

CITY OF LAWRENCEVILLE, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
AUGUST 31, 2015

Prepared by:
Donna Wiernik, Finance Director/Treasurer
Libby Cromer, Accountant
Heather DeWitt, Financial Analyst

INTRODUCTORY SECTION



CITY OF LAWRENCEVILLE, GEORGIA

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AUGUST 31, 2015

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CITY OF LAWRENCEVILLE

Letter of Transmittal

March 14, 2016

To the Mayor, Members of Council and the Citizens of the City of Lawrenceville:

The first Comprehensive Annual Financial Report (CAFR) of the City of Lawrenceville (the government) for the fiscal year ended August 31, 2015 is hereby transmitted. State law requires all general purpose local governments publish a complete set of financial statements conforming to generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants within six months of the close of the fiscal year.

Responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City of Lawrenceville management. To the best of our knowledge, the data enclosed herein are accurate in all material aspects and fairly present the financial position and results of operations of all of the government's funds.

The CAFR is presented in three sections: introductory, financial and statistical. The introductory section consists of the letter of transmittal and the organizational chart for the City of Lawrenceville. The financial section contains the independent auditor's report, management's discussion and analysis, the basic financial statements, including the notes to the financial statements, and combining and individual fund statements and schedules. The statistical section presents historical financial and demographic information to allow readers to better understand the City's economic condition.

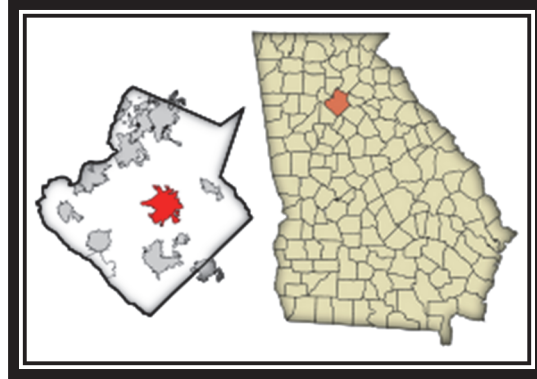
Generally accepted accounting principles require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). The letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

CITY PROFILE

The City is a municipal corporation created and existing under the laws of the State of Georgia and has as its formal name the "City of Lawrenceville, Georgia." The City was originally chartered on December 15, 1821 and is the second oldest city in the metropolitan Atlanta area. Lawrenceville was named after Captain James Lawrence, commander of the USS Chesapeake during the War of 1812.

The City is located in the north central portion of the State of Georgia approximately 34 miles northeast of Atlanta, Georgia and 40 miles west of Athens, Georgia. The City is the county seat

of Gwinnett County, which is the second largest Georgia county by population. The City presently has a land area of approximately 13.1 square miles. The City is part of the Atlanta Standard Metropolitan Statistical Area, as designated by the Bureau of the Census of the U.S. Department of Commerce. The City's elevation averages 1,060 feet above sea level, and its terrain is rolling.



Conveniently Located Northeast of Atlanta

CITY ADMINISTRATION AND OFFICIALS

The affairs of the City are conducted by a City Council consisting of a Mayor and four councilmembers. Under the City's Charter, all powers of government of the City are vested in the City Council. The Mayor and the other councilmembers serve four-year terms of office. No person elected in 2012 or thereafter may serve as Mayor or as a councilmember for more than 12 consecutive years. No person is eligible to serve as Mayor or as a councilmember unless he or she was a resident of the City immediately prior to the date of election, the person continues to reside in the City during the term of office, and is registered and qualified to vote in municipal elections of the City.

All councilmember positions are designated by posts numbered one through four. Candidates for election to councilmember positions must designate, at the time of qualifying, the post to which they are seeking election. The Mayor and all other councilmembers are elected at large.

The Mayor is a member of the City Council, presides at all meetings of the City Council, and votes on matters before the City Council when only two councilmembers are present or to cast a tie-breaking vote. The current Mayor is Mrs. Judy Jordan Johnson who has served as Mayor since January 2011.

The City Manager, who is appointed by and serves at the pleasure of the City Council, is responsible for the day-to-day operations of the City, prepares annual budgets for consideration by the City Council, provides financial reports on the fiscal condition of the City to the City Council on at least a quarterly basis, oversees and authorizes purchases and expenditures by the City, and has such other power and duties as the City Council may prescribe. Bob Baroni has served as City Manager of the City since 2011 and has been employed by the City since 1974. From 1974

to 2011, Mr. Baroni served as City Clerk of the City. In 2011, the City amended its charter to create the position of City Manager, and the City Council appointed Mr. Baroni to that position. Steve North has served as Assistant City Manager for the City since 2012. Mr. North has over 30 years' experience in local government management. From 1996 to 2011, he worked for Gwinnett County, Georgia in a variety of management positions.

CITY SERVICES

The City provides a range of municipal government services to its residents. The City is responsible for police protection services to residents of the City. Fire protection is provided by Gwinnett County through a contractual agreement. The City also offers water service to residents of the City, primarily financed by charges to the City's water customers. The City provides stormwater management to residents of the City, supported by stormwater fees charged to property owners in the City. The City supplies sanitation services (including garbage collection, landfill, and recycling services) to residents of the City, funded by charges to the City's commercial sanitation customers and by General Fund revenues. The City also provides electric service and natural gas service to residents of the City, the cost of which is entirely financed by charges to the City's electric customers and gas customers, respectively. Gas service is also supplied to residents outside the City. The City also offers recreational and cultural activities, traffic control, municipal court, and E911 services to its residents and acquires, constructs, and maintains roads and infrastructure. The City provides building inspection, code enforcement, and community development services to its residents.

Private entities and other governmental entities provide services and facilities to residents of the City in addition to those provided by the City. Gwinnett County provides sanitary sewer service throughout the City, although some households and businesses in older areas of the City remain on septic systems. There are four privately operated landfills and a private recycling facility in Gwinnett County.



Lawrenceville Police Department Constructed Using 2005 SPLOST Funds

CITY FACILITIES

The City maintains approximately 87.6 miles of streets and 1,622 street lights. The City maintains another 79 miles of street shoulders along state and county roadways within the City.

The City's police department had, as of August 31, 2015, one police station, 70 sworn police officers, 24 civilian employees, and 134 vehicles. The City owns three parks (Bartow Jenkins Park, Rhodes Jordan Park, and Lawrenceville Lawn) containing approximately 12.5 acres, one amphitheater, one playground, one fountain, two sand volley ball courts, 1.1 miles of pedestrian trails, and one picnic area. Rhodes Jordan Park is maintained and operated by Gwinnett County. Lawrenceville Lawn consists of seven acres of park and event space near the center of the City's downtown area. Now in its second year of operation, Lawrenceville Lawn hosts concerts, movies, festivals, and provides general outdoor recreation for City residents and tourists.



One of Many Events Held at Lawrenceville Lawn

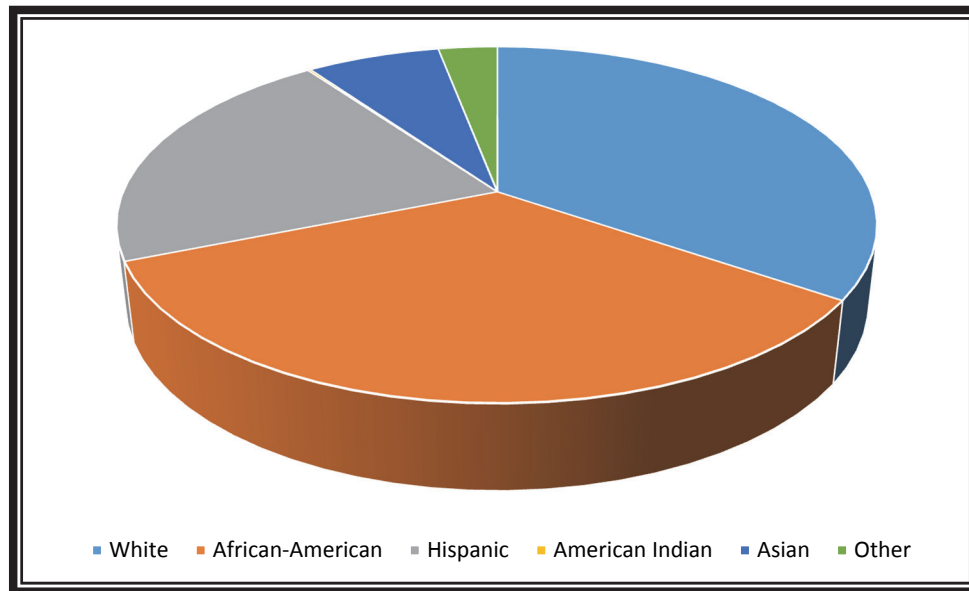
The City owns and operates a water supply, treatment, and distribution system that serves an area that includes the corporate limits of the City and certain designated areas outside the City's corporate limits. The City has several wells and purchases water from Gwinnett County to supplement its water supply. The City's water system has approximately 7,000 metered connections, including residential, commercial, and industrial customers. The major assets of the City's water system consist of approximately 84 miles of distribution pipeline and 750 fire hydrants.

The City also owns and operates a retail electric distribution system that serves an area including most of the corporate limits of the City and certain designated areas outside the City's corporate limits. The City's electric system has approximately 10,850 customer accounts. The major assets of the City's electric system consist of five delivery points and approximately 170 miles of distribution line.

The City also is in possession of a retail natural gas distribution system that serves an area that includes the corporate limits of the City and certain designated areas outside the City's corporate limits, including portions of Gwinnett County, Rockdale County, and Walton County. The City's gas system serves an approximately 230 square mile area containing an estimated population in excess of 115,000 and has approximately 46,100 customer accounts. The major assets of the City's gas system consist of two delivery points, a third delivery point currently under construction, 135 regulatory stations, 58 miles of high pressure pipeline, and approximately 1,276 miles of distribution pipeline.

DEMOGRAPHIC INFORMATION

According to the population estimates provided by the United States Census Bureau, the population in Lawrenceville is approximately 30,212. From 2010 until 2014, the City has added 1,666 residents, a 5.8% increase. The median age of the residents of the City is 33.8 years, and 52.1% of the population is female while 47.9% is male. The following chart demonstrates the racial composition of the City.



Racial Composition of the City of Lawrenceville

ECONOMIC INFORMATION

The City has historically been known as an economic hub for Gwinnett County due to its central location and its status as the county seat. Due to the presence of Gwinnett Medical Center, Georgia Gwinnett College and the Gwinnett County government and court system, the economic base is primarily represented by health care and social services, government services, and education which represents more than 55% of the employment in Lawrenceville.

In preparation for issuing its Series 2015 Lawrenceville Building Authority Revenue Bonds, the City of Lawrenceville was issued a bond rating of AA- from Standard & Poor's (S&P) and a rating of Aa3 from Moody's. According to S&P, this rating is due in part to the City's "strong management, with 'good' financial policies and practices."

The Council has continued to seek out new methods of encouraging growth and development within the City. In September 2015, the City announced its Economic Development Strategic Plan which is supported by elected officials and key stakeholders within the community. The purpose of the strategic plan is to serve as a framework to guide the City in recruiting new business, retaining current businesses, and improving the quality of life for both current and future residents while simultaneously preserving the City's cultural and historic assets. Some of the key

components of the strategic plan include Downtown revitalization, creating more diverse housing opportunities, and workforce development.

Niche.com named the City of Lawrenceville one of its “Best Suburbs in Atlanta Metro” for 2015. The City was given “A” or “A-” grades for Things to Do, Easiest Commute, Education, Community, and Health & Fitness. Following the Great Recession, the City of Lawrenceville has experienced a resurgence in construction activity. Construction of single-family homes has increased from 7 permits issued in FY 2010 to 69 permits in FY 2015. Zillow indicates that home values increased by 6.2% for 2015 with an average home value of \$159,700 in August 2015.

CITY AMENITIES

The Gwinnett County Historic Courthouse Grounds, maintained by Gwinnett County, is located at the center of the City’s historic downtown area. The downtown area offers residents and visitors an array of sightseeing, shopping, dining, and other entertainment opportunities within walking distance of the historic courthouse. The Aurora Theatre, Gwinnett County’s only professional theatre is located in the downtown area. *Sleepy Hollow*, a popular television show, is also filmed in downtown Lawrenceville.



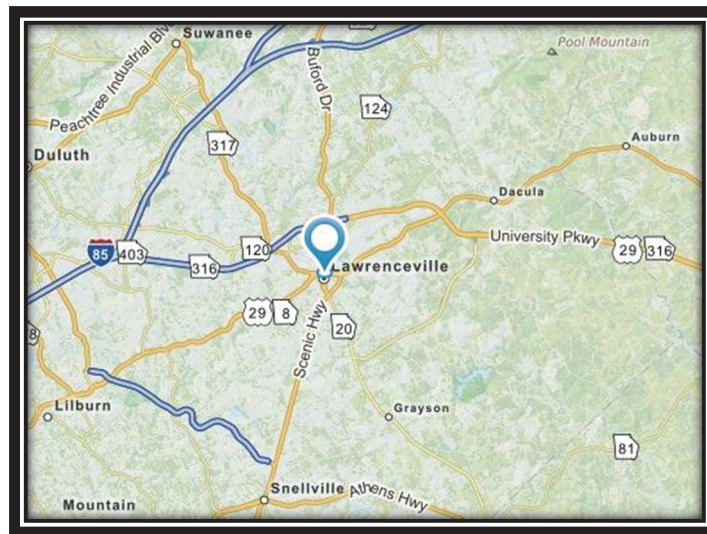
Gwinnett County Historic Courthouse

The Gwinnett County Library System serves the City with one branch inside the corporate limits of the City and two additional branches located in unincorporated Gwinnett County just outside the City.

Several nearby hospitals and medical centers are available to residents of the City. Gwinnett Medical Center, with its flagship, full-service hospital located in the City limits, is a 553-bed, not-for-profit health care network that provides a wide array of high-quality healthcare services and facilities. The Lawrenceville campus includes the Strickland Heart Center, which performs open heart surgery, Gwinnett Day Surgery, the Gwinnett Extended Care Center, and the Gwinnett Women’s Pavilion, a free-standing hospital for women. In addition, Gwinnett Medical Center

operates a community hospital in Duluth, Georgia, approximately seven miles north of the City, which provides acute and emergency care services.

The City is well connected to the region via multiple roadways that extend through the City. Highways serving the City include U.S. Interstate 85, State Route 316, U.S. Route 29, and U.S. Route 78 (Stone Mountain Freeway). The Metropolitan Atlanta Rapid Transit Authority (“MARTA”) provides bus and heavy rail transportation in neighboring DeKalb and Fulton Counties. The Gwinnett County Bus System is designed to provide linkages with the MARTA system. The closest MARTA rail station to the City is located approximately 20 miles south. Private air service is available at the Gwinnett County Airport-Briscoe Field, which is located in the City, and DeKalb-Peachtree Airport, which is located in Chamblee, Georgia. Commercial air service is available at Hartsfield-Jackson Atlanta International Airport, which is located approximately 50 miles south of the City.



Access to Several Major Highways

Public education in the City is provided by Gwinnett County School District, which is the largest public school system in Georgia. There are three high schools (Central Gwinnett, Phoenix, and Discovery) located in the City limits and three more (Mountain View, Collins Hill, and Archer) that serve the surrounding area. The high schools in the City limits are currently supported by three middle schools (Jordan, Moore, and Richards) and eight elementary schools (Benefield, Baggett, Alford, Cedar Hill, Lawrenceville, Simonton, Margaret Winn Holt, and Jenkins). In addition, a public charter school, the Gwinnett School of Math, Science, and Technology (GSMST), is located just outside the City limits. GSMST is ranked by U.S. News and World Report 1st in the State of Georgia and 4th nationally for academic performance.

Georgia Gwinnett College, a four-year, bachelor-degree granting institution of the University System of Georgia, is located in the City and serves approximately 11,000 students. Gwinnett Technical College, a vocational school of the Technical College System of Georgia, is located just outside the corporate limits of the City and serves approximately 18,000 students. Many

additional colleges, universities, and vocational schools serving the Atlanta area are located within a fifty-mile radius of the City.

LONG-TERM FINANCIAL PLANNING

The City issued \$56.7 million of revenue bonds in September 2015 (subsequent to year-end) to complete several major capital improvement projects. Some of the projects to be undertaken include improvements to the gas system, construction of the Georgia Gwinnett College Corridor which will link the downtown area to Georgia Gwinnett College, and construction of a new public works facility. The Georgia Gwinnett College Corridor will be a parkway complete with walking trails and bike paths as well as a linear park along the road.

FINANCIAL INFORMATION

In accordance with the laws of the State of Georgia, the City adopts annual appropriated budgets for all governmental funds. These budgets are created on a basis consistent with generally accepted accounting principles and adopted through the passage of an annual budget ordinance. The Lawrenceville Downtown Development Authority (DDA), a blended component unit, is a separate entity from the City and adopts its own budget from which to operate.

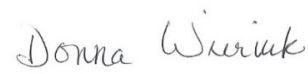
City management is responsible for maintaining an internal accounting control system. Its purpose is to ensure that City assets are protected from loss, theft and misuse, and to make sure that sufficient accounting data is collected to allow for the preparation of financial statements that fairly represent the City's position in conformity with generally accepted accounting principles. These controls should provide reasonable assurance that these objectives are met. Reasonable assurance indicates that the cost of a control should not exceed its perceived benefit and that the evaluation of costs and benefits require estimates and judgment by management.

The City's financial statements have been audited by Mauldin & Jenkins, LLC, a firm of licensed certified public accountants. Mauldin & Jenkins, LLC issued an unmodified opinion on the financial statements for the fiscal year ended August 31, 2015, which is included as the first item in the financial section of this report.

ACKNOWLEDGEMENTS

The preparation of this document would not be possible without the cooperation of all City departments. We appreciate the dedication of each member of these departments for their contribution in preparing this report.

Respectfully,


Donna Wiernik
Finance Director/Treasurer

CITY OF LAWRENCEVILLE, GEORGIA

LIST OF PRINCIPAL OFFICIALS AUGUST 31, 2015

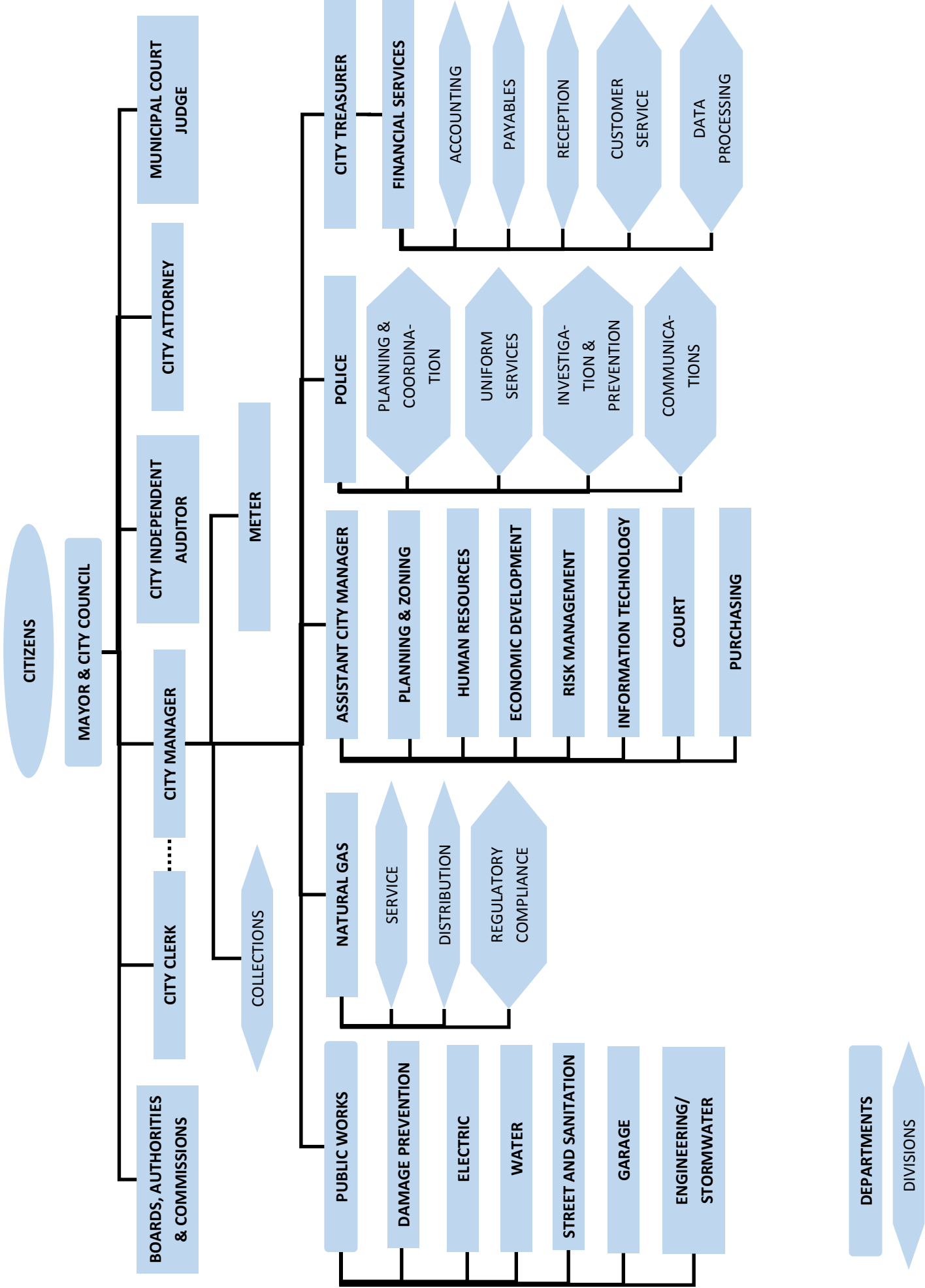
Mayor Judy Jordan Johnson

City Council

Bob Clark
Tony Powell
Keith Roche
David Still

Management

Bob Baroni, City Manager
Steve North, Assistant City Manager



FINANCIAL SECTION





INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
Of City Council
City of Lawrenceville, 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 unit, each major fund, and the aggregate remaining fund information of the **City of Lawrenceville, Georgia (the "City")** as of and for the year ended August 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Lawrenceville, Georgia as of August 31, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedule of funding progress on pages 4-14 and 53, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Lawrenceville, Georgia's basic financial statements. The combining and individual fund financial statements and schedules and the schedule of expenditures of special purpose local option sales tax proceeds, as required by the Official Code of Georgia 48-8-121 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The introductory and statistical sections are also presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules, and the schedule of expenditures of special purpose local option sales tax proceeds (the “supplementary information”) are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 14, 2016, on our consideration of the City of Lawrenceville, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Lawrenceville, Georgia's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Atlanta, Georgia
March 14, 2016

CITY OF LAWRENCEVILLE, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AUGUST 31, 2015

Within this section of the City of Lawrenceville, Georgia's (the "City") basic financial report, the City's management provides narrative discussion and analysis of the financial activities of the City for the fiscal year ended August 31, 2015. The City's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section. The discussion focuses on the City's primary government. Unless otherwise noted, component units, related organization, and joint ventures reported separately from the primary government are not included.

