 84. The City identified three funds, formerly agency funds, which meet the definition of custodial funds under the new standard.

As agency funds did not report net position prior to GASB Statement No. 84, a restatement of beginning fiduciary net position was required as of July 1, 2019. The City recognized the beginning net position of \$10,608,959, \$720,697, and \$33,236 for the Gwinnett County E-SPLOST V, Hall County E-SPLOST IV, and Hall County E-SPLOST V funds, in accordance with GASB Statement No. 84.

**SUPPLEMENTARY INFORMATION  
REQUIRED BY GASB**



**CITY OF BUFORD  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>CITY OF BUFORD RETIREMENT PLAN</u>					
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b><u>Total Pension Liability</u></b>						
Service cost	\$ 260,982	\$ 295,792	\$ 290,915	\$ 282,761	\$ 242,345	\$ 229,426
Interest	1,325,206	1,237,995	1,141,107	1,064,758	860,448	814,082
Differences between Expected and actual Experience	75,920	705,887	643,809	392,980	910,203	74,088
Changes in assumptions	1,620,701	-	277,477	-	-	23,680
Changes of benefit terms	3,891,754	-	-	-	1,281,817	-
Benefit payments, including Refunds of employee Contributions	( 1,139,797)	( 944,292)	( 788,624)	( 722,078)	( 595,041)	( 490,971)
Net change in total pension Liability	6,034,766	1,295,382	1,564,684	1,018,421	2,699,772	650,305
Total pension liability – Beginning	<u>17,978,334</u>	<u>16,682,952</u>	<u>15,118,268</u>	<u>14,099,847</u>	<u>11,400,075</u>	<u>10,749,770</u>
Total pension liability – Ending (a)	<u>\$ 24,013,100</u>	<u>\$ 17,978,334</u>	<u>\$ 16,682,952</u>	<u>\$ 15,118,268</u>	<u>\$ 14,099,847</u>	<u>\$ 11,400,075</u>
<b><u>Plan Fiduciary Net Position</u></b>						
Contributions – employer	\$ 1,851,747	\$ 1,926,160	\$ 1,991,281	\$ 1,966,440	\$ 806,632	\$ 740,510
Contributions – employee	-	-	-	-	-	-
Net Investment income	455,009	1,320,193	1,593,046	953,798	80,385	770,232
Benefit payments, including Refunds of employee Contributions	( 1,139,797)	( 944,292)	( 788,624)	( 722,078)	( 595,041)	( 490,971)
Administrative expense	( 25,878)	( 25,152)	( 25,331)	( 14,366)	( 15,919)	( 12,688)
Other	-	-	-	-	-	-
Net change in fiduciary Net position	1,141,081	2,276,909	2,770,372	2,183,794	276,057	1,007,083
Plan fiduciary net position – Beginning	<u>15,205,836</u>	<u>12,928,927</u>	<u>10,158,555</u>	<u>7,974,761</u>	<u>7,698,704</u>	<u>6,691,621</u>
Plan fiduciary net position – Ending (b)	<u>\$ 16,346,917</u>	<u>\$ 15,205,836</u>	<u>\$ 12,928,927</u>	<u>\$ 10,158,555</u>	<u>\$ 7,974,761</u>	<u>\$ 7,698,704</u>
<b><u>Net Position Liability</u></b>						
Net pension liability – Ending (a) – (b)	<u>\$ 7,666,183</u>	<u>\$ 2,772,498</u>	<u>\$ 3,754,025</u>	<u>\$ 4,959,713</u>	<u>\$ 6,125,086</u>	<u>\$ 3,701,371</u>
<b>Plan's fiduciary net position As a percentage of the Total pension liability</b>	<b>68.07%</b>	<b>84.58%</b>	<b>77.50%</b>	<b>67.19%</b>	<b>56.56%</b>	<b>67.53%</b>
Covered-employee payroll	\$ 5,785,007	\$ 5,477,581	\$ 6,066,224	\$ 5,655,240	\$ 5,475,883	\$ 5,393,065
Net pension liability as a Percentage of covered- Employee payroll	132.52%	50.62%	61.88%	87.70%	111.86%	68.63%

**CITY OF BUFORD  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CONTRIBUTIONS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

		CITY OF BUFORD RETIREMENT PLAN					
		<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	*	\$ 888,965	\$ 938,559	\$ 1,008,855	\$ 757,901	\$ 758,076	
Contributions in relation to The actuarially determined Contribution	*	1,888,965	1,938,559	2,008,855	1,952,301	758,076	
Contribution deficiency (excess)	*	( 1,000,000)	( 1,000,000)	( 1,000,000)	( 1,194,400)	-	
Covered-employee payroll	*	\$ 5,477,581	\$ 6,066,224	\$ 5,655,240	\$ 5,475,883	\$ 5,393,065	
Contributions as a percentage Of covered-employee Payroll	*	34.49%	31.96%	35.52%	35.65%	14.06%	

\* 2020 information will be determined after fiscal year end and will be included in the 2021 audit report.

**CITY OF BUFORD, GEORGIA  
REQUIRED SUPPLEMENTARY INFORMATION  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PENSION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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**NOTE 1 - RECOMMENDED CONTRIBUTION**

The GMEBS Board of Trustees has adopted an actuarial funding policy for determination of annual contributions and the systematic funding of liabilities arising under the BRP. The annual minimum contribution is the sum of 1) the normal cost (including administrative expenses), 2) the closed level dollar amortization of the unfunded actuarial liability over a period that ranges from 10 to 30 years based on the funding policy adopted by the GMEBS Board of Trustees, and 3) interest on these amounts from the valuation date to the date contributions are paid (assumed monthly).

**NOTE 2 – VALUATION DATE**

The actuarially determined contribution rate was determined as of January 1, 2020, with an interest adjustment to the fiscal year. Contributions in relation to this actuarially determined contribution rate will be reported for the fiscal year ending June 30, 2021.

**NOTE 3 – METHODS AND ASSUMPTIONS USED TO DETERMINE CONTRIBUTION RATES:**

**Actuarial Cost Method – Entry Age Normal**

**Amortization Method – Closed level dollar for remaining unfunded liability**

**Remaining Amortization Period – Remaining amortization period varies for the bases, with a net effective amortization period of 15 years**

**Asset Valuation Method – 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 the end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value.**

**Actuarial Assumptions:**

- Rate of return on investment 7.375% per year
- Projected salary increases 2.25% per year plus age and service based on merit increases
- Cost of living adjustments 2.10%

**Normal Retirement Age – 65+5 or 60+30 or Rule of 75**

**Early Retirement Age – 55+10**

The mortality and economic actuarial assumptions used in the January 1, 2020 valuation were based on the results of an actuarial experience study for the period January 1, 2015 through June 30, 2019. Mortality rates were based on the Pri-2012 head-count weighted Healthy Mortality Table with rates multiplied by 1.25.

