CITY OF SNELLVILLE, GEORGIA

ANNUAL FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2009

TOGETHER WITH

INDEPENDENT AUDITOR'S REPORT

JAMES L. WHITAKER, P.C.

CERTIFIED PUBLIC ACCOUNTANT

SNELLVILLE, GEORGIA 30078

CITY OF SNELLVILLE, GEORGIA
ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

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INDEPENDENT AUDITOR'S REPORT

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

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 City of Snellville, Georgia (the City) as of and for the year ended June 30, 2009, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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 Snellville, Georgia, as of June 30, 2009 and the respective changes in financial position and, where applicable, cash flows, thereof, and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued a report dated November 9, 2009 on our consideration of City of Snellville's internal controls over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis on page iii through xi is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Snellville, Georgia's basic financial statements. The combining nonmajor fund financial statements and the other individual fund financial statements listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. These financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

James A. Whitaker, P.C.

Snellville, Georgia
November 9, 2009

CITY OF SNELLVILLE
MANAGEMENT'S DISCUSSION AND ANALYSIS
For Year Ended June 30, 2009

As management of the City of Snellville, we offer readers of the City of Snellville's financial statements this narrative overview and analysis of the financial activities of the City of Snellville for the fiscal year ended June 30, 2009. We encourage readers to consider the information presented in this analysis with their review of the financial statements.

Financial Highlights

- The assets of the City of Snellville exceeded its liabilities at the close of the most recent fiscal year by $26,607,397 (Net assets). Of this amount unrestricted net assets of $1,514,424 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors in accordance with the City's fund designation and fiscal policies.

- The City's total net assets increased by $2,320,435. This increase is due to an increase in net assets of $2,478,979 in governmental activities, but offset by a decrease in business-type activities net assets of $158,544.

- As of the close of the current fiscal year, the City of Snellville's governmental funds reported combined ending fund balances of $7,918,581, an increase of $998,301 in comparison with the prior year. Of this amount $1,465,534 is unreserved and available for spending, $5,483,137 is reserved for SPLOST Capital Projects, $607,371 is reserved for other Capital Projects, $149,897 reserved for Police Activities, $95,360 is reserved for Tree Bank Projects, and $117,282 is reserved for Prepaid Items.

- At the end of the current fiscal year, unreserved fund balance for the general fund was $1,397,426 or 14.2% % of total General Fund revenues.

- The City of Snellville's total debt obligations (including accrued compensated absences) decreased by the net of $309,119. The decrease is due to repayment of Certificates of Participation, in the amount of $280,000 and $56,321 in capital lease obligations. It was offset by an increase in accrued compensated absences of $21,215.

Overview of the Financial Statements

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

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

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

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

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

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

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

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

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

The City of Snellville adopts an annual budget for its General Fund. On page 7 of this report a budgetary comparison statement has been provided for the General Fund to demonstrate compliance with the FY 09 budget. A project length budget is presented for the City Center Capital Project Fund and the SPLOST I & II Capital Projects Funds in the supplementary information following the Basic Financial Statements.

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

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

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

Government-Wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. At June 30, 2009, the City's assets exceeded liabilities by $26,607,397.

The largest portion of the City's net assets (68.5%) reflects its investment in capital assets (e.g., land, buildings, equipment, improvements, construction in progress and infrastructure), less any related debt used to acquire those assets that is still outstanding. The City uses capital assets to provide service to citizens; consequently these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Of the total net assets, $6,335,765 (23.8%) is restricted for Capital Projects, Police Activities, and Tree Bank Projects and $1,514,424 or (5.7%) is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors.

City of Snellville's Net Assets

	Governmental Activities		Business Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Current and other assets	$ 9,277,724	$ 8,228,482	$ 417,966	$ 354,000	$ 9,695,690	$ 8,582,482
Capital assets	22,475,691	21,271,040	1,567,883	1,637,483	24,043,574	22,908,523
Total assets	31,753,415	29,499,522	1,985,849	1,991,483	33,739,264	31,491,005
Current liabilities	1,004,591	920,558	474,362	321,452	1,478,953	$ 1,242,010
Long-term liabilities	5,652,914	5,962,033	-	-	5,652,914	$ 5,962,033
Total liabilities	6,657,505	6,882,591	474,362	321,452	7,131,867	7,204,043
Net assets:	$ 25,095,910	$ 22,616,931	$ 1,511,487	$ 1,670,031	$ 26,607,397	$ 24,286,962
Invested in capital assets, net of related debt	17,189,325	15,654,341	1,567,883	1,637,483	18,757,208	$ 17,291,824
Restricted	6,335,765	5,343,921	-	-	6,335,765	$ 5,343,921
Unrestricted	1,570,820	1,618,669	(56,396)	32,548	1,514,424	$ 1,651,217
Total net assets	$ 25,095,910	$ 22,616,931	$ 1,511,487	$ 1,670,031	$ 26,607,397	$ 24,286,962

As of June 30, 2009, the City is able to report positive balances in all three categories of net assets, both for the government as a whole and for each individual fund except for the Solid Waste Management enterprise Fund which reported a negative balance ($56,396) in unrestricted net assets.

City of Snellville's Change in Net Assets

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Revenues:						
Program Revenues -						
Charges for Services	$ 3,224,691	$ 3,476,918	$ 1,655,160	$ 1,880,248	$ 4,879,851	$ 5,357,166
Operating Grants and Contributions	$ 109,045	$ -	$ -	$ -	$ 109,045	$ -
Capital Grants and Contributions	$ 17,585	$ 128,055	$ -	$ -	$ 17,585	$ 128,055
General Revenues -						
Property Taxes	$ 3,507,366	$ 3,004,571	$ -	$ -	$ 3,507,366	$ 3,004,571
Other Taxes	$ 5,720,549	$ 6,115,545	$ -	$ -	$ 5,720,549	$ 6,115,545
Interest	$ 69,653	$ 308,585	$ 1,092	$ 4,345	$ 70,745	$ 312,930
Other	$ 14,292	$ -	$ -	$ -	$ 14,292	$ -
Total Revenues	$ 12,663,181	$ 13,033,674	$ 1,656,252	$ 1,884,593	$ 14,319,433	$ 14,918,267
Expenses:						
General Government	$ 1,628,287	$ 1,690,679	$ -	$ -	$ 1,628,287	$ 1,690,679
Public Safety and Courts	$ 5,356,421	$ 5,392,175	$ -	$ -	$ 5,356,421	$ 5,392,175
Parks and Recreation	$ 954,721	$ 919,401	$ -	$ -	$ 954,721	$ 919,401
Highhways and Streets	$ 1,063,138	$ 1,158,273	$ -	$ -	$ 1,063,138	$ 1,158,273
Economic Development	$ 31,044	$ 32,598	$ -	$ -	$ 31,044	$ 32,598
Community Development	$ 577,474	$ 570,221	$ -	$ -	$ 577,474	$ 570,221
Interest on Long-term Debt	$ 241,132	$ 249,535	$ -	$ -	$ 241,132	$ 249,535
Solid Waste	$ -	$ -	$ 2,146,781	$ 2,162,934	$ 2,146,781	$ 2,162,934
Total Expenses	$ 9,852,217	$ 10,012,882	$ 2,146,781	$ 2,162,934	$ 11,998,998	$ 12,175,816
Increase (Decrease) in net assets before transfers	$ 2,810,964	$ 3,020,792	$ (490,529)	$ (278,341)	$ 2,320,435	$ 2,742,451
Transfers	$ (331,985)	$ (251,285)	$ 331,985	$ 251,285	$ -	$ -
Increase (Decrease) in Net Assets	$ 2,478,979	$ 2,769,507	$ (158,544)	$ (27,056)	$ 2,320,435	$ 2,742,451
Net Assets-Biginning of Year	$ 22,616,931	$ 19,847,424	$ 1,670,031	$ 1,697,087	$ 24,286,962	$ 21,544,514
Net Assets-End of Year	$ 25,095,910	$ 22,616,931	$ 1,511,487	$ 1,670,031	$ 26,607,397	$ 24,286,965

Governmental activities. Governmental activities increased the City's net assets by $2,478,979 accounting for 106.8% of the total growth in the net assets. Key elements of this increase are as follows:

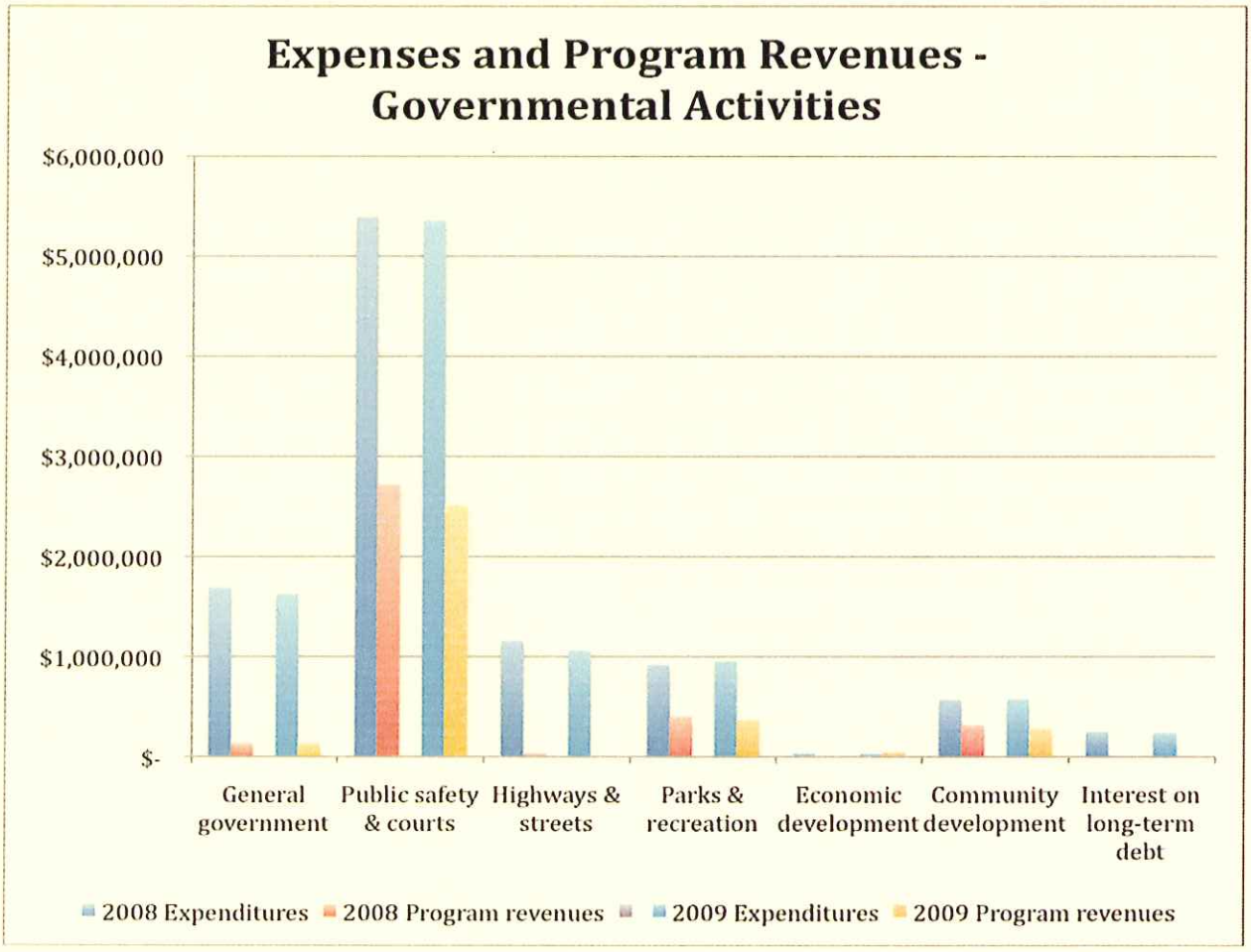
- Occupational taxes decreased by $117,308 (-12.6%) for the year. The decrease was due to a weakening in the economy.