FINANCIAL HIGHLIGHTS

The accounting, financial reporting, and significant practices of the City are discussed in subsequent sections, and the remainder of the Notes are organized to provide explanations and other required disclosures for the City's financial activities.

The City's assets exceeded its liabilities and deferred inflows of resources by \$335,214,525 (net position) as of the end of the fiscal year reported. This compares to the previous year when assets exceeded liabilities and deferred inflows of resources by \$332,672,561.

Total net position is comprised of the following:

- (1) Net investment in capital assets of \$286,378,472 includes land, construction in progress, improvements, vehicles, equipment, and infrastructure, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets.
- (2) Net position of \$10,015,367 is restricted by constraints imposed from outside the City such as grantors, laws, or regulations.
- (3) Unrestricted net position of \$38,820,686 represents the portion available to maintain the City's continuing obligations to citizens and creditors.

The City's governmental funds reported total ending fund balance of \$24,508,452 this year. This compares to the prior year ending fund balance of \$30,020,338 showing a decrease of \$5,511,886 during the current year. Unassigned fund balance of (\$4,701,513) as of the fiscal year ended August 31, 2015 shows a \$13,858,568 decrease from the prior year.

At the end of the fiscal year, unassigned fund balance for the General Fund was (\$4,122,753) or -16.07% of total General Fund expenditures (excluding transfers) and -15.09% of total General Fund expenditures (including transfers out).

Total liabilities of the City increased by \$4,822,709 to \$37,074,688 during the fiscal year. The net OPEB liability for the City increased from the prior fiscal year as a result of a revised calculation meant to reflect the liability more accurately. The effects of this change are explained later in this report.

OVERVIEW OF THE FINANCIAL STATEMENTS

Management's Discussion and Analysis introduces the City's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. The City also includes in this report additional information to supplement the basic financial statements.

Government-wide Financial Statements

The City's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the City's overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The first of these government-wide statements is the Statement of Net Position. This is the City-wide statement of position presenting information that includes all of the City's assets, liabilities, and deferred inflows of resources, with the difference reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the City as a whole is improving or deteriorating. Evaluation of the overall economic health of the City would extend to other nonfinancial factors such as diversification of the taxpayer base or the condition of the City infrastructure in addition to the financial information provided in this report.

The second government-wide statement is the Statement of Activities which reports how the City's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash was received or paid. An important purpose of the design of the Statement of Activities is to show the financial reliance of the City's distinct activities or functions on revenues provided by the City's taxpayers.

Both government-wide financial statements distinguish governmental activities of the City that are principally supported by taxes and intergovernmental revenues such as grants from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, court, planning & zoning, economic development, public safety, and public works. Business-type activities include electric system, gas system, water system utilities, stormwater, and solid waste disposal and management.

The City's financial reporting includes the funds of the City (primary government) and organizations for which the City is accountable (component units). The city had four reportable component units. Other organizations such as related organizations and joint ventures are reported separately and are not included in the City's overall reporting entity.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The City uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the City's most significant funds rather than the City as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the form of combining statements in a later section of this report.

The City has two kinds of funds:

Governmental funds are reported in the fund financial statements and encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the City's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources during the year and balances of spendable resources available at the end of the year. They are useful in evaluating annual financial requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to the government-wide statements to assist in understanding the difference between these two perspectives.

A budgetary comparison statement is included in the basic financial statements for the general fund. Budgetary comparison schedules for special revenue funds can be found in a later section of this report. These statements and schedules demonstrate compliance with the City's adopted and final revised budgets.

Proprietary funds are reported in the fund financial statements and generally report services for which the City charges customers a fee. There are two kinds of proprietary funds - enterprise funds and internal service funds. The City utilizes only enterprise funds. Enterprise funds essentially encompass the same functions as reported as business-type activities in the government-wide statements. Services are provided to customers external to the City organization such as electric, gas, and water utilities, solid waste disposal and management, and stormwater management. These statements provide both long-term and short-term financial information consistent with the focus provided by the government-wide financial statements but with more detail for major enterprise funds. The City has no internal service funds and two non-major enterprise funds.

Notes to the Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin immediately following the fund financial statements.

Other information

Other supplementary information includes details by non-major fund. Supplementary information follows the notes to the financial statements.

Major funds are reported in the basic financial statements as discussed. Combining and individual statements and schedules for non-major funds are presented in a subsequent section of this report.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Net Position

The City's net position (governmental and business-type activities) at fiscal year-end is \$335,214,525. This is a \$2,541,964 increase over last year's net position of \$332,672,561. The following table provides a summary of the City's net position:

	Governmental Activities		Business-type Activities		Total		Percent of Total
	2015	2014	2015	2014	2015	2014	
Assets:							
Current assets	\$ 36,724,764	\$ 41,891,944	\$ 50,849,576	\$ 43,347,343	\$ 87,574,340	\$ 85,239,287	23%
Capital assets, net	233,116,575	228,329,233	53,261,897	52,959,314	286,378,472	281,288,547	77%
Total assets	<u>269,841,339</u>	<u>270,221,177</u>	<u>104,111,473</u>	<u>96,306,657</u>	<u>373,952,812</u>	<u>366,527,834</u>	
Liabilities							
Current liabilities	9,752,783	9,799,936	5,919,603	5,809,786	15,672,386	15,609,722	48%
Long-term liabilities, net	17,399,835	14,048,733	4,002,467	2,593,524	21,402,302	16,642,257	52%
Total liabilities	<u>27,152,618</u>	<u>23,848,669</u>	<u>9,922,070</u>	<u>8,403,310</u>	<u>37,074,688</u>	<u>32,251,979</u>	
Deferred Inflows of Resources							
Unearned property tax	1,663,599	1,603,294	-	-	1,663,599	1,603,294	100%
Total deferred inflows of resources	<u>1,663,599</u>	<u>1,603,294</u>	<u>-</u>	<u>-</u>	<u>1,663,599</u>	<u>1,603,294</u>	
Net Position							
Investment in capital assets	233,116,575	228,329,233	53,261,897	52,959,314	286,378,472	281,288,547	85%
Restricted	10,015,367	6,814,080	-	-	10,015,367	6,814,080	2%
Unrestricted	(2,106,820)	9,625,901	40,927,506	34,944,033	38,820,686	44,569,934	13%
Total net position	<u>\$ 241,025,122</u>	<u>\$ 244,769,214</u>	<u>\$ 94,189,403</u>	<u>\$ 87,903,347</u>	<u>\$ 335,214,525</u>	<u>\$ 332,672,561</u>	

The City reported positive balances in net position for both governmental and business-type activities. Net position decreased \$3,744,092 for governmental activities and increased \$6,286,056 for business-type activities. The City's overall financial position improved during fiscal year ended August 31, 2015. For governmental activities, current assets decreased by \$5,167,180 which is attributed to a \$15,700,194 decrease in cash, cash equivalents and investments. This was offset by an increase in internal balances with an increase of \$4,792,699 from the prior year and an increase of \$5,155,802 in land held for resale. The decrease in current assets was countered by a \$4,787,342 increase in net capital assets which explains the decrease in current assets as they were utilized to purchase land to be used for future development. There was a \$7,440,844 net increase in land utilized for governmental activities for the fiscal year ended August 31, 2015. Liabilities increased \$3,303,949 which is primarily due to a \$3,351,102 increase in long-term liabilities. The increase in long-term liabilities is mainly attributed to a \$4,025,769 increase in the net OPEB obligation due in more than one year offset by a decrease of \$830,000 in bonds payable which was reduced with the scheduled debt service payment during the fiscal year.

In the business-type activities, total assets increased by \$7,804,816. Current assets saw an increase over the prior year in the amount of \$7,502,233. Cash and cash equivalents increased by \$4,946,959 while investments increased by \$3,235,051. Decreases in various receivables offset these increases in current assets. The increase in cash is mainly due to a \$1,893,053 increase in net cash provided by operating activities along with a decrease in the cash outflows for non-capital financing activities in the amount of \$1,419,041. This was offset by increases in cash outflows for capital and related financing activities in the amount of \$2,652,974 and \$379,580 for purchases of investments. The increase in net cash provided by operating activities results primarily from the decrease in payments to suppliers. The decrease in gas purchased for resale in the amount of \$7,670,581 is the main source of the decline in cash outflow for operating activities. The increase in investments is related to the funds invested in the Municipal Electric Association of Georgia (MEAG) Generation Trust Account. The Council approved the increase of the investment amount based on the recommendation from MEAG. This investment represents resources held for future MEAG construction projects. Total liabilities increased \$1,518,760 primarily due to a \$1,381,391 increase for the net OPEB obligation due in more than one year.

Comparative data is accumulated and presented to assist analysis. The following table provides a summary of the City's changes in net position:

City of Lawrenceville
Changes in Net Position

	Governmental Activities		Business-type Activities		Total		Percent of Total
	2015	2014	2015	2014	2015	2014	
Revenues:							
Program revenues:							
Charges for services	\$ 4,019,805	\$ 3,478,384	\$ 76,940,089	\$ 80,375,188	\$ 80,959,894	\$ 83,853,572	85.5%
Operating grants & contr.	1,109,020	1,189,949	-	-	1,109,020	1,189,949	1.2%
Capital grants & contr.	5,066,750	5,012,641	-	39,868	5,066,750	5,052,509	5.4%
General revenues:							
Property taxes	2,514,239	2,374,343	-	-	2,514,239	2,374,343	2.7%
Franchise taxes	1,061,585	983,876	-	-	1,061,585	983,876	1.1%
Excise taxes	804,926	800,987	-	-	804,926	800,987	0.9%
Hotel/Motel taxes	307,997	290,510	-	-	307,997	290,510	0.3%
Insurance premium tax	1,531,262	1,472,516	-	-	1,531,262	1,472,516	1.6%
Financial institution taxes	128,810	145,515	-	-	128,810	145,515	0.1%
Other taxes	210,586	81,865	-	-	210,586	81,865	0.2%
Unrestricted interest	101,141	139,571	-	-	101,141	139,571	0.1%
Miscellaneous	-	-	14,087	-	14,087	-	0.0%
Gain on sale of assets	847,957	-	-	7,255	847,957	7,255	0.9%
Total revenues	17,704,078	15,970,157	76,954,176	80,422,311	94,658,254	96,392,468	100%
Expenses:							
General government	8,401,997	7,435,878	-	-	8,401,997	7,435,878	9.1%
Judicial	984,769	791,195	-	-	984,769	791,195	1.1%
Public safety	12,384,360	10,748,892	-	-	12,384,360	10,748,892	13.4%
Public works	8,775,978	8,205,137	-	-	8,775,978	8,205,137	9.5%
Culture and recreation	132,685	254,371	-	-	132,685	254,371	0.1%
Housing and development	1,488,240	714,604	-	-	1,488,240	714,604	1.6%
Interest on long-term debt	194,213	214,446	-	-	194,213	214,446	0.2%
Water & Sewer	-	-	5,107,221	4,612,198	5,107,221	4,612,198	5.5%
Electric	-	-	26,543,376	25,038,603	26,543,376	25,038,603	28.8%
Gas	-	-	26,050,393	32,696,627	26,050,393	32,696,627	28.3%
Solid waste	-	-	1,974,062	1,717,250	1,974,062	1,717,250	2.1%
Stormwater	-	-	78,996	144,407	78,996	144,407	0.1%
Total expenses	32,362,242	28,364,523	59,754,048	64,209,085	92,116,290	92,573,608	100%
Excess (deficiency) of revenues over (under) expenditures before transfers	(14,658,164)	(12,394,366)	17,200,128	16,213,226	2,541,964	3,818,860	
Transfers in (out)	10,914,072	7,474,819	(10,914,072)	(7,474,819)	-	-	
Change in net position	(3,744,092)	(4,919,547)	6,286,056	8,738,407	2,541,964	3,818,860	
Net position, beginning	244,769,214	249,688,761	87,903,347	79,164,940	332,672,561	328,853,701	
Net position, ending	<u>\$ 241,025,122</u>	<u>\$ 244,769,214</u>	<u>\$ 94,189,403</u>	<u>\$ 87,903,347</u>	<u>\$ 335,214,525</u>	<u>\$ 332,672,561</u>	

GOVERNMENTAL REVENUES

Taxes are the main source of revenues for the operations of the City. Taxes provided 22.92% of the City's total governmental revenues (including transfers in) during the current fiscal year. Business-type activities subsidize governmental activities to cover the cost of governmental activities without substantial increases in taxes. The largest decrease in the governmental revenues was noted in the operating grants and contributions, which decreased by \$80,929 or 6.80%. This decrease was due to a reduction in the local operating contributions from the County for the operations of the City's E911

activities during the year ended August 31, 2015. The largest increase in governmental revenues occurred with a gain on sale of assets due to the sale of land to the Gwinnett County Board of Education which resulted in an \$847,957 gain. Another significant increase in government revenues occurred in charges for service with an increase of \$541,421. This increase is attributed to an increase in Judicial-related charges for service, which noted an increase of \$541,421 for the fiscal year ended August 31, 2015.

GOVERNMENTAL EXPENSES

Total governmental activities costs for the current fiscal year were \$32,362,242. Of this amount, public safety with \$12,384,360 was the largest operating cost, at 38.38% of the total cost for services provided during the fiscal year ended August 31, 2015. Total expenses of the governmental activities increased approximately 13.74%. The largest increase occurred in the public safety function where expenses increased by \$1,635,468 over the prior year. This increase is mainly a result of the increased net OPEB obligation in the amount of \$1,729,737.

BUSINESS-TYPE REVENUES

Program revenues for the combined business-type activities decreased from the prior year, seeing a decline of approximately 4.32% or (\$3,474,967). The largest decrease was within the Gas System Fund where charges for services declined by \$3,820,265 or 9.24% from the prior year resulting from decreased consumption.

BUSINESS-TYPE EXPENSES

The expenses of the Water System Fund increased by \$495,023 or 10.73% while the expenses of the Gas System Fund decreased by \$6,646,234 or 20.33%. The increase in the Water System Fund was primarily caused by the increase in the cost of water, which increased by approximately \$365,000. The decrease in the Gas System Fund was primarily caused by the decrease in the cost of gas purchased for resale, which decreased by \$7,670,581. The expenses of the Electrical System Fund increased by \$1,504,773 or 6.00% resulting from a \$1,291,921 increase in electricity purchased for resale, an \$82,407 increase in depreciation expense, and a \$117,726 increase in the OPEB annual contribution.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Governmental Funds

As discussed, governmental funds are reported in the fund statements with a short-term, inflows and outflows of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$24,508,452. Of this year-end total, (\$4,701,513) is unassigned indicating availability (or lack thereof) for continuing City service requirements. Nonspendable fund balances include \$128,204 for prepaid insurance, \$4,881,000 for advances to other funds, and \$14,185,394 for land held for resale. Restricted fund balances include \$1,189,398 for public safety, \$47,714 for culture

and recreation, \$11,190 for housing and development, \$536,657 for emergency telephone system activities, and \$8,230,408 for capital projects.

The total ending fund balances of governmental funds show a decrease of \$5,511,886 over the prior year. This decrease is primarily the result of the events and programs described with the analysis of the City's governmental activities.

Major Governmental Funds

The General Fund is the City's primary operating fund and the largest source of day-to-day service delivery. The fund balance of the General Fund decreased by \$8,576,288 for the fiscal year ended August 31, 2015. Net transfers in from the enterprise funds of \$6,055,777 helped to offset increases in governmental expenditures. The General Fund's decrease in fund balance is a result of a combination of factors, primarily the purchase of capital assets in the amount of \$5,981,917, mostly consisting of land for the purpose of future development, the cost of which reduced the amount of current assets. Other causes include an increase of total liabilities of \$483,018, attributed to a \$340,772 increase in accounts payable and an \$82,336 increase in accrued liabilities. Deferred inflows of resources also increased \$391,859 for the fiscal year ended August 31, 2015.

The Downtown Development Authority's fund balance decreased by \$86,055 for the fiscal year ended August 31, 2015. This decrease is largely a result of the increase in debt service payments during the current year.

The Series 2015 Project Fund was created during the fiscal year ended August 31, 2015. The fund reported transfers in from the Gas System Fund as an advance for the capital projects which will be funded with the proceeds from the 2015 Series Revenue Bonds.

Proprietary Funds

The proprietary fund statements share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status.

Major Proprietary Funds

The Electrical System Fund provides electricity to the City's residential and commercial customers. The City strives to maintain competitive rates to its customers while providing electric utility services. The City's electric utilities are reported within business-type activities in the government-wide statements. The fund reported an increase in net position of \$4,387,546 despite reporting transfers of \$1,649,000 to supplement the General Fund. Total assets increased \$4,723,547 mainly from increases in cash in the amount of \$1,714,821 and investments in the amount of \$3,235,051 which is the amount paid into the MEAG Generation Trust Account as discussed previously. Total liabilities increased \$336,001 due to a combination of increases in accounts payable, accrued liabilities, and net OPEB liability.

The Gas System Fund provides natural gas to the City's residential and commercial customers. The City strives to maintain competitive rates to its customers while providing natural gas utility services. The City's gas utilities are reported within business-type activities in the government-wide statements. The fund reported an increase in net position of \$1,601,484 despite reporting transfers of \$5,000,000 to supplement the General Fund and \$4,858,295 to the Series 2015 Project Fund for construction projects. Total assets increased \$7,295,709 resulting from a \$3,546,986 increase in prepaid construction costs and a \$2,751,887 increase in cash. The increase in cash is due to less expense related to gas purchased for resale. Total liabilities increased \$5,694,225 primarily caused by \$4,858,294 due to the Series 2015 Project Fund for the advance funding of construction costs of governmental improvement projects. This amount will be repaid with the issuance of the Series 2015 Revenue Bonds which were issued in September 2015. Net OPEB liability also increased \$749,899 from the prior year.

The Water System Fund provides water to the City's residential and commercial customers. The City strives to maintain competitive rates to its customers while providing safe drinking water. The City's water utilities are reported within business-type activities in the government-wide statements. Net position increased \$86,417; however, the fund still reports a negative unrestricted net position of \$2,063,920 as of August 31, 2015. Total assets increased \$22,634, which is attributed to a \$293,457 increase in capital assets offset by a \$270,823 decrease in current assets, consisting of \$216,853 decrease in cash and a \$53,970 decrease in receivables. The increase in capital assets is attributed to the installation of AMR meters in the amount of \$692,122, the purchase of vehicles for \$25,999, the installation of raw water lines in the amount of \$228,287, and an increase in construction in progress for wells in the amount of \$8,580. This was offset by an increase in accumulated depreciation in the amount of \$695,881, and the water distribution system in the amount of \$259,838. Total liabilities decreased \$63,783 resulting from a combination of a decrease in current liabilities of \$215,768 and an increase of \$151,885 in long-term liabilities, due to an increase in net OPEB liability. The decrease in current liabilities is due to a \$466,115 increase in accounts payable offset by a \$241,804 decrease in accrued sewer fees to the Gwinnett County.