**CITY OF BUFORD, GEORGIA  
REQUIRED SUPPLEMENTARY INFORMATION  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PENSION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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**NOTE 4 - CHANGES OF ASSUMPTIONS**

Amounts reported for the fiscal year ending in 2020 and later reflect the following assumption changes based on an actuarial study conducted in November and December 2019:

- The mortality table for healthy retirees and beneficiaries was changed from the sex-distinct RP-2000 Combined Healthy Mortality Table, set forward two years in age for males and one year for females to the sex-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25.
- The mortality table for disabled participants was changed from the sex-distinct RP-2000 Disabled Retiree Mortality Table to the sex-distinct Pri-2012 head-count weighted Disabled Retiree Mortality Table with rates multiplied by 1.25.
- The mortality table for active participants, terminated vested participants, and deferred beneficiaries was changed from the sex-distinct RP-2000 Combined Healthy Mortality Table, set forward two years in age for males and one year for females to the sex-distinct Pri-2012 head-count weighted Employee Mortality Table.
- Future mortality improvement is based on projecting generationally from 2012 using 60% of the sex-distinct Scale SSA2019. Previously future mortality improvements were not explicitly projected.
- The prior retirement assumption was based on the Plan's normal retirement eligibility. If normal retirement eligibility was only available on or after age 65, the prior assumption was 60% at ages 65 to 69 and 100% at age 70 and older. If normal retirement was available prior to age 65, the rates were 10% at ages 55 to 59, 20% at age 60, 25% at age 61, 35% at age 62, 40% at age 63, 45% at age 64, 50% at ages 65 to 69, and 100% at age 70 and older as long as a participant was at least eligible for early retirement.
- The new assumption relates to when a given participant is eligible for normal retirement (either regular normal retirement or alternative normal retirement). Retirement rates do not apply if a participant is not eligible for either early or normal retirement. The retirement rates where normal retirement is available on or after age 65 are 5% at ages 55 to 59, 7% at ages 60 and 61, 20% at age 62, 10% at ages 63 and 64, 35% at age 65, 25% at ages 66 to 71 and 100% at ages 72 and older.
- Where normal retirement is available to a given participant at age 62, 63, or 64, the new retirement rates are 3% when first eligible for early retirement through age 60, 10% at ages 61 to 64, 35% at age 65, 25% at ages 66 to 71 and 100% at ages 72 and older. In addition, in the first year a participant is eligible for normal retirement, the rate is increased to 30%.
- Where normal retirement is available at age 60 to 61, the new retirement rates are 3% when first eligible for early retirement through age 59, 10% at ages 60 to 64, 35% at age 65, 25% at ages 66 to 71 and 100% at ages 72 and older. In addition, in the first year a participant is eligible for normal retirement, the rate is increased by 20%.
- Where normal retirement is available prior to age 60, the new retirement rates are 3% when first eligible for early retirement through the year prior to normal retirement eligibility, 10% from normal retirement eligibility through age 59, 20% at age 60, 25% at age 61, 35% at age 62, 40% at age 63, 45% at age 64, 50% at age 65, 25% at ages 66 to 71 and 100% at ages 72 and older. In addition, in the first year a participant is eligible for normal retirement, the rate is increased to 10%.
- The turnover rates were changed from the greater of age-based rates and select rates for the first five years of service followed by age-based rates thereafter to service-based rates only.
- The disability rates were changed to 50% of the rates in the prior age-based table.
- The inflation assumption was decreased from 2.75% to 2.25%.
- The salary increase assumption was changed from a service-based salary scale starting at 8.25% for the first two years of service with an ultimate rate of 3.25% at ten years of service to a service-based scale starting at 8.50% for the first two years of service with an ultimate rate of 3.00% at 15 years of service.
- The investment return assumption was decreased from 7.50% to 7.375%.
- The cost-of-living assumption of 2.10% was introduced in conjunction with the plan change to offer an annual variable COLA not to exceed 3.00%.

**NOTE 5 - BENEFIT CHANGES**

Amounts reported for fiscal years ending in 2020 and later reflect that effective July 15, 2019, all participants are eligible to receive an annual variable cost-of-living adjustment not to exceed 3.00%.

**CITY OF BUFORD  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>CITY OF BUFORD OPEB PLAN</u>		
	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>Total OPEB Liability</b>			
Service cost	\$ 303,320	\$ 329,837	\$ 421,379
Interest	402,317	377,047	338,642
Changes of benefit terms	-	-	-
Differences between Expected and actual Experience	18,451	4,002	909
Changes in assumptions	1,285,673	( 660,436)	( 1,868,799)
Benefit payments, including Refunds of employee Contributions	( 170,196)	( 150,158)	( 151,309)
Net change in total OPEB Liability	1,839,565	( 99,708)	( 1,259,178)
Total OPEB liability – Beginning	<u>10,177,579</u>	<u>10,277,287</u>	<u>11,536,465</u>
Total OPEB liability – Ending (a)	<u>\$ 12,017,144</u>	<u>\$ 10,177,579</u>	<u>\$ 10,277,287</u>
<b>Plan fiduciary net position</b>			
Contributions – employer	\$ 170,196	\$ 150,158	\$ 151,309
Net investment income	-	-	-
Benefit payments	( 170,196)	( 150,158)	( 151,309)
Administrative expense	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in plan fiduciary Net position	-	-	-
Plan fiduciary net position – Beginning	<u>-</u>	<u>-</u>	<u>-</u>
Plan fiduciary net position – Ending (b)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net OPEB Liability – Ending (a) - (b)	<u>\$ 12,017,144</u>	<u>\$ 10,177,579</u>	<u>\$ 10,277,287</u>
Plan's fiduciary net position As a percentage of the Total OPEB Liability	0.00%	0.00%	0.00%
Covered-employee payroll	\$ 5,785,007	\$ 5,477,581	\$ 6,066,224
Total OPEB liability as a Percentage of covered- Employee payroll	207.73%	185.80%	169.42%

**CITY OF BUFORD, GEORGIA  
REQUIRED SUPPLEMENTARY INFORMATION  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - OPEB  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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**NOTE 1 - CONTRIBUTION RATE**

Actuarially determined contribution rates are calculated as of the middle of the fiscal year, based on the most recent valuation date.

Methods and assumptions used to determine contribution rates:

Discount rate	3.50%
Actuarial cost method	Entry Age Level Percent of Pay Actuarial Cost Method
Amortization method	Open 30 years, level percent of payroll
Remaining amortization period	30 years
Asset valuation method	Market Value
Payroll increase assumption	2.25%

**NOTE 2 - PLAN ASSETS**

There were no assets accumulated in a trust that meets the criteria in GASB 75, Paragraph 4 to pay related benefits.

**NOTE 3 - CHANGES OF ASSUMPTIONS**

***Changes of Assumptions:*** A comprehensive Actuarial Experience Review, was conducted November-December 2019. As a result of that study, the following assumption changes were proposed and subsequently approved. These changes are reflected for the first time in this valuation.

- The mortality table for healthy retirees and beneficiaries was changed from the sex-distinct RP-2000 Combined Healthy Mortality Table, set forward two years in age for males and one year for females to the sex-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25.
- The mortality table for disabled participants was changed from the sex-distinct RP-2000 Disabled Retiree Mortality Table to the sex-distinct Pri-2012 head-count weighted Disabled Retiree Mortality Table with rates multiplied by 1.25.
- The mortality table for active participants, terminated vested participants, and deferred beneficiaries was changed from the sex-distinct RP-2000 Combined Healthy Mortality Table, set forward two years in age for males and one year for females to the sex-distinct Pri-2012 head-count weighted Employee Mortality Table.
- Future mortality improvement is based on projecting generationally from 2012 using 60% of the sex-distinct Scale SSA2019. Previously future mortality improvements were not explicitly projected.
- The retirement assumption was revised with the new rates based on expected Normal Retirement age.
- The turnover rates were changed from the greater of age-based rates and select rates for the first five years of service followed by age-based rates thereafter to service-based rates only.
- The disability rates were changed to 50% of the rates in the prior age-based table.
- The inflation rate was changed from 2.75% to 2.25%.
- The salary increase assumption was changed from a service-based salary scale starting at 8.25% for the first two years of service with an ultimate rate of 3.25% at ten years of service to a service-based scale starting at 8.50% for the first two years of service with an ultimate rate of 3.00% at 15 years of service.
- The discount rate from the 20-year Bond GO Index for June 30, 2019 was 3.50%. For June 30, 2018 it was 3.87%.

