

City of  
**Gainesville**  
Georgia

Popular Annual  
Financial Report  
2014



# Quick Contact Guide for Citizens

## EMERGENCY SERVICE

911

|  |              |
|--|--------------|
| Allen Creek Soccer Complex               | 678-450-6502 |
| Animal Control                           | 770-531-6830 |
| Alta Vista Cemetery                      | 770-535-6883 |
| Chattahoochee Golf Course                | 770-532-0066 |
| City Engineer                            | 770-535-6861 |
| City Manager's Office                    | 770-535-6865 |
| City Marshal                             | 770-535-6861 |
| Code Enforcement                         | 770-531-6570 |
| Dial-a-Ride                              | 770-503-3333 |
| Fire Department (non-emergency)          | 770-534-7193 |
| Frances Meadows Aquatic Center           | 770-533-5850 |
| Gainesville Civic Center                 | 770-531-2680 |
| Gainesville Connection (Fixed Route Bus) | 770-503-3333 |
| Housing & Neighborhood Development       | 770-531-2693 |
| Inspection Services                      | 770-531-6570 |
| Job Line                                 | 770-535-3063 |
| Lanier Point Softball Complex            | 770-287-0208 |
| Lee Gilmer Memorial Airport              | 770-535-6882 |
| Main Street Gainesville                  | 770-297-1141 |
| Mayor & Council                          | 770-535-6865 |
| Meals on Wheels                          | 770-503-3330 |
| Multi-Agency Narcotics Squad             | 770-531-6878 |
| Municipal Court                          | 770-531-2668 |
| Occupation Tax (Business License)        | 770-533-5842 |
| Planning and Zoning                      | 770-531-6570 |
| Police Department (non-emergency)        | 770-534-5251 |
| Purchasing & Bid Opportunities           | 770-535-6873 |
| Senior Life Center                       | 770-503-3331 |
| Solid Waste (Garbage/Recycling Pick-up)  | 770-532-0493 |
| Tax Office                               | 770-535-5639 |
| Tourism                                  | 770-531-2664 |
| TV18                                     | 770-538-4775 |
| Water Department Customer Service        | 770-535-6878 |



# Table of Contents

|                                       |       |
|---------------------------------------|-------|
| Report to the Citizens of Gainesville | 4     |
| Letter from the City Manager          | 5     |
| Our Guiding Principles                | 6     |
| City of Gainesville at a Glance       | 7     |
| Structure of Your Government          | 8     |
| Elected Officials                     | 9     |
| City Administration Directory         | 9     |
| Serving our Customers                 | 10-12 |
| Financial Information                 | 13-19 |



# REPORT TO THE CITIZENS OF GAINESVILLE

As part of our commitment to provide our citizens information about their city, we are pleased to present this Citizen's Report, also referred to as the Popular Annual Financial Report (PAFR) for the City of Gainesville's fiscal year ended June 30, 2014. The goal of this report is to provide highlighted information about your city's organizational structure, government operations, financial condition, and services offered in an uncomplicated and understandable format.

The financial information contained in this document has been extracted from the City's Comprehensive Annual Financial Report (CAFR). The CAFR received a favourable opinion from the City's independent auditors, Rushton & Co., LLC, confirming that the financial statements are presented in conformity with Generally Accepted Accounting Principles (GAAP). City funds, which are presented within this document are abbreviated and condensed; however, an audited detail of the City's finances may be found in the City's CAFR. You may obtain a copy of the CAFR on our city website at [www.gainesville.org/financial-services](http://www.gainesville.org/financial-services).

The City's CAFR has been awarded the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association of the United States and Canada (GFOA) for 23 consecutive years. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. The City's 2014 CAFR has been submitted to GFOA for consideration of this Certificate, and we believe our current report continues to conform to the Certificate of Achievement program requirements.

The City of Gainesville is committed to providing excellent service in a cost effective, efficient manner guided by and aligned with our organizational values. Thank you for taking time to read our Citizens Report.



# LETTER FROM THE CITY MANAGER

Kip Padgett  
City Manager

The City Manager is appointed by the Mayor and Council as the Chief Executive Officer and is responsible for implementing the services and policies adopted by the Mayor and Council. The City Manager recommends the annual budget and work program and advises the Mayor and Council on policy and legislative matters.

## Dear Fellow Gainesville Citizens

The City of Gainesville is proud to present to you our first Popular Annual Financial Report (PAFR). We hope you enjoy learning more about the City and its finances through this easy to use booklet. I wanted to take a moment to update you on the City of Gainesville. I am proud to let you know that the City is financially stable with excellent bond ratings and appropriate reserves. This is due to fiscally conservative spending principles and internal financial controls. The economy continues to improve in Gainesville with commercial and residential development permits reaching pre-recession numbers. In fact, we expect to issue the largest amount of single family home construction permits within the city ever. The City has also been working on addressing our housing stock. Through leveraging state and federal grant monies, the City has been able to assist our citizens in purchasing homes and rehabilitating those that are in very poor condition.

Also, our Parks and Recreation Agency was once again named Parks and Recreation Agency of the year by providing excellent service to the more than 750,000 visitors who use our park facilities and programs annually. The City has also attained the designation of a Plan First Community by the State of Georgia for our efforts in responsible land use planning and housing efforts. Our Fire Department was recently designated an ISO 1 department by the Insurance Service Organization. This ranks our fire department within the top 0.1% of fire department in the nation. This means that our fire department is in the top tier of providing fire suppression services to our citizens and businesses, which keep homeowner insurance costs low.

Paving our streets continues to be a priority of the City. We budget approximately \$1 million per year for transportation related activities within the City. We use this money to match state funds which maximizes the use of local dollars to the fullest extent possible. Finally, our downtown square has averaged a 95% occupancy rate this year. All of these accomplishments and many more could not have been made possible without the Mayor and Council and the employees of the City of Gainesville. On behalf of our elected officials and staff, I want to thank you for your support of our continued efforts to make Gainesville the ultimate location to live, work, and play.