GENERAL FUND BUDGETARY HIGHLIGHTS

The General Fund budget for fiscal year ended August 31, 2015 was \$32,590,020. This was an increase of \$7,146,439 over the originally adopted budget for the year. The majority of the increase in the amended budget relates to approximately \$5,000,000 of increases in land acquisitions which were not anticipated in the original budget. Except as noted, these amendments were to be substantially funded with unappropriated fund balance. The prior year fund balance for the City's capital plan was incorporated in the budget amendments as well as revenue and expenditure revisions. Actual results were within 21.29% of budgeted amounts.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The City's net investment in capital assets for governmental and business-type activities as of August 31, 2015 was \$233,116,575 and \$53,261,897, respectively. The total increase in this net investment was 2.10% for governmental and an increase of 0.57% for business-type activities. The overall increase was 1.81% for the City as a whole. See Note 6 for additional details.

Capital Assets, Net of Accumulated Depreciation

	Capital Assets (Net of depreciation)					
	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Land	\$ 73,925,006	\$ 66,484,162	\$ 1,246,977	\$ 1,065,977	\$ 75,171,983	\$ 67,550,139
Construction in progress	6,650,181	4,692,268	1,856,915	1,487,026	8,507,096	6,179,294
Plants and buildings	27,430,123	27,947,361	13,996,002	13,318,556	41,426,125	41,265,917
Improvements	3,112,741	3,230,326	-	-	3,112,741	3,230,326
Vehicles	2,056,582	2,257,805	938,635	727,716	2,995,217	2,985,521
Equipment	2,162,318	2,507,390	4,847,555	4,674,379	7,009,873	7,181,769
Infrastructure	117,779,624	121,209,921	-	-	117,779,624	121,209,921
Utility systems	-	-	30,375,813	31,685,660	30,375,813	31,685,660
Total	<u>\$ 233,116,575</u>	<u>\$ 228,329,233</u>	<u>\$ 53,261,897</u>	<u>\$ 52,959,314</u>	<u>\$ 286,378,472</u>	<u>\$ 281,288,547</u>

Long-term Debt

The City reports the long-term debt of the Downtown Development Authority (the "DDA"), a blended component unit of the City. The DDA's long-term debt as of August 31, 2014 was \$8,255,000 of economic development bonds. During the year ended August 31, 2015, the City made debt service payments of \$830,000 to reduce the outstanding balance to \$7,425,000 as of August 31, 2015. The City has agreed, through an intergovernmental agreement, to pay the debt service of the DDA bonds to the extent the DDA does not have resources to make such payments. See Note 7 for further details.

In preparation for issuing its Series 2015 Lawrenceville Building Authority Revenue Bonds, the City of Lawrenceville was issued a bond rating of AA- from Standard & Poor's (S&P) and a rating of Aa3 from Moody's. According to S&P, this rating is due in part to the City's "strong management, with 'good' financial policies and practices."

ECONOMIC ENVIRONMENT AND NEXT YEAR'S BUDGETS

The general outlook for the City of Lawrenceville, Georgia's economy for next year is moderate growth. The City has a low to moderate cost of living and relatively low unemployment. The City has not experienced any major downturns in the economy and has a stable economic environment.

For the fiscal year 2015-16, the City Council approved a total budget of \$104.97 million. This budget includes operating and non-operating funds. The General Fund budget is \$35.8 million, which includes approximately \$19.6 million operating subsidy from business-type activities (Proprietary

Funds). The City's budgets and relative fund balances are maintained in compliance with the City's adopted financial policies.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the City's finances, comply with finance-related laws and regulations, and demonstrate the City's commitment to public accountability. If you have any questions about this report or would like to request additional information, contact the City Manager, at P. O. Box 2200, Lawrenceville, Georgia 30046.

CITY OF LAWRENCEVILLE, GEORGIA

**STATEMENT OF NET POSITION
AUGUST 31, 2015**

ASSETS	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Lawrenceville Tourism and Trade Association
Cash and cash equivalents	\$ 10,061,738	\$ 19,034,683	\$ 29,096,421	\$ 192,198
Investments	-	26,523,944	26,523,944	-
Taxes receivable, net of allowances	1,667,077	-	1,667,077	-
Accounts receivable, net of allowances	967,703	10,483,257	11,450,960	-
Due from other governments	975,354	-	975,354	-
Internal balances	8,739,294	(8,739,294)	-	-
Land held for resale	14,185,394	-	14,185,394	-
Prepaid items	128,204	3,546,986	3,675,190	-
Capital assets:				
Non-depreciable	80,575,187	3,103,892	83,679,079	-
Depreciable, net of accumulated depreciation	152,541,388	50,158,005	202,699,393	-
Total assets	269,841,339	104,111,473	373,952,812	192,198
LIABILITIES				
Accounts payable	1,168,515	5,114,000	6,282,515	1,050
Accrued liabilities	1,288,945	794,228	2,083,173	-
Customer deposits	7,295,323	11,375	7,306,698	-
Interest payable	15,469	-	15,469	-
Net OPEB obligation due in more than one year	9,282,524	3,768,555	13,051,079	-
Compensated absences, due within one year	265,921	116,955	382,876	-
Compensated absences, due in more than one year	265,921	116,957	382,878	-
Claims and judgements payable, due within one year	145,000	-	145,000	-
Bonds payable, due within one year	850,000	-	850,000	-
Bonds payable, due in more than one year	6,575,000	-	6,575,000	-
Total liabilities	27,152,618	9,922,070	37,074,688	1,050
DEFERRED INFLOWS OF RESOURCES				
Unearned revenue - property taxes	1,663,599	-	1,663,599	-
Total deferred inflows of resources	1,663,599	-	1,663,599	-
NET POSITION				
Investment in capital assets	233,116,575	53,261,897	286,378,472	-
Restricted for:				
Public safety	1,189,398	-	1,189,398	-
Culture and recreation	47,714	-	47,714	191,148
Housing and development	11,190	-	11,190	-
Emergency telephone activities	536,657	-	536,657	-
Capital projects	8,230,408	-	8,230,408	-
Unrestricted	(2,106,820)	40,927,506	38,820,686	-
Total net position	\$ 241,025,122	\$ 94,189,403	\$ 335,214,525	\$ 191,148

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

CITY OF LAWRENCEVILLE, GEORGIA

**STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED AUGUST 31, 2015**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary government:				
Governmental activities:				
General government	\$ 8,401,997	\$ 1,485,410	\$ -	\$ -
Judicial	984,769	2,453,774	-	-
Public safety	12,384,360	71,926	1,109,020	-
Public works	8,775,978	3,025	-	1,103,258
Culture and recreation	132,685	5,670	-	3,963,492
Housing and development	1,488,240	-	-	-
Interest on long-term debt	194,213	-	-	-
Total governmental activities	<u>32,362,242</u>	<u>4,019,805</u>	<u>1,109,020</u>	<u>5,066,750</u>
Business-type activities:				
Water & Sewer	5,107,221	5,179,551	-	-
Electric	26,543,376	32,579,922	-	-
Gas	26,050,393	37,510,172	-	-
Solid waste	1,974,062	954,231	-	-
Stormwater	78,996	716,213	-	-
Total business-type activities	<u>59,754,048</u>	<u>76,940,089</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 92,116,290</u>	<u>\$ 80,959,894</u>	<u>\$ 1,109,020</u>	<u>\$ 5,066,750</u>
Component unit:				
Lawrenceville Tourism and Trade Association	207,418	77,108	8,283	-
Total component units	<u>\$ 207,418</u>	<u>\$ 77,108</u>	<u>\$ 8,283</u>	<u>\$ -</u>
General revenues:				
Property taxes				
Franchise taxes				
Excise taxes				
Hotel/Motel occupancy taxes				
Insurance premium tax				
Financial institution taxes				
Other taxes				
Unrestricted investment earnings				
Miscellaneous				
Gain on disposal of capital assets				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position, beginning of year				
Net position, end of year				

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

Net (Expenses) Revenues and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	Lawrenceville Tourism and Trade Association
\$ (6,916,587)	\$ -	\$ (6,916,587)	\$ -
1,469,005	-	1,469,005	-
(11,203,414)	-	(11,203,414)	-
(7,669,695)	-	(7,669,695)	-
3,836,477	-	3,836,477	-
(1,488,240)	-	(1,488,240)	-
(194,213)	-	(194,213)	-
<u>(22,166,667)</u>	<u>-</u>	<u>(22,166,667)</u>	<u>-</u>
-	72,330	72,330	-
-	6,036,546	6,036,546	-
-	11,459,779	11,459,779	-
-	(1,019,831)	(1,019,831)	-
-	637,217	637,217	-
-	17,186,041	17,186,041	-
<u>(22,166,667)</u>	<u>17,186,041</u>	<u>(4,980,626)</u>	<u>-</u>
-	-	-	(122,027)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (122,027)</u>
\$ 2,514,239	\$ -	\$ 2,514,239	\$ -
1,061,585	-	1,061,585	-
804,926	-	804,926	-
307,997	-	307,997	141,368
1,531,262	-	1,531,262	-
128,810	-	128,810	-
210,586	-	210,586	-
101,141	-	101,141	-
-	14,087	14,087	-
847,957	-	847,957	-
10,914,072	(10,914,072)	-	-
<u>18,422,575</u>	<u>(10,899,985)</u>	<u>7,522,590</u>	<u>141,368</u>
(3,744,092)	6,286,056	2,541,964	19,341
<u>244,769,214</u>	<u>87,903,347</u>	<u>332,672,561</u>	<u>171,807</u>
<u>\$ 241,025,122</u>	<u>\$ 94,189,403</u>	<u>\$ 335,214,525</u>	<u>\$ 191,148</u>

CITY OF LAWRENCEVILLE, GEORGIA

**BALANCE SHEET
GOVERNMENTAL FUNDS
AUGUST 31, 2015**

ASSETS	General	Downtown	Series 2015	Other	Total
	Fund	Development Authority	Project Fund	Governmental Funds	Governmental Funds
Cash and cash equivalents	\$ 380,252	\$ 412,112	\$ -	\$ 9,269,374	\$ 10,061,738
Taxes receivable, net of allowance	1,614,851	6,628	-	45,598	1,667,077
Accounts receivables, net of allowance	965,203	2,500	-	-	967,703
Due from other governments	226,602	-	-	748,752	975,354
Due from other funds	4,864,317	-	4,858,294	-	9,722,611
Advances to other funds	4,881,000	-	-	-	4,881,000
Prepaid expenditures	128,204	-	-	-	128,204
Land held for resale	5,102,000	9,083,394	-	-	14,185,394
Total assets	\$ 18,162,429	\$ 9,504,634	\$ 4,858,294	\$ 10,063,724	\$ 42,589,081
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 974,856	\$ -	12,001	\$ 181,658	\$ 1,168,515
Accrued liabilities	1,204,819	-	-	84,126	1,288,945
Customer deposits	7,295,323	-	-	-	7,295,323
Due to other funds	-	-	4,846,293	18,024	4,864,317
Advances from other funds	-	1,000,000	-	-	1,000,000
Total liabilities	9,474,998	1,000,000	4,858,294	283,808	15,617,100
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	1,649	-	-	-	1,649
Unavailable revenue - business license	13,246	-	-	-	13,246
Unavailable revenue - fines receivable	560,515	-	-	-	560,515
Unavailable revenue - intergovernmental	224,520	-	-	-	224,520
Unearned revenue - property taxes	1,663,599	-	-	-	1,663,599
Total deferred inflows of resources	2,463,529	-	-	-	2,463,529
FUND BALANCES					
Fund balances:					
Nonspendable:					
Prepaid expenditures	128,204	-	-	-	128,204
Advances to other funds	4,881,000	-	-	-	4,881,000
Land held for resale	5,102,000	9,083,394	-	-	14,185,394
Restricted:					
Public safety	-	-	-	1,189,398	1,189,398
Culture and recreation	-	-	-	47,714	47,714
Housing and development	-	-	-	11,190	11,190
Emergency telephone system activities	-	-	-	536,657	536,657
Capital projects	235,451	-	-	7,994,957	8,230,408
Unassigned	(4,122,753)	(578,760)	-	-	(4,701,513)
Total fund balances	6,223,902	8,504,634	-	9,779,916	24,508,452
Total liabilities, deferred inflows of resources, and fund balances	\$ 18,162,429	\$ 9,504,634	\$ 4,858,294	\$ 10,063,724	

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

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds.	233,116,575
Some receivables are not available to pay for current-period expenditures and, therefore, are reported as unavailable revenue in the funds.	799,930
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	(17,399,835)
Net position of governmental activities	\$ 241,025,122

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

CITY OF LAWRENCEVILLE, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED AUGUST 31, 2015**

	<u>General Fund</u>	<u>Downtown Development Authority</u>	<u>Series 2015 Project Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES					
Taxes	\$ 6,053,547	\$ -	-	\$ 513,119	\$ 6,566,666
Licenses and permits	308,055	-	-	-	308,055
Intergovernmental	896,382	-	-	5,180,308	6,076,690
Fines and forfeitures	2,116,134	-	-	44,166	2,160,300
Charges for services	970,052	5,670	-	-	975,722
Interest income	93,743	1,101	-	21,212	116,056
Miscellaneous	263,378	-	-	1,400	264,778
Total revenues	<u>10,701,291</u>	<u>6,771</u>	<u>-</u>	<u>5,760,205</u>	<u>16,468,267</u>
EXPENDITURES					
Current:					
General government	11,255,362	-	-	-	11,255,362
Judicial	802,333	-	-	-	802,333
Public safety	8,708,665	-	-	1,115,254	9,823,919
Public works	3,820,148	-	-	-	3,820,148
Culture and recreation	-	-	-	132,685	132,685
Housing and development	1,066,638	145,834	-	-	1,212,472
Capital outlay	-	-	4,858,295	983,069	5,841,364
Debt service:					
Principal retirements	-	830,000	-	-	830,000
Interest	-	195,942	-	-	195,942
Total expenditures	<u>25,653,146</u>	<u>1,171,776</u>	<u>4,858,295</u>	<u>2,231,008</u>	<u>33,914,225</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(14,951,855)</u>	<u>(1,165,005)</u>	<u>(4,858,295)</u>	<u>3,529,197</u>	<u>(17,445,958)</u>
OTHER FINANCING SOURCES (USES)					
Proceeds from sale of capital assets	1,020,000	-	-	-	1,020,000
Transfers in	7,027,740	1,078,950	4,858,295	-	12,964,985
Transfers out	<u>(1,672,173)</u>	<u>-</u>	<u>-</u>	<u>(378,740)</u>	<u>(2,050,913)</u>
Total other financing sources (uses)	<u>6,375,567</u>	<u>1,078,950</u>	<u>4,858,295</u>	<u>(378,740)</u>	<u>11,934,072</u>
Net change in fund balance	(8,576,288)	(86,055)	-	3,150,457	(5,511,886)
FUND BALANCES, beginning of year	<u>14,800,190</u>	<u>8,590,689</u>	<u>-</u>	<u>6,629,459</u>	<u>30,020,338</u>
FUND BALANCES, end of year	<u>\$ 6,223,902</u>	<u>\$ 8,504,634</u>	<u>\$ -</u>	<u>\$ 9,779,916</u>	<u>\$ 24,508,452</u>

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

CITY OF LAWRENCEVILLE, GEORGIA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED AUGUST 31, 2015

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

Net change in fund balances - total governmental funds	\$	(5,511,886)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.		4,903,085
The net effect of various miscellaneous transactions involving capital assets (i.e., donations, disposal, and sales) is to decrease net position.		(115,743)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		331,554
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount represents repayments of the principal of long-term debt.		830,000
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		<u>(4,181,102)</u>
Change in net position - governmental activities	\$	<u><u>(3,744,092)</u></u>

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

CITY OF LAWRENCEVILLE, GEORGIA

**GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP)
FOR THE YEAR ENDED AUGUST 31, 2015**

	Budget		Actual	Variance With
	Original	Final		Final Budget
REVENUES				
Taxes	\$ 5,963,632	\$ 5,963,632	\$ 6,053,547	\$ 89,915
Licenses and permits	291,450	291,450	308,055	16,605
Fines and forfeitures	2,460,340	2,460,340	2,116,134	(344,206)
Charges for services	800,155	800,155	970,052	169,897
Intergovernmental	629,240	629,240	896,382	267,142
Interest	116,000	116,000	93,743	(22,257)
Miscellaneous	65,890	65,890	263,378	197,488
Total revenues	<u>10,326,707</u>	<u>10,326,707</u>	<u>10,701,291</u>	<u>374,584</u>
EXPENDITURES				
Current:				
General government:				
Financial administration	6,341,755	12,958,961	7,800,661	5,158,300
Data processing	1,467,487	1,467,487	1,368,184	99,303
Meters	1,108,913	1,108,913	904,878	204,035
Garage	788,511	846,972	846,972	-
Risk management	318,411	334,667	334,667	-
Total general government	<u>10,025,077</u>	<u>16,717,000</u>	<u>11,255,362</u>	<u>5,461,638</u>
Court	1,365,296	1,365,296	802,333	562,963
Police	9,272,439	9,272,439	8,708,665	563,774
Street	1,540,913	1,995,429	1,995,429	-
Planning and zoning	1,204,179	1,204,179	1,066,638	137,541
Damage Prevention	1,395,537	1,395,537	1,288,420	107,117
Public Works/Engineering	640,140	640,140	536,299	103,841
Total expenditures	<u>25,443,581</u>	<u>32,590,020</u>	<u>25,653,146</u>	<u>6,936,874</u>
Deficiency of revenues over expenditures	(15,116,874)	(22,263,313)	(14,951,855)	7,311,458
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	53,000	53,000	1,020,000	967,000
Transfers in	-	-	7,027,740	7,027,740
Transfers out	-	(1,672,173)	(1,672,173)	-
Total other financing sources (uses)	<u>53,000</u>	<u>(1,619,173)</u>	<u>6,375,567</u>	<u>7,994,740</u>
Net change in fund balances	(15,063,874)	(23,882,486)	(8,576,288)	15,306,198
FUND BALANCES, beginning of year	<u>14,800,190</u>	<u>14,800,190</u>	<u>14,800,190</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ (263,684)</u>	<u>\$ (9,082,296)</u>	<u>\$ 6,223,902</u>	<u>\$ 15,306,198</u>

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

CITY OF LAWRENCEVILLE, GEORGIA

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS
AUGUST 31, 2015**

Business-type Activities - Enterprise Funds					
ASSETS	Water System Fund	Electrical System Fund	Gas System Fund	Nonmajor Enterprise Funds	Totals
CURRENT ASSETS					
Cash	\$ 1,665,045	\$ 7,199,697	\$ 8,512,038	\$ 1,657,903	\$ 19,034,683
Investments	-	26,523,944	-	-	26,523,944
Accounts receivable, net of allowance	1,648,153	6,006,653	2,648,519	179,932	10,483,257
Prepaid items	-	-	3,546,986	-	3,546,986
Total current assets	<u>3,313,198</u>	<u>39,730,294</u>	<u>14,707,543</u>	<u>1,837,835</u>	<u>59,588,870</u>
CAPITAL ASSETS					
Non-depreciable	1,482,876	11,316	1,608,700	1,000	3,103,892
Depreciable, net of accumulated depreciation	16,015,399	14,220,093	17,066,015	2,856,498	50,158,005
	<u>17,498,275</u>	<u>14,231,409</u>	<u>18,674,715</u>	<u>2,857,498</u>	<u>53,261,897</u>
Total assets	<u>20,811,473</u>	<u>53,961,703</u>	<u>33,382,258</u>	<u>4,695,333</u>	<u>112,850,767</u>
LIABILITIES					
CURRENT LIABILITIES					
Accounts payable	780,595	3,204,509	1,024,148	104,748	5,114,000
Accrued liabilities	268,342	47,561	447,950	30,375	794,228
Deposits payable	-	11,375	-	-	11,375
Compensated absences payable, current	9,926	49,633	30,601	26,795	116,955
Due to other funds	-	-	4,858,294	-	4,858,294
Total current liabilities	<u>1,058,863</u>	<u>3,313,078</u>	<u>6,360,993</u>	<u>161,918</u>	<u>10,894,852</u>
NONCURRENT LIABILITIES					
Compensated absences payable	9,927	49,633	30,601	26,796	116,957
Advance from other funds	3,881,000	-	-	-	3,881,000
Net OPEB liability	427,328	579,690	2,073,220	688,317	3,768,555
Total noncurrent liabilities	<u>4,318,255</u>	<u>629,323</u>	<u>2,103,821</u>	<u>715,113</u>	<u>7,766,512</u>
Total liabilities	<u>5,377,118</u>	<u>3,942,401</u>	<u>8,464,814</u>	<u>877,031</u>	<u>18,661,364</u>
NET POSITION					
Investment in capital assets	17,498,275	14,231,409	18,674,715	2,857,498	53,261,897
Unrestricted	(2,063,920)	35,787,893	6,242,729	960,804	40,927,506
Total net position	<u>\$ 15,434,355</u>	<u>\$ 50,019,302</u>	<u>\$ 24,917,444</u>	<u>\$ 3,818,302</u>	<u>\$ 94,189,403</u>