**NOTE 4 - BENEFIT CHANGES**

There have been no benefit changes since GASB 75 implementation.

## **COMBINING FINANCIAL STATEMENTS NON-MAJOR GOVERNMENTAL FUNDS**

Nonmajor Governmental Funds are funds in which total fund assets plus deferred outflows of resources, liabilities plus deferred inflows of resources, revenues or expenditures are less than 10% of total governmental funds, and total fund assets plus deferred outflows of resources, liabilities plus deferred inflows of resources, revenues or expenditures are less than 5% of total governmental and business-type funds. These funds are made up of funds used to account for resources, which are required legally or by sound financial management to be accounted for in a fund other than the General Fund.

### **SPECIAL REVENUE FUND**

The Special Revenue Funds are used by the City to account for the accumulation and disbursement of restricted resources. The following is a description of the City's Special Revenue Fund:

**Hotel/Motel Tax Fund** - used to account for receipt and allocation of the City's hotel/motel tax. Use of this tax is limited by law to promotion of tourism. The City hotel/motel tax rate for its three hotels was 7% during the fiscal year ending June 30, 2020.

**Auto Rental Excise Tax Fund** – used to account for the receipt and allocation of the City's auto rental excise tax. Use of this tax is limited by law to promote industry, trade, commerce, and tourism, certain capital outlay projects, and maintenance and operating expenses or security and public safety expenses associated with those capital outlay projects. The City auto rental excise tax rate was 3% during the fiscal year ending June 30, 2020.

### **DEBT SERVICE FUNDS**

The Debt Service Funds account for the accumulation of resources for, and the payment of governmental long-term debt principal, interest, and fiscal charges. The governmental long-term debt serviced by the Debt Service Funds consist of the 2010 General Obligation Bonds, 2015 General Obligation Bonds, and 2017 General Obligation Bonds.

### **CAPITAL PROJECTS FUNDS**

The Capital Projects Funds account for all resources used for the acquisition and/or construction of major capital facilities by the City, except those financed by the General and Proprietary Funds. The following is a description of the City's non-major Capital Projects Funds.

**Gwinnett County 2009 SPLOST Fund** - used to account for the construction and financing of projects funded by the City of Buford 2009 SPLOST.

**Gwinnett County 2014 SPLOST Fund** - used to account for the construction and financing of projects funded by the City of Buford 2014 SPLOST.

**Gwinnett County 2017 SPLOST Fund** - used to account for the construction and financing of projects funded by the City of Buford 2017 SPLOST.

**Hall County 2009 SPLOST Fund** - used to account for the construction and financing of projects funded by the Hall County 2009 SPLOST.

**Hall County 2015 SPLOST Fund** - used to account for the construction and financing of projects funded by the Hall County 2015 SPLOST.

**Rest Haven 2001 SPLOST Fund** - used to account for the construction and financing of projects funded by the City of Rest Haven 2001 SPLOST.

**Rest Haven 2005 SPLOST Fund** - used to account for the construction and financing of projects funded by the City of Rest Haven 2005 SPLOST.

**2015 General Obligation Bond Capital Project Fund** - used to account for the construction of the new Buford high school funded by the issuance of the 2015 General Obligation Bonds.

**2017 General Obligation Bond Capital Project Fund** - used to account for the construction of the new Buford high school funded by the issuance of the 2017 General Obligation Bonds.

**CITY OF BUFORD, GEORGIA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
AS OF JUNE 30, 2020**

	<b>SPECIAL REVENUE FUNDS</b>	<b>DEBT SERVICE FUNDS</b>	<b>CAPITAL PROJECT FUNDS</b>	<b>TOTAL NON-MAJOR GOVERNMENTAL FUNDS</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 163,486	\$ -	\$ 11,481,179	\$ 11,644,665
Sales, excise, and other tax receivable	36,187	-	-	36,187
Due from other governments	-	-	397,927	397,927
Prepaid items	-	1,257,488	-	1,257,488
Restricted cash and cash equivalents	<u>-</u>	<u>383,675</u>	<u>704</u>	<u>384,379</u>
Total assets	\$ <u>199,673</u>	\$ <u>1,641,163</u>	\$ <u>11,879,810</u>	\$ <u>13,720,646</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 22,688	\$ -	\$ 731,094	\$ 753,782
Interfund balances	<u>176,985</u>	<u>-</u>	<u>-</u>	<u>176,985</u>
Total liabilities	<u>199,673</u>	<u>-</u>	<u>731,094</u>	<u>930,767</u>
<b>FUND BALANCES</b>				
Nonspendable:				
Prepaid items	-	1,257,488	-	1,257,488
Restricted for:				
Tourism, conventions and trade shows	-	-	-	-
Debt Service	-	383,675	-	383,675
Capital projects - City of Buford				
Board of Education	-	-	704	704
Capital projects – SPLOST construction	<u>-</u>	<u>-</u>	<u>11,148,012</u>	<u>11,148,012</u>
Total fund balances	<u>-</u>	<u>1,641,163</u>	<u>11,148,716</u>	<u>12,789,879</u>
Total liabilities and fund balances	\$ <u>199,673</u>	\$ <u>1,641,163</u>	\$ <u>11,879,810</u>	\$ <u>13,720,646</u>

SEE INDEPENDENT AUDITOR'S REPORT.



**CITY OF BUFORD, GEORGIA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDING JUNE 30, 2020**

	<b>SPECIAL REVENUE FUNDS</b>	<b>DEBT SERVICE FUNDS</b>	<b>CAPITAL PROJECTS FUNDS</b>	<b>TOTAL NON-MAJOR GOVERNMENTAL FUNDS</b>
<b>REVENUES</b>				
Taxes – sales, excise, and other	\$ 356,599	\$ -	\$ -	\$ 356,599
Intergovernmental revenue	-	2,418,024	2,258,707	4,676,731
Investment income	<u>135</u>	<u>99</u>	<u>23,701</u>	<u>23,935</u>
Total revenues	<u>356,734</u>	<u>2,418,123</u>	<u>2,282,408</u>	<u>5,057,265</u>
<b>EXPENDITURES</b>				
Current operating:				
Public services:				
Culture and recreation	66,511	-	-	66,511
Intergovernmental:				
Buford Board of Education	-	-	2,599,187	2,599,187
Capital outlay	-	-	731,094	731,094
Debt service:				
Principal retirement	-	500,000	-	500,000
Interest and fiscal agent fees	<u>-</u>	<u>2,591,496</u>	<u>-</u>	<u>2,591,496</u>
Total expenditures	<u>66,511</u>	<u>3,091,496</u>	<u>3,330,281</u>	<u>6,488,288</u>
Excess (deficiency) of revenues over (under) expenditures	<u>290,223</u>	<u>( 673,373)</u>	<u>( 1,047,873)</u>	<u>( 1,431,023)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	663,706	6,285,914	6,949,620
Transfers out	<u>( 290,223)</u>	<u>-</u>	<u>-</u>	<u>( 290,223)</u>
Net other financing sources (uses)	<u>( 290,223)</u>	<u>663,706</u>	<u>6,285,914</u>	<u>6,659,397</u>
Net change in fund balance	-	( 9,667)	5,238,041	5,228,374
Fund balance - beginning	<u>-</u>	<u>1,650,830</u>	<u>5,910,675</u>	<u>7,561,505</u>
Fund balance - ending	\$ <u>-</u>	\$ <u>1,641,163</u>	\$ <u>11,148,716</u>	\$ <u>12,789,879</u>

SEE INDEPENDENT AUDITOR'S REPORT.