### City Administration

Chartered in 1821, the City of Gainesville operates under a council / manager form of government. Under this system, the Mayor and Council are the policy-making body; they determine the services the City will provide, levy taxes, and enact legislation to formalize the services and policies they have established.

### Gainesville Mayor and City Council

The Governing Body consists of five members and a mayor elected citywide to serve four-year terms. The Mayor and Council meet the first and third Tuesday of each month at 5:30pm in the Municipal Courtroom located in the Gainesville Justice Center at 701 Queen City Parkway, SW. Each meeting schedule is posted on the city web site at [www.gainesville.org](http://www.gainesville.org). Meetings are open to the public. If you wish to appear before the Mayor and Council, write to the City Clerk, City of Gainesville, Post Office Box 2496, Gainesville, Georgia 30503, email [clerk@gainesville.org](mailto:clerk@gainesville.org), or call 770-535-6862. City Council meetings are broadcast on TV18 - The Government Channel for Gainesville / Hall County on Channel 18 on Charter Cable and Channel 23 on Comcast Communications. Meetings can be viewed any time at [www.tv18online.org](http://www.tv18online.org).

# OUR GUIDING PRINCIPLES

## Vision

Gainesville is committed to being an innovative city, providing a close-knit community feel in which to live, work, and play.

## City of Gainesville's Mission

To enrich the community of Gainesville by practicing good stewardship of resources and providing innovative and exemplary services for all people .



To accomplish our mission we will:

- Maintain the attitude of “Do more with less / efficiency first”
- Be exemplary in our service quality, low expenditures and effectiveness
- Continue to revitalize the Midtown area to further the close knit community feel
- Be innovative in our economic development, in order to stimulate local economy
- Be accountable to citizens and each other for our actions
- Uphold the highest professional and ethical standards

# City of Gainesville at a Glance



## DEMOGRAPHICS

|  |           |
|--|-----------|
| Estimated Population (2013)            | 35,533    |
| Median Age                             | 28.6      |
| Median Household Income                | \$41,007  |
| Mean Travel Time to Work (minutes)     | 22        |
| Registered Voters                      | 11,178    |
| Home Ownership Rate                    | 37.5%     |
| Median Value of Owner Occupied Housing | \$169,700 |
| Average Household Size                 | 2.93      |

## GAINESVILLE QUICK FACTS

|   |               |
|---|---------------|
| Area (square miles)   | 34.19         |
| Acres of Parks  | 443           |
| Operating Budget - 2014   | \$118.7M      |
| Employees   | 615 FT/239 PT |
| 2013 Mill Levy (City & School)<br><small>(Tax on 100% assessed Value)</small> | 10.65         |
| 2013 Sales and Use Tax Rate   | 7%            |

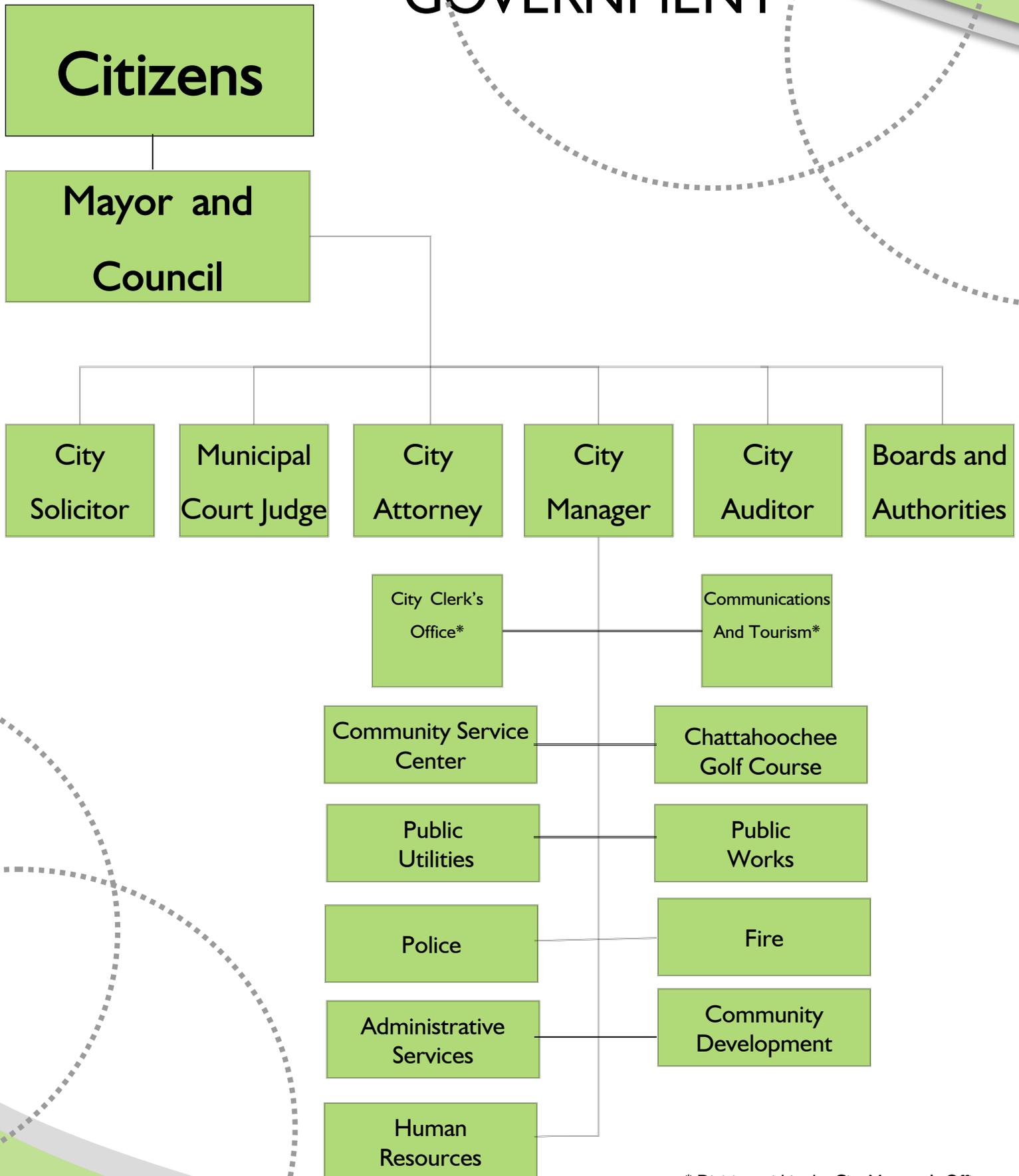
## MAJOR EMPLOYERS (Hall County)