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

CITY OF LAWRENCEVILLE, GEORGIA

**STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2015**

	Business-type Activities - Enterprise Funds				Totals
	Water System Fund	Electrical System Fund	Gas System Fund	Nonmajor Enterprise Funds	
OPERATING REVENUE					
Charges for sales and services	\$ 5,025,465	\$ 32,510,058	\$ 36,133,199	\$ 1,612,788	\$ 75,281,510
Other fees	154,086	69,864	1,376,973	57,656	1,658,579
Total operating revenue	5,179,551	32,579,922	37,510,172	1,670,444	76,940,089
OPERATING EXPENSES					
Salaries and benefits	909,924	1,256,379	3,395,384	1,240,015	6,801,702
General operating expenses	3,501,353	24,271,867	21,348,254	700,086	49,821,560
Depreciation	695,944	1,012,730	1,306,755	112,957	3,128,386
Total operating expenses	5,107,221	26,540,976	26,050,393	2,053,058	59,751,648
Operating income (loss)	72,330	6,038,946	11,459,779	(382,614)	17,188,441
NON-OPERATING REVENUE (EXPENSES)					
Loss on disposal of assets	-	(2,400)	-	-	(2,400)
Miscellaneous revenues	14,087	-	-	-	14,087
Total non-operating revenues (expenses)	14,087	(2,400)	-	-	11,687
Net income (loss) before transfers	86,417	6,036,546	11,459,779	(382,614)	17,200,128
Transfers in	-	-	-	593,223	593,223
Transfers out	-	(1,649,000)	(9,858,295)	-	(11,507,295)
Total transfers	-	(1,649,000)	(9,858,295)	593,223	(10,914,072)
Change in net position	86,417	4,387,546	1,601,484	210,609	6,286,056
Total net position, beginning of year	15,347,938	45,631,756	23,315,960	3,607,693	87,903,347
Total net position, end of year	\$ 15,434,355	\$ 50,019,302	\$ 24,917,444	\$ 3,818,302	\$ 94,189,403

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

CITY OF LAWRENCEVILLE, GEORGIA

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED AUGUST 31, 2015

	Business-type Activities - Enterprise Funds				
	Water System Fund	Electrical System Fund	Gas System Fund	Nonmajor Enterprise Funds	Totals
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers and users	\$ 5,233,521	\$ 32,271,927	\$ 37,123,834	\$ 1,744,871	\$ 76,374,153
Payments to suppliers	(3,726,932)	(24,154,281)	(21,235,133)	(657,012)	(49,773,358)
Payments to employees	(748,128)	(1,037,964)	(2,672,574)	(938,073)	(5,396,739)
Net cash provided by operating activities	758,461	7,079,682	13,216,127	149,786	21,204,056
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES					
Transfers in from other funds	-	-	-	593,223	593,223
Transfers out to other funds	-	(1,649,000)	(5,000,001)	-	(6,649,001)
Net cash provided by (used in) non-capital financing activities	-	(1,649,000)	(5,000,001)	593,223	(6,055,778)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Purchase of capital assets	(989,401)	(480,810)	(1,917,253)	(45,905)	(3,433,369)
Deposit with contractor for future construction costs	-	-	(3,546,986)	-	(3,546,986)
Proceeds from sale of material	14,087	-	-	-	14,087
Net cash used in capital and related financing activities	(975,314)	(480,810)	(5,464,239)	(45,905)	(6,966,268)
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of investments	-	(3,235,051)	-	-	(3,235,051)
Net cash used in investing activities	-	(3,235,051)	-	-	(3,235,051)
Net increase (decrease) in cash	(216,853)	1,714,821	2,751,887	697,104	4,946,959
Cash, beginning of year	1,881,898	5,484,876	5,760,151	960,799	14,087,724
Cash, end of year	\$ 1,665,045	\$ 7,199,697	\$ 8,512,038	\$ 1,657,903	\$ 19,034,683
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES					
Operating income (loss)	\$ 72,330	\$ 6,038,946	\$ 11,459,779	\$ (382,614)	\$ 17,188,441
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation	695,944	1,012,730	1,306,755	112,957	3,128,386
Change in assets and liabilities:					
Decrease (increase) in accounts receivable	53,970	(307,995)	(386,338)	74,427	(565,936)
Increase (decrease) in accounts payable	(195,503)	114,936	(94,455)	43,074	(131,948)
Increase (decrease) in accrued liabilities	(17,419)	31,610	207,576	17,348	239,115
Increase (decrease) in due to other funds	(30,076)	(5,921)	(29,598)	-	(65,595)
Increase in customer deposits payable	-	2,650	-	-	2,650
Increase in net OPEB liability	177,607	177,607	732,291	276,278	1,363,783
Increase in compensated absences payable	1,608	15,119	20,117	8,316	45,160
Net cash provided by operating activities	\$ 758,461	\$ 7,079,682	\$ 13,216,127	\$ 149,786	\$ 21,204,056

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

CITY OF LAWRENCEVILLE, GEORGIA
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Lawrenceville, Georgia (the “City”) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

A. Reporting Entity

Incorporated on December 15, 1821, under the laws of the State of Georgia, the City of Lawrenceville operates under a Mayor/Council form of government and provides the following services to its citizens: public safety, public works, parks and recreation, public improvements, and general and administrative services.

The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City. Blended component units, although legally separate entities are, in substance, part of the government's operations. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

Blended Component Units

The Lawrenceville Development Authority (the “LDA”) is responsible for promoting and further developing trade and has been included as a blended component unit, reported as a special revenue fund in the accompanying financial statements. The LDA operates under a seven member board, which is all appointed by the City Council members who can impose their will on the LDA. The only current service provided by the LDA is as a financing mechanism for the City. Financial information with regard to the LDA can be obtained from Lawrenceville City Hall. Separate financial statements for the Lawrenceville Development Authority are not prepared.

The Lawrenceville Downtown Development Authority (the “DDA”) is responsible for promoting and further developing trade, commerce, industry, and employment opportunities within the City of Lawrenceville, Georgia. The DDA operates under a seven-member board, which is all appointed by the City Council members who can impose their will on the DDA. The majority of the DDA's debt service payments is expected to be repaid with the City's resources and will be reported as a blended component unit of the City. The DDA does not issue separate financial statements and is included as a blended component unit in the City's financial report. The DDA is presented as a governmental fund type.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Reporting Entity (Continued)

The Lawrenceville Building Authority (the “LBA”) is responsible for financing the acquisition and construction of various system improvements to the City of Lawrenceville, Georgia’s capital assets. The LBA operates under a five-member board, which is all appointed by the City Council members who can impose their will on the LBA. The majority of the LBA’s debt service payments are expected to be repaid with the City’s resources and will be reported as a blended component unit of the City. The LBA does not issue separate financial statements and is included as a blended component unit in the City’s financial report. The LBA is presented as a proprietary fund type as part of the Gas Services Fund.

Discretely Presented Component Unit

The Lawrenceville Tourism and Trade Association (the “LTTA”) was established in 2003 as a not-for-profit organization for the purpose of promoting civic life, business development, and tourism within the City of Lawrenceville, Georgia. The LTTA operates under a nine-member board, with five members appointed by the Lawrenceville Downtown Development Authority and four members elected by the board. The LTTA’s primary source of revenue is funding from the City, and the City requires the LTTA to present an annual operating budget to Council for approval. The LTTA also cannot issue debt without the approval of the City. The LTTA issues separate financial statements and is included as a discretely presented component unit in the City’s financial report. The LTTA has a fiscal year ended December 31, 2014.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. However, any interfund services provided and used are not eliminated as this process would distort the direct costs and program revenues reported in the various functions. Government-wide financial statements do not provide information by fund but distinguish between the City’s governmental activities and business-type activities. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from discretely presented component units. The statement of net position will include non-current assets and non-current liabilities. In addition, the government-wide statement of activities reflects depreciation expense on the City’s capital assets.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Government-wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to those who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not considered program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds.

C. Measurement Focus, Basis of Accounting and Basis of Presentation

The government-wide financial statements are reported using the economic resource measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

In accordance with GASB Statement No. 33, "Accounting and Financial Reporting for Non-exchange Transactions," the corresponding assets (receivables) in non-exchange transactions are recognized in the period in which the underlying exchange occurs, when an enforceable legal claim has arisen, when all eligibility requirements have been met, or when resources are received, depending on the revenue source.

In accordance with GASB Statement No. 34, major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

The **General Fund** is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The **Downtown Development Authority** accounts for the expenditures incurred in acquiring land to be held for future third party development and the related financing of those acquisitions.

The **Series 2015 Project Fund** accounts for the construction and improvements to the City's governmental activities using proceeds from the City's 2015 Series Revenue Bonds.

The City reports the following major proprietary funds:

The **Water System Fund** accounts for the operation, maintenance, and development of the City's water and sewer system and services.

The **Electrical System Fund** accounts for the operation, maintenance, and development of the City's electrical system.

The **Gas System Fund** accounts for the operation, maintenance, and development of the City's natural gas system.

The City also reports the following fund types:

The **special revenue funds** are used to account for specific revenues, such as confiscations and forfeitures, E911 revenues, hotel/motel tax revenues, and auto excise tax revenues, which are legally restricted to expenditures for particular purposes.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

The **capital project funds** account for financial resources to be used for the acquisition and construction of major capital projects.

The **debt service fund** accounts for the financing activities of the LDA.

The **Solid Waste Fund** accounts for the activities associated with the collection of residential and commercial garbage, including recyclables, non-recyclables, and yard waste. Activity is rendered on a user charge basis.

The **Stormwater Fund** accounts for the collection of fees for upgrades to stormwater drains and related expenses.

In accounting and reporting for its proprietary operations, the government applies all GASB pronouncements. GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, incorporated into the GASB's authoritative literature certain accounting and financial reporting guidance issued on or before November 30, 1989 which does not conflict with or contradict GASB pronouncements.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges for goods and services provided. Operating expenses of the enterprise funds include the cost of these goods and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

D. Budgets

Annual appropriated budgets are adopted for all governmental funds, except for the Lawrenceville Downtown Development Authority, Lawrenceville Development Authority, and the Lawrenceville Building Authority, which are separate entities from the City and are not legally required to adopt annual budgets. The governmental funds' budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual operating budgets are adopted each year through the passage of an annual budget ordinance and amended as required. The City did not adopt a budget for the Series 2015 Project Fund for the fiscal year ended August 31, 2015.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Budgets (Continued)

All appropriations lapse at the end of each year.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the City. Encumbrances outstanding at year end do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year.

E. Deposits and Investments

Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the City. The City pools cash resources of its various funds in order to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balance in the pooled cash accounts is available to meet current operating requirements. Any deposit in excess of the federal depository insured amounts must be collateralized by an equivalent amount of state or U.S. obligations. For purposes of the statement of cash flows, all highly liquid investments with an original maturity of less than 90 days are considered to be cash equivalents.

F. Receivables

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

G. Interfund Receivables and Payables

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

Advances between funds, as reported in the fund financial statements, represent long-term borrowing arrangements with established repayment schedules and are offset by a fund balance account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond August 31, 2015 are recorded as prepaid items in both government-wide and fund financial statements. These items are accounted for using the consumption method.

I. Capital Assets

Capital assets, which include property, plant, equipment, infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), and intangible assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The City has reported infrastructure consistent with the retroactive infrastructure reporting requirements of GASB Statement 34.

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

Capital assets of the primary government, as well as the component units, are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Plants and Buildings	20-50
Machinery and equipment	5-8
Vehicles	3-5
Utility Systems and Infrastructure	20-50

J. Deferred Outflows / Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This 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 that time. The City has no items that qualify for reporting in this category.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Deferred Outflows / Inflows of Resources (Continued)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two types of items that qualify for reporting in this category. The governmental funds report unavailable revenues from property taxes, business licenses, fines, and intergovernmental revenues as these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available. Additionally, the governmental funds balance sheet and government-wide statement of net position will report unearned property tax revenues as a deferred inflow of resources as the amount represents resources associated with an imposed, non-exchange revenue transaction received or reported as a receivable before the period for which the property taxes were levied. These revenues will be recognized as an inflow of resources in the period for which they were levied.

K. Compensated Absences

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

L. 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. Bond premiums and discounts are accrued and amortized over the term of the bonds using the effective interest method. Bonds payable are reported net of the applicable discount or premium. Bond issuance costs are expensed in the year of issuance.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. Fund Equity

Fund equity at the governmental fund financial reporting level is classified as “fund balance.” Fund equity for all other reporting is classified as “net position.”

Fund Balance – Generally, fund balance represents the difference between the assets and liabilities and deferred inflows of resources under the current financial resources measurement focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in those funds can be spent.

Fund balances are classified as follows:

Nonspendable – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.

Restricted – Fund balances are reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, laws or regulations of other governments.

Committed – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by City Council. Approval of a resolution after a formal vote of the City Council is required to establish a commitment of fund balance. Similarly, the City Council may only modify or rescind the commitment by formal vote and adoption of a subsequent resolution.

Assigned – Fund balances are reported as assigned when amounts are constrained by the City’s intent to be used for specific purposes but are neither restricted nor committed. The City Council has retained the authority to make assignments of fund balance.

Unassigned – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The City reports positive unassigned fund balance only in the General Fund. Negative unassigned fund balances may be reported in all funds.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. Fund Equity (Continued)

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: (1) Committed, (2) Assigned, (3) Unassigned.

Net Position – Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources in reporting which utilizes the economic resources measurement focus. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the City has spent) for the acquisition, construction or improvement of those assets.

Net position is reported as restricted using the same definition as used for restricted fund balance as described in the section above. All other net position is reported as unrestricted.

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

N. Management Estimates

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

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NOTES TO FINANCIAL STATEMENTS

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

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that “long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.” The details of this \$17,399,835 difference are as follows:

Bonds payable	\$	(7,425,000)
Accrued interest payable		(15,469)
Compensated absences		(531,842)
Claims and judgements payable		(145,000)
Net OPEB obligation		<u>(9,282,524)</u>
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	\$	<u><u>(17,399,835)</u></u>

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their useful lives and reported as depreciation expense.” The details of this \$4,903,085 difference are as follows:

Capital outlay	\$	11,216,835
Depreciation expense		<u>(6,313,750)</u>
Net adjustment to increase <i>net change in fund balances - total governmental funds</i> to arrive at <i>change in net position - governmental activities</i>	\$	<u><u>4,903,085</u></u>

NOTES TO FINANCIAL STATEMENTS

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS (CONTINUED)

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities (Continued)

Another element of that reconciliation states that “some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.” The details of this \$4,181,102 difference are as follows:

Compensated absences (i.e., vacation)	\$ (12,062)
Accrued interest	1,729
Claims and judgements	(145,000)
Net OPEB Obligation	<u>(4,025,769)</u>
Net adjustment to decrease <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ (4,181,102)</u>

Another element of that reconciliation states that “The net effect of various miscellaneous transactions involving capital assets (i.e., disposals and donations) is to decrease net position.” The details of this \$115,743 difference are as follows:

Disposal of capital assets	\$ (172,043)
Donation of capital assets	<u>56,300</u>
Net adjustment to decrease <i>net changes in fund balances - total governmental funds</i> to arrive at <i>change in net position of governmental activities</i>	<u>\$ (115,743)</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 3. LEGAL COMPLIANCE - BUDGETS

The budget is officially adopted by the governing body prior to the beginning of its fiscal year, or a resolution authorizing the continuation of necessary and essential expenditures to operate the City will be adopted. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level within the fund.

Transfers of appropriations within a department budget or within a non-departmental expenditure category require only the approval of the City Manager. Increases in appropriations in a departmental budget or in a non-departmental expenditure category require approval of the governing body in the form of amendments to the budget resolution.

NOTE 4. DEPOSITS AND INVESTMENTS

Total deposits as of August 31, 2015 are summarized as follows:

Statement of Net Position:	
Cash and cash equivalents	\$ 29,096,421
Investments	26,523,944
	<u>\$ 55,620,365</u>
Cash deposited with financial institutions	\$ 21,896,410
Cash deposited with Georgia Fund 1	352
Investments in the Municipal Competitive Trust	33,723,603
	<u>\$ 55,620,365</u>

Credit risk. State statutes and the City's policies authorize the City to invest in obligations of the State of Georgia or other states, obligations issued by the U.S. government, obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States, obligations of any corporation of the U.S. government, prime bankers' acceptances, the local government investment pool established by state law, repurchase agreements, and obligations of other political subdivisions of the State of Georgia. The City does not have a credit rating policy which provides restrictions or limitations on credit ratings for the City's investments.

NOTES TO FINANCIAL STATEMENTS

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

As of August 31, 2015, the City had the following investments:

Investment	Rating	Fair Value	Weighted Average Maturity
Georgia Fund 1	AAAf	\$ 352	43 days
Certificates of deposit	n/a	8,000,000	12 months
Municipal Competitive Trust	AA+	33,723,603	4.33 years
Total		<u>\$ 41,723,955</u>	

Georgia Fund 1 and the certificates of deposit are reported as a cash equivalents by the City. Additionally, \$7,199,659 of the Municipal Competitive Trust is considered a cash equivalent.

Interest rate risk: The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

The investment in the Georgia Fund 1 represents the City's portion of a pooled investment account operated by the Office of the State Treasurer. The pool consists of U.S. Treasury obligations, securities issued or guaranteed by the U.S. government or any of its agencies or instrumentalities, banker's acceptances, overnight and term repurchase agreements with highly rated counterparties, and collateralized bank accounts. The investment in the Georgia Fund 1 is valued at fair market value.

Custodial credit risk – deposits: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of August 31, 2015, the City's deposits are insured or collateralized as required by state law.

NOTES TO FINANCIAL STATEMENTS

NOTE 5. RECEIVABLES

Property taxes are levied on property values assessed as of January 1, which is also the lien date. The taxes are levied by August 1 based on the assessed value of property as listed on the previous January 1 and are due on October 1 of each year. Property taxes are recorded as receivables and unearned revenues when assessed. Revenues are recognized in the period for which the tax levy relates for the government-wide statements and in the period for which the tax levy relates and is available for the governmental fund statements.

Receivables at August 31, 2015 for the City’s individual major funds and aggregate nonmajor funds, including any applicable allowances for uncollectible accounts, are as follows:

	<u>Taxes</u>	<u>Accounts</u>	<u>Due From Other Governments</u>	<u>Allowance for Uncollectibles</u>	<u>Net Receivable</u>
General Fund	\$ 1,719,799	\$ 1,767,220	\$ 226,602	\$ (906,965)	\$ 2,806,656
Downtown Development Authority	6,628	2,500	-	-	9,128
Other governmental funds	45,598	-	748,752	-	794,350
Water System Fund	-	1,658,098	-	(9,945)	1,648,153
Electrical System Fund	-	6,019,192	-	(12,539)	6,006,653
Gas System Fund	-	2,659,389	-	(10,870)	2,648,519
Nonmajor enterprise funds	-	220,551	-	(40,619)	179,932
	<u>\$ 1,772,025</u>	<u>\$ 12,326,950</u>	<u>\$ 975,354</u>	<u>\$ (980,938)</u>	<u>\$ 14,093,391</u>

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NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS

Primary Government

Capital asset activity for the fiscal year ended August 31, 2015 is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Transfers</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 66,484,162	\$ 7,593,244	\$ -	\$ (152,400)	\$ 73,925,006
Construction in progress	4,692,268	2,986,250	(1,028,337)	-	6,650,181
Total	<u>71,176,430</u>	<u>10,579,494</u>	<u>(1,028,337)</u>	<u>(152,400)</u>	<u>80,575,187</u>
Capital assets, being depreciated:					
Buildings	32,503,577	23,387	-	(137,882)	32,389,082
Improvements	4,441,537	12,855	-	-	4,454,392
Vehicles	6,334,033	527,283	-	(21,986)	6,839,330
Equipment	4,140,234	118,449	-	(10,100)	4,248,583
Infrastructure	221,561,208	11,667	1,028,337	-	222,601,212
Total	<u>268,980,589</u>	<u>693,641</u>	<u>1,028,337</u>	<u>(169,968)</u>	<u>270,532,599</u>
Less accumulated depreciation for:					
Buildings	(4,556,216)	(520,982)	-	118,239	(4,958,959)
Improvements	(1,211,211)	(130,440)	-	-	(1,341,651)
Vehicles	(4,076,228)	(728,506)	-	21,986	(4,782,748)
Equipment	(1,632,844)	(463,521)	-	10,100	(2,086,265)
Infrastructure	(100,351,287)	(4,470,301)	-	-	(104,821,588)
Total	<u>(111,827,786)</u>	<u>(6,313,750)</u>	<u>-</u>	<u>150,325</u>	<u>(117,991,211)</u>
Total capital assets, being depreciated, net	<u>157,152,803</u>	<u>(5,620,109)</u>	<u>1,028,337</u>	<u>(19,643)</u>	<u>152,541,388</u>
Governmental activities capital assets, net	<u>\$ 228,329,233</u>	<u>\$ 4,959,385</u>	<u>\$ -</u>	<u>\$ (172,043)</u>	<u>\$ 233,116,575</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS (CONTINUED)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Transfers</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities:					
Capital assets, not being depreciated:					
Land	\$ 1,065,977	\$ 181,000	\$ -	\$ -	\$ 1,246,977
Construction in Progress	1,487,026	2,611,053	(2,241,164)	-	1,856,915
Total	<u>2,553,003</u>	<u>2,792,053</u>	<u>(2,241,164)</u>	<u>-</u>	<u>3,103,892</u>
Capital assets, being depreciated:					
Plants and Buildings	17,146,647	-	1,083,074	-	18,229,721
Utility Systems	60,472,855	178,526	286,562	-	60,937,943
Vehicles	3,476,986	445,945	-	(47,410)	3,875,521
Machinery and equipment	6,017,905	16,845	871,528	(9,598)	6,896,680
Total	<u>87,114,393</u>	<u>641,316</u>	<u>2,241,164</u>	<u>(57,008)</u>	<u>89,939,865</u>
Less accumulated depreciation for:					
Plants and Buildings	(3,828,091)	(405,628)	-	-	(4,233,719)
Utility Systems	(28,787,195)	(1,774,935)	-	-	(30,562,130)
Vehicles	(2,749,270)	(232,626)	-	45,010	(2,936,886)
Machinery and equipment	(1,343,526)	(715,197)	-	9,598	(2,049,125)
Total	<u>(36,708,082)</u>	<u>(3,128,386)</u>	<u>-</u>	<u>54,608</u>	<u>(39,781,860)</u>
Total capital assets, being depreciated, net	<u>50,406,311</u>	<u>(2,487,070)</u>	<u>2,241,164</u>	<u>(2,400)</u>	<u>50,158,005</u>
Business-type activities capital assets, net	<u>\$ 52,959,314</u>	<u>\$ 304,983</u>	<u>\$ -</u>	<u>\$ (2,400)</u>	<u>\$ 53,261,897</u>