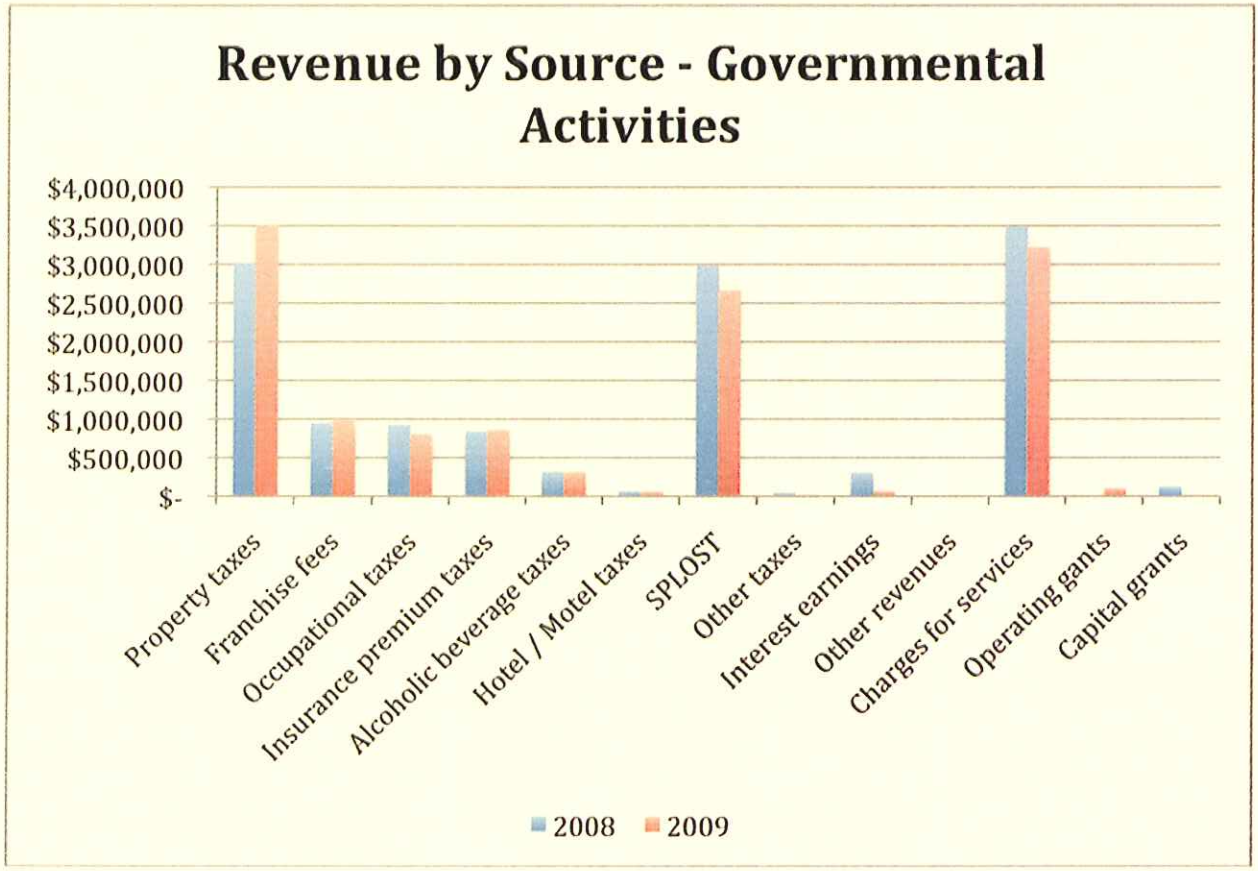
- Property taxes increased by $502,795 (16.7%) for the year. The increase was due to growth and reassessments of real property and an increase in the City's millage rate from 3.65 mills to 4.15 mills.

- The City was a party to the issuance of Certificates of Participation (COPS) in the amount of $6,795,000 issued under the name of Georgia Municipal Association, Inc. Leasing Program during fiscal year ending June 30, 2004. The proceeds have been used to finance the acquisition, construction and equipping of a new city hall. The land and building are pledged as security against the certificates. Repayment of the certificates is to be made under an annual renewable lease agreement. Interest rates associated with the certificates range from 2 % to 4.59 %.

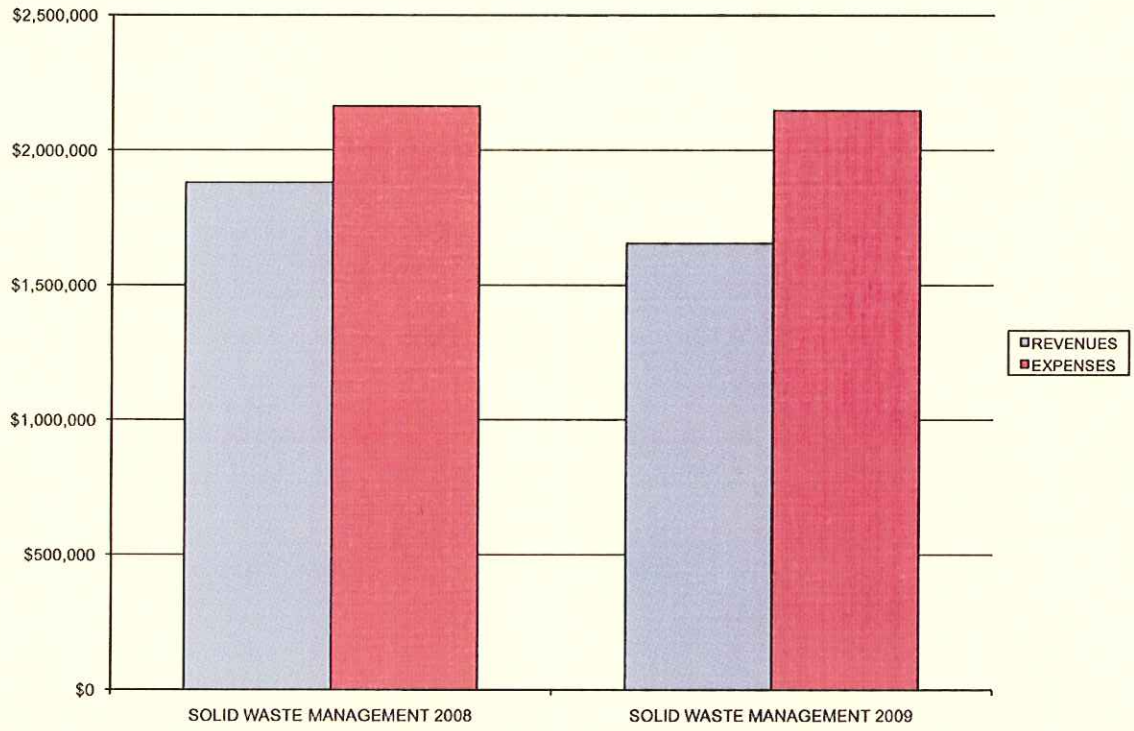
- Fines and forfeitures decreased by $142,239 (5.7%) for the year. This is due in part to the inability of some violators to pay assessed fines; therefore they are sentenced to community service. Automated red light camera violations have decreased over a period of time as more commuters become aware of their presence within the city. The City discontinued red light camera enforcement in March 2009.

- The City received proceeds from a special purpose local option sales tax. The voters of Gwinnett County passed a resolution in November 2004, which authorized the tax. Proceeds from the tax recognized by the City as revenue for the year amounted to $2,040,740. The voters approved a new SPLOST in November 2008. Proceeds from this SPLOST generated $629,057.




Revenue by Source - Governmental Activities
$4,000,000
$3,500,000
$3,000,000
$2,500,000
$2,000,000
$1,500,000
$1,000,000
$500,000
$-
Property taxes
Franchise fees
Occupational taxes
Insurance premium taxes
Alcoholic beverage taxes
Hotel / Motel taxes
SPLOST
Other taxes
Interest earnings
Other revenues
Charges for services
Operating gants
Capital grants
2008
2009

Business-type Activities: The Solid Waste Management Fund decreased the City's net assets by $158,544. This was due to an operating loss for the year of $491,621. However, the General Fund transferred $331,985 to the Solid Waste Management Fund to supplement operations.



Financial Analysis of the Government's Funds

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

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

At the end of the current fiscal year, the City of Snellville's governmental funds reported combined ending fund balances of $7,918,581 an increase of $998,301 in comparison to the prior year. Of this amount, $1,465,534 (18.5%) is unreserved fund balance, which is available for spending at the government's discretion. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed 1) to pay for capital expansion most of which is funded by the proceeds of the Certificates of Participation ($561,469), 2) for police activities ($149,897), 3) 2005 SPLOST ($4,854,080), 4) 2009 SPLOST ($629,057, 5) Tree Bank ($95,360), and 6) prepaid items ($117,282).

The general fund is the City's chief operating fund. At the end of the current fiscal year, unreserved fund balance of the general fund was $1,397,426 while the total fund balance totaled $1,514,708. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund revenues. Unreserved fund balance represents 14.2 % of the total general fund revenues, while total fund balance represents 15.4 % of that same amount.

During the current fiscal year, the fund balance of the City's general fund increased by $36,377. Revenues increased by 3.3%, and there was a decrease of 4.4% in expenditures resulting in an excess of revenues over expenditures of $834,276. The General Fund transferred $493,882 to the City Center Capital Projects Fund to finance capital

expenditures and debt service requirements related to construction of the new City Administration Facilities. The General Fund also transferred $331,985 to the Solid Waste Management Fund to finance the City's recycle facilities and to supplement operations.

The City Center Capital Project Fund has a total fund balance of $561,469 all of which is reserved for debt service under the terms of the Certificates of Participation.