**CITY OF BUFORD, GEORGIA  
COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
AS OF JUNE 30, 2020**

<b>NON-MAJOR SPECIAL REVENUE FUNDS</b>			
	<b>Hotel/ Motel Tax Fund</b>	<b>Auto Rental Excise Tax Fund</b>	<b>Total Nonmajor Special Revenue Funds</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 163,486	\$ -	\$ 163,486
Sales, excise, and other taxes receivable	<u>25,822</u>	<u>10,365</u>	<u>36,187</u>
<b>Total assets</b>	<b>\$ <u>189,308</u></b>	<b>\$ <u>10,365</u></b>	<b>\$ <u>199,673</u></b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ 22,688	\$ -	\$ 22,688
Interfund balances	<u>166,620</u>	<u>10,365</u>	<u>176,985</u>
<b>Total liabilities</b>	<b><u>189,308</u></b>	<b><u>10,365</u></b>	<b><u>199,673</u></b>
<b>FUND BALANCE</b>			
Restricted for:			
Tourism, conventions, and trade shows	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total fund balance</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Total liabilities and fund balance</b>	<b>\$ <u>189,308</u></b>	<b>\$ <u>10,365</u></b>	<b>\$ <u>199,673</u></b>

SEE INDEPENDENT AUDITOR'S REPORT.

CITY OF BUFORD, GEORGIA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
AS OF JUNE 30, 2020

	NON-MAJOR SPECIAL REVENUE FUNDS		
	Hotel/ Motel Tax Fund	Auto Rental Excise Tax Fund	Total Nonmajor Special Revenue Funds
<b>REVENUES</b>			
Taxes – sales, excise, and other	\$ 232,996	\$ 123,603	\$ 356,599
Investment income	<u>135</u>	<u>-</u>	<u>135</u>
Total revenues	<u>233,131</u>	<u>123,603</u>	<u>356,734</u>
<b>EXPENDITURES</b>			
Culture and recreation	<u>66,511</u>	<u>-</u>	<u>66,511</u>
Total expenditures	<u>66,511</u>	<u>-</u>	<u>66,511</u>
Excess (deficiency) of revenues over(under) expenditures	<u>166,620</u>	<u>123,603</u>	<u>290,223</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	( <u>166,620</u> )	( <u>123,603</u> )	( <u>290,223</u> )
Net other financing sources (uses)	( <u>166,620</u> )	( <u>123,603</u> )	( <u>290,223</u> )
Net change in fund balance	-	-	-
Fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - ending	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>

SEE INDEPENDENT AUDITOR'S REPORT.

**CITY OF BUFORD, GEORGIA  
COMBINING BALANCE SHEET  
NONMAJOR DEBT SERVICE FUNDS  
AS OF JUNE 30, 2020**

	<b>NON-MAJOR DEBT SERVICE FUNDS</b>			
	<b>2010 GOB Debt Service Fund</b>	<b>2015 GOB Debt Service Fund</b>	<b>2017 GOB Debt Service Fund</b>	<b>Total Nonmajor Debt Service Funds</b>
<b>ASSETS</b>				
Prepaid items	\$ 328,591	\$ -	\$ 928,897	\$ 1,257,488
Restricted cash and cash equivalents	<u>65,372</u>	<u>288,075</u>	<u>30,228</u>	<u>383,675</u>
<b>Total assets</b>	<b>\$ <u>393,963</u></b>	<b>\$ <u>288,075</u></b>	<b>\$ <u>959,125</u></b>	<b>\$ <u>1,641,163</u></b>
<b>FUND BALANCES</b>				
Nonspendable:				
Prepaid items	\$ 328,591	\$ -	\$ 928,897	\$ 1,257,488
Restricted for:				
Debt Service	<u>65,372</u>	<u>288,075</u>	<u>30,228</u>	<u>383,675</u>
<b>Total fund balances</b>	<b>\$ <u>393,963</u></b>	<b>\$ <u>288,075</u></b>	<b>\$ <u>959,125</u></b>	<b>\$ <u>1,641,163</u></b>

SEE INDEPENDENT AUDITOR'S REPORT.

**CITY OF BUFORD, GEORGIA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NONMAJOR DEBT SERVICE FUNDS**  
**AS OF JUNE 30, 2020**

	<b>NON-MAJOR DEBT SERVICE FUNDS</b>			
	<b>2010 GOB Debt Service Fund</b>	<b>2015 GOB Debt Service Fund</b>	<b>2017 GOB Debt Service Fund</b>	<b>Total Nonmajor Debt Service Funds</b>
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ 560,230	\$ 1,857,794	\$ 2,418,024
Investment income	-	56	43	99
<b>Total revenues</b>	<u>-</u>	<u>560,286</u>	<u>1,857,837</u>	<u>2,418,123</u>
<b>EXPENDITURES</b>				
Debt service:				
Principal retirement	500,000	-	-	500,000
Interest and fiscal charges	<u>170,702</u>	<u>562,250</u>	<u>1,858,544</u>	<u>2,591,496</u>
<b>Total expenditures</b>	<u>670,702</u>	<u>562,250</u>	<u>1,858,544</u>	<u>3,091,496</u>
Excess (deficiency) of revenues over (under) expenditures	( <u>670,702</u> )	( <u>1,964</u> )	( <u>707</u> )	( <u>673,373</u> )
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	<u>662,456</u>	<u>500</u>	<u>750</u>	<u>663,706</u>
<b>Net other financing sources (uses)</b>	<u>662,456</u>	<u>500</u>	<u>750</u>	<u>663,706</u>
<b>Net change in fund balance</b>	( 8,246 )	( 1,464 )	43	( 9,667 )
<b>Fund balance - beginning</b>	<u>402,209</u>	<u>289,539</u>	<u>959,082</u>	<u>1,650,830</u>
<b>Fund balance - ending</b>	\$ <u>393,963</u>	\$ <u>288,075</u>	\$ <u>959,125</u>	\$ <u>1,641,163</u>

SEE INDEPENDENT AUDITOR'S REPORT.