|                                  |       |
|----------------------------------|-------|
| Northeast Georgia Medical Center | 5,200 |
| Fieldale Farms                   | 2,400 |
| Pilgrim's Pride                  | 1,600 |
| Mar-Jac, Inc.                    | 1,250 |
| Kubota Manufacturing of America  | 1,250 |
| Victory Processing LLC           | 790   |
| Wrigley Manufacturing Co.        | 750   |
| Wal-Mart Super Center            | 690   |
| The Longstreet Clinic            | 620   |
| KIK Gainesville                  | 580   |

## SERVICES

- Police
- Fire
- Water
- Sewer
- Storm Drainage
- Streets
- Solid Waste
- Airport
- Parks & Recreation
- Planning & Economic Development
- Municipal Court
- Community Service Center
- Housing
- Transportation

# STRUCTURE OF YOUR GOVERNMENT



\* Division within the City Manager's Office

# ELECTED OFFICIALS



**Mayor of Gainesville**  
 Danny Dunagan  
 770-718-7877  
[Citycouncil@gainesville.org](mailto:Citycouncil@gainesville.org)  
 Term expires:  
 December 2017



**Ward 2**  
 Rebert L. (Bob) Hamrick  
 770-532-1690  
[Citycouncil@gainesville.org](mailto:Citycouncil@gainesville.org)  
 Term expires:  
 December 2015



**Ward 4**  
 George Wangemann  
 770-534-5861  
[Citycouncil@gainesville.org](mailto:Citycouncil@gainesville.org)  
 Term expires:  
 December 2017



**Ward 1**  
 Sam Couvillon  
 678-316-9711  
[Citycouncil@gainesville.org](mailto:Citycouncil@gainesville.org)  
 Term expires:  
 December 2017



**Ward 3**  
 Myrtle W. Figueras  
 770-532-0960  
[Citycouncil@gainesville.org](mailto:Citycouncil@gainesville.org)  
 Term expires:  
 December 2015



**Ward 5**  
 Ruth H. Bruner  
 770-532-7207  
[Citycouncil@gainesville.org](mailto:Citycouncil@gainesville.org)  
 Term expires:  
 December 2015

# CITY ADMINISTRATION DIRECTORY

|                                     |                      |              |                            |
|-------------------------------------|----------------------|--------------|----------------------------|
| City Manager                        | Kip Padgett          | 770-535-6865 | Kpadgett@gainesville.org   |
| Assistant City Manager              | Angela Sheppard      | 770-535-6865 | Asheppard@gainesville.org  |
| Chief Financial Officer             | Melody Marlowe       | 770-535-6898 | Mmarlowe@gainesville.org   |
| Chattahoochee Golf Course           | Rodger Hogan         | 770-532-0066 | Rhogan@gainesville.org     |
| City Clerk                          | Denise Jordan        | 770-535-6865 | Djordan@gainesville.org    |
| Communications and Tourism          | Catiel Felts         | 770-297-5499 | Cfelts@gainesville.org     |
| Community Development               | Rusty Ligon          | 770-531-6570 | Rligon@gainesville.org     |
| Community Service Center            | Phillippa Lewis Moss | 770-503-3330 | Pmoss@gainesville.org      |
| Fire                                | Jerome Yarbrough     | 770-534-3612 | Jyarbrough@gainesville.org |
| Human Resources and Risk Management | Janeann Allison      | 770-535-6887 | Jallison@gainesville.org   |
| Parks and Recreation Agency         | Melvin Cooper        | 770-531-2680 | Mcooper@gainesville.org    |
| Police                              | Carol Martin         | 770-535-5625 | Cmartin@gainesville.org    |
| Public Utilities                    | Kelly Randall        | 770-538-2400 | Krandall@gainesville.org   |
| Public Works                        | David Dockery        | 770-535-6882 | Ddockery@gainesville.org   |

# SERVING OUR CUSTOMERS

## PARKS AND RECREATION

### Major Accomplishments for 2014

- Added an electronic marquee at the Civic Center.
- Completed fitness center at Frances Meadows.
- Replaced picnic tables, trash receptacles, and benches in various parks throughout the City.
- Renovated the restrooms at Desota and Longwood Parks.
- Phase I of trail and bridge replacements at Wilshire Trails.
- Resurfaced Longwood tennis courts.
- Exchanged athletic properties with Gainesville Board of Education to better serve the community.
- Purchased an activity bus for programs.
- Provided Automated External Defibrillators for all park facilities.
- Refinished hardwood floors in the Civic Center and Martha Hope Cabin.
- Added security cameras to both the Civic Center and the Frances Meadows Center.

## COMMUNITY DEVELOPMENT

### Major Accomplishments for 2014

- Adopted new Historic Preservation Design Guidelines.
- Completed the Chattahoochee Pavilion Historic Restoration Project.
- Received \$1,000,000 in grant funds from DCA for the development of six single-family homes or rental housing units.
- Received a half million dollar grant from the State Road & Tollway Authority for three intersection improvements along S.R. 369 / Jesse Jewell Parkway.
- Awarded \$48,000 GATEway grant from the Georgia Department of Transportation for tree planting and landscaping at exit 20 interchange.