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

Governmental activities:	
General government	\$ 632,408
Public safety	1,184,071
Public works	4,485,312
Judicial	4,829
Housing and development	7,130
Total depreciation expense - governmental activities	<u>\$ 6,313,750</u>
Business-type activities:	
Water System Fund	\$ 695,944
Electrical System Fund	1,012,730
Gas System Fund	1,306,755
Solid Waste Fund	52,125
Stormwater Fund	60,832
Total depreciation expense - business-type activities	<u>\$ 3,128,386</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT

Primary Government

Long-term liability activity for the year ended August 31, 2015 was as follows:

	Beginning Balance Restated	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Revenue bonds	\$ 8,255,000	\$ -	\$ (830,000)	\$ 7,425,000	\$ 850,000
Compensated absences	519,780	405,443	(393,381)	531,842	265,921
Claims and judgements	-	145,000	-	145,000	145,000
Net OPEB obligation	5,256,755	4,250,498	(224,729)	9,282,524	-
Governmental activities Long-term liabilities	<u>\$ 14,031,535</u>	<u>\$ 4,800,941</u>	<u>\$ (1,448,110)</u>	<u>\$ 17,384,366</u>	<u>\$ 1,260,921</u>

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities:					
Compensated absences	\$ 206,360	\$ 143,103	\$ (115,551)	\$ 233,912	\$ 116,955
Net OPEB obligation	2,387,164	1,458,502	(77,111)	3,768,555	-
Business-type activities Long-term liabilities	<u>\$ 2,593,524</u>	<u>\$ 1,601,605</u>	<u>\$ (192,662)</u>	<u>\$ 4,002,467</u>	<u>\$ 116,955</u>

For governmental activities, compensated absences, claims and judgements, and OPEB obligations are liquidated by the General Fund.

Revenue bonds On December 13, 2012, the Lawrenceville Downtown Development Authority (“DDA”) issued \$9,035,000 in Series 2012 Economic Development Revenue Bonds bearing interest at a rate 2.50% per annum payable each February 1 and August 1 with principal payable annually on February 1. The bonds were issued for the purpose of purchasing land in the downtown area to redevelop the business district of the City to promote trade, commerce, industry and employment opportunities in the City.

Concurrent with the issuance of the Series 2012 Economic Development Revenue Bonds, the City and the DDA entered into an intergovernmental agreement whereby the City is required to make payments to the DDA to enable the DDA to pay 100% of the principal and interest payments on the bonds to the extent that the DDA’s debt service reserves are insufficient to cover the full amount of principal and interest payments on the bonds.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

Revenue bonds (Continued)

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

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year Ending August 31,			
2016	\$ 850,000	\$ 175,000	\$ 1,025,000
2017	870,000	153,500	1,023,500
2018	895,000	131,438	1,026,438
2019	915,000	108,813	1,023,813
2020	940,000	85,625	1,025,625
2021-2023	<u>2,955,000</u>	<u>112,063</u>	<u>3,067,063</u>
Total	<u>\$ 7,425,000</u>	<u>\$ 766,439</u>	<u>\$ 8,191,439</u>

NOTE 8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of August 31, 2015 is as follows:

Due to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Other governmental funds	\$ 18,024
General Fund	Series 2015 Project Fund	4,846,293
		<u>\$ 4,864,317</u>
Series 2015 Project Fund	Gas Fund	<u>\$ 4,858,294</u>

The outstanding balances between funds result mainly from the time lag between the dates that transactions are recorded in the accounting system and when payments between funds are made.

Advances to/from other funds are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Water System Fund	\$ 3,881,000
General Fund	Downtown Development Authority	1,000,000
		<u>\$ 4,881,000</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

The amounts payable from the Water System Fund to the General Fund relate to loans made to cover prior year operating shortages which are being repaid over a period of more than one year. Additionally, the General Fund loaned the DDA Fund funds for the purpose of purchasing, renovating and redeveloping properties located in the downtown district. The loan will be repaid over a period of more than one year using proceeds from the sale and leasing of the purchased properties.

Interfund transfers:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
General Fund	Other governmental funds	\$ 378,740
General Fund	Electrical System Fund	1,649,000
General Fund	Gas System Fund	5,000,000
Downtown Development Authority	General Fund	1,078,950
Series 2015 Project Fund	Gas System Fund	4,858,295
Nonmajor enterprise funds	General Fund	593,223
		<u>\$ 13,558,208</u>

Transfers are used to (1) use unrestricted General Fund revenue to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, (2) move revenues from the fund that statutes require to collect them to the fund that statute or budget requires to expend them, and (3) move unrestricted service revenues to the General Fund to supplant property tax revenues.

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NOTES TO FINANCIAL STATEMENTS

NOTE 9. PENSION PLAN

The City of Lawrenceville's Internal Revenue Code Section 401(a) and 457(b) Plans are deferred compensation plans and qualify as a defined contribution pension plan. The Plans are administered by the Government Employees Benefit Corporation (GEBCorp) for all full time employees, excluding elected officials. Monthly contributions to the 401(a) plan are equivalent to 4.00% of regular full-time employees' pay and are 100% contributed by the City. The City's 457(b) plan is voluntary and for participants who elect to contribute a minimum of 4% of their annual compensation, the City will contribute an additional 6% of employee earnings into the 401(a) plan, for a total City contribution of 10%. For those employees who have reached the age of 45 with 10 years of consecutive service, the City will contribute an additional 4.00% of their base salary in the City's 401(a) plan for a total City contribution of 14% of employee earnings. Employees are fully vested at the age of 65. Employees less than 65 years of age vest at the following scale: employees with less than three years of service are not vested; employees with three to four years of service are 20% vested; employees with four to five years of service are 40% vested; employees with five to six years of service are 60% vested; employees with six to seven years of service are 80% vested; and employees with over seven years of service are 100% vested. Plan provisions and contribution requirements are established and may be amended by the City's Council. At August 31, 2015, there were 314 plan members. During the year ending August 31, 2015, employee contributions were \$756,479 and employer contributions were \$1,265,081.

NOTE 10. OTHER POST-EMPLOYMENT BENEFITS

Plan Description

The City of Lawrenceville's OPEB Plan is a single-employer defined benefit healthcare plan administered by Blue Cross Blue Shield for retirees under the age of 65 and by Aetna for retirees over 65. The City provides medical, dental, and vision insurance to retirees and spouses, at no cost to the retiree. Substantially all of the City's employees may become eligible for those benefits after 20 years of service with a minimum retirement age of 55. As of August 31, 2015, there were 36 retirees eligible for the benefits and 269 active employees. The City Council has the authority to establish and amend benefit provisions. The City has not elected to advance fund the plan but rather maintains the plan on a "pay as you go" basis, in that claims are paid as they arise, rather than establishing an irrevocable trust to accumulate restricted funds.

The Plan does not issue separate financial statements.

NOTES TO FINANCIAL STATEMENTS

NOTE 10. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

The following schedule reflects membership for the OPEB Plan as of August 31, 2015, the most recent actuarial valuation:

Active participants	269
Retirees and beneficiaries currently receiving benefits	36
Total	305

The following is a schedule of funding progress:

Valuation Date	(a) Actuarial Value of Assets	(b) Actuarial Accrued Liability (AAL)	(b-a) Unfunded Actuarial Accrued Liability (UAAL)	(a/b) Funded Ratio	(c) Covered Payroll	[(b-a)/c] UAAL as a Percentage of Covered Payroll
08/31/15	\$ -	\$ 42,285,000	\$ 42,285,000	0%	\$ 12,437,000	340.0%

The above schedule of funding progress serves as a surrogate for the funded status and the funding progress of the Plan. See required supplementary information for a history of funding progress which presents a multi-year trend about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Annual OPEB Cost and Net OPEB Obligation

	For The Plan Year Ending August 31, 2015
Annual required contribution	\$ 5,676,000
Interest on net OPEB obligation	306,000
Adjustments to annual required contribution	(273,000)
Annual OPEB cost	5,709,000
Contributions made	(301,840)
Increase in net OPEB obligation	5,407,160
Net OPEB obligation, beginning of year	7,643,919
Net OPEB obligation, end of year	\$ 13,051,079

NOTES TO FINANCIAL STATEMENTS

NOTE 10. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

The recommended contribution was determined as part of the August 31, 2015 actuarial valuation. The chart below shows the annual OPEB cost for the current and two preceding years, along with the percentage actually contributed by the City.

Schedule of Employer Costs and Contributions

Fiscal Year Ending	Annual OPEB Cost	Employer Contribution	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
August 31, 2013	\$ 1,663,357	\$ 278,311	16.7%	\$ 6,341,403
August 31, 2014	1,729,828	427,312	24.7%	7,643,919
August 31, 2015	5,709,000	301,840	5.3%	13,051,079

Assumptions

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 August 31, 2015 and the current sharing pattern of costs between employer and employee. The assumptions used in the August 31, 2015 actuarial valuation are as follows:

Cost Method:	Projected unit credit
Discount Rate:	4.00% per annum
Inflation Rate:	2.75% per annum
Payroll Increase:	3.50% per annum
Select Healthcare Trend Rate:	8.00% – 5.50%
Ultimate Healthcare Trend Rate:	5.00% per annum
Year of Ultimate Trend Rate:	2021
Amortization Method:	Level Percentage of Pay, Open
Remaining Amortization Period:	30 years

NOTES TO FINANCIAL STATEMENTS

NOTE 11. JOINT VENTURE

Under Georgia law, the City, in conjunction with other cities and counties in the Atlanta, Georgia area, is a member of the Atlanta Regional Commission (ARC). Dues to the ARC are assessed at the County level and are, accordingly, paid by Gwinnett County. Membership in the ARC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the ARC in Georgia. The ARC Board membership includes the chief elected official of each county and various municipalities of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of the ARC. Separate financial statements may be obtained from ARC, 40 Courtland Street NE, Atlanta, Georgia 30303.

NOTE 12. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts, thefts of, damage to, and destruction of assets, errors and omissions, natural disasters, injuries to employees, and losses resulting from providing accident and health benefits to employees and their dependents.

The City provides health coverage for its employees under a plan of partial self-insurance. Under this plan, the City covers claim settlements and judgments out of its General Fund resources. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated.

The City has purchased commercial insurance for claims in excess of coverage provided by the City. During the year ended August 31, 2015, excess coverage was obtained for any individual claims in excess of \$75,000. The City pays most of the coverage for eligible employees and their dependents. Employee contributions are used to pay claims and expenses of the plan incurred during the year. Liabilities include an amount for claims that have been incurred but not reported (IBNRs).

The following describes the activity for the past two fiscal years.

<u>Fiscal Year</u>	<u>Beginning of Year Claims Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claims Paid</u>	<u>End of Year Claims Liability</u>
2015	\$ 257,806	\$ 4,176,230	\$ 4,089,489	\$ 344,547
2014	801,497	4,033,107	4,576,798	257,806

The City carries commercial insurance policies covering all other risks of loss. For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded coverage in the past three years.

NOTES TO FINANCIAL STATEMENTS

NOTE 13. COMMITMENTS AND CONTINGENCIES

Litigation:

The City is a defendant in various lawsuits which arose in the ordinary course of its activities. The City has identified several lawsuits where the likelihood of an unfavorable outcome is reasonably possible and the amount of the potential losses are reasonably estimable; however, the outcome of the various lawsuits are still uncertain. In the event of an unfavorable outcome from these lawsuits, the City has estimated the potential losses to be as much as approximately \$100,000; however, this contingent liability is not accrued as a liability as of August 31, 2015.

Judgements Payable:

During the 2015 fiscal year, the City received a notice from the Georgia Department of Natural Resources Environmental Protection Division (GEPD), of the State of Georgia. The GEPD requested the City to take action to enter into a voluntary remediation program regarding a tract of undeveloped land located on Paper Mill Road, within the City. The City has contracted with a private company to provide the professional services required of this remediation. The estimated liability for the remediation and the related attorney fees are approximately \$145,000. These are the estimates provided to the City and could increase based on the noted contamination levels.

Contractual Commitments:

In addition to the liabilities enumerated in the balance sheet at August 31, 2015, the City has contractual commitments on uncompleted contracts of approximately \$546,742.

Grant Contingencies:

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

NOTES TO FINANCIAL STATEMENTS

NOTE 13. COMMITMENTS AND CONTINGENCIES (CONTINUED)

Agreements with the Municipal Gas Authority of Georgia:

The City has entered into a contract for the purchase of wholesale natural gas supplies and related services with the Municipal Gas Authority of Georgia (MGAG) that requires the City to purchase all of its natural gas from MGAG. The gas supply contract with MGAG authorizes MGAG to establish rates and charges so as to produce revenues sufficient to cover its operating costs and retire its bonds issued to acquire long-term gas supplies for sale to its members, including the City. In the event that revenues are insufficient to cover all costs and retire bonds issued by MGAG, the City is obligated to pay its obligation share of the costs of the gas supply and related services MGAG provides to the City, which costs include amounts equal to principal and interest on MGAG's bonds. These obligations, which extend through the year 2016, are general obligations of the City to which the City's full faith, credit and taxing powers are pledged. The City's obligation to MGAG for gas supply costs is based on MGAG's costs to provide such supply, including bonds issued to purchase long-term rights to bulk supply. Payments to MGAG are made monthly based on actual usage. The total payments under these contracts amounted to \$9,874,148 in the fiscal year ended August 31, 2015.

At August 31, 2015, the outstanding debt of MGAG was approximately \$346 million. The City's guarantee varies by individual projects undertaken by MGAG and totals approximately \$36 million at August 31, 2015.

Agreements with the Municipal Electric Authority of Georgia:

The Municipal Electric Authority of Georgia (MEAG) is a public corporation and an instrumentality of the State of Georgia created to supply electricity to local government electric distribution systems. As provided by state law, MEAG establishes rates and charges so as to produce revenues sufficient to cover its costs, including debt service, but it may not operate any of its projects for profit unless any such profits inure to the benefit of the public.

NOTES TO FINANCIAL STATEMENTS

NOTE 13. COMMITMENTS AND CONTINGENCIES (CONTINUED)

Agreements with the Municipal Electric Authority of Georgia (Continued):

As of August 31, 2015, the City is an electric utility participant in MEAG and obligated to purchase all of its bulk power supply requirements from MEAG for a period not to exceed 50 years. The City has agreed to purchase all of its future power and energy requirements in excess of that received by the City through the Southeastern Power Administration at prices intended to cover the operating costs of the systems and to retire any debt incurred by MEAG. In the event that revenues are insufficient to cover all costs and retire the outstanding debt, each participating City has guaranteed a portion of the unpaid debt based on its individual entitlement shares of the output and services of generating units acquired or constructed by MEAG. In addition, in the event of discontinued service to a participant in default, the City would be obligated to purchase additional power subject to contractual limitations. Payments to MEAG are made monthly based on KWH usage. The total payments under these contracts amounted to \$23,518,345 in the fiscal year ended August 31, 2015.

At August 31, 2015, the outstanding debt of MEAG was approximately \$6.5 billion. The City's guarantee varies by individual projects undertaken by MEAG and totals approximately \$186 million at August 31, 2015.

NOTE 14. HOTEL/MOTEL LODGING TAX

The City imposes a hotel/motel tax on lodging facilities within the City. The tax was assessed at 8%. Revenues were \$307,997 for the year ended August 31, 2015. Of this amount, 75.2%, or \$231,631, was expended. Expenditures of the tax were used on the promotion of tourism as required by O.C.G.A. 48-13-51.

NOTE 15. MOTOR VEHICLE EXCISE TAX

The City has levied an excise tax on the rental of motor vehicles. The Official Code of Georgia Annotated 48-13-93 requires that all motor vehicle excise taxes be expended or obligated contractually, in accordance with the City's ordinance, for the acquisition, construction, renovating, improving, maintenance and equipping of pedestrian walkways, installation of traffic lights, and street lights associated with public safety facilities or public improvements for sports and recreational facilities. During the period ended August 31, 2015, the City received \$205,122 in motor vehicle excise taxes. Of this amount, 100%, or \$205,122, was used for these purposes.

NOTES TO FINANCIAL STATEMENTS

NOTE 16. FUND DEFICITS

For the year ended August 31, 2015, the City's Solid Waste Fund had a deficit of \$547,239. The fund deficit will be reduced by future appropriations from the General Fund, if necessary, and evaluation of the service charge being charged to the fund's customers.

NOTE 17. RELATED ORGANIZATION

The Lawrenceville Housing Authority (the Authority) is a related organization of the City of Lawrenceville. The City Council appoints a voting majority of the Board for the Authority; however, the City is not able to impose the City Council's will on the Authority. The City is not financially liable for the operating deficits or the debt of the Authority. During the fiscal year ended August 31, 2015, the City reported expenditures of \$388 to the Authority.

NOTE 18. SUBSEQUENT EVENTS

On September 1, 2015, the Lawrenceville Building Authority (LBA) issued Revenue Bonds, Series 2015 for \$56,740,000 to fund the costs of acquiring, constructing, and equipping gas system improvements and acquisition, construction and installation of (1) a new public works facility and (2) a new parkway to be known as the "College Corridor." The bonds require semiannual interest payments due on April 1 and October 1, commencing on April 1, 2016, with interest rates ranging from 2.00% to 5.00%. The bonds mature in 2035.

The Series 2015 Bonds are special limited obligations of the LBA payable solely from installment payments of purchase price to be made by the City to the LBA pursuant to an agreement. The City's obligation to make installment payments of purchase price to the LBA sufficient in time and amount to enable the Issuer to pay the principal of, premium, if any, and interest on the Series 2015 Bonds is absolute and unconditional and will not expire so long as any of the Series 2015 Bonds remain outstanding and unpaid. Under the Agreement, the City has agreed to levy an annual ad valorem tax on all taxable property located within the corporate limits of the City, at such rates, without limitation, as may be necessary to make the installment payments of purchase price required by the Agreement.

REQUIRED SUPPLEMENTARY INFORMATION



**CITY OF LAWRENCEVILLE, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
OTHER POST-EMPLOYMENT BENEFITS**

**SCHEDULE OF FUNDING PROGRESS
FOR THE YEAR ENDED AUGUST 31, 2015**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a/c)
9/1/2012	\$ -	\$ 21,919,498	21,919,498	0.00%	\$ 10,590,572	207.0%
9/1/2015	\$ -	\$ 42,285,000	42,285,000	0.00%	\$ 12,437,000	340.0%

Note 1: See assumptions used for the above schedule in Note 10 to the financial statements.

Note 2: The actuarial valuation performed on September 1, 2012 was for the fiscal years ended August 31, 2013 and August 31, 2014. The actuarial valuation performed on September 1, 2015 was for the fiscal year ended August 31, 2015 and the fiscal year ending August 31, 2016.

CITY OF LAWRENCEVILLE, GEORGIA

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Confiscated Assets Fund – To account for the City’s share of monies that has been forfeited through the court system that is restricted for law enforcement purposes.

E911 Fund – To account for the collection and expenditure of E911 fees which are restricted by state law.

Hotel/Motel Fund – To account for the 8% lodging tax levied in the City which is restricted by state law.

Auto Excise Tax Fund – To account for auto excise tax collections which are restricted by state law.

Capital Projects Fund

2009 SPLOST Fund – The **Special Purpose Local Option Sales Tax Fund (SPLOST)** is used to account for the revenues and expenditures related to the City’s 2009 Special Purpose Local Options Sales Tax referendums.

2014 SPLOST Fund – The **Special Purpose Local Option Sales Tax Fund (SPLOST)** is used to account for the revenues and expenditures related to the City’s 2014 Special Purpose Local Options Sales Tax referendums.