**CITY OF BUFORD, GEORGIA  
COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUNDS  
AS OF JUNE 30, 2020**

<b>NON-MAJOR CAPITAL PROJECTS FUNDS</b>					
	<b>GWINNETT COUNTY 2009 SPLOST</b>	<b>GWINNETT COUNTY 2014 SPLOST</b>	<b>GWINNETT COUNTY 2017 SPLOST</b>	<b>HALL COUNTY 2009 SPLOST</b>	<b>HALL COUNTY 2015 SPLOST</b>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 2,771,204	\$ 1,124,445	\$ 6,180,399	\$ 91,991	\$ 724,115
Due from other governments	-	-	366,521	-	31,406
Restricted cash and cash equivalents	-	-	-	-	-
<b>Total assets</b>	<b>\$ 2,771,204</b>	<b>\$ 1,124,445</b>	<b>\$ 6,546,920</b>	<b>\$ 91,991</b>	<b>\$ 755,521</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts payable	\$ -	\$ 731,094	\$ -	\$ -	\$ -
Interfund balances	-	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>731,094</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES</b>					
Restricted for:					
Capital projects - City of Buford	-	-	-	-	-
Board of Education	-	-	-	-	-
Capital projects - SPLOST construction	2,771,204	393,351	6,546,920	91,991	755,521
<b>Total fund balances</b>	<b>2,771,204</b>	<b>393,351</b>	<b>6,546,920</b>	<b>91,991</b>	<b>755,521</b>
<b>Total liabilities and fund balances</b>	<b>\$ 2,771,204</b>	<b>\$ 1,124,445</b>	<b>\$ 6,546,920</b>	<b>\$ 91,991</b>	<b>\$ 755,521</b>

REST HAVEN 2001 SPLOST	REST HAVEN 2005 SPLOST	2015 GOB CAPITAL PROJECT	2017 GOB CAPITAL PROJECT	TOTAL NONMAJOR CAPITAL PROJECTS FUNDS
\$ 19,137	\$ 569,888	\$ -	\$ -	\$ 11,481,179
-	-	-	-	397,927
<u>-</u>	<u>-</u>	<u>-</u>	<u>704</u>	<u>704</u>
\$ <u>19,137</u>	\$ <u>569,888</u>	\$ <u>-</u>	\$ <u>704</u>	\$ <u>11,879,810</u>
\$ -	\$ -	\$ -	\$ -	\$ 731,094
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>731,094</u>
-	-	-	704	704
<u>19,137</u>	<u>569,888</u>	<u>-</u>	<u>-</u>	<u>11,148,012</u>
<u>19,137</u>	<u>569,888</u>	<u>-</u>	<u>704</u>	<u>11,148,716</u>
\$ <u>19,137</u>	\$ <u>569,888</u>	\$ <u>-</u>	\$ <u>704</u>	\$ <u>11,879,810</u>

SEE INDEPENDENT AUDITOR'S REPORT.

**CITY OF BUFORD, GEORGIA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NONMAJOR CAPITAL PROJECTS FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	<b>NON-MAJOR CAPITAL PROJECTS FUNDS</b>				
	<b>GWINNETT COUNTY 2009 SPLOST</b>	<b>GWINNETT COUNTY 2014 SPLOST</b>	<b>GWINNETT COUNTY 2017 SPLOST</b>	<b>HALL COUNTY 2009 SPLOST</b>	<b>HALL COUNTY 2015 SPLOST</b>
<b>REVENUES</b>					
Intergovernmental revenue	\$ -	\$ -	\$ 2,088,179	\$ -	\$ 170,528
Investment income	<u>3,328</u>	<u>1,133</u>	<u>5,279</u>	<u>92</u>	<u>646</u>
<b>Total revenues</b>	<u>3,328</u>	<u>1,133</u>	<u>2,093,458</u>	<u>92</u>	<u>171,174</u>
<b>EXPENDITURES</b>					
Intergovernmental:					
Buford Board of Education	-	-	-	-	-
Capital outlay	<u>-</u>	<u>731,094</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total expenditures</b>	<u>-</u>	<u>731,094</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of</b>					
Revenues over (under)					
Expenditures	<u>3,328</u>	<u>( 729,961)</u>	<u>2,093,458</u>	<u>92</u>	<u>171,174</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balance</b>	<u>3,328</u>	<u>( 729,961)</u>	<u>2,093,458</u>	<u>92</u>	<u>171,174</u>
<b>Fund balance - beginning</b>	<u>2,767,876</u>	<u>1,123,312</u>	<u>4,453,462</u>	<u>91,899</u>	<u>584,347</u>
<b>Fund balance - ending</b>	<u>\$ 2,771,204</u>	<u>\$ 393,351</u>	<u>\$ 6,546,920</u>	<u>\$ 91,991</u>	<u>\$ 755,521</u>



REST HAVEN 2001 SPLOST	REST HAVEN 2005 SPLOST	2015 GOB CAPITAL PROJECT	2017 GOB CAPITAL PROJECT	TOTAL NONMAJOR CAPITAL PROJECTS FUNDS
\$ -	\$ -	\$ -	\$ -	\$ 2,258,707
<u>19</u>	<u>575</u>	<u>1</u>	<u>12,628</u>	<u>23,701</u>
<u>19</u>	<u>575</u>	<u>1</u>	<u>12,628</u>	<u>2,282,408</u>
-	-	2,746	2,596,441	2,599,187
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>731,094</u>
<u>-</u>	<u>-</u>	<u>2,746</u>	<u>2,596,441</u>	<u>3,330,281</u>
<u>19</u>	<u>575</u>	( <u>2,745</u> )	( <u>2,583,813</u> )	( <u>1,047,873</u> )
<u>-</u>	<u>-</u>	<u>-</u>	<u>6,285,914</u>	<u>6,285,914</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>6,285,914</u>	<u>6,285,914</u>
19	575	( 2,745 )	3,702,101	5,238,041
<u>19,118</u>	<u>569,313</u>	<u>2,745</u>	( <u>3,701,397</u> )	<u>5,910,675</u>
\$ <u>19,137</u>	\$ <u>569,888</u>	\$ <u>-</u>	\$ <u>704</u>	\$ <u>11,148,716</u>

SEE INDEPENDENT AUDITOR'S REPORT.

**CITY OF BUFORD, GEORGIA  
HOTEL/MOTEL TAX FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final budget Over (Under)</u>
<b>REVENUES</b>			
Taxes – sales, excise, and other	\$ 340,000	\$ 232,996	\$( 107,004)
Investment income	<u>200</u>	<u>135</u>	<u>( 65)</u>
Total revenues	<u>340,200</u>	<u>233,131</u>	<u>( 107,069)</u>
<b>EXPENDITURES</b>			
Current operating:			
Public services:			
Culture and recreation	<u>66,511</u>	<u>66,511</u>	<u>-</u>
Total expenditures	<u>66,511</u>	<u>66,511</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>273,689</u>	<u>166,620</u>	<u>( 107,069)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	<u>( 166,620)</u>	<u>( 166,620)</u>	<u>-</u>
Net other financing sources (uses)	<u>( 166,620)</u>	<u>( 166,620)</u>	<u>-</u>
Net change in fund balance	107,069	-	( 107,069)
Fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - ending	\$ <u>107,069</u>	\$ <u>-</u>	\$( <u>107,069</u> )