The City purchased 11.6 acres of property from CSX that was previously an abandoned railroad maintenance yard and converted it into the Midtown Greenway. The Midtown Greenway will one day stretch over three miles and foster the development of a 15-mile trail loop by connecting a planned Hall County trail running from the University of North Georgia and Chicopee Woods in Oakwood north to the City's existing Rock Creek Greenway, which runs through a series of parks from downtown to Longwood Cove on Lake Lanier.



# SERVING OUR CUSTOMERS

## GENERAL GOVERNMENT

### Major Accomplishments for 2014

- Moody's Investor Service awarded the City with a rare 2-step upgrade on revenue bonds. The City's bond rating jumped from A1 to Aa2 making it among one of the highest rated water and sewer systems in the State. Only two other water and sewer systems in Georgia have higher bond ratings.
- The City received the Certificate of Achievement for Excellence in Financial Reporting for 22 consecutive years and expects to receive it for a 23<sup>rd</sup> year.
- The City received the Distinguished Budget Presentation Award for 21 consecutive years and expects to receive it for a 22<sup>nd</sup> year.
- The Human Resources Department hosted an employee health fair that included hearing and vision screenings for current and retired employees.



In an effort to go paperless, the Mayor and Council members transitioned from using hard copy agenda packets to a more technological approach of using iPads which displays each meeting's information in an agenda software format. The use of this new technology will reduce the City's printing costs.



The City offers free assessments available to all residential and commercial customers. A Water Conservation Specialist will come to your home or business and determine how much water is currently being used and how water can be conserved.



In order to promote water conservation, each year the City's Public Utilities Department sponsors an Annual Rain Barrel contest where all the local schools can decorate a rain barrel based on a theme. The barrels are then put on display at various City locations where visitors can vote for their favorite rain barrel. This year's winners were East Hall Middle School and Gainesville High School.

## PUBLIC UTILITIES

### Major Accomplishments for 2014

- Top Operator Award for Distribution from the Georgia Association of Water Professionals District 2.
- Top Operator Award for Collection from the Georgia Association of Water Professionals District 2.
- Hosted Annual Stream Clean-up to remove litter and other debris that have been thrown or washed into the waterways.
- Offered several drinking water and water reclamation facility tours.
- Hosted Rain Barrel Workshop to teach participants how to install and use a rain barrel.
- Conducted a Find-a-Leak Workshop that offered step-by-step instructions on how to locate hidden leaks.

# SERVING OUR CUSTOMERS



## PUBLIC SAFETY

### Major Accomplishments for 2014

#### Police Department

- Finalized the departments 3 year search for a new records management system.
- Received fifth certification award from the State of Georgia Law Enforcement Certification Program.
- Received the 2013 Governor's Office of Highway Safety Governor's Challenge Award for Technology.

During his time spent in Gainesville, filming his new movie *Blended*, actor Adam Sandler took time out of his schedule to pose with Gainesville police and firefighters.

#### Fire Department

- Effective October 1, 2014 the Gainesville Fire Department was awarded an Insurance Services Office (ISO) Class I rating. There are only 60 Class I departments in the nation and only one other Class I department in the State of Georgia.



The Lee Gilmer Memorial Airport is owned and operated by the City of Gainesville's Public Works Department. The airport offers 81 T-Hangars and 12 Corporate Hangars which are available to lease for both private and corporate aircraft.



The Alta Vista Cemetery is the final resting place of two former Georgia Governors and Lt. General James Longstreet. The Cemetery has been in continuous operation since its establishment over 150 years ago.

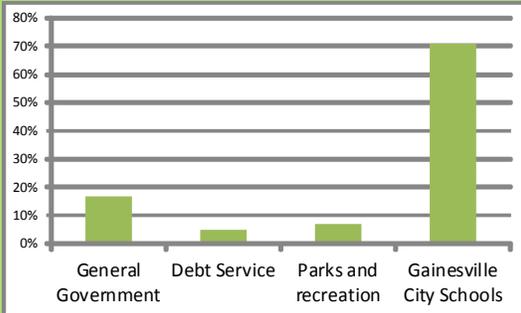
## PUBLIC WORKS

### Major Accomplishments for 2014

- 2.25 miles of road resurfaced
- 32.5 miles of road restriped
- 74 intersections upgraded
- 6,640 miles of streets swept
- 2,255 feet of sidewalk repaired or replaced
- 15 trees and 100 shrubs were planted at the Alta Vista Cemetery
- Received \$234,988 in Local Maintenance and Improvement Grants from the Georgia Department of Transportation