Since being passed by referendum in November 2004, the proceeds from the 2005 SPLOST have generated $11,810,432 for the City of Snellville's share. The proceeds are to be used exclusively for the following purposes: 1) roads, including stormwater, 2) cultural/historic/recreation and 3) public safety. Significant expenditures are expected to be incurred during fiscal year 2010. The 2009 SPLOST has recognized $629,057 in revenues since collection began in April 2009.

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

Net assets of the Solid Waste fund at the end of the year were $1,511,487, of which $1,567,883 was invested in capital assets. Other factors concerning the finances of the fund have already been addressed in the discussion of the City's business-type activities. The fund has unrestricted assets of ($56,396) which is expected to be funded by future revenues and transfers from the General Fund.

General Fund Budgetary Highlights

There were no significant variances between the final budget and the actual. There were significant adjustments made to the adopted FY 2009 Budget to adjust for diminishing economic activity. Reductions in budgeted revenues for occupation taxes, permit fees, and fines and forfeitures were offset by budget reductions for capital expenditures, operating costs, and freezing certain vacant positions. These adjustments were made mid-way during the fiscal year and reflect the city's aptitude in monitoring its fiscal condition and making necessary adjustments.

Capital Asset and Debt Administration

Capital assets. The City of Snellville's investment in capital assets for its governmental and business-type activities as of June 30, 2009 amounts to $24,043,574 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, automobiles and equipment, sidewalks, bridges and roads.

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

- $311,594 was spent for vehicles, including related equipment, for the Police Department
- $80,000 for 2 mini-buses for the Senior Center
- $360,733 for drainage, street, and sidewalk improvements
- $348,000 for land for the new Police facility
- $660,000 for improvements to Briscoe Park
- $179,885 furniture and other equipment

Additional information on the City's capital assets can be found in note 8.

Long-term debt. At the end of the current fiscal year, the City had $5,652,914 in outstanding debt consisting of Certificates of Participation, net of unamortized discount, capital lease obligations and accrued compensated absences. Land and buildings secured the Certificates of Participation.

The City's total debt has decreased by $330,334. This is attributed to a payment on the Certificates of Participation in the amount of $280,000 and payment of $56,321 in capital lease obligations. No new debt was added. Additional information on the City's long-term debt can be found in note 10.

Status of the City of Snellville Economy

Economic activity in Snellville during the year reflects national and regional trends. The City has a thriving retail sector consisting of approximately 2.5 million square feet of commercial retail, with continued commercial growth.

The City also has a strong medical sector, with Emory Eastside Medical Center being its largest employer. Emory Eastside employs over 1,400 with a medical staff of over 400 physicians. They serve over 12,000 annual inpatients, over 55,000 annual E.D. visits, over 75,000 annual outpatient visits, and over 7,600 annual surgeries performed. They are planning a new 80,000 square foot medical office building in 2010. Emory Eastside plans a 78-bed expansion and will invest nearly $70,000,000 in the Snellville facility nearly doubling the square footage of the existing campus.

A total of approximately 1400 businesses contribute to the economic stability of the City. The value of the total taxable property increased 5%, based on Gwinnett County's Gross Digest.

The Evermore Community Improvement District, an association of property owners along U.S. Highway 78 that voluntarily taxes itself, stretches from Snellville to Stone Mountain. About 20% of the CID is within Snellville. The CID is currently completing significant transportation improvements along the Highway 78 corridor, much of it in Snellville and will help to revitalize the west end of the community and dress-up the Highway 78 approach into the City.

The Downtown Development Authority (DDA) has initiated a planning process to be a catalyst for the redevelopment of the Snellville Oaks, Eastgate Place, Wisteria Village area near the center of town. Redevelopment of these first generation strip centers into a modern neo-urban center will greatly enhance the center of town and help create a sense of place that Snellville currently lacks.

The City retains a positive outlook even in these uncertain economic times. We continue to look for ways to encourage and facilitate economic develop while exercising responsible stewardship over the city's resources and overall financial condition.

Requests for Information

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

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

CITY OF SNELLVILLE, GEORGIA
STATEMENT OF NET ASSETS
JUNE 30, 2009

	Governmental Activities	Business-Type Activities	Total	Downtown Development Authority
Assets				
Cash and Cash Equivalents	$ 1,547,177	$ 174,541	$ 1,721,718	$ 17,324
Investments	207,331	-	207,331	111,399
Receivables (net of allowance for uncollectibles)				
Taxes	254,065	-	254,065	-
Fines	163,126	-	163,126	-
Intergovernmental	213	-	213	-
Accounts	24,750	243,425	268,175	-
Donations	-	-	-	-
Interest	784	-	784	1,545
Prepaid Items	117,282	-	117,282	-
Restricted Assets -				
Cash	5,598,244	-	5,598,244	-
Investments	561,369	-	561,369	-
Receivables	629,057	-	629,057	-
Non-Depreciable Capital Assets	5,896,030	-	5,896,030	-
Depreciable Capital Assets, Net	16,579,661	1,567,883	18,147,544	-
Deferred Cost, Net	174,326	-	174,326	-
Total Assets	31,753,415	1,985,849	33,739,264	130,268
Liabilities				
Accounts Payable -				
Operating	670,255	458,058	1,128,313	-
Capital	-	-	-	-
Accrued Liabilities -				
Wages	222,917	8,725	231,642	-
Customer Deposits	5,114	7,579	12,693	-
Police bonds and court fees	73,000	-	73,000	-
Other	1,210	-	1,210	-
Unearned Revenues	32,095	-	32,095	-
Long-Term Liabilities -				
Due Within One Year	392,749	-	392,749	-
Due In More Than One Year	5,260,165	-	5,260,165	-
Total Liabilities	6,657,505	474,362	7,131,867	-
Net Assets				
Invested in Capital Assets, Net of Related Debt	17,189,325	1,567,883	18,757,208	-
Restricted for -				
Capital Projects	6,090,508	-	6,090,508	-
Police Activities	149,897	-	149,897	-
Tree Bank	95,360	-	95,360	-
Unrestricted	1,570,820	(56,396)	1,514,424	130,268
Total Net Assets	$ 25,095,910	$ 1,511,487	$ 26,607,397	$ 130,268

See accompanying notes to the basic financial statements.

CITY OF SNELLVILLE, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2009

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Governmental Activities:				
General Government	$ 1,628,287	$ 135,971	$ -	$ -
Public Safety and Courts	5,356,421	2,513,666	-	-
Highways and Streets	1,063,138	-	-	2,635
Parks and Recreation	954,721	257,469	109,045	-
Economic Development	31,044	47,336	-	-
Community Development	577,474	270,249	-	14,950
Interest on Long-Term Debt	241,132	-	-	-
Total Governmental Activities	9,852,217	3,224,691	109,045	17,585
Business-Type Activities				
Solid Waste Management	1,905,027	1,539,724	-	-
Recycling	241,754	115,436	-	-
Total Business-Type Activities	2,146,781	1,655,160	-	-
Total	$ 11,998,998	$ 4,879,851	$ 109,045	$ 17,585
Component Units:				
Downtown Development Authority	$ 3,121	$ -	$ -	$ -

General Revenues:
Taxes:
Property
Franchise
Occupational
Insurance premium
Alcohol beverage
Hotel / Motel
Splost
Other
Interest Earnings
Other
Total General Revenues
Transfers
Total General Revenues and Transfers
Change in Net Assets

Net Assets - Beginning of Year

Net Assets - End of Year

See accompanying notes to the basic financial statements.

Changes in Net Assets			
Governmental Activities	Business-Type Activities	Total	Downtown Development Authority
$ (1,492,316)	$ -	$ (1,492,316)	$ -
(2,842,755)	-	(2,842,755)	-
(1,060,503)	-	(1,060,503)	-
(588,207)	-	(588,207)	-
16,292	-	16,292	-
(292,275)	-	(292,275)	-
(241,132)	-	(241,132)	-
(6,500,896)	-	(6,500,896)	-
-	(365,303)	(365,303)	
-	(126,318)	(126,318)	-
-	(491,621)	(491,621)	-
(6,500,896)	(491,621)	(6,992,517)	-
-	-	-	(3,121)
3,507,366	-	3,507,366	-
986,343	-	986,343	-
808,228	-	808,228	-
859,168	-	859,168	-
314,496	-	314,496	-
62,794	-	62,794	-
2,669,797	-	2,669,797	-
19,723	-	19,723	-
69,653	1,092	70,745	4,097
14,292	-	14,292	-
9,311,860	1,092	9,312,952	4,097
(331,985)	331,985	-	-
8,979,875	333,077	9,312,952	4,097
2,478,979	(158,544)	2,320,435	976
22,616,931	1,670,031	24,286,962	129,292
$ 25,095,910	$ 1,511,487	$ 26,607,397	$ 130,268

CITY OF SNELLVILLE, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2009

	GENERAL	CITY CENTER CAPITAL PROJECTS	SPLOST I CAPITAL PROJECTS	SPLOST II CAPITAL PROJECTS
ASSETS				
Cash and Cash Equivalents	$ 1,464,021	$ -	$ 5,280,822	$ -
Investments	207,331	561,369	-	-
Receivables (net of allowance for uncollectibles)				
Taxes	248,375	-	-	629,057
Fines	163,126	-	-	-
Intergovernmental	-	-	-	-
Accounts	21,000	-	3,750	-
Donations	-	-	-	-
Interest	684	100	-	-
Due from other funds	-	-	-	-
Prepaid Items	117,282	-	-	-
Total Assets	$ 2,221,819	$ 561,469	$ 5,284,572	$ 629,057
LIABILITIES				
Accounts Payable	$ 210,737	$ -	$ 430,492	$ -
Accrued Liabilities:				
Salaries and Wages	222,917	-	-	-
Deposits	5,114	-	-	-
Police bonds and court fees	73,000	-	-	-
Other	1,211	-	-	-
Due to other funds	-	-	-	-
Deferred Revenues	194,132	-	-	-
Total Liabilities	707,111	-	430,492	-
FUND BALANCES				
Reserved for:				
Capital Projects	-	561,469	4,854,080	629,057
Police services	-	-	-	-
Tree Bank	-	-	-	-
Prepaid Items	117,282	-	-	-
Unreserved - Special Revenue	-	-	-	-
Unreserved	1,397,426	-	-	-
Total Fund Balances	1,514,708	561,469	4,854,080	629,057
Total Liabilities and Fund Balances	$ 2,221,819	$ 561,469	$ 5,284,572	$ 629,057

See accompanying notes to the basic financial statements.