**CITY OF BUFORD, GEORGIA  
 AUTO RENTAL EXCISE TAX FUND  
 SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final budget Over (Under)</u>
<b>REVENUES</b>			
Taxes – sales, excise, and other	\$ <u>125,000</u>	\$ <u>123,603</u>	\$( <u>1,397</u> )
Total revenues	<u>125,000</u>	<u>123,603</u>	( <u>1,397</u> )
<b>EXPENDITURES</b>			
Current operating:			
Public services:			
Culture and recreation	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>125,000</u>	<u>123,603</u>	( <u>1,397</u> )
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	( <u>123,603</u> )	( <u>123,603</u> )	<u>-</u>
Net other financing sources (uses)	( <u>123,603</u> )	( <u>123,603</u> )	<u>-</u>
Net change in fund balance	1,397	-	( 1,397)
Fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - ending	\$ <u><u>1,397</u></u>	\$ <u><u>-</u></u>	\$( <u><u>1,397</u></u> )

**CITY OF BUFORD, GEORGIA  
2010 GENERAL OBLIGATION BOND DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final budget Over (Under)</u>
<b>REVENUES</b>	\$ -	\$ -	\$ -
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES</b>			
<b>Debt service:</b>			
Principal retirement	500,000	500,000	-
Interest and fiscal charges	<u>170,702</u>	<u>170,702</u>	<u>-</u>
<b>Total expenditures</b>	<u>670,702</u>	<u>670,702</u>	<u>-</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	( <u>670,702</u> )	( <u>670,702</u> )	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	<u>700,000</u>	<u>662,456</u>	( <u>37,544</u> )
<b>Net other financing sources (uses)</b>	<u>700,000</u>	<u>662,456</u>	( <u>37,544</u> )
<b>Net change in fund balance</b>	29,298	( 8,246 )	( 37,544 )
<b>Fund balance - beginning</b>	<u>402,209</u>	<u>402,209</u>	<u>-</u>
<b>Fund balance - ending</b>	\$ <u>431,507</u>	\$ <u>393,963</u>	\$ ( <u>37,544</u> )

**CITY OF BUFORD, GEORGIA**  
**2015 GENERAL OBLIGATION BOND DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final budget Over (Under)</u>
<b>REVENUES</b>			
Intergovernmental	\$ -	\$ 560,230	\$ 560,230
Investment income	<u>-</u>	<u>56</u>	<u>56</u>
<b>Total revenues</b>	<u>-</u>	<u>560,286</u>	<u>560,286</u>
<b>EXPENDITURES</b>			
Debt service:			
Interest & fiscal charges	<u>562,250</u>	<u>562,250</u>	<u>-</u>
<b>Total expenditures</b>	<u>562,250</u>	<u>562,250</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	( <u>562,250</u> )	( <u>1,964</u> )	<u>560,286</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	<u>-</u>	<u>500</u>	<u>500</u>
<b>Net other financing sources (uses)</b>	<u>-</u>	<u>500</u>	<u>500</u>
<b>Net change in fund balance</b>	( 562,250 )	( 1,464 )	560,786
<b>Fund balance - beginning</b>	<u>289,539</u>	<u>289,539</u>	<u>-</u>
<b>Fund balance - ending</b>	\$( <u>272,711</u> )	\$ <u>288,075</u>	\$ <u>560,786</u>

**CITY OF BUFORD, GEORGIA  
2017 GENERAL OBLIGATION BOND DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final budget Over (Under)</u>
<b>REVENUES</b>			
Intergovernmental	\$ -	\$ 1,857,794	\$ 1,857,794
Investment income	<u>-</u>	<u>43</u>	<u>43</u>
Total revenues	<u>-</u>	<u>1,857,837</u>	<u>1,857,837</u>
<b>EXPENDITURES</b>			
Debt service:			
Interest and fiscal charges	<u>1,858,544</u>	<u>1,858,544</u>	<u>-</u>
Total expenditures	<u>1,858,544</u>	<u>1,858,544</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	( <u>1,858,544</u> )	( <u>707</u> )	<u>1,857,837</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	<u>-</u>	<u>750</u>	<u>750</u>
Net other financing sources (uses)	<u>-</u>	<u>750</u>	<u>750</u>
Net change in fund balance	( 1,858,544 )	43	1,858,587
Fund balance - beginning	<u>959,082</u>	<u>959,082</u>	<u>-</u>
Fund balance - ending	\$( <u>899,462</u> )	\$ <u>959,125</u>	\$ <u>1,858,587</u>

**CITY OF BUFORD, GEORGIA  
GWINNETT COUNTY 2009 SPLOST FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final budget Over (Under)</u>
<b>REVENUES</b>			
Intergovernmental revenue	\$ -	\$ -	\$ -
Investment income	<u>-</u>	<u>3,328</u>	<u>3,328</u>
<b>Total revenues</b>	<u>-</u>	<u>3,328</u>	<u>3,328</u>
<b>EXPENDITURES</b>			
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>3,328</u>	<u>3,328</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balance</b>	-	3,328	3,328
<b>Fund balance - beginning</b>	<u>2,767,876</u>	<u>2,767,876</u>	<u>-</u>
<b>Fund balance - ending</b>	\$ <u>2,767,876</u>	\$ <u>2,771,204</u>	\$ <u>3,328</u>

**CITY OF BUFORD, GEORGIA  
GWINNETT COUNTY 2014 SPLOST FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final budget Over (Under)</u>
<b>REVENUES</b>			
Intergovernmental revenue	\$ -	\$ -	\$ -
Investment income	<u>-</u>	<u>1,133</u>	<u>1,133</u>
<b>Total revenues</b>	<u>-</u>	<u>1,133</u>	<u>1,133</u>
<b>EXPENDITURES</b>			
Capital outlay	<u>731,094</u>	<u>731,094</u>	<u>-</u>
<b>Total expenditures</b>	<u>731,094</u>	<u>731,094</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	( <u>731,094</u> )	( <u>729,961</u> )	<u>1,133</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balance</b>	( 731,094 )	( 729,961 )	1,133
<b>Fund balance - beginning</b>	<u>1,123,312</u>	<u>1,123,312</u>	<u>-</u>
<b>Fund balance - ending</b>	\$ <u><u>392,218</u></u>	\$ <u><u>393,351</u></u>	\$ <u><u>1,133</u></u>



**CITY OF BUFORD, GEORGIA  
GWINNETT COUNTY 2017 SPLOST FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final budget Over (Under)</u>
<b>REVENUES</b>			
Intergovernmental revenue	\$ -	\$ 2,088,179	\$ 2,088,179
Investment income	<u>-</u>	<u>5,279</u>	<u>5,279</u>
<b>Total revenues</b>	<u>-</u>	<u>2,093,458</u>	<u>2,093,458</u>
<b>EXPENDITURES</b>			
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>2,093,458</u>	<u>2,093,458</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balance</b>	<u>-</u>	<u>2,093,458</u>	<u>2,093,458</u>
<b>Fund balance - beginning</b>	<u>4,453,462</u>	<u>4,453,462</u>	<u>-</u>
<b>Fund balance - ending</b>	\$ <u>4,453,462</u>	\$ <u>6,546,920</u>	\$ <u>2,093,458</u>