# FINANCIAL INFORMATION

## How Your Tax Dollar is Spent

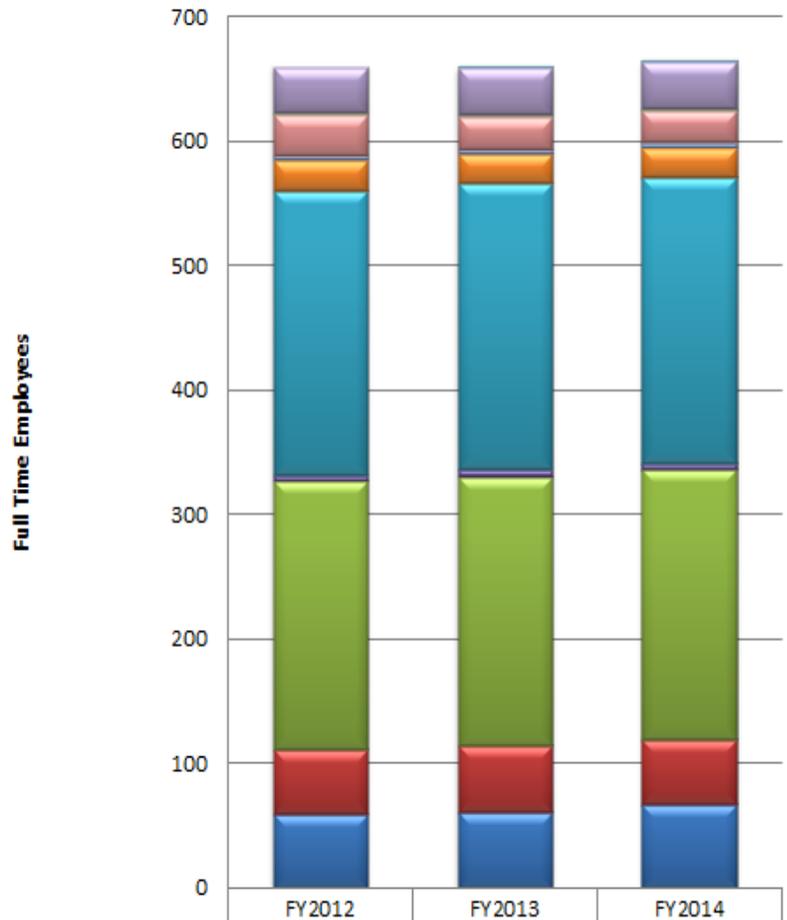


Your tax dollar is divided up into several governmental service areas. For every one dollar you pay in property tax 17 cents goes toward general government operations, such as police, fire, and road maintenance. Five cents of that dollar is put toward paying off debt that was issued for major capital projects such as the Frances Meadows Aquatic Center and new Public Safety Facilities. Seven cents of every dollar is used to for Parks and recreational programs like the summer camps that are provided by the City's Parks and Recreation component unit. The remaining 71 cents goes to the Gainesville City School's operations.



City School Operations  
 Parks and Recreation  
 Debt Service  
 General Government

## AUTHORIZED STAFFING LEVELS (FULL-TIME POSITIONS)



|                          | FY2012 | FY2013 | FY2014 |
|--------------------------|--------|--------|--------|
| Airport                  | 0      | 1      | 1      |
| Parks and Recreation     | 36     | 37     | 37     |
| Cable TV                 | 2      | 2      | 2      |
| Community Service Center | 33     | 26     | 26     |
| Golf Course              | 4      | 4      | 4      |
| Solid Waste              | 24     | 24     | 24     |
| Water & Sewer Fund       | 229    | 229    | 229    |
| Vehicle Services         | 5      | 6      | 6      |
| Public Safety            | 216    | 216    | 216    |
| Public Works             | 52     | 54     | 53     |
| General Government       | 59     | 61     | 67     |

# FINANCIAL INFORMATION



## Expenditures by Function

### General Government

Expenditures incurred for general administrative offices including the Mayor and City Council, City Administration, Finance, Human Resources, Information Technology, etc.

### Judicial

Expenditures incurred for municipal court system activities.

### Public Safety

Expenditures incurred for public safety activities including police and fire services.

### Public Works

Expenditures incurred in providing engineering, transportation, and public works services.

### Housing and Development

Expenditures incurred for housing and development activities.

### Health and Welfare

Expenditures incurred for activities involved in the conservation and improvement of public health and activities designed to provide public assistance and institutional care for individuals economically unable to provide essential needs for themselves.

### Culture and Recreation

Expenditures incurred for providing cultural and recreational services.

## Financial Review of Fiscal Year 2014

This section gives information on the City of Gainesville's financial health and stability. It should leave you with an increased understanding of how available resources are being utilized to provide services. The tables and charts that follow depict the sources of revenue and expenditure on a fund level basis of accounting. These highlights are based upon the City's Comprehensive Annual Financial Report (CAFR) which is a more inclusive, audited document.

## Revenue Sources

### Property Taxes

Taxes collected from property owners based upon an assessed valuation and tax rate. The dollar amount received is to be used to fund governmental services, debt service, and parks and recreation.

### Sales and Use Taxes

Taxes imposed on the purchase, sale, rental, storage, use, or consumption of tangible personal property and related services. Specifically represents the City's portion of the 1% sales and use tax collected in Hall County.

### Other Taxes

Represents various other taxes such as franchise taxes, insurance premium taxes, alcohol beverage excise taxes, intangible taxes, business occupation taxes, hotel/motel taxes, etc.

### Licenses and Permits

Fees collected for the issuance of licenses and permits by the city. Several of the larger revenue components include building permit fees, alcohol beverage permit fees, development permit fees, occupancy permit fees, etc.

### Charges for Services

Fees collected for general government services. Several of the larger revenue components include water and sewer, parks and recreation activity fees, garbage and recycling fees, airport hanger rentals, etc.

### Impact Fees

Fees collected from land developers to ensure proportionate cost sharing of necessary city improvements including roads, parks, and public safety improvements.

### Fines and Forfeitures

Revenue derived from fines and penalties imposed for the commission of statutory offenses, violation of lawful administrative rules and regulations, etc. Municipal court fines are included in this category.

### Intergovernmental

Revenue from other governments in the form of operating grants, shared revenues, etc.

### Other Revenues

Revenues received that are not otherwise classified. Including investment earnings, contributions, and donations.

# FINANCIAL INFORMATION

## GOVERNMENTAL FUNDS

Where the money came from...