NON-MAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
$ 400,578	$ 7,145,421
-	768,700
5,690	883,122
-	163,126
213	213
-	24,750
-	-
-	784
-	-
-	117,282
$ 406,481	$ 9,103,398
$ 29,026	$ 670,255
-	222,917
-	5,114
-	73,000
-	1,211
-	-
18,188	212,320
47,214	1,184,817
45,902	6,090,508
149,897	149,897
95,360	95,360
-	117,282
68,108	68,108
-	1,397,426
359,267	7,918,581
$ 406,481	$ 9,103,398

CITY OF SNELLVILLE, GEORGIA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2009

Amounts reported for governmental activities in the statement of net assets are different because:	
Total fund balances -- total governmental funds	$ 7,918,581
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	22,475,691
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds:	
Deferred revenues	180,226
Debt issuance cost and discounts are considered other financing uses in governmental funds in the year incurred but are deferred costs and are amortized over the life of the related debt in the statement of net assets:	
Deferred issue cost	174,326
Debt discount	84,292
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Certificates of participation	(5,190,000)
Capital lease obligation	(180,657)
Long-term portion of compensated absences	(366,549)
Net assets of governmental activities.	$ 25,095,910

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

CITY OF SNELLVILLE, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

	GENERAL	CITY CENTER CAPITAL PROJECTS	SPLOST I CAPITAL PROJECTS	SPLOST II CAPITAL PROJECTS
REVENUES				
Taxes	$ 6,501,926	$ -	$ 2,040,740	$ 629,057
Licenses and permits	237,171	-	-	-
Intergovernmental	133,999	-	-	-
Charges for services	311,109	-	-	-
Fines and forfeitures	2,343,725	-	-	-
Tree Bank Bonds	-	-	-	-
Investment income	23,988	2,927	39,290	-
Rental income	165,003	-	-	-
Miscellaneous	112,752	-	-	-
Total Revenues	9,829,673	2,927	2,080,030	629,057
EXPENDITURES				
Current:				
General Government	1,342,651	-	-	-
Municipal Court	903,543	-	-	-
Public Safety	4,124,174	-	-	-
Highways and Streets	882,089	-	-	-
Parks and Recreation	800,836	-	-	-
Tree Bank	-	-	-	-
Economic Development	-	-	-	-
Community Development	566,472	-	-	-
Capital:				
General Government	27,381	-	-	-
Public Safety	5,926	-	770,939	-
Highways and Streets	161,056	-	301,729	-
Parks and Recreation	109,045	-	660,659	-
Court	7,022	-	-	-
Debt Service:				
Principal	56,321	280,000	-	-
Interest	8,881	213,882	-	-
Total Expenditures	8,995,397	493,882	1,733,327	-
Excess (Deficiency) of Revenues Over Expenditures	834,276	(490,955)	346,703	629,057
Other Financing Sources (Uses):				
Proceeds from long-term debt	-	-	-	-
Transfers	(808,767)	493,882	-	-
Sale of capital assets	10,868	-	-	-
Total	(797,899)	493,882	-	-
Net Change in Fund Balances	36,377	2,927	346,703	629,057
Fund Balance - Beginning of the year	1,478,331	558,542	4,507,377	-
Fund Balance - End of year	$ 1,514,708	$ 561,469	$ 4,854,080	$ 629,057

See accompanying notes to the basic financial statements.

NON-MAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
$ 62,794	$ 9,234,517
-	237,171
20,871	154,870
-	311,109
55,091	2,398,816
-	-
3,448	69,653
-	165,003
-	112,752
142,204	12,683,891
-	1,342,651
-	903,543
38,007	4,162,181
-	882,089
-	800,836
22	22
25,118	25,118
51,435	617,907
-	27,381
23,991	800,856
3,294	466,079
-	769,704
-	7,022
-	336,321
-	222,763
141,867	11,364,473
337	1,319,418
-	-
(17,100)	(331,985)
-	10,868
(17,100)	(321,117)
(16,763)	998,301
376,030	6,920,280
$ 359,267	$ 7,918,581

CITY OF SNELLVILLE, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL ACTIVITIES
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2009

Net change in fund balances -- total governmental funds	998,301
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 outlays ($1,970,374) exceeded depreciation expense ($753,857) in the current period.	1,216,517
The net effect of other miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net assets. This is the amount of net book value of assets disposed of during the current period.	(11,866)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This is the difference between the beginning and ending deferred revenue balances in the current period.	(20,711)
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditures in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the amount by which repayments ($336,321) exceeded proceeds ($ -0-).	336,321
Bond issue cost and discounts are considered deferred cost in the statement of net assets and are amortized over the life of the related debt while they are considered other financing uses in governmental funds in the year they are incurred. This is the amount by which bond issue and discount cost ($0) exceeded amortization expense ($ 18,368).	(18,368)
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. This is the change in the long term portion of accrued compensated absences.	(21,215)
Change in net assets of governmental activities.	$ 2,478,979

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

CITY OF SNELLVILLE, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE
REVENUES				
Taxes	$ 6,808,385	$ 6,421,500	$ 6,501,926	$ 80,426
Licenses and permits	308,200	257,400	237,171	(20,229)
Intergovernmental	128,228	88,139	133,999	45,860
Charges for services	481,700	377,800	311,109	(66,691)
Fines and forfeitures	2,578,000	2,449,018	2,343,725	(105,293)
Investment income	115,000	50,000	23,988	(26,012)
Rental income	87,100	91,600	165,003	73,403
Miscellaneous	22,810	121,949	112,752	(9,197)
Total Revenues	10,529,423	9,857,406	9,829,673	(27,733)
EXPENDITURES				
Current:				
General Government	1,472,452	1,400,258	1,342,651	57,607
Municipal Court	930,258	883,258	903,543	(20,285)
Public Safety	4,367,251	4,114,781	4,124,174	(9,393)
Highways and Streets	937,959	898,659	882,089	16,570
Parks and Recreation	822,874	830,099	800,836	29,263
Community Development	598,187	531,443	566,472	(35,029)
Capital:				
General Government	59,110	30,110	27,381	2,729
Public Safety	5,000	-	5,926	(5,926)
Highways and Streets	254,500	172,500	161,056	11,444
Parks and Recreation	119,428	115,045	109,045	6,000
Planning and Zoning	20,000	-	-	-
Court	8,000	5,000	7,022	(2,022)
Debt Service:				
Principal	66,445	63,595	56,321	7,274
Interest	8,850	10,330	8,881	1,449
Total Expenditures	9,670,314	9,055,078	8,995,397	59,681
Excess (Deficiency) of Revenues Over Expenditures	859,109	802,328	834,276	31,948
Other Financing Sources (Uses):				
Proceeds from long-term debt	64,546	35,546	-	(35,546)
Transfers	(1,123,671)	(1,041,671)	(808,767)	232,904
Proceeds from capital asset deletions	5,500	11,237	10,868	(369)
Total Other Financing Sources (Uses)	(1,053,625)	(994,888)	(797,899)	196,989
Net Change in Fund Balances	(194,516)	(192,560)	36,377	228,937
Fund Balance - Beginning of year	1,478,331	1,478,331	1,478,331	-
End of year	$ 1,283,815	$ 1,285,771	$ 1,514,708	$ 228,937

See accompanying notes to the basic financial statements.

CITY OF SNELLVILLE, GEORGIA
STATEMENT OF NET ASSETS
SOLID WASTE MANAGEMENT ENTERPRISE FUND
JUNE 30, 2009 AND 2008

	2009	2008
ASSETS		
Current assets:		
Cash	$ 174,541	$ 120,819
Receivables (net of reserve for doubtful accounts of $62,000 in 2009 and $40,000 in 2008)		
Trade accounts	119,141	108,203
Unbilled sales	124,284	124,978
Total Current Assets	417,966	354,000
Property, plant and equipment:		
Buildings	577,673	577,673
Machinery and equipment	227,846	227,846
Vehicles	21,118	21,118
Land improvements	1,188,251	1,188,251
	2,014,888	2,014,888
Less accumulated depreciation	(447,005)	(377,405)
	1,567,883	1,637,483
Total Assets	1,985,849	1,991,483
LIABILITIES		
Current liabilities:		
Accounts payable	458,058	304,998
Customer deposits	7,579	8,671
Accrued liabilities - Payroll	8,725	7,783
Total current liabilities (payable from current assets)	474,362	321,452
Long-term obligations	-	-
Total Liabilities	474,362	321,452
NET ASSETS		
Invested in capital assets	1,567,883	1,637,483
Unrestricted	(56,396)	32,548
Total Net Assets	$ 1,511,487	$ 1,670,031

See accompanying notes to the basic financial statements.

CITY OF SNELLVILLE, GEORGIA
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS
SOLID WASTE MANAGEMENT ENTERPRISE FUND
FOR THE FISCAL YEARS ENDED JUNE 30, 2009 AND 2008

	2009	2008
OPERATING REVENUES		
Charges for services:		
Solid waste	$ 1,504,912	$ 1,602,693
Recycling	115,436	226,031
Penalties	29,548	31,356
Miscellaneous	5,264	20,168
Total Operating Revenues	1,655,160	1,880,248
OPERATING EXPENSES:		
Solid waste operations -		
Purchases of product/service	1,845,894	1,859,645
Salaries and benefits	34,097	31,372
Contracted / purchased services	3,036	5,058
Bad debt expense	22,000	20,000
Recycling operations -		
Salaries and benefits	95,960	99,619
Contracted / purchased services	67,093	68,121
Supplies	9,101	10,961
Depreciation	69,600	68,158
Total Operating Expenses	2,146,781	2,162,934
Operating Income (Loss)	(491,621)	(282,686)
NON-OPERATING INCOME (EXPENSES):		
Interest revenue	1,092	4,345
Net income (loss) before transfers and capital contributions	(490,529)	(278,341)
Transfers in	331,985	251,285
Capital contributions	-	-
NET INCOME	(158,544)	(27,056)
NET ASSETS - BEGINNING	1,670,031	1,697,087
NET ASSETS - ENDING	$ 1,511,487	$ 1,670,031

See accompanying notes to the basic financial statements.

CITY OF SNELLVILLE, GEORGIA
STATEMENT OF CASH FLOWS
SOLID WASTE MANAGEMENT ENTERPRISE FUND
FOR THE YEARS ENDED JUNE 30, 2009 and 2008

	2009	2008
Cash flows from operating activities:		
Cash received from customers and users	$ 1,643,824	$ 1,971,167
Cash paid to suppliers	(1,821,219)	(2,056,478)
Cash paid to employees	(101,960)	(105,446)
Net Cash Provided by Operating Activities	(279,355)	(190,757)
Cash flows from investing activities:		
Interest received	1,092	4,345
Net Cash Used in Investing Activities	1,092	4,345
Cash flows from non-capital financing activities:		
Transfers	331,985	251,285
Net Cash Provided by (Used in) Non-capital Financing Activities	331,985	251,285
Cash flows from capital financing activities:		
Purchase and construction of capital assets	-	(30,276)
Net Cash Provided by (Used in) Capital Financing Activities	-	(30,276)
Net increase in cash and cash equivalents	53,722	34,597
Cash and cash equivalents - Beginning of Year	120,819	86,222
Cash and cash equivalents - End of Year	$ 174,541	$ 120,819

See accompanying notes to the basic financial statements.