Debt Service Fund

Lawrenceville Development Authority – To account for financing resources for various construction and improvement projects for the City of Lawrenceville.

CITY OF LAWRENCEVILLE, GEORGIA

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AUGUST 31, 2015**

ASSETS	Special Revenue Funds			
	Confiscated	E911	Hotel/Motel	Auto
	Assets Fund	Fund	Fund	Excise Tax Fund
Cash and cash equivalents	\$ 1,191,852	\$ 570,973	\$ 46,288	\$ -
Taxes receivable	-	-	27,574	18,024
Due from other governments	-	-	-	-
Due from other funds	-	-	-	-
Total assets	\$ 1,191,852	\$ 570,973	\$ 73,862	\$ 18,024
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 2,454	\$ 2,540	\$ 26,148	\$ -
Accrued liabilities	-	31,776	-	-
Due to other funds	-	-	-	18,024
Total liabilities	2,454	34,316	26,148	18,024
FUND BALANCES				
Fund Balances:				
Restricted:				
Public safety	1,189,398	-	-	-
Culture and recreation	-	-	47,714	-
Housing and development	-	-	-	-
E911 activities	-	536,657	-	-
Capital projects	-	-	-	-
Total fund balances	1,189,398	536,657	47,714	-
Total liabilities and fund balances	\$ 1,191,852	\$ 570,973	\$ 73,862	\$ 18,024

Debt Service Fund	Capital Project Funds		Total Nonmajor Governmental Funds
Lawrenceville Development Authority	SPLOST 2009 Fund	SPLOST 2014 Fund	
\$ 11,190	\$ 2,369,296	\$ 5,079,775	\$ 9,269,374
-	-	-	45,598
-	-	748,752	748,752
-	-	-	-
<u>\$ 11,190</u>	<u>\$ 2,369,296</u>	<u>\$ 5,828,527</u>	<u>\$ 10,063,724</u>
\$ -	\$ 35,042	\$ 115,474	\$ 181,658
-	-	52,350	84,126
-	-	-	18,024
-	35,042	167,824	283,808
-	-	-	1,189,398
-	-	-	47,714
11,190	-	-	11,190
-	-	-	536,657
-	2,334,254	5,660,703	7,994,957
<u>11,190</u>	<u>2,334,254</u>	<u>5,660,703</u>	<u>9,779,916</u>
<u>\$ 11,190</u>	<u>\$ 2,369,296</u>	<u>\$ 5,828,527</u>	<u>\$ 10,063,724</u>

CITY OF LAWRENCEVILLE, GEORGIA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2015**

	Special Revenue Funds			
	Confiscated Assets Fund	E911 Fund	Hotel/Motel Fund	Auto Excise Tax Fund
REVENUES				
Taxes	\$ -	\$ -	\$ 307,997	\$ 205,122
Fines and forfeitures	44,166	-	-	-
Intergovernmental	-	793,000	-	-
Interest	4,629	-	-	-
Miscellaneous	1,400	-	-	-
Total revenues	50,195	793,000	307,997	205,122
EXPENDITURES				
Current				
Public safety	365,608	749,646	-	-
Culture and recreation	-	-	132,685	-
Capital outlay	-	-	-	-
Total expenditures	365,608	749,646	132,685	-
Excess (deficiency) of revenues over (under) expenditures	(315,413)	43,354	175,312	205,122
OTHER FINANCING USES				
Transfers out	-	-	(173,618)	(205,122)
Total other financing uses	-	-	(173,618)	(205,122)
Net change in fund balances	(315,413)	43,354	1,694	-
FUND BALANCES, beginning of year	1,504,811	493,303	46,020	-
FUND BALANCES, end of year	\$ 1,189,398	\$ 536,657	\$ 47,714	\$ -

Debt Service Fund	Capital Project Funds		Total Nonmajor Governmental Funds
Lawrenceville Development Authority	SPLOST 2009 Fund	SPLOST 2014 Fund	
\$ -	\$ -	\$ -	\$ 513,119
-	-	-	44,166
-	-	4,387,308	5,180,308
11	9,916	6,656	21,212
-	-	-	1,400
11	9,916	4,393,964	5,760,205
-	-	-	1,115,254
-	-	-	132,685
-	694,273	288,796	983,069
-	694,273	288,796	2,231,008
11	(684,357)	4,105,168	3,529,197
-	-	-	(378,740)
-	-	-	(378,740)
11	(684,357)	4,105,168	3,150,457
11,179	3,018,611	1,555,535	6,629,459
<u>\$ 11,190</u>	<u>\$ 2,334,254</u>	<u>\$ 5,660,703</u>	<u>\$ 9,779,916</u>

**CITY OF LAWRENCEVILLE, GEORGIA
CONFISCATED ASSETS FUND**

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED AUGUST 31, 2015**

	Budget		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Fines and forfeitures	\$ 1	\$ 1	\$ 44,166	\$ 44,165
Interest	-	-	4,629	4,629
Miscellaneous	-	-	1,400	1,400
Total revenues	<u>1</u>	<u>1</u>	<u>50,195</u>	<u>50,194</u>
EXPENDITURES				
Public safety	<u>1</u>	<u>365,608</u>	<u>365,608</u>	<u>-</u>
Net change in fund balances	-	(365,607)	(315,413)	50,194
FUND BALANCES, beginning of year	<u>1,504,811</u>	<u>1,504,811</u>	<u>1,504,811</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 1,504,811</u>	<u>\$ 1,139,204</u>	<u>\$ 1,189,398</u>	<u>\$ 50,194</u>

CITY OF LAWRENCEVILLE, GEORGIA
E911 FUND

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED AUGUST 31, 2015**

	<u>Budget</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 904,000	\$ 904,000	\$ 793,000	\$ (111,000)
Total revenues	<u>904,000</u>	<u>904,000</u>	<u>793,000</u>	<u>(111,000)</u>
EXPENDITURES				
Public safety	<u>918,586</u>	<u>918,586</u>	<u>749,646</u>	<u>168,940</u>
Net change in fund balances	(14,586)	(14,586)	43,354	57,940
FUND BALANCES, beginning of year	<u>493,303</u>	<u>493,303</u>	<u>493,303</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 478,717</u>	<u>\$ 478,717</u>	<u>\$ 536,657</u>	<u>\$ 57,940</u>

**CITY OF LAWRENCEVILLE, GEORGIA
HOTEL/MOTEL FUND**

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED AUGUST 31, 2015**

	Budget		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 269,969	\$ 269,969	\$ 307,997	\$ 38,028
Total revenues	269,969	269,969	307,997	38,028
EXPENDITURES				
Culture and recreation	269,969	132,685	132,685	-
Total expenditures	269,969	132,685	132,685	-
Excess of revenues over expenditures	-	137,284	175,312	38,028
OTHER FINANCING USES				
Transfer out	-	(173,618)	(173,618)	-
Net change in fund balance	-	(36,334)	1,694	38,028
FUND BALANCES, beginning of year	46,020	46,020	46,020	-
FUND BALANCES, end of year	<u>\$ 46,020</u>	<u>\$ 9,686</u>	<u>\$ 47,714</u>	<u>\$ 38,028</u>

**CITY OF LAWRENCEVILLE, GEORGIA
AUTO EXCISE TAX FUND**

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED AUGUST 31, 2015**

	Budget		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 205,714	\$ 205,714	\$ 205,122	\$ (592)
Total revenues	205,714	205,714	205,122	(592)
OTHER FINANCING USES				
Transfer out	(205,714)	(205,714)	(205,122)	592
Net change in fund balances	-	-	-	-
FUND BALANCES, beginning of year	-	-	-	-
FUND BALANCES, end of year	\$ -	\$ -	\$ -	\$ -

**CITY OF LAWRENCEVILLE, GEORGIA
2009 SPLOST FUND**

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED AUGUST 31, 2015**

	<u>Budget</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 3,490,410	\$ 3,490,410	\$ -	\$ (3,490,410)
Interest	-	-	9,916	9,916
Total revenues	<u>3,490,410</u>	<u>3,490,410</u>	<u>9,916</u>	<u>(3,480,494)</u>
EXPENDITURES				
Capital outlay	<u>3,490,410</u>	<u>3,490,410</u>	<u>694,273</u>	<u>2,796,137</u>
Total expenditures	<u>3,490,410</u>	<u>3,490,410</u>	<u>694,273</u>	<u>2,796,137</u>
Net change in fund balances	-	-	(684,357)	(684,357)
FUND BALANCES, beginning of year	<u>3,018,611</u>	<u>3,018,611</u>	<u>3,018,611</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 3,018,611</u>	<u>\$ 3,018,611</u>	<u>\$ 2,334,254</u>	<u>\$ (684,357)</u>

CITY OF LAWRENCEVILLE, GEORGIA
2014 SPLOST FUND

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED AUGUST 31, 2015**

	<u>Budget</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
REVENUES				
Intergovernmental	\$ 288,796	\$ 288,796	\$ 4,387,308	\$ 4,098,512
Interest	-	-	6,656	6,656
	<u>288,796</u>	<u>288,796</u>	<u>4,393,964</u>	<u>4,105,168</u>
Total revenues				
EXPENDITURES				
Capital outlay	<u>288,796</u>	<u>288,796</u>	<u>288,796</u>	-
Total expenditures	<u>288,796</u>	<u>288,796</u>	<u>288,796</u>	-
Net change in fund balances	-	-	4,105,168	4,105,168
FUND BALANCES, beginning of year	<u>1,555,535</u>	<u>1,555,535</u>	<u>1,555,535</u>	-
FUND BALANCES, end of year	<u>\$ 1,555,535</u>	<u>\$ 1,555,535</u>	<u>\$ 5,660,703</u>	<u>\$ 4,105,168</u>

CITY OF LAWRENCEVILLE, GEORGIA

**SCHEDULE OF EXPENDITURES OF SPECIAL
PURPOSE LOCAL OPTION SALES TAX
FOR THE YEAR ENDED AUGUST 31, 2015**

PROJECT	ESTIMATED COST		EXPENDITURES			PERCENTAGE OF COMPLETION
	ORIGINAL	CURRENT	PRIOR	CURRENT	TOTAL	
2009 SPLOST						
Roads, Streets, and Bridges	\$ 11,334,450	\$ 7,042,462	\$ 4,077,878	\$ 694,273	\$ 4,772,151	68 %
Public Safety Facilities and Equipment	6,900,000	6,418,109	6,418,109	-	6,418,109	100 %
Recreational Facilities	4,400,000	4,400,000	4,400,000	-	4,400,000	100 %
Water and Sewer Capital Improvements	2,408,353	1,919,279	1,919,279	-	1,919,279	100 %
TOTAL 2009 SPLOST	\$ 25,042,803	\$ 19,779,850	\$ 16,815,266	\$ 694,273	\$ 17,509,539	
2014 SPLOST						
Roads, Streets, and Bridges	\$ 1,495,407	\$ 1,495,407	\$ -	\$ -	\$ -	- %
Recreational Facilities	13,458,662	13,458,662	224,149	288,796	512,945	3.81 %
TOTAL 2014 SPLOST	\$ 14,954,069	\$ 14,954,069	\$ 224,149	\$ 288,796	\$ 512,945	

CITY OF LAWRENCEVILLE, GEORGIA

NONMAJOR PROPRIETARY FUNDS

Enterprise Funds

Solid Waste Fund - accounts for the collection of refuse fees for the operation, maintenance, and development of the City's sanitation system.

Stormwater Fund - accounts for the collection of fees for upgrades to stormwater drains and related expenses.

CITY OF LAWRENCEVILLE, GEORGIA

**COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
AUGUST 31, 2015**

ASSETS	Business-type Activities - Enterprise Funds		
	Solid Waste Fund	Stormwater Fund	Nonmajor Enterprise Funds Totals
CURRENT ASSETS			
Cash	\$ -	\$ 1,657,903	\$ 1,657,903
Accounts receivable, net of allowance	85,732	94,200	179,932
Total current assets	85,732	1,752,103	1,837,835
CAPITAL ASSETS			
Non-depreciable	-	1,000	1,000
Depreciable, net of accumulated depreciation	202,074	2,654,424	2,856,498
	202,074	2,655,424	2,857,498
Total assets	287,806	4,407,527	4,695,333
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable	62,762	41,986	104,748
Accrued liabilities	30,375	-	30,375
Compensated absences payable, current	26,795	-	26,795
Total current liabilities	119,932	41,986	161,918
NONCURRENT LIABILITIES			
Compensated absences payable	26,796	-	26,796
Net OPEB liability	688,317	-	688,317
Total noncurrent liabilities	715,113	-	715,113
Total liabilities	835,045	41,986	877,031
NET POSITION			
Net investment in capital assets	202,074	2,655,424	2,857,498
Unrestricted	(749,313)	1,710,117	960,804
Total net position	\$ (547,239)	\$ 4,365,541	\$ 3,818,302

CITY OF LAWRENCEVILLE, GEORGIA

**COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED AUGUST 31, 2015**

	Business-type Activities - Enterprise Funds		
	Solid Waste Fund	Stormwater Fund	Nonmajor Enterprise Funds Totals
OPERATING REVENUE			
Charges for sales and services	\$ 911,747	\$ 701,041	\$ 1,612,788
Other fees	42,484	15,172	57,656
Total operating revenue	<u>954,231</u>	<u>716,213</u>	<u>1,670,444</u>
OPERATING EXPENSES			
Salaries and benefits	1,239,450	565	1,240,015
General operating expenses	682,487	17,599	700,086
Depreciation	52,125	60,832	112,957
Total operating expenses	<u>1,974,062</u>	<u>78,996</u>	<u>2,053,058</u>
Operating income (loss)	(1,019,831)	637,217	(382,614)
Transfers in	593,223	-	593,223
Total transfers	<u>593,223</u>	<u>-</u>	<u>593,223</u>
Change in net position	(426,608)	637,217	210,609
Total net position, beginning of year	<u>(120,631)</u>	<u>3,728,324</u>	<u>3,607,693</u>
Total net position, end of year	<u>\$ (547,239)</u>	<u>\$ 4,365,541</u>	<u>\$ 3,818,302</u>

CITY OF LAWRENCEVILLE, GEORGIA

**COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED AUGUST 31, 2015**

	Business-type Activities - Enterprise Funds		
	Solid Waste Fund	Stormwater Fund	Nonmajor Enterprise Funds Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 1,025,684	\$ 719,187	\$ 1,744,871
Payments to suppliers	(681,399)	24,387	(657,012)
Payments to employees	(937,508)	(565)	(938,073)
Net cash provided by (used in) operating activities	<u>(593,223)</u>	<u>743,009</u>	<u>149,786</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Transfers in from other funds	<u>593,223</u>	-	<u>593,223</u>
Net cash provided by non-capital financing activities	<u>593,223</u>	-	<u>593,223</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of capital assets	-	(45,905)	(45,905)
Net cash used in capital and related financing activities	<u>-</u>	<u>(45,905)</u>	<u>(45,905)</u>
Net increase in cash	-	697,104	697,104
Cash, beginning of year	-	960,799	960,799
Cash, end of year	<u>\$ -</u>	<u>\$ 1,657,903</u>	<u>\$ 1,657,903</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES			
Operating income (loss)	\$ (1,019,831)	\$ 637,217	\$ (382,614)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	52,125	60,832	112,957
Change in assets and liabilities:			
Decrease in accounts receivable	71,453	2,974	74,427
Increase in accounts payable	1,088	41,986	43,074
Increase in accrued liabilities	17,348	-	17,348
Increase in net OPEB liability	276,278	-	276,278
Increase in compensated absences payable	8,316	-	8,316
Net cash provided by (used in) operating activities	<u>\$ (593,223)</u>	<u>\$ 743,009</u>	<u>\$ 149,786</u>

STATISTICAL SECTION

This part of City of Lawrenceville’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government’s overall financial health.

Page

Financial Trends 68-79

These schedules contain trend information to help the reader understand how the government’s financial performance and well-being have changed over time.

Revenue Capacity 80-88

These schedules contain information to help the reader assess the government’s most significant local revenue source, property tax.

Debt Capacity 89-91

These schedules present information to help the reader assess the affordability of the government’s current levels of outstanding debt and the government’s ability to issue additional debt in the future.

Demographic and Economic Information 92 and 93

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government’s financial activities take place.

Operating Information..... 94-96

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

Sources: Unless otherwise noted, the information in these schedules is derived from the annual financial report for the relevant year.

City of Lawrenceville, Georgia
Net Position by Activity Type
Last Ten Fiscal Years

	2006	2007	2008	2009
Primary government - governmental activities				
Net investment in capital assets	\$ 163,708,697	\$ 172,029,866	\$ 172,506,550	\$ 176,609,278
Restricted	-	-	-	-
Unrestricted	16,805,618	10,600,979	28,076,403	31,717,500
Total governmental activities net position	<u>180,514,315</u>	<u>182,630,845</u>	<u>200,582,953</u>	<u>208,326,778</u>
Primary government - business-type activities				
Net investment in capital assets	36,217,519	38,269,793	46,165,578	46,244,833
Restricted	-	-	-	-
Unrestricted	5,794,417	16,474,713	162,400	2,415,216
Total business-type activities net position	<u>42,011,936</u>	<u>54,744,506</u>	<u>46,327,978</u>	<u>48,660,049</u>
Total primary government				
Net investment in capital assets	199,926,216	210,299,659	218,672,128	222,854,111
Restricted	-	-	-	-
Unrestricted	22,600,035	27,075,692	28,238,803	34,132,716
Total primary government net position	<u>\$ 222,526,251</u>	<u>\$ 237,375,351</u>	<u>\$ 246,910,931</u>	<u>\$ 256,986,827</u>

2010	2011	2012	2013	2014	2015
\$ 185,634,619	\$ 187,916,543	\$ 190,617,824	\$ 226,760,901	\$ 228,329,233	\$ 233,116,575
-	562,901	883,860	7,024,476	6,814,080	10,015,367
21,761,883	23,830,982	26,039,736	16,071,181	9,625,901	(2,106,820)
<u>207,396,502</u>	<u>212,310,426</u>	<u>217,541,420</u>	<u>249,856,558</u>	<u>244,769,214</u>	<u>241,025,122</u>
45,935,848	49,825,048	49,143,494	51,500,331	52,959,314	53,261,897
-	17,740,893	16,492,114	-	-	-
12,407,009	2,084,425	2,986,803	27,850,551	34,944,033	40,927,506
<u>58,342,857</u>	<u>69,650,366</u>	<u>68,622,411</u>	<u>79,350,882</u>	<u>87,903,347</u>	<u>94,189,403</u>
231,570,467	237,741,591	239,761,318	278,261,232	281,288,547	286,378,472
-	18,303,794	17,375,974	7,024,476	6,814,080	10,015,367
34,168,892	25,915,407	29,026,539	43,921,732	44,569,934	38,820,686
<u>\$ 265,739,359</u>	<u>\$ 281,960,792</u>	<u>\$ 286,163,831</u>	<u>\$ 329,207,440</u>	<u>\$ 332,672,561</u>	<u>\$ 335,214,525</u>

City of Lawrenceville, Georgia
Changes in Net Position
Last Ten Fiscal Years

	2006	2007	2008	2009
Expenses				
Governmental activities:				
General government	\$ 5,834,379	\$ 7,352,980	\$ 6,270,873	\$ 8,164,765
Planning and zoning	573,428	441,524	2,319,871	499,549
Judicial	-	-	-	-
Public safety	7,608,915	5,949,007	9,225,835	10,329,891
Public works	1,826,307	2,863,595	332,999	896,389
Culture and recreation	-	-	-	-
Housing and development	-	-	-	-
Interest on long-term debt	-	-	-	-
Total governmental activities expenses	<u>15,843,029</u>	<u>16,607,106</u>	<u>18,149,578</u>	<u>19,890,594</u>
Business-type activities:				
Water and sewer	3,718,232	3,353,976	4,111,093	4,215,540
Electric	21,297,911	21,115,589	20,753,576	19,200,601
Gas	42,036,524	35,503,102	35,991,268	31,864,685
Solid waste	1,425,593	1,548,982	1,576,124	1,616,906
Stormwater	-	-	157,534	210,392
Total business-type activities expenses	<u>68,478,260</u>	<u>61,521,649</u>	<u>62,589,595</u>	<u>57,108,124</u>
Total primary government expenses	<u>\$ 84,321,289</u>	<u>\$ 78,128,755</u>	<u>\$ 80,739,173</u>	<u>\$ 76,998,718</u>
Program Revenues				
Governmental activities:				
Charges for services:				
General government	\$ 759,175	\$ 824,182	\$ 756,478	\$ 839,981
Planning and zoning	346,461	447,509	388,387	337,974
Judicial	-	-	-	-
Public safety	2,965,878	3,087,129	2,964,549	3,470,709
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Housing and development	-	-	-	-
Interest on long-term debt	-	-	-	-
Operating grants and contributions	-	-	-	-
Capital grants and contributions	2,754,573	752,837	153,883	3,749,065
Total governmental activities program revenue	<u>6,826,087</u>	<u>5,111,657</u>	<u>4,263,297</u>	<u>8,397,729</u>
Business-type activities:				
Charges for services:				
Water and sewer	4,088,222	4,570,620	3,717,958	3,772,871
Electric	24,318,418	24,924,460	25,879,873	24,507,099
Gas	50,162,915	42,112,606	42,498,914	41,435,617
Solid waste	1,075,558	1,088,299	1,057,567	1,039,204
Stormwater	-	-	678,998	691,214
Operating grants and contributions	-	-	-	-
Capital grants and contributions	-	-	-	-
Total business-type activities program revenues	<u>79,645,113</u>	<u>72,695,985</u>	<u>73,833,310</u>	<u>71,446,005</u>
Total primary government program revenues	<u>86,471,200</u>	<u>77,807,642</u>	<u>78,096,607</u>	<u>79,843,734</u>
Total primary government net expense	<u>\$ 2,149,911</u>	<u>\$ (321,113)</u>	<u>\$ (2,642,566)</u>	<u>\$ 2,845,016</u>