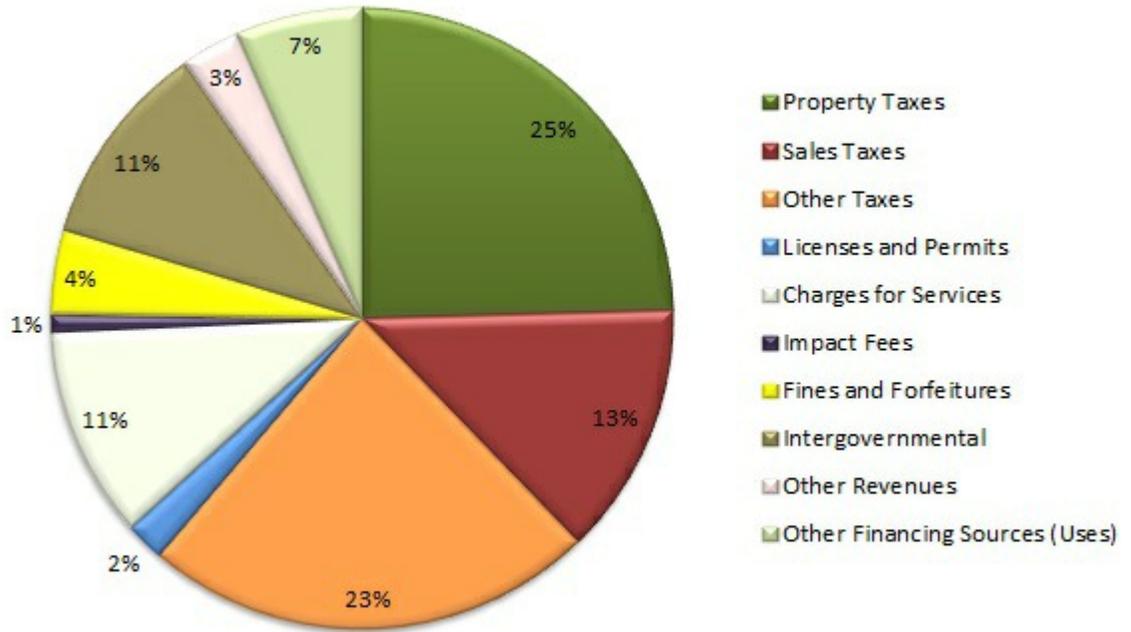
### Governmental Funds

Activities generally financed through taxes, intergovernmental revenues, and other nonexchange revenues are generally reported in governmental funds. Core services, including police and fire protection, public works, parks and recreation facilities and programs, as well as general administrative support.

### Component Unit

A legally separate organization for which the elected officials of the primary government are financially accountable. The City currently has one component unit, Parks and Recreation.

### TOTAL GOVERNMENTAL ACTIVITY REVENUES



### Revenue Sources...

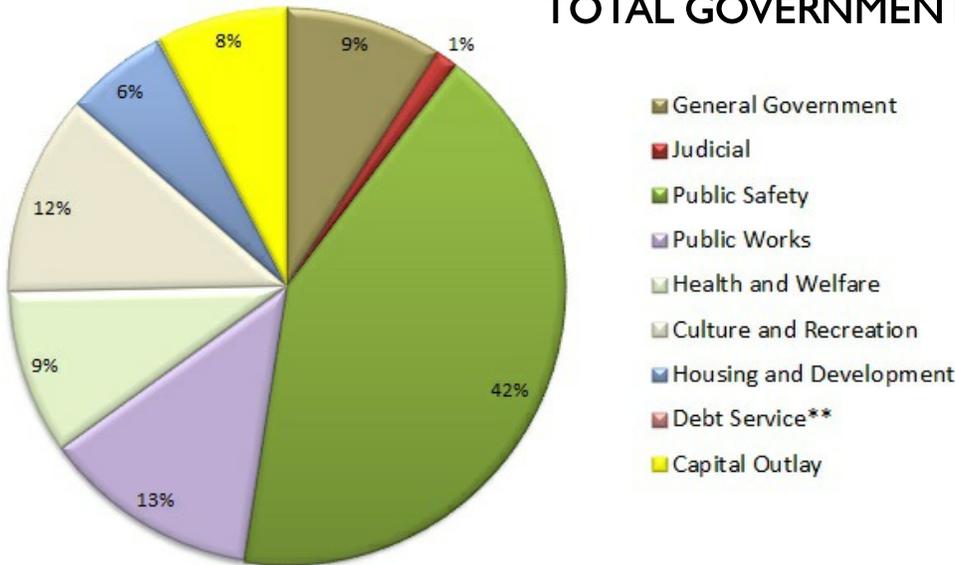
|                                     | General Fund         | Non Major Governmental Funds | Parks and Recreation (Component Unit) |
|-------------------------------------|----------------------|------------------------------|---------------------------------------|
| Property Taxes                      | \$ 6,715,659         | \$ 10,701                    | \$ 2,556,584                          |
| Sales Taxes                         | 4,983,807            | 0                            | 0                                     |
| Other Taxes                         | 8,149,514            | 715,260                      | 0                                     |
| Licenses and Permits                | 768,827              | 0                            | 0                                     |
| Charges for Services                | 2,179,114            | 472,751                      | 1,527,076                             |
| Impact Fees                         | 0                    | 352,676                      | 0                                     |
| Fines and Forfeitures               | 1,420,017            | 215,454                      | 0                                     |
| Intergovernmental                   | 303,330              | 3,656,130                    | 104,854                               |
| Other Revenues                      | 925,728              | 226,328                      | 6,142                                 |
| <b>Subtotal</b>                     | <b>25,445,996</b>    | <b>5,649,300</b>             | <b>4,194,656</b>                      |
| Other Financing Sources (Uses)      | (374,199)            | 2,852,536                    | 760                                   |
| <b>Total Revenues and Resources</b> | <b>\$ 25,071,797</b> | <b>\$ 8,501,836</b>          | <b>\$ 4,195,416</b>                   |

\* The table and chart shown above are presented on a fund level basis of accounting.

# FINANCIAL INFORMATION

## GOVERNMENTAL FUNDS

Where the money went...



\*\* Debt Service expenditures were less than 1% of total governmental expenditures; therefore, the chart does not display total Debt Service.