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

Reconciliation of Net Income to Net Cash Provided By Operating Activities

	2009	2008
Operating income (loss)	$ (491,621)	$ (282,686)
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	69,600	68,158
(Increase) decrease in receivables	(10,244)	89,721
Increase (decrease) in accounts payable	153,060	(67,197)
Increase (decrease) in customer deposits	(1,092)	1,198
Increase (decrease) in accrued liabilities	942	49
Total Adjustments	212,266	91,929
Net Cash Provided by Operating Activities	$ (279,355)	$ (190,757)

See accompanying notes to the basic financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A. Basis of Presentation

The City's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989, when applicable, that do not conflict with or contradict GASB pronouncements. Although the City has the option to apply FASB pronouncements issued after that date to its business-type activities, if applicable, the City has chosen not to do so. The more significant accounting policies established in GAAP and used by the City are discussed below.

B. The Reporting Entity

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

Governmental Accounting Standards Board Statement No. 14 defines the reporting entity for determining which potential component units should be included in a primary government's financial statements. Inclusion is based on financial accountability or the fact that exclusion would make the financial statements misleading or incomplete. The criteria for determining financial accountability includes appointing a voting majority of an organization's governing body and (1) the ability of the City to impose its will on that organization or (2) the potential for the organization to provide specific financial benefits or to impose specific financial burdens on the City. The City reports the City of Snellville's Downtown Development Authority as a component unit.

Discretely Presented Component Unit –

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

(See Independent Auditor's Report)

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

C. Basic Financial Statements—Government-Wide Statements

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

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

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

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

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

(See Independent Auditor's Report)

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

D. Basic Financial Statements-Fund Financial Statements

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

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

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

City Center Capital Projects Fund – The City Center Capital Projects Fund accounts for the proceeds from the issuance of Certificates of Participation. The proceeds from the debt issue are to be used for financing the construction of the new City Administration Offices.

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

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

Solid Waste Management Enterprise Fund - The Solid Waste Management Enterprise Fund is used to account for the revenues generated from the charges for sanitation and recycling services provided to the residential and commercial users of the City. The City applies all applicable FASB pronouncements issued on or before November 30, 1989, in accounting and reporting for its proprietary funds.

E. Measurement Focus

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

(See Independent Auditor's Report)

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

E. Measurement Focus – (Continued)

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

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

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

F. Basis of Accounting

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

1. Accrual

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

2. Modified Accrual:

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

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

(See Independent Auditor's Report)

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

G. Cash and Cash Equivalents

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

H. Investments

Investments are stated at cost or amortized cost with accrued interest shown under a separate caption on the balance sheet. All investments of the City as of June 30, 2009 consisted of non-participating interest-earning investment contracts, certificates of deposit, and money market mutual funds.

I. Inventory

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

J. Prepaid Expenses

Payments made to vendors for service that will benefit periods beyond June 30, 2009 are recorded as prepaid items and are expensed during the period benefited.

K. Capital Assets

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

Capital assets purchased or acquired with an original cost of $3,500 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. No interest was capitalized during fiscal year ended June 30, 2009. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

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

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

(See Independent Auditor's Report)

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

L. Accrued Liabilities and Long-Term Obligations

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

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

M. Revenues

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

N. Expenditures

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

O. Compensated Absences

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

P. Interfund Activity

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

Q. Encumbrances

Encumbrances accounting, under which purchase orders, contracts, and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the City.

(See Independent Auditor's Report)

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

R. Net Assets

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

The City's government-wide statement of net assets reports $6,335,765 of restricted net assets, of which $5,728,394 is restricted by enabling legislation.

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

S. Contributions of Capital

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

T. Estimates

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

U. Budgets and Budgetary Accounting

Prior to July 1, the Mayor and Department Heads submit to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them. Public hearings are conducted to obtain taxpayer comments. During June, the mayor and council legally enact the budget through passage of an ordinance. Budgets for all funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP) except that proprietary funds expense capital outlay instead of depreciation. The legal level of control (the level at which the City Council must approve expenditures in excess of appropriations) for each legally adopted annual operating budget is at the department level. Budget amounts are as originally adopted and as last amended in April, 2009. Unexpended budget appropriations lapse at year-end.

2. CASH AND INVESTMENTS

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The City follows the State investment policies which require all deposits in excess of Federal Deposit Insurance be collateralized by securities equal to at least 110% of the excess deposits. As of June 30, 2009, all of the City's deposits were insured by the FDIC.

(See Independent Auditor's Report)

2. CASH AND INVESTMENTS, (Continued)

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

A portion of the City's investments as of June 30, 2009 consisted of certificates of deposit in the amount of $207,331 which are included in the above-mentioned bank balances. Other investments as of June 30, 2009 consist of the following:

Investment Type	Fair Value	Weighted Avg Maturity
Columbia Treasury Shares	$ 561,369	1 days

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

Credit Risk. State law limits investments in debt issues to the top two ratings issued by nationally recognized statistical ratings organizations. The City's investment in Columbia Treasury Reserves is rated Aaa by Moody's Investors Services and AAAm by Standard and Poor's.

3. PROPERTY TAX

The City's property taxes are billed and collected by Gwinnett County through an intergovernmental agreement. The taxes were levied June 16, 2008 and are due and payable October 15th and November 15th. All taxes unpaid after the October 15th and November 15th due dates are considered delinquent. Property taxes attach as an enforceable lien on the property the following January 1st. Delinquent taxes are considered fully collectable.

4. RECEIVABLES

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

	Gross	Allowance for Bad Debts	Net
Governmental Funds			
Taxes	$ 883,122	$ -	$ 883,122
Fines	526,213	363,087	163,126
Intergovernmental	213	-	213
Accounts	24,750	-	24,750
Interest	784	-	784
Solid Waste Management Fund			
Accounts	305,425	62,000	243,425
Total	$ 1,740,507	$ 425,087	$ 1,315,420

(See Independent Auditor's Report)

5. INTERGOVERNMENTAL REVENUES AND RECEIVABLES

Intergovernmental revenues for the year ended June 30, 2009 consist of the following:

Governmental Funds -	
Atlanta Regional Commission - LCI Grant	$ 20,871
Community Development Block Grant	90,686
Gwinnett County - SPLOST Projects	28,363
Signature Cities Grant	14,950
Total Intergovernmental Revenues	$ 154,870

Intergovernmental receivables as of June 30, 2009 consist of the following:

Atlanta Regional Commission - LCI Grant	$ 213

6. INTER-FUND TRANSACTIONS

As of June 30, 2009, there were no inter-fund payables or receivables. Individual inter-fund transfers for the year ended June 30, 2009 were as follows:

Transfer To	Transfer From General	Nonmajor	Total
General	$ -	$ 17,100	$ 17,100
Solid Waste Management	331,985	-	331,985
City Center	493,882	-	493,882
Nonmajor	-	-	-
	$ 825,867	$ 17,100	$ 842,967

During the fiscal year ended June 30, 2009, the General Fund transferred $825,867 to the various governmental and proprietary funds, including $331,985 to the Solid Waste Management Fund to help fund utility operations and $493,882 to the City Center Capital Projects Fund to help finance debt service requirements of the Certificates of Participation. The Hotel / Motel Tax Fund transferred $17,100 to the General Fund to help finance the General Fund operations.

7. LITIGATION:

The City is a defendant in several lawsuits as of June 30, 2009. The outcome of these lawsuits and other possible claims are not yet determinable but are not expected to materially effect the financial situation of the City.

(See Independent Auditor's Report)

8. PROPERTY, PLANT AND EQUIPMENT

Capital asset activity for the year ended June 30, 2009 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets, not being depreciated:				
Land	$ 4,453,374	$ 353,092	$ -	$ 4,806,466
Construction in progress	324,494	765,070	-	1,089,564
Total	4,777,868	1,118,162	-	5,896,030
Capital assets beign depreciated:				
Buildings	11,428,252	-	-	11,428,252
Improvements other than buildings	1,109,449	-	-	1,109,449
Infrastructure	2,284,008	360,733	-	2,644,741
Vehicles, including related equipment	2,192,615	311,594	(64,012)	2,440,197
Furniture and other equipment	3,202,719	179,885	-	3,382,604
Total capital assets being depreciated	20,217,043	852,212	(64,012)	21,005,243
Less accumulated depreciation for:				
Buildings	1,143,044	285,707	-	1,428,751
Improvements other than buildings	221,437	31,513	-	252,950
Infrastructure	84,850	47,536	-	132,386
Vehicles, including related equipment	1,174,988	185,597	(52,146)	1,308,439
Furniture and other equipment	1,099,552	203,504	-	1,303,056
Total accumulated depreciation	3,723,871	753,857	(52,146)	4,425,582
Total capital assets being depreciated, net	16,493,172	98,355	(11,866)	16,579,661
Governmental capital assets, net	$21,271,040	$ 1,216,517	$ (11,866)	$22,475,691

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

Administrative	$ 290,518
Police	294,178
Highways and Streets	89,811
Parks	72,932
Community Development	6,418
Total depreciation expense	$ 753,857

(See Independent Auditor's Report)

8. PROPERTY, PLANT AND EQUIPMENT, (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities				
Capital assets, not being depreciated:				
Land	$ -	$ -	$ -	$ -
Construction in progress	-	-	-	-
Total	-	-	-	-
Capital assets beign depreciated:				
Buildings	577,673	-	-	577,673
Improvements other than buildings	1,188,251	-	-	1,188,251
Vehicles, including related equipment	21,118	-	-	21,118
Furniture and other equipment	227,846	-	-	227,846
Total capital assets being depreciated	2,014,888	-	-	2,014,888
Less accumulated depreciation for:				
Buildings	49,133	14,446	-	63,579
Land improvements	128,728	39,608	-	168,336
Vehicles, including related equipment	21,118	-	-	21,118
Furniture and other equipment	178,426	15,546	-	193,972
Total accumulated depreciation	377,405	69,600	-	447,005
Total capital assets being depreciated, net	1,637,483	(69,600)	-	1,567,883
Business-Type Activities capital assets, net	$ 1,637,483	$ (69,600)	$ -	$ 1,567,883

9. DEFERRED COST

Deferred cost as of June 30, 2009 consists of the following:

Debt issuance cost, net of accumulated amortization of $73,296	$ 174,326

Debt issuance cost are considered other financing uses in governmental funds in the year incurred but are deferred costs and are amortized over the life of the related debt in the Statement of Net Assets. Debt issuance costs are being amortized using the straight line method over the life of the related debt issue.

(See Independent Auditor's Report)

10. LONG-TERM DEBT

Changes in General Long-Term Debt

The following is a summary of changes in long-term liabilities reported in the government-wide financial statements for the year ended June 30, 2009:

	Beginning Balance	Increases	Decreases	Ending Balance	Current Portion
Governmental Actiivities					
Certificates of Participation	$ 5,470,000	$ -	$ (280,000)	$ 5,190,000	$ 290,000
Unamortized COP's Discount	(90,279)	-	5,987	(84,292)	(5,988)
Capital Lease Obligation	236,978	-	(56,321)	180,657	58,737
Accrued Compensated Absences	345,334	322,879	(301,664)	366,549	50,000
Total	$ 5,962,033	$ 322,879	$ (631,998)	$ 5,652,914	$ 392,749

The General Fund typically has been used to liquidate long-term liabilities.