**CITY OF BUFORD, GEORGIA  
HALL COUNTY 2009 SPLOST FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final budget Over (Under)</u>
<b>REVENUES</b>			
Intergovernmental revenue	\$ -	\$ -	\$ -
Investment income	<u>-</u>	<u>92</u>	<u>92</u>
<b>Total revenues</b>	<u>-</u>	<u>92</u>	<u>92</u>
<b>EXPENDITURES</b>			
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>92</u>	<u>92</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balance</b>	-	92	92
<b>Fund balance - beginning</b>	<u>91,899</u>	<u>91,899</u>	<u>-</u>
<b>Fund balance - ending</b>	\$ <u><u>91,899</u></u>	\$ <u><u>91,991</u></u>	\$ <u><u>92</u></u>

**CITY OF BUFORD, GEORGIA  
HALL COUNTY 2015 SPLOST FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final budget Over (Under)</u>
<b>REVENUES</b>			
Intergovernmental revenue	\$ -	\$ 170,528	\$ 170,528
Investment income	<u>-</u>	<u>646</u>	<u>646</u>
<b>Total revenues</b>	<u>-</u>	<u>171,174</u>	<u>171,174</u>
<b>EXPENDITURES</b>			
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>171,174</u>	<u>171,174</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balance</b>	-	171,174	171,174
<b>Fund balance - beginning</b>	<u>584,347</u>	<u>584,347</u>	<u>-</u>
<b>Fund balance - ending</b>	\$ <u><u>584,347</u></u>	\$ <u><u>755,521</u></u>	\$ <u><u>171,174</u></u>

**CITY OF BUFORD, GEORGIA  
REST HAVEN 2001 SPLOST FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final budget Over (Under)</u>
<b>REVENUES</b>			
Intergovernmental revenue	\$ -	\$ -	\$ -
Investment income	<u>-</u>	<u>19</u>	<u>19</u>
<b>Total revenues</b>	<u>-</u>	<u>19</u>	<u>19</u>
<b>EXPENDITURES</b>			
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>19</u>	<u>19</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balance</b>	-	19	19
<b>Fund balance - beginning</b>	<u>19,118</u>	<u>19,118</u>	<u>-</u>
<b>Fund balance - ending</b>	\$ <u><u>19,118</u></u>	\$ <u><u>19,137</u></u>	\$ <u><u>19</u></u>

**CITY OF BUFORD, GEORGIA  
REST HAVEN 2005 SPLOST FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final budget Over (Under)</u>
<b>REVENUES</b>			
Intergovernmental revenue	\$ -	\$ -	\$ -
Investment income	<u>-</u>	<u>575</u>	<u>575</u>
<b>Total revenues</b>	<u>-</u>	<u>575</u>	<u>575</u>
<b>EXPENDITURES</b>			
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>575</u>	<u>575</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balance</b>	-	575	575
<b>Fund balance - beginning</b>	<u>569,313</u>	<u>569,313</u>	<u>-</u>
<b>Fund balance - ending</b>	\$ <u><u>569,313</u></u>	\$ <u><u>569,888</u></u>	\$ <u><u>575</u></u>

**CITY OF BUFORD, GEORGIA  
2015 GOB CAPITAL PROJECT FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final budget Over (Under)</u>
<b>REVENUES</b>			
Intergovernmental revenue	\$ -	\$ -	\$ -
Investment income	<u>-</u>	<u>1</u>	<u>1</u>
Total revenues	<u>-</u>	<u>1</u>	<u>1</u>
<b>EXPENDITURES</b>			
Intergovernmental:			
Buford Board of Education	<u>2,746</u>	<u>2,746</u>	<u>-</u>
Total expenditures	<u>2,746</u>	<u>2,746</u>	<u>-</u>
Excess (deficiency) of			
Revenues over (under)			
Expenditures	( <u>2,746</u> )	( <u>2,745</u> )	<u>1</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	( 2,746 )	( 2,745 )	1
Fund balance - beginning	<u>2,745</u>	<u>2,745</u>	<u>-</u>
Fund balance - ending	\$( <u>1</u> )	\$ <u>-</u>	\$ <u>1</u>

**CITY OF BUFORD, GEORGIA  
2017 GOB CAPITAL PROJECT FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final budget Over (Under)</u>
<b>REVENUES</b>			
Intergovernmental revenue	\$ -	\$ -	\$ -
Investment income	<u>-</u>	<u>12,628</u>	<u>12,628</u>
Total revenues	<u>-</u>	<u>12,628</u>	<u>12,628</u>
<b>EXPENDITURES</b>			
Intergovernmental:			
Buford Board of Education	<u>2,596,441</u>	<u>2,596,441</u>	<u>-</u>
Total expenditures	<u>2,596,441</u>	<u>2,596,441</u>	<u>-</u>
Excess (deficiency) of			
Revenues over (under)			
Expenditures	( <u>2,596,441</u> )	( <u>2,583,813</u> )	<u>12,628</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	<u>-</u>	<u>6,285,914</u>	<u>6,285,914</u>
Net other financing sources (uses)	<u>-</u>	<u>6,285,914</u>	<u>6,285,914</u>
Net change in fund balance	( 2,596,441 )	3,702,101	6,298,542
Fund balance - beginning	( <u>3,701,397</u> )	( <u>3,701,397</u> )	<u>-</u>
Fund balance - ending	\$( <u>6,297,838</u> )	\$ <u>704</u>	\$ <u>6,298,542</u>

## **COMBINING FINANCIAL STATEMENTS FIDUCIARY FUNDS**

### **CUSTODIAL FUNDS**

The Custodial Funds account for all resources held by the City in trust for use by the City of Buford Board of Education. They are Educational SPLOST funds used for the acquisition and/or construction of major capital facilities and assets, or debt service on debt issued for the acquisition and/or construction of major capital facilities for the BOE. The following is a description of the City's Custodial Fiduciary Funds.

**Gwinnett County E-SPLOST V Fund** - used to account for the construction and financing of projects funded by the City of Buford Board of Education Gwinnett County E-SPLOST V.

**Hall County E-SPLOST IV Fund** - used to account for the construction and financing of projects funded by the City of Buford Board of Education Hall County E-SPLOST IV.

**Hall County E-SPLOST V Fund** - used to account for the construction and financing of projects funded by the City of Buford Board of Education Hall County E-SPLOST V.



**CITY OF BUFORD, GEORGIA  
COMBINING STATEMENT OF FIDUCIARY NET POSITION  
CUSTODIAL FUNDS  
CITY OF BUFORD BOARD OF EDUCATION SPLOST FUNDS  
JUNE 30, 2020**

	<b>CUSTODIAL FUNDS</b>			
	<b>Gwinnett County E-SPLOST V Fund</b>	<b>Hall County E-SPLOST IV Fund</b>	<b>Hall County E-SPLOST V Fund</b>	<b>Total Custodial Funds</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 366,158	\$ 721,564	\$ 17,677	\$ 1,105,399
Investments	<u>8,254,715</u>	<u>-</u>	<u>-</u>	<u>8,254,715</u>
<b>Total assets</b>	<b>\$ <u>8,620,873</u></b>	<b>\$ <u>721,564</u></b>	<b>\$ <u>17,677</u></b>	<b>\$ <u>9,360,114</u></b>
<b>NET POSITION</b>				
Restricted for:				
City of Buford Board of Education	\$ <u>8,620,873</u>	\$ <u>721,564</u>	\$ <u>17,677</u>	\$ <u>9,360,114</u>
<b>Total net position</b>	<b>\$ <u>8,620,873</u></b>	<b>\$ <u>721,564</u></b>	<b>\$ <u>17,677</u></b>	<b>\$ <u>9,360,114</u></b>

SEE INDEPENDENT AUDITOR'S REPORT.