### Expenditures by Function...

|  | General Fund         | Non Major<br>Governmental Funds | Parks and Recreation<br>(Component Unit) |
|--|----------------------|---------------------------------|--|
| General Government   | \$ 3,041,557         | \$ 186,850                      | \$ 0                                     |
| Judicial   | 460,849              | 0                               | 0  |
| Public Safety  | 14,717,771           | 216,540                         | 0  |
| Public Works   | 4,491,621            | 90                              | 0  |
| Health and Welfare   | 12,500               | 3,378,756                       | 0  |
| Culture and Recreation   | 120,000              | 45,000                          | 4,008,694                                |
| Housing and Development  | 820,827              | 1,262,103                       | 0  |
| Debt Service   | 0                    | 19,955                          | 0  |
| Capital Outlay   | 0                    | 2,128,323                       | 582,668                                  |
| <b>Total Expenditures</b>  | <b>23,665,125</b>    | <b>7,237,617</b>                | <b>4,591,362</b>                         |
| Excess (deficiency) of Revenues and other<br>Financing Sources over (under)<br>Expenditures and Other Financing Uses | 1,406,672            | 1,264,219                       | (395,946)                                |
| Beginning Fund Balances  | 9,260,621            | 14,318,229                      | 2,823,336                                |
| <b>Ending Fund Balances</b>  | <b>\$ 10,667,293</b> | <b>\$ 15,582,448</b>            | <b>\$ 2,427,390</b>                      |

\* The table and chart shown above are presented on a fund level basis of accounting.

# FINANCIAL INFORMATION

## PROPRIETARY FUNDS

| Where the money came from...                                 | Public Utilities      | Non Major Enterprise Funds |
|--|-----------------------|----------------------------|
| <b>Operating Revenue:</b>                                    |                       |                            |
| Charges for sales and services                               | \$ 58,759,620         | \$ 4,306,103               |
| Other  | 1,063,964             | 31,279                     |
| <b>Total operating revenues</b>                              | <b>59,823,584</b>     | <b>4,337,382</b>           |
| <b>Non-operating Revenues:</b>                               |                       |                            |
| Interest revenue   | 274,094               | 18,483                     |
| Gain on sale of capital assets                               | 52,717                | 754                        |
| Contributions  | 8,610,030             | 73,780                     |
| Transfers In   | 0                     | 131,140                    |
| <b>Total non-operating revenues</b>                          | <b>8,936,841</b>      | <b>224,157</b>             |
| <b>Total Revenues</b>  | <b>68,760,425</b>     | <b>4,561,539</b>           |
| <b>Where the money went...</b>                               |                       |                            |
| <b>Operating Expenses:</b>                                   |                       |                            |
| Cost of sales and services                                   | 12,766,240            | 1,383,993                  |
| Personal services  | 13,317,585            | 1,872,060                  |
| Depreciation   | 14,727,226            | 1,123,797                  |
| <b>Total operating expenses</b>                              | <b>40,811,051</b>     | <b>4,379,850</b>           |
| <b>Non-operating Expenses</b>                                |                       |                            |
| Interest Expense   | 6,771,945             | 190,879                    |
| Other  | 23,394                | 0                          |
| Distributions of capital assets                              | 80,000                | 0                          |
| Transfers out  | 3,496,114             | 0                          |
| <b>Total non-operating expenses</b>                          | <b>10,371,453</b>     | <b>190,879</b>             |
| <b>Total Expenses</b>  | <b>51,182,504</b>     | <b>4,570,729</b>           |
| <b>Excess (deficiency) of revenues over (under) expenses</b> | <b>17,577,921</b>     | <b>(9,190)</b>             |
| <b>Beginning Net Position</b>                                | <b>327,943,326</b>    | <b>11,593,771</b>          |
| <b>Ending Net Position</b>                                   | <b>\$ 345,521,247</b> | <b>\$ 11,584,581</b>       |

### Proprietary (Enterprise) Funds

A proprietary (enterprise) fund is established to account for operations financed and operated in a manner similar to private business enterprise.

The City currently operates one major proprietary fund, the Public Utilities Fund. Primary revenues from this fund include charges for water and sewer use to City customers, as well as Hall County customers who are connected to the City's water and sewer lines. Expenses for this fund include the cost to maintain the City's water and sewer infrastructure, meet existing debt service requirements, future capital needs and the cost to administer the system.

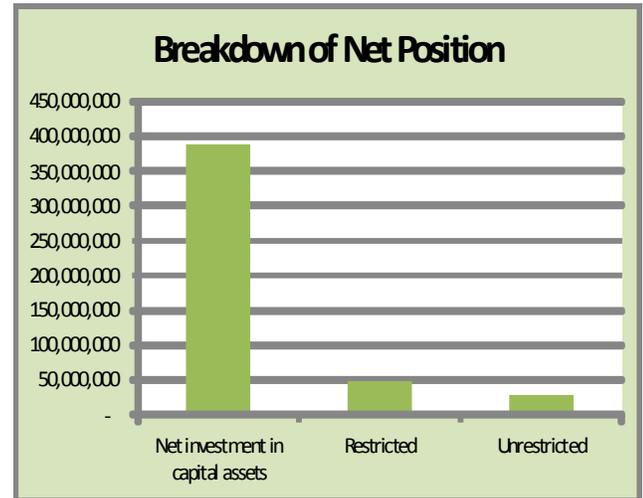
The City also operates non-major enterprise funds, including the Airport fund and Solid Waste fund.

\* The table shown above is presented on a fund level basis of accounting.

# FINANCIAL INFORMATION

## STATEMENT OF NET POSITION

The following tables and charts are depicted using the Generally Accepted Accounting Principles (GAAP) to show the over-all health the the City's finances as a whole. The Statement of Net Position reflects a strong net financial position for the City as of June 30, 2014. Assets of the City exceeded its liabilities on June 30, 2014 by roughly \$450 million (not including deferred outflows). Although the City's total assets decreased by roughly \$6.7 million there was a much larger decrease in the City's total liabilities of approximately \$23.1 million dollars which resulted in an increase of the City's net position of about \$16 million dollars from fiscal year 2013. This statement includes component unit assets and liabilities. Detailed financial information can be found in the City's Comprehensive Annual Financial Report.