CERTIFICATES OF PARTICIPATION

In July, 2003, the City was a party to the issuance of Certificates of Participation in the amount of $6,795,000. The certificates were issued under the name of Georgia Municipal Association, Inc. Leasing Program. Proceeds from the certificates are to be used to (1) finance the acquisition, construction and equipping of the new city hall and related facilities and improvements and (2) to pay cost and fund reserves related to the execution and delivery of the certificates.

Funding for the repayment of the certificates are to be made under an annual renewable lease agreement between Georgia Municipal Association and the City of Snellville. The lease is for an initial term commencing July 1, 2003 through December 31, 2023 and shall, subject to the City's right to terminate the lease each year, be extended annually thereafter for additional one year renewable terms with a final renewable term commencing January 1, 2023. The land and building are pledged as security against the certificates. Interest rates associated with the certificates range between 2.0% and 4.59%.

The certificates were issued at a discount of $119,733. Debt discounts are considered other financing uses in governmental funds in the year incurred but are deferred costs and are amortized over the life of the related debt in the Statement of Net Assets. The discount is being amortized over the life of the certificates using the effective interest method and is reported as a contra account to the certificates, net of accumulated amortization of $35,441.

CAPITAL LEASE OBLIGATION

The City has entered into various lease-purchase and security agreements with private corporations for several vehicles with an original cost of $92,567 and computer equipment with an original cost of $201,439. The interest rates under the terms of the lease agreements range between 4.04% and 4.59%. Since the City intends to continue to abide by the terms of these lease agreements and eventually own the vehicles and computer equipment, the assets and the related liabilities were recorded at the present value of the future payments due under the lease.

(See Independent Auditor's Report)

10. LONG-TERM DEBT (Continued)

Annual repayment requirements under the certificate of participation and capital lease agreements are as follows:

F/Y/E JUNE 30,	CERTIFICATES OF PARTICIPATION		CAPITAL LEASE OBLIGATION		
	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	TOTAL
2010	$ 290,000	$ 206,043	$ 58,737	$ 6,466	$ 561,246
2011	300,000	196,980	61,256	3,946	562,182
2012	310,000	186,780	59,922	3,043	559,745
2013	320,000	175,930	742	2	496,674
2014	330,000	164,090	-	-	494,090
2015	345,000	151,880	-	-	496,880
2016	355,000	138,770	-	-	493,770
2017	370,000	124,925	-	-	494,925
2018	385,000	110,125	-	-	495,125
2019	400,000	94,340	-	-	494,340
2020	420,000	77,740	-	-	497,740
2021	435,000	60,100	-	-	495,100
2022	455,000	41,395	-	-	496,395
2023	475,000	21,375	-	-	496,375
TOTALS	$ 5,190,000	$ 1,750,473	$ 180,657	$ 13,457	$ 7,134,587

11. DEFERRED REVENUES

Deferred revenues as of June 30, 2009, reported in the Governmental Fund's balance sheet, consisted of the following unearned items and revenue items which had been earned and were measurable but were not received within 60 days after year end and therefore were not considered available:

General Fund	
Property taxes	$ 87,404
Fines and forfeitures	92,608
Grants	14,120
Intergovernmental - SPLOST Projects	-
Non-Major Funds	
Grants	213
Confiscated assets	17,975
Total	$ 212,320

(See Independent Auditor's Report)

12. RISK MANAGEMENT

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

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

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

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

13. HOTEL / MOTEL TAX

The City levies a 5% hotel/motel tax in accordance with the provisions of OCGA 48-13-51. In order to comply with the expenditures provisions of this code section, the City expends 40% of monies collected under this provision for tourism and promotional purposes by contracting with the Gwinnett Visitor's Center. During the year ended June 30, 2009, the City's collections and related remittances were as follows:

	Amount	Percent
Total Collections	62,794	100%
Total Remittances	25,118	40%

The City was in compliance with the state laws regulating hotel/motel taxes and the related expenditures as of June 30, 2009.

(See Independent Auditor's Report)

14. JOINT VENTURE

Under Georgia law, the city, in conjunction with other cities and counties in the Metro Atlanta area, is a member of the Atlanta Regional Commission (ARC). Membership in this organization is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organizational structure of the Commission in Georgia. The ARC Board membership includes the chief elected official of each county, one representative for all the cities in a member county and 15 citizen representatives. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of the ARC. Separate financial statements may be obtained from:

Atlanta Regional Commission
3715 Northside Parkway
Building 200, Suite 300
Atlanta, Georgia 30327

15. EMPLOYEE BENEFIT PLANS

Money Purchase Pension Plan -

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

Under the terms of the plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate after completing one year of service. The City's contribution to the plan depends upon each participant's base salary. The City will contribute 6% of each eligible employee's base monthly salary to the plan. Employees are not required to make any contributions to the plan. The amount of payroll covered under the plan for the year ended June 30, 2009, amounted to approximately $3,849,500. Gross payroll for the year was $4,512,000.

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

Completed years of Services	Vested Percentage
3	50%
5	100%

Contributions made by the City to the money purchase pension plan for the year ended June 30, 2009, amounted to $230,971, 6% of covered payroll.

Deferred Compensation Plan –

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

(See Independent Auditor's Report)

15. EMPLOYEE BENEFIT PLANS, (Continued)

Defined Benefit Plan –

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

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

1. Retention of assets in the City's GMEBS administered trust fund in an amount equal to 110% of the combined present value of accrued benefits payable to retirees and beneficiaries.

2. The assets in the trust fund shall share in any investment gains or losses of the GMEBS Retirement Trust Fund.

3. Subsequent valuations of the trust fund's liabilities shall be made annually and any gains or losses will be amortized over five years.

4. The City shall make an annual contribution to the trust fund equal to 110% of the recommended contribution amount reflected in each annual valuation plus administration fees.

For 2009, the City's annual pension cost was $ -0- for SRP as calculated under the above mentioned City ordinance. However, the City did pay administrative fees of $7,775. The required contribution was determined as part of the January 1, 2009 actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included 8.0% investment rate of return (net of administrative expenses) which includes an inflation rate of 5%. There were no active employees and therefore no projected salary increases were used. The value of SRP assets was determined using market values. The actuarial accrued liability as of January 1, 2009 was $938,524. The annual pension contribution for 2009 was calculated as follows:

Total actuarial accrued liability (as of 1/1/09)	$ 938,524
10% of actuarial accrued liability (margin)	93,852
Target asset value	1,032,376
Actual market value of assets	1,150,137
Difference or contribution to fund plan	$ (117,761)

(See Independent Auditor's Report)

15. EMPLOYEE BENEFIT PLANS, (Continued)

Defined Benefit Plan, Continued

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

The Plan amortizes actuarial gains and losses using the level dollar cost method.

Three-Year Trend Information for SRP

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/2009	$ -	N/A	$ -
6/30/2008	$ -	N/A	$ -
6/30/2007	$ -	N/A	$ -

Supplementary Information - The schedule of funding progress for the Plan is presented below:

Actuarial Valuation Date	Market Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
2009	$ 1,150,137	$ 938,524	$ (211,613)	122.5%	n/a	n/a
2008	$ 1,745,345	$ 905,730	$ (839,615)	192.7%	n/a	n/a
2007	$ 1,569,157	$ 1,044,393	$ (524,764)	150.2%	n/a	n/a
2006	$ 1,440,198	$ 1,053,431	$ (386,767)	136.7%	n/a	n/a
2005	$ 1,358,153	$ 1,026,138	$ (332,015)	132.4%	n/a	n/a
2004	$ 1,337,348	$ 1,123,518	$ (213,830)	119.0%	n/a	n/a
2003	$ 1,236,266	$ 1,227,825	$ (8,441)	100.7%	n/a	n/a
2002	$ 1,461,963	$ 1,329,057	$ (132,906)	110.0%	n/a	n/a
2001	$ 3,601,004	$ 2,831,471	$ (769,533)	127.2%	$ 2,115,445	-36.4%

(See Independent Auditor's Report)

16. OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES

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

A. Deficit fund balances or retained earnings balances of individual funds – No funds reflected such balances at June 30, 2009.

B. Excess of expenditures over appropriations in individual funds are as follows:

None of the City's funds expenditures materially exceeded their corresponding appropriations for the fiscal year ended June 30, 2009. However, the General Fund's planning and zoning department's expenditures exceeded its appropriations by $35,029. This was due to an expenditure that was expected to be incurred in the subsequent year. Material excesses exist if a department's expenditures exceed its appropriations by 5 percent and are greater than $10,000. Management will continue to monitor the City's budget to insure appropriations are not exceeded in future years.

(See Independent Auditor's Report)

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CITY OF SNELLVILLE, GEORGIA
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2009

	SPECIAL REVENUE FUNDS		
	CONFISCATED ASSETS FUND	TREE BANK FUND	HOTEL/MOTEL FUND
ASSETS			
Cash	$ 170,651	$ 95,360	$ 88,399
Receivables-			
Accounts	-	-	-
Taxes receivable	-	-	5,690
Donations	-	-	-
Grant receivable	-	-	-
Due from other funds	-	-	-
Total Assets	$ 170,651	$ 95,360	$ 94,089
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts payable	$ 2,779	$ -	$ 25,981
Deferred revenues	17,975	-	-
Total Liabilities	20,754	-	25,981
Fund Balance			
Reserved -			
Police Activities	149,897	-	-
Tree Bank Activities	-	95,360	-
Cemetery Fence	-	-	-
Capital Projects	-	-	-
Unreserved	-	-	68,108
Total Fund Balance	149,897	95,360	68,108
Total Liabilities and Fund Balance	$ 170,651	$ 95,360	$ 94,089

CAPITAL PROJECTS FUND	
LCI GRANT FUND	TOTAL NON-MAJOR GOVERNMENTAL FUNDS
$ 46,168	$ 400,578
-	-
-	5,690
-	-
213	213
-	-
$ 46,381	$ 406,481
$ 266	$ 29,026
213	18,188
479	47,214
-	149,897
-	95,360
-	-
45,902	45,902
-	68,108
45,902	359,267
$ 46,381	$ 406,481

CITY OF SNELLVILLE, GEORGIA
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2009