**CITY OF BUFORD, GEORGIA**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**CUSTODIAL FUNDS**  
**CITY OF BUFORD BOARD OF EDUCATION SPLOST FUNDS**  
**JUNE 30, 2020**

	<b>CUSTODIAL FUNDS</b>			
	<b>Gwinnett County E-SPLOST V Fund</b>	<b>Hall County E-SPLOST IV Fund</b>	<b>Hall County E-SPLOST V Fund</b>	<b>Total Custodial Funds</b>
<b>ADDITIONS</b>				
Investment income	\$ <u>414,378</u>	\$ <u>867</u>	\$ <u>-</u>	\$ <u>415,245</u>
<b>Total additions</b>	<u>414,378</u>	<u>867</u>	<u>-</u>	<u>415,245</u>
<b>DEDUCTIONS</b>				
Intergovernmental	<u>2,402,464</u>	<u>-</u>	<u>15,559</u>	<u>2,418,023</u>
<b>Total deductions</b>	<u>2,402,464</u>	<u>-</u>	<u>15,559</u>	<u>2,418,023</u>
<b>Net increase (decrease) in fiduciary net position</b>	( 1,988,086)	867	( 15,559)	( 2,002,778)
<b>Total net position at beginning of year, as restated</b>	<u>10,608,959</u>	<u>720,697</u>	<u>33,236</u>	<u>11,362,892</u>
<b>Total net position at end of year</b>	\$ <u>8,620,873</u>	\$ <u>721,564</u>	\$ <u>17,677</u>	\$ <u>9,360,114</u>

SEE INDEPENDENT AUDITOR'S REPORT.

**REPORT REQUIRED BY GOVERNMENTAL AUDITING  
STANDARDS**

# **WILCOX & BIVINGS, P.C.**

**CERTIFIED PUBLIC ACCOUNTANTS**

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**Suwanee, GA 30024**

**Phone: 770-904-0419**

**Fax: 770-904-5299**

## **INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

**To the Honorable Members of the Board of Commissioners  
City of Buford, Georgia**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Buford, Georgia, as of and for the fiscal year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City of Buford, Georgia's basic financial statements and have issued our report thereon dated December 18, 2020. Our report includes a reference to other auditors who audited the financial statements of the City of Buford Board of Education, as described in our report on the City of Buford, Georgia's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported separately by those auditors.

### **Internal Control Over Financial Reporting**

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

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

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

### **Compliance and Other Matters**

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

To the Honorable Members of the Board of Commissioners  
City of Buford, Georgia

**Purpose of this Report**

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

*Wilcox & Bivings, P.C.*

Suwanee, Georgia  
December 18, 2020

**SCHEDULE REQUIRED BY THE  
STATE OF GEORGIA**

**CITY OF BUFORD, GEORGIA**  
**SCHEDULE OF PROJECTS CONSTRUCTED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

<b>PROJECT DESCRIPTION</b>	<b>Original Estimate Amount</b>	<b>Current Estimate Amount</b>	<b>Amount Expended In Prior Years</b>	<b>Amount Expended In Current Year</b>	<b>Total</b>	<b>Estimated Percentage of Completion</b>
<b><i>REST HAVEN 2001 SPLOST</i></b>						
Recreational Facilities	\$ <u>          -</u>	\$ <u>  91,016</u>	\$ <u>  71,879</u>	\$ <u>          -</u>	\$ <u>  71,879</u>	78.97%
<b>Total Rest Haven 2001 SPLOST</b>	\$ <u>          -</u>	\$ <u>  91,016</u>	\$ <u>  71,879</u>	\$ <u>          -</u>	\$ <u>  71,879</u>	
<b><i>REST HAVEN 2005 SPLOST</i></b>						
Transportation	\$ <u>  296,785</u>	\$ <u>  569,888</u>	\$ <u>          -</u>	\$ <u>          -</u>	\$ <u>          -</u>	0.00%
<b>Total Rest Haven 2005 SPLOST</b>	\$ <u>  296,785</u>	\$ <u>  569,888</u>	\$ <u>          -</u>	\$ <u>          -</u>	\$ <u>          -</u>	
<b><i>HALL COUNTY 2009 SPLOST</i></b>						
Transportation	\$ <u>   25,732</u>	\$ <u>   91,991</u>	\$ <u>          -</u>	\$ <u>          -</u>	\$ <u>          -</u>	0.00%
<b>Total Hall County 2009 SPLOST</b>	\$ <u>   25,732</u>	\$ <u>   91,991</u>	\$ <u>          -</u>	\$ <u>          -</u>	\$ <u>          -</u>	
<b><i>GWINNETT COUNTY 2009 SPLOST</i></b>						
Transportation	\$ 5,960,000	\$ 4,731,391	\$ 2,179,281	\$ -	\$ 2,179,281	46.06%
Recreational Facilities	1,677,101	1,331,379	1,200,000	-	1,200,000	90.13%
Water & Sewer	<u>2,000,000</u>	<u>1,587,715</u>	<u>1,500,000</u>	<u>          -</u>	<u>1,500,000</u>	94.48%
<b>Total Gwinnett County 2009 SPLOST</b>	\$ <u> 9,637,101</u>	\$ <u> 7,650,485</u>	\$ <u> 4,879,281</u>	\$ <u>          -</u>	\$ <u> 4,879,281</u>	
<b><i>GWINNETT COUNTY 2014 SPLOST</i></b>						
Recreational Facilities & Equipment	\$ 4,172,696	\$ 3,810,404	\$ 3,810,404	\$ -	\$ 3,810,404	100.00%
Transportation	<u>1,788,299</u>	<u>1,473,050</u>	<u>  348,605</u>	<u>  731,094</u>	<u>1,079,699</u>	73.30%
<b>Total Gwinnett County 2014 SPLOST</b>	\$ <u> 5,960,995</u>	\$ <u> 5,283,454</u>	\$ <u> 4,159,009</u>	\$ <u>  731,094</u>	\$ <u> 4,890,103</u>	
<b><i>HALL COUNTY 2015 SPLOST</i></b>						
Transportation	\$ 111,249	\$ 111,249	\$ -	\$ -	\$ -	0.00%
Water & Sewer	<u>  600,000</u>	<u>  600,000</u>	<u>          -</u>	<u>          -</u>	<u>          -</u>	0.00%
<b>Total Hall County 2015 SPLOST</b>	\$ <u>  711,249</u>	\$ <u>  711,249</u>	\$ <u>          -</u>	\$ <u>          -</u>	\$ <u>          -</u>	
<b><i>GWINNETT COUNTY 2017 SPLOST</i></b>						
Parking Facilities	\$ 3,765,543	\$ 3,765,543	\$ -	\$ -	\$ -	0.00%
Recreational Facilities & Equipment	6,932,788	6,932,788	-	-	-	0.00%
Transportation	<u>  941,677</u>	<u>  941,677</u>	<u>          -</u>	<u>          -</u>	<u>          -</u>	0.00%
<b>Total Gwinnett County 2017 SPLOST</b>	\$ <u>11,640,008</u>	\$ <u>11,640,008</u>	\$ <u>          -</u>	\$ <u>          -</u>	\$ <u>          -</u>	