### Statement of Net Position as of June 30<sup>th</sup>

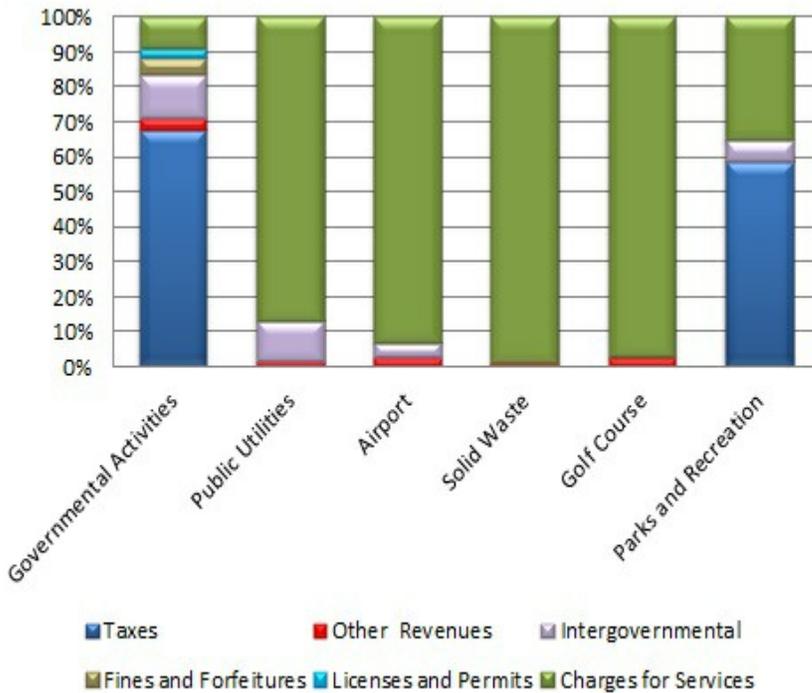
|   | 2014          | 2013          | 2012          | 2011          | 2010          |
|---|---------------|---------------|---------------|---------------|---------------|
| <b>Current assets</b>                   | \$121,277,664 | \$122,265,556 | \$115,268,823 | \$110,083,445 | \$116,322,138 |
| <b>Noncurrent assets</b>                | 601,313,236   | 607,802,891   | 614,238,773   | 618,499,490   | 618,296,679   |
| <b>Total Assets</b>                     | 722,590,900   | 730,068,447   | 729,507,596   | 728,582,935   | 734,618,817   |
| <b>Deferred outflows of resources</b>   | 2,433,214     | 2,797,224     | 0             | 0             | 0             |
| <b>Current liabilities</b>              | 32,696,516    | 40,347,442    | 32,976,966    | 32,363,681    | 37,427,424    |
| <b>Noncurrent liabilities</b>           | 226,552,710   | 242,021,415   | 256,449,111   | 274,850,272   | 293,385,507   |
| <b>Total Liabilities</b>                | 259,249,226   | 282,368,857   | 289,426,077   | 307,213,953   | 330,812,931   |
| <b>Net Position:</b>                    |               |               |               |               |               |
| <b>Net investment in capital assets</b> | 387,298,924   | 368,792,226   | 353,996,210   | 335,752,918   | 321,452,795   |
| <b>Restricted</b>                       | 48,469,104    | 41,279,438    | 52,215,541    | 48,640,926    | 64,195,148    |
| <b>Unrestricted</b>                     | 30,006,860    | 40,425,150    | 33,869,768    | 36,975,138    | 18,157,943    |
| <b>Total Net Position</b>               | \$465,774,888 | \$450,496,814 | \$440,081,519 | \$421,368,982 | \$403,805,886 |

\* The table and chart shown above are presented on a GAAP basis of accounting and are inclusive of the Parks and Recreation component unit.

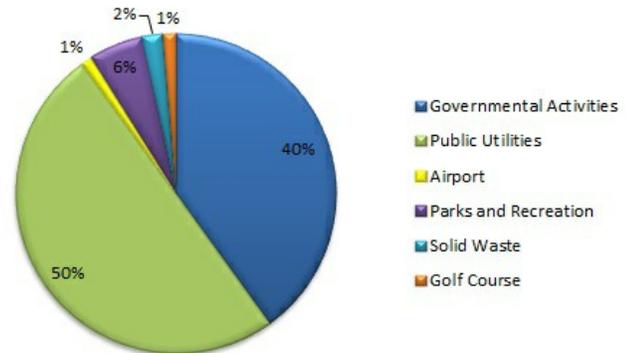
# FINANCIAL INFORMATION

## STATEMENT OF CHANGES IN NET POSITION

### Breakdown of Total City Revenues



### Breakdown of Total City Expenses



### Statement of Changes in Net Position for the Fiscal Year Ended June 30<sup>th</sup>

|                                     | 2014          | 2013          | 2012          | 2011          | 2010          |
|-------------------------------------|---------------|---------------|---------------|---------------|---------------|
| Revenues                            | \$109,335,138 | \$103,412,331 | \$110,706,143 | \$105,489,904 | \$100,205,020 |
| Expenses                            | 94,057,064    | 90,133,463    | 91,993,606    | 87,926,808    | 92,256,991    |
| Increase (decrease) in net position | 15,278,074    | 13,278,868    | 18,712,537    | 17,563,096    | 7,948,029     |
| Net position, beginning as restated | 450,496,814   | 437,217,946   | 421,368,982   | 403,805,886   | 395,857,857   |
| Net Position, end of year           | \$465,774,888 | \$450,496,814 | \$440,081,519 | \$421,368,982 | \$403,805,886 |

The above tables and charts are depicted using the Generally Accepted Accounting Principles (GAAP) to show the over-all health the the City's finances as a whole. The City's Statement of Changes in Net Position reflects all the financial activity for the City during the fiscal year ended June 30, 2014. This statement presents information to show how the City's net position changed during a year as a result of financial activity (i.e. revenues and expenses). This is a summarized version of the more detailed statement found in the City's complete Comprehensive Annual Financial Report. This statement includes component unit revenue and expenses.