	SPECIAL REVENUE FUNDS		
	CONFISCATED ASSETS FUND	TREE BANK FUND	HOTEL/MOTEL FUND
REVENUES			
Confiscations	$ 55,091	$ -	$ -
Tree Bank Bonds	-	-	-
Taxes	-	-	62,794
Intergovernmental	-	-	-
Donations	-	-	-
Interest	1,450	806	939
Miscellaneous	-	-	-
Total Operating Revenues	56,541	806	63,733
EXPENDITURES			
Current -			
Police Activities	38,007	-	-
Tree Bank	-	22	-
Economic Development	-	-	25,118
Tourism and Promotion	-	-	51,435
Capital -			
Cemetery	-	-	-
Police	23,991	-	-
Town Center	-	-	-
Total Expenditures	61,998	22	76,553
Excess (Deficiency) of Revenues over Expenditures	(5,457)	784	(12,820)
Other Financing Sources (Uses): Transfers	-	-	(17,100)
Net Changes in Fund Balances	(5,457)	784	(29,920)
Fund Balance - Beginning of year	155,354	94,576	98,028
Fund Balance - End of year	$ 149,897	$ 95,360	$ 68,108

CAPITAL PROJECTS FUND	TOTAL NON-MAJOR GOVERNMENTAL FUNDS
LCI GRANT FUND	
$ -	$ 55,091
-	-
-	62,794
20,871	20,871
-	-
253	3,448
-	-
21,124	142,204
-	38,007
-	22
-	25,118
-	51,435
-	-
-	23,991
3,294	3,294
3,294	141,867
17,830	337
-	(17,100)
17,830	(16,763)
28,072	376,030
$ 45,902	$ 359,267

CITY OF SNELLVILLE, GEORGIA
GENERAL FUND
BALANCE SHEET
JUNE 30, 2009 AND 2008

	2009	2008
ASSETS		
Cash	$ 1,464,021	$ 1,256,682
Investments	207,331	600,000
Receivables (net of allowance for uncollectibles)		
Taxes	248,375	218,231
Fines	163,126	141,094
Intergovernmental	-	13,707
Accounts	21,000	-
Accrued interest	684	20,607
Prepaid items	117,282	101,825
TOTAL ASSETS	$ 2,221,819	$ 2,352,146
LIABILITIES AND FUND EQUITY		
Liabilities:		
Accounts payable	$ 210,737	$ 347,013
Accrued expenses -		
Salaries	222,917	210,221
Deposits	5,114	5,114
Police bonds and court fees	73,000	68,355
Other	1,211	3,193
Due to other funds	-	-
Deferred revenues	194,132	239,919
TOTAL LIABILITIES	707,111	873,815
Fund Equity:		
Fund Balance		
Reserved for prepaid items	117,282	101,825
Unreserved	1,397,426	1,376,506
Total Fund Equity	1,514,708	1,478,331
TOTAL LIABILITIES AND FUND EQUITY	$ 2,221,819	$ 2,352,146

CITY OF SNELLVILLE, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES - BUDGET BASIS AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009
WITH COMPARABLE AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008

	JUNE 30, 2009			
	FINAL BUDGET	ACTUAL	VARIANCE	ACTUAL JUNE 30, 2008
REVENUES:				
Taxes -				
Property	$ 3,291,000	$ 3,379,548	$ 88,548	$ 2,840,896
Motor vehicle	130,000	134,417	4,417	139,567
Franchise	975,000	986,343	11,343	946,039
Alcohol beverage	325,000	314,496	(10,504)	319,182
Insurance premium	891,000	859,168	(31,832)	839,218
Business occupational	710,000	747,510	37,510	835,378
Intangible	15,000	16,106	1,106	31,790
Transfer	4,500	3,619	(881)	7,739
Financial institution	80,000	60,719	(19,281)	90,158
Total Taxes	6,421,500	6,501,926	80,426	6,049,967
Business Licenses and Permits -				
Alcohol licenses	61,600	61,550	(50)	70,800
Other business licenses	33,000	33,925	925	30,825
Building permits	125,000	103,585	(21,415)	93,669
Inspection permits	17,000	13,655	(3,345)	16,836
Sign permits	6,000	4,125	(1,875)	6,838
Site development	7,000	12,379	5,379	1,589
Other permits	7,800	7,952	152	8,390
Total Business Licenses and Permits	257,400	237,171	(20,229)	228,947
Intergovernmental -				
Local Assistance Grant	-	-	-	5,000
GEMA Grant	-	-	-	18,331
Construction Assist. - Bathrooms	-	-	-	-
Gwinnett Co. Splost	-	28,363	28,363	34,760
Community Dev. Block Grant	88,139	90,686	2,547	3,702
Other	-	14,950	14,950	26,661
Total Intergovernmental	88,139	133,999	45,860	88,454

CITY OF SNELLVILLE, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES - BUDGET BASIS AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009
WITH COMPARABLE AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008

	JUNE 30, 2009			
REVENUES - Continued:	FINAL BUDGET	ACTUAL	VARIANCE	ACTUAL JUNE 30, 2008
Charges for Services -				
Recreational activities	$ 280,500	$ 220,948	$ (59,552)	$ 253,137
Public safety fees	52,900	56,682	3,782	70,101
Planning and zoning fees	44,000	33,479	(10,521)	52,497
Other	400	-	(400)	1,050
Total Charges for Services	377,800	311,109	(66,691)	376,785
Fines and Forfeitures	2,449,018	2,343,725	(105,293)	2,485,964
Investment Income	50,000	23,988	(26,012)	100,587
Rental Income	91,600	165,003	73,403	106,841
Other -				
Cemetery lots	-	-	-	-
Snellville Days	55,000	47,336	(7,664)	54,646
Reimbursements	43,038	44,038	1,000	-
Donations	-	-	-	5,000
Penalties and interest	14,201	14,288	87	17,611
Miscellaneous	9,710	7,090	(2,620)	1,484
Total Other	121,949	112,752	(9,197)	78,741
TOTAL REVENUES	$ 9,857,406	$ 9,829,673	$ (27,733)	$ 9,516,286

CITY OF SNELLVILLE, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET BASIS AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009
WITH COMPARABLE AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008

	JUNE 30, 2009			
CURRENT EXPENDITURES:	FINAL BUDGET	ACTUAL	VARIANCE	ACTUAL JUNE 30, 2008
GENERAL GOVERNMENT				
Governing Body	$ 42,140	$ 32,449	$ 9,691	$ 30,471
City Clerk	106,634	104,793	1,841	98,382
Mayor	10,280	8,787	1,493	9,002
City Manager	181,623	182,993	(1,370)	119,297
Elections	-	-	-	2,480
General Administration	812,081	766,711	45,370	813,615
Accounting	69,791	71,599	(1,808)	69,839
IT Administration	61,135	60,861	274	59,682
Purchasing	35,849	33,446	2,403	59,642
Human Resources	80,987	81,012	(25)	84,651
Total General Government	1,400,520	1,342,651	57,869	1,347,061
MUNICIPAL COURT				
Judicial	883,258	903,543	(20,285)	841,129
POLICE				
Administration	1,315,539	1,294,206	21,333	1,601,932
Criminal Investigation	395,034	382,181	12,853	358,157
Patrol	2,306,190	2,354,094	(47,904)	2,181,587
Records	95,418	91,458	3,960	93,661
Bike Patrol	100	-	100	424
Public Relations	2,500	2,235	265	4,332
Total Police	4,114,781	4,124,174	(9,393)	4,240,093
PUBLIC WORKS				
Highways and Streets	634,074	628,746	5,328	653,797
Paved Streets	206,296	196,044	10,252	175,794
Maintenance	58,289	57,299	990	54,557
Total Public Works	898,659	882,089	16,570	884,148

CITY OF SNELLVILLE, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEARS ENDED JUNE 30, 2009
WITH COMPARABLE AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008

	JUNE 30, 2009			
	FINAL BUDGET	ACTUAL	VARIANCE	ACTUAL JUNE 30, 2008
CURRENT EXPENDITURES - Continued				
PARKS AND RECREATION				
Administration	$ 256,338	$ 267,282	$ (10,944)	$ 264,457
Participant Recreation	191,937	172,922	19,015	232,283
Park Areas	257,643	240,301	17,342	233,550
Senior Participants	124,181	120,331	3,850	119,289
Total Parks and Recreation	830,099	800,836	29,263	849,579
COMMUNITY DEVELOPMENT				
Planning and Zoning	531,443	566,472	(35,029)	563,923
Total Community Development	531,443	566,472	(35,029)	563,923
TOTAL CURRENT EXPENDITURES	8,658,760	8,619,765	38,995	8,725,933
CAPITAL OUTLAY				
General Government	30,110	27,381	2,729	174,215
Police	-	5,926	(5,926)	39,686
Public Works	172,500	161,056	11,444	371,609
Parks and Recreation	115,045	109,045	6,000	37,392
Court	5,000	7,022	(2,022)	-
TOTAL CAPITAL OUTLAY	322,655	310,430	12,225	622,902
DEBT SERVICE				
Principal	63,595	56,321	7,274	53,194
Interest	10,330	8,881	1,449	10,344
TOTAL DEBT SERVICE	73,925	65,202	8,723	63,538
TOTAL EXPENDITURES	$ 9,055,340	$ 8,995,397	$ 59,943	$ 9,412,373

CITY OF SNELLVILLE, GEORGIA
CONFISCATED ASSETS FUND
BALANCE SHEET
JUNE 30, 2009 AND 2008

	2009	2008
ASSETS		
Cash	$ 170,651	$ 168,722
Accounts receivable	-	-
Due from other funds	-	-
Total Assets	$ 170,651	$ 168,722
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	$ 2,779	$ 8,910
Deferred revenues	17,975	4,458
Total Liabilities	20,754	13,368
Fund Balance		
Reserved for police activities	149,897	155,354
Total Fund Balance	149,897	155,354
Total Liabilities and Fund Balance	$ 170,651	$ 168,722

CITY OF SNELLVILLE, GEORGIA
CONFISCATED ASSETS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE--BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009
WITH COMPARABLE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008

	JUNE 30, 2009				
	BUDGET AMOUNTS			VARIANCE WITH FINAL	ACTUAL
	ORIGINAL	FINAL	ACTUAL	BUDGET	JUNE 30, 2008
REVENUES					
Confiscations	$ 135,000	$ 135,000	$ 55,091	$ (79,909)	$ 120,658
Interest	5,520	5,520	1,450	(4,070)	4,677
Grants	-	-	-	-	-
Total Revenues	140,520	140,520	56,541	(83,979)	125,335
EXPENDITURES					
Police Activities -					
Current	50,000	50,000	38,007	11,993	71,391
Capital	115,520	115,520	23,991	91,529	41,777
Total Expenditures	165,520	165,520	61,998	103,522	113,168
Excess (Deficiency) of Revenues Over Expenditures	(25,000)	(25,000)	(5,457)	19,543	12,167
Other Financing Sources (Uses):					
Transfers	-	-	-	-	-
Total	-	-	-	-	-
Net Change in Fund Balance	(25,000)	(25,000)	(5,457)	19,543	12,167
Fund Balance - Beginning of year	155,354	155,354	155,354	155,354	143,187
Fund Balance - End of year	$ 130,354	$ 130,354	$ 149,897	$ 174,897	$ 155,354