2010	2011	2012	2013	2014	2015
\$ 7,197,689	\$ 7,373,018	\$ 6,837,474 (1)	\$ 7,752,325	\$ 7,435,877	\$ 8,401,997
357,925	348,482	516,335 (1)	-	-	-
-	-	- (2)	948,876	791,195	984,769
10,228,690	12,110,803	12,535,965 (2)	11,374,379	10,748,892	12,384,360
2,093,223	1,071,239	2,122,411 (3)	6,981,826	8,205,138	8,775,978
-	-	-	259,618	254,371	132,685
-	-	-	464,048	714,604	1,488,240
-	-	-	-	214,446	194,213
<u>19,877,527</u>	<u>20,903,542</u>	<u>22,012,185</u>	<u>27,781,072</u>	<u>28,364,523</u>	<u>32,362,242</u>
7,321,400	4,328,598	4,487,656	4,149,089	4,612,198	5,107,221
19,137,886	17,075,636	23,244,876	24,775,235	25,038,603	26,543,376
33,823,518	31,268,109	26,311,839	28,661,647	32,696,627	26,050,393
1,700,961	1,689,352	1,721,036	1,783,331	1,717,250	1,974,062
239,563	52,343	113,016	142,973	144,407	78,996
<u>62,223,328</u>	<u>54,414,038</u>	<u>55,878,423</u>	<u>59,512,275</u>	<u>64,209,085</u>	<u>59,754,048</u>
<u>\$ 82,100,855</u>	<u>\$ 75,317,580</u>	<u>\$ 77,890,608</u>	<u>\$ 87,293,347</u>	<u>\$ 92,573,608</u>	<u>\$ 92,116,290</u>
\$ 839,780	\$ 778,280	\$ 839,076 (1)	\$ 1,246,518	\$ 1,401,359	\$ 1,485,410
277,683	285,264	299,330 (1)	-	-	-
-	-	- (2)	1,849,733	1,913,998	2,453,774
2,504,173	6,577,967	3,761,396 (2)	116,849	156,722	71,926
-	-	-	2,450	3,825	3,025
-	-	-	-	2,480	5,670
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	1,594,450 (4)	1,189,949	1,109,020
<u>3,891,534</u>	<u>3,899,476</u>	<u>6,673,325</u>	<u>5,015,115</u>	<u>5,012,641</u>	<u>5,066,750</u>
<u>7,513,170</u>	<u>11,540,987</u>	<u>11,573,127</u>	<u>9,825,115</u>	<u>9,680,974</u>	<u>10,195,575</u>
4,231,669	4,496,110	4,823,600	4,803,739	5,059,486	5,179,551
28,133,721	28,054,430	29,917,820	30,633,625	32,085,457	32,579,922
42,583,588	38,165,349	31,415,141	34,866,922	41,330,437	37,510,172
1,049,966	1,015,705	1,031,024	1,079,058	1,184,127	954,231
709,160	667,389	690,111	686,432	715,681	716,213
-	-	-	-	-	-
-	1,652,087	-	-	39,868	-
<u>76,708,104</u>	<u>74,051,070</u>	<u>67,877,696</u>	<u>72,069,776</u>	<u>80,415,056</u>	<u>76,940,089</u>
<u>84,221,274</u>	<u>85,592,057</u>	<u>79,450,823</u>	<u>81,894,891</u>	<u>90,096,030</u>	<u>87,135,664</u>
<u>\$ 2,120,419</u>	<u>\$ 10,274,477</u>	<u>\$ 1,560,215</u>	<u>\$ (5,398,456)</u>	<u>\$ (2,477,578)</u>	<u>\$ (4,980,626)</u>

(continued)

City of Lawrenceville, Georgia
Changes in Net Position
Last Ten Fiscal Years

	2006	2007	2008	2009
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes:				
Sales and use taxes - special option	\$ 3,943,671	\$ 6,036,024	\$ 4,246,747	\$ -
Property taxes	2,284,460	2,039,265	2,108,111	2,159,932
Franchise taxes	600,076	743,775	855,844	1,029,779
Excise taxes	-	-	-	-
Alcoholic beverage taxes	563,218	581,667	609,954	595,516
Insurance premium taxes	1,121,720	1,173,600	1,224,195	1,253,520
Hotel/motel & motor vehicle rental taxes	335,581	526,240	331,400	291,002
Financial institution taxes	-	-	-	-
Other taxes	253,120	573,975	544,762	519,048
Interest and investment earnings	907,065	1,767,479	1,069,611	679,349
Miscellaneous	151,668	169,954	285,669	171,712
Gain on sales of capital assets	-	-	-	-
Transfers	6,028,738	-	11,000,000	12,536,832
Total governmental activities	<u>16,189,317</u>	<u>13,611,979</u>	<u>22,276,293</u>	<u>19,236,690</u>
Business-type activities:				
Interest and investment earnings	-	-	-	-
Miscellaneous	44,546	211,738	901,854	531,022
Gain on sale of capital assets	-	-	-	-
Transfers	(6,028,738)	-	(11,000,000)	(12,536,832)
Total business-type activities	<u>(5,984,192)</u>	<u>211,738</u>	<u>(10,098,146)</u>	<u>(12,005,810)</u>
Total primary government	<u>10,205,125</u>	<u>13,823,717</u>	<u>12,178,147</u>	<u>7,230,880</u>
Changes in Net Position				
Governmental activities	7,172,375	2,116,530	8,390,011	7,743,825
Business-type activities	5,182,661	11,386,074	1,145,569	2,332,071
Total primary government	<u>\$ 12,355,036</u>	<u>\$ 13,502,604</u>	<u>\$ 9,535,580</u>	<u>\$ 10,075,896</u>

(1) In the 2012 and prior fiscal years, the City was reporting Planning and zoning as a function of governmental activities. Beginning in 2013, planning and zoning was combined into the general government function.

(2) In the 2012 and prior fiscal years, judicial activities were reported as a component of public safety. In the 2013 fiscal year, these were broken out separately.

(3) In the 2013 fiscal year it was determined the estimated life for the infrastructure of the City's governmental capital assets was being inappropriately applied and resulted in a restatement for previously underdepreciated assets. The increase is to show the appropriate depreciation expense.

(4) Intergovernmental revenues from the County were previously reported as public safety charges for services.

2010	2011	2012	2013	2014	2015
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1,900,278	1,744,314	1,544,764	2,187,024	2,374,343	2,514,239
1,000,589	978,793	1,013,346	1,005,159	983,876	1,061,585
-	-	-	820,590	800,987	804,926
578,043	576,018	597,321	-	-	-
1,241,760	1,205,671	1,338,927	1,422,165	1,472,516	1,531,262
389,019	402,038	429,077	264,737	290,510	307,997
-	-	-	139,610	145,515	128,810
446,682	465,877	442,208	84,405	81,865	210,586
393,619	303,686	201,714	153,744	139,571	101,141
269,845	142,719	689,475	-	-	-
-	-	-	-	-	847,957
5,214,246	8,457,363	9,413,220	9,836,829	7,474,819	10,914,072
11,434,081	14,276,479	15,670,052	15,914,263	13,764,002	18,422,575
-	-	-	-	-	-
412,278	127,840	504,240	-	-	14,087
-	-	-	70,657	7,255	-
(5,214,246)	(8,457,363)	(9,413,220)	(9,836,829)	(7,474,819)	(10,914,072)
(4,801,968)	(8,329,523)	(8,908,980)	(9,766,172)	(7,467,564)	(10,899,985)
6,632,113	5,946,956	6,761,072	6,148,091	6,296,438	7,522,590
(930,276)	4,913,924	5,230,994	(2,041,694)	(4,919,547)	(3,744,092)
9,682,808	11,307,509	3,090,293	2,791,329	8,738,407	6,286,056
\$ 8,752,532	\$ 16,221,433	\$ 8,321,287	\$ 749,635	\$ 3,818,860	\$ 2,541,964

City of Lawrenceville, Georgia
Fund Balances of Governmental Funds
Last Ten Fiscal Years

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
General Fund				
Reserved	\$ 258,860	\$ 248,284	\$ 237,707	\$ 267,640
Unreserved	14,705,163	6,684,827	21,137,715	24,214,048
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total General Fund	<u>14,964,023</u>	<u>6,933,111</u>	<u>21,375,422</u>	<u>24,481,688</u>
All other governmental funds				
Reserved	-	-	-	-
Unreserved, reported in:	-	-	-	-
Special revenue fund	88,020	275,211	143,666	460,239
Capital projects fund	2,140,028	2,211,823	6,040,110	5,954,236
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Unassigned	-	-	-	-
Total all other governmental funds	<u>\$ 2,228,048</u>	<u>\$ 2,487,034</u>	<u>\$ 6,183,776</u>	<u>\$ 6,414,475</u>

- (1) For FY 2011, GASB Statement No. 54 was implemented requiring additional classification of fund balance.
(2) The City elected to transfer less funds from the proprietary funds than in the prior year.
(3) The City purchased approximately \$5,000,000 of land held for resale, which increased the nonspendable portion of fund balance.

2010	2011 ⁽¹⁾	2012	2013	2014	2015
\$ 88,561	\$ -	\$ -	\$ -	\$ -	\$ -
21,715,718	-	-	-	-	-
-	228,121	85,511	3,981,887	5,019,611	10,111,204 (3)
-	-	-	-	184,621	235,451
-	-	-	-	-	-
-	21,153,925	25,089,170	16,674,036	9,595,958 (2)	(4,122,753) (2)/(3)
<u>21,804,279</u>	<u>21,382,046</u>	<u>25,174,681</u>	<u>20,655,923</u>	<u>14,800,190</u>	<u>6,223,902</u>
-	-	-	-	-	-
-	-	-	-	-	-
97,796	-	-	-	-	-
881,926	-	-	-	-	-
-	-	-	7,024,476	9,029,592	9,083,394
-	4,366,365	5,384,966	-	6,629,459	9,779,916
-	(36,872)	-	-	(438,903)	(578,760)
<u>\$ 979,722</u>	<u>\$ 4,329,493</u>	<u>\$ 5,384,966</u>	<u>\$ 7,024,476</u>	<u>\$ 15,220,148</u>	<u>\$ 18,284,550</u>

City of Lawrenceville, Georgia
Changes in Fund Balance of Governmental Funds
Last Ten Fiscal Years

	2006	2007	2008	2009
Revenues				
Taxes	\$ 9,101,846	\$ 11,637,265	\$ 10,375,747	\$ 5,546,067
Licenses and permits	346,461	447,509	388,387	337,974
Intergovernmental	1,582,573	752,837	153,883	3,749,065
Fines and forfeitures	2,965,878	3,087,129	2,964,549	3,470,709
Charges for services	759,175	824,182	756,478	839,981
Interest income	907,065	1,558,556	1,233,829	655,717
Miscellaneous	1,293,445	169,954	285,669	171,712
Total revenues	<u>16,956,443</u>	<u>18,477,432</u>	<u>16,158,542</u>	<u>14,771,225</u>
Expenditures				
General government	8,780,559	13,763,984 ⁽¹⁾	6,005,328	8,628,998
Planning and zoning	568,779	437,465	2,325,774	493,370
Judicial	-	-	-	-
Public safety	7,563,653	7,949,315	9,472,988	12,622,019
Public works	4,429,735	2,698,102	777,496	2,226,705
Culture and recreation	-	-	-	-
Housing and development	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>21,342,726</u>	<u>24,848,866</u>	<u>18,581,586</u>	<u>23,971,092</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,386,283)</u>	<u>(6,371,434)</u>	<u>(2,423,044)</u>	<u>(9,199,867)</u>
Other financing sources (uses)				
Proceeds from sale of capital assets	59,221	-	-	-
Transfers in	6,028,738	-	11,000,000	12,536,832
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>6,087,959</u>	<u>-</u>	<u>11,000,000</u>	<u>12,536,832</u>
Net change in fund balance	<u>\$ 1,701,676</u>	<u>\$ (6,371,434)</u>	<u>\$ 8,576,956</u>	<u>\$ 3,336,965</u>
Debt service as a percentage of noncapital expenditures	0.00%	0.00%	0.00%	0.00%

(1) The increase in expenditures for the General Government in FY 2007 is due to \$5.8 million spent for the capital project related to the Aurora Theatre and the Downtown Parking Deck.

(2) The increase in Public Safety expenditures is due to the completion of the new police station during FY 2010 with an approximate cost of \$9 million.

(3) The increase in expenditures for the General Government in FY 2015 is due to several property acquisitions.

2010	2011	2012	2013	2014	2015
\$ 5,834,191	\$ 4,698,502	\$ 6,718,371	\$ 6,213,742	\$ 6,180,080	\$ 6,566,666
277,683	285,264	299,330	304,915	316,544	308,055
3,891,534	3,930,634	6,673,325	6,549,884	5,901,584	6,076,690
2,504,173	6,577,967	3,761,396	1,926,374	1,900,549	2,160,300
839,780	778,280	839,076	815,650	856,187	975,722
443,142	285,337	187,748	184,222	146,824	116,056
269,845	142,719	689,475	163,043	224,836	264,778
<u>14,060,348</u>	<u>16,698,703</u>	<u>19,168,721</u>	<u>16,157,830</u>	<u>15,526,604</u>	<u>16,468,267</u>
8,676,074	6,220,262	8,234,883	7,115,045	6,934,671	11,255,362 (2)
335,517	321,817	498,690	-	-	-
-	-	-	908,584	788,299	802,333
17,365,574 (2)	11,061,098	11,313,850	11,219,586	10,986,581	9,823,919
1,767,199	4,625,351	2,803,594	3,142,693	5,568,464	3,820,148
-	-	-	259,618	254,371	132,685
-	-	-	464,048	988,752	1,212,472
-	-	-	1,903,968	3,121,801	5,841,364
-	-	-	-	780,000	830,000
-	-	-	-	216,071	195,942
<u>28,144,364</u>	<u>22,228,528</u>	<u>22,851,017</u>	<u>25,013,542</u>	<u>29,639,010</u>	<u>33,914,225</u>
<u>(14,084,016)</u>	<u>(5,529,825)</u>	<u>(3,682,296)</u>	<u>(8,855,712)</u>	<u>(14,112,406)</u>	<u>(17,445,958)</u>
-	-	-	128,001	91,500	1,020,000
5,214,246	8,457,363	8,530,404	10,864,686	9,443,839	12,964,985
-	-	-	(1,027,857)	(1,969,020)	(2,050,913)
<u>5,214,246</u>	<u>8,457,363</u>	<u>8,530,404</u>	<u>9,964,830</u>	<u>7,566,319</u>	<u>11,934,072</u>
<u>\$ (8,869,770)</u>	<u>\$ 2,927,538</u>	<u>\$ 4,848,108</u>	<u>\$ 1,109,118</u>	<u>\$ (6,546,087)</u>	<u>\$ (5,511,886)</u>
0.00%	0.00%	0.00%	0.00%	4.60%	4.52%

City of Lawrenceville, Georgia
 General Government Tax Revenues by Source
 Last Ten Fiscal Years

Year	Property Taxes	Franchise Taxes	Excise Taxes	Alcoholic Beverage Taxes	Insurance Premium Taxes	Hotel/Motel & Motor Vehicle Taxes	Financial Institution Taxes	Other Taxes	Total
2006	\$ 2,284,460	\$ 600,076	\$ -	\$ 563,218	\$ 1,121,720	\$ 335,581	\$ -	\$ 253,120	\$ 5,158,175
2007	2,039,265	743,775	-	581,667	1,173,600	526,240	-	573,975	5,638,522
2008	2,108,111	855,844	-	609,954	1,224,195	331,400	-	544,762	5,674,266
2009	2,159,932	1,029,779	-	595,516	1,253,520	291,002	-	519,048	5,848,797
2010	1,900,278	1,000,589	-	578,043	1,241,760	389,019	-	446,682	5,556,371
2011	1,744,314	978,793	-	576,018	1,205,671	402,038	-	465,877	5,372,711
2012	1,544,764	1,013,346	-	597,321	1,338,927	429,077	-	442,208	5,365,643
2013	2,187,024	1,005,159	820,590	-	1,422,165	264,737	139,610	84,405	5,923,690
2014	2,374,343	983,876	800,987	-	1,472,516	290,510	145,515	81,865	6,149,612
2015	2,514,239	1,061,585	804,926	-	1,531,262	307,997	128,810	210,586	6,559,405

City of Lawrenceville, Georgia
General Government Revenues by Source
Last Ten Fiscal Years

	Taxes	Licenses and Permits	Intergovernmental	Fines & Forfeitures	Charges for Services	Interest Income	Miscellaneous	Total
2006	\$ 9,101,846	\$ 346,461	\$ 1,582,573	\$ 2,965,878	\$ 759,175	\$ 907,065	\$ 1,293,445	\$ 16,956,443
2007	11,637,265	447,509	752,837	3,087,129	824,182	1,558,556	169,954	18,477,432
2008	10,375,747	388,387	153,883	2,964,549	756,478	1,233,829	285,669	16,158,542
2009	5,546,067 ⁽¹⁾	337,974	3,749,065	3,470,709	839,981	655,717	171,712	14,771,225
2010	5,834,191	277,683	3,891,534	2,504,173	839,780	443,142	269,845	14,060,348
2011	4,698,502	285,264	3,930,634	6,577,967 ⁽²⁾	778,280	285,337	142,719	16,698,703
2012	6,718,371	299,330	6,673,325	3,761,396 ⁽³⁾	839,076	187,748	689,475	19,168,721
2013	6,213,742	304,915	6,549,884	1,926,374	815,650	184,222	163,043	16,157,830
2014	6,180,080	316,544	5,901,584	1,900,549	856,187	146,824	224,836	15,526,604
2015	6,566,666	308,055	6,076,690	2,160,300	975,722	116,056	264,778	16,468,267

⁽¹⁾The decrease in taxes is due to the special option sales tax being reported in the Intergovernmental category beginning in FY 2009 as opposed to the Taxes category. The special option sales tax contributed \$3.9 million in FY 2006, \$6 million in FY 2007 and \$4.2 million in FY 2008 to the Taxes category.

⁽²⁾Confiscated assets in the amount of \$4,774,166 were reported for FY 2011.

⁽³⁾Confiscated assets in the amount of \$1,985,902 were reported for FY 2012.