CITY OF SNELLVILLE, GEORGIA
TREE BANK FUND
BALANCE SHEET
JUNE 30, 2009 AND 2008

	2009	2008
ASSETS		
Cash	$ 95,360	$ 94,576
Total Assets	$ 95,360	$ 94,576
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	$ -	$ -
Total Liabilities	-	-
Fund Balance		
Reserved for Tree Bank activities	95,360	94,576
Total Fund Balance	95,360	94,576
Total Liabilities and Fund Balance	$ 95,360	$ 94,576

CITY OF SNELLVILLE, GEORGIA
TREE BANK FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE--BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009
WITH COMPARABLE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008

	JUNE 30, 2009				
	BUDGET AMOUNTS			VARIANCE WITH FINAL BUDGET	ACTUAL JUNE 30, 2008
	ORIGINAL	FINAL	ACTUAL		
REVENUES					
Tree Bank Bonds	$ 20,000	$ 20,000	$ -	$ (20,000)	$ 15,580
Interest	3,400	3,400	806	(2,594)	2,785
Miscellaneous	-	-	-	-	-
Total Revenues	23,400	23,400	806	(22,594)	18,365
EXPENDITURES					
Current -					
Community Development -					
Tree Bank	20,000	20,000	22	19,978	-
Capital -					
City Center	-	-	-	-	-
Total Expenditures	20,000	20,000	22	19,978	-
Excess (Deficiency) of Revenues Over Expenditures	3,400	3,400	784	(2,616)	18,365
Other Financing Sources (Uses):					
Transfers	-	-	-	-	-
Total	-	-	-	-	-
Net Change in Fund Balance	3,400	3,400	784	(2,616)	18,365
Fund Balance - Beginning of Year	94,576	94,576	94,576	-	76,211
Fund Balance - End of Year	$ 97,976	$ 97,976	$ 95,360	$ (2,616)	$ 94,576

CITY OF SNELLVILLE, GEORGIA
HOTEL/MOTEL TAX FUND
BALANCE SHEET
JUNE 30, 2009 AND 2008

	2009	2008
ASSETS		
Cash	$ 88,399	$ 116,610
Receivables -		
Donations	-	-
Taxes	5,690	9,066
Total Assets	$ 94,089	$ 125,676
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	$ 25,981	$ 27,648
Total Liabilities	25,981	27,648
Fund balance		
Unreserved	68,108	98,028
Total Fund Balance	68,108	98,028
Total Liabilities and Fund Balance	$ 94,089	$ 125,676

CITY OF SNELLVILLE, GEORGIA
HOTEL / MOTEL TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE--BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009
WITH COMPARABLE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2008

	JUNE 30, 2009				
	BUDGET AMOUNTS			VARIANCE WITH FINAL BUDGET	ACTUAL JUNE 30, 2008
	ORIGINAL	FINAL	ACTUAL		
REVENUES					
Taxes	$ 109,000	$ 109,000	$ 62,794	$ (46,206)	$ 69,120
Interest	3,100	3,100	939	(2,161)	2,546
Donations	-	-	-	-	-
Total Revenues	112,100	112,100	63,733	(48,367)	71,666
EXPENDITURES					
Current -					
Economic Development-					
Payments to others	35,000	35,000	25,118	9,882	27,648
Tourism and Promotion-					
Contracted services	60,000	60,000	51,435	8,565	4,950
Cemetery Fence	-	-	-	-	20,863
Total Expenditures	95,000	95,000	76,553	18,447	53,461
Excess (Deficiency) of Revenues Over Expenditures	17,100	17,100	(12,820)	(29,920)	18,205
Other Financing Sources (Uses):					
Transfers	(17,100)	(17,100)	(17,100)	-	14,238
Total	(17,100)	(17,100)	(17,100)	-	14,238
Net Change in Fund Balance	-	-	(29,920)	(29,920)	32,443
Fund Balance - Beginning of Year	98,028	98,028	98,028	-	65,585
Fund Balance - End of Year	$ 98,028	$ 98,028	$ 68,108	$ (29,920)	$ 98,028

CITY OF SNELLVILLE, GEORGIA
CITY CENTER CAPITAL PROJECTS FUND
BALANCE SHEET
JUNE 30, 2009 AND 2008

ASSETS	2009	2008
Cash	$ -	$ -
Investment	561,369	557,686
Accrued interest receivable	100	856
Total Assets	$ 561,469	$ 558,542

LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	$ -	$ -
Total Liabilities	-	-
Fund balance		
Reserved for capital projects	561,469	558,542
Total Fund Balance	561,469	558,542
Total Liabilities and Fund Balance	$ 561,469	$ 558,542

CITY OF SNELLVILLE, GEORGIA
CITY CENTER CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - FROM INCEPTION
FOR THE YEAR ENDED JUNE 30, 2009

	PRIOR YEARS	CURRENT YEAR	TOTAL	PROJECT AUTHORIZATION
REVENUES				
Investment income	$ 210,075	$ 2,927	$ 213,002	$ 100,000
Miscellaneous income	62,000	-	62,000	-
Total Revenues	272,075	2,927	275,002	100,000
EXPENDITURES				
Capital				
General Government	7,984,468	-	7,984,468	7,406,548
Debt Service				
Principal	1,325,000	280,000	1,605,000	6,795,000
Interest	1,156,787	213,882	1,370,669	3,121,142
Total Expenditures	10,466,255	493,882	10,960,137	17,322,690
Excess (Deficiency) of Revenues Over Expenditures	(10,194,180)	(490,955)	(10,685,135)	(17,222,690)
Other Financing Sources (Uses):				
Proceeds from long-term debt	6,795,000	-	6,795,000	6,795,000
Discount on debt issue	(119,733)	-	(119,733)	(119,733)
Issue cost on debt	(247,623)	-	(247,623)	(247,623)
Transfers	4,325,078	493,882	4,818,960	10,795,046
Total Other Financing Sources (Uses)	10,752,722	493,882	11,246,604	17,222,690
Net Change in Fund Balance	$ 558,542	2,927	$ 561,469	$ -
FUND BALANCE				
Beginning of year		558,542		
End of year		$ 561,469		

CITY OF SNELLVILLE, GEORGIA
SPLOST I CAPITAL PROJECTS FUND
BALANCE SHEET
JUNE 30, 2009 AND 2008

	2009	2008
ASSETS		
Cash	$ 5,280,822	$ 4,201,345
Taxes receivable	-	494,245
Miscellaneous receivable	3,750	-
Total Assets	$ 5,284,572	$ 4,695,590
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	$ 430,492	$ 188,213
Total Liabilities	430,492	188,213
Fund Balance		
Reserved for capital outlay	4,854,080	4,507,377
Total Fund Balance	4,854,080	4,507,377
Total Liabilities and Fund Balance	$ 5,284,572	$ 4,695,590

CITY OF SNELLVILLE, GEORGIA
SPLOST I CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL - FROM INCEPTION
FOR THE YEARS ENDED JUNE 30, 2009

	PRIOR YEARS	CURRENT YEAR	TOTAL TO DATE	PROJECT AUTHORIZATION
REVENUES				
Taxes	$ 9,769,692	$ 2,040,740	$ 11,810,432	$ 11,056,158
Interest	242,228	39,290	281,518	-
Total Revenues	10,011,920	2,080,030	12,091,950	11,056,158
EXPENDITURES				
Capital Outlay -				
Transportation	2,223,377	301,729	2,525,106	4,056,158
Public Safety	3,111,377	770,939	3,882,316	5,000,000
Cultural, Historic, & Recreation	172,289	660,659	832,948	2,000,000
Total Expenditures	5,507,043	1,733,327	7,240,370	11,056,158
Excess of revenues over (under) expenditures	4,504,877	346,703	4,851,580	-
Other financing sources (uses)				
Transfers	2,500	-	2,500	-
Excess (deficiency) of revenues and other financing sources over (under) other financing uses	$ 4,507,377	346,703	$ 4,854,080	$ -
FUND BALANCE				
Beginning		4,507,377		
Ending		$ 4,854,080		

CITY OF SNELLVILLE, GEORGIA
SPLOST II CAPITAL PROJECTS FUND
BALANCE SHEET
JUNE 30, 2009

	2009
ASSETS	
Cash	$ -
Taxes receivable	629,057
Total Assets	$ 629,057
LIABILITIES AND FUND BALANCE	
Liabilities	
Accounts payable	$ -
Total Liabilities	-
Fund Balance	
Reserved for capital outlay	629,057
Total Fund Balance	629,057
Total Liabilities and Fund Balance	$ 629,057

CITY OF SNELLVILLE, GEORGIA
SPLOST II CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL - FROM INCEPTION
FOR THE YEARS ENDED JUNE 30, 2009

	PRIOR YEARS	CURRENT YEAR	TOTAL TO DATE	PROJECT AUTHORIZATION
REVENUES				
Taxes	$ -	$ 629,057	$ 629,057	$ 16,027,928
Interest	-	-	-	-
Total Revenues	-	629,057	629,057	16,027,928
EXPENDITURES				
Capital Outlay -				
Road, Streets and Bridges	-	-	-	2,083,631
Public Safety Facilities and Equipment	-	-	-	6,411,172
Recreational Facilities				5,930,332
Administrative Facilities	-	-	-	1,602,793
Total Expenditures	-	-	-	16,027,928
Excess of revenues over (under) expenditures	-	629,057	629,057	-
Other financing sources (uses)				
Transfers	-	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) other financing uses	$ -	629,057	$ 629,057	$ -
FUND BALANCE				
Beginning		-		
Ending		$ 629,057		

CITY OF SNELLVILLE, GEORGIA
LCI GRANT FUND
BALANCE SHEET
JUNE 30, 2009 AND 2008

	2009	2008
ASSETS		
Cash	$ 46,168	$ 28,072
Grant receivable	213	18,449
Total Assets	$ 46,381	$ 46,521
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	$ 266	$ -
Deferred revenue	213	18,449
Total Liabilities	479	18,449
Fund Balance		
Reserved for capital projects	45,902	28,072
Total Fund Balance	45,902	28,072
Total Liabilities and Fund Balance	$ 46,381	$ 46,521

CITY OF SNELLVILLE, GEORGIA
LCI GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE--BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	BUDGET AMOUNTS			VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL	ACTUAL	
REVENUES				
LCI grant	$ 390,000	$ 390,000	$ 20,871	$ (369,129)
Interest	1,600	1,600	253	(1,347)
Total Revenues	391,600	391,600	21,124	(370,476)
EXPENDITURES				
Current -				
Town Center	512,767	512,767	3,294	509,473
Total Expenditures	512,767	512,767	3,294	509,473
Excess (Deficiency) of Revenues Over Expenditures	(121,167)	(121,167)	17,830	138,997
Other Financing Sources (Uses):				
Transfers	95,167	95,167	-	(95,167)
Total	95,167	95,167	-	(95,167)
Net Change in Fund Balance	(26,000)	(26,000)	17,830	43,830
Fund Balance - Beginning of Year	28,072	28,072	28,072	-
Fund Balance - End of Year	$ 2,072	$ 2,072	$ 45,902	$ 43,830