City of Lawrenceville, Georgia
 Assessed Value and Estimated Actual Value of Taxable Property
 Last Ten Calendar Years

Calendar Year	Real Property	Personal Property	Motor Vehicle	Mobile Homes
2005	\$ 734,118,338	\$ 170,734,820	\$ 65,799,190	\$ 1,158,480
2006	803,082,418	175,000,000	63,871,510	1,157,960
2007	869,462,464	176,138,180	70,030,630	1,180,280
2008	917,823,158	194,491,220	72,113,190	735,480
2009	896,843,690	178,460,330	73,388,390	719,280
2010	839,960,980	165,870,090	60,612,840	712,920
2011	748,823,880	160,000,000	57,833,300	707,400
2012	635,406,725	175,000,000	59,999,060	659,520
2013	643,768,870	155,000,000	64,849,010	565,720
2014	711,875,120	160,000,000	56,785,530	653,320

⁽¹⁾Gwinnett County assesses property at 40% of actual value for all types of personal and real property.
 Source: Consolidated Digest Reports from the Gwinnett County Tax Commissioner's Office

Other	Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value ⁽¹⁾
\$ 549,910	\$ 87,597,430	\$ 884,763,308	2.410	\$ 2,211,908,270	40%
-	85,859,290	957,252,598	2.310	2,393,131,495	40%
-	90,123,350	1,026,688,204	2.200	2,566,720,510	40%
-	88,443,230	1,096,719,818	2.160	2,741,799,545	40%
88,800	89,361,000	1,060,139,490	2.160	2,650,348,725	40%
88,800	89,142,050	978,103,580	2.160	2,445,258,950	40%
58,040	86,399,670	881,022,950	2.160	2,202,557,375	40%
999,200	80,862,100	791,202,405	2.160	1,978,006,013	40%
103,500	83,067,200	781,219,900	2.160	1,953,049,750	40%
60,700	83,738,650	845,636,020	2.076	2,114,090,050	40%

City of Lawrenceville, Georgia
Direct and Overlapping Property Tax Rates
Last Ten Calendar Years

Calendar Year	Overlapping Rates											Total Direct & Overlapping Rates		
	City of Lawrenceville Millage		Gwinnett County Millage					Gwinnett County School Board Millage					State	
	Operating	Operating	Operating	Debt Service	Fire Protection	Police Services	District	Recreation	Total	Operations	Debt Service			Total
2005	2.410	10.14	0.49	0.00	0.00	0.00	0.00	0.84	11.47	19.25	1.30	20.55	0.25	34.68
2006	2.310	10.00	0.48	0.00	0.00	0.00	0.00	0.82	11.30	19.25	1.30	20.55	0.25	34.41
2007	2.200	9.81	0.47	0.00	0.00	0.00	0.00	0.80	11.08	19.25	1.30	20.55	0.25	34.08
2008	2.160	9.72	0.46	0.00	0.00	0.00	0.00	0.79	10.97	19.25	1.30	20.55	0.25	33.93
2009	2.160	11.78	0.47	0.00	0.00	0.00	0.00	1.00	13.25	19.25	1.30	20.55	0.25	36.21
2010	2.160	11.78	0.47	0.00	0.00	0.00	0.00	1.00	13.25	19.25	1.30	20.55	0.25	36.21
2011	2.160	11.78	0.24	0.00	0.00	0.00	0.00	1.00	13.02	19.25	1.30	20.55	0.25	35.98
2012	2.160	11.78	0.24	0.00	0.00	0.00	0.00	1.00	13.02	19.25	1.30	20.55	0.20	35.93
2013	2.160	7.40	0.24	0.36	3.20	1.60	0.36	0.95	13.75	19.80	2.05	21.85	0.15	37.91
2014	2.076	7.40	0.24	0.36	3.20	1.60	0.36	0.95	13.75	19.80	2.05	21.85	0.10	37.78
2015	2.025	7.23	0.24	0.36	3.20	1.60	0.36	0.95	13.58	19.80	2.05	21.85	0.05	37.50

Source: Gwinnett County Tax Commissioner website

City of Lawrenceville, Georgia
Top Ten Property Taxpayers
Current and Nine Years Ago (Calendar Year)

Taxpayer	2014			2005		
	Taxable Assessed Value	Rank	% of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	% of Total City Taxable Assessed Value
Walmart Real Estate Business Trust	\$ 12,885,480	1	1.52%	\$ 6,670,309	1	0.75%
Phillip Blvd. Apartment Partners LLC	7,941,600	2	0.94%			
Terrace Park Properties I LLC	7,760,000	3	0.92%			
Gwinnett Retirement Inv LLC	7,675,160	4	0.91%			
Bellsouth Telecommunications	7,229,120	5	0.85%	7,418,354	2	0.84%
National Vision, Inc.	6,354,190	6	0.75%			
Lund International	6,301,440	7	0.75%	4,087,618	5	0.46%
Aramark Uniform Services, Inc.	6,083,930	8	0.72%			
Gwinnett Medical Properties, Inc.	5,943,960	9	0.70%			
Rehrig Pacific Company	5,408,250	10	0.64%			
Bluelinx Corporation				6,816,491	3	0.77%
3370 Sugarloaf Parkway Holdings LLC				5,101,332	4	0.58%
Inland Western Lawrenceville Simonton LLC				3,808,189	6	0.43%
Tara Materials				3,595,078	7	0.41%
Jackson E M C				3,462,699	8	0.39%
Averitt Properties				3,380,450	9	0.38%
Development Authority of Gwinnett County				3,302,093	10	0.37%
	<u>\$ 73,583,130</u>		<u>8.70%</u>	<u>\$ 47,642,612</u>		<u>5.38%</u>

Source: Gwinnett County Tax Commissioner's Office

City of Lawrenceville, Georgia
Property Tax Levies and Collections
Last Ten Calendar Years

Calendar Year	Taxes Levied for the Calendar Year	Collected within Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Adjusted Levy
2006	N/A	N/A	N/A	N/A	N/A	N/A
2007	N/A	N/A	N/A	N/A	N/A	N/A
2008	\$ 2,381,906	\$ 401,942	16.9%	\$ 1,979,964	\$ 2,381,906	100.0%
2009	2,367,199	-	0.0%	2,123,610	2,123,610	89.7%
2010	2,165,070	157,636	7.3%	1,786,360	1,943,996	89.8%
2011	1,925,783	170,218	8.8%	1,755,565	1,925,783	100.0%
2012	1,746,602	13,654	0.8%	1,622,743	1,636,397	93.7%
2013	1,889,584	113,364	6.0%	1,527,699	1,641,063	86.8%
2014	1,762,441	97,695	5.5%	1,625,908	1,723,603	97.8%
2015	1,663,599	73,586	4.4%	-	73,586	4.4%

⁽¹⁾ Information is only available back to FY 2008.

⁽²⁾ Taxes are levied in July of the fiscal year but are not due until October. This results in a low percentage of taxes collected within the fiscal year of the levy.

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

Note: Taxes levied have been adjusted to include subsequent bills. If an assessment is in appeal at the time of the billing, the City bills 85% of the taxable amount. When the appeal is settled, the City then sends a bill for the increased amount, if applicable.

City of Lawrenceville, Georgia
Largest Natural Gas Customers
Current and Nine Years Ago

Taxpayer	2015			2006		
	Total Billings	Rank	% of Revenues	Total Billings	Rank	% of Revenues
Ricoh Electronics	\$ 1,209,788	1	3.45%	\$ 1,061,666	1	2.16%
Gwinnett Hospital System	783,609	2	2.24%	711,049	3	1.45%
Publix Warehouse	544,816	3	1.55%	991,477	2	2.02%
Gwinnett County Jail	473,101	4	1.35%	526,198	4	1.07%
Gwinnett Womens Pavilion	193,411	5	0.55%	294,128	5	0.60%
Cintas Corporation	162,336	6	0.46%	240,330	6	0.49%
Tara Materials	144,096	7	0.41%	180,579	7	0.37%
Go Hospitality Services	102,516	8	0.29%			
Block USA - GA Division	80,604	9	0.23%	116,086	10	0.24%
Gwinnett Co. Justice & Admin Center	74,028	10	0.21%			
Gwinnett Co. Corrections				177,962	8	0.36%
Dolco Packaging Co.				160,312	9	0.33%
	<u>\$ 3,768,305</u>		<u>10.75%</u>	<u>\$ 4,459,787</u>		<u>9.06%</u>

City of Lawrenceville, Georgia
Largest Electric Customers
Current and Nine Years Ago

Taxpayer	2015			2006		
	Total Billings	Rank	% of Revenues	Total Billings	Rank	% of Revenues
Gwinnett Hospital System	\$ 2,372,212	1	7.72%	\$ 1,075,253	1	4.54%
Rehrig Pacific Company	1,463,572	2	4.76%			
Auto Ventshade Co.	950,456	3	3.09%	585,440	3	2.47%
Gwinnett Co. Justice & Admin Center	719,662	4	2.34%	762,836	2	3.22%
Vista Eyecare Inc	343,767	5	1.12%	179,978	10	0.76%
All American Poly of GA	337,456	6	1.10%	306,859	4	1.29%
Bekar/Central Cluster HS	300,622	7	0.98%			
Gwinnett Physician's Center	264,391	8	0.86%			
BST-F5618	254,187	9	0.83%			
Ingles Market Inc	246,282	10	0.80%	221,536	6	0.93%
Formex Manufacturing Inc.				304,767	5	1.29%
White Lightning Products				195,947	7	0.83%
Block USA - GA Division				184,343	8	0.78%
Kroger Store GA-352				180,156	9	0.76%
	<u>\$ 7,252,608</u>		<u>23.59%</u>	<u>\$ 3,997,115</u>		<u>16.87%</u>

Table
City of Lawrenceville, Georgia
Electric Rates
Last Ten Fiscal Years

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Commercial (per month) FY 2006-FY 2009										
Base Charge	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00						
First 200 Hours Use of Demand										
First 3,000 kWh or less	0.11200	0.11200	0.11200	0.11200						
Next 7,000 kWh	0.10300	0.10300	0.10300	0.10300						
Next 190,000 kWh	0.09000	0.09000	0.09000	0.09000						
Over 200,000 kWh	0.07333	0.07333	0.07333	0.07333						
Next 200 Hours Use of Demand										
All kWh	0.02261	0.02261	0.02261	0.02261						
Next 200 Hours Use of Demand										
All kWh	0.02085	0.02085	0.02085	0.02085						
Over 600 Hours Use of Demand										
All kWh	0.01913	0.01913	0.01913	0.01913						
Commercial Small Power FY 2010-Current										
Base Charge					\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00
Demand Charge (per kW of billing demand)					2.25	2.25	2.25	2.25	2.25	2.25
All consumption (kWh) not greater than 200 hours times the billing demand					0.100	0.100	0.100	0.100	0.100	0.100
Consumption (kWh) in excess of 200 hours and not greater than 400 hours times the billing demand					0.050	0.050	0.050	0.050	0.050	0.050
Consumption (kWh) in excess of 400 hours times the billing demand					0.045	0.045	0.045	0.045	0.045	0.045
Commercial Medium Power FY 2010-Current										
Base Charge					30.00	30.00	30.00	30.00	30.00	30.00
Demand Charge (per kW of billing demand)					2.75	2.75	2.75	2.75	2.75	2.75
All consumption (kWh) not greater than 200 hours times the billing demand					0.090	0.090	0.090	0.090	0.090	0.090
First 6,000 kWh					0.080	0.080	0.080	0.080	0.080	0.080
Over 6,000 kWh					0.080	0.080	0.080	0.080	0.080	0.080
Consumption (kWh) in excess of 200 hours and not greater than 400 hours times the billing demand					0.045	0.045	0.045	0.045	0.045	0.045
Consumption (kWh) in excess of 400 hours times the billing demand					0.040	0.040	0.040	0.040	0.040	0.040
Commercial Large Power FY 2010-Current										
Base Charge					50.00	50.00	50.00	50.00	50.00	50.00
Demand Charge (per kW of billing demand)					3.25	3.25	3.25	3.25	3.25	3.25
All consumption (kWh) not greater than 200 hours times the billing demand					0.072	0.072	0.072	0.072	0.072	0.072
First 100,000 kWh					0.062	0.062	0.062	0.062	0.062	0.062
Over 100,000 kWh					0.062	0.062	0.062	0.062	0.062	0.062
Consumption (kWh) in excess of 200 hours and not greater than 400 hours times the billing demand					0.040	0.040	0.040	0.040	0.040	0.040
Consumption (kWh) in excess of 400 hours and not greater than 600 hours times the billing demand					0.036	0.036	0.036	0.036	0.036	0.036
Consumption (kWh) in excess of 600 hours times the billing demand					0.032	0.032	0.032	0.032	0.032	0.032
Temporary Service Rate										
Base Charge	19.95	19.95	19.95	19.95	19.95	19.95	19.95	19.95	19.95	19.95
First 3,000 kWh	0.1297	0.1297	0.1297	0.1297	0.1297	0.1297	0.1297	0.1297	0.1297	0.1297
Over 3,000 kWh	0.1185	0.1185	0.1185	0.1185	0.1185	0.1185	0.1185	0.1185	0.1185	0.1185
Residential (per month) FY 2006-FY 2009										
Base Charge	7.15	7.15	7.15	7.15						
June-September										
First 650 kWh or less	0.0552	0.0552	0.0552	0.0552						
Next 350 kWh	0.0853	0.0853	0.0853	0.0853						
Over 1,000 kWh	0.0875	0.0875	0.0875	0.0875						
October-May										
First 650 kWh or less	0.0552	0.0552	0.0552	0.0552						
Next 350 kWh	0.0488	0.0488	0.0488	0.0488						
Over 1,000 kWh	0.0482	0.0482	0.0482	0.0482						
Residential (per month) FY 2010-FY 2015										
Base Charge					8.00	8.00	8.00	8.00	8.00	8.00
May-October										
First 650 kWh or less					0.074	0.074	0.074	0.074	0.074	0.074
Next 350 kWh					0.096	0.096	0.096	0.096	0.096	0.096
Over 1,000 kWh					0.102	0.102	0.102	0.102	0.102	0.102
November-April										
First 650 kWh or less					0.074	0.074	0.074	0.074	0.074	0.074
Next 350 kWh					0.066	0.066	0.066	0.066	0.066	0.066
Over 1,000 kWh					0.064	0.064	0.064	0.064	0.064	0.064

City of Lawrenceville, Georgia
Gas Rates⁽¹⁾
Last Ten Fiscal Years

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Residential/Commercial	\$ 11.88	\$ 12.08	\$ 14.09	\$ 10.10	\$ 10.44	\$ 10.27	\$ 9.72	\$ 9.64	\$ 9.81	\$ 8.21
Hospital	11.85	12.05	14.06	9.80	10.14	9.97	9.42	9.34	9.51	7.91

⁽¹⁾Gas rates vary from month to month based on market price. The rates presented are an average of the rates for the fiscal year. Rates are per CCF (centum cubic foot).

City of Lawrenceville, Georgia
Ratio of Outstanding Debt by Type ⁽¹⁾
Last Ten Fiscal Years

Fiscal Year	Governmental Activities	Percentage of Estimated Actual Taxable Value of Property ⁽²⁾	Percentage of Personal Income (3)	Per Capita ⁽³⁾
	Revenue Bonds			
2006	-	-	-	-
2007	-	-	-	-
2008	-	-	-	-
2009	-	-	-	-
2010	-	-	-	-
2011	-	-	-	-
2012	-	-	-	-
2013	9,035,000	1.16%	1.74%	302
2014	8,255,000	0.98%	1.59%	273
2015	7,425,000	0.86%	N/A	N/A

⁽¹⁾ Prior to FY 2012, there were no long-term debt obligations. The Series 2012 Economic Development Revenue Bonds were issued during FY 2013.

⁽²⁾ Details of estimated actual taxable value of property can be found on the Schedule of Assessed Value and Estimated Actual Value of Taxable Property.

⁽³⁾ Details of population data can be found on the Schedule of Demographics and Economic Statistics.

City of Lawrenceville, Georgia
 Direct and Overlapping Governmental Activities Debt
 August 31, 2015

Jurisdiction	Gross Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Direct Debt			
Series 2012 Economic Development Revenue Bonds	\$ 7,425,000	100%	\$ 7,425,000
Overlapping Debt⁽¹⁾			
Gwinnett County General Obligation Bonds	19,145,000	3.30%	632,285
Gwinnett County Board of Education	883,680,000	3.30%	29,184,538
Total Overlapping Debt	902,825,000	3.30%	29,816,823
Total Direct and Overlapping Debt	\$ 910,250,000		\$ 37,241,823

⁽¹⁾ The percentage of overlapping debt chargeable to property in the City is calculated by dividing the net M&O assessed value of property in the City by the net M&O assessed value of property in the overlapping entity.

Sources:

Gwinnett County Comprehensive Annual Financial Report for December 31, 2014
 Gwinnett County Board of Education Budget for the fiscal year ended June 30, 2015

City of Lawrenceville, Georgia
Pledged Revenue Coverage
Last Ten Fiscal Years

Downtown Development Authority Series 2012 Economic Development Revenue Bonds ⁽¹⁾						
Fiscal Year	Transfers from City	Less: Housing and Development Expenditures	Net Available Revenue	Principal	Interest	Coverage
	\$	\$	\$	\$	\$	
2006	-	-	-	-	-	-
2007	-	-	-	-	-	-
2008	-	-	-	-	-	-
2009	-	-	-	-	-	-
2010	-	-	-	-	-	-
2011	-	-	-	-	-	-
2012	-	-	-	-	-	-
2013	-	-	-	-	-	-
2014	1,042,832	345,386	697,446	780,000	216,071	0.70
2015	1,078,950	145,834	933,116	830,000	195,942	0.91

⁽¹⁾The Downtown Development Authority is a blended component unit of the City. While the debt is not attributed to the primary government, the City has an intergovernmental agreement whereby the City pays the debt service of the bonds to the extent the Authority does not have the resources for the payments.

City of Lawrenceville, Georgia
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population ⁽¹⁾	Per Capita Personal Income ⁽¹⁾	Personal Income ⁽²⁾	Unemployment Rate ⁽³⁾
2006	28,445	\$ 18,488	\$ 525,900,516	5.6%
2007	28,766	18,282	525,900,516	5.4%
2008	29,268	18,201	532,699,437	8.1%
2009	29,837	17,514	522,560,847	15.3%
2010	28,546	18,147	518,019,721	14.1%
2011	28,946	18,208	527,055,396	13.2%
2012	29,404	17,247	507,137,328	11.0%
2013	29,868	17,373	518,901,032	9.7%
2014	30,212	17,190	519,346,103	8.4%
2015 ⁽⁴⁾	N/A	N/A	N/A	6.6%

⁽¹⁾ United States Census Bureau

⁽²⁾ Personal income calculated by multiplying population by per capita personal income.

⁽³⁾ United States Bureau of Labor Statistics. Rate is for the month of August.

⁽⁴⁾ FY 2015 data was not available at the time of publication.

City of Lawrenceville, Georgia
Top Ten Employers⁽¹⁾
Current and Six Years Ago⁽²⁾

Employer	2014			2008		
	Number of Employees	Rank	% of Total Employment ⁽³⁾	Number of Employees	Rank	% of Total Employment
Gwinnett Cty Bd of Commissioners	5,133	1	37.92%	4,150	1	30.18%
Gwinnett Medical Center	4,892	2	36.14%	4,198	2	30.53%
Gwinnett Bd of Education	986	3	7.28%	974	3	7.08%
East Inc (Wal-Mart)	637	4	4.71%	650	4	4.73%
Dept of Family & Children Services	400	5	2.95%	400	5	2.91%
Lund Int'l (Auto Ventshade)	330	6	2.44%	383	6	2.79%
City of Lawrenceville	301	7	2.22%	276	8	2.01%
Life Care Center of L'ville	233	8	1.72%			
Encompass Supply Chain Solutions, Inc	220	9	1.63%			
Averitt Express	200	10	1.48%			
Tara Materials				290	7	2.11%
Gwinnett County Mental Health				275	9	2.00%
National Vision				190	10	1.38%
	<u>13,332</u>		<u>98.48%</u>	<u>11,786</u>		<u>85.72%</u>

(1) Data obtained from City of Lawrenceville business licenses.

(2) Data for top employers is only available back to 2008. 2014 numbers are the latest available at the time of publication.

(3) Total employment numbers provided by the Bureau of Labor Statistics.

City of Lawrenceville, Georgia
 Government Employees by Function
 Last Ten Fiscal Years

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Function										
General government	27	33	35	36	34	34	34	39	35	37
Planning and zoning	7	5	6	6	6	5	11	7	7	8
Judicial	10	13	14	14	13	12	10	7	8	9
Public safety	86	91	93	97	95	90	92	106	92	94
Public works	43	44	48	48	51	51	55	54	53	50
Housing and development	-	-	-	-	-	-	2	3	6	6
Utilities										
Water and sewer	10	10	8	8	9	9	9	9	8	9
Electric	12	12	12	12	12	12	11	12	10	9
Gas	27	25	26	27	27	28	31	40	32	38
Solid waste	16	16	16	15	15	15	14	14	13	14
	<u>238</u>	<u>249</u>	<u>258</u>	<u>263</u>	<u>262</u>	<u>256</u>	<u>269</u>	<u>291</u>	<u>264</u>	<u>274</u>

City of Lawrenceville, Georgia
Performance Indicators by Function
Last Ten Fiscal Years

Function	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Administration										
Checks Processed	5,094	5,710	5,538	5,736	5,933	5,513	5,623	6,104	6,107	5,637
Public Safety										
Calls for Service	90,418	86,120	108,284	107,584	108,209	96,485	96,065	90,869	79,006	77,227
Cases Referred to Investigative Division	2,713	2,460	2,356	2,362	2,218	1,986	2,029	1,798	1,911	2,728
Public Works ⁽¹⁾										
Gas Department:										
Leaks Repaired	NA	NA	NA	NA	NA	NA	1,566	1,548	1,643	1,775
Number of New Services	NA	NA	NA	NA	NA	NA	301	255	271	672
Damage Prevention:										
Locate Requests	NA	NA	NA	NA	NA	NA	22,136	28,688	32,187	38,049
Housing and Development										
Building Permits Processed	513	446	341	278	294	352	312	232	247	318

⁽¹⁾Data not available prior to FY 2012.

City of Lawrenceville, Georgia
 Capital Asset Statistics by Function
 Last Ten Fiscal Years

Function	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Administration										
Vehicles	1	1	1	1	1	2	2	2	2	2
Public Safety										
Patrol Vehicles	18	29	39	54	62	85	104	118	129	134
Public Works										
Vehicles	200	190	186	180	135	143	150	139	144	154
Streets (miles) ⁽¹⁾	N/A	N/A	N/A	N/A	84.91	84.91	84.91	87.63	87.63	87.27
Water Lines (miles)	84	84	84	84	84	84	84	84	84	84
Streetlights										
Housing and Development										
Vehicles	5	5	4	5	3	3	4	3	2	2

⁽¹⁾Data is unavailable for the miles of streets maintained by the City prior to FY 2010.